

## Public Finance

### Related Practices

Corporate Finance

Government Policy & Practice

Government Reorganization and Restructuring

## Overview

Dykema is recognized as a leading municipal bond firm. For decades we have represented state and local issuers of municipal bonds, as well as underwriters, purchasers, obligors, credit enhancers and trustees in all types of public finance bond and note transactions. Our experience encompasses tax-exempt and taxable issues, fixed-rate and variable-rate transactions, fixed-maturity and commercial-paper issues, transactions involving derivative products, and publicly-sold and privately-negotiated issues.

## Experience Matters

Each year we serve as bond counsel, note counsel, underwriter's counsel, letter of credit bank counsel, or company counsel for many municipal bond transactions. In the last ten years, our team of public finance lawyers has worked on bond transactions with an aggregate value in excess of \$35 billion. We are frequently requested to work on the most innovative and complex transactions. For example, we were primarily responsible for drafting the disclosure documents for the Michigan Finance Authority's \$2.9 billion Unemployment Obligation Assessment Revenue Bonds, which was named The Bond Buyer's deal of the year in 2012. In 2014 and 2015, as bond counsel to the Detroit Water and Sewerage Department, we guided the Department through tender and refunding transactions in excess of \$2.1 billion while the City of Detroit was under Bankruptcy Court supervision and then immediately following the City's exit from bankruptcy. We also have served as bond counsel on over \$3.0 billion of bonds issued by the Michigan State Building Authority over the last seven years to finance and re-finance the construction, renovation and equipping of state, university and community college buildings.

In addition to high profile transactions like the ones described above, the Firm regularly serves as bond counsel to a large number of counties, cities, villages, townships, schools and public authorities to finance such diverse local governmental projects as roads and streets, storm and sanitary sewer systems, wastewater treatment plants, water systems, public buildings (including jails, libraries and governmental office buildings of various kinds), public health care facilities and municipal equipment purchases (such as computers and police, fire, sanitation and other public vehicles), as well as cash flow borrowings.

## Conduit, Health Care, Education and 501(c)(3) Bond Issues

Our involvement in private activity bond financings through governmental conduit issuers for qualified charitable, educational and cultural organizations (501(c)(3) organizations) and qualified industrial companies is extensive. We have experience with private activity bond financings for these types of transactions throughout the country and we have worked with all of the national underwriting firms.

## Section 103 Expertise

Our Section 103 expertise is well recognized and our public finance clients seek our advice for not only structuring their bond issues, but also in connection with arbitrage calculations, post-issuance tax compliance issues and closing agreements with the IRS. Gina Torielli leads our work in this area and is assisted by Matt Shell who is a CPA and previously worked for one of the “Big Four” accounting firms.

## Municipal Bond Disclosure Expertise

Clients often seek our services with respect to complex disclosure issues associated with their bond issues. We have assisted clients in structuring enhanced due diligence protocols, we have drafted first of their kind disclosure documents and we regularly interface with municipal finance regulators at the SEC, the MSRB, the IRS and Treasury.

## Troubled Municipal Credits

Our public finance lawyers have extensive experience in dealing with troubled municipal credits. We worked on a number of bond issues in connection with the City of Detroit’s widely publicized bankruptcy, including serving as bond counsel to the Detroit Water and Sewerage Department in connection with a series of tender transactions and bond offerings in excess of \$2.1 billion. These transactions allowed the bondholders and the City to reach a compromise acceptable to the bondholders, the bond insurers, the City and the Bankruptcy Court, instead of litigating the proposal from the Emergency Manager to treat the outstanding revenue bonds as unsecured obligations of the debtor. Additionally, we have been bond counsel on transactions that have provided cash flow relief to governmental issuers, we have assisted clients with purchasing bonds at a discount to reduce outstanding debt, and we have assisted clients in restructuring interest rate swap agreements and failed auction rate bond products.

## Thought Leadership

Our lawyers have been active in providing nationwide thought leadership on a wide variety of public finance issues. Ann Fillingham has served as Chair of the National Association of Bond Lawyers Bond Attorneys’ Workshop and currently serves as an officer of the Board of Directors of the National Association of Bond Lawyers. Gina Torielli is the author of the “Interest on State and Local Bonds” chapter of Merten’s Law of Federal Income Taxation, one of the most-used legal treatises on federal income tax matters in the country. She also published “Opining On The 501(c)(3) Tax-Free Bond Transaction: Avoiding Common Borrower’s Counsel Misconceptions,” 31 *William Mitchell Law Review* 147. Other Dykema lawyers have been panel leaders at the Bond Attorneys’ Workshop and have been speakers on various public finance topics.

## Representative Transactions

For a printable copy of our Public Finance Representative Transactions, [click here](#).

Principal Amount	Issuer	Title of Issue	Dykema’s Role
\$311,530,000	City of Detroit Downtown Development Authority	Tax Increment Revenue Refunding Bonds, Series 2018A and 2018B (Catalyst Development Project)	Bond Counsel
\$5,350,000	City of Ann Arbor	2018 Capital Improvement Bonds, Series A	Bond Counsel
\$2,000,000	Genoa-Oceola Sewer and Water Authority	Sewer System Improvement Revenue Bonds, Series 2018	Bond Counsel
\$120,000,000	Michigan State Housing Development Authority	Single-Family Mortgage Revenue Bonds, 2018 Series A	Bond Counsel
\$3,165,000	Montcalm Community College	Community College Facilities Bonds, Series 2017	Bond Counsel
\$124,500,000	Michigan Finance Authority	Revenue Bonds (City of Detroit Transportation Project) Series 2017A	Purchaser’s Counsel

Public Finance (Cont.)

\$119,575,000 2017B	State of Michigan Bond Counsel	General Environmental Program and Refunding Bonds, Series 2017A and	
\$379,340,000 Counsel	Michigan Finance Authority	State Aid Revenue Notes, Series 2017A	Note
\$376,955,000	Michigan State Housing Development Authority Series B and 2016 Series C Bond Counsel	Single-Family Mortgage Revenue Bonds, 2016	
\$129,085,000 2016A (Taxable)	State of Michigan Underwriters' Counsel	General Obligation Environmental Program Refunding Bonds, Series	
\$82,240,000 Exempt)	State of Michigan Disclosure Counsel	General Obligation Environmental Program Bonds, Series 2016A (Tax-	
\$126,665,000	Michigan Finance Authority Bond Counsel to Detroit Water and Sewerage Department	Local Government Loan Program Revenue Bonds, Series 2015D (Detroit Water and Sewerage Department Water Supply System Revenue Refunding Local Project Bonds)	
\$197,660,000	Michigan Finance Authority Bond Counsel to Detroit Water and Sewerage Department	Local Government Loan Program Revenue Bonds, Series 2015C (Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Second Lien Local Project Bonds)	
\$989,340,000 (Facilities Program)	Michigan State Building Authority Bond Counsel	2015 Revenue and Revenue Refunding Bonds, Series I	
\$263,555,000 (Federally Taxable)	County of Macomb Underwriters' Counsel	Retirees Health Care Bonds, Series 2015 (General Obligation Limited Tax)	
\$295,350,000	Michigan Finance Authority Bond Counsel to Detroit Regional Convention Facility Authority	Local Government Loan Program Revenue Bonds, Series H (Detroit Regional Convention Facilities Authority Local Project Bonds)	
\$275,000,000	Michigan Finance Authority Underwriters' Counsel	Local Government Loan Program Revenue Bonds, Series 2014F (City of Detroit Financial Recovery Income Tax Revenue and Refunding Local Project Bonds)	
\$935,860,000	Michigan Finance Authority Bond Counsel to Detroit Water and Sewerage Department	Local Government Loan Program Revenue Bonds, Series 2014C (Detroit Water and Sewerage Department Sewage Disposal System Revenue and Revenue Refunding Local Project Bonds)	
\$854,850,000	Michigan Finance Authority Bond Counsel to Detroit Water and Sewerage Department	Local Government Loan Program Revenue Bonds, Series 2014D (Detroit Water and Sewerage Department Water Supply System Revenue Refunding Local Project Bonds)	
\$265,085,000	State of Michigan Underwriters' Counsel	State Trunk Line Fund Refunding Bonds, Series 2014	
\$292,000,000 A	Michigan Finance Authority Bond Counsel	Student Loan Bond Anticipation Refunding Notes, Series 24-	
\$184,960,000 2014B (Public Lighting Authority Local Project Bonds)	Michigan Finance Authority	Loan Government Loan Program Revenue Bonds, Series Underwriters' Counsel	
\$556,200,000 Bond Counsel	Michigan Finance Authority	Student Loan Revenue Refunding Bonds, Series 23-A	
\$83,380,270 Bank Counsel	Chicago Transit Authority	2008 Capital Lease (Buses) Refunding, Series 2013	

Public Finance (Cont.)

\$583,000,000 Michigan State Building Authority 2013 Revenue and Revenue Refunding Bonds, Series I-A and Series I-B (Facilities Program) Bond Counsel

## Publications

"Detroit and the Bankruptcy Education of a Bond Lawyer"

2015

*The Bond Lawyer*

"Municipal Bankruptcy: A Guide for Public Finance Attorneys (3rd Edition)" (Co-Author)

2015

*National Association of Bond Lawyers*

"General Obligation Bonds: State Law, Bankruptcy and Disclosure Considerations"

2014

*National Association of Bond Lawyers*

"Michigan Municipal Law"

2012

*The Institute of Continuing Legal Education*

"Interest on State and Local Bonds," Chapter 8

2007

*Mertens, The Law of Federal Income Taxation*

"Opining on the 501(c)(3) Tax-Free Bond Transaction: Avoiding Common Borrower's Counsel Misconceptions"

2004

*31 Wm. Mitchell L. Rev. 147*

## Speaking Engagements

*Statutory Liens in the Municipal Market*, audio conference

July 20, 2015

*Distressed Municipalities: The Battle Outside of Bankruptcy*, Turnaround Management Association Spring Conference, Detroit, Michigan

April 2015

*Municipal Bankruptcy and the Anatomy of a Defaulted Lease*, 2013 AGLF/ELFA Public Sector Finance Forum

May 9, 2013

*Sources of Local Financing*, Michigan Association of Municipal Attorneys Local Government Attorney Academy

March 20, 2013

*When a Bond Deal Goes Bad: Defaults, Remedies and Workouts in Municipal Finance*, National Association of Bond Lawyers 11th Annual Tax & Securities Law Institute

March 2011, 2013

*Economic Crisis-Driven Transactions: Tools for Dealing with Financially Distressed Issues and Bond Transactions*, National Association of Bond Lawyers 2010, 2011, 2012 Bond Attorneys' Workshop

*Anatomy of a Defaulted Deal*, National Association of Bond Lawyers 2012 Bond Attorneys' Workshop

October 2012

Crowdfunding and the IPO On-Ramp

June 5, 2012 (Los Angeles-area)

Crowdfunding and the IPO On-Ramp

May 23, 2012 (Detroit) and May 24, 2012 (Chicago)

Public Finance (Cont.)

*Economic Crisis-Driven Transactions: Defaults Workouts and Bankruptcy Issues in Public Finance*, National Association of Bond Lawyers 2011 Bond Attorneys' Workshop  
October 2011

*When a Bond Deal Goes Bad: Defaults, Remedies and Workouts in Municipal Finance*, National Association of Bond Lawyers 9th Annual Tax & Securities Law Institute  
March 2011

*Defaults, Workouts and Bankruptcy Issues in Public Finance*, National Association of Bond Lawyers 2010 Bond Attorneys' Workshop  
October 2010

Financial Management Issues for Drain Commissioners in Uncertain Economic Times, Michigan Association of County Drain Commissioners' Southwest District Spring Meeting, Marshall, MI  
April 23, 2010

*Build America Bonds*, National Association of Bond Lawyers 2009 Bond Attorneys' Workshop  
October 2009

*The Realities of the Credit Markets*, The Center for Charter Schools Central Michigan University Back to School 2009: Transforming Public Education  
September 2009

*P3s-Other Constituents and Considerations*, Inaugural Michigan P3 Summit  
September 2008

*Government and Tribal Obligations*, National Association of Bond Lawyers 2008 Bond Attorneys' Workshop  
September 17, 2008

*Effective Financing Strategies*, Charter School Board Leadership Summit 2008  
May 2008

*Avoiding Legal Trouble in Charter School Finance*, 10th Annual Michigan Charter Public School Conference  
November 2007

*Government and Tribal Obligations*, National Association of Bond Lawyers 2007 Bond Attorneys' Workshop  
September 2007

*State Policy—Changing the Way Schools are Financed Locally*, Illinois Facilities Fund Financing the Future: Meeting the Needs of Charter Schools  
February 2007