2025 Qualified Allocation Plan
Public Hearing Comment Summary

October 8, 2024
Held virtually and in-person via Microsoft Teams Meeting

Comments are listed in the order made. This document is not a transcript but rather a summary of the speakers' main points as noted by NCHFA staff. Not all comments are listed. Please contact Tara Hall with questions about your remarks (tshall@nchfa.com).

Deni Blackburn (Woda Cooper):
Increase developer cap to $2.6M or two deals per developer.
Allow projects to use actual rents when underwriting projects with project base vouchers

Mike Kapp (Phius Alliance):
Incorporate Phius certification building program that produce energy efficient structures into the QAP Design Quality Standards and Requirements.
Do not penalize properties if additional costs related to the certification program exceed the maximum per unit cost cap.

Rusty Snow (Lincoln Avenue Communities):
Agree with comments made by Woda Cooper
Extend developer experience requirements for 9% Tax Credits to include projects with 4% Tax Credits as it relates to one (1) North Carolina project or six (6) separate projects totaling in excess of 200 units. Projects with 4% transaction are more difficult and require larger financial capacity from the Sponsors.

Thomas Urquhart (Urquhart Development LLC):
Appreciates increase of minimum per unit operating expense but still too low and need to be increased even more
Increase payments into the replacement reserve to make affordable projects a better real estate deal for thirty (30) years

John Rodriguez (Dominium):
Requiring Agency approval of rent increases on all tax credit properties may have unintended consequences. Lenders and investors may be hesitant to invest in North Carolina.

Bryan Hollander (Poplar Development Group):
Agree with comments made by Woda Cooper
Provide an alternative to $250 per unit payments in Replacement Reserves (RR) to be more aligned with AHIC underwriting standards used by investors and avoid evaluating a deal using two different financial models as it relates to RR and debt coverage ratio.

Bobby Funk (Mills Construction):
Reduce maximum secondary amenities score down to 20 points to allow projects to be developed in more rural area communities with amenities that are more spread out and not as concentrated. There is a concern about availability of both senior and community centers in rural areas. In addition, the overall context is to identify good developable land, and not be constrained by factors such as high land costs and environmental sensitivities. Advocate that the QAP widens the overall area to identify more possible land deals.

Dave Urban (Invictus Development, LLC):
Extend Secondary amenities distances in Small Towns
Allow secondary grocery stores, not included on the list of establishments, to qualify as secondary shopping

Tab Bullard (Zimmerman Properties):
Do not limit the number of times a project can return a tax credit allocation for a new allocation of credits.

Steve Strom (Money Follows the Person Project):
Collaborate more closely with municipalities to ensure services are aligned with property amenity locations
Reconsider bundling accessible unit amenities; it’s ineffective and inefficient (e.g., those with ambulatory disabilities don’t have the same needs as those with visual disabilities)
Conduct targeted feedback of differently abled tenants / potential tenants to learn about their needs