## Tara Meredith

**From:** D'Anne Hilsmier <d_anne@grhco.com>
**Sent:** Wednesday, July 15, 2026 4:07 PM
**To:** RentalHelp
**Subject:** EXTERNAL: 2027 QAP Tiebreaker Suggestions Feedback

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Tie breaker ideas (some of these appear repetitive to provide different versions):

These tie-breaker promotes broader participation in the Housing Credit program, increases development capacity among emerging and regional developers, reduces the concentration of awards among a limited number of sponsors, and supports a more equitable statewide distribution of Housing Credit resources while maintaining competition and project quality.

- Preference shall be given to the applicant who has not yet received an award in the current funding cycle.
- Preference shall be given to the applicant that has not received a competitive LIHTC reservation in this state within the preceding three funding rounds.
- Preference shall be given to the applicant whose development entity, affiliate, or principal has gone the longest period without receiving a competitive housing credit allocation.
- Preference shall be given to the applicant with the fewest affordable housing units currently under ownership or management within the state.
- Preference shall be given to the applicant whose affiliated entities have received the lowest aggregate amount of competitive housing credits within the previous five years.
- Preference shall be given to applicants that have not received a competitive housing credit award during the previous five years and have successfully completed at least one affordable housing development.
- Preference shall be given to applicants that have not received a competitive award during the previous three years and do not currently have a tax credit development under construction.
- In the event of a scoring tie, preference shall be given to the application sponsored by a principal or affiliated entity that has not received a competitive Housing Credit allocation within the previous three allocation cycles. If both applicants meet this criterion, preference shall be given to the applicant with the fewest Housing Credit awards received during the preceding five-year period.

Additional tie breaker suggestions:

- Preference shall be given to the application whose development costs are determined by the Agency to be reasonable and adequately supported, rather than simply the lowest proposed cost.
- Preference shall be given to applicants whose previously awarded developments were completed within 5% of their original Agency-approved development budget.
- Developments proposing costs below 90% of the Agency's published benchmark shall not receive additional scoring preference.

The Agency should avoid policies that reward artificially low development costs. The lowest-cost project is not necessarily the most durable, feasible, or cost-efficient over the property's compliance period. In the event of a tie, preference should be given to developments demonstrating reasonable and supportable construction costs, strong long-term operating efficiency, and minimal risk of future funding shortfalls. This approach encourages realistic underwriting while protecting the long-term performance of North Carolina's affordable housing portfolio.

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