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## **Experts Offer Strategies for Educating Stakeholders, Public on Benefits of P3s.**

Never underestimate the importance of educating key stakeholders and the public about the benefits of using public-private partnerships to develop social infrastructure both before and after project launch. Failure to convey the advantages of P3s to those who will be affected by such projects could lead to pressure on public agencies to reject this procurement method in the future. This message was delivered repeatedly by a broad range of successful P3 partners during NCPPP's second annual P3s for Public Buildings Summit, Oct. 22-23 in Washington, D.C.

The list of people who should be educated thoroughly on the advantages of P3 procurement is extensive. It includes investors, public agencies, local and state residents, legislators and the media. It equally is important to engage with individuals and organizations located near the project, unions and local contractors, session participants stressed.

All descriptions of P3s also should simply and thoroughly define the procurement method, which often is poorly understood, these experts added. Confusion over what P3s are abounds even in Canada, where unlike the United States, they are used to build a range of public buildings, including schools and hospitals.

"When we talk about P3s, we're not talking about privatization. The government owns, controls and is accountable for that asset. But we also have to dispel the notion many government officials have that P3s don't involve any government funding. They don't know what private financing means. We have a saying: 'P3 — not P-free,'" said Mark Romoff, president and CEO of the Canadian Council for Public-Private Partnerships, who moderated a session on how to garner community and stakeholder support for P3.

He described other myths that surround P3s in Canada, such as the assumption that unions universally distrust them. "Several large unions, such as Laborers' International, are part of a P3 group and all of the collective bargaining agreements we have negotiated with them are observed," he explained.

Romoff also stressed the importance of publicizing the beneficial effects P3s have on people's quality of life. "It's not enough to keep saying that a project has been completed on time and under budget. Tell a story simply and connect emotionally. You'll make more headway."

The highly successful Long Beach, Calif. courthouse P3 is a case in point, recounted Stephen Reinstein, director of integrated delivery at AECOM and former CEO of Long Beach Judicial Partners. "Judges' complaints about the poor condition of the facilities they'd been working in didn't make a difference. What was compelling was hearing about someone who had a heart attack and died on the sixth floor because the elevators weren't working," he said.

Reinstein also stressed the importance of attracting support from public officials at various levels of government for such projects. Then-Gov. Arnold Schwarzenegger, who sent aides to Canada to study its P3 procurement models, endorsed the courthouse project, as did officials at the county and city

levels, in part because the new construction was seen as the first step in rehabilitating a blighted neighborhood.

The developers also heeded the concerns expressed by influential members of the community in designing the project. When administrators at a nearby school questioned the safety of having a courthouse next door, developers promised that no doors would be built on the side of the building that faced the school, which eased the school officials' misgivings, reported Reinstein.

"We also signed a good agreement with the public union that was afraid its members would be negatively impacted by developing the courthouse as a P3. The union became a big supporter and we were able to the message across that, 'No public jobs were harmed in building this project,'" he added.

Reinstein took pains to communicate with all of the local newspapers and the other Los Angeles media about the project and the P3 concept but acknowledged that he found it difficult to explain the procurement method "in a sound bite."

"I used simple language and analogies that I thought people would easily understand, such as likening it having a house mortgage that includes the services of a gardener and a handyman for 39 years," he explained.

Jessica Murray, who recently joined Walsh Construction as vice president of strategic initiatives, recalled state officials' reluctance to educate the media to counteract the effects of negative stories about a P3 to expand Interstate 70 in northeast Denver. While working for Skanska, which is part of a consortium that is bidding for the project, she reached out to reporters and created an informational video about the P3. As a result, "reporters started calling me to check on the accuracy of what other people were saying," she recalled. She urged state officials to capture the media's attention in a project's early stages, especially if they anticipate negative reactions. "If you can't do that, talk to the cab drivers who talk to everyone on the planet. Bad word-of-mouth snowballs," she warned.

The importance of engaging internal and external stakeholders early in the planning process also is vital, stressed participants in the summit's opening general session.

When The College of New Jersey decided to build a multi-use development that included student housing as a P3, faculty and students expressed concern that they no longer would be dealing solely with the college, a trusted agent, over quality-of-life issues. Some faculty members criticized the decision to allow a tanning salon to locate on retail space in the complex, for example, said Stacy Schuster, the college's associate vice president for college relations. The school was pleased with the pace at which work and approval processes were conducted, however, and ultimately, "the campus community came on board," paving the way for development to enter into a second phase. "People on campus had trouble at first accepting that an external company would manage the project and handle maintenance. Now everyone is comfortable with this project, but if we take on another P3, we might hold internal conversations differently," she said.

"Agencies need to pay attention to the facility user — the customer. You need to explain how it will be used and how it will accommodate changes in the future," advised Douglas Koelemay, director of the Virginia Office of Public-Private Partnerships (VAP3). Agencies used to convey this information through public hearings but that avenue alone is no longer sufficient, he noted.

"It's not just about telling people what is going to happen but answering their questions. You have to, as the saying goes, 'get sticky' with them. Social media is a big help with that," Koelemay said,

adding that it is important to know what citizens want, value and will support. “They can give you permission to proceed, even if they’re not actually promoting a project.” With this in mind, VAP3 adopted a new set of guidelines to conduct risk management and to engage the public.

P3 developers should make the time to reach out to their elected legislators to educate them on the benefits of using this procurement model to build public infrastructure as well, said Timothy Merriweather, president of the Texas Infrastructure Council. “We’re represented by U.S. senators and representatives, and state, county and city officials. Take the time to make calls, visit their offices, leave a flyer and tell them, ‘If you have a question about P3s, ask me. I’m your constituent and this is what I do.’ My county judge calls me to ask questions about P3s.”

One woman “with an extensive e-mail list” advocated so tirelessly against a proposed P3 that she “killed it singlehandedly,” he recalled. “The people who don’t understand what P3s are and can do and complain, they’re the squeaky wheel. They are heard. We’re the larger group but we’re not making that noise. We have to counter misinformation and misunderstanding with facts,” he said.

NCPPP

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