



October 15, 2021

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North Carolina Housing Finance Agency
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Via Email rentalhelp@nchfa.com

On behalf of Dominium, thank you for the opportunity to provide comments on the North Carolina Housing Finance Agency 2022 Draft Qualified Allocation Plan. To inform our comments, Dominium solicited feedback from our financial, legal, and development partners throughout the industry.

With almost 50 years of experience helping communities achieve successful affordable housing solutions, Dominium's overriding objective is to build and improve properties that people are proud to call home.

Allocation Terms and Revocation (Pg. 33, VII. Post-Award Processes And Requirements, #4)


- QAP Mandate:
 - The actual tax credits allocated will be the lesser of the tax credits reserved, the applicable rate multiplied by qualified basis (as approved by the Agency), or the amount determined by the Agency pursuant to its evaluation as required under Section 42(m)(2) of the Code. Projects will be required to elect a project-based allocation. An allocation does not constitute a representation or warranty by the Agency or Committee that the ownership entity or its owners will qualify for the tax credits. The Agency's interpretation of the Code, regulations, notices, or other guidance is not binding on the federal government.
- Comment:
 - Clearly define in the QAP whether this applies to 4% transactions, 9% transactions, or both. Dominium is active in several states, and typically have only seen maximum tax credit allocations for 9% transactions.
- Rationale:
 - The way we are interpreting the mandate suggests that if there are cost overruns in a 4% development, the tax credit allocation cannot be adjusted to account for those increases.



Parking (Pg. 12, Appendix B(V)(F)(3))

- QAP Mandate:
 - Family projects require a minimum of 1.75 parking spaces per unit. Senior projects require a minimum of one parking space per unit.
- Potential Comment:
 - Parking requirements are higher than we have seen in other markets. In both Georgia and Texas, the parking requirements for family developments is 1.5 spaces per unit. Other agencies require developers to adhere to the local code and parking ordinance for the respective municipality.
- Rationale:
 - We believe municipalities are better equipped with the knowledge necessary to decide what works best for their city/county. Allowing developers to use parking requirements consistent with what the city allows would be one less threshold for the Agency to enforce and developers to risk failing. High parking ratios result in spaces often going unused. High parking ratios also limit flexibility for sites that need less parking, for example: urban infill sites that are Transit Oriented Developments or Senior developments where most residents are no longer driving.

Thank you again for your time and the opportunity to submit topics. We appreciate your consideration and look forward to our continued engagement with the North Carolina Housing Finance Agency so we can work together to solve the growing affordable housing crisis in North Carolina.

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