



**HILLSBOROUGH COUNTY
HOUSING FINANCE AUTHORITY**

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Michael F. Kelley, Chairman
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c/o Mary Helen Farris, Esq.
 Hillsborough County Attorney's Office
 601 East Kennedy Blvd., 27th Floor,
 Tampa, FL 33602
www.hillsboroughcountyhfa.org

Mr. Trey Price
 Executive Director
 Florida Housing Finance Corporation

Re: Local Government Areas of Opportunity

Dear Trey:

I am writing as Chairman of the HFA of Hillsborough County to urge the continuation of the Local Government Areas of Opportunity Funding without change. This has been a great success, leading to the selection of superior developments in the award of 9% Housing Credits, which have the full financial support of their local government.

What do we mean by "superior"? The developments selected for the local preference in Hillsborough County agreed to 100% of the units to be set-aside in perpetuity, with 15%-20% of those for extremely low income residents. Additionally, the unit and development amenities, as well as the energy efficiency standards, exceeded those required by FHFC.

	Hillsborough County Developments	FHFC Standards
Length of Set-Aside	Perpetuity	50 years
Extremely Low Income %	15%-20% ELI	10% ELI
Percentage < 60% AMI	100%	40%
Energy Efficiency	Exceeds FHFC standards	
Unit & Development Amenities	Exceeds FHFC standards	

Additionally, the two developments selected by Hillsborough County are 200 feet from a Geographic Area of Opportunity (funded) and in a Geographic Area of Opportunity (not funded). There is clearly not a compatibility problem between local preference and the selection of development in Geographic Areas of Opportunity.

Now, FHFC proposed funding two Geographic Area of Opportunity deals—overriding the local preference. The existing system is working well and is not in need of change. The proposed new system is a step back toward lottery selection of deals, rather than a measured public purpose analysis.

Additionally, the proposed process for implementing the Geographic Area of Opportunity priority is deeply flawed. It will lead to confusion, more applications, and more litigation.

A lottery would not have resulted in affordability in perpetuity. A lottery would not have resulted in 20% of the units for extremely low income residents. A lottery would not have resulted in development and project amenities and energy efficiency standards that exceed FHFC's requirements—all while keeping costs at a reasonable level. The new FHFC proposal will fail on all of these counts.

Local governments do not get to exercise this option for free. It takes a substantial financial commitment. The HFA of Hillsborough County, with its limited resources, felt so strongly that this was a superior method of allocating Housing Credits, with a demonstrably better result for our County, that it committed its own funds for this support. If this system did not result in a superior development being selected, the HFA would never have provided the support.

The HFA of Hillsborough County strongly urges the continuation of this program without a Geographic Area of Opportunity override. I am ready to discuss this in more detail with you or members of your Board or staff.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael F. Kelley".

Michael F. Kelley
Chairman