

City of PALM COAST FLORIDA



Public-Private Partnership Guidelines



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PUBLIC-PRIVATE PARTNERSHIP GUIDELINES

INTRODUCTION

A Public-Private Partnership (or P₃) is a contractual arrangement between a public agency and a private sector entity that allows for greater private sector participation in the delivery and financing of public building and infrastructure projects. Through these arrangements, the skills and assets of each sector, public and private, are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards in the delivery of the service or facility.

This document is used to govern how the City receives, processes, and evaluates P₃ proposals. In addition, this document provides the private sector with a fair and uniform format for P₃ proposals:

1. To respond to solicited proposals;
2. To submit unsolicited proposals; and
3. To provide a fair and transparent evaluation and selection process for both solicited and unsolicited proposals.

GENERAL P₃ PROPOSAL SUBMISSION PROCESS

A person submitting either a solicited or unsolicited proposal shall specifically identify any facility, building, infrastructure or improvement included in the proposal. Although the City may identify development opportunities, they are not exclusive, and private entities are encouraged to submit proposals consistent with the goals of a P₃.

The process for receipt and review of a proposal is initiated by either: 1) a solicitation by the City; or 2) the receipt of an unsolicited proposal by a private entity requesting review, consideration and approval. In both cases, the proposal should provide general information on the private entity's qualifications and experience, the project characteristics, project financing, anticipated public support or opposition, project benefit, value, and compatibility.

P₃'s are intended to be a flexible development tool that allows the use of innovative financing techniques. Private entities are encouraged to include innovative financing methods, including the imposition of user fees or other forms of service payments, in their proposal. The contracting person can be involved in a variety of ways, from designing the facility to undertaking its financing, construction, operation, maintenance, and management.

Proposals should be prepared simply and economically, but should include a concise description of the private entity's capabilities to complete the project. Proposals must include a scope of work and a financial plan for the project, containing enough detail to allow, at a minimum, a cursory cost-benefit analysis by the City of the proposals financial feasibility. The City reserves the right, on a case-by-case basis, to conduct the analysis of the proposal with internal resources or to contract with outside

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advisors or consultants to provide this service. In either case, the City may request follow-up financial and/or other relevant information in order to complete the cost/benefit analysis required of every proposal to develop a project. For solicited or unsolicited proposals, the City may, at any time, request in writing for the respondent or proposer to clarify its submission.

The City shall continue to exercise full and proper due diligence in the evaluation and selection of P3's. In this regard, the qualifications, capabilities, resources and other attributes of a private entity and its whole team shall be carefully examined for every P3. In addition, private entities shall be held strictly accountable for representations and information provided regarding their qualifications, experience or other contents of their proposals, including all specific aspects of proposed plans to be performed by the private entity.

CITY SOLICITED PROPOSALS

All RFP's or RFQ's issued by the City shall be by issuance of a written solicitation. Any submissions that are not received in response to a solicitation shall be deemed an unsolicited proposal. The procedures and requirements applicable to any particular solicited proposal shall be definitively specified in the written solicitation, which may or may not contain all of the provisions provided in these Guidelines. It is the City's duty to clearly state the requirements of a response to a written solicitation.

Generally, proposals solicited by the City in either an RFP or RFQ format will follow City procurement policy and procedures. These solicitations, in addition to RFP or RFQ requirements, may request some or all of the detailed proposal requirements listed below.

UNSOLICITED PROPOSALS

A person or entity wishing to submit an unsolicited proposal must first submit a Pre-Proposal Letter not longer than ten (10) pages to the City Manager's Office. The Pre-Proposal Letter should identify the P3 project and summarize the concept of the proposal. Within thirty (30) days of receiving the Pre-Proposal Letter, the City shall perform a cursory review of the proposed project and shall notify the proposer in writing whether the City will entertain a detailed proposal of the P3 project. Should the City indicate that it will evaluate such a proposal, the proposer will then be instructed to submit a more detailed proposal. The detailed proposal could be solicited through a formal solicitation process by the City.

DETAILED PROPOSAL FORMAT AND REQUIREMENTS

To the greatest extent possible, the conceptual stage submittal shall be sufficient to convey the experience and capacity of the development team, the overall quality and character of the project, as

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well as the financial and implementation strategies to ensure successful completion of the project. The submittal should be organized in the following order and tabbed in accordance with this Section. All submittals, at a minimum shall provide the following, unless the Proposer receives a written waiver of the requirement or requirements by the City in advance of submitting the proposal.

1. Cover Letter and Executive Summary
 - a. Identify the Private Entity and Principal Contact Information
 - b. Identify the P3 Project and a summary of the proposal

2. Private Entity and Team
 - a. Identify the Private Entity and Legal Structure
 - b. Identify the Team

3. Qualifications and Financial Capacity
 - a. Describe the Private Entity's business experience with similar projects
 - b. Describe the team member's qualifications and experience
 - c. Establish and demonstrate the Private Entity's financial resources to carry out the P3 proposal.

4. Proposal
 - a. If P3 involves property or development, provide conceptually drawings
 - b. Describe the project and proposed business arrangements
 - c. Describe the plan for development, financing, and operation of P3 project.
 - d. Provide a project schedule
 - e. Provide any special terms, special conditions, or contingencies

5. Project Analyses
 - a. Location and Site Analysis
 - b. Market and Competitive Analysis
 - c. Construction Schedule
 - d. Political and Legal Analysis

6. Project Financing
 - a. Explain the financial plan
 - b. Provide any loan commitment letters or documentation for other financial resources
 - c. Provide project budget
 - d. Provide pro-forma financial statements

7. Community Impact
 - a. Provide information on community benefits, jobs, and value of investment in community

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PROPOSAL EVALUATION AND SELECTION CRITERIA

The evaluation and selection criteria for City solicited P₃ projects shall be particularly described within the RFP or RFQ written solicitation. All solicited RFP's and RFQ's shall be analyzed by qualified professionals of the City or by qualified professionals retained by the City to provide an independent cost/benefit analysis.

If the proposal was unsolicited, following submission of a detailed proposal and a cursory review, the City Manager's Office shall notify the proposer if any additional information is needed to evaluate the proposal, or if the City will solicit other proposals.

Factors to be considered in evaluating a detailed proposal shall include, but not be limited to following:

QUALIFICATIONS AND EXPERIENCE, such as the following:

1. Experience working with the public sector on public-private real estate development projects;
2. Experience, training and preparation with projects of similar size, scope and complexity;
3. The extent of personnel, logistical resources, bonding capacity, and the ability to complete the project in a timely and professional manner;
4. Demonstrated record of successful past performance, including timeliness of project delivery, compliance with plans and specifications, quality of workmanship, cost-control and project safety;
5. Demonstrated compliance with applicable laws, codes, standards, regulations, and agreements on past projects;
6. Leadership structure;
7. Project manager's experience;
8. Management and operational plans;
9. Financial condition and capacity; and
10. Project ownership.

PROJECT CHARACTERISTICS

Factors to be considered in evaluating the project characteristics may include, but are not limited to:

1. Project scope and scale, land use and product mix;
2. The extent that the timing of the project is consistent with the City's Strategic Action Plan;
3. Operation of the project;
4. Technology; technical feasibility;
5. Environmental impacts;
6. Federal, state and local permits; and
7. Maintenance of the project.

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PROJECT COST AND FINANCING

Factors to be considered in evaluating whether the proposed financing allows adequate access to the necessary capital to finance the project may include, but are not limited to:

1. Cost and cost benefit to the City;
2. Financing and the impact on the debt or debt burden of the City;
3. Financial plan, including overall feasibility and reliability of plan; operator's past performance with similar plans and similar projects; the degree to which the private entity has conducted due diligence investigation and analysis of proposed financial plan and the results of any such inquiries or studies;
4. Estimated project cost and life-cycle cost analysis; and
5. The identity, credit history, past performance of any third party that will provide financing for the project and the nature, amount, and timing of their commitment, as applicable.

COMMUNITY IMPACT

Factors to be considered in evaluating the project's community impact may include, but are not limited to:

1. Community benefits, including the economic impact the project will have on the City and affected jurisdictions in terms of tax revenue, the number of jobs generated and level of pay and fringe benefits of such jobs;
2. Other community benefits that further the City's long-term vision and goals;
3. Community support or opposition, or both;
4. Compatibility with existing and planned facilities;
5. Compatibility with local, regional, and state economic development efforts; and
6. Compatibility and consistency with the City's vision and Strategic Action Plan, Comprehensive Plan, Economic Development Plan (Prosperity 2021), SR100 Corridor Community Redevelopment Master Plan, and other related plans.

OTHER FACTORS

Other factors that may be considered by the City in the evaluation and selection of proposals may include, but are not limited to:

1. The extent the offered consideration generates value and returns to the City and benefits to the public;
2. The general reputation, industry experience, and financial capacity of the private entity;
3. The proposed design of the project;
4. Opportunity cost of taking an alternative action;
5. The private entity's plans to employ local contractors and residents; and
6. Other criteria that the City deems appropriate.

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COMPLIANCE WITH FLORIDA PUBLIC RECORD LAWS

Under Florida law, most written communications with the City of Palm Coast are considered public records. Therefore, any communications with staff or officials or information submitted to propose a Public-Private Partnership may be subject to public disclosure in response to a public records request.

CITY COUNCIL CONSIDERATION AND APPROVAL

Upon completion of the requirements of these guidelines and any required notice and/or hearings, the City may present a P3 project to City Council for consideration. No P3 agreements shall be valid prior to the approval of the City Council.

GOVERNING PROVISIONS

In the event of any conflict between these guidelines and any federal or state statutory or administrative authority, the terms of the respective statutory or administrative authority shall control.