



**Port of Port Angeles, Washington**  
**Request for Commercial Bank Financing**  
**\$3,287,700\* Limited Tax General Obligation Bank Loan**  
(Responses due by 3 PM, August 12, 2015)

**OVERVIEW**

The Port of Port Angeles, Washington (the “Port”) is seeking proposals from commercial banks for a bank loan (the “Bank Loan”). The Bank Loan will be treated as a “bond” in compliance with Washington State law and will be used to refinance the Port’s outstanding Limited Tax General Obligation Bonds, 2006 (the “2006 Bonds”). The Port will select a bank which it believes will provide the best refinancing opportunity.

The Port’s outstanding LTGO bonds are currently rated A1 by Moody’s Investors Service.

A. Dashen & Associates is serving as finance advisor and K&L Gates is serving as bond counsel to the Port

The Port’s 2014 unaudited financials are included with this RFP

**ESTIMATED PRINCIPAL PAYMENTS**

The following shows estimated annual principal payments for the Bank Loan:

<b>Year</b> <b>(Dec. 1)</b>	<b>Maturity</b> <b>Amount</b>
2016	\$ 296,300
2017	300,700
2018	310,200
2019	320,100
2020	324,600
2021	334,100
2022	338,300
2023	346,700
2024	354,700
2025	<u>362,300</u>
<b>Total</b>	<b>\$3,288,000</b>

The Port currently pays principal annually on December 1 and interest semi-annually on June 1 and December 1. The Port would consider alternative repayment structures.

**TAX STATUS – TAX EXEMPT; BANK QUALIFIED**

\* Preliminary; subject to change.

The Bank Loan will be tax-exempt and designated as a “qualified tax-exempt obligation” for banks, thrift institutions and other financial institutions under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

## SCHEDULE\*

August 12	Proposals Due (3 PM)
August 17	Notification to banks, pending approval by Port Board of Commissioners
August 25	Port Board Approval of Bank Loan Resolution
September 3	Estimated closing date of Bank Loan

\*Preliminary; subject to change.

## OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS

The Port currently has the following Limited Tax General Obligation Bonds outstanding:

	<b>Par Outstanding</b>
LTGO 2006	\$ 3,485,000
LTGO 2010A (Taxable - RZDEB)	760,000
LTGO 2010B (Private Activity - Non AMT RZFB)	3,435,000
LTGO Ref 2012	<u>935,000</u>
Total LTGO Bonds Debt	\$ 8,615,000

## SECURITY FOR THE BANK LOAN

The Bank Loan will be secured by a pledge that the Port will include in its budget and levy an *ad valorem* tax on all taxable property within the Port, within and as a part of the property taxes authorized by law to be levied by the Port without a vote of the people, in an amount that, together with other lawfully available funds, will be sufficient to pay the principal of and interest on the Bank Loan as the same shall become due.

## INFORMATION REQUESTED

Please provide the following information for the Bank Loan:

1. A proposed interest rate or rates for the term of the Bank Loan. A fixed-rate loan is preferred; however, the Port will consider proposals with variable rates.
2. Any and all fees of the bank, including attorneys' fees and any other fees or charges, which will affect the evaluation of your proposal.
3. Prepayment conditions, if any.
4. Any other conditions on the purchase of the Bank Loan.
5. The closing of the Bank Loan could occur over three weeks after proposals are submitted. Will the interest rate be subject to change based on market conditions? If so, how will such change be determined?

6. Is your proposal subject to credit approval? If so, what is the estimated time frame for obtaining approval?

### **PROPOSAL SUBMISSION**

Please e-mail your proposal to Karen Goschen (kareng@portofpa.com) by 3 PM (Pacific Time) August 13, 2015. For questions, please contact Karen Goschen at 360-417-3424 or the Port's financial advisor, A. Dashen & Associates, at 425-452-9551.

**The Port reserves the right to reject any and all proposals at its sole discretion.**

### **ATTACHMENTS**

Attachment 1 – 2014 Unaudited Financial Statements