



Housing Affordability & Community Revitalization

To: Chris Austin, Director of Rental Investment

From: Alicia Arnold, Equitable Housing and Community Development Division Director

Through: Lorena McDowell, Housing Affordability and Community Revitalization Director

Date: August 25, 2020

Re: Draft 2021 Qualified Allocation Plan Comments

Wake County offers the following comments and suggestions for the 2021 Qualified Allocation Plan:

1. Consider raising or eliminating the limit of 2 new construction awards and 5 preliminary applications per principal. We are concerned that this will limit the production of new affordable housing which is greatly needed.
2. Consider an exemption to allow principals of returned projects to submit a 2021 application, where the credits were returned due to factors where the developer was not at fault: significant changes in credit pricing due to federal action, unforeseen natural disasters, pandemics, etc.
3. We do not support the requirement for scattered-site projects to be located on adjacent or near-adjacent parcels for rehabilitation or new construction.
4. Consider allowing submission of one application for mixed-tenancy developments that are located on the same or adjacent parcels.
5. We recommend adding Wegmans to the list of qualifying grocery stores.
6. Consider changing site score criteria to allow more proposed developments to achieve 60 points:
 - a. We support the larger radii for primary and secondary amenities;
 - b. Consider removing the requirement that a pharmacy have non-medical general merchandise;
 - c. Consider including County Public Health services centers as healthcare facilities;
 - d. Consider greenways and trailheads as qualifying public parks;
 - e. Consider increasing uncovered bus stops to 3 points;
 - f. Consider allowing 1 point for planned and budgeted or under construction transit investments.
7. Consider allowing RPP funds to be used to create mixed-income communities.

8. Clarify language regarding RPP debt service calculation to clearly state that subordinate debt does not have to be on a cash-flow basis.
9. Reconsider the exclusion of Metro geographic set-aside proposals from requesting WHLP loans.
10. We support the added language of prohibiting management agents who have increased rents on LIHTC properties without Agency approval from serving as management agents for new applications.
11. Consider adding an exclusion from disqualification for any owner, principal, or management agent who has been in mortgage default in the past year through no fault of their own, specifically related to the economic impact of the pandemic.
12. Consider adding the station area definition from the Wake County Transit Plan for exclusion from limitations in subsection E(2).
13. Consider calculating average tax credits per unit by region, to allow Metro-area developments to take advantage of the bonus points.
14. We support the additional applicant bonus point.
15. Consider making the project with the lowest average income targeting to be the second tiebreaker.