dhic | HOME TO OPPORTUNITY

June 30, 2026

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

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 2027 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:

	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.
	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.
	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.

	Give more clarity on what "frequently used railroad tracks means"	
	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.
	Lower parking requirement for family properties to something lower than 1.75/unit; 1.25 could be a good compromise	