



Lee Cochran

SENIOR VICE PRESIDENT

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August 26, 2020

Mr. Chris Austin  
Director of Rental Investments  
North Carolina Housing Finance Agency  
3508 Bush Street  
Raleigh, NC 27609

Re: Comments to the First Draft of the 2020 Qualified Allocation Plan (QAP)

Dear Mr. Austin:

On behalf of Laurel Street, I would like to thank you for your continued service to the North Carolina Housing Finance Agency (NCHFA) and to the state's affordable housing development industry. We also appreciate this opportunity to share comments to the First Draft 2021 QAP.

We are very supportive of many of the proposed changes in the First Draft 2021 QAP.

- We agree with the adjustments to Principal and Project Award Limits in Section II.E.
- We agree with the adjustments to Driving Distances to Amenities in Section IV.A.1.
- We agree with the removal of census tract poverty rate as a tiebreaker in Section IV.F.8. in recognition of the important role that well designed and executed affordable housing developments play in the revitalization of neighborhoods and cities.

We would respectfully suggest the following changes to the First Draft 2021 QAP.

- Change the demolition deadline in Section II.B.2.(b)(iii) to September 31, 2022 in recognition that the required demolition in some RAD redevelopments will be part of the tax-credit financing so won't be able to begin until after finance closing.
- We would suggest adding Premium Outlets and Tanger Outlets as establishments that qualify as Amenities in the Shopping category under Section IV.A.1.(b)(ii). These shopping centers provide a good complement of goods to what is offered in Grocery and Pharmacy establishments.
- For projects that qualify under Chart B in Section IV.C.1.(b), we would suggest that the maximum amount for Lines 5 and 6 of the PDC description be increased to \$110,000.
- Since overall demand for tax-credit housing is high in all Counties in the Metro Region, we suggest that, for the Metro Region only, "the county with the least number of 9% tax credit units created over the last 5 years" becomes the First Tie Breaker in Section IV.F.8 rather than the Second Tie Breaker. NCHFA has always worked to achieve an equitable distribution of tax-credit awards across North Carolina's counties and this would further that goal.
- Revise the language in Section IV.F.8.(a) to, "No application qualifying for \$1,200,000 or more in tax-credits can have a credit request of less than the product of \$1,020,000 times the percentage of low-income units in the project."

Thank you very much for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lee M. Cochran", with a long horizontal flourish extending to the right.

Lee M. Cochran