

# **Building Trust in Public- Private Partnerships**



Housing projects often generate questions about traffic, neighborhood character, or community growth. Public-private partnerships bring another set of questions. Residents may wonder why the municipality is involved, why it is working with a private developer, how public money will be used, and who benefits from the project.

Those questions are normal. In fact, they are an important part of building public trust.

During a VLCT CHIP webinar, experienced municipal leaders shared lessons they learned while partnering with private developers to advance housing and redevelopment projects. The panelists agreed that successful partnerships are built on more than financing or legal agreements. They require a shared community vision, open communication, strong relationships, and consistent leadership.

The following practices can help municipalities build community understanding and confidence in public-private partnerships.

### **Start with the Community's Vision**

Before talking about a developer or a specific project, help residents understand the community problem you are trying to solve.

Successful municipalities connect projects to goals the community had already identified through town plans, visioning efforts, housing studies, or public discussions. Rather than presenting a development as a new idea, explain how it helps accomplish a vision residents had already helped create.

Local data also plays an important role. Information about housing needs, vacant buildings, changing demographics, or infrastructure costs help



residents understand why action is needed. Data should always be paired with plain-language explanations that connect the numbers to everyday community life.

Community support grows when municipal officials regularly revisited the community's vision instead of talking only about a specific project. Remind residents again and again how each partnership moves the community one step closer to achieving its long-term goals.

**Key lesson:** People are more likely to support a partnership when they understand the community problem it is intended to solve.

### **Explain Why a Public-Private Partnership Makes Sense**

Many residents are less concerned about the housing itself than they are about the municipality's decision to work with a private developer.

Explain why the partnership is necessary. In many communities, housing or redevelopment projects will not happen through either the public sector or the private sector alone. Municipal investment may prepare a site, improve infrastructure, or reduce risk so private investment can follow.

Be transparent about each partner's role. Explain:

- What the municipality is responsible for.
- What the developer is responsible for.
- Why both public and private investment are needed.



- How the partnership benefits the entire community.

Acknowledge that developers earn a return on successful projects. The important conversation is not whether a developer benefits, but whether the community also benefits through new housing, stronger neighborhoods, increased property values, expanded economic activity, or other public outcomes.

**Key lesson:** Residents are more likely to trust a partnership when they understand why both the municipality and the private developer are involved and how each contributes to achieving shared community goals.

### **Build Trust Through Transparency and Engagement**

Trust is built through many conversations - not one public meeting.

Engage residents early and continue the conversation throughout the life of the project. Community members should have opportunities to ask questions, learn about the project, and understand how decisions are being made.

When concerns arise, listen carefully before responding. Residents may have questions about taxes, neighborhood impacts, financing, growth, or change itself. Distinguish between misinformation and legitimate concerns and respond respectfully to both.

Complex topics, including tax increment financing, are easier to understand when municipalities use simple language, visuals, diagrams, and examples



that relate to everyday experiences.

Community engagement should extend beyond municipal meetings. Trusted voices, such as business owners, housing organizations, lenders, neighborhood leaders, and other community partners, can help explain the project and reinforce consistent messages throughout the community.

Informal gatherings, such as open houses or coffee conversations, often create opportunities for more productive discussions than formal hearings alone.

**Key lesson:** Transparency is not simply sharing information. It is creating ongoing opportunities for people to understand the partnership, ask questions, and remain involved.

### **Build Relationships That Help Partnerships Succeed**

Successful public-private partnerships begin long before a development proposal is submitted.

Municipalities benefit from building relationships with developers, housing organizations, financial institutions, landowners, and other community partners early. These conversations help everyone better understand community priorities and identify opportunities to work together.

Move beyond seeing the municipality solely as a regulator. While protecting the public interest remains essential, municipalities can also help quality



projects succeed by providing clear expectations, predictable review processes, and a collaborative approach to solving problems.

Developers appreciate knowing who to contact, how decisions are made, and what to expect throughout the approval process. A designated municipal point of contact can improve communication and reduce uncertainty.

Celebrating successful projects is another way to strengthen partnerships. Sharing stories about completed projects helps residents see the value created by public-private collaboration and builds confidence for future efforts.

**Key lesson:** Strong partnerships are built on relationships, mutual respect, predictable processes, and a shared commitment to community goals.

### **Maintain Trust When Challenges Occur**

Every project encounters challenges. Construction costs increase. Schedules change. Financing evolves. Public opinion shifts.

Public confidence should never be taken for granted. The way municipal leaders respond to challenges often has a greater impact on trust than the challenge itself.

Continue providing regular updates about project progress, explain why changes are occurring, and remind residents how the project supports the community's long-term vision.



If proposals receive criticism or voters reject an initiative, view that feedback as an opportunity to learn. Adjust the approach when appropriate and explain how community input influenced future decisions.

Begin with projects that are achievable. Early successes demonstrate that partnerships can deliver meaningful community benefits and create confidence for larger projects in the future.

Trust is not built because nothing goes wrong - it is built through steady leadership when something does.

**Key lesson:** Setbacks do not have to undermine community confidence. Honest communication, thoughtful adjustments, and consistent leadership can strengthen trust over time.

Practical recommendations for communities beginning to explore public-private partnerships include:

- Start with a clear community vision before discussing individual projects.
- Build relationships with potential partners before opportunities arise.
- Invest in expert legal, financial, and technical advice when needed.
- Encourage supporters and opponents to participate in public discussions.
- Keep returning to the "why" behind the partnership and how it advances community goals.

Successful public-private partnerships are not created by a single meeting, presentation, or vote. They are built through consistent communication, shared problem-solving, and relationships that grow stronger over time.



## **Building Lasting Trust**

Public-private partnerships ask communities to place trust in both their municipal leaders and their private partners. That trust is earned through transparency, thoughtful engagement, and a clear commitment to serving the public interest.

When residents understand the community need, the purpose of the partnership, and the value each partner brings, they are better equipped to evaluate the project on its merits. By starting with a shared vision, communicating openly, listening carefully, and building lasting relationships, municipalities can create public-private partnerships that not only deliver housing and redevelopment but also strengthen public confidence and help communities achieve their long-term goals.

Publication Date

07/08/2026

