

355 Vanderbilt Rd | Biltmore Forest, NC  
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www.biltmoreforest.org



George F. Goosmann, III, Mayor  
Fran G. Cogburn, Mayor-Pro Tem  
E. Glenn Kelly, Commissioner  
Doris P. Loomis, Commissioner

Jonathan B. Kanipe,  
Town Manager

## REQUEST FOR PROPOSALS

\$800,000

Town of Biltmore Forest, North Carolina  
Installment Financing Agreement – August 1, 2018

The Town of Biltmore Forest, North Carolina (the “Town”) requests proposals from financial institutions with respect to a commercial loan to be evidenced by its \$800,000 tax-exempt Installment Financing Agreement (the “Agreement”), proceeds of which will be used for the renovation of the existing Public Works Building. Your response to the RFP would be greatly appreciated. The following key assumptions are to be utilized in preparing your proposal:

### A. Pertinent Information

1. The project consists of the complete renovation of the Town’s existing Public Works Building.
2. The financing will be bank eligible under Section 265 of the Internal Revenue Code of 1986. [If Bank Qualified].
3. The Town of Biltmore Forest expects to obtain Local Government Commission approval of the installment financing agreement on October 2, 2018.

### B. Contract Specifications

1. The desired amount of financing is not to exceed \$800,000.00.
2. The Town requests three (3) proposed repayment schedules from each responder.

Five annual or 10 semi-annual payments, with the initial payment on or after October 10, 2019.

Seven annual or 14 semi-annual payments, with the initial payment on or after October 10, 2019.

10 annual or 20 semi-annual payments, with the initial payment on or after October 10, 2019.

3. The interest rate(s) should be fixed for the term.
4. The interest rate(s) proposed must be guaranteed for at least sixty (60) days. The Town desires to close this transaction by October 9, 2018.
5. Prepayment terms will be negotiated between the Town and successful bidder. The Town desires prepayment of principal at any time, without penalty.
6. The Agreement will be secured by a security interest in the building to be financed with the proceeds of the Agreement. The Town' obligation to pay the debt service will be subject to annual appropriation by the Board of Commissioners. No deficiency judgment may be rendered against the Town for break of a contractual obligation under the Installment Financing Agreement. The taxing power of the Town will not be pledged to secure repayment.
7. The Town does not anticipate paying any closing costs on behalf of the bank. Please specify any exceptions to this request.
8. The Installment Financing Agreement must not contain a non-substitution clause and there must be a non-appropriation clause in the Installment Financing Agreement.

#### C. Submission of Proposal

Proposals must specify at minimum the following information.

1. The term of financing.
2. The interest rate.
3. The terms of repayment. Please attach a sample debt service schedule.
4. Proposed terms for optional repayment, including whether you would allow a prepayment without penalty from excess construction proceeds.
5. A list of all additional costs to be associated with this transaction, including origination or placement fees, escrow fees, counsel fees and expenses. State whether or not any of such fees or expenses will be capped.
6. A statement to the effect that the bank agrees to the contract specifications as set forth in Part B of this Request for Proposal.
7. Proposed collateral to secure financing and the method for creating the lien or security interest in such collateral.
8. Bids should be based on gross funding of the Project (without consideration of investment earnings).

The Town reserves the right to request additional information from the bidders and reserves the right to reject all proposals and to waive any irregularity or informality. The Town also reserves the right to reject all proposals for any reason. Although the selection will be based substantially on lowest total financing cost (including both interest cost and upfront fees and expenses), the Town reserves the right to select the bidder that best meets the needs of the Town.

D. Additional Information and Submission Instructions

Budget information and audited financial statements are available from the Town's website at: <https://www.biltmoreforest.org/finance>

If further information is needed or if you have any questions regarding this Request for Proposal, please contact the following officials with the Town of Biltmore Forest.

Jonathan Kanipe, Town Manager [jkanipe@biltmoreforest.org]

Helen Stephens, Assistant Finance Director [hstephens@biltmoreforest.org]

Telephone: (828) 274-0824

Regular Mail: Post Office Box 5352, Biltmore Forest, NC 28813

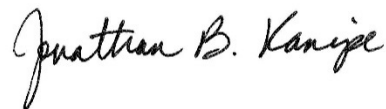
In-Person: 355 Vanderbilt Road, Biltmore Forest, NC 28803

Written proposals should be mailed to Jonathan B. Kanipe, Town Manager, at the above mailing address. Proposals may also be dropped off in person at the Town Hall at the physical address above. Email submissions in PDF format are acceptable, and may be emailed to both Mr. Kanipe and copied to Ms. Stephens at the above email addresses. Hard copies of proposals shall be sealed and clearly marked "**Installment Financing Agreement for Public Works Building Construction – Sealed Proposal**". Emailed proposals shall state "**Installment Financing Agreement for Public Works Building Construction – Emailed Proposal**" in the subject line. The PDF attachment will not be opened by staff until proposal opening occurs. All proposals must be received by the Town of Biltmore Forest no later than 1:00 p.m. on Wednesday, August 15, 2018. Proposals will be opened at 10:00 a.m. on Thursday, August 16, 2018.

Please note that terms of this RFP and your response thereto will be incorporated into the terms of the final agreement if your organization is the successful proposer.

On behalf of the Town of Biltmore Forest, please accept my appreciation in advance for your consideration of this proposal.

Sincerely,



Jonathan B. Kanipe  
Town Manager