October 16, 2026

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North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609

Comments on 2027 Draft Qualified Allocation Plan

QAP Comments:

I request that the required developer experience time period for developing a project be extended from January 1, 2018 to January 1, 2027. If a project was placed in service in 2026 then this shows that the developer has the requisite current experience to successfully develop a project.

Please raise the maximum amount of LIHTC to $1,600,000 and the developer maximum amount of the LIHTC to $3,200,000.

Please change the maximum increase in rent before approval from $25/unit/month to an average of $30/unit/month before agency approval is needed. This would allow us to spread rents increases proportionally to units and keep increases to the lowest rent units at a more reasonable rate. An example would be that on a recently completed project one bedroom limited at 30% of AMI rents would go up $14 while a three bedroom limited at 60% of AMI would go up $40 based on this standard. This change would allow us to be fairer to the lowest income residents in our developments. Using a $30/unit/month average before agency approval would allow for rent increases to more closely match current increases in operating costs.

Please give clearer guidance on the distances we need to be from:

electrical utility substation, whether active or not
frequently used railroad tracks (not to include passenger light rail)
roads with a posted speed limit of 55 mph or greater (500 feet for an interstate)
power transmission lines and tower

Specifically give us where we measure to from the buildings? IE is it the right-of-way, start of pavement, or centerline for a Highway.

We also need guidance on what makes a "frequently used railroad tracks". It is very difficult to work with sites near these when we do not know where the measurements start.

Comments on Appendix B

I would propose that the Energy Star Certification be eliminated from the QAP. The costs are simply more than the value of the program. I am told that Energy Star costs between $10,000 to $15,000 per unit more than using the current standard energy code. Energy Star lowers the tenants' electric bill about $20 per month which many projects add to the rent. Even if it is not added to the rent it takes 60 years to repay the additional costs incurred.

The added costs associated with the Energy Star Certification simply reduce the number of units awarded. Using the $15,000 estimate for additional costs and an average total development cost per unit of $270,000 results in ~5% more units being built. Applied to the results from 2026 it would amount to ~100 more units being built.

Thank you for the opportunity to provide comments.

Urquhart Development LLC

Thomas W. Urquhart
Manager/member