A BRAVE NEW CAMPUS

Marysville Getchell High School Campus
2011 MacConnell Award Winner
School districts throughout the country are suffering from aging schools, repair and maintenance backlogs, and budget shortfalls. The result is insufficient government resources to ensure that students are provided adequate classrooms and facilities to enhance learning and student achievement. In Hawaii, the repair and maintenance backlog for 2010 was approximately $392 million for the Hawaii Department of Education’s (DOE) 260 public schools statewide.\(^1\) Coupled with Hawaii State government addressing a $1.3 billion deficit, deep cuts to government operations and services are currently being implemented, leaving minimal funding for school repair and maintenance, let alone needed facilities upgrades to meet the demands of 21st century learning.

Recognizing that public funds are severely limited, in 2009, the Hawaii Institute for Public Affairs (HIPA) initiated a research- and community-based effort to develop an innovative, systemic and practicable approach to school facilities upgrades, management and development. The process, best practices, and challenges experienced in the Aloha state could be used as a national model for building 21st century schools.

What is a 21st Century School?

A 21st century school includes a full complement of the people, programs and places that support a wide range of personal learning styles and instructional modalities. More recent models for educational delivery include innovative and effective practices like differentiated instruction, cooperative and project-based learning, multiple pathways and other educational strategies. These new strategies call for school designs that include some significant modifications, like more flexible and adaptable floor plan layouts, more advanced technology, improved daylighting and more. These design changes are all part of a new era of twenty-first century school facilities.\(^2\)

In Hawaii, most public schools are single-story, horizontal school campuses which consume large quantities of land, and are not aligned with 21st century learning. Hawaii law actually quantifies the historical average acres and enrollments required for elementary, middle, and high school as 12.5 acres (800 students), 16.5 acres (1,500 students), and 49 acres (1,600 students), respectively.\(^3\) Such school configurations are not necessarily compatible with modern school facilities which could be more compact and vertical, enabling efficiencies in technology, security and grounds maintenance, let alone more effective use of land. Most of Hawaii’s oldest schools are within the urban core, where the Urban Land Institute predicts that growth will begin to shift in the coming decades.

Elements of a Strategic Approach to Building 21st Century Schools: Utilizing Vacant or Underutilized Public School Lands

Hawaii’s 260 public schools occupy about 3,978 acres of land and 19 million square feet of building space. Many school campuses are situated in valuable areas like the financial district of downtown Honolulu, near Waikiki Beach and downtown Lahaina – collectively worth billions of dollars if developed appropriately.

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\(^1\) Loren Moreno, Honolulu Star Advertiser, Hawaii Public Schools’ Repair Backlog Chopped 50 percent, May 10, 2010.

\(^2\) S. Bingler, et al., Concordia LLC, Hawaii: Nexus Community Planning and Engagement (Project Report to the Hawaii Institute for Public Affairs), July 1, 2011.

The essence of this approach to building 21st Century Schools is to leverage underutilized or vacant public school lands that are consistent with the educational and community needs of the school, teachers and its students. Joint-use, lease-backs, land swaps and other use of public school lands provide unique opportunities to maximize the value of public school lands. For example:

- Public school lands can be leased at minimal cost to Developer X for commercial or other purposes that are compatible with the school and surrounding community. In return, Developer X builds a new 21st century school and provides a portion of its lease proceeds for the duration of the lease to the DOE for further development of 21st century schools throughout the state.

- Developer Z builds a new vertically-designed 21st century school at no or minimal cost to the DOE, and occupies a portion of the premises for commercial, residential or other compatible uses.

**Encouraging Public-Private Partnerships**

Encouraging and incentivizing public-private partnerships are therefore critical. No longer can public education be solely financed and supported by government. The private sector, with its resources and expertise, can play an integral part in enhancing public education, while providing profitable opportunities for their respective companies.

The U.S. Department of Defense (DOD), for example, has pioneered these efforts in engaging in public-private partnerships in Hawaii and throughout the country. In 1996, Congress established the Military Housing Privatization Initiative (MHPI) as a means to develop and improve housing for U.S. service members. Under the MHPI, DOD works with the private sector to revitalize military family housing through a variety of financial tools - direct loans, loan guarantees, equity investments, conveyance or leasing of land and/or housing and other facilities. A similar approach to building and maintaining public schools can also be applied by leveraging public lands as well as public and private financing mechanisms.

**Legal and Policy Reform**

In order for the DOE to facilitate such land transactions, land management and title reform was required. HIPA developed a policy framework which was used as basis for legislation introduced as Senate Bill 1385 in the 2011 Hawaii State Legislature. A key element of SB1385 was transferring land title and facilities management authorities from DLNR and the DOE to a new governmental authority – the Public School Land Trust (PSLT). Unlike other western states, Hawaii does not have a dedicated educational land trust where proceeds generated from public schools lands can be used to build and finance 21st century schools. In summary, SB1385 included:

- Creation of a land trust to hold title to public school lands and revenues generated from the sale, lease or joint-use of its holdings;
- Formation of a public schools lands trust Commission to plan, construct and develop 21st Century schools;
- Funding mechanisms to build schools, including authority to issue special purpose revenue bonds and enter into a joint development agreement with private entities.

Simultaneously, Senate Bill 1555 was introduced in the Hawaii State Legislature. SB1555 similarly proposed the creation of a Public Lands Authority. The bill was much broader in scope than SB1385, and provided opportunities to utilize all public lands, rather than just public school lands. Ultimately, SB1555 was adopted by the Legislature, and signed by the Governor as Act 55 (SLH 2011). Act 55 now provides greater flexibility to utilize public lands, including public schools lands, for public-private initiatives as recommended in HIPA’s conceptual framework.

**Engaging Students, Stakeholders and the Community**

A community-based policy and planning approach is essential to ensure that 21st century schools and any related commercial, residential or other development is compatible with the surrounding community. Teachers, students, community residents and stakeholders need to play a meaningful role in the planning, design and continued partnership between school and community. Short of that, there may be a disconnect between the school and the community. More so, opportunities to integrate learning, community support and partnerships for students could be lost. As part of HIPA’s efforts to develop model legislation and this systemic approach, we engaged, consulted and convened a wide range of key government, business, labor and community leaders.

**Sustainable Financing Mechanism**

Another basic element of HIPA’s systemic plan is to develop a sustained funding mechanism. Without a viable financing scheme, the plan will fail. Careful attention and emphasis must be placed on the development of a financing scheme that utilizes a wide array of funding mechanisms – taxes, business incentives, municipal bonds, etc.

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5 While SB1555 was adopted, it is still unclear as to how proceeds from revenues generated from public school lands will be handled. Amendments to Act 55 may be required to ensure the proceeds from public school lands are used for public education purposes.
loan guarantees, etc., that maximize opportunities created by leveraging public assets and utilizing public-private partnerships.

Generally, in Hawaii, public school facilities are funded by State income and corporate taxes, augmented by federal funding for special and grant programs. As part of this systemic plan, the following concepts are being considered:

- Review and evaluate revenue and debt measures which impact public education;
- Leverage the value and use of vacant and underutilized land as part of a financial model;
- Monetize annual CIP appropriations for issuance of larger-scale municipal bonds;
- Identify school parcels with high value and development potential that can be used as a long-term revenue stream for public education.

These alternatives can vary based on the location of the school. Whatever the case, a comprehensive financial strategy is required. Piece-meal funding is not a viable approach to ensuring quality facilities for Hawaii’s students.

A Comprehensive Systemic Plan is Required

In order to integrate the above-referenced activities and requirements, a comprehensive plan is necessary. HIPA believes that the DOE must adopt a statewide plan to ensure that Hawaii’s students are adequately provided with quality facilities which advance student learning and achievement. While spending money on repair and maintenance is necessary to some extent, a systemic plan to build 21st century schools is the essence of this plan.

Furthermore, a comprehensive plan addresses important equity issues of any statewide schools system. School improvements must be looked at in totality to ensure that a fair and rationale approach is applied. For example, urban schools may provide better commercial opportunities for joint-development of school facilities with private entities. Therefore, how does the DOE deal with improving rural schools? Do development proceeds from one school get distributed to just that school, or are they distributed or allocated to other areas? These issues and more need to be addressed in a statewide plan.

Steven Binger, REFP, received his architectural training at the University of Virginia. In 1983 he founded Concordia, a community-based planning and architecture firm, to pursue systemic and collaborative design practices. Concord - which means harmony among things and agreement between people - is the firm’s one word mission statement. Design projects include the Contemporary Arts Center in New Orleans, where a cooperative partnership with seven sculptors explored visual art and architectural design as a collaborative enterprise; and the Henry Ford Academy in Dearborn, Michigan. In 2006, Concordia coordinated the development of the Unified New Orleans Plan, a comprehensive strategy for the redevelopment of the city of New Orleans after Hurricane Katrina. Concordia’s research alliances have included the MIT Media Lab, Harvard University’s Project Zero, the University of New Mexico, the National Aeronautics and Space Administration, the Thornburg Institute, the Appalachian Education Lab and the West Ed Research Lab.

Alan Oshima serves on the board of the Hawaii Institute of Public Affairs. Mr. Oshima currently provides strategic business advice as the principal of AMO Consulting LLC in Honolulu. He was a founding partner of a Honolulu law firm before joining Hawaiian Telcom as its senior vice president and general counsel. Upon his retirement from that position in 2008, he continued to serve as a senior advisor and member of Hawaiian Telcom’s board of directors until late 2010. He is also on the board of Hawaiian Electric Company and various Hawaii community service organizations. In April 2005, he received the Hawaii State Bar Association’s Pro Bono Service Award for his countless hours of volunteer legal work in the community, and recognized as one of America’s Best Lawyers in the field of public utility regulation. He serves on the board of the YMCA of Honolulu, and as vice president of Hawai’i 3Rs, a non-profit organization that facilitates government, business, community and school partnerships to repair, remodel and restore Hawaii’s public schools. He was appointed as one of the four community members on the Hawaii’s Interagency Working Group formed pursuant to Act 51, a bill passed to “reinvent education” in Hawaii. He served as an officer of many Parent Teacher Association boards and as a director of the Hawaii State Bar Association. He also serves on The Learning Coalition, dedicated to assisting Hawaii’s Public School System. He graduated from Northwestern University and the University of California, Hastings College of Law.

William M. Kaneko, Over the past two decades, Mr. Kaneko has served in various public policy, government and legal positions. He was a national recipient of the CORO Foundation Fellowship in Public Affairs, and served on the professional staff of Hawaii Governor John D. Waihee III. He served as national vice president for Public Affairs for the Japanese American Citizens League, the largest Asian Pacific American civil rights organization in the country. He is also an attorney with the Honolulu law form Alston Hunt Floyd & Ing, and was selected by his peers and listed in Best Lawyers in America for government relations law and Honolulu Magazine’s Best Lawyers in Hawaii. Mr. Kaneko received the Award for Public Service from the U.S. Department of Justice for his work with the department on redress for Japanese Americans unlawfully interned during World War II. He also received the Trailblazers Award from the National Asian Pacific American Bar Association. He received a Bachelor of Arts degree from the University of Puget Sound, a Juris Doctor degree from the Catholic University of America and an honorary Doctor of Laws degree from the University of Puget Sound.