LACAHSA Production, Preservation, and Ownership (PPO) Consulting Services RFP

Responses to Questions Submitted by July 8, 2026, 5:00 PM (Pacific)

Question 1: We were not able to attend the bidders conference on July 2nd. Was it recorded and could you share the recording or post it for all that missed it?

Answer: The bidder's conference was recorded and the recording is currently available for viewing on the RFP webpage: https://lacahsa.gov/ppo-consulting-services-rfp/

Question 2: Budget parameters and fee expectations. The RFP requires a detailed cost proposal (Section 8.1(c)) but does not identify a not-to-exceed contract value or an expected fee range for the Portfolio Modeling & Strategy or Capital Markets Products & Strategy engagements. To ensure proposals are appropriately scaled to LACAHSA's expectations and to permit meaningful cost comparison among applicants, could the Agency please provide (a) any not-to-exceed contract ceiling for each of these two consulting tracks for the initial one-year term commencing September 1, 2026, and (b) whether renewal-year pricing should be submitted as fixed annual amounts, an escalation factor over base-year fees, or a rate card for future negotiation?

Answer: We have not established a not-to-exceed contract ceiling for the Portfolio Modeling & Strategy or Capital Markets Products & Strategy engagements. Applicants may include renewal-year pricing as fixed annual amounts or an escalation factor over base-year fees, along with an explanation of costs.

Question 3: Eligibility of FINRA-registered broker-dealers for Capital Markets Products & Strategy. Section 1.3 of the RFP states that LACAHSA "is not seeking a municipal advisor through this RFP" and has retained a separate municipal advisor under prior procurement. The Scope of Services for Capital Markets Products & Strategy (Section 5.2) contemplates activities including advising on the structuring and pricing of loan products, evaluating credit enhancement alternatives, and "ensuring compliance with all relevant federal, state, and local laws governing municipal bond issuance and housing finance." Could the Agency confirm that a FINRA-registered broker-dealer that is not registered as a municipal advisor under MSRB Rule G-42 is eligible to bid on the Capital Markets Products & Strategy opportunity, and clarify how the Agency envisions the selected consultant's scope interfacing with the incumbent municipal advisor with respect to any activities that could implicate municipal advisory functions?

Answer: Yes, we confirm that a FINRA-registered broker-dealer that is not registered as a municipal advisor under MSRB Rule G-42 is eligible to bid on the Capital Markets Products & Strategy opportunity. We do not envision the selected consultant interfacing with the Agency's municipal advisor.

Question 4: Organizational fiscal document requirements for for-profit consulting firms. Section 8.1(d) requires applicants to submit "the organization's most recent audited financial statements and a copy of the IRS tax-exempt determination letter (if applicable)." The reference to an IRS tax-exempt determination letter suggests this requirement was principally drafted with nonprofit fund-manager applicants for the Preservation Impact Fund and Homeownership/Foreclosure Prevention Impact Fund opportunities in mind, and may not have been calibrated to for-profit consulting-firm applicants for the Portfolio Modeling & Strategy and Capital Markets Products & Strategy opportunities. For a for-profit consulting or advisory firm applicant, could the Agency clarify (a) what form of fiscal documentation is expected to satisfy Section 8.1(d), and (b) for a recently formed applicant that has not yet completed a full fiscal audit cycle, whether CPA-reviewed or CPA-compiled financial statements would satisfy the fiscal-documentation requirement?

Answer: For a for-profit firm, providing audited financial statements is sufficient. If audited financial statements are not available, yes, CPA-reviewed or CPA-compiled financial statements would satisfy the fiscal-documentation requirement.

Question 5: For the Preservation Impact Fund: Are you open to transactions other than NOAH preservation or expiring use preservation? if so what types of transactions?

Answer: Yes, we are open to other types of transactions including projects with habitability issues that need to be rectified to improve cash flow, and projects with expiring Section 8 contracts.

Question 6: For the Preservation Impact Fund: Do you have a set of draft products contemplated for the fund that you are able to share?

Answer: We do not have this currently. Developing a list of products for the fund would be part of the scope for the selected fund manager.

Question 7: For the Preservation Impact Fund: Is there a possibility of subsidy loans/grants from LACAHSA to be available to help support preservation deals that the impact fund supports? If not, what subsidy programs do you expect to be available?

Answer: Yes, projects funded through the impact fund would also be eligible to apply for other funds from LACAHSA.

Question 8: For the Preservation Impact Fund: Are you open to bridge loans / mini perms that set up a project for a more permanent, subsidized preservation deal in a few years as a Preservation Impact Fund product? Would that be taken out in part with other LACAHSA funds?

Answer: Yes, we are open to that as a product, and, yes, that could be taken out in part with other LACAHSA funds.

Question 9: For the Preservation Impact Fund: Who is responsible for capital raising? It is not mentioned as part of the detailed scope.

Answer: Applicants may include raising capital in their proposed work plan and, if they do, should include the fee related to capital raising in the cost proposal.

Question 10: For the Preservation Impact Fund: Where do you expect the capital for the fund other than the $15mm top loss to come from?

Answer: Philanthropy/corporate foundations and financial institutions with CRA mandates.

Question 11: For the Preservation Impact Fund: What are your leverage expectations for private capital and what models are they based on? If the organization selected is responsible for capital raising will LACAHSA be able to help arrange for capital raising from private concessionary sources (e.g. local philanthropy or civic sources)?

Answer: Our expectations are that LACAHSA's top loss funding will make up 10% of the fund, philanthropy/corporate foundations will make up the next 20%, and financial institutions will cover the remaining 70%. Yes, LACAHSA can help arrange for capital raising from philanthropy.

Question 12: For the Preservation Impact Fund: Are you comfortable with a price proposal that details the costs through the end of Fund Design (i.e. the preliminary Program Framework and framework for reporting, etc.) and is less detailed for future work (capital raising, closing, supporting fund operations) as it will be informed by the actual fund design selected by LACAHSA?

Answer: This structure is acceptable. However, more detailed costs proposals may be more competitive.

Question 13: For the Preservation Impact Fund: What fund management functions will LACAHSA provide? Only Loan Acquisition, Underwriting and Portfolio Management are mentioned. How will items like treasury / capital management, reporting, compliance, accounting/audit be delivered - if by the selected organization should they be priced in?

Answer: It is expected that all fund management functions will be performed by the fund manager and costs will be paid by the impact fund.

Question 14: Can you provide a budget range for each major scope item?

Answer: We have not established budget ranges for the scope items.

Question 15: Can LACAHSA please clarify/confirm if the Cost Proposal is to be included as one of the sections within the response or if it needs to be submitted as a separate volume as part of this response. (Reference: Section 8.1.(c), Proposal Format – Cost Proposal, page 17)

Answer: The required proposal components (cover letter, narrative, cost proposal, fiscal documents, litigation, references, Levine Act and conflict of interest statement) may be combined into a single PDF or submitted as individual files in the order specified in the RFP.

Question 16: Can LACAHSA please confirm you are looking for respondents to include resumes of the proposed key staff members? If resumes are expected is there a page limit for each resume? If resumes are required is it acceptable for resumes to be included in an APPENDIX at the end of the response? (Reference: Section 8.1.(b) (iii), Proposal Format – Staffing Plan, page 17)

Answer: Resumes for key staff are not required but may be included as an appendix. If resumes are included as an appendix, they will not count towards the page limit.

Question 17: Section 2.1 references an up-to $15 million top-loss allocated in the FY25-26 and FY26-27 budgets for the Preservation Impact Fund. Is LACAHSA's capital commitment limited to these two fiscal-year allocations, or may future budget cycles increase LACAHSA's position as the Fund scales toward $150 million?

Answer: LACAHSA’s top loss position is limited to 10% of the fund. If the fund grows above $150m, LACAHSA may consider adding more of its capital.

Question 18: How does LACAHSA anticipate compensating the Preservation Impact Fund manager — consulting fees paid from the Agency's budget, management fees paid from Fund assets, or a combination? Should the cost proposal present these separately?

Answer: A combination. Consulting fees will be paid from the Agency's budget and management fees will be paid from fund assets. Yes, these should be presented separately in the Cost Proposal.

Question 19: For the Preservation Impact Fund, what affordability restrictions does LACAHSA expect on assisted properties — target AMI levels, covenant term, and form (e.g., recorded regulatory agreement or deed restriction)?

Answer: Affordability requirements for projects assisted by LACAHSA are detailed in the LACAHSA Program Guidelines, which are available for download at the link below.

https://lacahsa.gov/wp-content/uploads/2026/04/LACAHSA-Program-Guidelines_April-2026.pdf

Question 20: For the Preservation Impact Fund, are there cross-cutting requirements from LACAHSA's funding sources (e.g., prevailing wage, relocation, Article 34) that would flow down to Fund borrowers and should be reflected in product design?

Answer: Yes. Requirements for projects assisted by LACAHSA are detailed in the LACAHSA Program Guidelines, which are available for download at the link below.

https://lacahsa.gov/wp-content/uploads/2026/04/LACAHSA-Program-Guidelines_April-2026.pdf

Question: 21: Will teams comprising a prime with subconsultants be evaluated as a single respondent?

Answer: Yes, the capacity, experience, and qualifications of the prime and all subcontractors will be evaluated as part of the proposal review process.

Question 22: For the Preservation Impact Fund: Aside from the up-to $15M LACAHSA intends to allocate, have any other prospective funders indicated interest in providing capital to this fund? If so, on what general terms?

Answer: A few financial institutions have expressed interest in investing and are waiting for marketing material.

Question 23: For the Preservation Impact Fund: What source of funds is LACAHSA using for its up-to $15M? (Are these Measure A dollars?)

Answer: The "up-to $15 million top loss capital allocated in FY25-26 and FY26-27 Budgets" are Measure A dollars.

Question 24: For the Preservation Impact Fund: The RFP states that LACAHSA's funds would have "top loss" features. In addition to this credit enhancement function, can LACAHSA's funds be used as a source for funding loans and/or investments made by the fund?

Answer: Yes, projects funded through the impact fund would also be eligible to apply for other funds from LACAHSA.

Question 25: For the Preservation Impact Fund: The RFP states that "[t]he properties must either be already restricted for affordable housing or conversion of naturally occurring affordable housing (NOAH) to affordable housing" (p5). What are LACAHSA's parameters for a property to qualify as NOAH?

Answer: Generally speaking, NOAH units are privately owned multifamily rental properties that are affordable without federal or local subsidies, usually in areas that serve low-, moderate- or middle-income households, and that do not have recorded restrictions.

Question 26: For the Preservation Impact Fund: Will LACAHSA's 2026-27 Program Guidelines apply to this fund? In particular, would there be any limitations on funding projects "through an action other than acquiring a housing unit(s) by an Eligible Jurisdiction or another government entity (e.g., if the project is and will continue to be owned by a private entity)," which provides that "the project owner may determine the pace of conversion of units occupied by households earning more than 50 percent of AMI to units occupied by extremely low- and very low-income households over time through unit turnover" (pp.12-13 of the Guidelines)?

Answer: Yes, the Preservation Impact Fund will be subject to the requirements included in the 2026-27 Program Guidelines.

Question 27: For the Preservation Impact Fund: What share of LACAHSA's overall Preservation activities is envisioned to be achieved through the fund? How many units is the fund expected to preserve, and over what period of time?

Answer: LACAHSA expects to fully meet our Agency's preservation goals through activities funded directly by Measure A revenues and the goal of this fund is to further expand capital for preservation activities.