Staff Report

January 21, 2025 Regular Commission Meeting

Brought forth by Commissioner Christopher McVoy

Discussion: Establishing a Procedure for Unsolicited Proposals

This item initiates a discussion of a possible procedure the Commission could adopt for handling unsolicited proposals, including "public-private partnerships" (P3s), which are often the largest unsolicited proposals.

Wise use and protection of taxpayer funds is a primary responsibility of city elected governing bodies. Achieving these goals can be complex. As the national good governance organization **Strong Towns** (<u>https://www.strongtowns.org/</u>) notes, 'Most public-private partnerships are merely public *handouts* by a different name.' Another good governance organization, the **Government Finance Officers Association** (<u>https://www.gfoa.org/</u>), notes that 'P3 agreements contain varying degrees of risk, and some have been controversial and detrimental to the short-term and long-term fiscal health of the public partner.'

Both Strong Towns and GFOA emphasize that, <u>before</u> pursuing a P3, the public partner should "carefully analyze the potential P3 agreement, including all financial impacts."

Both organizations emphasize the need for:

- Truly **independent analyses** of risks and profits to ensure fair allocation.
- **Strong public participation** to promote transparency, build trust, and ensure that the public understands how the risks and profits will be shared.

Proposals for P3s often arrive as "unsolicited proposals," operating outside the traditional "Request for Proposals" (RFP) and "Request for Qualifications" (RFQs) processes long used by public governments.

This strawman procedure offered here for discussion incorporates best practices from RFPs, RFQs, and good governance recommendations from Strong Towns and GFOA to foster transparency and accountability, increase public confidence, and protect the city's fiscal health (taxpayer monies). May it be a useful starting point for discussion.