

2022 NCHFA 2nd Draft QAP Comments

We are opposed to the addition of Walk Score as a site score point opportunity as well as the addition of Walk Score as a tiebreaker as drafted in the 2nd Draft of the 2022 QAP. While we believe walkability is a valuable consideration when assessing a development site, this application deeply disadvantages rural communities from opportunities for funding as there are simply fewer amenities which contribute to Walk Score in non-urban communities. Additionally, the practical effect of these criteria is to reduce the field of viable development sites for developers to consider and likely push developers to select worse development sites for the sake of trying to achieve Walk Score points. This has the opposite effect of expanding the driving distance to amenities, a change which has given developers the chance to better identify the best sites for multifamily development in a community. These criteria will push developers to compete for land that may be challenging for housing as well as being priced for higher cost commercial land uses.

While we think a fresh approach to site evaluation would serve North Carolina's affordable housing landscape well, it should be carefully considered to balance maximizing unit creation, geographic distribution, sites in high-opportunity neighborhoods, consideration of communities most impacted by affordable housing challenges, as well as efficient capitalization of limited resources. We would suggest convening a representative group of developers and stakeholders to offer guidance on ways to improve future QAP scoring criteria to help identify great sites, but the proposed changes discussed above should be removed for this cycle.

We acknowledge the cost climate we currently find ourselves in but would caution that a permanent removal of any scoring or tie breaking element related to development cost may ultimately reduce unit delivery with available funding. If in the future the Agency again chooses to prioritize a measure of economy as a basis for award(s), we suggest only considering lowest total development cost per unit as the metric to be measured against the relevant pool of applicants for the specific property type, family or senior.

Sincerely,

Fred G Mills Jr