



DASNY



For Immediate Release

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\$10 MILLION LISC INVESTMENT AGREEMENT FUELS PROGRAM TO EXPAND MWBE AND SDVOB OPPORTUNITIES ON DASNY CONSTRUCTION PROJECTS

LISC's Black Economic Development Fund Commitment Offers MWBEs and SDVOBs Access to Capital, Bonding Needed to Compete for Opportunities as Prime Contractors

Program to Create Jobs and Opportunities for Smaller MWBE/SDVOB Firms Statewide

New York, NY - The Dormitory Authority of the State of New York (DASNY) is partnering with community non-profit LISC NYC and The Cayemitte Group, a full-service insurance and surety bond brokerage, to launch an innovative program to help businesses owned by minorities, women and service disabled veterans compete for DASNY construction contracts.

The program, supported by a \$10 million commitment from LISC's Black Economic Development Fund (BEDF), will provide critical lines of credit and other supports to help qualified Minority- and Women-owned Business Enterprises (MWBEs) and Service Disabled Veteran Owned Businesses (SDVOB) successfully bid on and execute DASNY construction contracts as prime contractors.

This funding will enable NYS Certified MWBE/SDVOB contractors to qualify for required surety bonding and, through a line of credit, pay project-related costs while awaiting reimbursement. In addition, The Cayemitte Group will provide these contractors with back-office supports, including financial management and funds control, to ensure timely payments on all project-related expenses.

This program is the first of its kind in the nation and will serve as a model for increasing MWBE/SDVOB participation in public works through public-private partnerships. It supports Governor Kathy Hochul's goals of providing increased access to state contracts for MWBE and SDVOB contractors and continuing New York's leadership in providing opportunity for businesses to grow.

According to [a recent survey](#) funded by J.P. Morgan, 60% of startups and 40% of established businesses owned by Black entrepreneurs were unable to secure a bank loan or institutional capital from a financing company between 2015 and 2020. This program will directly address this obstacle, which is routinely faced by MWBEs and SDVOBs.

"For far too long, minority-owned businesses, through no fault of their own, have been prevented from accessing the capital and credit necessary to lead public projects," **said Valerie White, executive director of LISC NYC.** "We're thrilled to partner with DASNY and The Cayemitte Group to ensure that MWBE/SDVOBs have the same opportunity as any other firm to secure public contracts to build and maintain health and education infrastructure that is the foundation of inclusive, sustainable communities. We look forward to working with other state agencies to replicate this model so that all minority-owned firms have the opportunity to play a role in building an equitable future for New York."

DASNY's future construction bid requests will include information on how to participate in the program with The Cayemitte Group, which will facilitate operational support and access to working capital for those qualified contractors with liquidity needs through the LISC BEDF investment agreement.

"The Black Economic Development Fund is committed to ensuring that Black entrepreneurs have the capital and resources necessary to make a difference in their communities and to create a more equitable playing field for these businesses," said **George Ashton, LISC's Managing Director of Strategic Investments**. "This relationship with DASNY and The Cayemitte Group will give minority-owned firms across New York the ability to pursue projects where their expertise will make the greatest impact and encourage other state agencies to take necessary steps to meet their MWBE/SDVOB goals as well."

DASNY, LISC NYC and The Cayemitte Group's agreement ensures a lack of access to capital will no longer be the prime reason preventing MWBE and SDVOB contractors from winning prime contracts.

"This program supports DASNY's long-standing commitment to ensuring our partners reflect the diversity of New York State and to encouraging the growth of MWBEs and SDVOBs to create jobs and strengthen our economy," said **Reuben R. McDaniel, III, President & CEO of DASNY**. "We thank LISC NYC, The Cayemitte Group and the DASNY staff for developing this innovative program to meet a capital access issue that has been a well-known impediment to MWBE and SDVOB firms bidding as prime contractors on public construction projects. This is another step in promoting inclusion and providing new opportunities for smaller business to grow and succeed in New York State."

"This innovative and game-changing program allows MWBEs/SDVOBs contractors to focus on the work they do best," said **Michael M. Clay, DASNY's Senior Director of the Opportunities Program Group - Procurement**. "With The Cayemitte Group's expertise and LISC's funding, New York's MWBE/SDVOB businesses can contribute their skills to important projects, while getting resources to help build their businesses and expand their capacity for the future."

"We developed our proprietary Cayemitte Capital Management product to support and build the back-office capacity of diversely owned businesses to qualify to access capital and bonding" said David Cayemitte, CEO of The Cayemitte Group. "We are delighted that our services will empower more minority-owned businesses to bid as primes on DASNY projects."

The agreement between LISC's BEDF and The Cayemitte Group for the DASNY program was finalized on October 1, 2021.

About LISC NYC

LISC NYC is the flagship New York City office of the Local Initiatives Support Corporation (LISC). LISC NYC supports local partners whose services and programs aim to create a more equitable, inclusive, and sustainable New York City. Since 1980, LISC NYC has invested over \$3.1 billion and leveraged an additional \$7.6 billion in support of low-income communities. LISC NYC's investment strategy is guided by a belief that the time has come to forge a future for New York City that eradicates the racial wealth gap for good, protects affordable housing, and builds pathways of meaningful economic opportunity for all New Yorkers.

About DASNY

Founded in 1944, DASNY – the Dormitory Authority of the State of New York – is New York State's capital project development authority. It finances and constructs sustainable and resilient science, health and education institutions that help New York thrive. It is one of the largest issuers of tax-exempt bonds in the nation with an outstanding bond portfolio of approximately \$58.5 billion as of September 30, 2021. DASNY is also a prolific public builder with a construction pipeline of more than 1,000 projects valued at approximately \$7.7 billion as of August 2021. To learn more about DASNY, visit www.dasny.org.

About The Cayemitte Group.

The Cayemitte Group, Inc. (TCG) is a full-service insurance brokerage and management consulting firm approaching diversity, equity, and inclusion from a risk-mitigation perspective. TCG has delivered the DASNY Surety Bond program since 2009, providing classes and consulting sessions to help MWBEs and SDVOBs to build their capacity for work on public projects. Cayemitte Capital Management was developed to provide the direct assistance with back-office operations needed to assure timely payment of all project expenses, which has been a consistent barrier to qualifying for bonding and lending. To learn more about The Cayemitte Group, visit www.cayemittegroup.com.

About the Black Economic Development Fund

The Black Economic Development Fund (BEDF) is an impact investment fund built specifically to address economic challenges in Black communities and to help close the racial wealth gap. The fund targets Black-led financial institutions, businesses and anchor institutions with the goal of growing these organizations and strengthening their contributions to Black communities. The fund deploys capital on behalf of its corporate investors across a diverse set of industries, borrowers and geographies in the US. The BEDF is managed by the Local Initiatives Support Corporation's Strategic Investments team and LISC Fund Management, LLC, a LISC affiliate.

For more information on the BEDF, please visit <https://www.liscstrategicinvestments.org/black-economic-development-fund>