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SUGGESTED CHANGES TO 2016 QAP

United Developers is very satisfied with the administration of the tax credit program as is outlined by the 2015 QAP. The tax credit awards were determined by the competitive process which has been the success of the program. Through the current process, record numbers of affordable units have been made available to the growing need throughout the state. Any change in the current process will adversely affect the ability to continue to meet the goals of the program by a reduction in the number of funded developments. We do want to reemphasize the points that were made earlier during our meeting with The Agency.

1. We do not support the reduction in the developer limit from the current \$1,800,000 cap. In fact, we support an increase to permit the best applications, submitted with strong financial backing to be selected in the competitive process. Additionally, there should not be any limit to the number of awards made to a developer.
2. Developers should be able to submit as many applications as they see fit. Since the developments are funded in different manners; tax credit, with or without RPP funds, with or with WHLP, it is difficult to determine when those funds may run out. It should be a developer's decision if he/she wish to make multiple applications on the same site.
3. Developer fees should continue to be determined at \$13,000 per unit without a maximum of \$1,100,000 per development. How much of that fee is taken, should be a developer's decision and not regulated by NCHFA. Developers have different needs, therefore, they should be able to determine how much they need to support the development and defer.
4. Site scoring should be applied fairly across the state. Reducing any of the measurements to ½ mile strongly favors the larger markets and penalizes the smaller rural markets. Adding more amenities into the mix does not make the site better. The maximum of 27 points should continue in the 2016 QAP. It is fair to all markets. It is late in the year to make sizable changes affecting potential site selection. Many developers, including, United Developers, have already been working on site selection, options and zoning issues.
5. Due to the shortage of available local funds, points should not be given when those funds are obtained. We continue to request local funding, to support the application, however, it is not equitable for all cities and counties. The decision to not count those funds in recent years was the right decision.