

Tara Hall

From: David Levy <dlevy@ahmi.org>
Sent: Friday, September 30, 2022 4:26 PM
To: Tara Hall; Scott Farmer
Subject: 2023 Draft QAP Comments

Good afternoon Tara and Scott,

The following are AHM's 2023 draft QAP comments for your consideration:

Walk Score: We agree with many of the other comments made regarding the Walk Score. AHM strongly opposes using it for any purpose. The methodology of the Walk Score is extremely difficult to determine and quite frankly doesn't make much sense. For example, a great site we are aware of has a low Walk Score that would only generate one point, however, the site has all primary and secondary amenities directly across the street from it including a huge city park with more amenities than most parks in Greensboro. How could a site that has all required primary and secondary amenities across the street from the site have a low Walk Score? Since there is a distance requirement to amenities and additional points are available for being on a bus line, there isn't any reason to also include a Walk Score. Please remove the Walk Score points and tie breaker.

Tie Breakers: AHM requests the first tie breaker return to the project with the census tract with the lowest poverty rate. This will encourage diversity and inclusion and be in step with HUD's Disparate Impact Standard as well as North Carolina's. If not, then consider having the first tie breaker be the development that is closest to primary amenities as that offers more convenience for residents, whether they are driving or walking.

Applicant Bonus Points: Having the ability to assign one bonus point each to two projects gives large developers an advantage over small developers who may only have one project submitted, and would be restricted to apply just one point to that project. A fairer way to do this would be to provide the option to either select two points for one project or select one point each to two projects.

Parking: Allow the use of the local municipality requirements to determine the number of parking spaces. The agency provides an exception, however, we are not aware of any municipality that mandates less parking than what is in the QAP. During these very difficult times, this is one area that could save projects money, as this impacts the amount of land needed and is also costly to prep and install asphalt.

Laundry Room Equipment when units have their own washer/dryer hookups: Leasing laundry equipment is getting more and more difficult and costly. Vendors are losing money and are pushing back on providing the number of machines they provide and now they are asking for the property to pay them per machine or reduce the number. Changing the requirement from the current one dryer and one washer per 25 units to one dryer and one washing machine for every 36 units would be in line with what the vendors are saying they could work with.

Construction Cost per Unit Chart A: With the spiraling costs of construction, it isn't realistic to put a cap on this and shouldn't. If a cap must be implemented, use a minimum of \$155,000.

Total Development Cost Rehab: This should be increased to at least \$175,000 to account for rapid increases in construction as well as other expenses.

Delay implementing the new proposed rule regarding retaining walls and graded slopes). A one-year pause on this proposal would allow greater time for stakeholder input and consultation by NCHFA with engineers, architects, and other professionals to come up with a standard that addresses Agency concerns without impeding development of many desirable sites.

Underwriting costs: In the past we have been told that certain development line items exceeded the agencies cap and had to be lowered. However, the amount of the cap was not provided. Any internal underwriting that has caps on expenses should be included in the QAP so developers can get it right the first time.

We encourage the agency to combine the Appendix B and Field Guide. It would make things much more streamlined and easier for all entities (owner, architect, GC, subs, NCHFA reviewers, etc.) to work together from one reference document.

Thanks for the opportunity to make comments.

David B. Levy, NCRL-BIC, NCGCL, SHCM, TCS, CPO, LEED Green Associate
Executive Director
Affordable Housing Management, Inc.
330 S. Greene Street, Suite B-11
Greensboro, NC 27401
336.273.0568 Ext. 131
Fax: 336.273.3975
dlevy@ahmi.org
www.ahmi.org