

CITY OF ATLANTA

DEPARTMENT OF FINANCE

REQUEST FOR STATEMENT OF QUALIFICATIONS

FINANCIAL AND/OR SWAP ADVISOR SERVICES



**J. ANTHONY "JIM" BEARD
CHIEF FINANCIAL OFFICER
DEPARTMENT OF FINANCE**

Issuance Date: February 23, 2018

Submission Date: March 30, 2018

A. PURPOSE

The City of Atlanta, Georgia ("City"), through the Department of Finance, is seeking statements of qualifications for Financial Advisor and Swap Advisor Services ("Advisor"), to the City for a term of three (3) years with two (2) one year options commencing June 1, 2018. The City reserves the right to select separate firms to provide financial advisory and swap advisory services.

The Advisors will serve as the City's consultant on complex financial issuances and projects to include: structured financings, revenue-backed and conduit bond issuances; management of bond financing processes; and independent financial advice in the sole interest of the City. The City is seeking firms capable of evaluating and recommending methods which will minimize the City's cost of financial capital projects, strengthen the City's overall financial condition, advise on credit rating increases, and enhance the perception of the City's creditworthiness in the marketplace.

The Chief Financial Officer ("CFO") is responsible for management of the City's debt issuances, its related enterprise departments and other joint powers authorities. These entities include, but are not limited to, the Departments of Aviation and Watershed Management, the Atlanta Development Authority, the Atlanta and Fulton County Recreation Authority, and various other conduit issuers, collectively referred to within this request for a statement of Qualifications ("RFQ") as the City. The City may issue GO bonds, TAN's, CP, COP's and LRB's, GARB's, system revenue bonds, and other debt obligations including tax allocation district bonds.

Though a firm is qualified, the City reserves the right to make a change in selection if there is a significant, identifiable change in the business capability or structure of the firm. The CFO will make or consider changes on a case-by-case basis after determination of the relevant facts. Advisors may also be removed or suspended from the pool for reasons such as applicable registrations, or licenses necessary for executing financial advisor services in Georgia, disciplinary action by the SEC, and filing for protection under Federal or State bankruptcy laws.

Maintaining sound financial and economic development policies within the City organization allows for a high level of services to the community. Because of consistent adherence to our financial policies, the City's bond ratings for General Obligation bonds and other rated debt continue to receive the high ratings issued by each rating agency:

CITY OF ATLANTA			
BONDS TYPE	CREDIT RATING		
	Moody's	Standard & Poor's	Fitch
General Obligation Bonds	Aa1	AA+	AA+
Water and Wastewater Revenue Bonds	Aa2	AA-	A+
Hartsfield Atlanta International Airport Revenue Bonds - Senior Lien GARBs	Aa3	AA-	AA-
Hartsfield Atlanta International Airport Revenue Bonds-PFC/Subordinate Lien GARBs	Aa3	AA-	A+
Hartsfield Atlanta International Airport Revenue Bonds Senior Lien Customer Facility Charge	A3	A-	A
Atlanta Development Authority	Aa1	AA+	--
Downtown Development Authority	Aa1	AA+	AA+
Solid Waste Management Authority	Aa1	AA+	--
City of Atlanta and Fulton County Recreation Authority	Aa1	AA+	--
Urban Residential Finance Authority	Aa1		AA+
Tax Allocation Districts	N/A	N/A	--

For more information on the City of Atlanta <https://www.atlantaga.gov/government/departments/finance>.

B. ADVISORS REQUIREMENTS

The responsibilities of the Advisors will include, but not be limited to the following:

Bond Sales and Other Financing

- 1) Perform a debt affordability/capacity study, including key debt ratios.
- 2) Assist in the evaluation of financial proposals and economic influences and governmental actions affecting the financial objectives of the City.
- 3) Provide recommendations on the marketing of bonds including methods for enhancing the rating, advice on bond covenants, pledge of revenue, flow of funds, legal coverage requirements, municipal bond market trends, and timing of issuances.
- 4) Provide advice and assistance on the requirements of various financing structures, the principal amount of bonds to be sold, maturity schedules, call and put features, premiums/discounts, the basis of awards and types of sales.
- 5) Prepare a distribution list and timeline to include identification of tasks to be completed and those responsible, as well as critical events and deadlines, for each financing undertaken.
- 6) Prepare preliminary and final official statements and other offering documents as applicable to fully comply with all disclosure rules and requirements.
- 7) Coordinate bond ratings for any proposed issuance, prepare presentation materials and participate in the preparation of information required for submission to the bond rating agencies.
- 8) Attend executive staff and City Council meetings and present information concerning issuance as requested.
- 9) Advise, inform and assist the City with the issuance's due diligence requirements.
- 10) Provide guidance during pre-pricing and pricing negotiations with underwriters.
- 11) Provide advice as to the effect of current and proposed state and Federal legislation or regulations.
- 12) Arrange for delivery of bonds and coordinate with bond counsel and registrar; oversee bond closings with successful bidder/senior underwriter, paying agent registrar, trustee, bond counsel, disclosure counsel, verification agent, and City staff, including instructions for closing, and arrange for printing and mailing of final offering documents with the printer.
- 13) Prepare and present a post-issuance report that includes a debt schedule for the issue that includes, at a minimum, principal and interest requirements, the true interest cost, and a written discussion of any circumstances relating to the market or the City's offering that may have impacted the sale results.
- 14) Assist the City as requested in complying with continuing disclosure of financial information and operating data pursuant to all Security and Exchange Commission rules.

Financial Planning and Other Tasks

- 1) Evaluate existing financial plans, cash flows, and their fundamental objectives, recommend timing and financial requirements.
- 2) Assist in evaluating the performance of remarketing agents and credit facilities for CP programs and VRDN's, including borrowing rates, fees, and other costs.
- 3) Evaluate and offer alternative financing techniques and instruments in addition to the traditional methods of financing utilized by the City.
- 4) Provide special financial advice to the City as needed. This may include assistance in the development of alternative financing programs for potential capital projects or support with upcoming bond elections, working with citizen committees, evaluating State and Federal legislation for the City, and other tasks as needed.
- 5) Provide financial planning services on a case-by-case basis including assisting with management studies of various enterprise funds, performing fee studies, evaluating consent agreement requests from Municipal Utility Districts, financial evaluation of developer agreements, and other like tasks.

C. PROPOSAL REQUIREMENTS

Each proposal should conform to the following outline. Responses should be as thorough and detailed as possible so that each firm's capabilities are evaluated as to the provision of the City's required services. Proposals should not exceed twenty (25) pages, inclusive of the Executive Summary.

Each submission should include the following elements:

1) Executive Summary

Include a brief cover letter that highlights the key elements of your firm's submission. Indicate the name, address, and telephone number of the individual authorized to make representations on behalf of the firm. This letter must be signed by the person authorized to bind the firm to all commitments made in the proposal.

2) Firm Qualifications

- a) Provide a brief description of your firm's ownership and capital structure: the total number of employees in various categories (e.g., managerial, professional, and administrative); principal place of business, the length of time the firm has been in business under the current name as well as any previous name, and the location of other public public finance offices.
- b) Discuss your firm's commitment to public finance including any material changes in the firm's structure, office locations, and personnel that have taken place over the past three years, both in Georgia and nationally.
- c) Specify the address and telephone number of the office that will staff the City's engagement and identify the firm's representative designated as the daily contact person.
- d) Provide a summary of the firm's capabilities and experience serving as financial advisor for each entity described in the introduction of similar kinds of financing programs over the past five years. Indicate the precise role your firm played in each financing and state the roles of the individual's members of the proposed team in the financing. State the firm's experience with variable rate debt, fixed-rate debt, commercial paper, and other debt vehicles.
- e) Describe the firm's professional liability (errors and omissions) insurance program. If it is fully or partially self-insured, indicate the nature of the security for claims payments (e.g., funded reserves, letters of credit, etc.).
- f) Demonstrate compliance with City business tax laws by supplying one of the following: Business Tax Registration Certificate, Vendor Registration Number or Certificate of Exemption (must demonstrate compliance before award).
- g) Describe any existing disputes or proceeding between the firm and the City regarding the payment of taxes.
- h) Provide a list of hourly rates for the firm's personnel. The City may use these rates if additional consulting services are requested. The City reserves the right to further negotiate compensation as appropriate prior to award.
- i) Indicate any additional tasks that may be appropriate within the scope of work of this engagement.
- j) The City prefers proposals from firms that do not underwrite or otherwise trade in municipal bonds to serve as a lead financial advisor. Banking firms, however, are welcome to submit proposals.

3) Staff Qualifications

The following qualifications and expertise of the individuals assigned to the City are critical. Please be specific in addressing the following:

- a) Identify key members of the project team, being specific as to the identity of the lead person's responsibilities. Provide resumes for all personnel identified.
- b) Please describe your financial advisory team's experiences with issuers like the City by providing at least two case studies.
- c) If your firm served as financial advisor for the City in the past three years, what was the single most valuable contribution made by your firm to the City's financial strategy.
- d) Demonstrate powerpoint presentation skills with issuers like the City.

4) Approach to Working with the City

The qualifications and expertise of the individuals assigned to the City are critical. Please be specific in addressing the following:

- a) Describe your firm's ability to provide detailed quantitative analysis of structure alternatives and to develop financial structures and products that will add value to transactions likely to be undertaken by the City over the next three years. Are there any implications for the existing debt structure(s)?
- b) As you consider the ratings of the City of Atlanta and its entities, what recommendations would you offer to improve the credit ratings?
- c) Describe how your firm would assist the City in further enhancing its image with the municipal investor community to ensure the most extensive participation.
- d) Describe your familiarity with State of Georgia laws related to municipal financings.

5) References

Provide the names, addresses, and telephone numbers of three issuers (prefer that at least one be a Georgia issuer) for whom the firm has served as financial advisor for financings like those proposed in this RFQ.

6) Conflicts of Interest and Pending Litigation

- a) Are there any arrangements, formal or informal, that the firm has with any other unrelated or unaffiliated individuals or entities with regards to the sharing of any compensation, fees or profits received from or in relation to, acting as a financial advisor for the City? If so, please provide a copy of any contract relating to the arrangement and the way compensation or fees are calculated.
- b) Describe and name any related or affiliated entities, subcontractors or employees that have a current contractual relationship with the City of Atlanta or its subdivisions.
- c) Will the selection of your firm result in any current or potential conflicts of interest or appearance of conflicts of interest? If so, please specify the party with whom the conflict exists or might arise, the nature of the conflict, and whether your firm would consider withdrawing from the engagement or representation in the event of a conflict. If not, what actions would you take to mitigate the conflict or appearance of conflict?
- d) Does your organization's executive management or any board member hold a leadership position with an entity or person doing business with the City of Atlanta, the Atlanta Hartsfield-Jackson International Airport, Department of Watershed Management or any of the City's related entities?
- e) Please disclose fully, the extent to which your firm or individual partners or employees are the subject of an ongoing municipal securities investigation, or any other investigations or are a party to any municipal securities litigation or arbitration or are the subject of a subpoena in connection with a municipal securities investigation. Also, include any such investigations which concluded in an ordered or imposed enforcement, disciplinary action, and/or bankruptcy, ordered or imposed, in the last three (3) years.

Be advised that the City of Atlanta reserves the right to perform credit or similar reviews of its financing team participants throughout the contract period.

7) Other Requirements

The City of Atlanta seeks to maximize the opportunity for the participation of minority and women-owned business enterprises, along with small, local, and emerging businesses in its financing teams. Please provide examples of how the City may maximize participation.

D. Submission of Proposal

Firms interested in being considered for selection should submit responses **no later than 5:00 PM on March 30, 2018**, to:

**Mr. J. Anthony Beard, CFO
City of Atlanta
Department of Finance
68 Mitchell St, Suite 11100
Atlanta, GA 30303**

Please submit five (5) hard copies, one (1) unbound copy and one (1) electronic copy via USB. Proposals received after March 30, 2018, will be deemed nonresponsive.

- 1) Please seal and label all responses to indicate, "Responses to the RFQ for Financial and Swap Advisory Services- City of Atlanta, (Name of your Financial Advisor Firm and address).
- 2) Responses are limited to twenty-five (25) pages including the Executive Summary but excluding any resumes and transaction qualifications which may be provided in the Appendix.
- 3) A panel will review responses that meet the criteria outlined herein, from which firms will be short-listed. The panel may or may not choose to hold oral interviews before making a final selection. Should interviews be held, it will be imperative that the lead representative for the City's engagement be in attendance. Only those individuals directly involved with the presentation should attend the interview.
- 4) All responses should be valid for a 90-day period from the due date of the RFQ and should be signed by an executive authorized to bind the firm. A firm may withdraw its response by written request to the City.
- 5) The City reserves the right to reject any response. All responses become part of the City's public record. The selected firms will be precluded from providing financial advisory services.

E. Evaluation Criteria

The City reserves the right to evaluate all factors it considers appropriate in the selection of a financial advisory services firm. Also, the City can choose one (1) or more advisors including a separate advisor for its swap transactions. Key criteria in this evaluation will include but are not limited to the following:

- 1) Direct and relevant national, regional, and local experience in the key areas relating to both the firm and professionals assigned to the City.
- 2) Appropriateness and thoroughness of the firm's understanding of the scope of services to be delivered.
- 3) Structuring capabilities of the firm, including the ability to develop innovative financing structures and products.
- 4) Demonstrated current financial stability and viability.

F. Inquiries

To preserve the integrity of the selection process, questions regarding this RFQ should be directed to the City of Atlanta's Office of the Treasurer, Attention: Ms. Jerraé Williams, Chief Treasurer at jerwilliams@atlantaga.gov. Questions should be received via email before the close of business **March 9, 2018**. Responses to all questions will be provided to all proposers by **March 16, 2018**. No telephone calls will be accepted.