

REQUEST FOR PROPOSALS DATED FEBRUARY 14, 2022

Redevelopment Authority of the City of La Crosse, Wisconsin (the "Authority")
La Crosse County

\$3,550,000* Interim Redevelopment Revenue Bond, Series 2022 (the "Bond")

- Proposals Due:** Proposals must be received by email to Nha Nguyen at bondsale@ehlers-inc.com no later than 12:00 PM, (Noon) CT on March 22, 2022, at the offices of Ehlers, 3060 Centre Pointe Drive, Roseville, MN 55113.
- Proposal Consideration:** Proposals will be considered the Authority at a meeting to be held on March 24, 2022, at 4:00 PM.
- Purpose:** The Bond is being issued to finance the costs of Phase II infrastructure improvements to the River Point District Redevelopment Area and improvements to Causeway Boulevard and associated utilities.
- Costs of issuance, including fees for the municipal advisor and legal counsel, will also be paid from proceeds.
- Authority:** Wisconsin Statutes, Section 66.1333.
- Background:** The City of La Crosse (the "City") and the Authority are embarking on redevelopment of what is commonly referred to as River Point District, a mixed-use site consisting of approximately 40 acres of undeveloped property and other redevelopment opportunities. The City has created, and the Wisconsin Department of Revenue has certified Tax Increment District No. 18 (TID 18) as a blighted-area district to provide a financing mechanism to assist with redevelopment and public improvements to the area. A map of TID 18, which also depicts the River Point District, is attached as Exhibit A. The Authority has been designated as the primary entity responsible for these redevelopment efforts. The City has amended its TIDs 11, 13, 14, 15, 16 and 17 (collectively the "Donor TIDs") to allow those TIDs to share positive tax increments with TID 18 as an eligible recipient. It is anticipated the Donor TIDs will provide revenues sufficient to meet the expenditures of TID 18 during the initial redevelopment phase(s), including interest payable on any debt outstanding. The City and Authority intend to cooperatively interim finance fill and site preparation, as well as necessary public improvements and infrastructure that will establish developable sites in and around the River Point District area. The Authority has engaged WiRED Properties, Milwaukee, Wisconsin as master developer for the site. In 2021, the RDA issued its \$3,000,000 Taxable Interim Redevelopment Revenue Bond to bring fill onto the site in order to raise the area out of the flood plain. The Bond shall be the second phase of a multi-phase financing plan. Proceeds of the Bond, together with a cash contribution from donor TIDs 13 and 14, shall provide funding for installation of essential public infrastructure throughout the interior of the redevelopment area, as well as improvements to Causeway Boulevard (adjacent street) and utility infrastructure within the right of way. It is anticipated that one or more series of interim financing will occur over the next few years until such time as permanent financing is achieved through both cash contributions from the Donor TIDs and the issuance of long-term, fixed-rate financing by the Authority.

*Preliminary, subject to change.

Contribution Agreement:

The City shall consider a Contribution and Cooperation Agreement (the "Agreement") in substantially the form attached as Exhibit B. The Agreement will memorialize the City's intention to annually appropriate and contribute to the Authority sufficient funds from TID 18 (including revenues in the form of transfers from respective donor TIDs) as are needed to meet interest requirements for the Bond. The City's obligations under the Agreement shall in no event be considered a general obligation of the City, and the Bond is not a general obligation of the City for which its full faith and credit and unlimited taxing authority are pledged.

Security:

The Bond and interest thereon shall never be or be considered a general obligation of the Authority or the City or an indebtedness of the City within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Authority or the City or a charge against their general credit or the City's taxing powers, except to the extent that the Bond is secured by the Agreement.

The Bond is a limited obligation of the Authority payable by it solely from (a) any payments received by the Authority pursuant to the Agreement; (b) the proceeds derived from the issuance and sale of the Redevelopment Revenue Bond (the "Long-Term Bond"), which proceeds will be declared to constitute a special trust fund to be held by the Authority and expended solely for the payment of principal of and interest on the Bond; and (c) any proceeds of the issuance and sale of the Bond set aside for payment of interest on the Bond.

Upon receipt, all payments received under the Agreement and the proceeds of the Long-Term Bond shall be deposited in a separate fund to be designated as the "Debt Service Fund for the Interim Redevelopment Revenue Bond, Series 2022" (the "Debt Service Fund") and used solely to pay the principal of and interest on the Bond. No money shall be withdrawn from the Debt Service Fund and appropriated for any purpose other than the payment of principal of and interest on the Bond until such principal and interest has been paid in full.

Date of Bond*:

April 13, 2022

Delivery Date*:

April 13, 2022

*Preliminary, subject to change.

Maturity:

April 1 as follows:

<u>Year</u>	<u>Amount**</u>
2027	\$3,550,000

** The Authority reserves the right to increase or decrease the principal amount of the Bond in increments of \$1,000.

Estimated Sources and Uses*

Sources			
Par Amount of Bond		<u>\$3,550,000</u>	
Total Sources			\$3,550,000
Uses			
Project Costs		\$3,505,000	
Costs of Issuance		<u>45,000</u>	
Total Uses			\$3,550,000

*Preliminary, subject to change.

Interest: Interest will be payable on April 1 of each year, commencing April 1, 2023, to the registered owner of the Bond. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Optional Redemption: The Authority's preference is to establish full pre-payment privileges without penalty or premium any time after closing of the Bond. However, the Authority is willing to consider alternative optional redemption features. Respondents may provide pricing alternatives that include more restrictive optional redemption characteristics, but in no case shall an optional redemption feature at face value exceed two years from the date of issue. Proposals should clearly indicate respondents optional redemption provisions and related pricing. More than one option may be presented for consideration.

Minimum Proposal: \$3,550,000.

Form of Bond: The Bond will be in typewritten form, registrable as to principal and interest.

Tax-Exempt Obligation: The Bond will **not** be exempt from federal income taxation and will **not** be designated as a bank qualified obligation.

Financial Disclosure: The Authority will offer to provide its financial data annually to the Lender upon request. The City is subject to various continuing disclosure agreements (CDAs) that require posting of annual information and notice of the occurrence of certain material events through the Municipal Securities Rulemaking Board's (MSRB) Electronic Municipal Market Access system (EMMA). In the event the City is no longer subject to any CDAs that require posting information to the EMMA system, the City will provide its audited financial statements directly to the Lender.

Rating: The Authority has not requested a rating for the Bond. *A rating may not be requested without contacting Ehlers and receiving the permission of the Authority.*

Offering Documents: Offering documents shall take the form of this Request for Proposals and the attached Proposal Form. A Proposal Form accompanies this request and is offered as a convenience for respondents. Respondents are not required to use the Proposal Form. Proposals may be submitted in alternative formats, including as an addendum to the Request for Proposals and Conditions and Proposal Form, provided that all material business terms are presented in a concise fashion along with any costs to be paid by the Authority from proceeds of the Bond. No extraneous or marketing information should be included in a response, as it will not be reviewed or considered. Proposals should clearly state any contingencies and if the proposal is subject to expiration.

Costs of Issuance: Financing and legal costs will be paid for by the Authority out of the proceeds of the Bond.

Legal Opinion: An opinion as to the validity of the Bond and the exemption from taxation of the interest thereon will be furnished by Quarles & Brady LLP, Milwaukee, Wisconsin, bond counsel to the Authority, and will accompany the Bond.

Resale of Bond: The Lender shall agree to purchase the debt instrument for investment and not with a present view to the distribution, transfer or resale thereof. The Lender intends to hold and book the Bond as a loan in its loan portfolio; the Lender acknowledges that the use of the word "Bond" in the name of the debt instrument is for convenience only and is not intended to indicate that the instrument is a security within the meaning of the Securities Act of 1933. The Lender shall be required to hold such Bond for its own account and for an indefinite period of time and does not intend to dispose of all or any portion of such Bond and understands that transfer of such Bond is restricted pursuant to the terms of the financing agreement.

Lender: To be determined.

Registrar/Paying Agent: The Authority Executive Director, or a duly appointed designee shall be designated as the Registrar/paying agent.

Bond Counsel: Bridgette Keating and Jacob Lichter; Quarles & Brady LLP, Milwaukee, Wisconsin

Municipal Advisor: Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Municipal Advisors:	Brian Reilly	Sean Lentz	Josh Low
Phone No.	(651) 697-8541	(651) 697-8509	(651) 697-8596
E-mail Address:	breilly@ehlers-inc.com	slentz@ehlers-inc.com	jlow@ehlers-inc.com

Disclaimer:

No proposing firm representative or third-party solicitor shall contact the Authority's elected officials regarding this request for proposal while it remains open. Violation of this provision will be deemed grounds for immediate disqualification of a proposal and may be considered in future requests for proposal.

The Authority reserves the right to reject any and all proposals, and may waive any defect, irregularity, or informality contained in a proposal. The Authority reserves the right to select the proposal deemed most advantageous to the Authority, in its sole discretion, and to negotiate directly with any respondents. Preparation and submission of a response to this request for proposals is at the sole expense and risk of the responding firms, and it is understood by the selected firm that no fees or other compensation will be paid if the proposed financing is abandoned or does not close. If deadlines are modified or addenda to this request for proposal are prepared, all parties shall be notified contemporaneously.

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PROPOSAL FORM

Board of Commissioners
Redevelopment Authority of the City of La Crosse, Wisconsin (the "Authority")

March 24, 2022

RE: \$3,550,000* Interim Redevelopment Revenue Bond, Series 2022 (the "Bond")
DATED: April 13, 2022

For all or none of the above Bond maturing on April 1, 2027, we will pay the Authority \$3,550,000 plus accrued interest to date of delivery (if any) and bearing interest at and subject to the optional redemption at face value on:

_____ % Optional Redemption at Face Value on or after _____

*The Authority reserves the right to increase or decrease the principal amount of the Bond in increments of \$1,000.

Interest on the Bond will be payable on April 1, 2023 and annually thereafter.

The Lender shall agree to purchase the debt instrument for investment and not with a present view to the distribution, transfer or resale thereof. The Lender intends to hold and book the Bond as a loan in its loan portfolio; the Lender acknowledges that the use of the word "Bond" in the name of the debt instrument is for convenience only and is not intended to indicate that the instrument is a security within the meaning of the Securities Act of 1933. The Lender shall be required to hold such Bond for its own account and for an indefinite period of time and does not intend to dispose of all or any portion of such Bond and understands that transfer of such Bond is restricted pursuant to the terms of the financing agreement.

The Authority has not requested a rating on the Bond. *A rating may not be requested without contacting Ehlers and receiving the permission of the Authority.*

This proposal is for consideration and acceptance by the Board of Commissioners on March 24, 2022, and is conditional upon delivery of said Bond to us within 40 days of award. Delivery is anticipated on or about April 13, 2022. The Bond will be in typewritten form, registrable as to principal and interest. The Authority Executive Director shall be designated as the bond registrar/paying agent. The Bond will be evidenced by a legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, as bond counsel.

Submitted by:

Name of Institution: _____

Submitted By: _____

Title: _____

Signature: _____

The Authority reserves the right to reject any and all proposals and to waive any informality in any proposal.

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The foregoing offer is hereby accepted by and on behalf of the Board of Commissioners of the Redevelopment Authority of the City of La Crosse, Wisconsin, this _____ day of _____, 2022.

By: _____

By: _____

Title: _____

Title: _____