



CITY OF KILLEEN

LOW-INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM

APPLICATION FOR SUPPORT AND/OR FUNDING ASSISTANCE

PLEASE NOTE: The City of Killeen reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not coincide with the City's Consolidated Strategic Plan, various strategic and master plans, or policy direction from the Killeen City Council.

1. PROJECT INFORMATION

Madhouse Development, Inc.

Developer Name

Westwood Apartments

Project Name

3001 Illinois Avenue

Project Address

48027022401

Ira Cross Jr.

Manor

Killeen

Census Tract #

Elementary School

Middle School

High School

Project Type:

☐ General

☒ Elderly

☐ Supportive Housing

Role of Applicant:

(select all that apply)

☒ Owner

☒ Developer

☐ Other: _____

Applicant is Requesting City Council Resolution:

(select all that apply)

☒ of support

☐ stating no objection

Applicant is Requesting Commitment to Funding:

☐ Loan

☐ Grant

☒ Reduced Fees

☐ Other: _____

\$500

Amount of Loan, Grant, or Reduced Fees Requested:

2. APPLICANT INFORMATION

If the applicant is not acting as the developer, please provide all of the information below for the developer, as well as the applicant. If the developer involves multiple entities, is a partnership or joint venture, please provide duplicative information for each, and identify the entity that will serve as the "lead" organization.

Madhouse Development, Inc.

Name

3933 Steck Ave, Suite B-120

Business/Street Address

Austin

TX 78759

City

State, ZIP

Austin

Telephone #

Henry Flores

(512) 982-1348

**henry@madhousedevlopment.
net**

Contact Person

Contact Telephone #

Email Address

N/A

82-4311091

DUNS #

Federal Tax ID #

3. PROJECT DESCRIPTION

Provide a brief project description that addresses items "a" through "u" below. Attempt to limit responses to 150 words or less for each lettered response.

- a. Demonstrate the project's compatibility and alignment with the priorities stated in the City's Consolidated Strategic Plan, Comprehensive Plan, Future Land Use Map, and any other applicable master, strategic, and redevelopment or neighborhood plans adopted by the City of Killeen;

The development of affordable housing for seniors is encouraged in the City's Consolidated Strategic Plan and Comprehensive Plan. The target site requires rezoning but is in an area of residential housing designated in the Future Land Use Map.

In addition, an independent market study prepared for the Texas Department of Housing and Community Affairs ("TDHCA") indicate that based on the household growth in Killeen alone, between the years of 2022 to 2026, there will be a need for an additional 5,205 affordable senior rental units to meet demand. This need reflects the aging of the population in Killeen.

- b. Indicate the project location by providing an area map with the property highlighted;
Include document as attachment **3B**

- c. Provide a preliminary site plan for the proposed project;
Include document as attachment **3C**

- d. Describe the tenant population, income levels, and services, if any, to be provided to or made available to residents;

Westwood Apartments will serve residents 55 years and older, with 100% of the units being designated as low-income units that will serve income levels at or below 60% of the Area Median Income. An expansive array of social services will be provided free of charge to our residents through a services coordinator, who will facilitate various activities geared to an elderly consumer, including items such as monthly on-site social events, nutritional education, exercise classes, food pantries, actively linking residents with local non-profits and various community resources as well as other age appropriate activities and events.

- e. List basic amenities and unit amenities proposed for the project;

A list of amenities is included as Attachment 3E.

- f. Describe the taxable status of the development. Indicate whether the development will be paying property taxes or if the development will be tax exempt;

The development will not require any property tax abatement and is expected to pay all annual taxes required by state law through the life of the property.

- g. Describe current zoning of property. Include a letter from the City of Killeen's Planning Department verifying that the current zoning of the site for the proposed project is compatible with the anticipated use (**include as attachment 3G.1**), or include documentation verifying that a request to change current zoning has been submitted (**include as attachment 3G.2**);

The property is currently vacant with a Single-Family Residential (R-1) zoning designation. Our request is for a change in zoning to a Planned Unit Development (PUD) with a base of Multifamily Apartment Residential (R-3A). A Zoning Change Application will be submitted.

- h. Include evidence of site control, such as a warranty deed or a current, receipted earnest money;
(**include as attachment 3H**);

- i. List the proposed number, type, and size of units; number of market rate and SF of units.

	Total # of Units	# of Affordable Units	# of Market Rate Units	SF of Each Unit
1 BR	102	102	0	618
2 BR				
3 BR				
4 BR				
Total Units				

- j. Provide the total number of units servicing each Area Median Gross Income (AMGI) group and the proposed rents (less utility allowances) for low income units and proposed rents for market rate units;

Our preliminary rent schedule is included as Attachment 3J.

- k. Describe the involvement and support from local stakeholders and neighborhood organizations; include a list of stakeholders and neighborhood associations contacted and include any letters of support (**attach lists as 3K.1 and letters of support as attachment 3K.2**);

The Tax Credit Program's Qualified Allocation Plan (QAP) defines a list of local elected officials who are required to be notified by the applicant. Attached as 3K is a list of the public officials who were notified. Additionally, a search for neighborhood organizations, as defined by the QAP, was conducted and no qualifying organizations could be identified.

We are still very early in the development process, however, we will be reaching out to neighborhood groups and local non-profit organizations in the coming weeks for letters of support for our proposed development similar to the process used for Avanti Legacy Parkview. These letters will be included in our Housing Tax Credit application. TDHCA will post these letters as part of the full application on their website.

- l. Describe the impact the project is anticipated to have on surrounding neighborhood(s);

The proposed development will have a positive impact on the surrounding community by providing much needed high-quality affordable housing for seniors. Westwood would result in a multi-million dollar investment as well as creating job opportunities for local residents. We intend to minimize any impact to the surrounding properties through the use of deliberate design choices. These include privacy fencing, building orientation, minimizing artificial light pollution, thoughtful entry and exit points, and incorporating the necessary city required infrastructure to mitigate any negative impacts.

- m. Describe the impact the project is anticipated to have on existing affordable housing in the area;

The property is perfectly situated to accommodate a senior apartment community and we respectfully submit that there are no negative impacts on the community at this proposed location.

- n. Describe the impact the project is anticipated to have on City infrastructure; including the impact of traffic associated with the proposed project and any proposed mitigation/construction plans if needed;

The development is bound by local, state and federal requirements and we will work with all appropriate entities through the design and construction of the property. A civil engineer has been engaged to conduct a feasibility study and will participate through the development process to mitigate any issues. This includes working with the city to ensure that appropriate infrastructure to support the development is in place. In the case that infrastructure improvement of mitigation is needed, the developer and engineer will work to satisfy the city requirements.

- o. Describe the availability of and impact the project is anticipated to have on public transit service;

There is a bus stop located down the street from our proposed site at the Killeen Mall.

- p. Describe the impact the project is anticipated to have on area schools;

The proposed development is intended to serve seniors 55 years or older therefore there should be little or no negative impact to the designated schools. In fact, the development is expected to increase the Killeen ISD annual operating budget through property taxes without adding any significant amount of additional students.

- q. Indicate if the project will assist in the elimination of blight, the preservation of environmental assets, and/or enhancement of landscaping;

Westwood will be new construction situated on a currently vacant piece of property. We pride ourselves on being a leader in green building and creating sustainable communities that are exceptionally designed to be environmentally, physically, economically and socially sustainable. From project inception, we look for innovative ways to create progressive communities with a socially conscious design. The use of green building technologies in our designs allows the communities to use energy, water, and other natural resources more effectively and reduce the overall impact to the environment.

- r. Summarize the key financials of the project, clearly indicating the total project cost, the amount and intended use of City of Killeen funds if being requested, and preliminary project financials;

Included are summarized financial documents as Attachment 3R.

Please note that we are requesting a small fee waiver from the City of Killeen in order to meet the rules of 11.9(d)(2) of the QAP which requires a minimum \$500 commitment from the local municipal jurisdiction in order to maximize our score under TDHCA's criteria.

- s. List other LIHTC projects you have completed or have pending; include information on location, type, number of units, project costs, and project references on former LIHTC projects.

Included in the attached Corporate Brochure.

List other LIHTC applications you will be submitting to the Texas Department of Housing and Community Affairs in their most current program year.

Madhouse Development has submitted three pre-applications for the 2024 9% program. The number of full applications will likely be reduced once we better understand the competitive standing of our pre-applications.

- t. Provide information on the number and type of local contracting opportunities associated with the proposed development (construction or other type of contract).

The construction contract for the community will be placed for bid with local contractors and subcontractors. The total contract cost is expected to be approximately \$10MM, which will have a significant economic impact and create employment opportunities for local residents of Killeen.

Upon completion, property management staff will be hired for the operations of the apartment community creating permanent full-time employment opportunities throughout the life of the property. In addition, several local contracted services will be utilized during operations.

All applications for consideration must meet the current Housing Tax Credit Program Qualified Allocation Plan issued by the Texas Department of Housing and Community Affairs, §11.1 General - §11.10 Third Party Request for Administrative Deficiency for Competitive HTC Applications.

4. DEVELOPMENT TEAM

Identify below the persons or entities anticipated to be involved in the project. Also, indicate if any person or entity involved is a disadvantaged, minority or women-owned business enterprise (DBE/MBE/WBE), or if any of the entities are non-profit organizations.

	Development Team Name(s) and Contact Information	Years of Experience	DBE	MBE	WBE	Non-Profit
Owner	Avanti Legacy Westwood, LP	New		✓		
Developer	Madhouse Development, Inc.	25		✓		
Architect	Northfield Design Associates, Inc.	18				
Engineer	Carney Engineering	25				
Construction Lender	TBD					
Other Lenders	TBD					
General Contractor	TBD					
Consultant (if applicable)	TBD					
Sub-Contractor	TBD					
Sub-Contractor	TBD					
Other						
Other						

5. DEVELOPMENT SCHEDULE

Complete the schedule below with anticipated completion dates. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project's development.

	Date(s)
Acquisition and/or holding	01/2024
Securing and packaging project financing	07/2024
Construction specifications and cost estimates	01/2025
Construction bids	04/2025
Construction start	05/2025
Completion of construction	06/2026
Start of Rent-up	07/2026
Other:	
Other:	
Other:	

6. SUBMISSION INFORMATION

The Community Development Department serves as the City's primary staff and point of contact for all LIHTC programs. Before a project will be evaluated, each applicant requesting support and/or funding assistance must submit a completed application with all attachments.

- Application Deadline: **February 13, 2024, 5:00 p.m.**
- Presentation from Developer(s) at City Council Workshop Session: **February 20, 2024, 5:00 p.m.**
- Consideration of Resolution(s) at City Council Meeting: **February 27, 2024, 5:00 p.m.**

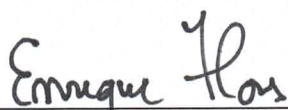
Completed application should be submitted to:

City of Killeen Community Development Department
Tiffanie McNair, Executive Director of Community Development
P.O. Box 1329 or 802 North Second Street- Bldg. E, 1st floor Killeen, Texas 76541
254-501-7847 or tmcnair@killeentexas.gov

The applicant/developer certifies that the data included in this application and the items attached hereto are true and correct. Any information found to be false or misleading will lead to automatic disqualification under this Program application. Unsigned/undated submissions will not be considered.

Madhouse Development

Legal Name of Developer/Entity


Signature of Authorized Officer

1/17/2024

Date

Vice President

Title