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Scott Farmer
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609

Dear Director Farmer,

On behalf of the [U.S. Green Building Council \(USGBC\)](#) and our community in North Carolina, we are pleased to provide our comments regarding the draft 2023 Qualified Allocation Plan. USGBC respectfully **suggests that the draft QAP be amended to include competitive points for projects that achieve high-performance building certifications, such as LEED.**

USGBC is a non-profit organization committed to transforming the way all buildings and communities are designed, built, and operated to support a sustainable, resilient, and prosperous environment that improves the quality of life for all. Our flagship green building system, [Leadership in Energy & Environmental Design \(LEED\)](#), is a nationally recognized standard that takes a holistic view to whole-building performance. LEED-certified projects must meet a set of rigorous criteria within prerequisites and flexible credits that, when combined, set building projects on the path to excellence. In North Carolina alone, there are over 1,000 LEED-certified buildings, totaling more than 146 million square feet of real estate.

USGBC Recommendations

USGBC commends the NCHFA for requiring that projects achieve ENERGY STAR Multifamily New Construction certification. Energy efficient buildings result in lower energy bills for residents – addressing one of the perpetual barriers to affordability – and lower local emissions.

But building performance goes beyond energy. Third-party certifications, such as LEED, take a holistic approach to building performance, considering additional factors such as water efficiency, occupant comfort, indoor air quality, disaster resilience, waste, biodiversity, and building materials. Consider the fact that 35% of LEED credits are related to climate change, 20% directly impact human health, 15% impact water resources, 10% affect biodiversity, 10% relate to the green economy, and 5% are related to natural resources impact.

Aside from improving residential quality of life, the benefits associated with whole-building performance often align with related state goals, such as public health and climate or disaster resilience. **To that end, USGBC respectfully suggests that the draft QAP be amended to include competitive points for projects that achieve high-performance building certifications, such as LEED.**

While we acknowledge that the NCHFA, like many state housing finance agencies, wants to minimize up-front development costs associated with low-income housing credits, the cost savings often associated with projects that achieve third-party certification means quick payback periods. Consider a [study](#) that found that third-party certified building renovations in affordable housing projects in Washington, DC were associated with substantial energy and water cost savings, at 16% and 54%, respectively.

USGBC has curated resources, such as this [QAP advocacy brief](#), to help state housing agencies understand the benefits of certifying affordable housing to high-performance building standards. USGBC is also available to assist NCHFA with suggested language and examples from other states that provide competitive points for third-party certifications, such as South Carolina, Louisiana, and Texas.

Thank you for your continued commitment to transparency in the annual QAP process, and the opportunity to provide comments on the 2023 QAP draft. Please contact Rebecca Price at rprice@usgbc.org if you have questions.

Sincerely,
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