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October 25, 2023

Dear Florida Housing,

As always, the Florida Supportive Housing Coalition (FSHC) wishes to start by thanking you for the opportunity to comment on the proposed draft for RFA 2024-103, Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties. The Corporation's proactive engagement with stakeholders is recognized and appreciated.

The Corporation is proposing several significant changes to how the Homeless RFA has been administered in the past. FSHC is concerned about the limited time between the general special needs workshop, which referenced on the agenda but did not go into detail on several of these changes; the RFA workshop; and issuance of the RFA. In the general occupancy RFAs, such major changes would have been discussed in multiple general workshops, usually the year prior to implementation so that all stakeholders could be adequately prepared for the changes. As well as to ensure that each change is implemented in the most positively impactful way possible.

FSHC does not understand the move towards implementing a tiebreaker methodology for selecting projects. A great deal of work has gone into developing a process that, for the most part, appears to fund the projects with the greatest likelihood of best meeting the needs of the residents. While good projects sometimes miss winning an allocation by a point or two, that is the nature of a competitive process.

Upon review of the current sorting order, FSHC's assessment is that A/B Leveraging and/or the Qualifying Financial Assistance Preference will be the deciding factors in which projects are selected for funding. If they are not, the deciding factor will be lottery.

While prudent use of financial resources is important, FSHC does not believe this should be the deciding factor in which projects are selected for funding. FSHC has always contended that who is operating the project is more important than any other factor in ensuring Permanent Supportive Housing (PSH) is implementing best practices and meeting the housing stability and increased self-sufficiency needs of the residents.

FSHC recommends the following sorting and selection order:

- Use "raw score"
- If "raw score" is not going to be the deciding factor, use the "raw score" of the Operating/Managing Permanent Supportive Housing Experience narrative as the first ranked item; this is the item that best defines if a project will implement best practices and meet the housing stability and increased self-sufficiency needs of the residents.

- If FHFC does not want to use "raw score" of the narrative, FSHC recommends grouping the projects that score within 2-3 points of the top scoring project, rather than any application receiving 90% or better of the narrative's points; and
- Use the "raw score" of the Assist Intended Residents in Meeting their Housing Stability and Self-Sufficiency Needs, Goals and Expectations narrative; and be sure that scoring is based upon concrete past performance and outcomes demonstrating capacity to achieve these outcomes rather than promises of what will be done.

Through this amended sorting criteria, FSHC believes the Corporation will achieve its objective of selecting the projects that are best aligned to meet the supportive housing needs of the intended populations.

Please note, FSHC is removing Priority 1 applications from the sorting order. FSHC is deeply concerned by the proposal to limit developers to submitting one viable application. Yes, as stated in the workshop, this is not a limit on the number of applications a developer can submit. But it is highly improbable that a Priority 2 application would be selected for funding.

Restricting developers to one Priority 1 application will markedly diminish the capacity of developers to create new supportive housing; at exactly the time the state is most interested in creating this type of housing. No other RFA cycle limits developers to one viable application, why are developers of housing for special needs populations being so constrained?

Further, it is very late in the process to inform stakeholders of such a fundamental change. If the Corporation insists on instituting such a restriction, please do not implement them in the 2024 cycle. There are nonprofits that have been working diligently together on projects that will not be able to submit viable projects under these circumstances.

FSHC strongly encourages the Corporation to return to a selection criteria that focuses on the housing and services to be provided; and stop the move towards a system where lottery is the deciding factor. While lottery may not be the deciding factor this year; it will in future years if the proposed sorting criteria are maintained.

Thank you,

Policy Committee Florida Supportive Housing Coalition