

Mark Shelburne

From: Chris Austin on behalf of rentalhelp
Sent: Friday, September 07, 2012 4:07 PM
To: Scott Farmer; Mark Shelburne
Subject: FW: 2013 QAP comments

From: Sprecher, Stephen [<mailto:ssprecher@voa.org>]

Sent: Friday, September 07, 2012 3:37 PM

To: rentalhelp

Cc: Rogers, Rob; Sheridan, Patrick; Keller, Robin; Seltz, Michael; Engelhardt, James; Dixon, Rebecca

Subject: 2013 QAP comments

Volunteers of America National Services (VOANS) was successful in developing its most recent NCHFA-funded development, George Knight Homes at Skyland, using 9% tax credits originally awarded in 2007. We are considering applying for additional 9% tax credits in order to build new affordable housing developments similar to George Knight Homes at Skyland.

As a national non-profit, Volunteers of America is especially active throughout North Carolina with the development, management, and ownership of affordable housing properties and with the providing of social services both within and outside of these properties. Housing and services have been provided for years by both Volunteers of America of the Carolinas and VOANS to many residents of North Carolina. Currently, we operate programs and/or housing in Asheville, Durham, Butner, and New Bern.

However, as the 2012 QAP was written, VOANS and Volunteers of America of the Carolinas are now effectively excluded from accessing these 9% tax credits and building new affordable housing for North Carolinians. Any 9% application would not have received full points under the 2012 QAP. In recent years full points have been necessary in order to receive an award, as projects need to differentiate themselves within the "Special Criteria and Tiebreaker" Section of the QAP.

VOANS has control of excess buildable land that can produce approximately 40 to 50 units on a HUD Section 202-financed property in Asheville that is located about .55 miles from a shopping center with an Ingles Market and a pharmacy/shopping. We considered submitting an application for 9% tax credits last spring but could not because we could not receive full points for the following reasons that were added in 2012:

1. We would not have received the full 27 points in Section IV.A.1.b.ii: "Amenities" due to the restrictive driving distance requirement that, in order to receive full points, the site must be located within 0.5 miles or less to a grocery store and pharmacy/shopping, with both narrowly defined as specific chains.
2. We would not have received 5 points in Section IV.D.1.d "Development Experience" as we have not received ten awards of 9% tax credits in North Carolina from 2005 to 2011, and our principal offices are not in North Carolina. VOANS is located in Alexandria, Virginia, and VOA of the Carolinas is located in Columbia, South Carolina.

On number 1, we are hopeful that NCHFA will expand its narrow proximately restriction, which has the effect of restricting development to expensive sites.

On number 2, VOANS is one of the most experienced nonprofit developers in the country. We fail to understand the public purpose achieved in requiring such specific experience as ten projects in 7 years. Also, while we can understand the desire of some to restrict the competition to local developers, it strikes us as a competition-limiting restriction which works against the goal of the best possible housing for the users of the housing units that will be produced. While VOANS and VOA of the Carolinas are active and deeply involved in providing service-enriched housing in North Carolina, the wording of the 2012 section as written excludes us from participating.

With regards to our specific site in Asheville, it could be a great opportunity to target even lower levels of income in the high-cost City of Asheville, as the development budget would not have to include land acquisition costs.

Thank you for your consideration of our requests.

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