

**TO: Mayor via City Secretary                      REQUEST FOR COUNCIL ACTION**

<b>SUBJECT:</b> To approve a resolution adopting guidelines for the City's participation in public-private partnerships.		<b>Page</b> 1 of 1	<b>Agenda Item</b> #
<b>FROM (Department or other point of origin):</b> Kelly Dowe, Director, Finance Department David Feldman, City Attorney		<b>Origination Date</b>	<b>Agenda Date</b>
<b>DIRECTOR'S SIGNATURE</b>  Kelly Dowe		<b>Council District affected:</b> All	
<b>For additional information contact:</b> Tom Allen, First Assistant City Attorney (832-393-6411)		<b>Date and identification of prior authorizing Council action:</b> N.A.	
<b>RECOMMENDATION: (Summary)</b> That Council approve a resolution adopting guidelines for the City's participation in public-private partnerships.			
<b>Amount and Source of Funding:</b> N.A.			
<b>SPECIFIC EXPLANATION:</b>  The terms "Public-Private Partnership" and "P3" refer generally to agreements between public entities and the private sector by which the private sector makes physical assets or services available to a public entity in exchange for fixed payments over a term of twenty or more years.  The Texas Legislature has authorized municipalities and other governmental entities to enter into P3s for development of "Qualifying Projects," which include "any ... vehicle parking facility, ... water supply facility, public work, waste treatment facility, ... recreational facility, public building, technology facility, or other similar facility ... to be made available to a governmental entity for public use," or, more broadly, "any improvements necessary or desirable to real property owned by a governmental entity." TEX. GOV'T CODE § 2267.001(10). Before requesting or considering a P3, however, the governmental entity must adopt publicly available "guidelines" for such partnerships. <i>Id.</i> at § 2267.052(a).  The proposed resolution adopts "2267 Guidelines" for the City of Houston, enabling the City to enter into a P3 agreement if and as Council concludes such an arrangement is in the City's best interests. Although adoption of the Guidelines will establish uniform procedures for the City's consideration of P3 proposals (both solicited and unsolicited), adoption will not <i>require</i> the City to enter into any P3 contract.  The Legislature has enacted detailed requirements for 2267 Guidelines adopted by a local government. <i>See generally</i> TEX. GOV'T CODE §§ 2267.051--.066. As a result, a local government has limited discretion regarding the content of its Guidelines. More than 80% of the Guidelines proposed for the City's adoption are prescribed by statute.  2267 Guidelines have been adopted by several Texas cities, including El Paso and San Antonio. <i>See, e.g.,</i> <a href="https://www.elpasotexas.gov/muni_clerk/agenda/07-17-12/07171209A.pdf">https://www.elpasotexas.gov/muni_clerk/agenda/07-17-12/07171209A.pdf</a> (draft) and <a href="https://webapps1.sanantonio.gov/rfcdocs/R_9733_20121107035807.pdf">https://webapps1.sanantonio.gov/rfcdocs/R_9733_20121107035807.pdf</a> .  The proposed Guidelines have been reviewed by the City's Chief Procurement Officer and by the Office of Business Opportunity; revisions suggested by both offices have been incorporated into the current draft (Draft 4.4).			
<b>REQUIRED AUTHORIZATION</b>			
<b>Finance Department:</b>	<b>Other Authorization:</b>	<b>Other Authorization:</b>	