

## Pittsburgh Public Parking Authority

### Addendum to RFP for Underwriting Services dated May 1, 2019

Additional Information RE: 7(E) and 7(F). Questions have been received regarding items 7(E) and 7(F) of the RFP which state the following:

- 7(E) **Structuring Ideas**: Please describe your firm's recommended approach to refinancing the Authority's outstanding bonds. Please provide any ideas that your firm might have to maximize the savings that the Authority could generate from the refinancing. Do you have any suggestion for locking in savings at current rates with respect to the portion of the Authority's outstanding bonds subject to a December 1 redemption that may only be refunded on a current basis? When would be the earliest that your firm would be willing to sign a Bond Purchase Agreement with the Authority assuming a December 1 redemption date? Does your firm have any suggestions on how to restructure the Authority's Capital Appreciation Bonds? *(Total Possible Score: 15 points)*
- 7(F) **Rating Agency Strategy**: Please describe your firm's strategy for approaching the rating agencies regarding the refunding issue in light of a contemplated new money issue in a principal amount of up to \$50 million in 2019. Based on the Authority's recent financial results and its capital plans, what ratings does your firm believe that the Authority would obtain on its proposed refunding issues? *(Total Possible Score: 5 points)*

#### Response to Questions – Revised Items 7(E) and 7(F) of the RFP:

The 2019 financing transaction will be a new money transaction with no refunding component at this time. The request for detailed information regarding locking in savings for a potential December 1 partial redemption included in item 7(E) and the rating agency strategy relative to a refunding issue in item 7(F) were inadvertently included in the RFP. We have amended the terms of these two items. Please find listed below amended items 7(E) and 7(F):

- 7(E) **Structuring Ideas**: Please describe your firm's recommended approach to financing the Authority's Proposed Ninth & Penn replacement garage. Please provide any ideas that your firm might have to minimize the debt service expense that the Authority would pay on the Bonds. Do you have any suggestion for locking in savings at current rates with respect to the portion of the Authority's outstanding bonds that could be refinanced? *(Total Possible Score: 15 points)*
- 7(F) **Rating Agency Strategy**: Please describe your firm's strategy for approaching the rating agencies in light of a contemplated new money issue in 2019 in an amount between \$35 - \$50 million? Based on the Authority's recent financial results and the proposed redevelopment of the Ninth and Penn Garage, what ratings does your firm believe that the Authority would obtain on its proposed issue? *(Total Possible Score: 5 points)*