



An All-America City

April 20, 2016

Steve Auger
Executive Director
Florida Housing Finance Corporation
227 North Brounough Street, Suite 5000
Tallahassee, FL 32301

RECEIVED
16 APR 25 PM 12:02
FLORIDA HOUSING
FINANCE CORPORATION

RE: Expansion of Pilot Qualified Local Government Funding Preference

Dear Mr. Auger:

I have been directed by the Tallahassee City Commission to express the City's interest in being considered as a pilot location for the expansion of the Pilot Qualified Local Government Funding Preference Program which was recently utilized for Duval County. It is our understanding that due to the success of the Pilot Project in Duval County, this approach is being considered for full implementation as part of the Low Income Housing Tax Credit (LIHTC) distribution process for large counties. The City of Tallahassee is asking that the Florida Housing Finance Corporation consider establishing a similar pilot in Tallahassee for the small to medium county funding category.

The competitive nature of the tax credit application process makes it very difficult to factor this source of funding into a community's redevelopment strategy. Because the tax credit funding is usually oversubscribed, funded projects are often selected based on a lottery system. This greatly limits the potential to use tax credit funded development as a catalyst for the kinds of collateral development which could address conditions which drive the need for affordable housing such as poverty and unemployment.

We support the rationale behind Pilot Program approach which allows local government to play a larger role in prioritizing which projects best support the local community's affordable housing goals. As you know, housing is an important element of community development and revitalization. The City of Tallahassee and Leon County, along with other public and private sector partners, have identified a targeted area for redevelopment and investment which has been submitted for a federal Promise Zone designation. The City is focusing it resources to address the housing, human service, public safety and economic development needs of this targeted area.

The Tallahassee Housing Authority (THA) is attempting to redevelop the Orange Avenue Public Housing facility which is located in the Promise Zone. The proposed redevelopment of the Orange Ave. property would support our larger redevelopment goals as well as preserve and enhance available affordable housing in the community. THA has been unsuccessful in obtaining funding through the tax credit competitive funding process. This is an example of the kind of project which would be a City priority.

I recognize that the part of the criteria used in the Duval pilot program was a local government contribution amount which is higher than the amount required under the standard tax credit application process. I believe the City would be willing to consider this, though the formula for calculating the match requirement should be adjusted to reflect the more limited resources available to small and medium counties.

I would welcome the opportunity to discuss this matter with you and your staff. The City of Tallahassee and the Florida Housing Finance Corporation have a long working relationship. It would be of great benefit to both of our organizations if we could launch a successful pilot program here in Tallahassee. Should you require any further information, please do not hesitate to contact me at 850-891-6457.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Parker". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Michael Parker

Director

Community Housing & Human Services

Cc: Raoul Lavin, Assistant City Manger