



August 9, 2018

Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301  
Attention Trey Price and Marisa Button

RE: 2018/2019 RFA Comment

Dear Mr. Price and Ms. Button,

Thank you for all of the information you've provided regarding the upcoming RFAs and for the open dialogue you've been working to foster. We really appreciate those efforts. The following comments pertain to the application of the Local Government Area of Opportunity goal in the upcoming Medium County RFA 2018-110. We applaud Florida Housing's willingness to implement that goal in the Medium counties and would like to offer some thoughts on the latest proposal.

When the Local Government Area of Opportunity goal (or "local government preference", as often termed) was rolled out, the policy thinking offered at the time for that preference qualifying for automatic full proximity scoring (as well as other automatic scoring/qualifying) was that if a local government was willing to invest significant amounts of financial and political capital in creating an affordable housing development, it should be trusted to ensure that the development would eventually have the same supports/access/conditions that Florida Housing generally tried to ensure with its scoring. In doing so, the local government's strategy wouldn't be stymied by a Florida Housing requirement that had been historically included in its scoring process and which did not consider the level of strategic effort that the current local government preference was designed to require.

While we may not have nuanced knowledge of the location of all of the developments funded under that preference, at first blush it seems as though the results of that preference have not lead to developments being funded in locations that are far away from transportation and services. From a bigger picture vantage point, the preference appears to be working as was expected.

In Florida Housing's most recent proposal however, the goal has been amended to require those developments to meet minimum transit scores in the Large 6 County RFA, but meet a higher proximity standard in the Medium County RFA. This higher proximity scoring standard in the Medium County RFA is a policy that seems to fly in the face of the thinking that was explained when the preference was created and first implemented.

If the concern is that Medium Counties will be less thoughtful than Large Counties about the placement of their affordable housing due to some perceived lack of sophistication, we'd refer you to the changes you've made in the required funding amounts for those Medium Counties. Florida Housing's first proposal was for the requirement of cash contribution in an amount of 75% of the 2017 Total Development Cost per Unit amounts, but then increased the contribution amounts to 75% of the required Large County contributions – which works out to be a significantly higher number than the amount first proposed. Considering that most local Medium County municipalities are not dealing with



resources that are 75% of the Large County resources, there's an extra "burden" for the Medium Counties (think about your oft referred to difference between the cost burden for a 60% AMI household versus being cost-burdened at 30% AMI – it's a more significant blow to the lower income household).

While we have no issue with the relatively higher bar for Medium County contributions – it meets the FHFC policy goal of being a heavy lift and not easy to obtain – it highlights the fact that it seems unreasonable to assume that Medium Counties will not take those awards seriously and that Florida Housing needs to add an additional higher proximity scoring bar.

We respectfully request that you require the same proximity scoring for the Medium County Local Government Area of Opportunity Goal that you do for the same goal in the Large County RFA.

If you remain concerned about the judgment of some of the municipalities you may deem to be somehow "less sophisticated", a possible delineator for you may be to separate the Medium Counties into groupings (Florida Housing has a long and established history of doing so). Our suggestion would be to allow Medium Counties that are also HOME entitlement areas to be allowed to have proximity scoring for this goal that is the same as the Large Counties. Such delineation would be clear (and, therefore, easy) for Florida Housing to implement, clear to score and clear to defend.

Again, we thank for your time and willingness to dialogue on these important issues and we appreciate your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Domingo Sanchez", written over a light blue horizontal line.

Domingo Sanchez  
Birdsong Housing Partners  
1631 E. Vine Street, Suite 300  
Kissimmee FL 34744