Bridge to Home Program Round Eight NOFA
Responses to Questions

These responses clarify questions received during the Bridge to Home Round 8 NOFA process and should be read with the NOFA, any addenda, and other posted Round 8 materials. Applicants remain responsible for determining their project's eligibility and feasibility.

Note: The City may update or clarify these responses as necessary. Any substantive changes to the NOFA or application requirements will be issued through an addendum.

Question: **Do any of the units have to be at 30% AMI, or can all of them be at 60% AMI?**

Response: For LMIHAF-funded projects, at least 30% of the housing units must be affordable to and occupied by households earning 30% AMI or less. Up to 20% of the units may be affordable to households earning above 60% and up to 80% AMI, and the remaining units may be affordable at 60% AMI or below.

Question: **Can projects include Single Room Occupancy (SRO) units, including units with shared bathroom, shower, or kitchen facilities?**

Response: The City is not establishing specific SRO standards for Round 8. Applicants should consult the Development Services Department regarding applicable zoning, building code, and permitting requirements and ensure compliance with the Round 8 NOFA and applicable PLHA and LMIHAF requirements.

Question: **Is the LMIHAF requirement that 30% be affordable at 30% AMI established by the State, or is that percentage determined by the City or Housing Commission?**

Response: The requirement is established under State law in California Health and Safety Code § 34176.1(a)(3)(A). While compliance is measured over the applicable five-year reporting period based on the Housing Successor's overall LMIHAF expenditures, the City's Bridge to Home NOFAs apply this affordability requirement at the project level to help ensure the City meets its statutory LMIHAF obligations.

Question: **What do I need to do to partner with a pre-qualified developer so I can apply?**

Response: Small and emerging developers are encouraged to apply through the RFQ so they can be added to the City's Small and Emerging Developers List and considered by pre-qualified developers for future project opportunities. However, this is not required in order to participate as a partner.

Because the current NOFA has already been issued, a small or emerging developer interested in participating in this round would need to connect directly with a developer on the City's Pre-Qualified Developers List and establish a partnership for the proposed project. The development team would then include the required information about the small or emerging developer in the NOFA application and have an agreement in place defining its role in the project.

Question: **How do I apply to be added to the City's Small and Emerging Developers List?**

Response: At a minimum, complete Exhibit 6 of the current RFQ materials and indicate that your firm would like to be added to the City's Small and Emerging Developers List. Submit the completed form to the City contact identified in the RFQ. The City will review the submission and follow up if any additional information is needed.

Question: **Does the City have any requirements or preferences for how a small or emerging developer structures its partnership with a pre-qualified developer, such as forming a separate LLC?**

Response: No. The City does not have a preference or specific requirement for how the partnering entities structure their business relationship. The parties may determine the arrangement that works best for them, including whether to form a separate legal entity, provided the development team otherwise meets the requirements of the applicable RFQ and NOFA.

Question: **If a small or emerging developer is awarded another affordable housing development opportunity as the lead developer before the Round 8 award, would that allow the firm to meet the RFQ pre-qualification requirements for Round 8?**

Response: Not necessarily. Applicants must meet all applicable RFQ pre-qualification requirements, including the developer experience criteria, by the Round 8 deadline. A pending or newly awarded development opportunity does not, by itself, satisfy the required completed development experience. Applicants

should review Section C, Developer Experience "Pass/Fail" Criteria, and Section D, Financial Capabilities "Pass/Fail" Criteria, of the RFQ materials.

Question: **Will the presentation from the Round 8 Pre-Submittal Meeting be made available to prospective applicants?**

Response: Yes. The City has published the Pre-Submittal Meeting presentation and recording on the Bridge to Home webpage.

Question: **What is the best way for a small or emerging developer to connect with a pre-qualified developer for potential partnership opportunities?**

Response: Small and emerging developers may review the City's Pre-Qualified Developers List and prior Bridge to Home-funded projects to identify developers whose experience or project locations may align with their proposed development. Interested firms may then contact those developers directly to explore potential partnership opportunities. Being included on the City's Small and Emerging Developers List can also help pre-qualified developers identify potential partners.

Question: **If a developer pays inclusionary housing in-lieu fees for a separate affordable housing project that is not part of the Round 8 NOFA application, can those payments be credited toward or considered as part of the proposed Bridge to Home project?**

Response: No. Bridge to Home funding must support the eligible affordable units and costs of the project being proposed under the NOFA. Costs, payments, or obligations associated with a separate project cannot be credited toward the Bridge to Home project.

Question: **How does the City define a small or emerging developer, and how can an applicant determine whether a firm qualifies? Does the firm need to already be included on the City's Small and Emerging Developers List?**

Response: A small or emerging developer generally includes a developer that does not yet meet all RFQ criteria to qualify independently as a pre-qualified developer. These firms may participate by partnering with a pre-qualified developer and gaining additional development experience. A firm does not need to already be on the City's Small and Emerging Developers List to participate as a partner, although being on the list can help connect the firm with pre-qualified developers seeking potential partners.

Question: **Is the PLHA monitoring fee calculated based on all units in the project or only the affordable units subject to City monitoring?**

Response: The monitoring fee applies to units restricted under the City's regulatory agreement. If the City's subsidy supports the affordable portion of the overall project, the fee applies to all units subject to the City's affordability restrictions. If the City subsidy is limited to certain affordable units, the monitoring fee may apply only to those subsidized and restricted units. The Housing Commission's current monitoring fee is $163 per monitored unit per year.

Question: **Can Bridge to Home funds be combined with City inclusionary housing in-lieu funds awarded through the off-site affordable housing program for a 100% affordable receiving project?**

Response: Bridge to Home is administered separately from the City's inclusionary housing and off-site affordable housing programs. Any use of inclusionary in-lieu funds would need to be coordinated separately with the San Diego Housing Commission or other administering agency. Generally, the same affordable units cannot be counted or subsidized under both programs; separate affordability obligations would typically need to apply to additional units.

Question: **If a firm is only seeking to qualify as a small or emerging developer through the RFQ and is not currently requesting Bridge to Home funding, what materials are required for the RFQ submission?**

Response: Firms seeking qualification should submit the documentation required by the RFQ. A firm may provide additional context in its cover letter if it believes it may not meet all requirements for independent pre-qualification. The RFQ process is rolling, so firms not seeking to participate in Round 8 do not need to meet the Round 8 RFQ deadline and may submit their materials when ready.

Question: **If a firm qualifies through the RFQ now, can it participate in the current Round 8 NOFA or future Bridge to Home funding rounds? How long does the RFQ qualification remain valid?**

Response: Yes. A firm seeking to participate in Round 8 was required to submit its RFQ materials by the Round 8 RFQ deadline so the City could determine its qualification status before the NOFA deadline. Once qualified, a developer remains qualified for future funding rounds unless there is a material change that requires updated information. A small or emerging developer may also later resubmit updated RFQ materials if its experience has increased and it believes it now meets the criteria to become fully pre-qualified.

Question: **Will there be future Bridge to Home NOFA funding rounds?**

Response: Yes. The City anticipates additional rounds of Bridge to Home funding. Developers may continue to submit RFQ qualification materials on a rolling basis for consideration in future rounds.

Question: **If a proposed development partner is not currently on the City's Small and Emerging Developers List, what documentation, if any, must be included in the NOFA application to demonstrate that the partner qualifies as a small or emerging developer?**

Response: The partner does not need to already appear on the City's Small and Emerging Developers List. The NOFA application should identify the development team and describe the partnership and each party's role. If the partner will be a party to the City's agreement, organizational information for that entity will also be required. If the partner is only the property owner, documentation of property ownership should be provided.

Question: **If a project receives Bridge to Home funding, do prevailing wage requirements apply to all renovation or construction work associated with the project?**

Response: Bridge to Home funding requires the project to comply with all applicable prevailing wage laws. Whether prevailing wage applies to specific work depends on applicable law and whether an exemption applies. Applicants are responsible for documenting compliance with applicable prevailing wage requirements and providing such evidence of compliance to the City, whether that evidence be a written certificate of exemption for the project or the payment of prevailing wages.

Question: **What documentation is required to demonstrate site control? Would a signed letter of intent (LOI) and draft purchase and sale agreement (PSA) be sufficient?**

Response: Yes. A letter of intent, purchase and sale agreement, disposition and development agreement, or draft ground lease is acceptable for demonstrating site control in the NOFA application.

Question: **How are Bridge to Home funds disbursed after an award? Are funds provided as a lump sum or through draws or reimbursements as project costs are incurred?**

Response: Bridge to Home LMIHAF and PLHA funds in Round 8 are provided as project financing and are not disbursed as a lump sum. The City's loan agreement

will include a disbursement agreement governing the release of funds during construction. Please visit the Bridge to Home website that provides details of previously approved projects as well as the City Clerk's office to see loan documents on file for details on disbursements.

Question: **Is a project that submitted a 4% CTCAC/CDLAC application in Round 3 of 2026 eligible to apply for Bridge to Home Round 8 funding?**

Response: Yes. However, applicants should consider whether the project's existing financing and readiness deadlines are compatible with the Bridge to Home approval and closing timeline. The City's process includes application review, loan agreement negotiations, City Council consideration, and loan closing, which may take several months. The project schedule should demonstrate sufficient time to complete the City's approval and closing process.

Question: **How competitive have prior Bridge to Home funding rounds been for acquisition and rehabilitation projects? Is information available on the number or percentage of applications that received funding?**

Response: For Round 8, only the PLHA funds are available for acquisition and rehabilitation projects, and PLHA-assisted units must meet the applicable 30% AMI requirements. As stated in the NOFA, acquisition and rehabilitation are NOT eligible activities for LMIHAF funds. The City has historically received relatively few acquisition and rehabilitation applications compared with new-construction applications. In some prior rounds, only one rehabilitation proposal was submitted, while other rounds received none. The City has awarded funding to some rehabilitation projects.

Question: **If a project is awarded Bridge to Home funding and is also using other financing sources, may construction or other project activities begin using those other funds before the City's Bridge to Home loan documents are finalized and funding is available?**

Response: Bridge to Home is intended to provide gap financing needed for a project to proceed. If a project can close and begin construction without the City's funds, it may be difficult to demonstrate that Bridge to Home funding is needed to fill the financing gap. Applicants should structure their financing and development schedule to account for the City's award, loan agreement, approval, and closing process.

Question: **Is a project that previously received a Bridge to Home award eligible to apply for additional LMIHAF funding under Round 8 to address a**

remaining financing gap? If so, will the prior Bridge to Home award affect the project's competitiveness for additional funding?

Response: Yes. A project that previously received Bridge to Home funding may apply for additional funding. However, the City has not previously awarded a second Bridge to Home allocation to the same project.

A subsequent application should clearly explain the changed circumstances, efforts to secure additional financing, and why additional City funding is necessary to address the remaining gap rather than simply providing an updated pro forma.

For Round 8, the City may also consider whether an applicant received funding in either of the previous two Bridge to Home rounds as part of its funding prioritization.

Question: **Can a project be eligible for PLHA funding if the developer currently controls the property through a ground lease rather than fee-simple ownership?**

Response: Yes. A current ground lease may qualify as acceptable site control for PLHA purposes, and PLHA does not require the developer to acquire the fee title to the property. PLHA funds may be used for eligible rehabilitation costs even if the developer retains a leasehold interest.

If the developer instead proposes to acquire the fee title from the City, that acquisition would need to be separately negotiated and approved through the applicable City process, including City Council approval. Because that process can take several months and the outcome is not guaranteed, applicants should consider the potential impact on project readiness and the proposed development schedule.

Question: **Is the award structured as a loan, forgivable loan, residual receipts loan, or grant?**

Response: Round 8 funding will be provided as a residual receipts loan, subject to the terms and conditions of the City's loan documents.

Question: **How does the City classify an adaptive reuse project, such as an office-to-residential conversion, as new construction or rehabilitation?**

Response: The City does not make project-specific classifications through the Q&A process. Applicants are responsible for determining whether a proposed adaptive reuse project qualifies as new construction or rehabilitation under the funding sources available in the applicable Bridge to Home round.

Applicants should review applicable State guidance for PLHA and LMIHAF and may consult HCD, as appropriate, when evaluating eligibility.

Question: **Would an adaptive reuse development be eligible under all Bridge to Home Round 8 funding sources?**

Response: Eligibility depends on how the project qualifies under the applicable funding source. Applicants considering this approach are responsible for conducting their own due diligence and determining whether the proposed project meets the applicable funding source requirements. Applicants may also review published State guidance for PLHA and LMIHAF and consult HCD, as appropriate, regarding applicable program requirements.

Question: **Can City funds remain in the permanent financing stack alongside 4% LIHTCs and tax-exempt bonds?**

Response: Yes. The City's Bridge to Home loan is structured as a 55-year residual receipts loan and may remain in the permanent financing stack alongside other sources, including 4% LIHTCs and tax-exempt bonds, subject to the City's underwriting and loan requirements.