



Empire State Development

COMMUNITY AND REGIONAL PARTNERSHIPS

REQUEST FOR APPLICATIONS

DIVISION OF SMALL BUSINESS AND TECHNOLOGY DEVELOPMENT

Issued: **NOVEMBER 17, 2022**

Designated Contacts for this Request for Applications:

Primary Contact:	Heidi Knoblauch
Secondary Contact:	Matt Watson
Additional Contact:	Cheyenne Keppler

All contacts/inquiries shall be made by email to the following address:
navigator@esd.ny.gov

Applications must be sent to the designated Dropbox:
<https://www.dropbox.com/request/6A3qMJTwn6v8m9ZOfPgM>

FIRST ROUND APPLICATIONS DUE DATE AND TIME:
On or before 3:00 PM EST on December 19, 2022.

Additional application windows are detailed in the request for applications table.

I. INTRODUCTION

The mission of Empire State Development (“ESD”)¹ is to promote a vigorous and growing state economy, encourage business investment and job creation, and support diverse, prosperous local economies across New York State through the efficient use of loans, grants, tax credits, real estate development, marketing and other forms of assistance.

A. Program Summary

As part of the State Small Business Credit Initiative (“SSBCI”) funding New York State (“State”) received from the United States Treasury, ESD seeks Applications from entities – such as accelerators and incubators – that provide structured programmatic support to Micro Businesses and Small Businesses with high growth potential. Under this Request for Applications (“RFA”), up to \$5 million in funding is available to be leveraged by Applicants making qualified investments in eligible Micro Businesses and Small Businesses in the State, particularly investments in SEDI-Owned Businesses.

B. Request for Application Schedule

Release of Request for Applications	November 17, 2022
This RFA will remain in Vigor for a period of 5 years, or all funds are depleted.	
Original Date for Submission of Questions	November 28, 2022
Potential Applicants will have the ability to submit their questions throughout the lifespan of the program via the designated email.	
Deadline for ESD to Respond to Questions	December 9, 2022
ESD will respond to all Inquiries on the second Wednesday of each month for all subsequent rounds.	
Original Submission of Applications	December 19, 2022 by 3:00 PM EST
Applications will be retrieved from the Dropbox on the 2nd Wednesday of every month for all subsequent rounds.	
Step I Review Complete & Invitation to Participate in Step II Review	15 days after submission deadline
Announcement of Award	30 to 60 days after monthly panel discussion
Anticipated Contract Start Date	Approximately 30 Days after notification of Award

¹Capitalized terms not otherwise defined shall have the meaning ascribed to them in Appendix A hereto.

II. PROGRAM GUIDELINES

A. Program Goals and Objectives

Through SSBCI funding, ESD is offering Applicants funding to make investments in eligible Beneficiary Companies who participate in accelerator, incubator, or other curriculum-based programming that provide founder support and mentorship. For every dollar of SSBCI funding requested, Applicants must demonstrate a dollar of private Matching Funds raised. ESD will require a 1:1 private funding matching requirement. Founder shares in return for participation or in-kind services will not count towards the 1:1 Matching Funds requirement. No investments will be authorized without validation of a commitment for private Matching Funds. Successful Applicants will leverage Partners in the State innovation ecosystem and other State economic development organizations to accelerate growth of Scalable Companies by providing programming, including, but not limited to, Technical Assistance.

B. Eligibility Requirements

Applicants must be an accelerator, incubator, or other similarly structured entity that has a primary focus on Scalable Companies. Applicants must have an established record of success in attracting, vetting, and supporting Scalable Companies commercializing innovative technologies/products that have a unique business model/market approach. Successful Applicants will show:

- Funding
 - Demonstrate availability and sources of Matching Funds that will be committed and made available for matching investments in target companies.
- Investment Processes
 - Implement best practices for vetting technologies and teams considered for investment.
- Outreach
 - Provide names of Partners and/or Partner Organizations who will be engaged to identify and recruit SEDI-Owned Businesses, to participate.
- Beneficiary Company Support
 - Detail network support and mentorship-focused programming that will be made available to companies receiving investments.
 - Provide details of the support Beneficiary Companies will receive to accelerate technology development and Beneficiary Company growth.
 - Include success stories or examples demonstrating a track record of achievement highlighting specific success stories working with Socially Disadvantaged Individuals and/or Economically Disadvantaged Individuals.
 - Provide information as to how the Applicant will connect Beneficiary Companies to Partner Organizations to accelerate growth and encourage retention.
 - Provide information as to how the Applicant will provide Technical Assistance to the Beneficiary Companies.

- Showcasing
 - Provide plans to collaborate with Partners to showcase Beneficiary Companies to secure follow-on funding and/or further accelerate growth.
- Reinvestment
 - Outline a plan for the Applicant to continue to operate after SSBCI matching funds are no longer available.
- Leadership and Staffing
 - Highlight the background and experiences of individuals that would be involved in this effort if selected.
- Company Pipeline
 - Show a sustainable infrastructure to attract and maintain a pipeline of Scalable Companies who plan to have long term impact on economic growth in the State.
 - Detail special efforts that will be used to attract and support Socially Disadvantaged Individuals and/or Economically Disadvantaged Individuals.
- Ability to Validate Technology and Team
 - Identify process for validating technologies, products and business models and vetting teams to de-risk potential investment and share this process with ESD.
- Investment History
 - Outline experience investing in Scalable Companies and support given to help those companies raise follow-on funding.
- Collaboration
 - Identify Partners that will be providing additional outreach or support to the Applicant and Beneficiary Companies.
- Recordkeeping, reporting, and control systems
 - Provide plans for tracking, measuring, and reporting on outcomes associated with the Program and controls the Applicant has or will implement to ensure appropriate use of funds.

C. Project Timeline

The contract period is anticipated to start within 30 days after award and end three years after the start date.

D. Funding Levels

i. Amount

Funding levels will range from a minimum of \$2,000,000 and a maximum of \$5,000,000. ESD reserves the right to raise or lower these thresholds depending on the number and quality of Applications received and other considerations set forth in this RFA. There is a 1:1 private investment match requirement associated with this funding.

Applicants may apply for funding to be disbursed to Beneficiary Companies throughout an agreed upon timeframe. Provided funds are available, Applicants may be eligible for additional investment funds (a second tranche) up to the original

amount, if they have remained in good standing and proved to be good partners that have successfully achieved the goals and mission of this Program and the overall SSBCI program.

ESD will release funds as necessary and agreed to upon.

In order to be eligible for additional funds, 75% of the initial award must be committed/invested and the organization must have demonstrated its effectiveness.

ii. Eligible and Ineligible Expenses

Eligible activities include but are not limited to:

- Investments in vetted Beneficiary Companies that have committed to be participants in the Applicant's curriculum and maintain a presence in NYS for at least one year;

The following limitations apply to this RFA:

- Administrative and indirect costs are PROHIBITED.

A budget template is included in this RFA.

E. Data Collection

Applicants awarded funding will be required to track and record information relevant to the success of funds provided. Items to be captured and tracked include:

- Beneficiary Companies receiving investments;
- Demographics of founders and teams;
- Business focus;
- Investment levels and sources;
- Company burn rate;
- Follow-on funding secured;
- Business milestones achieved;
- Financial metrics; and
- Other impacts identified by ESD.

III. Application Information

Please provide a narrative that includes the following information in the following order using the headings listed below. Submitted Proposals are expected to be written clearly. If Applications exceed the page limits and/or include materials not requested by the RFA, ESD will remove the extra pages and/or materials prior to the review. During the review process, Applicant institutions may be requested to submit additional written documents to answer questions or provide clarification of issues raised during the review process.

Assemble the Application in the following order:

1. Cover page
2. Table of Contents
3. Glossary of Terms Used
4. Executive Summary (max 1 page)
5. Proposal (**12-page** limit)
 - a. Applicant's experience and qualification
 - i. Demonstrate the knowledge, expertise, and experience of cultivating and supporting entrepreneurs, especially Socially Disadvantaged Individuals and/or Economically Disadvantaged Individuals.
 - ii. Highlight investment experience and portfolio of companies.
 - iii. Discuss successful acceleration efforts and any additional investments portfolio companies received.
 - iv. Explain the proposed infrastructure of the accelerator, incubator, or other structured curriculum and what makes it successful in attracting and supporting Scalable Companies.
 - v. Team background and bios.
 - vi. If this is an existing entity, provide data and metrics of outcomes that the entity has achieved.
 - vii. Describe how the Applicant will market funds to its target market and to specific communities, such as underserved areas of the State or to Socially and/or Economically Disadvantaged Individuals.
 - b. Project readiness and workplan
 - i. Offer an action plan for hitting the Program goals and tasks including outreach to potential SEDI-Owned Businesses. This needs to include a plan for recruiting and reaching underserved areas of the State.
 - ii. Detail private investment funding that will be available to match requested amount of SSBCI funding, including source and timing.
 - iii. Explain services that will be provided to assist engage and support Beneficiary Companies to achieve and meet growth milestones.
 - iv. Provide plans for retaining Beneficiary Companies in the State after the conclusion of the Applicant's programming and investment.
 - v. Include a list of Partners, the relationship the Applicant has with them, and how those Partners strengthen the Applicant's programming.
 - vi. Identify plans to coordinate with other organizations receiving funding through this Program and ways to identify and share best practices generally with other similar programs.
 - vii. Highlight vehicles that will be used to market the Program to the broader community including with private investors.

- c. Process and timeline
 - i. Explain the process for recruiting and selecting Beneficiary Companies (application; competition; grand challenge; crowd funding; etc.) for investment.
 - ii. Outline the vetting process to be used for companies and founders considered for investment.
 - iii. Highlight the expected timeline for Beneficiary Company engagement and investment. Include goals at each step of the timeline.
 - d. Use of funds
 - i. All funding will be used for equity investments. Use of funds should highlight the anticipated timing of requests for SSBCI funding.
 - ii. Provide information on controls that will be in place to be sure funds are used for appropriate and intended purposes.
 - e. Tracking, Measuring and Reporting Outcomes
 - i. Provide plans for tracking, measuring, and reporting on outcomes associated with the Program and controls the Applicant has or will implement to ensure appropriate use of funds.
6. Success Stories Appendix: success stories will not count toward the page count and should be included as an appendix.

IV. Review Criteria and Process

ESD will balance individual Application scores. For the review of eligible Applications, ESD has established the following criteria to be applied in accordance with the review process set forth in Section IV.B. In addition to addressing the review criteria stated below, refer to the proposal instructions in Section III of this RFA for specific items that must also be addressed.

A. Review Criteria

1. Organization, experience, and qualifications (25 points)
 - a. Knowledge, expertise, and experience of cultivating and supporting Micro Businesses and Small Businesses in the State, including investments in SEDI-Owned Businesses. (5 points)
 - b. Track record of acceleration efforts and investments (include success stories) in the Applicant's target market. (5 points)
 - c. Infrastructure of the organization and success in attracting and supporting SEDI-Owned Businesses. (10 points)
 - d. Strength and diversity of Applicant's management team. (5 points)
2. Project readiness, infrastructure, and plan (35 points)
 - a. Plan for hitting the Program goals and tasks including outreach to underserved areas of the State and SEDI-Owned Businesses. (7 points)
 - b. Availability of private investment funding and expected timing of investments. (7 points)

- c. Support services to be provided and network of mentors. (6 points)
 - d. Strength of strategic Partners. (5 points)
 - e. Coordination of plans with other organizations awarded under this Program. (5 points)
 - f. Ability to market programming to the Applicant's target market and to specific communities, such as underserved areas of the State or to Socially Disadvantaged Individuals and/or Economically Disadvantaged Individuals. (5 points)
3. Selection Process and (15 points)
- a. Process for selecting Beneficiary Companies (application; competition; grand challenge; crowd funding; etc.) for investment. (5 points)
 - b. Vetting process. (5 points)
 - c. Goals and timing for Beneficiary Company engagement and investment. (5 points)
4. Use of Funds (10 points)
- a. Anticipated timing of requests for SSBCI funding.
5. Reporting and measurement (10 points)
- a. Ability to accurately track, measure, and provide metrics on Beneficiary Companies.
6. Proposal Clarity (5 points)
- a. Quality of Proposal's organization, clarity, and adherence to page limitations.

B. Review Process

Applications will be reviewed and scored in a two-step process. Step I will include a review of all paper materials submitted. Applicants receiving a score of 70 or higher will be invited for Step II. Applicants invited to Step II will present their Proposal to a panel of reviewers who will have an opportunity to question Applicants regarding their Proposal for a final score.

Reviewers may include ESD staff, staff from federal or other State agencies, and individuals selected from the investment, science, business, and academic communities. The reviewers will adhere to the process described in this section and will apply the review criteria detailed above. ESD may limit the number of Applications a reviewer is required to evaluate. Each Application will be reviewed and scored by at least three reviewers.

Step I Scoring: Reviewers will independently evaluate and assign a preliminary score to Applications that have been accepted by ESD. The *preliminary scores* for an Application will be combined to provide an *initial average score* for that Application.

After the initial average scores are calculated, reviewers will convene as a group to review these preliminary scores and discuss the Applications in accordance with the review criteria. At the conclusion of the discussions, each reviewer will individually provide a *final score* for each Application based upon the panel's discussions. Applicants meeting a score of 70 or higher will be invited to present under Step II of the review process.

Step II Scoring: After listening to relevant presentations and participating in relevant Q&A, reviewers will convene to assign a final score to the Applications.

In the event that two or more Applications have the same final score, and the score is high enough for the Applicants to be considered for funding and available funding is limited, the review panel will hold an additional session to review only those affected Applications. The review panel will deliberate until there is a consensus regarding the selection.

ESD reserves the right to reject any and all Applications. ESD may recall this RFA at any time prior to award announcement and may also reject Proposals for deficiencies; waive technicalities, irregularities, and omissions; or solicit new Applications. ESD reserves the right to act in accordance with the best interests of the people of New York in its interpretation of this RFA.

Applicants and/or their surrogates are prohibited from contacting any ESD staff to advocate on behalf of a Application submitted in response to this RFA. Violation of this restriction will disqualify an Applicant's Application from the competition.

V. SUBMISSION OF APPLICATIONS

All Applications should be submitted via email by the submission date to the Dropbox <https://www.dropbox.com/request/6A3qMJTwn6v8m9ZOfPgM>

DO NOT SUBMITT APPLICATIONS VIA ANY OTHER METHOD.

The subject line should state: *"Name of Applicant – Community and Regional Partnerships"*.

Please include the following items as separate attachments for review:

- Application package
- All the forms listed

VI. QUESTIONS

All questions, comments, requests for clarification or any other communication regarding this RFA must be submitted by email to navigator@esd.ny.gov. Answers will be posted.

VII. GENERAL PROVISIONS

The issuance of this RFA and the submission of a response by an Applicant or the acceptance of such a response by ESD does not obligate ESD in any manner. ESD reserves the right to:

- i. amend, modify or withdraw this RFA;
- ii. revise any requirement of this RFA;
- iii. require supplemental statements or information from any responsible party;
- iv. accept or reject any or all responses hereto;
- v. extend the deadline for submission of responses hereto;
- vi. negotiate potential contract terms with any Bidder;
- vii. communicate with any Bidder to correct and/or clarify responses which do not conform to the instructions contained herein;
- viii. cancel, or reissue in whole or in part, this RFA, if ESD determines in its sole discretion that it is its best interest to do so; and
- ix. extend the term of any agreement on terms consistent with this RFA.

ESD may exercise the foregoing rights at any time without notice and without liability to any responding firm or any other party for its expenses incurred in preparation of responses hereto or otherwise. All costs associated with responding to this RFA will be at the sole cost and expense of the Bidder.

All information submitted in response to this RFA is subject to the Freedom of Information Law ("FOIL"), which generally mandates the disclosure of documents in the possession of ESD upon the request of any person unless the content of the document falls under a specific exemption to disclosure. In addition, Applications may be discussed at meetings of the ESD Directors, which meetings are subject to the Open Meetings Law.

ESD reserves the right, in its sole discretion, to retain and use all the materials and information, and the ideas and suggestions therein, submitted in response to this solicitation (collectively, the "Response Information") for any purpose. By submitting an Application, each Respondent waives any and all claims against ESD relating to ESD's retention or use of the Response Information.

IV. SUBMISSION REQUIREMENTS

PROCUREMENT FORMS AND REQUIREMENTS

Additional requirements for this RFA are described below. Relevant forms, where required to be submitted, must be executed and included in the submission in the same order as listed below:

1. Conflict of Interest
2. 139 J&K

3. Vendor Responsibility Questionnaire
4. Insurance Requirements
5. Non-Discrimination and Contractor and Supplier Diversity Forms - <https://esd.ny.gov/sites/default/files/OCSD-1-Policy-Statement.pdf>
6. W-9

1) Conflicts of Interest

Respondent must attest it has read, understood and will comply with the following provisions <https://esd.ny.gov/sites/default/files/Conflict-of-Interest-Attestation-June-2019.pdf>. ESD shall have the right to disqualify any respondent to this RFP or terminate any contract entered into as a result of this RFP should ESD determine that the Respondent has violated any of these requirements.

- A. Gifts and Offers of Employment:** Respondent has not and shall not during this procurement and during the negotiation of any contract resulting from this procurement, offer to any employee, member or director of ESD, any gift, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the offer was intended to influence said employee, member or director, or could reasonably be expected to influence said employee, member or director, in the performance of the official duty of said employee, member or director or was intended as a reward for any official action on the part of said employee, member or director. Respondent may not make any offers of employment or discuss the possibility of such offers with any employee, member or director of ESD who is involved in this procurement and/or resulting contract negotiation within at least 30 days from the time that the employee's involvement in this matter closed.
- B. Disclosure of Potential Conflicts:** Respondent shall disclose any existing or contemplated relationship with any other person or entity, including relationships with any member, shareholders of 5% or more, parent, subsidiary, or affiliated firm, which would constitute an actual or potential conflict of interest or appearance of impropriety, relating to other clients/customers/employers of the Respondent or former officers and employees of ESD, in connection with your rendering services enumerated in this RFP. If a conflict does or might exist, Respondent must describe how it would eliminate or prevent it.

Disclosure of Ethics Investigations: Respondent must disclose whether it, or any of its members, shareholders of 5% or more, parents, affiliates, or subsidiaries, have been the subject of any ongoing investigation or disciplinary action by the New York State Commission on Public Integrity or its predecessor State entities (collectively, "Commission"), and if so, a description must be included indicating how any matter before the Commission was resolved or whether it remains unresolved.

2. State Finance Law Sections 139J and 139K forms

State Finance Law Sections 139-j and 139-k (collectively, the “Procurement Requirements”) apply to this RFP. These Procurement Requirements: (1) govern permissible communications between potential Bidders and ESD or other involved governmental entities with respect to this RFP; (2) provide for increased disclosure in the public procurement process through identification of persons or organizations whose function is to influence procurement contracts, public works agreements and real property transactions; and (3) establish sanctions for knowing and willful violations of the provisions of the Procurement Requirements, including disqualification from eligibility for an award of any contract pursuant to this RFP. Compliance with the Procurement Requirements requires that all communications regarding this RFP, from the time of its issuance through final award and execution of any resulting contract (the “Restricted Period”), be conducted only with the designated contact persons listed above; the completion by Bidders of the Offeror Disclosure of Prior Non-Responsibility Determinations, and the Offeror’s Affirmation of Understanding and Agreement pursuant to State Finance Law (each form is accessible at the Required Forms for Vendors link at the ESDC web site under “RFPs/RFQs”); and periodic updating of such forms during the term of any contract resulting from this RFP.

Bidders must submit the Offeror Disclosure of Prior Non-Responsibility Determinations, and the Offeror’s Affirmation of Understanding and Agreement pursuant to State Finance Law as part of their submittal. Copies of these forms are available at:

https://esd.ny.gov/CorporateInformation/Data/RFPs/RequiredForms/SF_Law139_JK.pdf.

The Procurement Requirements also require ESD staff to obtain and report certain information when contacted by Bidders during the Restricted Period, make a determination of the responsibility of Bidders and make all such information publicly available in accordance with applicable law. If a Bidder is found to have knowingly and willfully violated the State Finance Law provisions, that Bidder and its subsidiaries, related or successor entities will be determined to be a non-responsible Bidder and will not be awarded any contract issued pursuant to this solicitation. In addition, two such findings of non-responsibility within a four-year period can result in debarment from obtaining any New York State governmental procurement contract. The designated contact account for this solicitation is referenced on the cover of this RFP.

This is not a complete presentation of the provisions of the Procurement Requirements. A copy of State Finance Law Sections 139-j and 139-k can be found at:

http://esd.ny.gov/CorporateInformation/Data/RFPs/RequiredForms/PermissibleContactsPolicy_Jan2007.pdf.

All potential Bidders are solely responsible for full compliance with the Procurement Requirements. Both the prime consultant and any sub-consultants complete the forms required above.

3. Vendor Responsibility Questionnaire

All Respondents to this RFA must be “responsible,” which in this context means that they must have the requisite financial ability, organizational capacity and legal authority to carry out its obligations under this RFA, and in addition must demonstrate that both the Respondent and its principals have and will maintain the level of integrity needed to contract with New York State entities such as ESD. Further, the Respondent must show satisfactory performance of all prior government contracts. Accordingly, the contract to be entered into between ESD and the Respondent, if any, shall include clauses providing that the Respondent remain “responsible” throughout the term of the contract, that ESD may suspend the contract if information is discovered that calls into question the responsibility of the contracting party, and that ESD may terminate the contract based on a determination that the contracting party is non-responsible. On request, model language to this effect will be provided to any Respondent to this RFQ.

To assist in the determination of responsibility, ESD requires that all respondents to this RFA register in the State's Vendor Responsibility System (“Vend-Rep System”). The Vend-Rep System allows business entities to enter and maintain their Vendor Responsibility Questionnaire information in a secure, centralized database. New York State Procurement Law requires that state agencies award contracts only to responsible vendors. Respondents are to file the required Vendor Responsibility Questionnaire online via the Vend-Rep System or may choose to complete and submit a paper questionnaire. Please include a copy of your Vend-Rep submission receipt or paper questionnaire with your Proposal.

To enroll in and use the Vend-Rep System, see the System Instructions available at www.osc.state.ny.us/vendrep or go directly to the Vend-Rep system online at <https://portal.osc.state.ny.us>. For direct Vend-Rep System user assistance, the Office of the State Comptroller’s Help Desk may be reached at 866-370-4672 or 518-408-4672 or by email at helpdesk@osc.state.ny.us.

Respondents opting to file a paper questionnaire can obtain the appropriate questionnaire from the Vend-Rep website (http://www.osc.state.ny.us/vendrep/forms_vendor.htm) and execute accordingly pertaining to the company’s trade industry. Per the website, respondents are to “Select the questionnaire which best matches the business type (either For-Profit or Not-For-Profit) and business activity (Construction or Other).”

4. Insurance Requirements

The prospective CDFI/CBLO will be expected to show evidence of the following insurance requirements, (at a minimum and to the extent applicable) as listed below:

- Commercial General Liability insurance - \$1 million per occurrence / \$2 million aggregate

- The NYS Urban Development Corporation (d/b/a Empire State Development) must be named as an “additional insured” on a primary and non-contributory basis on the policy
- The policy above should include a waiver of subrogation in favor of the NYS Urban Development Corporation (d/b/a Empire State Development)

5. Non-Discrimination and Contractor & Supplier Diversity Requirements

Participating lenders shall adhere to ESD’s Non-Discrimination and Equal Employment Opportunity (“EEO”) policy. Where applicable, ESD may require lenders and other beneficiaries of the Program to provide Equal Employment Opportunity (EEO) data in accordance with New York State regulations.

Additional information regarding the EEO requirements may be obtained through the ESD’s Office of Contractor and Supplier Diversity at OCSD@ESD.NY.GOV.

6. W-9 Form

Provide a completed W-9 form (<https://www.irs.gov/pub/irs-pdf/fw9.pdf>), submit with Proposal.

V. Appendices to this RFA

Appendix A – Definitions

Appendix B – Required Forms (Documents must be provided with the Proposal)

Appendix C – Contractual Requirement Forms (Documents must be provided with the Proposal)

Appendix A – Definitions

For the purposes of this RFA the following words or terms shall mean as follows:

Application: A Proposal submitted with a cover page, table of contents, glossary of terms used, executive summary, and success stories.

Applicant: For eligibility purposes, an Applicant is an accelerator, incubator, or other entity that supports Micro Businesses and Small Businesses, and satisfies the following criteria:

- i) has a demonstrated ability to raise a minimum of \$2,000,000;
- ii) has a structured mentorship-centered curriculum that helps Beneficiary Companies refine business ideas with structured programming;
- iii) has resources, network(s), and demonstrated intent to invest in companies located in New York State; and
- iv) targets investment sectors that are technology related or high growth oriented (e.g., including but not limited to life sciences, advanced manufacturing, clean tech, and food/agriculture).

Beneficiary Companies: Beneficiary Companies include the following:

- i) Micro Businesses or Small Businesses located in New York State. Prior to the investment of SSBCI funds in a Beneficiary Company, the Beneficiary Company must agree, pursuant to a written agreement satisfactory to ESD, that the Beneficiary Company will be, located and remain located within the State for a period satisfactory to ESD. In the event a Beneficiary Company breaches this obligation, restitution must be made in a manner satisfactory to ESD, and such restitution will be specified in the investment agreements.
- ii) An Applicant shall invest SSBCI funds in a Beneficiary Company on the same terms as other investors in the financing. The Applicant must also invest its own private capital in a proportionate amount as defined in the investment agreements. Under no circumstances will an Applicant invest more than \$500,000 of SSBCI Funds in a Beneficiary Company nor will it invest SSBCI Funds in any single round of equity financing that is a total of more than \$10,000,000.
- iii) Investments in Beneficiary Companies may take the form of equity or hybrid Investments, including convertible debt and SAFEs.
- iv) Applicants will make individual investment decisions.

- v) Beneficiary companies who qualify under the definition of SEDI-Owned Businesses should be considered.
- vi) Applicants and Beneficiary Companies are subject to the terms and conditions set forth in the SSBCI Capital Program Policy Guidelines, as such may be amended from time to time (<https://home.treasury.gov/system/files/136/SSBCI-Capital-Program-Policy-Guidelines.pdf>), and any applicable Allocation Agreement(s) entered into the with the United States Treasury.
- vii) All investments made in Beneficiary Companies must be matched by other sources of private capital at a ratio equal to or greater than (1:1) at all times.
- viii) Funding provided by the State of New York, or other public sources of capital, including but not limited to, New York Ventures, shall not be counted toward satisfying the matching requirements for an Applicant.

Economically Disadvantaged Individual: As defined in 15 U.S.C. § 637(a)(6)(A), economically disadvantaged individuals are those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged. In determining the degree of diminished credit and capital opportunities, the analysis shall consider, but not be limited to, the assets and net worth of such socially disadvantaged individual. In determining the economic disadvantage of an Indian tribe, the analysis shall consider, where available, information such as the following: the per capita income of members of the tribe excluding judgment awards, the percentage of the local Indian population below the poverty level, and the tribe's access to capital markets.

Matching Funds: A non-reimbursable component of a project's total cost that is reflective of the Applicant's commitment to the Program.

Micro Business: A micro business which is a resident in New York State, independently owned and operated, not dominant in its filed and employs ten or less person.

Partners or Partner Organizations: Those organizations that will assist the Applicant in achieving its mission. Partner Organizations may include, but are not limited to, other schools or departments within the Applicant, Manufacturing Extension Partnership centers, NYS Certified Business Incubators and Innovation Hot Spots, Centers of Excellence, other Centers for Advanced Technology, technical and community colleges, Small Business Development Centers, Empire State Development programs, and other similarly focused not-for-profit organizations and programs.

Program: Community and Regional Partnership Program outlined in this RFA made possible by the SSBCI Capital Program, a federal program administered by the Department of the Treasury.

Proposal: A narrative submitted by an Applicant in response to this Request for Application.

Scalable Company: Companies that create or employ disruptive technologies and have a high likelihood of generating a return on investment.

Small Businesses: A small business shall be deemed to be one which is resident in New York State, independently owned and operated, not dominant in its field, and employs one hundred or less persons.

Socially Disadvantaged Individual: As defined in 15 U.S.C. § 637(a)(5), socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

SEDI-Owned Businesses: Business enterprise owned and controlled by Socially and Economically Disadvantaged Individuals. As defined in 12 U.S.C. § 5701(15) such an enterprise is one that meets the following criteria:

- (A) if privately owned, 51 percent is owned by one or more socially and economically disadvantaged individuals;
- (B) if publicly owned, 51 percent of the stock is owned by one or more socially and economically disadvantaged individuals; and
- (C) in the case of a mutual institution, a majority of the Board of Directors, account holders, and the community which the institution services is predominantly comprised of socially and economically disadvantaged individuals.

Socially and Economically Disadvantaged Individual: As defined in 12 U.S.C. § 5701(18), the term “socially and economically disadvantaged individual” means an individual who is a socially disadvantaged individual or an economically disadvantaged individual, as such terms are defined, respectively, under 15 U.S.C. § 637 and the regulations thereunder.

State Small Business Credit Initiative (SSBCI): SSBCI is a program managed by the U.S. Department of the Treasury that allocates funding to state development finance agencies to create specialized small business access to capital programs.

Technical Assistance: Business technical assistance is provided to an entrepreneur to address ongoing or specific challenges or needs arising from COVID-19, such as application to an array of federal and state disaster programs that includes SBA disaster loans, Paycheck Protection Program, development of a business plan or the resolution of a production, supply chain, operation, resiliency, or marketing problem. When a business is in formation, monitoring will help define specific and/or ongoing needs early. This assistance often is on a one-to-one basis (physically or virtually) in a consulting format.

APPENDIX B: Required Forms

- RFA Budget Form- (Applicant must provide an Excel file)

APPENDIX C: Administrative Proposal (Contractual Requirement Forms)

1. Conflict of Interest
2. 139 J&K
3. Vendor Responsibility Questionnaire
4. Insurance Requirements
5. Non-Discrimination and Contractor and Supplier Diversity Forms -
<https://esd.ny.gov/sites/default/files/OCSD-1-Policy-Statement.pdf>
6. W-9