

Public-Private Partnerships

Developing Collaborative Efforts to Sustain Environmental Quality



Joel Hardy – City of Pearland



Pearland

- Closest suburb to the City of Houston.
- 2nd fastest growing city in Texas.
- 15th fastest growing city in the nation.
- Became a HUD EJ in 2007, when population exceeded 50,000.
- Grew by 53,612 residents between the 2000-2010 decennial census counts.
 - 37,640 in 2000 to 91,252 in 2010
- Current population = 104,000



Growing Needs

- Infrastructure/Community Development/Housing
- Social services
- Public health and safety
- Public education
- Recreation
- Business and economic development
- General services
- Environmental management
- Management and administration



...and with that growth...

- More households =
- More consumerism =
- More trash/waste =
- Greater need for disposal of solid waste =
- Greater need for public investments =
- Greater opportunity for recycling of solid waste =
- Greater opportunity for public/private partnerships



Meeting the Challenge

- Research, planning, and modeling
- Land/property acquisitions and annexations
- Governance...policies...standards
- Human capital and content expertise
- Equipment and facilities
- PARTNERSHIPS AND COLLABORATION



What is P3?

- Public-Private Partnership is a co-operative venture for the provision of infrastructure or services, built on the expertise of each partner that best meets clearly defined public needs, through the most appropriate allocation of resources, risks, and rewards.

Canadian Council for Public-Private Partnerships,
http://www.pppcouncil.ca/aboutPPP_definition.asp



Why P3?

- Change of values
 - *The shifting role of government*
- Changes in perceptions
 - “Spin City”
 - *The term “partner” conveys a sense of empowerment, flexibility, collaboration, consultation, proactivity, efficiency...that your jurisdiction has more of a “service orientation.”*
- Change in politics



Why P3

- *The new politics calls for new skills – skills in building bridges and alliances, broking interests, forging consensus, articulating shared values...The future of governance is partnership and shared responsibility.*



Why do them....

- **Fiscal Head Room**
- **As a Way of Financing the Project**
- **Separate Policy & Regulation from Operations**
- **Make the Good or Service Available**
- **Pay for Performance and Output**
- **Introduce Competition – For and In the Market**



When to do PPP...

- Benefits
- **Economic Growth and Employment**
- **Other Social Benefits**
- **Impact on the Poor**

- **Ease Of Implementation**
- **Political Support & Lack of Resistance**
- **Technical Feasibility**
- **Financial Viability**
- **Public Support**

Economic Rate of Return		Financial rate of return
LOW	HIGH	
No need for Public Sector Involvement	PPP with no or limited Government financial support	HIGH
	Public-Sector Financing Or PPP with Government financial support	LOW



Public Private Partnerships involve...

- ...taxpayers and consumers
- ...local businesses
- ...government
- ...higher education institutions
- ...secondary education
- ...service providers
- ...industry
- “BEST OF BOTH WORLDS” alternative to public provision and privatization!



The Good...the Bad...the Ugly

- **The Good:** Urban Public Transportation, Water Supply, Road Projects, Solid Waste Disposal and Recycling
 - *High public demand...long history of implementation*
- **The Bad:** Telecommunications...Energy
 - *Deregulation INCREASED costs to consumers*
 - *Limited evaluation outcome measurement*
- **The Ugly:** Public Health, Alcohol/Tobacco Control, Petrochemical Exploration and Mineral Extraction
 - *Collusion, Corruption, Cost-ineffectiveness*



Pearland PPPs

- Chamber of Commerce
 - Convention/Visitors Bureau
- Keep Pearland Beautiful
 - Beautification, environmental protection, ecological awareness
 - Relationships with local schools
- Waste Management
 - Solid Waste Disposal and Recycling
- City of Pearland
 - City Management/Governance
- HGAC
 - Technical Assistance and Resource Development Facilitator
- TCEQ
 - Public Assistance, Grants, Regulations
- PEDC
 - Economic development...business growth



Partnership Elements

- Private Sector Relationship Building (COC)
- Fiscal administration and program management (COP)
- Effectuation of core duties (WM)
- Community education, awareness, and advocacy (KPB)
- Regional coordination and intermediary services (HGAC)
- Regulation and fiscal support (TCEQ)
- Economic Development (PEDC)



Conclusion

- PPP can be like any relationship/“marriage”
 - It takes time for partners to get to know each other and find a good way to work together
 - The earlier private partners are involved, the better results may be achieved, problems avoided
 - Bad partnerships often “divorce”
 - “Alimony”...“Child Support?”
 - Lessons Learned...

Thank You



Questions? Comments?