

Request for Proposals to Serve as Bond Counsel to the Louisville Arena Authority



louisville arena authority

Date: Thursday, July 13

Proposals Due: Thursday, July 27

Louisville Arena Authority

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Background Information

The Louisville Arena Authority (the “LAA” or the “Authority”) is a Kentucky non-stock, non-profit corporation created on January 12, 2006 for the purpose of creating, financing, developing and overseeing the construction, management and operation of a multi-use arena and related improvements (the “Arena”) located in the central business district of Metro Louisville. The LAA has been determined to be a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

In 2008, the Kentucky Economic Development Finance Authority (“KEDFA”) issued (i) \$319,218,518.30 Louisville Arena Project Revenue Bonds, Series 2008A (Louisville Arena Authority, Inc.) (the Series 2008A Bonds”, (ii) \$20,100,000 Louisville Arena Project Revenue Bonds, Taxable Series 2008B (Louisville Arena Authority, Inc.) (the “Taxable Series 2008B Bonds”; together with the Series 2008A Bonds, the “Series 2008 Senior Bonds”) and (iii) \$9,900,000 Louisville Arena Project Revenue Bonds, Taxable Subordinate Series 2008C (Louisville Arena Authority, Inc.) (the “Taxable Subordinate Series 2008C Bonds”; together with the Series 2008 Senior Bonds, the “Series 2008 Bonds”). The proceeds of the Series 2008 Bonds were loaned to the LAA pursuant to the Loan Agreement, dated as of August 1, 2008, between KEDFA and the LAA. The LAA applied the proceeds of the Series 2008 Bonds, together with certain additional funds available , to develop, acquire and construct the Arena. The Arena is the home of men’s and women’s basketball programs of the University of Louisville (the “University”) pursuant to the Lease Agreement, dated as of July 3, 2008, between the LAA and the University of Louisville Athletic Association, Inc. (“ULAA”).

The LAA is considering the refunding or advance refunding of the Series 2008 Bonds through the issuance of refunding bonds (the “Refunding Bonds”) on a tax-exempt, taxable or combination tax-exempt and taxable basis. The Refunding Bonds would likely be issued through KEDFA as conduit issuer, contingent on approval by KEDFA to serve in such capacity.

A Link to the Official Statements and recent Continuing Disclosure filings for the Series 2008 Bonds is listed below:

<http://emma.msrb.org/MS274563-MS272042-MD547007.pdf>

RFP Process

RFPs are due by 12:00pm ET on Thursday, July 27. Proposals shall be limited to 10 pages and a minimum size 11 font. Cover letters, limited to two pages, and appendices are not counted toward the page limit. Five bound copies and one electronic copy shall be delivered to:

Hilliard Lyons (Financial Advisor to the LAA)
Attn: Alex Rorke
500 West Jefferson Street, 8th Floor
Louisville, KY 40202
(502) 588-1829 | arorke@hilliard.com

Questions Regarding this RFP

Questions regarding this RFP are to be directed to Alex Rorke (502.588.1829 | arorke@hilliard.com) or Chip Sutherland (502.588.8462 | csutherland@hilliard.com) no later than 5:00 PM ET on Tuesday, July 25. **Do not contact any other parties to discuss this RFP. Doing so will be grounds for disqualification.**

Schedule

The LAA anticipates the following schedule:

RFP released	Thursday, July 13
Deadline for inquires/questions from firms	Tuesday, July 25 at 5:00 PM ET
RFP responses due	Thursday, July 27 at 12:00 PM ET

No Assurances

Circulation of this RFP by the LAA does not mean there will be a financing or that the schedule above will be followed.

The LAA requests that your proposal address the following items:

I. Relevant Experience of the Firm

- a. Provide a brief discussion of the experience, qualifications and availability of the firm's representatives who would work on the bond issues of the Authority.
- b. Provide the names and resumes of all individuals who would be assigned to work with the LAA and identify the lead counsel. Discuss the relevant bond counsel or underwriter's counsel experience of the firm's representatives relevant to the Authority's financing(s). Additionally, provide a statement as to the availability and willingness of the firm to perform analyses and prepare opinions concerning tax-related and/or bond resolution matters on a timely basis. Please note that any changes made to the legal counsel assigned to the Authority must be approved by the Authority.

II. Relevant Experience and Qualifications of the Representatives of the Firm

- a. Identify which of the firm's representatives will be responsible for the Authority's bond counsel services and related day-to-day legal assistance and their availability. Discuss their experience in providing this type of assistance and their experience in dealing with structures similar to the Authority's.
- b. Please provide three (3) references, including the names, addresses and telephone numbers, of issuers with which the firm and lead counsel have worked as bond counsel.

III. Legal Issues Which May Impact the Issuance of Debt by the Authority

- a. Please identify and discuss any pertinent legal issues the Authority may face which could materially impact the ability to efficiently achieve its financing objectives of refunding or advance refunding the Series 2008 Bonds.
- b. Please discuss any legal issues that may arise in connection with the issuance of tax-exempt bonds to finance stadiums or arenas generally. Please note any particular experience your firm has had in this area (limit discussion to no more than three transactions).

IV. Disclosure

- a. Provide a statement to certify that all the information provided herein, to the best of your knowledge, is accurate and complete, and that you understand that any misleading or false information may result in disqualification of the firm at the sole discretion of the LAA.
- b. Disclose any existing or contemplated relationship with any other entity that would constitute an actual or potential conflict of interest in connection with the rendering of services detailed in this response. If a conflict does or might exist, please describe how your firm would resolve the conflict.

V. Fee Proposal

One (1) Fee Proposal must be submitted in a separate sealed envelope using Attachment A. Failure to adhere to these requirements will result in disqualification of the response.

Bond counsel fees will be paid from bond proceeds only upon the successful completion and closing of the Refunding Bonds.

Provide a fee proposal on a per \$1,000 bond basis inclusive of all expenses which shall include copying, faxing, mailing (excluding overnight delivery), telephone, transcripts, travel and other out-of-pocket expenses. Minimum fees per issuance are acceptable but must be specifically detailed.

VI. Additional Information

The LAA reserves the right to request oral on-site interviews with one or more of the respondents.

VII. Evaluation and Selection Process

- a. The Finance Committee and the Board of Directors of the Arena will review the proposals. Each proposal will be reviewed for compliance with all necessary requirements of this Request for Proposal. Failure to comply with any requirements may disqualify a proposal. Minor irregularities in proposals that are immaterial or inconsequential in nature may be waived wherever it is determined to be in the Authority's best interest. The Authority will make recommendations for the award of the contract for bond counsel services to the responder whose proposal are determined to be the most advantageous to the Authority, considering the criteria identified herein.

- b. The evaluation of proposals will be made from the criteria listed below, in order of importance.

Evaluation Criteria	Weight
Relevant Experience of the Firm	15%
Relevant Experience and Qualifications of the Firm's Representatives	45%
Legal Issues/ Disclosure	25%
Fee Proposal	15%
Total	100%

- c. Interviews and negotiations may be held to promote further understanding of proposal requirements, and to facilitate arrival at a contract. The LAA reserves the right to accept the best proposal, as submitted, without further conversations or negotiations, and may do so. The LAA will rank each finalist. The LAA and the first ranked finalist shall then negotiate in good faith the terms and conditions of a contract. If such negotiations are unsuccessful, the LAA shall then negotiate with the second ranked finalist. This process will continue until the LAA has reached a satisfactory agreement. All proposals will be treated as closed records until a contract award is made or until all submittals are rejected.
- d. The LAA reserves the right to amend, modify or withdraw this request; to waive or revise any requirements of this request; to require supplemental statements or information from any responding party; to reject any response submitted; to accept or reject any or all responses received with respect to this request; to extend the deadline for submission of responses; to negotiate or hold discussions with any responding party and to cancel, in whole or in part, this request if the Authority deems it to be in its best interests to do so. The Authority may exercise the foregoing rights at any time without notice and without liability to any responding party or other parties for their expenses incurred in the preparation of responses or otherwise. Responses with respect to this request will be prepared at the sole cost and expense of the responding party. The issuance of this request and the submission of a response and/or the acceptance of such response by the Authority does not obligate the Authority in any manner whatsoever. Legal obligations will only arise upon execution of a formal agreement by the Authority and the selected provider.

Note: This form must be used when submitting your Fee Proposal. It is not to be changed. Any fees not entered as requested in the format below will result in the firm's response not being evaluated. Failure to comply with the requirements of this RFP will result in the firm's response not being evaluated.

Attachment A
Fee Proposal

Per Bond Fee is inclusive of all expenses including copying, faxing, telephone, travel and other out- of-pocket expenses, except if a trip to New York for rating agencies visits is required. Such out of pocket expenses may be reimbursed by the Authority. The per bond fee quoted will be applicable to all financings completed.

Bond Counsel Fee

Price Per Bond \$ _____

****Note:** overnight mail expenses, advertisements (public notice requirements) and the cost of final transcripts are in addition to the quoted fee with proper documentation.

Signed

Date

Name of Firm