

# Public-private partnership helps Jefferson County transform community services

By Andrey Archer

Jefferson County recently gained statewide attention thanks to a new public-private funding partnership between the county government and The P3 Group, Inc (P3). The largest needs of the community were voiced during a quorum court hearing early last year. The conditions of the Jefferson County Health Department, Coroner and Veterans Services were described as “hazardous, moldy, malfunctioning and unsafe” by Justice of the Peace Brenda Gaddy, Angela Parker from the Health Unit and several employees of Veterans Services.

County employees feared roof collapse and experienced upper respiratory infections. Customers avoided utilizing county services as the buildings were in disrepair. County Judge Gerald Robinson began the process of applying for a grant through the Arkansas Department of Health to update these buildings, which led to a partnership with P3.

## What is The P3 Group?

The P3 Group, Inc., founded in 2013, is a minority owned, international real estate development and consulting firm. Their goal is to create public-private partnerships with government agencies and nonprofit organizations. Their process includes structured acquisitions through sales and leasebacks that turn high-interest, short-term real estate loans into long-term, tax-exempt, low-interest financed projects.

According to CEO Dee Brown, the two most important and beneficial parts of the funding plan include transferring the front-end financial risks away from the public and onto the private side through P3 and local partnerships, and eliminating the need for the county to pledge full faith and credit to the transaction, meaning the county isn’t required to vote on a bond issue for the project. This expedites the entire process because the partnership manages all financial burden and can proceed without waiting for a voting cycle.

That is the key for The P3 Group and their funding model—finding the financial support through local partners and contractors, managing the risks and targets of the community, and providing efficient guidance through the construction, architecture and engineering of top-of-the-line project sites.

## Jefferson County and P3

The Jefferson County Quorum Court in July met and approved the P3 Group ordinance. The ordinance allows a \$14 million lease agreement between P3 and the county, with the goal of completing new facilities for the Health Department, Veterans Services and County Coroner. Within 84 days of the ordinance’s passage, the P3 Group was able to deliver the site acquisition, engineering, design and financing for the three facilities with a price tag of \$14.3 million and a one-year time frame.

Garnering community support for this large project was crucial, Brown said. “There was an overwhelming show of support from everyone, especially veterans and health care workers.”

This support was also evident in the organizations and key players that joined in the private funding side. Simmons Bank pledged \$1 million to support the Health Department and the Veterans Services office. The Quapaw Nation along with the Saracen Casino pledged to pay for all the furniture, fixtures and equipment for the Health Department. Another \$40,000 pledge was made by Relyance Bank for the Health Department.

“It’s not just building physical structures,” Brown said, “but rather providing life-changing experiences for the entire community.”

When The P3 Group develops a partnership with a municipality it not only provides jobs through the use of local subcontractors, but also focuses on developing a personal connection with citizens throughout the process, she said.



Designs for the Jefferson County Health Unit, Veterans Services and Coroner.

## The partnership

The success of this process largely relies on county officials. As evidenced in the quorum court hearing, the Jefferson County government proved their full faith and confidence in both the P3 Group and its citizens. The most important step is having confidence and cooperation with the county, because there are a lot of processes that must go through those officials first, Brown said.

According to Brown, communities that benefit most from this kind of partnership are those that have not had major projects delivered recently and require a boost to find funding, a key skill of P3. A public-private

partnership can be a catalyst for any municipality that seeks to develop their community. It provides not only a helping hand in project building, but a long-lasting positive impact on the entire community. For additional information on The P3 Group, visit [www.thep3groupinc.com](http://www.thep3groupinc.com)



*Andrey Archer is the University of Central Arkansas (UCA) Center for Community and Economic Development (CCED) intern and an undergraduate at UCA. You can learn more about CCED at [www.uca.edu/cced](http://www.uca.edu/cced).*