



August 12, 2015

City of Asheville
Office of the Mayor

P.O. Box 7148
Asheville, NC 28802

Office: 828-259-5600
www.ashevillenc.gov

Mr. Scott Farmer
Director of Rental Investment
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609

Dear Mr. Farmer:

I am writing to request revisions to the North Carolina Housing Finance Agency's Qualified Allocation Plan (QAP), in order to allow the site evaluation criteria be more compatible with the City of Asheville.

Specifically, I would like to request that you add two full-service grocery stores in downtown Asheville to the QAP's list of qualifying grocery stores; The French Broad Food Co-op on Biltmore Avenue and Hopey & Company on South French Broad Avenue. We are a community proud of its local businesses, and these two stores provide local grocery shopping options with the full range of inventory that you would expect from any typical grocery store.

We have greatly appreciated North Carolina Housing Finance Agency's (NCHFA) allocation of tax credits to projects such as the Glen Rock Depot, which has catalyzed significant additional investment in our River Arts District, and Larchmont Apartments, which added much needed affordable housing along a commercial corridor just north of our downtown. In addition, we are grateful for NCHFA's tax credit award in 2004 that supported construction of The Griffin Apartments on Grove Street in downtown Asheville. The Griffin has the distinction of being the first newly constructed affordable and transit oriented apartments in our city center, located one block from Asheville's main transit hub.

As I am sure you are well aware that our housing crisis in Asheville is acute, and creating well-located and transit-oriented affordable housing is a strong priority of the City Council. We see continued cooperation with NCHFA on Low Income Housing Tax Credits developments as a key component of our strategy to meet the needs of our community.

Started in 1975, the French Broad Food Co-Op (FBFC) is located at 90 Biltmore Ave. The FBFC has a voluntary membership program that primarily provides special discounts and the option to participate in board governance, but the full-service grocery store is open at no membership cost to all shoppers. The FBFC has produce, dairy, meat, packaged goods, and bulk

"our quality of service, your quality of life"

foods, providing healthful food shopping right in downtown Asheville. The FBFC is a member of the National Coop Grocers Association.

Hopey & Company is a local grocer with three locations in Buncombe County, one of which is conveniently located just south of downtown Asheville at 45 South French Broad Ave. Hopey & Company is a full-service grocery store with fresh produce, meat, frozen foods, dairy, and dry goods. It is also a discount grocery store that caters to low-income families who would likely qualify to live in a tax credit development.

Asheville has recently created the “South Slope Innovation District” to stimulate development in the immediate vicinity of Hopey & Company and the French Broad Food Co-op. Our infrastructure, street, sidewalk and other improvements to the South Slope District are currently underway and will continue for several years.

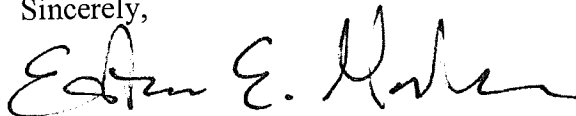
The City of Asheville has also passed changes to our Unified Development Ordinance to encourage denser development along major corridors. We have established density incentives for including affordable housing in market rate complexes and additional incentives for building along transit corridors. Any consideration of increased density, public transit, and mixed income housing in the Qualified Allocation Plan would benefit our City’s development and growth plans for the next decade.

As our topographically-constrained city grows, we are focused on creating vibrant areas with a higher density of mixed income housing near major employment centers and public transit.

In the current QAP, the site evaluation criteria regarding grocery stores create a hardship to LIHTC development in and around our downtown. By expanding the approved list of grocers in the QAP as requested in this letter to include The French Broad Food Co-op and Hopey & Company, the NCHFA scoring criteria will allow LIHTC developments – and more importantly the low-income families they house – to be a part of the continued growth of our city center.

Thank you for your consideration, and for your continued support of affordable housing in Asheville.

Sincerely,



Esther E. Manheimer

Mayor