Tara Meredith

From: Mark Morgan <mark@mcmainc.com>
Sent: Wednesday, October 28, 2026 9:57 AM
To: Tara Meredith; Sandy Harris; Scott Farmer
Subject: EXTERNAL: 2027 QAP Ideas for change

CAUTION: This email originated from outside of NCHFA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you, North Carolina Housing Finance Agency team, for the opportunity to provide comments and recommendations for the 2027 QAP.

Suggested changes for 2027 QAP:

1. Incentivize the use of minimum credits in final scoring.
2. Allow two bonus points per project—maximum of 2 per principal.
3. Keep Project Limits at 1.6 million per project and the deferred developer fee at 25%. The developer fee needs to be a percentage of the total development cost, not a fixed maximum per unit.
4. Rewrite the Bus/Transit section and award additional points. Consider that sidewalks are not required for bus/transit routes in non-metro counties, and award additional points for sidewalks in non-metros. We need to prioritize this critical resource for our tenants.
5. Move Targeting and its use for the third break to the full application.
6. Rewrite RPP terms and change project underwriting. Underwrite the RPP loan to a 1.25 DCR, and factor the deferred fee payment into all underwriting, including rent increases.
7. Site scoring should remain unchanged for at least 2 years (2 QAP cycles).
8. NCHFA should review its internal plan review process to reduce the scope of its plan reviews. 90 days is too long for review.

Appendix B (Design Quality)

- Project parking needs must be clearly defined in the QAP or in Appendix B.
- Fire sprinkler, site lighting, and landscaping plans are regulated by state code or local ordinances and should not be required for NCHFA plan review.
- Allow interior storage closets to meet the 16-sf Appendix B design requirement.

Mark Morgan
MC Morgan & Associates, Inc.
(336) 689-0447
mark@mcmainc.com