

**From:** Brian Parent <[bjparent@comcast.net](mailto:bjparent@comcast.net)>  
**Sent:** Tuesday, May 5, 2020 10:41:44 AM  
**To:** Marisa Button <[Marisa.Button@floridahousing.org](mailto:Marisa.Button@floridahousing.org)>  
**Subject:** RFA/Rule comments

Marissa,

Thank you for the opportunity to comment on the RFA cycle. These comments also may relate to the Rule as well.

1. We support your efforts to incorporate the priority designation to additional RFA's in the upcoming cycle similar to this past Miami/Dade RFA. We strongly believe that the priority system will increase the quality of applications that are submitted as well as reduce the ability of one development company to effectively control some of the variables within the selection criteria. However, in order for the priority designation system to be effective we suggest incorporating strong penalties for those that choose to circumvent the priority criteria. This could be accomplished by including strong penalty language in the RFA as well as including a broad definition for related parties. If there aren't strong penalties, then the system will not work as intended. Our suggested language is as follows:

**Penalty Language for Priority Designation**

"FHFC may reject any Application in (current RFA 20xx-xxx), and all subsequent Applications within the following 24 month period, made by an Applicant who has been deemed to use a Related Party, through a Direct or Indirect Interest, with the intent to exceed the maximum number of Priority I Applications, as stated in (current RFA 20xx-xxx).

**Suggested Definitions (Rule and/or RFA)**

"Interest - Direct or Indirect" refers to a person or entity having ownership, financial or controlling interest in another entity.

"Related Party" means a relative (including but not limited to grandfather, grandmother, father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister) of any Principal or any entity that shares common Principals, executive directors, board members, or officers.

2. We are concerned that shifting to a proximity levels system with five proximity levels will only accentuate the upward pressure on land prices as the highest scoring sites will become that much more in demand. In lieu of shifting to this type of scoring system, we believe that the strong priority designation system suggested above will already result in fewer applications, along with higher quality applications mitigating the need for a major shift in the proximity scoring criteria.
3. Developer Points. The March 4<sup>th</sup> workshop agenda reference providing points for development teams that have not had numerous extensions/exchanges on prior application deadlines. We

strongly support this criteria, along with the use of the broad Related Party definition above. While there are times when the need for an exchange/extension fall out of the developers control and are deserving, far too often we see multiple extensions and exchanges on developments in the credit underwriting process. Many times these are the result of applications that are not as “ready to proceed” as they should be at the time of application. The result of these extensions is rewarding lesser quality applications that can’t meet their timing obligations over applicants that actually could have met the requirements. Including this additional scoring criteria will certainly result in fewer developments requiring so many extensions. As a result, more units will be placed in service sooner and more of these limited financial resources will be put to work as intended. This would also be consistent with the Rule, which has “Effects Clauses” that do not allow so many extensions.

Thank you for your consideration of these comments and your efforts to continually improve the RFA process.

Brian Parent  
JPM Development LLC