

October 7, 2014

Ms. Nancy Muller
Policy Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Data to Support USDA RD 515 Goal in Preservation RFA

Dear Nancy,

This letter and attachments will provide data to support a \$1.8 million dollar set-aside within the Preservation RFA for existing USDA RD 515 developments.

The 2013 Rental Market Study for Public and Assisted Housing from the Shimberg Center and available on the FHFC web site shows the following (summarized in attached excel spreadsheets):

- ▶ USDA RD developments represent 29% of the total Preservation Developments at Risk.
- ▶ Developments built 15–30 years ago represent the largest group of at risk Developments.
- ▶ Family developments represent 58% and Elderly represent 27% of the at risk units.

If you have any questions or need clarification on any of this information, please do not hesitate to contact me at (727) 754-8461. Thank you for your time and consideration.

Sincerely,

FLYNN DEVELOPMENT CORPORATION



Angela F. Hatcher
Financial Coordinator

Cc: Steve Auger, Executive Director, FHFC
Ken Reecy, Director Multifamily Programs, FHFC
Kevin Tatreau, Director of Development Finance, FHFC
Richard Machek, USDA RD State Director
Nigel Parish, USDA RD Multifamily Programs
Richard S. Miscuk, President, FL CARH

Preservation Developments at Risk

AGE of Property	HUD	FHFC	RD	LHFA	Total
15 - 29 years old:	232	348	271	63	914
	25%	38%	30%	7%	

Target Population (# of Developments)

Elderly	147	18%
Family	478	60%
Elderly/Family	52	7%
Other	<u>121</u>	15%
	798	

AGE of Property	HUD	FHFC	RD	LHFA	Total
30 years or older:	301	26	126	19	472
	64%	6%	27%	4%	

Target Population (# of Developments)

Elderly	181	239%
Family	232	54%
Elderly/Family	2	12%
Other	<u>17</u>	4%
	432	

TOTAL Combined:	HUD	FHFC	RD	LHFA	Total
	533	374	397	82	1,386
	38%	27%	29%	6%	100%

Target Population (# of Developments)

Elderly	328	27%
Family	710	58%
Elderly/Family	54	4%
Other	<u>138</u>	11%
	1,230	100%

Difference between target population 1,230 and 1,386 are expiring mortgages/LURAs.

Tax Credit Allocation Distribution*Used for Reference***Updated per Timeline in Board Package approved 9/19/2014****2013-2014****(amounts from timeline for each RFA)**

RFA	28.13%	\$11,166,425	Medium County	
	3.30%	\$1,308,328	Small County	
	19.90%	\$7,898,649	Large County	total Large combined
	25.32%	\$10,052,825	Large County	45.22%
	5.54%	\$2,200,000	Supportive Disabilities	
	13.53%	\$5,369,334	Preservation	
	4.28%	\$1,700,000	PHA	
	100.00%	\$39,695,561	Total Credits	

Last year Preservation RFA funding results:

Submitted Apps:	33
# Funded:	6
Total Amount Allocated:	\$5,348,131
# of Family Units:	111
# of Elderly Units:	535
total units:	646

1 (USDA/RD) = 60 units or 10% of total units

1 (USDA/RD) = \$365,000 or 7% of Allocation Available

2015**(amounts from timeline for each RFA)**

	5.00%	\$2,300,000	Supportive Disabilities	
	3.29%	\$1,513,170	Small County	
	28.08%	\$12,914,730	Medium County	
	45.14%	\$20,762,100	Large County	
	5.00%	\$2,300,000	Local Govt Redevelopment	<u>(5% High Priority defined by Board)</u>
	13.50%	\$6,210,000	Preservation	
	100.00%	\$46,000,000	Total Credits	

Recommendation for Preservation RFA:

Allocate a goal to fund up to \$1.8 million for existing USDA/RD 515 properties with 90% USDA/RD rental assistance.

29% of \$6,210,000 Preservation = \$1,800,900

Recommendations for Preservation RFA:

1. Allocate a goal to fund up to \$1.8 million for existing USDA/RD 515 properties with 90% USDA/RD rental assistance.
29% of Preservation Allocation \$6,210,000 = \$1,800,900

2. Use 1995 for Year Built Preference in Ranking (if any).

3. Remove Concrete Construction as Preference in Ranking (similar to what is in S M L RFAs).

4. **PROXIMITY:**

USDA properties were originally built in areas with less than 10,000 in population. HUD properties are Urban, USDA are Rural.

a. Add USDA Proximity Point Boost:

Same as PHA boost, verified by USDA that property is & will remain in existing USDA loan portfolio.

b. Revise minimum scoring requirements for eligibility and for proximity preference.

c. Revise scoring radius for Small & Medium Counties.

d. Remove the minimum Transit Services Requirement in Large Counties for existing USDA RD properties.