Tri-Star Affordable Development, LLC

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Ken Reecy
Director, Multifamily Housing
Florida Housing Finance Corporation

re: **RFA 2017-107**
SAIL Financing for the Construction of Workforce Housing

Mr. Reecy,

I am writing in reference to the upcoming Request for Applications for Workforce Housing (hereinafter "Workforce RFA"), specifically as it relates to the Florida Keys.

As you are aware, the need for affordable housing in Monroe County is desperate. Also, as you are aware, Housing credits address the 60%, or low-income level of affordable housing, and while some developers have been able to make the 120% income level of affordable developments work without subsidies, until last year's Workforce RFA there has been little proposed to address the 60-100% level. We are grateful for Florida Housing's efforts to address affordable housing for these income levels as well.

We are requesting that Florida Housing consider two adjustments to the Workforce RFA for this year. First, reverse the number of units for each subsidy level, and second, consider a funding priority for two affordable housing developments in Monroe County.

While there is a need for affordable housing at all income levels, the need is most severe at the medium to lower levels. The City of Marathon Workforce/Affordable Housing Assessment & Action Study prepared by the FIU Metropolitan Center identified "Significant affordability gaps exist at the median gross rent for all households earning 80 percent or less than the City's median household income". Housing at the Workforce levels opens housing opportunities for people in critically needed roles including, fireman, police officers, and teacher's, and we are all interested in finding ways to address this need and provide affordable housing for this critical segment of our community. The subsidy level on the 60% units provided by the tax credits, is not matched by the SAIL subsidy for the 80% units (even when taking into account the higher rents), and even with the additional SAIL, the SAIL subsidy for the 80% workforce units falls short.

This could be addressed by adding additional SAIL dollars per unit for the 80% level, or by reversing the numbers of required units at each level. For example, 55% Housing credit set aside and 45% Workforce set aside (last year's RFA set asides were reversed). By reversing the number of required units at each level, the tax credit subsidy would better balance the SAIL subsidy and benefit the overall development, and in turn, the community.

Second, we request that Florida Housing consider an option to fund a second Monroe County development in this RFA. The Caya Place development funded in 2017 pursuant to RFA 2015-106 currently has over 100 prequalified families on a waiting list for the 26 units currently under construction. We are coming to the end of the ROGO development rights system, and Monroe County has borrowed forward all of its affordable ROGOs and allocated them to developments in an attempt to help developers bring affordable projects online. The funding of two developments in the upcoming RFA cycle, would help to alleviate a desperate need.

As always, thank you for your consideration, and thank you for all you do to help address the need for affordable housing.

Marty Flynn
Tri-Star Affordable Development, LLC