



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio**



August 23, 2012

TABLE OF CONTENTS

Checklist	3
Application Coversheet	4
General Information.....	6
Section 1 - General Information	6
A. Portfolio Description.....	6
B. Purpose of Request for Proposals (RFP).....	7
C. Key Events/Dates.....	7
Section 2 - Engagement Requirements	7
A. Scope of Basic Services	7
B. Scope of Additional Services (Advisory and Support)	10
Section 3 - Content of Proposal.....	12
A. Information and Format	12
B. Compensation.....	12
C. Engagement Standards; Rights of Corporation	12
Section 4 - Evaluation of Proposals	12
A. The Selection Process	12
B. Preliminary Review	13
C. Evaluation and Criteria for Selection.....	13
D. Interviews	13
Section 5 - Submission of Proposals.....	13
Section 6 - Important Information Affecting Proposers.....	14
A. Questions and Other Information	14
B. Corporation’s Requirements.....	15
C. Corporation’s Rights and Prerogatives.....	15
D. Participation of Minority-Owned and Women-Owned Business Enterprises (MWBE); Equal Employment Opportunities and Contractor & Supplier Diversity Requirements.....	15
Section 7 - Term of Engagement	17
Part I - Qualifications.....	18
Part II - Performance	20
Part III - Compensation.....	21
Part IV - Exhibits to RFP	22-39
1. Certification Concerning Independent Proposal	
2. Certification Pursuant to State Finance Law §139	
3. Certification Regarding Commission on Public Integrity	
4. Sales Tax Certification – Form ST-220-CA	
5. Office of Contractor and Supplier Diversity Exhibits	
a. Non-Discrimination and Contractor & Supplier Diversity Policy Statement – Form OCSD-1	
b. Staffing Plan – Form OCSD-2	
c. MWBE Utilization Plan – Form OCSD-3	
d. Definition of “Good Faith Efforts” – Form OCSD-4 (<i>Information Only</i>)	
6. Vendor Responsibility	
7. Insurance Requirements	
8. Technical Requirements	



**Request for Proposals
for Basis Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Checklist***



CHECKLIST OF ITEMS TO BE COMPLETED AND RETURNED:

Application Coversheet

- Part I – Qualifications
- Part II – Performance
- Part III – Compensation
- Part IV – Exhibits to RFP

1. Certification Concerning Independent Proposal
2. Certification Pursuant to State Finance Law § 139
3. Certification Regarding Commission on Public Integrity
4. Sales Tax Certification – Form ST-220-CA
5. Office of Contractor & Supplier Diversity (“OCSD”)
 - a. Non-Discrimination and Contractor & Supplier Diversity Policy Statement – Form OCSD-1
 - b. Staffing Plan – Form OCSD-2
 - c. MWBE Utilization Plan – Form OCSD-3
 - d. Definition of “Good Faith Efforts” – Form OCSD-4 (*Information Only*)
6. Vendor Responsibility
7. Insurance Requirements
8. Technical requirements

In addition to providing any required response, please acknowledge that you have read all other forms and agree to comply with their terms.

Acknowledged by:

Name: _____

Title: _____



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Application Coversheet***



Attach this form to the top of your Proposal.

SERVICE(S) TO BE PROVIDED (check one or both):

- Basic Loan Servicing of Affordable Housing Portfolio**
- Additional Services (Advisory and Support) for Affordable Housing Portfolio**

DATE OF APPLICATION: _____

GENERAL INFORMATION ON FIRM:

Legal Name of Firm: _____

Firm's Mailing Address: _____

Firm's Website Address: _____

Firm's Main Telephone Number (including area code): _____

Federal Tax ID Number: _____

MWBE Registration Number (if applicable): _____

MAIN CONTACT INFORMATION FOR THIS PROPOSAL:

Please list the individual that will be the main contact regarding this Proposal:

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Identify the principals and the key personnel who will provide Basic Loan Servicing functions and separately the Additional Services (Advisory and Support) described in this Request for Proposals (RFP) for Empire State Development (ESD). Additional sheets, if necessary, may be added:

PRIMARY STAFF CONTACT(S) FOR BASIC LOAN SERVICING OF AFFORDABLE HOUSING PORTFOLIO

Contact #1

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Contact #2

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Contact #3

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

PRIMARY STAFF CONTACT(S) FOR ADDITIONAL SERVICES (ADVISORY AND SUPPORT) FOR AFFORDABLE HOUSING PORTFOLIO

Contact #1

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Contact #2

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Contact #3

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____



Request for Proposals for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio *General Information*



Section 1. General Information

A. Portfolio Description

The New York State Urban Development Corporation (“UDC” or the “Corporation”), doing business as Empire State Development (“ESD”), was formed in 1968 as a public benefit corporation. From inception through 1975, UDC developed and financed the construction of 113 residential projects, housing approximately 32,000 low, moderate and middle-income families throughout the State of New York. Funding for the various projects was provided in part by the federal government through urban renewal and community revitalization programs and initiatives that were available at that time. Initially financed by the Corporation’s \$1.0 billion bond offering, the vast majority of the developments in the housing portfolio received funding under Section 236 of the National Housing Act which provided funds that effectively reduced the annual mortgage interest rate to 1% through an Interest Reduction Subsidy Contract executed between HUD, UDC and the project owners/housing companies. In addition to the Section 236 interest reduction subsidies, the federal government also provided assistance to the majority of projects in the portfolio through rent supplement, Section 8 and various other tenant rent subsidy and assistance programs, which are subject to regulation by HUD.

ESD’s affordable housing portfolio currently consists of approximately 47 projects (the “Portfolio”) that have approximately 219 debt obligations to ESD. In addition, 9 projects have continuing debt obligations to ESD (including Cash Flow Notes and other financial instruments). These projects have partially satisfied their UDC-financed mortgages and are no longer in the Portfolio, but require continued monitoring and servicing until their continuing obligations are satisfied. Further, there are approximately 57 projects in ESD’s portfolio that are inactive, having fully satisfied their financial obligations to ESD, but whose mortgage documents and project data must be maintained for reporting and other purposes for which historical data may be required.

The active Portfolio is divided into three primary loan categories: (1) Stabilized Loans - which include all loans that make regular monthly payments; (2) Non-Stabilized Loans - which include all loans that are not in compliance with the loan’s basic documents; and (3) Workout Loans - which include all loans that are subject to the terms of a Workout Agreement. In addition, as noted above, there is a group of projects in the Portfolio that have partially satisfied their mortgages, but have continuing debt obligations to ESD that must be satisfied.

All of the projects in ESD’s Portfolio have passed the twentieth anniversary of their occupancy date, thus allowing the owners/housing companies to prepay their UDC mortgage, as provided by applicable

sections of the New York State Limited-Profit Housing Companies Law (“Mitchell-Lama”) and the HUD Section 236 Contract. Since the year 2000, due primarily to the introduction by HUD of its Section 236 “De-Coupling” Program and the Low Income Housing Tax Credit (“LIHTC”) Program, there have been significant opportunities for owners/housing companies to refinance their projects or sell them to new developers.

B. Purpose of Request for Proposals (RFP)

ESD is seeking and accepting proposals from qualified firms that wish to be considered to serve as Loan Servicer of ESD’s entire affordable housing portfolio during the term of this engagement. Loan Servicing proposals should include Basic Loan Servicing and/or Additional Services (Advisory and Support) which may be required on an as-needed basis.

C. Key Events/Dates

Provided below is the schedule for milestones in this RFP process, listed in order of occurrence. ESD reserves the right to change any or all of these dates as it deems necessary or convenient in its discretion. In the event of such a date change, a revised timeline will be posted to the ESD website <http://www.esd.ny.gov/CorporateInformation/RFPs.html>.

Issuance of RFP	August 23, 2012
RFP question deadline	September 7, 2012
RFP question response	September 13, 2012*
Proposal due by	September 21, 2012 (4:00 PM EDST)
Interviews, if necessary (no later than)	October 1, 2012
Anticipated selection	October 3, 2012

****This is the anticipated posting date to ESD’s website. Interested parties should continue to monitor the website for updates past September 13, 2012.***

Section 2. Engagement Requirements

A. Scope of Basic Services

The desired **Basic Loan Servicing** functions to be provided under a loan servicing contract include:

1. Billing:

- Monthly debt service billing to housing companies for notes pursuant to their terms
- Monthly billing to HUD for Section 236 subsidy payments
- Annual billing of any required workout, excess cash, cash flow or other payments
- Preparation of Loan Payoff Statements and Payoff Letters
- New Loan set-up
- Creation of loan amortization schedules

2. Collections:

- Timely collection of delinquent debt service payments and other payments using various means including individualized late and demand letters, phone calls, and default notices
- Preparation of monthly collection reports that include collections for each project in the Portfolio
- Recommendations to ESD for improving the Housing Portfolio's overall collection rate

3. Remittance Processing:

- Processing of monthly debt service payments from the lock box, Section 236 subsidy payments from HUD, loan payoffs, excess cash payments, and other payments (Because loan payments are due annually, but payable monthly, housing company debt service payments are unapplied until the loan's fiscal year end ("FYE") which is usually the anniversary month of the Final Mortgage Determination ("FMD") note. At each loan's FYE, payments are applied based on payment hierarchies established in the notes.)

4. Reporting:

- Generate reports on ESD's Housing Portfolio including collection activity reports, Operating Escrow Fund ("OEF") reports, annual audit confirmations, summary of certified financial reports, statistical portfolio data reports, reconciliation reports for ESD's general ledger, and other standardized and customized reports as needed.

5. Analysis:

- In-depth analysis of audited financial statements for all projects in the Portfolio, with emphasis on Workout and Non-Stabilized Loans and projects that are no longer in the Portfolio but have continuing obligations to ESD
- Historical and current comparative analysis of loans in the Portfolio and explanations for year-to-year variances in income, expenses (operating and capital) and other financial or operational variances
- In-depth analysis of Excess Cash on Non-Stabilized and Workout Loans and preparation of Excess Cash Summary Reports
- Analysis of OEF accounts for each housing company
- Recommendations for improvement of loan servicing procedures
- Other analyses of the Portfolio as required by ESD staff

6. Inspections:

- Annual inspection of all housing projects followed by timely submission of formal Inspection Report for each housing project to ESD which includes a proposed scope of work in order of priority, an estimate of the amount required for each project's primary and secondary capital needs, a detailed narrative summary of the physical condition of each project in the Portfolio, and other information required by ESD to assess the current and future condition of projects in the Portfolio
- Provide guidance and recommendations on each project's physical needs
- Identification of any tenant health and safety concerns

- Timely notification to ESD of any project with physical issues that requires immediate or close attention
- Assessment of effectiveness of work completed or under construction in projects that have received funds from ESD loan programs such as the Tenant Repair and Improvement Loan Program (TRAIL), and assessment of the Portfolio to determine if other projects can benefit from such funds
- Provide an annual summary report showing capital needs assessment of entire Portfolio, analysis of condition of the Portfolio and other information that addresses the current and future physical status of ESD's Portfolio
- Attend quarterly and annual physical inspection meetings with ESD, prepare agendas for meetings, and discuss any critical or immediate capital, maintenance or management issues affecting the Portfolio

7. Compliance:

- Monitoring each project's real estate taxes and insurance coverage adequacy
- Preparation of Corporate Purpose Bond annual disclosure reports

8. Record Keeping:

- Copy and scan, for easy access and retrieval, all Loan Documents (notes, agreements, relevant correspondence, etc.) for all current and inactive loans to maintain complete history of Portfolio

9. Continuing Obligations/Enforcement:

- Cash flow analysis of projects that have left the Portfolio, but have continuing debt obligations to ESD
- Tracking of cash flow notes on paid off loans, collection and analysis of housing company/partnership financial statements, independent analysis and confirmation of amounts due ESD, monitoring of all payments, and collections

10. On-line System:

Describe how your firm will provide Software as a Service (SaaS) system customized to the specific needs of ESD's housing portfolio. The system must be capable of performing all basic loan servicing functions such as billing and remittance processing as well as generating reports related to Collections, ESD Peoplesoft General Ledger Interface, Loan History, Statistical Data, Physical Inspections as well as other customized reports. All data and information pertaining to the loans stored by the system must be accessible by ESD staff on an up-to-date basis. The selected firm must be able to host the loan servicing system at its own data center and provide data backup, disaster recovery abilities and related support. The selected firm must provide training of ESD staff and be compliant with the following ESD and New York State systems requirements and standards outlined in *Part IV – Exhibits to RFP: 8. Technical Requirements:*

Infrastructure Build and Technical Environments

The selected firm will provide all hardware, software, servers, communications systems, cabling, racks, power supplies, etc. to enable the system build. The proposer will demonstrate that the infrastructure environments are in place and available. Validation by ESD is required to ensure that the infrastructure is of sufficient quality to support the ESD Loan Servicing System in all development, test, staging and production environments.

Security Management

The Proposer must submit a Security Plan that protects ESD from unwanted intrusion and inappropriate use of the proposed Loan Servicing solution.

Security Plan – The Proposer must produce a Security Plan documenting policies and procedures necessary to ensure the security of the Loan Servicing solution and related infrastructure.

The selected proposer must follow the NYS standards for Data Security which can be referenced at <http://www.dhSES.ny.gov/ocs/resources/documents/Cyber-Security-Standard-S10-006-V1.1-Cryptographic-Controls.pdf> and design a Security plan that protects ESD systems from intrusion, unwanted data disclosure and inappropriate use. Additionally, it should include but is not limited to:

- Data Security – Security of the data itself so that no data can be altered unless through an appropriate interface with authorized credentials
- Transaction Security – Security that ensures that an individual can only perform transactions for which they are authorized
- Identity Access Management Security – Security that ensures that the individual logging into a terminal and accessing the system is the actual individual they are declaring to be
- Physical Security – Security of the physical premises, equipment, and documents (i.e. hosting premises, equipment, documentation etc.)
- Activities and procedures necessary for Security implementation, monitoring and incident response

Service Level Agreement (SLA)

The selected proposer is expected to provide production maintenance and support for the duration of the contract and meet ESD’s criteria for system uptime and incident response. The proposer must provide penalty costing for failing to meet SLA requirements.

- System must have 99.9% uptime availability
- Critical Support response within 1 hour
- Non Critical support response within 4 hours

B. Scope of Additional Services

In addition to the Basic Loan Servicing function listed above, ESD may request the firm to provide Additional Services (Advisory and/or Support) on an as-needed basis for specific projects in the Portfolio. Examples of such possible services may include:

1. **Additional Services (Advisory)** - Advisory Services are to be billed on an hourly basis (see Section 3B. on Compensation) and will require professional staff with technical expertise and experience. The following Advisory Services may be requested on an as-needed basis for specific projects in the Portfolio:

- Provide a project manager or equivalent professional staff member with relevant experience to evaluate and negotiate proposed project refinancing and prepayment transactions and workout agreements with owners/housing companies, developers, and other State and/or City agencies and recommend courses of action to ESD
- Assist ESD staff in preparation of presentations and overall assessments of the Portfolio
- Prepare written materials, including recommendations, on matters affecting the Portfolio, which might require the approval of ESD's Senior Management, the ESDC Board of Directors, or other approving entities
- Draft business documents for ESD review
- Identify new strategies and initiatives which could be utilized by ESD to further enhance its mortgage loan operation and the performance of ESD's housing programs in a cost effective manner
- Provide advice on asset management issues affecting the Portfolio, such as strategies to address historically delinquent loans or foreclosed properties, expiring Section 236 subsidy contracts, the expiration of Workout Agreements, the long-term capital needs of the projects in the Portfolio, and other issues impacting the current and future value of the Portfolio
- Create detailed income, expense and/or cash flow spreadsheets and provide analyses of different scenarios using varying assumptions
- Assist ESD in the structuring of incentive or loan programs that will enhance the physical and financial condition of properties in the Portfolio
- Provide other Advisory Services as requested by ESD on an as-needed basis

2. **Additional Services (Support)** – Additional Support Services are to be billed on a monthly basis (see Section 3B. on Compensation) and will require administrative/support or general staff in the event that ESD requires additional assistance in the management of the Portfolio. The following Additional Support Services may be requested on an as-needed basis for all projects in the Portfolio:

- Except for Basic Loan Servicing tasks typically handled by the Loan Servicer, the Loan Servicer may be requested to respond to additional inquiries, either written or verbal, from owners/housing companies/managing agents or City/State government staff regarding operational, physical or financial matters relating to projects in the Portfolio, as well as other matters related to loan documents, closing procedures, and other Portfolio-related requests. The Loan Servicer would evaluate and investigate the issue and, depending on the nature of the matter, would respond directly to the inquiry or offer a suggested response to ESD staff.
- Process and administer Section 32 mortgage advances, Special Purpose Building Loan payments, Tenant Repair and Improvement Loan payments, and other payment requisitions.
- Coordinate property inspections, meetings, conference calls, agendas, presentations, etc.
- Provide other Additional Support Services as requested by ESD on an as-needed basis.

Section 3. Content of Proposal

A. Information and Format

1. All responding firms must complete applicable sections of this RFP, including the Application Coversheet, and Parts I, II, III and IV.
2. Responses should be within the page limits indicated within Parts I through III and be single spaced in 11 point type or larger.
3. In your response, provide the information in the same order in which it is requested. Your proposal must contain sufficient information to assure ESD of its accuracy.

B. Compensation

1. Responding firms must provide all-inclusive rates for each of the types of services described in this RFP, including Basic Loan Servicing and Additional Services (Advisory and Support). Responding firms must also provide a prorated rate reduction for each project that leaves ESD's Portfolio and will no longer require servicing.
2. Responding firms must submit a fee schedule as set forth in Part III – Compensation.

C. Engagement Standards; Rights of Corporation

Loan Servicing - At the direction of ESD, the firm must be willing to partner with other firms, including MWBE firms. ESD encourages joint ventures of MWBE firms with majority firms and MWBE firms with other MWBE firms. ESD also may exercise its option to pair firms for specific programs or tasks.

Financial Information - As a condition of this engagement each firm may be required to submit updated financial information prior to the appointment as Loan Servicer. Firms will also be required to notify ESD when a significant change or impairment of financial position has occurred.

Reports to ESD – Firms will be required to provide financial reports or loan information to ESD from time to time.

Section 4. Evaluation of Proposals

A. The Selection Process

The selection process will begin with the review and evaluation of each of the written proposals. The purpose of the evaluation is: (1) to examine the responses for compliance with this RFP, and (2) to identify the complying firms that have the highest probability of satisfactorily performing the scope of services. The evaluation will be conducted in a comprehensive and impartial manner as set forth herein.

B. Preliminary Review

ESD reserves the right to reject and return to the proposer all proposals received after the RFP due date and time. All proposals will be reviewed to determine if they contain all required submittals specified in this RFP. Incomplete proposals may be rejected.

C. Evaluation and Criteria for Selection

Proposals will undergo an evaluation process conducted by a committee of ESD staff members. The committee will evaluate the proposals based upon the following criteria:

- All information submitted in response to this RFP, including:
- Experience with Mitchell-Lama, bond-financed, Section 236-subsidized housing projects
- Loan Servicer's ability to understand how the loans in ESD's Portfolio are financially structured, including a variety of mortgages, subsidies, rent supplements, soft loans and other debt instruments
- Knowledge and technical expertise in the area of subsidized Affordable Housing
- Expertise in conducting property inspections of seasoned affordable housing projects
- Past performance in the area of subsidized Affordable Housing
- Evidence to demonstrate that the Loan Servicer has the qualifications and capacity to perform the scope of Basic Loan Services and, if needed, the Additional Services (Advisory and Support) described in this RFP
- Desired fee for requested services including Basic Loan Servicing and Additional Services, both Advisory and Support
- Ability to provide ESD with an online database system, customized to the specific needs of ESD's housing portfolio
- Other items described in Part I-Qualifications and Part II-Performance
- Interviews, if any, to clarify or expand on the response (see Section 4.D below)

D. Interviews

ESD reserves the right to determine whether interviews will be necessary. The purpose of the interview is to further document the proposer's ability to provide the required services, and to impart to the committee an understanding of how specific services will be furnished. The proposed engagement partner, as well as other key personnel proposed to provide the services, must be present and participate in the interview. The interview will be evaluated on the basis of whether it substantiates the characteristics and attributes claimed by the proposer in its written response to this RFP and any other information requested by the committee prior to the interview.

Section 5. Submission of Proposals

A proposer must submit seven (7) hardcopies of its proposal and three (3) CDs to ESD on or before **4:00 PM EDST on September 21, 2012.**

Fax submissions will not be considered under any circumstances. Proposals received after the proposal date may be rejected and returned to the proposer.

All proposals and accompanying documentation will become the property of ESD and will not be returned. The content of each proposal will be held in strict confidence during the bid evaluation process, and no details of any proposal will be discussed outside the evaluation process. An official authorized to commit the company to a contract must sign the proposal.

Proposals should be marked “**Response to Request for Proposal for Loan Servicing**” and addressed to:

Ms. Paula Roy
Vice President
Empire State Development
633 Third Avenue, 35th Floor
New York, New York 10017

Section 6. Important Information Affecting Proposers

A. Questions and Other Information

1. All questions concerning this RFP must be emailed to: LoanServicingRFP@ESD.NY.GOV. Proposers or prospective proposers may not approach any ESD officer, employee, contractor or agent or any other State entity relative to this RFP.

All questions must be submitted no later than **September 7, 2012** in writing to Ms. Paula Roy, Vice President, at the above address, or by email to: LoanServicingRFP@ESD.NY.GOV citing the particular proposal section and paragraph number. Proposers should note that all clarifications and exceptions are to be resolved prior to submission of the proposal. A list of all substantive inquiries received, along with relevant responses, will be posted on ESD’s website: <http://www.esd.ny.gov/CorporateInformation/RFPs.html> by **September 13, 2012**.

2. A proposer may withdraw or modify a proposal any time prior to the final due date and time by written notification, signed by an authorized agent, via email to the email address identified in Section 6.A.1 above. The proposal may thereafter be resubmitted, but not after the final due date and time. Modifications offered in any other manner, oral or written, will not be considered. ESD will not be liable for any costs incurred by a proposer in the preparation and production of a proposal and/or an interview.
3. If a proposer discovers an ambiguity, conflict, discrepancy, omission or other error in this RFP, the proposer should immediately notify ESD via the email address identified in Section 6.A.1 above. Notice of such error or omission should be submitted prior to the final due date and time for submission of proposals. Modifications shall be made by addenda to this RFP. Such clarifications shall be posted on ESD’s website.
4. By responding to this RFP, the proposer indicates its acceptance of the provisions and conditions enumerated in this RFP. The proposer warrants and affirms that the terms of this RFP, and any resultant agreement, do not violate any contracts or agreements to which it is a party, and that its other contractual obligations will not adversely influence its capabilities to perform under the contract.

B. Corporation's Requirements

1. By submitting a proposal, the proposer covenants that it will not make any claims or have any right to damages because of any misinterpretation or misunderstanding of the specifications or because of lack of information.
2. ESD shall not be obligated to cover any cost incurred by the proposer in proposal preparation or in activities related to the review of this RFP or any interview costs.
3. Other than through the email identified in Section 6.A.1 above, or designee(s), prospective proposers shall not approach ESD employees during the period of this RFP process about any matters related to this RFP or any proposals submitted pursuant thereto.

C. Corporation's Rights and Prerogatives

ESD reserves the right to exercise the following prerogatives:

- To accept or reject any or all proposals and amend, modify or withdraw this RFP.
- To correct any arithmetic errors in the proposals.
- To change the proposal's due date or selection date upon appropriate notification (any notification would be posted on the ESD website).
- To accept or reject any of the firm's employees assigned to provide services on this project and to require their replacement at any time.
- To waive or modify any irregularities in proposals received after prior notification to the proposer. This will in no way modify the RFP documents or excuse the proposer from full compliance with its requirements.
- To consider modifications to proposals at any time before the award is made, if such action is in the best interest of ESD.
- To interview proposers prior to selection.
- To reject any proposal containing false or misleading statements or that provides references that do not support an attribute or condition claimed by the proposer.
- To negotiate the terms of the proposal with the selected proposer prior to commencing services. If negotiations cannot be concluded successfully with any selected proposer(s), ESD may negotiate with other proposers.
- To continually evaluate the performance of firms selected and take appropriate action based on its findings.

D. Participation of Minority and Women-Owned Business Enterprises (MWBE); Equal Employment Opportunities and Contractor & Supplier Diversity Requirements

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of NYS certified MWBEs and the employment of minority group members and women in the performance of ESD contracts,

including loan servicers. ESD encourages certified MWBE firms to submit proposals in response to this RFP.

ESD's Non-Discrimination policy and Contractor & Supplier Diversity goals will apply to this engagement. The contractor shall be required to: (i) solicit and utilize MWBEs for any contractual opportunities generated in connection with the engagement and (ii) use Good Faith Efforts (pursuant to 5 NYCRR Sec.142.8) to achieve an overall MWBE Participation Goal of 23% related to the total value of the contract. The contractor may use any combination of certified Minority and/or Women Owned Business Enterprises to achieve the aforementioned goal.

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 the 2010 Business Diversification Act, which requires, among other things, that ESD achieve maximum feasible participation of MWBEs and the employment of minority group's members and women in the performance of New York State contracts.

ESD is committed to achieving significant MWBE participation in the servicing of its mortgage loan portfolio and will use good faith efforts to ensure that qualified MWBE firms are included in this solicitation.

ESD encourages joint ventures of MWBE firms with majority firms and MWBE firms with other MWBE firms. Please note that all certified MWBE firms submitting proposals to the RFP should be registered as such with the New York State Department of Economic Development. For firms that are not certified but have applied for certification, please provide evidence of filing, including the filing date.

This procurement is being conducted in accordance with Article 15-A of the Executive Law and Chapter XIV of Title 5 the New York Code of Rules and Regulations ("NYCRR"). It is the goal of ESD to utilize qualified loan servicers that have a demonstrated history of hiring, training, developing, promoting and retaining minority and women loan servicers and to encourage participation by certified MWBE firms.

In addition, in responding to this RFP, each firm must acknowledge that:

1. The firm will submit an equal employment opportunity policy statement to ESD.
2. The firm will not discriminate against any employee or applicant for employment because of race, creed, color, sex, religion, national origin, military status, sexual orientation, age, disability, genetic disposition or carrier status, domestic violence victim status, or marital status, will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination, and will make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on contracts with the ESD.

3. The firm will state in all solicitations or advertisements for employees that all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

At the request of ESD, the firm's members will request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate on the basis of race, creed, color, sex, religion, national origin, military status, sexual orientation, age, disability, genetic disposition or carrier status, domestic violence victim status, or marital status, and that such union or representative will affirmatively cooperate in the implementation of the firm's obligations herein.

Section 7. Term of Engagement

The engagement term will run for an initial two year period. ESD, at its discretion, may exercise its option to extend the engagement period for up to two additional one-year terms. Extensions will be at ESD's sole option and will be contingent upon an evaluation of the selected Loan Servicer's performance, among other factors.

ESD reserves the right to suspend or terminate, at any time and for any reason, an agreement or contract resulting from this RFP with written notice to the Loan Servicer.



Request for Proposals for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio *Part I - Qualifications*



Please limit your response to 5 pages (excluding resumes). Please respond in the following order:

1. Briefly describe your firm's qualifications to serve as Loan Servicer for ESD's Affordable Housing Portfolio. Your response should include:
 - a. a brief description of your firm and its organizational structure including a list of business lines in which your firm engages in addition to subsidized affordable housing; and
 - b. the ownership structure of your firm, including a list of its principals and staffing, with particular emphasis on your loan servicing and asset management, if any, departments.
2. Discuss your firm's experience with subsidized affordable housing. Have there been any changes in the firm's loan servicing and asset management department staffing or staffing policy in 2009, 2010 and 2011? If so, please discuss how these changes may affect your coverage of ESD's loan portfolio. Include resumes of all key principals and pertinent staff and describe how you would utilize your firm's human resources to serve ESD.
3. Discuss your firm's knowledge and experience of bond-financed Mitchell-Lama project dispositions including low income housing tax credit refinancings, mortgage prepayments, foreclosures and sales of affordable housing projects. Briefly describe a few examples of transactions and circumstances where your firm recently analyzed and recommended mortgage prepayments or similar transactions which your client accepted.
4. ESD is committed to increasing the utilization of MWBE firms, including loan servicing and asset management firms. Describe your firm's affirmative action program and activities. Please share any ideas you may have for MWBE joint venture partnerships or other initiatives which would increase ESD utilization.
5. Discuss your firm's presence in New York State including any offices maintained in the State, the number of staff employed in the State and the number of staff that would be assigned to ESD who are employed in the State. Include in your discussion how your firm's current New York State footprint has changed in 2009, 2010, and 2011. In addition, describe the firm's commitment to New York State, including local procurement of goods and services, development or participation in internship programs or scholarships and corporate philanthropy.

6. Provide ESD with a list and description of any proceedings known of or pending by any governmental authority against your firm, including but not limited to, any pending or anticipated proceedings, rule or order relating to a violation or alleged violation by your firm of any federal or state statute or regulation pertaining to the mortgage loan servicing or other advisory or support services provided by your firm. Provide a list of all sanctions and/or fines imposed on your firm during the last 24 months in connection with any proceeding of the type described in the preceding sentence. Also provide ESD with a list and description of any pending or anticipated proceedings by private parties against your firm (individually or in the aggregate) that your firm has determined may have a material adverse impact on the current financial status or operations of the firm.
7. Disclose any existing or contemplated relationship with any other person or entity, including relationships with any parent, subsidiary or affiliated firm, which would constitute an actual or potential conflict of interest in connection with your rendering services detailed in this RFP. If a conflict does or might exist, please describe how your firm would resolve the conflict.
8. Provide resumes of all individuals (principals and staff) that will be assigned to ESD to provide the Basic Loan Servicing and Additional Services (Advisory and Support) described in this RFP.



Request for Proposals for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio *Part II - Performance*



Please limit your response to 5 pages (excluding list of references). Please respond in the following order:

1. List your firm's or key principal's combined experience as Loan Servicer of a Bond-Financed, Section 236-Subsidized Affordable Housing Portfolio. Include size of portfolio, type of portfolio, role of firm, scope of work performed, length of contract and other relevant information. Provide 3 references (include name of individual, title, name of firm, email address and telephone number).
2. For each portfolio mentioned, describe any unique contribution your firm or principals have made and how your client benefitted. Elaborate on any innovations developed by your firm or principals or any special efforts undertaken by the firm for such services. Limit your response to three examples.
3. Discuss the firm's loan servicing capabilities in detail. Include any significant collection rate increases or decreases or other achievements to support your experience, knowledge, capacity and qualifications to serve as Loan Servicer for ESD's housing portfolio.
4. Discuss any recommendations you have regarding how you could improve ESD's overall collection rate of approximately 60%. Also discuss any strategies you might have to make the servicing of ESD's Portfolio more effective and efficient. Recommend specific approaches that you would recommend ESD employ in the short and long term to distinguish its Portfolio.
5. Please list the engagements since January 1, 2010 where your firm has either been replaced or resigned.
6. If your firm supports both an asset management division as well as a loan servicing department, describe the type of asset management services that your firm provides with respect to subsidized affordable housing, with specific examples of what role your firm played and the specific services your asset management department provided. Discuss how your asset management department could perform similar services to ESD in the form of the Additional Services (Advisory) described in this RFP. Please provide 2 references to support your ability to perform these Additional Services (Advisory) (include name of individual, title, name of firm, email address and telephone number).
7. Describe any additional factors which you believe are important in considering the inclusion of your firm as ESD's Loan Servicer for its subsidized affordable Housing Portfolio.



**Request for Proposals
For Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Part III - Compensation***



1. All responding firms must provide all-inclusive rates for each of the following types of services as described in this RFP:
 - an all-inclusive total annual rate for **Basic Loan Servicing** functions to be paid monthly
 - an all-inclusive total hourly rate for **Additional Services (Advisory)** to be paid monthly
 - an all-inclusive monthly rate for **Additional Services (Support)**

2. ESD will require a prorated rate reduction for each project that leaves the Portfolio and has no continuing debt obligations that require continuous monitoring and servicing. All responding firms must provide an amount on a dollar per project basis to be deducted from the Basic Loan Servicing rate for each project that satisfies its obligations to ESD and exits the Portfolio and, therefore, requires no further servicing.



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Part IV – Exhibits to RFP***



Please complete and return the following items with your proposal:

1. Certification Concerning Independent Proposal
2. Certification Pursuant to State Finance Law §139
3. Certification Regarding Commission on Public Integrity
4. Sales Tax Certification – Form ST-220-CA
5. Office of Contractor & Supplier Diversity (“OCSD”)
 - a. Non-Discrimination and Contractor & Supplier Diversity Policy Statement – Form OCSD-1
 - b. Staffing Plan – Form OCSD-2
 - c. MWBE Utilization Plan – Form OCSD-3
 - d. Definition of “Good Faith Efforts” – Form OCSD-4 (*Information Only*)
6. Vendor Responsibility
7. Insurance Requirements
8. Technical Requirements



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
Part IV – Exhibits to RFP:
1. Certification Concerning
Independent Proposal**



(Name of Firm)

hereby certifies as follows in connection with our Proposal for Basic Loan Servicing and Additional Services (Advisory and Support) for the position of: _____

- A. Except as described below, we have prepared our Proposal independently, without consultation, communication, or agreement as to any matter with any other proposer to the RFP or with any competitor.
- B. Except as described below, we have not disclosed our Proposal and, unless otherwise required by law, will not disclose our Proposal prior to award, either directly or indirectly, to any other firm or to any competitor.
- C. Except as described below, we have made no attempt and will make no attempt to induce any other person or firm to submit or not to submit a Proposal.
- D. Except as described below, there are no fee splitting arrangements, finder’s fees, consulting arrangements or any other financial arrangement in connection with this proposal or the subsequent transactions contemplated by this proposal.

Exceptions if any:

Signature of Authorized Officer

Date

Name of Authorized Officer

Title



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
Part IV – Exhibits to RFP:
2. Certification Pursuant to State
Finance Law §139**



This form shall be completed and submitted with your Proposal. Failure to complete and submit this form may result in a determination of non-responsiveness and disqualification of the Proposal.

For Information regarding State Finance Law §139 please access:

http://esd.ny.gov/CorporateInformation/Data/RFPs/RequiredForms/PermissibleContactsPolicy_Jan2007.pdf

I. Affirmation relating to procedures governing permissible contacts:

(Proposer must check applicable box)

Proposer: affirms does not affirm

that it understands and has to date and agrees hereinafter to comply with the Corporation's procedures relative to permissible contacts for this procurement as required by State Finance Law §139-j (3) and §139-j (6) (b).

II. Disclosure of Findings of Non-Responsibility and Prior Contract Terminations or Withholdings under the 2005 Procurement Lobbying Law:

1. Has any "governmental entity," as defined by State Finance Law §139-j and §139-k, made a finding in the last four years that the firm was not responsible?

No Yes

2. If yes, was the basis for any such finding(s) the intentional provision of false or incomplete information required by State Finance Law § 139-j and §139-k, and/or the failure to comply with the requirements of State Finance Law §139-j (3) relating to permissible contacts?

No Yes

If yes, please provide details regarding each finding of non-responsibility below. (Attach additional pages, if necessary)

Governmental Entity: _____

Date of Finding: _____

Basis of Finding: _____

3. Has any "governmental entity" as defined in State Finance Law §139-j and §139-k terminated or withheld a procurement contract with the firm due to the intentional provision of false or incomplete information required by such Laws and/or the failure to comply with the requirements of State Finance Law §139-k(3) relating to permissible contacts?

No Yes

If yes, please provide details below. (Attach additional pages, if necessary)

Governmental Entity:

Date of Termination or Withholding of Contract:

Basis of Termination or Withholding of Contract:

The undersigned acknowledges and states that all information provided to the Corporation with respect to State Finance Law § 139-j and § 139-k is complete, true and accurate.

Signature of Authorized Officer

Date

Name of Authorized Officer

Date

Title

Address



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
Part IV – Exhibits to RFP:
3. Certification Regarding
Commission on Public Integrity**



The New York Temporary State Commission on Lobbying and the New York State Ethics Commission has merged and are now the New York State Commission on Public Integrity. Has your firm, or any of the members discussed in your proposal, been the subject of any investigation or disciplinary action by the New York State Ethics Commission New York Temporary State Commission on Lobbying or the New York State Commission on Public Integrity?

Yes No

If yes, please describe briefly how any matter was resolved or whether it remains unresolved:

Certification

The undersigned personally does hereby state and certify to the Empire State Development that the information given above is true, accurate and complete.

By: _____
(Signature)

By: _____
(Name of Officer)

Title: _____

Firm's Legal Name: _____

Date: _____



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
Part IV – Exhibits to RFP:
4. Sales Tax Certification**



The Tax Law was amended to require contractors with state agencies to certify to the Department of Taxation and Finance (DTF) that they, their affiliates, their subcontractors and the affiliates of the subcontractors have a valid certificate of authority to collect New York State and local sales and compensating-use taxes. Tax Law Section 5-a applies to all contracts in excess of \$100,000 for the purchase by a covered agency of commodities or services, awarded pursuant to Article XI of the State Finance Law.

For submission to the Corporation, **Contractors must complete Contractor Certification Form ST-220-CA, a required document to be provided by the contractor to the procuring agency before a contract may take effect.** This certification to the procuring agency, also made under penalty to perjury, states that the requisite (ST-220-TD) certification has been made to DTF and, to the best of the contractor's knowledge, that the requisite (ST-220-TD) certification is correct and complete.

If a contractor has any questions regarding either forms, ST-220-CA or ST-220-TD, the New York State Comptroller G Bulletin will provide background information and necessity of both forms (<http://www.osc.state.ny.us/agencies/gbull/g222a.htm>).

Contractors can refer to the Department of Taxation and Finance website, or the NYS Tax Law, Section 5-a, Contractor Affiliate, Subcontractor, and Subcontractor Affiliate Sales and Compensating Use Tax Registration for additional information and guidance.



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
Part IV – Exhibits to RFP:
**5. Non-Discrimination and
Contractor & Supplier Diversity
Policy Statement****

NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY POLICY STATEMENT

It is the policy of the State of New York and ESD to comply with all federal, State and local laws, policies, orders, rules and regulations which prohibit unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and to take affirmative action in working with contracting parties to ensure that Minority and Women-owned Business Enterprises (MWBE's), Minority Group Members and women share in the economic opportunities generated by ESD's participation in projects or initiatives, and/or the use of ESD funds. ESD's non-discrimination and Contractor & Supplier Diversity policy will apply to this initiative. A copy of each proposer's Equal Employment Opportunity Policy Statement shall be included as part of the response to this RFP. The ESD Office of Contractor & Supplier Diversity ("OCSD") is available to assist you in identifying New York State certified MWBE's that can provide services in connection with this initiative. If you require MWBE listings, please contact the OCSD at OCSD@ESD.NY.GOV. MWBE's are encouraged to respond.

Please complete and return Forms OCSD-1, OCSD-2, and OCSD-3 with your proposal:

Non-Discrimination and Contractor & Supplier Diversity Policy Statement – Form OCSD-1
Staffing Plan – Form OCSD-2
MWBE Utilization Plan – Form OCSD-3

Definition of "Good Faith Efforts" – Form OCSD-4 (*Information Only*)

I, _____ (CONTRACTOR REPRESENTATIVE), the _____ (AWARDEE/CONTRACTOR) agree to adopt the following policies with respect to the project being developed or services rendered at _____.

M/WBE PARTICIPATION (M/WBE)

This organization will and will cause its contractors and subcontractors to take good faith actions to achieve the M/WBE contract participations goals set by the State for that area in which the State-funded project is located, by taking the following steps:

- (1) Actively and affirmatively solicit bids for contracts and subcontracts from qualified State certified MBEs or WBEs, including solicitations to M/WBE contractor associations.
- (2) Request a list of State-certified M/WBEs from ESD’s Office of Contractor & Supplier Diversity (“OCSD”) and solicit bids from them directly. OCSD may be contacted at OCSD@ESD.NY.GOV or (212) 803-3244.
- (3) Ensure that plans, specifications, request for proposals and other documents used to secure bids will be made available in sufficient time for review by prospective M/WBEs.
- (4) Where feasible, divide the work into smaller portions to enhanced participations by M/WBEs and encourage the formation of joint venture and other partnerships among M/WBE contractors to enhance their participation.
- (5) Document and maintain records of bid solicitation, including those to M/WBEs and the results thereof. Contractor will also maintain records of actions that its subcontractors have taken toward meeting M/WBE contract participation goals.
- (6) Ensure that progress payments to M/WBEs are made on a timely basis so that undue financial hardship is avoided, and that bonding and other credit requirements are waived or appropriate alternatives developed to encourage M/WBE participation.

EQUAL EMPLOYMENT OPPORTUNITY POLICY (EEO)

- (a) This organization will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing programs of affirmative action to ensure that minority group members are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on state contracts.
- (b) This organization shall state in all solicitation or advertisements for employees that in the performance of the State contract all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex disability or marital status.
- (c) At the request of the contracting agency, this organization shall request each employment agency, labor union, or authorized representative will not discriminate on the basis of race, creed, color,

national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of this organization’s obligations herein.

- (d) This organization will include the provisions of sections (a) through (c) of this agreement in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the State contract.

Agreed on this _____ day of _____, 20_____.

By: _____
(SIGNATURE)

Print Name: _____

Title: _____

Minority Business Enterprise Liaison

_____ (Name of Designated Liaison) is designated as the Minority Business Enterprise Liaison responsible for administering the Minority and Women-Owned Business Enterprises- Equal Employment Opportunity (M/WBE-EEO) program.

M/WBE Contract Goals

_____ % Minority Business Enterprise Participation

_____ % Women’s Business Enterprise Participation

_____ % Overall M/WBE Business Enterprise Participation

EEO Contract Goals

_____ % Minority Labor Force Participation

_____ % Female Labor Force Participation

(Signature of Authorized Representative)

Print Name: _____

Title: _____

Date: _____

Submit with Bid or Proposal – Instructions on page 2

Solicitation No.:	Reporting Entity:	Report includes Contractor's/Subcontractor's: <input type="checkbox"/> Work force to be utilized on this contract <input type="checkbox"/> Total work force <input type="checkbox"/> Offeror <input type="checkbox"/> Subcontractor Subcontractor's Name: _____
Offeror's Name:		
Offeror's Address:		

Enter the total number of employees for each classification in each of the EEO-Job Categories identified

EEO-Job Category	Total Work force	Work force by Gender		Work force by Race/Ethnic Identification														
		Total Male (M)	Total Female (F)	White (M) (F)		Black (M) (F)		Hispanic (M) (F)		Asian (M) (F)		Native American (M) (F)		Disabled (M) (F)		Veteran (M) (F)		
Officials/Administrators																		
Professionals																		
Technicians																		
Sales Workers																		
Office/Clerical																		
Craft Workers																		
Laborers																		
Service Workers																		
Temporary /Apprentices																		
Totals																		

PREPARED BY (Signature): _____	NAME: _____ TITLE: _____ DATE: _____	TELEPHONE NO.: _____ ALTERNATE TEL: _____ EMAIL: _____
--	---	---

General Instructions: All Offerors and each subcontractor identified in the bid or proposal must complete an EEO Staffing Plan (M/WBE 101) and submit it as part of the bid or proposal package. Where the work force to be utilized in the performance of the State contract can be separated out from the contractor's and/or Subcontractor's total work force, the Offeror shall complete this form only for the anticipated work force to be utilized on the State contract. Where the work force to be utilized in the performance of the State contract cannot be separated out from the contractor's and/or Subcontractor's total work force, the Offeror shall complete this form for the contractor's and/or Subcontractor's total work force.

Instructions:

1. Enter the Solicitation number that this report applies to along with the name and address of the Offeror.
2. Check off the appropriate box to indicate if the Offeror completing the report is the contractor or a subcontractor.
3. Check off the appropriate box to indicate work force to be utilized on the contract or the Offerors' total work force.
4. Enter the total work force by EEO job category.
5. Break down the anticipated total work force by gender and enter under the heading 'Work force by Gender'
6. Break down the anticipated total work force by race/ethnic identification and enter under the heading 'Work force by Race/Ethnic Identification'. Contact the OM/WBE Permissible contact(s) for the solicitation if you have any questions.
7. Enter information on disabled or veterans included in the anticipated work force under the appropriate headings.
8. Enter the name, title, phone number and email address for the person completing the form. Sign and date the form in the designated boxes.

RACE/ETHNIC IDENTIFICATION:

Race/ethnic designations as used by the Equal Employment Opportunity Commission do not denote scientific definitions of anthropological origins. For the purposes of this report, an employee may be included in the group to which he or she appears to belong, identifies with, or is regarded in the community as belonging. However, no person should be counted in more than one race/ethnic group. The race/ethnic categories for this survey are:

- **WHITE** (Not of Hispanic origin) All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.
- **BLACK** a person, not of Hispanic origin, who has origins in any of the black racial groups of the original peoples of Africa.
- **HISPANIC** a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
- **ASIAN & PACIFIC ISLANDER** a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands.
- **NATIVE INDIAN (NATIVE AMERICAN/ALASKAN NATIVE)** a person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition.

OTHER CATEGORIES:

- **DISABLED INDIVIDUAL** any person who:
 - has a physical or mental impairment that substantially limits one or more major life activity(ies)
 - has a record of such an impairment; or
 - is regarded as having such an impairment.
- **VIETNAM ERA VETERAN** a veteran who served at any time between and including January 1, 1963 and May 7, 1975.
- **GENDER** Male or Female

INSTRUCTIONS: This form must be submitted with any bid, proposal, or proposed negotiated contract or within a reasonable time thereafter, but prior to contract award. This MWBE Utilization Plan must contain a detailed description of the supplies and/or services to be provided by each certified Minority and Women-owned Business Enterprise (M/WBE) under the contract. Attach additional sheets if necessary.

Federal Employer Identification No. (FEIN): _____

Offeror's Name: _____

Region/Location of Work: _____

Offeror's Address: _____

Solicitation No.: _____

City, State, Zip Code: _____

Project No.: _____

Telephone No.: _____

M/WBE Goals in the Contract: MBE - _____% WBE - _____%

1. Certified M/WBE Subcontractors/Suppliers Federal Employer Identification Number (FEIN), Name, Address, Phone, Fax and Email Address.	2. Classification	3. Federal ID No.	4. Detailed Description of Work (Attach additional sheets, if necessary)	5. Dollar Value of Subcontracts / Supplies / Services and intended performance dates of each component of the contract.
A.	<u>NYS ESD CERTIFIED</u> <input type="checkbox"/> MBE <input type="checkbox"/> WBE			
B.	<u>NYS ESD CERTIFIED</u> <input type="checkbox"/> MBE <input type="checkbox"/> WBE			

6. If unable to fully meet the M/WBE goals set forth in the contract, the Offeror must submit a Waiver Request form, which may be obtained from the

Office of Contractor and Supplier Diversity, at OCSD@ESD.NY.GOV .											
<p>PREPARED BY (Signature): _____</p> <p>DATE: _____</p> <p>Preparer's Name (Print or Type): _____</p> <p>Preparer's Title: _____</p> <p>Date: _____</p> <p>SUBMISSION OF THIS FORM CONSTITUTES THE OFFEROR'S ACKNOWLEDGEMENT AND AGREEMENT TO COMPLY WITH THE M/WBE REQUIREMENTS SET FORTH UNDER NYS EXECUTIVE LAW, ARTICLE 15-A, 5 NYCRR PART 143, AND THE ABOVE-REFERENCED SOLICITATION. FAILURE TO SUBMIT COMPLETE AND ACCURATE INFORMATION MAY RESULT IN A FINDING OF NONCOMPLIANCE AND POSSIBLE TERMINATION OF YOUR CONTRACT.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">TELEPHONE NO.:</td> <td style="width: 50%; padding: 2px;">EMAIL ADDRESS:</td> </tr> <tr> <td colspan="2" style="text-align: center; padding: 5px;">** FOR OCSD-M/WBE USE ONLY **</td> </tr> <tr> <td style="padding: 2px;">REVIEWED BY:</td> <td style="padding: 2px;">DATE:</td> </tr> <tr> <td colspan="2" style="padding: 5px;"> <p>UTILIZATION PLAN APPROVED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date: _____</p> <p>Contract No.: _____</p> <p>Project No. (if applicable): _____</p> <p>Contract Award Date: _____</p> <p>Estimated Date of Completion: _____</p> <p>Amount Obligated Under the Contract: _____</p> <p>Description of Work:</p> <p>_____</p> <p>_____</p> <p>_____</p> </td> </tr> <tr> <td colspan="2" style="padding: 5px;"> <p>NOTICE OF DEFICIENCY ISSUED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue: _____</p> <p>NOTICE OF ACCEPTANCE ISSUED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue: _____</p> </td> </tr> </table>	TELEPHONE NO.:	EMAIL ADDRESS:	** FOR OCSD-M/WBE USE ONLY **		REVIEWED BY:	DATE:	<p>UTILIZATION PLAN APPROVED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date: _____</p> <p>Contract No.: _____</p> <p>Project No. (if applicable): _____</p> <p>Contract Award Date: _____</p> <p>Estimated Date of Completion: _____</p> <p>Amount Obligated Under the Contract: _____</p> <p>Description of Work:</p> <p>_____</p> <p>_____</p> <p>_____</p>		<p>NOTICE OF DEFICIENCY ISSUED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue: _____</p> <p>NOTICE OF ACCEPTANCE ISSUED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue: _____</p>	
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** FOR OCSD-M/WBE USE ONLY **											
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<p>NOTICE OF DEFICIENCY ISSUED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue: _____</p> <p>NOTICE OF ACCEPTANCE ISSUED?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO Date of Issue: _____</p>											

5 NYCRR §142.8 - Contractor's Good Faith Efforts

- (a) The contractor must document its good faith efforts toward meeting certified minority and women-owned business enterprise utilization plans by providing, at a minimum:
 - (1) Copies of its solicitations of certified minority and women-owned business enterprises and any responses thereto;
 - (2) If responses to the contractor's solicitations were received, but a certified minority or woman-owned business enterprise was not selected, the specific reasons that such enterprise was not selected;
 - (3) Copies of any advertisements for participation by certified minority and women-owned business enterprises timely published in appropriate general circulation, trade and minority or women-oriented publications, together with the listing(s) and date(s) of the publication of such advertisements;
 - (4) Copies of any solicitations of certified minority and/or women-owned business enterprises listed in the directory of certified businesses;
 - (5) The dates of attendance at any pre-bid, pre-award, or other meetings, if any, scheduled by the State agency awarding the State contract, with certified minority and women-owned business enterprises which the State agency determined were capable of performing the State contract scope of work for the purpose of fulfilling the contract participation goals;
 - (6) Information describing the specific steps undertaken to reasonably structure the contract scope of work for the purpose of subcontracting with, or obtaining supplies from, certified minority and women-owned business enterprises.

- (b) In addition to the information provided by the contractor in paragraph (a) above, the State agency may also consider the following to determine whether the contractor has demonstrated good faith efforts:
 - (1) Whether the contractor submitted an alternative utilization plan consistent with the subcontract or supplier opportunities in the contract;
 - (2) The number of certified minority and women-owned business enterprises in the region listed in the directory of certified businesses that could, in the judgment of the State agency, perform work required by the State contract scope of work;
 - (3) The actions taken by the contractor to contact and assess the ability of certified minority and women-owned business enterprises located outside of the region in which the State contract scope of work is to be performed to participate on the State contract;
 - (4) Whether the contractor provided relevant plans, specifications or terms and conditions to certified minority and women-owned business enterprises sufficiently in advance to enable them to prepare an informed response to a contractor request for participation as a subcontractor or supplier;
 - (5) The terms and conditions of any subcontract or provision of suppliers offered to certified minority or women-owned business enterprises and a comparison of such terms and conditions.



**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Part IV – ESD Supplement:
6. Vendor Responsibility***



ESD requires its vendors to register in the State's Vendor Responsibility System (VendRep System). The VendRep 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. Vendors are may file the required Vendor Responsibility Questionnaire online via the New York State VendRep System or may choose to complete and submit a paper questionnaire. To enroll in and use the New York State VendRep System, see the VendRep System Instructions available at www.osc.state.ny.us/vendrep or go directly to the VendRep system online at <https://portal.osc.state.ny.us>. For direct VendRep System user assistance, the OSC Help Desk may be reached at 866-370-4672 or 518-408-4672 or by email at helpdesk@osc.state.ny.us.

Vendors opting to file a paper questionnaire can obtain the appropriate questionnaire from the VendRep website http://www.osc.state.ny.us/vendrep/forms_vendor.htm and choose the form which is most appropriate for your trade industry.

**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Part IV – Exhibits to RFP:
7. Insurance Requirements***



Insurance Requirements

The selected firm will be subject to compliance with applicable ESD insurance requirements. All respondents to the RFP are requested to submit a sample Certificate(s) of Insurance evidencing all types and limits of insurance policies in place. Examples are General/Excess Liability, Professional (Errors and Omissions) Liability, Automobile Liability, Disability, Worker's Compensation & Employer's Liability. All applications will be considered regardless of whether the above listed types of insurance are already in place.

**Request for Proposals
for Basic Loan Servicing and
Additional Services for
Affordable Housing Portfolio
*Part IV – Exhibits to RFP:
8. Technical Requirements***



Software as a Service Solution Requirements

1. SaaS services for the Basic Loan Servicing and Affordable Housing Portfolio – In support of SaaS application, code development and testing activities, and final implementation the vendor must provide managed application and infrastructure services that include, but are not limited to the following:
 - 1.1. Secure facilities in a data center. The data center must reside within the continental U.S. and its location needs to be supplied by the vendor. Physical access to the data center must be controlled through proper methods which track and record what persons have accessed the data center.
 - 1.2. Secure data storage. The data stored within this system must be secured and access rights appropriately limited to those users (vendors and agency representatives) who have been granted access. Any administrative access to New York State data by employees of the vendor must be logged.
 - 1.3. The data center must have redundant power.
 - 1.4. The data center must have redundant connections to the Internet.
 - 1.5. The vendor must have a disaster recovery plan that is tested at least once a year and which includes access to the SaaS application at backup facilities at no additional cost to ESD.
 - 1.6. The vendor must guarantee service uptime of at least 99.5% during the business hours of 7:00 AM and 6:00PM EST Monday through Friday. System Maintenance must be performed outside of this window. This requirement must be incorporated into a broader Service Level Agreement with ESD.
 - 1.7. The vendor must backup the system at least once a day. Backups must be kept for a period of one month. One backup a month must be kept for at least one year.
 - 1.8. The vendor must provide data recovery services (from the database backups) as requested by ESD.
 - 1.9. The vendor must operate a Service (Help) Desk during regular business hours (8 a.m. to 5 p.m. EST/EDT) for the purpose of incident/problem management.
 - 1.10. The vendor must notify ESD of planned infrastructure changes that will impact access to the SaaS application at least 24 hours prior to the change.
 - 1.11. The SaaS application and database must adhere to NYS Data and Encryption policies. This policy can be found at the following location:
<http://www.dhSES.ny.gov/ocs/resources/documents/Cyber-Security-Standard-S10-006-V1.1-Cryptographic-Controls.pdf>

- 1.12. Upon contract termination, the vendor must provide to ESD a copy of all data contained in the database of the Basic Loan Servicing and Affordable Housing Portfolio System in a format agreed to by both parties, along with a copy of the database schema.
- 1.13. The vendor must have yearly vulnerability assessments performed by an independent firm against the application. If critical vulnerabilities are found, they must be reported to ESD along with mitigation efforts to fix the vulnerability.

Technical System

2. The Basic Loan Servicing and Affordable Housing Portfolio system must include the following technical items:
 - 2.1. The proposed SaaS application software and physical location must conform to the standards delineated in all applicable NYS Office for Technology policies, which can be found at <http://www.cio.ny.gov/tables/technologypolicyindex.htm>
 - 2.2. The proposed SaaS application software and physical location must conform to the standards delineated in the NYS Office of Cyber Security and Critical Infrastructure Coordination Policy P03-002 v 3, which can be found at <http://www.dhSES.ny.gov/ocs/resources>. These policies include standards on physical and environmental security, access control, systems development and maintenance and citizens' notification in the event of a breach (or suspected breach) of private information.
 - 2.3. All major browsers must be supported, including Internet Explorer, Safari, Mozilla Firefox, and Chrome.
 - 2.4. The proposed SaaS application must be scalable and maintained on a secure high availability infrastructure to ensure efficient access to the application, processes, data and reporting.
3. The Proposer must provide data interfaces between the Basic Loan Servicing and Affordable Housing Portfolio and the following ESD systems:

Bidirectional data in both batch and real-time, PeopleSoft Financials. The PeopleSoft modules currently installed are Accounts Payable, Accounts Receivable, Billing, and General Ledger.