

## Tara Hall

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**From:** Thomas <tomu@mindspring.com>  
**Sent:** Tuesday, September 12, 2023 4:04 PM  
**To:** Tara Hall  
**Cc:** Julia Bryan  
**Subject:** 2024 QAP Comments

Tare:

Below are my comments about what should be in the 2024 QAP,. I look forward to making other comments after the first draft is available.

1. If the second tiebreaker from 2023 continues, make all sites eligible for the 30% Basis Boost. The way the second tiebreaker works leads to projects in QCTs having a significant advantage in lowering the average rent because they can have more LIHTC/unit. I do not believe the NCHFA wants the majority of winning sites to be in QCTs. I am not in favor of the second tiebreaker.
2. Increase the maximum credits per project to \$1,500,000. The Agency's current maximum credits/project leads to a smaller project size that is financially difficult to develop and to manage.
3. Current minimum expenses/unit are too low, primarily because of increasing insurance premiums, salaries, and supplies/materials. Insurance alone has recently increased more than \$200/unit/year. I propose a tiered system of minimum expenses: 24-72 units – minimum of \$4,600 PUPA before taxes; 73-150 units – minimum of \$4,400 PUPA before taxes; and 151+ units - minimum of \$4,100 PUPA before taxes.
4. Because of delays in closings beyond the control of developers, allow 2022 project allocations to be recycled as 2024 allocations.

Many thanks for allowing the opportunity to make suggestions.

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