



Addendum #2 – Questions & Answers

Release Date: June 19, 2019

The following is a list of responses to questions submitted by prospective respondents (“Respondents”) to the Request for Proposals (RFP) Bio-Accelerator Program Services

A copy of the RFP is available at: <https://esd.ny.gov/doing-business-ny/requests-proposals>

Responses to Questions

No.	Question	Answer
1	The RFP specifically notes that ESD will give preference to applicants who commit a greater portion of the Bio-Accelerator overhead costs. Is there consideration given to the 10-year nature of a long-term lease that would be required for a major lab build-out?	ESD will consider the respondent’s proposed investment in the program holistically, including the respondent’s long-term investment in the program after ESD’s participation in the program ends.
2	Would ESD assume any liability of such a lease in the event that ESD would not continue support after the 5th year?	No.
3	Would ESD prefer that the Bio-Accelerator develop its own custom-built lab space if such space was much more inexpensive than renting out lab space from other facilities?	ESD holds no preference on this issue. As indicated in the RFP, respondents will be scored on their proposed timeline for program implementation. Respondents will also be scored on cost.
4	Would ESD prefer that the Bio-Accelerator have an event space and hold events and activities for the life sciences community in	As stated in the RFP on Page 4, ESD is seeking a vendor that “is able to successfully promote a life science industry cluster in the



	<p>that space? If so, would ESD recognize that the trade-off of having the proposed real estate cost being significantly higher (because of an easy-to-reach central location in Manhattan) could actually be a net positive in the proposal?</p>	<p>State of New York.” ESD considers event space and the ability to hold events and convene stakeholders to be an essential component of developing a successful industry cluster and a successful program. However, program operating cost will still be scored as indicated in the RFP. Real estate in different locations will be evaluated holistically, such that real estate in a more desirable location will be understood to carry greater value.</p>
<p>5</p>	<p>Does the size of the commitment that the Bio-Accelerator would bring, in terms of its own capital that it’d be investing into the startups, play a role in ESD’s decision? Would the proven capability of the Bio-Accelerator to separately raise and/or fund a life sciences follow-on fund improve the chances of an applicant’s success?</p>	<p>As noted in the RFP on Page 9, “ESD will comprehensively consider the dollar value committed to Program operations by the Respondent and the dollar value committed to investment in participant business enterprises by the Respondent.” In addition, the RFP states on Page 10: “Successful proposals will include details on how the Respondent intends to invest in the most promising business enterprises and incentivize those enterprises to remain within New York State after graduating from the Program. Successful proposals will commit a greater amount of investment capital to enterprises participating in the Program.”</p>
<p>6</p>	<p>The RFP states that there should be 25 companies in year 1 across 2 cohorts, and 40 companies by year 5, with the expectation that the awardee is gradually increasing the number of companies completing the program each year. If the applicant believes that a smaller number of companies completing the program each year will ultimately yield greater results and a more sustainable program, can that be proposed? Or are these numbers a strict requirement of the award?</p>	<p>As stated on Page 5 of the RFP, “A minimum of 25 Program Eligible Enterprises will complete the Program during year one of operations. A minimum of 40 Program Eligible Enterprises will complete the Program during year five of operations.”</p>



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7	Would an applicant’s history of success in funding leading life sciences companies be a significant factor in the selection process?	As stated in the RFP, “Outcomes and Experience” accounts for 30 percent of the respondent’s score.
8	Does ESD expect successful applicants to already have existing life sciences networks and relationships in New York state? Are there existing relationships that ESD has with state universities and medical institutions that the awardee can leverage?	As indicated on Page 5 of the RFP, the respondent will be required to “provide access to a global life science network to mentor the participating business enterprises in the Program, while also connecting stakeholders throughout New York State (e.g. upstate universities, Pre-Accelerator Programs, incubators, and companies). The network should include potential investors and/or corporate partners.” Successful respondents will have an established life science network in New York State or a well-articulated plan to establish such a network. ESD does possess existing relationships with relevant life science entities in New York and anticipates supporting the awardee in developing this network; however, the awardee will ultimately be responsible for establishing and maintaining the network.
9	What is the extent of support that ESD will provide with facilitating relationships and collaboration from TTO’s in New York?	ESD has a vested interest in helping the awardee succeed in administering the program. To the extent ESD is able to do so, ESD anticipates facilitating relationships with TTOs for the awardee in support of a successful program.
10	Are there any specific expectations around the qualifications of the key personnel running the	The respondent’s proposed management for the program will be evaluated holistically.



	<p>Bio-Accelerator? Will ESD look to see a minimum number of PhDs on the management team of the accelerator?</p>	<p>There are no specific requirements for staff credentials.</p>
11	<p>Are there specific expectations or examples that ESD is looking for with respect to the equity allocation? Would ESD be interested in investing capital in a separate investment vehicle, to be managed by the awardee and formed with other (financially motivated) Limited Partners, solely for the purpose of follow-on investment in the top-performing startups from the accelerator? If this is a viable option, would there be a preference to:</p> <ul style="list-style-type: none">a) Invest into this vehicle separately, outside of this contract and <i>in addition</i> to the award?b) Allocate a portion of the award intended to cover operating costs into this vehicle for follow-on funding?	<p>ESD holds no specific expectations or examples with respect to equity allocation. ESD encourages respondents to refer to the RFP on this issue.</p>