

# Building Your Facility Team: A Guide to Owner's Representatives

A LISC, Civic Builders, and PCSD Presentation

LISC

CIVIC BUILDERS



# Submit questions by **chatting the host**

A screenshot of a chat interface. At the top, there is a dropdown menu labeled 'Send to: Host' with a downward arrow. Below this is a large text input field with the placeholder text 'Enter chat message here'. Underneath the input field is a light blue rectangular box containing the text 'Submit to **host**, not all panelists.'

# Agenda

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- **Introductions**
- **Icebreaker**
- **What is an Owner's Representative?**
- **How does development approach affect OR selection?**
- **What is the role of an OR throughout the development process?**
- **Does your facility project need an OR?**
- **How to choose the right OR?**
- **When should an OR join your facility team?**
- **How much does an OR Cost?**
- **What are communication best practices with OR?**
- **Real world advice from Patterson Park Public Charter School**
- **Questions?**

# Introductions



## Civic Builders Ellen McBurney

Civic Builders is a non-profit lender and developer, bringing a full-suite of real estate services to high-quality public charter schools. Since 2002, the organization has supported the growth of 65 schools educating more than 35,000 students annually. Civic Builders partners with philanthropists and capital providers to design and manage affordable, new real estate financing and development solutions for excellent public charter schools.



## Local Initiatives Support Corporation Yvonne Nolan

LISC Charter School Financing supports education facilities improvements, construction, and development. LISC has invested over \$292 million in loans, tax credit allocations, guarantees, and grants invested in 200 charter schools across the country. CSF also conducts research on facility financing best practices, state policies and federal policies and disseminates this information through [SchoolBuild](#).



## Pacific Charter School Development ("PCSD") Kahlmus Eatman

PCSD is a non-profit, full-service real estate development firm with expertise to manage all aspects of a facilities project. PCSD partners exclusively with charter schools to create long-term facilities solutions aimed at dismantling systemic inequality and expanding educational opportunities in under-resourced communities. PCSD has developed 100+ campuses and created more than 42,000 seats for charter students across California and the State of Washington.



## Patterson Park Public Charter School, Inc. Jane Lindenfelser

Patterson Park Public Charter School, Inc. is a non-profit charter school operator in Baltimore, MD that operates two community-centered schools. The mission of Patterson Park Public Charter School, Inc. is to empower the school community through a whole-child approach in a diverse, community-centered learning environment to be stewards of an equitable future. 4

**Icebreaker: What do you call the thing from which you might drink water in a school?**





# Icebreaker: What do you call a sweetened carbonated beverage?



# What is an Owner's Representative (OR)?

An OR is a person or company that represents the owner of a building or facility project (you!). They typically monitor (not manage) and their services are often in addition to the specific duties of a project manager.

## *Owner's Representative*

- **Advocates** for *your* goals. Has a fiduciary responsibility to the owner while consulting on all aspects of a project.
- **Monitors** the overall execution of a project: project resources, time, money and quality to closeout
- **Consults** with all project team members, while evaluating any impact on schedule, budget, quality
- **Advises** to ensure project needs are met (vision and mission) and can identify potential risks and develop strategies to mitigate risks.
- **Keeps you updated** on any critical issues. Acts as your liaison with the project manager, contractors and consultants.

## *Project Manager*

- **Advocates** for successful delivery of the *project*.
- **Manages** the day-to-day execution of project tasks. Plans and directs activities of project team
- **Coordinates** the work of all project team members to meet schedule and ensure alignment of deliverables
- **Executes** risk mitigation strategies to ensure projects stay on time and on budget.
- **Employed** by project developer

# Your Development Approach and Its Impact on OR Selection

**A key consideration when deciding if your project needs an OR and which OR is the best fit is how your project is being developed and who owns the budget and schedule risk.**

## **Core Development Responsibilities and Risks to Consider**

- Who is responsible for acquiring the site and securing financing?
- Who is hiring the project professionals including architect, contractor, etc.?
- Who is responsible for driving the schedule and ensuring the project is delivered on time?
- Who is responsible for any budget overages?

### *Self-Developing*

- In this scenario, you as the school own all of the above responsibilities and risks.
- OR is actively managing all of the above project responsibilities and risks on your behalf.

### *Third-Party Developer*

- In this scenario, developer owns all of the above responsibilities and risks.
- OR is monitoring progress, advocating on school's behalf, supporting the developer with their technical expertise, communicating key information and milestones between school and developer.



# Role of an OR by Development Phase and Development Approach



## *Self-Developing*

## *Third-Party Developer*

- Help define school's search criteria and affordability metrics
- **Coordinate site search approach and bring on appropriate supports, such as brokers**
- Walk sites to confirm fit with school's programmatic vision
- Work with broker to negotiate agreements and secure land or building

- Walk sites to confirm fit with school's programmatic vision
- Support negotiations with third-party developer to ensure best terms for school

- **Procure a qualified team for your project (issuing RFPs, reviewing bids, hiring, etc.)**
- Develop overall project schedule, budget, and adherence to quality guidelines
- Assist with community relations
- **Manage regulatory, environmental or zoning approvals**

- Advise on third-party developer's project team selection (if allowed in your agreement)
- Provide opinion on viability of third-party developer's project schedule and budget
- Assist with community relations

- Liase between the school and design team to ensure the design meets the project goals, budget and schedule
- Monitor overall project schedule, budget, and adherence to quality guidelines
- **Assist with securing financing and bank closings**

- Participate in project design meetings and advocate for adherence to school's vision and programmatic needs
- Monitor overall project schedule, budget, and adherence to quality guidelines
- Communicate progress to school

- **Monitor construction and address issues as they arise with on-site project team**
- Manage communication between owner, architect, general contractor, and other consultants
- Coordinate project closeout, move-in, and school opening

- Act as on-site representative for school, monitoring progress of construction against key milestones
- Communicate with school, keeping them aware of key issues that may impact budget or schedule
- Support project close-out, move-in and school opening

# Does your facility project need an OR?

*Here are some questions you may want to ask yourself to decide whether you need an OR for your project or not:*

Who is Developer of My Project?	<ul style="list-style-type: none"> <li>• Does the developer have experience doing school development?</li> <li>• Does the developer have experience in my city?</li> <li>• Is the developer mission-aligned with my organization?</li> </ul>
Internal Experience/ Expertise	<ul style="list-style-type: none"> <li>• Is there a member of your staff with the required experience to manage a facility project?</li> </ul>
Size and Scale of Project	<ul style="list-style-type: none"> <li>• What is the scale of your project in terms of size and duration?</li> <li>• What phase of planning or construction is your project in?</li> <li>• How well are potential project risks known? Risks can include existing site conditions (e.g. underground storage tanks, hazardous materials/abatement requirements, structural concerns, etc.) as well as entitlements and permitting issues.</li> </ul>
Time/Capacity	<ul style="list-style-type: none"> <li>• Do you have the time to manage a project (and/or developer) yourself?</li> <li>• What are the other responsibilities you will be juggling while the construction or renovation of your facilities is happening?</li> <li>• Are you able to allocate time and resources to ensure timely communications with project teams?</li> </ul>

# Choosing the Right OR

Determine the scope of services required to meet your school's particular needs based upon your own in-house capabilities and other trusted partners. Then assess the professional and technical skill of potential owner's representatives to ensure alignment with your needs.

## Key Expertise:

- Experience with school projects
- Experience in your local geography
- Experience with construction projects of a similar size and scope to your project

## Project Specific Considerations:

- What is the size of my project (total budget and square footage) and scope of work to be performed by OR? Look for OR with similar previous experience.
- Are there unique site factors such as zoning or entitlements issues? If so, OR should have experience with these project factors.
- Do I need support with the financing for this project? If so, OR should have financial expertise.

## Other Considerations:

- OR is mission-aligned with my organization
- Overall responsiveness and on-staff capacity for the duration of your project
- Communication skills and approach align with your style
- *Recommendations and referrals from other school leaders*

# When should an OR join your facility team?

An OR can be brought on at any phase of the project, however, the earlier you have an OR join your facility team, the better it is for the success of the project.

- Starting early on the project allows the OR to align themselves to your vision for the project and provide their focused technical expertise throughout all phases of the project.
- An OR's capacity to advocate on your behalf is only as valuable as the rights established in your lease or construction agreement.
  - Structuring your agreements with developers or construction managers to allow for a 'seat at the table' is critical for successful participation and advocacy from your OR.
- Budget and schedule impacts are much smaller if changes to design or plans are made in the early stages of facility projects.
  - An OR vetting and guiding your team through very important, early decisions could save you time and dollars throughout the project.

# How are OR fees structured?

**Size, type and duration of the project determine the amount of the fee, which typically will be 1-4% of project budget, structured in one of two ways:**

## Lump Sum or Flat Fee

- Ideal to have responsibilities, scope, and deliverables clearly defined.
- Allows for cost certainty and ability to leverage the full array of services the OR offers.
- Can utilize incentives to meet established budgets and schedules

## Hourly Rate

- Best when client is experienced in project delivery and only needs assistance for very specific tasks.
- Can fluctuate OR involvement and costs based on your project needs.
- Less cost certainty. Restricting hours may cause a drop in quality if OR is over budget on time.
- Structure may cause you to be reluctant to leverage OR to avoid costs, which could hurt overall project delivery and limit effectiveness of the OR.

# Communication Best Practices

**Effective communication at all levels is a key benefit to having an OR for your project. Consider communication across the following three areas.**

- **Project-Level Communications**
  - Clearly defined development schedule and key milestone calendar that is used as a north star throughout your project's life cycle
  - Regular cadence for project-level team meetings
  - Organized agendas, project-tracking tools, and next steps for project meetings
- **OR Communications with School Leadership**
  - Establish a regular cadence for reporting progress back to school leadership, using key milestones as basis for these updates
  - Agree to a process for raising concerns or issues to the school team
- **Your Communications with OR**
  - Clear point person on the school team to interact with OR
  - Be timely in your responsiveness to OR inquiries. Your feedback is critical to keeping the project moving forward.
  - Be clear and definitive in your direction to OR. The OR is your representative in critical elements of project decision-making. Providing clarity early on with regards to projects goals and vision will save you time (and perhaps money!) down the line.



# Clay Hill Public Charter School - Baltimore, MD

**School Name:** Clay Hill Public Charter School

**School Location:** Baltimore, MD

**Grades Served:** K-3; CHPCS will expand to serve grades K-8 at full enrollment

**Project Description:** Patterson Park Public Charter School is a successful charter school in the Baltimore area. Due to high demand, they opened a second school, Clay Hill Public Charter School (CHPCS), in fall 2021.

CHPCS is located at the site of a former Catholic school in Southeast Baltimore. They recently completed Phase I of a tenant improvement project on their leased facility. Key activities for Phase I of the project included roof repair, window repair, and classroom and corridor improvements. Future phases will require renovating and building additional classrooms to accommodate increased student enrollment.



# Clay Hill Public Charter School - Baltimore, MD



Phase I complete!

The project renovated their school building for 185 students in grades K-3, growing over time to accommodate 540 students in grades K-8.

As a partner school of Patterson Park, CHPCS will bring their successful model, mission, and vision to the Southeast Baltimore community.

## OUR MISSION

The mission of Patterson Park Public Charter School, Inc. is to empower the school community - through a whole-child educational approach in a diverse, community-centered learning environment - to be stewards of an equitable future.

## OUR VISION

Life-long learners, healthy families, and strong neighborhoods.

## OUR COMMUNITY SCHOOL

As a Community School, PPPCS creates a network of partnerships with other community resources that promote student achievement and family and community well-being. Our integrated focus on academics, enrichment, health and social supports, youth and community development, recreation, employment, adult education and family engagement leads to student success, stronger families and healthy communities.

## OUR VALUES

PPPCS is a community-founded school devoted to a whole-child education philosophy and driven to academic excellence in a diverse setting. We are committed to the values of:

- **Excellence:** Challenging every child to excel using interdisciplinary, thematic, hands-on instruction that infuses the arts and fosters creativity and critical thinking.
- **Wellness:** Providing a safe environment to maintain and improve the physical, mental, social, and emotional health of every child and family.
- **Identity:** Encouraging every child's identity development through personal growth and an understanding of historical contexts of race, gender, and other expressions of self.
- **Love:** Cultivating a network of committed, caring individuals and strengthening family and community structures that support healthy interpersonal relationships.



Questions?

# Contact

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