

#### **PROJECT OVERVIEW**







#### **Definition:** What are P3s? Long-term, performancebased contract **Risk transfer** Contractor **D**esigns, Builds, Finances, and Maintains public facility (DBFM) **Benefits of P3s: Examples**: Incentivizes Innovation Virginia 495 Beltway Life-Cycle Management **Express Lanes P3's** Transfers Risk Long Beach Courthouse Performance/Outcome-Maryland Purple Line Based LaGuardia Airport **Debt Capacity** What a P3 is NOT: Not – Free money Not – Privatization or Outsourcing Not – Philanthropy

## **Project: Daly Building**

#### Agencies:

Unsolicited

**Proposal** 

Received

Nov 2016

- Office of Public Private Partnerships (OP3)
- Department of General Services (DGS)
- Metropolitan Police Department (MPD)
- **Scope:** Design/Build/Finance/Maintain (DBFM)
  - Renovate 600,000 sq. ft. historic police headquarters
  - Create additional space for other District government tenants
  - Build-out and facilitate move to swing space during construction

**Pre-Qualify** 

Approx. Budget: \$300M

**Preliminary** 

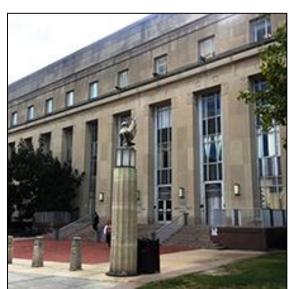
**Evaluation** 

Agency

Coordination

2017

Status: In development; RFAP-Q to be released in early 2018



Select





## **Project Scope, Goals and Benefits**

Design and Renovation	<ul> <li>Deliver renovated, state-of-the-art Daly Building that allows MPD and other agencies to do their job more effectively in safe, clean, and efficient facility</li> </ul>
Swing Space	<ul> <li>Ensure continuity of service for core agency functions displaced during construction in temporary offices that meet MPD's standards</li> </ul>
Operations and Maintenance	<ul> <li>Maintain renovated Daly in a good state of repair to extend useful life; single point of contact to fix issues in timely manner at their expense</li> </ul>
Private Financing	<ul> <li>Leverage private debt and equity to incentivize innovation and on-time/on-budget performance, and to delay/reduce need for public debt</li> </ul>



## Fun Facts about P3s

- Every dollar spent on infrastructure, generates \$3.54 in GDP growth
- \$1 billion invested in infrastructure creates 21,671 jobs
- P3's are on average 17% less expensive and 3 times as likely to be delivered ahead of schedule
- 39 states and 33 countries have laws in place to procure P3s
- Canada procured 36% of its infrastructure with the P3 model in 2015, while the U.S. was just 1%

# **Thank You!**

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