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July 23, 2021

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Re: 2021 RFAs - Mandatory Distance Requirements and Re-Development in Miami-Dade County

Dear Marissa:

Thank you for the opportunity to participate in the RFA rule development process.

Both the 9% HC RFA (2021-203) and SAIL RFA (2021-205) provide ways to automatically qualify for the Mandatory Distance Requirement. One way is by selecting the Redevelopment Development Category; however, stringent requirements are added. We ask that you ease these restrictions to assist Miami-Dade County in its ongoing much needed redevelopment of existing Public Housing communities.

As defined in Chapter 67-48.002, Redevelopment must provide "new construction of replacement structures on the same site maintaining at least the same number of PBRA units" or provide "new construction of replacement structures on the same site, providing at least 25 percent of the total new units with PBRA, ACC, or both, after Redevelopment".

The 25% requirement above appears inconsistent with the 75% requirement below:

To automatically qualify for the Mandatory Distance Requirement, an applicant must in addition to meeting the Redevelopment definition also meet all of the following criteria:

- i Set aside 30% of total units as ELI units
- ii Classify as Rental Assistance (RA) Level 1 or 2. Level 2 requires "greater than 90 RA Units but less than 100 RA Units and greater than 50% of the total units" (see RA Level Chart attached)
- iii Greater than 75% of total units must have Rental Assistance

Where do such limiting rules come from?

Miami-Dade County is currently taking advantage of the HUD Rental Assistance Demonstration (RAD) program to redevelop County-owned PHA sites including adding units where warranted. The County views mixed income development as the best way to create sustainable and diverse communities, and requiring

more than 50% of units as RA units is contrary to that goal. It is contrary to public purpose to do a multiphase redevelopment where most of the RA units are lumped together in one phase, separated from others.

In fact, Miami-Dade County's Solicitations for Redevelopment under the RAD Program do not allow applicants to propose more than 50% of units in any given phase as RA units.

The following example illustrates how it is impossible for a Miami-Dade County RAD Redevelopment to automatically meet the Mandatory Distance Requirement under the current RFA rules:

Total units: 126

Max RA Units allowed by RAD RFP 63 (max 50%)

Min RA Units required by FHFC RFA 95 (min 75% and min 90 units)

A minimum of 90 RA units further exasperates the problem as funding sources available and/or space restrictions limit the size of a development. No development of less than 120 units would qualify as 75% of any total unit count below 120 would be less than the 90 unit RA minimum ($119 \times 75\% = 89$).

FHFC's Large County 9% HC RFA (2021-202) and Medium & Small County 9% HC RFA (2021-201) allow applications that qualify for Local Government Area of Opportunity to automatically qualify for the Mandatory Distance Requirement. The rationale, as we understand it, is that a development specifically targeted by the local municipality will meet a specific public need and is not in danger of causing a competition problem, as best understood by that municipality. We believe that Miami-Dade County's redevelopment initiatives fall into the same category and should be treated the same for consistency.

For any 9% HC or SAIL application, meeting the Redevelopment definition and providing 25% of units as RA Units along with committing to 30% of units as ELI should suffice to meet the Mandatory Distance Requirement.

Your consideration is greatly appreciated.

Regards,

Lewis Swezy President

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