

September 14, 2016

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



Dear Mr. Auger,

Local Government Contribution to overcome MDR

As of late, it has been very difficult to identify development opportunities in many of our RECAP communities due to Mandatory Distance Requirements (MDR). Acknowledgement of Local Government in the upcoming RFA(s) is a welcome addition to the process. Local Government interest in proposed development projects, acknowledged as of highest importance to the community with a funding commitment, deserve consideration above a State imposed Mandatory Distance Requirements.

However, developments receiving Local Government demonstrating interest in a project with a funding contribution that equals or exceeds 2.5 times the per unit TDC cap amount as an extremely high threshold. Aside from the individual counties, few municipalities maintain the resources to support even their highest priority project at this level. A reduction to the per unit TDC cap amount should be considered. As boots on the ground community developers will confirm, the need for quality housing units is so great, the concerns for cannibalization or slow stabilization of a neighboring project is not an immediate or fast approaching reality. The Mandatory Distance Requirement penalizes many of these neighborhoods, and the Local Government contribution should be seen as the tool for verification that it is.

The Corporation is to be commended for addressing the issue and encouraged to consider the addition of other strategies to provide the same.

Maintain 50-year Affordability Requirement

We strongly recommend that the Corporation maintains the current affordability term requirements of no less than 50-years for all the reasons stated in earlier correspondence on the matter.

There is simply no data that forecast that State is, or will be, in a position to reduce affordable rental housing inventory. With a job unbalance leaning heavily in service industries column, it is extremely difficult to imagine when a reduction might be appropriate. An affordability term of a lesser amount will benefit only a small few, and have irreversible negative impacts to families in the many communities we serve.

Increasingly, the need to meet the demand for affordable rental housing is being addressed through both new construction and preservation. More economical than new construction, for which there is scarce funding, preservation also reuses buildings, takes advantage of existing public infrastructure, conserves green space, and reduces utility costs and greenhouse gas emissions. For low-income families, preservation protects affordability during a time of rising housing costs and shrinking incomes. Developers must be encouraged and supported to preserve affordable housing because of the stability it brings to a neighborhood and the positive effect it has on the benefitting households.

The Corporation must continue to protect and preserve affordable rental housing today to meet demands of the future.

Again, thank you for the opportunity. Please feel free to contact me directly with any questions you may have at 954-829-7788. We look forward working with you on efforts to revive Florida communities.

Regards,

A handwritten signature in blue ink, appearing to read 'D. Patterson', is written over the word 'Regards,'.

Don D. Patterson
President

Cc: REVA Board of Directors