

**REQUEST FOR PROPOSALS**

**FOR PROPOSED PROJECTS SEEKING RECOVERY ZONE FACILITY BONDS IN  
BUTLER COUNTY**

**Deadline:  
December 1, 2009**



**BUTLER COUNTY PORT AUTHORITY**

Butler County Port Authority  
315 High Street, 6<sup>th</sup> Floor  
Hamilton, OH 45011  
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Email: [rcampbell@butlerport.org](mailto:rcampbell@butlerport.org)

**INTRODUCTION:**

The Butler County Commissioners designated the Butler County Port Authority as the administrative agency for the Recovery Zone Facility Bonds. Proposals are requested from Butler County project proponents that are “ready to proceed”, and are able to demonstrate eligibility for Recovery Zone Facility Bond Financing.

**Recovery Zone Facility Bonds**

A new category of subsidized private activity bonds, Recovery Zone Facility Bonds, was created by the American Recovery and Reinvestment Act, passed by Congress in February of 2009. Recovery Zones are defined as areas designated by state and local governments as having significant poverty, unemployment, home-foreclosure rates or general distress or any area for which a designation as an empowerment zone or renewal area community is in effect. Proceeds of the bonds may be used to finance new construction and equipment for a variety of business development activities in areas of significant economic distress.

**Who is eligible for Recovery Zone Bonds?**

The Butler County Port Authority would issue the bonds. Butler County has been designated a Recovery Zone by the Butler County Commissioners. On September 2009 Resolution No. 09-09-158 was approved on September 10, 2009 designating the Recovery Zone.

The proceeds of the bonds may be used by taxpayers engaged in certain types of businesses to finance the purchase of depreciable business property within a Recovery Zone. Some kinds of property specifically do not qualify under this program; including land, rental property, residential rental property and certain kinds of activities such as golf courses, country clubs, and several others listed in federal tax regulations.

**Important Note:** The program does not provide direct funding but merely allocates the authority to issue tax-exempt bonds to finance Recovery Zone property.

Butler County has an allocation of \$15,965,000 in Recovery Zone Facility Bonds. Under the program, the Butler County Port Authority will be required to issue these bonds as conduit financing for the applicant.

**PROJECT SCOPE:**

It is the intent of the Butler County Port Authority to make available is authorized volume cap of \$15,965,000 for Recovery Zone Facility Bonds that must be used to finance eligible costs for qualified economic development purposes. Applicants are asked to submit projects that are eligible for Recovery Zone Facility Bonds.

**GENERAL REQUIRMENTS:**

Each project must be shovel ready within the next two years and must have a financing need of a least \$3,000,000 and no more than \$5,000,000. Projects will be evaluated and ranked on the following criteria:

- 1) Project's readiness to proceed
- 2) Quality of wages
- 3) Community Distress Factors
- 4) Job Creation & Retention
- 5) Public and Private Leverage of Community Resources
- 6) State Involvement
- 7) Targeted Industry of Local Community
- 8) Clearing of Slum and Blight
- 9) Advanced Energy related
- 10) Sustainability

**PROPOSAL FORMAT:**

Each applicant shall submit three copies of their proposal. Each proposal must include the following information:

- A. Description of the project and current status
- B. A statement of the project cost and cost to be financed
- C. The time required to execute the project
- D. The number of permanent and construction jobs to be created
- E. Proposed financing terms
- F. Proposed debt security and coverage for debt security
- G. A Pro Forma for the proposed project
- H. Project beneficiaries and benefits to the community
- I. Evidence that the project user has the capacity to repay the bonds (e.g. a credit commitment)
- J. Corporate ownership information and three year history of financial documents

Questions concerning this RFP should be directed to the Butler County Port Authority.