

Chris Austin

From: Greg Handberg [greg.handberg@artspace.org]
Sent: Friday, August 22, 2014 11:30 AM
To: rentalhelp
Subject: Artspace Projects, Inc.: 2014 NCHFA QAP Comments

Thank you for this opportunity to comment on the 2014 NCHFA QAP and provide recommendations for changes to be incorporated within the 2015 QAP.

I have three suggested changes for 2015.

Section II.D.2: Non-Profit Limits - Please consider eliminating the cap on LIHTC allocation to non-profit organizations. The status (for-profit or non-profit) of an applicant has no impact on the quality of an affordable housing project. The QAP provides an excellent point based system for determining both the qualifications of the applicant and the quality of the proposed project. The tax credit application that best responds to the criteria specified within the QAP should be awarded credits, regardless of the for-profit or non-profit status of the applicant.

Section IV.C.1(a): Maximum Development Cost - Please consider revising the last bullet point which specifies that a building must include both steel and concrete construction to qualify for "Chart B" cost limits. A revision that specifies steel and/or concrete construction is an appropriate threshold for Chart B.

Section IV.D.1.: Development Experience - Please consider eliminating the North Carolina experience requirement from IV.D.1(a) and IV.D.1(d)(i) and (d)(ii). Artspace is a national developer of affordable housing and has successfully completed 27 LIHTC projects in 14 states and has received 10 allocations of 9% tax credits between 2007 and 2013 (with four more allocations in 2014). The national scope of our work responds to the affordable housing goals and redevelopment goals of local communities. We are currently working on our first North Carolina project. In our experience, an applicant's work within a specific state (or lack thereof) does not impact the applicant's ability to successfully undertake a project in that state. Developing LIHTC projects does require experience and a strong track record. The location of an applicant's prior work should not impact the evaluation of that work.

Thank you for considering these comments and suggestions.

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