

Casa San Juan Bosco II, Inc.

April 16, 2014

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

Re: RFA 2014-109

Dear Mr. Auger:

As a follow up to the recent Florida Housing Finance Corporation conference call on the HOME RFA 2014-109, we have the following questions and comments relative to the draft application:

Exhibit A., Item 1a. and b. – Demographic Commitment: Currently, there are set asides for only family and elderly developments. We request that there be a farmworker set aside or preference included for small county developments. There are certain areas within the State that still need farmworker housing and the City of Arcadia in DeSoto County is one of them. We currently have 53 units of farmworker housing built and fully occupied with over 58 qualified farmworker families on a waiting list. Therefore, we respectfully request that some form of preference or set aside be created for farmworkers.

Exhibit A., Item 4c. – General Development: There currently is a cap on the number of units for small, medium and large counties. We are proposing a 44-unit development in DeSoto County (a small county) and the 30 unit cap does not allow us to provide the housing needed for this particular development. We are proposing a second phase of the existing Casa San Juan Bosco farmworker community. If you will recall, we used HOME funds and USDA-RD financing to build the initial 53-unit phase in 2012. This farmworker deal was completed in the fall of 2012 and was 100 percent leased six months thereafter. We currently enjoy a 100 percent occupancy and have 58 qualified farmworker families on our waiting list. There is a significant demand for farmworker housing in DeSoto County and, specifically, in the City of Arcadia.

Further, we have a commitment from USDA-RD in the amount of \$2,000,000 for this proposed farmworker development. These funds consist of a \$1,000,000, 1 percent interest rate loan and a \$1,000,000 grant. This funding is also accompanied by 44 units of rental assistance, which covers 100 percent of the units proposed. USDA-RD was a lender on the initial phase of Casa San Juan Bosco and has seen the success we have enjoyed thus far. For this reason, they are solidly behind the proposed second 44-unit phase. Our existing 100 percent occupancy and waiting list are satisfactory demand for USDA-RD to commit its funding to the second phase of this development.

We respectfully request that the unit cap of 30 for small counties be increased to at least 45 units to accommodate the second phase of the Casa San Juan Bosco development.

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Exhibit A., Item 8 - Match Amount: There is a Match requirement of 5 percent in non-Federal funds included in the RFA. As previously stated, we have a \$2,000,000 commitment from USDA-RD, plus 44 units of rental assistance, neither of which count under this Match category. As you are aware, most small counties have no local SHIP or HOME funds available to use as Match for a development such as ours. In general, there are limited resources in small counties that would qualify at Match. Therefore, we respectfully request that the Match amount be reduced to \$50,000 for small counties in light of the previously mentioned issues.

Exhibit A., Item 9a. - Funding: The RFA currently caps the total amount of funding per project at \$5,000,000. A development consisting of 50 units in a large county would receive only \$100,000 per unit in HOME funds. Given the cost of development, that number is far too small to make most projects feasible.

Your chartlabeled HOME Rental FHFC Subsidy Limits on page 47 in Exhibit B of the RFA provides for per unit allowable HOME funds for DeSoto County for three- and four-bedroom units of \$143,704 and \$157,742, respectively. Our development would require approximately \$145,000 per unit in HOME funds to be feasible. Therefore, we request that the total project cap be increased accordingly, or to a maximum of \$6,380,000 per project, such that a 44 unit project could be built.

We are very enthusiastic about this upcoming HOME round and the opportunity to apply for these funds. Since we currently have a significant commitment from USDA-RD for our proposed 44 units, funding from this HOME round we will enable us to create a successful second phase of the Casa San Juan Bosco farmworker community.

We appreciate your consideration of our requests.

Sincerely,



Peter Routsis-Arroyo
Chairperson

Cc: Ken Reecy, Florida Housing Finance Corporation