

From: Mike Molinari [mmolinari@sphome.com]
Sent: Wednesday, January 08, 2014 12:09 PM Eastern Standard Time
To: Ken Reecy
Cc: Steve Auger
Subject: Public Comment - SAIL

Dear Ken,

Thank you for the opportunity to comment on the upcoming SAIL RFA.

Suggestion 1: Do away with the goal of 1 new construction development per Geographic Category.

Suggestion 2: If the goal of 1 new construction development per Geographic Category is to remain, do not have the goal apply to the County test.

Suggestion 3: Maintain the funding balances per Geographic Category but fund the highest ranked deals first regardless of their Geographic Category.

The current draft of the SAIL RFA provides for a goal of 1 new construction development per Geographic Category, includes the County Test and calls for a selection process that begins with small counties and proceeds through large counties. Additionally, all eligible applications will be considered for funding at the time of ranking. The combination of the factors listed above without any material penalty for withdrawing an application prior to ranking and/or prior to acceptance of an invitation to credit underwriting leaves the SAIL funding process heavily exposed to gamesmanship.

Over the years, FHFC in one form or another has awarded SAIL primarily based on SAIL request per set-aside unit. This policy has successfully provided thousands of affordable units that otherwise would not have been built. Diverting from the SAIL request per set-aside unit ranking criteria for nearly half the funding available in the upcoming SAIL RFA will lead to a significantly less number of affordable units provided statewide.

Suggestion 1: Do away with the goal of 1 new construction development per Geographic Category.

Suggestion 2: If the goal of 1 new construction development per Geographic Category is to remain, do not have the goal apply to the County test.

Suggestion 3: Maintain the funding balances per Geographic Category but fund the highest ranked deals first regardless of their Geographic Category.

Sincerely,

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