



Public Finance and Non-Profit Lending

The lawyers at Troutman Sanders have provided comprehensive legal services to participants in public finance transactions for more than 30 years. We have acted as counsel to numerous issuers, underwriters, bank direct purchasers of bonds, credit and liquidity providers, trustees and conduit borrowers. We have also served as bond counsel to various state, regional and local governments, economic development and other authorities and commissions, and various institutions.

Our clients rely on us to analyze the tax, arbitrage, securities and other applicable federal, state and local laws and regulations relating to their bond transactions. We routinely provide advice on the use of letters of credit, liquidity facilities, direct purchase bonds, bond insurance, tax credits, guaranteed investment contracts, forward commitments, swaps and other derivative products.

We have extensive knowledge of matters that include fixed- and variable-rate bonds, tax-exempt and taxable bonds, new money and refunding issues (both current and advance refundings), general obligation bonds, revenue bonds (including those secured by sales or other special taxes), working capital issues, private activity bonds and municipal leasing. We have experience financing projects involving transportation, utilities, jails, housing, primary, secondary and higher educational institutions, solid waste disposal, healthcare, senior housing and skilled nursing facilities, 501(c)(3) organizations and commercial uses. Our diverse financing experience and substantive industry knowledge enable us to anticipate problems and to propose solutions tailored to the specific needs of the client and the transaction at hand.

We advise clients in several core areas:

As **Bank counsel**

Banks often play an important role in the successful structuring of a public finance transaction. Troutman Sanders routinely represents national, regional and community banks as the direct purchasers of municipal bonds and as the issuers of letters of credit or liquidity facilities to secure municipal bond issues.

We regularly represent banks in transactions involving governmental, non-profit and for-profit borrowers. Our experience with non-profit borrowers has included major healthcare systems, continuing care retirement communities, institutions of higher education, and high-profile foundations and charitable organizations.

Representative Experience

- Bank counsel for four banks each purchasing \$25 million of the \$100 million of hospital revenue bonds issued by the Industrial Development Authority of the City of Winchester for the benefit of Valley Health System.
- Bank counsel for a \$100 million line of credit issued through the Economic Development Authority of Fairfax County, Virginia, for the benefit of Fairfax County, Virginia.
- Bank counsel for the financing of a Colonial Williamsburg Foundation project through a \$22.5 million revenue note issued by the Economic Development Authority of the City of Williamsburg, Virginia.
- Bank counsel for \$110 million healthcare revenue bonds issued by the Virginia Small Business Financing Authority for the benefit of the Carilion Clinic Obligated Group.
- Bank counsel for \$95 million healthcare revenue bonds issued by the Industrial Development Authority of Fairfax County, Virginia, for the benefit of the Inova Health System.
- Bank counsel for a nearly \$8.5 million museum facilities revenue funding note issued by the Virginia Small Business Financing Authority for the benefit of the Virginia Historical Society Project.
- Bank counsel for nearly \$81 million of hospital revenue refunding bonds issued by the Economic Development



Authority of Albemarle County, Virginia, for the benefit of Sentara Healthcare.

As **Bond counsel**

Troutman Sanders has served as bond counsel to the Commonwealth of Virginia, state agencies and institutions, cities, counties, towns, public service authorities, redevelopment and housing authorities, industrial development authorities, and various regional authorities and commissions. We have advised clients on projects financed through the following tax-exempt and taxable methods, among others:

- General obligation bonds
- Revenue bonds
- Tax-exempt leases and lease revenue securities
- Conditional sales contracts
- Revenue anticipation notes
- Bond anticipation notes

Representative Experience

- Bond counsel to the Commonwealth of Virginia on more than \$236 million of general obligations bonds issued for institutions of higher education.
- Bond counsel on more than \$156 million of tax-exempt and taxable revenue and refunding bonds issued by the Economic Development Authority of Montgomery County, Virginia, for the benefit of Virginia Tech Foundation.
- Bond counsel on nearly \$17 million of taxable general obligation refunding bonds issued by the City of Bristol, Virginia.
- Bond counsel to a major healthcare system in the issuance of \$125 million in tax-exempt bonds directly placed with two commercial banks.
- Represented a lender as remarketing agent in a \$412 million remarketing of tax-exempt bonds issues for a major utility company.

As **Issuer's counsel**

Troutman Sanders has represented state authorities, local industrial and economic development authorities, and other authorities and commissions in Virginia in connection with such bond issuances.

Representative Experience

- Issuer's counsel for a \$10 million educational facilities revenue refunding note for the Randolph-Macon College Project issued by the Economic Development Authority of the Town of Ashland, Virginia.
- Issuer's counsel for a nearly \$7 million lease revenue bond for county government projects issued by the Economic Development Authority of James City County, Virginia.
- Issuer's counsel for a nearly \$30 million residential care facility refunding revenue bond issued by the Economic Development Authority of Hanover County, Virginia, for the benefit of Covenant Woods.
- Issuer's counsel for the letter of credit substitution and replacement of remarketing agent relating to more than \$93 million of revenue refunding bonds issued by the Economic Development Authority of Hanover County for Bon Secours.

As **Trustee's counsel**

We have served as counsel to banks acting as bond trustee for governmental and private activity bond issues, as well



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as for the issuance of corporate debt pursuant to indentures subject to the Trust Indenture Act. We have considerable experience with master trust indenture arrangements, certificates of participation, senior and subordinate indebtedness, and other complicated structures.

Representative Experience

- Trustee's counsel for \$300 million of 2010 Series A 3.45% senior notes issued by the Virginia Electric and Power Company.
- Trustee's counsel for \$105 million of solid waste and sewage disposal revenue bonds for the Virginia Electric and Power Company Project issued by the Industrial Development Authority of Wise County, Virginia.
- Trustee's counsel for more than \$96 million of infrastructure and state moral obligation revenue bonds (Virginia Pooled Financing Program) issued by the Virginia Resources Authority.
- Trustee's counsel for more than \$24 million of educational facilities revenue bonds issued by the Economic Development Authority of the City of Lynchburg, Virginia, for the benefit of Lynchburg College.

As Underwriter's counsel

In a publicly sold municipal bond issue, the underwriter, with assistance from counsel, must ensure compliance with a complex set of federal and state securities laws and regulations. The underwriter must also conform to the rules of the Municipal Securities Rulemaking Board and exercise appropriate due diligence in developing the disclosure materials used to market the bond issue. Troutman Sanders' public finance lawyers have the experience and knowledge required to help guide clients through this complex process.

Our lawyers have represented regional and national underwriters in connection with the issuance of all types of bonds, including governmental bonds, private activity bonds and 501(c)(3) bonds. Notably, we served as underwriter's counsel for Virginia's \$1.1 billion securitization of payments under the tobacco master settlement agreement, and in 2009 served as underwriter's counsel in one of the first taxable "Build America Bond" issues done in Virginia under the American Recovery and Reinvestment Act.

Representative Experience

- Underwriter's counsel for nearly \$243 million of general revenue pledge refunding bonds issued by The Rector and Board of Visitors of the University of Virginia.
- Underwriter's counsel for \$105 million of solid waste and sewage disposal revenue bonds for the Virginia Electric and Power Company Project issued by the Industrial Development Authority of Wise County, Virginia.
- Underwriter's counsel for \$120 million in tax-exempt refunding bonds for a large Virginia-based hospital system.
- Underwriter's counsel for \$480 million of federal highway grant anticipation revenue bonds issued by the State Road and Tollway Authority of Georgia.
- Underwriter's counsel for \$100 million of taxable bonds issued by The Nature Conservancy.
- Underwriter's counsel for nearly \$93 million of infrastructure revenue bonds issued by the Virginia Resources Authority.