

October 29, 2013

North Carolina Housing Finance Agency Attn: Rental Investment 3508 Bush St. Raleigh, NC 27609

Southern Energy Management (SEM) would like to offer the following comments regarding the draft 2014 Qualified Allocation Plan. SEM has long supported the Agency's efforts to provide the citizens of North Carolina affordable housing that is not only affordable but also healthy, comfortable, durable and energy efficient.

NCHFA has demonstrated leadership in this area by requiring for the past several years all projects constructed using LIHTC funds be certified to Energy Star version 2.0. This requirement, Appendix B, Section IV, continues with the proposed 2014 QAP. SEM encourages the Agency to continue it's leadership by encouraging developers to pursue projects constructed to exceed the minimum standards as defined by NC Building Codes and QAP Appendix B.

SEM proposes that the Agency include "building performance/green building certification" as a fifth criteria item in Section IV G- Design Standards; Subsection 2b.- Quality of Design and Construction, of the 2014 QAP. Eligible certifications would include Energy Star version 3.0, National Green Building Standard, LEED, EarthCraft or Enterprise Green Communities programs. These programs align themselves with the stated intent of this subsection "evaluation of the quality of the building design, and the materials and finishes specified." The aforementioned programs emphasize building durability, energy and water efficiency, and indoor environmental quality. The building performance programs provide direct benefit to the residents of the properties. The Agency will be encouraging developers to consider, while not mandating, improved quality of design and construction through national program standards that are recognized by HUD, USDA RD and many other state LIHTC programs.

Thank you for considering expanding Section IVG.2. (b) of the QAP to include building performance/green building program certification as one of the criteria for score evaluation.

Thank you for your consideration.

Respectfully Submitted,

Dan McFarland

**Director of Business Development** Southern Energy Management

