In an election year, investors pay careful attention to the political environments of jurisdictions that are seeking to develop public private partnerships (“P3” or “PPP”). Investment in pursuing a public infrastructure project could be affected by changing political preferences, thus adding extra risks. As such, investors are sure to invest in states and partner with governments that are ready and friendly to P3s. Readiness reflects an established procurement, regulatory, and policy framework that enables the government to procure P3 projects. Friendliness connotes willingness and drive to identify and successfully procure P3 projects.

Aon's P3-POINT, a survey that was shared with more than 1,000 P3 industry leaders, is a tool that was designed to assess a jurisdiction's readiness and friendliness to ascertain which jurisdictions are the most certain, from a political perspective, to have a successful procurement process for P3 projects and which are less certain to do so. On a scale of not certain to more certain, Aon rated Florida as a jurisdiction that is certain to successfully complete a P3 procurement process.

Such a rating can allay concerns that investors may have about pursuing P3 projects in Florida. As explained in the Bipartisan Policy Center's recent whitepaper on P3s, when a jurisdiction has demonstrated the ability and desire to complete projects without delay or cancellation, investors can rest assured that the efforts they devote to bidding on the projects will not be in vain. When investors can have confidence that changes in the political and regulatory environment will not derail P3 projects, they are more willing to commit the time and intellectual capital that is needed to pursue the bids that are issued for P3 projects. Investors need assurances regarding delays and political climate because by nature, P3s are predicated upon a mutual allocation of risk, costs, and benefits between the private party and the public body. When the leaders and stakeholders of the public body are not fully informed about the merits of a P3 or its value and focus more on the costs and risks, it could lead to political reactions that cause project delays or cancellations, resulting in financial losses for the private investors.

Like the State of Florida, Miami-Dade County has undertaken several of the recommended actions that reflect a readiness and friendliness to engage in P3s and withstand political changes, including the adoption of P3 legislation that serves as an enabling framework, the establishment of a P3 Task Force to outline best practices, and the inventorying of prime public assets, such as the County's intricate water and sewer infrastructure and transportation system, which are in need of significant upgrades. As Miami-Dade continues to assess its P3 project pipeline, it will identify and pursue projects that are attractive to private investors and tied to a clear public benefit, proving that it is a willing and proactive partner that is certain to successfully complete P3 projects.

Miami-Dade can continue to attract private partners to help it meet its infrastructure challenges because it can
demonstrate that it will continue to have a P3 friendly environment and the political will to effectively implement the P3 procurement method.

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