

South
Florida
Regional
Planning
Council



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FLORIDA HOUSING
FINANCE CORPORATION

August 18, 2014

Mr. Ken Reecy
Florida Housing Finance Corporation
227 North Bronough Street
Tallahassee, FL 32301

Ms. Nancy Muller
Florida Housing Finance Corp.
227 North Bronough Street
Tallahassee, FL 32301

Re: Proximity Scores

Dear Mr. Reecy and Ms. Muller:

The South Florida Regional Planning Council oversees development in Monroe, Miami-Dade, Broward and Palm Beach County. In this role, we are vitally interested in the provision of affordable housing to our residents. In this regard, we want to assure our constituency that the affordable housing being provided is cost effective, encourages social interaction and spread fairly throughout each county.

In particular, we are aware that Florida Housing Finance Corporation's current (FHFC) tiebreaker rules defines proximity to a 3-route/express bus, a grocery store, a medical center and a pharmacy in determining the applicant with a perfect application, and that the largest South Florida counties need a higher score than other large counties in the State for "perfect" proximity. Accordingly, this letter is to respectfully request that a perfect score for Miami-Dade and Broward be reduced to 12.25 points, just as the other five large Florida counties. This recommendation is supported by both Broward and Miami-Dade Counties.

There are several reasons for this request: the delivery of cost-efficient housing, housing that includes green space for its residents, and even bringing more fee income to the FHFC.

From a cost perspective, requiring a score of 13.75 points has meant that the vast majority of the applications you are receiving in Dade and Broward counties are for high rise buildings. This is forced upon those counties because in order to achieve 13.75 points, a selective group of primarily urban infill sites can meet that high threshold. Urban infill sites only have small lots for development, and therefore can only be developed as high-rises.

And, even worse, the truly needy areas such as Liberty City, which is a grocery desert with only one grocery on the south side, are for all intents and purposes redlined as they cannot achieve 13.75 points. Compounding the problem, for example, is that on the important east-west NW 79th Street artery in Liberty City, the buses are only 1 and 2 stop buses. As a result, potential sites start out at most at 14 points, as they lose 4 points just because the buses don't meet the FHFC criteria to be either an express bus or a three stop bus.

We feel it is not cost efficient to deliver high rise units that cost upwards of \$275,000 per unit. By *de facto* leaving out many lower density garden style development sites, the FHFC is reducing the number of units that can be built in Miami-Dade and Broward. If "perfect" proximity was reduced to the 12.25 point threshold required of the other large counties, FHFC would open up the process to lower cost projects and build almost double the number of units.

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With the FHFC now limiting Miami-Dade County to only two new construction projects per annum, doubling the number of units truly is a large issue, as the County has over 80,000 cost burdened households, far and away the highest in the State. Broward has the second highest number of cost burdened households in the State.

Paradoxically, with only 80-100 high rise units capable of scoring sufficient points, this means that Miami-Dade and Broward will get fewer units than other large counties with considerably less unmet needs. This is not the result we believe the FHFC intended with its scoring.

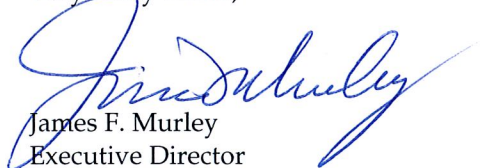
Social issues are also important here. In the early 2000s, when for-sale housing took off, the affordable housing developers were forced to look at lower priced urban infill lots for development. Since then, almost all of the affordable housing built in Miami-Dade County has been high-rise, very expensive construction. Unfortunately, with high-rise construction comes a distinct lack of green space and open-air amenities.

We do not think it is good policy that affordable housing residents in Miami-Dade and Broward effectively to be forced into only these high-rise affordable housing communities (primarily due to requiring 13.75 points for those two counties). This severely impedes the ability to deliver lower density housing that has public outdoor green space and other important community amenities such as clubhouses, pools, playgrounds, and basketball and volleyball courts. Also, the vast majority of the high rise units are significantly smaller in size than the garden style affordable housing units (because of the extremely high cost).

Lastly, more eligible applications mean more fee income to the Corporation. That fee income assists the Corporation in providing more affordable housing services to Florida residents.

We welcome your feedback and thoughts on the enclosed and how we can work together to deliver more affordable housing to the residents of Miami-Dade and Broward counties.

Very Truly Yours,



James F. Murley
Executive Director

JFM/im