

August 25, 2025

North Carolina Housing Finance Agency
Attn: Scott Farmer, Sandy Harris, Tara Hall
3508 Bush Street
Raleigh, NC 27609

RE: Comments for First Draft of 2026 NCHFA QAP & Draft of Appendix B

Dear Scott, Sandy, and Tara:

On behalf of DHIC, Inc. (DHIC), we are pleased to submit the following comments as you prepare the first draft of the 2026 Qualified Allocation Plan (QAP). We appreciate our many years of partnership with the NCHFA in producing and preserving affordable housing for North Carolinians and hope that these comments will assist you in the difficult task of fairly allocating the limited pool of Low-Income Housing Tax Credits (LIHTCs). DHIC respectfully submits the following suggested changes for your consideration:

2025 Section	Change	Reason
II.D.1	Increase the non-profit set aside to 20% and the HOME funds set aside to 20%	Mission-driven non-profits are committed to preserving affordability and serving North Carolina's most vulnerable citizens. Properties owned by mission-driven, non-profit developers are likely to remain affordable even after the land use restrictions related to affordability expire. Alternatively, points for non-profit sponsor status could be added to QAP scoring.
II.E.1	Consider not including rehabilitation credit allocations in the Principal Limit.	As more tax credit developments reach the end of their affordability periods, preserving existing affordable housing becomes even more paramount. This change would allow developers to focus on preservation of affordable housing stock (which generally have lower unit rents when compared with new construction) as a priority while continuing to build new units. Additionally, it would result in more rehab applications, allowing the Agency to award the most impactful projects.
IV.A.1(b)(ii) Amenities	Add thrift stores to the Shopping category	In the last year, many Family Dollar and Dollar Tree stores have closed. The closing of these stores limits the number of sites available for affordable housing despite them being close to other desirable amenities and public transportation. One way to address this shift is to add thrift stores as an option to the Shopping category. Thrift stores provide a diverse range of goods, and provide different products (clothes, furnishings) in comparison to other Shopping options in the QAP.



IV.A.1(b)(ii) Amenities	The change needed depends on the intention of NCHFA.	Clarify what a “non-alternative” public school means and/or provide examples. We are unsure whether charter schools or magnet schools are included as public schools in this definition, as they are publicly funded.
IV.A.1(b)(ii) Amenities	Allow non-chain grocery stores to qualify as a Grocery as defined by the QAP.	Chronic disinvestment in communities of color have resulted in fewer amenities, such as grocery stores, in these neighborhoods. Often, these neighborhoods are served by local grocery stores that also have specific food and sundries that are unavailable in traditional markets. By expanding the Grocery category beyond chain stores, like the Pharmacy category, the Agency ensures that tax credit equity is not unintentionally diverted from these disinvested communities.
IV.A.1(b)(iii) Site Suitability	Remove or provide a specific definition of a “high traffic corridor”	It is unclear how “high traffic corridor” differs from an Interstate. Additional guidance or examples would aid in initial site due diligence.
IV.C.1	Increase cost caps to \$140,000 (Chart A) and \$155,000 (Chart B)	Construction costs have increased significantly over the past 5 years and have stabilized well above pre-pandemic baselines. Cost inflation has made staying under current cost caps extremely challenging, particularly in complicated or urban areas.

Draft Appendix B

Section	Change	Reason
V.A Required Site Amenities	Expand the list of additional amenities to include: 1) free WiFi in the Multipurpose room for resident use, 2) Free in-unit WiFi for residents, 3) EV charging parking spaces, 4) package delivery stations.	These amenities have become increasingly common over the past few years; affordable bulk WiFi solutions are now offered by nearly all major local providers, EVs have continued to decline in price with new entrants and increased competition, and Amazon deliveries have become ubiquitous. Adding these amenities to the list of additional amenities would allow for greater flexibility in site/project design, increased property management efficiencies, and general improvements in residents’ day-to-day lives.
III.E.4, Sitework and Landscaping	No change	We do not have issue with the language in this section, but it is inconsistent with the Construction Field Guide. Please clarify in the Construction Field guide that only switchbacks are prohibited to primary building entrances.