

Ms. Salmonsens,

I am writing to follow up on CAHP's letter dated June 12th regarding timelines for developments involving HUD (attached for reference).

Since that letter was sent, Florida Housing has released draft RFA's which raise the stakes on timelines dramatically; those changes would make it extremely challenging to align Florida Housing resources with available HUD resources without being forced to sit out the following year. The alignment of State and Federal resources is one of the primary ways to accomplish the critically needed redevelopment of outdated existing affordable housing, which is one of the strategic priorities referenced in the Live Local Act. FHFC has also made redevelopment a priority based on the Choice Neighborhoods Grant Goal included in the latest SAIL RFA draft.

I am hopeful FHFC will consider revisiting CAHP's attached proposal in light of the recent changes to the RFAs.

**KENNETH NAYLOR** | PRESIDENT - DEVELOPMENT  
ATLANTIC | PACIFIC COMPANIES  
161 NW 6 ST | SUITE 1020 | MIAMI FL 33136  
305.357.4713 | [knaylor@apcompanies.com](mailto:knaylor@apcompanies.com)



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1400 Village Sq. Blvd.  
Suite 3-250  
Tallahassee, FL 32312  
850/222-6000  
www.floridacahp.org

June 12, 2023

Florida Housing Finance Corporation  
c/o Jean Salmonsens  
227 North Bronough Street, Suite 5000  
Tallahassee, FL 32301

Dear Ms. Salmonsens,

In several recent RFA workshops, Florida Housing has expressed a willingness to hear stakeholder feedback on ways to incorporate the reality of working with HUD within FHFC's timelines. This morning CAHP met and came to consensus on the following suggestions, which would ensure that the Applicant has done what they need to do with respect to HUD at the appropriate time, but accounts for the fact that HUD's processes and timelines are not under the Applicant's control and can be unpredictable.

Deadlines for 9% developments that involve HUD

Current 9% LIHTC Carryover Agreements issued by the Corporation require that the Owner finalize the underwriting report, close on the tax credit partnership and commence construction by a certain date, typically September 30th of the year following the Carryover Agreement if the Carryover is issued in December. We propose that if a development has HUD rental subsidy, HUD development funding, or HUD insured mortgage financing, in lieu of a penalty for not closing and commencing construction by September 30th, the Owner should be required to submit evidence to Corporation staff that they have submitted the Financing Plan, Subsidy Layering Review Package, rental subsidy transfer documentation, or Firm Commitment Application, or similar necessary documentation for the applicable process to HUD or the public housing agency 90 days prior to the FHFC closing deadline. As long as the relevant application is submitted to HUD or the PHA 90 days before the closing deadline, the Applicant will avoid a penalty in a future RFA.

Deadlines for SAIL developments that involve HUD

Current rules require that an Applicant close on financing within 180 days of receipt of the Firm Commitment to avoid a penalty in a future RFA. We propose that if a development has HUD rental subsidy, HUD development funding, or HUD insured mortgage financing, the Applicant should be required to submit evidence that they have submitted their Financing Plan, Subsidy Layering Review Package, rental subsidy transfer documentation, or Firm Commitment Application, or similar necessary documentation for the applicable process to HUD or the PHA within 60 days of receipt of their Firm Commitment from Florida Housing. As long as the Applicant submits this documentation timely, the Applicant would avoid a penalty in a future RFA.

Thank you for the opportunity to provide input.

Sincerely,

Ken Naylor  
Chair  
Coalition of Attainable Housing Providers of Florida, Inc.