

# COMMUNITY BUILDING P3 BEST PRACTICES

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## ***BALANCING RISK WITH REWARD***

**JACK KARDYS**

*JK STRATEGIES, LLC*

*MIAMI-DADE COUNTY*

## LEARNING OUTCOMES

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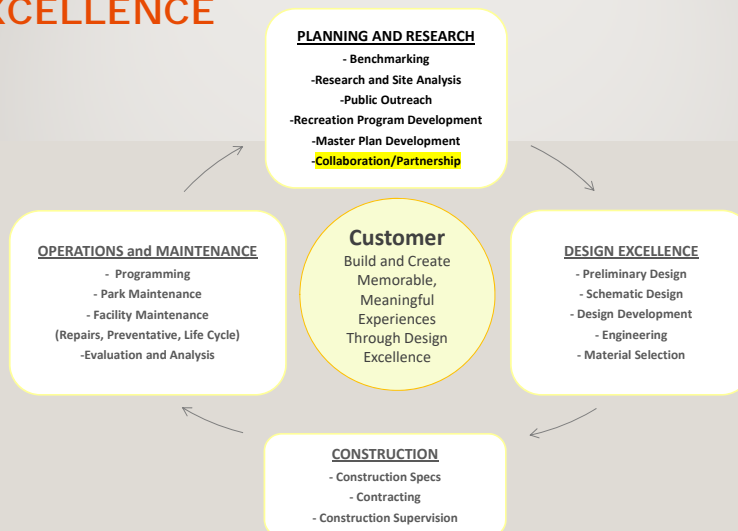
- Identify Best Practices for the Governance of Green Space
- Articulate the Community Building Benefits of P3 Partnerships and Recognize/Define P3 Success Factors
- Recognize and Summarize 4 models of Governance, Roles and Responsibilities for Agencies and Partners
- Recognize Contractual Variables that are Built into the RFP and Scoping Processes
- Develop and Discuss Solicitation Scope and Term Sheet to Balance Risk and Reward for a Community Building Initiative in Your Own City/County

## PLACEMAKING/COMMUNITY BUILDING

- **Placemaking** inspires people to collectively reimagine and reinvent public spaces as the heart of every community. Strengthening the connection between people and the places they share, *Placemaking* refers to a collaborative process by which we can shape our public realm in order to maximize shared value. More than just promoting better urban design, *Placemaking* facilitates creative patterns of use, paying particular attention to the physical, cultural, and social identities that define a place and support its ongoing evolution.

*Project for Public Spaces*

## PLACEMAKING/ DESIGN EXCELLENCE



## PUBLIC PRIVATE PARTNERSHIP (P3)

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- A facility or project that serves a public purpose, including, but not limited to, any... recreational facility, sporting or cultural facility, or educational facility or other building or facility that is used or will be used by a public educational institution, or any other public facility or infrastructure that is used or will be used by the public at large or in support of an accepted public purpose or activity. *Fl St 255.065*
- Contractual agreements between public and private sectors that share the risk and reward allowing greater private sector participation in the delivery and financing of public projects.
- Is for a facility that is owned by the responsible public entity or for a facility for which ownership will be conveyed to the responsible public entity.

## P3 SOLICITED AND UNSOLICITED PROPOSALS

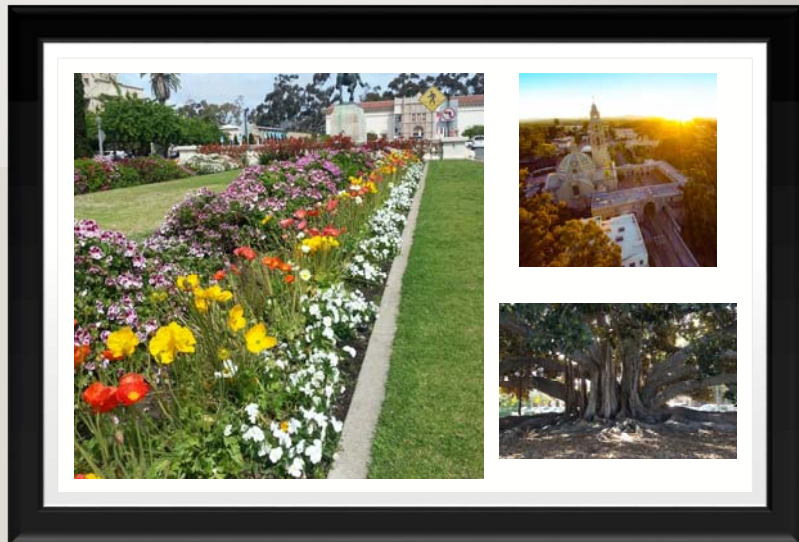
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- It is the intent of the Legislature to encourage investment in the state by private entities; to facilitate various bond financing mechanisms, private capital, and other funding sources for the development and operation of qualifying projects, including expansion and acceleration of such financing to meet the public need; and to provide the greatest possible flexibility to public and private entities contracting for the provision of public services
- **PROCUREMENT PROCEDURES.**—A responsible public entity may receive unsolicited proposals or may solicit proposals for a qualifying project and may thereafter enter into a comprehensive agreement with a private entity, or a consortium of private entities, for the building, upgrading, operating, ownership, or financing of facilities



## BALBOA PARK

- Balboa Park is made up of more than 1,000 acres and offers 15 museums, various gardens, arts and international culture associations, as well as the San Diego Zoo.
- Approximately 14 million visitors come to the park each year. Displays of internationally significant art treasures, exotic animal species, unique model railroads, world folk art, sports memorabilia and rare aircraft





## CENTRAL PARK

- The Central Park Conservancy, a private, nonprofit organization, was formed in 1980 by a group of concerned citizens determined to improve Central Park. Today, we manage Central Park under a contract with the City of New York. Over its 160-year history, the Park has experienced several cycles of restoration and decline. The era of decline in the 1960s and 1970s led to the Central Park Conservancy's formation. The Central Park Conservancy is uniquely qualified to prevent future declines and ensure the Park's care for current and future generations.



## DALLAS' TRINITY PARK

- 11 X larger than NYC Central Park, 10,000 ac nature district
- When it rains, the park will welcome the water, lead architect Michael Van Valkenburgh said at a recent conference. The park will naturally flood in controlled areas, and the water will drain into bioswales, sloped courses that absorb water.



## TULSA “GATHERING PLACE” PARK

- A project of [George Kaiser Family Foundation](#), we are committed to creating a culture that supports the overall mission of equal opportunity for all. We are committed to creating a public gathering space that is a recreational, civic and cultural destination for all walks of life to enjoy, promoting inclusivity in our city. We are committed to enhancing the River Parks system while preserving the area's natural ambiance and integrating the new space into the greater surrounding area. We are committed to Tulsa, to all who live here and to all who visit, that they may be positively inspired to play, learn, interact, relax and gather together.



## PROS & CONS

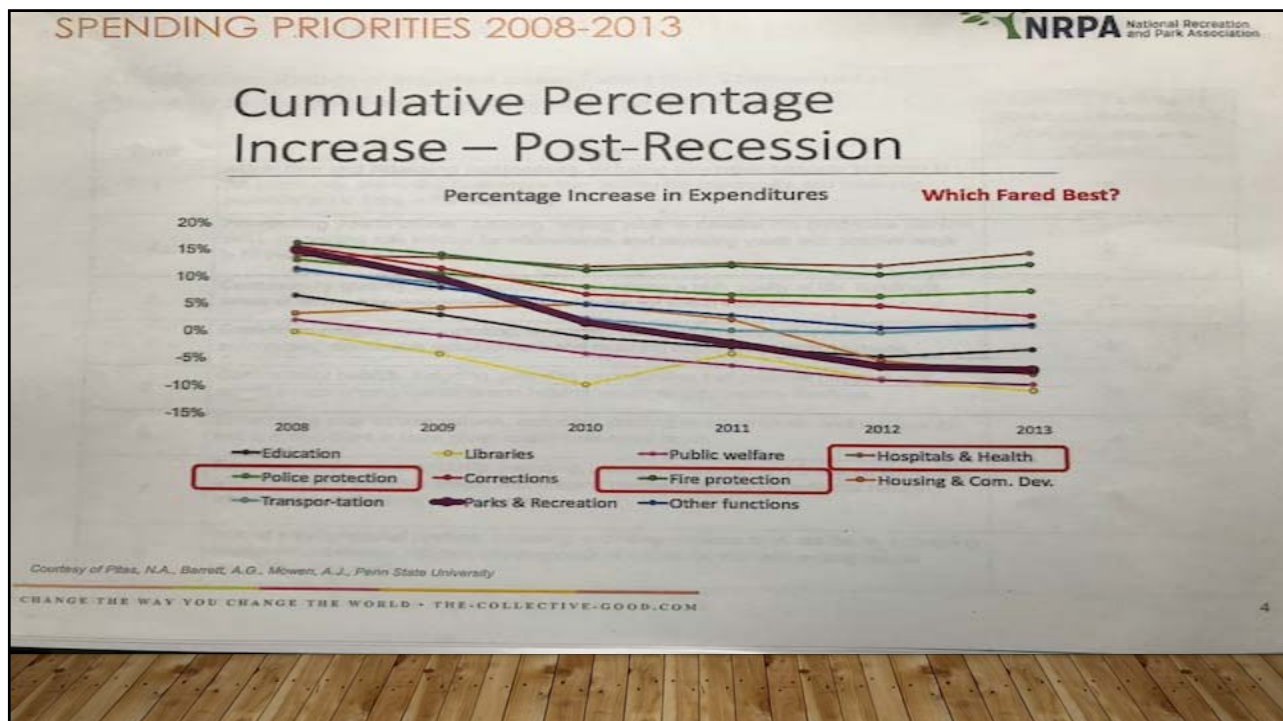
- Design Quality
- Access & Equity
- Economic Impact
- Community Benefit/Value

Median Market Value PSF by Walking Distance from Parks, 2011 \$ and % change from 2003				
Walking Distance from the Park	Central Park West		Central Park East	
	2011 \$ psf	% change from 2003	2011 \$ psf	% change from 2003
Within 5 minutes	\$474	73%	\$801	44%
5 to 10 minutes away	\$421	71%	\$714	50%
Over 10 minutes	N/A	N/A	\$1,826	96%
Walking Distance from the Park	Prospect Park		Highline – Hudson Yards to Union Square	
	2011 \$ psf	% change from 2003	2011 \$ psf	% change from 2003
Within 5 minutes	\$305	410%	\$301	103%
5 to 10 minutes away	\$313	421%	\$144	19%
Over 10 minutes	\$142	470%	\$200	33%

## NRPA'S "TALE OF TWO CITIES"

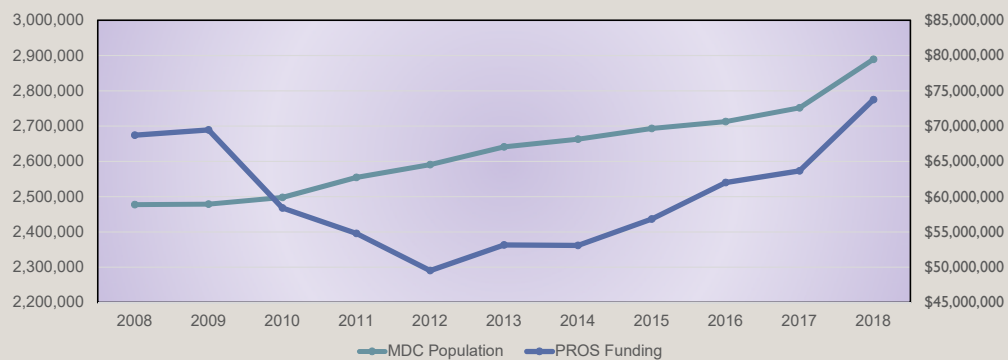
- The issues of equitable park funding in New York City came to a head during the successful campaign of Bill de Blasio for mayor. De Blasio fashioned a populist campaign narrative that included powerful imagery of what he described as a "Tale of Two Cities." He asserted the disparities between the "haves" and the "have-nots" would only grow if actions were not taken to reverse them, and he declared that one of the actions needed to be a more equitable park system for the benefit all New Yorkers...
- The Tale of Two Cities narrative struck a nerve with many New Yorkers who also saw disparities in the social fabric of the city. These sharp contrasts of how parks are funded became more apparent since the growth of privately funded public parks, such as Central Park, Prospect Park and the High Line, that are operated by nonprofit conservancies and receive the large majority of funding from private contributions.

What would you do if offered \$50 million in Capital Improvement for shared control of a public space, guaranteeing public access/equity?





## MDC HAS NEVER RECOVERED



### Local Officials' Ratings of Important Issues Facing their Communities

\*Mean Score Based on 5-point scale – "Very Unimportant" (1) to "Very Important" (5)

Rank	Issue	Officials' Ranking of Parks and Recreation's Contribution as a Solution
1	<b>Attracting and retaining businesses</b> , including convincing business to locate in the community, preventing businesses from leaving the community, and attracting professionals to living in the community.	6
2	<b>Preventing youth crime</b> , including, helping youth to develop into productive citizens, providing positive role models for adolescents, and providing youth with positive ways to fill their free time.	2
3	<b>Community quality of life</b> , including, maintaining a high quality of life, building a sense of community, and providing opportunities for social interaction.	1
4	<b>Growth management</b> , including, managing growth in a responsible way, encouraging sustainable development, and reducing traffic congestion on roads.	8
5	<b>Community health</b> , including, providing opportunities that promote physical and mental fitness among residents and helping residents lead healthy lifestyles.	3
6	<b>Enhancing real estate values</b> , including, keeping neighborhoods well-maintained and ensuring there is open green space near every home.	4
7	<b>Environmental stewardship</b> , including, preventing erosion and flooding, protecting environmentally sensitive areas, encouraging residents to connect with the natural environment, and improving air quality.	5

## CREATING THE VALUE EQUATION

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Elevating aspirations  
through  
understanding and  
the use of data



Park-centric master  
planning—New  
Urbanism



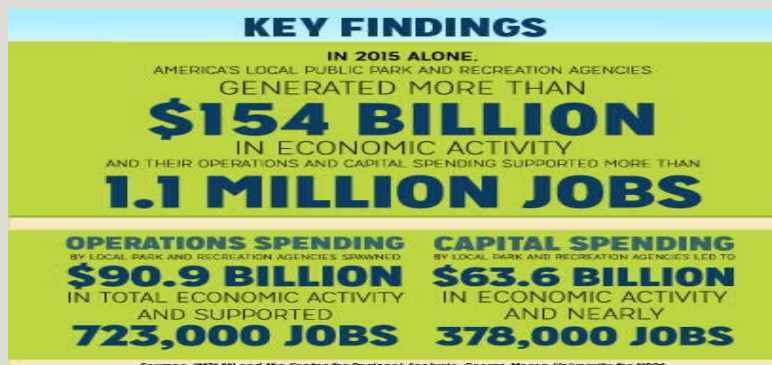
Community building  
through inspiration



Implementation via  
collaboration/partner  
ship

## DATA, DATA, DATA....

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## FLORIDA'S PARK AND RECREATION ECONOMIC IMPACT

\$7,223,289,574 in  
Economic Impact for  
Direct Services only

\$2,487,029,967 in Labor  
Income

60,084 Jobs

## TPL 7 PARK ECONOMIC VALUE MEASURES

\*SOURCE: TPL'S CITY PARK EXCELLENCE, 2009 REPORT

- Property Value
- Tourism
- Direct Use
- Health
- Community Cohesion
- Clean Water
- Clean Air



## PARKS INCREASE PROPERTY VALUE

- Influenced by distance to park, and the quality of the park
- TPL's CPE study showed that in 2006, Washington D.C. gained an additional \$6,953,377.00 in property tax of homes near parks.

The Hedonic (Property) Value of Washington, D.C.'s Parks	
Value of properties within 500 feet of parks	\$23,977,160,000
Assumed average value of a park	5%
<b>Value of properties attributed to parks</b>	<b>\$1,198,858,025</b>
Effective annual residential tax rate	0.58%
<b>Annual property tax capture from value of property due to parks</b>	<b>\$6,953,377</b>
Property values were obtained from the District of Columbia	

## PARKS INCREASE TOURISM

- Park –related tourists in San Diego spent \$114 million, with \$8.58 million in taxes revenue.\*





## Direct Use Value of Parks

- Economic Value of Direct Use of Parks in Boston estimated at \$354 million annually \* \*Source: TPL's City park Excellence, 2009 report

Shared Benefits: The Economic Value of Direct Use of Parks in Boston, 2006			
Facility/Activity	Person-Visits	Average Value per Visit	Value (\$)
General park use (playgrounds, trails, dog walking, picnicking, sitting, etc.)	76,410,237	\$1.91	\$146,230,236
Sports facilities use (tennis, team sports, bicycling, swimming, running, ice skating, etc.)	48,407,572	\$3.05	\$147,812,453
Special uses (golfing, gardening, festivals, concerts, attractions, etc.)	6,467,113	\$9.33	\$60,309,713
<b>Totals</b>	<b>131,284,922</b>		<b>\$354,352,402</b>
Data were drawn from a telephone survey of 600 Boston residents.			

parks • public spaces • natural areas • cultural areas • greenways • water trails • streets

# The Miami-Dade County parks and open space system Master Plan

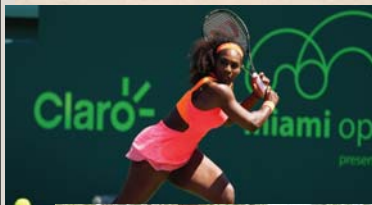
A 50-Year, unifying vision for a livable, sustainable Miami-Dade County



parks • public spaces • natural areas • cultural areas • greenways • water trails • streets

## Guiding Principles:

1. Equity
2. Accessibility
3. Seamlessness
4. Sustainability
5. Beauty
6. Multiple Benefits



connected system

arks

ublic paces

atural cultural reas

reenways

lueways

omplete treets

## YOUR CASE STUDY

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- What Park presents the best opportunity for collaboration with private and non-profit sector and why?
- Define the value equation—include economic threats and opportunities
- Do you have a Master Plan for a model park system?

**5 minutes reflection time**

## Park Industry History of Partnerships

- 1970s tax revolt--Prop 13—57% tax cut.
- 1980's Entrepreneurial Reaction to Recession
  - ✓ Restaurants
  - ✓ PGA / Hotels
  - ✓ Professional Tennis
- 1990's Environmental Protections
- 2000's Fl. Property Boom & Increasing Role of Non-Profits
- 2008 Property Tax Roll Back and Recession

## PUBLIC PRIVATE PARTNERSHIPS/PHILANTHROPY

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### **Florida Statute 287.05712 and 255.065 Uniform process for establishing Public-Private Partnerships**

- Schools
- Prisons
- Transportation
- Seaports/Airports
- Parks and Public Sapces

## Best Practices for Governance of Green Space

- Accountable / Transparent
- Master Plan / Vision
- Accessible – Public Voice
- Stewardship – Asset Protection
- Sustainable
- Public / Private Funding
- Sunset – Limited Duration



## Park and Public Governance Models

- Publicly Operated
- Public – modified Outsourcing / Partner
- Public / Private with Oversight Board
- Private Non-Profit Operating/Managing



## Benefits of Partnership

- Creates Entrepreneurial Business Approach to management and operations
- Creates appeal to Donors
- Guest centered culture
- Flexible / streamlined staffing model
- Market-based pricing structure
- Flexible Procurement
- Coordinated Promotion and Cross Selling



## Roles / Responsibilities

### Public Entity

- Owner of Land/Assets/Collections
- Maintenance of Effort \$\$
- Capital Bond Programs
- Utilities / Risk Management

### Non-Profit Entity

- Management of Park
- Operate All Facilities
- Financial Accountability
- Visitor Services / Improvements
- Fund Raising

## Shared Governance Success Factors

- Financial Maintenance of Effort by Public Entity
- Strong Leadership
- Willingness, Interest and Commitment
- Realistic Action Plan
- Community Partners / Corporate / Academic
- Funding to Insure Smooth Transition
- Legislation that makes it a Strategic Priority

## Shared Governance Models

Work Best in Most Communities



- Children's Trust
- PTP – CITT
- Programming Partnerships



## Programing Partnership Legislation

*To fulfill the goal of the Recreation and Open Space Element of the CDMP the Department stipulates it shall work with community-based organizations, non-profit youth service organizations, foundations, facility support societies and other special interest groups to expand opportunities for private, non-profit investment in park improvements and recreational programming*

## Agreements

PP Permit Agreements  
5 years w/ OTR

PP Permit Agreements  
10 years w / OTR

PP Permit Agreements  
20 years w / 10 year  
OTR

## Public Private Partnerships

### Success Factors

- Legislation
- Government Champions
- Dedicated Staff to P3 Projects
- Clear Business Plan (ROI)
- Stakeholder Support
- Solicitation Method to Insure Compatible Partnership



## P3 SOLICITATION METHODS

- 125.35 County authorized to sell real and personal property and to lease real property.—(1)(a) The board of county commissioners is expressly authorized to sell and convey any real or personal property, and to lease real property, belonging to the county, whenever the board determines that it is to the best interest of the county to do so, to the highest and best bidder for the particular use the board deems to be the highest and best, for such length of term and such conditions as the governing body may in its discretion determine.
- (b) Notwithstanding paragraph (a), under terms and conditions negotiated by the board, the board of county commissioners may:1. Negotiate the lease of an airport or seaport facility;
- 2. Modify or extend an existing lease of real property for an additional term not to exceed 25 years, where the improved value of the lease has an appraised value in excess of \$20 million; or
- 3. Lease a professional sports franchise facility financed by revenues received pursuant to s. **125.0104** or s. **212.20** which may include commercial development that is ancillary to the sports facility if the ancillary development property is part of or contiguous to the professional sports franchise facility.

## REVENUE BOND CALCULATOR

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- **\$50 million**
- **@ 4%**
- **For 30 years**
- **\$2.89 million annual payment**
- **\$36.7 million interest over 30 years**



## LINCOLN GARDENS/LIBERTY SQUARE LIBERTY CITY RISING PUBLIC HOUSING

- Miami-Dade County has committed \$74,000,000 for the Liberty City Rising revitalization initiative, which will be used to leverage over \$390,000,000 of economic activity and private sector investment.

- Liberty Square is the oldest public housing project in the southeastern United States built in 1937 under President Franklin Delano Roosevelt.

- Miami-Dade County has allocated \$46,000,000 of funding for the redevelopment of Liberty Square and Lincoln Gardens, which will generate over \$307,000,000 in economic activity and private sector investment.

- Miami-Dade County has allocated an additional \$28,000,000 to revitalize the Liberty City neighborhood within the City of Miami. The Liberty City Rising revitalization initiative will create an estimated 2,290 jobs.



## Miami Dade Regional Soccer Park

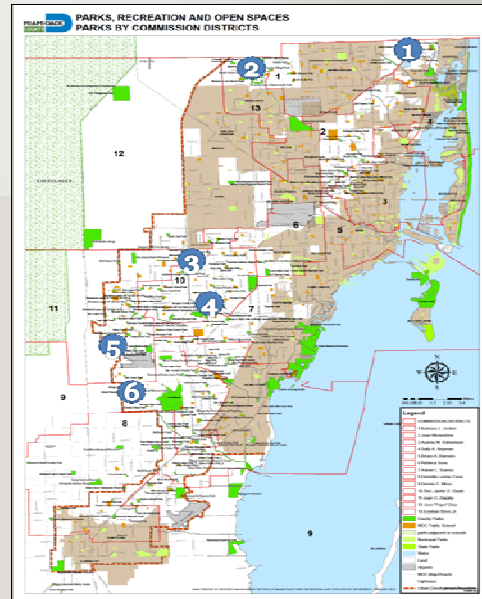


NW 87<sup>th</sup> Ave & NW 62<sup>nd</sup> Street (Doral)

47 acres



1. Ives Estates Park
2. North Pointe / Country Club
3. Tamiami Park
4. Kendall Indian Hammocks Park
5. West Kendall District Sports Park
6. Chuck Pezoldt Park





## The Underline

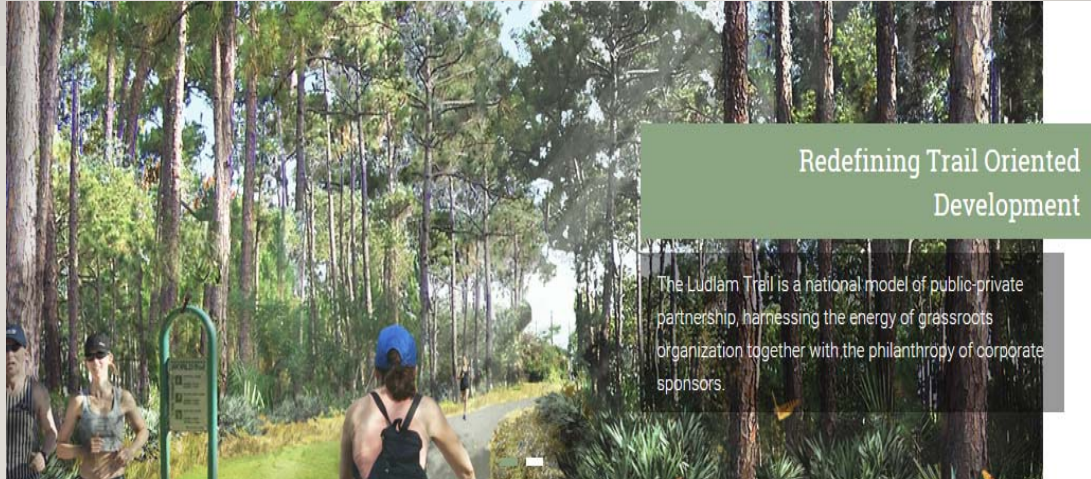


## TRANSPORTATION ORIENTED DEVELOPMENT

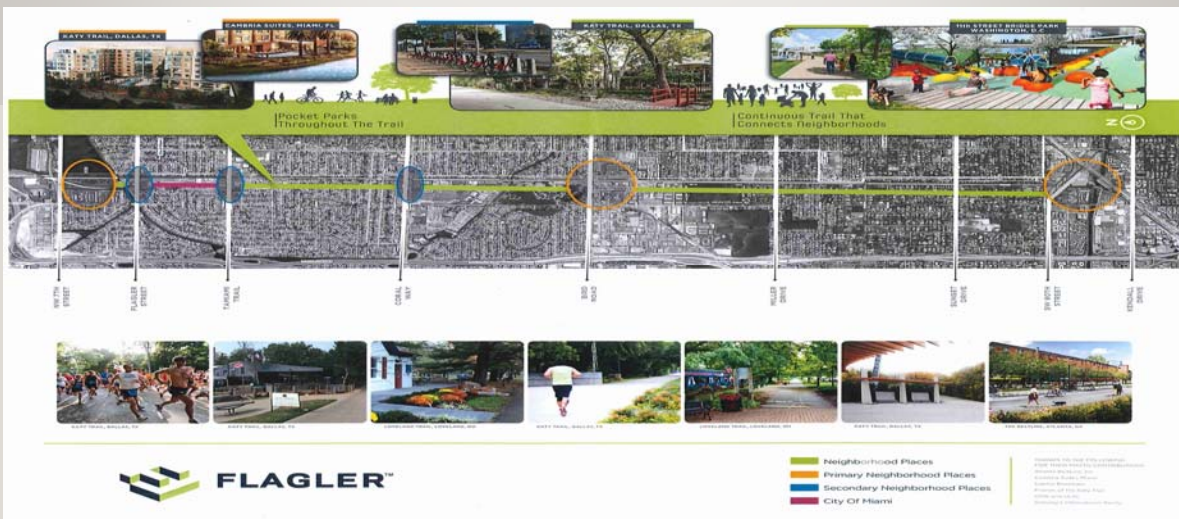
1. Identify primary transportation corridors
2. Evaluate 1<sup>st</sup> and last mile opportunities for connectors
3. Redfields to Greenfields opportunities
4. Explore housing market/opportunities
5. Air rights



## LUDLAM TRAIL

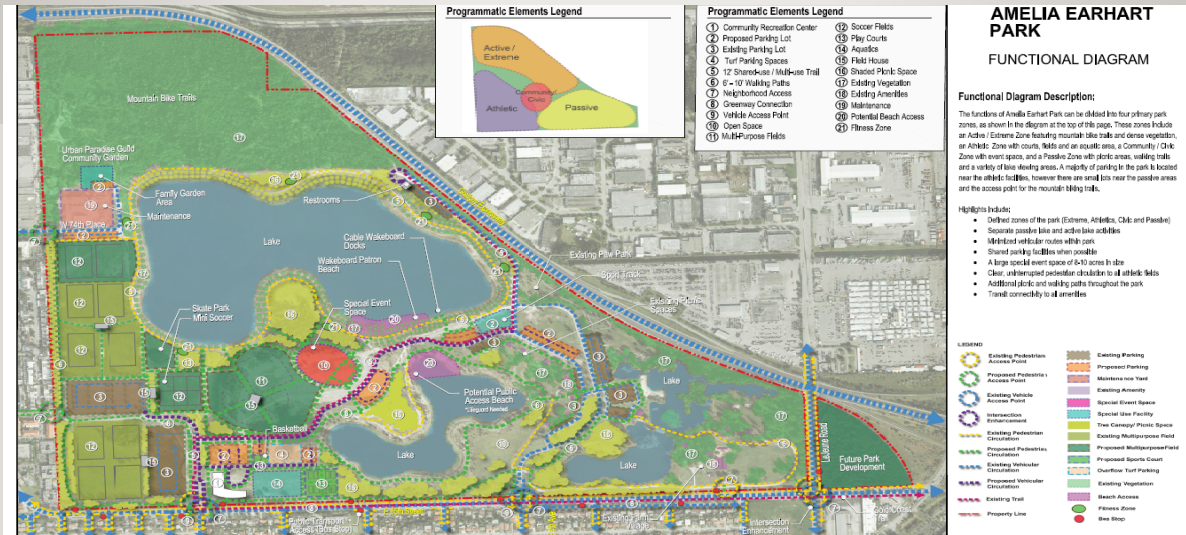


## LUDLAM TRAIL





## AMELIA EARHART PARK



## RICKENBACKER PARK & CAUSEWAY



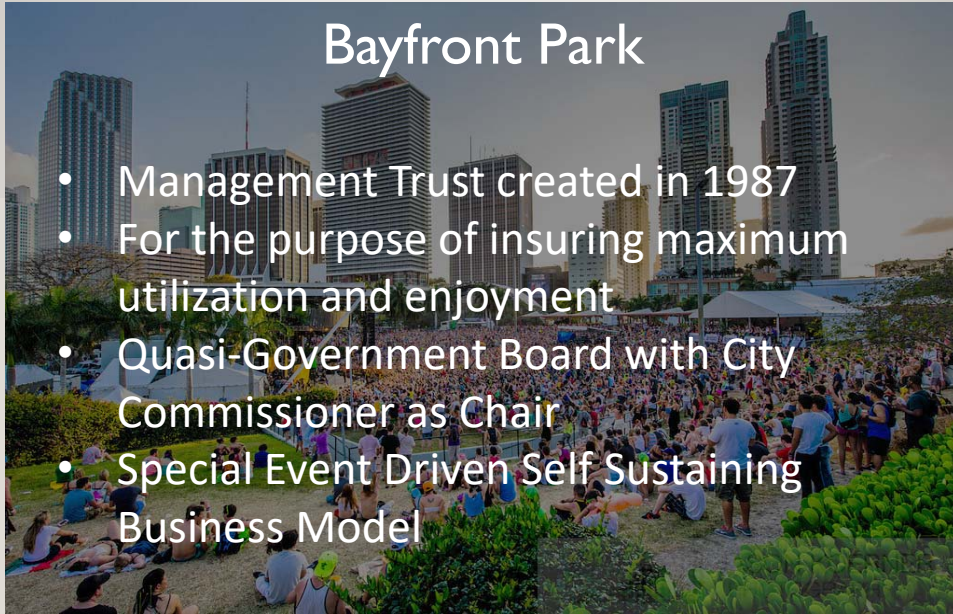
## Conservancy and Trust Models

- Bayfront Park Management Trust
- Museum Park Conservancy



## Bayfront Park

- Management Trust created in 1987
- For the purpose of insuring maximum utilization and enjoyment
- Quasi-Government Board with City Commissioner as Chair
- Special Event Driven Self Sustaining Business Model





## Museum Park Conservancy



- Overview
- Benefits of Conservancy Model
- Philanthropic
- Nimble / Flexible
- Cost control
- Limited Duration

## 2 Tiered Structure

Conservancy

*Design, Construct, Operate, Maintain, Program*

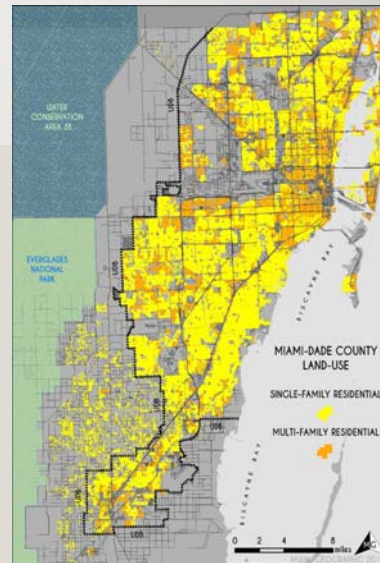
Friends of Museum Park

*Fundraising*



## Protection

1. Article 7
2. OSMP
3. Zoning
4. GF Process
5. Sunshine Laws



*Close the Gaps*  

Florida Greenways & Trails Foundation, Inc.

**Amendment 1**

Thanks to the overwhelming support of Florida voters on November 4<sup>th</sup>, the State of Florida now has a dedicated funding source not only to protect and restore our waters and greatly improve the management of our public lands, but also to complete the statewide system of greenways and trails as required by Chapter 260, Florida Statutes.

**The Florida Greenways and Trails Foundation will be recommending to the Legislature that a minimum of 10% of the Land Acquisition Trust Fund monies be used to acquire and develop both regional trail connectors as well as local trails connecting state parks and conservation lands to Florida communities along the regional trail system.**



## Protection

6. Impact Fee
7. Amendment 1
8. Deed Restrictions
9. Natural Areas Management

## SCOPING AND SOLICITATION VARIABLES

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- General Plan vs Master Plan—be flexible but know your limits
- Do the Math
- Build in Protections—use regulation to your benefit
- Build Leverage Capacity--\$, political access, influence (regulatory/process)
- Industry Day—do your homework, know the market and players
- Select Solicitation Method—**RFP; RFI/RFQ; EOI/ITN**

## CASE STUDY EXERCISE

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- Select Park Site
- Describe Business Considerations
- Select Governance Method
- Select Solicitation Method
- Write RFP Scope and Term Sheet to Balance Risk and Reward

15 minutes

Investing in  
Parks & Public Spaces  
=  
Investing in  
Economic Prosperity

## PROMOTE DEVELOPMENT AND PROSPERITY





## BUILD ICONIC PARKS, PUBLIC SPACE & ARCHITECTURE



## CREATE ICONIC GATHERING SPACES



## APPEALING TO EVERYONE



*Coming together  
is a beginning;  
Staying together  
is progress;  
Working together  
is success !*

*Henry Ford  
Industrialist*