

APPENDIX S

Public/Private Partnerships: Case Study

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Cities often receive intense pressure from constituents to improve city services in spite of continually tight budgets. And as such, cities are constantly looking for ways to do more with less. This is particularly true with municipal animal shelters, which are often expected to save more lives without the benefit of increased budgets or better facilities. In the U.S., 68 percent of households have pets¹ and 95 percent of those pet owners consider their pets to be family,² so high euthanasia rates in shelters are no longer accepted in most communities.

The reality of inflexible budget constraints and demand for quality service from the public have led many public organizations to seek out partnerships with nonprofit service providers to supplement, or replace, work previously done by the government entity. These relationships can include working with outreach groups who help citizens in underserved areas provide better care for their pets, working with low-cost spay and neuter partners, and working with rescue groups who can help pull animals from the shelter. Some communities have even let their partnerships extend into contracting shelter operations to a community nonprofit to increase lifesaving, provide broader services and increase public support for their animal shelter.

In 2009, the animal shelter in Kansas City, Missouri, was under intense scrutiny. For years, the shelter had endured public criticism for the high mortality rate for shelter animals. The previous year, more than 60 percent of the 8,000-plus animals entering the shelter had been killed. As in many municipal shelters, the staff there struggled with handling the high volume of animals; the limitations of a small, outdated and dilapidated shelter; a small budget; and an overall lack of community support. These challenges and the constant criticism from the community created low morale and poor performance among employees.

After much dialogue, the city council made the decision to privatize the shelter's operations. A new group, Veterinary Medical Corporation, took over shelter operations in April 2009. After two years of operation, the live release rate under Veterinary Medical Corporation had improved to 61 percent, but allegations of improper care for the animals emerged.

In 2011, the city looked for a new vendor to run the shelter — and eventually selected a new nonprofit group, Kansas City Pet Project (KCPP), to take over shelter operations. In 2012, its first year of operating the shelter, KCPP doubled the number of adoptions at the shelter and saved 87 percent of the animals in their care. The following year, there was a 200 percent increase in adoptions and a 91 percent save rate, and in each of the five years since, the numbers have continued to improve. This growth has come while maintaining the open-admission structure that is important as a city service.

In the process of operating the shelter, KCPP has improved the shelter's reputation and gained public trust and support. KCPP has also increased resident engagement, added thousands of hours of volunteer support and increased donations significantly. When KCPP took over operations in 2012, the budget was almost entirely the \$1.2 million that was paid as part of the city contract. By 2017, that number had grown to more than \$3.5 million, mostly through the additional support of grants and donations from the public.

KCPP has not only increased its budget, it has improved public services, and animal shelter operations are a high performer in the city's annual citizen satisfaction survey.³ This high level of citizen satisfaction and public support led to the passing of a bond initiative in 2017 that will fund the eventual replacement of the city's 45-year-old animal shelter.

Kansas City isn't alone in its success. Communities such as Independence (Missouri), Atlanta (Georgia), Baton Rouge (Louisiana) and others have turned the operations of their municipal animal shelters over to nonprofit groups with similar success.

There are many advantages to privatization. First, nonprofit shelters often find it easier to raise money than government shelters, increasing the operating budget without increasing government expenses. Second, private shelters have the ability to recruit and retain high-performing employees without the restrictions commonly found in municipal or state civil service systems. Third, private shelters can more easily innovate because they have flexibility in decision-making, which can allow for implementing new operational and marketing ideas. Finally, private organizations can more easily solicit donated services from area businesses, particularly veterinary clinics, and increase volunteer support from a public that is eager to help.

While many public/private partnerships have been successful, they are not without their challenges. One challenge is that cities and nonprofits will not always share common goals. While a city may view success as balancing the budget and minimizing citizen complaints, a private organization may define success as increased number of animal adoptions, improved and expanded operations, or progression toward limiting euthanasia and the elim-

ination of individual animal suffering. (If you want more information about this, read *Saving Fido: A Case in the Privatization of Local Animal Control Services*.⁴)

Having a shared vision between the government and contracting entity is important for the ongoing success of the partnership. In addition to a shared vision, it's essential to have a solid process for shared accountability and effective communications to manage conflicts. The ability of the two entities to work with mutual accountability toward achieving a shared community vision will help increase the likelihood of success.

Privatizing shelter operations can be tricky, but a good partnership can be a win-win, as cities are able to increase services beyond what they can afford just through tax dollars, citizens are happier with the services they receive, and more animal lives are saved.

NOTES

1. American Pet Products Association, *2017-2018 APPA National Pet Owners Survey*. Information available at americanpetproducts.org/press_industrytrends.asp.
2. Nielsen survey conducted by Harris Poll (2015). Information available at nielsen.com/us/en/insights/news/2015/nothing-is-too-good-for-fido-pets-that-have-it-all.html.
3. *2017-18 Kansas City, Missouri, Citizen Survey: Final Report*. Available at <http://kcmo.gov/data/wp-content/uploads/sites/45/2018/06/CitizenSatisfactionSurvey2017-18.pdf>.
4. J. Pietroburgo, *Saving Fido: A Case in the Privatization of Local Animal Control Services*, *The Innovation Journal: The Public Sector Innovation Journal* (2012). Available at innovation.cc/case-studies/pietroburgo_saving_fido2012_5v17i2a6.pdf.