



October 18, 2023

Mayor Pam Hemminger & Town Council Members
405 Martin Luther King Jr. Boulevard
Chapel Hill, NC 27514

**RE: Letter of Support – Meridian Lakeview
Case 23-0726**

Dear Mayor Hemminger & Members of Town Council:

I am writing to respectfully ask for your support in approving the Conditional Zoning Application for the Meridian Lakeview development located at 19 E. Lakeview Drive (Case 23-0726).

My primary reason for seeking your support of the proposed development is because the owner/developer, Bryan Properties and NorthView Partners, have selected our firm, Taft-Mills Group, to develop the affordable housing component of the proposed development. If the requested rezoning is approved, we anticipate submitting an application with the North Carolina Housing Finance Agency (“NCHFA”) during their 2025 Low-Income Housing Tax Credit (“LIHTC”) funding cycle.

In anticipation of submitting the Meridian Lakeview site for consideration, we have evaluated the site in relation to NCHFA’s present competitive scoring criteria. Based on the present Qualified Allocation Plan (“QAP”), we believe the proposed site has a pathway to securing funding under the LIHTC program. Our hope is that the 2025 QAP will have a similar competitive scoring structure and, thus, allow for the proposed development to secure an allocation of tax credits in a timely manner. As you know, NCHFA does allow for changes to their QAP annually. If the proposed development isn’t successful in securing an allocation of tax credits due to changes in the QAP during the 2025 funding cycle, Taft-Mills Group is committed to resubmitting the proposed site in subsequent funding cycles.

From a competitive standpoint, it is worth noting that the proposed site, while located in a Chapel Hill Planning District, has a Durham address. This is important because the site will compete in the Metro Pool which is allocated 38% of the total available tax credits annually. Conversely, if the proposed site were located in Orange County, it would compete in the Central Pool, which receives just 23% of the credits available annually. Historically, there is precedent for NCHFA funding multiple deals within the same county in the Metro Pool – meaning two or more deals could receive funding in Durham County, whereas only one deal per county is typically funded in the Central Pool. As a result, the proposed site’s location in Durham County provides it with a competitive advantage as it pertains to the NCHFA LIHTC funding process.

Thank you in advance for your consideration of this request. Should you have any specific questions about our involvement, please don’t hesitate to contact me directly at 252-916-2691 or via email at dustin@taftmillsgroup.com.

With Warmest Regards,

Dustin T. Mills, MBA, MSc.

President, Taft-Mills Group, LLC