

**ISSUE DATE: NOVEMBER 15, 2024**  
**DUE DATE: DECEMBER 19, 2024**

## REQUEST FOR EXPRESSIONS OF INTEREST

### DIRECT PAY LETTERS OF CREDIT AND ALTERNATIVE VARIABLE RATE FINANCINGS CITY OF PHILADELPHIA, PENNSYLVANIA General Obligation Multi-Modal Refunding Bonds, Series 2009B

The City of Philadelphia (the “City”) is hereby seeking proposals for the provision of Direct Pay Letters of Credit or alternative financing structures (e.g., direct purchase notes, revolving lines of credit, etc.) (the “Bank Facility”) for the General Obligation Multi-Modal Refunding Bonds, Series 2009B.

The City is conducting a competitive process for the provision of credit enhancement and/or liquidity on the following outstanding bonds with credit facilities from highly rated credit and liquidity providers on the outstanding bonds listed below. Both current and new bank facility providers are strongly encouraged to participate. If your firm has overall limits for providing credit enhancement and/or liquidity to the City which could be fungible between credits, please state this clearly in your response.

Credit	Underlying Rating <i>(Moody's/S&amp;P/Fitch)</i>	Series	Facility Par Amount	Principal Amortization	Existing LOC Exp. Date
General Obligation	A1/A/A+	Series 2009B	\$100,000,000	2027 - 2031	5/23/2025

For rating agency press releases and the latest official statements on the above credits and other information, please see the City’s investor website at <https://www.phila.gov/programs/investor-information/>.

### Alternative Variable Rate Financing Proposals

The City will also consider proposals for alternative variable rate financing structures. Alternative Bank Facility Financings would include direct purchase index notes and revolving facilities. If your firm is an authorized underwriter in the current pools for the relevant credits, you can also submit public-market variable rate proposals. Any alternative proposal submitted should be detailed, including pricing, terms and condition, and should only be included if it is a firm offer.

### Anticipated Schedule of Events

The preliminary Schedule of Events for the proposals solicited hereby is set forth below.

<b>Issue REI</b>	<b>Friday, November 15, 2024</b>
<b>Deadline to Submit Questions</b>	<b>Friday, November 22, 2024</b>
<b>City Responses to Questions Posted</b>	<b>Tuesday, December 3, 2024</b>
<b>PROPOSAL SUBMISSION DEADLINE</b>	<b>Thursday, December 19, 2024 @ 5:00 pm Philadelphia, PA Local Time</b>
<b>Select Facility Providers</b> <i>(Final award is subject to approval by the City of terms of any Bank Facility)</i>	<b>Friday, January 31, 2025</b>

## Proposal Information

Prospective providers who have received this document from a source other than the City, and who wish to assure receipt of any changes or additional materials related to this REI, should immediately e-mail Matthew Bowman ([Matthew.Bowman@phila.gov](mailto:Matthew.Bowman@phila.gov)) and Yifan Feng ([Yifan.Feng@phila.gov](mailto:Yifan.Feng@phila.gov)) and provide their name and email address so that amendments to the REI or other communications may be sent to them.

Please respond on behalf of your firm only; the City will not consider joint proposals.

The expenses of your proposal will not be the responsibility of the City or any of their respective counsel or advisors. The City reserves the right to waive any irregularity in any proposal, negotiate with one or more firms and to reject any or all proposals. The City reserves the right not to proceed with the execution of any Bank Facility.

THE CITY ENCOURAGES SUBMISSIONS BY MINORITY, WOMEN, AND DISABLED OWNED FIRMS. THE CITY REQUIRES THAT ANY FIRM SELECTED TO PARTICIPATE AS PROVIDER FOR A CITY FINANCING AGREE NOT TO DISCRIMINATE NOR PERMIT DISCRIMINATION AGAINST ANY PERSON BECAUSE OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, OR SEXUAL ORIENTATION. IN THE EVENT OF SUCH DISCRIMINATION, THE CITY RESERVES THE RIGHT TO TERMINATE THE FIRM'S APPOINTMENT TO THE ISSUE.

## Proposal Submission & Deadline

Please submit your proposals via e-mail **no later than 5:00 PM Philadelphia, PA on, Thursday, December 19, 2024** to Matthew Bowman ([Matthew.Bowman@phila.gov](mailto:Matthew.Bowman@phila.gov)), Sarah Cho ([Sarah.Cho@phila.gov](mailto:Sarah.Cho@phila.gov)) and Yifan Feng ([Yifan.Feng@phila.gov](mailto:Yifan.Feng@phila.gov)). The subject title should read, "REI-Submission - Direct Pay LOC - [insert firm name]".

Your response should follow the format in the attached Exhibits A. THE CITY ANTICIPATES NEGOTIATING COMPLETE TERM SHEETS AFTER RESPONSES HAVE BEEN RECEIVED.

Interested parties must indicate by when they would expect to be able to receive **final credit approval**. A form of the Direct Pay Letter of Credit and Reimbursement Agreement or relevant legal documents for alternative proposals to be entered into by the City and the Facility provider must be made available to the City promptly upon notice to the respondent that they are the apparent choice of the City.

## Questions

The City will accept written questions from prospective Providers. Questions and presentation requests will be accepted by e-mail to Matthew Bowman ([Matthew.Bowman@phila.gov](mailto:Matthew.Bowman@phila.gov)), Sarah Cho ([Sarah.Cho@phila.gov](mailto:Sarah.Cho@phila.gov)) and Yifan Feng ([Yifan.Feng@phila.gov](mailto:Yifan.Feng@phila.gov)). **The deadline for written questions is Friday, November 22, 2024 at 5:00 PM, Philadelphia, PA Local Time.**

NO QUESTIONS ARE TO BE DIRECTED TO THE MAYOR'S OFFICE, OR TO ANY OTHER CITY DEPARTMENT, AGENCY, OR PERSONNEL.

Answers to all substantive questions that are not clearly specific only to the requestor, will be distributed to all vendors who are known to have received a copy of the REI. Such distribution may include the posting of such information on the City's website <https://www.phila.gov/departments/office-of-the-chief-administrative-officer/contract-opportunities-with-special-application-processes/>. The City will respond to questions by Tuesday, December 3, 2024.

## **Evaluation Criteria and Selection**

Selection shall be made to the responsible providers whose proposals are deemed to be the most advantageous to the City, along with any relevant performance data and other information available to the City. Proposals will not be opened publicly.

## **Revisions to the REI**

If it becomes necessary to amend this REI before the due date for proposals, amendments will be provided to all prospective providers who were sent this REI or otherwise are known by the City to have obtained this REI. Amendments made after the due date for proposals will be sent only to those Providers who submitted a timely proposal.

Acknowledgment of the receipt of all amendments to this REI issued before the proposal due date must accompany the provider's proposal in the transmittal letter accompanying the proposal. Acknowledgement of the receipt of amendments to the REI issued after the proposal due date shall be in the manner specified in the amendment notice. Failure to acknowledge receipt of amendments does not relieve the provider from complying with all terms of any such amendment.

## **Reservation of Rights**

The City reserves the right to cancel this REI, accept or reject any and all proposals, in whole or in part, received in response to this REI, to waive or permit cure of minor irregularities, and to conduct discussions with any or all qualified or potentially qualified providers in any manner necessary to serve the best interests of the City. The City also reserves the right to make award(s) based upon the written proposals received without discussions or negotiations. In the event negotiations with any respondent(s) are not satisfactory to the City, the City reserves the right to discontinue such negotiations at any time; to enter into or continue negotiations with other respondents; and/or to solicit new responses from providers that did not respond to this REI. The City reserves the right not to make an award any respondent, with or without the re-issuance of this REI, if the City determines that such is in the City's best interest. The City reserves the right to change the details at any time. Nothing in this REI shall bind the City to enter into any agreements pursuant to this solicitation.

*Thank you for your interest in serving the City.*

**Exhibit A-1**



**CITY OF PHILADELPHIA, PENNSYLVANIA  
General Obligation Multi-Modal Refunding Bonds, Series 2009B**

**REI for Direct Pay Letters of Credit  
and other Alternative Credit Enhancement and Liquidity  
Fee Proposal Form**

*Submitted proposals must include responses to all items on this form in order to be considered*

**SECTION 1 – GENERAL INFORMATION**

Full Legal Name of Provider: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

**Bank’s Ratings:**

Fitch:	Long-term _____	Short-term _____	Outlook/Credit Watch _____
Moody’s:	Long-term _____	Short-term _____	Outlook/Credit Watch _____
Standard & Poor’s:	Long-term _____	Short-term _____	Outlook/Credit Watch _____

1.1. Please indicate if your firm has overall limits for providing credit and/or liquidity to the City and its credits, such as the Philadelphia Airport, Philadelphia Gas Works, or Philadelphia Water Department.

1.2. Timeframe for Credit Approval: \_\_\_\_\_

**SECTION 2 – PRICING**

2.1 Complete the fee table below and separately provide a downgrade pricing grid.

Facility Length	Annual Fee
1 Year/365 days	
2 Years	
3 Years	
4 Years	
5 Years	
6 Years, 2 Months (final maturity)	

2.2 Term-Out Provisions (including interest rates and conditions)

2.3 Early Termination Provisions for the City (the City prefers the ability to terminate without cost at its discretion)

2.4 Bank Counsel: Firm Name and primary contact: \_\_\_\_\_

Legal Fees and Expenses: Estimated at \$ \_\_\_\_\_; capped at \$ \_\_\_\_\_

**SECTION 3 – COVENANTS**

3.1 Please itemize and briefly describe all required Security Covenants

3.2 List all Termination Events and Events of Default.

**SECTION 4 – ALTERNATIVE PROPOSALS (LIMIT: 2 PAGES)**

Please include a description, terms and pricing associated with any proposed alternative variable rate financing proposals. Indicate whether the proposal is a firm offer. Proposals should not exceed two pages.