WELCOME

ACCESSING CONTRACT OPPORTUNITIES FOR MWBEs

Wednesday, February 21, 2024 | 6PM

This session will be recorded. If you are not presenting, we ask that you keep your cameras turned off.





Agenda

- Opening Remarks, Hersh Parekh, Deputy Chief Intergov Affairs, PANYNJ
- Remarks, Rachelle Antoine & Akshar Patel, Co-Managers, External Affairs & Community Outreach, JFKR
- Skanska Halmar Joint Venture, John Cavallaro
- **Terminal 6**, Sade Olanipekun-Lewis & Joseph Grieci
- The New Terminal One, Frank Mendoza, Justin Deebrah & Frank Noviello
- Empire State Development Corporation
- Greater Jamaica Development Corporation, Aron Kurlander
- Q&A
- Closing Remarks

Greetings



Mr. Hersh Parekh
Deputy Chief Intergov Affairs
Port Authority of NY & NJ
hparekh@panynj.gov

Greetings



Ms. Rachelle Antoine
Co-Manager of External Affairs and Community Outreach
JFK Redevelopment Program
raantoine@panynj.gov



Mr. Akshar Patel
Co-Manager of External Affairs and Community Outreach
JFK Redevelopment Program
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A New JFK

Transforming JFK Into A Modern 21st Century Airport

The Airport Advisory Panel developed a "Vision Plan" to transform JFK into a leading global airport. The vision plan provides the strategic framework below for the Port Authority and Terminal Developer Partners to completely redevelop its facilities:

- Unified terminal layout
- World-class amenities
- Redesigned on-airport traffic pattern
- Centralized ground transportation
- Expanded taxiways and gate capacity
- State-of-the-art security





Upcoming Events





Upcoming Events

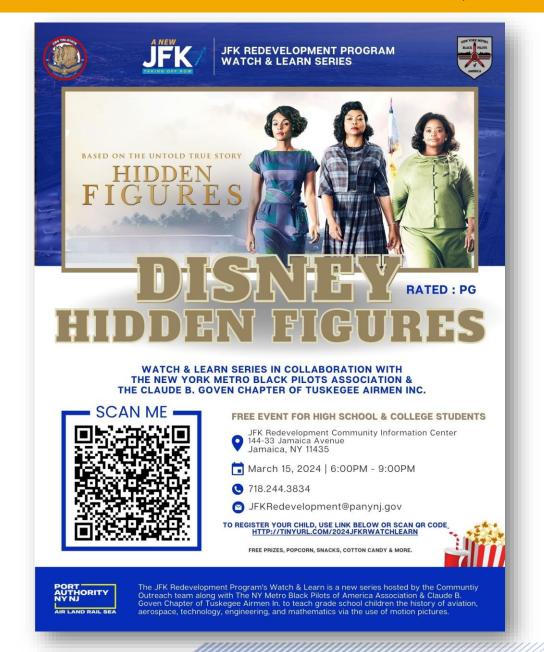
JFK Redevelopment Watch & Learn Series

Disney Hidden Figures

March 15, 2024 | 6PM

Free for High School & College Students

The JFK Redevelopment Program's Watch & Learn is a new series hosted by the Community Outreach team along with The NY Metro Black Pilots of America Association & Claude B. Goven Chapter of Tuskegee Airmen In. to teach students and adults the history of aviation, aerospace, technology, engineering, and mathematics via the use of motion pictures.



For more Information

Website: www.ANewJFK.com

Watch our Public Community Calendar on ANewJFK.com for upcoming 2024 Events.

Contact Us

Email: JFKRedevelopment@panynj.gov

Phone Number: 718-244-3834

Address: 144-33 Jamaica Avenue, Jamaica, NY 11435

Certification Assistance

Email: <u>certhelp@panynj.gov</u>

Hotline: 212-435-7888

Online Application & MWSBE Directory <u>www.panynjSD.com</u>

Gloria Wigfall <u>gwigfall@panynj.gov</u>







PLA Objectives

- -Expedites construction process
- -Avoids delays associated with labor unrest
- -Standardizes certain terms
- -Provides for standardized mechanisms to settle work disputes
- -Ensures skilled & experienced labor on the project
- -Can reduce labor costs through efficient management and flexibility



Benefits of a PLA

- 1 Effective on projects of long duration
- 4 Utilizes union labor

Plays a large role in overall construction costs

5 Ensures Prevailing Wage Law compliance

3 Job requires large allocations of manpower

All parties to the project must endorse (owner, construction manager, trade contractors and unions)

How is this Achieved?

- Prohibits strikes, and other disruptive union activities
- Provides uniform dispute resolution procedure
- Standardized holidays with pay rates as per respective collective bargaining agreements
- Negotiated adjustments to existing work rules and staffing requirements
- Project specific PLAs can be tailored to aid in meeting public owner's contractual
 MWBE and EEO program goals



CTA Roadways Scope - Project Work Roadways Bridges Yellow Garage Terminal Project's Interface Roadways Terminal 1 Interface Roadways **GTC Garage** Future Terminal 1

Project Work Overview

- (6) New Steel Girder Bridges
- (1) New Pedestrian Bridge
- Rehab (5) Existing Bridges
- Demo (7) Bridges
- (16) New Retaining Walls
- Precast Parking Garage
- New at Grade Roadways
- Curb/Sidewalk/ Ramps
- New Signage
- New Landscaping

Utilities

- Medium Temp Hot Water
- Chilled Water
- Low & High Pressure Water
- Sanitary & Storm Sewer
- Gas
- High / Low Voltage Electric
- Signals / ITS / Lighting
- Communications







PLA

- -Concept of "Supremacy Clause"
- -PLA, CBAs & Specific Trade Addenda = The Complete Agreement
- -PLA controls over CBA if a conflict exists
- -For Project Work, the PLA supersedes local, national or other collective bargaining agreements



Who is Bound by the PLA?

- BCTC
- Participating Affiliated Unions
- The Design Builder
- All Contractors performing Project Work
 - Letter of Assent "LOA" will be signed to be bound to terms of this agreement
 - Exceptions:
 - · Certain excluded work
 - Certain excluded contractors



Excluded Work

- Superintendents, supervisors, professional engineers and/or licensed architects engaged in inspection and testing, quality control/assurance personnel, timekeepers, mail carriers, clerks, office workers, messengers, guards, technicians, non-manual employees, and all professional, engineering (including survey for design), administrative and management persons, unless such persons are specifically and explicitly covered by a craft's Schedule "A" Agreement
- Employees and entities engaged in off-site manufacture, modifications, repair, maintenance, assembly, painting, handling or fabrication of project components, materials, equipment or machinery or involved in deliveries to and from the Project Site, except as may be provided for in Schedule "A" agreements, unless excluded in the attached Local Union Trade Specific Addenda attached as Schedule "B".
- Employees of the Owner or employees of their contractors of any tier, provided, however, such excluded employees shall not be used to perform Project Work in place of covered employees for the then scope of Project Work.
- Employees of any Contractor, including Design Builder, who are not engaged in performing Project Work.
- Employees engaged in **on-site equipment warranty work**, unless a current employee of a Contractor is on site and certified by the relevant manufacturer to make warranty repairs on the Contractor's equipment.
- Employees engaged in geophysical testing other than boring for core samples.



Excluded Work

- Employees engaged in work, which is ancillary to Project Work and performed by third parties such as utility companies who shall install their work only to a certain demarcation point identified by the Design Builder at the commencement of the Project.
- Employees performing work not covered by this Agreement or excluded from this Agreement in Article III, or Article IV(2)(e).
- It is expressly agreed that enabling work performed by employees of Owner, or its vendors, in preparation for the Design Builder to commence Project Work is not included within the scope of Project Work.
- Work performed by MWBE contractors as provided for in Article IV(2)(e).
- Work by employees of a manufacturer or vendor to install the manufacturer's or vendor's products where
 performance of the work by those employees is expressly stated in the manufacturer's or vendor's written warranty
 or guarantee to be a condition for the warranty or guarantee for such products; provided the manufacturer or
 vendor possesses any license required for the performance of the work.
- Commissioning, programming, validation, integration and diagnostic work of installed equipment, provided, however, start up and testing shall be performed pursuant to Schedule "A" Agreements.



No Strike Clause

- One of the most important elements of a PLA
- Purpose: Ensure Uninterrupted Construction & Free Flow Traffic in Project Area
- There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, hand billing, bannering, demonstrations or other disruptive activity, concerted or otherwise on Project Work
- Lasts the duration of the agreement
- Applies through Trade Jurisdiction Disputes
- No lockout by Owner, Design Builder or Contractors
- If there is a dispute, work shall continue uninterrupted
- If violated, there is an expedited arbitration provision



Trade Assignments, Jurisdictional Disputes & Arbitration through the NY plan

- Trade work assignments are to be made accordance with the Schedule A Agreements, the New York Plan, and Green Book decisions.
 - New York Plan: Over 100-year-old agreement between nearly all the Local Unions (and formerly Association Employers) for mediation and arbitration of jurisdictional disputes.
 - Decisions are published in Green Book.
 - Jurisdictional Dispute: claim by 1 or more Local Unions that work being performed by other employees should be performed by Local Union members pursuant to their Local Agreement.
- If Labor Management Committee is unable to resolve issue, the affected Local Union must submit the matter to the NY Plan for immediate resolution, which may conclude with arbitration proceedings.

Wages & Fund Contributions

- Employees are paid a base hourly wage, with fringe benefits, per the Schedule "A" agreement
- Design Builder & Contractors pay the fringe rate contributions to the employee benefit funds also per the Schedule "A" agreement
- Failure to pay wages and benefits is the ONLY exception to the No Strike Clause but subject to the following process.

Holidays & Weekends

- Nine Holidays:
 - New Year's Day
 - Martin Luther King Jr. Day
 - Presidents Day
 - Memorial Day
 - Independence Day
 - Labor Day
 - Veteran's Day
 - Thanksgiving Day
 - Christmas Day

- Observed on dates designated by NY State Civil
 Service Law. In the absence of a designation, holidays
 occurring Saturday or Sunday shall be observed on
 Monday.
- Holiday pay, if any, shall be paid according to the Schedule A Agreement.
- All work on Saturday & Sundays is also paid in accordance with the applicable Schedule "A" Agreement.



Emergency Shutdowns

- Design Builder determines there's a significant risk of harm to the project regarding weather conditions, pandemics, epidemics, or other public health emergencies, or
- A public official declares a state of emergency or declares a project shut, then
- Design Builder has sole discretion as to man the job as it sees fit



Safety Requirements

- Ensure OSHA and safety requirements are always observed
- Design Builder's safety rules apply to the Project
- Drug & Alcohol Testing applies



Drug & Alcohol Testing

- Projects' Zero Tolerance Policy*
- Project Personnel will be required to submit to drug and/or alcohol testing
 - random
 - post accident
 - reasonable suspicion
- Specifically made subject to NY's Recreational Marijuana Law.
- Project Personnel excluded from the Project because of a confirmed positive may request reinstatement within 30 days.



Equal Employment Opportunity Statement

- Prohibits discrimination and harassment
- No discrimination against a victim of domestic violence
- To provide reasonable accommodations for known physical or mental disabilities
- Not to deny employment to or take adverse employment action against a person who has previously been convicted of one or more criminal offenses



Workforce

Workforce Goals:

- •(i) Minority participation:
 - Minority, except laborers: 30%
 - Minority, laborers: 40%
- (ii) Female participation:
 - Female, except laborers: 7%
- Female, laborers: 7%

Priority given based on the 37 local zip codes (Tier 1), then Queens county (Tier 2), then the remaining boroughs of NYC (Tier 3), then the Port Authority region(Tier 4)



Workforce

Goals: 30% Minority / 40% Minority Laborers / 7% Female

- Through Job Referral Systems/Hiring Halls the Contractors employ craft employees for "Project Work"
 - If no referral system or hiring hall, the current practice with respect to Design Builder for that union will be observed
- If Union is unable to fill requests for qualified employees within 48 hours, they may employ from another available source.
- Union's must use good faith efforts to recruit enough skilled laborers, including minorities, and local resident workers necessary for goals
- Union job referral systems are to give priority to qualified residents from the communities identified by the following zip codes and then as to the Second Priority, Third Priority and Fourth Priority in that order:

Zip Codes by Priority

- Tier 1: Queens and Nassau County Zip Codes: 11405, 11411, 11412, 11413, 11414, 11416, 11417, 11418, 11419, 11420, 11421, 11422, 11423, 11428, 11429, 11432, 11433, 11434, 11435, 11436, 11430, 11691,11692, 11693, 11694, 11695, 11451, 11697, 11559, 11598, 11096, 11516, 11557, 11003, 11580, 11581, & 11582;
- Tier 2: Remaining Zip Codes in Queens County; then
- Tier 3: New York City Zip Codes in Kings, Bronx, New York, and Richmond Counties; then the
- Tier 4: the Port Authority region.



Subcontracting Goals

Prime Contract Goals:

Category	Participation Goal
Minority-Owned Business Enterprise (MBE)	20%*‡
Women-Owned Business Enterprise (WBE)	10%*‡
Service-Disabled Veteran Owned Business (SDVOB)	3%*
Local Business Enterprise (LBE)	10%* °

‡The Prime Contract sets forth a 30% combined MBE and WBE participation goal with an individual 20% MBE goal and 10% WBE goal.

[°] For 10% LBE participation goal (10% Tiers 1 and 2, with 3% of goal specifically from Tier 1), as defined in the Prime Contract and set forth below.



^{*}Applies to Category I Work, Category II Work, Category III Work & Category IV Work, as defined in the Prime Contract and set forth below.

MWBE Carveout

Goals: 20% MBE, 10% WBE

Criteria for Exclusion to Apply:

- Subcontract for Project Work valued at or under \$1,500,000 to an MWBE
- MWBE must be certified and not bound to a Schedule "A" Agreement or any CBA
- Excluded MWBE work has \$60M overall cap, which is 5% of the prime contract
- Cap of \$6M per trade
- Once the cap is reached the MWBE work is covered by the PLA
- Make Good Faith Efforts to avoid a particular trade bearing a disproportionate burden of the excluded MWBE work



MWBE Carveout & Core Employees

- Non-union certified M/WBE contractor performing project work is free to employ its core workforce
- The unions shall not be deemed the NLRA 8(f) or 9(a) representatives of those employees unless designated an affiliated union

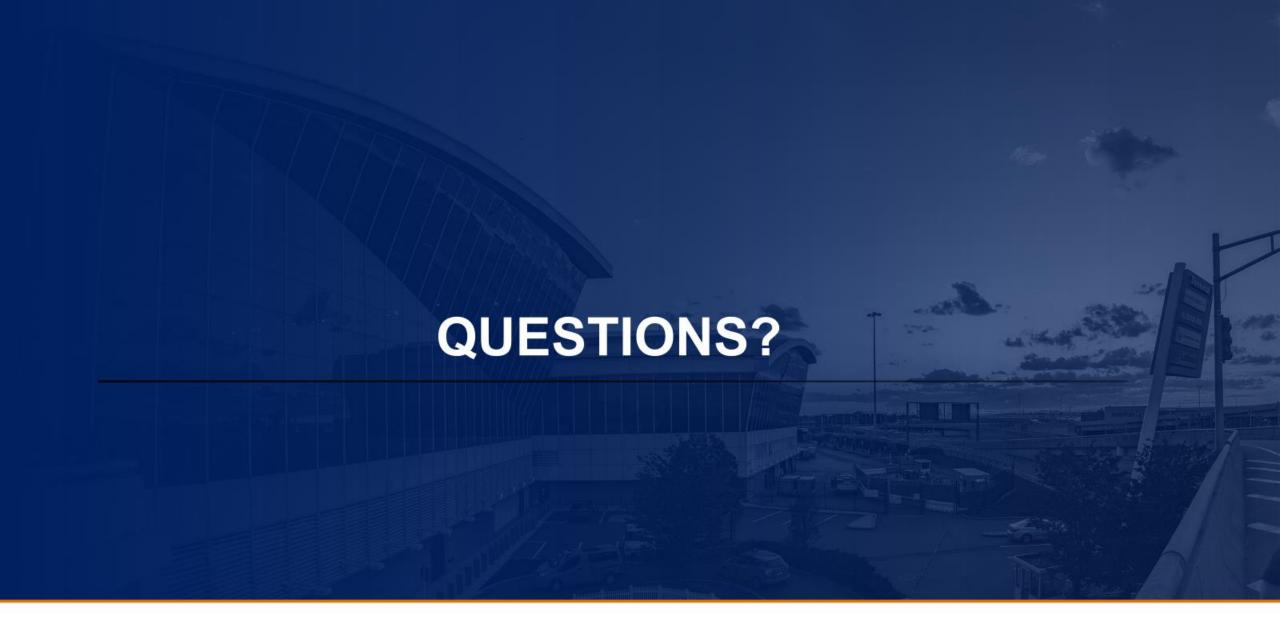


MWBE/SDVOB/LBE Opportunities

- Acoustical Ceilings
- Asphalt Repairs
- Curb & Sidewalk
- Electrical
- Construction Equipment
- Fencing
- Fire Protection
- Flooring
- Gypsum Board
- HVAC
- Landscaping

- Masonry
- Construction Material Supply
- Miscellaneous Metals
- Office Rentals/Trailers
- Painting
- Plumbing
- Precast Concrete
- Roofing
- Safety Supply

- Roofing
- Safety Supply
- Saw Cutting
- Signage
- Snow Removal/Ice Cleaning
- Survey
- Tile
- Tools & Hardware Supply
- Utility Work
- Waterproofing





JE Millennium Partners

PLA Carve Out

Folasade Olanipekun-Lewis | Vice President, Community & Operating Partnership Joseph Grieci | Project Manager, AECOM Hunt

February 21, 2024

Terminal 6 Project Overview

JFK Terminal 6 Redevelopment Project

Overview

- √ \$4.2 billion redevelopment project, with an anticipated development cost of \$2.8 billion
- ✓ 1.2 million sq ft of terminal complex, critical supporting roadways, utilities, aircraft apron, and ground transportation center
- ✓ Supplier Diversity Initiatives
 - M/WBE- 30%, MBE 20%, WBE 10%
 - LBE- 10%
 - SDVOB- 3%

• Port A

Port Authority project approval

2022

· Financial close

• Operations of T7 commence

2023/ 2024 Ground-breaking

Phase I construction of new T6

2026

 Phase I completion: central hall, first new gates open; demolition of T7

2026-2028 • Phase II construction

2028

- Phase II complete: additional gates open
- Full terminal occupancy



What is JMP's PLA Agreement



The Project Labor Agreement (PLA) is a pre-hire collective bargaining agreement between JFK Millennium Partners and the labor union, Building and Construction Trades Council of Greater New York and Vicinity("NYC BCTC") that established the terms and conditions of employment for workers the Terminal 6 and Terminal 7 construction project.



The PLA Agreement Is available and fully applies to any successful bidder for (or subcontractor of) applicable work on the project.



The agreement is still applicable without regard to whether that successful bidder (or subcontractor) performs work at other sites on either a union or non-union basis and without regard to whether employees of such successful bidder (or subcontractor) are, or are not, members of any unions.



Work Covered Under the PLA

Includes



The scope of work covered by the PLA for Terminal 6 & 7 will be all work associated with the construction of the new 1.4 million square foot international terminal and modifications and improvements to roadways and related Infrastructure, including the installation of the baggage handling system(s).

Excludes



All fit-out of restaurants and concessions that is not within the scope of AECOM Hunts construction, security, artwork, air side work, after removal of construction fences and any ongoing operations, equipment and maintenance currently being utilized to run the airport.



What Opportunities are Available

Bid #	Bid Package Description
02A	T7 Demolition
05C	Ornamental Metals & Railings
05D	Metal Fabrications - Interior Fitout
06A	Architectural Woodwork / Panels
06B	Architectural Woodwork / Casework
07C	Interior Caulking
08B	Overhead Doors
08C	Interior Glass and Glazing
09B	Drywall and Ceilings
09C	Tile
09D	Terrazzo
09F	VCT, Base, Carpet, Wood Flooring
09G	Painting and Wallcovering
09H	Intumescent Painting
10A	Toilet Partitions and Accessories
10B	Terminal Signage
11A	Loading Dock Equipment
11B	Food Service Equipment
12A	Hold Room Furniture
23C	HVAC - BATC
26E	Lighting
27A	Communications Infrastructure, Electronic Digital Systems, IPTV
32B	Terminal Hardscapes
32C	Terminal Landscaping
32D	Permanent Fence (Airside)

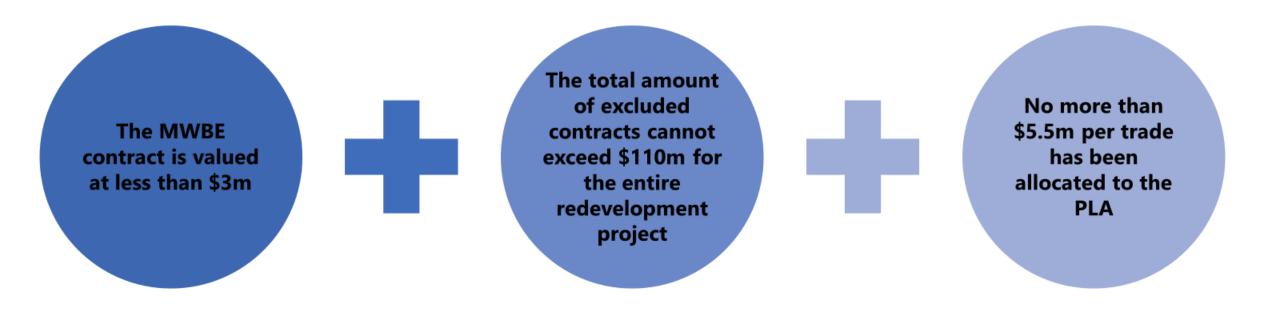


All bid packages listed here are currently out to bid or are scheduled to be issued in the very near future



PLA Carve Out- How to Qualify

MWBE contracts may be excluded from PLA coverage, if:





Contact JMP

If you have any questions regarding the T6 development and contracting opportunities:

Brianna Allen

Supplier Diversity Coordinator JFK Millennium Partners



ballen@vantageairportgroup.com



(347)-574-3835

If you have any questions regarding the T6 PLA Carve Out opportunities:

Joseph Grieci

Project Manager **AECOM Hunt**



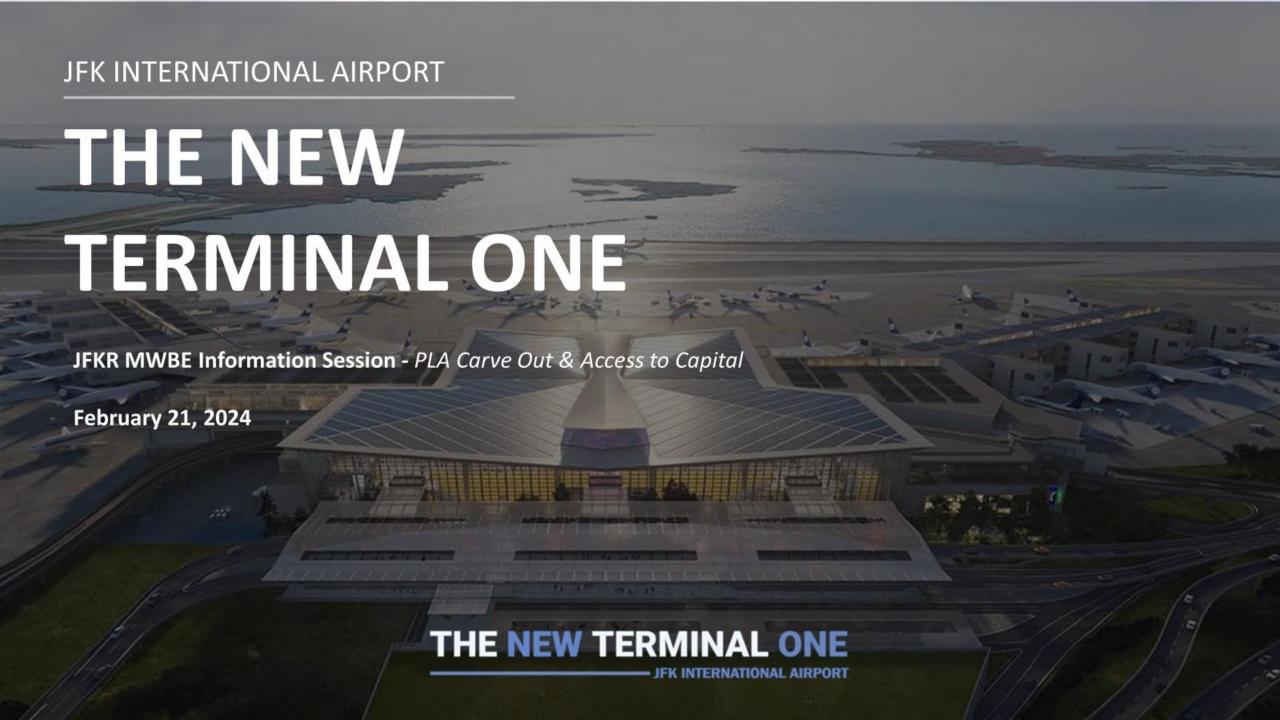
joseph.grieci@aecom.com



(917) 716-5341

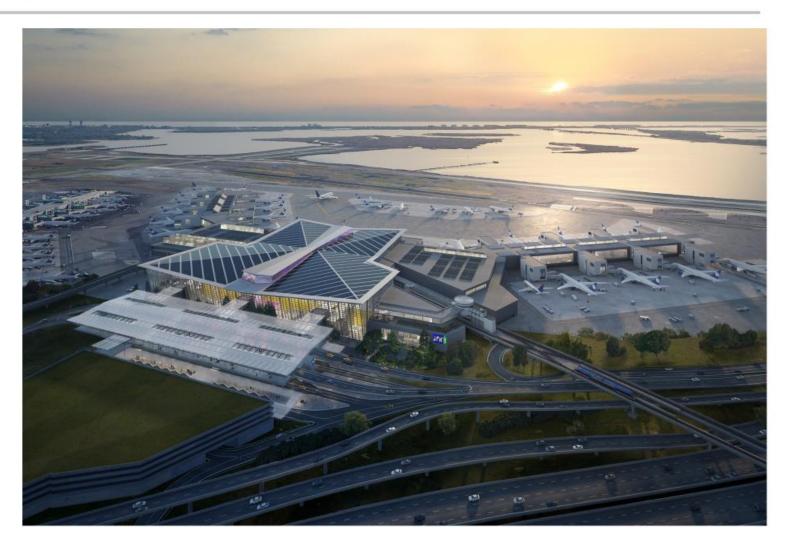






Mission and experience

- Deliver a world-class terminal
- Set a new benchmark for international travel experience
- Become a top 5 Skytrax airport terminal, achieve Skytrax 5-star rating



Our Team

Financial sponsors







CARLYLE

THE NEW TERMINAL ONE

JFK INTERNATIONAL AIRPORT

Management Services Agreement



airports

Capital Project Delivery







Design-Build

AECOM TISHMAN

Gensler

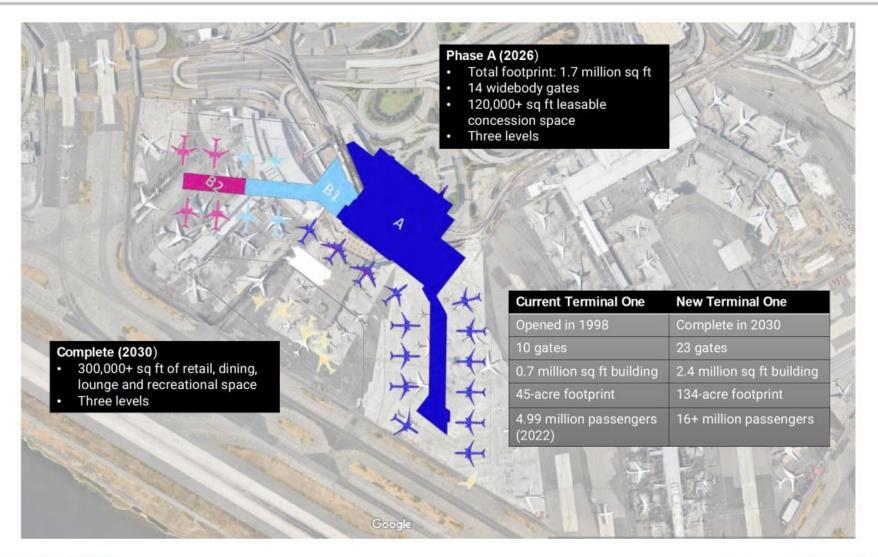
Concessions Manager







Project Overview



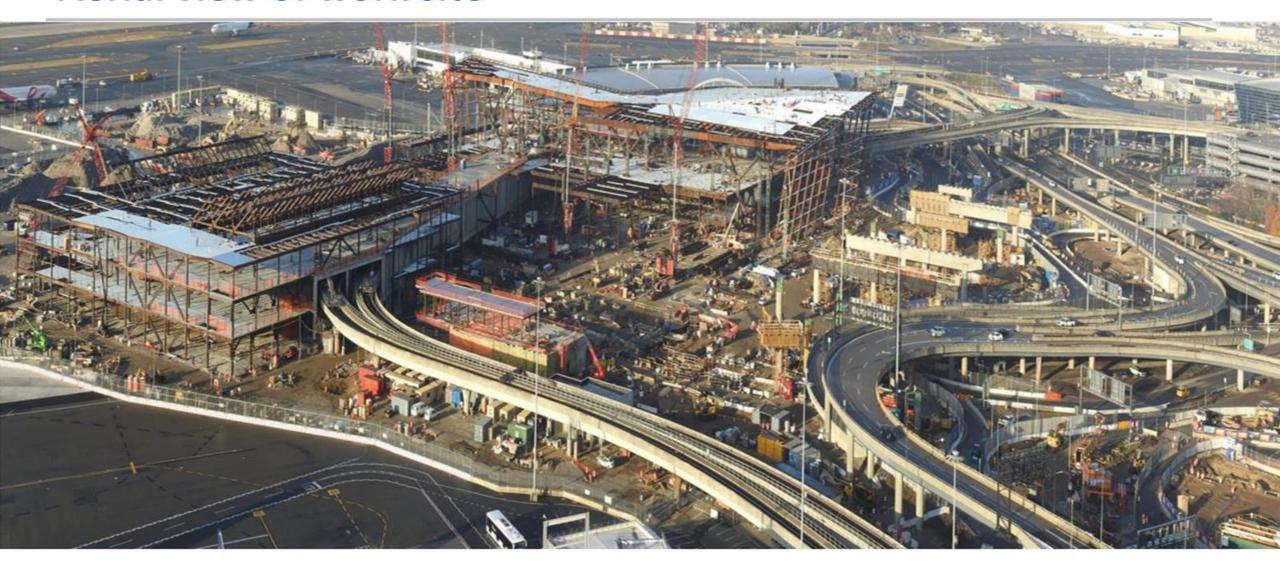
Key milestones reached

December 2021	Revised agreement reached with Port Authority
June 2022	Financial close for Phase A
September 2022	Groundbreaking
September 2022	Start of green garage demolition
January 2023	T2 access and demolition started
March 2023	Comprehensive final design comments reconciled
May 2023	Start of steel erection at AirTrain enclosure
July 2023	Pile driving and clearance of utilities obstruction
July 2023	Start of steel erection at headhouse
August 2023	T2 demolition completed
December 2023	\$2 billion bonds issuance





Aerial view of work site

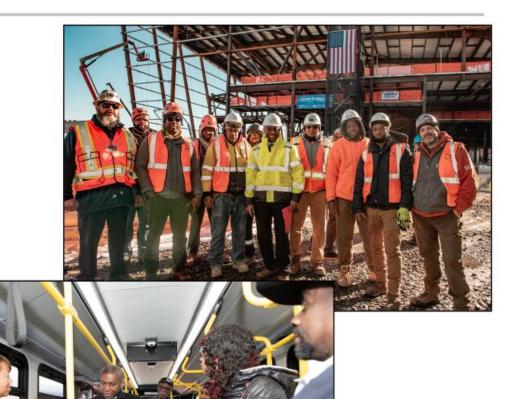


The New Terminal One Impact

Jobs	10,000÷ local jobs 6,000÷ local construction jobs
Local	Creating opportunities for local firms and residents Prioritizing 37 local zip codes and Queens
Labor	Project Labor Agreement with leading MWBE and local hiring provisions Building Trades investing through Ullico as a financial sponsor
Community	Initiatives on education, workforce, environmental and business development JFK Redevelopment Aviation and Aerospace Academy to nurture young talent aspiring to aviation careers
Sustainability	Green Energy and carbon reduction initiatives LEED Certification through construction and state-of-the-art operational capabilities Envision Certification to evaluate sustainability of civil infrastructure
Diversity	30% MWBE participation goal across all disciplines and phases; 3% SDVOB participation goal for design and construction work; 30% ACDBE participation

Strong local and MWBE participation

- Exceeding participation targets for MWBEs (30%) and local business enterprises (10%)
- Local MWBEs involved in critical work:
 - Demolition of green garage (Russo)
 - AirTrain encapsulation (Creative Construction)
 - Demolition of T2 (R. Baker)



Design-Builder Procurement Opportunities

Q1- Q2 2024	Q1- Q2 2024	Q1- Q2 2024
Stonework & Tile	Flooring	Gas Fuel Services
Hollow Metals & Finish Hardware	Millwork	First Aid Supplies
Landscaping	General Construction	
Over Head Coiling & Specialty Doors	Pest Control	





BUILDINGCONNECTED

First time users, create a Building Connected account.

Returning users, make sure you are logged in before clicking Prequalify.





Open the "Qualifications" tab (rubber stamp symbol)

Navigate to the *Awaiting Submission* section and locate the questionnaire for: "Tishman Construction Corporation"





If you have any questions, email us at info@oneifk.com.

** Note that AECOM is involved in more than one project at JFK Airport. There is a separate prequalification per development team.

If you are interested in being considered for both projects, do not start the applications simultaneously.

Complete 1 first, then start the 2nd, to facilitate the seamless transition of information from one application to the next.





What is a Project Labor Agreement

- The PLA was negotiated between Tishman and the building and construction trades of greater New York
- The PLA will give you direction of the work that is covered and on formulation of your bids
- Start and End times of all different shifts, holidays, Letter of Assent if you are above \$5M
- Off site fabrication / Modular fabrication
- Drug and alcohol program
- Standard of Excellence between the Building Construction Trades Council (BCTC) / Building Trades Employers Association (BTEA)
- Direct Entry Programs how to enter the unions: Helmets to Hardhats, Pathways to Apprenticeship (P2A), Construction Skills, Non-Traditional Employment for Women (NEW)
- Focus on local 37 zip codes for contractors and workforce
- No strikes and no lockouts



MWBE Carve Out

- 37 local zip codes
- Minority goals MWBE 30% (20% MBE, 10% WBE)
- \$400M Carve out (5% of project dollar value), \$20M per trade
- Prevailing Wage ceiling of \$5M and above signs letter of assent
- Letter of Assent: for this project only, you are signatory to each union's
 Collective Bargaining Agreement (CBA) and jurisdictional project work performed
- All work performed under this MWBE exclusion is subject to Prevailing Wage
- How to Grow into a Union Contractor Training

Prevailing Wage

- Below the ceiling of \$5M, this work shall be performed under Labor Law 220, Article 8
- This will give you all the proper area standard rates documented and controlled by the NYS Comptroller's office
- Hourly wage and supplemental benefits are all paid out in a single hourly rate
- Once emerging MWBE is qualified and not otherwise bound to Schedule A agreement, MWBE will agree to meaningfully participate in the CM's training program on how to grow into a union contractor
- For Prevailing Wage Schedule: www.comptroller.nyc.gov/wages

Building and Construction Trades Council

- Pre-job talks with the BCTC
- Trades are brought in to understand who will perform work awarded above and below the \$5M ceiling
- Green Book and New York Plan—covers all jurisdictional disputes and resolutions
- Pre-job conferences and job assignments

Apprenticeship Programs - Project Labor Agreement

- Direct entry into Apprenticeship programs:
 - Construction Skills
 - Helmets to Hardhats
 - Non-Traditional Employment for Women (NEW)
 - Pathways 2 Apprenticeship (P2A)
 - District 37
 - Second Chance programs
 - Queens and New York City boroughs
- Interested workers can choose an entry program

Standard of Excellence

- Standard of Excellence
 - BCTC/BTEA Contractors have identified standards of excellence

For additional information contact:

Frank.Noviello@aecom.com

(917) 682-6744

STAY CONNECTED

New Terminal One

Register for 1-1 Meetings:

• Virtual: Daily from 9 a.m. to 5 p.m. ET

 In-Person at the JFKR Community Information Center Wednesdays from 12 to 5 p.m. ET

Learn more at: https://www.anewjfk.com/projects/the-new-terminal-one/

Email the NTO team at: info@onejfk.com

Scan the QR code to Register for Office Hours



Upcoming Event

Mar 25 at 9:00am, (In-Person) MWBE Information Session at Queens Borough Hall



Access to Capital





SSBCI: NYS Contractor Financing and Surety Bond Assistance Programs

Empire State Development

A Division of Empire State Development



NYS Contractor Financing Program



Program Overview:

The Contractor Financing Program ("Program") will provide \$22 million in loan loss reserves to incentivize lending intermediaries to create access to capital to support New York State contractors.

- The Program will provide capital to help contractors successfully execute contracts and ease timing of payments from agencies or municipalities to small businesses, socially and economically disadvantaged individual ("SEDI")-business owners, businesses in distressed census tracts, and MWBEs.
- Participating lenders can use loan loss reserves to issue government contract related loans via lines of credit, or managed lines of credit that they otherwise would not underwrite.
- Loans can be used for contract project deployment, advances against inventory, construction costs, purchase orders, managing payables and receivables, contract finance costs, and general working capital to support contractors with a government funded project in New York State.



General Program Terms:

- Program Lenders should generally target contractors with revenues of up to \$5 million with fewer than 100 employees.
- Loans will be provided by participating CDFIs, MDIs, community banks, credit unions, and other community lending institutions typically offering lending amounts of up to \$500,000.
- The duration of the loan period is based on the borrower's contract to be completed, generally be under eighteen months. However, lenders may use discretion to determine the length of term that is most appropriate based upon their assessment of the borrower, the contract, and the risk associated.
- Participating lenders will offer lines of credit or managed lines of credit and underwrite each loan depending
 on the credit risk of contractors, to determine terms and applicable fees.
- Lenders may require assignment of contracts, receivables, or any other collateral or guarantees from the borrower, if applicable for the financing.
- In general, interest rates should not exceed prime rate + 5% and any fees should not exceed those charged for similar non-program loans.



Eligible Projects:

- An "Eligible Contract" shall be as a <u>prime or subcontractor</u> on a project or procurement, contracted and executed in the State of New York <u>that receives all or part of its financial backing</u> from a New York State Agency, New York State Municipality, County, Town, Village, Public School District, or other <u>legally recognized government entity</u>.
- The loans will support working capital, improvement machinery and equipment, or other related costs required to execute those contracts. These loans should be in the form of lines of credit or managed lines of credit in order to mitigate risk to the lender, borrowers, and program. Loans can be used for contract project deployment, advances against inventory, construction costs, purchase orders, managing payables and receivables, contract finance costs, and general working capital.
- The proceeds of the loan will not be provided to nor used for: (1) refinancing, retiring or liquidating existing debt or equity; (2) residential construction projects (except for government-sponsored projects); (3) payment of any tax arrearage[s]; (4) payment of any employee benefit arrearage[s]; (5) purchase or rehabilitation of real property for speculative purposes; (6) loans to educational institutions, except licensed child care facilities; (7) loans to hospitals or residential health care facilities; (8) loans to non-profit corporations; or (9) loans to overnight lodging facilities.

Division of Small Business & Technology Development

Loan Loss Coverages:

If the Lender incurs a loss, in a manner consistent with commercially reasonable methods and the lender's customary practice for defaults on other similar commercial loans contained in the Lender's loan portfolio which are not Program loans, the Lender must file a claim with ESD.

- The claim may be for the applicable allowed amount of the charge off plus 90 days accrued interest on the charged off amount. A claim that is filed shall be filed within 180 days of the action of the Lender to charge off all or part of the Program loan absent written consent by ESD to extend said period.
- New York State will cover 50% of lenders' loan losses ("standard tier"), if there is no contract
 assignment in place; or up to 80% of the write off ("enhanced tier", if assignment of payments is
 established between the contract originator, contract and lender.
- If subsequent to the receipt of payment of a claim, the Lender shall recover any amount on account of
 the Program loan for which said claim was paid then the Lender shall within 30 days of receipt, deposit
 in the loan loss reserve fund account any amount recovered in excess of all collection expense and any
 amount due on account of said Program loan including, but not limited to principal, accrued interest and
 late charges.





NYS Bonding Assistance Program



Program Overview:

The majority of state and local contracts require surety bonds which, in the form of bid, performance, and payment bonds, are statutorily required to be furnished by construction prime contractors performing public sector construction work at virtually all levels. This requirement poses a significant challenge for small businesses and SEDI contractors, as they are often undercapitalized, financially overextended, and lack the necessary collateral to meet the requirements of getting bonded. The strict prequalification process and underwriting criteria delineated by surety companies make many small businesses and SEDI-owned businesses unable to secure the bonds for contract bidding at the necessary amounts dictated by project requirements.

The New York Bonding Assistance Program is a \$22 million credit guarantee program designed to help SEDI-owned businesses, and other small businesses secure surety bonding for New York State, NYC agency, and other government funded contracting opportunities.



How does this program help?

- The NYS Bonding Assistance Program provides financial assistance to help small businesses, SEDI-owned businesses, minority and/or women-owned businesses, and service-disabled veteran businesses secure surety bonding.
- ESD provides guarantees of up to 30% or a maximum of \$600,000, whichever is less, on a bond line or individual contract bid bonds and payment/performance bonds.
- Small businesses can receive training and technical support through referrals to technical assistance partners across New York State to enhance their knowledge and best practices for bonding.
- ESD plans to utilize \$22 million in SSBCI funds to offer the Program to small business and SEDI contractors seeking surety bonds bidding or performing on any publicly funded projects in New York State. In addition to New York State and New York City agency led projects, all New York State local municipalities and local nonprofit entities receiving public funds to perform on projects that require surety bonding will be eligible for the Program. New York State contractors can then diversify their portfolio of projects to grow their business by participating in the expanded version of this Program.



Business Eligibility Requirements:

- Applicant must be a New York State small business with fewer than 100 employees and be in business for at least two years.
- Maximum bond line or project bond size will be up to \$2 million, generally.
- Minimum average gross revenue of \$400,000 in each of the last two fiscal or calendar years and maximum gross revenue not to exceed \$5 million in the most recent calendar or fiscal year.
- Minimum credit score of 600.
- Previous experience completing similar work to the contract opportunity being pursued.
- Applicant cannot have unpaid judgements, warrants or liens; unpaid or pending or open tax liens; are in arrears
 in child support, have recent, pending, or open bankruptcy filings.
- Applicant should not have any surety losses on their record.
- Applicant must be pursuing a publicly funded project in New York State that needs surety bonding.
- The small contractor must meet substantial due diligence requirements, including an analysis of track record, cash flow, and a range of credit underwriting criteria evaluated by the surety companies.



The Application Process:

- Contractors interested in the Program will complete an Eligibility Checklist, Contractor Application
 that provide detailed information about applicant's business, history, ownership and summary of financials.
- Once the contractor is connected to a participating surety company, and surety company underwrites
 the contractor and is interested in providing the surety bond capacity to the contractor, then the surety
 company submits a Surety Application on behalf of the contractor requesting a guarantee from the
 State.
- The State reviews the application and request, and upon approval, provides the surety with a guarantee for final execution for a single project or multiple contracts under a bond line and a contractor agreement for the contractor for signature and notary.
- In events of a claim, surety pays out the claim first, and upon furnished documentation, a
 reimbursement is disbursed to the surety company up to the maximum allowed under the executed
 guarantee upon review and approval for payment.
- Once matched to a participating surety company, contractors are typically asked to provide the following documentation in support of their bonding requests: Two years of corporation financial statements; Personal financial statements; Copies of most recent personal tax returns; personal credit report for anyone signing the indemnity agreement (or has ownership role); accounts receivable and payable; a corporate credit report; a work-in-progress schedule for all open projects along with percentage (%) completed and low or negotiated bids that have not yet started; and proof of 10-20% project deployment capital or line of credit for working capital or demonstrate access to capital.





PLA Carve Out Info Session 2-21-24

Community Development Financial Institution and Technical Assistance

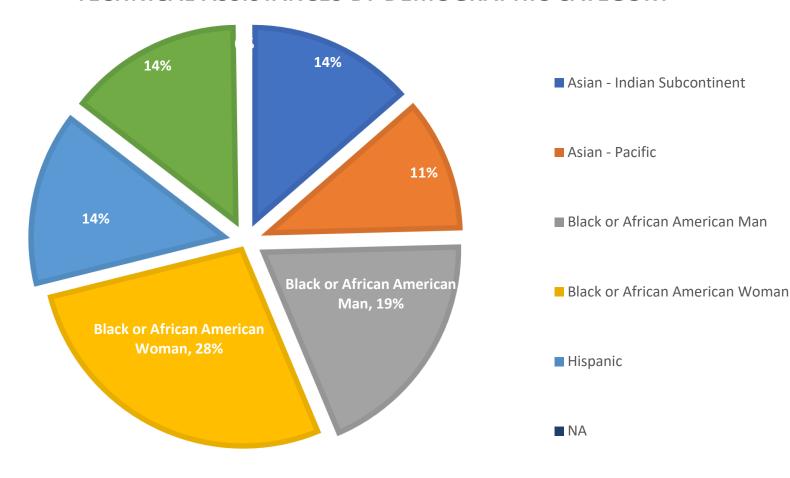


Technical Assistance Demographics (Last 3 years)

Businesses
Provided with
Direct Assistance
2120

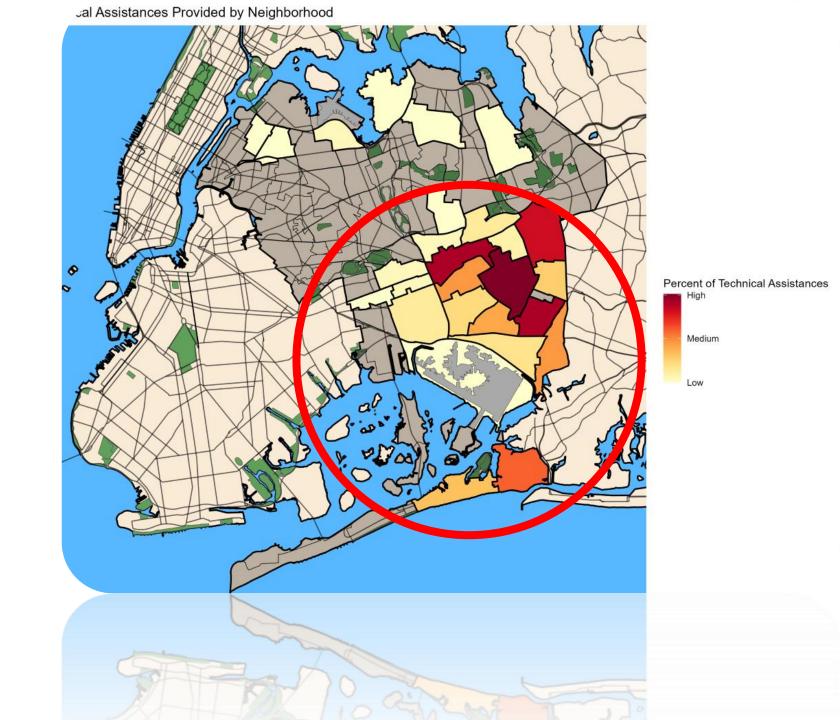
47 % of all Technical
Assistance Went to
Black Owned
Businesses

TECHNICAL ASSISTANCES BY DEMOGRAPHIC CATEGORY





Black Owned Small Business Technical Assistance





Our CDFI Lending Demographics

2023	
100%	MWBE
64%	Black
15%	Latino/X
15%	Asian - Indian
55%	Female

62% of all lending in recent years went to businesses with government contracts. **100% Minority/ 68% Black Owned**





GJLDC- Revolving Loan Fund



A simple process to access capital! Easy Application, low rates, personalized assistance and quick approval

- Invoice/Contract Financing: Up to \$600,000*
 - Terms: Based on invoice/contract order (*Government Contracts)
- Term Loans: Up to \$300,000
 - Terms: Negotiable loan maturity periods and asset based for loans over \$100,000
- High-Cost Refinancing: Up to \$35,000
 - Terms: Based on historical performance servicing high debt.
- Line of Credit: Up to \$35,000
 - Terms: With built in flexibility, preapproved amount of funds will be available to access by borrower when needed.



Credit Issues? No Problem!



Your Score Not A Factor

But You MUST.. Be Current On All Debt

As story-based lenders, we treat every business as a unique one!



What can I use my RLF loan for?

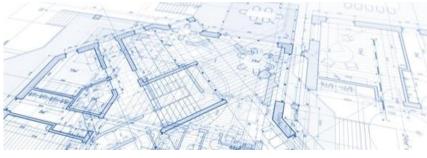
- Business expansion
- Purchase new equipment
- Buy or improve existing property
- Working capital
- Gap loan as part of a loan basket with other financing
- Bridge loan while waiting for funding from another committed source





Closed Loans









Loans types that involved a government contract

62% of all lending

- ✓ Electrical
- ✓ Plumbing
- √ General Contractor
- ✓ Masonry
- ✓ Architecture
- ✓ Transportation
- ✓ Engineering
- ✓ Cleaning



Closed Loans Examples

Loan Types and Terms

Electrical
Contractor\$100,000 Line of
Credit at 10.25%

RF System
Installer- \$35,000
Term Loan at
5.0%

Curtin Wall
Installer- \$50,000
Contract
Financing at
7.75%



Contact Us at <u>BSG@GJDC.ORG</u>
718-291-0282
or visit our website
gjdc.org

Th hu for ne!

Questions?

Thank you!

