Tara Hall

From: Sent: To: Cc: Subject: Bobby Funk <bobby@millsconstructionco.com> Friday, October 13, 2023 4:50 PM RentalHelp Tara Hall; Fred Mills Jr. 2024 1st Draft QAP - Comments

Hi Tara and All,

Thank you for the opportunity to make comments on the 1st draft of the QAP. Below are our comments and suggestions for this draft.

3rd Tiebreaker

We think the current 3rd tiebreaker will not lead to better housing proposals and should be removed from future drafts. Potentially selecting projects based on who can most quickly fill out an application should have no bearing on the quality of the proposed housing. This tiebreaker will incentivize rushed submittals which will in all likelihood lead to less well considered underwriting and overall projects.

Golden Leaf Funds

We suggest that these funds could be allocated by the Agency by simply replacing other funding sources. For example, a developer could request WHLP funds and the Agency could allocate the project Golden Leaf funds as long as their application otherwise qualifies for Golden Leaf funds. Under the draft rules, an applicant who applies for this funding will either be awarded the project or be removed entirely from consideration if they are not one of the three selected projects. This may lead to applicants choosing not to seek this funding for fear of being thresholded due to lack of Golden Leaf funding. By allowing the Agency to award the funds by reducing WHLP requests, this may lead to more efficient funding of projects. The Agency may also consider reducing the per-project minimum funding from Golden Leaf which may result in the Agency having funds to support more projects overall.

We support the Agency's increase in maximum possible site scores in the hopes of not relying so heavily on tiebreaker scenarios for awards. We would like to propose the following additional possible point to help further reduce the likelihood of tied applications.

Development Economy Point: 1 point for being in the top 25th percentile for lowest total development cost per unit among new construction applicants in counties with the same income designation exclusive of metro counties. This would allow the Agency to consider the overall cost efficiency of developing units in communities with similar economic conditions.

Thank you.

Bobby Funk Mills Construction