NCHFA 2026 QAP Tapestry Development Group Comments

II.E.1(a) –

Allow for the Principal Limit to be increased to $3,350,000 if the WHLP funds are not allocated by December 31, 2025. (see comment for II.E.2, II.E.3, and IV.C.3(c) below)

II.E.2, II.E.3, and IV.C.3(c) –

Please consider allowing all projects to receive an agency designated bonus boost and increase the Project Limit for credits if the WHLP funds are not allocated by December 31, 2025. This will ensure projects are able to be competed without WHLP funds while also allowing the QAP to move forward. The chart below shows the amount of additional credits that would be needed for each County Income Designation to replace the WHLP funds, assuming conservative credit pricing of $0.80 per credit.

County Income Designation	Additional Credits Allowed without WHLP Allocation
High	$62,500
Moderate	$250,000
Low	$375,000

Increase the Principal Limit in II.E.1(a) to facilitate the higher Project Limit for credits.

IV.A.1(b)(ii) –

Please consider adding DG Market to the list of acceptable grocery and/or shopping establishments. Dollar General Market is a concept that extends the offerings of Dollar General's traditional stores to include a larger selection of fresh produce, meats, and grocery items.

IV.C.1(b) –

Please consider removing IV.C.1(b). We understand the Agency's goal of cost containment but the per project credit limits along with the Maximum Project Development Costs in IV.C.1(a) provide adequate cost containment measures.

If IV.C.1(b) must remain, please provide separate maximums for 4% and 9% deals, with the 9% maximums broken down by region. From the 2025 awards, the average cost per unit for 4% deals was ~$306,000 and the average cost per unit for 9% deals was ~$291,000. Assuming just a 3% annual increase in cost projections, the minimums should be $315,000 per unit for 4% applications and $299,000 per unit for 9% applications.

Within the 9% applications particularly, please provide additional consideration for geography. The chart below shows the average cost per unit of the 9% awards, broken down by region with a proposed 3% increase for the 2026 total replacement cost. The Metro region total replacement cost is higher than average due to the land costs being higher and the West region total replacement cost is also higher than average due to sitework costs.

Region	**2025 Award Average TRC per Unit**	**3% Increase over 2025 Award Average TRC per Unit**
Central	$267,312	$275,000
East	$269,836	$278,000
West	$298,902	$308,000
Metro	$311,950	$321,000

The 4% applications are heavily in Metro areas, so their average is consistent with that of the 9% Metro applications and therefore there is no need to differentiate award amounts based on geographic region.