



City of Palms

**THE HOUSING AUTHORITY
OF THE CITY OF FORT MYERS, FLORIDA**

October 17, 2022

Harold L. "Trey" Price, Executive Director
Marissa Button, Director of Multi-Family Programs
Florida Housing Finance Agency
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Draft RFA 2022-205 Comments

Dear Mr. Price & Ms. Button,

On behalf of the Edison Ave/Dunbar HUD Choice Neighborhoods Implementation (CNI) team, the Housing Authority of the City of Fort Myers (HACFM) thanks you for the opportunity to provide comments on the Draft RFA 2022-205. In our review of the Draft RFA 2022-205, we wanted to make a comment in support of maintaining the Leveraging Classification (Leveraging Level 1-5) process from years prior.

We believe that restructuring the previous year's multi-tiered Leveraging Classification for the 80/20 or A/B cut-off will disincentivize local governments and development partners from making substantial contributions as a construction source. Substantial contributions reduce the SAIL request amount needed per unit. This additional non-corporation funding ultimately provided a competitive advantage to Leveraging Levels, with 1, being the best score, based on the total Corporation SAIL Funding amount per Set-Aside Unit relative to all other eligible Application's total Corporation SAIL Funding amount per Set-Aside Unit. More plainly stated, if you had other funds that either reduced your FHFC funding or provided more units, in which both scenarios' results in a better leveraging of FHFC funding, then you were rewarded and placed higher on the list for funding. This provided the desired effect that FHFC strives for. By resorting back to the 80/20 or even the 60/40 leveraging the developments that have worked hard to obtain additional support are thrown into a pot with other developments that have not provided the support or the better leveraging of corporation and state funding.

Moreover, Leveraging Classification (Leveraging Level 1-5) was an effective way to take the overwhelming power out of the lottery numbers. You have a very competitive chance even with a higher lottery number when in leveraging Level 1 and 2.

Should FHFC decide to implement the change in leveraging then we request that points be given to applicants that have higher contributions. This type of reward is currently provided to self-sourced applicants. They compete in a smaller pool due to the amount of self-source funding that they are providing. Along this line we suggest a sliding scale for "other funding" which was implemented years ago but removed for unknown reasons.

The City of Fort Myers and the Housing Authority of the City of Fort Myers are recipients of a CNI grant for the transformation of the existing Southward Village public housing development in the Edison



Ave/Dunbar Choice Neighborhood, making them the second CNI award in the state of Florida since the program began in 2010.

The Housing Strategy for the Edison Ave/Dunbar Choice Neighborhood includes demolishing the existing Southward Village development and replacing those 199 units with 465 new mixed income housing units on the Southward Village site and on an off-site parcel located in an Area Of Opportunity (3611-3621 Cleveland Avenue). The CNI Plan includes the development of 98 market-rate units and 168 workforce/LIHTC units in four phases. Three phases will be mixed-income family housing and one phase will be affordable senior housing.

While the CNI award of \$30 Million is significant, it was never intended to single handedly fund the CNI Transformation Plan. CNI grants are designed to be leveraged with other local, state and federal resources to fully implement the HUD approved neighborhood revitalization plan. The CNI housing goals can only be accomplished by leveraging the CNI housing budget with other funding programs such as 9% and 4% Low Income Housing Tax Credits (LIHTC), Tax Exempt Bonds, State Apartment Incentive Loans (SAIL), HOME, NHTF, CDBG and/or other multifamily housing funding sources which may be available.

We therefore are keenly interested in all criteria concerning the LIHTC Program and the RFA's applicable to such. It is critical that our applications be competitive and that your requirements do not prohibit our ability to leverage the HUD CNI grant with LIHTC resources efficiently and effectively. The HUD CNI Grant must be fully expended by September 30, 2027. As a result, we must have every opportunity to receive tax credits annually until all four phases of development are funded.

Additionally, with the current situation in Fort Myers, after the wake of Hurricane Ian and the devastation left behind, it is paramount to begin the rebuilding of the area as quickly as possible.

We appreciate your support and partnership and are grateful for the consideration you may give to our comments on the Draft RFA 2022-205 QAP and future RFA's during the CNI grant period. As always, please do not hesitate to let us know if you have questions or need any additional information.

Sincerely,



Marcia Davis - Executive Director
Housing Authority of the City of Fort Myers

