

February 5, 2024

Indiana Housing and Community Development Authority
Alan Rakowski, Director or Real Estate Allocation
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

RE: State of Indiana 2026-2027 Qualified Allocation Plan – 1st Draft Comments

Dear Mr. Rakowski,

On January 30, 2025, I attended the public meeting seeking questions and comments on the first draft of the 2026-2027 Qualified Allocation Plan Draft. This letter mirrors my comments and provides a bit more detail on each comment I have made.

Not-For-Profit Set Aside

Last year I made a concentrated effort on identifying why the nonprofit set-aside had grown increasingly more competitive over the past five years. I had learned that a growing number of nonprofit entities competing under this set-aside were affiliated with larger for-profit organizations. I had identified over nine such entities. I went further to identify that from 2020-2024, IHCD had awarded a total of 12 developments under the NFP set-aside, 5 of which were affiliated nonprofits.

I applaud your revision made within the current QAP. While I have no comments on how to help further define this set-aside, I am hopeful the development fee increase from 35% to 40% and the elimination of the XBE category will help deter the real estate development companies who have affiliated nonprofit arms from competition in this set-aside.

Accessibility

For age-restricted or housing first set-aside, the current QAP differentiates accessibility guidelines for buildings with an elevator and those without an elevator. I would argue that there should be no distinction between the two and scoring should be consistent. These buildings are oftentimes fully occupied, and modifying kitchens and bathrooms in buildings can be fairly disruptive to vulnerable populations and require relocation. These costs can be oftentimes prohibitive and cumbersome to remain compliant. The goal should be to keep these units affordable. Why go through such exhaustive measures on an already fully occupied building and add unnecessary costs?

This comment also extends to the Threshold criteria of 25% of the units must be Type A or Type B for rehab of an age restricted building that has an existing elevator. To stay consistent with my comment above, I'd argue that this language should match the language for age-restricted housing without an elevator.

Extended Use Period

Remove the 35-year Extended Use Period as a threshold requirement. It should be up to the developer/owner to elect any extended use requirements above and beyond the initial compliance period.



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You will find that for an application to be competitive, owners/developers will almost always select this option for scoring regardless.

As always, I appreciate the opportunity to provide feedback on the QAP. If you'd like to have further discussion on any of these points, please do not hesitate to contact me.

Respectfully,

Andrea Kent

Andrea Kent
Owner, ALK Development, LLC