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FLORIDA HOUSING  
FINANCE CORPORATION

July 24, 2017

Harold L. Price  
Executive Director  
Florida Housing Finance Corporation  
227 North Bronough Street, Suite 5000  
Tallahassee, Florida 32301

Dear Mr. Price:

The City of Sarasota would like to comment on the proposed changes to the Low Income Housing Tax Credit (LIHTC) and State Apartment Incentive Loan Program (SAIL) Programs that were discussed at your June 16, 2017 Workshop.

The City of Sarasota strongly believes that public policy decisions should be made with the idea of using scarce resources in the most efficient use possible. We are concerned that several of the proposed changes discussed at the workshop would function as a step backwards away from making quality policy decisions and instead would be a return towards randomly funding projects without serious local input.

**The City of Sarasota strongly objects to the proposed removal of the local contribution requirement.**

For the past 15 years, the City of Sarasota and Sarasota County have urged the Florida Housing Finance Corporation (FHFC) to allow local governments to have significant input into the projects that are funded within their community. We have suggested many alternatives to the lottery system that makes public policy decisions based upon chance rather than what is best for the local community. The suggestions included:

- Identifying which medium counties had the greatest need through objective data and distributing funds and allowing the counties to determine the selected projects based upon that data;
- Limiting applications to one in each medium county so that local government would have the ability to submit one application in the area where it is most needed, using locally designed criteria and then having FHFC select the project through a competitive process; and
- Providing funding to each county on a rotational basis. Each county would be awarded funding in a specific year and then that county would select the project rather than FHFC.

The proposal by FHFC to eliminate the local government contribution would remove the local government roll in the selection of FHFC projects. It makes public policy decisions based upon random luck instead of allowing those who know most about the projects and the community need to evaluate and select the best possible project for funding within a community. This is worst possible way to create public policy.

For these reasons, the City of Sarasota strongly objects to the proposed removal of the local contribution requirement.

**The City of Sarasota recommends the expansion of the Local Government Area of Opportunity Concept to include medium counties**

Sarasota was encouraged that the FHFC developed the Local Government Area of Opportunity Funding for large counties. For the first time, FHFC allowed large counties to designate the projects that would be funded within their communities. The concept was hugely successful. Not only did the selected projects allow for the redevelopment of neighborhoods, it also allowed financial assistance to implement long delayed community plans. It also provided, in some cases, longer affordability periods than those required by FHFC.

The process was so successful that it should encourage FHFC to expand the concept to include medium counties. Each medium county and jurisdiction could provide additional local match to those projects that were favored by the local community. If a lottery must be conducted, it should be limited to one development selected by the county and one development in each of the cities within that county.

Expanding the Local Government Area of Opportunity concept to include medium counties would allow local governments to prioritize projects within their jurisdictions and allow a mechanism for the best community project to be funded rather than selection by lottery.

**The City of Sarasota strongly encourages FHFC to allow local governments to prioritize projects for funding in all RFA processes.**

The FHFC has recently expanded its funding process to provide housing using targeted RFAs. Sarasota is in support of this concept. However, these RFA selection processes do not always provide for local government input in the selection process.

For example, recently FHFC issued RFA 2017-103 Housing Credit and SAIL Financing for Homeless Persons and Persons with a Disabling Condition. That RFA did not allow for local government input into the selection process.

Sarasota is committed to expanding the number of permanent supportive housing units to house special needs and homeless residents. The city was approached by two developers who wanted to apply for FHFC funding. One of the proposals was clearly favored by the City because it was located outside of an area of low income concentration and was located near public transit and jobs. The other was located across the street from an emergency shelter and feeding site.

One would anticipate that FHFC would work with the local government to fund the project that was compatible with local preferences and which would not exacerbate the existing neighborhood problems. However, because the FHFC did not require a local contribution or any other form of local input, Sarasota had no opportunity to provide input into which of the two projects were better for our community. The problem was eliminated when one of the projects withdrew their application. However, this situation shows why FHFC needs to stop this practice and require local contributions or local input on each of the programs that it funds.

Finally, we feel the need to respond another public comment that referenced Sarasota.

The public comment erroneously states that by limiting the local contribution to our two local public housing agencies that this action was contrary to Sarasota's legal duty to affirmatively further fair housing and was perpetuating existing racial residential segregation. The author failed to mention in their response that one of the developments that Sarasota provided a local contribution to was in a neighborhood that is 98.14% white. The author also failed in their response to recognize that the Supreme Court opinion specifically stated that it was not the intent of the court to prevent communities from spending resources to eliminate dilapidated housing in areas of minority concentration.

In conclusion, Sarasota believe that eliminating the local government input and moving back towards a system of decision making by chance is the worst possible way to implement public policy. Sarasota urges you to both maintain and expand upon the concept that allows local governments to have input and determine the projects that are best for their local community.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas W. Barwin". The signature is written in a cursive style with a large initial "T" and "B".

Thomas W. Barwin  
City Manager