

**Request for Terms of Purchase**  
**\$2,500,000 to \$5,000,000 \***  
**City of Ladue, Missouri**  
**Certificates of Participation, Series 2016**

**Financing of Fire House #1 Building Construction**

*No Official Statement will be prepared for this Offering. By entering into a Purchase Agreement, Lease and Sublease, the Purchaser shall be deemed to have had access to such financial and other information concerning the City, the Lease and Sublease, the Purchase Agreement, and such other transaction documents as the City and its counsel deem necessary (collectively the "Agreements") as the Lessor deems necessary to make an independent decision to enter into the Agreements, including the opportunity, at a reasonable time prior to entering into the Agreements, to ask questions and receive answers concerning the City and the terms and conditions of the Agreements.*

The City of Ladue, St. Louis County, Missouri ("City") is pleased to present this Request for Terms for purchase of its Certificates of Participation ("Certificates of Participation" or "Certificates") in an amount sufficient to finance construction of Fire House #1 Building ("Project"), and to pay certain costs of issuance for the transaction. Project costs are estimated at \$4,250,000 to \$5,000,000. The amount to be financed will not exceed the amount of the construction contract awarded plus costs of issuance. It is anticipated that the Certificates will be tax-exempt and considered bank-qualified.

The successful purchaser ("Purchaser") will be expected to conduct its own due diligence. Information in this packet is deemed reliable and derived in part from publicly available information, but no guarantee with regard to its completeness or accuracy is provided.

### **The City**

The City is a political subdivision organized and existing under the laws for fourth class cities of the State of Missouri.

The City will not prepare a placement memorandum or an offering document in conjunction with the Certificates of Participation.

*Link to the City Audit:*

<http://www.cityofladue-mo.gov/departments/finance-department/annual-financial-reports-audits-216>

*Link to the City:*

<http://www.cityofladue-mo.gov/>

\* Preliminary, subject to change

*Link to the City 2016 Budget:*

<http://www.cityofladue-mo.gov/departments/finance-department/annual-budgets-218>

## **Security**

The Certificates payments are subject to an annual budget appropriation of the City. The taxing powers of the City are not pledged to payment of the Certificates. The Certificates shall not constitute a debt or liability of the City, the State of Missouri or of any political subdivision thereof and shall not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Certificates shall not obligate the City to levy any form of taxation therefor or to make any appropriation for their payment in any fiscal year subsequent to a fiscal year in which the Agreements are in effect. There will be no debt reserve fund.

The property subject to a Lease and Sublease will include the approximate 0.29 acre site of the City and improvements thereto.

All documentation will be prepared by the City's Bond Counsel (Cunningham Vogel and Rost, P.C.) subject to review by Purchaser's counsel (if any). Ownership and title to the property is to be in the name of the City. The City will lease the property pursuant to a base/ground lease of approximately 7, 10 or 15 years, the terms of which will be determined and outlined in the base/ground lease documents. The Purchaser will sublease the property to the City under a sublease agreement. All payments under the sublease shall be made to a trustee pursuant to an Indenture, and paid by the trustee to the Purchaser. Upon payment in full by the City of all amounts due under the sublease, and upon satisfaction of all other obligations owing by the City to the purchaser, the leases shall terminate. The Agreement shall provide for the City to terminate the agreement at the end of any fiscal period if moneys are not appropriated to make the scheduled rental payment due in the following fiscal period. During the terms of the leases, the City will be obligated to pay all costs, charges, fees and expenses associated with the use, possession, control and operation of the property.

## **Purpose**

Funds will be used to construct the Project and to pay certain costs of issuance.

## **The Request**

We are requesting terms and conditions for a fully amortizing **fixed rate transaction** for the various amounts and terms included in the Appendix. We will consider alternative structures to the extent offered. Please indicate any origination fees or third party fee amounts, such as bank counsel or appraisal services. If a fee range is provided, the highest fee will be assumed in the analysis of the responses. Also, please indicate your assumed day count method (30/360, Actual/360, etc.).

**Due Date**

Please e-mail electronic copies of your proposals to Julie O'Guinn, Finance Director, City of Ladue, [joguinn@cityofladue-mo.gov](mailto:joguinn@cityofladue-mo.gov) no later than **January 28, 2016 at 1:00 PM CST**.

All questions should be directed to Julie O'Guinn, Finance Director, City of Ladue, Missouri via email ([joguinn@cityofladue-mo.gov](mailto:joguinn@cityofladue-mo.gov)).

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**SUBMISSION OUTLINE**

Below is a guideline of items to include in your submission:

*Pricing*

Please indicate the rate structure for **Tax-Exempt fixed-rate** certificate/s of participation, according to the terms provided in Appendix A. Please specify, as applicable:

- The index off of which the rate is based
- The applicable spread
- Current indicative pricing (index + applicable spread)

Although the City anticipates closing within 30-45 days of selection of terms, please indicate if there will be any additional charge to hold pricing for up to 90-days past the submission date.

*Payment Frequency*

Please indicate the frequency of interest payments. The City prefers semiannual interest payments of March 1, and September 1, beginning September 1, 2016 or upon redemption.

*Prepayment Penalty*

Please indicate if there will be a prepayment penalty for early redemption as the City prefers to redeem the Certificate in whole or in part at any time. No prepayment penalty or rate adjustment shall apply due to future changes in laws or regulations (e.g. tax, securities or banking law or regulation changes).

*Fees*

Please outline your bank's fees as part of this transaction. Your fee quote should be all inclusive and should be a firm fee commitment, including:

- Upfront Fees (if any)
- Termination Fees (if any)
- Other Ongoing Fees (if any)

Also, please indicate any other anticipated fees for which reimbursement may be expected.

\* *Preliminary, subject to change*

### *Legal Counsel*

The parties each shall be responsible for their own legal fees. Please identify your legal counsel for this transaction, if any. Cunningham, Vogel & Rost, P.C. will prepare the transaction documentation and issue customary legal opinions on behalf of the City.

### *Conditions Precedent to Funding*

Please list any conditions precedent to closing the proposed lease financing, including any due diligence conditions required.

### *Staffing*

Indicate the names, contact information, and qualifications of the primary individuals to be involved with this transaction.

By responding to this Request for Terms, you are agreeing that your team will be able to coordinate the review of financing documents acceptable to Cunningham Vogel and Rost, P.C. and to close the transaction on or about April 19, 2016.

### *Selection Process*

The City intends to review the proposals upon receipt. Proposals will be the primary document on which potential Purchasers will be evaluated. Interviews may be conducted with one or more respondents at the sole discretion of the City, in person or by phone. The City reserves the right to select or reject and or all proposals submitted, to waive any formal proposal requirements, to investigate the ability of a potential purchaser to consummate the transaction, to reject any provisions in any proposal, to obtain new proposals, to negotiate the requested services and contract terms with any proposed purchaser, or to complete the Project without any financing.

The City reserves the right to retain all proposals, and to use any information in the proposals for its purposes regardless of whether that firm is selected. Submittal of a proposal indicates acceptance of the terms and conditions of this Request.

### *Other Conditions*

The City reserves the right to terminate the transaction at any time prior to entering into a Purchase Agreement, at which time the terms of the Purchase Agreement shall control. The City is not responsible for any costs incurred in responding to this Request, even if the City elects not to proceed with the financing at any time.

**Certification of Proposal**

The undersigned certifies on behalf of the respondent that the respondent has the full authority to perform any actions required in connection with the issuance and purchase of the Certificates, and to perform any Agreements entered into as result of or based upon the response.

Respondent: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**APPENDIX A**

**Amount \$2,500,000\***

**Maturity Date March 1, 2023,  
March 1, 2026  
and March 1, 2031**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$2,500,000</b>

**Average Life: 6.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$2,500,000</b>

**Average Life: 9.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$2,500,000</b>

**Average Life: 14.92 Years**

\* Preliminary, Subject to Change; Fixed-Rate Only

**APPENDIX A**

**Amount \$3,000,000\***

**Maturity Date March 1, 2023,  
March 1, 2026  
and March 1, 2031**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$3,000,000</b>

**Average Life: 6.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$3,000,000</b>

**Average Life: 9.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$3,000,000</b>

**Average Life: 14.92 Years**

\* Preliminary, Subject to Change; Fixed-Rate Only

**APPENDIX A**

**Amount \$3,500,000\***

**Maturity Date March 1, 2023,  
March 1, 2026  
and March 1, 2031**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$3,500,000</b>

**Average Life: 6.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$3,500,000</b>

**Average Life: 9.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$3,500,000</b>

**Average Life: 14.92 Years**

\* Preliminary, Subject to Change; Fixed-Rate Only

**APPENDIX A**

**Amount \$4,000,000\***

**Maturity Date March 1, 2023,  
March 1, 2026  
and March 1, 2031**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$4,000,000</b>

**Average Life: 6.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$4,000,000</b>

**Average Life: 9.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$4,000,000</b>

**Average Life: 14.92 Years**

\* Preliminary, Subject to Change; Fixed-Rate Only

**APPENDIX A**

**Amount \$4,500,000\***

**Maturity Date March 1, 2023,  
March 1, 2026  
and March 1, 2031**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$4,500,000</b>

**Average Life: 6.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$4,500,000</b>

**Average Life: 9.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$4,500,000</b>

**Average Life: 14.92 Years**

\* Preliminary, Subject to Change; Fixed-Rate Only

**APPENDIX A**

**Amount \$5,000,000\***

**Maturity Date March 1, 2023,  
March 1, 2026  
and March 1, 2031**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$5,000,000</b>

**Average Life: 6.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$5,000,000</b>

**Average Life: 9.92 Years**

<b>Date</b>	<b>Principal</b>
<b>Total</b>	<b>\$5,000,000</b>

**Average Life: 14.92 Years**

\* Preliminary, Subject to Change; Fixed-Rate Only