



**FY 2019 Innovation Accelerator Grant (Pilot)
REQUEST FOR APPLICATIONS (RFA)**

Release Date of RFA: Friday, June 28, 2019

RFA ID #: DMPED – BD019 - 2320

Grant Orientation: Please refer to the DMPED website,
dmped.dc.gov

Submission Deadline: Monday, July 29, 2019 at 12:00 p.m. EST.

All applications must be submitted electronically. Hand delivered or mailed applications will not be accepted. Adherence to the deadline is essential. Incomplete applications or those submitted after the deadline will not be accepted.

Submission Details: Online submissions only. Please submit your complete application (including attachments) through the MicroEdge portal on the website for the Office of the Deputy Mayor for Planning and Economic Development: dmped.dc.gov.

Point of Contact: DMPED Grants Team
Phone: (202) 724-8111
E-mail: dmpedgrants@dc.gov

Availability: Download the application from the following websites:

- Office of Partnership and Grants - opgs.dc.gov
- Office of the Deputy Mayor for Planning and Economic Development - dmped.dc.gov

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I. Introduction

The Office of the Deputy Mayor for Planning and Economic Development (DMPED) seeks one or more partners to create a privately managed accelerator program that invests in seed and early stage DC-based businesses led by underrepresented entrepreneurs, including people of color, women, LGBT individuals, and people with disabilities. These may be technology or technology-enabled businesses.

The goal is to increase access to business development and financial support for scalable tech or tech-enabled, DC-based businesses led by underrepresented entrepreneurs. The top priority is increasing access to opportunity for underrepresented entrepreneurs who would not otherwise secure the resources and access to capital needed to scale their business.

The District has committed funding of up to \$400,000 to support one or more accelerator programs that meet the goal. DMPED seeks partners that share Mayor Bowser's vision for inclusive innovation to manage a program that provides a meaningful improvement to the entrepreneurial ecosystem.

These accelerator partners would be charged with helping entrepreneurs develop scalable businesses, form strategic partnerships, and raise investment capital needed to grow a sustainable venture. Partners could develop a new accelerator or develop a new component of an existing program.

The District intends to make one or more awards. Joint ventures (i.e. teams with members from more than one organization) are eligible to apply, but the individual grants will be disbursed to one entity.

II. Background

Access to capital is critical to growing businesses, entrepreneurial ecosystems and, subsequently, the tax base and jobs. While the DC region and DC have seen increased investment in recent years, entrepreneurs across the board struggle to raise the capital they need to start and scale companies. Underrepresented entrepreneurs – including people of color, women, and LGBTQ individuals – face particularly high barriers, especially at early stages.

Nationally, only 1% of funded startup founders are African-American and only 8% of funded founders are female. One reason posited for the lack of investment in minority entrepreneurs is that investors at various stages tend to invest in people like themselves. As the majority of venture capital and angel investors are white men, this presents an issue for women and minority entrepreneurs.

These barriers have real consequences for economic development. A report by the Center for Global Policy Solutions revealed there are an estimated 1.1 million businesses that could be produced by people of color, but are stunted due to socially discriminatory financing practices and a bias towards companies run largely by white men.

In November 2016, the District released Pathways to Inclusion, a roadmap for making DC's tech and innovation economy the most inclusive in the nation. This report was the first such assessment and revealed the importance of access to social, human, and financial capital to achieving an

inclusive innovation economy in DC. A survey of entrepreneurs conducted for the report showed that access to capital was the most frequently cited barrier to inclusiveness for minority entrepreneurs, followed by implicit bias, access to networks and access to talent enabling programs. It also revealed that less than half of minority entrepreneurs surveyed had managed to obtain funding for their companies. None received venture capital investment – half received angel investments or philanthropic gifts, and half relied on family and friends, their personal savings, and credit cards.

A key data point in the research is that this gap starts at the earliest stages of investing – friends and family and seed rounds. As entrepreneurs typically seek capital from angels and individuals with wealth, many minority entrepreneurs lack the social capital and fail to meet the pattern recognition standards to access dollars at the onset of a business; the most crucial period in a business' life cycle.

In response to these research reports, coupled with the overwhelming lack of diversity in Silicon Valley, there have been many efforts to now support minority entrepreneurs. Some corporate VCs have made substantial commitments to support this growing sector. However, these dollars typically assume a significant level of growth and prior funding that many diverse entrepreneurs fail to retain due to the lack of early stage support. Despite these diversity efforts, the seed and early stage gaps for entrepreneurs of color still exist due to low social capital and limited access to friends and family rounds.

Thus, the District would like to address this market failure by working with private sector partners to create or enhance a locally-based accelerator program that supports seed stage DC entrepreneurs, with an emphasis on underrepresented entrepreneurs. This accelerator program will provide mentorship, introductions, technical assistance, and other capacity building support. The District has committed funding up to \$400,000 in FY19 to support an accelerator program and seeks professional partners that share Mayor Bowser's vision for inclusive innovation.

III. Objectives & Criteria

Objectives

Provide resources to develop a scalable business, form strategic partnerships, and raise investment capital for underrepresented entrepreneurs to grow scalable, DC-based tech or tech-enabled ventures. Funds will support program activities that provide business development support, mentorship, and investment opportunities.

- “Underrepresented” means that at least 51% of company owners identify as the following: African-American, Latinx, Native American, female, LGBTQ, or disabled.
- “DC-based” means that company is headquartered in the District of Columbia
- Firearms, tobacco and pornography businesses are prohibited from receiving accelerator support.

Accelerator Criteria

Amount of Investment	Up to \$200,0000
Accelerator Term	Applicant to propose, with completion by September 30, 2020
Milestones for Investment	Applicant to propose, with completion by September 30, 2020
Cohort Size/Number of Ventures Supported	Applicant to propose

IV. Applicant Criteria

The District seeks partners to manage an accelerator program to assist underrepresented entrepreneurs with developing scalable businesses, forming strategic partnerships, and raising investment capital needed to grow sustainable ventures. Partners could develop a new accelerator or develop a new component of an existing program.

A. Project Approach

The successful applicant will present a clear, compelling vision for achieving the objectives for the accelerator program and a pragmatically ambitious plan for implementation. The approach must align with the criteria described above.

Questions for Applicants

1. Describe how your team would approach creating the accelerator program to meet the goals and objectives described above. Response should cover:
 - a. Business development resources to be provided to entrepreneurs
 - b. Methods of Strategic Partnership for entrepreneurs
 - c. Milestones for entrepreneurs to achieve to receive additional support
 - d. Workplan (including Milestones for entrepreneurs to receive additional mentorship, social, and financial support).
 - e. Structure for closing demo day or pitch competition.

B. Organizational Capacity

The successful applicant will meet the eligibility requirements, possess the necessary organizational capacity and expertise to effectively execute the accelerator program, demonstrate a strong understanding of the local entrepreneurial ecosystem, and have a governance structure that ensures well informed decision making and risk mitigation.

1. Eligible Organizations

- a. The applicant can be a for-profit corporation or a non-profit/tax-exempt corporation, so designated by the Internal Revenue Service, with an office in the District of Columbia.

- b. The applicant must sign and submit a Contract Affidavit certifying that they are not debarred from participation in any federal program nor have any unresolved default or noncompliance issues with the District of Columbia.

2. Experience and Expertise

The successful applicant will have experience working with seed and early stage scalable businesses. It will also have the organizational capacity to meet the needs of this project.

This experience and expertise includes, but is not limited to:

- a. Experience developing and operating a capacity-building program, such as an incubator or accelerator program.
- b. Experience working with/investing in underrepresented entrepreneurs and seed/early stage companies.
- c. Experience as an entrepreneur who successfully completed a recognized incubator or accelerator program.
- d. Venture capital and Fundraising experience.
- e. Successfully executing other forms of capacity-building programs focused on seed and early-stage entrepreneurs.

3. Local Familiarity

The successful applicant will have strong familiarity with DC's entrepreneurial ecosystem, including an acute understanding of the needs and opportunities facing underrepresented entrepreneurs in the District and awareness of existing resources available.

4. Governance

The successful applicant will be governed by an executive leadership team that reflects a sound understanding of the accelerator program's objectives, investment best and innovative practices, the needs of DC's underrepresented entrepreneurs, and the investment landscape locally and nationally.

Questions for Applicants

1. Eligibility

- a. Please address all elements of eligibility described in the section above.

2. Experience and Expertise

- a. Describe your organization's relevant experience.
 - i. Experience developing and operating a capacity-building program, such as an incubator or accelerator program.
 - ii. Experience working with/investing in underrepresented entrepreneurs and seed/early stage companies.
 - iii. Experience as entrepreneur who successfully completed a recognized incubator or accelerator program.
 - iv. Venture capital and Fundraising experience.
 - v. Successfully executing other forms of capacity-building programs focused on seed and early-stage entrepreneurs.
- b. List any additional key personnel on the project, and roles of each. Include brief bios highlighting relevant experience and resumes.

3. Local Familiarity

- a. Describe the following in less than 250 words:
 - i. DC’s entrepreneurial ecosystem
 - ii. The needs and opportunities facing underrepresented entrepreneurs in the District (including people of color, women, disabled and LGBTQ entrepreneurs)
 - iii. Your view of the pipeline of underrepresented entrepreneurs in the District, including sources and volume

4. Governance

- a. Describe your governance structure, including a diagram if necessary, and decision making process. Describe the level of representation (consistent with the definition of underrepresented entrepreneurs) and DC familiarity of your existing decision making bodies.
- b. Provide current executive leadership team and biographies not included above in Experience and Expertise. Address whether you would work to change or supplement the team in any way to ensure it contains the perspectives described in applicant criterion 2d.
- c. If you plan to partner with other entities, describe how and include a signed support letter on organizational letterhead.

C. Timeline

The successful applicant will be able to begin an accelerator program as soon as responsibly possible. At minimum, we would like a program to be completed by September 30, 2020, supporting at least one cohort of entrepreneurs through the program.

Questions for Applicants

1. Describe your implementation timeline and ability to meet or exceed requirements and performance milestones laid out in the Objectives section. Propose dates for each of the deliverables that include “applicant to propose.”

D. District’s Role and Ancillary Benefits

While the selected accelerator partners will be fully responsible for execution of the project, DC Government – specifically, the Office of the Deputy Mayor for Planning and Economic Development (DMPED) – expects to be an active, supportive partner in the following ways:

- Promote the work of the accelerator, including featuring portfolio companies at events.
- Help facilitate partnerships.
- Hold sessions with portfolio companies about other available government supports.

DMPED welcomes applicants to propose other roles, and would view favorably an approach to the accelerator program that not only meets the objectives laid out above, but addresses other economic growth or inclusive innovation priorities of the District described in DC’s Economic Strategy or Pathways to Inclusion reports.

Questions for Applicants

1. Describe the role you would like the District government to play in the Inclusive Innovation Fund program.
2. Are there other ways your approach would benefit DC's economy and innovation ecosystem, beyond meeting our stated project objectives? Describe any ancillary benefits. For example, would it help to address goals or initiatives from [DC's Economic Strategy](#) or [Pathways to Inclusion](#) plan?

V. Application Scoring Rubric

Project Approach	30
Organizational Experience, Capacity and Local Knowledge	30
Timeline	30
Ancillary Benefits	10
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VI. Submission Guidelines

All applications must be submitted via the MicroEdge online application system. All application attachments must be submitted in Adobe Acrobat PDF format. Any other formats uploaded to the application will deem the submission incomplete.

All electronic applications must be submitted no later than **Monday, July 29, 2019 at 12:00 p.m., EST**. All applications will be recorded upon receipt. Any applications received after the specified **Monday, July 29, 2019 at 12:00 p.m., EST** will not be accepted. Unless requested by DMPED, any additions or deletions to an application will not be accepted after the specified deadline. DMPED is not responsible for unreadable, incomplete, require passwords to view, and/or out-of-order submissions.

DMPED is not responsible for malfunctions on the MicroEdge platform. DMPED advises prospective applicants not to upload any documents using Dropbox or similar applications due to access issues.

VII. Application Review

- A. Initial Screening – Prior to the formal review process, each application will receive an initial administrative screening to ensure that all required forms, signatures, and documents are present. An application will not be evaluated by the review panel if:
 - 1) The application is received after the closing date;
 - 2) The application package is not complete;
 - 3) The project synopsis/description fails to address the program priorities;
 - 4) The application does not fall within the scope the RFA;

Based on the formal review panel recommendations, the Mayor's budget priorities, the resources

available, and the goal of achieving a balance as to communities served and the goals of the program, DMPED will make the final funding decision. The final funding decision cannot be contested or appealed.

VIII. Anticipated Announcement and Award Notification

Anticipated time for processing applications is thirty (30) to forty-five (45) days after date of application close. DMPED will send a Response Letter to eligible applicants, informing them of their status in the review process and requesting the following supplemental documentation:

- A. Proof of Insurance – See Article **XIV**.
- B. Automated Clearing House (ACH) Form – Approved awardees will receive disbursed tranches¹ via an electronic transmission to the bank account designated for this grant. To establish this transfer, approved awardees must fully complete and submit an ACH Form that includes the signature of an authorized representative from their financial institution.
- C. EEO Policy Statement - Applicants are required to sign an Equal Employment Opportunity (EEO Statement) with the Office of Human Rights.
- D. Grant Agreement

In order to remain eligible for this grant, all supplemental documentation must be submitted to DMPED within 7 business days of the Response Letter. An applicant that cannot provide these materials **WITHIN 7 BUSINESS DAYS** will be deemed ineligible to receive grant funds.

IX. Amount of Award

Award amount will vary by applicant but will not exceed \$200,000.

X. Terms and Conditions

Funding for this grant is contingent upon continued appropriations to the grantor. This RFA does not commit DMPED to make a grant award.

DMPED reserves the right to accept or deny any or all applications if it is determined to be in the best interest of DMPED to do so. DMPED shall notify the applicant if it rejects their application. DMPED reserves the right to suspend or terminate an RFA.

DMPED reserves the right to issue addenda and/or amendments subsequent to the issuance of this RFA, or to rescind this RFA.

DMPED shall not be liable for any costs incurred in the preparation of applications in response to this RFA. The applicant agrees that all costs incurred in developing the application for this grant are the applicant's sole responsibility.

¹ The disbursement schedule will be outlined in the executed grant agreement

DMPED may conduct pre-award interviews to verify information submitted in the application and to determine if the applicant's program is appropriate for the purposes intended.

DMPED shall provide the citations to the statute and implementing regulations that authorize the grant or sub-grant; all applicable federal and District regulations and payment provisions identifying how the grantee will be paid for performing under the grant agreement; reporting requirements, including programmatic, financial, and any special reports required by DMPED; and compliance conditions that must be met by the grantee. If there are any conflicts between the terms and conditions of this RFA and any applicable federal or local laws or regulations, or any ambiguity related thereto, then the provisions of the applicable laws or regulations shall control, and it shall be the responsibility of the applicant to ensure compliance.

DMPED reserves the right to withhold funds and/or withdraw a grant award to applicants who change vendors during the period of performance prior to submission and approval by DMPED.

XI. Point of Contact

DMPED Grants Team
Phone: (202) 724-8111
Email: dmpedgrants@dc.gov

XII. Minimum Requirements

Eligible applicants must meet the following minimum requirements to be considered for a grant:

- Registered business in Good Standing with the DC Department of Consumer and Regulatory Affairs (DCRA), the Office of Tax and Revenue (OTR), the Department of Employment Services (DOES), and Internal Revenue Service (IRS), and maintain their Good Standing status with the aforementioned agencies throughout the pre-award process and the grant's period of performance.
- Must be a business registered in the District of Columbia.
- Provide proof of property and liability insurance (an insurance quote is permitted for new businesses) compliant with the requirements set forth in Section XVIII of this RFA).

Content and Form of Application Submission

- Content Requirement: The application must provide sufficient information for the agency to make a determination of merit of the proposal.
- Complete Application - Applications should include the elements for each section to be eligible for the maximum consideration. Applications that fail to include all the necessary elements may not be reviewed or considered and may be disqualified.

XIII. Grant Disbursement

DMPED expects to award multiple grants under this program. Grant award sizes will vary by applicant.

The period of agreement of each grant will be from the date of grant execution and shall remain in effect through **September 30, 2020**. The District's period of performance and financial obligation for the grant will be from the date of execution through **September 30, 2020**.

Grant funding will be disbursed to the grantee based on award amount.

Vendors(grantees) receiving purchase orders on or after April 30, 2018 must submit invoices electronically through the vendor portal: <https://vendorportal.dc.gov>. Vendors are required to register on the vendor portal prior to submitting an invoice.

XIV. Certifications and Assurances

Insurance Requirements - The applicant, when requested, must show proof of all insurance coverage required by law at the time of application submission. The applicant shall maintain general liability insurance, consistent with District law. The applicant is responsible for adhering to the insurance guidelines as defined by the District of Columbia Office of Contracting and Procurement.

General Requirements - The grantee shall procure and maintain, during the entire period of performance under the grant agreement, the types of insurance specified below. The grantee shall have its insurance broker or insurance company submit a Certificate of Insurance to the Contracting Officer providing evidence of the required coverage prior to commencing performance under the grant agreement. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to, and accepted by, DMPED's Contracting Officer. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia and have an A.M. Best Company rating of A- VIII or higher. The grantee shall require all of its sub-grantees to carry the same insurance required herein. The grantee shall ensure that all policies provide that the Contracting Officer shall be given thirty (30) days prior written notice in the event that the stated limit in the declarations page of the policy is reduced via endorsement or the policy is canceled prior to the expiration date shown on the certificate. The grantee shall provide the Contracting Officer with ten day (10 calendar days) prior written notice in the event of non-payment of premium.

1. **Commercial General Liability Insurance** - The grantee shall provide evidence satisfactory to the Contracting Officer with respect to the services performed that it carries \$1,000,000 per occurrence limits; \$2,000,000 aggregate; Bodily Injury and Property Damage including, but not limited to: premises-operations; broad form property damage; Products and Completed Operations; Personal and Advertising Injury; contractual liability and independent contractors. The policy coverage shall include the District of Columbia as an additional insured, shall be primary and non-contributory with any other insurance maintained by the District of Columbia, and shall contain a waiver of subrogation. The grantee shall maintain Completed Operations coverage for five (5) years following final acceptance of the work performed under the grant.
2. **Automobile Liability Insurance** - The grantee shall provide automobile liability insurance to cover all owned, hired, or non-owned motor vehicles used in conjunction with the work performed under the grant. The policy shall provide a \$1,000,000 per occurrence combined single limit for bodily injury and property damage.
3. **Workers' Compensation Insurance** - The grantee shall provide workers' compensation insurance in accordance with the statutory mandates of the District of Columbia.

4. Employer's Liability Insurance - The grantee shall provide employer's liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.

Duration - The grantee shall carry all required insurance until all work performed under the grant is accepted by the District and shall carry the required General Liability; any required Professional Liability; and any required Employment Practices Liability insurance for five (5) years following final acceptance of the work performed under the grant.

Liability - These are the minimum insurance requirements established by the District of Columbia. However, the minimum insurance requirements provided above will not in any way limit the grantee's liability under the grant.

Grantee's Property - The grantee and sub-grantees are solely responsible for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.

Measure of Payment - The District shall not make any separate measure of payment for the cost of insurance and bonds. The grantee shall include all of the costs of insurance and bonds in the grant price.

Notification - The grantee shall immediately provide the Director of Contracts, Procurement and Grants with written notice in the event that its insurance coverage has or will be substantially changed, canceled, or not renewed, and provide an updated Certificate of Insurance to the Director of Contracts, Procurement and Grants.

Certificates of Insurance - Prior to commencing any work under the grant, the grantee shall submit Certificates of Insurance providing evidence of the required coverage as specified above. The grantee shall submit evidence of insurance to:

**Office of the Deputy Mayor for Planning and Economic Development
Attention: Contracts, Procurement and Grants
1015 Half Street SE, Suite 675, Washington, DC 20003**

Nondiscrimination in the Delivery of Services - In accordance with Title VI of the Civil Rights Act of 1964 (Public Law 88-352), as amended, no person shall on the grounds of race, color, religion, nationality, sex, or political opinion be denied the benefits of, or be subjected to discrimination under, any program activity receiving DMPED funds. The grantee shall comply with all of the applicable District and Federal statutes and regulations as may be amended from time to time including, but not limited to The Americans with Disabilities Act of 1990, The Hatch Act, Chap. 314, The Occupational Safety and Health Act of 1970, Lobbying Disclosure Act, Drug Free Workplace Act of 1988, District of Columbia Human Rights Act of 1977 and the DC Language Access Act of 2004.

Approved
Brian T. Kenner
Deputy Mayor for Planning and Economic Development

Date

Disapproved
Brian T. Kenner
Deputy Mayor for Planning and Economic Development

Date