



Request for Proposal



This Request for Proposal solicits proposals from Underwriting Firms/Banks (herein, “Banks”) to provide underwriting services to The Indianapolis Local Public Improvement Bond Bank (“Bond Bank”) for an upcoming bond issuance relating to the Elanco Project (“Bond Bank Bonds”), as further described herein. The Bond Bank intends to use this solicitation to select the Bank that is found to best achieve the financing objectives of the Bond Bank. A submittal of a response does not guarantee that a Bank will be contracted by the Bond Bank to perform any services.

The Bond Bank and Bond Bank Bonds

The Bond Bank was created in 1985, pursuant to Indiana Code 5-1.4-3-1. The Bond Bank is an instrumentality of the City of Indianapolis (“City”) but is not a City agency and has no taxing power. The Bond Bank was created for the purpose of buying and selling securities of certain qualified entities (“Qualified Obligations”), including the City, Marion County (“County”), all special taxing districts of the City, all entities whose tax levies are subject to review and modification by the City-County Council under Indiana Code 36-3-6-9, charter schools sponsored by the Mayor of the City, and certain authorities or entities created under Indiana Code Title 36 that lease land or facilities to other qualified entities (collectively, “Qualified Entities”).

The Bond Bank serves as a conduit issuer and provides access to the capital markets for Qualified Entities. In addition, the Bond Bank also has general powers that include the power to enter into, make, and perform contracts of every lawful kind, provide general project support, and routinely manage many of the ongoing requirements that may exist in relation to the outstanding debt obligations of the Qualified Entities.

The Bond Bank is preparing to issue its Bond Bank Bonds, to be issued in one or more series, for the purposes of providing funds to (i) purchase the proposed City of Indianapolis, Indiana, Economic Development Tax Increment Revenue Bonds, Series 2021 (“City Qualified Obligations”), (ii) fund the costs of issuance, (iii) fund capitalized interest, and (iv) fund the debt service reserve allocable to the Bond Bank Bonds. The Bond Bank Bonds are limited obligations of the Bond Bank secured exclusively by, and payable solely from, a pledge to the trustee of the City Qualified Obligations [and secured by the City’s Moral Obligation which represents the Bond Bank’s obligation to request, and the ability of the City to consider, replenishing the debt service reserve fund in the event of a draw or a shortfall]*.

The Elanco Project

Elanco US, Inc. (“Elanco”) plans to redevelop approximately 45 acres of a larger 91 acre site, commonly known as the GM Stamping Plant Site (“Project Site”), to facilitate Elanco’s development and operation of a new Worldwide Headquarters in the City. The development will include architecturally significant and environmentally sustainable commercial buildings, parking facilities, green space and related amenities to facilitate Elanco’s development and use of the site as its corporate headquarters. The City has agreed to provide financing of up to \$64 million to be used exclusively in the development of the Project Site as reasonably directed by Elanco. It is anticipated that Elanco will utilize the \$64 million project fund for eligible construction or reconstruction of roads, streetscapes, drainage and stormwater infrastructure, sewers, utility relocation, site work, building improvements and other statutorily allowed purposes on or benefitting the Project Site (“Elanco Project”).

In addition to the Elanco Project, a portion of the City Qualified Obligations will be used by the City for the purpose of providing funds to support public infrastructure improvement and connectivity from downtown to the near west side. These improvements will include public roads, sidewalks, bridge development and/or enhancement among other connective and supporting infrastructure (“City Project”). It is currently expected that the City Project will be funded by a separate series of bonds and may be issued in a future year. The City Project’s estimated project fund need is \$51 million.

Security

The proposed City Qualified Obligations will be payable as to principal and interest solely from incremental real and/or personal property taxes (“TIF Revenues”) derived from the Consolidated Redevelopment Allocation Area (“Allocation Area”). TIF Revenues of the Allocation Area will be pledged on a first lien basis to the City Qualified Obligations on parity with the City’s Subordinate District Bonds (as defined in the next section). Such Subordinate District Bonds have a first lien pledge on TIF Revenues of the Allocation Area.

The Allocation Area is within the Consolidated/Harding Street Redevelopment Area and is located in the central business district of downtown Indianapolis. It is commercially diverse and includes residential and office buildings, luxury hotels, retail, wholesale, and manufacturing facilities. It has benefited substantially from convention business, sports related activities, and commercial development drawn to downtown Indianapolis. The Allocation Area is comprised of thirteen redevelopment areas, twelve within Center Township and one area within Wayne Township. See Appendix A “Summary of Redevelopment Areas.” See Appendix B “Historical Assessed Value.”

Outstanding TIF Revenue Debt Obligations

The Allocation Area has several outstanding debt obligations. The proposed City Qualified Obligations will be issued on a parity basis with the outstanding Subordinate District Bonds as provided below.

Subordinate District Bonds

The following debt service obligations, and the corresponding Bond Bank bonds, if applicable, (collectively, “Subordinate District Bonds”) have a first lien pledge on the TIF Revenues of the Allocation Area:

Qualified Entity Debt Service Obligation	Corresponding Bond Bank Bonds (if applicable)
<ul style="list-style-type: none"> City of Indianapolis Redevelopment District Subordinate Tax Increment Refunding Revenue Bonds of 1999, Series A (Capital Appreciation Bonds) (“1999 A Bonds”) 	Bond Bank Bonds, Series 1999 E
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2011 C (“2011 C Bonds”) 	Bond Bank Bonds, Series 2011 F
<ul style="list-style-type: none"> City of Indianapolis, Indiana Redevelopment District Subordinate Tax Increment Revenue Refunding Bonds of 2013 (“2013 Refunding Bonds”) 	Bond Bank Bonds, Series 2013 F
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2013 A (AUL/One America Garage Project) (“2013 A Bonds”) 	Bond Bank Bonds, Series 2013 F
<ul style="list-style-type: none"> City of Indianapolis, Indiana Redevelopment District Subordinate Tax Increment Revenue Bonds of 2013 (16 Tech Project) (“2013 Bonds”) 	Bond Bank Bonds, Series 2013 F
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2013 B (Fire Station Completion Project) (“2013 B Bonds”) 	Bond Bank Bonds, Series 2013 F
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2014 A (Mass Avenue Project) (“2014 A Bonds”) 	Bond Bank Bonds, Series 2014 A
<ul style="list-style-type: none"> City of Indianapolis, Indiana Taxable Economic Development Tax Increment Revenue Bonds, Series 2014 B (Mass Avenue Project) (“2014 B Bonds”) 	Bond Bank Taxable Bonds, Series 2014 B
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2014 C (Market Square Arena Redevelopment Project) (“2014 C Bonds”) 	Bond Bank Bonds, Series 2014 A
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2014 D (Pulliam Square and Millikan-on-Mass Projects) (“2014 D Bonds”) 	Bond Bank Bonds, Series 2014 A

Qualified Entity Debt Service Obligation	Corresponding Bond Bank Bonds (if applicable)
<ul style="list-style-type: none"> Interest payments due on the City of Indianapolis, Indiana Taxable Economic Development Tax Increment Revenue Bond Anticipation Note, Series 2017 (Indy Penn Center Hotel Garage Project) ("2017 BAN") (The interest on the 2017 BAN is secured by (i) a pledge of TIF revenues of the Penn Center Allocation Area ("Penn Center TIF Revenues") located in the Penn Center Economic Development Area, (ii) payments under a taxpayer agreement, and (iii) to the extent the Penn Center TIF Revenues are insufficient, TIF revenues derived from the Allocation Area.) 	<i>Not applicable</i>
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2019 A (16 Tech Project) ("2019 A Bonds") 	Bond Bank Bonds, Series 2019 C (16 Tech Project)

Junior Subordinate District Bonds

The following debt service obligations (together, "Junior Subordinate District Bonds") have a second lien pledge on the TIF Revenues of the Allocation Area:

Qualified Entity Debt Service Obligation	Corresponding Bond Bank Bonds (if applicable)
<ul style="list-style-type: none"> City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2017 (Federally Taxable – Bethel AME Project) ("2017 Bonds") (The 2017 Bonds are secured by a junior subordinate lien of TIF revenues of the Allocation Area and a limited developer guarantee up to \$515,000 per year. The exception is in regard to the principal and interest payments due on August 1, 2020, and February 1, 2021, of which the 2017 Bonds are secured by a full (100%) guarantee of the developer) 	<i>Not applicable</i>
<ul style="list-style-type: none"> Replenishment, if necessary, of the debt service reserve fund for the City of Indianapolis, Indiana Economic Development Revenue Bonds, Series 2018 (Federally Taxable – Phoenix Theater Project) ("2018 Bonds") for so long as the 2018 Bonds remain outstanding and when the 2018 Bonds are no longer outstanding, payments on a note to be issued by the City of Indianapolis in a principal amount not to exceed \$4,000,000 payable over a term not exceeding twenty years with annual installments not exceeding \$200,000. (The 2018 Bonds are to be repaid from payments made by the developer of the project, as evidenced by a note given by the developer to the City of Indianapolis. The debt service reserve fund for the 2018 Bonds was initially funded from funds on hand of the developer; draws on the debt service reserve fund will only be replenished from TIF revenues of the Allocation Area in the event the developer's payments on the note are not sufficient or not made.) 	<i>Not applicable</i>
<ul style="list-style-type: none"> City of Indianapolis, Indiana, Economic Development Revenue Refunding Bonds, Series 2021 A (CityWay 1 Project) ("2021 A Bonds") 	Bond Bank Qualified Midwestern Disaster Area Refunding Bonds, Series 2021 B (CityWay 1 Project)
<ul style="list-style-type: none"> City of Indianapolis, Indiana, Taxable Economic Development Revenue Refunding Bonds, Series 2021 B (CityWay 1 Project) ("2021 B Bonds") 	Bond Bank Taxable Refunding Bonds, Series 2021 C (CityWay 1 Project)

Junior Junior Subordinate District Bonds

The following debt service obligation have a third lien pledge on the TIF Revenues of the Allocation Area ("Junior Junior Subordinate District Bonds"):

Qualified Entity Debt Service Obligation	Corresponding Bond Bank Bonds (if applicable)
<ul style="list-style-type: none"> Interest payments due on the City of Indianapolis, Indiana Taxable Economic Development Tax Increment Revenue Bond Anticipation Notes, Series 2018 (ILMAR/KG 220 Projects) ("2018 BAN"). (The interest on the 2018 BAN is secured by (i) payments under a taxpayer agreement, and (ii) a junior junior subordinate lien on TIF revenues derived from the Allocation Area.) 	<i>Not applicable</i>
<ul style="list-style-type: none"> In 2020, the Redevelopment Commission of the City of Indianapolis adopted a resolution pledging TIF revenues on a junior junior subordinate basis to the payment of bonds that are expected to be issued in a principal amount not to exceed \$8,750,000 by the City of Indianapolis and designated as the City of Indianapolis, Indiana Taxable Economic Development Tax Increment Revenue Bonds, Series 20__ (Union Block Project) ("Future Junior Junior Subordinate District Bonds"). The pledge of TIF revenues to the Future Junior Junior Subordinate District Bonds is limited to eighty percent (80%) of the TIF revenues generated by the Union Block project. 	<i>Not applicable</i>

Other Obligations Supported by TIF Revenues

The following debt service obligations are not secured by a legal pledge of TIF Revenues; however, TIF Revenues from the Allocation Area are a primary source of repayment:

Qualified Entity Debt Service Obligation	Corresponding Bond Bank Bonds (if applicable)
<ul style="list-style-type: none"> City of Indianapolis Redevelopment District Refunding Bonds, Series 2016 A ("2016 A Refunding Bonds") (The 2016 A Refunding Bonds are expected to be paid from TIF revenues of the Allocation Area. The formal security for the 2016 A Refunding Bonds is a special benefits tax levied on all taxable property within the Redevelopment District) 	<i>Not applicable</i>
<ul style="list-style-type: none"> City of Indianapolis Redevelopment District Refunding Bonds, Series 2018 (Taxable) ("2018 Refunding Bonds") (The 2018 Refunding Bonds are expected to be paid from TIF revenues of the Allocation Area, daily and monthly parking garage revenues, and annual payments as provided for in certain parking agreements. The formal security for the 2018 Refunding Bonds is a special benefits tax levied on all taxable property within the Redevelopment District) 	<i>Not applicable</i>
<ul style="list-style-type: none"> In 2020 the Redevelopment Commission of the City of Indianapolis approved the issuance of the City of Indianapolis Redevelopment District Taxable Bonds, Series 20__ (Pan Am Plaza Project) ("Future Redevelopment District Bonds") in a principal amount not to exceed \$155,000,000. The Future Redevelopment District Bonds are payable from a special benefits tax to be levied upon all of the taxable property located within the Redevelopment District; although the Redevelopment Commission of the City of Indianapolis anticipates that it will use TIF revenues of the Allocation Area to pay debt service. The Future Redevelopment District Bonds are expected to be issued in calendar year 2022; however, such timing may change. 	<i>Not applicable</i>

Debt Structuring Considerations

The proposed Bond Bank Bonds may be issued in one or more series, any series of which may be taxable or tax-exempt. It is expected that the City will fund the Elanco Project in the amount of \$64 million this year and may issue an additional series of bonds for the project fund amount of \$51 million at the same time or in future years to fund the City Project, as is to be determined. The table below represents the assumptions respondents should assume in their response.

Project Fund Target	Elanco Project Fund \$64M
Estimated Costs of Issuance	\$650,000 plus 10 basis point issuer fee
Max Term	25 Years
Capitalized Interest	3 years

Reserve Requirement	Combined reserve with the Subordinate District Bonds funded at the combined maximum annual debt service requirements of the Subordinate District Bonds (excluding the 2017 BANs)
Tax Status	Exempt
Moral Obligation*	To be determined (See Requirement 1 Below)

*To be determined

Response Requirements

1. Please provide a detailed explanation of your approach or methodology and proposed structure that optimizes coverage and execution of project funding, including, a proposed scale. [Please address your assumptions regarding the City's Moral Obligation as a security for the Bond Bank Bonds, which is to be determined.]
2. Please describe your proposed marketing strategy.
3. Please provide a rating strategy for this transaction and indicate the number of ratings that you believe is required for this transaction and which rating agencies your firm recommends. (The current ratings are S&P Global (AA-) and Fitch (AA) as of March 2021, and Moody's (Aa3) as of October 2016 and all ratings assume the City's Moral Obligation.)
4. Please include a detailed list of your proposed fees.
 - a. Include your not-to-exceed underwriters discount and detailed out-of-pocket expenses. (Please do not include underwriter's counsel in your expenses. Such expense is assumed to be paid from the Cost of Issuance).
5. Please provide additional considerations or experience that may be advantageous to the issuance of the Bond Bank Bonds.

Proposal Submission

To be considered for selection, proposers must submit a complete signed response in PDF form via electronic mail to Isaiah.Kuch@indy.gov.

The response should include the following:

- Cover Letter – not to exceed one page (not included in five-page limit) including providing primary contact information and serve as an executive summary.
- Response to Response Requirements – not to exceed five pages – utilizing 10-point size font.

Proposals must be received at the above location on or before 12:00 PM EDT, Friday June 18, 2021.

The Bond Bank reserves the right to conduct interviews as part of the evaluation process but is not required to do so. Respondents selected for an interview will be notified of the specific time, place, and procedure for the interviews, if applicable.

Questions concerning this Request for Proposal should be submitted via email no later than noon on Tuesday, June 15, 2021, to Isaiah Kuch, Senior Project Manager, at Isaiah.Kuch@indy.gov. Please allow up to two (2) business days for a response.

Note: The Bond Bank reserves all rights to amend the information in this Request for Proposal ("Request"). The Bond Bank may terminate discussions with any or all interested parties at any time. Information in this Request is considered preliminary, subject to change, and may be withdrawn at any time. It is not suitable for (nor is it intended to be used when) making any investment or underwriting decisions. In addition, the Bond Bank reserves rights to waive defects, irregularities or informalities and it may accept, use, or reject any part of any response at its discretion. No information submitted to the Bond Bank pursuant to this Request shall be treated as confidential or proprietary, as it may be used by the Bond Bank or the City at any time for any purpose. The Bond Bank may postpone the date on which

responses are to be submitted or take any other action that it deems to be in its best interest. The Bond Bank is not responsible for and will not pay for any costs associated with your submission.

Calendar of Events

Estimated calendar of events follows (subject to change):

Date	Event
Friday, June 18, 2021	RFP Responses Due
Friday, June 25, 2021	Underwriter is selected and notified
Monday, July 12, 2021	City-County Council meeting to adopt Bond Ordinance
Wednesday, July 21, 2021	Metropolitan Development Commission (MDC) meeting to adopt pledge resolution in support of Bonds
Monday, August 16, 2021	Board of Directors for the Bond Bank adopts resolution authorizing the transaction and approving forms of financing documents
Week of September 13, 2021	Price and sell Bonds
Week of September 27, 2021	Bond Closing

Appendix A: Summary of Redevelopment Areas

District No.	Redevelopment Area	Allocation Area	Termination Date
140	West Washington Street Revitalization Area	Consolidated Redevelopment	1/1/2051 (1)
142	Southeast Redevelopment Area	Consolidated Redevelopment	1/1/2051 (1)
143	Northwest Redevelopment Area	Consolidated Redevelopment	1/1/2051 (1)
144	Near North Industrial Park Redevelopment Area	Consolidated Redevelopment	1/1/2051 (1)
145	Union Station Center Area	Consolidated Redevelopment	1/1/2051 (1)
146	Convention Center Hotel Area	Consolidated Redevelopment	1/1/2051 (1)
153	Eli Lilly & Company Personal Property Area	Consolidated Redevelopment	3/3/2029
157	Convention Center Headquarters Hotel	Consolidated Redevelopment	4/18/2037
159	Center Mass Ave/16 Tech	Consolidated Redevelopment	6/6/2038
951	Wayne Mass Ave/16 Tech	Consolidated Redevelopment	6/6/2038
161	GM Expansion Area II Allocation Area (formerly GM Expansion Area)	Consolidated Redevelopment	8/10/2042 (2)
162	Market East Expansion Area	Consolidated Redevelopment	8/10/2042
140P	KRG Personal Property Area	Consolidated Redevelopment	4/22/2046

(1) Legacy TIFs, TIF allocation areas created before July 1, 1995, have a termination date of the later of (a) June 30, 2025, or (b) the final maturity date of obligations payable from the TIF allocation area that were issued by July 1, 2015. The exception is for Legacy TIFs in the Consolidated Redevelopment Allocation Area that have a termination date of January 1, 2051, per Senate Enrolled Act. No. 308 effective July 1, 2016.

(2) To be reestablished along the same timeline as proposed bond issuance in order to amortize the bonds over twenty-five years if needed.

Note: The City is in the process of expanding the Consolidated Redevelopment Area to include an additional allocation area known as the Elevator Hill Expansion Area

Appendix B: Historical Assessed Valuation

Below is historical assessed valuation for the Allocation Area.

Real Property

Tax Payable Year	Base Assessed Value	Incremental Assessed Value	Total Net Assessed Value
2021	\$358,898,565	\$2,873,477,203	\$3,232,375,768
2020	347,813,989	2,823,311,861	3,171,125,850
2019	605,798,131	2,426,928,724	3,032,726,855
2018	441,086,348	2,385,306,138	2,826,392,486
2017	417,778,210	2,142,433,823	2,560,212,033

Depreciable Personal Property of Designated Taxpayers

Tax Payable Year	Base Assessed Value	Incremental Assessed Value	Total Net Assessed Value
2021	\$359,139,400	\$648,179,080	\$1,007,318,480
2020	359,139,400	645,801,530	1,004,940,930
2019	354,890,781	610,195,249	965,086,030
2018	354,890,781	579,604,839	934,495,620
2017	359,139,400	599,987,600	959,127,000

Source: Values provided to Crowe LLP by the Bond Bank for the years 2017 – 2019. Values for the years 2020 and 2021 provided to Crowe LLP by the Marion County Auditor's Office.

Appendix C: Estimated Annual Combined Debt Service Coverage

The following chart summarizes the estimated annual debt service coverage of all outstanding obligations.

Payable Year	Estimated TIF Revenues from Existing Real Property (1)	Plus: Estimated TIF Revenues from Existing Personal Property (1)	Total Estimated TIF Revenues Available from Existing Property	Less: Subordinate Bonds (2)	% Subordinate Annual Coverage	Less: Junior Subordinate Bonds (2)	% Aggregate Subordinate and Junior Subordinate Annual Coverage	Less: Junior Junior Subordinate, and Other Bonds (2)	% Aggregate Annual Coverage	Net Cash Flow
2021	\$70,207,617	\$17,150,170	\$87,357,787	\$(39,087,788)	223%	\$(3,277,411)	206%	\$(5,798,109)	181%	\$39,194,479
2022	70,207,617	17,150,170	87,357,787	(38,780,884)	225	(4,102,081)	204	(5,787,574)	179	38,687,248
2023	70,207,617	17,150,170	87,357,787	(39,085,734)	224	(7,649,981)	187	(5,105,453)	169	35,516,619
2024	70,207,617	17,150,170	87,357,787	(38,730,782)	226	(8,299,432)	186	(5,089,635)	168	35,237,938
2025	70,207,617	17,150,170	87,357,787	(39,036,632)	224	(8,292,457)	185	(5,091,803)	167	34,936,895
2026	70,207,617	17,150,170	87,357,787	(39,339,500)	222	(8,313,694)	183	(5,086,893)	166	34,617,700
2027	70,207,617	17,150,170	87,357,787	(39,658,325)	220	(8,313,095)	182	(5,084,488)	165	34,301,879
2028	70,294,845	17,150,170	87,445,015	(38,226,988)	229	(8,309,669)	188	(5,089,380)	169	35,818,978
2029	70,294,845	17,150,170	87,445,015	(38,722,738)	226	(8,317,919)	186	(5,090,695)	168	35,313,663
2030	70,294,845	17,150,170	87,445,015	(20,139,325)	434	(8,311,570)	307	(5,091,650)	261	53,902,470
2031	70,294,845	225,297	70,520,142	(4,182,225)	1,686	(8,315,644)	564	(5,088,503)	401	52,933,770
2032	70,294,845	225,297	70,520,142	(4,182,188)	1,686	(8,318,869)	564	(5,020,795)	402	52,998,290
2033	70,294,845	225,297	70,520,142	(4,178,950)	1,688	(8,315,494)	564	(3,999,188)	428	54,026,510
2034	70,294,845	225,297	70,520,142	(4,182,263)	1,686	(8,315,020)	564	(3,999,138)	427	54,023,721
2035	70,294,845	225,297	70,520,142	(4,183,650)	1,686	(8,316,444)	564	(3,999,888)	427	54,020,160
2036	70,294,845	225,297	70,520,142	(2,228,400)	3,165	(468,745)	2,615	(4,001,175)	1,053	63,821,822
2037	70,294,845	225,297	70,520,142	(2,229,000)	3,164	(468,444)	2,614	(3,997,350)	1,053	63,825,348
2038	70,294,845	225,297	70,520,142	(2,227,800)	3,165	(471,769)	2,612		2,612	67,820,573
2039	63,395,266		63,395,266	(2,224,800)	2,849	(473,421)	2,350		2,350	60,697,045
2040	58,575,219		58,575,219			(119,625)	48,966		48,966	58,455,594
2041	58,575,219		58,575,219			(123,275)	47,516		47,516	58,451,944

(1) Estimated TIF Revenues are based on Pay Year 2021 certified net assessed value (NAV) and base assessed value as adjusted for estimated abatement roll off, as provided by the Marion County Auditor's Office, and Pay Year 2021 net tax rates.

(2) See: "Outstanding TIF Revenue Debt Obligations"