Maxwell School of Citizenship and Public Affairs
Program for the Advancement of Research on Conflict and Collaboration

Managing a Public-Private Joint Venture: the PTB Case Follow Up

Responding to the crisis and consolidating PTB

When the storm broke, PTB's executives, led by the Chairman of the Board of Directors, Josep M. Ribas, went to see Santpedor's Mayor Laura Vilagrà . Mayor Vilagrà made her discontent plain and said that she was thinking about leaving PTB. If her Town Hall was to stay on board, it would have to be under certain conditions. The first of these was that if PTB wanted to act in the municipality, it would have to inform the Mayor directly regarding any land purchases and its purpose, among other things. In other words, she wanted to be kept fully informed of any PTB initiatives in her municipality. The second condition was that PTB could not purchase any land earmarked for non-developable purposes unless either the County Master Development Plan or the town hall concerned had previously re-zoned the site as suitable for development. Santpedor's Mayor did not want to be put in the position of forcing town halls to re-zone land. She said:

"In the beginning I took a more cautious, fearful stance towards the company. But once I saw all the work being done and the sheer enthusiasm in pursuing worthwhile projects for the county, I saw things in another light. There are private individuals who have invested money in a venture that has yet to show a profit."

A businessman also commented on this aspect:

"The project has gradually revealed its virtues, and we're all convinced that it will turn out well. But it hasn't been easy; if you can't show results, people think you are taking them for a ride." Laura Vilagrà admitted that "public and private partners don't speak the same language." Moreover, all the biggest developers in the county are in the company. As a left-winger, it makes me a little uneasy."

This case was an honorable mention winner in our 2009-10 "Collaborative Public Management, Collaborative Governance, and Collaborative Problem Solving" teaching case and simulation competition. It was double-blind peer reviewed by a committee of academics and practitioners. It was written by Angel Saz-Carranza and Albert Serra, of the Institute of Public Governance and Manage, ESADE-Ramon-Llull University, Barcelona, Spain. It was edited by Martha Ketcham. This case is intended for classroom discussion and is not intended to suggest either effective or ineffective handling of the situation depicted. It is brought to you by E-PARCC, part of the Maxwell School of Syracuse University's Collaborative Governance Initiative, a subset of the Program for the Advancement of Research on Conflict and Collaboration (PARCC). This material may be copied as many times as needed as long as the authors are given full credit for their work.

Jordi Valls, the Mayor of Manresa, referred to this in the following terms:

"All too often, the left-wing has an ideological preference for the public sector and treats the private sector with suspicion. From this standpoint, the public sector is fair and the private one unjust. What is egalitarian in the public sector is elitist in the private realm. The Left has to learn to take risks and be more creative."

Once it had overcome the crisis, PTB took precautions to avoid similar problems in the future. It visited the local town halls and institutions to explain the project. The assistant to the General Manager of PTB indicated: "I believe the prison affair and the change in Chairman were a watershed for the company. Up until then, we hadn't paid sufficient attention to communications."

Figure: Plan of Central Park



PTB solved the issue by buying the Sant-Fruitós land from the owner who had wanted to build a residential centre and hotel there. It then granted the land to a consortium consisting of the Sant-Fruitós and Manresa Town Halls in order to create a green belt for the Technology Park. The negotiations were tricky because PTB was buying land zoned for residential use on which it wasn't going to build realestate. It therefore had to buy the land as cheaply as possible so as to not threaten the project's overall profitability. PTB reached an agreement with Manresa Town Hall through which the company would receive a 95% rebate on the building taxes levied on the Technology Park. "We hammered out a deal, but it was tough because we were forced to buy something that had no value for us – just a green space – so we weren't willing to pay the real-estate prices," recalled Masana, Deputy CEO of Manresa Savings Bank. He went on to say,

"That was how we dealt with the main issue holding things up. We first called it the "Manresa Technology Park", then "Central Park" and finally opted for "Central Technology Park", expanding the Agulla Park by 19 hectares in the process."

Other disagreements cropped up after the first round of negotiations with Sant-Fruitós Town Hall, the owner of Agulla Park land which borders land owned by Manresa Town Hall. The problem this time around was that under the park regime, all tax revenues generated by firms in the park were payable to Manresa Town Hall. This issue was not resolved until late 2007, when a consortium comprising of the two councils was created. It was agreed that the tax revenue generated by the Technology Park would be invested in Agulla Park, whose green spaces would provide a differentiating factor for the firms setting up in the adjoining Technology Park. Masana noted:

"Don't forget that Manresa Town Hall was run by the tripartite coalition made up of a center-left party and two left-wing parties, whereas Sant-Fruitós was run by a center-right party. So the two councils were on opposite sides of the political fence."

Overcoming this hurdle was difficult, and everyone had to sacrifice something to reach a deal. The town halls and PTB got the green light for the Technology Park initiative which was of great importance for the local economy. The Agulla Park Association got a bigger park, which now included the "green belt" bought by PTB from Sant-Fruitós Town Hall. According to Manresa's Councilor for the Economy, this was possible because all the parties were motivated to cut a deal and were convinced that the project was good for the county. A lot of persuasion was needed, which involved defining what a technology park consisted of and distinguishing it from a run-of-the-mill industrial park. A further problem was that planning regulations did not cover technology parks; they only dealt with logistics parks. This legal vacuum slowed down the paperwork.

PTB set up a panel of experts drawn from various fields, mainly in business innovation and technology. The panel was established before issues were resolved with the Agulla Park Association but shortly after the Agulla Declaration. The panel consisted of environmental, technology, urban-planning and economic development specialists. It reflected on the criteria used to set up a Technology Park in Bages County. In early 2005, PTB received two reports. The first one detailed the factors which make a technology park attractive, including the kind of features expected of buildings. The second report set forth the environmental criteria PTB should follow in drawing up the project.

At the same time, PTB organized trips to other technology parks as part of its public awareness campaign. One of these was a trip to the Basque Country to see the technology parks there first hand. PTB took the then Manresa Councilor for Economic Development, the Manresa Councilor for Urban Development, Lluis Piqué (spokesman for the Agulla Association and President of the Bages Architects Association) and others on this trip to the Basque Country. According to Josep M. Ribas, the visits were highly instructive. Lluís Piqué thought the same: "The visit to these sites gave [us] a much better idea of what a technology park was."

PTB: The final impetus for the Technology Park

After drawing up a single urban plan for the technology park at the end of 2004, PTB recruited an external advisor with a strategic and commercial vision. At the end of 2004, PTB expanded its capital for the second time. This was to facilitate the Regional Government's entry as a shareholder. "The Regional Government takes a hand in PTB and becomes its second-largest shareholder" read the headline in the county's main newspaper, Regió 7. The Regional Government's stake took the form of €2m. It was given two seats on the Board. This step helped smooth the aforementioned negotiations. "We couldn't do anything without the [regional] government's agreement because a project of this nature had to fit in with regional policy," noted Josep M. Ribas.

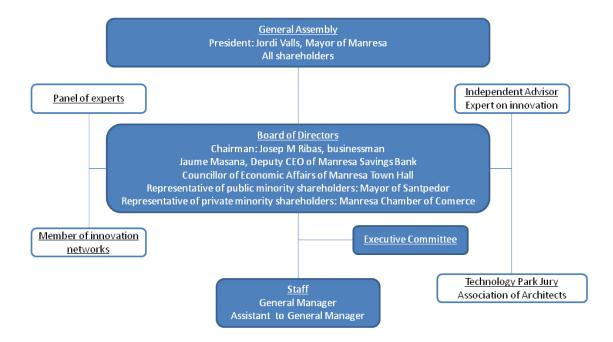
The Regional Government's stake also highlighted the project's importance and ensured that it would be carried out. It also reassured several businessmen who had begun to wonder whether the project would ever get off the ground. Jaume Masana recalled that, at one point, one of the businessmen wanted to back out. "Another guy piped up and said he would pay 10% over the odds for his stake. When the first one said he hadn't mentioned a price, the second one asked him to think it over. Nothing ever came of it." Masana noted that none of the shareholders has ever pulled out since the company was formed.

In mid-2005, PTB forged links with the technology sector by joining the Spanish Association of Technology Parks and the International Association of Science Parks. The project was quickly winning approval in the business community in the county, and, although the project still had gaps, many businessmen wrote to PTB to express their support. This encouraged the founders to press on.

At the same time, efforts were made to attract companies to the site and to define the park's architecture and functions. A competition was held in which four architecture firms took part. Two were proposed by PTB and two put forward by the Architects Association which took an active part in designing the park's layout. According to Lluís Piqué: "PTB asked the Architects Association to actively participate in the project as members of the jury choosing the best proposal for *Central Park*." PTB gave each of the competitors a dossier containing the study drawn up after the visits to the Basque Country's technology parks. The winning project was chosen at the beginning of 2006 after public exhibition of the four proposals. The jury members were drawn from the Architects Association and from the public and private sectors. The winning proposal was subsequently merged with earlier technical and environmental studies to ensure the end result was visually attractive and fully met business and technology needs.

Once the park's architectural design had been settled in 2006, PTB succeeded in obtaining a commitment from Microsoft to set up its International Productivity Innovation Centre there. Other major companies in the area decided to move to the park. After overcoming various crises in 2006 and putting the final technical touches to the Technology Park project, PTB realized it needed someone to seek out firms and monitor those setting up there. In late 2006, the company recruited a new general manager who had a more technological profile than the former. The Chairman of the Board at the time, Josep M. Ribas, referred to the kind of person PTB needed for the job as follows: "He has to be on the same wavelength as these sorts of companies and speak the same language."

Figure: PTB's main players after changes



However, the project was still not in the home stretch. The park's architecture and layout had been fully agreed upon by the local governments but then rumors emerged that the Regional Department of Highways had not yet scrapped its plans to link the Manresa ring road and the East-West Highway. This link would run right through the middle of the technology park and eliminate its green belt in one fell swoop. This set the project back several months, much to PTB's chagrin – not least of which was because companies had begun to show an interest in setting up on the site. The Regional Department solved the problem by drawing up a new plan to build an underground road interchange.

Five years after PTB was set up, the company had yet to turn a profit. Josep M. Ribas put it this way: "Profitability is zero now because all we've done is buy [land]. We haven't sold anything yet." Even so, Jaume Masana argued: "It will be a financial and social success for those who put money into the project." Masana also noted that PTB forecast an overall rate of return (ROR) on all the projects above the 10% per annum target. However, he admitted that the ROR on the star Technology Park project would fall short of this target given that the scheme was very complex and would incur high costs for the site layout and the provision of common services.

As Manresa Savings Bank's Deputy CEO noted, although no dividends had been distributed, backers could see that investment in PTB was profitable. This could be seen by the successive expansions of capital which have all borne a premium. "If someone wants to invest now, obviously the shares are worth more than at the outset. The Regional Government paid a premium for its stake, as have private investors who came in later," remarked Masana.

At the end of 2007, there was a long list of companies waiting to set up in the Technology Park and in other parks in the area. Building work on the Technology Park began in early 2008. PTB estimated that construction would take about a year, and work on other projects was already under way.

Although everyone involved considered PTB a success, people were beginning to look beyond the immediate future. The current General Manager noted: "The biggest challenge is to consolidate the Technology Park. Another challenge is to ensure continuity and draw up new proposals. As I see it, those are the two challenges we face."

Green light for the Agulla Technology Park (4 May 2005)



PTB hires 8 advisors to set criteria for the Central Park (16 November 2007)

28 | ECONOMIA

Divendres, 16 de novembre del 2007 | Regis?

ECONOMIA »





PTB fitxa vuit assessors per fixar els criteris que modelaran el contingut del Parc Central

Captar empreses perquè s'instal·lin al Parc Tecnològic i establir uns criteris comuns per fer-ne la selecció és la tasca de la qual s'ocupa la recent creada Comissió Assessora del Parc Central. Un òrgan format per deu representants de diversos àmbits que volen aportar una visió àmplia de les activitats al parc

ALBA IGLESIAS

Quins són els trets que faran que certes empreses encaixin al perfil del Parc Tecnològic de la Catalunya central? Amb quins criteris es decidirà? Quines seran criteria es decidirà? Quines seran les prioritats a l'hora de fer la se-lecció i la captació d'empreses? Totes aquestes questions queden en mans, a purifir d'ara, de la Co-missió Assessora del Parc Cen-tral, un brigan creat expressoment per debatre i determinar cap a quin lambit d'activitats s'orienta el Parc Central. el Parc Central.

el Parc Central.

Són vuit persones les que han
estat fitxades per formar la comissió i que, dividides en quatre
blocs, hi acompleixen funcions
complementàries D'una bunda, complementàries. D'una banda. Eugeni Terré i Xavier Ferràs tenen una lenplia experiência en el món empresarial i de la política pública; Alain Jordà i Dolors Troyano són entesos en política pú-blica local; Albert Gómez Pardo i Josep Alabem són competents en matèria de desenvolupament econòmic i tecnològic; i, final-ment, Joedi Martí i Lluís Torner tenen un ampli coneixement en el món tecnològic i la recerca.



► Eugeni Terré

President de la Com Assessora. MBA per l'IESE; excirector d'innovació del CIDEM (1997-2001). Actualment és director general d'inverpyme, SCR.



Josep Alabers

Nascut a Mannesa, Director i generit d'Algües de Mannesa, SA, President de la demarcació de la Cataliunya central del Col·legi d'Enginyers industrials de Cataliunya.

Tots ells s'encarregaran d'esta-

tos ens s'entregiana o esta-bir criteris i procediments per atraure i seleccionar empreses. El president de la comissió, Eugeni Terré, compara la recent creada comissió amb una selecció de ju-



Nascut a Manresa. Director de

➤ Xarrier Ferris

Enginyer Técnic Industrial. Professor titular en Tecnologia Mecknica. Actualment exerceix de degá del Col·legi d'Enginyers Técnics Industrials de Manresa.

habilitats diferents». Terré ha afegit que els criteris que decidiran si una activitat s'hi pot trasiladar o no «no poden ser fixos, ja que el món cenvia constantment». La comissió arriba en el moment just en què s'han de concretar quines empreses s'hi implica-ran. Des de fa mesos, l'empresa de Projectes Territorials del Ba-

LA COMISSIÓ D'EXPERTS



► Alain Jordà

Tinent d'alcalde d'Economia. Innovació, Empresa i Universitat de l'Ajuntament de lat en Direcció General per EADA i enginyer superior en Telecomunicacions.



► Jordi Marti

Nascut a Manresa, Licenciat i Master en Administració i Direcció d'Empreses. Director de l'ares comercial i marqueting del CTM i membre del conseil de direcció.

ges (PTB) ha establert contactes



Dolors Troyano

Llicenciada en Dret per la Universitat Autónoma de Barcelona. Regidora de Promoció Económica, Recursos l'Ajuntament de Sant Fruitós.



Doctor per la UPC, Catednitic d'aquesta universitat i director fundador de ITICFO (Institut de Ciències Fotòniques de Barcelona), Investigador en diferents universitats dels EUA.

relació establerta amb les empre-

ges (PTS) ha establect conflactes nonciés amb empresses de lo com de nos lome, is que comarca, i serà a partir del 2008 e quan s'obtriran les converses de tot engeciació amb empreses de tot tos les activitats o empreses tindan partir del conseller delegat del PTR. Neuro librat, de conseller delegat del PTR. Neuro librat, del conseller delegat del PTR. Neuro librat, del conseller delegat del PTR. Neuro librat, del conseller del PTR. sentif, el conseller delegat del PTB, Xavier Furió, ha volgat constatar que «la valoució de la les extensives o de valo afegit».

gadors de bissquet: «és com si tin-guéssim un terreny de joc i ara hu-guéssim de decidir ets jugudors, que s'han de complementar i tenir 6a CONVOCATÒRIA * NOU PLA GENERAL DE COMPTABILITAT . El marc conceptual Normes de Registre I Valoració Estructura dels nous Comptes anuals · Comentaris a la Reforma Mercantil

INIC: 27 de novembre HORARIS: dilburs i dimecres de 16:00 a 22:00 hores DURADA: 12 hores (2 sessions)

Les obres al Parc Central s'iniciaran el primer trimestre del proper 2008

PTB de al tram final de la fase de gestió urbunistica, i ja ha inici-at el peccós de comercializació amb empresos. Es per això que està a punt d'iniciar les otres al Parc Central. El president del PTB, Josep Maria Ribas, ha asse-gunt que les obres començaran el primer trimestre del 2008 i que absolvere «serieren en el moment clau: reient com passen coses de

monere fisica al Furc Centrals.

Ribus ha explicat, fent referència a les critiques per la bentitud del proceis de gestió urbanistica, que sper la sesu complexitar i per propi procediment, i perquè ho hem volgat fer de manual, pocue aquesta fues ha esta més les tuta del que esta esperàvem, però no per sistems hem de posa mervisonos. El president ha volgat seccedar que

en squesta propera fase de construcció es continuarás tenint en compte tant les formes com el confingut. Jess de l'avic heur fer arrangar en parallel les formes (soll) que es tenis més ganes de sober, com el concars d'arquitectes i d'projecte arbantáric) amb els continguis. I per atols, era que estem el moment cleu, no ens rolem oblidar d'aquest doble ressanto.

Manresa's technology park to start construction in 08 (27 July 2007)





Alzamora promet exits per al Ricoh si hi ha implicació

Implicació

Nalfons Alzamora, el nou pivot del Ricoh Manresa que es va presentar ahir,
creu que si la plantilla està compromesa
en el projecte hi pot
haver bons resultats.
Pag. 27

Solsona

Puigcerdà

► Els municipis d'ERC no accepten un pla urbanistic co-marcal. ► Pag. 10

Henry es mostra actiu en el debut i marca



rienry, l'última es-perança per millorar el joe blaugrama, va debutar i va marcar, però ho va fer en el rebot d'un penal i després d'un partit molt gris. » Pag. 30

El parc tecnològic de 1 Manresa estarà en obres a partir del 2008

El projecte emblemàtic del PTB ha superat el tràmit urbanístic i ara inicia a comercialització mentre espera el primer moviment de terres »Pàg. 2 i 3



Manresa apuntala les cases veïnes als enderrocs

als enderrocs

L'Ajuntament de Manresea i l'empresa FORUM
han pres nota dels esfondraments de cases que hi
va haver fa un any a la zona
de les Escodines i ara s'han
decidit a apuntalar els habitatges que poden estar
en perill. Sota unes aparatonses estructures
metàl·liques exteriors, el
nou regidor d'Habitatge,
José Luis Buenache (PSC),
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l'anterior equip de govern
potter hi haria hagui munipotter hi haria hagui munica de sensibilitars. Aleshores, sapiesta à dre e era en
mans d'ERC.

Els apuntalaments es faran en tres cases del carrer
de les Escodines. Es un ad
les mesures que exmentava
l'estadi informatiu encarregat després dels esfondraments. ** Pag. 5

El fiscal manté l'acusació contra el dibuixant Manel

El fiscal de l'Audiència Nacional no demanarà presó per als dibuixants Manel Fontdevila i Gui-llermo Torres, autors de la portada que va originar el segrest de la revista El Jue-

ves, però manté l'acusació. El manresà Manel Fontde-vila i Guillermo, que abans-d'abir van declarar davant el jutge, s'enfronten a una sanció econòmica que haurà de determinar el

magistrat. El fiscal considera que amb l'acudit en que es veien els princeps en una relació sexual es va co-metre un deficte d'injúries al successor de la Corona. » Pag. 36



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