



The non-profit association representing the officials providing affordable housing in Florida.

October 31, 2017

Mr. Trey Price, Chairman
Florida Affordable Housing Workgroup
c/o Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

DELIVERED VIA EMAIL: Trey.Price@floridahousing.org

Dear Chairman Price:

The Florida Association of Housing & Redevelopment Officials, representing over 85 Public Housing Agencies in Florida, wishes to submit several comments and recommendations to the Affordable Housing Workgroup for consideration as it works to develop recommendations to the Florida Legislature.

Background

Florida Public Housing Authorities (PHA's) were created under Chapter 421 of the Florida Statutes and are Special Districts of the State of Florida. PHA's are not-for-profit agencies created specifically to develop and provide affordable housing as well as Public Housing and Federal rental assistance programs.

- 40% to 50% of our collective residents are elderly or disabled and are not upwardly mobile which means they require ongoing housing assistance.
- The vast majority of our public housing is 40-80 years old. As HUD's public housing budgets have declined, so have our budgets, which makes it difficult to keep our aging properties adequately maintained: Since 2003 the Capital Fund budget has gone from over \$3 billion to less than \$1 billion.
- Many PHAs are actively trying to redevelop existing sites and have free land to build affordable housing on with no NIMBY issues to deal with.
- Our mission is to provide affordable housing and we are a natural partner of Florida Housing in providing affordable housing to the elderly, disabled and ELI and VLI families.
- PHA's rely almost exclusively on 9% tax credits to redevelop its' obsolete, and in some cases distressed projects, however, we struggle to compete on a level playing field.
- PHAs have federal subsidy that can be layered onto a deal to serve ELI households that FHFC says it wants to help serve.

Recommendations

1. Eliminate the lottery for the 9% credits and determine a better way to rate and rank applications based on merit. Include the applicant's ability to layer rental assistance to a percentage of ELI households as a ranking factor.
2. Avoid making proximity be the application differentiator, as PHAs more often than not, get unfairly penalized. This is due to the fact that PHA properties are located where they are located, and unlike developers, PHA's do not have the luxury of going out and finding land that will score the maximum proximity points.
3. Create a set aside for applications that involve land owned by a PHA and leased to the tax credit partnership. For this set-aside, we propose one deal for large county RFA and two deals for small-medium county RFA.
4. Give a preference for applications where private developers partner with PHAs to redevelop public housing sites, encouraging public-private partnerships.
5. Give recognition to redevelopment projects that have more than nominal local government investment. These deals leverage FHFC resources and seem more worthy than the typical 9% applications that have no, or minimal, public investment.
6. Recommend that the State Legislature leave the full amount of monies in housing trust fund to be distributed each year. This funding generates jobs and greatly needed affordable housing units throughout the state.

In closing, Florida's PHA's are natural partners to assist FHFC in meeting its goal of providing a range of affordable housing opportunities for residents that help make Florida communities great places in which to live, work and do business. We have the rental assistance programs to combine with LIHTC to create successful mixed-income communities, providing rental subsidies to ELI families. And, we are in it for the long term.

Most PHA's were created 50 -70 years ago and we are still providing affordable housing today. When FHFC makes an investment in PHA-owned development, pathways for the construction of low-income housing are created, the rental market for assisted rental housing is strengthened, and the investment can be expected to be a long-term solution to housing affordability.

Thank you for your consideration of these recommendations!

Respectfully Submitted,



Corey G. Mathews, CAE
Executive Director

cc: Debra Johnson, FAHRO President
Nancy Muller, Florida Housing Finance Corporation