



Request for Proposals

**Taxable Fixed Rate Loan
in an amount up to \$1,500,000
for Trailer Estates Park & Recreation District,
Bradenton, Florida**

**RFP Issue Date:
Monday, April 18, 2022**

**Responses Due:
Friday, May 6, 2022 (12PM ET)**



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**Request for Proposals to
Provide a Taxable Fixed Rate Bank Loan
Trailer Estates Park & Recreation District, Florida**

Introduction

Public Resources Advisory Group (“PRAG”), working as municipal advisor to Trailer Estates Park & Recreation District (the “District”), is seeking proposals from banks to make a fixed rate loan (the “2022 Loan”) in an amount up to \$1,500,000 to the District. The District will use the 2022 Loan proceeds to fund (i) seawall repairs, (ii) general improvements that could include the creation of additional secure storage for boats and RV’s and expansion and improvements to the activity center and fitness center, and (iii) fund cost of issuance related to the 2022 Loan. The 2022 Loan will be secured by a levy of non-ad valorem special assessments imposed on the properties benefited by the Project.

I. Description of the District

The District is a waterfront deed-restricted 55+ mobile home community with 1,279 privately-owned properties. Located in Bradenton, Florida, between U.S. 41 and Sarasota Bay, the District provides numerous activities, facilities, and services for residents including:

- Marina
- Pool
- Shuffleboard Courts
- Beach Pavilion
- Wood Shop
- Bocce Ball Courts
- Pickleball
- Exercise Room
- Horseshoe Pits

A post office is located within the District. See the following for more information: <https://www.trailerestates.com/activities/amenities/>

Per the latest tax roll (attached as Appendix B), the market value of the 1,279 parcels in 2022 was \$116,216,492, representing an average \$90,854 per parcel. This represents an increase of 17.9% over 2021 values.

Actual sales prices have been well above the property appraiser’s market value. As of March 9, 2022 there have been 17 sales within the District. The parcels had a combined property appraiser’s market value of \$1,245,758, however the total sales prices were \$2,519,850, or an average of \$148,226 per parcel.

In addition to the location and amenities, ownership in the District provides savings. The largest expense of the District is Internet/Cable TV. By purchasing in bulk, however, residents pay \$39 per month for the service. The fees for the marina are also discounted for residents. Current rates for annual rental of a 26 ft. boat slip in the marina are \$585 for property owners compared to \$1,966 for non-property owners.

The District was created as an independent special taxing district by a special act of the Florida Legislature (Chapter 2002-36, F.S.) as amended by Chapter 2021-261. The District does not have the ability to issue tax-exempt bonds, but can issue taxable bonds and incur taxable debt.



Financial Information

Copies of the District’s Audited Financial Reports and Budgets for the current and prior fiscal years are available on the District’s website at:

<https://www.trailerestates.com/resources/financials/>

The District’s Taxpayer Identification Number (“TIN”) is 59-1368850

II. Purpose of the 2022 Loan

The District needs to repair approximately ½ mile of seawall through the installation of new vinyl seawall with a reinforced cap and concrete pad with tieback rods anchored to manta ray anchors. The District has received three bids from licensed contractors ranging from \$918,585 to \$1,906,930. Bids do not include engineering and permitting costs. The District expects to accept the lowest bid. Bids are valid through May 20, 2022.

The District also desires to make general building improvements including (i) installing fencing and lighting to create a new storage area for boats and RVs available for rent to residents, (ii) expanding the fitness center, and (iii) expanding the activity center.

The District currently has 75 people on the wait list for boat/RV storage. Expansion of the fitness center will allow greater usage by residents. The expansion of the activities center will be achieved by converting an under-utilized laundry room into a game room and recreational center.

The proceeds of the loan are expected to be used for the following purposes:

- Seawall Repair - approximately \$1,000,000
- Building Improvements - approximately \$450,000
- Loan costs - approximately \$50,000

III. Loan Request Terms

Loan Amount	Up to \$1,500,000.
Purpose	To fund a portion of the Project and costs of issuance related to the 2022 Loan.
Term	i) 15 year fully amortizing (final maturity 5/1/2037), or ii) 20 year fully amortizing (final maturity 5/1/2042)
Rate	Taxable Fixed Rate
Amortization	Preliminary loan principal amortizations are shown in Appendix A.
Denomination	Single denomination equal to the principal amount outstanding.



Repayment Provisions	Principal payable annually on May 1, beginning May 1, 2023. Interest payable beginning November 1, 2022; interest payment frequency may be monthly, quarterly or semiannually.
Optional Prepayment	Options for 5-year par call, non-callable and any other alternatives proposed by bidder.
Security	Levy of non-ad valorem special assessments imposed on the properties benefited by the Project
Debt Service Reserve	Equal to 10% of Maximum Annual Debt Service

IV. Documentation and Other Matters

Documentation for the 2022 Loan will be provided the Lender. Nabors Giblin & Nickerson, P.A. is acting as special counsel and their fees will be paid by the District. PRAG is acting as financial advisor to the District in connection with this loan and is not acting as a placement agent for the 2022 Loan.

The successful bidder will be required to deliver certain certificates at closing including:

- That it is a qualified institutional investor having knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of lending funds to the District;
- That it has had access to and has reviewed such information concerning the District as it has deemed necessary;
- That it understands the 2022 Loan is not a general obligation of the District, but is payable solely by the revenues described in the 2022 Loan agreement;
- That it is not relying on disclosures from the District and that it is making the 2022 Loan for its own accounts and not with a view to resale or redistribution.

The 2022 Loan may be transferred in whole but not in part and only to qualified institutional investors who will provide the same certification at the time of transfer. The successful bidder must fund the 2022 Loan from its own capital and must agree not to place the 2022 Loan in any type of trust or other derivative financial product. The 2022 Loan will not be rated. No CUSIP numbers will be obtained and the 2022 Loan will be evidenced by a certificated promissory note registered in the successful bidder’s legal name (i.e., no “street name” and no book-entry registration or registration to “Cede & Co.”).

V. Terms and Conditions of Bank Proposals

Please provide a proposal which includes the terms and conditions of each of the proposed bank loans. All proposals must include, but are not limited to, the information listed below:

1. The Bank's name, address, telephone number and fax number
2. Primary contact(s) concerning your proposal



3. Not to exceed loan amount
4. Loan Terms
 - a. Proposed interest rates and prepayment options
 - b. Rate Lock Period
 - c. Formula for determining rate if closing extends beyond Rate Lock Period
5. Debt service schedules
6. Covenants
7. Proposed upfront and annual fees
8. Bank's current long and short-term ratings, including outlooks
9. Please list your proposed Bank Counsel, including firm and attorney, and a not-to-exceed amount for their fees. Bank Counsel will prepare loan documentation.
10. Maximum time allowed between date of proposal and loan closing date.

Only proposals including fixed interest rates will be considered. Terms requiring principal acceleration, depository requirements, regulatory fee reimbursement, and yield protection will not be considered.

The District reserves the right, in its sole discretion, to accept or reject any and all proposals, to waive any irregularities or informalities in any proposal or in the proposal process, and to accept or reject any items or combination of items. If the District determines to move forward with the 2022 Loan and select a bank financing proposal, the award will be to the financial institution whose proposal best complies with the requirements set forth in this RFP and whose proposal, in the opinion of the District and PRAG is best, taking into consideration all aspects of the offeror's response.

Changes to this RFP may be made by, and at the sole discretion of, the District.

VI. Submission of Proposal

Written responses are due via e-mail no later than Friday, May 6, 2022, at 12:00 noon Eastern. Please e-mail your proposal to:

Wendell Gaertner
Senior Managing Director
PRAG
wgaertner@pragadvisors.com
727-822-3339

All questions and requests for additional information should be directed to Wendell Gaertner at the email addresses or phone number shown above.



VII. Tentative Timeline*

Date	Action
April 18, 2022	Distribute RFP for Bank Loan to Lenders
May 6, 2022	Written Proposals due from Lenders
May 9, 2022	Board Meeting to approve assessment methodology, assessment letter and select Lender
May 12, 2022	First publication of 170 Assessment Notice/Mailing of Letters to Residents
May 13, 2022	Distribute first draft of loan documents
May 19, 2022	Comments due on loan documents
May 19, 2022	Second publication of 170 Assessment Notice
May 23, 2022	Revised loan documents distributed
TBD	Interest rate and debt structure finalized
May 26, 2022	Loan documents finalized
May 27 or May 31, 2022	Board Meeting - Public Hearing and Board meeting to approve documents; Pre-closing
June 2, 2022	Closing

**Preliminary, subject to change*



Appendix A

Preliminary Principal Amortizations*

Period Ending	Principal (15 year Amortization)	Principal (20 year Amortization)
05/01/2023	\$65,000	\$45,000
05/01/2024	75,000	50,000
05/01/2025	80,000	50,000
05/01/2026	85,000	55,000
05/01/2027	85,000	55,000
05/01/2028	90,000	60,000
05/01/2029	95,000	60,000
05/01/2030	100,000	65,000
05/01/2031	105,000	70,000
05/01/2032	110,000	70,000
05/01/2033	110,000	75,000
05/01/2034	115,000	80,000
05/01/2035	120,000	80,000
05/01/2036	130,000	85,000
05/01/2037	135,000	90,000
05/01/2038	-	95,000
05/01/2039	-	100,000
05/01/2040	-	100,000
05/01/2041	-	105,000
05/01/2042	-	110,000
Total	\$1,500,000	\$1,500,000
Average Life	8.76 years	11.91 years

*Preliminary, subject to change.



Appendix B

Tax Roll

See Attachment