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Serving low-income clients in all 100 counties of North Carolina

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VIA FACSIMILE & EMAIL

Mark Shelburne
North Carolina Housing Finance Authority
(919)877-5701
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Dear Mark,

Several advocacy organizations concerned with housing issues have formed a QAP Working Group to review the proposed 2005 QAP and to comment on matters of concern to the group. We realize that we are late in the day, but we believe our present comments will require no derailment of the current process.

On the whole, we support the proposed QAP as beneficial to the development of sustainable affordable housing developments, but we offer what we believe is a change that will improve results. As a consequence of our review, we recommend the inclusion of an "Affirmatively Furthering Fair Housing" element in the 2005 QAP. As part of the obligation of NCFHA to affirmatively further the goals of fair housing in the administration of the tax credit program it needs to articulate this in the QAP.

Along with an articulation of the goal, NCFHA should begin to collect and analyze, and take into account in its allocation decisions, demographic data that support its obligations to fair housing. The 2003 and 2004 NOFA state that "The Department will also review more favorably those applications which establish a connection between the proposed project and the community's Analysis of Impediments to Fair Housing Choice or other planning document that analyzes fair housing issues and is prepared by a local planning or similar organization." Armed with reliable demographic data, NCFHA could give an applicant a more favorable review for demonstrating "the extent to which the proposed development will expand housing opportunities outside low income, minority areas." This language also derives from the HUD NOFA, which specifically references HUD Site and Neighborhood Standards, 24 U.S.C. 891.125(b) and (c).

In the interim, we have two concrete proposals that NCFHA should implement promptly in order for it to improve on its record of affirmatively furthering fair housing. First, the agency should require all developers to keep records as to the demographics of each development funded by the agency. It is our understanding that there is no such requirement at this time. NCFHA cannot complete its obligation to affirmatively further fair housing without this data.



Each proposed development and each existing development funded by NCFHA should be required to maintain and update annually an affirmative fair housing marketing plan, designed to achieve the goal of increased integrated housing choice. The agency should look to HUD for similar models of these proposed. In the future, NCFHA should also consider revising the scoring criteria to reward developers who seek to further the goal of integrated housing choice. We look forward to working with NCFHA over the coming year on specific proposals to achieve that goal.

We commend NCHFA on its recognition of the need to further fair housing for persons with Special Needs and those with disabilities, who were included in the protections of the Fair Housing Act in 1988. We commend also the NCHFA's actions to address the needs of the homeless and the elderly. However, we point out the Fair Housing Act has specifically referred to race and national origin since its initial passage in 1968. The unfortunate history of racial and ethnic segregation and discrimination in housing in our country suggests that it would be appropriate to carefully assess the needs of such populations specifically in determining whether the QAP is helping NCFHA meet its responsibilities to fair housing.

Please contact Bill Rowe or Evan Lewis, at the Justice Center, for any elaboration of our comments. Thank you.

Sincerely,

George Hausen
Legal Aid of NC

Evan Lewis
Justice Center

Chris Estes
NC Housing Coalition

