

California State Auditor

B U R E A U O F S T A T E A U D I T S

Los Angeles Unified School District:

Its School Site Selection Process Fails to Provide Information Necessary for Decision Making and to Effectively Engage the Community



December 1999
99123

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December 22, 1999

99123

The Governor of California
President pro Tempore of the Senate
Speaker of the Assembly
State Capitol
Sacramento, California 95814

Dear Governor and Legislative Leaders:

As requested by the Joint Legislative Audit Committee, the Bureau of State Audits presents its audit report concerning the Los Angeles Unified School District's (district) school site selection process.

The report concludes that the site selection process the district uses to choose locations for new schools does not ensure that it will acquire the most appropriate and safest sites for the communities the schools will serve. The flaws in the district's process have contributed to building 13 schools and beginning construction on 3 others that are on or in close proximity to hazardous substances. The district also fails to effectively involve the community in the selection of new school sites, which has angered community members and delayed the selection of some sites.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

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SUMMARY

Audit Highlights . . .

Our review of the Los Angeles Unified School District’s (district) site selection process revealed that the most appropriate and safest school sites are not always chosen. Specifically, we found that the district:

- ☑ *Failed to provide its board with sufficient, complete, and accurate data for decisions.*
 - ☑ *Acquired 16 sites with hazardous substances on or near them.*
 - ☑ *Excluded the community from participating in the selection of nearly half of 51 recent school projects.*
 - ☑ *Has been ineffective in soliciting community input on new school sites when it was sought, thus angering community members and delaying selections.*
-

RESULTS IN BRIEF

With hundreds of thousands of current students and an expanding enrollment, the Los Angeles Unified School District (district) has recently started selecting sites for 96 new schools. Unfortunately, the process it uses to choose the locations for these schools does not ensure that the district will have the most appropriate and safest sites in the communities the schools will serve. In fact, partly as a result of the district’s lack of information about potential school sites, the district has built 11 schools that are on or in close proximity to sites containing hazardous substances. It has also delayed or halted construction on 3 other schools on such sites and has built 2 more on sites known or suspected to have released hazardous materials.

At two key junctures in the district’s decision-making process—the point at which district staff selects and the board of education (board) approves one preferred site for detailed study of its feasibility and the point at which the board approves a site for acquisition—the district has not collected and provided to its board sufficient data to render an informed decision. In other words, before it targets a site for feasibility studies, district staff members have not conducted adequate site evaluations that consider criteria recommended by the California Department of Education (CDE), nor have they determined whether a proposed site would violate state law. For example, the district does not investigate the potential presence of toxic substances on the sites or prepare complete estimates of the cost to acquire the property before it recommends one site for feasibility studies. In addition, the district does not provide the board with complete, accurate information before the board approves a site for acquisition. Indeed, two independent investigations and our review of a sample of sites found that in the past, district staff has underreported health and safety hazards and downplayed the results of environmental reports.

Although the district has identified sites for nearly half of the 96 schools it plans to build, it has not sufficiently involved the schools’ respective communities in its site selection process, and the district’s staff and board have not gathered or evaluated

sufficient information to evaluate the prospective sites. Because it encompasses a largely urban area with little undeveloped land, the district faces many challenges when it looks for locations suitable for the construction of new schools that will provide a safe environment for children and district employees. However, the district is not handling these challenges as well as it could.

For example, during its site selection process, the district does not effectively solicit community comments, recommendations, and support. The district has not sufficiently included the public when evaluating alternative sites, which has angered community members and delayed the selection of some sites. Moreover, for nearly half of the 51 school projects identified in the district's 1998 master plan, the district used an expedited site selection process that did not involve the community at all. Therefore, the district has missed opportunities to get valuable site suggestions, obtain information about the neighborhoods surrounding prospective school sites, and deflect community discontent. When it has sought public involvement, the district has limited or delayed this participation, so that the community has had little opportunity to change the course of the project. The district has announced that in the future it will use facilitators trained in community outreach to work with the community when selecting school sites.

Although the district has recently taken steps to avoid acquiring unsafe sites, it is too early to tell whether these changes will ensure that school sites acquired in the future are suitable and safe. Furthermore, we found that the district needs to improve its documentation and the communication among its branches involved in the site selection process to make sure that all steps in the process take place and that the district and its board are accountable to the public for the decisions they make.

RECOMMENDATIONS

To ensure that it evaluates proposed sites thoroughly and recommends the best sites for feasibility studies, the district should do the following:

- Revise its site selection guidelines to include all applicable site selection criteria recommended by the CDE.

- Conduct a limited environmental assessment of all alternative sites to assess the safety of the sites before the district’s staff recommends a site for feasibility studies.
- Obtain better cost estimates for all alternative sites by estimating business relocation costs; costs for site preparation, including remediation expenses; and ongoing maintenance costs, including the cost of environmental monitoring systems (if applicable).

To ensure that school sites selected for acquisition are safe, the district should do the following:

- Continue to submit environmental reports to the Department of Toxic Substances Control for review, as it has since January 1999.

To effectively involve the community in the site selection process, the district should take the following steps:

- Eliminate the use of the expedited process and always hold a community meeting before selecting a preferred site for feasibility studies.
- Improve the notification process for the initial community meeting by notifying homeowners associations, owners of commercial and rental property, and residents of the study area and by notifying invitees of the meeting at least one week in advance.
- Include community representatives on the site selection team.

To be accountable for the site selection process, the district should do the following:

- Develop project timelines and a checklist that includes all the steps in the site selection process and use them as tools to better coordinate the process among all the branches involved and ensure that all steps are completed.

AGENCY COMMENTS

The chief operating officer for the Los Angeles Unified School District is in complete agreement with our findings and is fully committed to ensuring the implementation of all our recommendations. ■

INTRODUCTION

BACKGROUND

The Los Angeles Unified School District (district) is California's largest, with 711,187 students in kindergarten through 12th grade enrolled in 790 schools for the 1999-2000 school year. According to district officials, enrollment grew by 9 percent, or 57,456 students, between the 1993-94 and 1998-99 school years, and the district projects that enrollment will grow another 5.8 percent, or an additional 40,653 students, by 2003-04. This recent and projected enrollment growth has created a critical need for classroom space and new schools. In addition, new schools are needed in order to decrease the size of kindergarten through 3rd grade classes and qualify for a state incentive program that will fund 50 percent of the facilities costs to reduce these classes. Consequently, the district plans to build 96 new schools over the next several years.

THE DISTRICT'S ORGANIZATIONAL STRUCTURE

Two of the district's branches, the real estate and asset management branch (real estate branch) and the environmental health and safety branch (environmental branch) have primary responsibility for school site selection. Until recently, the district's chief administrative officer oversaw both branches.

The real estate branch is responsible for property management, site selection, and the leasing and acquisition of property for new schools. Before June 1999, the branch director also served as the California Environmental Quality Act (CEQA) officer, overseeing and certifying the completion of CEQA documents that inform the public and decision makers about the potential environmental effects of proposed projects, as required by state law. The environmental branch has since absorbed this function. Chapter 1 of this report further explains this change.

The environmental branch is responsible for conducting or contracting for environmental assessments of potential sites to evaluate the sites' suitability for acquisition by the district. Historically, these assessments have included Phase I and

Phase II analyses, which are designed to help the district determine whether any hazardous substances are present or likely to be present on selected sites, and also air quality studies, which examine the potential impact of emissions on the sites. The CEQA document incorporates the results from the Phase I, Phase II, and air quality analyses.

During the second half of 1999, the environmental branch and the district's facilities services division, which encompasses the real estate branch, underwent additional changes. In October 1999, the environmental branch was removed from the business services division and began reporting directly to the district's newly created position of chief operating officer, whom the district's board of education (board) appointed during the same month. Prior to that, in August 1999, the general manager of the facilities services division reorganized the division, partly to improve the use of outside expertise in the design, project management, and construction of new facilities and to enhance services to existing schools. The facilities services division now includes both a department to direct the development of new facilities and a department to manage existing school facilities. Beginning in October, this division also reported to the new chief operating officer. The reorganization did not change the site selection process. Figure 1 shows both the old and new organizational structures for branches involved in the selection of school sites.

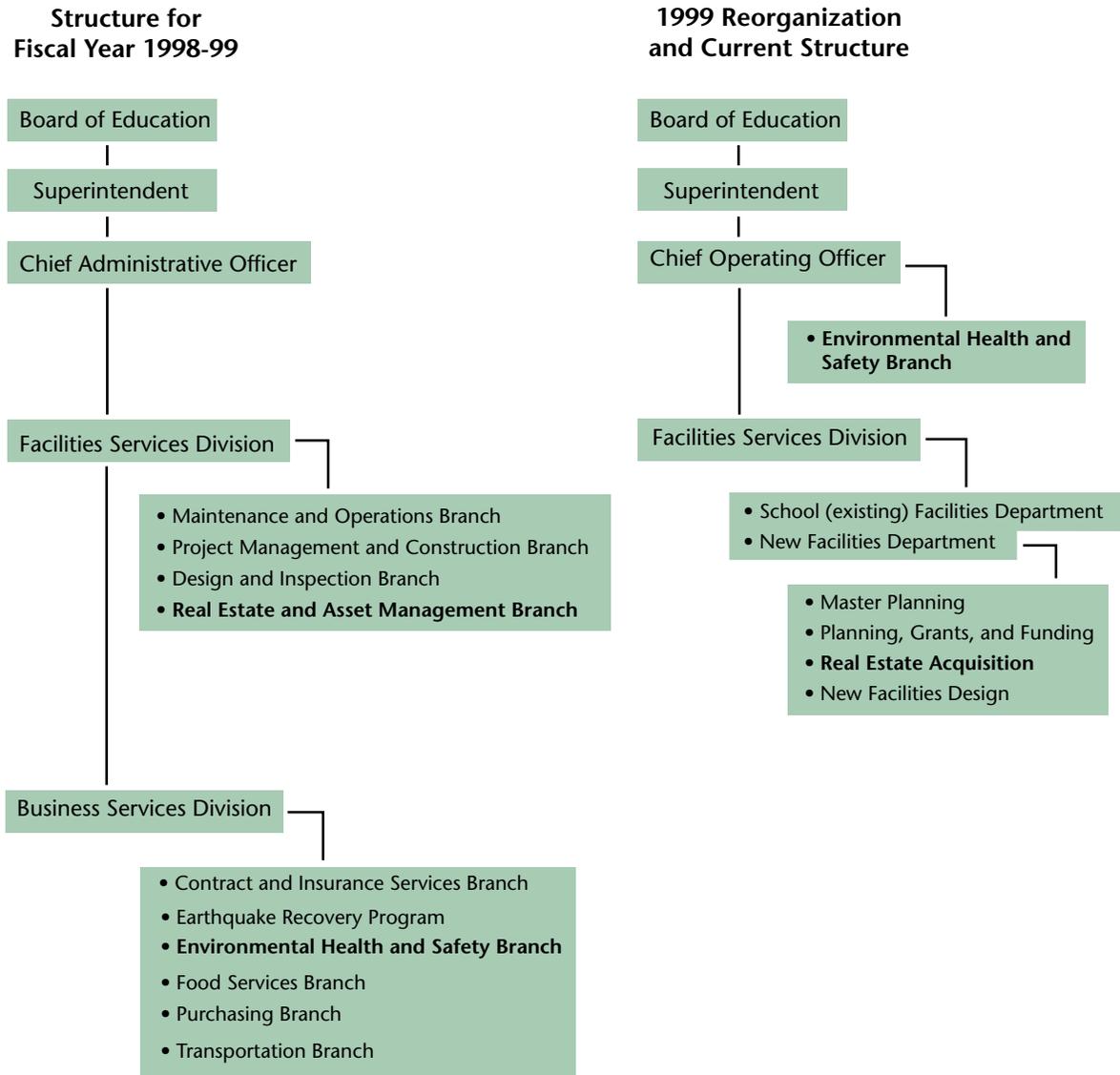
THE DISTRICT'S SITE SELECTION PROCEDURE

In October 1993, the district issued its most recent guidelines for school site selection. We used these guidelines for our analysis. The district's facilities committee must approve any decision to deviate from the normal site selection process set forth in these guidelines and is also responsible for approving sites for further studies. This committee, made up of three board members, reviews strategies for the best use of district facilities and structures and monitors the building program.

The normal site selection procedure involves the community early in the process. However, the guidelines also allow the board to deviate from portions of the normal procedure under special circumstances and to use what the district calls an *expedited process*. Figure 2 (page 8) outlines both of these procedures. Even though the guidelines do not define what constitutes

FIGURE 1

Reorganization of District Branches Involved in School Site Selection

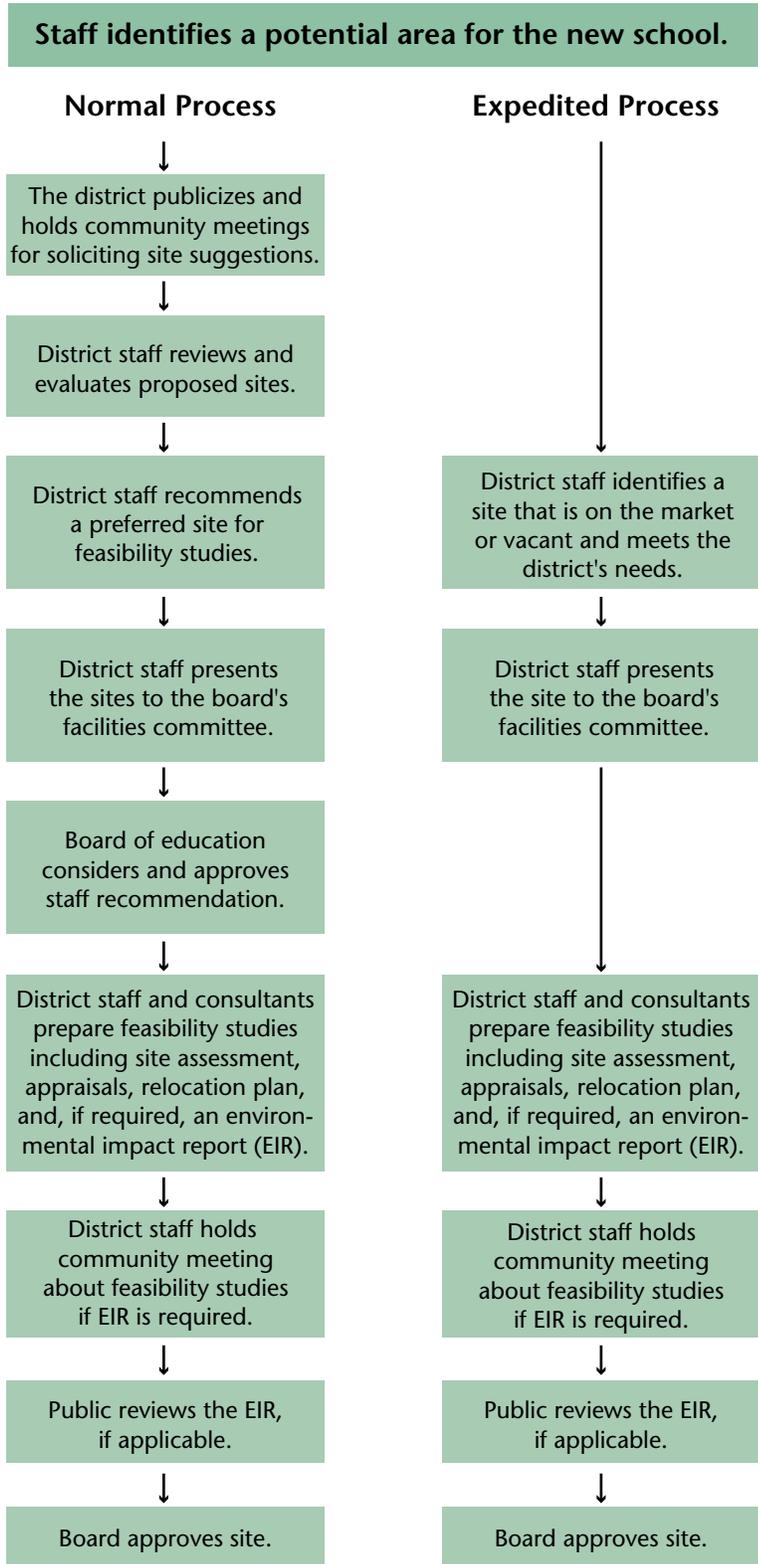


Note: Those branches in bold are primarily involved in the site selection process.

special circumstances, the facilities committee has decided that the district should expedite its site selection process when a site is already available, when school construction would not require the displacement of homes or businesses, or when other reasons require expediency. In the expedited process, only one site is considered for feasibility studies, and the community is not involved in selecting it.

FIGURE 2

The District's Current Site Selection Procedure



As Figure 2 shows, the district's site selection process includes preparing feasibility studies for a site recommended by district staff and approved by the board, called a *preferred site*. Although the district's procedure indicates that an environmental impact report (EIR) is one of the feasibility studies, an EIR is not always necessary, depending on the results of the initial study of a site. If the initial study indicates that the project may have a significant effect on the environment, by law the district must produce an EIR. However, the district can instead prepare a negative declaration if the initial study indicates that the project will not have significant environmental impacts, or the district can write a mitigated negative declaration if the project's impacts can be mitigated, or alleviated.

District staff and consultants are currently in the process of revising the site selection procedure. The latest draft of the new procedure, dated August 31, 1999, includes such changes as the use of a community-based outreach program with facilitators who have knowledge of the community and who will seek ideas from leaders, residents, and elected officials regarding potential sites. The facilitators will increase public participation in and understanding of the site selection process.

The draft procedure still allows for an expedited process that leaves out the community meeting at which the district solicits site suggestions. It also includes a process to ensure site review by the Department of Toxic Substances Control (DTSC), which is part of the California Environmental Protection Agency. This process is discussed in more detail in the next section. As of December 15, 1999, the board had not approved the revised procedure; however, the district has already changed some of its practices to reflect those contained in the draft guidelines.

STATE OVERSIGHT OF SCHOOL SITE SELECTION

At the State level, the California Department of Education (CDE) must approve school sites for districts seeking state funding to build or modernize schools. CDE has developed the *School Site Selection and Approval Guide* to help districts evaluate various sites. This guide recommends that school districts use 12 criteria to evaluate alternative sites and requires districts to submit to CDE the names of at least three alternative sites when districts apply for state funding.¹ After a district has selected these sites,

¹ The CDE also permits districts to submit less than three alternative sites under certain circumstances.

CDE staff visits and evaluates each site, taking into consideration CDE's criteria for site selection and the minimum standards for school sites that California law requires.

Districts using local funds may choose to seek CDE's approval of proposed school sites, but this approval is not required. In contrast, districts seeking state funding must receive CDE's approval for a site before they submit their applications for funding to the Office of Public School Construction. This office serves the State Allocation Board, which funds school construction projects. In addition, to qualify for state funds, each district must obtain written approval of its construction plans from the Department of General Services, Division of the State Architect.

To obtain written approval of a new site, CDE requires school districts to conduct a Phase I environmental assessment (Phase I assessment) on the preferred site. The purpose of a Phase I assessment is to determine whether any hazardous substances or petroleum products are present on the site. If a Phase I assessment indicates that such materials exist at a site, CDE requires the school district to conduct a Phase II environmental assessment, which further characterizes the extent of the hazardous substances present.

Legislation effective January 1, 2000, enacts more stringent requirements regarding environmental site assessments and requires that districts seeking state funds receive approval from the DTSC before the districts themselves approve the acquisition of a school site. Sponsoring this legislation was the Los Angeles Unified School District, which in the past has acquired new school sites with toxic contamination problems. Under the legislation, the DTSC will review all Phase I assessments prepared for new school sites that conclude that no further investigation is necessary.

If a Phase I assessment or the DTSC review indicates that a site needs further evaluation, the school district will have two choices: It must either contract with an environmental assessor to prepare, with DTSC oversight, a preliminary endangerment assessment (endangerment assessment), or it must abandon its plans for the project. A more thorough analysis than the Phase I assessment, the endangerment assessment includes soil sampling to determine whether a release or threatened release of hazardous substances on the site poses a threat to public health

or the environment. The new law also requires the DTSC to review and approve all endangerment assessments of sites for proposed schools.

Before the law's passage, the Los Angeles Unified School District changed part of its site selection process so that its procedure would comply with some of the new legislative requirements. Specifically, in November 1998, the district and the DTSC entered into a memorandum of understanding giving DTSC oversight of future school sites. DTSC is now responsible for certifying that potential sites are safe from environmental hazards. However, as of December 15, 1999, this memorandum had not yet been signed. In addition, according to the district, in February 1999 it began preparing endangerment assessments, instead of Phase I and Phase II assessments, for all new school sites.

THE DISTRICT'S MANY CHALLENGES RELATED TO SITE SELECTION

Los Angeles has very little undeveloped land on which to build. In some cases, this shortage of unoccupied land has caused the district to choose residential sites as school locations and acquire the property by eminent domain, which is the power to take private property for public use without the property owner's consent. In other cases, the district has chosen sites that previously had commercial or industrial uses. Although many of these commercial and industrial sites might contain hazardous materials requiring expensive cleanup, the district believes that building on such sites may be the best long-term answer for schools located in communities like Los Angeles, where little unused property is available. Districts that include densely populated, developed areas face increasingly tough decisions over whether they should condemn homes or acquire potentially toxic commercial or industrial land.

THE DISTRICT'S SHORT TIMELINES FOR SCHOOL SITE SELECTION

In addition to the lack of vacant, hazard-free land, the district's self-imposed deadline to qualify for state matching funds for school construction has increased the pressure to identify, evaluate, and acquire new school sites quickly. Of the 96 new schools the district estimates it will need over the next 10 years, 47 will use state matching construction funds. Before it can

apply for these funds, the district must have conducted environmental reviews, have obtained approvals for design and construction plans, and possess legal control of the sites through escrow or eminent domain. To allow it to compete successfully with other school districts that are also seeking state matching funds, the district has targeted July 1, 2000, as the date by which it must file funding applications. The district has identified preferred sites for 43 of the 47 new schools; as of August 1999, however, fewer than half had undergone environmental reviews or developed construction plans.

The district anticipates that the remaining 49 schools it needs to build are eligible for funding through the State Class Size Reduction Program (program). Because this program has staggered funding deadlines over the next four years, the qualifying projects do not face the same short timelines as the district's 47 other projects. Established in 1996, the program makes funds available to school districts to reduce the number of students in kindergarten through third grade classes to no more than 20. Districts can use program funding to acquire sites and to restore facilities that previously accommodated other programs displaced as a result of class size reduction. The district still needs to identify sites for these 49 schools.

SCOPE AND METHODOLOGY

The Joint Legislative Audit Committee requested that the Bureau of State Audits conduct an audit of the Los Angeles Unified School District's process for selecting school sites. Specifically, we were to determine whether the district follows appropriate procedures in selecting sites and whether these procedures are acceptable. Additionally, we were to analyze whether the district's practices during site selection are as efficient and reasonable as they could be and whether the district provides opportunities for community involvement and suggestions.

To assess whether the district follows appropriate, acceptable practices, we reviewed laws, rules, regulations, and district procedures related to site selection. In addition, we examined CDE's current guidelines and criteria for site selection. We also conducted interviews with district staff, district consultants, a member of the district's board of education, and staff at the Department of Toxic Substances Control. Lastly, we spoke with staff at four other large school districts and reviewed their site selection procedures.

To evaluate whether the district consistently applies its policies and procedures, we tested a sample of its school sites, including previously selected sites and sites currently in the selection process. To conduct this test, we reviewed district files and environmental reports. We also examined memos, analyses, board minutes, and meeting tapes to understand the selection process, learn the extent of community involvement, and assess whether the district had gathered enough information for decision making. To further assess the adequacy of community involvement, we compared the district's process with CDE guidelines and with the processes used by other districts.

Our audit also included a review of the district's reorganization of the facilities services division, the transfer of certain environmental responsibilities, and the proposed changes to the site selection procedure, so that we could determine how these changes affect the site selection process. Finally, to assess the district's plans for dealing with increased enrollment, we interviewed district staff, analyzed enrollment projections for the next five years, evaluated existing project plans and priorities, and checked proposed site selection plans.

During our audit, two reports were released that concern areas we were examining. Although we referred to these reports and cite some of their conclusions here, we did not audit the evidence supporting those conclusions and make no claims regarding the reports' accuracy. ■

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CHAPTER 1

The District’s Staff and Board of Education Lack Adequate Information for Deciding on the Best Sites for New Schools

CHAPTER SUMMARY

Partly as a result of a lack of information, the Los Angeles Unified School District (district) has built at least 11 schools that are on or in close proximity to sites containing hazardous substances, and it has delayed or halted construction on 3 schools on such sites. It has also built 2 others on sites with suspected or known hazardous materials releases.

At two key points in the process for choosing school sites, the district staff and its board of education (board) do not always have adequate information to choose the best site for a needed school. These key points occur before the staff recommends a single site to the board for feasibility studies and before the board approves a site for acquisition. For example, before recommending a site for feasibility studies, the staff does not investigate whether hazardous substances that would violate state law are present at the preferred site or alternate sites and does not develop complete cost estimates for each site. Also, two recent investigations and our own review of a sample of sites revealed that in the past, district staff did not present the board with accurate, complete information about the safety of the sites the board was considering for acquisition.

Recently, the district has taken steps to avoid acquiring school sites that pose environmental health risks. However, because it has not fully implemented these changes, and because the board has not adopted a new site selection procedure to reflect these changes, it is too soon to tell whether they will ensure the safety of future school sites acquired by the district.

THE DISTRICT HAS BUILT 13 SCHOOLS AND HAS DELAYED OR HALTED CONSTRUCTION ON 3 OTHERS LOCATED ON OR NEAR HAZARDOUS SUBSTANCES

Partly as a result of the board's lack of adequate information about the safety of proposed school sites, the district has acquired a number of sites located on or in close proximity to hazardous substances that have the potential to harm students and school employees. A list compiled by the district's environmental health and safety branch (environmental branch) indicates that the district is aware of 11 occupied school sites with environmental problems that are undergoing remediation or that have monitoring systems and that the district knows of 2 other occupied school sites that may be releasing hazardous materials but that do not have systems installed to remedy or monitor the problem. The district has formed a working group to assess the health risks of the 13 school sites. The Department of Toxic Substances Control (DTSC) will oversee tests at each of the sites to evaluate the effectiveness of existing remediation or monitoring systems and will investigate whether staff and students may be exposed to hazardous substances.

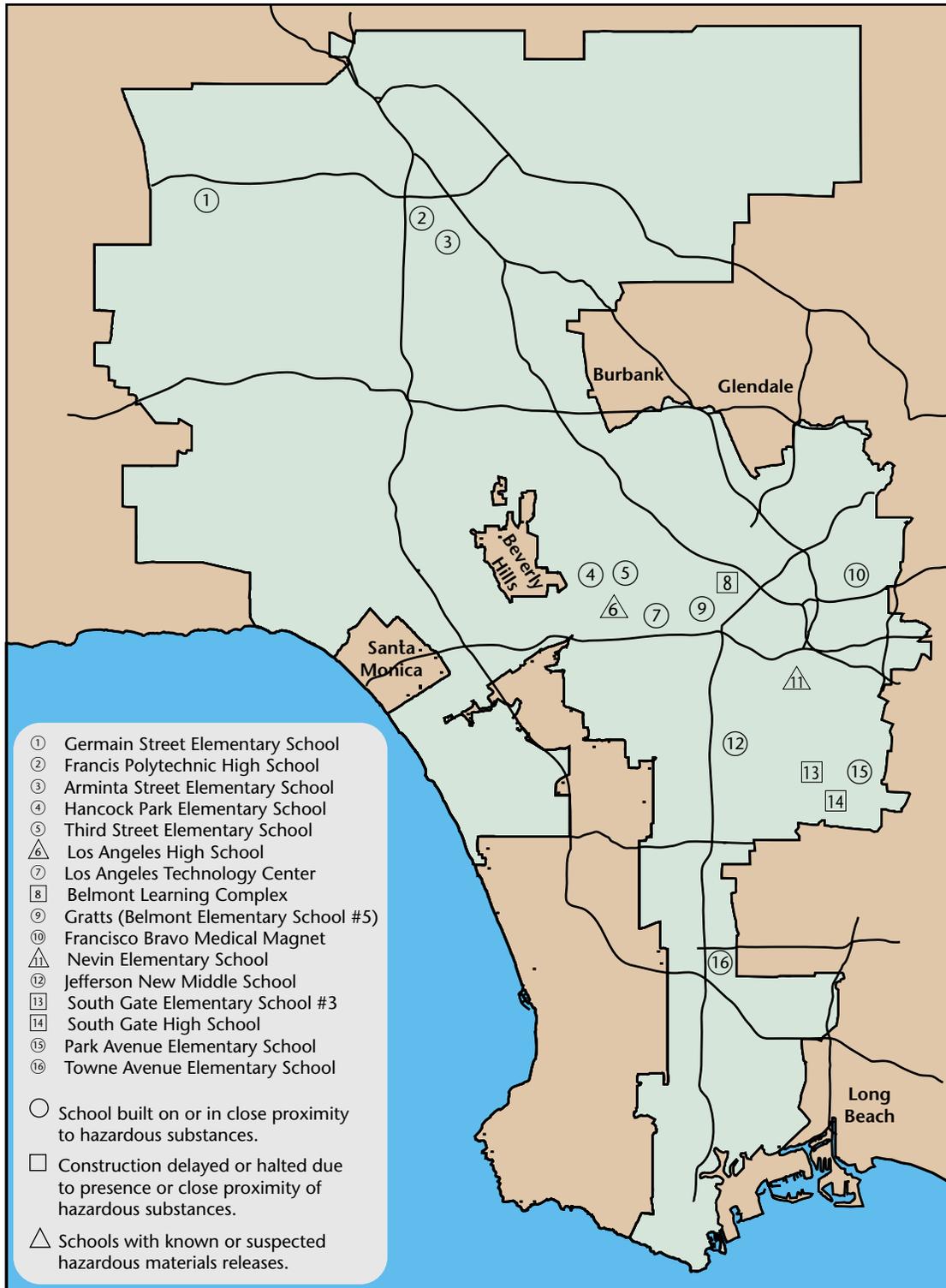
In addition, the district has delayed or halted construction on 3 additional school sites: the Belmont Learning Complex, South Gate Elementary School, and South Gate High School, because the district did not fully assess their environmental problems before the board acquired the sites. Figure 3 shows the location of the 16 school sites that currently have environmental problems.

In September 1998, the district estimated that it would complete construction of the Belmont Learning Complex in January 2000. However, because of the environmental hazards associated with the site, construction has been delayed, and the district may have to abandon the site altogether. An independent commission appointed by the board reviewed the Belmont project and in October 1999, recommended the project be completed. The board has yet to determine whether to continue construction.

Also, according to the general manager of the district's facilities services division, construction of South Gate Elementary School was originally scheduled for completion in December 2000, and South Gate High School was to be ready in December 2003. However, because the district did not fully explore the environmental issues at the sites before the board approved their

FIGURE 3

Existing School Sites in the Los Angeles Unified School District That Are on or in Close Proximity to Hazardous Substances



acquisition, construction on the two schools has been delayed. The district is currently developing a new forecast for completing construction on the two schools.

IT IS TOO SOON TO ASSESS WHETHER RECENT STEPS TO IMPROVE THE SITE SELECTION PROCESS WILL ENSURE THE SAFETY OF FUTURE SCHOOL FACILITIES

The district has recently taken several steps to reduce its risk of acquiring school sites that have significant environmental problems. In November 1998, the district's superintendent authorized the district to enter into a memorandum of understanding with DTSC and stated that DTSC, not the district, would certify all potential school sites as safe. As of December 15, 1999, this memorandum had yet to be signed. However, according to the deputy director of the district's environmental branch, the district has begun to submit environmental assessments to DTSC for review.

In addition, in February 1999, the district started conducting more rigorous endangerment assessments at DTSC's request. The board also transferred the responsibility for preparing the California Environmental Quality Act (CEQA) documents from the real estate and asset management branch (real estate branch) to the environmental branch in June 1999. According to the district, because CEQA documents encompass evaluations of environmental factors, it was appropriate to shift the oversight of these documents from the real estate branch to the environmental branch.

We view the district's recent efforts as positive steps. Nonetheless, because the district is only beginning to implement these steps, and because the board has not yet adopted a new site selection procedure to reflect the changes, it is too soon to tell whether these changes will be enough to ensure the safety of school sites the district acquires in the future.

DISTRICT STAFF FAILS TO FULLY CONSIDER SOME IMPORTANT CRITERIA WHEN IT EVALUATES ALTERNATIVE SITES

Our audit revealed that the district does not collect enough information about alternative school sites before selecting a preferred site for further study. A preliminary review of the

In February 1999, the district began conducting more rigorous endangerment assessments.

Insufficient research of safety, costs, soil conditions, and public opinion causes the district to waste money and time on problem sites.

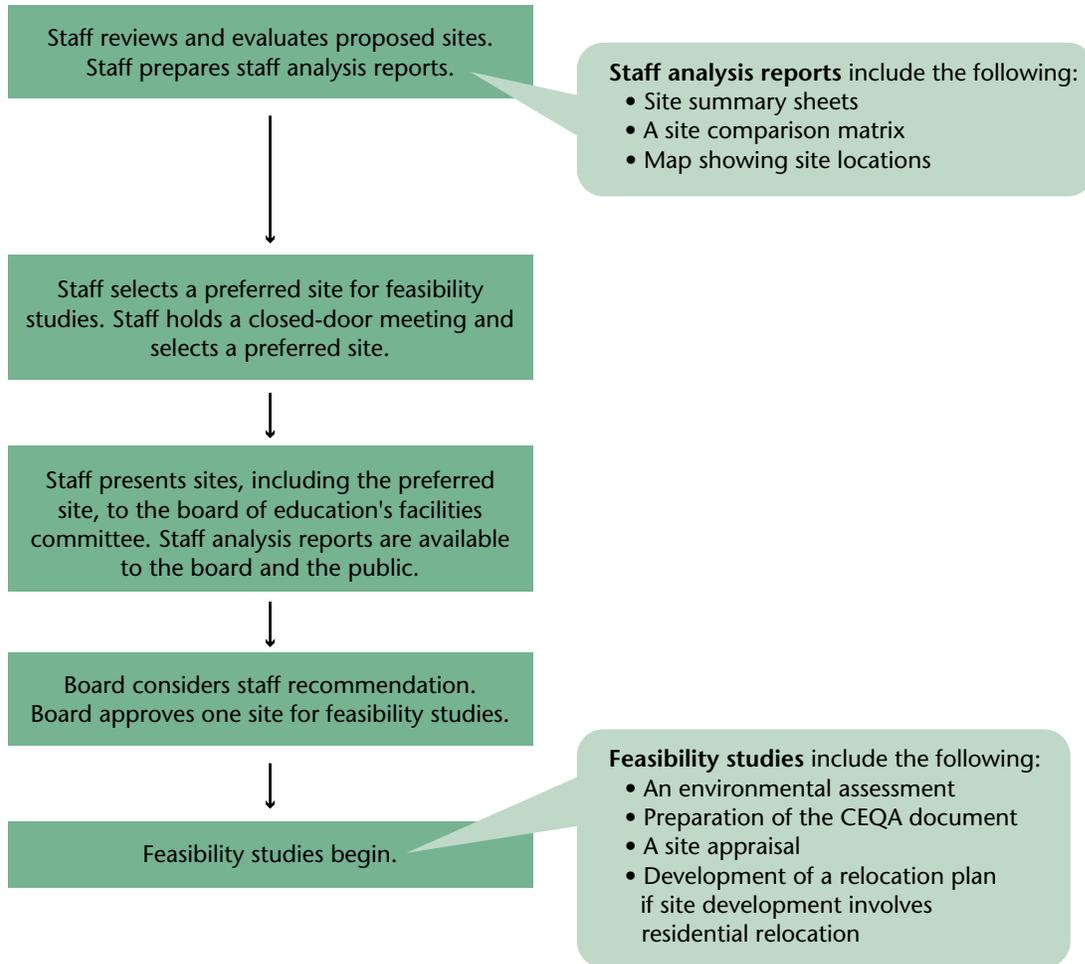
safety, costs, and soil conditions of alternative sites, in addition to a study of the political opposition to each site, would improve the district's chances of selecting the best site for further study. The district also does not consider state law governing where new schools may be built. Once the district has selected a preferred site, it gathers additional information on safety, costs, soils, and whether building on the site would violate the law as part of its feasibility studies of the site. However, the district is unable to use this information to compare alternative sites because by then the district has narrowed the field to a single site.

The staff members waste district resources and public funds when they recommend sites for feasibility studies that later prove infeasible, rather than ruling out problem sites by conducting a preliminary assessment. According to the district, preparation of the CEQA document, which is one component of the district's feasibility studies, can take approximately four months if the site has no environmental problems, and it can require a minimum of eight months if environmental issues arise. The total cost of the three feasibility studies performed for the sites in our sample ranged from \$31,160 for a primary center to \$277,120 for an elementary school site. Furthermore, according to the district, both the primary center site and the elementary school site will require an endangerment assessment, at an additional cost of up to \$100,000 each, before the DTSC will approve them. Thus, the district's failure to gather information on potential environmental problems until it has selected a preferred site can be costly and can waste valuable time.

To identify a preferred site, the district staff evaluates the various sites and prepares a summary sheet for each one. This sheet includes information on the cost of purchasing the site, residential relocation costs associated with the site (if applicable), the site's size, the number of businesses and residences that would be displaced, and additional information gained during site visits. The district staff then prepares a staff analysis report that combines the summary sheets with a matrix comparing alternative sites and a map showing the location of alternative sites, including the site preferred by staff. The district presents this report to the board for approval. Figure 4 depicts this process.

FIGURE 4

The Process the District Uses to Evaluate Proposed Sites and Initiate Feasibility Studies



WHEN SELECTING SCHOOL SITES, THE DISTRICT DOES NOT ANALYZE ALL CRITERIA RECOMMENDED BY THE CALIFORNIA DEPARTMENT OF EDUCATION

The guidelines created by the California Department of Education (CDE) for evaluating school sites recommend 12 specific criteria that a district should consider. However, for a sample of the analysis reports presented to the board, district staff had considered only 8 of the 12 criteria recommended by CDE. As shown in the Table, 3 of these 8 criteria—safety, cost, and political implications—received only minimal analysis that was insufficient

for decision making. We are also concerned that the district does not include in its analysis the soils criterion at all. The district also does not evaluate the availability of public services and utilities, but we believe that these two criteria are not that applicable to urban areas. The director of the district’s real estate branch stated that the district partially considers the environment criterion; however, we did not find evidence that this evaluation takes place.

TABLE

The California Department of Education’s Recommended Site Selection Criteria for Evaluating School Sites

| CDE Site Selection Criteria | Considered by District |
|-----------------------------|------------------------|
| Safety | ◐ |
| Location | ● |
| Environment | ○ |
| Soils | ○ |
| Topography | ● |
| Size and shape | ● |
| Accessibility | ● |
| Public services | ○ |
| Utilities | ○ |
| Cost | ◐ |
| Availability | ● |
| Political implications | ◐ |

- District considers criterion.
- ◐ District considers criterion but does so inadequately.
- District does not consider criterion.

When we compared the district’s selection procedure with CDE’s recommended selection guidelines, we found that the district’s procedure does not provide sufficient guidance for staff to evaluate potential sites. Instead, it requires staff to evaluate sites using only some of the criteria recommended by CDE. For a comparison of the district’s criteria and CDE’s criteria, see the Appendix.

The District’s Analysis of Safety Issues Associated With Alternative Sites Is Insufficient

One of the criteria that the district does not adequately consider is safety. In particular, the district has done a poor job of checking for the presence of hazardous wastes at or near possible school sites. The box at the left lists the factors that CDE recommends school districts avoid when evaluating the safety of potential sites.

CDE Guidelines on Safety: Factors to Avoid

- Highways or railways adjacent to the site with no sound buffer.
- An airport runway or heliport within two miles.
- High-voltage power lines.
- Contaminants or toxins in the soil or groundwater from landfills, dumps, chemical plants, refineries, fuel tanks, nuclear plants, or agricultural use of pesticides or fertilizers.
- Open-pit mining.
- A fault zone or active fault.
- An inundation area or dam or flood plain.
- Social hazards in the neighborhood, such as a high incidence of crime or drug or alcohol abuse.

Our review of staff analysis reports found that the district considers only one of these safety factors—whether sites are located close to a highway—before it selects a preferred site for feasibility studies. According to the director of the district’s real estate branch, the district also determines whether a particular site is within two miles of an airport, close to high-voltage power lines, or in an inundation area or a dam or flood plain by making a visual observation. However, our review found no evidence that the district had checked these factors.

Of the numerous safety factors that the district does not consider, of most concern is the potential presence of toxins on the sites under consideration. In addition to CDE’s recommendation that districts consider toxins, California law prohibits school districts from building schools on any of the following:

- Current or former hazardous waste disposal sites or solid waste disposal sites unless, if the site was a former solid waste disposal site, the governing board of the school district concludes that the wastes have been removed.
- Hazardous substance release sites identified by the State Department of Health Services as requiring cleanup or remediation.
- Sites that contain one or more pipelines that carry hazardous substances, materials, or wastes, unless the pipeline is a natural gas line that is used only to supply natural gas to the proposed school or neighborhood.

California law also requires school districts to identify facilities within a quarter mile of the proposed school site that may produce hazardous air emissions or handle hazardous materials, substances, or waste. By failing to consider these factors during its preliminary review of alternative sites, the district may spend more than \$200,000 conducting feasibility studies on a site without first knowing whether building on the site will violate the law.

Staff reports did not include evidence on whether hazardous wastes were present on or in close proximity to potential sites.

According to the general manager of the district's facilities services division, the staff often goes through the process of obtaining some or all of the information necessary to determine whether building on a given site would violate the law, and the results of these inquiries are frequently the reason that a site is not selected for feasibility studies. However, we found no evidence in the staff analysis reports we reviewed that district staff had obtained information on whether hazardous wastes were present or in close proximity to the sites the district was considering for feasibility studies. In fact, one of the analysis reports in our sample contained the following statement: "While there are no obvious health and safety problems, the prior use of the non-residential properties should be investigated."

Before recommending a site for feasibility studies, the district could obtain at a relatively low cost the information necessary to determine whether building on a site might violate the law. Doing so would involve conducting a limited environmental assessment of the site, including a review of such historic records as fire insurance maps, aerial photographs, and land title records as well as a review of local, state, and federal environmental records. According to the estimates we obtained from environmental consultants, such a review would cost less than \$2,000.

An April 1999 advisory issued by CDE underscores the importance of the environmental review of alternative sites by requiring Phase I environmental assessments on all alternative sites that CDE reviews when located in industrially developed or commercially zoned areas. These Phase I environmental assessments determine whether it is likely that a site contains hazardous substances and include a review of historic and environmental records, a site visit, and interviews with current owners and occupants and local government officials. Both the director of the district's real estate branch and the deputy director of the district's environmental branch stated that they were familiar with the advisory but that the district had not made any changes to its policies as a result of it. Were district staff to

comply with the advisory, they would gain additional information regarding the safety of alternative school sites located on commercial and industrial land that would allow them to better evaluate these sites for safety before they recommended a preferred site for feasibility studies.

The District's Analysis of the Cost of Alternative Sites Is Incomplete

Even though the district prepares cost estimates for each proposed site before recommending one for feasibility studies, it

fails to include in its estimates several important cost elements recommended by CDE. As a result, the district may not select the most cost-effective sites for feasibility studies. The box at the left lists the costs that CDE suggests that districts consider when evaluating alternative sites.

CDE Guidelines: Costs to Consider

- Costs for site preparation, including drainage, parking, driveways, removal of existing buildings, and grading.
- Costs for condemnation, severance damage (that is, compensation to property owners when the market value of their property declines as a result of a partial taking of their property), and legal fees.
- Maintenance costs.

According to the general manager of the district's facilities services division, district staff often obtains some or all of these costs for proposed sites, and the results can lead to a site not being selected for feasibility studies. However, our review of the district's staff analysis reports found no evidence that the district had included costs other than those for residential relocation and land

acquisition in its estimates. Furthermore, the district's director of real estate confirmed that these are the only costs included in the district's cost estimates.

Because its cost estimates are limited, the district's staff analysis reports comparing alternative sites do not include in their cost comparisons the cost of business relocation, site preparation (which we believe should include mitigation measures in the case of land with identified environmental problems), and maintenance (which should include any ongoing monitoring costs for sites with environmental issues). Were district staff members to obtain this information, they could more accurately compare the true cost of alternative sites and reach better decisions as to which to recommend for feasibility studies.

The District's Analysis of Political Feasibility Is Minimal

In addition to conducting limited analyses of safety and cost, the district has failed to examine the political implications of developing potential sites. The box at the left lists the political implications that CDE recommends districts consider when evaluating potential sites.

CDE Guidelines: Political Implications to Consider

- Whether there is public acceptance of the site.
- How receptive the city and county planning commissions are to the site.
- Whether the site is zoned for prime agricultural or industrial use.
- Whether building a school on the site may have a negative impact on the environment.
- Whether the proposed school coordinates with future community plans.

Our review of staff analysis reports indicated that the district considers only one of these factors: whether the site is industrially zoned. The district's director of real estate stated that during site visits the district observes whether there appear to be any features of the site that would not gain public acceptance; however, our analysis did not show any evidence that the district had considered these factors. In addition, it is unlikely that mere observation is sufficient to assess whether there is public support for a site. As we discuss in Chapter 2, the district does little to engage the public during its evaluation of alternative sites. Because community protest may cause

delays, the district should gauge whether there is community support for alternative sites and use this information when making a decision regarding which site to recommend for feasibility studies.

The District Does Not Consider the Soils Criterion

We are also concerned that, before selecting a site for feasibility studies, the district does not consider any of CDE's guidelines related to the soil of a school site, listed in the box at the left.

CDE Guidelines: Soil Factors to Consider

- The site's proximity to faults or fault traces.
- The stability of the subsurface and its bearing capacity.
- The potential for slides or liquefaction.
- Percolation for septic systems and drainage.
- The sufficiency of the water table level.
- The adequacy of the compaction of any existing landfills.

Not only does CDE recommend that districts consider these factors, but California law also prohibits districts from constructing schools on the trace of a geological fault that could rupture during the life of the school building. Under the district's current process, before it screens sites to determine whether building on them will violate the law, it invests a significant amount of money to prepare feasibility studies.

STAFF ANALYSIS REPORTS MAY NOT PROVIDE ENOUGH INFORMATION FOR THE BOARD TO SELECT THE BEST SITE FOR FEASIBILITY STUDIES

To determine whether the board has enough information to make decisions regarding which site to select for feasibility studies, we attempted to determine whether we would recommend the same site as district staff had proposed, based on the data in a sample of staff analysis reports. Our review found that because the staff analysis reports do not provide information on the relative weight that staff places on each site selection criterion, and because the reports do not rank sites in order of preference, we could not replicate the conclusions district staff made regarding sites to recommend for feasibility studies.

Using district information, we could not independently replicate conclusions recommending potential sites for feasibility studies.

We also attended several meetings of the facilities committee and the board at which staff recommended preferred sites for approval. During these meetings, we observed that district staff members did not present additional oral information to explain how they had chosen the site. According to the district, the staff identifies a preferred site for feasibility studies during a private meeting. As Chapter 2 explains, this meeting does not include community members and, moreover, no one takes minutes of these meetings. By not documenting its decision-making process or using a selection methodology that someone else can replicate independently, district staff is not accountable to the public or the board.

WHEN IT EXPEDITES SITE SELECTION, THE DISTRICT DOES NOT DEVELOP WRITTEN EVALUATIONS

In addition to finding many deficiencies in the way that the district evaluates alternative sites during its normal selection process, we also learned that during an expedited site selection process, the district does not even consider alternative sites or prepare written evaluations. The director of the district's real estate branch stated that staff uses district criteria to evaluate sites undergoing the expedited selection process but that the district keeps no written record of the evaluation. Without this record, we were unable to determine the extent to which the district considers either its own or CDE's criteria when it reviews sites using accelerated methods and timelines. However, we were able to conclude that because district staff members consider only one site when using the expedited process, they risk overlooking other, more suitable sites.

DISTRICT STAFF HAS NOT ALWAYS GIVEN THE BOARD ACCURATE, COMPLETE INFORMATION BEFORE THE BOARD APPROVED SITES FOR ACQUISITION

As we have seen, the point at which district staff recommends a particular site to the board for feasibility studies is a key juncture in the site selection process for a new school. A second key point is the one at which the board decides to approve the CEQA document and acquire the recommended site. (Figure 5 shows the steps leading up to the board’s approval of a site once the feasibility studies are complete.) A report issued in September 1999 by the district’s internal audit and special investigations unit and another report also issued in September 1999 by a private investigations firm hired by the district’s superintendent have concluded that in the past, district staff has not presented the board with complete, accurate information on proposed sites at this second key juncture. Findings from our audit also support this conclusion.

FIGURE 5

The District’s Site Selection Procedure After It Completes the Feasibility Studies



The report by the district’s internal audit and special investigations unit on the Belmont Learning Complex (a 35-acre site where the district originally planned to build a joint-use development encompassing a high school campus, affordable housing, community service centers, and retail space) concluded that district staff failed to advise the board that it would be violating California law by acquiring the site recommended for the complex. The site recommended by staff and approved by the board had been used to dispose of waste oil and also contained oil pipelines. Staff did not advise the board that if it acquired the site, the board would violate the state law prohibiting school districts from building schools on hazardous waste disposal sites or on sites that contain pipelines carrying hazardous wastes.

District managers inappropriately edited environmental reports to remove information deemed “too scary” for the community.

A second investigative report reviewing other site acquisitions concluded that in certain cases, staff from the district’s environmental branch underreported environmental and safety hazards because of pressure from branch managers and others in the district. The report also found that district managers, both inside and outside the environmental branch, inappropriately edited reports on environmental hazards to remove information deemed “too scary” for the community.

Our review of a sample of sites also found that the staff sometimes did not provide the board with complete information. In one instance, district staff pressured an outside environmental consultant to replace an air quality assessment that was critical of the site with a more positive assessment prepared by the environmental branch. The initial assessment, prepared by a subcontracted consultant, indicated that emissions from a gas station and a dry cleaning establishment located across the street from a proposed school site could potentially be harmful to schoolchildren. Upon receiving this report, staff from the environmental branch questioned the consultant’s methodology, stating that the consultant had overestimated the health risks involved. The branch then reevaluated the businesses cited in the air quality assessment and adjusted the consultant’s assumptions to “more realistically assess the health risks” associated with the proposed site. The environmental branch’s revised analysis contradicted the consultant’s findings and indicated that children would face no significant health risks from air emissions generated by businesses surrounding the proposed site.

One site's CEQA document contained the district's more positive assessment instead of the consultant's report warning that the site could be potentially harmful to schoolchildren.

Staff from the district's real estate branch then pressured the environmental consultant preparing the CEQA document to remove the original air quality assessment from the CEQA document and replace it with the district's more positive air quality analysis. In a letter to the district's real estate agent dated April 11, 1990, the consultant preparing the CEQA document made the following comment: "If the district has hired a qualified firm to perform objective scientific analysis, and then requires it to incorporate findings of its own that show a lesser degree of potential harm to schoolchildren, it lays itself open to public scrutiny." The CEQA document prepared by the consultant reflects the district's revisions to the air quality study and concludes that the air contaminant levels from facility emissions within a quarter-mile radius of the proposed site are not expected to endanger the health of persons attending or working at the school.

CONCLUSION

The district's process for selecting school sites is inadequate and has contributed to its decision to construct 13 schools and begin construction on 3 others that are on or in close proximity to hazardous substances. The site selection process that the district currently uses does not provide district staff and the board with adequate information for informed decision making. In particular, the district does not consider important criteria recommended by CDE or assess whether building on a site would violate the law before selecting a single site to study for feasibility. Furthermore, district staff has failed to inform the board that acquisition of certain sites would violate the law and has supplied incomplete and inaccurate information to the board on the safety of sites. Therefore, the district has risked wasting resources on lengthy and costly feasibility studies and has also acquired sites that could pose a health risk to students and teachers. While the district has recently taken steps to improve its process, it is too early to determine whether these changes will ensure the safety of school sites selected by the district in the future.

RECOMMENDATIONS

To ensure that it thoroughly evaluates proposed sites and recommends the best sites for feasibility studies, the district should do the following:

- Revise its site selection guidelines to include all applicable site selection criteria recommended by the CDE.
- Conduct a limited environmental assessment of all alternative sites to assess the safety of the sites before the district’s staff selects a preferred site for feasibility studies.
- Screen all alternative sites to determine whether building on them would violate California laws.
- Obtain better cost estimates for all alternative sites by estimating business relocation costs; costs for site preparation, including remediation expenses; and ongoing maintenance costs, including the costs of environmental monitoring systems (if applicable).

To ensure that school sites selected for acquisition are safe, the district should take these steps:

- Continue to submit environmental reports to the DTSC for review.
- Revise its site selection procedure to reflect the involvement of the DTSC in the site selection process. ■

CHAPTER 2

The District Does Not Effectively Involve Communities in Its Site Selection Process

CHAPTER SUMMARY

The Los Angeles Unified School District (district) does not get important input from the community when it selects new school sites. In almost half of its site selections, it uses an expedited process for school site selection that eliminates community involvement altogether, thus provoking the public's anger and resistance when the community finally learns of the district's choices for sites.

Even when it does involve the community in site selection, the district's efforts are inadequate. Specifically, the district does not ensure that the appropriate community members are notified of meetings, does not involve affected communities in choosing preferred sites, and does not promptly and fully inform property owners whose property may be condemned. For these reasons, the district misses early opportunities to obtain valuable suggestions for sites as well as to obtain information that might deflect community discontent, which later could cause unnecessary delays in site selection.

Lack of community support for a project may make property owners more likely to contest the district's offers of compensation for their properties. The district has stated that over the last 10 years, it has spent \$9.7 million in legal expenses related to the eminent domain process, which allows the district to purchase private property for public use without the owner's consent.

Our audit also disclosed that the district needs to improve coordination and communication among the different branches involved in the site selection process so that it completes all of the steps in the process and documents its site selection efforts in order to ensure accountability for its decisions.

THE DISTRICT FREQUENTLY ELIMINATES COMMUNITY INVOLVEMENT IN THE SITE SELECTION PROCESS

In its attempts to speed up the identification and acquisition of sites for new schools, the district frequently chooses not to follow its written procedure for site selection. This procedure directs staff members, after they have identified the need for a new school, to meet with community members to obtain site suggestions. However, for 24 school projects, or nearly half of the 51 school projects identified in the district's 1998 master plan, staff and the primary center task force (created by the mayor and district superintendent in 1997 to choose sites for 20 primary centers to serve students in the early grades) used an expedited site selection process that excludes community participation until after the site has undergone extensive feasibility studies that result in an environmental impact report. According to the director of the real estate and asset management branch (real estate branch), when the district uses an expedited process, the staff identifies a single site and does not solicit site suggestions from the community or consider alternative sites. Figure 6 depicts the normal and expedited process for site selection.

According to its meeting minutes, the facilities committee of the district's board of education (board) permits the use of an expedited process when a site is available that requires no displacement of homes or businesses and when the district believes it needs to act quickly to acquire the site. While we understand the district's belief that it needs to act quickly in some cases, its practice of excluding the community from the process causes it to risk choosing a site the community opposes. The district could use community meetings to increase support for school projects that may help reduce discontent regarding the site selected and prevent related delays in site development. Also, when the community does not participate in meetings, the district does not receive valuable suggestions from the public concerning sites that might be better than the one being considered.

The first notice affected property owners received informed them of the district's decision to appraise and survey their property and test the soil.

Our review of three expedited projects revealed that when the district accelerated site selection, it did not notify the public, including residents within the surrounding area, of its interest in a vacant or unused site in their neighborhood or that the site had been approved for feasibility studies. The first notification that the affected property owners received was a Notice of Decision to Appraise, which the district mailed after it approved the site for feasibility studies. This notice informs owners of both commercial and residential property that the district is

FIGURE 6

The Los Angeles Unified School District's Normal and Expedited Procedures for Selecting School Sites

Staff identifies a potential area for the new school.

Normal Process

The district publicizes and holds community meetings for soliciting site suggestions.



District staff reviews and evaluates proposed sites.



Staff hold a "closed-door" meeting and identifies a preferred site for feasibility studies.



Staff notifies residents and property owners with residencies within 300 feet of the site that a facilities committee and board of education meeting will take place to discuss proposed sites.



District staff presents the sites to the board's facilities committee and the facilities committee approves the preferred site for feasibility studies.



Board of education considers staff recommendation and at its meeting, the board approves the site for feasibility studies.



Feasibility studies begin.

Expedited Process

District staff identifies a site that is on the market or vacant and that meets the district's needs.



Staff presents the site to the board's facilities committee. Staff get "go ahead" from the facilities committee to proceed with feasibility study.



Feasibility studies begin.

conducting feasibility studies for a new school and that the possible acquisition area includes their property. It requests permission to enter the property in order to perform an appraisal, to conduct soil tests, and to survey the property. Enclosed with the notice is information on the district's land acquisition process, including relocation assistance.

This abrupt manner of notifying property owners and tenants that the district plans to acquire their property to build a school can create a great deal of anger. The district's failure to notify the community members in the surrounding area, whom the new school could affect indirectly, can also provoke anger and cause delays when these individuals learn of the district's decision through word of mouth.

For example, the Gemco site, which was the proposed location for a high school to relieve overcrowding in the Monroe, Van Nuys, and San Fernando Valley schools, originally was identified as the preferred site through an expedited process in the fall of 1998. However, when neighboring residents learned that the district had chosen the Gemco site for feasibility studies, they became upset. Because of community objections, the district stopped the site selection process and restarted it again in April 1999, this time including a community meeting to obtain suggestions for alternative sites. Having to start over on this site selection caused an eight-month delay.

THE DISTRICT'S NOTIFICATIONS OF COMMUNITY MEETINGS ARE LATE AND INEFFECTIVE

Even when it does not use the expedited process for site selection, the district relies on flawed methods for informing the public about community meetings focused on site selection. Once the district has identified an area as being potentially suitable for a new school site, its regular selection process requires it to hold a community meeting to obtain suggestions on where to locate the school. To make the public aware of these area meetings, the district uses various methods, including sending flyers home with students, mailing notices to community members, and publishing notices in newspapers.

Although the district's procedures require that students' parents, state and local officials, the planning departments of the surrounding communities, interested individuals and organizations, and the general public receive announcements about meetings, the

Although procedures require broad notification of meetings to parents, the public, and local and state officials, the district had little evidence to prove it had done so.

district maintains little documentation to show that it notified these individuals. For instance, a district staff member told us that the district uses newspaper announcements to notify the general public of its meetings but could provide such announcements for only two of the six projects we reviewed. In both cases, these newspaper announcements appeared just one day before the respective meetings. Therefore, it is unlikely that the general public was aware of the community meetings. If members of the public did learn of the meetings through the newspapers, they may have been unable to attend or adequately prepare for the meetings due to the short notice.

Community members have voiced complaints about the district's failure to notify the public about meetings. For example, at a facilities committee meeting held in September 1999, community members expressed concerns that they had only recently received flyers about the meeting. Community members also complained that they were never notified about earlier meetings at which they could have suggested potential school sites within their neighborhoods.

The district does not notify all groups that could be affected by its choice of a school site.

Another concern is that the district has not notified all groups that could be significantly affected by the district's choices of sites. Although the district gives students attending overcrowded schools in the area flyers notifying their parents of the community meetings, the parents are not the only ones who have an interest in a future school's location. Other residents and property owners in the proposed area face possible condemnation of their homes; a decline in their property values; or an increase in traffic, noise, and crime in their community. However, the district does not directly invite these community members to attend its meetings; the announcements in the newspaper are the only publicity about the meetings.

To expand community involvement in the choice of school locations, the district recently revised its site selection procedure. According to the general manager of the facilities services division, the board had not yet approved the new procedure as of December 15, 1999. The revised procedure includes contracting with community outreach firms to obtain facilitators who will be responsible for working with the community to suggest and evaluate possible school sites. These community facilitators will identify members of the community who should be included in the decision as to where to locate a new school. They will also meet with local officials and school administrators, notify interested parties and hold community meetings, and evaluate

sites proposed by the community. The district stated that it planned to release a request for proposals to hire these facilitators in November 1999.

Although future site selections may follow these new guidelines for expanded community involvement, sites already identified and under study will not, according to a report to the facilities committee prepared by the general manager of the facilities services division. The reasons for this center on the difficulties the district faces in obtaining urban land for new schools. Such difficulties include the high cost of residential and commercial land, the need to relocate residents, and the possibility that the district will have to deal with toxic industrial sites. The report states that these factors put the district at a disadvantage when it competes for state funding against other school districts not faced with these problems. The report also concludes that the district's need for an accelerated approach to obtain the maximum number of sites in the shortest possible time to meet the district's target date for state funding will tend to limit the length and depth of community involvement in the selection process.

THE DISTRICT'S SITE SELECTION TEAM DOES NOT INCLUDE COMMUNITY MEMBERS

Despite the recommendation by the California Department of Education (CDE) that districts include community members on their site selection teams, the district has chosen to exclude the community. Each district site selection team includes representatives from the real estate branch, the environmental health and safety branch (environmental branch), and the project management branch, as well as other district staff, such as cluster administrators, school principals, and local officials. No community members participate on the team.

Not inviting community representatives to serve on the site selection team may result in the district's failing to select the best site or to win public support for the project. Furthermore, if property owners do not support the project, they may be more likely to contest the district's offers of compensation for their property once the district determines which pieces of property it will acquire through eminent domain. According to the district, it has spent \$9.7 million in legal expenses related to the eminent domain process over the last 10 years.

Selection teams are comprised of various district staff, school principals and administrators, and local officials.

After the district has identified possible school sites and held a community meeting to obtain site suggestions, the site selection team meets privately to select what is known as a *preferred site*. This site is the one site the team recommends that the board approve for feasibility studies.

The selection of a preferred site takes place in a closed-door meeting with no public notification of the sites being considered.

The director of the real estate branch stated that the site selection team does not take notes or keep minutes of team meetings. As a result, we were unable to determine whether the team considers any comments about alternative sites gathered from the community. After the initial community meeting for each project has taken place, the district does not solicit community opinions again until after the staff has identified a preferred site for feasibility studies and has presented its choices at a facilities committee meeting. In fact, the community does not even know which of the sites suggested at the first community meeting are being considered for selection. Because team meetings do not include the community, the district is more vulnerable than necessary to public criticism and resistance to its decisions.

In contrast, we found that another large district goes to great lengths to include the community in its decision making. Before the State made funds available to build schools, the San Diego Unified School District (San Diego district) spent years developing relationships with neighborhoods, defining facilities standards, evaluating facilities needs, and educating the community at large about the need for new schools. According to the San Diego district's facilities planner, this fostering of the district's relationship with the community has resulted in a high level of trust among the parties involved in site selection, has avoided potential conflicts over locations for new schools, and has created a mechanism for the district to learn about other neighborhood and city projects.

The San Diego district begins its site selection process by holding an initial community meeting to educate the public about site selection and the criteria used to evaluate sites. At this gathering, community members identify possible locations for schools and provide information about each one. Next, a smaller group of community representatives and school district staff evaluates proposed sites and identifies a preferred site and at least one alternative site as the subjects for feasibility and environmental impact studies. According to the San Diego district,

comprehensive, collaborative planning within each community helps its staff select the best possible sites to provide a safe, secure environment for students and school staff so that effective teaching and learning can occur.

THE DISTRICT DOES NOT COMMUNICATE ADEQUATELY WITH OWNERS AND TENANTS WHO OWN PROPERTY OR LIVE NEAR PREFERRED SCHOOL SITES

Even though the district notifies those who have property or residences within 300 feet of proposed sites that community meetings with the facilities committee will take place regarding the sites, the announcements omit critical information and often arrive too late for community members to prepare sufficiently for these meetings. These shortcomings prevent community members from learning exactly how the meetings will affect them and their property.

Specifically, the notifications do not fully explain the purpose of the meetings, outline the site selection process, or name the locations that the district staff has already decided to recommend for feasibility studies. Instead, the district's standard letter, delivered by mail and also distributed by hand, notifies the public when the staff will present the proposed sites to the facilities committee and invites community members to express their opinions about the prospective sites. The letter gives the impression that the purpose of these meetings is for the district and the community to identify preferred sites, when actually the district staff has already selected a preferred site.

Notice of owners and tenants meetings arrive late and do not fully explain the meeting's purpose.

Moreover, our review showed that the district fails to give owners and tenants enough advance notice to allow them to review the staff's analyses concerning the proposed school sites in their area and the district's recommendation of a preferred site for feasibility studies. The district's written procedure states that staff should make its analysis report available to the public two weeks before the facilities committee meeting. This requirement seems to imply that owners and tenants should also be notified of the facilities committee meeting at least two weeks in advance because the letter informs recipients about the availability of the staff's report and where they can go to review it.

However, for the projects we reviewed in which the district involved the community, property owners and tenants received only three to nine days' advance notice of the meetings with the

facilities committee. In addition, the district failed to provide a two-week review period for the site analysis reports. According to the documents we examined, these reports were available for review for seven days at most. In fact, after considering the short advance notice given to some owners and tenants, we concluded that community members really had only three days to review these reports.

Although community members were often opposed to the district's choices of preferred sites, the board later approved them for feasibility studies.

For the projects we reviewed, community members often opposed the district's preferred sites and expressed their opposition at both facilities committee meetings and board of education meetings. In several instances, the district approved sites for feasibility studies despite community members' concerns. For example, at a facilities committee meeting held in early September 1999, the committee recommended that the board approve two sites for feasibility studies even though community members attending the meeting expressed resistance to the plan. Although two committee members, who also serve on the board, agreed that the district's community notification process was inadequate and did not allow proper lead time, the committee still recommended that the board approve both preferred sites for feasibility studies. The board later authorized the studies for both sites.

To alleviate community members' discontent concerning these sites, the facilities committee did make certain concessions. For one of the disputed sites, the committee agreed to have the district work with the community to identify a second site within the area for feasibility studies. For the other disputed site, the committee instructed the district to hold additional community meetings to identify other potential sites within the area by the next facilities committee meeting.

If the board ultimately approves these alternative sites, their feasibility studies will not start until after studies for the two disputed sites have begun. In its haste to complete the steps necessary to qualify for state funding, the board might approve the original sites for acquisition before the feasibility studies of any alternative sites are complete. The rationale given by a board member at the September 30, 1999, committee meeting for approving one site over the objections of community members was that, although board members wanted to hear suggestions for alternative sites, the district was under tight time constraints to identify new school sites.

There are no community meetings to discuss environmental concerns unless the site requires an EIR.

Once the board approves a site for feasibility studies, the district sends a Notice of Decision to Appraise to owners of both commercial and residential properties on or near the school's proposed location, and the district sometimes also schedules a community meeting. Although the site selection procedure states that district staff will hold a community meeting at this point, attended by environmental experts prepared to discuss environmental and other issues, the meeting takes place only if the project will have a significant impact on the environment and therefore will require a full environmental impact report (EIR). The district does not hold such a meeting if a negative declaration or mitigated negative declaration will be prepared instead. The district or its contractors write a negative declaration if the project will result in no significant impact on the environment, and they prepare a mitigated negative declaration when the impact can be alleviated so that the effects are not significant. Of the three projects we reviewed that had completed feasibility studies and been approved, two received negative declarations, so the district did not hold community meetings to discuss environmental issues.

We believe that even those environmental issues that the district believes are insignificant or can be mitigated may greatly concern those who own property or live near the proposed sites for new schools. Even though the district solicits written comments on negative declarations and notifies the public that individuals can address the board with questions and concerns at the board's meetings for approving negative declarations, we question how well the district is informing the affected community about the environmental issues if it is not scheduling separate community meetings with experts in the field to discuss the results of environmental reports.

THE DISTRICT NEEDS TO IMPROVE DOCUMENTATION AND COMMUNICATION IN ORDER TO BE ACCOUNTABLE FOR THE SITE SELECTION PROCESS

The district's real estate branch and its environmental branch, which are the two units primarily involved in site selection, do not sufficiently document the steps they take when selecting school sites. According to the director of the real estate branch, coordination between these branches takes place orally, and the staff maintains little formal documentation. For the nine school projects we reviewed, documentation relating to the selection of sites was minimal. In fact, the district could not even provide us with a complete list of the status of all projects started within

the past 10 years. Without adequate documentation, the district cannot ensure that it is completing all of the steps in the site selection process and that it is maintaining accountability to the board and the residents of Los Angeles County.

Despite prioritizing new projects in accordance with community needs, the district did not attempt to first find sites for the highest-priority schools.

An example of the district's lack of accountability to the public can be found in its failure to adhere to its priority system for projects. Although the district has developed a method for prioritizing projects, it fails to provide the oversight needed to ensure that staff follows these priorities. In its 1998 master plan, the district ranked the importance of 51 projects according to each community's need for a new school. Nevertheless, when we reviewed the order in which the district began selecting sites for particular projects, we found that it did not attempt to first find sites for the highest-priority schools. According to the general manager of the facilities services division, the district does not adhere to the priorities listed in its master plan because of the district's deadline for obtaining state matching funds. Instead, the district attempts to identify and qualify all sites as quickly as possible so that it can meet the self-imposed funding deadline of July 1, 2000. However, by trying to do too much in the time allotted and not focusing its efforts on the highest-priority schools, the district risks the loss of matching funds for the most needed new schools.

CONCLUSION

The district has not involved the community effectively in its site selection process. As a result, the district misses opportunities to obtain valuable suggestions regarding potential sites as well as to deflect community discontent, which could later cause delays in the selection process and may make property owners more likely to contest the district's offers of compensation for their property. For nearly half of the sites it selected, the district used an expedited process that eliminated community involvement. In addition, the district does not notify the appropriate community members of meetings and does not promptly and fully inform property owners whose property may be condemned. Furthermore, the district's documentation of its site selection process and the communication among its branches involved in site selection need to be improved to ensure that all steps in the process take place and that the district is accountable to the public for the decisions it makes.

Although the district has recently announced that it will hire facilitators to work with the community during the site selection process in the future, it will not use facilitators for sites that have already been identified.

RECOMMENDATIONS

To effectively involve the community in the site selection process, the district should take the following steps:

- Eliminate the use of the expedited process and institute a policy of always holding a community meeting before selecting a preferred site for feasibility studies.
- Improve the notification process for the initial community meeting by notifying homeowners associations, owners of commercial and rental property, and residents of the study area, and by notifying invitees of the meetings at least one week in advance.
- Include community representatives on the site selection team.
- Provide property owners and tenants enough advance notice of facility committee meetings to allow for a two-week review of staff analysis reports before the meeting dates.
- Include information on the purpose of the meeting, an outline of the site selection process, and the location of the site recommended for feasibility studies as part of the notification letter for facilities committee meetings.

To be accountable for the site selection process, the district should do the following:

- Develop project timelines and a checklist that includes all the steps in the site selection process and use these documents as tools to ensure that all of the branches involved coordinate their efforts, complete all steps in the process, and are accountable for their decisions.
- Adhere to the priorities for building new schools established in the district's 1998 and future master plans.

We conducted this review under the authority vested in the California State Auditor by Section 8543 et seq. of the California Government Code and according to generally accepted government auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,



KURT R. SJOBERG
State Auditor

Date: December 22, 1999

Staff: Doug Cordiner, Audit Principal
Farra C. Bracht
Laura B. Ronneberg
Dianna Scott

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APPENDIX

Comparison of the California Department of Education Criteria With Los Angeles Unified School District Criteria Specifics

| CDE Criteria | CDE Secondary Criteria | District Criteria Specifics* |
|--------------|--|--|
| Safety | <p>Factors to avoid:</p> <ul style="list-style-type: none"> • Adjacent to highways and railroads and lacks a sound buffer • Within two miles of an airport runway or heliport • Close to high-voltage power lines • Contaminants or toxics in the soil or groundwater from landfills, dumps, chemical plants, refineries, fuel tanks, nuclear plants, or agricultural use of pesticides/fertilizers • Close to open-pit mining • On or near a fault zone or active fault • In an inundation area or dam or flood plain • Social hazards in the neighborhood, such as high incidence of crime and drug or alcohol abuse | <p>For health and safety: Sites should, to the greatest extent possible, provide a healthy and safe environment.</p> |
| Location | <ul style="list-style-type: none"> • Strategically located to avoid extensive transporting and to minimize student travel • Compatible with current and future zoning regulations • Close to public services, such as libraries, parks, and museums • Favorable orientation to wind and natural light | <p>For location: New schools should be located so as to help relieve overcrowding at two or more schools.</p> |
| Environment | <ul style="list-style-type: none"> • Free from sources of noise that may impede the instructional process • Free from air pollution, smoke, dust, and odors • Provides aesthetic view from and of the site • Compatible with the curriculum | <p>Not listed as a district criteria.</p> |

* District guidelines do not include secondary criteria, however they do include criteria specifics.

| CDE Criteria | CDE Secondary Criteria | District Criteria Specifics |
|-----------------|--|--|
| Soils | <ul style="list-style-type: none"> • Close to faults or fault traces • Stability of subsurface and bearing capacity • Danger from slides or liquefaction • Percolation for septic system and drainage • Adequate water table level • Existing landfill reasonably compacted | Not listed as a district criteria. |
| Topography | <ul style="list-style-type: none"> • Surface and subsurface drainage • Rock ledges or outcroppings • Feasibility of mitigating steep grades • Level area for playfields | For topography: Sites, which are level, are preferable to those with significant grade differences. |
| Size and Shape | <ul style="list-style-type: none"> • Net acreage consistent with recommendations in the School Facilities Planning Division's "School Site Analysis and Development Guide" • Appropriate length-to-width ratio • Sufficient open space and play area • Potential for expansion for future needs • Adequate and separate bus loading and parking | Not listed as a district criteria. |
| Accessibility | <ul style="list-style-type: none"> • Access and dispersal roads • Natural obstacles such as grades or gullies • Obstacles, such as crossings on major streets and intersections, narrow/winding streets, heavy traffic patterns • Freeway access for bus transportation • Routing patterns of foot traffic | For accessibility: Sites with adjoining streets on all sides are preferable. For traffic: Sites should minimize the exposure of students to traffic hazards in travel to and from school, and should also minimize impacts on traffic congestion from school-generated traffic. |
| Public Services | <ul style="list-style-type: none"> • Fire and police protection • Public transit service • Trash and garbage disposal | Not listed as a district criteria. |

| CDE Criteria | CDE Secondary Criteria | District Criteria Specifics |
|-------------------------------|--|--|
| Utilities | | |
| | <ul style="list-style-type: none"> • Availability of water, electricity, gas, and sewer • Feasibility of bringing utilities to the site (cost) • Utilities reasonably available to the site • Restrictions on right-of-way | Not listed as a district criteria. |
| Cost | | |
| | <ul style="list-style-type: none"> • Reasonable costs for site preparation (drainage, parking, driveways, removal of existing buildings, and grading) • Reasonable costs for condemnation, severance damage, and legal fees • Reasonable maintenance costs | <p>For cost:</p> <p>Where alternative sites are substantially equal relative to the above factors [all other factors], the lowest cost site is preferable. Sites, which will require significant expenditures of General Fund money, are less desirable than sites which will not.</p> |
| Availability | | |
| | <ul style="list-style-type: none"> • Title clearance • Condemnation of buildings and relocation of residents | <p>For displacement:</p> <p>Displacement of owner-occupied and tenant-occupied homes and apartments should be minimized wherever possible, unless suitable replacement housing can be found.</p> |
| Political Implications | | |
| | <ul style="list-style-type: none"> • Public acceptance of the proposed site • Receptivity of city and/or county planning commission • Zoned for prime agricultural or industrial use • Negative environmental impacts • Coordination of proposed school with future community plans | Not listed as a district criteria. |

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Agency's comments provided as text only.

Los Angeles Unified School District
Office of the Chief Operating Officer
450 N. Grand Avenue, Room A-431
Los Angeles, California 90012

December 14, 1999

Kurt R. Sjoberg
California State Auditor
555 Capitol Mall, Suite 300
Sacramento, CA 95814

Re: "Los Angeles Unified School District: Its School Site Selection Process Fails to Provide Information Necessary for Decision Making and to Effectively Engage the Community"

Dear Mr. Sjoberg:

Thank you for providing me the opportunity to review the above-referenced report. I am in complete agreement with its findings and recommendations. With our goal of building 150 new primary centers and schools in the next few years, it is imperative that we make radical changes in our site selection process. Implementation of the recommendations contained in your report will be an integral part of our revisions.

Indeed, we have already begun to implement a community outreach program designed to more fully and appropriately involve the community in our site selection and school planning process. We have also taken steps to ensure that staff and the Board obtain enough information to make an informed decision about a site's viability for a school, and that this information is available as early as possible in the site selection process.

I am fully committed to ensuring implementation of all the recommendations in your report. If you should require any additional information from our district, please feel free to contact me at (213) 625-4033.

Sincerely,

(Signed by: Howard Miller)

Howard Miller

cc: Members of the Legislature
Office of the Lieutenant Governor
Attorney General
State Controller
Legislative Analyst
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps