October 10, 2026

North Carolina Housing Finance Agency
Attn: Tara Hall
3508 Bush Street
Raleigh, NC 27609

Subject: 2026 Qualified Allocation Plan Comments

Dear Ms. Hall,

Buncombe County values the impact of the Low-Income Housing Tax Credit program and will continue to support efforts to bring more quality affordable housing to our community. As Chair of the Buncombe County Board of Commissioners and the Buncombe County Affordable Housing Subcommittee, I submit comments and suggestions for the 2026 Qualified Allocation Plan on behalf of Buncombe County.

Buncombe County continues to recover from the impacts of Tropical Storm Helene which struck our community in September 2024. In addition to the devastation to the environment, economy, and infrastructure, nearly 1 in 12 homes across Buncombe County were damaged with 390 homes completely destroyed.

Buncombe County appreciates the North Carolina Finance Agency's efforts to assist affected communities through specific changes to the Qualified Allocation Plan and submits the following comments and suggestions:

SECTION II.E.3 AGENCY-DESIGNATED BASIS BOOST. The Agency can boost the eligible basis of new construction projects committing to the targeting in Section IV(B)(2) or that are located in an Opportunity Zone by up to ten percent (10%). Counties located in Tropical Storm Helene disaster areas are eligible to request up to thirty percent (30%). Projects using the DDA or QCT basis increase are not eligible under this section.

> Buncombe County requests the 4% tax credit projects also be permitted to request the 30% basis boost for projects located in a county within the Tropical Storm Helene disaster area. As a HUD-Identified Most Impacted and Distressed (MID) county, incentivizing both 9% and 4% projects will be vital to recovering the large number of homes lost in Buncombe County to the disaster. The request for this change would also be of great benefit to other disaster impacted and distressed counties.

SECTION II.E.3(c) DISASTER RECOVERY: Bonus Points (Non-DHHS Priority Counties). Bonus Points (Non-DHHS Priority Counties) New construction applications in counties designated as a HUD-Identified or State Identified Most Impacted and Distressed (MID) area under Tropical Storm Helene will receive 1 bonus point. Additional point does not apply to counties listed under section IV(F)(5)(b).

Buncombe County recommends that the additional point should apply to counties regardless of their listing under section IV(F)(5)(b). Buncombe County remains a DHHS Priority County and should benefit from this status in addition to its designation as a HUD-identified MID area under Tropical Storm Helene. The priority of the DHHS to support integrated and affordable housing for people with disabilities under the Olmstead Settlement has not been eliminated by the disaster and the limited housing options for people with disabilities will only be compounded by the number of units damaged by the storm. While it may appear fair to balance bonus point opportunities across counties, the impact of Tropical Storm Helene was not balanced. Projects in Buncombe, Burke, Gaston, and Henderson Counties as well as the 28214 zip code of Mecklenburg should be eligible for the MID and DHHS priority bonus points.

SECTION II.E.3(d) Disaster Recovery Funds. In the event funds are available for the 2026 cycle, any new construction application in the counties (or partial county) designated below agrees to accept CDBG-DR funds as part of a tax credit award. Eligibility for the funds will require, at a minimum, not undertaking any choice-limiting activity prior to successful completion of the U.S. Department of Housing and Urban Development (HUD) environmental clearance review as well as complying with Davis-Bacon wage requirements, Section 3 and other required federal documentation. Terms will be determined by the Agency upon fund availability.

Buncombe County supports the strategy of pairing CDBG-DR and tax credit awards. As a source dedicated to assisting communities with disaster recovery, CDBG-DR funds should be made available to projects in MID counties in addition to and separate from tax credit awards. CDBG-DR funds should not be used to reduce or substitute tax credit awards. Any use of CDBG-DR to spread credits to more projects outside of the MID areas undermines the intended benefits of CDBG-DR to the communities that need them. Projects should be allowed to maximize the use of both funding opportunities to increase the total number of affordable units in disaster impacted and distressed areas.

SECTION IV.A.1(b) Criteria for Site Score Evaluation. Site scores will be based on the following factors. Each will also serve as a threshold requirement; the Agency may remove an

application from consideration if the site is sufficiently inadequate in one of the categories. An application must have a minimum total score of 50 points.

Buncombe County requests that projects located in MID areas be afforded flexible scoring where neighborhood characteristics and proximity to amenities have been affected by Tropical Storm Helene. Documentation of pre-storm conditions, plans for recovery of required community resources or allowances for increased driving distances to existing amenities as communities continue to recover should be considered to obtain equivalent scoring of projects to those in non-impacted areas.

SECTION VI.B.5 DEFERRED DEVELOPER FEES. ~~Deferment of more than twenty-five (25%) of the total developer fee will result in a deduction of 2 points.~~

Buncombe County supports the removal of negative points for deferment of more that twenty-five percent (25%) of developer fees. The change is consistent with the overall deferral cap of fifty percent (50%) and should signal applicants to leverage developer fees rather than discouraging them to cover funding gaps to avoid point reductions.

SECTION II.E.3(b) DISASTER RECOVERY: County Award Limits. If necessary, the Agency will adjust the awards under the Plan to ensure the overall allocation results in no less than one award for Buncombe County in the Metro region. The initial maximum under II(F)(1)(b) will not apply to Buncombe County should that county be eligible for a second new construction award.

Buncombe County supports the provision of no less than one award for Buncombe County in the Metro region and removal of the initial maximum. With the highest number of damaged and destroyed homes in the affected area, and as the only full MID county in the Metro category, additional consideration provides an opportunity to deliver units where they are needed most in the wake of the disaster.

Thank you for your consideration.

Sincerely,

Amanda Edwards
Chair, Buncombe County Board of Commissioners