Wilbourne, Kim 9083

From: Holly Douglas [redacted]
Sent: Friday, September 25, 2026 3:58 PM
To: Taxcreditquestions
Cc: Wilbourne, Kim 9083
Subject: [External] Comments to draft QAP

Good afternoon,

Apologies for the format of the below comments, I'm rushing to get in before the deadline and am resubmitting some that were previously made + a few new ones. I will run numbers over the weekend and hope they will be considered when evaluating the federal and state request ceilings in light of the commentary Kim gave on availability during the Tuesday call.

Appreciate the very important work y'all do and patience with so many differing opinions/perspectives. With that preface, please see the below comments-

- Please add back barber shops/hair salons/nail salons to retail definition. These are three of the most prevalent retail uses, regardless of size of the retail center. If one were to say it's because they provide a service and not retail goods, would one also then exclude:

-pet groomers
-massage parlors/chiropractors/wellness type places
-shoe repairs shops/cobblers
-alternations businesses
-Small-scale law firms (notary, family law) and real estate offices like RE/MAX
-businesses that provide tax services/H&R Block
-independent/local gym/fitness studio/yoga/pilates/etc
-repair shop of any kind (auto/watch/bike/etc)
-smaller insurance provider offices
-local attorney offices
-staffing agencies
-local bank branches
-daily chore places like laundromats/dry cleaners
-vino and van gogh type places
-childcare providers/daycares
-etc....

These primarily or exclusively provide a service, like nail salons, barbers, and hair salons, and in most cases also sell *some* products, though not all. Retail by definition provides a good ***or*** service....I just don't follow the logic of this change. I think it should be reconsidered.

- GP loans in deals and impact: Thank you very much for changing the point structure of the bond program and tacking away from what was effectively as many call it, a race to the bottom. I understand the allowance for GPs to put their own funds into deals; I'd propose a cap on the amount of this that's permitted relative to the deal size or capital stack. St

- The QC negative points for owners who sell to someone who then in turn seeks a QC in the future still seem onerous -- I cannot understand the logic behind punishing a developer/owner operating in the LIHTC program in good faith who sells an older development, and then has *that* owner pursue a QC. That action isn't something the prior owner controls, especially minority/non-controlling members. LPs can force sales; minority partners in deals do not necessarily have to approve the sale in the first place, and there are finite options for Year 15 properties to remain in good repair and sustainable. Most owners can't hold and maintain everything forever. Please reconsider this item. I continue to feel we are missing the opportunity to allow Year 15 deals to meet the missing middle strata of our housing continuum in the state.

- There seems to be a disconnect between the objective of creating as many affordable units as possible and incentivizing deals on brownfield or textile sites. The other credits points has essentially become a threshold item, as evidenced by the awards for the past few cycles. I would imagine this has also driven up the cost per unit for site and/or structure, as these sites are almost surely more difficult/expensive to develop on than a non-contaminated site. I understand they bring additional equity, but I don't believe it's often, if ever, a full offset. Unless the intent is to align with redevelop efforts, I don't see the value of these extra credits relative to the cost of finding sites that qualify for them. Please consider eliminating or reducing the points tied to other credits.

- I support the increase of the amenity points threshold because this will likely vary the scores more than in years past. I propose giving sites within a CCRP more weight in the tie-breaker, if not adding CCRP back as a point item. Sites in CCRPs are often in the path of growth, but all the amenities tied to growth (shopping, retail, grocery, etc.) haven't always filled in yet. By the time all the goods/services/amenities are there, land costs are often prohibitive for housing. Increasing the merit of putting sites in a CCRP could offset the lack of amenities that are coming but not yet built in growing/gentrifying areas and even the playing field for sites in redevelopment areas.

- I support the points for public transit. I'd propose a range of credits for public transit similar to site amenities, but tied to service frequency and/or proximity to the site (e.g., the current definition counts as 3 points; less frequent/further away is worth fewer points). 1 point is good, but some transit is better than nothing, could be 1-2 sliding scale based on frequency

- .With the supportive housing points in play, I think a demonstrated,committed partnership with legitimate social services coordinators as a point item would be prudent and a legit additional point item, even if it's only 1 point. This is essentially another form of leveraging community resources, esp for residents of the deeper targeted units. Point(s) for proximity to places like Head Start, Boys & Girls Club, or other community advocacy centers, food banks, job training centers, or similar would be a possible point of consideration.

- We have multiple third-party management companies that manage for other developers/owners as well. We have no way of knowing what 8823s may exist in someone else's portfolio or how/if those are being addressed. We can't control what other owners do. Even if we receive verbal assurances from our management agent that there are no issues, we can't know for sure if the property isn't ours. While I'd like to know whether my mgmt company has outstanding, uncorrected 8823s for another owner, it is illogical to penalize an applicant for issues in someone else's portfolio. An alternative could be to require the applicant to elect another proposed mgmt

agent within a specified period after being notified of an uncorrected 8823, if the 8823 issue falls within someone else's portfolio.

- Deal-specific waivers still impact other deals… everyone just wants to be playing by the same rulebook. Some of the waivers granted in the last few years are for things we would not have even considered asking for, b/c the QAP is explicit in terms of threshold parameters. I realize it's a fine line to be objective but also flexible when needed…but more transparency around waivers granted would be appreciated. Kim asked about a timeframe for waivers to be granted; I think 45-60 days at least, with rapid publication for transparency, would be ideal. In prior rounds, the Authority website had a tab where questions and answers were posted, albeit redacted. Could such waivers not be published in the same manner again?

- I'd really appreciate the opportunity to submit numbers for proposed federal and state tax credit caps over the weekend. I think the ideal formula lies somewhere in raising the federal cap and lowering the state cap. With that suggestion in mind, if the intent is to spread the credit, I think there could be merit in lowering the unit count for the urban pool in this scenario. I will work on models this weekend and submit for consideration. *Please* do not make this a point item or race to the bottom item.

- Please put visible formulas back in the application so we can follow the math/cells.

- We are grateful for our PHA relationships and have often partnered with PHAs for myriad reasons. PHAs offer tremendous value and bring many resources. However, I don't believe this should be a point item. I think many applicants will just be "buying" these points.

- With finite bonds and tax credits in the bond program, and through the lens of the bond program being historically utilized as workforce housing, the deeper targeting units at the level/percentage of the 9% program is tough. The funds will not go as far/create as many units as they otherwise would. Bond deals have big gaps and rely heavily on debt leverage. Fewer overall units can be built with these affordability + supportive housing unit requirements in place. I also worry about the practicality of supporting the needs of dozens of VLI/ELI units in a bond deal if supportive services are not required. Please evaluate this aspect of the bond appendix draft.

- If you are in a single strip center or commercial development, and multiple businesses meet the definition of grocery, can you please consider allowing this to count as a single grocery amenity? We have run into this scenario several times, particularly in developing markets/neighborhoods with a big box /larger national grocer has not entered yet.

- Please allow for evidence of a forthcoming amenity to come from the developer of that amenity in addition to the corporate entity. If you can reach (e.g.,) corporate Publix, that is great, but reaching the developer/owner with a signed lease should qualify as well?

- Thank you for the changes between the first two drafts, including the modification of some amenity definitions.

Thank you in advance for considering these comments. I hope the Authority will consider the proposed credit ceiling modifications over the weekend despite today's 5PM deadline, and I apologize for not completing them before the cutoff.

Respectfully,
Holly Douglas
Holliday Development