



August 5, 2013

Mr. Steve Auger  
Mr. Kevin Tatreau  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, Florida 32301

Comments for 2014 Tax Credit Cycle- QAP and RFAs

Dear Steve and Kevin:

The Florida Nonprofit Advocates Network was established by the Florida Housing Coalition in September 2010. Our goal is to advance the work of mission based nonprofits to ensure that affordable housing for those most in need is available throughout the state. We have previously provided comments to the FHFC in regard to the Universal Application; the current series of RFAs have not taken the place of the Universal Application, but the comments we previously delivered remain equally or more greatly relevant. We have previously set-forth the rationale for most of these suggestions; in the interest of brevity are reiterating the earlier recommendations. If you would like to receive that information again, please let me know.

1. The QAP should provide that at least 50% of the 2014 tax credit allocation is used for preservation.
2. The QAP should provide that the 15% set aside for nonprofits is met with a priority for applications from 100% nonprofit entities. Next in priority for the nonprofit set-aside would be joint ventures with nonprofits. This is particularly important because you have not revised the definition for nonprofits in the Rule, which still allows a joint venture where the nonprofit partner receives as little as 25% of the developer fee; this invites the "rent-a-nonprofit" scenario. This is undermining the federal intent to have a set-aside for nonprofits.
3. The changes made to the last draft of the RFAs have returned the FHFC distribution of housing credits into a lottery. The FHFC can fix this by giving a meaningful advantage to applications that provide a substantially greater proportion of units for extremely low income populations and provide greater leveraging of tax credits. If this is not done, FHFC will be giving a preference to the large for-profit developers who regularly submit many applications simultaneously. The consequence of a lottery system that puts the mission based nonprofit (which typically has been nurturing only one or two sites at any given time) at such a severe disadvantage is to keep them out of the tax credit market and put them out of business. This is bad public policy. The alternative is to limit the number of applications to two.

Thank you for your consideration.

Respectfully submitted by:

Jaimie A. Ross, president

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