



August 10, 2022

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

Dear Marisa,

At the August 4th, 2022 CAHP Membership Meeting, our members voted unanimously to ask Florida Housing to consider the following requests:

1. Institute “80/20” leveraging for the 2022 SAIL RFA.
2. Remove the mandatory distance requirements for all RFAs for sites that are within Large Counties (including Miami-Dade County).
3. Review broadening the RFA criteria for allowing applicants to qualify for the discretionary basis boost (to enable more sites to be financially feasible) under the QAP.

Here are some of the factors CAHP discussed in arriving at the above requests:

- 2022 continues to present unprecedented volatility in construction costs, land costs, insurance costs, and borrowing costs.
- Florida Housing has been nimble in adapting to the current environment. FHFC also quite reasonably expects applicants in the 2022 RFA’s to adapt to current conditions by structuring their developments to perform in this environment, without coming back to FHFC for additional future funding.
- CAHP members are finding it extremely challenging to put together viable developments in this environment. One of the few ways FHFC can combat these cost increases is to broaden the number of sites that can effectively compete in Florida Housing’s system.
- Rental housing demand is more acute than ever before, as clearly demonstrated in the recent Shimberg Study. The level of demand indicates that location-based criteria like mandatory distance is less meaningful than it was when it was originally implemented.

Mandatory distance is less helpful to the portfolio today than it was in the past, and it is presently eliminating a lot of land that could be part of the solution.

- Applicants in today's environment who most aggressively leverage Florida Housing funds are generally less able to absorb volatility. With that in mind, Florida Housing should reduce the emphasis on leveraging in its selection criteria.
- Florida Housing has committed to introduce a cap on Priority I SAIL RFA applications, which will constrain the number of applications that developer can submit. This cap will mitigate any potential increase in applications resulting from a broadened number of viable sites.

Thank you for considering CAHP's requests.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken Naylor', written in a cursive style.

Ken Naylor, Chair
Coalition of Attainable Housing Providers of Florida, Inc.