

## **UNITED DEVELOPERS, INC.**

### **2014 QAP RECOMMENDATIONS**

The following comments are recommendations that we believe will add to the mission of the Agency to provide units from the available tax credits.

1. At final application, permit developers to submit a higher equity price for the purchase of tax credits provided the amount is supported by a firm commitment letter from a tax credit investor. Developers, based on their financial status and experience can obtain higher pricing, which translates into less tax credits being requested. That in turn would create more tax credits being available for additional funding.
2. Eliminate the restriction of one development per county. This requirement was a penalty to the larger populated counties and favored smaller counties. To meet the needs of smaller counties, which are usually lower wealth counties, we suggest the establishment of a separate "set aside" allocation for counties with less than a predetermined population. By this establishment, the smaller counties are protected and the larger counties are still awarded based on site and market analysis.
3. Realign the regions by expanding the counties in the Metro Region. Buncombe, Durham, Forsyth, Guilford, Mecklenburg, Union and Wake represent the "true" metropolitan counties. They are either the largest populated counties, or are adjacent to them. However, as noted in recommendation #2, awards are not restricted or given additional awards.
4. Extend the distance to grocery store and pharmacy/shopping to be within 2 miles to receive maximum points. This change will open additional quality locations for consideration and allow developments that received awards in the past to be considered for an additional phase. The current tie breaker of tax credits per unit calculation, available RPP funds, along with the developer and county cap will still determine the majority of the awards.

With the exception of the restriction "one award per county on non metro counties" we found the 2013 QAP to be clear and workable. Therefore, we suggest only minor changes for 2014.