

CASE STUDY

DEVELOPMENT FINANCE

MARCH 4, 2025



\$112,440,000 | SALES TAX REVENUE BONDS | SERIES 2025

City of Marion, Williamson County | Marion, IL

STAR BOND PROJECT AREA NO. 1

Client Profile

Stifel served as Sole Manager to the City of Marion, Williamson County, Illinois on its Series 2025 Sales Tax Revenue Bonds (STAR Bond Project Area No. 1). The City is the County Seat of Williamson County in Southern Illinois and is located along Interstate 57 and Illinois Route 13.

The Project

The \$332 million development is comprised of 258.98 acres within one defined project area, and consists of two different categories of users, Non-Destination and Destination. The Non-Destination Retail is comprised of open and operating national retailers. The Destination Retail is comprised of an expansion of Developer owned and operated businesses into

a different location within Project Area No. 1, including a refurbished 320,000 square foot mall, which includes a sports complex/entertainment venue, a hotel next to the Oasis Fieldhouse and a family entertainment complex. At the time of Bond issuance, project components were either already under construction or expected to begin shortly after the closing of the Bonds and were approximately 18 months from full completion.

Structure

The Bonds are secured by incremental state and local sales taxes generated within the project area through August 1, 2059, a debt service reserve fund and capitalized interest. The Bonds are non-rated special limited obligations of the City, payable solely from the pledged STAR revenues and do not constitute a debt of the city, state, or any political subdivision.

Interest is paid semi-annually on each June 1, and December 1, beginning June 1, 2025. The Bonds have a two-term structure (6/1/2045, and 6/1/2055) with a stated amortization and super sinker principal payments.

Pricing Results

Pricing occurred during a time of market uncertainty due to international trade negotiation between world powers and the ongoing war in Ukraine. After two weeks of pre-marketing, a formal order period began on the morning of March 4, 2025, and resulted in the Bonds being approximately 6.0x oversubscribed with 13 institutional orders totaling over \$646 million and \$1 million in retail orders.

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