Jacksonville
Where Florida Begins.
Office of Economic Development

MEMORANDUM

DATE: **February 21, 2017**

TO: **Gregory Pease, Chairman**
Professional Services Evaluation Committee

FROM: **Daphne Colbert, Project Manager-OED**

THRU: **Kirk Wendland, Executive Director-OED**

CC: **Alex Baker, PSEC Specialist**
Paul Crawford, Deputy Director - OED
Joe Whitaker, Special Initiatives Project Manager-OED

SUBJECT: **P-18-16 City of Jacksonville's Access to Capital Program Management Services – Contract and Fees Renegotiation**

The Office of Economic Development has **renegotiated** with the sole respondent, Accion East, Inc., that submitted a proposal and was selected to provide the **City of Jacksonville's Access to Capital Program Management Services,** resulting in the revised attached Contract; Additional Description of Services, Exhibit A; Reporting Requirements, Exhibit B; and Compensation Schedule, Exhibit C.

Accordingly, this memorandum is to recommend that the City of Jacksonville enter into a contract with Accion East, Inc., to provide the **City of Jacksonville's Access to Capital Program Management Services** *that incorporates the attached Scope of Services, Reporting Requirements and Compensation Schedule.*

The initial contract period will be for five years from date of execution of the contract. The contract may be renewed for up to five (5), one (1) year renewal options according to the contract, which outlines the details. The maximum indebtedness is a not-to-exceed amount **of nine hundred seventy-nine thousand and three hundred eighty dollars ($979,380.00).** All other terms and conditions of the contract are per the City's standard contract.

Thank you.

Attachments: Services Contract – City of Jacksonville & Accion East, Inc.
Exhibit A – Additional Description of Services
Exhibit B - Reporting Requirements
Exhibit C - Compensation Schedule

SERVICES CONTRACT
BETWEEN
THE CITY OF JACKSONVILLE
AND
ACCION EAST, INC.
FOR
CONSULTANT SERVICES FOR MANAGEMENT OF THE CITY OF JACKSONVILLE'S ACCESS TO CAPITAL PROGRAM

THIS CONTRACT (the "Contract") is made and entered into this ___ day of _____, 2017 (the "Effective Date"), by and between the CITY OF JACKSONVILLE (the "City"), a municipal corporation existing under the Constitution and the laws of the State of Florida, and ACCION EAST, INC., a New York corporation authorized to transact business in the State of Florida (the "Contractor"), with its principal offices at 80 Maiden Lane, Suite 903, New York, NY 10038.

WHEREAS, the City issued a Request for Proposal No. P-18-16 (including all addendum, the "RFP"), bid date March 2, 2016, for certain services described in the RFP (the "Services"); and

WHEREAS, based on Contractor's response to the RFP dated March 2, 2016 consisting of 60 pages (the "Response"), the City has negotiated and awarded this Contract to Contractor;

NOW THEREFORE, in consideration of the premises and the mutual covenants contained below, the parties agree as follows:

1. Performance of Services. The Services will be performed by Contractor as specified in the RFP, the Response and in accordance with Exhibit A attached hereto and incorporated herein by this reference.

2. Reporting Requirements. Contractor will create a customized monthly pipeline report to track the activity of the City's Access to Capital Program. The information set forth on Exhibit B attached hereto and incorporated herein by this reference will be submitted to the City's Office of Economic Development on a monthly basis by the third day of each month.

3. Compensation. Contractor will be paid by the City for the Services as specified on the Compensation Schedule attached hereto as Exhibit C and incorporated herein by this reference.

4. Disbursement of Funds. The Office of Economic Development, on behalf of City, is authorized to make disbursements hereunder from time to time consistent with the terms of this Agreement. Such disbursements may include disbursements to Contractor for its administrative fees in connection with JSEB, and also as a source of loan funds for JSEB loans, all as set forth in this Agreement.

5. Maximum Indebtedness. As required by Section 106.431, *Ordinance Code*, the City's maximum indebtedness, for all products and services under this Contract shall be a fixed monetary amount not-to-exceed NINE HUNDRED SEVENTY-NINE THOUSAND THREE HUNDRED EIGHTY AND 00/100 DOLLARS ($979,380.00). No funds will be encumbered by this Contract; funds will be encumbered periodically by check or purchase order as Contractor completes certain services, as set forth on Exhibit C attached hereto.

6. Term. The initial term of this Contract shall commence on the Effective Date for a term of five years, expiring on _____, 2022, unless sooner terminated by either party in accordance with the terms of the RFP. The Contract may be renewed for up to five (5), one (1)-year renewal options by (i) the City in its sole discretion, upon written notice to Contractor at least sixty (60) days prior to end of the then-current term, or (ii) upon the mutual agreement of the parties. Either party may terminate this Contract without cause by giving of not less than sixty (60) days prior written notice to the other party to this Contract.

7. Contract Documents. This Contract consists of the following documents which are hereby incorporated as if fully set forth herein and which, in case of conflict, shall have priority in the order listed:

- This document, as modified by any subsequent signed amendments;
- Any amendments to the RFP;
- Specific Information Regarding the RFP (Section 1 of the RFP);
- Description of Services (Section 4 of the RFP) ;
- General Instructions (Section 2 of the RFP);
- General Terms and Conditions of Agreement (Section 3 of the RFP);
- Any Purchase Order under the Contract;
- The Response, provided that any terms in the Response that are prohibited or in conflict under the RFP shall not be included in this Contract.

8. Notices. All notices under this Agreement shall be in writing and shall be delivered by certified mail, return receipt requested, or by other delivery with receipt to the following:

As to the City:

Daphne Colbert
Project Manager
City of Jacksonville
Office of Economic Development
117 West Duval Street, Suite 275
Jacksonville, FL 32202

Kirk R. Wendland
Executive Director
City of Jacksonville
Office of Economic Development
117 West Duval Street, Suite 275
Jacksonville, FL 32202

With Copy to:

Office of General Counsel
City of Jacksonville
Attn: Government Operations
117 West Duval Street, Suite 480
Jacksonville, Florida 32202

As to the Contractor:

Paul Quintero, CEO
Accion East, Inc.
80 Maiden Lane, Suite 903
New York, NY 10038

9. Contract Managers. Each Party will designate a Contract Manager during the term of this Contract whose responsibility shall be to oversee the Party's performance of its duties and obligations pursuant to the terms of this Contract. As of the Effective Date, City's Contract Manager is Kirk Wendland, and the Contractor's Contract Manager is Paul Quintero. Each Party shall provide prompt written notice to the other Party of any changes to the Party's Contract Manager or his or her contact information; provided, such changes shall not be deemed Contract amendments and may be provided via email.

10. Entire Agreement. This Contract constitutes the entire agreement between the parties hereto for the Services to be performed and furnished by the Contractor. No statement, representation, writing, understanding, agreement, course of action or course of conduct, made by either party or any representative of either party, which is not expressed herein shall be binding. Contractor may not unilaterally modify the terms of this Contract by affixing additional terms to materials delivered to the City (e.g., "shrink wrap" terms accompanying or affixed to a deliverable) or by including such terms on a purchase order or payment document. Contractor acknowledges that it is entering into this Contract for its own purposes and not for the benefit of any third party.

11. Amendments. All changes to, additions to, modifications of, or amendment to this Contract, or any of the terms, provisions and conditions hereof, shall be binding only when in writing and signed by the authorized officer, agent or representative of each of the parties hereto.

12. Counterparts. This Contract, and all amendments thereto, may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

[Remainder of page left blank intentionally. Signature page follows immediately.]

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

ATTEST:

By _____
James R. McCain, Jr.
Corporation Secretary

CITY OF JACKSONVILLE

By _____
Lenny Curry
Mayor

In accordance with Section 24.103(e), of the *Ordinance Code* of the City of Jacksonville, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing agreement; and that provision has been made for the payment of monies provided therein to be paid.

_____
Director of Finance
City Contract Number:_____

Form Approved:

_____
Office of General Counsel

ATTEST:

By_____
Signature

_____
Type/Print Name

_____
Title

ACCION EAST, INC.,
a New York corporation

By_____
Signature

_____
Type/Print Name

_____
Title

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Exhibit A

Additional Description of Services

1. **Funding Allocation**

The City of Jacksonville will provide one (1) pool of funding to cover the monthly administrative fees and due from City for Jacksonville Small Emerging Business (JSEB) Access To Capital loans. The fee covers the programmatic and administrative costs of originating, underwriting, disbursing, servicing and collecting loans to JSEBs in Duval County.

The City of Jacksonville proposes to provide a Capital Pool for Access To Capital short term working capital loans to designated Jacksonville Small Emerging Businesses. This Capital Pool will be utilized for JSEB loans no less than $5,000, and no greater than $100,000. Principal payments received from the loans funded by the City's JSEB Capital Pool will be deposited back into the City's JSEB Capital Pool. Interest payments received from the loans funded by the City's JSEB Capital Pool will be retained by Contractor. The interest rate on all Access to Capital Loans authorized hereby shall be fixed at 8.99%.

	Administrative Fees Allocation	**Loan Capital Pool**
JSEB Administration	**$150,000**	**-**
City of Jacksonville JSEB Capital Pool	**-**	**$829,380**
Grand Total	**$150,000**	**$829,380**
		$829,380

Exhibit B

Reporting Requirements

Applications Received	# of applications	Requested Loan Amount $
Current Month		
Year to Date		
Historical* (Since Start Date of Jax Program)		

Status Breakdown	# of applications	Approved/Requested Loan Amount $
Approved		
Declined		
Withdrawn		
In Process		

Loans Disbursed	# of applications	Disbursed Amount $
Current Month		
Year to Date		

Portfolio Quality	#	$	%
Outstanding			
Write Offs*			
Delinquent (30+ Days)			
Restructures			

Loan Aging Delinquency Day Bucket	$	% of Portfolio
Less than 30 days		
31-60 days		
61-90 days		
91-120 days		
121 days +		
Total		

Exhibit C

Compensation Schedule

1. **Monthly Administrative Fee.** Contractor shall be paid a monthly administrative fee in the amount of $2,500, which fee is designed to reimburse Contractor in part for programmatic and administrative costs of originating, underwriting, disbursing, servicing and collecting loans authorized by this Contract.

2. **Ineligible Businesses for City of Jacksonville funded Access to Capital Program.** Accion will not be compensated from the City of Jacksonville's Access to Capital Program for any loans made to the following types of businesses:

   - Nightclubs, Adult entertainment, Adult gaming rooms
   - Pawn Shops, Check Cashing establishments, Pay Day Loans
   - Bikini bars, Used car lots

Jacksonville
Where Florida Begins.

June 9, 2016

The Honorable Lenny Curry, Mayor
City of Jacksonville
4th Floor, St. James Building
Jacksonville, FL 32202

Dear Mayor Curry:

Ref: P-18-16 City of Jacksonville's Access to Capital Program Management Services
Office of Economic Development

The Professional Services Evaluation Committee met today in Board Room 851 on the eighth floor of the Ed Ball Building, for the purpose of concluding fee and contract negotiations with the number one ranked company for the above-captioned project.

The following motion/recommendation was **adopted**:

That the City of Jacksonville enters into a contract with Accion East, Inc., to provide Jacksonville's Access to Capital Program Management Services by: (i) incorporating the attached Scope of Services identified as Exhibit "A"; (ii) incorporating the attached Reporting Requirements identified as Exhibit "B"; (iii) incorporating the attached Compensation Schedule identified as Exhibit "C"; (iv) providing a not-to-exceed total maximum indebtedness to the City of $959,917.00; and (v) providing a period of service from date of execution of contract to ten (10) Years. All other terms and conditions are per the RFP and the city's standard contract language. Nothing contained herein shall be amended, modified, or otherwise revised, without prior approval from the PSEC and the Mayor.

If the foregoing meets your approval, please affix your signature and return to my office.

Respectfully submitted,

Gregory Pease, Chief
Procurement Division
Chairman, Professional Services
Evaluation Committee

SBO

APPROVED:

Lenny Curry, Mayor

This 9th day of June, 2016

Sam E. Mousa
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No. 2015-05

GP: ab

cc: Council Auditor
James McCain, OGC
Philip Boston, GAD
Subcommittee Members

ENTERED
6/10/16