

Centennial Management Corp
7735 NW 146 Street, Suite 306
Miami Lakes, FL 33016
305-821-0330

October 24, 2023

Dear Ms. Salmonsen:

Thank you for the opportunity to participate and provide input in the formulation of RFA 2023-213 SAIL Funding for Live Local Mixed Income, Mixed Use, and Urban Infill Development.

We would like to comment and offer suggested changes regarding the below requirement:

The current draft of the RFA provides the following criteria for Developer Experience:

At least 1 of the 3 developments must have (i) been financed with either 9% or 4% Housing Credits; AND (ii) included at least 25% of the units as non-Housing Credit units.¹

We believe the requirement to have Developer Experience involving projects that combine Housing Credit (HC) and Non-Housing Credit units may be unnecessary for the following reasons:

- Development, construction and financing of a HC development with non-HC units is no different from that of a HC only development.
- A developer with the experience typically required by FHFC will have equal access to investors and lenders that have applicable mixed income experience
- The only difference between HC only developments vs developments that combine HC and Non-HC units lies in the property management and marketing stage when different strategies are needed to operate successfully in a more competitive market-rate environment.
- The 25% requirement is restrictive to the point that very few (maybe only a couple) of developer principals have the required experience. We believe this draft requirement may inadvertently marginalize competition and reduce the

¹ See Draft RFA 2023-213 (dated 9-27-23) at pg. 11

qualified developer pool to the point where proximity preference and leverage scores become irrelevant and funds could even end up being left unused.

The Developer Experience requirements that are commonly used by FHFC in its RFAs are well formulated and will accomplish the goal of the subject RFA.

As an alternative, we propose adding to the Management Company experience a requirement to have managed at least one market rate development, with or without HC-units being a part.

A proposed change to the Developer Experience Requirements was distributed on October 19, allowing Income Averaging experience as an option to experience with HC development with at least 20% of units as Non-HC units.

We agree with this change, but the way it is written, it may not amount to much of a change, if any:

- Allowing Income Averaging as an alternative to the minimum 20% non-HC units experience makes sense. However, this does not really accomplish much if 5 points less are awarded to applicants that select the Income Averaging option compared to those that select the 20% non-HC unit option. Less than maximum points more often than not results in the applicant being eliminated from consideration.

Regards,



Lewis Swezy
305-720-3350