



September 5, 2016

Re: Opposition to Reducing the 50-Year LURA

Mr. Steve Auger, Executive Director
Florida Housing Finance Corporation
Via email

Dear Steve:

The Florida Housing Coalition's mission is to provide training and technical assistance. Advocacy, other than for full appropriation of Sadowski Housing Trust Funds, is a minor part of our work. But some public policy issues are so central to our mission and so perilous a threat to low-income Floridians, that our organization must take a stand. Long-term rental affordability is that public policy issue.

Florida's affordable rental housing crisis has never been worse, particularly in our desirable metropolitan areas. We won't be able to meet this need solely through new development; we therefore cannot afford to lose the existing affordable housing we have now. If the 50-year affordability requirement for 9% tax credits is to be changed, it should be made longer, not shorter.

The 9% tax credit program in Florida is dominated by affordable housing developers who are in business to make a profit. Business is good. The 9% tax credits are oversubscribed and dearly competitive. So long as FHFC finds that for-profit developers are competing for tax credits that come with a 50-year LURA, there is no public policy purpose to be achieved by shortening the term of affordability. Indeed, the only purpose in shortening the term of affordability is to provide a financial windfall to the owners of affordable housing properties as they sell those properties for luxury housing.

The current focus on providing affordable housing in areas of opportunity is directly and negatively impacted by a reduction in long-term or perpetual affordability. It is precisely the properties in areas of opportunity that will be lost from the affordable housing inventory when the affordability restriction expires. For this reason, reducing the LURA 50-year term of affordability is likely to have a disparate impact on populations protected by the Fair Housing Act.

Preserving Florida's affordable housing inventory should be the highest priority for FHFC. Florida has a finite amount of developable land. Even if an existing affordable apartment building is demolished rather than rehabilitated, the public will benefit if that is restricted to redevelopment for affordable housing.

If the FHFC is going to make a change to the term of affordability, we urge you to increase, not decrease, the number of years that affordable rental housing remains affordable. Thank you for your consideration.

Respectfully submitted by:

Jaimie A. Ross, *President & CEO*

BOARD OF DIRECTORS

George Romagnoli, Chair

Pasco County Community Development

Ed Busansky, Immediate Past Chair

First Housing Development Corporation

Aileen Pruitt, Vice Chair

PNC

Robert Von, Secretary

Meridian Appraisal Group, Inc.

Ben Johnson, Treasurer

Seltzer Management Group, Inc.

Mark Hendrickson, At Large

The Hendrickson Company

Jeff Kiss, At Large

Kiss & Company, Inc.

Melvin Philpot, At Large

Duke Energy

Bob Ansley

Orlando Neighborhood Improvement Corporation

Stephanie Berman

Carrfour Supportive Housing

Suzanne Cabrera

Housing Leadership Council of Palm Beach County, Inc.

Charles Elsesser

Florida Legal Services

Bradford Goar

Florida Power and Light

Donald Hadsell

City of Sarasota

Jack Humburg

Boley Centers, Inc.

Barbara Inman

Habitat for Humanity of Florida

Christine Long

Metropolitan Ministries

Leroy Moore

Tampa Housing Authority

Bill O'Dell

Shimberg Center for Housing Studies

Christine Ruiz

Bank of America

ADVISORY COUNCIL

David Christian

Regions Bank

Marilyn Drayton

Wells Fargo

Helen Hough Feinberg

RBC Capital Markets

Debra Koehler

Sage Partners

Nancy Merolla

Florida Community Bank

Tim O'Malley

AmeriNational Community Services

PRESIDENT

Jaimie Ross