



October 13, 2023

North Carolina Housing Finance Agency  
 Attn: Scott Farmer, Tara Hall, and Russ Griffin  
 3508 Bush Street  
 Raleigh, NC 27609

**RE: Comments on the First Draft of 2024 NCHFA QAP & Draft of Appendix B**

Dear Scott, Tara, and Russ,

On behalf of DHIC, Inc. (DHIC), we are pleased to submit the following comments to the first draft of the 2024 North Carolina Housing Finance Agency Qualified Allocation Plan (QAP). We hope that these comments will assist the North Carolina Housing Finance Agency (NCHFA) in the difficult task of fairly allocating the limited pool of Low-Income Housing Tax Credits (LIHTCs). Many of our key concerns are captured in a joint letter with other North Carolina non-profit developers including: **eliminating the retaining wall restriction or clarifying it, increasing the non-profit set aside, not reinstating cost caps, and allowing parking requirements match those of the local municipality.** In addition to those comments, DHIC would like to respectfully submit the following suggested changes for your consideration:

**Draft QAP**

Section	Change	Reason
IV.A.1(b)(ii) Amenities	<b>Add “A bus/transit stop qualifies for 3 points, not to exceed the total for subsection (ii), if 1) all of the above criteria are met except for a covered waiting area and 2) buses serve the stop at least 27 times between the hours of 9am-6pm, Monday through Friday.”</b>	The frequency of bus service is important. If a bus arrives every hour, and a rider is reliant on using the bus to get to work, then being late to the bus could have negative impacts. This proposed change introduces bus frequency as more than a threshold component; 27 stops requires that a bus stop have an average of one bus/20 minutes from 9am to 6pm. As NCHFA seeks to achieve deeper targeting through increased 30% units, access to frequently-occurring transit will become critically important.
IV.A.1(b)(ii) Amenities	<b>Add Goodwill / GCF Stores in the Shopping establishment table</b>	Goodwill/GCF provide a diverse range of goods, and provide a different product (clothes) in comparison to other Shopping establishments listed in the QAP, which significantly overlap with Grocery and Pharmacy categories. A site with proximity to a Food Lion, Goodwill and CVS is better suited to provide potential tenants with a range of needed goods than a Food Lion, Dollar Tree, and CVS.
IV.A.1(b)(ii) Amenities	<b>The change needed depends on the intention of NCHFA.</b>	Clarify what a “non-alternative” public school means. We are unsure of whether charter schools or magnet schools are included as public schools in this definition, though they are publicly funded.

IV.A.1(b)(ii) Amenities		Increase the distance radius for senior centers. There are many more public schools than senior centers, so the driving radius for senior centers should be larger for the same points total. Keeping the structure as it is risks disproportionately advantaging Family properties over Seniors.
IV.A.1(b)(ii) Amenities	<b>Allow non-chain grocery stores to qualify as a Grocery as defined by the QAP.</b>	Structural racism and chronic disinvestment in communities of color have resulted in fewer amenities, such as grocery stores, in these neighborhoods. Often, these neighborhoods are served by local grocery stores that also have specific goods that are unavailable in traditional markets. By expanding the Grocery category beyond chain stores, like the Pharmacy category, the Agency ensures that tax credit equity is not unintentionally diverted from these disinvested communities.

Draft Appendix B

Section	Change	Reason
V.A Required Site Amenities	<b>Add “or Screened Porch” after “Gazebo” in the table listing the three Required Site Amenities for Senior projects</b>	Screened porches provide equivalent outdoor space as gazebo structures, and are 1) often closer to a resident’s unit, 2) more easily located on an accessible route, and 3) usable during precipitation events. After accounting for the building footprint and parking requirements, many small sites do not have acreage for a separated gazebo, and are penalized when they can provide equivalent space in the building.
E.4, Sitework and Landscaping	<b>No change</b>	We do not have issue with the language in this section, but it is inconsistent with the Construction Field Guide. Please clarify in the Construction Field guide that only switchbacks are prohibited to primary building entrances.
G.4, Laundry Room Closets	<b>Delete “and Type B”</b>	New ANSI requirements provide 52-inch clear floor space for Type A units but not for Type B units. Keeping Type B clearances at 48 inches is consistent with code and therefore less prone to design error.