

Town of Kiawah Island – Request For Proposals

The Town of Kiawah Island, SC (the Town) is seeking proposals from qualified banking institutions for a loan to fund the construction of its new Municipal Center. A banking institution is considered to be qualified if it is duly registered in the State of South Carolina. The funds awarded pursuant to this RFP are expected to be available for distribution in the second quarter of 2017. The Town's most recent annual audit, FY ended June 2015, is available on the Town's web site: (<http://www.kiawahisland.org/SharedFiles/Download.aspx?pageid=37&mid=141&fileid=1036>) . Additional financial information is also available on request.

One (1) original and four (4) copies of the proposal must be submitted in a sealed envelope and clearly marked in the lower left corner "Request for Proposal Bank Loan", addressed and delivered to: Petra Reynolds, Town Clerk, Town of Kiawah Island, 21 Beachwalker Drive, Kiawah Island, SC 29455. Proposals must be received by 12:00 p.m. Friday, March 25, 2016 at the Town of Kiawah Island Town Hall, at which time the proposals will be publicly opened and reviewed. Facsimile proposals will not be accepted. Responses delivered later will not be accepted. The Town is not responsible for delays in delivery. The Town is committed to providing equal opportunity in contracting services. The Town reserves the right to cancel this request or reject any and all proposals submitted or to waive any minor formalities if in the judgment of the Mayor and Council the best interest of the Town would be served.

1. BACKGROUND

In 2014, the Town purchased 27 acres of land, of which 19.8 acres is high ground, on Betsy Kerrison Parkway at the entrance to Kiawah Island. This land has been annexed into the Town and will be the site of a new Town Municipal Complex. Work has progressed since on the design of this complex and four qualified contractors were asked to bid on the project. Full details of this project are available to prospective lenders. A bidder (Thomas Construction) has been selected and total project cost is \$9.25 million.

2. ANTICIPATED BORROWING

The Town is seeking to Borrow up to \$4,575,000 for this project, of this amount, \$3.0 million will be in the form of a term loan and \$1.575 million will be in the form of a short term bridge loan. The debt service will be paid primarily from General Fund revenue. The Town is planning the sale of its existing Town Hall as soon as possible after the new Municipal Complex is occupied. The sale, with the Kiawah Island Community Association as buyer, is currently expected to close approximately 60 days after the occupancy of the new Municipal complex and will realize \$1.575 million. Upon closing, the proceeds of the sale will retire the bridge loan portion of the outstanding debt.

3. TERM

The Town is seeking to borrow the term loan amount with repayment scheduled over the next 7-10 years. The Town seeks the most advantageous interest rate and structure available. The Town also wants to

make sure there is minimal penalty for prepayment and no prepayment penalty on the debt repaid with the sale of the existing Town Hall.

4. PURPOSE AND CRITERIA

The Town is requesting proposals for its loan services. The goal is to obtain the highest quality banking services at the lowest borrowing rate to the taxpayer. The following criteria will be used to evaluate all proposals:

1. Borrowing (interest) rate and structure;
2. Banking institution's financial strength;
3. Banking institution's ability to provide the services outlined in the proposal, and;
4. Bank fees for the borrowing;
5. References from other municipal clients.

5. GENERAL BANKING INSTITUTION INFORMATION

Please include the following general banking institution information in your proposal:

1. The name of the relationship representative at the banking institution who would be assigned to the Township loan.
2. The location, branch manager, and operating hours of the branch where the Township will most regularly conduct business.
3. A list of all municipal clients located within the State of South Carolina. The list should include name and address of the jurisdiction, along with a contact name and telephone. The list will be utilized by the Township for the purpose of obtaining at least three references for the banking institution. The entities selected for reference will be at the discretion of the Township. The banking institution may suggest certain organizations of similar size and structure to the Township as possible references.

Information Questions regarding this Request for Proposal(s) may be directed to Ms. Stephanie Tillerson, Town Administrator at (843) 768-9166 or stillerson@kiawahisland.org .