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November 1, 2007

Lynn Jacobs, Director
Department of Housing and Community Development
Via Email

Dear Director Jacobs:

We are pleased to submit these comments on your department's Transit-Oriented Development Program, Second Comment Draft, dated October 15, 2007. Thank you for the opportunity to offer our thoughts.

In our comments on the first draft, we strongly suggested that these program funds be available to augment other state funding sources, in order to cover the higher costs that often accompany high density, transit-oriented development. Your staff's proposed alternative – increasing the base loan amounts by \$20,000 over the August 2007 MHP NOFA – is an innovative approach. Building on this idea, we urge you to raise the base loan amount by at least \$40,000 to ensure the program is fully covering the added costs. (The suggested amount is based on an informal survey of our developers with experience in this type of development.)

Second, we recommend the guidelines tie the base loan amount for future NOFAs to the then-current MHP NOFA. Including this provision in the guidelines now allows developers to more accurately plan future projects.

Lastly, funding for land banking is available under the guidelines only to redevelopment agencies. We suggest opening eligibility for land banking to nonprofit developers as well. Doing so likely will expand the amount of land reserved for below-market-rate developments, thereby reducing future development costs and stretching state funding further.

Thank you for taking our suggestions into consideration. If you have questions, I can be reached at 447-0503, ext. 102.

Sincerely,

Julie M. Snyder

Julie M. Snyder
Policy Director