



INDIANAPOLIS AFRICAN AMERICAN QUALITY OF LIFE INITIATIVE

Request for Proposal

Indianapolis African American Quality of Life Initiative For Business Development and Entrepreneurship

Strengthening the Black Business Ecosystem in Indianapolis

Issued:

July 7, 2025

Responses Due:

August 11, 2025

11:59 pm (Eastern Time)

For Submission Requirements, see www.iaaqli.org.



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Introduction

The Indianapolis Urban League (IUL), with support and in partnership with the National Urban League (NUL), the African American Coalition of Indianapolis (AACI), its member organizations, community groups, faith-based organizations, corporations, foundations, local and state public agencies and individuals, is implementing the Indianapolis African American Quality of Life Initiative (IAAQLI). Funded through a \$100 million grant to NUL from Lilly Endowment, IAAQLI is mobilizing African American resources while building collaborations and partnerships to elevate the quality of life of African Americans in Indianapolis/Marion County.

IAAQLI focuses on six priority issue areas affecting the quality of life of African Americans in Indianapolis: Business & Entrepreneurship, Education, Employment, Health and Wellness, Housing and Homeownership, and Leadership and Civic Engagement. This Request for Proposal addresses the issue of **Business Development and Entrepreneurship**. IAAQLI invites eligible applicants to submit projects/programs that address strategies for Enhancing Sustainability and Capacity for African American-Owned Businesses.

Funding requests may vary in size, with individual grants awarded based on the scope, scale, and alignment of proposed activities with IAAQLI's broader mission to advance racial equity and improve the quality of life for African Americans in Indianapolis.

Funding Overview

IAAQLI is pleased to announce the availability of **\$2.5 million** in funding to support the growth and development of the Black business ecosystem in Indianapolis and Marion County. This funding opportunity is designed to address the systemic barriers that have historically limited access to capital, mentorship, and infrastructure for Black-owned businesses, particularly in both the early start-up phase and during periods of growth and expansion.

Eligible applicants are invited to submit proposals that align with IAAQLI's strategic priorities in economic empowerment and entrepreneurship. Individual projects/programs may request funding of **up to \$300,000**.

Funding requests may vary in size, with individual grants awarded based on the scope, scale, and alignment of proposed activities with IAAQLI's broader mission to advance racial equity and improve the quality of life for African Americans in Indianapolis.



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Background and Purpose

African American-owned businesses are foundational to Indianapolis's economic vitality, driving job creation, innovation, and community stability. Yet, despite their critical role, Black entrepreneurs continue to face systemic barriers that limit both the launch and long-term sustainability of their businesses. These challenges include limited access to affordable capital, discriminatory lending practices, and underinvestment in technical and operational support.

According to the U.S. Federal Reserve, Black-owned businesses are significantly more likely to be denied financing and less likely to receive full funding when approved, resulting in stunted growth, reduced operational capacity, and constrained scalability. These inequities are further compounded by limited access to mentorship, policy guidance, and business networks—critical components of long-term success. The COVID-19 pandemic starkly highlighted these vulnerabilities: approximately 40% of Black-owned businesses closed during their early months, compared to 17% of White-owned businesses.

While many Black-owned businesses have demonstrated remarkable resilience, especially those operating for more than three years, they continue to face challenges in scaling and adapting to a competitive marketplace. These businesses need targeted investments and strategic support to unlock their full potential.

To address this need, the Indianapolis African American Quality of Life Initiative (IAAQLI) has launched a two-track investment strategy:

- A **microloan fund** for Black start-ups with growth potential, offering flexible, low-interest loans or grants.
- A **growth and expansion fund** for mature Black-owned businesses, focused on scaling operations, modernizing infrastructure, improving financial health, and enhancing market reach.

This initiative aims to close longstanding equity gaps, strengthen business resilience, and foster a sustainable ecosystem that enables Black-owned businesses to thrive, lead, and build generational impact across Indianapolis.



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Objectives

The Indianapolis African American Quality of Life Initiative (IAAQLI) is seeking proposals from qualified non-profit organizations to strengthen the Black business ecosystem in Indianapolis by supporting both start-up and mature Black-owned businesses.

This dual-track funding opportunity is designed to:

1. **Establish a loan fund to assist mature businesses** with potential for expansion, increased hiring, and potential for more than \$250,000 in annual revenues. Loans up to \$50,000 can be considered.
2. **Continue/Launch low-interest microloans/grants** (up to \$5,000) to Black-owned **start-ups** with potential for \$100,000 in annual revenue.
3. **Scale and strengthen mature businesses** through grant-funded technical assistance, strategic investments, and expanded business infrastructure.

The goal is to catalyze economic empowerment, sustainability, and generational wealth-building in the Black community through coordinated investment, mentorship, and policy-aligned support.

Strategies

Selected projects/programs must address one or more of the following strategies and their key actions:

Strategy 1: Start-Up Loan Fund Development

Purpose: To ensure Black entrepreneurs have access to the capital necessary to sustain and expand their businesses, addressing the unique barriers they face in securing traditional financing.

Key Actions

1. **Establish and Manage a Loan Fund:** The loan or grant fund should offer low-interest loans of up to \$5,000, accompanied by clear repayment terms that ensure the fund's long-term sustainability. If a grant, repayment is not required.

Eligibility Criteria: Define the key eligibility requirements for Black-owned businesses to qualify for funding (loan or grant), including but not limited to:

- a) A track record of business operations for at least 3 years.
- b) Annual revenue of at least \$100,000 in the most recent fiscal year.



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- c) If applicable, a demonstrated ability to repay loans and manage business operations effectively.
2. **Loan/Grant Evaluation and Distribution:** A transparent process for evaluating loan/grant applications and determining appropriate loan amounts, terms, and interest rates.
3. **Business Support and Technical Assistance:** A plan to offer business development resources, technical assistance, and guidance to loan recipients to ensure they are positioned for growth and success after receiving funding.
4. **Production Scaling:** Support the expansion of core operations through investment in commercial space, upgraded manufacturing or processing equipment, inventory systems, and supply chain efficiencies.
 - Fund projects that increase production capacity to meet growing demand and enter new markets.
5. **Technology Innovation**
 - Modernize internal systems and operations by implementing advanced software solutions for CRM, HR, and inventory management.
 - Support the development or enhancement of e-commerce platforms, digital sales tools, cybersecurity protocols, and mobile applications that improve customer experience and business agility.
6. **Marketing & Branding**
 - Strengthen brand identity through targeted marketing strategies, including logo and web design, content creation, and advertising campaigns.
 - Facilitate market research, customer segmentation, and digital marketing to support outreach and acquisition of new clientele, both locally and nationally.
7. **Financial Health**
 - Provide technical assistance for business owners to improve cash flow forecasting, financial statement literacy, credit repair, and loan readiness.
 - Support strategies to manage or restructure debt, enhance profitability, and prepare businesses for future investment or funding opportunities.
8. **Collaborative Ecosystem Building**
 - Foster partnerships between mature Black-owned businesses, industry associations, and peer-led initiatives to encourage knowledge sharing and joint ventures.



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- Develop shared tools for data tracking, impact evaluation, and collective planning to align efforts and measure broader ecosystem outcomes.

9. Metrics for Evaluating Business Success:

- a) Annual Revenue Growth: Documented year-over-year revenue increases, showing consistent growth.
- b) Profitability: A positive profit margin in the most recent two years of operation, with the business demonstrating fiscal responsibility and sustainable financial practices.
- c) Job Creation: Evidence of job creation or retention, particularly for Black workers or local community members.
- d) Market Impact: Demonstrated competitive positioning and market share within the business sector.
- e) Customer Retention and Satisfaction: Strong customer loyalty metrics, including repeat business, customer reviews, and service/product demand.
- f) Financial Health: A comprehensive review of business financials, including cash flow management, credit history, and debt-to-equity ratio.

- 10. Impact Measurement:** Detail how the loan fund's impact will be tracked and reported for individual loan recipients and the broader economic impact on the local community. This may include business milestones, job creation, and the long-term sustainability of start-ups.

Strategy 2: Growth and Expansion of Mature Businesses

Purpose: Equip established Black-owned businesses (3+ years) with the tools to scale, stabilize, and build generational success.

Key Actions

- 1. Establish and Manage a Loan Fund:** The loan fund should offer low-interest loans of up to \$50,000, accompanied by clear repayment terms that ensure the fund's long-term sustainability.

Eligibility Criteria: Define the key eligibility requirements for Black-owned businesses to qualify for funding, including but not limited to:

- a. A track record of business operations for at least 3 years.
- b. Annual revenue of at least \$250,000 in the most recent fiscal year.



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- c. A demonstrated ability to repay loans and manage business operations effectively.

2. Production Scaling

- Support the expansion of core operations through investment in commercial space, upgraded manufacturing or processing equipment, inventory systems, and supply chain efficiencies.
- Fund projects that increase production capacity to meet growing demand and enter new markets.

3. Technology Innovation

- Modernize internal systems and operations by implementing advanced software solutions for CRM, HR, and inventory management.
- Support the development or enhancement of e-commerce platforms, digital sales tools, cybersecurity protocols, and mobile applications that improve customer experience and business agility.

4. Marketing & Branding

- Strengthen brand identity through targeted marketing strategies, including logo and web design, content creation, and advertising campaigns.
- Facilitate market research, customer segmentation, and digital marketing to support outreach and acquisition of new clientele, both locally and nationally.

5. Financial Health

- Provide technical assistance for business owners to improve cash flow forecasting, financial statement literacy, credit repair, and loan readiness.
- Support strategies to manage or restructure debt, enhance profitability, and prepare businesses for future investment or funding opportunities.

6. Collaborative Ecosystem Building

- Foster partnerships between mature Black-owned businesses, industry associations, and peer-led initiatives to encourage knowledge sharing and joint ventures.
- Develop shared tools for data tracking, impact evaluation, and collective planning to align efforts and measure broader ecosystem outcomes.



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Eligibility Requirements

Eligible organizations are encouraged to submit a response to this RFP in accordance with the guidelines outlined below. Include all required sections with your response.

Incomplete documents will not receive consideration.

This RFP is open to organizations classified as public charities under Section 501(c)(3) of the Internal Revenue Code, including nonprofit organizations, educational institutions, workforce development agencies, healthcare providers, and community-based organizations. Preference will be given to African American-led organizations that are rooted in and actively serve African American communities in Marion County, Indiana.

Applicants may apply individually or in collaboration with other entities. If applying as part of a partnership or consortium, proposals must include signed letters of support from each collaborating organization and, if appropriate, a Memorandum of Understanding (MOU). These letters should clearly outline the collaborator's role in the proposed project, relevant expertise or experience, and specific contributions to program implementation. While partnering organizations are not required to be African American-led or not-for-profit organizations, preference will be given to those based in Indiana, particularly those located in Indianapolis.

In addition to meeting eligibility requirements, applicants are strongly encouraged to include a clear plan for measurable milestones, outcome reporting, and the use of collaborative project or program teams. Proposals that demonstrate a structured approach to evaluation and cross-sector collaboration will receive priority consideration during the review process.

Additional Eligibility Considerations

In addition to meeting the general eligibility criteria outlined in this RFP, applicants must meet the following additional requirements:

- Have a **minimum of three (3) years of operational history** demonstrating organizational stability and experience.
- Report at least **\$250,000 in annual revenue** for the most recently completed fiscal year, reflecting the capacity to manage and scale grant-funded initiatives.
- Be a **previous recipient of IAAQLI funding**, with demonstrated capacity to implement and manage growth-focused programs aligned with IAAQLI's strategic priorities.



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Funding Use & Requirements

Individual awards may be up to **\$300,000** for a **two-year grant period**. Funding may be used for the following purposes:

- **Between 10-20%** of the funds awarded may be allocated toward administrative or overhead costs.
- For **Strategy 1 (Start-Up Loan Fund Development)**, at least **90%** of the funding must be directed to **loan issuance** for eligible businesses.
- For **Strategy 2 (Growth and Expansion of Mature Businesses)**, funding must support **direct business assistance and development activities**, such as scaling operations, infrastructure upgrades, or technical support.

Evaluation Criteria

Business proposals will be evaluated based on the following criteria:

- A brief overview of the proposal, including the applicant's qualifications and the expected impact of the loan.
- Information about the applicant's track record in managing similar loans and an overview of their organizational structure and financial capacity.
- A clear breakdown of how the loan funds will be utilized. *For start-up funds:* It is recommended that 10% of the funds be used for administration and 90% for loans to applicants.
- A description of the metrics and processes for evaluating loan recipients' success, including how the metrics will be used to assess ongoing performance.
- Details on available technical assistance and business development resources.
- An outline of the loan's use, including the expected timeline.
- Clarity and effectiveness of the proposal.
- Ability to support businesses beyond the loan, such as mentorship, resources, and technical assistance.
- Feasibility and sustainability of the business.
- Ability to effectively measure and report on business outcomes and community impact.



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Monitoring and Reporting Process

Upon receipt of the funding provided, the grantee will agree to the following monitoring requirements.

- The IAAQLI will have one representative on the Evaluation Team to award funding to loan applicants.
- The grantee will provide quarterly reports to the IAAQLI outlining progress against the Evaluation metrics presented above.
- The grantee will meet quarterly with a representative of IAAQLI to review their progress and provide assistance for administering the funds.

Elements of Proposal

I. Application Requirements

1. The application form is available online at <https://app.smarterselect.com/programs/103816-laaqli>.
2. IUL, NUL, and its IAAQLI partners will review and screen all applications. Criteria will include certification of Code section 501(c)3 public charity status (including a Letter of IRS Determination), the 990 of the organization, Certificate of Insurance (COI), and precise identification of the IAAQLI strategy your organization plans to address, and adherence to other program requirements.

II. IAAQLI Grant Application

The following section provides a general overview of questions grant seekers must answer when applying. Applications will be submitted through the IAAQLI Smarter Select system. Applications should address or include the following:

1. The target audience for the proposed project/program, including the geographic location served and points of service (including where the services will be offered and how the Black community will be able to access the services).
2. A detailed project budget to accompany the applicant's grant request material. The budget must be completed using the IAAQLI Budget Template.
3. A description of how the project/program activities will meet the eligibility criteria of the proposed funding strategy.
4. A description of the project/program team and the management structure for the project/program; a description of the organization's leadership and staffing.



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5. How will the project/program address the gaps for African American residents, and how will it contribute to achieving the application's objectives and expected results? *(The information should describe what you are offering, how you will deliver, your proven track record, past experiences, and expertise related to the proposed funding strategy. If your project/program includes collaborations with other organizations, please describe their role, track record, experience, and expertise.*
6. Key activities you will undertake in this project/program and the proposed length of the project/program.
7. Describe how the applying organization plans to continue offering this program/project/operational activity after exhausting IAAQLI funding.
8. A statement of Revenue and Expenses for the organization's most recently completed fiscal year.
9. A commitment that IUL will receive a Certificate of Insurance ("COI") naming NUL as an additional insured from each individual or organization receiving funding from NUL under the IAAQLI.

Procedure for Prospective Grant Applicants

1. Applicants must submit responses to this RFP online by the indicated deadline.
2. Subgrant Agreements are sent to funded organizations. They must be signed by an organization officer and returned by the indicated due date.
3. Funds are delivered after award approval, setup of the organization profile in the Build Back Better Portal, and receipt of a signed Subgrant Agreement.
4. Grant recipients are required to submit Grant Summary Reports at six-month intervals. Reports should keep us updated on the progress of your funded project or program. A final report will be required upon completion of the award period. Reporting requirements and dates are included in the Subgrant Agreement. Please be sure to put the due dates on your calendar. If you do not submit your reports on time, we cannot provide scheduled future funding until those reports are up to date.



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Selection & Evaluation Process

A team of evaluators will review each submitted application. An IAAQLI staff representative will oversee the application evaluation process. Each application will be evaluated based on the following criteria, among others:

- **Eligibility:** The extent to which the organization meets the criteria regarding who can apply.
- **Alignment:** The extent to which the organization demonstrates how it will address gaps and challenges in the ecosystem (focusing on racial equity within that ecosystem), in alignment with this strategy's stated objectives and expected results.
- **Experience and Capacity:** The ability of the organization to deliver on the proposed project activities and the applicant's and/or collaborator's technical and financial management capacity. Organizations are highly encouraged to leverage resources by fostering partnerships and by demonstrating economies of scale.
- **Feasibility:** The extent to which the project is sound and financially feasible.
- **Sustainability:** The extent to which the organization demonstrates a clear plan for sustaining the proposed project beyond the grant period, including diversified funding strategies, long-term partnerships, and/or earned revenue models.
- **Impact:** The degree to which the proposed project is likely to generate a measurable impact for Black residents and communities, particularly in areas of economic mobility, access to opportunity, and reduction of structural barriers.
- **Innovation and Responsiveness:** The ability of the organization to propose creative, data-informed, and community-responsive approaches that address emerging needs or longstanding gaps in the employment, education, or economic ecosystem.
- **Evaluation and Learning:** The extent to which the applicant presents a clear and coherent plan for evaluating project implementation, including defined success metrics, data collection methods, and strategies for tracking outcomes over time.



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Anticipated RFP Timeline

RFP Date of Issue	July 7, 2025
Written Questions from Q&A session Due to Email: info@iaaqli.org	July 14, 2025
IUL Posts Answers to Questions	July 21, 2025
RFP Proposals Due to Smarter Select	August 11, 2025
Anticipated Proposal Awards	October 10, 2025

Questions and Inquiry Process

All questions and inquiries regarding this RFP must be submitted in writing by the deadline. Questions/Inquiries should be submitted electronically via email to info@iaaqli.org and must be received by the date indicated above.

Following the question/inquiry due date, IAAQLI will compile a list of the questions and inquiries submitted by applicants. Only answers posted on Smarter Select will be considered official and valid. No applicant shall rely upon, take any action, or decide based on verbal communication.

NUL and its IAAQLI partners reserve the right to publish clarifications on information submitted in response to this RFP and conduct oral or written discussions with applicants separately or in groups. These discussions could include requests for additional information, cost information, or technical requirements, as well as response attachment revisions. Additionally, in conducting discussions, NUL and its IAAQLI partners may use information derived from the responses submitted by competing applicants, making reasonable efforts to preserve the identity of applicants when communicating with others.

Neither NUL, its IAAQLI partners, nor their representatives shall be liable for any expenses incurred in preparing a response to this RFP. Applicants understand that this RFP does not constitute an offer to enter into an agreement or contract between any applicant, NUL, or their IAAQLI partners.

For all funding rounds, the IAAQLI Management Team, in partnership with the National Urban League, the Indianapolis Urban League, and the African American Coalition of Indianapolis, can transfer dollars within or across its strategies. The total dollar amount allocated for the five issue areas will not change.



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This document is for information purposes only. To be considered for funding, all applicants must complete a full application. Eligible applicants are invited to apply through the Smarter Select grants management system, available at www.iaaqli.org.