ATLANTIC PACIFIC
COMMUNITIES

June 4, 2019

Florida Housing Finance Corporation
c/o Trey Price
c/o Marisa Button
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: Miami-Dade Geo 9% Housing Credit RFA – Priority I Application Cap

Dear Mr. Price and Ms. Button,

With respect to the proposed Priority I application cap in the Miami-Dade County RFA, we believe there would be far greater public benefit resulting from the Florida Housing Finance Corporation ("FHFC") focusing on ways to raise the competitive bar for Applicants, instead of simply limiting competition via a priority cap. We have concerns about the public benefits as well as the enforceability of this "app cap" policy, and we are eager to see the specifics of this proposed policy.

In formulating its policy, we hope that FHFC will consider that the proposed Priority I application cap seems to run contrary to many of local government's policy priorities – namely, developing affordable housing in partnership with non-profits including local governments, Transit-Oriented Development, and redevelopment of housing authority properties.

Since 2015[1], FHFC has incentivized developments that are prioritized by local governments through the Local Government Area of Opportunity (LGAO) designation. Much of the time, local governments choose to support Public-Private Partnership ("PPP") sites developed on government-owned (usually housing authority, transit authority, or CRA) land. PPP sites are competitively procured based on criteria prepared by the local government and other local stakeholders. The resulting development programs typically include long term, multi-phase commitments. Although FHFC has elected not to implement the LGAO in the Miami-Dade RFA and has now also proposed eliminating the Local Revitalization RFA, Miami-Dade County and local municipalities have done an excellent job of adapting to FHFC's system by creating a sufficiently large pipeline to allow PPP sites to be funded each cycle.

We urge FHFC to consider the unintended consequences this application cap policy will have on local government's priorities. Generally, PPP sites are more challenging to develop than privately-owned sites because they are on a long-term ground lease and have less residual value to the developer as well. An unintended consequence will be that fewer PPP sites will be submitted to FHFC in a given cycle, and local governments would find themselves with less competition for

[1] RFA 2015-107 Duval County Local Government Qualifying Financial Assistance Funding Preference

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those sites. A similar fact pattern and likelihood of unintended consequences exist on sites owned by non-profits as well.

As FHFC considers this issue, we recommend that FHFC waive the Priority I application cap for PPP sites and those owned by non-profit organizations.

Respectfully submitted,

Kenneth Naylor
Chief Operating Officer

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