



June 7, 2013

Mr. Kevin Tatreau  
Director of Multifamily Development Programs  
Florida Housing Finance Corporation  
227 N. Bronough Street  
Suite 5000  
Tallahassee, FL 32301

**RE: 2014 Housing Credit Annual Allocation – Request for Applications**

Dear Mr. Tatreau:

CVR Associates, Inc. is a national consulting firm based in Tampa, FL, which provides development advisory services to public housing agencies (PHAs), including several PHAs in Florida. We appreciate the opportunity to comment on the draft 2014 Request for Applications process and respectfully request that FHFC consider excluding demolition costs from the proposed cost caps for new construction. PHAs operate some of the oldest and most obsolete affordable housing in the State of Florida and, as such, have pressing redevelopment needs. In order to redevelop their sites, either partial or complete demolition of existing buildings is typically required. Often the PHA sites are sufficiently sized so that new housing can be constructed while all or a portion of the existing housing remains occupied. As the new units are completed, existing residents can move directly from an old unit to a new unit, after which the old unit is demolished. This approach offers multiple efficiencies in construction staging, contracting and relocation effort (it reduces multiple moves and decreases relocation costs). Since demolition costs associated with redevelopment involving new construction are not part of tax credit basis, there is no excess use of FHFC's limited allocation resources. While some demolition costs may be able to fit within the proposed cost caps, accommodating all such costs within the cap may not be feasible and, even if possible, would adversely impact new construction quality and longevity.

Thank you for your consideration.

Sincerely,  


Debbie Williams  
Vice President