



April 21, 2021

Florida Housing Finance Corporation  
c/o Jean Salmonsens  
227 North Bronough Street, Suite 5000  
Tallahassee, FL 32301

Hi Ms. Salmonsens,


The National Housing Trust is a national nonprofit organization formed to preserve, produce and protect affordable homes to better the quality of life for the families and elderly who live there. NHT engages in housing preservation and production through real estate development, lending, and public policy. Over the past decade, NHT and our real estate arm, NHT Communities, has preserved more than 25,000 affordable apartments, leveraging more than \$1 billion in financing.

We appreciate the opportunity to comment on Florida's proposed changes to the QAP and our comments refer specifically to FHFC's allocation of the federal Low Income Housing Tax Credit (Housing Credit) program. The Trust fully acknowledges the entire set of preservation policies and programs established by FHFC.

**NHT urges FHFC to maintain the 15% set-aside of competitive 9% Housing Credits for preservation projects. While the QAP is only part of the story when it comes to allocating Housing Credits in Florida, with most of the process being dictated by RFAs, it remains important to establish a predictable baseline for the availability of preservation resources in the QAP.**

Critical affordable housing units are at risk in Florida: according to the National Housing Preservation Database, more than 16,000 publicly supported rental homes in Florida are at risk of loss over the next 5 years, and another 3,500 public housing units are in need of immediate reinvestment (as indicated by a failing REAC physical inspection score). These affordable homes currently provide homes for some of Florida's lowest-income families and elderly citizens. By prioritizing preservation, FHFC's QAP can provide the incentives necessary to prevent the loss of this indispensable affordable housing. Property owners, nonprofit organizations, developers, and local governments depend on allocating agencies to provide the financial and technical assistance necessary to preserve affordable housing for future generations.

Wherever possible, NHT supports the financing of preservation transactions using the less-constrained 4% housing credit, tax-exempt debt, and gap financing sources like SAIL. We recognize, however, that competitive 9% housing credits remain necessary for preservation transactions where higher renovation needs or other project costs make the 4% credit execution infeasible. As other commenters have noted, the recent establishment of a 4% minimum rate has increased the viability of that financing strategy but this change does not immediately make all preservation transactions viable as 4% housing credit executions. NHT strongly encourages FHFC to commit to an evaluation of the existing stock of affordable housing in the state to determine the universe of properties in which a 4% Housing Credit might be an adequate resource for



preservation and, in turn, the universe of properties still in need of the competitive 9% Housing Credit for preservation.

The need for preservation in Florida, as FHFC knows, is great and only increasing. **It is imperative that FHFC continue to prioritize preservation and maintain the 15% set-aside for competitive 9% Housing Credits.**

Thank you for the opportunity to comment on this important issue in the State of Florida.

Sincerely,

Laura Abernathy  
Senior Director of State and Local Policy  
National Housing Trust