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Solicitation: NH-2026-RFP-02

Introduction:

New Horizons Affordable Housing and Development Inc. (New Horizons), a nonprofit affiliate of the Housing Authority of the County of Santa Cruz (HACSC) is issuing the following Request for Proposals (RFP) for Consulting Services and Technical Assistance to assist with the Restore Rebuild initiative. 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 294 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.

Purpose:

New Horizons is requesting proposals from qualified Consultants with experience in the application and conversion of Faircloth-to-RAD authority under the Department of Housing and Urban Developments (HUD) Restore Rebuild initiative. HACSC retains 234 Faircloth units and plans to use mixed finance development through the Restore Rebuild initiative to support the new construction of several projects within the County of Santa Cruz. New Horizons currently has multiple projects in the pre-development phase in which Restore Rebuild is being assessed as a potential option for project financing, the first of which will include up to 66 units. New Horizons expects to establish a development pipeline to fully utilize HACSC's Faircloth authority in the next several years. The selected Consultant will be responsible for guiding and advising New Horizons and the Housing Authority through the Restore Rebuild application, construction, and conversion process to ensure successful use of Faircloth authority. The Consultant must be an effective collaborator to work with key stakeholders which includes New Horizons staff, outside General Counsel, HUD staff, and other advisors. The Consultant will not be responsible for providing services related to the physical design and construction of these affordable housing development projects.

PROPOSAL SUBMISSION

Submissions to the RFP must be submitted electronically via the BidNet Direct procurements system by the deadline indicated. 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>.

I. Bid Schedule and Project Timeline:

New Horizons is seeking a Consultant with the capacity and resources to begin work in **Fall 2025** and be able to provide services through the lifetime of the project. New Horizons may extend the contract if needed.

| RFP Timeline | |
|--|----------------------------|
| Action | Date |
| RFP Issue Date | August 15, 2025 |
| Deadline for Questions | August 29, 2025 |
| Submission Deadline | September 15, 2025 |
| Interviews (if necessary) | Week of September 22, 2025 |
| Recommendation / Notification of Award | September 29, 2025 |

1. Deadline for Questions:

All questions and requests for clarification or additional information must be addressed in writing via the BidNet Direct procurement system by **Friday, August 29, 2025 at 5:00 p.m.** Responses to such inquiries will be made in writing via the BidNet Direct platform. To avoid giving one prospective Proposer an advantage over another during the solicitation process, New Horizons will NOT conduct any substantive discussions with a prospective Proposer when other prospective Proposers are not present. New Horizons may redirect the asking party back to the solicitation documents where his/her question has already been addressed. Otherwise, New Horizons 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. Submission Deadline:

Submissions to the RFP must be submitted electronically via the BidNet Direct procurement system no later than September 15, 2025, at 3:00 p.m. All proposals must include the completed bid form included in this RFP. 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>

3. Intent to Award:

New Horizons will post a “Notice of intent to award” on the BidNet Direct platform the week of September 29, 2025. Contract Award(s) may be subject to approval by New Horizons Board of Directors prior to execution.

II. Scope of Services:

The Consultant will be responsible to assist and advise New Horizons on the Restore-Rebuild initiative which includes pre-development, construction, and conversion services to utilize HACSC's Faircloth authority.

The scope of services under the contract may include, but is not limited to, the following:

1. **Assistance with Restore-Rebuild Transaction.** Assist with the full cycle of a Restore-Rebuild transaction, from initial reservation of RAD authority through the opening of the project to residents under the RAD Program. Specific tasks within this service may include but are not limited to:
 - a. **Predevelopment**
 - i. Assist with the request for Notice of Anticipated RAD Rents (NARR)
 - ii. Facilitate call with the Office of Urban Revitalization and provide notes of the meeting
 - iii. Prepare and submit the Mixed Finance Development Proposal (MFDP) and RAD Financing Plan (FP)
 - iv. Assist and support with additional tasks necessary to obtain the RAD Conversion Conditional Approval (RCCA)
 - b. **Construction Period**
 - i. Assist with Mixed-Finance construction closing
 - ii. Request Date of Full Availability (DOFA)
 - iii. Prepare and submit DOFA
 - iv. Attend and assist with Recap Construction Completion Call
 - v. Prepare and submit the Construction Completion update to Recap
 - vi. Assist with all necessary RAD closing documents
 - c. **Conversion and RAD Closing**
 - i. Prepare and submit the streamlined Financing Plan to Recap for review
 - ii. Communicate with the HUD Closing Coordinator until RAD closing has been achieved
 - iii. Assist with completing the RAD closing
2. **Communication.** Establish regular team meetings with New Horizons and members of the consulting team as needed
3. **Reporting.** Submit periodic progress reports requested by New Horizons by established deadlines on topics including but not limited to project status, project budget, and project schedule.
4. **Compliance with Law and Contracts.** Comply with all applicable local, state, and federal laws and any applicable implementing regulations.

5. **Timing, Accuracy, and Cost Effectiveness.** Complete all tasks expeditiously and accurately. Ensure that all tasks are completed cost-effectively.
6. **Additional Tasks.** Perform tasks not explicitly identified in this RFP as requested by New Horizons.

III. **MINIMUM QUALIFICATIONS AND PROPOSAL CONTENTS:**

MINIMUM QUALIFICATIONS AND RELATED EXPERIENCE:

Proposals will be considered only from firms who can demonstrate the following minimum qualifications:

1. Experience with HUD's Restore Rebuild initiative and using Faircloth authority to support the new construction of affordable housing projects.
2. Previous experience working with MTW agencies preferred but not required.

PROPOSAL CONTENTS:

Tabbed Proposal Submittal: So that New Horizons can efficiently evaluate all responses, proposals must be put together in the order below, divided by the numbered tab.

| Tab # | Description |
|--------------|---|
| TAB 1 | Transmittal or Cover letter <ol style="list-style-type: none">a. To the attention of: Suzi Merriam, Development Directorb. The cover letter shall identify the legal name of the Proposer, along with name of contact person, address, phone number, and email address. The cover letter may also be supplemented by a brief narrative about why the proposer is interested in this opportunityc. Signed by an authorized signatory of the firm |
| TAB 2 | Relevant Experience and Qualifications <ol style="list-style-type: none">a. Demonstrated understanding of and experience with the Restore Rebuild program, affordable housing finance, including HUD regulations and tax credit equity structuring.b. Listing of up to three (3) multi-family affordable development projects in which the proposer was responsible for the successful application for Restore Rebuild units. Identify financing methods and funding sources, date project applied for and was awarded these units/funds. |
| TAB 3 | Project Management and Staffing Plan <ol style="list-style-type: none">a. Detail the approach to the division of work and include the team members who will be the point of contact for each. Include professional resumes |

for key staff and descriptions of experience for those identified to perform the work.

- b. Include qualifications to provide the requested services. Include a description of the background and current organization of the firm (including a current organizational chart).

TAB 4 References

- a. The consultant shall provide a list of at least three (3) business references for which similar services have been provided. Include contact names, titles, phone numbers and e-mail addresses for all references.

TAB 5 Cost/Fee Proposal

- a. Provide a fee proposal for the requested services for an initial 66-unit affordable housing project. The consultant shall provide a schedule of hourly billing rates for the various levels of staff who may participate in the project. No additional markup will be allowed on fees quoted.

TAB 6 Other Information

- a. The proposer may include any other general information that they believe is appropriate to assist New Horizons with its evaluation.

IV. EVALUATION CRITERIA

New Horizons will utilize the following factors to evaluate each proposal. Award of points for each listed factor will be based upon the documentation included in the submittal.

| | Evaluation Criteria | Points |
|-------|--|---------------|
| TAB 2 | Relevant Experience and Qualifications | 45 |
| TAB 3 | Project Management and Staffing Plan | 30 |
| TAB 4 | References | 15 |
| TAB 5 | Cost proposal | 10 |
| | Total Points | 100 |

V. RESERVATION OF RIGHTS

This RFP does not commit New Horizons to continue with the procurement process or select and award a Financial Consultant contract. New Horizons reserves the right to cancel the procurement in whole or in part, at its sole discretion, at any time before the Consultant contract is fully executed and approved on behalf of New Horizons. New Horizons further reserves the right to reject all submissions and seek a new proposal or proposals when New

Horizons considers such procedure to be in its best interest. New Horizons reserves the right to terminate a contract awarded pursuant to this RFP, at any time for its convenience upon 10 days' written notice to the successful proposer(s).

New Horizons reserves the right to waive any minor irregularities and omissions in the information contained in the Proposal it receives, and to make the final determination of which Contractor firms are considered.

New Horizons reserves the right to negotiate the fees proposed by the responding party and reserves the right to determine the location that the successful proposer shall provide the services called for in this RFP.

The party responding to this RFP accepts all risks and costs associated with completion of their proposal. The submittal of a response and qualification package and its use by New Horizons will not give rise to any liability on the part of New Horizons to the submitting party or any third party or person. No guarantees are made or implied that the Project will be developed either in whole or in part.

New Horizons reserves the right to retain all proposals submitted and not permit withdrawal for a period of 60 days subsequent to the deadline for receiving proposals without the written consent of the Agency. The California Public Records Act (Cal. Govt. Code sections 6250 et seq.) mandates public access to government records. Any submissions that are not opened will remain sealed and will be returned to the submitting party. To the extent required by law, upon request, New Horizons will make available to the public after award of contract: (i) All opened Proposals including all information submitted; (ii) All correspondence and written questions submitted during the proposal period; and (iii) All subsequent evaluation information. Except as otherwise required by law, New Horizons will not disclose financial details or trade secrets submitted that have been designated confidential by the submitting party. Any financial details or trade secrets that a submitting party believes should be exempt from disclosure must be specifically identified and marked as "confidential trade secrets" and that material must be submitted in a separate envelope clearly labeled as confidential. Upon receipt of a request under the Public Records Act, New Horizons will notify the proposer. If proposer requests that New Horizons withhold from disclosure the information identified as confidential, the proposer will assume all responsibility for any challenges resulting from the non-disclosure, indemnify and hold harmless New Horizons from and against all damages (including but not limited to attorney's fees that may be awarded to the party requesting the proposer's information), and pay any and all cost and expenses related to the withholding of proposer's information. Proposer will not make a claim, sue, or maintain any legal action against New Horizons or its directors, officers, employees, or agents concerning the withholding from disclosure of the proposer's information. Failure to respond to New Horizons' notice or enter into a defense and indemnity agreement with New Horizons constitutes a complete waiver of any rights regarding the information designated as proprietary/confidential and such information will be disclosed pursuant to applicable procedures under the Public Records Act. If the proposer does not request that New

Horizons withhold from disclosure information identified as confidential, New Horizons will have no obligation to withhold the information from disclosure and may release the information sought without any liability to the New Horizons.

Representatives of New Horizons can:

- Request clarification of responses submitted before the final selection of a contractor for this project
- Reject any or all responses
- Waive any informality in the selection process
- Terminate this selection process at any time
- Negotiate the fees proposed by bidders for this project
- Award a contract on a fixed fee or time and material basis, or both
- Award a contract that provides the best value to New Horizons as determined solely by New Horizons in its absolute discretion
- New Horizons shall not be liable for any expense incurred in relation to the preparation or submittal of proposals. Such expenses include, but are not limited to, expenses for preparing the proposal or related information in this RFP, negotiations with New Horizons on any matter related to the Proposals, any attorneys' fees incurred prior to execution of final construction documents, affidavits and certifications, and costs associated with interviews, meetings, travel or presentations. Additionally, New Horizons shall not be liable for expenses incurred as a result of New Horizons' rejection of any Proposal made in response to the RFP.

Any protests of the award must be submitted in writing within five (5) business days from the date of the notice of final selection, complaints must be sent by email to John Fleisher, Controller, at johnf@hacosantacruz.org. Thereafter, the Controller has 10 business days to respond in writing to the complaint.

VI. Attachments:

Attachment A: New Horizons Standard Contract (example)

ATTACHMENT A: SAMPLE CONTRACT

AGREEMENT FOR SERVICES BETWEEN NEW HORIZONS AFFORDABLE HOUSING & DEVELOPMENT INC. AND _____

This Agreement, for reference dated _____, is entered into by and between New Horizons Affordable Housing & Development Inc, a nonprofit affiliate to the Housing Authority of the County of Santa Cruz (**NEW HORIZONS**) and _____ (**Consultant**).

RECITALS

WHEREAS, New Horizons solicited quotes or proposals from qualified Consultants to provide _____ services; and

WHEREAS, Consultant submitted a quote or proposal and represented itself and proposed staff to have the required qualifications and experience to provide the required services, and based on these representations, NEW HORIZONS 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 NEW HORIZONS and Consultant shall consist of this Agreement including:

Attachment 1 – Scope of Services
Attachment 2 – Compensation

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 _ years (**Initial Term**), unless terminated earlier in accordance with this Agreement. NEW HORIZONS, at its sole discretion, holds the option to extend the term for up to _ 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 (**Written amount**) _____ (**\$xxx,xxx.xx**), which includes the sum of all payments authorized for

services, and for the expenses, supplies and equipment required to perform the services. 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. Contract Manager.

NEW HORIZONS's Contract Manager shall be [Insert name], [Insert Title], 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 NEW HORIZONS; and as an independent contractor, Consultant shall obtain no rights or other employee benefits, 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 NEW HORIZONS, 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. NEW HORIZONS 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, NEW HORIZONS 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 NEW HORIZONS all NEW HORIZONS 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 NEW HORIZONS'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 NEW HORIZONS to fully utilize Consultant services, NEW HORIZONS 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 NEW HORIZONS 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 NEW HORIZONS's General Counsel, and to such NEW HORIZONS 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 NEW HORIZONS's Representative in order to permit NEW HORIZONS 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 NEW HORIZONS shall be work product which is the property of the NEW HORIZONS. 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 NEW HORIZONS.

10. Indemnification.

The Consultant shall indemnify, defend, and hold harmless New Horizons Affordable Housing & Development Inc. (New Horizons) 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 NEW HORIZONS 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 NEW HORIZONS under this Agreement.

11. Insurance Requirements.

Without limiting the Consultant's indemnification of NEW HORIZONS, the Consultant shall provide and maintain sufficient insurance policies at its own expense during the term of this Agreement.

Before commencing work, the Contractor and each subcontractor shall furnish New Horizons with certificates of insurance showing the following insurance is in force and listing NEW HORIZONS AFFORDABLE HOUSING & DEVELOPMENT INC. as a loss payee in the event of a claim.

- (1) Workers' Compensation, in accordance with state or Territorial Workers' Compensation laws.
- (2) Commercial General Liability with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per occurrence to protect the Contractor and each subcontractor against claims for bodily injury or death and damage to the property of others. This shall cover the use of all equipment,

hoists, and vehicles on the site(s) not covered by Automobile Liability under (3) below. If the Contractor has a "claims-made" policy, then the following additional requirements apply: the policy must provide a "retroactive date" which must be on or before the execution date of the Contract; and the extended reporting period may not be less than five years following the completion date of the Contract.

- (3) Automobile Liability on owned and non-owned motor vehicles used on the site(s) or in connection therewith for a combined single limit for bodily injury and property damage of not less than \$1,000,000 per occurrence.

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.

NEW HORIZONS 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 NEW HORIZONS 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 NEW HORIZONS 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 NEW HORIZONS, at any time during regular business hours, upon written request by NEW HORIZONS. Copies of such documents shall be provided to NEW HORIZONS 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 NEW HORIZONS has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, NEW HORIZONS may, by written request, require that custody of the records be given to NEW HORIZONS 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.

Consultant understands and agrees that it owes a duty of loyalty to NEW HORIZONS 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.

18. Gifts.

Consultant is familiar with State law prohibitions against the acceptance of any gift by NEW HORIZONS and/or NEW HORIZONS's employees. In addition, NEW HORIZONS 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 NEW HORIZONS: New Horizons Affordable Housing & Development Inc.
Attn: Jenny Panetta, Executive Director
2160 41st Avenue
Capitola, CA 95010
(831) 454-5931
jennyp@hacosantacruz.org

Invoices to accounting@hacosantacruz.org

To Consultant: [Insert Consultant name, address, contact number, and email]

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 NEW HORIZONS's Authorized Representative is authorized to amend this Agreement on behalf of NEW HORIZONS.

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

**NEW HORIZONS AFFORDABLE HOUSING &
DEVELOPMENT INC.**

[Insert Contractor company name]

By: _____

By: _____

Jennifer Panetta
Executive Director

Name:
Title:

Date: _____

Date: _____

EXAMPLE

ATTACHMENT 1
SCOPE OF SERVICES

The following Scope Services outlines _____ Services provided to New Horizons Affordable Housing & Development Inc. **(New Horizons)**.

Consultant shall:

EXAMPLE

ATTACHMENT 2
COMPENSATION

EXAMPLE