

Chris Austin

From: David Pressly [davidpressly@comporium.net]
Sent: Thursday, August 21, 2014 3:20 PM
To: rentalhelp
Subject: RE: Workforce Housing Loan Program

Dear Chris:

I wish to add two comments to the initial draft of the 2015 QAP:

1. Workforce Housing Loan Program—The General Assembly inadvertently created an unintentional bias toward cities like Statesville and Counties like Iredell. High Income Iredell County has a family income of about \$60,600. Assets weigh heavily in the method County Income Designations are computed. The income formula weighs real estate assets with great significance, and the higher home values in Mooresville and Lake Norman place Statesville in the High Income Iredell County. For example, one half of all Statesville households make less than \$35,000 or 60% of the Iredell County family income of \$60,600. And about 40% of Statesville households make less than \$25,000 or about 40% of the Iredell County household income. Therefore, cities like low income Statesville which need housing generated by the program will not receive the needed maximum Workforce Housing Loan because the city is located in a high income county.
2. The QAP circumscribes certain points to the three neighborhood amenities' distance from the subject property. Maximum points are awarded for a distance of one mile or less. Should the QAP relax the distance requirement to two miles from one mile for one of the three amenities, more sites will be available for development. With a greater supply of sites with desirable and required neighborhood amenities and the demand function for sites remains the same, most likely the price for desirable sites will decline.

Thank you for considering these thoughts.

David Pressly

From: Chris Austin [<mailto:claustin@nchfa.com>] **On Behalf Of** rentalhelp
Sent: Tuesday, August 19, 2014 2:56 PM
To: rentalhelp
Subject: Workforce Housing Loan Program

The deadline to submit comments for consideration in the first draft of the 2015 QAP is Friday, August 22nd. You may email comments to rentalhelp@nchfa.com or mail to the following:

NC Housing Finance Agency
Attn: Rental Investment
3508 Bush Street
Raleigh, NC 27609

As we stated in a previous email, the State Tax Credit (STC) will sunset on December 31, 2014 and not be available to future projects beginning in 2015. The budget signed by the Governor earlier this month included a \$10,000,000 appropriation titled the Workforce Housing Loan Program (WHLP). The attachment is from the budget and describes the WHLP. This appropriation represents a more than 80% reduction in funds that were awarded to 2014 projects as STC funds. In addition to having a cap of \$10,000,000, it also limits the WHLP loans based on the county income designation. To make the WHLP funds available to all projects while also adjusting for the new program cap and project limits, one proposal is to reduce the percentages used to calculate the STC by 80% as follows: