




Department of City Development
730 Washington Avenue, Racine, Wisconsin 53403
Phone: (262) 636-9151 FAX: (262) 636-9298

MEMORANDUM

DATE: September 17, 2008

TO: Members, Finance & Personnel Committee

FROM: Brian O'Connell, Director 

SUBJECT: Request of Premier Aluminum, LLC, that the City of Racine issue an industrial revenue bond to assist its expansion in the Olsen Industrial Park.

I have received the attached request for an industrial revenue bond. I respectfully ask that you put the request on the agenda for your next meeting as a direct referral.

I look forward to discussing the request with you at the meeting. If you have questions or need additional information in the meantime, please call or e-mail me.

Attachment

C: Ann Murphy, Quarles & Brady
Carolyn Engel, RCEDC
File

OConnell, Brian

From: Rich, Lauren [LMR@quarles.com] on behalf of Murphy, Ann M. [AMM@quarles.com]
Sent: Tuesday, September 16, 2008 4:09 PM
To: OConnell, Brian
Cc: don.allen@premieraluminum.com
Subject: Premier Aluminum IRB
Follow Up Flag: Follow up
Flag Status: Red

Dear Brian,

I am sending this email with some information about an IRB request by Premier Aluminum, LLC.

As you know, Premier operates an existing facility located at 3633 South Memorial Drive. It operates the facility in connection with Premier's business of manufacturing permanent mold aluminum castings.

Premier wants to undertake an expansion and remodeling of its facility. A 52,000 square foot addition would be constructed to its existing facility and certain existing space would be renovated to manufacturing space and related improvements would be constructed. The construction portion is expected to cost \$3,000,000.

Premier also expects to acquire additional manufacturing equipment in an estimated amount of \$3,000,000.

Premier is requesting that IRBs be issued by the City of Racine to finance the project.

Premier contemplates that the bonds will be underwritten by Merchants Capital, as underwriter and secured by a letter of credit issued by Premier's bank, Regions Bank. The bonds would be sold by the underwriter, and the bonds would have a maturity of at least 10 years.

Premier is now completing the Prospect Data Sheet which it will send to you. We will prepare forms of the resolutions for the Common Council.

Please let me know if you need anything further for the Finance Committee. Thanks.

Ann

Ann M. Murphy

Quarles & Brady

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09/17/2008