

July 13, 2016

Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301
Attention: Ken Reecy, Director of Multifamily Programs

Dear Ken:

Thank you for the opportunity to comment on the RFA Process. Below are recommendations regarding both past practices and proposed changes to upcoming RFAs.

Mandatory Distance Requirement

As was previously done for Miami-Dade and Broward Counties, the Mandatory Distance Requirement should be reduced for the remaining Large Counties. At a minimum, the required distance should be reduced to 1.0 mile in the major metropolitan areas of West Palm Beach, Orlando, Tampa, St. Petersburg, and Jacksonville to take into account more densely populated areas where 2.0 miles is unnecessarily restrictive. Please reduce the required distance for Duval, Hillsborough, Orange, Pinellas, and West Palm Beach Counties to 1.0 mile, at least in the larger metro areas. See Urban Areas of Opportunity Maps posted to FHFC website in connection with the March 22, 2016 Rule Development Workshop (www.floridahousing.org/FH-ImageWebDocs/Developers/MultiFamilyPrograms/RuleDevelopment_2016/Urban_Areas.pdf).

Areas of Opportunity Incentives and RECAP Disincentives

In reviewing the maps posted to the FHFC website showing QCTs, SADDAs, Areas of Opportunity, and RECAPs, I noticed that some of the RECAPs are contiguous or in close proximity to Two Factor and/or Three Factor Areas of Opportunity. In addition, in comparing these maps to Community Redevelopment Agency maps in Tampa, St. Petersburg, and Orlando (by way of a sampling), I noticed that some RECAPs also fell in areas targeted by local government for redevelopment. Census Tracts that fall within a local government CRA and/or are in close proximity to Areas of Opportunity present good opportunities to connect areas in need of investment to areas already benefitting from public and/or private investment. Any RECAP that falls within a CRA, which CRA also includes Areas of Opportunity, should be exempt from RECAP disincentives. In addition, RECAPs that are part of a CRA and are in close proximity to Areas of Opportunity (0.5 miles or less) – even if those Areas of Opportunity do not fall within the CRA – should be exempt from any disincentive.

FHFC's continuing effort to work in tandem with local governments to address critical housing needs in areas targeted by local governments through incentives and backed by local government with funding availability is critical to navigating the Fair Housing/disparate impact landscape in the wake of the Supreme Court's decision last summer in *Texas Department of Housing and Community Affairs v. The Inclusive Communities Project, Inc.* The desire to avoid inadvertently concentrating poverty in areas that are predominantly minority through incentives that direct development to areas with lower poverty, higher education, and higher employment rates can run headlong into NIMBYism. The clearest path to avoid this collision is to cooperate with local government efforts to redevelop and revitalize targeted neighborhoods. An affordable housing component is critical to these local redevelopment and revitalization efforts. FHFC's Local Government Revitalization RFA is one example of such a cooperative effort. The proposed Local Government Qualifying Financial Assistance Preference, to be incorporated

in the Six Large Counties GEO RFA, is another. Not excluding RECAPs that are part of local government CRAs would provide one with a finite but broader application.

Transit and Community Services

- Definition of Public Bus Stop. For purposes of Transit proximity points, bus stops should not be required to service at least one bus route with scheduled stops at least hourly during the times of 7am to 9am and also during the times of 4pm to 6pm *if the Development's targeted demographic is Elderly*.
- Definition of Public School. In recognition of the changing nature of admission criteria, the definition for Public School should be revised to omit the requirement that “the principal admission criterion is the geographic proximity to the school.” The language used to add charter schools to the definition of a Public School could be applied more broadly or, preferably, amended to permit any K-12 school so long as

it satisfies these positive attributes –

- It is open to all students
- It is supported by specifically allocated public funds in amounts that do not exceed and do not divert money from public schools
- It complies with federal and state laws governing public schools that require fiscal responsibility and accountability
- It adheres to federal and state laws that protect the health and safety of children
- It is accountable to local school boards in the districts where they are located
- It ensures staff are certified for their positions Involve parents in decision-making processes
- It has a mechanism for independent evaluation to determine if they are providing students with an education at least comparable to public schools and fulfilling their mission of innovation

and does not have these negative attributes –

- It is operated by for-profit organizations, or is affiliated with a nonpublic, sectarian, religious, or home-based school
- It charges tuition or fees not charged by public schools
- It has a negative impact on public schools.

Amending the criteria in this manner would also exclude charter schools that have recently gained media attention for profit maximization at the expense of student instruction.

- Alternate Services. In order to reduce the number of challenges filed in connection with each RFA, the rules regarding scoring of community services should be changed as follows:
 - If an applicant identifies a Transit Service or Community Service that is determined not to meet the criteria for that service (whether due to a misunderstanding regarding the nature of the service or a miscalculation of the distance from the site to the service or

other reason not related to fraud on the part of the applicant), that applicant should be permitted to substitute an alternate qualifying service provided that

- The service, if identified in the application, would have resulted in the same overall score for the application;
- The applicant submits a surveyor's certification on the FHFC form with the required information for the alternate service; and
- The applicant pays a \$500 fee to compensate FHFC for additional review time.

By requiring proximity to certain services, FHFC ensures that residents of developments selected for funding will have reasonable access to key services. The proposed change satisfies that policy objective and further ensures that qualified projects do not lose funding as a result of a harmless "gotcha" error.

Alternatively, applicants should be permitted to submit up to one alternate Transit Service and one alternate per type of Community Service at the time of submission of the application. If any of the primary Transit and Community Services are determined not to meet the criteria in the RFA, the alternate Transit and Community Services would be reviewed to determine whether the Development is nevertheless entitled to proximity points based on the alternate service.

Respectfully submitted,



Paula McDonald Rhodes
President, InVictus Development, LLC

cc: Steve Auger, Executive Director
Nancy Muller, Policy Director