## **Chris Austin**

From:	David Levy <dlevy@ahmi.org></dlevy@ahmi.org>
Sent:	Friday, September 02, 2016 11:02 AM
То:	Chris Austin
Subject:	2017 QAP Comments
Attachments:	ES_Version_3.1_Cost_Savings_Summary.pdf

Affordable Housing Management, Inc. has the following comments on the 2017 Draft QAP:

1. Adding point awards for various items is a positive change that should eliminate multiple developments receiving the same score.

2. Recommend adding two points for new construction building to Energy Star version 3.1. The additional cost to do so is more than offset by lower operating utility costs and reduced unit utility allowances. Building to higher energy efficiency also has positive environmental benefits. The attached document provides costs and savings for Energy Star version 3.1 and how it compares to the 2012 IECC. Any project completed to version 3.1 is going to be at least 15% more efficient than the 2012 IECC (the 2012 IECC, is currently more stringent than the NC 2012ECC).

3. Eliminate the 20% cap on nonprofit sponsored awards. It is not appropriate to disqualify a development based on the tax status of the developer. Projects should be selected based on the merits of the development.

4. Limit the number of awards to any one developer to two new construction deals per year.

5. National Housing Trust Fund: How many dollars will be available for each project and how will it be structured? Will it be a loan and what would the terms be and when would the funds be available to draw down?

6. Maximum Project Development Costs: While it is appreciated Chart A has been increased to \$68,000 that is not high enough for developments in the Metro areas. Current Metro developments are costing more than that amount. Additionally, considering the time lapse between determining budgets for 2017 developments and when they will be built, it is likely there will be further price increases by the time construction begins. Recommend creating a Chart C for Metro areas and increasing the amount to \$72,000 per unit.

7. Clarify when using RPP funds that 20% of the total units is 20% of the total HOME units and not 20% of all units.

8. Post Award: Make the application accessible while post award changes are pending. For example, once a PAC is submitted and waiting for approval or rejection, the 10% cost certification cannot be worked on within the application until the PAC is approved or rejected, which can take some time.

Currently, the post-award process requires Agency approval when altering the approved designs including amenities, site layout, floor plans and elevations. That can be interpreted to be any changes at all of any type. Suggest changing that approval is required only for "material changes" and then define "material" with a dollar amount, say \$10,000, unless the change is being made to a required QAP design feature. This change will benefit both the Agency staff and developers.

Thanks.

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