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Mr. Scott Farmer
Director of Rental Investments
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609

Re: Comments to the First Draft of the 2016 Qualified Allocation Plan (QAP)

Dear Mr. Farmer:

Laurel Street Residential is honored to have worked with the North Carolina Housing Finance Agency (NCHFA) to develop affordable housing for low income families across the state. On behalf of the Laurel Street Residential team, I would like to thank you for the opportunity to share comments to the first draft of the 2016 QAP.

Attached please find a list of our comments. We have always found the QAP to be an effective guide to producing affordable housing in the state, and we believe these suggestions would only enhance the QAP as a tool.

Sincerely,

Lee Cochran
Senior Vice President

Laurel Street Residential – Comments to “FIRST DRAFT 2016 QUALIFIED ALLOCATION PLAN”

	QAP Section	Comment
1	Section II.B.2. Redevelopment Projects	Restore the minimum number of Redevelopment Projects to three (3) Tax-credit developments should be spread as evenly as possible throughout cities and counties including neighborhoods of all income levels. The most effective way to build quality affordable housing units in lower income neighborhoods is as part of a comprehensive redevelopment plan. Reducing the number of Redevelopment Projects to two will lead to affordable housing being built in lower income neighborhoods without the benefit of a comprehensive plan for the neighborhood.
2	Section IV.A.1(b)(ii) Amenities	Increase the maximum number of points for Secondary Amenities to 12 and the maximum number of points for total Amenities to 33. This would allow a site to score points in all four Secondary Amenities categories and create additional differentiation among sites. A site would still only be able to get 3 points for each Secondary Amenity category so would have to get 3 points in each of the 4 categories to receive the full 12 points.
3	Section IV.C.3.(a) WHLP Funds Calculation	Do not reduce the WHLP Loan based on commitment of local funds If every dollar of local funds causes a corresponding decrease in a WHLP loan, the incentive for local jurisdictions to contribute toward affordable housing will be removed. The end result will be an overall reduction in the total amount of federal, state, and local funds being used for affordable housing in North Carolina.
4	Section V.B. Underwriting Threshold Requirements	Clarify which documents need to be dated within 6 months of application Some documents (i.e. Land Purchase Options and Redevelopment Plans) are valid for more than 6 months. To avoid confusion, we would suggest that in the location where documents are uploaded in the on-line application, NCHFA should indicate if the document to be uploaded needs to be dated within six months of the full tax-credit application.

**Laurel Street Residential – Comments to “FIRST DRAFT 2016 QUALIFIED ALLOCATION PLAN –
APPENDIX B”**

	QAP Section (Appendix B)	Comment
1	Section II.A. Exterior Design and Materials	Remove requirement for Monument Signs Monument signs are not visually appropriate for all sites, especially sites in urban neighborhoods. Even if a monument sign is appropriate for a site, requiring lighting is an unnecessary cost. An alternative would be to require that the name of the community be prominently identified either with a monument sign or on the building but without the lighting requirement.
2	Section II.C. Interior Design and Materials	Clarify elevator language regarding 48 units It is unclear what was intended with the additional language. Does every building with an elevator have to have at least 48 units? Does every building that has at least 48 units have to have an elevator? Was there another intent entirely?
3	Section II.G.	Allow laundry rooms in addition to laundry closets A laundry room is defined as a full room with a door with nothing else taking up floor space in the room other than the washer and dryer connections. The laundry room could have electrical panels and telecom equipment that are wall mounted and can include a separate closet off the laundry room for mechanical and plumbing equipment. All required accessibility clearances for the washer and dryer would have to be maintained in the laundry room.
4	Section V.G. Refuse Collection Areas	Remove any distance requirement for refuse collection areas Refuse collection areas, even when done well, are not the most attractive part of an apartment site. Putting in a distance requirement will increase the number of these areas which will both increase cost and decrease curb appeal. Current market standards is that a single refuse collection area for large apartment communities is acceptable. While many site designs include more than one area for refuse collection, the number and location of these areas should be at the discretion of the developer, site designer, and local ordinances.