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Mr. Ken Reecy

Director of Multifamily Programs  
Florida Housing Finance Corporation  
227 North Bronough, Suite 5000  
Tallahassee, Florida 32301

Mr. Reecy:

I repeat my comments of July 6, 2017, which were never posted to the comments page of the Florida Housing website. Local Government Area of Opportunity (LGAO) is a misnomer. The Areas of Opportunity strategy is based on objective data and sound public policy. The designation of Geographic Areas of Opportunity and Racially/Ethnically Concentrated Areas of Poverty was the result of hundreds of hours of work involving analysis of the most reliable data available: the American Community Survey (ACS). The LGAO, however, is not based on data or research. I can only assume that it is the result of a pragmatic choice not to upset local governments, their friends in the legislature, or the consultants who earn handsome fees advising local governments and HFAs in their choice of favorites.

The LGAO – as operationalized in past RFAs – is doublespeak. The policy will not result in the deconcentration of poverty or the expansion of housing choice for low-income families. On the contrary, it may prevent the creation of new housing opportunities in heretofore inaccessible neighborhoods. The practical effect of the LGAO is to perpetuate the pattern of residential racial segregation in this state.

Local governments control zoning and land use. Through this control of entitlements, local governments establish the ultimate criterion for site selection: where a given use and structure type is legally permissible. Each jurisdiction in this state has already decided where multifamily housing is appropriate, based on the specific needs of the community. Commenters who claim that the LGAO, or local government contribution points, give communities input into the selection process are attempting to mislead you. They already control what gets built where; they want you to give them the power to decide who gets to live where. When local governments determine which site (or developer) has access to the only significant source of capital for rental housing targeted to low-income families, they are in effect blocking low income families from all other areas where multifamily housing is permissible. In this way, groups of people are sorted spatially based on income, as well as the attributes which correlate with income in our society.

The QAP does not require Florida Housing to implement the LGAO. On the contrary, it gives Florida Housing authority to make the basis boost available to properties located in Florida Housing-designated Areas of Opportunity. That is, areas designated by Florida Housing, not sites (or developers) chosen by local governments. The word “area” has the clear meaning of a spatial designation encompassing more than a single parcel of land. As an instrumentality of the state, Florida Housing must base its designations on objective and impartial criteria. The LGAO is clearly a backdoor means of making the preference of local politicians and their consultants a determinative criterion for awarding tax credits. In any event, a particular site chosen by a local government is not “Florida Housing-designated.”

Personally, I am ashamed of the part I had in creating the Areas of Opportunity strategy. The LGAO makes the policy work against its supposed goals. It would have been better to simply rely on HUD’s

designation of Small-DDAs – no matter how clumsy and imprecise they may be – to steer development to more affluent areas rather than to make Florida Housing complicit in perpetuating segregation. I hope that an organization like the Inclusive Communities Project brings a case against Florida Housing. When that happens, I will provide them with whatever support I can. In the meantime, I hope that Florida Housing will make it a moot point by eliminating the LGAO and the local government contribution as point items in the geographic RFAs.

Kevin C. McCarthy