

PENNROSE

Bricks & Mortar | Heart & Soul

November 2, 2017

Scott Farmer
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609
Via email to: clautin@nchfa.com

Dear Mr. Farmer,

On behalf of our North Carolina clients and partners, Pennrose Properties would like to take this opportunity to provide comments to the North Carolina Housing Finance Agency 2018 Draft Qualified Allocation Plan (QAP).

Section II:B.2 We request NCHFA waive the requirement of a structure previously having been on the property as an eligibility threshold for redevelopment projects. Sites previously used as a commercial use should be eligible for redevelopment designation regardless of a permanent structure having existed on the property.

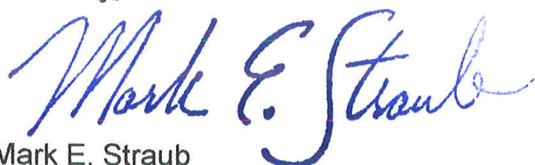
Section IV:C .1 Maximum Project Development Costs - Cost per unit – Construction costs have been increasing steadily. We suggest a per unit cost limit of \$85,000 for Chart A.

Section IV-F.2 Credits per unit average – The credits per unit average should not be used to create downward pressure on construction costs entered in the tax credit application. Eliminating points for credits per unit average or using a system similar to the 2017 QAP that awards points based upon where the project falls within a range both below and above the regions credit per unit average is a far better approach.

Section IV: F.8 Tie Breaker – The first tie breaker as currently written is the project in the census tract with the lowest percentage of families below the poverty rate. We request that redevelopment projects and other revitalizations of former public housing units or efforts aligned as part of Choice Neighborhood Planning Grant be given equal value with the lowest poverty census tract in connection with this tiebreaker.

We appreciate the opportunity to provide comments and be part of the QAP process. Your consideration is greatly appreciated.

Sincerely,



Mark E. Straub
Regional Vice President

