

LEE COUNTY, FLORIDA

REQUEST FOR PROPOSALS:

**Non-Revolving
Not-to-Exceed \$150 Million
Line of Credit, Series 2022A**

(Tax-Exempt)



ISSUING DATE: October 17, 2022

RESPONSES DUE: October 28, 2022

AT 2:00 P.M.

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NOTICE TO PROPOSERS

Notice is hereby given that the Lee County, Florida (the “County”) is seeking sealed proposals for:

Line of Credit, Series 2022A

Proposals will be accepted until 2:00 P.M. October 28, 2022. **One (1) electronic copy** shall also be sent via email to the County’s Financial Advisor at:

J. Craig Dunlap and Kelly Ryman
Dunlap & Associates, Inc.
jcdunlap@dunlapandassociates.com
kryman@dunlapandassociates.com

For additional information, please contact J. Craig Dunlap or Kelly Ryman, Financial Advisor to the County at (407) 493-9390 or (407) 493-9393 or by email: kryman@dunlapandassociates.com or jcdunlap@dunlapandassociates.com.

The County reserves the right to reject any and all proposals; to waive any and all informalities or irregularities and to reject all or any part of any proposal as it may deem to be in the best interest of the County.

Selection: The recommendation for award will be based on the following factors:

- a. Approved rate of interest/ formula used to determine interest rate. Any fees, if applicable.
- b. Terms, Conditions, and Covenants contained in the offer.
- c. Experience
- d. Financial institution’s credit ratings and financial stability

“Cone of Silence” as used herein, means a prohibition on any communication regarding a particular Request for Proposal (“RFP”).

During the Cone of Silence, which begins October 17, 2022 and ends the date of Bank selections, the following is prohibited: Any communication regarding this proposal between a potential vendor, service provider, proposer, lobbyist, or consultant and the County professional staff, and the County Commission members. All communication regarding this proposal should be sent in writing to only the Financial Advisor, J. Craig Dunlap, jcdunlap@dunlapandassociates.com, kryman@dunlapandassociates.com.

I. INTRODUCTION

A. Background

Hurricane Ian made landfall on the Southwest Florida coast and in Lee County, Florida on Wednesday afternoon September 28, 2022, as a powerful Category 4 storm and unleashed widespread storm surge flooding and damage. Maximum sustained winds were around 150 mph with wind gusts up to 190 mph. A Storm surge of up to eighteen feet was reported. Damage from the storm has greatly impacted Sanibel/Captiva, Fort Myers Beach, and Matlacha/Pine Island and the Outer Islands. Hurricane Ian destroyed portions of the Sanibel Causeway, roads and Little Pine Island bridge in Matlacha, and structurally impacted small bridges between Bonita Beach and Fort Myers Beach. Disaster debris cleanup alone is estimated to be more than \$100 million. Lee County is seeking an initial tax-exempt LOC

to provide sufficient cash flow for recovery and mitigation damages including replacement or repair of governmental property which has been damaged or destroyed.

Legal Documentation for the County will be provided by Nabors Giblin & Nickerson serving as Bond Counsel to the County.

The LOC may not be sold, assigned or transferred in any manner, except that the Registered Owner hereof may assign a portion of the LOC and the payments hereunder through the syndication of the LOC represented hereby to another institutional “accredited investor”, within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder, and within the meaning of Rule 501(a) of Regulation D under the Securities Act of 1933, as amended. This RFP was prepared following the conditions stipulated in 2 CFR 200.449

The County cannot accept provisions that are legally problematic under applicable federal or Florida laws, nor any provisions that could impact holders of the County’s other debt. Such provisions include, but are not limited to, acceleration of principal, cross-default, and yield maintenance provisions. The only interest rate adjustment the County will permit is one of taxability imposed by a final non-appealable determination of the Internal Revenue Service or a court of competent jurisdiction which results solely from the County’s actions or inactions.

At the closing of the LOC, the Offeror will be required to make certain certifications prepared by Bond Counsel, including but not limited to, certifications that it:

- a. is not acting as a broker or other intermediary, and is making the loan evidenced by the line of credit as an investment for its own account and not with a present view to a resale or other distribution to the public or other institutions;
- b. is a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes
- c. is not providing the line for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes; and
- d. is an “accredited investor” within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder

B. Purpose

The objective of this RFP is to enable the County to select one commercial bank, to make a variable rate LOC to the County evidenced by the LOC Series 2022A to expedite immediate funding of costs and expenditures relating to recovery and mitigation damages including replacement or repair of governmental property which has been damaged or destroyed relating to Hurricane Ian and if needed Cost of Issuance related to this financing..

C. Statement of Credit Worthiness

The County’s audited financial statements for the fiscal year ended September 30, 2021 can be found at:

<https://www.leeclerk.org/departments/finance/financial-reports>

Section I- Line of Credit Questions

Please refer to Section I: INTRODUCTION, A: Background, B: Purpose and C: Statement of Credit Worthiness of this proposal.

Terms and Condition of Financing

1. **Amount:** Not-to-Exceed \$150 million
2. **Structure:** LOC Series 2022A will allow funds to be drawn down over the first two (2) years after closing (or such other length of time as outlined in the proposal), with principal payable at maturity. The County does not guarantee that the full amount will be drawn on the LOC Series 2022A.
3. The LOC Series 2022A will bear interest only on the amount drawn based on 30/360 day count provision unless noted differently in the firm’s response.
4. **Interest:** Interest will be paid monthly in arrears, variable rate.
5. **Principal:** Principal will be paid upon receipt of reimbursements detailed under #9 below but no later than the final maturity of the LOC.
6. **Interest Rate:** The County requests submitted proposals offer a non-bank qualified, tax-exempt variable interest rate. Please provide in your response details of formula. (Example Only: SOFR (1.00%) plus 50 bps equals 1.50%)
7. **Final Maturity Options for Series 2022A:**
 - Option 1- Two (2) years interest only with paid upon receipt of reimbursements detailed under #9 below but no later than the final maturity of December 1, 2024.
 - Option 2- Three (3) years interest only with paid upon receipt of reimbursements detailed under #9 below but no later than the final maturity of December 1, 2025.
8. **Prepayment Options:** The County requests the ability to prepay all or a portion of the LOC drawn at any time without penalty or premium.
9. **Security**– The LOC will be secured by reimbursement of eligible expenses from Insurance, FEMA Public Assistance, FEMA Hazard Mitigation Program, HUD Community Disaster Block Grant-Disaster Recovery, and Federal Highways Administration-Emergency Relief as senior lien with a subordinate pledge of a covenant to budget and appropriate (non-ad valorem).
10. **Debt Service Reserve Fund:** The County will not fund a debt service reserve fund to secure the LOC.
11. **Estimated Timing**

10/28/22	Responses Due on RFP for Bank
11/15/22	County Approval of Bank, Legal Documents and Budget
11/30/22	Closing (or sooner)
12. **Provide any additional fees**, including a not-to-exceed cost for bank legal counsel fees. Please provide the contact information of the Bank’s legal counsel.

Additional Information (Limit 2 pages)

1. Provide any additional information you feel will be helpful to the County in evaluating your qualifications to serve as a lender for the County’s financing.

2. Provide a statement of assurance that your Firm is not presently in violation of any statutes or regulatory rules that might impact your Firm's operations.
3. Provide information on the nature and magnitude of any litigation in which your Firm has been a party during the past three (3) years. Also, include information on any pending litigation as well.
4. Please provide the legal name of the Bank and the primary Bank contact person (include address, telephone number, and e-mail address).
5. Please specify if your proposal has received credit approval or the timing to receive if selected.

**SWORN STATEMENT UNDER SECTION 287.133 (3) (A)
FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES**

This form must be signed in the presence of a Notary Public or other Officer authorized to administer oaths.

1. This sworn statement is submitted to:

(Print name of the Public Entity.)

by:

(Print individual's name and title.)

for:

(Print name of Entity submitting sworn statement.)

whose business address is:

and, if applicable, its Federal Employer Identification Number (FEIN) is _____

(If the Entity has no FEIN, please include the Social Security Number of the individual signing this sworn statement): _____

2. I understand that a "public entity crime" as defined in Section 287.133 (1) (g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Section 287.133 (1) (b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an "affiliate" as defined in Section 287.133 (1) (a), Florida Statutes, means:
 - a) A predecessor or successor of a person convicted of a public entity crime; or,
 - b) An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
5. I understand that a "person" as defined in Section 287.133 (1) (e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. *(Please indicate which statement applies.)*

_____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings, and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. *(Please attach a copy of the final order.)*

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH ONE (1) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signature _____

Date _____

STATE OF _____

COUNTY OF _____

PERSONALLY APPEARED BEFORE ME, the undersigned authority, _____ who, after first being sworn by me, affixed his/her signature in *(Name of individual signing.)*

the space provided above on this _____ day of _____, 20__

NOTARY PUBLIC

My commission expires: