

Elements of effective public-private partnerships

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Not all public-private partnerships are the same, but many successful partnerships share elements of the PG County – Corvias partnership. Therefore, this case study demonstrates the strategies that governments can use to develop public-private partnerships.

Details in Table 1 show the many program elements that contributed to making the PG County- Corvias partnership attractive to businesses, public officials and citizens. Both the public and private entities needed incentives to participate. The decision by the county government to impose a fee only became acceptable once they had enough program elements in place to ensure a beneficial social impact. Similarly, the business partner was attracted by elements that suggested profit potential and other benefits.

Governments can encourage business participation by demonstrating a willingness to 1) lower barriers to entry, 2) minimize costs of doing business, and 3) generate a steady income stream (e.g., by imposing fees). The government agencies can get more per dollar spent by removing barriers that create inefficiencies or hinder innovation.

Table 1. Incentives that enabled the PG County - Corvias public-private partnership by target sector

Incentive Target	Program incentives	Example from PG County – Corvias partnership
Private Business Sector	Profit potential high due to dedicated funding stream & steady demand for services	PG County collects stormwater fee and must invest funds in restoration
	Regulatory ease / costly barriers removed	Permitting was streamlined; Institutions with potential for substantial impact were given extra incentives
Private Citizens	Aesthetic & community benefits	Improved property values & amenities
	Political acceptability of fee is enhanced by offering flexibility in how to comply	Landholders can avoid part of the fee by doing their own restoration; cost-sharing and technical help provided (CB Trust)
Public / Social Impact	Jobs	Corvias required to buy 40% locally (labor and inputs); Results in more local economic impacts and jobs
	Business development	To meet 40% goal, Corvias conducts business mentorship and training
	Equity	Minority-owned business is private partner
	Environmental literacy	Schools host projects to meet County goals and kids get hands-on environmental experience