

3. REPRINTS

Getting Infrastructure Built

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The profitability and success of a development project often hinge on the timely completion of improvements to adjacent highways, bridges, sewers, and transit services. In recent years, complex environmental and construction requirements have increased the lead time and costs required for many infrastructure improvements. At the same time, the public funding needed to finance road widening, interchange and bridge construction, sewer improvements, and transit development has come under severe budgetary constraints at all levels of government.

In northeast Ohio, public and private sector leaders have entered into a successful partnership to solve infrastructure development problems. The lessons learned from Cleveland's partnership can be readily translated to other communities.

Cleveland Infrastructure Team Shares the Secrets of Success

Founded in 1983 and commonly referred to as "BUGC", Build Up Greater Cleveland is a unique partnership that consists of elected and appointed officials from local, state, and federal governments as well as dedicated private sector executive volunteers from engineering, banking, investment, manufacturing, utility, accounting, and law firms. The development community has actively participated in all aspects of BUGC's activities since the program was founded. A team effort that was born of crisis but matured over a decade of wrenching economic upheaval, BUGC has earned national recognition for its ability to attract public financing needed for the improvement, repair, and construction of roads, bridges, and sewer, water, and transit facilities.

The first secret of BUGC's success is its systematic strategy for gaining the commitment of public funding through coordinated and simultaneous advocacy efforts at the local, state, and federal levels. The strategy calls for the aggressive and persistent pursuit of a fair and equitable share of state and federal infrastructure investment. Central to the strategy is the involvement of elected officials. Specifically, these officials enacted legislation that maximizes the return of tax dollars to northeast Ohio.

At the federal level, the formula used to divide highway and bridge funding has been amended in favor of Ohio and certain other states in each piece of major surface transportation legislation since 1987. The Ohio Congressional delegation's leadership for this effort was based, in large part, on technical assistance and networking support from BUGC.

For their part, private sector volunteers help develop the data that form the basis for BUGC's "fair share" advocacy efforts. Corporate expertise has been particularly useful in quantifying the public benefits of infrastructure investment. Private sector executives also play an active role in various task forces charged with solving problems and coordinating road and bridge repair work with utilities. In addition, both public and private sector

members of BUGC are involved in long-term efforts to educate the public on the importance of infrastructure to the community and its economy.

The second secret of BUGC's success is its focus on improving the process by which projects move from identified need to construction. Between 1988 and 1993, the greater Cleveland area posted a 166 percent increase in the number of completed road and bridge projects. This surge resulted largely from the adoption of new procedures that reduced project completion time by 44 percent. BUGC's approach to achieving performance to achieving performance has helped reshape Cleveland's skyline and, at the same time, contributed to a major renaissance in regional economic development.

What Difference Has the Partnership Approach Made?

Over the last decade, BUGC's advocacy program has yielded more than one billion dollars in unprogrammed funds that the greater Cleveland area would not have otherwise received. Much of the credit for the funds goes to northeast Ohio's congressional delegation. The delegation orchestrated a multistate/multiyear coalition effort that has increased the return of Ohio's share of the federal gas tax from 61 cents on the dollar in 1981 to 90 cents on the dollar in 1993. Changes in the formulas used to distribute federal highway and bridge dollars have also brought more than 1.5 billion dollars in new funds to Ohio and more than two million dollars in new funds to greater Cleveland. At the state level, BUGC played a pivotal role in establishing the Ohio Public Works Commission and its program of needs-based funding for local capital assets. This effort has resulted in an estimated annual increase of 14.5 million dollars for county roads, bridges, and sewers. BUGC worked locally for legislation that increased motor vehicle license tag fees, which now generate more than 13 million dollars per year in road and bridge repair funds.

BUGC has lobbied successfully at the federal and state levels for project-specific funding for infrastructure improvements essential to Tower City Center, a new baseball stadium and arena project, the Rock and Roll Hall of Fame, and many other major development projects. BUGC has also been a key player in the cleanup of the Cuyahoga River, the overhaul and rehabilitation of Cleveland's transit system, and the completion of the Interstate highway network in northeast Ohio. BUGC's efforts have generated 396 million dollars for road and bridge improvements, 260.7 million dollars for transit development, 396 million dollars for water projects, and 341 million dollars for sewer needs. BUGC Chairman James M. Delaney of Deloitte and Touche points out, "We now are witnessing a shift in investment from rehabilitation of existing infrastructure to increased expenditures for new facilities, which support high impact economic development projects."

With the increase in funding for necessary infrastructure repairs and improvements, it became clear to city and county engineers, the Ohio Department of Transportation, the Greater Cleveland Regional Transit Authority, and the Northeast Ohio Regional Sewer District that projects were moving too slowly from design to construction. The various agencies shared many problems, particularly the burden of meeting new and complex environmental requirements while processing more and larger projects with a limited number of professional staff. To meet this challenge, the several agencies worked with private sector executives to develop, test, and implement performance improvement measures. The payoff has been a dramatic increase in the agencies' ability to complete road and bridge projects at a much faster pace.

Whenever possible, environmental impact and engineering tasks are performed simultaneously rather than sequentially. Scoping meetings that include public and private sector participants are conducted early in the project planning process. The meetings sort out which agency or entity will assume primary responsibility for each task and institute cooperative mechanisms to ensure that projects remain on schedule and that problems are addressed quickly. The application of value engineering techniques helps make certain that the right project is initiated for the right reasons within a time frame that makes sense for all involved. BUGC's recommendations for fast tracking highway projects have worked so well the Governor George Voinovich has encouraged the Ohio Department of Transportation and the Ohio Environmental Protection Agency to implement similar action on a statewide basis.

How Process Affects Products — Moving Projects Faster Means Getting More Public Investment

The fast-track approach has reduced costs, improved completion times, and helped finance infrastructure projects. Given that a great deal of federal and state financing for highway, bridge, sewer, and transit projects is distributed on a "first come, first served" basis, it is hustle — and the ability to keep the bureaucratic pipelines full of ready-to-go projects — that determines where public money is spent.

Most of the federal funding for highways and bridges is disbursed with time constraints; that is, a jurisdiction must spend federal funds within a certain number of years or lose its funding allotment to other states. Therefore, a state department of transportation must, for example, meet all federal and state planning and programming requirements while spending its allotment of federal funds within the stated time limit. Accordingly, cities and counties with ready-to-go projects consistently receive funding. On the other hand, communities that fail to put together ready-to-go projects are unable to attract anything close to their fair share of public investment.

How Can Local Communities Translate These Successes to Their Own Settings?

1. Develop a public/private infrastructure partnership team. BUS-C will be pleased to provide you with advice and written material on creating a partnership and, in return, asks only for feedback on what actions you take and what works in your community. In the meantime, even if you have a partnership in place, consider the actions outlined below.
2. Visit your metropolitan planning organization (MPO) to find out about the availability and requirements for state and federal funding. If you do not live in an urban area, visit the nearest field office of your state department of transportation. Planners and engineers at this and other agencies can assist you in determining whether federal participation is appropriate for a given project. If participation is appropriate, staff will tell you what steps are necessary to ensure federal financing.

It is important to recognize that projects can usually be completed more quickly in the absence of assistance. The federal government conditions the receipt of funds on compliance with federal standards for planning, environmental, public participation, and programming actions. For large, expensive public works improvements, however, federal financing is typically essential.

If your project can be successfully undertaken with only state and local financing, your MPO will advise you accordingly. Your MPO can also greatly assist in guiding you through the federal and state funding processes and introducing you to the key players.

3. Identify the most appropriate public agency or government sponsor for your project and secure that party's agreement to fund your project. Early on, talk to the head of the appropriate agency about what you need, when you need it, and the rationale for the project. Ask for and follow the agency head's advice on how to "feed the agency." Identify the staff members who will be assigned to your project and get to know those individuals. In other words, find out who is responsible for your project, what they need from you, and when you need to complete key steps to ensure adherence to a mutually workable and realistic project schedule.
4. Be sure that elected officials are familiar with and support your project. Find out which public bodies must sign off on your project and what specific actions are necessary. Visit the appropriate elected officials and describe how your project will contribute to their vision of and priorities for the community. Is a consent ordinance needed from city council? Must the MPO board of directors include your project in its short- and long-term plans and project lists? Does the state need to file project-related documents with the U. S. Department of Transportation or U. S. Environmental Protection Agency? Does the state legislature assign funds for projects such as yours? Elected officials can be of immense assistance in spurring timely action by public agencies, especially if the officials are involved in the process early and consider themselves stakeholders in the project.
5. Assume 100 percent proactive responsibility for keeping your project moving. If a delay occurs, identify the reason. To the greatest extent possible, help the person who must resolve the problem get whatever he or she needs to move the project forward. Keep all involved parties informed of project progress, and alert key public agency staff to changes as soon as possible.
6. Say thank you often and keep your word; deliver on your promises. Most staff at public works agencies labor under hiring freezes and have not seen a significant pay increase in years. At the same time, they are responsible for large numbers of projects and must comply with new and confusing regulations. They are answerable to a diverse set of interests. Let them know that you appreciate their efforts.

Encourage public agency staff to let you know if a problem arises or if you can do something to help keep your project on track. If staff members ask you for information, drawings, or legal or other information, tell them when you will submit the requested materials to them. Make sure that you deliver what you promised when you promised. Make certain that any material is delivered in a form that most readily serves agency purposes. Confirm that the right person has in fact received your information.

If the various steps look like a lot of work — and for some projects they represent a full-time job — remember that the Cleveland experience has proven to be well worth the effort. The actions described here have led to considerable success, but the process can be expanded and improved. We look forward to hearing from you about your experiences in building public/private partnerships.

SOLSTICE

To make comments or to request further information write or phone:

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