

Mark Shelburne

From: Scott Farmer
Sent: Thursday, October 18, 2012 4:31 PM
To: Chris Austin; Mark Shelburne
Subject: Fwd: Draft 2013Qualified Allocation PLaN for Tax Credits

Begin forwarded message:

From: Bob Kucab <arkucab@nchfa.com>
Date: October 18, 2012, 3:21:11 PM EDT
To: Scott Farmer <bsfarmer@nchfa.com>
Subject: FW: Draft 2013Qualified Allocation PLaN for Tax Credits

Fyi

From: Ted Alexander [<mailto:talexander@presnc.org>]
Sent: Thursday, October 18, 2012 2:02 PM
To: Bob Kucab
Subject: Draft 2013Qualified Allocation PLaN for Tax Credits

October 18, 2013

Comments Regarding the Draft 2013 Qualified Allocation Plan for Tax Credits

Dear Bob:

I write as a member of the board of the Housing Partnership and on behalf of Preservation North Carolina as its Western Regional Director . For some time now I have been concerned that the trend in awarding points through NCHFA for their Tax Credits projects has a definitive bias for almost exclusively new construction near the outskirts of towns and a bias against redevelopment projects, historic rehabs, inner city neighborhood revitalization and downtown revitalization associated projects.

Current points such as those deducted for being too close to a railroad (whether it is active or not)the current half mile distance to a grocery store, and whether there may be some deteriorated properties in the vicinity, as well as other scoring guidelines, are all working at cross purposed for many of our municipalities' on-going redevelopment, revitalization and historic preservation plans and efforts.. Given the current guidelines, many successful combined historic and LIHTC projects such as the Mayworth School in Cramerton and the currently underway Gaston Memorial Hospital and a host of others would likely not be eligible under the proposed rules. Yet these projects and other similar ones are vital to the overall picture of providing housing while serving as a catalyst for further investment in a both affordable and market rate housing. Many historic schools buildings, old mills, vacant infill lots and other large downtown buildings of historic value are virtually shut out of the existing process, Yet it is so often that projects such as these, when they have been funded, that are held up as models of cooperation and pride in a town. It seems that when a proposed project is in a designated city's redevelopment area or in a historic district or "Main Street" type area, or an area designated by the

municipality that needs attention that these should receive extra points and consideration instead of the current scoring system which detracts from them.

We have seen time after time how LIHTC and Historic Rehab tax credits have been combined to produce highly successful projects that value add to the community. Right now NCHFA is sending its approved projects almost exclusively to the outskirts of towns where there is often a less efficient use of existing infrastructure, and leaving those in needy areas to fend for themselves. In essence NCHFA's current scoring system is leaving those in possibly distressed areas and in essence saying sorry we are turning our backs on you. Once this occurs the chances for the redevelopment of such areas are further diminished,

In addition, current scoring gives no points for transportation and walk-ability. There are no points for being close to public transit, sidewalks, etc. As it stands now, the rules basically mean that tenants have to have a car or use taxis, which adds significantly to household expenses. While a grocery store may be a half mile away, one can't get there without a car. Many of those who live in such housing may have limited access to an automobile. This is also out of touch with current market trends. Walk-ability is the hallmark of current planning and housing efforts of many communities and there is an emphasis on such by federal and state and local planners.

. NCHFA should join in on such community ventures by encouraging redevelopment in such areas, many of which have historic resources, instead of compounding the cycle of disinvestment in areas that need it the most.

The work of the NCHFA is crucial in providing decent and affordable housing to those in need in NC. They do an outstanding job and it should rightly be proud of the many accomplishments it has made at creating housing for those who need it. It just makes sense however, that when scoring for projects, the community's desire to revitalize its historic assets, its downtown buildings and inner city neighborhoods should not be penalized but should actually serve as an incentive to locate solid projects in these areas. If a municipality is making every effort to reinvigorate its inner city tax base, it just makes sense that the NCHFA should honor this and reward the community rather than seeing the areas as an automatic disqualification due to the point system that does not take into account the many other advantages and amenities that are offered by locating in such areas. I encourage NCHFA to take a long hard look at its existing scoring procedures to determine how it can be a greater partner in the overall community redevelopment process in our historic sites and downtowns and neighborhood redevelopment areas.

Thank you for allowing me to comment on this important issue.

Sincerely,

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For more information about properties available for restoration, please visit our website at www.PreservationNC.org.