



# State of the Industry

**2020'S CHALLENGES AND  
PROGRESS THROUGH INNOVATION**

**OCTOBER 25, 2021 | P3 HIGHER  
EDUCATION SUMMIT**



# Introduction

## TODAY'S PANELISTS



**Jeffrey Turner**  
Brailsford & Dunlavey



**Angel Rivera**  
Servitas



**Barbara Lloyd**  
IMPACTS USA



**Jason Doyle**  
University of Redlands

# Introduction

## COVID IMPACT ON P3

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### THE CHRONICLE OF HIGHER EDUCATION

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CAMPUS HOUSING

## How Covid-19 Exposed the Cracks in a Public-Private Housing Deal

By *Scott Carlson* | SEPTEMBER 3, 2020



ANDRÉ CHUNG FOR THE CHRONICLE

Mallorie Hunt, a sophomore at Towson U., is caught between the university and the private company that runs her dorm. The company is not releasing students from their housing contracts even though Towson has gone online because of Covid-19.

**TOP JOBS** from *The Chronicle*

- Faculty Professor Webinar Presenter and Course Content Writer  
Webinarclasses
- Assistant Research Professor of Special Education & Multiple Abilities  
University of Alabama at Tuscaloosa
- Dean, School of Education  
University of North Texas at Dallas
- Director, School of Information Sciences  
University of Tennessee-Knoxville
- Director - IU Regional Academic Health C Simulation Center  
Indiana University School of Nursing

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Education

## U-Md. students stage protest, continue to fight lease agreements at campus apartments



Gavin Kohn, 21, leads a protest through the University of Maryland's campus in College Park. (Lauren Lumpkin/The Washington Post)

By *Lauren Lumpkin*  
August 16, 2020 at 1:25 p.m. PDT

Gavin Kohn, 21, signed his lease to live in the Courtyards, an apartment on the University of Maryland's campus in College Park, in February. The novel coronavirus, at that point, had arrived in the United States, but the then-junior didn't know it would upend the school year.

But as the virus raged on, it became clear his senior year was also in jeopardy. The university scaled back on-campus housing, announced plans to conduct 80 percent of undergraduate courses online and imposed coronavirus testing requirements. Kohn, and about 500 other students who had planned to live in the Courtyards and its sister property, South Campus Commons, started to feel wary about living in groups.

But, bound by their leases, they may be forced to do it, anyway.

# Introduction

## COVID IMPACT ON P3



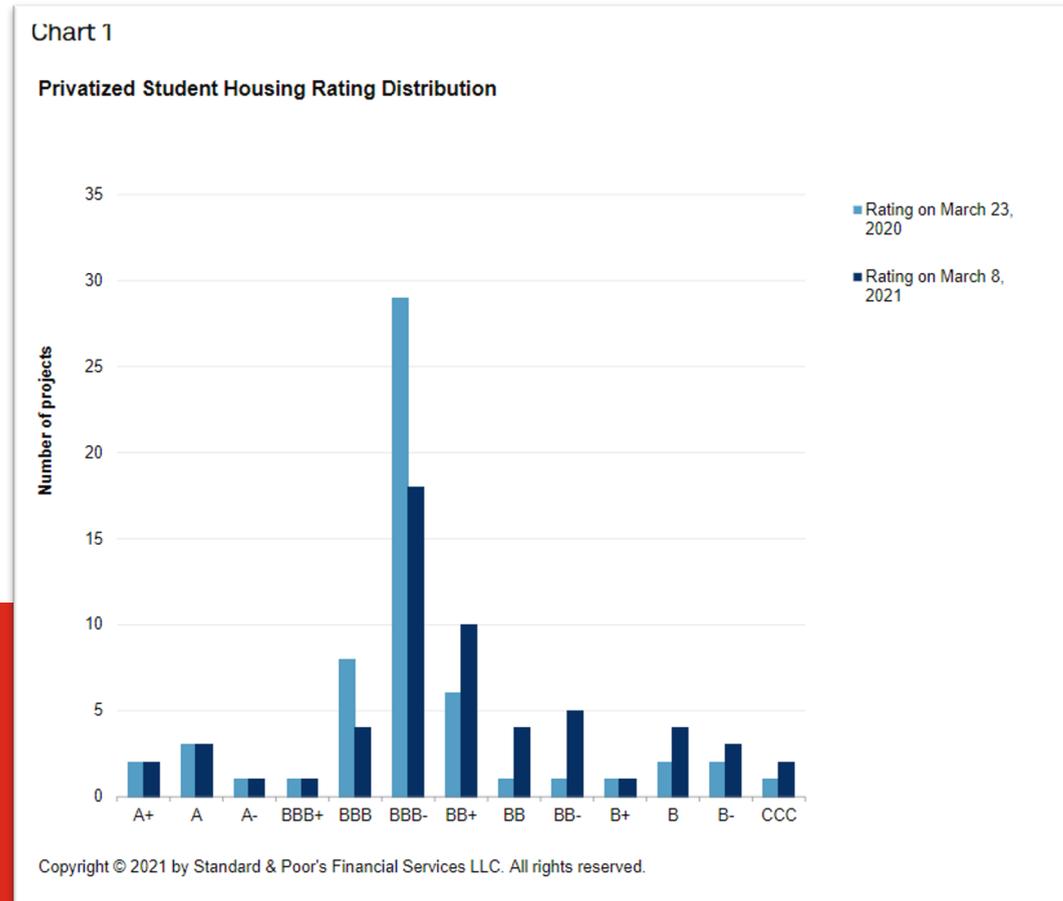
**MOODY'S**  
INVESTORS SERVICE

SECTOR IN-DEPTH  
27 August 2020

Cross-Sector – US  
Coronavirus will slow pace of demand-risk PPPs for universities

Rate this Research

*Continued pressures on privatized-financing deals; 34% of rated projects downgraded in the last 24 months*



# Public Private Partnership – it's all in the third 'P'



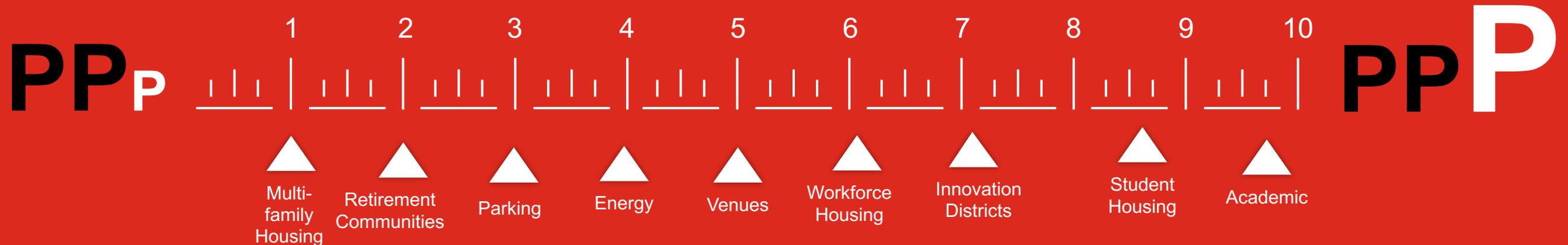
## LITTLE P

*Not core to the mission (strip mall, gas station, off-campus)*

### Where does the project fit on the spectrum?

## BIG P

*Core to the mission (academic buildings, freshman housing, in core of campus)*



01

P3 REPORT



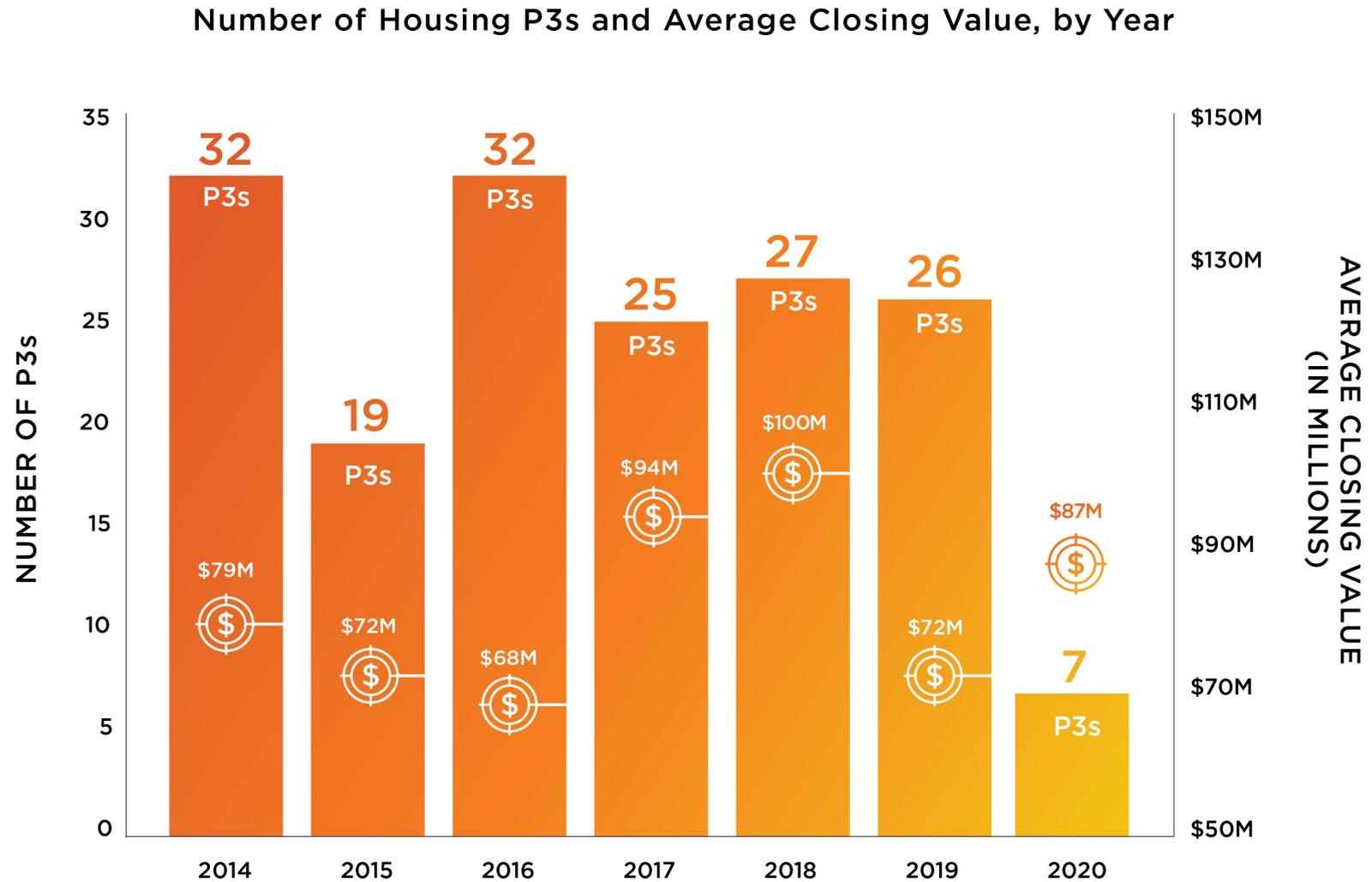
# P3 State of the Industry Report

## LIST OF PARTICIPANTS



# P3 State of the Industry Report

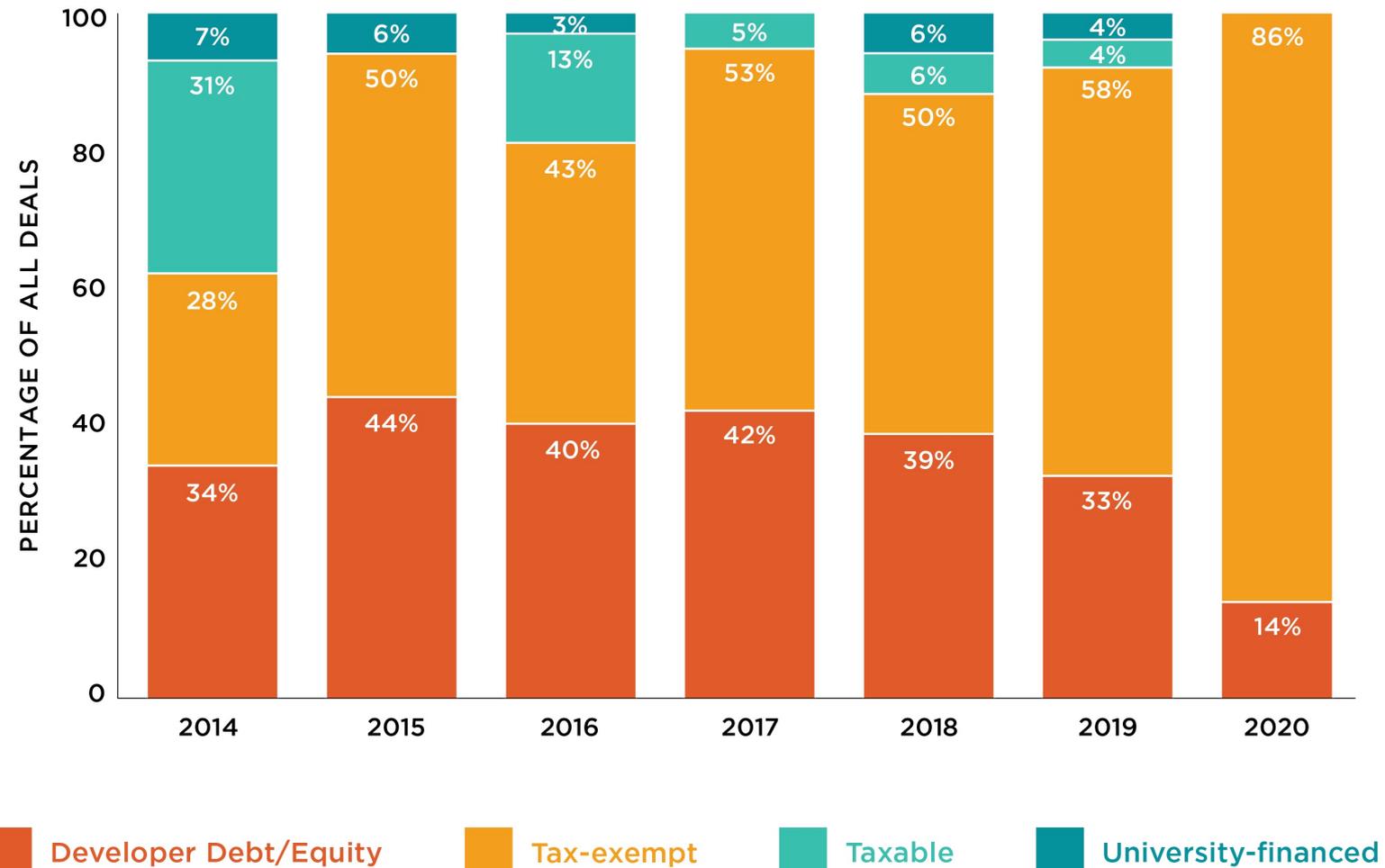
## NUMBER OF HOUSING P3S AND AVERAGE CLOSING VALUE BY YEAR



# P3 State of the Industry Report

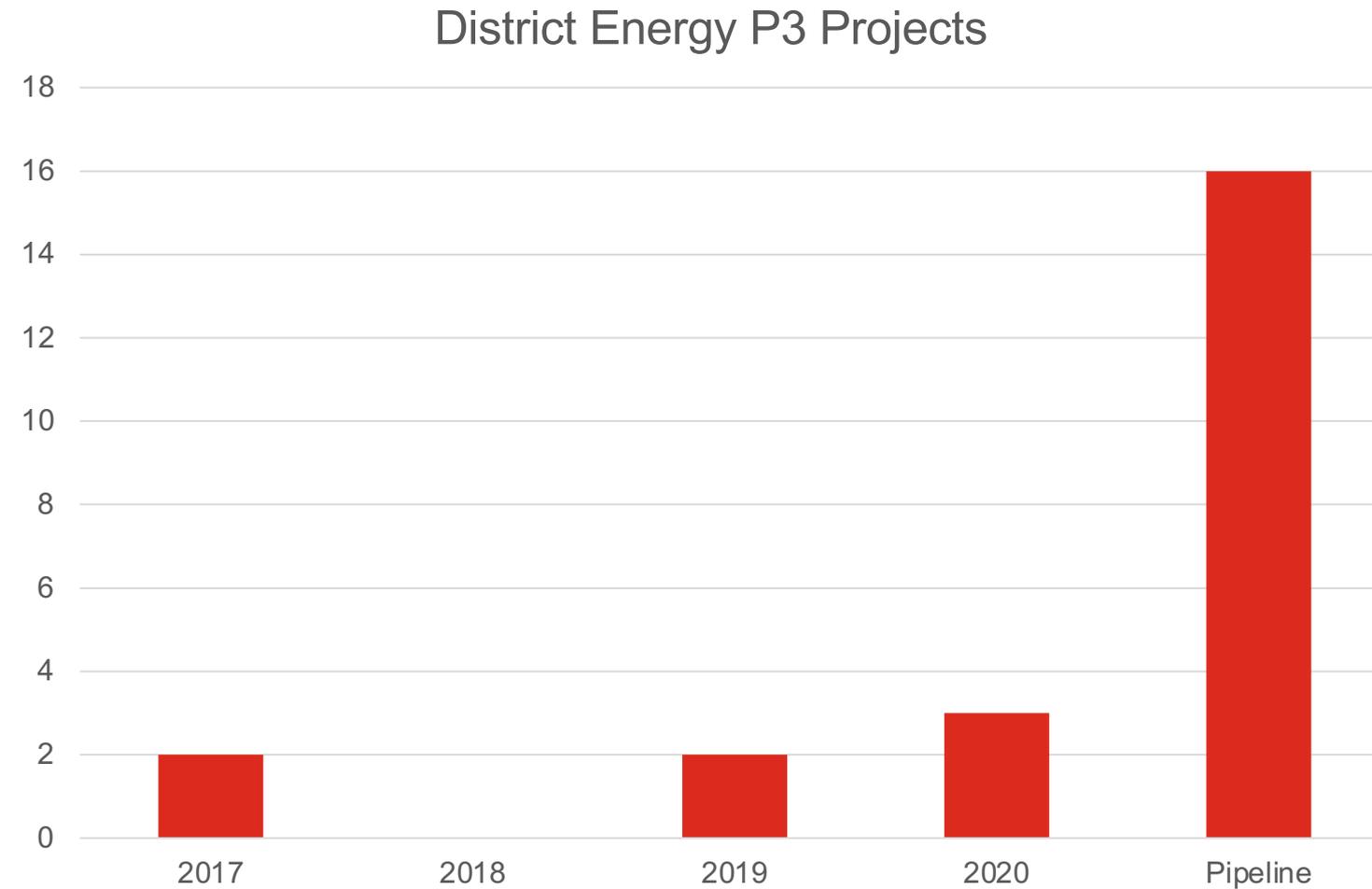
## FINANCIAL STRUCTURE OF HOUSING P3S BY YEAR

Financial Structure of Housing P3s, by Year



# P3 State of the Industry Report

## P3 ENERGY PROJECTS



## 25 Projects

- California State University, Fresno
- Dartmouth College
- Duquesne University
- Iowa State University
- Louisiana State University
- New Jersey City University
- Ohio State University
- Roxbury Community College
- University of Alabama
- University of California, Merced
- University of Florida
- University of Hawai'i Maui College
- University of Illinois, Chicago
- University of Iowa
- Iowa State University
- University of Louisville
- University of Washington
- University of Maine System
- University of Maryland
- University of Massachusetts, Boston
- University of Nebraska Medical Center
- University of North Dakota
- University of Oklahoma
- Syracuse University
- The University of Idaho

01

A Look Ahead



# A Look Ahead

## PIPELINE



**120**

POTENTIAL PROJECTS IN  
THE PIPELINE



**\$11B**

WORTH OF NEW P3  
PROJECTS IN THE NEXT  
FEW YEARS



**77%**

OF THOSE PROJECTS ARE IN  
THE SOUTHEAST,  
NORTHEAST, AND WEST

# A Look Ahead

## ASSET TYPES

### Diversity of Pipeline Assets



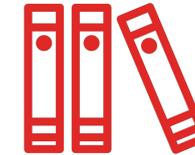
**Housing**



**Mixed-use**



**Energy**



**Academic**



**Venues**



**Innovation  
Districts**



**Parking**



**Other**

# A Look Ahead



**More political involvement and pressure**



**Pre-development risks:** many projects failing to close



Issues with **construction pricing, supply chain issues, and labor shortages**



**Developers are being more strategic** about projects/ procurements



**Shared governance** continues to grow



**Larger, more complex P3 projects**  
With different capital stacks



Increased focus on **Energy, Innovation Districts & graduate housing P3 opportunities**



**Exploration of other sources of funds**  
(state and federal, tax credits, infrastructure funds)

**Thank you.**

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