



Request for Proposals
FY23 Lending Capital Matching
Grant Program

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

RFP File Name: FY23 Lending Capital Matching Grant

RFP Release Date: January 6th, 2023

Deadline For Proposal: February 10th, 2023

Contact Person: Ari Veloz, Community Programs Manager
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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 CDFI Lending Capital Matching Grant Program shall be issued to established certified community development financial institutions, community development corporations 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. All lending must be provided to Massachusetts-based businesses only.

If you are a recipient of previous Lending Capital Matching Grant award(s), deployment requirements must be met.

- FY21 Award- Deployment of 100% of award funds required
- FY22 Award- Deployment of at least 50% of award funds required

Section 3- Funding Description and Amounts

CDFI Matching Funds	Funds can be used to as lending capital for small business loans. It requires 50% organization matching funds at hand to access the awarded amount. Up to 5% of award can be used as a loan loss reserve. Award amounts up to \$500,000.
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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-
 - BIPOC-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. The 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 a 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 **January 6th, 2023 until February 10, 2023** 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. 2022 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 in the Grant Agreement. The reporting template will provide a detailed 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

I am applying for FY23 **CDFI Lending Capital Matching Funds**.

FY21 (Round 1)

- My organization has NOT deployed all funds received for Round 1.
(If this is true for your organization, you are not eligible to apply for this grant)
- My organization has already fully deployed all funds received for Round 1.
(If this is true for your organization, you are eligible to apply for this grant if FY22 required deployment has been satisfied)
- This does not apply to my organization. We did not receive FY21 funding.
(If this is true for your organization, you are eligible to apply for this grant)

FY22 (Round 2)

- My organization has **NOT** deployed at least **40%** of funds received for Round 2.
(If this is true for your organization, you do not eligible to apply for this grant)

- My organization has deployed at least **40%** of funds received for Round 2.
- This does not apply to my organization. We did not receive FY22 funding.
(If this is true for your organization, you are eligible to apply for this grant if FY21 required deployment has been satisfied)

Amount being requested as CDFI Lending Capital Funds:
(Up to \$500,000)

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

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:

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

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

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		