



**Empire State
Development**

New York State's
Community Development Financial Institution
(CDFI)
Assistance Program
Request for Proposals

ISSUED: August 10, 2017

IMPORTANT NOTICE: A restricted period under the Procurement Lobbying Law is currently in effect for this Procurement and it will remain in effect until approval of the Contract. Bidders are prohibited from contact related to this procurement with any New York State employee other than the designated contacts listed below (refer to: <http://ogs.ny.gov/aboutogs/regulations/advisoryCouncil/StatutoryReferences.html>).

Designated Contacts for this Procurement:

Primary Contact: Ralph Volcy

Secondary Contact: John Discolo

All contracts/inquiries shall be made by email to the following address:

CDFI-APRFP@esd.ny.gov.

**PROPOSAL DUE DATE AND TIME: September 15, 2017, 12:00 PM ET
(Late proposals cannot be accepted)**

Table of Contents

I. INTRODUCTION	2
II. OVERVIEW	2
III. GUIDELINES	2
IV. SCOPE OF WORK	4
V. REQUIRED INFORMATION	5
VI. SCHEDULE OF DATES	10
VII. SELECTION CRITERIA	10
VIII. SUBMISSION OF PROPOSALS	11
IX. DEFINITIONS	11
X. QUESTIONS	13
XI. GENERAL PROVISIONS	14
XII. FORMS AND REQUIREMENTS	14

I. INTRODUCTION

The mission of Empire State Development (ESD) 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.

II. OVERVIEW

Up to \$2,000,000 in grant support is available to certified Community Development Financial Institutions that make loans to small businesses. The purpose of ESD's Community Development Financial Institution (CDFI) Assistance Program (the "Program") is to strengthen and expand the capacity, products, and services of certified CDFIs' lending programs for small businesses and/or minority and women business enterprises (collectively "M/WBEs") (see page 11 through 12 of this RFP for definitions) throughout New York State. Since the program's inception in 1997, more than \$25 million has been awarded to more than 50 CDFIs across the state.

III. GUIDELINES

- A. Projects - ESD seeks proposals from certified CDFIs that will have the following effects in the communities in which they are located:
 1. Increase business ownership and business expansion among small businesses, with special emphasis on minority group members and women and those that operate in distressed and highly distressed communities;
 2. Help entrepreneurs, with special emphasis on minority and women-owned startups, make the transition into small-growth companies;
 3. Increase access to financing by small businesses, with special emphasis on minority and women-owned firms;
 4. Facilitate the creation/retention of private sector jobs.

- B. Eligibility Requirements - To be eligible to receive grant proceeds from ESD, all applicants must:
 1. Provide proof that the organization is certified by the United States Department of the Treasury as a CDFI on the date of grant approval by ESD's Chief Executive Officer, and on the dates of all disbursements of ESD funds. Program awards will be contingent upon current Federal certification and/or recertification status.
 2. Obtain New York State Prequalification and related registration standards through the Grants Reform System. This will ensure eligibility to participate in this future RFPs and receive potential program awards (see instructions in section XII (C));
 3. Primarily focus its activities on M/WBE and/or small business lending, as described in section IV of this RFP.
 4. Be legally able to receive and use the proceeds as herein stated;
 5. Meet any other requirements herein stated for the specific purpose of the grant; and
 6. Be current with reporting requirements for any other ESD assistance, including any previous CDFI Program funding.

C. Partnerships - Applicants may submit proposals independently, but ESD encourages applicants to pursue partnerships and submit joint proposals.

1. Joint Proposals

- a. Applicants and co-applicants must both be certified CDFIs;
- b. ESD will consider applicants whose program capacity will complement each other, building off of historical strengths. Partners should demonstrate the ability to provide one-one-one technical assistance that supports the need of the M/WBEs and small businesses that seek access to capital. For example, one CDFI might focus on underwriting services and collections, while the co-applicant might focus on neighborhood business deal sourcing, TA and loan packaging.
- c. Applicants need not use grant funds in the same way and should divide the budget in accordance with the role of each partner. For instance, one applicant may request grant support for Technical Assistance, while the co-applicant requests funds for Institutional Capacity.

2. Independent Proposals

- a. Organizations must demonstrate the ability to provide CDFI services in an impactful way, independently.
- b. ESD will consider individual proposals if there is significant capacity or limited availability of partnerships in service areas.
- c. Applicant must demonstrate strong lending capacity and the ability to provide independent technical assistance services, such as one-on-one assistance, peer lending groups and strong training components.
- d. Applicant must demonstrate strong linkages with non-CDFI service providers in the area, which can support its efforts and help source clients.

D. Grant Amount

For Partnerships and other applicants, Grant awards will generally not exceed \$100,000. ESD reserves the right to award grants in amounts greater than \$100,000 depending upon the number and quality of proposals received and other considerations set forth in this RFP. The project period will generally be no longer than twelve (12) months. Higher award levels will generally be made to organizations that apply jointly.

E. Funding Source

The Program will be funded from the 2017-2018 New York State CDFI Budget Appropriation of \$1.795 million and an additional \$205,000 of unused grant funds from prior funding rounds, to provide support for both the M/WBE and small business communities.

F. Project Timeline

Project period will last from January 1, 2018 through December 31, 2018.

G. Additional Conditions

1. Project final payment requests from the previous CDFI Assistance Program round must be submitted on or before the start date of the new project.
2. ESD will establish reporting requirements to account for the utilization of grant proceeds by the CDFI. The grant is to be used only for the purposes stated in the organization's proposal or otherwise approved, in writing, by ESD.
3. All activities generated by funding from ESD, or toward which ESD grant proceeds are used, shall be conducted according to the standard business practices of the recipient organization and any agreements with ESD.

IV. SCOPE OF WORK

The Program will make grants available to CDFIs for four general purposes:

A. The Provision of Technical Assistance

Funds may be used to provide Technical Assistance ("TA") to M/WBEs and/or small businesses that currently have outstanding loans from the organization or that may borrow funds from the organization within one year of the date of application for ESD funds. This TA should be geared toward ensuring the success of business borrowers and the repayment of their loans. In addition, funds may be used to provide TA to existing borrowers or potential borrowers to obtain State M/WBE Certification. Funds may also be used to provide technical assistance to enroll M/WBEs and/or small businesses in business-focused Individual Development Account (IDA) programs that have previously received funding through the Program.

Preference will be given to proposals that emphasize the provision of one-on-one consultation with borrowers on such business development topics as financial record keeping and financial statement preparation, tax issues, marketing, the use of technology, etc. TA may be provided by qualified staff or outside business development consultants.

For grant proceeds to be used toward technical assistance:

1. The applicant must take specific actions to ensure the participation of M/WBEs and/or small businesses in the TA program, as well as those that are located in distressed and highly distressed areas;
2. The assistance must be directly relevant to the beneficiaries' businesses;

B. Loan Capital (for term loans and/or lines of credit)

Grant proceeds may be used for loan capital so long as:

1. The approved loan is for a business purpose;
2. Awards of loan capital are dependent upon leveraging other funds for loan capital
3. In limited instances, ESD may consider allowing grant proceeds to be used for refinancing a previously made loan.

Grant proceeds may be used for loan loss reserves only in the event that:

1. The funds are used to leverage new loans or lines of credit for business purposes;

2. The applicant specifies the aggregate principal amount of new lending that will be leveraged by the loan loss reserve or line of credit reserve funds being requested (i.e., the number of new loans or lines of credit leveraged by the loan loss reserve requested, the total amount of new loans or lines of credit, and the percentage of principal to be leveraged represented by the requested reserve funds); and
3. The applicant describes the rationale used to determine the loan loss reserve ratio proposed above, and specifically explains how the proposed loan loss reserve ratio relates to:
 - a. The applicant's historic and anticipated volume of lending to M/WBEs and/or small businesses;
 - b. The applicant's historic rates of loan or line of credit losses and loan loss or line of credit reserve; and
 - c. The reserve requirements specified by the applicant's regulators or relevant funding sources (if loan loss ratio is different, please explain).

C. Institutional Capacity

Funds may be used to increase the institutional capacity of the CDFI and strengthen its provision of products and services to M/WBEs and/or small businesses. Funds may be used to support activities that enhance management capacity and organizational development so that the CDFI can improve its performance, offer enhanced products and services, and/or encourage greater client participation in current programs. Preferred activities include assessing the present and future needs of the organization's target market, evaluating the economic impact of past activities, and establishing systems for evaluating and reporting the impact of future activities. Funds may also be used to reimburse for travel incurred for training and industry conferences that are primarily about small business lending, as well as to travel to meet with small business clients when Travel Policy requirements are met. In addition, funds may be used for specific purposes including, but not limited to, the hiring of consultants, implementation of a market survey or marketing campaign and the purchase of computer software. Note, funds may not be used to purchase computer hardware.

D. Administrative support

Up to 10% of the grant proceeds may be used for administration of the CDFI's technical assistance and small business lending programs, including the costs of administering ESD grants, and other overhead and indirect costs (i.e., a portion of the rent or utilities, marketing materials, supplies or salaries) associated with the provision of technical and financial assistance.

V. REQUIRED INFORMATION

Please provide a narrative that includes the following sections in the following order, using the headings listed below.

- A. Organization Information (If a joint applicant, provide a section on each applicant)

1. General: Describe the following:
 - a. The organization's mission and history, including the number of years of providing technical and financial assistance to M/WBEs and/or small businesses and efforts to serve start-up firms;
 - b. The geographic service area and/or targeted populations served by the organization, including any emphasis on startups, credit risks, other businesses that lack access to credit, and whether other CDFIs serve this geographic area and/or target population. Please also comment on the percentage of your clients that are located in distressed and/or highly distressed communities.
 - c. The types of financial and technical assistance products and services offered and how many clients receive these services each year;
 - d. The organization's marketing strategy and coordination with other community-based organizations. Please be specific about how the organization works with other community-based organizations to reach small and M/WBE businesses and where possible, quantify referrals made by other community-based organizations or provide some details to illustrate the depth of the relationship. Please include efforts to work with women and minority organizations, associations or chambers of commerce.
 - e. The management capacity/professional experience of key staff (refer to attached resumes as appropriate);
 - f. The organization's strategic plan. If the organization does not have a strategic plan, please describe some of the goals that the organization hopes to achieve in the next three years. Please also comment on the organization's progress in meeting goals outlined in last year's proposal, if submitted.
2. Lending Activity: Provide the following information (include organization's loan policy manual and make reference as applicable):
 - a. Describe credit analysis and due diligence procedures employed in the loan/line of credit program.
 - b. Describe loan or line of credit approval and portfolio monitoring/collections procedures.
 - c. Provide business loan (or line of credit, if applicable) reports, certified by an organization officer, showing the following:
 - i. The number of business loan or line of credit applications received and the number approved, and the number and aggregate principal amount of business loans closed for the years 2014, 2015 and 2016;
 - ii. The number and aggregate principal amount of business loans disbursed or line of credit extended to M/WBEs and/or small businesses in 2014, 2015 and 2016.

- iii. The number of business loans or lines of credit that were current in their repayments or were under 31 days past due, and the aggregate amount of principal outstanding for those loans, as of December 31, 2016;
- iv. The number of business loans or lines of credit with payments past due as of December 31, 2016, and the aggregate amount of principal outstanding for those loans, in the following categories: 31-60 days past due, 61-90 days past due, and 90+ days past due; and the total amount of principal outstanding for all three delinquency categories.
- v. The Delinquency Ratio as of December 31, 2016 (the ratio of the principal outstanding for business loans or lines of credit with payments 31 days or more past due, divided by the total amount of business loan or line of credit principals outstanding);
- vi. The number of business loans and aggregate amount of business loan principal charged off in 2014, 2015 and 2016;
- vii. The number of business lines of credit and aggregate amount of business credit line principal charged off in 2014, 2015 and 2016;
- viii. The Net Loan Loss and Line of Credit Loss Ratios for 2014, 2015 and 2016 (net charge-offs of business loans during the year, divided by the total amount of business loan or credit line principals outstanding at year-end).
- ix. The Loan Loss Reserve and Line of Credit Loss Reserve Ratios as of December 31, 2016 (total business loan loss reserve divided by total business loan principal outstanding).
- x. Capital Available as of December 31, 2016 (please include formula used):
 - 1) Total Borrowed Capital, Equity and Equity Equivalents immediately available for lending
 - 2) Total Committed Capital (*Funds committed to your organization by an outside source that are available for lending but have not yet been drawn down. Such undrawn funds can consist of both debt and equity but excludes lines-of-credit. Attach a list of sources and amounts committed*)

B. Project Activities, Results, and Implementation

Describe in detail how this grant from ESD would be used:

1. Describe the specific activities that will be undertaken and funded through the project.
If a joint application, for each item below, identify the roles and responsibilities of each co-applicant.
 - a. If requesting funds for technical assistance, describe in detail the nature of the technical assistance to be provided, describe the systems in place to deliver these services, and the ways that such technical assistance will support your

organization's lending activities. Describe the overall technical assistance program as well as the specific ways in which ESD grant funds will be used. If the provision of one-on-one technical assistance to businesses is identified as a measurable goal in section 2.b below, such assistance must be substantive and generally should involve face-to-face meetings. Assistance should be provided on business development topics and may include financial analysis, marketing, and the assistance with the preparation of business plans, financial statements and applications for financial assistance. Please indicate the number of businesses to which your organization will provide TA, and the percentage of clients that will receive pre-loan and post loan TA.

- b. If proposing activities open to the public such as workshops and seminars, describe those specific actions that will be taken to ensure the participation of minorities and women and efforts that will be taken to continue to engage participants once the event ends. If requesting loan capital, line of credit or loan loss reserve funds, refer to the Scope of Work set forth in Section IV.B of this RFP and provide the information specified in that Section.
 - c. If requesting funds for institutional capacity, refer to the guidelines set forth in Section IV.C of this RFP and provide the information specified in that Section.
 - d. If requesting funds for loan capital, explain the need for this type of funding in terms of the applicant's overall supply and demand for loan capital or lines of credit, including a discussion of other sources of loan or credit line capital that are available to the applicant, as well as the rationale for requesting this form of funding as opposed to funding for loan loss reserve that could leverage other sources of capital; and the ways in which the benefits of this funding will be passed along to M/WBE and small businesses borrowers.
 - e. Discuss the need and level of demand for these activities in the target community. Please include which other CDFIs serve the target community, how the applicant's services are unique, and how the applicant works with other CDFIs that serve the target community.
 - f. Identify the reasons that your organization requires grant assistance in order to undertake these activities.
 - g. Identify any other entities involved in the project (other community development organizations; units of local, state or federal government, etc.), and describe the nature of their involvement.
2. List the specific goals that the organization will achieve as a direct result of the requested grant funding, and provide a timeline for the project (see attached example Exhibit D).
 - a. Include the measurable outcomes (number and type of beneficiaries, number of loans made, etc.) and the economic impact to be achieved as a direct result of

ESD grant funding. These goals should be realistic and achievable based on the applicant's experience in operation as a CDFI. The proposed goals should reflect only the funding being requested. For example, if funds will be used to pay for only part of the salary of a technical assistance provider, describe the goals to be achieved only during that portion of the individual's time that will be funded with ESD grant funds. Applicants may also describe goals for the organization as a whole and the ways that ESD's grant funds would contribute to the attainment of these broader goals.

- b. Describe how these goals compare to the organization's achievements in the past three years (i.e. do these goals represent increased activity, decreased activity, no change, etc.)

3. Provide a detailed budget for the project.

- a. Include funding sources, personnel service costs (with job title and description), consultant fees (identify consultant if known), and a breakdown of all other technical assistance costs.
- b. Describe the ways, if any, that ESD's grant funds would leverage other revenue sources.

4. Provide the following:

- a. Completed Exhibit A1: Cover Sheet
- b. Completed Exhibit A2: Cover Sheet - Secondary or Co-Partner Application (if applicable)
- c. Complete Exhibit B: Proposal Summary
- d. Complete Exhibit C: Project Budget
- e. Complete Exhibit D: Project Description - Tasks & Timeline
- f. Annual financial statements for the past three years, including a draft of the applicant's internal statements or the most recent interim statements, if annual statements are more than 12 months old.
- g. Loan Portfolio Accounts Receivable Aging Report (Refer to Exhibit E)
- h. Proof of current Federal CDFI Certification and/or recertification.
- i. If the applicant has previously received ESD funding through the CDFI Assistance Program, attach:
 - i. A copy of the final report narrative (GDA Exhibit B without attachments) submitted for the last two completed projects,
 - ii. An interim Technical Assistance and Lending Report and Institutional Capacity Report (GDA Exhibit G-2) without attachments from any grant disbursement agreement still in effect (primarily round 18 of the CDFI Assistance Program), with a description of the organization's cumulative progress toward the goals

listed in Exhibit A of said agreement, and the anticipated date of project completion. Include a separate sheet indicating the Project Numbers, Project Names, ESD Program Names, and the Total Grant or Loan Amounts for each active ESD project.

- iii. Information on the current status of each grant in terms of the amount of funding awarded and the amount disbursed to date by ESD.

VI. SCHEDULE OF DATES

Release of RFP	August 10, 2017
Deadline for Submission of Questions	September 4, 2017 @ 5:00 PM ET
Deadline for ESD to Respond to Questions	September 8, 2017
Pre-bid meeting (if applicable)	TBD
Submission of Proposals (date and time)	September 15, 2017 @ 12:00 PM
Interviews (if necessary)	TBD
Announcement of Grantees and Awards	November 30, 2017
Anticipated Contract Start Date	January 1, 2018

VII. SELECTION CRITERIA

- A. ESD will balance individual application scores with priorities for geographic distribution across NYS. The evaluation criteria will include the following:
 1. Completeness of the proposal
 2. Organizational capacity and stability
 3. Track record of small business lending in NYS, especially in underserved communities and to underserved populations that have difficulty accessing traditional credit markets
 4. Compliance of the proposal with the “Guidelines” section and other terms and conditions of this request for proposals
 5. The applicant’s record in meeting the performance goals, timelines and reporting requirements established under previous CDFI Assistance Program awards from ESD, if any. ESD may choose not to consider proposals from organizations that are not in compliance with the contracting and reporting requirements of previous CDFI Assistance Program awards, or that have substantial funding available through previous awards.
 6. The applicant’s operating budget and institutional capacity for using grant funds effectively.
 7. The applicant’s capacity to illustrate a strategic plan and describe how ESD’s assistance will help the grantee achieve this plan.
 8. Applicant’s ability to demonstrate a strong lending base, underwriting capacity, deal-sourcing capacity, and a low default ratio.

- B. Additional Considerations

1. In cases where applicants propose activities similar to those funded by ESD via existing or pending CDFI Assistance Program agreements with the applicant (“Follow-on Activities”), ESD may choose not to approve additional funding for such activities. If ESD does agree to fund such Follow-on Activities, no new grant funds awarded pursuant to this RFP for such activities will be disbursed until the similar activities funded through existing agreements have been completed in accordance with the terms of such agreements. ESD alone will determine whether proposed activities qualify as Follow-on Activities.
2. By submitting its proposal, each applicant authorizes ESD to contact any and all other persons identified in its proposal or in any investigation conducted by or on behalf of ESD or the State, and obtain the release of pertinent financial and other information, as well as to obtain verification of the information provided by each applicant.
3. ESD will not be held liable for any costs incurred by any applicant for work performed in the preparation and production of a proposal, nor for any work performed prior to written authorization from ESD to proceed. All proposals submitted will become the property of ESD.
4. *ESD reserves the right to:*
 - a. reject any or all proposals received;
 - b. award grants in any amount;
 - c. require the submission of modifications or additions to proposals as a condition of further participation in the selection process; and
 - d. Amend this request for proposals.

VIII. SUBMISSION OF PROPOSALS

- A. Please submit 4 unbound copies of the application AND an electronic copy (CD or flash drive).
- B. All proposals must be sent to the Procurement Unit
Empire State Development
633 Third Avenue 35th Floor
New York, New York 10017-8167
Attention: Hector Morel
RE: RFP, CDFI Assistance Program

IX. DEFINITIONS

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

- A. 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.
- B. Minority Business Enterprise (“MBE”)

A business enterprise, including a sole proprietorship, partnership or corporation that is: (i) at least fifty-one percent (51%) owned by one or more Minority Group Members; (ii) an enterprise in which such minority ownership is real, substantial and continuing; (iii) an enterprise in which such minority ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; (iv) authorized to do business in the State of New York, is organized on a for-profit basis, and is independently owned and operated out of a fixed business location; (v) an enterprise owned by an individual or individuals, whose ownership, control and operation are relied upon for certification, with a personal net worth that does not exceed three million five hundred thousand dollars, as adjusted annually on the first of January for inflation according to the consumer price index of the previous year; and (vi) an enterprise that is a small business pursuant to subdivision twenty of this section.

C. Minority Group Member

A United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups: (i) Black persons having origins in any of the Black African racial groups; (ii) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Indian or Hispanic origin, regardless of race; (iii) Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands; and (iv) Native American or Alaskan native persons having origins in any of the original peoples of North America.

D. Women-owned Business Enterprise (“WBE”)

A business enterprise, including a sole proprietorship, partnership or corporation that is: (i) at least fifty-one percent (51%) owned by one or more citizens or permanent resident aliens who are women; (ii) an enterprise in which the ownership interest of such women is real, substantial and continuing; (iii) an enterprise in which such women ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; and (iv) authorized to do business in the State of New York, is organized on a for-profit basis, and is independently owned and operated out of a fixed business location; (v) an enterprise owned by an individual or individuals, whose ownership, control and operation are relied upon for certification, with a personal net worth that does not exceed three million five hundred thousand dollars, as adjusted annually on the first of January for inflation according to the consumer price index of the previous year; and (vi) an enterprise that is a small business pursuant to subdivision twenty of this section.

E. M/WBE Certification

The official determination by the New York State Division of Minority and Women’s Business Development of a business enterprise as a bona fide minority and/or women-owned business enterprise.

For more information on M/WBE certification, please see our website at: www.esd.ny.gov/mwbe.html or call (1-800-782-8369) for more information.

F. Technical Assistance

Business technical assistance is provided to an entrepreneur to address ongoing or specific challenges or needs, such as the development of a business plan or the resolution of a production 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 in a consulting format.

Technical assistance may also be provided to assist clients in obtaining State M\WBE Certification.

G. Institutional Capacity/ Capacity Strengthening

Institutional capacity building is defined as the provision of technical or material assistance designed to strengthen one or more elements of organizational effectiveness. The elements of organizational effectiveness include governance, management capacity, human resources, financial resources, service delivery, external relations and sustainability. Examples include the purchase of software, training of staff, conducting research studies for expansion or growth and marketing.

H. New York Prequalification

The Grants Gateway was established to improve the way grants are administered by the State of New York. Beginning July 31, 2013, all not-for-profit organizations receiving funds from New York State agencies and authorities must be prequalified in Grants Gateway prior to the execution of a contract or a contract amendment. For additional information, please refer to GrantsReform@Budget.ny.gov.

X. QUESTIONS

- A. All questions, comments, requests for clarification or any other communication regarding this Request for Proposals must be submitted in writing no later than September 5, 2017, by email to: CDFI-APRFP@esd.ny.gov.

Answers will be posted no later than September 8, 2017 via ESD's website: <http://esd.ny.gov/CorporateInformation/Rfps.html>

- B. In addition, any changes, additions or deletions to this Request for Proposals will also be posted on ESD's website and the Contract Reporter, along with the electronic version of this Request for Proposals. Respondents should note that any necessary clarification must be sought by the deadline for questions set forth in the "Schedule of Dates" section in this Request for Proposals.
- C. Respondents are urged to check ESD's website frequently for notices of any clarification of or changes, additions, or deletions to this Request for Proposals.

- D. **OTHER THAN THE CONTACT WEB ADDRESS IDENTIFIED ABOVE, PROSPECTIVE RESPONDENTS SHALL NOT APPROACH ESD'S EMPLOYEES DURING THE RESTRICTED PERIOD OF THIS REQUEST FOR PROPOSALS PROCESS ABOUT ANY MATTERS RELATED TO THIS REQUEST FOR PROPOSALS OR ANY QUALIFICATIONS SUBMITTED PURSUANT THERETO.**

XI. GENERAL PROVISIONS

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

- A. Amend, modify or withdraw this RFP;
- B. Revise any requirement of this RFP;
- C. Require supplemental statements or information from any responsible party;
- D. Accept or reject any or all responses hereto;
- E. Extend the deadline for submission of responses hereto;
- F. Negotiate potential contract terms with any respondent to this RFP;
- G. Discussions with any respondent to this RFP to correct and/or clarify responses which do not conform to the instructions contained herein;
- H. Cancel, or reissue in whole or in part, this RFP, if ESD determines in its sole discretion that it is its best interest to do so; and
- I. Extend the term of any agreement on terms consistent with this RFP.

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 RFP will be at the sole cost and expense of the responding firm.

All information submitted in response to this RFP 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, all Proposals may be discussed at meetings of the ESD Directors, which meetings are subject to the Open Meetings Law.

XII. FORMS AND REQUIREMENTS

Additional requirements for this RFP 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:

- A. Vendor Responsibility Questionnaire
- B. New York State Prequalification System for Grants Contract Vendors
- C. Non-Discrimination and Contractor & Supplier Diversity Requirements

1. Vendor Responsibility Questionnaire

All Respondents to this RFP 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 RFP, 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 RFP.

To assist in the determination of responsibility, ESD requires that all respondents to this RFP 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).”

2. New York State Prequalification System for Grants Contract Vendors

As part of Governor Cuomo's initiative to better serve the people of the State of New York, a web-based grants management system, Grants Gateway, was launched in spring 2013. The Grants Gateway was established to improve the way grants are administered by the State of New York. Beginning July 31, 2013, all not-for-profit organizations receiving funds from New York State agencies and authorities must be prequalified in Grants Gateway prior to the execution of a contract or a contract amendment.

Based on the above information, you are required to complete the steps outlined below to receive an executed contract or contract amendment. If you are not the appropriate contact for this communication, please forward to the person in your organization responsible for the management of grant funding. Send any questions to Greta Carter-Williams, ESD's program representative, at gcwilliams@esd.ny.gov or email GrantsReform@Budget.ny.gov with Prequalification in the subject line.

Register with the Grants Gateway

1. The Registration Form is available for download at www.grantsreform.ny.gov. The Registration Form can be accessed by clicking the link at the top of the page in yellow labeled "Click HERE to access the Portal or browse for more information below".
2. Include your State Financial System ("SFS") Vendor ID on the Form; if you are a new vendor and do not have a SFS Vendor ID, include a Substitute for W-9 with your signed, notarized registration (also available from the Grants Reform Web site).
3. All registrations must include an Organization Chart in order to be processed.
4. Mail the completed Registration Form, Organization Chart that shows the Head of your Organization, and Substitute W-9 (if new vendor) to:
Division of Budget - Grants Reform
Agency Building 1 - 5th Floor
Empire State Plaza, Albany, NY 12224
5. When you receive your login information via email, log in and change your password. This password will allow access to the Grants Reform Web site.
6. Associate your organization with a State agency (ESD) by clicking on Organization(s) and then selecting Organization Information; complete all required fields.
7. Complete the Document Vault by uploading requested documents and answering all questions.
8. Upon completion of the Document Vault, submit it for review and prequalification.
9. If you believe your organization has submitted its Prequalification application and has submitted any requested documents omitted from your registration, please contact ESD's program representative or the Grants Reform Team by emailing GrantsReform@Budget.ny.gov with Prequalification in the subject line.

3. CONTRACTOR REQUIREMENTS AND PROCEDURES FOR BUSINESS PARTICIPATION OPPORTUNITIES FOR NEW YORK STATE CERTIFIED MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISES AND EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN

NEW YORK STATE LAW

Pursuant to New York State Executive Law Article 15-A and 5 NYCRR §§140-145, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority and Women-owned Business Enterprises (“MWBE”) and the employment of minority group members and women in the performance of ESD contracts.

In 2006, the State of New York commissioned a disparity study to evaluate whether MWBEs had a full and fair opportunity to participate in state contracting. The findings of the study were published on April 29, 2010, under the title “The State of Minority and Women-Owned Business Enterprises: Evidence from New York” (“Disparity Study”). The report found evidence of statistically significant disparities between the level of participation of MWBEs in State procurement contracting versus the number of MWBEs that were ready, willing and able to participate in State procurements. As a result of these findings, the Disparity Study made recommendations concerning the implementation and operation of the statewide certified MWBE program. The recommendations from the Disparity Study culminated in the enactment and the implementation of New York State Executive Law Article 15-A, which requires, among other things, that ESD establishes goals for maximum feasible participation of New York State Certified MWBEs and the employment of minority group members and women in the performance of New York State contracts.

BUSINESS PARTICIPATION OPPORTUNITIES FOR MWBEs

For contracts resulting from this solicitation, ESD will establish a goal for MWBE participation. Such contracts will set forth additional requirements that will encourage business participation opportunities for MWBEs.

ESD encourages MWBEs to respond to this solicitation and to provide such documentation necessary to establish their status as such. ESD also encourages CDFIs that may be eligible for MWBE certification to respond to this solicitation. ESD will strongly consider qualifying proposals from MWBEs in response to this solicitation. CDFIs responding to this solicitation that are not MWBE-certified are strongly encouraged to consider partnering, or other joint venture arrangements, with other certified CDFIs in order to give them the opportunity to participate in the services performed under contracts to be awarded.

General inquiries or questions relating to the aforementioned policies, MWBE participation, and the goals specified herein may be addressed to the Office of Contractor and Supplier Diversity (“OCSD”) at OCSD@esd.ny.gov.

EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS

Respondents will be required to submit a Minority and Women-Owned Business Enterprises and Equal Employment Opportunity Policy Statement, Form OCSD-1 (available at http://www.esd.ny.gov/CorporateInformation/Data/RFPs/OCSD_1MWBEEEOPolicyStatement.pdf), to ESD with their bid or proposal.

If awarded a contract with ESD, a CDFI will be required to meet the MWBE requirements as set forth in New York State Executive Law Article 15-A and 5 NYCRR §§140-145.

Further, pursuant to Article 15 of the Executive Law (the “Human Rights Law”), all other State and Federal statutory and constitutional non-discrimination provisions, CDFIs retained by ESD will not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

Please Note: Failure to comply with the foregoing requirements may result in a finding of nonresponsiveness, non-responsibility and/or a breach of the Contract, leading to the withholding of funds, suspension or termination of the Contract or such other actions or enforcement proceedings as allowed by the Contract.

SERVICE-DISABLED VETERAN-OWNED BUSINESS (“SDVOB”) PARTICIPATION

Article 17-B of the Executive Law enacted in 2014 acknowledges that Service-Disabled Veteran-Owned Businesses (SDVOBs) strongly contribute to the economies of the State and the nation. As defenders of our nation and in recognition of their economic activity in doing business in New York State, bidders/proposers for this contract for commodities, services or technology are strongly encouraged and expected to consider SDVOBs in the fulfillment of the requirements of the contract. Such partnering may be as subcontractors, suppliers, protégés or other supporting roles. SDVOBs can be readily identified on the directory of certified businesses at:

http://ogs.ny.gov/Core/docs/CertifiedNYS_SDVOB.pdf

Bidders/Proposers need to be aware that all authorized users of this contract will be strongly encouraged to the maximum extent practical and consistent with legal requirements of the State Finance Law and the Executive Law to use responsible and responsive SDVOBs in purchasing and utilizing commodities, services and technology

that are of equal quality and functionality to those that may be obtained from non-SDVOBs. Furthermore, bidders/proposers are reminded that they must continue to utilize small, minority and women-owned businesses consistent with current State law.

The Contractor must document good faith efforts to provide meaningful participation by SDVOBs in the performance of the Contract.

A copy of each Bidders/Proposers SDVOB Contract Performance Use form proposing specific certified firms to be utilized or industries where SDVOB firms shall be sought is to be included as part of the response to this RFP.

A copy of the aforementioned form is available at:

<http://esd.ny.gov/CorporateInformation/Data/RFPs/SDVOBContractPerformanceUse.pdf>

General inquiries or questions relating to aforementioned policies, SDVOB participation and the goals specified herein may be addressed to OCSD at OCSD@ESD.NY.GOV.

INSURANCE REQUIREMENTS

The Selected Respondent will be required to provide the following insurance (at a minimum and to the extent applicable):

1. Commercial General Liability of \$1 million per occurrence and \$2 million in the aggregate;
2. In the event that you are using a vehicle in business, Commercial Automobile insurance with a limit of not less than \$1 million;
3. Must show evidence of Worker's Compensation & Employer's Liability insurance at State statutory limits;
4. Must show evidence of Disability insurance coverage at State statutory limits;
5. Professional Liability (Errors & Omissions) Insurance of \$1 million.
6. Empire State Development must be named as additional insured on a primary and non-contributory basis on all of the following policies: Commercial General Liability and Auto Liability. All policies above should include a waiver of subrogation in favor of Empire State Development