



The non-profit association representing the officials providing affordable housing in Florida.

June 10, 2013

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

Dear Kevin:

On behalf of the Florida Association of Housing and Redevelopment Officials, I submit, for your consideration, the following comments for the upcoming Request for Applications (RFA) process:

- 1) **Proximity Scoring for PHA Developments.** In the past, FHFC has recognized that public housing authorities (PHAs) face challenges with respect to proximity scoring for their sites not faced by other applicants. Specifically, FHFC has recognized that PHAs are rarely if ever in a position to acquire land and must use what land they have. Whether the site can compete for Housing Credits varies from year to year with changes in the FHFC scoring process. For proximity scoring PHAs cannot simply select another site based on the current year's proximity requirements and put it under contract for the requisite length of time to get through the competitive process for a Housing Credit allocation. They either do not have the resources to do this or a site which may produce a better proximity score is not within the community that they are focusing on for revitalization. PHAs do, however, have offsetting benefits. They provide services and programs to residents above and beyond what is required by FHFC and they have the ability to provide rental assistance for units in their developments. This enables them to provide housing to the poorest of the poor in their communities which other affordable housing providers cannot realistically do.

Some of the PHA sites that will be applying for funding in the next funding cycle have been applying and reapplying over the last 6 years and will continue to reapply as they have few options open to them.

While the proximity scenario proposed does assist some PHAs it is not a benefit for all PHA sites and will render some PHAs' applications ineligible for funding. While a developer has the option to release a site and move on to a site that scores better, under

the current application requirements, PHAs do not have that option and even if they did their goal is to revitalize communities not to leave a community with a blighted or demolished site and move their revitalization to an area or a community that doesn't need to be revitalized. Also to do this would likely result in community resistance and NIMBY issues.

FAHRO understands FHFC's need to be fair to all applicants but please keep in mind that nearly all PHAs have a development partner that stands to benefit from being funded. So while the development community has a tendency to not be open to PHAs having assistance with the process many of the developers have a vested interest in seeing these deals get funded. Some developers that have benefitted from PHA deals and have been or are currently procured by a PHA include, but are not limited to: Ambling, Carlisle, Garmon, Housing Trust Group, Lendmark, McCormack Baron, Michaels, Norstar, NRP, Picerne, Pinnacle and Related Urban Development Group.

We request that FHFC please consider reestablishing the automatic proximity points for PHAs with Declarations of Trust (DOTs).

- 2) **Leveraging.** Consider a credit for subsidized units to allow for a competitive leveraging score. Public housing units cannot support debt so to request that PHAs reduce the credits by adding debt to the property simply won't work for units subsidized by a public housing Annual Contributions Contract (ACC). This could possibly become a negative factor for PHAs. We are open to discussion on how this may affect PHAs and will work with staff to come up with a scenario that will work to benefit all parties.

We request that FHFC consider a leveraging credit for ACC subsidized units.

Thank you for the opportunity to comment and your continued support for ensuring that Florida's public housing authorities have an even playing field in this competitive funding environment.

Sincerely,



Corey G. Mathews, CAE
Executive Director