

## Chris Austin

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**From:** Michael Rodgers <Michael@dhic.org>  
**Sent:** Friday, October 27, 2017 3:48 PM  
**To:** Chris Austin  
**Cc:** Gregg Warren; Natalie Britt  
**Subject:** Comments on the Second Draft of 2018 QAP

Chris,

On behalf of DHIC, I would like to offer the following comments on the second draft of the QAP:

1. Cost per unit – Construction costs have been rising steadily due to labor and material demand and have now been exacerbated by recent disasters. Our 2017 new construction projects have recently received contract pricing based on approved plans and have Line 5 Construction costs of \$80,035 and \$85,964 per unit. These are current costs and we can expect to see price inflation over the next 12-18 months. We suggest a per unit construction cost limit of \$85,000 for Chart A and \$95,000 for Chart B.
2. Sponsor cap – The reduction of the sponsor cap significantly restricts development plans. Assuming the 2017 average credits per unit, it would not be possible to receive two awards for 80 units projects. In an environment of increasing costs and credit requests, we request that the sponsor cap be increased to \$2.0 million. This would allow a sponsor to pursue two projects requesting the maximum allocation of \$1 million per project.
3. Credits per unit – The revision in the second draft creates too much downward pressure on credit requests. We respectfully request that credits per unit be eliminated as a scoring category or returned to the 2017 system.
4. Additional point – We support the effort to provide additional differentiation in scoring to avoid the use of tiebreakers.

We appreciate the opportunity to offer these additional comments and look forward to working with NCHFA on the 2018 application round.

Thank you,

### Michael Rodgers

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