

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **Momentum Continues to Build for P3s.**

Interest in P3s continues to grow as governments aim to stretch their tax dollars earmarked for infrastructure projects, an expert panel told an audience Monday at NCPPP's P3 Connect.

In an era of shrinking government and a public weary of the private sector's profit motive, the key to project success is conducting a thorough financial review, open communication with the public and the willingness of local officials to understand these complex projects.

"There's a big difference in P3s for railroads, airports, waterworks, highways and roads and utilities and we need to put them on a spectrum of how different they are from one another," said Diana Carew, economist and director of the Young American Prosperity Project at the Progressive Policy Institute. "What they do all have in common is the need for the proper policy and legislative framework. There are still some states that lack P3 frameworks."

Lately, the private sector's sustained interest in P3s has begun to be shared by government agencies recognizing the role P3s can play in building infrastructure, according to Bill Johnson, director of Miami-Dade Water and Sewer.

Public support for partnerships continues to be an important determinant in the success of P3s, the panelists agreed.

"For the public, having an understanding what a P3 contract is trying to achieve is so important," Len Gilroy, director of government reform at the Reason Foundation, told the audience. "What may be intuitive for a policymaker may not translate for members of the public. Communicating the decision-making process is very important."

Finally, the panelists noted the importance of seeking outside advice when entering into P3s.

"Ultimately, much of the financial counseling public agencies look for can be outsourced," said Emilia Istrate, director of research and outreach at the National Association of Counties. Of the 31 pieces of legislation proposed at a state level in 2011, 14 expressly allowed public agencies to bring in external consultants to help explain the complexities of P3s and to help the state work with the private sector, according to Istrate.

P3 Connect: Defining the Future of P3s in the U.S will run through Wednesday.

By Editor July 29, 2014