

30 September 2022

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

RE: 2023 QAP Comments

Ms. Hall,

Thank you for the opportunity to offer comments on the 2023 Draft QAP. We at CASA appreciate that the Agency is looking to the affordable housing development community for input on these important regulations.

Since the Walk Score was added to the 2022 QAP, developers have had a chance to evaluate its efficacy and how it effects our ability to identify viable sites for LIHTC development. It is CASA's opinion that the Walk Score is an ineffective tool for LIHTC site evaluation for the following reasons:

- 1. We have found that the Walk Score determines differing scores for sites in the same general area. CASA reviewed multiple addresses throughout the State and found a wide range of walk scores among adjacent parcels. In one case, there are two parcels in the same project directly across the street from each other, and there is a 7-point difference in their walk scores. In another case, there are two parcels just 207ft away from each other, and there is a 20-point difference in their walk scores. The Walk Score methodology is obviously not consistent or accurate in terms of measuring the actual benefits of walkability for residents. Please see attached maps showing walk score discrepancies.
- 2. Methodology The Walk Score site only provides wo short paragraphs explaining their methodology, which offers very little detail. The methodology seems to be mostly based on distance to nearby amenities. This duplicates the portion of the site score already in place for distances from nearby amenities. The walk scores also take into account information submitted by users, so there may be gaps in their information. The scores are only updated every 6 months, so even if an applicant submitted information that would update their walk score, it likely would not be in place in time for the application date. Using the walk score also doesn't account for the fact that the development itself will likely improve the walk score, as it changes intersections, density, builds sidewalks, etc.
- 3. Using the walk score creates a disadvantage for applicants from communities whose local governments have either just begun the process of improving walkability or who have not made

walkability a priority. These communities still need affordable housing but won't be able to compete with applications in other areas that have prioritized walkability.

4. It is already becoming increasingly difficult to find viable sites that are affordable, particularly for non-profit developers. This has become exponentially more difficult given the changes in the real estate market since the beginning of the pandemic. The more constraints put on the site, the harder it is to find viable, affordable sites. We believe the amenity distance portion of the site score is sufficient to ensure that future tenants have easy access to necessary amenities.

Taking into consideration the reasons above, CASA would request that the two points given for the walk Score and the highest walk score tiebreaker be removed from the QAP. As a potential alternative, we would recommend that the Agency consider lowest average distance to amenities as a tiebreaker. We believe this will maintain the heart of what the walk score was hoping to achieve. And while it does not get at the walkability of a site, we also think a useful tiebreaker to replace the walk score tiebreaker would be to look at the sites that have the highest percentage of cost-burdened renters in the area, a number that is published regularly by the North Carolina Housing Coalition. This would ensure that affordable housing is being built in the areas where it is most needed.

In agreement with most other developers, CASA would also ask that the Agency Increase the cost per unit cap significantly to better reflect the reality of rising construction costs. We have several construction projects in the pre-development stage currently, and all have seen escalating construction prices. Based on those increases, we would recommend a cost per unit cap of \$150,000.

CASA also proposes changing the minimum parking requirements in the QAP from 1.75 per unit to a tiered system based on the size of the units.

Unit Size	Minimum spaces per unit
1-bedroom	1 per unit
2-bedroom	1.25 per unit
3-bedroom	1.5 per unit
4-bedroom	1.75 per unit

A tiered system would better reflect the parking needs of individual developments by tailoring the number of parking spaces to the size of the households. Demand for parking in affordable developments is less than in market rate developments, and studies have shown that parking space utilization rates in affordable developments are only a small proportion of minimum parking requirements.

https://shopworksarc.com/wp-content/uploads/2021/02/2021_Parking_Study.pdf

https://journals.sagepub.com/doi/10.3141/2319-02

CASA has conducted its own study at two of our affordable housing projects. At each development, with 9 and 10 occupied units respectively, only one vehicle was parked at a time over the course of three days. Many households occupying 1-bedroom units are single adults, and many families with children are single-parent households. These households are unlikely to own more than one vehicle.

The current 1.75 spaces per unit minimum is higher than many municipalities minimum requirements:

- The Town of Chapel Hill has a tiered system similar to the one proposed here
- The City of Raleigh has eliminated minimum parking requirements
- The City of Asheville requires only 1 parking space per unit for 1 and 2-bedroom units
- The Town of Hillsborough requires a minimum of 1 space per unit
- The City of Charlotte requires a minimum of 1 space per unit in low-density areas
- The Town of Sanford requires a minimum of 1.5 spaces per unit for 1 and 2-bedroom units
- The City of Greensboro requires a minimum of 1.5 spaces per unit.

As sites suitable for multifamily projects become harder to find, parking will continue to be a constraint on development. A tiered system would provide more flexibility in design to make projects fit on difficult sites. Decreasing the number of spaces will also reduce the costs of development and the amount of impervious surface on a site. This will help as municipalities become more concerned with stormwater runoff.

Again, we are grateful for the opportunity to comment on the 2023 QAP. This gives us the opportunity to partner with the Agency in ensuring that the low-income citizens of North Carolina are provided with quality and safe affordable housing. CASA is proud to be a part of that mission.

Sincerely,

Amanda Barbee

Amanda Barboo

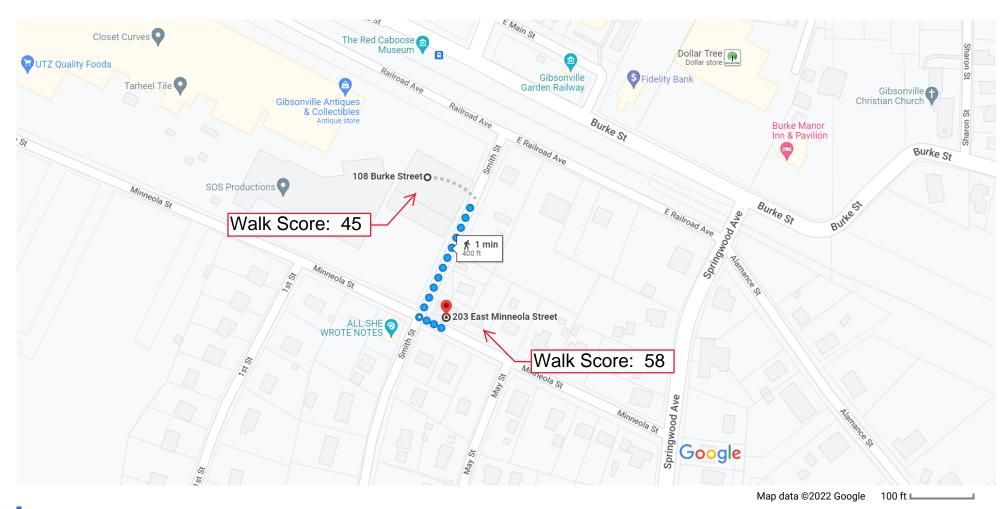
(along with the rest of the Real Estate Development Team)

CASA



108 Burke St, Gibsonville, NC 27249 to 203 E Minneola St, Gibsonville, NC 27249

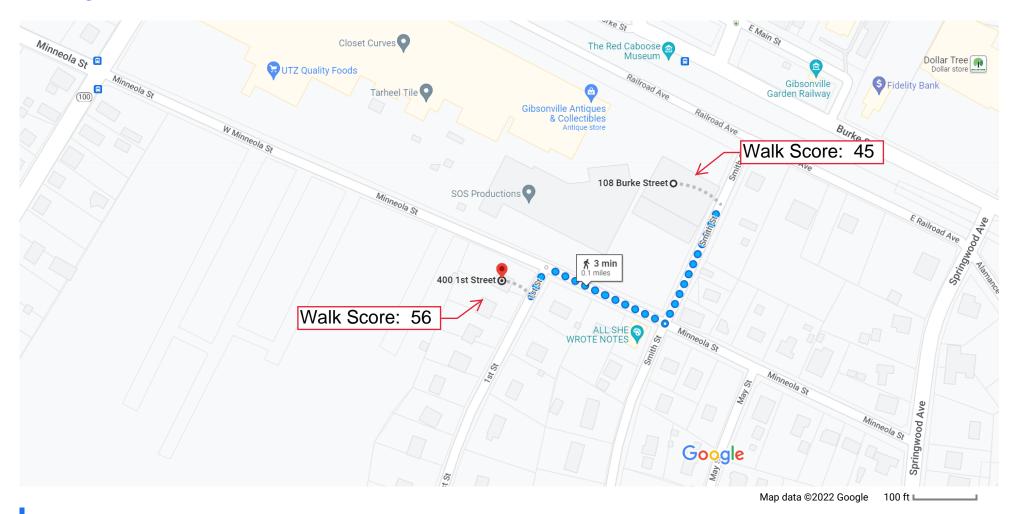
Walk 381 ft, 1 min



via Smith St 1 min 381 ft

108 Burke St, Gibsonville, NC 27249 to 400 1st St, Gibsonville, NC 27249

Walk 0.1 mile, 3 min



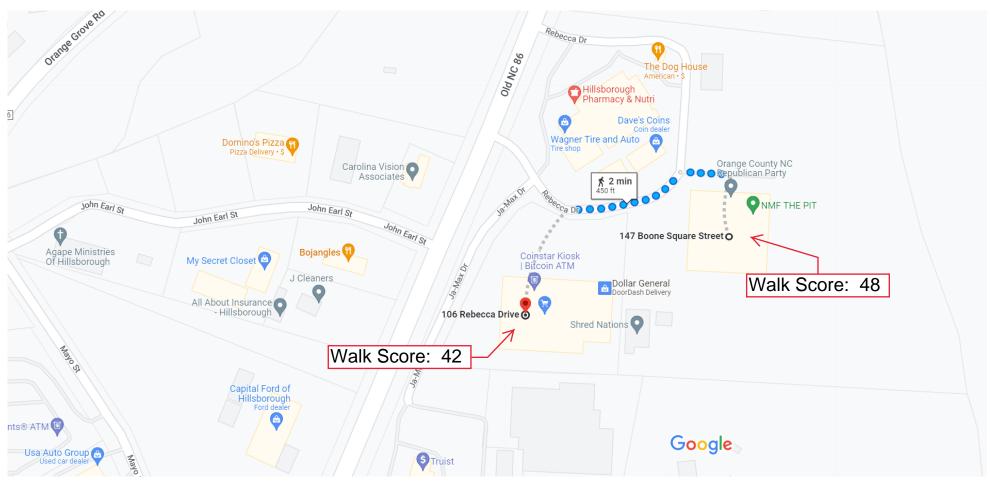
*

via Smith St and W Minneola St 3 min

0.1 mile

147 Boone Square St, Hillsborough, NC 27278 to 106 Rebecca Dr, Hillsborough, NC 27278

Walk 433 ft, 2 min



Map data ©2022 Google 100 ft ⊾

ŕ

via Commerce St and Boone Square St/Rebecca Dr

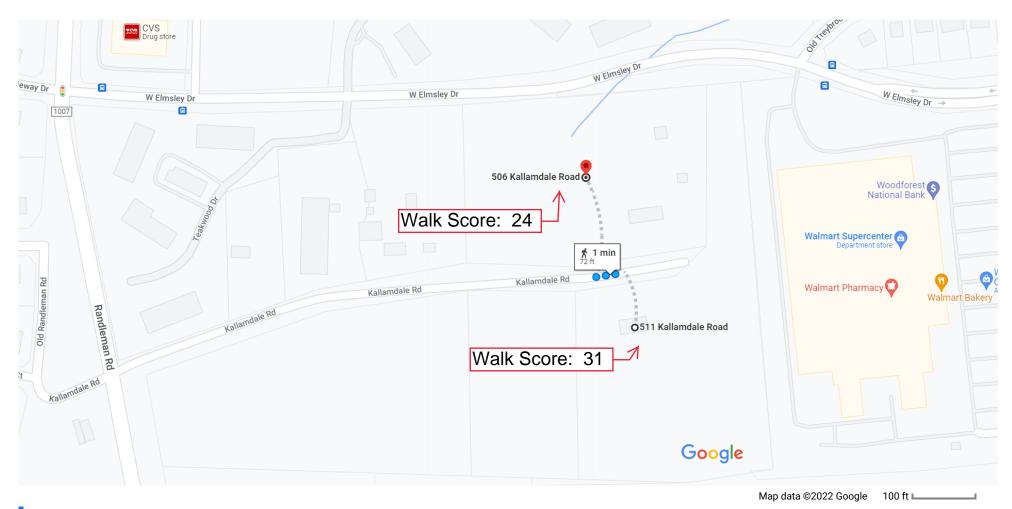
2 min

433 ft



511 Kallamdale Rd, Greensboro, NC 27406 to 506 Kallamdale Rd, Greensboro, NC 27406

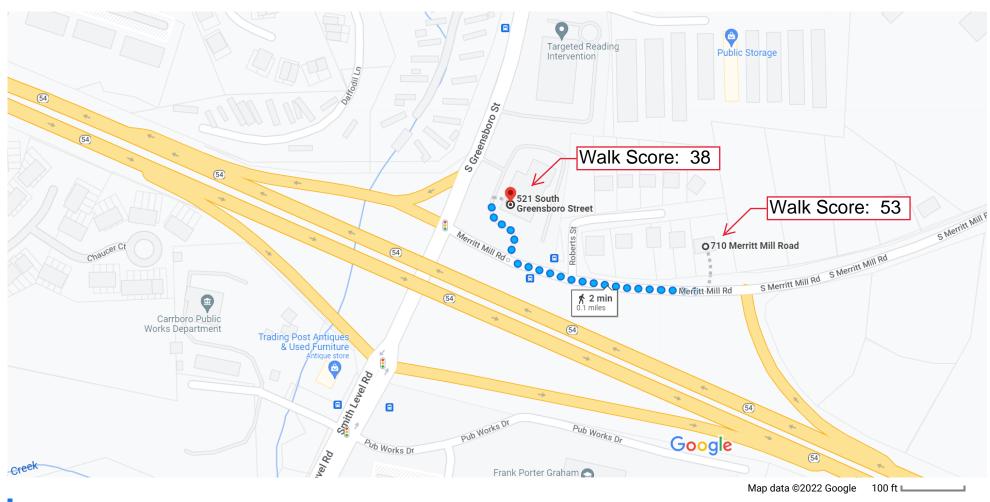
Walk 72 ft, 1 min



via Kallamdale Rd 1 min 72 ft Mostly flat

710 Merritt Mill Rd, Carrboro, NC 27510 to 521 S Greensboro St, Carrboro, NC 27510

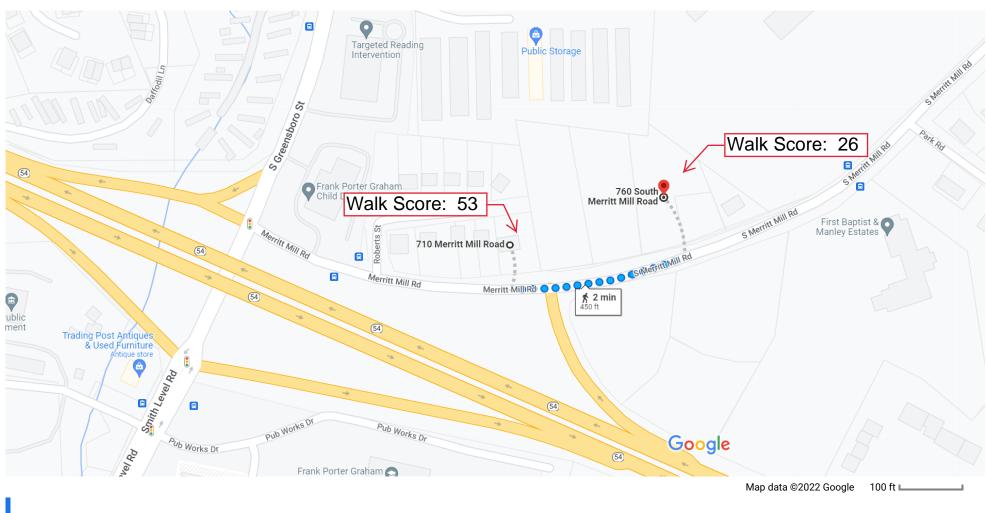
Walk 0.1 mile, 2 min



* via Merritt Mill Rd 2 min 0.1 mile

710 Merritt Mill Rd, Carrboro, NC 27510 to 760 S Merritt Mill Rd, Chapel Hill, NC 27516

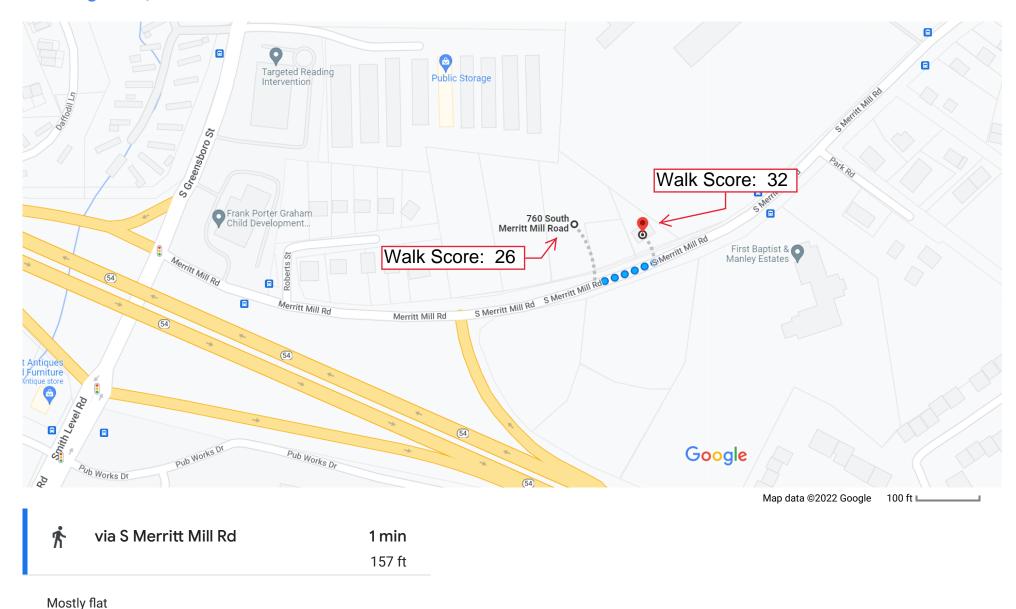
Walk 436 ft, 2 min



* via Merritt Mill Rd 2 min 436 ft

760 S Merritt Mill Rd, Chapel Hill, NC 27516 to 742 S Merritt Mill Rd, Chapel Hill, NC 27516

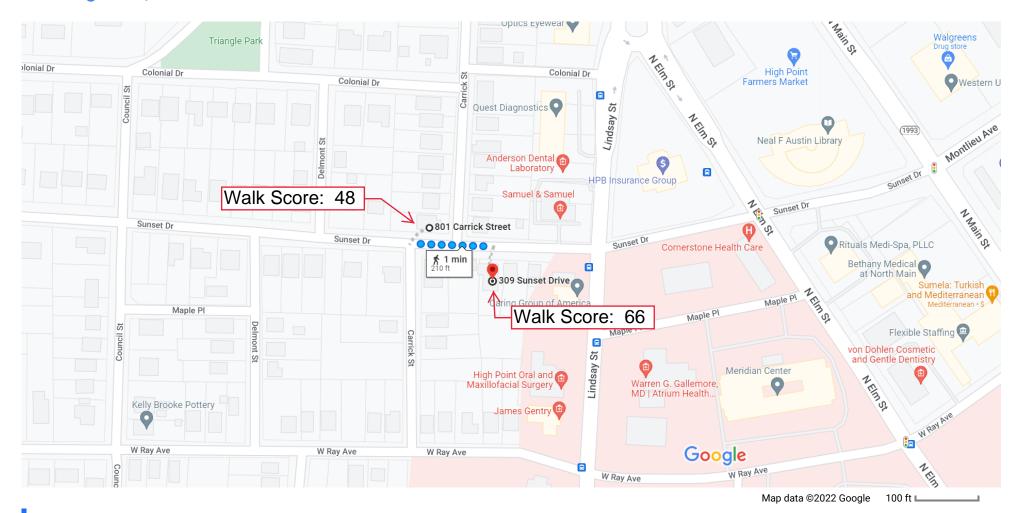
Walk 157 ft, 1 min



https://www.google.com/maps/dir/760+S+Merritt+Mill+Rd,+Chapel+Hill,+NC/742+S+Merritt+Mill+Rd,+Chapel+Merritt+Mill+Rd,+Ch

801 Carrick St, High Point, NC 27262 to 309 Sunset Dr, High Point, NC 27262

Walk 207 ft, 1 min

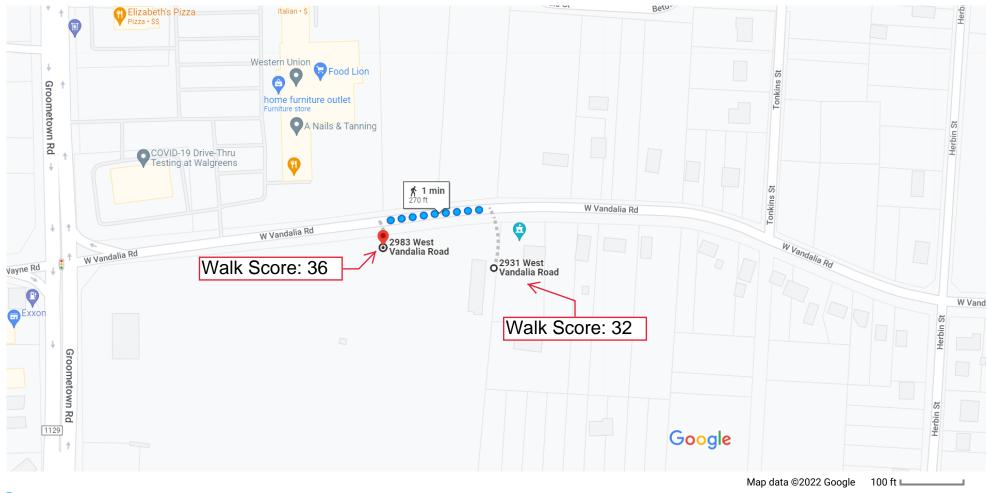


via Sunset Dr 1 min 207 ft

Mostly flat

2931 W Vandalia Rd, Greensboro, NC 27407 to 2983 W Vandalia Rd, Greensboro, NC 27407

Walk 272 ft, 1 min

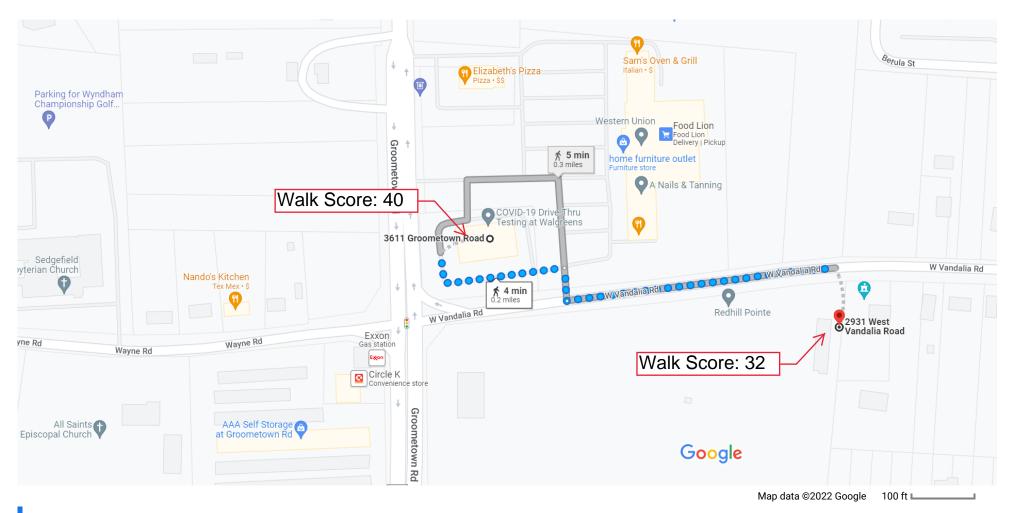


via W Vandalia Rd 1 min 272 ft

NOTE: The address 2983 W. Vandalia Road no longer exists, according to the City of Greensboro. This tract of land was subdivided in 2021, and the new address for this portion is 2931 W. Vandalia Rd. And yet these two addresses have two different walk scores, a 4-point difference between them.

3611 Groometown Rd, Greensboro, NC 27407 to 2931 W Vandalia Rd, Greensboro, NC 27407

Walk 0.2 mile, 4 min



ħ	via W Vandalia Rd	4 min 0.2 mile
Ķ	via W Vandalia Rd	5 min 0.3 mile