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3225 Aviation Ave. Suite 602 Coconut Grove, FL 33133 Tel: 305.860.8188 Fax: 305.856.1475 www.htgf.com

October 2, 2017

Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301

RE: GEO RFA Workshop Agenda - Item 2(e) "Unit Mix Limitations"

Dear Mr. Price,

At the Geographic RFA Workshop held on August 23<sup>rd</sup> and as exhibited in the draft RFAs released, new unit mix limitations for Family Developments specify that no more than 25% of the total units may be comprised of Zero Bedroom or one (1) bedroom units. Housing Trust Group recommends that the Corporation does not implement a maximum percentage cap for Zero Bedroom or one (1) bedroom units in Family Developments.

A restriction of 25% of the total units to Zero Bedroom or one (1) bedroom in Family Developments severely confines developers, posing a greater issue in larger counties such as Miami-Dade County where available land is limited. More importantly, a unit mix is largely market driven and has many associated variables. Arbitrary unit mix restrictions on Family Developments may in some cases directly contradict market study conclusions completed in Florida Housing's own underwriting process. A review of the Corporation's 2016 Rental Market Study shows that "more low-income renter households are made up of one person (42 percent) than any other household size, implying a need for studios and one-bedroom units; however, the most common size for a rental unit is a two-bedroom apartment".<sup>1</sup> This trend results in low income renters being "overhoused" and paying for the expense of a larger unit due to the undersupply of the smaller studio or one-bedroom.

We ask that the Corporation consider removing this restriction as it could hurt the financial feasibility of developments and can create the unintended consequence of an oversupply of affordable two and three bedroom units in the marketplace.

Respectfully submitted,

**Housing Trust Group, LLC,**  
a Florida limited liability company

By:   
Matthew Rieger, Manager

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<sup>1</sup> [http://www.floridahousing.org/FH-ImageWebDocs/Newsroom/Publications/MarketStudies/2016/2016\\_Full\\_RMS\\_final.pdf](http://www.floridahousing.org/FH-ImageWebDocs/Newsroom/Publications/MarketStudies/2016/2016_Full_RMS_final.pdf)