



## WM Financial Strategies

---

11710 ADMINISTRATION DRIVE  
SUITE 7  
ST. LOUIS, MISSOURI 63146  
(314) 423-2122

July 10, 2020

**RE: City of St. Charles, Missouri  
Request for Proposals  
Bond Issues for Economic Development Projects**

WM Financial Strategies, as municipal advisor to the City of St. Charles, Missouri (the “City”) is seeking proposals for the possible future issuance of bonds intended to finance one or more parking garages, parking lots, seawalls, streets, bridges, and other public infrastructure (the “Improvements”) to be constructed in order to stimulate economic development in an area of the City known as Riverpointe. The City is currently in the process of acquiring approximately 40 acres of land within the 100-year floodplain along the Missouri River, generally between Interstate 70 and the Family Arena, and adjacent to other land currently being developed for recreation, entertainment, amusement and other mixed uses. Once the land assembly is complete, the City plans to make the land available, by sale or lease, to interested developers for retail, class A office and other mixed uses. The City believes that in order to market the land for its highest and best use, the Improvements are required. The City intends to start the planning process for the Improvements at this time, although the issuance of bonds is not expected to occur until at least 2021. The City is exploring various financing options which may include the following:

- 1) Special Obligations Bonds secured solely by incremental revenues or user charges solely attributable to the Improvements.
- 2) Community Improvement District Bonds.
- 3) Transportation Development District Bonds.
- 4) Other Obligations that do not impose any general or moral obligation on current City revenue streams.

Such obligations may be taxable or tax-exempt. Gilmore & Bell is serving as Bond Counsel and will serve as Disclosure Counsel for any related publicly sold transactions.

### **Required Services**

Following selection of the underwriter, the firm selected will work with the City, Municipal Advisor, and Bond Counsel in identifying financing options and preparing related recommendations, reports and computations. In the event the City ultimately determines to proceed with a particular transaction the firm selected to underwrite or privately place the obligations would be expected to provide customary placement and underwriting services including the following:

- Develop marketing strategies.
- Provide pricing strategies and comparables.
- Provide disclosures to the City regarding the risks of the transaction and potential negative impacts on bond rating.
- Review and comment on any Official Statement prepared by disclosure counsel.
- Review and comment on bond documents.
- Underwrite the bonds.
- Provide suggestions on continuing disclosure.

### **Engagement**

Based on the proposals received, the City will determine whether to work with the preferred firm pursuant to an Independent Registered Municipal Advisor (“IRMA”) letter or to enter into an underwriting letter of understanding. If the City enters into an engagement letter the letter must include the following statements: (a) the engagement is preliminary in nature; (b) the engagement is subject to conditions, such as formal approval of the selection of the underwriter by the governing body after finalizing the structure of a particular issue of municipal securities; and (c) the engagement is nonbinding and it can be terminated by either party and the City may terminate the engagement and require the firm selected to re-propose on a competitive basis.

### **Submissions**

Proposals will be accepted until 12:00 p.m., central time, on August 12, 2020. One copy should be sent to the City’s Municipal Advisor at Jhoward@wmfinancialstrategies.com, one copy should be sent to the City’s Director of Finance at Gina.jarvis@stcharlescitymo.gov and one copy should be sent to the City Attorney at michael.valenti@stcharlescitymo.gov. Any response which is not received by the designated time and date will be rejected.

### **Proposal Content**

Proposals must include the following:

1. Parking Facility Experience: Provide a description of your experience as senior manager in financing parking garage facilities in Missouri within the past 5 years. Provide a copy of the cover page of the Official Statements. For private placements, provide the maturity schedule that includes the name and date of the financing. For each of the issues included, describe in not more than ½ a page the sources of revenue for payment of the obligations.

2. TDD Experience. Provide a description of your experience as senior manager with Transportation Development District Bonds in Missouri within the past 5 years. Provide a copy of the cover page of the Official Statements. For private placements, provide the maturity schedule that includes the name and date of the financing.

3. CID Experience. Provide a description of your experience as senior manager with Community Improvement Development District Bonds in Missouri within the past 5 years. Provide a copy of the cover page of the Official Statements. For private placements, provide the maturity schedule that includes the name and date of the financing.

4. Incremental Revenue Obligations. Provide a description of your experience as senior manager with the sale of obligations secured solely by the incremental revenues of the issuer (these issues would be based on a pledge of the issuer's revenues but would not include incremental revenues of any overlapping taxing district and would therefore not constitute tax increment revenue bonds). Provide a copy of the cover page of the Official Statements. For private placements, provide the maturity schedule that includes the name and date of the financing and include a brief description of the revenues pledged to payment of the obligations.

5. Underwriting Fees. For the issues described in sections 1 through 4 above, provide a table showing the name of each issue and your firm's underwriting fee (as a percentage of the issue). Describe the range of underwriting fees you would anticipate for the City's issues. Indicate if there are any fees or expenses that are not conditioned on the sale of the obligations for the Improvements.

6. Continuing Disclosure. Assuming the City issues obligations similar to those described in 1 through 4 above would you expect to require the City to provide any continuing disclosure (e.g. semiannual reports) that is in addition to the requirements pursuant to SEC rule 15c2-12? Provide as much detail as possible regarding the content and need for such additional disclosure.

7. Financing Challenges. Based on the type of obligations contemplated by this RFP discuss any issues or challenges that might be associated with pricing and marketing. Describe why you believe your firm is qualified to overcome these challenges.

8. Conflicts of Interest and Disciplinary Disclosures. List any potential or real conflicts of interest you have relating to the proposed transaction. Disclose any negative events in your firm's municipal finance department's history (last 5 years) including criminal charges, civil litigation, or administrative actions involving allegations of securities law violations by your firm or employees. Please comment on the resolution and/or status of the actions.

9. Underwriting Commitment. Upon the City's selection of a particular transaction what is the process your firm requires to proceed with an underwriting commitment? Describe the process for both rated and unrated transactions.

10. Personnel. Provide the name, title, location and phone number for each person who will be directly involved in the transaction. Provide a brief (1/2 page or less) description of their relevant experience including capital planning experience, land use planning and financial analysis. Please highlight the individuals that would be the day-to-day contacts with the City.

11. Advice Exemption. Following the receipt of proposals, the City expects to select a firm that may, subject to certain conditions, serve as the underwriter for a particular issuance at a future date. Based on the information provided in this request for proposals, do you think it would be most appropriate to work with the City based on the SEC's IRMA exemption or the underwriter exclusion? If you are recommending the underwriter exclusion, what would be the basis for treating the transaction as a "particular transaction"?

12. Other Terms. Indicate any other terms that you believe the City should consider for selecting the underwriter.

13. Work Authorization. The firm selected shall comply with Section 285.525–285.550 RSMo regarding enrollment in a federal work authorization program. Notice and instructions for firms submitting proposals is available at <http://www.wmfinancialstrategies.com/RFPs.htm>.

The City may select an underwriter based on the written proposals received; however, the City may also interview one or more firms following receipt of the proposals. The City reserves the right to reject any and all proposals. The City may waive any variations which are considered to be in the best interest of the City. The City will take all matters included in the proposals into account in determining the best proposal and will select the firm it deems to have the best proposal. In the event the City elects to terminate the financing prior to execution of an underwriting or purchase agreement the City will have no obligation to any firm submitting a proposal.

If you have any questions regarding this transaction, please contact the undersigned.

Sincerely,

Joy A. Howard  
Principal