

AHFA 2022 Draft Low-Income Housing Credit Qualified Allocation Plan, HOME Action Plan,
and National Housing Trust Fund Allocation Plan
Public Comment Form
Commenting Period July 28, 2021 – August 27, 2021

All comments regarding the Draft Plans must be submitted using this form. General Comments may be submitted at the bottom of the form. **Comments which include cut-and paste text (or redlined/re-worded sections) of the proposed Plans will be rejected.** AHFA will not respond (or seek to interpret) to suggested change in language without a complete explanation of the suggested language change. Please provide full explanatory and careful comments regarding your proposed changes, keeping in mind that your proposed changes might have an unintended consequence for a different project or location in the state. All forms should be submitted to ahfa.mf.gap@ahfa.com as an attachment to the email. Other documentation, e.g., product information or photos, may also be submitted. All comments will be posted at www.ahfa.com for review.

7/19/2021

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Plan Section	Section Reference	Page #	Specific Comments
Housing Credit	Point Scoring	A-7	The draft QAP currently indicates that 6 points will be awarded for a proposed project that has closed a 15-year extension of the project's original AHFA HOME loan. To even obtain a 15-year extension, projects are currently required to pay down 30% of the their original AHFA HOME loan. Unfortunately, not all of these projects have (or are able to obtain) the funds necessary for said paydown as they are located in rural areas that have seen little to no economic growth since they were initially constructed. Expiring/expired AHFA HOME loan developments should be allowed to apply for a 15-year extension with less than a 30% paydown if they are able to provide AHFA with documentation indicating what percentage they can afford. Points awarded for closing a 15-year extension could then be scaled based on the percentage of paydown, i.e., 4 points for a 10% paydown, 5 points for a 20% paydown, and 6 points for a 30% paydown.
Housing Credit	Point Scoring	A-8	Expiring/Expired AHFA HOME loan projects that have closed a 15-year extension and are applying for a new allocation of LIHTCs should have a separate point scoring criteria for neighborhood services. Depending on the age of the project, services currently receiving points weren't a consideration for funding when they were initially proposed/funded. Unfortunately, in the more rural areas of our state, AHFA financed projects were built in communities that still may not have a full service grocery store, hospital, or doctor's office. In those instances, we'd like to see AHFA give some consideration to the services that are available, i.e., Dollar General, Family Dollar, etc. Perhaps providing less points for these types of services, but not discounting them completely.
Plan	Section	A-8	AHFA should include definitions for the services eligible for points. Currently these definitions are only available on the

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			Site/Project Information Form (Neighborhood Services). When seeking sites for development, individuals may not always have access to the forms package. Having all details and instructions located in one document would certainly be helpful.
Housing Credit	Point Scoring	A-7	5 points are currently proposed for a project with donated land. While donated land is certainly a valuable resource that should be acknowledged, the wording in this category is quite broad. It is imperative that AHFA more clearly define their intentions with regards to qualifying for these points, i.e., only land that has been donated by the local jurisdiction in which the project is located, only land that has been donated by a non-profit that has no ties to the ownership entity and/or developer proposing the project.
Housing Credit	Point Scoring	A-6	The match contributions points derived from an owner/developer committing 5% of their fee as equity in the project would seem to go against the very foundation of the LIHTC program, which was built around incentivizing private developers to build affordable housing. Said incentive being the developer fee. As the LIHTC program has grown over the years, owners/developers have seen a decrease in the developer fee that's truly made available to them. Increased cost, more stringent underwriting, and more complicated layers of financing, have already resulted in lower fees with a greater percentage of same being deferred. To continue to ask that more be done for less could quite possibly have an adverse effect on the program with quality owners/developers choosing to build less affordable housing or simply step away from the program entirely. It is imperative that we continue to make this program as enticing to these experienced owners/developers as possible if we are to continue to provide our communities with the level of quality housing this program has achieved. We need to continue to improve our housing stock for low income families and to do that we must continue to incentivize the experienced industry professionals in our state, including owners and developers.
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