

January 29, 2019

Harold L. "Trey" Price, Executive Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Subject: Comments to the Qualified Allocation Plan ("QAP")/regarding the U.S. Department of Housing and Urban Development's ("HUD") 2019 designated Difficult Development Areas ("DDA"), Small Area Difficult Development Areas ("SADDA") and Qualified Census Tract ("QCT") list

Dear Mr. Price:

The Fort Walton Beach Housing Authority ("FWBHA") has recently begun the revitalization of its remaining public housing development. FWBHA, in partnership with its developer, The Michaels Development Company, is working to revitalize an older development and create new, affordable housing on the adjoining vacant land. The site has adequate zoning and density to accommodate an addition of at least 100 affordable units.

FWBHA is in the panhandle in Okaloosa County which was one of the counties directly impacted by Hurricane Michael in October, 2018. Although Okaloosa County did not suffer the damage that its sister counties did, the county is a main provider of housing for residents forced to relocate from the counties most affected by the hurricane.

FWBHA currently owns land that it can utilize to construct new affordable housing units without demolishing any of its current housing. The overall plan for the site is to build additional housing on the vacant site and then begin the redevelopment of the older housing. Phase I is for the new construction of additional housing. Unfortunately, our site is not located in a DDA/SADDA/QCT or Areas of Opportunity ("AOO"). Florida Housing Finance Corporation ("FHFC") has acknowledged in the past that the location of public housing agency ("PHA")/HUD-owned sites are pre-determined. Such sites cannot simply be moved to another street, city or county, and are therefore at a complete loss if the sites do not fall into a boost area.

Most PHA sites are in QCTs. However, those that are not and that do not meet any other boost criteria are at a severe disadvantage. A PHA seeking to compete for funding with land already owned, should be able to avail itself of options that increase the feasibility of a development. Properties not located in an area of a boost rarely apply to FHFC because they simply cannot make the deals work without an additional basis boost. PHA deals are even at more of a loss in this situation since they cannot move their sites and PHA deals are more convoluted and often more costly. PHAs make up for the additional costs by having available land and local government support.

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FWBHA is in an optimal situation to assist with the rehousing efforts in the panhandle in the aftermath of Hurricane Michael. FWBHA has sufficient vacant land to develop units without relocating any current residents. We ask for your assistance in finding options to enable FWBHA and other PHAs in the same situation to create the housing needed in the wake of Hurricane Michael.

As FHFC begins the 2019 rule development and updating of the QAP, FWBHA requests that FHFC consider allowing PHA sites to be eligible for the 30% boost. Some options available are:

1. Extending FHFC designated AOO to encompass PHA sites in non-QCT/DDA areas;
2. Providing PHAs a 30% boost on sites that are not eligible any other way by reflecting this as an additional option in Section II.I. of the QAP; or
3. To reestablish the State Apartment Incentive Loan ("SAIL") program set-aside for non-QCT/DDA sites, as in the 2015 Medium/Small Geo RFA, which allowed for such.

Also, additional SAIL could be offered to Bond/SAIL deals in which PHAs do not get the boost. This could provide an additional source for redevelopment/revitalization/new construction on PHA declaration of trust sites.

We sincerely hope that FHFC considers the foregoing options to assist those residents of Florida that truly need assistance,

Sincerely,



Gail Sansbury, Executive Director

Cc: Marissa Button

Florida Association of Housing and Redevelopment Officials