From: David Garcia [mailto:dgarcia@cambridgehousingpartners.com]
Sent: Monday, January 06, 2014 1:27 PM
To: Ken Reecy
Subject: Public Comment Regarding RFA 2014 (SAIL w/TEB Financing)

Mr. Reecy:

Thank you for the opportunity to provide comments to staff regarding the pending draft of "RFA for SAIL funding in conjunction with tax-exempt bond financing and non-competitive housing credits". My comments are relative to items found under the following heading: "2. SAIL Funding Process, Section d. Selection Process (page 34 of the 12-20-13 Draft SAIL with Tax-Exempt Bonds RFA)".

In the November 8, 2013 draft of the RFA, no explicit preference for new construction / redevelopment projects occurs. However, we feel that changes to this section in the most recent RFA drastically favor new construction projects. Because the RFA notes that only one project will be awarded per county, and because the explicit goal of one new construction / redevelopment per geographic county is privileged, funding to any acquisition / rehabilitation developments seem extremely unlikely. In fact, we would go so far as to suggest that this change effectively discourages any rehabilitation developments from applying in this round. At the very least, a significant disincentive has been provided to developers of acq/rehab properties.

As we do not believe that it was Florida Housing's intent to exclude rehabilitation developments in this RFA, but to make the process more fair given the slight leveraging advantage Rehab projects enjoyed in the previous RFA, we believe it would be more fair to instead eliminate the goal of one new construction or redevelopment per geographic county and bifurcate the leveraging ranking between new construction and rehabilitation. For instance, compare the leveraging of rehab deals only to other rehab deals, and the leveraging of new construction projects only to other new construction projects. This would ensure that the top projects of each type of development would be awarded funding. Alternatively, a change could be made that if a county gets a new construction development it should not be deemed to have met the county test if a rehab development, in that same county, had a better leveraging number and would have otherwise be selected for funding.

Contained within the rehabilitation proposals will be extremely valuable projects and rehabilitations utilizing these SAIL funds will ensure the substantial redevelopment and long-term continued affordability of at-risk, existing workforce and affordable properties -- and these communities should not be completely eliminated from consideration as this change has effectively done. Data continue to suggest that acq/rehab projects are the most cost-effective utilization of public funding for preserving affordable housing, and we feel this change has drastically harmed the overall capacity of your available funding.

We respectfully request that staff deem that rehabilitation developments be given equal consideration to new construction projects and the goal of one new construction or redevelopment per geographic county be removed (as in the previous 11-8-13 RFA), or at least allow one of the two alternatives mentioned above.

Respectfully,

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