



County of El Paso Purchasing Department
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ADDENDUM 1

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 current size of the El Paso RLF portfolio in number of active credits and amount of credit in the market?

We have 18 active loans. Two additional loans are part of the Joint City-County RLF portfolio. The City manages those loans and they are not part of this proposal. Seventeen of the loans originated this year and have a face value of \$651,100. The Court recently approved three loans for \$95,390. These loans fund within the next two weeks. There is one mature loan. The County's RLF Committee meets in December to consider four other loans for \$136,997.

2. What is the current size of the fund and current amount available for lending?

The County fund has \$221,055 in funds available. If the Court approved all the pending loans, there is \$84,058 available for new loans. The County has \$158,685 in the Joint RLF with the City. These funds are available through a separate lending process but the City manages servicing.

3. Over the past 3-years what is the average number of applicants to the RLF?

Because there was no marketing, there were few applications to this fund.

4. Over the past 3-years what is the average number of qualified credits that were extended loans?

There was no activity in this fund until this year. Only three loans, one with the County and two with the Joint City-County, were in place prior to 2007.

5. Over the past 3-years what is the average number of borrowers who have required

- Remediation 0
- Management guidance 1
- Workout 0
- Foreclosure 0

6. What are the primary areas of consideration of the fund, such as machinery and equipment, land and buildings, working capital, etc.?

We fund working capital and equipment

7. Has administration of the revolving loan fund been in compliance with HUD standards over the past 3-years?

No.

8. Will out of state vendors be actively and seriously considered or are there state and local preferences?

Any qualified vendor will be considered.

9. Has the fund been historically administered by the county or by a contractor under contract on a fee-for-service or fixed turn-key fee basis?

The County administered the limited fund activity. The County did contract with a vendor for marketing, technical assistance and packaging. That contract was in place to address an urgent need and the County is now going through a formal procurement process. The first round of procurement included all activities. The current round is for servicing only.

10. If the answer to #9 is private contractor, has the fund been managed on a fixed maintenance fee basis for current credits and a fee-for-service for new credits and an “on-demand” fee for re-negotiation, re-structure or workout?

The County will consider any structuring for this proposal that provides effective, including cost-effective, servicing.