



Town of Morrisville  
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August 22<sup>nd</sup>, 2014

North Carolina Housing Finance Agency  
Attn: Scott Farmer  
3508 Bush Street  
Raleigh, NC 27611  
Sent electronically to: bsfarmer@nchfa.com

Dear Mr. Farmer,

Thank you for the opportunity to submit comments on NCHFA's Low-Income Tax Credit Qualified Allocation Plan (QAP) for the State of North Carolina. These comments are made on the behalf of the Town of Morrisville, NC. Morrisville is committed to providing equal housing opportunities for people of varying income levels and backgrounds. We appreciate the opportunity to provide input on your QAP selection criteria and offer the following comments.

**Comment 1: Request removal of the current scoring penalty for proximity to railroad tracks if the site is planned for a future transit stop.**

Many communities across America have discovered that the interaction between housing and transportation costs provide a more holistic measure of affordability. The Center for Neighborhood Technology estimates that transportation is the second largest household expenditure after housing, ranging from 15 percent to almost a quarter of the average household's expenditures. As the demand for increased transit service grows in our region, Morrisville seeks to pair the benefits of improved transit service with our effort to provide affordable housing. Specifically, we seek to integrate affordable residential units into future development around a planned commuter rail station.

We believe the increased transit access will reduce automobile dependency and thus make an impact on transportation costs for nearby residents. This reduction in transportation costs would ultimately affect housing affordability as they are increasingly being regarded as interrelated. However, the current QAP standards penalize proposed site locations that are in close proximity to railroad tracks. Many rail transit systems in the US utilize existing railroad right-of-way to efficiently provide service without building concurrent infrastructure. This method has been regarded as the most likely scenario for any future commuter rail service in the Triangle region. Therefore, we respectfully ask for the removal of the current penalty for proximity to railroad tracks if the site is planned for a future transit stop. Doing so will allow us to better affect the housing affordability for nearby residents by reducing their transportation costs.

*Our Mission: The Town of Morrisville is dedicated to enhancing the quality of life by preserving our past and protecting our future through a collective community partnership. By balancing responsible growth with core values, we embrace a sense of membership, communication, and support.*

**Comment 2: Consider a way to separate urban and rural projects, and give bonus points for proximity to existing and planned transit stops for the urban ones.**

Widespread transit service is to be expected in highly urbanized areas, but not so much for rural ones. We understand that providing bonus points for proximity to transit stops would almost always tip the balance towards urban communities and away from rural areas that may not have access to frequent transit service. We also fully acknowledge the need to equally support affordable housing in North Carolina's rural communities as well as its urban ones.

However, due to the fact that housing affordability is fundamentally interrelated to transportation costs, we still believe efforts to mitigate both should be rewarded. Therefore, we propose some type of review mechanism be created that reviews rural and urban communities separately. Separating urban and rural projects avoids unfairly penalizing rural communities for lack of nearby transit, but at the same time rewards urban communities that take a more comprehensive stance on affordability by also addressing transportation costs. This would provide incentive for affordable housing developers to pursue projects close to transit stops and couple the savings of reduced housing costs with reduced transportation costs.

Thank you again for the opportunity to comment on these guidelines. If you have any further questions or comments, please feel free to contact me at [tgauss@townofmorrisville.org](mailto:tgauss@townofmorrisville.org) or at 919-463-6980.

Sincerely,

A handwritten signature in blue ink that reads "Tim Gauss". The signature is fluid and cursive, with the first name "Tim" and last name "Gauss" clearly legible.

Tim Gauss, AICP  
Director of Development Services  
Town of Morrisville, NC