

Bond Case Briefs

Municipal Finance Law Since 1971

A Better Way to Manage Government's Underutilized Property.

A startup emerging from academia wants to help cities get more value from publicly owned land.

Government owns 10 to 30 percent of the footprint of most cities, and the public sector is the nation's largest property owner. But property management is hardly a core function of government, so it's not surprising that many jurisdictions don't even have an accurate inventory of their own property. The data is often scattered across the various agencies in charge of different parcels.

Much public land is underutilized and expensive for taxpayers. The Office of Management and Budget estimates, for example, that it costs about \$1.7 billion per year to maintain and secure underutilized federal properties. For municipal governments, there's also foregone property tax revenue and wasted opportunities to use the land to support local economic development.

A Boston-based start-up is looking to change all that. [OpportunitySpace](#) has its roots in the master's thesis of two Harvard Kennedy School students. It is a data hub and information platform that offers both municipalities and citizens consolidated, standardized data on government-owned land. Parcels are mapped geographically. By clicking on one, users can learn its square footage and assessed value.

The company has completed a pilot project with four Rhode Island municipalities including Providence, where the city's 1,363 publicly owned parcels are now posted online. OpportunitySpace is also operating in Louisville, Ky.

In addition to cutting municipal costs and boosting local tax revenues, the company hopes to increase transparency and the amount of creativity that surrounds development issues. In most cases, a sign in the ground is the only way to know a city is looking to sell a piece of property. At best, the property might be posted somewhere deep within a municipal website. OpportunitySpace hopes to make the information available to those who don't know their way around city hall or tax-assessor databases-to "democratize the sale of government-owned property," in the words of co-founder Cristina Garamendia.

As the fledgling company nears the end of its incubation period at the Harvard Innovation Lab, it expects to begin charging municipal clients a manageable subscription fee. The plan is for more of its revenue to be generated by selling sophisticated information to the private sector.

OpportunitySpace is working on adding information to its database, such as how to connect with experts and gain a better understanding of potential funding sources and redevelopment incentives. It also is adding zoning maps and information about where public investments, subsidies and tax abatements are focused.

OpportunitySpace has received a couple of boosts recently. Last month it was the subject of a New York Times article. This month it is one of the ideas recognized in the annual Better Government Competition sponsored by the Pioneer Institute, a Boston-based public-policy think tank. (I am

affiliated with Pioneer as a senior fellow but was not involved with the competition).

It grabs people's attention when they can pay a highway toll electronically without slowing down. But technology is also enhancing government operations in ways that are less visible, though just as important. If it succeeds, OpportunitySpace will be a prime example of that, helping reduce municipal costs, hike revenues and broaden the marketplace of development ideas.

GOVERNING.COM

BY CHARLES CHIEPPO | SEPTEMBER 11, 2014

Charlie_Chieppo@hks.harvard.edu

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com