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April 20, 2022

Florida Housing Finance Corporation  
c/o Marisa Button, Director of Multifamily Allocations  
227 N Bronough Street, Suite 5000  
Tallahassee, FL 32301

**RE: 2022 CHIRP**

Dear Marisa,

We appreciate FHFC's prompt response to the rapid and unprecedented construction cost increases. This program will help bring many projects that would otherwise be "dead in the water" back to the closing table and help developers provide affordable housing to communities in dire need.

In anticipation of the upcoming workshop, we would like to suggest a few additions for consideration.

First Item:

Currently, the CHIRP funding program excludes RFA's 2021-201, 2021-202 and 2021-203 and in due time these applications will be in the same predicament as projects currently included in the program. We understand that FHFC may be working on other solutions for these projects but there is no point in waiting as the situation worsens with construction costs continuing to rise and certainly higher construction loan interest rates. All developments that have allocations, or pending allocations, and that are willing to move forward quickly and efficiently to bring affordable housing to market should be included in the CHIRP funding program.

We recommend FHFC make the following change to the program:

If projects from RFA's 2021-201, 2021-202 and 2021-203 can meet the timing requirements listed below, they should also be included in applications that qualify for additional Competitive HC's and loan funding.

Second Item:

The program also completely excludes projects that have already closed and filed an NOC.

Projects that started construction in 2019 and 2020 were not subjected to the same rapid construction cost increases; therefore, developments that were completed in advance of increased construction costs are not in need of assistance. Our experience is that the inflationary construction costs were trending higher in 2020 but were still manageable; however, the dramatic cost increases began in 2021.

Although some developers were able to close and start construction, they are still subject to the rapid cost increases and have no relief under the current proposal. Developers that chose to start construction, despite the current inflationary atmosphere, should not be excluded for moving forward while others chose not to.

We recommend FHFC include CHIRP funding for projects that have closed in 2021 and 2022, started construction and can meet the funding gap qualifications currently outlined in the CHIRP.

Please let us know if we can provide any information as back-up for our recommendations. We always appreciate the opportunity to provide our comments, suggestions, and recommendations.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Stacy Banach', with a long horizontal flourish extending to the right.

Stacy Banach