MOUNTAIN HOUSING OPPORTUNITIES

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

RE: 2026 QAP Draft comments

Thank you for all your multifamily rental support over the years! Below are Mountain Housing Opportunities, Inc.'s (MHO) suggestions/comments on the draft 2026 QAP

- The first draft shows an extra point for Helene impacted critical counties, which is a great idea and much appreciated by the affected counties.
- Consider a 1-2 project set-aside for Helene housing recovery that may not be able to meet full site score due to damaged or temporarily closed amenities, but is otherwise a good housing investment site. There are 5 post offices and 3 Ingles in the west that remain closed due to Helene damage. Also, several parks.
- The first draft shows stretching the amenity distance for the metro areas and small towns, which is another excellent idea. After the storm, some areas lost some of their businesses that would qualify as amenities and giving them a greater cushion should help.
- Release the final QAP in early fall. This would help everyone with site selection.
- Increase construction cost caps (Section VI.C.1. Chart A & B). Any increase you can provide would help.
- Increase the total replacement cost limit higher than $280,000 per unit. Two of the three tax credit developments that MHO has under construction will not meet that limit. The only reason the third development will meet that limit is because it has smaller units sizes (Eff, 1 & 2 bedroom) and very reduced parking because of urban zoning. A safe number might be around $350,000 per unit, which could help large "family" developments.
- In alignment with national best practice pro-housing regulatory reform, remove minimum parking requirement
- Provide more site scoring point differentiation. Some ideas might include: points for sites in Central Business Districts (CBD); points for developments with extra green features/standards beyond Energy Star (such as solar); points for non-chain grocery stores; points for other non-chain shopping such Goodwill or other thrift shops; points for childcare providers; points for farmer's markets; points for technical colleges, etc.

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- Provide points for partnerships with towns, cities, or counties
- Provide points for leveraging additional soft funding resources not originated by NCHFA
- Increase maximum tax credit request amount per deal (Section II.E.2.)
- Remove the Olmstead points
- Have the QAP site scoring remain the same for more than one year, maybe a 2 or 3 year cycle.
- Increase the non-profit set-a-side to 20% since non-profits aren't as likely to flip units to market rate after the compliance period
- Increase the distance for scattered site 4% parcels. This could help more urban sites to cobble together a larger more viable development

Sincerely,

Rich Olejniczak
Director of Community Rental Investments