



MEMPHIS MERIT ACADEMY CHARTER SCHOOL
REQUEST FOR PROPOSAL (RFP #05)
FOR BANK LOAN FINANCING
TO PROVIDE TAX EXEMPT FINANCING

RFP Issue Date: Tuesday, June 7, 2022
Proposal Due Date: Tuesday, June 21, 2022 @ 5PM CST

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LINKS:

Memphis Merit Academy School Website: www.memphismeritacademy.org

A. PURPOSE

Memphis Merit Academy Charter School (MMACS) is requesting proposals from various financial institutions for a prospective principal amount of \$9.1M for a bank qualified, tax-exempt fixed rate financing. The proceeds will be used to finance the purchase of 4089 American Way, Memphis, TN 38118 and the complete buildout of the K-8 grade facility located at 4075 American Way, Memphis, TN 38118.

IMPORTANT INFORMATION

- Floor Plans for 4075 American Way available upon request
- Architectural Interior and Design- Pending RFP completion
- General Construction Buildout- Pending RFP completion

MMACS is seeking a 30-year financing term for the loan.

MMACS shall accept and review proposals from qualified financial institutions based upon the proposed financing structure below. MMACS shall have the right, but not the obligation, to select the financing that provides the lowest overall borrowing cost to MMACS and meets the financing requirements of MMACA, as determined by MMACS and its Board of Directors in its sole discretion.

B. STRUCTURE OF FINANCING

Amount:	100% financing in the prospective amount of \$9,100,000.00 for a immediate facility purchase of currently leased facilities and renovation loan to the 66K+ sq/ft property
Projected Funding Date:	Ability to close within 90 days from execution of purchase and sale agreement; projected for August 1, 2022.
Rate:	MMACS requests a fixed rate for the entire term of the loan. In addition, all interest rate adjustment provisions, including determination of taxability as a result of action or inaction of MMACS, must be specifically outlined in the proposal, if required by the proposer. MMACS will not accept and shall deem unresponsive any proposal that requires other interest rate adjustments based on changes in law, rule or regulation or change in corporate tax rate.
Prepayment:	MMACS requests the ability to prepay the Note in whole or in part at any time without penalty. Other prepayment provisions will be considered.
Final Maturity:	30-year

Interest Payment Dates:	MMACS would like to consider an interest only payment periods to review
Principal Payment Date:	Annually, commencing August 1, 2023
Preliminary Schedule	Upon Request
Additional Information	Ability to fund a Phased Project with general construction buildout to include the following: <ul style="list-style-type: none"> ● Phase 1: Projected at \$4,500,0000 with a completion date of June 30, 2023. ● Phase 2: Projected at \$4,600,000 with a commencement date of June 30, 2025.

C. TAX-EXEMPT OBLIGATION

MMACS will agree to comply with applicable Treasury regulations in order to maintain the status of the financing as a tax-exempt obligation.

D. ACCELERATION

MMACS will NOT accept and shall deem unresponsive, proposals that require acceleration as a remedy for a default.

E. DOCUMENTATION

All necessary documentation will be provided upon request to Betty Michelle McCline, Director of Operations at bmccline@memphismeritacademy.org .

F. PROPOSAL FORMAT/CRITERIA FOR SELECTION

Proposals will be evaluated on the basis of cost and the structure that best meets the financing requirements of MMACS, as determined by MMACS in its sole discretion.

Further, MMACS requests proposals that provide for the ability to prepay the Loan in whole or in part at any time without penalty.

In order to assist MMACS and the Board of Directors in reviewing the responses, each proposal should include the following information.

- (1) The legal name of the Bank and the primary Bank contact person(s) (include address, telephone number, facsimile number, and e-mail address).
- (2) Fixed Interest Rates for the full term of the Loan. The bidder shall give a stated time in which the proposed rate will be held, as well as the index in which the rate shall be calculated, should the stated time elapse. MMACS requests the interest rate be held until May 30, 2023. No interest rate hedge will be considered.
- (3) Describe in detail all fees and expenses which MMACS will be responsible to pay to the Bank, including its legal counsel. MMACS has retained the law firm of The Marston

Group, PLC to prepare the tax opinion, resolution and other related documents and certificates. The amounts stated in the proposal shall represent the maximum amounts payable to the Bank by MMACS. All fees and expenses, with the exception of those of Commercial Advisors and The Marston Group, PLC in excess of those stated in the proposal, shall be the sole responsibility of the Bank, and will not be paid or reimbursed by MMACS.

(4) A listing of all conditions, covenants, terms or restrictions, other than those specified in this RFP, which would be included in your commitment to provide the Loan.

G. MISCELLANEOUS

(1) MMACS will not accept proposals with reserve requirements or other restrictions to revenues or requirements to maintain minimum balances in any bank account as a condition for the Loan.

(2) MMACS 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 bidding, and to accept or reject any items or combination of items. Further, MMACS has the right to reject any proposal not meeting the requirements of this RFP. Moreover, if MMACS rejects all proposals, MMACS reserves the right to negotiate with any of the proposers or any other entity to secure the intended financing. MMACS reserves the right at any time, including after the opening and review of the proposals, to ask Proposers questions and seek clarification and additional information in regards to the proposals submitted. If a bank financing proposal is selected, the award will be to the financial institution whose response best complies with the requirements set forth in this RFP and whose bid, in the opinion of MMACS and Financial Advisor, is in best interest of MMACS, taking into consideration all aspects of the proposers' response. MMACS is not obligated to accept the lowest proposal. The award is subject to approval by the Board of Directors and contingent upon execution of a note, loan agreement and other closing documents acceptable to MMACS. MMACS reserves the right, for any reason, to rescind any award prior to the execution of a note or loan without liability to MMACS.

(3) Changes to this RFP may be made by and at the sole discretion of MMACS. Any Addenda to the RFP will be posted to MMACS' website. It is the bidder's responsibility to check for any addenda. During the proposal evaluation process, MMACS reserves the right to request additional information or clarifications from the proposers, or to allow, in MMACS' sole discretion, corrections of errors or omissions in a proposal.

(4) MMACS shall not be liable for any expenses incurred in connection with the preparation of a response or proposal to this RFP. By submitting a proposal in response to this Request for Proposals, Proposers waive and release any and all right to make claims for reimbursement of proposal preparation costs against MMACS and its officers, officials, employees, attorneys and agents.

(5) The Proposer is required to conduct its own investigation and evaluation of the creditworthiness of the Note. The Proposal has provided a link to Memphis Merit Academy's

Website (<https://www.memphismeritacademy.org/>) which has information regarding MMACS and its financial statements. Additional financial information will be provided upon request by the bidder and is NOT in any way intended to relieve the bidder of its responsibility to investigate all relevant or material facts in reaching a credit decision with respect to the Note. All requests for clarification or additional information should be directed via email to:

Memphis Merit Academy Charter School

Betty Michelle McCline, Director of Operations

Email: bmccline@memphismeritacademy.org

(6) Federal, State, City and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Bank will in no way be a cause for relief from responsibility.

(7) No successful offeror may assign any portion of the contractual agreement between the parties without prior written authorization by MMACS.

(8) Warranties – The offeror, in submission of its proposal, warrants to MMACS that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.

(9) Public Records Law.

In accordance with TCA TN-07-05-03, the Public Records Act, all Proposers should be aware that this Request for Proposals, and Proposals submitted in response thereto, are made in the public domain, and are subject to disclosure, except to the extent expressly exempted or made confidential under the Public Records Act. In accordance with TCA TN-07-05-03, TN Statutes, Proposals submitted in response to this Request for Proposals are temporarily exempt from public disclosure until such time as MMACS provides notice of an intended decision, or until thirty (30) days after opening the Proposals, whichever occurs earlier. The Proposal submitted by you may contain information, which is designated “confidential” or “exempt” from disclosure under the Public Records Act and other applicable laws. If your Proposal contains such information, you are required to advise MMACS with specificity the applicable law making those provisions exempt or confidential from disclosure and the specific information considered exempt. A generic notation that information is “exempt” or “confidential” will not suffice. Failure to provide a detailed explanation and justification including statutory cites and specific reference to your Proposal detailing what provisions, if any, you believe are exempt from disclosure, may result in your Proposal or any portion thereof, being subject to disclosure in accordance with TCA TN-07-05-03. If MMACS determines that the cited provisions of law are inapplicable or otherwise do not justify exemption or confidentiality, MMACS shall have the right to release such information and records for public inspection and copy in accordance with the Public Records Act. By submitting a proposal, the Proposer holds MMACS and its officers, officers, employees, attorneys and agents harmless concerning the disclosure of information contained within the Proposal.

(10) Discrimination; An entity or affiliate who has been placed on the debarred vendor list may NOT submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.

Definition: A Debarred Vendor is a vendor that has been debarred, suspended, proposed for debarment, excluded or disqualified under the nonprocurement common rule, or otherwise declared ineligible from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits. A list of debarred vendors may be found on the Excluded Parties List System at www.sam.gov.

H. TENTATIVE SCHEDULE

Tuesday, June 7, 2022	Issue Request for Proposal
Tuesday, June 14, 2022	Deadline to submit written questions by 5PM to bmccline@memphismeritacademy.org and lbooker@memphismeritacademy.org
Tuesday, June 17, 2022	Addendum provided with responses to written questions
Tuesday, June 21, 2022	Responses to RFP due by 5PM CST
Wednesday, June 22, 2022	Review and Recommendations by HOS and DOO
Thursday, June 23, 2022	Board of Directors Vote and Approval
Thursday, June 30, 2022	Awarding of RFP
Thursday, August 1, 2022	Closing of the Note

I. RFP INSTRUCTIONS

Please deliver one (1) unbound marked original and one (1) electronic version in PDF format. All proposals must be delivered in hard copy to MMACS at the address below by June 21, 2022 no later than 5:00 PM, Central Standard Time, as determined by MMACS, as follows:

Memphis Merit Academy Charter School

4775 American Way

Memphis, TN 38118

List the Proposal Number and RFP opening date on the outside of the box or envelope and note "Request for Proposal enclosed."

MMACS shall not bear the responsibility for proposals delivered to MMACS past the stated date and/or time indicated, or to an incorrect address by proposer's personnel or by the proposer's outside carrier.

IMPORTANT NOTICE

Notice is hereby given that Memphis Merit Academy Charter School is accepting Sealed Proposals from various financial institutions for a prospective amount of \$9.1M for a bank qualified, tax-exempt fixed rate financing as further described in the RFP document. Proposals will be received until 5:00 p.m., on June 21, 2022 by the Memphis Merit Academy's Procurement Department, 4775 American Way, Memphis, TN 38118.

RFP #05 "BANK LOAN FINANCING"

Memphis Merit Academy Charter School has issued this Request for Proposals (hereinafter, "RFP") with the sole purpose and intent of obtaining proposals from qualified financial institutions based upon the proposed financing structure listed in the RFP document.

✓ A pre-bid conference is not applicable for this solicitation.

- A non-mandatory mandatory pre-bid conference will be held on _____, commencing promptly at _____, and will be held at Memphis Merit Academy Charter School, 4775 American Way, Memphis, TN 38118.

If this pre-bid conference is denoted as "mandatory", prospective proposers must be present in order to submit a bid response.

All proposals must be delivered in hard copy to MMACS at the address below by June 21, 2022 no later than 5:00 pm. Central Standard Time in a SEALED envelope plainly marked on the outside:

RFP #05 - "BANK LOAN FINANCING".

All statements shall be made upon the official bid form which may be obtained on the Memphis Merit Academy's website at www.memphismeritacademy.org.

Memphis Merit Academy Charter School does not discriminate based on age, race, color, sex, religion, national origin, disability or marital status.

This Public Notice has been posted on Memphis Merit Academy's website: www.memphismeritacademy.org.

APPENDIX DOCUMENTS

APPENDIX A- [FY2021 Comprehensive Financial Report \(990\)](#)