



**2160 41<sup>st</sup> Avenue  
Santa Cruz, California 95010**

**REQUEST FOR PROPOSALS  
FOR  
FINANCIAL ANALYSIS AND ADVISORY SERVICES**

**INTRODUCTION**

The Housing Authority of the County of Santa Cruz (**HACSC**) and its affiliate, New Horizons Affordable Housing and Development Inc. (**New Horizons**), a California nonprofit public benefit corporation, is requesting proposals from qualified consultants for on-demand financial analysis and advisory services.

HACSC was established in 1969 by a resolution of the Santa Cruz County Board of Supervisors to locally administer federal rent subsidy programs authorized under the United States Housing Act of 1937. HACSC provides rental subsidies, manages, and operates affordable housing units, and develops affordable housing to assist low-income families, seniors, and persons with disabilities living in Santa Cruz County and the unincorporated areas of Hollister and San Juan Bautista.

The mission of HACSC is committed to advancing access to affordable housing and a thriving community free from discrimination by providing affordable housing and delivering inclusive services to our diverse community with compassion and kindness. Our mission extends beyond shelter, utilizing housing as a catalyst to promote equity, economic mobility, dignity, stability, improved quality of life, and a place to call home.

New Horizons' purpose includes but is not limited to supporting HACSC with acquiring, providing, developing, financing, rehabilitating, owning, and operating affordable housing for low-income individuals. New Horizons actively manages approximately 240 affordable housing units in Santa Cruz County. New Horizons is committed to enhancing and preserving its existing affordable portfolio as well as expanding opportunities for high quality affordable housing for low-income residents of Santa Cruz County.

HACSC and New Horizons are hereinafter collectively referred to as HACSC.

For more information about the agency, please visit: [www.hacosantacruz.org](http://www.hacosantacruz.org).

## **PURPOSE**

HACSC is soliciting proposals from qualified on call consulting firms to provide on-demand professional financial analysis and advisory services to assist with decision-making in connection with the agency's Project Based Voucher Program and affordable and mixed-income projects with a variety of affordable housing financing sources. Consultant(s) with experience providing services in California associated with public housing authorities, public entities and affordable housing developers are preferred.

HACSC operates a Project Based Voucher (PBV) program and utilizes PBV awards to stimulate and support local development of affordable housing. In September 2022, HACSC received designation from HUD as a Moving to Work (MTW) Expansion agency, and in 2023 established under MTW waiver authority a 50% PBV Program Cap. The PBVs are a limited resource and it's critical that HACSC right-size awards so that projects are receiving no more subsidy than strictly needed to be viable while ensuring they can still leverage critical sources of funding such as LIHTC, and that HACSC is able to sustain the awarding of PBVs to maximize future development.

The consultant(s) will provide analytical and advisory services that will support HACSC in making financial and funding decisions and provide financial analysis conclusions and recommendations including underlying assumptions used in the analysis. Services may include, but are not limited to the following:

- Proforma and project analysis in relation to applications received responsive to HACSC's Project Based Voucher Request for Proposals (RFP).
- Financial analyses in connection with affordable and mixed-income projects with a variety of affordable housing financing sources.
- Financial analysis and/or subsidy layering for the structuring of multifamily affordable housing development projects.
- Compiling and analyzing general economic data regarding housing.
- Analyses in relation to local housing ordinances and inclusionary housing funds.
- Subsidy layering analysis for multi-family projects.
- Review of construction budgets for multi-family projects.
- Review of proformas for multi-family projects.
- Assist in identifying appropriate levels of financial support for development projects.
- Assist with bond issuance
- Assist with compliance/regulatory monitoring

The purpose of this solicitation is to qualify on-call Consultant(s) to contract with HACSC to provide consulting/advisory services and/or other related services on behalf of HACSC for one or more of the Specialized Services listed under **Exhibit B, Scope of Services**. Consultant(s) must respond to **CORE SERVICES** and may respond to one or more **PREFERRED SERVICES** and/or **OPTIONAL – Specialized Services** listed under **Exhibit B, Scope of Services**.

Through this process, HACSC may select more than one consultant to provide the requested services and enter into one or more contracts with those consultants. Services shall be performed in accordance with the contract. The initial contract is anticipated to commence in **September 2024**, will be for a period of one year, and may be extended up to four additional years in accordance with the terms contained within the contract.

## **TIMELINE**

HACSC is seeking consultant(s) with the capacity and resources to begin providing services in **September 2024**. HACSC may consider alternative start dates based on the Consultants qualifications and availability.

The estimated timeline for this solicitation is as follows (all dates are subject to change):

<b>Action</b>	<b>Date</b>
RFP Issue Date	Monday, July 22, 2024
Deadline to submit questions/requests for clarifications	Wednesday, August 7, 2024
<b>Submittal Deadline</b>	<b>Wednesday, August 21, 2024</b>
Applicant Interviews with evaluation panel (if necessary)	Thursday, August 29, 2024
Recommendation/notification of award	Week of September 2, 2024

## **PROPOSAL SUBMISSION**

Submissions to the Request for Proposal must be submitted electronically via the BidNet Direct procurement system no later than **Wednesday, August 21, 2024, 5:00pm**. Prospective bidders must be registered with BidNet Direct to participate in this solicitation and can create an account at no cost by visiting <https://www.bidnetdirect.com/california/housingauthorityofcountyofsantacruz>. See Article 2 for more details.

## **GENERAL CONDITIONS**

### **ARTICLE 1 — HACSC’S RESERVATION OF RIGHTS**

**1.01 Right to Amend, Reject, Waive, or Terminate the Solicitation.** HACSC reserves the right to amend through addenda, to reject any or all proposals, to waive any informality in the solicitation process, or to terminate the process at any time, if HACSC deems it necessary or in its best interests.

**1.02 Right to Not Award.** HACSC reserves the right not to award a contract pursuant to this solicitation.

- 1.03 Right to Terminate.** HACSC reserves the right to terminate a contract awarded pursuant to this solicitation, at any time for its convenience upon ten (10) days written notice to the successful Proposer(s).
- 1.04 Right to Determine Time and Location.** HACSC reserves the right to determine the days, hours and locations that the successful Proposer(s) shall provide the services called for in this solicitation.
- 1.05 Right to Retain Proposals.** HACSC reserves the right to retain all proposals submitted and not permit their withdrawal, unless authorized in writing by HACSC's Contracting Officer, for a period of ninety (90) days following the bid deadline.
- 1.06 Right to Reject Any Proposal.** HACSC reserves the right to reject any bid, in whole or in part, that does not meet the requirements of this solicitation, including but not limited to, incomplete proposals and proposals offering conflicting, alternate or non-requested services.
- 1.07 No Obligation to Compensate.** HACSC shall have no obligation to compensate any Proposer for any costs incurred in responding to this solicitation.
- 1.08 Price Firm.** Proposed prices must be firm for ninety (90) days from date of bid.
- 1.09 Equal Opportunity.** HACSC strongly encourages minority-owned and women-owned businesses, socially and economically disadvantaged business enterprises, and small businesses to submit proposals, to enter into partnerships, or to participate in other business activity in response to this solicitation.
- Section 3 of the Housing and Urban Development Act of 1968 requires HACSC to the greatest extent feasible to provide employment opportunities to the Section 3 residents. Section 3 residents include residents of HACSC communities and other low-income residents of Santa Cruz County.
- 1.10 No Oral Agreement:** No conversation with any officer, employee, agent or consultant of HACSC, either before, during, or after the execution of the contract, affects or modifies any terms or obligations contained in the contract documents, nor entitles successful proposer to any adjustment in the contract time or contract sum whatsoever.

## **ARTICLE 2 — PROPOSAL PROCESS**

- 2.01 Electronic Submittal.** All Proposals submitted in response to this solicitation shall be submitted in accordance with the direction provided so that HACSC can properly evaluate the offers received. None of the **proposed** services may conflict with any requirement HACSC has published herein or has issued by addendum. Proposals must be submitted electronically via the BidNet Direct procurement system no later than **Wednesday, August 21, 2024, by 5:00 PM**. The solicitation number for this procurement is **HACSC-2025-RFP-01**.
- 2.02 Entry of Proposed Fees/Bid Form.** Proposers shall submit their proposed fees electronically included with the proposal response. Unless otherwise stated, the proposed fees are inclusive of all related costs that the successful Proposer will incur to provide the noted services, including but not limited to: employee wages and benefits, clerical support, overhead, profit, licensing, insurance, materials, supplies, tools, equipment, long distance telephone calls, travel, and reasonable document copying.

- 2.03 Pricing of Services or Items.** Pricing shall remain fixed throughout the term of the contract.
- 2.04 Proposal Submission.** All proposals must be submitted and received electronically no later than the submittal deadline stated on the BidNet Direct platform, or in any ensuing addendum.
- 2.05 Submission Conditions.** Proposers shall not add, omit, revise, or modify any documents or requirements of HACSC. Any act in violation of this section may invalidate that firm's proposal.
- 2.06 Submission Responsibilities.** Proposers are responsible for staying informed of and abiding by all dates, times, conditions, requirements and specifications set forth within documents posted on BidNet Direct. By virtue of completing, signing and submitting the required documents, the Proposer agrees to comply with the conditions and requirements set forth within those documents. Any Proposer that excludes any requirements without prior written authorization by HACSC may be eliminated from further consideration for award.
- 2.07 Proposer's Responsibilities – Contact with HACSC.** Proposers shall address all communication and correspondence pertaining to this solicitation process only to HACSC's designated staff via BidNet Direct platform. Proposers must not make any inquiry or attempt to communicate with any other HACSC employee or official, including members of the Board of Commissioners, regarding this solicitation. A Proposer's failure to abide by this requirement may be cause for HACSC to eliminate that Proposer's submittal from further consideration.
- 2.08 Pre-proposal Conference.** The date of a scheduled pre-proposal conference, if any, will be published on Bidnet Direct under this solicitation. The pre-proposal conference may be held virtually and is not mandatory pursuant to HUD regulation. The purpose of this conference is to assist prospective Proposers in gaining a full understanding of the solicitation requirements. At the conference, HACSC will conduct a brief overview of the solicitation requirements, including any documents.
- 2.09 Requests for Clarifications, Objections, and Addendums.** All questions, requests for information, and objections must be addressed in writing via the BidNet Direct platform. HACSC shall respond to such inquiries in writing via the BidNet Direct platform. To avoid giving one prospective Proposer an advantage over another during the solicitation process, HACSC will NOT conduct any substantive discussions with a prospective Proposer when other prospective Proposers are not present. HACSC may redirect the asking party back to the solicitation documents where his/her question has already been addressed. Otherwise, HACSC will direct the asking party to submit his/her inquiry via BidNet Direct platform so that HACSC may more fairly respond to all Proposers in writing by addendum. Proposers are responsible for obtaining and reading all addenda.
- 2.10 Protest.** HACSC will publish a written "Notice of Award" on the BidNet Direct platform. Proposers not selected for award may lodge a written protest. Protests must be submitted in writing and received by HACSC within five (5) business days of issuance of the notice. The protest must state the basis for objection and include sufficient detail for HACSC to evaluate the merits of the protest. Protests must be e-mailed to:

John Fleisher, Controller  
C/o Housing Authority of the County of Santa Cruz  
2160 41<sup>st</sup> Avenue, Capitola, CA 95010  
[JohnF@hacosantacruz.org](mailto:JohnF@hacosantacruz.org)

Failure to lodge a written protest in accordance with these procedures will constitute the Proposers' waiver of any legal right to challenge the protest in a court of law.

**ARTICLE 3 — PROPOSAL FORMAT**

**3.01** All proposals submitted in response to this solicitation shall be organized as follows:

NO.	ATTACHMENT NAME
A	Letter of Interest describing the firms <b>DEMONSTRATED EXPERIENCE</b> in performing work of a similar nature to that solicited in this RFP.
B	Brief resume including types of services offered; year founded, number; size and location of offices; and number of employees.
C	Provide a <b>SUMMARY OR OUTLINE</b> of your proposed methodology for completing the scope of services shown in this RFP. Responses should note the Specialized services to be considered for as outlined in <b>Exhibit B, Scope of Services</b> . Responses for each Specialized service should be limited to no more than 2 pages.
D	References (3 professional references)
E	Proposed Fee: Responses should note the Specialized service to be considered for as outlined in <b>Exhibit B, Scope of Services</b> and proposed hourly rate schedule and/or fixed-fee per service.
F	<b>AVAILABILITY TO BEGIN WORK:</b> Responses should indicate the date by which applicant is available to begin work, and indicate applicant's capacity for, and response time for on-demand services. Response should be limited to no more than one page.

**3.02 Post Award Submittal Requirements.** The successful Proposer will be required to submit the following documents within ten (10) days of contract award:

- A. Certificate of Insurance meeting the requirements of **Attachment 3** of the contract
- B. IRS form W-9
- C. ACH Payment Authorization form and voided check

**ARTICLE 4 — RFP PROPOSAL EVALUATION**

**4.01 Evaluation Method.**

- A. **Initial Evaluation for Responsiveness.** Each proposal received will first be evaluated for responsiveness.
  - 1. A responsive Proposer is one that meets the minimum requirements in Article 4.01.B.
  - 2. A responsive Proposer is one who has responded to the RFP in all particulars, without qualification or conditions.
- B. **Minimum Requirements.** A Proposer will be considered “non-responsive” to this RFP and will be disqualified from further consideration if any of the following minimum qualifications are not met.

1. Proposers must have at least three (3) years of relevant experience. The proposing firm must have performed the work as the prime contractor, not as subcontractor, as evidenced by a contract naming the proposing firm as prime contractor.
2. Proposers must submit at least three (3) different, external client references where the same or similar professional services have been performed.
  - a. **Note.** It is important that each reference be as complete and descriptive of the work that was done, and as close as possible to HACSC’s requirements.
  - b. Include public organization references, if any.

**4.02 Evaluation Factors.** HACSC will evaluate each responsive Proposal it receives based on the factors below. After evaluating the information contained in Proposer’s submittal documentation, HACSC will award points for each listed factor.

Non-price factors for selection –Consultant(s) with experience providing services in California to public housing authorities, public entities, and affordable housing developers are highly preferred.

A Proposer’s failure to address the criteria below within their proposal will result in lower scoring and may be cause for eliminating the proposal from further consideration:

NO	FACTOR DESCRIPTION	Points
1	The <b>EFFECTIVENESS</b> of the proposal <b>SUMMARY OR OUTLINE</b> as it relates to the <b>CORE SCOPE OF SERVICES</b> .	30
2	The Proposer’s <b>DEMONSTRATED EXPERIENCE</b> in performing work indicated in the <b>CORE SERVICES</b> in Exhibit B and the Proposer’s <b>DEMONSTRATED SUCCESSFUL PAST PERFORMANCE</b> of contract work substantially similar to that required by this solicitation as verified by reference checks or other means.	30
3	The Proposer’s <b>AVAILABILITY</b> to begin work immediately following the contract award and overall ability to perform scope of work according to this RFP.	20
4	The <b>PROPOSED COSTS</b> the Proposer intends to charge HACSC.	15
5	The <b>OVERALL COMPLETION</b> of the <b>PROPOSAL SUBMITTED</b> , based upon the submission requirements.	5

**4.03 Evaluation Committee.** If an evaluation committee is appointed, the identity of evaluation committee members shall remain anonymous at all times during and after the RFP process. If a Proposer does become aware of the identity of any committee member, Proposer shall not make any attempt to contact or discuss anything related to this RFP with such person. Failure to abide by this requirement may cause a Proposer to be eliminated from consideration for award.

- A. **Restrictions.** All persons having familial (including in-laws) or employment relationships, whether past or current, with principals or employees of a Proposer entity will be excluded from participating on HACSC’s evaluation committee. Similarly, all persons having an ownership interest in or a contract with a Proposer entity will be excluded.
- B. **Evaluation.** The appointed evaluation committee shall evaluate the proposals submitted for all evaluation factors. Upon completion of the evaluation process, the evaluation committee will

forward the completed evaluations to the HACSC Procurement Representative.

**4.04 Potential “Competitive Range” or “Best and Finals” Negotiations.** In accordance with Sections 7.2.N through Section 7.2.R of HUD Procurement Handbook 7460.8 REV 2, HACSC reserves the right to conduct a “Best and Finals” Negotiation, which may include oral interviews, with all firms deemed to be in the competitive range.

**4.05 Determination of Top-ranked Proposer.** HACSC intends to select the successful Proposer pursuant to a “Best Value” basis, not a “Lowest Proposal” basis. “Best Value” indicates that HACSC will consider factors other than cost alone in making the award decision.

**4.06 Notice of Award.** HACSC shall post a “Notice of Award” on HACSC’s website on the Vendors & Contracts webpage and the BidNet Direct platform. The notice shall identify which Proposer HACSC is recommending for award to the Board of Commissioners for their approval. The notice shall be posted at least five (5) business days prior to any meeting of the Board of Directors and/or Board of Commissioners.

**4.07 Proposals as Public Records.** All proposals submitted in response to this RFP are public records and available for inspection and photocopying upon written request, but only if the solicitation results in a contract award or if all proposals are rejected.

## **ARTICLE 5 — RFP CONTRACT AWARD**

**5.01 Contract Form.** HACSC will only execute contracts on HACSC’s standard contract form, which HACSC reserves the right to amend as it deems necessary. By submitting a proposal, the successful Proposer agrees to execute HACSC’s contract, without qualification or exception.

**5.02 HUD Forms.** HACSC has no legal right or ability to, and will not, negotiate any clauses contained within any of the HUD forms included as a part of this RFP. By submitting a proposal, Proposers agree to execute the HUD forms included as part of the RFP, without qualification or exception.

## **ARTICLE 6 — RIGHT TO NEGOTIATE FINAL FEES**

**6.01** HACSC retains the right to negotiate final fees. Negotiations shall begin after HACSC has chosen a top-rated Proposer.

**6.02** If in the opinion of HACSC, negotiations are not successfully concluded in a reasonable amount of time, HACSC retains the right to end such negotiations and to begin negotiations with the next-rated Proposer.

**6.03** HACSC retains the right to negotiate with and make an award to more than one Proposer.



**ARTICLE 7 — SUMMARY OF EXHIBITS**

<b>NO.</b>	<b>EXHIBIT NAME</b>
<b>A</b>	Request for Proposals Instructions ( <i>this document</i> )
<b>B</b>	Scope of Services
<b>C</b>	Proposed Fee Form
<b>D</b>	Sample Contract
	<b>Attachment 1</b> – Scope of Services
	<b>Attachment 2</b> – Compensation
	<b>Attachment 3</b> – Insurance Requirements

## **EXHIBIT B**

### **SCOPE OF SERVICES**

#### **SPECIALIZED SERVICES**

##### **I. CORE SERVICES**

###### **A. PROFORMA AND PROJECT ANALYSIS**

Proforma and project analysis in relation to applications received responsive to HACSC's Project Based Voucher Request for Proposals (RFP) including but not limited to:

1. Review proposed scope of development, conceptual development plans, the developer's proforma analysis, and any additional available describing the proposed project.
2. Prepare and provide a proforma analysis to quantify the financial gap associated with the proposed project, with the analysis to include:
3. Development Costs: The accuracy and reasonableness of the developer's cost estimates will be reviewed and evaluated. The specific cost categories to be considered include:
  - a. The estimated construction costs;
  - b. The amount and structure of the developer fee being requested; and
  - c. Other financial elements of the development cost proforma as necessary.
4. Evaluation of the proposed property sales price and proposed rent structure assumptions applied in the developer's pro forma.
5. Evaluation of the reasonableness of the operating expense estimates provided by the developer.
6. Evaluation of sources and uses of funds proposed to be used during the construction period and on a permanent basis.
7. Evaluation of developer's proposed, and independent provision of a cash flow projection that covers the period during which the income and affordability covenants will be in place.
8. Provide financial analysis conclusions and recommendations including underlying assumptions used in the analysis, including the minimum, recommended, and maximum level of PBV assistance warranted for the development.

## **II. PREFERRED SERVICES**

### **A. MARKET AND FINANCIAL ANALYSIS**

1. Conduct market and financial analyses to identify appropriate level of investment in a project.
2. Structure affordable housing projects utilizing multiple funding sources.
3. Assist with gap financing.
4. Assist with development loans.
5. Advise on and assist with applications for funding for a variety of sources, including but not limited to the Low-Income Housing Tax Credits (LIHTC), funding sources administered by the California Department of Housing and Community Development, CalHFA, and HUD sources such as HOME, CDBG, and Section 8 Project-Based Vouchers.
6. Prepare proformas
7. Prepare developer solicitation materials.
8. Provide analyses of development proposals.
9. Advise on developer selection.
10. Assist in negotiations with developers.

### **B. BOND ISSUANCE**

1. Prepare a feasibility analysis to determine whether it is economically advisable to proceed with a bond issuance.
2. Assist with identification, analysis and recommendations on all substantive matters pertinent to the proposed transaction, including advice in areas of industry -specific knowledge that may affect the financing and the interests of HACSC.
3. Assess the optimal use of housing assistance programs and funding sources that may be available in connection with a particular bond financing. These may include but not be limited to HOME Program funds, Low Income Housing Tax Credits, other federal and state programs, and local programs such as inclusionary housing funds that may be available.
4. Assist with preparation of legal documentation for the financing.
5. Participate in all meetings prior to the bond issuance.
6. Assist with preparation and presentation of reports on proposed financing to the HACSC Board.

7. Assist with review and decision-making with respect to issues that may arise after the issuance of the bonds and construction of the project.

### **III. OPTIONAL SERVICES**

#### **A. OTHER FINANCIAL SERVICES**

1. Assist with recommendations and advice regarding HACSC's policies and procedures relating to affordable housing.
2. Provide guidance to HACSC on Federal and State regulations which may include HACSC participation in Moving to Work program.
3. Assist with Compliance Monitoring
4. Assist with Regulatory Reporting
5. Conduct Density Bonus Analysis
6. Provide Real Estate and Negotiations Assistance
7. Assist with Property Disposition and Negotiation for Long-Term Ground Leases
8. Conduct Financial Feasibility Analysis

**EXHIBIT C**

**PROPOSED FEE FORM**

**EXHIBIT D  
SAMPLE CONTRACT**

**AGREEMENT FOR SERVICES  
BETWEEN THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ  
AND \_\_\_\_\_**

This Agreement, for reference dated \_\_\_\_\_, is entered into by and between the Housing Authority of the County of Santa Cruz, a public agency formed under the laws of the state of California (**HACSC**) and \_\_\_\_\_ (**Consultant**).

**RECITALS**

**WHEREAS**, HACSC solicited proposals under RFP FINANCIAL ANALYSIS AND ADVISORY SERVICES (PBV Program) from qualified service providers; and

**WHEREAS**, Consultant submitted a proposal and represented itself and proposed staff to have the required qualifications and experience to provide the required services, and based on these representations, HACSC selected Consultant to provide such services; and

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the parties agree as follows:

**1. Agreement Documents.**

The documents forming the entire Agreement between HACSC and Consultant shall consist of this Agreement including:

- Attachment 1 – Scope of Services
- Attachment 2 – Compensation
- Attachment 3 – Insurance Requirements

This Agreement and the Attachments set forth above, contain all of the agreements, representations and understandings of the Parties, and supersede and replace any previous understandings, commitments, or agreements, whether oral or written. Any other terms or conditions included in any quotes, proposals, or other forms exchanged by the Parties shall not be incorporated in this Agreement or be binding upon the Parties.

**2. Term of Agreement.**

The term of this Agreement commences upon full execution by the parties as indicated on the signature page (**Effective Date**) and continues for a period of 1 year (**Initial Term**), unless terminated earlier in accordance with this Agreement. HACSC, at its sole discretion, holds the option to extend the term for up to 4 additional one-year periods.

**3. Scope of Services and Schedule of Performance.**

Consultant shall perform Services specified in **Attachment 1** within the time stated in Attachment 1, entitled "Scope of Services and Schedule of Performance." Time is of the essence in this Agreement.

**4. Maximum Compensation.**

The maximum compensation limit of this agreement is \_\_\_\_\_ **DOLLARS (\$\_\_\_\_\_00)**, which includes the sum of all payments authorized for services, and for the expenses, supplies and equipment required to perform the services. The method and rate of payment are set forth in **Attachment 2** entitled "Compensation". Consultant is

responsible for not exceeding this maximum compensation limit, and understands that the Consultant will not be entitled to any additional compensation under this Agreement.

**5. Project Manager.**

HACSC's Project Manager shall be Daniel Fagan, Director of Property Management and Client Services, who shall be responsible for authorizing services, receiving reports, and for the general administration of this Agreement.

**6. Independent Contractor.**

It is understood and agreed that Consultant, in the performance of the work and Services agreed to be performed by the Consultant, shall act as and be an independent contractor and not an agent or employee of HACSC; and as an independent contractor, Consultant shall obtain no rights or other employee benefits which accrue to HACSC's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

**7. Assignability.**

The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign or transfer any interest in this Agreement nor the performance of any of Consultant's obligations hereunder, without the prior written consent of HACSC, and any attempt by Consultant to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

**8. Termination.**

- a. Termination for Convenience. HACSC shall have the right to terminate this Agreement, without cause or penalty, by giving not less than fifteen (15) days' prior written notice to the other party.
- b. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, HACSC may terminate this Agreement immediately upon written notice to Consultant.
- c. Upon termination, each party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to HACSC all HACSC Information or Material which Consultant has in its possession.
- d. Consultant will be paid for services performed to the date of termination which are acceptable to the Project Manager and performed in accordance with the standards set forth here by applying Consultant's hourly billing rates, not to exceed the maximum compensation limit in Section 4.

**9. Confidentiality of Records.**

- a. Intent. The nature of the services Consultant will provide pursuant to this Agreement necessarily involves disclosure to Consultant of detailed information about HACSC's operations, including information which may be protected from public disclosure by confidentiality laws, the Consultant client privilege, and/or other provisions of law which govern the nature and timing of disclosure of public information. Consultant understands that, in order for the HACSC to fully utilize Consultant services, HACSC staff members providing information to Consultant must feel confident that such information will be handled properly.
- b. Release of Information. Consultant may not disclose information obtained by Consultant in the course of performing the services required by this Agreement, without the specific consent of the HACSC Representative unless specifically permitted by this provision. Draft documents and information obtained by Consultant may be provided on a need to know basis only to persons authorized by law or regulation to receive it: to HACSC's General Counsel, and to such HACSC department or agency directors who may have a business need to know in order to provide necessary information to the Consultant required for

completion of its services.

- c. Court Orders. In the event that Consultant receives a subpoena, court order, or other legal document requiring release of information or documents, or is informed that such an order is forthcoming, Consultant will immediately provide notice to the HACSC's Representative in order to permit HACSC to seek a protective order or other similar order if appropriate.
- d. Use of Information. Information obtained and/or prepared by Consultant in the course of performing services for HACSC shall be work product which is the property of the HACSC. Should there be a request by any other party for the provision of such information; the determination of whether such documents or information should be provided to the requester shall be made by HACSC.

**10. Indemnification.**

The Consultant shall indemnify, defend, and hold harmless the Housing Authority of the County of Santa Cruz (**HACSC**) and its officers, agents, affiliates and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Consultant and/or its agents, employees or sub-consultants, excepting only loss, injury or damage caused by the negligence or misconduct of personnel employed by the indemnified parties. The Consultant shall reimburse HACSC for all costs, Consultants' fees, expenses and liabilities incurred with respect to any litigation in which the Consultant is obligated to indemnify, defend and hold harmless HACSC under this Agreement.

**11. Insurance Requirements.**

Without limiting the Consultant's indemnification of HACSC, the Consultant shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the insurance coverage set forth in **Attachment 3**, entitled "Insurance Requirements."

**12. Nondiscrimination.**

Consultant shall not discriminate, in any way, against any person on the basis of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity, or national origin, in connection with or related to the performance of this Agreement.

**13. Governing Law.**

HACSC and Consultant agree that the law governing this Agreement shall be that of the State of California.

**14. Compliance with Laws.**

Consultant shall comply with all applicable laws, and regulations of the federal, state and local governments.

**15. Waiver.**

Consultant agrees that waiver by HACSC of any breach or violation of any term or condition of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. The acceptance by HACSC of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement.

**16. Consultant's Books and Records.**

- a. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period as required by law, from the date of termination or completion of this Agreement.
- b. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit at no cost to HACSC, at any time during regular business hours, upon written request by HACSC. Copies of such documents shall be provided to HACSC for inspection when it is practical to do so. Otherwise, unless an



alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

- c. Where HACSC has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, HACSC may, by written request, require that custody of the records be given to HACSC and that the records and documents be maintained. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

**17. Conflict of Interest.**

- a. Consultant understands and agrees that it owes a duty of loyalty to HACSC for which it performs services hereunder. In accepting this Agreement, Consultant covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of services under this Agreement. Consultant further covenants that, in the performance of this Agreement, it will not employ any Consultant or person having such an interest.
- b. Within 30 days from the effective date of this Agreement and annually thereafter, no later than April 1<sup>st</sup>; Consultant's Attorneys assigned to this Agreement shall file Form 700, *Statement of Economic Interest* with the County of Santa Cruz.

**18. Gifts.**

Consultant is familiar with State law prohibitions against the acceptance of any gift by HACSC and/or HACSC's employees. In addition, HACSC Personnel Policies prohibit an employee's personal acceptance of a gift.

**19. Standard of Care.**

Consultant must perform Services in accordance with those standards of care that are generally recognized as being used by competent persons in Consultant's area of specialty and profession in the State of California.

**20. Notices.**

All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be personally served, mailed (or electronic mail), postage prepaid and return receipt requested, addressed to the respective parties as follows:

To HACSC:

Housing Authority of the County of Santa Cruz  
Attn: Jenny Panetta, Executive Director  
2160 41<sup>st</sup> Avenue  
Capitola, CA 95010  
(831) 454-5923  
[jennyp@hacosantacruz.org](mailto:jennyp@hacosantacruz.org)

Invoices to [jennyp@hacosantacruz.org](mailto:jennyp@hacosantacruz.org)

To Consultant:

**21. Prior Agreements and Amendments.**

This Agreement, including all Attachments, represents the entire understanding of the parties. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. The HACSC's Authorized Representative is authorized to amend this Agreement on behalf of HACSC.

**WITNESS THE EXECUTION HEREOF** the parties hereto have executed this Agreement on the day and year indicated below.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ      [CONSULTANT NAME]**

By: \_\_\_\_\_  
Jennifer Panetta  
Executive Director

By: \_\_\_\_\_  
Name:  
Title:

SAMPLE

**ATTACHMENT 1**  
**SCOPE OF SERVICES AND SCHEDULE OF PERFORMANCE**

**Scope of Service to be defined by specific services offered by selected proposal.**

SAMPLE

## **ATTACHMENT 2 COMPENSATION**

As full compensation for Services satisfactorily performed in accordance with this Agreement, HACSC shall compensate Consultant on a [FIXED FEE] [TIME AND MATERIAL] basis, not to exceed the maximum compensation limit in section 4. Unless otherwise indicated, rates are inclusive all labor, equipment, administrative and associated expenses in providing the Services, including mileage.

Compensation rates for specific services are listed below.

SAMPLE

## ATTACHMENT 3 INSURANCE REQUIREMENTS

### Insurance

Without limiting the Consultant's indemnification of HACSC, the Consultant shall provide and maintain at its own expense during the term of this Agreement the following insurance coverage and provisions:

- A. **Liability Insurance.** Commercial General Liability (**CGL**) with a limit not less than \$1,000,000 each occurrence and a general aggregate limit of not less than \$2,000,000 providing coverage for bodily injury, property damage, and personal injury through any combination of primary and excess or umbrella liability insurance policies with annual reinstatement of the general aggregate limit at each policy period renewal.

The CGL insurance must be written on an ISO occurrence form CG 00 01 04 13 or substitute forms providing equivalent coverage. All excess or umbrella policies shall be follow-form and afford no less coverage than the primary policy. Such CGL shall name the Indemnified Parties as additional insureds on form acceptable to HACSC. Coverage shall be provided to the Indemnified Parties for liability and any damage to property and injury or death of persons, unless caused by an Indemnified Party's sole or active negligence or willful misconduct.

- B. **Commercial Automobile Insurance.** During this Agreement, Consultant shall maintain evidence of commercial business auto coverage written on ISO form CA 00 01 10 01 (or substitute form providing equivalent liability coverage) with a limit not less than \$1,000,000 combined single limit for bodily injury and property damage liability for each accident. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos) and may be satisfied by a combination of primary and excess and/or umbrella policies. All excess or umbrella policies shall contain a drop-down clause in the event of exhaustion of primary limits and provide coverage for primary auto liability.
- C. **Workers' Compensation and Employer's Liability Insurance.** During this Agreement, Consultant shall provide evidence of Workers' Compensation insurance as required under California statute including coverage for Employer's Liability with limits of at least \$1,000,000 each accident, \$1,000,000 each employee by disease, and a policy limit of \$1,000,000 by disease.
- D. 2) Primary Insurance - The Consultant's General Liability and Auto Liability insurance coverage, including any Excess Liability coverage **Professional Liability Insurance.** Covering the professional scope of services under this contract with limits not less than \$5,000,000 per claim and \$5,000,000 in the aggregate. The policy retroactive date must be before the effective date of this agreement. Consultant agrees to maintain continuous

coverage through a period of no less than three years after completion of the service under this agreement.

E. **Other Insurance Provisions** - The policies specified herein are to contain, or be endorsed to contain, the following provisions:

- 1) Additional Insureds - The Indemnified parties are to be included as additional insureds on the general liability policy including all excess or umbrella policies and commercial automobile liability insurance.
- 2) Primary Insurance - The Consultant's General Liability and Auto Liability insurance coverage, including any Excess Liability coverage, shall be primary insurance as respects the Indemnified Parties for all liability arising out of the activities performed by or on behalf of the Consultant. Any insurance, pooled coverage, or self-insurance maintained by HACSC shall be noncontributory.
- 3) Waiver – The insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the Indemnified Parties; only those insurers issuing the Workers' Compensation and Commercial General Liability insurance shall amend its policy to waive all rights of subrogation against HACSC and Indemnified Parties.
- 4) Notice of Cancellation - Consultant agrees to provide HACSC with a 30-day notice of cancellation or nonrenewal of coverage for each required coverage except for nonpayment for which a 10-day notice is required.
- 5) Self-insured Retentions and Deductibles - If the Consultant's coverage includes a deductible or self-insured retention above \$100,000, the self-insured retention or deductible must be declared to HACSC. HACSC may request financial statements from the Consultant. Consultant agrees to be responsible for payment of all deductibles or self-insured retentions.
- 6) Proof of Insurance - The Consultant shall, at the time of the execution of the Agreement, present signed certificates of insurance for all required coverages to HACSC with any applicable endorsements attached to the signed certificate. The Consultant shall provide at contract inception and expiration of any insurance policy required by this Agreement all certificates of insurance and applicable endorsements as required by this Contract directly to HACSC at: [info@hacosantacruz.org](mailto:info@hacosantacruz.org). All Insurance-related inquiries should be directed to (831) 454-9455.  
  
The Consultant shall not receive a notice to proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by HACSC. This approval of insurance shall neither relieve nor decrease the liability of the Consultant.
- 7) Maintenance of Insurance - Should the Consultant neglect to obtain or maintain in force any such insurance for the duration of this Agreement, then HACSC shall obtain and maintain such insurance.
- 8) Acceptability of Insurers – All required insurance is to be placed with insurers with an AM Best's rating of not less than A- VII or equivalent as determined by HACSC.

- 9) Compliance with Insurance Requirements – Consultant’s obligation to obtain insurance coverage is separate and distinct from Consultant’s obligation to indemnify, hold harmless and defend pursuant to this Agreement. Compliance with the requirements of this section shall not relieve the Consultant of their obligations under any indemnity or hold harmless provisions under this Agreement. HACSC reserves the right to withhold payments to the Consultant in the event of material non-compliance with the insurance requirements outlined above.
- 10) Self-Insurance - HACSC acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Consultant. However, this shall not in any way limit liabilities assumed by the Consultant under this Agreement. Any self-insurance shall be approved in writing by HACSC upon satisfactory evidence of financial capacity. Consultant’s obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.
- 11) Subcontracted Work - Should any of the work under this Agreement be subcontracted the Consultant shall require its subconsultant to carry the aforementioned coverages.

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