



## **Request for FY22**

### **Microlending Operations Support and CDFI Lending Capital Matching Funds Grant Program**

Address: Massachusetts Growth Capital Corporation  
529 Main Street, Schrafft's Center, Suite 201  
Charlestown, MA 02129

RFP File Name: FY22 Microlending and CDFI Grant Program

RFP Release Date: April 1<sup>st</sup>, 2022

Deadline For Proposal: April 29<sup>th</sup>, 2022

Contact Person: Ari Veloz, Community Programs Manager  
[aveloz@massgcc.com](mailto:aveloz@massgcc.com)

Please submit all questions and inquiries via email to the contact person listed above.

## Section 1- Introduction & Purpose of Request for Proposals

The Commonwealth of Massachusetts is seeking experienced nonprofit lenders to assist established and start-up small businesses in the Commonwealth in obtaining capital. The Commonwealth's funds are meant to facilitate lending to small businesses that are unable to obtain traditional sources of capital.

This grant program seeks to increase the flow of capital into Massachusetts's small businesses and to continue to foster recovery, sustainability, resilience, and growth. Successful grantees will leverage state funds, along with significant non-state capital sources, to provide small businesses with a spectrum of loan products.

## Section 2- Eligibility

The Microlending Operations Support and CDFI Lending Capital Matching Funds Grant Program shall be issued to established certified community development financial institutions, community development corporations, and SBA microlenders making direct small business loans to borrowers on a regional basis, and/or providing technical assistance to applicants and borrowers in order to foster business establishment and success; provided that the funds shall be used to support the eligible organization's lending and technical assistance activities. All lending and technical assistance under this grant program must be provided to Massachusetts-based businesses only.

## Section 3- Funding Description and Amounts

Some applicants will be able to apply for both Microlending Operations Support and CDFI Lending Capital Matching Funds.

Microlending Operations Support	Funds can used to support the eligible organization's lending and technical assistance activities. Organizations that have already received FY22 Microlending funding will be excluded. Award amount up to \$200,000. <b>Available for CDFIs and SBA microlenders only.</b>
CDFI Matching Funds	Funds can used to as lending capital for small business loans. It requires <b>50% organization matching funds at hand to access awarded amount.</b> Up 5% of award can be used as a loan loss reserve. Award amount up to \$1,000,000. <b>Available for CDFIs and CDCs.</b>

### Request type. Check one

**Microlending Operations Support only.**

Funds can be used to support the eligible organization's lending and technical assistance activities. Organizations that have already received FY22 Microlending funding will be excluded. **Available for CDFIs and SBA microlenders.** Award amount up to \$200,000.

**Both Microlending Operations Support and CDFI Lending Capital Matching Funds.**

My organization has **already deployed** at least 30% of prior FY21 CDFI Matching Grant Lending Capital **OR** didn't receive an award for FY21 CDFI Matching Grant Program. **Available for CDFIs and CDCs.** Award amount up to \$1,000,000.

**CDFI Lending Capital Matching Funds only.** Organization doesn't qualify for Microlending Operations Support because it has already been awarded FY22 Microlending Operations Support **OR** it is not a certified CDFI **or** SBA microlender.

### Section 4- RFP Guidelines

1. Applicants must provide direct services to small business clients of whom a minimum of 75% from predominantly socially and economically disadvantaged and historically underrepresented groups or underserved markets-
  - Minority-owned
  - Woman-owned
  - Veteran-owned
  - Disability-owned
  - LGBTQ+-owned
  - Gateway Cities
  - Rural communities
  - Low-moderate income
  - Non-native English speaking
  - Cooperatives
2. CDFI lending capital awards require a 50% organization match. Organization must show proof of match at hand by providing bank statement(s) reflecting required matching funds within 6 months of award in order to receive lending capital awarded funds. If an awardee is not able to secure funding match within 6 months, the awarded amount must be recaptured by MGCC.
3. Proposals offering multilingual services are highly desirable.

## Section 5- Application Submission

Applications will be accepted beginning April 1, 2022 until April 29, 2022 via Submittable. A completed application and supplemental information will be required to be uploaded and submitted. Incomplete and late applications will not be accepted.

### Required Documentation (uploads)

1. Matching funds bank statements and/or commitment letters
2. Organization's latest Annual CDFI Fund Certification Report (CDFIs) or MACDC Small Business T.A. & Lending Survey Submission (CDCs)
3. Most recent Audited Financial Statement or Review
4. Current year-to-date organizational Financial Statement: Income & Expense/Balance Sheet
5. Copy of underwriting Policy
6. Copy of loan application
7. 2021 Certificate of Good Standing from the Secretary of the Commonwealth
8. U.S. IRS Tax Exempt Certification/ Determination Letter

## Section 6- Proposal Evaluation Process

Applications will be reviewed for responsiveness, track record and historical impact, projected grant impact, and consistency with Administration funding priorities. MGCC will gather a team of independent reviewers to review pending applications and develop recommendations for funding. Final decisions will be rendered by MGCC. Overall program funding decisions are at the discretion of the Secretary of Executive Office of Housing and Economic Development and are not subject to challenge or appeal.

Applicants that are approved for funding will be notified in writing of the approval, with instructions for demonstrating readiness and any other required submissions, as determined by MGCC. All awards are contingent upon the execution of a binding funding agreement between MGCC and the applicant. Awards may be subject to conditions as set out in the award notification letter. Grant contracts will only be issued for projects that successfully meet all requirements set out as a condition of the award. Any project that receives an award but does not meet the requirements by a specified date will lose its funding commitment for that year and may be penalized during future funding rounds.

## Section 7- Reporting

MGCC will require a **midyear report** and **final report** on performance, demographic, and outcome data. Reporting templates will be provided as a way to help gather data, but all reports and files must be submitted through Submittable. Deadlines for submitting these reports will be

included with the Grant Agreement. The reporting template will provide a detail list of outcomes that will need to track for each loan and grant made. Outcomes sections include:

- o Stabilization & Growth
- o Job Creation & Preservation
- o Access to Financing & Grants
- o Outcomes - Access to Financing & Grants

## **SUBMITTABLE APPLICATION**

Request Type (check **only** one)

**Microlending Operations Support only.** I am applying for Microlending Operations Support **only**. My organization is a certified CDFI or SBA microlender.

Funds can used to support the eligible organization’s lending and technical assistance activities. Organizations that have already received FY22 Microlending funding will be excluded. **Available for CDFIs and SBA microlenders.** Award amount up to \$200,000.

**Both Microlending Operations Support and CDFI Lending Capital Matching Funds.** I am applying for **both** the Microlending Operations Support and CDFI Lending Capital Matching Funds Grant Program.

My organization has **already deployed** at least 30% of prior FY21 CDFI Matching Grant Lending Capital **OR** didn’t receive an award for FY21 CDFI Matching Grant Program. **Available for CDFIs and CDCs.** Award amount up to \$1,000,000.

I am applying for **CDFI Lending Capital Matching Funds only.** My organization doesn’t qualify for Microlending Operations Support because it has already been awarded Microlending Operations Support or it is not a certified CDFI or SBA microlender.

**Amount being requested as Microlending operations Support:**

(Up to \$200,000)

**Amount being requested as CDFI Lending Capital Funds:**

(Up to \$1,000,000)

## **Organizational Information**

Organization Name:

Mailing Address:

Physical Address: (if different)

Web Address:

Are you a registered CDFI? Yes/No

Are you a registered CDC? Yes/No

Are you a registered SBA microlender? Yes/No

Provide a statement that best describes the current services and/or programs that your organization provides:

Geographic Area Served:

Please list top 10 cities that you served:

List any languages, other than English, spoken by staff:

Describe your organization's plan to deploy the lending capital funds received via this allotment.

**\*Microlending Operations Support applicants only \***

Describe your organization's plan to deploy the remaining lending capital part of your FY21 CDFI Matching Grant award.

If organization provides multilingual services, describe your outreach strategy and efforts to reach non-native English speakers.

**Small Business Lending and Technical Assistance Team**

Staff member name & title	Staff member responsibility as it relates to this grant program	Years of experience

**Description of Matching Sources**

Matching Source	Description of Matching source	Amount	Expected date it will be secured and at hand

**Proposed Loan Volume**

		Comments
Projected Number of loans		
Projected average loan amount		

**Proposed Microlending Operations Support Budget**

Item	Amount	Amount covered by organization	MGCC Request	Comments
<b>Total</b>				