



TRIANGLE J COUNCIL OF GOVERNMENTS

World Class Region

September 1, 2017

North Carolina Housing Finance Agency – 2018 Qualified Allocation Plan

3508 Bush Street

Raleigh, NC 27609

Submitted electronically via claustin@nchfa.com

Dear Sir or Madam:

Thank you for the opportunity to comment on the Agency's proposed criteria for the 2018 Low-Income Tax Credit Qualified Allocation Plan (QAP). Triangle J COG is working with its member communities and partner organizations to promote and safeguard housing opportunities for a full range of households as the region adds another million residents over the next generation. We appreciate the NCHFA's valuable role in supporting high-quality affordable housing within the Triangle region and throughout the state.

As we work with partner organizations like ULI-Triangle and GoTriangle, it is clear that considering both housing and transportation costs in concert can be an effective way to make affordable housing investment decisions that best serve the needs of low-income citizens. We therefore encourage the Agency to review its criteria with an eye to supporting projects that result in the lowest combination of housing and transportation costs for residents, and provide the greatest access to opportunities and services for low income households.

Two specific recommendations related to site evaluation that might help achieve this include:

1. Modify the criteria under Site Evaluation, section (b) Criteria for Site Score Evaluation, subsection (iii) Site Suitability so that any frequently used railroad tracks that carry or are planned to carry passenger rail service are not penalized (i.e., only freight-only tracks would be penalized). Many new market-rate multifamily developments in urban centers are located along rail corridors (examples: West Village in Durham, 222 Glenwood in Raleigh, CityView in Greensboro and The Yards at Noda in Charlotte) and having access to current and planned passenger rail service benefits low-income households. Since it appears that projects submitted to NCHFA need perfect scores, losing any points would disqualify projects. This penalty also conflicts with the scoring used to apply for federal funds for rail transit, which *rewards* communities for locating affordable housing close to rail transit stations, and would make joint development that incorporates affordable housing at rail stops more difficult to achieve.
2. Add a second exception to the "good" category under Site Evaluation, section (b) Criteria for Site Score Evaluation, subsection (i) Neighborhood Characteristics so that sites within one-half mile of an existing or planned rail transit stop are included in the "good" ranking. Extensive experience demonstrates that locations within a half-mile of rail stops exhibit redevelopment and land cost escalation as rail service is planned and implemented; if these sites are excluded until the neighborhood has largely redeveloped to meet a "good" standard, land will be priced out of the reach of affordable housing developers.

Note that these site evaluation recommendations could be applied initially in the Metro category, since the other NCHFA allocation regions may not have the transit or redevelopment opportunities of North Carolina's growing metro regions.

In addition to specific site evaluation criteria, we encourage the NCHFA to review any standards or criteria that might arbitrarily limit the development of good projects, such as limits on non-profit agency participation, especially in metro areas where creative approaches may be needed to address housing cost issues and where non-profit organizations can provide substantial expertise, experience and resources.

The agency may wish to slightly amend the language under the second bullet in section B.2.b.v on page 6 to read "*waiver or reimbursement* of impact ..."; many jurisdictions conclude that they do not have the legal authority to waive certain fees, but can reimburse the amount of fees paid by applicants.

Finally, the agency may wish to consider adding a "case-by-case" option to the listing of eligible grocery chains, with some clear minimum criteria. To use an example from our region, the Durham Food Co-op is a full-service grocer that is open to the general public (not just co-op members) and that offers 20% off purchases for low-income households who have joined their Food For All membership. It is in an area that would be attractive for affordable housing, but there are not other listed grocers nearby.

The staff at Triangle J COG would be pleased to meet or talk with you to provide any additional information, and offer whatever support we can in assisting the agency in these or related criteria. Again, thank you for the crucial services you provide, and for the opportunity to comment on your standards and criteria.

Sincerely,

A handwritten signature in black ink that reads "John Hodges-Copple". The signature is written in a cursive, flowing style.

John Hodges-Copple

Director of Regional Planning