



MIAMI-DADE OFFICE OF COMMUNITY AND ECONOMIC DEVELOPMENT

ADDENDUM 2
TO THE 2010 CONSOLIDATED REQUEST FOR APPLICATION (RFA)
FOR BUSINESS LOAN OPERATOR APPLICATIONS

This Addendum 2 only applies to the Request For Application for the Business Loan Operator Applications (Micro Loan Program and Small Business Loan Assistance Program).

The Addendum 2 contains the questions raised at the pre-submission workshops and amendments to both the Micro Loan Program and the Small Business Loan Assistance Program.

MICRO LOAN PROGRAM

- Page 3, Objective L, is amended to read:

Award a minimum of 40% of the loan proceeds to businesses located in the NRSAs or that serve the NRSAs.

- Economic Development Special Provisions' Minimum Performance Standards, No. 9, letter e, is amended to read:

It is expected that the Contractor will have less than a 10% delinquency rate of the outstanding portfolio at all times. It is also expected that the Contractor will follow standard collection efforts. i.e., 30 days, 1st notice; 60 days, 2nd notice; 90 days, letter from Contractor advising referral to the delinquent loans to an attorney for appropriate action. Loans should be classified into performing and non-performing loans.

Questions and Answers

- 1) Q. Is the Micro Loan Program a job creation program?
A. **Yes; emphasis in this program is given to job creation over job retention.**
- 2) Q. Are collaborative applications by non-profits and for profits allowed?
A. **As was indicated in the newspaper advertisement announcing this Request for Application, the County is looking for non-profit organizations to operate the program. The County encourages collaborations between all organizations.**
- 3) Q. Will the award under this program go to one (1) or more operators?
A. **The County is not looking to award the entire funding available to only one (1) organization, but rather we would like to select up to three (3) program operators.**
- 4) Q. Are small contractors eligible to apply for loan funds under this program?
A. **Yes, small contractors can apply for micro loan funds by directly applying through the selected program operators.**
- 5) Q. Is working capital an eligible loan use under the Micro Loan Program?
A. **Yes, it is.**
- 6) Q. What about Program Income?

**A. Any and all interest earned late fees, application fees and loan repayments (interest and principal) is considered Program Income belonging to the federal CDBG program.
Program operators must request the use of Program Income.
Written approval from OCED is required for all uses of Program Income.**

- 7) **Q. Is the Request for Application available on the County’s website “fillable” on-line?**
A. No, the RFA for the Micro Loan Program and Small Business Loan Assistance Applications cannot be completed on line, but can be downloaded from the General Information Section of the Non-Housing RFA available on OCED’s website. Please note that not all questions are applicable and you must adapt the information to the RFA for the loan programs.

SMALL BUSINESS LOAN ASSISTANCE PROGRAM

- Page 3, Objective L, is amended to read:

Award a minimum of 50% of the loan proceeds to businesses located in eligible Census Block Groups in the unincorporated areas of Miami-Dade County.

- Economic Development Special Provisions' Minimum Performance Standards, No. 9, letter e, is amended to read:

It is expected that the Contractor will have less than a 10% delinquency rate of the outstanding portfolio at all times. It is also expected that the Contractor will follow standard collection efforts. i.e., 30 days, 1st notice; 60 days, 2nd notice; 90 days, letter from Contractor advising referral to the delinquent loans to an attorney for appropriate action. Loans should be classified into performing and non-performing loans.

Questions and Answers

- 1) Q. Is job creation required in this program?
A. **Yes, 1 job for each \$35,000 of loan funds for new or retained jobs. Job creation is the goal in this program however, job retention is allowed as part of the federal recovery program.**
- 2) Q. Do proposals have to be typed? Hand-written?
A. **Proposals should be submitted in any form which is legible, clear, and easily evaluated in terms of the information required by the Request For Application.**
- 3) Q. How is job retention documented?
A. **Loans funded to assist with job retention must be documented through a hardship company statement to the employees announcing possible layoffs if financial assistance is not obtained. The financial statements of the company must be evaluated to verify the financial need for the loan. The businesses will be required to submit employee rosters as part of the loan application.**
- 4) Q. Is the Small Business Loan Assistance Program available to start-up businesses?
A. **Since the intent of the federal funds is to preserve businesses and create jobs, funding of start-up businesses works against the goals of the federal funding.**
- 5) Q. Will the awarded funding be used for loans and administration?
A. **Yes, the customary split of 80% for loan funds and 20% for program management will be followed in the program.**

- 6) Q. Is the Request for Application available on the County's website "fillable" on-line?
A. **No, the RFA for the Micro Loan Program and Small Business Loan Assistance Applications cannot be completed on line, but can be downloaded from the General Information Section of the Non-Housing RFA available on OCED's website. Please note that not all questions are applicable and you must adapt the information to the RFA for the loan programs.**
- 7) Q. Can bonus points be awarded to program operators for having non-traditional hours of operation?
A. **No, this variable was not included in the RFA.**
- 8) Q. Will there be a list of undesirable business types that will be ineligible for funding under the program?
A. **No, all eligible businesses must have a public benefit and commit to achieve a national objective of low and moderate income job creation and/or retention.**