



County of El Paso Purchasing Department
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ADDENDUM 2

To: All Interested Proposers

From: Linda Gonzalez, Inventory Bid Technician

Date: December 4, 2007

Subject: RFP # 07-157, (Re-bid) Economic Development Services for the County of El Paso Revolving Loan Fund

The Purchasing Department received questions relating to the above referenced proposal; the response to the following questions:

1. What is the existing dollar amount and number of loans in the County's loan portfolio?

We have one mature loan. The Court urged staff to promote the program this year to avoid a large return of funds to our state oversight agency, the Office of Community Rural Affairs (ORCA). To that end, the El Paso Hispanic Chamber packaged 17 loans for \$651,100 and County staff packaged 3 loans for \$95,390. We have four loans pending review for \$136,997.

2. What is the amount anticipated in terms of number of loans and dollar amount for future loans?

We have approximately \$379,741 left in our loan fund. Of this sum, \$156,685 is in a Joint City-County Revolving Loan Fund. An Interlocal Agreement with the City of El Paso governs loans made from these funds. The City provides oversight to the two loans from the joint fund. These are gap financing loans and banks perform the servicing for these loans.

3. Will you please clarify scope item # 5 (page 4 of RFP).
In addition to timely loan payments, borrowers are required to demonstrate the hiring of one individual for every \$35,000 in loan funds. These individuals must be low to moderate income individuals. Part of the servicing responsibility is ensuring that this requirement is validated on an annual basis.
4. How many loans are existing?
The County has 18 active loans. There are two active loans in the Joint City-County loan funds.
5. How many loans do you project on an annual basis?
We anticipate an additional two to three loans per year.
6. Do you currently report payment activity to the credit bureaus?
No.
7. What are their any special reports needed for quarterly reporting, as mentioned on page # 6 of the RFP?
The County purchased computer software that tracks payment and balance information. The organization servicing these loans will have access to this information. Other information will be on basic servicing efforts required for delinquent loans.
8. Is the loan servicer required to be the custodian of original loan documents?
No.
9. Please provide a sample note?
A copy of the promissory note is not necessary for the completion and price of this RFP. A copy of the promissory note will be provided when available to the selected proposer and subjected for discussion and negotiation.
10. Are there any special monitoring requirements of the loans?
The funds for these loans are from CDBG. We are required to document our efforts to monitor these loans.
11. Are there any loans with unusual re-payment terms?
No.

12. What is the total amount of late charges collected of the last 12 month period?

Since most of these loans originated this year, we do not have a history of late charges for these loans.

13. How many loans are expected to mature with in the next year? Over the next 3 years?

We do not expect any loans to mature next year or within the next three years.

14. Does the County have evidence of insurance on these loans?

No.

15. How is the county presently handling delinquencies?

For the one mature loan, we call that business owner if payments are delayed to arrange a catch-up period.

16. Does the County pursue Foreclosures?

We will.