

RFA Issues 2016

Local Government Qualifying Financial Assistance Funding Preference

Below are inherent issues with this Local Government Qualifying Financial Assistance Funding Preference:

1. Third parties capitalized on the Local Government Qualifying Financial Assistance Funding Preference in Duval County. To “apply” for this Local Government Qualifying Financial Assistance Funding Preference, a County anointed third party required an application fee and review fee. This was non-refundable and was several thousand dollars. If the Local Government Qualifying Financial Assistance Funding Preference spreads across the State, hundreds of thousands of dollars could be wasted by developers and pocketed by third parties.
2. The Local Government Qualifying Financial Assistance Funding Preference could lead to insider dealings and perhaps even fraudulent activities. There is no way for FHFC to monitor this process and ensure that its outcome mirrors FHFC’s stated goal for keeping the Local Contribution requirement in all RFA’s.
3. The Local Government Qualifying Financial Assistance Funding Preference is contrary to the competitive nature of FHFC’s allocation process. While it may simplify the process in some areas of the State, the lack of competition within many counties may lead to increased project costs and lesser quality of product.
4. FHFC’s RFA process exists so the Local Government Qualifying Financial Assistance Funding Preference doesn’t have to across the State of Florida. The Local Government Qualifying Financial Assistance Funding Preference will partially usurp the selection process that FHFC’s RFA’s have spent years refining.

Concrete Construction

There is minimal empirical evidence that concrete apartment buildings last longer or have less upkeep than more traditional frame construction. Developers are being forced to select concrete construction on applications in order to maintain a proper leveraging number on a per unit basis. Construction costs are already very high right now, and mandating concrete construction will eventually cause a shortfall of funding for some developments.

Prevailing Party Fees

There have been several seemingly frivolous lawsuits brought about to challenge recent RFA results. While the challenge process should itself remain, there needs to be a prevailing party stipulation as allowed by law. By forcing the losing party to pay for the victorious party’s legal fees, there should be an overall reduction in meritless lawsuits filed.

SAIL Funding

SAIL funding should continue to be made available to a wide variety of applicants with diversified development types. However, SAIL funding should also be made readily available for more traditional 60% AMI apartment communities.