

P3s: Public-Private Partnerships Fort Worth Experience

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Public-Private Partnerships

- Oversimplified Definition:
 - An arrangement between a public body and another non-public body to provide public infrastructure or public services....and that the arrangement is mutually beneficial to both parties.
- Our Responsibility:
 - To provide the desired infrastructure and public services at the lowest cost to our citizens, taxpayers, and rate payers **regardless of who provides it.**

Public-Private Partnerships

- Examples
 - Alliance Airport
 - Dickie's Arena
 - Sundance Square Plaza
 - Fort Worth Zoo
 - Toll Roads (I-35; Chisolm Trail Parkway)
 - Botanic Research Institute
 - Solid Waste Collection and Landfills
 - Omni Hotel
 - Incentives/TIFs/Development Agreements

Alliance Airport



Alliance Airport

- First industrial airport in the U.S. designed for cargo, aircraft maintenance and manufacturing, and corporate aviation.
- Owned by the City of Fort Worth
- Operated by Alliance Air Services (a division of Hillwood Company).
- Opened in 1989; Part of Alliance Global Logistics Hub.
- Partners: City of Fort Worth, Hillwood Company, Federal Aviation Administration
- Only U.S. Airport with “Matching Land Credit” financial model.
- Only U.S. Airport with two “Air Cargo Hubs”
 - 3rd Largest FedEx Air Hub
 - 1st airport to secure Amazon Air Hub

Dickies Arena



Dickies Arena

- Opens in November 2019
- Land Assembly and facility design by private not-for-profit
- Master Agreement for construction with Private not-for-profit
- Cost \$540 million +; City's contribution capped at \$225 million
- City will own asset; Private not-for-profit will operate arena
- The arena's operations will be financially self-sufficient, with no public money used to fund operations or maintenance.

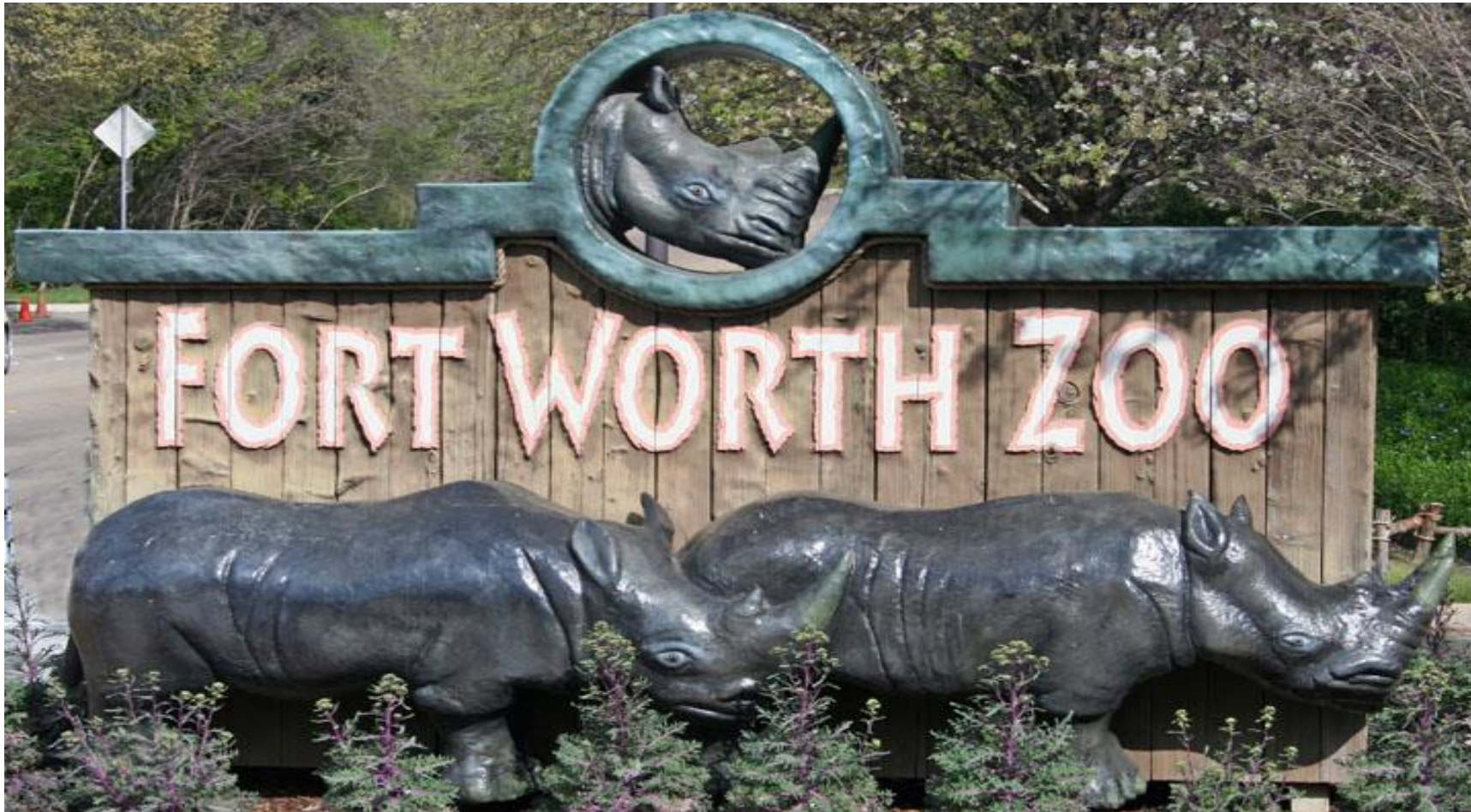
Sundance Square Plaza



Sundance Square Plaza

- Part of Sundance Square – a 35 block downtown area of office, retail, restaurants and residential
- Sundance Square Plaza – “Best Public Space in America.... Privately Owned.”
- Opened in 2013
- Public Participation: street closure and granting of easement
- Private programming and maintenance

Fort Worth Zoo



Public-Private Partnerships

How the Arrangement Works

Public Sector

- Public Infrastructure/Public Services provided at desired scope/quality at lowest total/life cycle cost to public body.

Private Sector

- Appropriate Return on Investment to Investors and Owners
- Legacy/Long-term Community Building

Public-Private Partnerships

- It Can Work....Projects Delivered
 - Faster
 - More Cost Effectively
- Questions to Understand and Address
 - Who owns?
 - Who manages?
 - How much are we really paying for it?
 - Who is at risk... financially?
 - Who is at risk... publicly?

Public-Private Partnerships

- Lessons Learned/Experience
 - Transfer of Responsibility “Doable”
 - Transfer of Public Accountability “Questionable”
 - Understand the Entire Transaction and impact on municipal finances and legal issues.
 - “Follow the money”

Thank you



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