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October 6, 2022

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

**RE: Minimum Number of Units in RFA 2021-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County – 2022/2023 RFA General Process**

Dear Mr. Price and Ms. Button,

On September 28<sup>th</sup> 2022 Florida Housing Finance Corporation ("FHFC") released the 2022-203 Draft RFA for the 2022/2023 RFA Cycle. As far back as 2015, FHFC has made a distinction in the requirements between developments proposed in the portion of Miami-Dade County lying south of SW 224<sup>th</sup> Street (South Dade) and those north of that street ("North Dade"). The draft RFA states the following:

*"A minimum of 75 total units for proposed Developments located in all areas of Miami-Dade County north of SW 224th Street; or..." "A minimum of 110 total units for proposed Developments located in all areas of Miami-Dade County south of SW 224th Street."*

This emphasis on increased density in South Dade historically stems from the availability of larger tracts of land at more affordable prices, which has allowed developers to effectively leverage the construction of more units in the past. The past two years have seen a sharp shift in land prices in South Dade, as it has become highly developed and a place that many locals are choosing to move to after being displaced by the unprecedented rent increases in North Dade. Due to the higher demand for multifamily sites from other market rate developers, it has become harder to secure larger sites as developers are forced to compete with market rate offers that can leverage more sources through rents. We believe it would be beneficial for FHFC to revise the criteria for South Dade to allow developers more flexibility to provide quality developments with the current state of elevated construction costs and the new market conditions in the area.

**CONSIDERATIONS:**

1. **Quality of Units.** Over the last years, prices for construction materials have risen at an unprecedented rate. Due to this sharp increase, developers may be forced to value engineer finishes and/or amenities provided to meet the 110-unit threshold while maintaining economic viability.
2. **Land costs** Land prices for properties in South Dade have increased a substantial amount over the past two years, with pricing almost on par with North Dade in the areas that have the density and zoning needed. South Dade does not have the infrastructure to be completely car-independent yet, and as such larger sites are typically needed to make developments feasible – something that is also harder to find as new construction takes up the available infill sites.



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**SOLUTION:**

**Revise the minimum total units required for proposed developments South of SW 224<sup>th</sup> Street from 110 total units to 75 total units to allow more flexibility for Developers to combat price escalations without succumbing to quality or size reductions.** Reducing the requirement to match North Dade will allow developers to find more development opportunities meeting this criterion, ultimately resulting in more quality affordable units. The change will also help preserve quality living spaces for the tenants in the long term and benefit the community as whole.

Respectfully submitted,

**Housing Trust Group, LLC,**  
a Florida limited liability company

By:   
Rodrigo Paredes, SVP of Development