

2016 QAP Comments

IV. Selection Criteria and Threshold Requirements

(ii) Amenities

- We understand that points should not be awarded for having all three amenities in one building but points should be allowed for a pharmacy even though it is in a grocery store or shopping establishment that is receiving points. It is a recognized amenity that meets the parameters of a pharmacy by having general merchandise and should not be penalized only because it is in a grocery store or shop.

There are many grocery stores that have pharmacies in them that are not just Wal-Marts which include; Harris Teeters, Food Lions, Target as well as many others. As noted above, it is understandable to not give full points when all three are located in one building but full points should be awarded when a pharmacy is in a grocery store or shop. Not recognizing them as separate amenities and allocating points accordingly will have some very good sites overlooked which could be detrimental to the area that needs affordable housing.

Development Team Experience

- We feel that the entire portfolio of developer should be taken into consideration when defining experience and eligibility and not those that were just developed in the last six years.
- We believe that points should be awarded for having principals in NC as well as points awarded for hiring North Carolina based General Contractors. We are applying these credits in NC and we should try and utilize local talent as much as possible and be awarded points for doing so. Local experience can be very important as well to a property's success.

Pricing

- In regards to pricing, if the applicant is able to produce an LOI with a certain price then the agency shouldn't cap the syndication price
- Full Development fees should be required in the development cost page and if an applicant wants to defer any of the full fee then that is their right but only adding 50% of the full fee to the development cost page and then deferring 50% of that really is against the spirit of the program and competition.

Operating Budget

- I applaud the agency for increasing the minimum operating expenses as these properties need at least \$3600 per unit to run them correctly.
- Adoption of the new 15% above/below rule is making the process better and fairer.

In closing....it is evident that a great deal of work went into this QAP to try and address certain comments from industry and we appreciate all that went into this draft. Thank you for your time and I hope you all have a great day.