



NEW YORK
STATE OF
OPPORTUNITY™

**Empire State
Development**

REQUEST FOR PROPOSALS FOR NEW YORK STATE REGIONAL REVOLVING LOAN TRUST FUND

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: Rachael Dubin

All contacts/inquiries shall be made by email to the following address: RRLTF-RFP2018@esd.ny.gov

**PROPOSAL DUE DATE AND TIME:
On or before 3:00 PM on October 11, 2018
(Late proposals cannot be accepted)**

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I. INTRODUCTION

The mission of Empire State Development 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

The Regional Revolving Loan Trust Fund (“RRLTF” or the “Trust Fund”) is a program created by the State of New York (“New York State” or the “State”) to make low-cost financial assistance available at the local level to eligible businesses. Through selected administering corporations (“Administering Corporations”), the Trust Fund provides working capital loans of up to \$100,000 to help NYS small businesses to grow and succeed. By making local and community-based economic development professionals responsible for processing loan applications, and for making and administering these loans, RRLTF will provide a valuable tool to enhance broad-based community economic development. This Request for Proposals conforms to the Rules and Regulations governing the Trust Fund.

B. INVITATION TO APPLY

Empire State Development (“ESD”, or the “Corporation”) invites eligible Administering Corporations (as described in section II(A)) to administer a Regional Revolving Loan Trust Fund Account (the “Trust Fund Account”) to be established under the Regional Revolving Loan Trust Fund (the “Trust Fund or “RRLTF”) for the following regions: **Capital, Central New York, Finger Lakes, Long Island, Mid-Hudson, Mohawk Valley, New York City, North Country, Southern Tier, and Western New York**. The funds available for each region are listed in the table below. More than one organization may be chosen to serve a specific region.

Capital Region	\$173,815.17
Central New York	\$173,815.17
Finger Lakes	\$231,753.56
Long Island	\$173,815.17
Mid-Hudson	\$173,815.17
Mohawk Valley	\$318,661.15
New York City	\$260,722.76
North Country	\$318,661.15
Southern Tier	\$231,753.56
Western New York	\$260,722.76

C. REQUEST FOR PROPOSALS SCHEDULE

Release of Request for Proposals	August 29, 2018
Deadline for Submission of Questions	September 14, 2018
Deadline for ESD to Respond to Questions	September 20, 2018
Submission of Proposals (date and time)	October 11, 2018, 3:00 PM ET
Bid Opening Date	October, 12 2018
Announcement of Selections	November 30, 2018
Anticipated Contract Start Date	January 2019

II. PROGRAM GUIDELINES

A. ELIGIBLE APPLICANTS

- a. An organization may apply to become an RRLTF Administering Corporation if it is:
 - i. A community-based local development corporation or industrial development agency that serves at least two contiguous counties of New York State; or
 - ii. A federally certified Community Development Financial Institution (“CDFI”) serving at least two contiguous counties of New York State.
- b. Applicants will be required to:
 - i. Identify and provide services to a proposed Service Delivery Region that is comprised of at least one of the regions targeted in this solicitation;
 - ii. Have available to it staff with sufficient expertise to analyze loan applications, to regularly monitor RRLTF loans, have made arrangements to provide management or technical assistance to its clients, and adhere to the reporting and administration requirements of the Program;
 - iii. Establish an RRLTF loan committee composed of five (5) or more persons experienced in commercial lending, or in the operation of a for-profit business, and a staff person of the regional office of Empire State Development;
 - iv. Obtain New York State prequalification and related registration standards through the Grants Reform System. This will ensure eligibility to participate in this Request for Proposals and receive potential program awards (see instructions in section VI(C)(c)).
 - v. Primarily focus its activities on M/WBE and/or small business lending
 - vi. Be legally able to receive and use the proceeds as herein stated;
 - vii. Meet any other requirements herein stated for the specific purpose of the grant;
 - viii. Be current with reporting requirements for any other ESD assistance;

- ix. Demonstrate strong lending capacity and the ability to provide lending products in an impactful way; and
- x. Demonstrate linkages with other service providers in the area, which can support its efforts and help source clients.

B. ELIGIBLE BORROWERS

An eligible business is one whose primary place of business is located in New York State, independently owned and operated, not dominant in its field, and employs one hundred or fewer persons.

C. INELIGIBLE PROJECTS

a. Program assistance shall not be made available for any of the following projects:

- i. Payment of any tax arrearage(s);
- ii. Payment of any employee benefit arrearage(s);
- iii. Projects that would result in the relocation of any business operation from one municipality in the state to another, except under one of the following conditions:
 - 1. When a business is relocating within a municipality with a population of at least one million, where the governing body of such municipality approves such relocation; or
 - 2. The Administering Corporation notifies each municipality from which such business operation will be relocated and each municipality agrees to such relocation;
- iv. Projects of newspapers, broadcasting or other news media, medical facilities, libraries, community or civic centers, or public infrastructure improvements;
- v. Projects involving the refinancing of any portion of the total eligible trust fund project cost or other existing loans or debts of an applicant, except for the purpose of transferring to the employees or to other local interests ownership of a company that would otherwise depart from or cease or substantially reduce operations in the State. For the purposes of this paragraph, a substantial reduction of operations in the State shall mean:
 - 1. The loss of an by an eligible business of 25 or more permanent jobs; or
 - 2. The loss by an eligible business enterprise of fewer than 25 permanent jobs, if such a loss would have a major adverse impact on the community in which the business is located.
- vi. Retail projects, except where the Administering Corporation finds there will be an increase in net new permanent jobs.
- vii. To the extent permitted by law, projects involving the making of a trust fund loan to:
 - 1. A full-time employee of the State or any agency, department, authority, public benefit corporation, or political subdivision thereof; or

2. An eligible business in which an employee described in subparagraph 1 of this paragraph (vii) directly or indirectly controls a majority ownership interest.
- viii. Projects that would provide funds, directly or indirectly, for payment, distribution or loan to owners, partners or shareholders of an applicant except as ordinary income for services rendered

D. TRUST FUND PROCESS

a. Disbursement by ESD to Trust Fund Account

Program funds will be disbursed into a Trust Fund Account established exclusively for RRLTF as follows:

- i. 1/3 of total award upon execution of Grant Disbursement Agreement
- ii. 1/3 upon Administering Corporation's submission of documentation to ESD of disbursement or commitment of 80% of the first disbursement
- iii. 1/3 upon Administering Corporation's submission to ESD of required documentation of disbursement or commitment of 80% of the first and second disbursement combined.

b. Loan Approval

i. Prior to disbursement to borrower

1. Each loan must be approved by Trust Fund Loan Committee

a. Materials provided to the Loan Committee (ex. Board Summary) describing the Loan, along with a resolution or copy of the meeting minutes demonstrating Loan Committee approval of the Loan, must be provided to ESD (this may be provided electronically. Hard copies of promissory notes and cancelled checks will be required at the time of the 2nd and 3rd disbursement request. For loans made after the final disbursement, ESD will require this documentation at the time of the final report).

2. A loan certificate completed by designated officer of the Administering Corporation containing the following details must be submitted and approved by ESD (this may be provided electronically. Original copies will be required at the time of each annual report):

- a. Certification that the borrower is eligible;
- b. Certification that loan terms are within program guidelines; and
- c. Certification that it is an eligible project.

3. Upon acceptance by ESD of Administering Corporation's certification, Administering Corporation may draw down proceeds from its Trust Fund Account in the amount of any Trust Fund loan so accepted.

c. Loan Repayments

- i. Principal payments may be retained by the Administering Corporation to make future RRLTF loan disbursements with repaid funds;

- ii. Interest payments may be retained by the Administering Corporation to defray administrative costs.

d. Write-off Procedure

- i. Administering Corporations must write off loans according to their internal procedures and as described in their proposals. ESD will require proof that a loan has been written off prior to reducing the revolving loan capital balance.
- ii. Administering corporations shall provide the information required in section G (e) (i) within 30 days of writing off a loan.

E. FUNDING SOURCE

- a. The Program will be funded by existing funds allocated to the ESD Regional Revolving Loan Trust Fund.

F. ADDITIONAL CONDITIONS

- a. ESD will establish reporting requirements to account for the utilization of Program funds by the Grantee. The Program funds are to be used only for the purposes stated in the Grantee's proposal or as otherwise approved, in writing, by ESD.
- b. All activities generated by funding from ESD, or toward which ESD RRLTF account proceeds are used, shall be conducted according to the standard business practices of the Administering Corporation and any agreements with ESD.
- c. All program funds will be subject to all necessary public approvals and availability of funds.

III. 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 14, 2018**, by email to: RRLTF-RFP2018@esd.ny.gov. Answers will be posted no later than **September 20, 2018** 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.

IV. SELECTION CRITERIA

- A. ESD will balance individual application scores based on the following evaluation criteria, in order of importance:
- a. Track record of small business lending, including the ability to demonstrate strong underwriting capacity, deal-sourcing capacity, and a low default ratio, in NYS, especially in underserved communities and to underserved populations that have difficulty accessing traditional credit markets.
 - b. If applying for funding from multiple programs, the proposal is complete and describes a feasible cohesive strategy for using the programs to increase the organization's activity and effectiveness in serving its target population.
 - c. The applicant's record in meeting the performance goals, timelines and reporting requirements established under previous ESD programs, if applicable. ESD may choose not to consider proposals from organizations that are not in compliance with the contracting and reporting requirements of other ESD program.
 - d. Organizational capacity and stability.
 - e. The applicant's operating budget and institutional capacity for using grant funds effectively.
 - f. Compliance of the proposal with the "Guidelines" section and other terms and conditions of this request for proposals.
- B. Additional Considerations
- a. 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.
 - b. 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.
 - c. ESD reserves the right to:
 - i. reject any or all proposals received;
 - ii. award grants in any amount;
 - iii. require the submission of modifications or additions to proposals as a condition of further participation in the selection process; and
 - iv. amend this request for proposals.

V. SUBMISSION REQUIREMENTS

A. PROCUREMENT FORMS AND REQUIREMENTS

a. Vendor Responsibility Questionnaire

All respondents to this Request for Proposals 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 Request for Proposals, 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 Request for Proposals.

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

b. Non-Discrimination and Contractor & Supplier Diversity Requirements

CONTRACTOR REQUIREMENTS AND PROCEDURES FOR PARTICIPATION BY NEW YORK STATE-CERTIFIED REGIONAL-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 Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations ESD is required to promote opportunities for the maximum feasible participation of New York State-certified Regional-owned Business Enterprises (“MWBES”) and the employment of minority group members and women in the performance of ESD’s contracts.

Equal Employment Opportunity Requirements

By submission of a bid or proposal in response to this solicitation, the respondent agrees with all of the terms and conditions in [SCHEDULE B - PARTICIPATION BY MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES: REQUIREMENTS AND PROCEDURES](#). The respondent is required to ensure that it and any subcontractors awarded a subcontract for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the “Work”), except where the Work is for the beneficial use of the respondent, undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.

The respondent will be required to submit a Minority and Women-owned Business Enterprise and Equal Employment Opportunity Policy Statement, OCSD-1, to ESD with its bid or proposal.

If awarded a Contract, respondent shall submit a Workforce Utilization Report and shall require each of its Subcontractors to submit a Workforce Utilization Report, in such format as shall be required by ESD on a quarterly basis during the term of the Contract.

Pursuant to Executive Order #162, contractors and subcontractors will also be required to report the gross wages paid to each of their employees for the work

performed by such employees on the contract utilizing the Workforce Utilization Report on a quarterly basis.

Further, pursuant to Article 15 of the Executive Law (the "Human Rights Law"), all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor and sub-contractors 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 non-responsiveness, 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.

PARTICIPATION OPPORTUNITIES FOR NEW YORK STATE CERTIFIED SERVICE-DISABLED VETERAN-OWNED BUSINESSES

Article 17-B of the New York State Executive Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses ("SDVOBs"), thereby further integrating such businesses into New York State's economy. ESD recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of ESD contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, Bidders/Contractors are strongly encouraged and expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as protégés, or in other partnering or supporting roles.

For purposes of this procurement, ESD conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor. Nevertheless, Bidder/Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials.

The directory of New York State Certified SDVOBs can be viewed at: <http://ogs.ny.gov/Core/SDVOBA.asp>

Bidder/Contractor is encouraged to contact the Office of General Services' Division of Service-Disabled Veteran's Business Development at 518-474-2015 or

VeteransDevelopment@ogs.ny.gov to discuss methods of maximizing participation by SDVOBs on the Contract.

c. 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 greta.williams@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. 16

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.

d. 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