

JACKSONVILLE HOUSING FINANCE AUTHORITY



Mr. Steve Auger
Executive Director
Florida Housing Finance Corporation
227 N. Bronough Street, Ste. 5000
Tallahassee FL 32301

Dear Steve:

I was disappointed to learn that FHFC has removed the local government preference from its large county 9% RFA (2015-107). As Chairman for the Jacksonville Housing Finance Authority, I feel that it is important to allow the local government a say in which projects receive funding, especially when each County will only receive allocation for a single project. Through our strategic planning efforts, the JHFA has established its own preferences for where affordable housing is sited and what type of housing is suitable for that site. The City of Jacksonville has also prioritized areas for development and redevelopment, and spends a good deal of effort and resources in leveraging desired development in conformance with adopted strategies.

By allowing a local government preference, your ranking and scoring processes acknowledge the importance of true local government participation.

In the current system proposed in RFA 2015-107, proposed new construction projects must receive a modest local government contribution as evidence that the local priorities are being adhered to. However, this applies to projects which are newly constructed ONLY, not existing projects that are applying for allocation for rehabilitation of a structure. Often, these projects are not even on our radar, and, as has happened in the past, are awarded funding from FHFC before the local government or JHFA has had a chance to vet the project. By not requiring rehabilitation developments to receive even the minimal \$75,000 contribution, deals that are not a priority of the local government get a lottery ticket and can be funded over deals that the local government actively wishes to fund.

The current system appears to basically award ONE PROJECT to each county, based upon the lottery system. The lottery system includes both projects that we are aware of (via providing local government contribution) and those that we don't know about. This is unfair.

I would like to propose the following solution, to be adopted immediately and incorporated into RFA 2105-107:

1. Re-instate the local government preference, but allow the preference to include a prioritized list of all projects that are applying for funding. This allows the local government to rank the project list in accordance with established strategic objectives. Large counties with multiple jurisdictions can either rank the projects across jurisdictional boundaries OR default to the lottery system. For the first year, only require the minimal \$75,000 contribution requirement for prioritized deals.
2. Require projects applying for rehabilitation funding to also get a local government contribution. This will enable the locals to at least be aware of these projects, and incorporate into their strategic prioritized list.
3. Maintain the lottery system in the event that multiple jurisdictions within a County are unable to create a single prioritized list for the County.

Thank you, and please contact me if you have further questions.

Sincerely,

Tripp Gulliford, Chair
Jacksonville Housing Finance Authority