

Mr. Steve Auger, Executive Director
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

May 6, 2013

Re: Split between New Construction and Preservation (Rehab) for Multifamily Rental

Dear Mr. Auger:

FHFC had approved a 50-50 split between new construction and preservation (rehab) in 2012 for multifamily rental housing after considerable public testimony and evidence that preservation/rehab is a better use of public funds. When that cycle finally went forward the split had been changed to 65% for new construction and 35% for preservation (rehab), which was fairly inexplicable as it came at the same time as the “no new construction” proviso attached to housing trust funds.

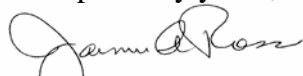
We are now finally back to the tax credit cycle and the FHFC has this extremely important policy issue to address- what should the split be for tax credits between new construction and preservation (rehab).

I am writing to urge that you return to the 50-50 split. Tax credits are the largest and most impactful public resource for affordable housing in Florida and it is the responsibility of the FHFC to use this federal resource in a manner that promotes the wisest use of public funds.

- Preservation was found by the FHFC in the study done by the Shimberg Center to create slightly more jobs than new construction.
- There is a tremendous stock of project based housing that is in jeopardy of losing its HUD subsidy unless there is substantial rehabilitation of the buildings.
- Project based housing serves Florida’s most vulnerable citizens, including the frail elderly and disabled populations, including veterans, who would likely be homeless without preservation of their housing.
- There is no more highly leveraged partnership than one where the federal government partner is providing the ongoing tenant subsidy. These properties are irreplaceable, and if lost, will cost the state an enormous amount in providing alternative housing for such an extremely low income population.

Can FHFC articulate the public policy behind putting a greater amount of tax credits to new construction than to preservation/rehab?

Respectfully yours,



Jaimie Ross