

MINUTES OF
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Minutes of the Regular Meeting of the Board of Directors

April 15, 2013

MEMBERS PRESENT: Briane House
Sahara Williams
Fred Miller
Jim Carr

MEMBERS ABSENT: Melissa Bailey-Comstock

BOND BANK PRESENT:

Deron Kintner	Laurie Canatsey
Gregory Clark	Monica Durrett
Kris Butler	Kyle Willis
Brad Busse	Isaiah Kuch

OTHERS PRESENT:

Sue Beesley, Bingham Greenbaum	Emily Loehr, Sycamore Advisors
Eric Green, Backstrom McCarley Berry	Diana Hamilton, Sycamore Advisors
Nancy Dorsa, JPMC	Rose Stark, Fifth-Third
Dennis Otten, Bose McKinney	David Wimmer, Hilliard Lyons
Denise Barkdull, Benesch Law	Beau Zoeller, Frost Brown Todd
Sharon Karst, BNYM	Pam Cole, U.S. Bank
Kim Wilson, Huntington Nat'l Bank	Sarah Colvin, Crowe Chizek
Angie Steeno, Crowe Howarth	Bob Kocher, BNYM
Bruce Donaldson, Barnes & Thornburg	

A Regular Meeting of the Indianapolis Local Public Improvement Bond Bank (“Bond Bank”) convened at 12:10 p.m., Monday, April 15, 2013 in the City-County Building, 200 East Washington Street, Suite 107, Indianapolis, Indiana, pursuant to notice given in accordance with IC 5-14-1.5. Ms. Williams determined that a quorum was present and called the meeting to order.

Williams first asked for approval of the February 11, 2013 minutes. Mr. Miller made the motion to approve the minutes, seconded by Mr. Carr. All voted in favor and the motion passed.

Resolution No. 6 - 2013 Stormwater was the next item discussed. Mr. Clark gave a brief summary of the issuance stating it is a refunding for the Stormwater District to regain some economic savings. He then stated that the savings will assist the Department of Public Works with financing additional capital projects. The Bond Bank has been

working with Wells Fargo as the lead underwriter. The financial advisor for the project is Sycamore Advisors. He then stated that the Bond Bank is seeking the Boards approval to go forward with the refunding. The Bond Bank has already gone before the Public Works Board, and was approved. Mr. Miller asked what the possible savings would be. Clark stated that it would be approximately \$3-\$4 million in net-present-value savings. Clark stated that the Bond Bank has worked with Ms. Lori Miser, Director of the Department of Public Works, and they have identified uses for the funds generated from the savings. Ms. Williams asked if there were any MBE/WBE/VBE's being sought to work on the projects. Clark stated that the Bond Bank seeks MBE/WBE/VBE's for each project. Currently, Sycamore Advisors a WBE is on the deal as our financial advisor, and an MBE or VBE is being sought to be included on the project. Williams then asked about the percentage MBE/WBE/VBE's will receive. Clark stated that it is mainly determined by the dollar amount of the issuance and what the co-managers and financial teams agree upon. Clark then stated that he would work with Kintner to determine the transaction structure. Kintner stated that it generally is determined by the amount of work that the underwriter has already contributed. The percentage is generally between 70-80%, and the remaining 20-30% is divided between the co-managers which can fluctuate between 10-20%. Kintner then stated that the Bond Bank is in line with other issuers of the same size and scale.

Miller made the motion to approve Resolution No.6 Stormwater Refunding, seconded by, Carr. All voted in favor and the motion passed.

Next discussed was Resolution No. 7 - 16 Tech Project. Kintner stated that the reimbursement resolution was brought before the Board in February 2013 to allow the Bond Bank to pay for some of the upfront cost for projects that had already begun. He explained that the 16 Tech Project is for the life-sciences park, which has been envisioned for the old Bush Stadium area, and the Riverside neighborhood dating back to 2003. The project is close to completion, however, there are infrastructure improvements, as well as purchasing land previously owned by the water company that requires additional funding. He stated that this current borrowing will help to reduce cost on future cost-of-issuance. Ms. Williams asked if the Bond Bank was using the same MBE/WBE/VBE's on this issuance. Mr. Kintner stated that the Bond Bank was not. He then stated that the Bond Bank was still working on putting the team together for the issuance. One of the co-managers would be a women or veteran owned business. Williams asked that the Bond Bank team follow-up once the decisions have been made and the percentages received. Clark stated that he would.

Williams asked for a motion to approve Resolution No. 7 - 16 Tech Project. House made the motion to approve, seconded by Miller. All voted in favor and the motion passed.

Next discussed was Resolution No. 8 - AIT Secondary Offering. House stated that Dr. Evans had initially purchased the bonds, and now wishes to sell these bonds on the open market. Evans has agreed to pay any costs associated with the transaction. Kintner stated that the Bond Bank is positioning the bonds so that the bonds can be traded on the secondary market by City Securities. He then stated that the Bond Bank is asking for

authorization from the Board to place the bonds on the market. This is allowing Dr. Evans to sell the bonds on the secondary market at no cost or expense to the Bond Bank.

House asked for a motion to approve Resolution No. 8, 2013 - AIT Secondary Offering. Williams made the motion, seconded by Miller. All voted in favor and the motion passed.

Next discussed was the 2005 proceeds request. Kintner explained that the request was by the City that the Bond Bank assist in fulfilling the City's commitment to Develop Indy, which is the economic development arm for the City of Indianapolis. Develop Indy's purpose is to attract companies and jobs to the Indianapolis area, as well as retaining current jobs. The Bond Bank has paid Develop Indy a fee to undertake that service on behalf of the City in the amount of \$1.5 million. Kintner then stated that it was decided that the Bond Bank could not continue to provide such a large amount continuously. Kintner stated that the new proposed financing would be provided from the refunding of the 2005A Pension bonds that were approved by the Bond Bank earlier this year. The savings from the refunding of the bonds is held with the Bond Bank. Jeff Spalding, City Controller, asked the Board if they would consider allowing the proceeds from the 2005A Refunding to be utilized to address the funding of Develop Indy. House stated that the request is consistent with what was agreed upon with the initial funding. Miller asked if the Bond Bank was comfortable with acceptance of this agreement. Kintner stated that the Bond Bank is. Williams asked if the Bond Bank Board would revisit this request in the future. Kintner stated that it is a City commitment and will be up to the City to figure out how to go about future funding. House stated that any change in structure from the Bond Bank would require full board action. All Board members were in agreement.

Next, Kintner stated that the Bond Bank will possibly have another refunding for the May meeting. House then informed the Board and audience that Mr. Kevin Taylor, former Bond Bank Director, has been named the Director of Capital Finance for the State of Wisconsin. House then stated that Taylor's service was invaluable to the Bond Bank and the City. Kintner then stated that Mr. Jeff Spalding was also leaving the City. Spalding stated that he would be going to the Freedman Foundation for Educational Choices as Director of Fiscal Policy and Analysis. Kintner stated that Spalding has done an exemplary job as Controller.

There being no further questions, House asked for a motion to adjourn. Ms. Williams made the motion, seconded by Mr. Miller. All voted in favor and the meeting was adjourned at 12:27 p.m.