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Introduction:

New Horizons Affordable Housing and Development Inc. (New Horizons), a California nonprofit public benefit corporation and an affiliate of the Housing Authority of the County of Santa Cruz (HACSC), is issuing a request for proposals (RFP) for firms with extensive experience in affordable housing finance, including Low Income Housing Tax Credits (LIHTC), bond financing, and related public subsidy programs.

New Horizons' purpose includes, but is not limited, to supporting HACSC with acquiring, 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. This RFP is issued solely by New Horizons and is not issued by HACSC but may be placed on HACSC's website for convenience and ease of access.

New Horizons is in the predevelopment phase for a 61-unit affordable housing project at 2021 Chanticleer Avenue in Santa Cruz County, and intends to finance the development with both Low Income Housing Tax Credit (LIHTC) and HUD Restore Rebuild (formerly Faircloth to RAD). New Horizons anticipates application for 4% or 9% tax credits in early 2027, with construction commencing prior to the end of 2027. New Horizons and MidPen Housing expect to partner in this development.

Request for Proposals:

New Horizons is issuing a RFP for Consultants with extensive experience in financing of affordable housing development, specifically the development of affordable housing utilizing LIHTC financing. The selected Consultant will be direct advisors to New Horizons

and are expected to work in a collaborative partnership with New Horizons staff, and other development partners.

Services shall be performed in accordance with the executed contract. The initial contract period is expected to begin immediately following contract award and is estimated to be for duration of the development of 2021 Chanticleer Avenue. Specific dates will be provided in the contract. The contract may be extended in accordance with its terms.

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 firm that can provide services beginning June 15, 2026

RFP Timeline	
Action	Date
RFP Issue Date	April 21, 2026
Questions Due Date	May 5, 2026
Submission Due Date	May 22, 2026
Interviews (if necessary)	Week of June 1, 2026
Recommendation / Notification of Award	Week of June 8, 2026

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 **May 5, 2026**. 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 their question has already been addressed. Otherwise, New Horizons will direct the asking party to submit their inquiry via BidNet Direct platform so that New Horizons 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 **May 22, 2026**. 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 June 8, 2026. Contract Award(s) may be subject to approval by New Horizons Board of Directors prior to execution.

II. SCOPE OF SERVICES

The scope of services include but are not limited to the following:

- Review and prepare development budgets and proformas
- Prepare financial projections and plans, including but not limited to sources and uses of funds, cash flow analyses, tax credit analyses (including but not limited to competitiveness evaluations, IRR estimations, 4% vs 9% evaluations, and pricing), tax-exempt bond analyses, rental income assumptions, operating expense assumptions, and other financial feasibility metrics
- Provide technical assistance where requested related to any aspect of financial feasibility and participating in discussions with prospective or existing lenders, investors, government agencies, or other development team members
- Prepare and/or review applications for tax credits or other financing/funding sources
- Provide technical assistance related to Carryover Applications, 10% test, 50% test, and other elements of TCAC/CDLAC tax credit and/or tax-exempt bond awards to preserve the tax credits and bonds and to maximize the value of the tax credits and bonds
- Assistance with bond closing, bond certification, and other requirements related to tax-exempt bonds
- Assistance with subsidy layering review submissions

- Assistance with the preparation of loan and investment closing documents
- Optimize loan sizing, equity raises, deal terms, interest rates, and equity pay-ins and providing technical assistance to New Horizons for these items
- Identify, evaluate, and negotiate terms with investors or lenders, including but not limited to summarizing and analyzing bids and performing due diligence
- Negotiate with lenders and investors to maximize loan size and establish favorable loan terms, including but not limited to amortization schedules, LTVs, interest rates, and fees
- Assist with construction loan closing and the syndication of tax credits
- Assist with coordinating permanent loan conversion and equity pay-ins
- Assist with financial portions of the TCAC Placed-In-Service/8609 package
- Analyze financing/funding markets and economic conditions to recommend the timing of financing/funding applications and transactions
- Maintain organized files related to the project
- Lead meetings as requested by New Horizons
- Respond to New Horizons by the times required by New Horizons
- Perform other duties not explicitly identified in this RFP

III. MINIMUM QUALIFICATIONS AND PROPOSAL CONTENTS

MINIMUM QUALIFICATIONS AND RELATED EXPERIENCE:

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

1. Proposer must be an individual, business corporation, partnership, joint venture, or other legal entity that is authorized to do business in the State of California
2. Proposer must not be disbarred, suspended, or otherwise unlawfully prohibited from participating in any public procurement process. Such information must be disclosed.
3. Proposer and key assigned staff must have worked on at least three (3) tax credit affordable housing projects within the past five (5) years that included:
 - a. Predevelopment financing feasibility projections and planning
 - b. receipt of tax credit equity and construction loan closing, and
 - c. permanent loan conversion and receipt of 8609.

4. Proposer and key assigned staff must have demonstrated experience with CDLAC bond financing.

PROPOSAL CONTENTS

All proposals submitted in response to this RFP must be formatted in accordance with the numbered sequence noted below. Each proposal should include sections addressing the following information in the order shown. The Proposer should be sure to include all information that it feels will enable the Evaluation Committee to make a decision. Failure of the Proposer to provide specific, detailed information may result in its proposal being rejected in favor of a sufficiently detailed proposal. Any necessary exhibits or other information, including information not specifically requested by this RFP but that the Proposer believes would be helpful, should be attached at the end of the proposal.

The non-price factors that will be evaluated under this RFP are Qualifications and Experience, Past Projects/References, and Implementation plan/Proposed Approach. Proposers shall provide sufficient detail in items 2, 3 and 4 below to permit New Horizons to evaluate not only the Proposer's general experience, but also the relevance of that experience, work with Housing Authorities in affordable housing development, work on projects within the County of Santa Cruz, the qualifications of the specific personnel assigned to this engagement, the Proposer's track record of successful financing outcomes on comparable projects, and the proposer's approach to timely and effective performance of the required services.

1. Cover Letter:

Provide a one-page cover letter on your letterhead that includes the address, telephone numbers, and e-mail address of the Proposer's contact person or persons. List the name and title of each person authorized to represent the Proposer in negotiations.

2. Qualifications and Experience:

Proposer shall describe the firm's qualifications and experience to provide affordable housing financial consulting services in accordance with this RFP. Proposer shall demonstrate substantial recent experience with California affordable housing finance, including LIHTC, tax-exempt bond financing, public subsidy layering,

financial feasibility analysis, construction and permanent debt, investor equity, and post-award tax credit bond requirements.

The summary shall include the following, at minimum:

a. Firm Qualifications and Relevant Experience

A general description of the firm’s qualifications and experience, including specific similar or related work to that described in this RFP. The description shall address the firm’s experience within the last 5 years with affordable housing development in California. At least one project should detail the Proposer’s experience working with a Housing Authority. At least one project should detail the Proposer’s experience working on a project located in the County of Santa Cruz. The description shall involve one or more of the following, as applicable:

- 4% and/or 9% LIHTC financing
- CDLAC bond financing and related tax- exempt bond requirements
- TCAC applications and related underwriting, feasibility, and competitiveness analysis
- Public subsidy programs and subsidy layering reviews
- Construction loan closing, tax credit equity closing, and permanent loan conversion
- Carryover application, 10% test, 50% test, placed-in-service/8609 submissions, and related compliance milestones
- Negotiation of debt and equity terms with lenders and investors

Proposer shall specifically identify experience with projects comparable to the project described in this RFP, including comparable project size, complexity, financial structure, and Housing Authority sponsorship, where applicable.

b. Assigned Staff and Key Personnel

Identification of staff that would be directly assigned to working on the project identified in this RFP. For each directly assigned staff member, Proposer shall provide a brief resume and shall describe:

- Current title and role within the firm

- Years of relevant affordable housing finance experience
- Specific experience with LIHTC, CDLAC bond Financing, tax credit equity, construction financing, permanent financing, and 8609 completion
- Role and level of responsibility on similar projects
- Availability and capacity to perform the work required under this RFP
- Whether the staff member will be the day-to-day lead, senior reviewer, or supporting staff for this engagement

c. Additional Staff Resources

Identification of all staff that will be indirectly or periodically assigned to work with the directly assigned staff member(s). Proposer shall describe each such person's expected role and level of involvement.

d. Demonstrated Record of Successful Outcomes

Proposer shall describe the firm's and assigned personnel's demonstrated record of successful outcomes on similar affordable housing engagements. To the extent possible, this description shall include experience achieving:

- Tax credit awards on the first application round or first submission
- Successful CDLAC bond allocations
- Timely tax credit equity closings and construction loan closings
- Successful permanent loan conversions
- Receipt of IRS Form 8609
- Successful completion of tax credit and bond-related post-award milestones without material adverse issues

3. Past Performance and References

Information related to the minimum of three (3) tax credit affordable housing projects worked on within the past five (5) years, with at least one including pre-development financial feasibility projections and planning, at least one including receipt of tax credit equity and construction loan closing, and at least one including permanent loan conversion and receipt of 8609.

For each project submitted, Proposer shall provide the following information:

a. Basic Project Information

- name of client and project
- project location
- duration of assignment
- type of project (new construction, rehabilitation, acquisition, rehabilitation, other)
- number of affordable units
- total development cost, if available

b. Financing Structure

- a description of the project financing structure, including as applicable:
- whether the project used 4% or 9% LIHTC
- whether the project included tax-exempt bond financing and CDLAC allocation
- major sources of public subsidy or soft financing
- construction financing and permanent financing structure
- tax credit equity structure

c. Proposer's Specific Role

A clear description of the Proposer's role in the project, including the services performed by the firm and by the specific staff proposed for this engagement. Proposer shall identify whether it was responsible for any of the following:

- Predevelopment feasibility analysis and pro forma preparation
- TCAC and/or CLDAC application preparation or review
- 4% versus 9% feasibility and competitiveness analysis
- Investor and lender solicitation, analysis, or negotiation
- Construction loan closing and/or tax credit equity closing support
- Carryover application, 10% test, 50% test, or related compliance milestone support
- Permanent conversion
- Placed-in-service/8609 package support

d. Project Outcomes

For each project, Proposer shall state the outcome of the financing effort, including as applicable:

- Whether tax credits were awarded

- Whether tax credits were awarded on the first application round or first submission
- Whether CDLAC bond allocation was awarded
- Whether tax credit equity and construction financing successfully closed
- Whether permanent loan conversion occurred
- Whether IRS Form 8609 was received
- Whether there were any significant financing, underwriting, or closing challenges and how Proposer addressed them.

e. Reference Information

For each project submitted, Proposer shall provide the names, titles, phone numbers, and email addresses of the reference contact person who can speak knowledgeably about Proposer's performance.

4. Technical Approach and Implementation Plan

Proposer shall describe its proposed implementation plan for the financial consulting services identified in this RFP. The implementation plan shall be specific to the project described in this RFP and demonstrate the Proposer's understanding of the scope of services, the likely financial structure, the timing constraints, and the coordination necessary to achieve successful financing and closing outcomes.

At a minimum, the implementation plan shall include the following:

a. Project Understanding and Financial Strategy

Proposer shall describe its understanding of the project and its proposed approach to evaluating and structuring the financing plan, including as applicable:

- Approach to predevelopment financial feasibility review
- Approach to evaluating 4% versus 9% LIHTC financing alternatives
- Approach to bond financing and CDLAC- related strategy, if applicable
- Approach to public subsidy layering and gap financing
- Approach to maximizing competitiveness for tax credit and other financing applications

b. Scope Execution and Work Plan

Proposer shall describe how it would perform the requested scope of services from initial feasibility through financing closing, permanent conversion, and 8609-related support, including major tasks, deliverables, decision points, and coordination with New Horizons staff and other development team members.

c. Risk Management and Problem Solving

Proposer shall describe its approach to identifying and addressing feasibility gaps, underwriting issues, timing risks, market changes, investor or lender concerns, and other issues that may affect the project's ability to secure and close financing.

d. Quality Control

Proposer shall describe quality control, internal review, or supervisory processes used by the firm to ensure accuracy and completeness of financial models, applications, submissions, closing documents, and related work product.

e. Staffing, Communication, and Responsiveness

Proposer shall describe:

- The responsibilities of each team member
- The expected level of involvement of senior staff
- The proposer's expected response times for routine and time-sensitive matters
- Availability to attend meetings and support financing deadlines
- Proposer's available start date

5. Description of Excluded Services

Proposer will identify any services listed in the scope of services that cannot be provided.

6. Licenses and Certifications

Proposer will provide any relevant licenses or certifications that demonstrate the ability to complete the services identified in this RFP.

7. Fee

Proposer will provide the proposed fee for the services identified, including the total cost and hourly rate of staff. The fee should be itemized with a detailed explanation of all costs associated with the services.

IV. PROPOSAL EVALUATION

Best value will be determined based on the evaluation criteria set forth in this RFP, including both price and non-price factors.

	Evaluation Criteria	Points
1.	<u>Qualifications and Experience:</u> Proposer's qualifications and prior experience, including relevant experience and capability of the specific personnel assigned; depth of experience with California affordable housing finance, including LIHTC, bond financing, public subsidy programs, and related closing and post-closing requirements; demonstrated record of successfully performing similar services on comparable projects; experience working with a Housing Authority on affordable housing development financing, and experience working within the County of Santa Cruz.	30
2.	<u>Technical Approach/Implementation Plan:</u> Proposer's proposed approach to conducting the scope of services, including clarity of understanding of the scope of services to be provided and appropriateness of the proposed solution/services, as well as the ability to meet any required timelines or other requirements.	20
3.	<u>Schedule and Availability:</u> Proposer's ability to begin work immediately following contract award	20
4.	<u>Fee/Cost Proposal</u> Proposer's itemized budget and a detailed explanation for all costs associated with providing the requested services and an itemized proposal of costs.	15
5.	<u>Past Performance/References</u> A comprehensive list of the Proposer's references for other public and private entities that it has provided these same or similar services, and that New Horizons may contact, the result of which will be verified and scored accordingly by New Horizons.	15
	Total Points	100

V. RESERVATION OF RIGHTS

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