

Hi Jean,

We appreciate FL Housing's quick and diligent work crafting RFA 2023-213 around the new legislation. MHP would like to offer the following comments and suggestions for consideration.

Mixed Income Developer Experience Requirements

As per the 10/3 Workshop agenda Developer Experience requires *"At least one of the three developments must have (i) been financed utilizing either 9% or 4% Housing Credits; and (ii) included at least 25% of the units as non-Housing Credit units."*

As per the 9/14 Conceptual Workshop agenda *"Mixed-Income Development means that the Development will serve multiple income levels as reflected in the income restrictions committed to in the Set-Aside Commitment section of this Application, which may include market rate units."*

The requirement for 25% non-housing credit units doesn't fully align with the definition of "Mixed-Income Development" which can be achieved without any non-housing credit units. FL Housing has not historically promoted the inclusion of non-housing credit units within 9% allocations or gap financing with 4% housing credits. Moreover, tax credit investors are less enthusiastic with a material market rate component. Consequently, there appear to be very few developments within FL Housing's portfolio that would currently meet the condition for 25% non-housing credits. The requirement will alienate a significant number of experienced and accomplished developer sponsors. We encourage the Corporation to consider removing the Developer Experience condition for one development to have included 25% non-Housing Credit units.

Mixed-Use Developer Experience Requirements

As per the 10/3 Workshop agenda Developer Experience requires *"At least one of the three developments must meet the definition of a Mixed-Use Development."*

While we agree with FL Housing On the 9/14/23 workshop FL Housing statement that mixed-use development "adds to the complexity of the transaction", much of that complexity comes in the financial structuring, design, and underwriting/ closing of such development, not the physical construction after closing. We suggest that the development experience be broadened to allow for an Applicant to meet the Mixed-Use Development experience by demonstrating that they have closed at least one Mixed-Use Development.

Currently, there is no minimum area (sf) for the nonresidential/commercial space within the definition of Mixed-Use Development, nor for the Mixed-Use Development goal. To ensure that the Mixed-Use Development goal incorporates a meaningful nonresidential/commercial component, we suggest that a preference be given within the goal to applicants that commit to a minimum of 3,000 sf of nonresidential/commercial space.

Thank you for incorporating the "Mixed-Use Commercial Space" and "Mixed-Use Institutional Space" subcategories under the Mixed-Use Development definition. Qualifying as a Mixed-Use Development via a contract with a commercial broker or an MOU with a tenant/end-user represents the cursory step to meeting the legislative intent. It remains possible that the nonresidential/commercial space never secures a tenant/end-user despite the qualification. We suggest that a preference within the Mixed-

Use Development goal, or additional points, be afforded to applicants that have an established lease agreement from a tenant or end-user by the RFA due date. This better ensures that the Mixed-Use Development goal will meet the legislative intent in an impactful way. It also provides the potential to lever additional debt if there are any tenant/end-user lease payments committed under the lease.

Funding Waitlist

There are a number of material application documents including Market Studies, Readiness to Proceed, and Qualifications as a Mixed-Use Development that are now required to be submitted within 21 calendar days of invitation to credit underwriting. If an applicant fails to accept their invitation to credit underwriting, or fails to provide the requisite documents within the 21 calendar days, does FL Housing intend to “pull up” the next application in line for the funding if that “waitlist” applicant can meet the requirements?

Thank you for the opportunity to comment and we look forward to participating in the workshop.

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