

# Municipal Public Private Partnership (MP3) Program

Finance & Governance Committee Briefing  
July 2017



**DENVER**  
THE MILE HIGH CITY

**ARUP**



# Introduction

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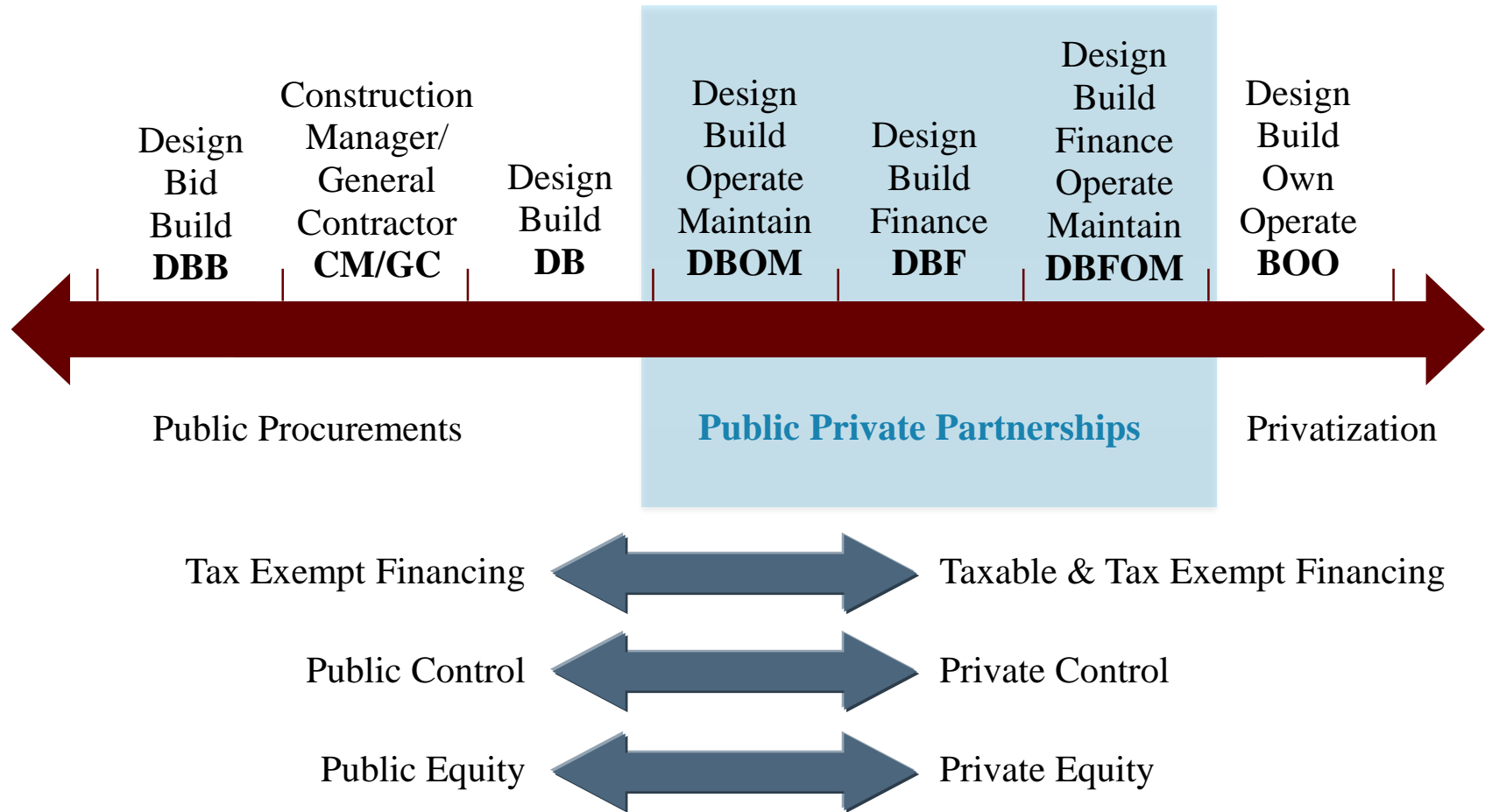
## Why is Denver investing in a Municipal PPP Policy and Program?

- Programmatically **foster significant economic development**, job creation and workforce development
- Attract **private sector innovation** and investment to build public infrastructure to support our growing economy, without privatization of assets
- Create **certainty** and **transparency** in the process of developing major projects (benefits tax payers and investors alike)
- Enable the City to **evaluate** and **execute partnerships** with the private sector **efficiently** and **effectively**
- Apply best practices from the US, Canada, and around the world, **adapted to Denver's unique needs, values, and vision**

## Denver's Path Forward

Seeing a need and opportunity for the use of P3, the Mayor's Office enlisted the efforts of the Department of Finance and City Attorney's Office, to initiate the P3 program development with input and collaboration of other agency users, such as Public Works, National Western Center and Arts and Venues

# Project Delivery Models



## Opportunities

- Budget certainty
- Increased quality
- Lower lifecycle cost
- Transfer of risk
- Faster delivery
- Access to financing

## Challenges

- Long term and complex contracts
- High transaction costs
- Not for small projects
- Cost of capital can be higher than public financing
- Criteria vs. design-based contracts

# P3 Policy and Program Status Overview



- Project started in October 2016
- Mayor’s Office and independent broker agencies, DOF and CAO, with collaboration of PW, NWC, AVD, etc. initiated P3 vision.
- External advisor (Arup) brought on board to produce the program, along with their subconsultant (Linhart PR), to help the City launch it.
- A complete draft program has been developed with input provided by internal City staff.
- Draft program has also been reviewed by and discussed with the Mayor and senior staff .
- Additional review and comment is still required by key stakeholders, including City Council.
- Expected completion: 2017

# P3 Policy and Program Overview Cont.

## DRAFT Framework

