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To: Ken Reecy <Ken.Reecy@floridahousing.org>; Steve Auger <Steve.Auger@floridahousing.org>

Subject: Comment Regarding RFA 2015-108 for Miami-Dade County

In connection with RFA 2015-108 for Miami-Dade County, we propose the following:

1. Award additional 9% LIHTCs to Miami-Dade County:
 - a. Request: Award additional LIHTCs in RFA 2015-108 for Miami-Dade County to allow for a 3rd development to be funded.
 - b. Reasoning:
 - i. According to the "2013 Rental Market Study: Affordable Rental Housing Needs" (http://apps.floridahousing.org/StandAlone/FHFC_ECM/ContentPage.aspx?PAGE=0399), Miami-Dade County has the greatest need for affordable housing.
 - ii. Miami-Dade County has now routed SURTAX funding to other preferences (mixed-income developments with 80% unrestricted market rate units) which will likely impede the development of new affordable housing in Miami-Dade County.
 - c. Possible Solutions:
 - i. Allocate left over LIHTCs from other 9% RFAs to RFA 2015-108 for Miami-Dade County.
 - ii. There are excess LIHTCs in RFA 2015-107 (according to the most recent draft) even if all of the 6 Large County developments awarded LIHTCs in that RFA have Max Request Amounts with the QCT/DDA boost.
 - iii. Use the binding future commitment language already in the current draft to allow for a 3rd development to be funded in Miami-Dade County.
2. Add a new Goal to fund a less costly development with a larger number of units in Miami-Dade County:
 - a. Request: Add a new second Goal to fund a Garden Style development with at least 120 units in Miami-Dade County.

b. Reasoning:

- i. Currently, the latest draft of RFA 2015-108 for Miami-Dade County has a Non-South Miami Goal (north of SW 224th Street) which has a minimum of 75-units. The 75-unit minimum makes sense because of the difficulties in locating parcels of land north of SW 224th Street which are sufficient to build larger developments that are financially feasible, since such developments commonly need to be Mid-Rise or High-Rise with structured parking. Due to the significant costs associated with such expensive developments types, and given the current Max Request Amounts in Miami-Dade County, it's very difficult to provide developments with a sufficient quantity of units necessary to meet the unmet demand.
- ii. Over the last 3 years (since the switch to 9% Geo RFAs), there have been no 9% LIHTC allocations in Miami-Dade County for new developments with greater than 100 units, notwithstanding the higher Miami-Dade County Max Request Amounts. This has the effect of not allowing FHFC to provide the most units per LIHTC.
- iii. Further, these smaller-scale new developments not only fail to maximize the units developed per LIHTC, but also create a far less than optimal development paradigm, where there are projects with higher relative development costs with project sizes that do not provide for favorable operational efficiencies (i.e., the smaller unit numbers preclude economies of scale in staffing utilization and lead to much higher fixed/non-controllable costs per unit for items such as property taxes and insurance than would otherwise be readily achievable with a larger, garden-style product).
- iv. There are areas in Miami-Dade County, which are not as far south as Homestead but are South of SW 224th Street, that have enough land to build Garden Style developments with surface parking. In fact, many of those areas have special New Urbanism zoning overlays (<http://www.miamidade.gov/zoning/districts-urban-center.asp>) and are inside or close to CRA areas (<http://www.miamidade.gov/cob/county-commission->

[appointed-cras.asp](#)) and Revitalization Areas (<http://www.miamidade.gov/housing/neighborhood-revitalization-strategy-areas.asp>) and are all in need of affordable housing.

- c. Possible Solution: Increasing the amount of LIHTCs for RFA 2015-108 in Miami-Dade County and allowing a 3rd development to be funded with a binding future commitment, if necessary, as per our first request, will allow FHFC to create a new second Goal for Miami-Dade County for a Garden Style development with at least 120 units which is north of SW 288St. (where Homestead begins - <http://www.cityofhomestead.com/DocumentCenter/Home/View/119>). If the first Goal for Miami-Dade County has the effect of less new units being built in the county with the most demand, then this new second Goal will serve to counteract that effect (and associated negative cost and operational outcomes associated with the first Goal) by prioritizing a new Garden Style development with at least 120 units.