
CBP3 Sustainable Financing Solutions

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Sustainable Financing Solutions

- I. Stormwater Management Retrofit program attractive for raising debt in the bond markets**
- II. Stormwater P3's exhibit attractive attributes to investors**
- III. Create a strong partnership first: Financial structure should suite the partnership, not the other way around**
- IV. Summary**



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I. Stormwater Management Retrofit program well suited for raising debt in the bond markets

- Prince George's Stormwater Management program is funded via CB-45-2013 : the legislative authority for a Stormwater Utility Fee
- Utility Fees contain the fundamental & prerequisite collateral for securitization in capital markets
- Capital Market appetite is strong
- Rating Criteria Already Established



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II. Storm water P3's Exhibit Attractive Attributes for Investors

- Interest Only period during construction
 - Maximize funds for construction
- Long term 40 year, fixed rate, bond financing
 - Lowers annual debt service
- Non Recourse
- Fully Funded or Draw-down funding options
- No "GO" Pledge Required
- Public Offering or Private Placement
- SRF & WIFFIA Funds replace higher cost equity



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III. Create a strong partnership first: Financial structure should suite the partnership, not the other way around

- Long term Programs Need Long Term Financing
- Financing Shouldn't drive the structure of the Partnership
- **First Step:** Align Interests. Create a strong P3. Synchronize storm water & partnership goals
- **Second Step:** Minimize Construction and Maintenance Costs
- **Third Step:** Select the appropriate financing program which addresses the cash demands of the partnership



Summary

- **Program Is Readily Financeable – Strong Appetite**
- **Long Term Financing Available / No GO Required**
- **Minimize Construction and Maintenance Costs**
- **Strong Partnership Goals Is The P3 Expectation**

