

**From:** [REDACTED]  
**To:** [TaxCreditQuestions](#)  
**Subject:** [External] 2025 QAP Comments  
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Good Morning,

We overall agree with changes incorporated in the draft 2025 QAP and are looking forward to this next funding cycle. We like to see all the additional scoring methods and ways to set projects apart. We also appreciate the QAP being designed to award more projects and spread them out across the state. We had the following comments about the draft QAP.

- Project Based Rental Assistance – The incentives for project based rental assistance will cause projects to adhere to Section 3 and Davis Bacon wage requirements when over 8 total units. In our experience this can drastically increase construction cost. We feel doing things that inflate development cost to this extent should not be done unless the project absolutely needs it. You may find projects incorporating PBRA when it does not financially make sense just to receive the points.
- Average Cost (pg. C1-13)– Having worked in NC when they had a similar scoring section, we found this to be problematic. If points will be awarded based on development cost at application, then developers need to be held accountable to meeting those cost throughout completion. If we identify our cost and put together a capital stack that addresses it at application, we should not be punished when compared to an application with a lower development cost who may/will run into cost increase post award. Additionally, developers with internal general contracting can manipulate their project to get right where they need to be at application. Ultimately, if we can design a project within the parameters (units and credit limits) of the QAP and can financially cover the development cost that should be enough. Developers will over promise to receive an award and honesty will not be rewarded.

**Thank You,**

**Brennan Mahoney**

**Financial & Development Analyst**

Buckeye Community Hope Foundation

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