

MAPLEWOOD VILLAGE II

P.U.D. OVERLAY PROPOSAL

October 2009

8.013 acres at
550 Hobbs Road
City of League City
Galveston County, Texas 77573

Submitted by:
Coach Realty Services, Inc.
Attn: Thomas H. Scott, President
(713) 953-3344
tscott@coachrealty.us

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I.

Summary of Proposed Development

Coach Realty Services, Inc. (“Coach”) of Houston, Texas which is wholly owned by Thomas H. Scott is in the process of developing the 8.013 acre tract of land located on the west side of IH45 at approximately 550 Hobbs Road in League City. Mr. Scott, through Coach, successfully developed the existing one hundred suite Maplewood Crossing elderly multifamily property in 2005-2006, which is situated at 600 Hobbs Road adjacent to and just to the south of the proposed site. Based on the warm welcome and ready acceptance of Maplewood Crossing (“Crossing”) into the League City community and the already demonstrated additional demand for high quality affordable seniors’ housing, Mr. Scott is proposing to develop a sister facility to the Crossing, which currently has a waiting list of over one hundred potential residents.

As is the case with the Crossing, Maplewood Village will provide high quality affordable housing for the elderly segment of the League City’s population, which is currently underserved. The facility is designed to attract elderly individuals from two primary groups: (a) seniors who already live in the community in single family detached housing that has become impractical to continue to keep up and maintain, and (b) elderly parents of League City residents, who would like have their loved ones closer by. In actual practice the vast majority of residents (more than ninety percent) in the Crossing have come from those two sources and had direct League City connections before moving in. Most of the residents owned single family homes in the city, which had become a burden to keep up or wanted to be closer to their grown children who lived in the community. There has been no great influx of individuals from outside the area. Maplewood Village will continue to fill the need to provide such affordable, high quality, and comfortable housing, primarily for existing League City residents.

The new facility, the (“Village”) will be a virtual smaller mirror image of the Crossing with eighty instead of one hundred units. While the Crossing has nine residential buildings plus a clubhouse, the Village will have seven buildings plus a clubhouse. There will be a comparable amenities package, except that there will not be a swimming pool in the proposed new development. The total development budget is approximately \$12,000,000. Funding for the project will be obtained by applying for Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs (TDHCA), which will be sold to private investors to raise about \$8,000,000-\$9,000,000 of equity. The balance of funding will be obtained from institutional loan sources.

The Village will provide a residential community of senior citizens. As a practical matter, most residents will be women in the 80-85 year old age bracket. Incomes will be restricted and rent levels capped to TDHCA program levels, which are a function of the area median gross income. Coach Realty Service, Inc. will manage the proposed property. Over the past fifteen years, Mr. Scott has completed twenty affordable housing

tax credit properties, such as the Crossing, with total gross development cost of over \$250,000,000.

It should be noted that as part of the application for low income housing tax credits from the Texas Department of Housing and Community Affairs, Coach requested a letter in favor of the proposed property from State Representative Larry Taylor. As apart of that process, Coach Realty appeared before City Council on March 24, 2009 at which time the Council unanimously voted to support the proposed project. Representative Taylor subsequently also issued a letter in support to the Texas Department of Housing and Community Affairs. (See the Appendix for copies of related documents.)

II. General Development Application

General Development Application

for Zoning / SUPs / Master Plans / Plats / Site Plans / ZBA / HDC
City of League City – Planning Department
<http://tx-leaguecity.civicplus.com/index.asp?NID=49>

Check the item that applies to this request:

- Zoning:** Request to change, add, or delete the zoning district/overlay classification. (An actual zoning district must be written in the spaces below. For example, simply writing "Commercial" is not sufficient since there are several commercial districts.)
Present Zoning District/Overlay: GENERAL COMMERCIAL
Requested Zoning District/Overlay: PVD OVERLAY
- SUP (Special Use Permit):** Request to allow certain use of land, building, or structure in a zoning district permissible by the Zoning Ordinance.
Requested Use: _____
Present Zoning District/Overlay: _____
- Master Plan / Revision to Master Plan (As part of the Commercial Mixed Use District Requirement or in Association with a previously approved Planned Unit Development):** An overall development plan illustrating location of proposed uses, general development standards, and phasing, as applicable.
Name of Development: _____
- Master Plan / Revision to Master Plan (For Platting Purposes Only):** A plan submitted prior to the submission of the preliminary plats illustrating the development of the land in phases or sections.
Name of Development: _____
- Preliminary Plat:** An initial plat illustrating the proposed subdivision of land (usually into multiple lots) where municipal facilities have to be extended. Preliminary plats are submitted for approval before preparation of the final plat.
Subdivision Name: _____
- Final Plat:** A plat illustrating the proposed subdivision or development of land having been certified to by a registered professional land surveyor and approved by the Planning and Zoning Commission.
Subdivision Name: _____
- Preliminary/Final Plat:** A combination of the two plats above where municipal facilities have to be extended on land that is not being developed in phases (usually involves fewer than 10 lots).
Subdivision Name: _____
- Minor Plat:** A plat involving four or fewer lots fronting on an existing street and not requiring the extension of municipal facilities.
Subdivision Name: _____
- Replat:** A plat of which an existing subdivision of lots or portion thereof is being further subdivided to create more lots.
Subdivision Name: _____
- Amended Plat:** A plat involving the reconfiguration or deletion of existing lot lines.
Subdivision Name: _____
- Site Plan:** A plan detailing the specific location of buildings, parking, etc. on each site [lot] proposing commercial (including multi-family) development prior to submittal of the building permit.
Name of Development: MAPLEWOOD VILLAGE II
- Communication Tower:** Request to erect new communication tower or to co-locate.
Telecommunications Company Name: _____
- Zoning Board of Adjustments (ZBA):** Request for a variance from the Zoning Ordinance or appeal of an administrative determination.
- Historic District Commission (HDC):** Request on property within the Historic District for:
 Certificate of Appropriateness
 Sign Permit
 Demolition Permit



CA

To insure timely review, please print or type all information and submit all required materials as identified on the General Development Application checklist as applicable. Incomplete applications and applications submitted without required documents will not be accepted.

Project Information

Present Zoning District/Overlay: GENERAL COMMERCIAL
 Proposed Use of Land (i.e. hardware store, auto dealership): ELDERLY LIVING
 Address and/or Geographic Location: ABOUT 550 HOBBS RD.
 Total Acreage: 8.01 ACRES
 Subdivision Name, Block and Lot Numbers (legal description): BRASKORA GARDENS, ABST 3 PAGE 2 OF N 314 FT OF LOT 12 (12-3)
 Municipal Utility District: _____ School District: CLEAR CREEK County Precinct: _____
 Within City Limits: Within Extraterritorial Jurisdiction: _____ Harris County: _____ Galveston County:

Primary Contact Information (Representative):

The representative may be your zoning consultant, realtor, engineer, etc. The representative will be staff's primary contact. If the property owner does not have a representative, then write "N/A" across this section.

Name: THOMAS H. SCOTT Company, (if applicable): COACH REALTY SERVICES, INC
 Address: 6919 PORTWEST, SUITE 150, HOUSTON, TX 77024
 Phone Number: 713-953-3330 Fax Number: 832-673-0903
 E-Mail Address: TSCOTT@COACHREALTY.US

Property Owner(s) Information:

Attach additional pages for multiple property owners.

Name: HAUSER MANAGEMENT CORP Company, (if applicable): _____
 Address: 5555 Del Monte Drive, #1703 Houston, TX 77056
 Phone Number: 713 552-1314 Fax Number: 713 838-8041
 E-Mail Address: BARBARA@AOL.COM

Owner Certification

I, HAUSER MANAGEMENT CORP (property owner), certify that the above information is correct and that I own the aforementioned tract of land. Furthermore, I authorize THOMAS H. SCOTT (person listed as contact) of COACH REALTY SERVICES, INC (contact person's company) to make this request for Pub Overlay, General Comm. (type of request) and act as my agent in all related communications with the City of League City.

Property Owner Signature: Barbara M. Hauser Date: 2/20/09

See Attached Fee Schedule

Staff Use Only			
Staff Submitted To:		Tax ID #:	
Meeting Target Date (if applicable):		Case #:	
Submittal Date:		Fee:	

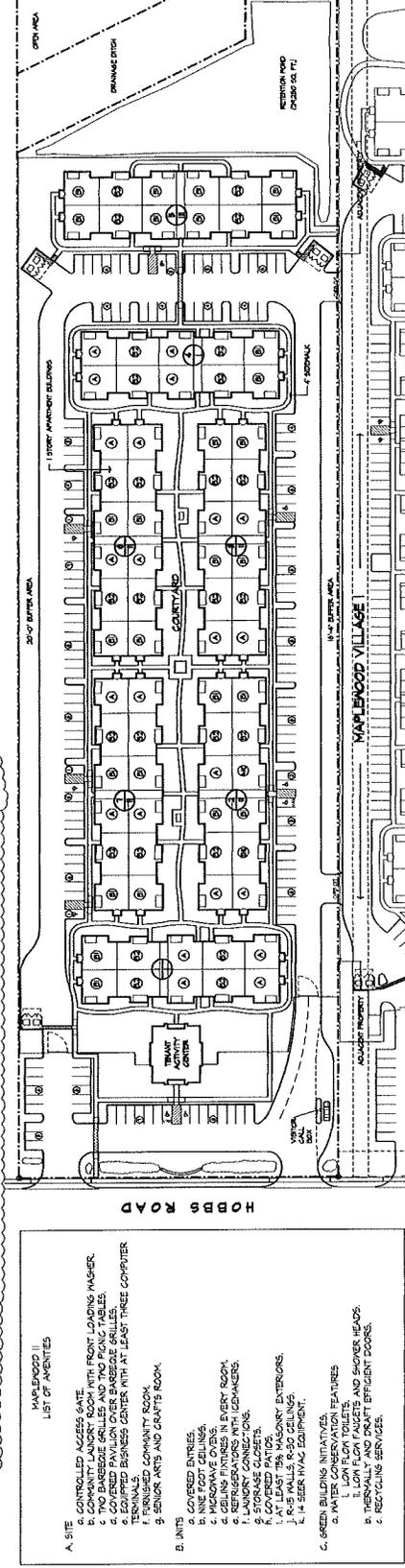
LMK

**III.
Conceptual Site Plan**

(Note: 11x17 hard copies provided under separate cover)

PROJECT DATA

SITE DATA:		9.014 ACRES		AIR CONDITIONED AREA = 2641 S.F.		GROSS BUILDING AREA = 2,746 S.F.	
TOTAL LAND AREA:		80 APARTMENT UNITS		TOTAL BUILDING AREA FOR PROJECT:		48,190 S.F.	
TOTAL NUMBER OF APARTMENT UNITS:		10.0 UNITS PER ACRE		PARKING DATA:		A. PARKING SPACES REQUIRED: 1. 1 BEDROOM = 1.0 CARS PER UNIT 2. 2 BEDROOM = 1.5 CARS PER UNIT 3. GUEST PARKING = .3 PER UNIT	
APARTMENT UNIT DATA:		TOTAL LIVING AREA PER UNIT TYPE		PARKING REQUIRED:		B. 24 - 1 BEDROOM UNITS X 1.0 = 24 SPACES REQUIRED 56 - 2 BEDROOM UNITS X 2.0 = 112 SPACES REQUIRED 56 - 2 BEDROOM UNITS X 2.0 = 112 SPACES REQUIRED TOTAL CARS REQUIRED FOR 80 UNITS = 160	
LIVING AREA PER UNIT		NO. OF UNITS		C. TOTAL CARS PROVIDED: 152 SPACES + 7 HANDICAP CAR SPACES + 2 HANDICAP VAN SPACE = 161 TOTAL SPACES.		PARKING PROVIDED: 161 TOTAL SPACES PROVIDED	
UNIT "A" (1 B0/1 BA)	498 S.F.	1,048 S.F.	23	24,104 S.F.			
UNIT "AHC" (1 B0/1 BA)	498 S.F.	1,048 S.F.	1	1,048 S.F.			
UNIT "B1" (2 B0/1 BA)	498 S.F.	1,048 S.F.	28	29,344 S.F.			
UNIT "B2" (2 B0/2 BA)	1,084 S.F.	1,194 S.F.	21	25,074 S.F.			
UNIT "B2HC" (2 B0/2 BA)	1,084 S.F.	1,194 S.F.	1	1,194 S.F.			
TOTALS			80	80,308 S.F.	86,068 S.F.		
BUILDING DATA:		TOTAL LIVING AREA PER BUILDING TYPE		TOTAL LAND AREA:		9.014 ACRES	
UNIT MAKE-UP PER BUILDING		NO. OF BUILDINGS		TOTAL LANDSCAPE AREA:		2.35 ACRES	
BUILDING TYPE I	4 "A" / 2 "B1" / 4 "B2"	2	10,104 S.F.				
BUILDING TYPE II	4 "A" / 4 "B1" / 4 "B2"	4	12,020 S.F.				
BUILDING TYPE III	8 "B1" / 4 "B2"	1	12,020 S.F.				
TOTALS		7	34,144 S.F.	45,844 S.F.			



CONCEPTUAL SITE LAYOUT

IV. Preliminary Plans

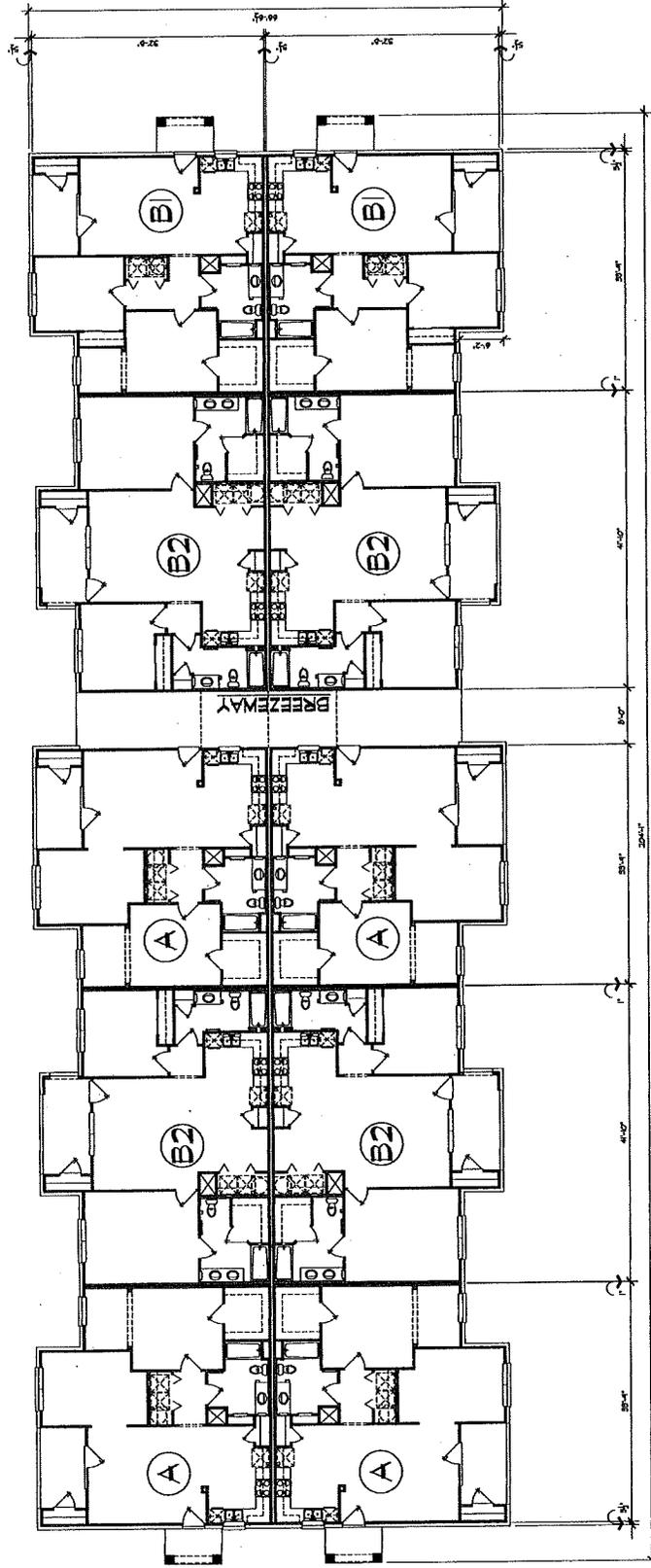
- A. Building Floor Plans**
- B. Building Elevations**
- C. Unit Floor Plans**

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ACTIVE ADULT COMMUNITY
LEAGUE CITY, TEXAS

02/16/09



BUILDING TYPE I

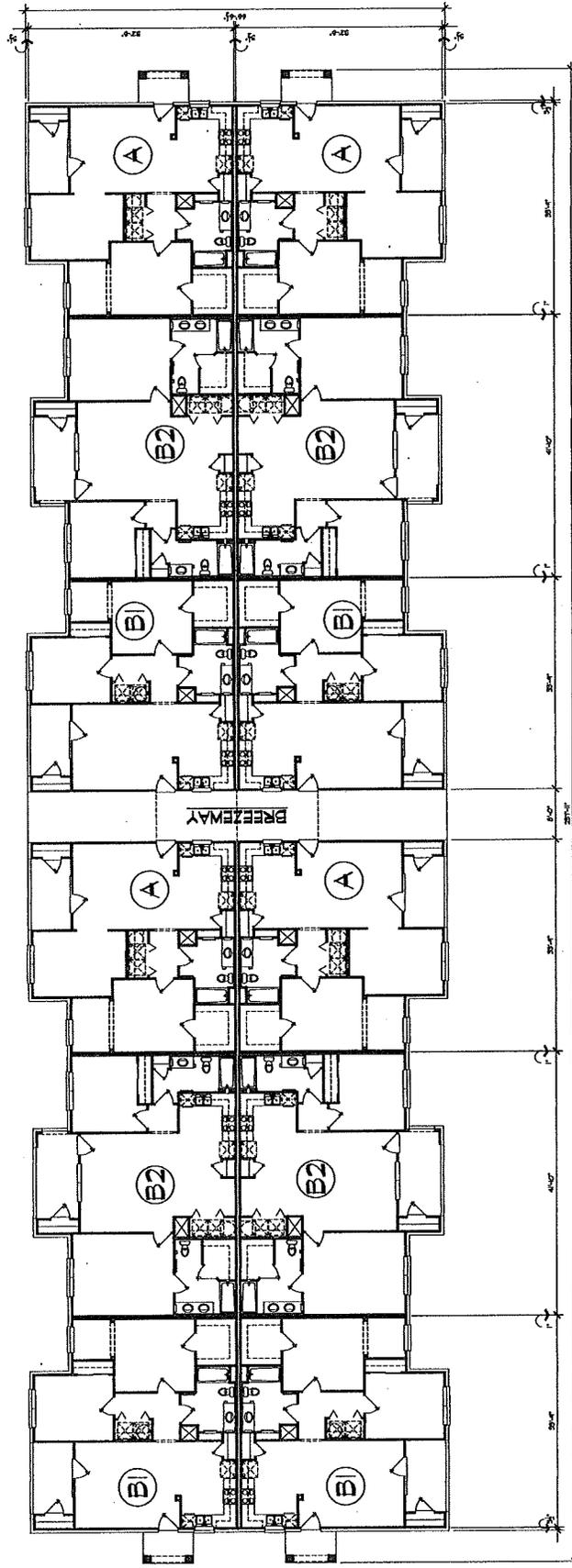
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BUILDING TYPE II BUILDING PLAN

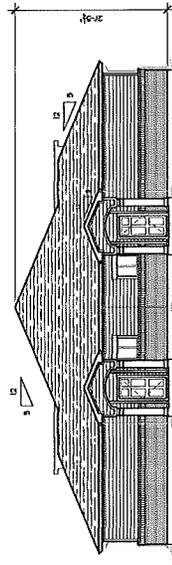
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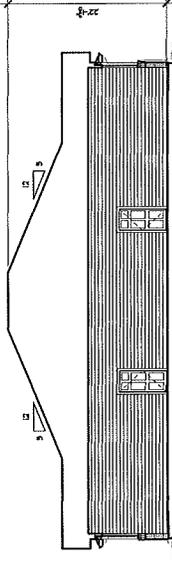
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TYPICAL RIGHT/LEFT SIDE ELEVATION

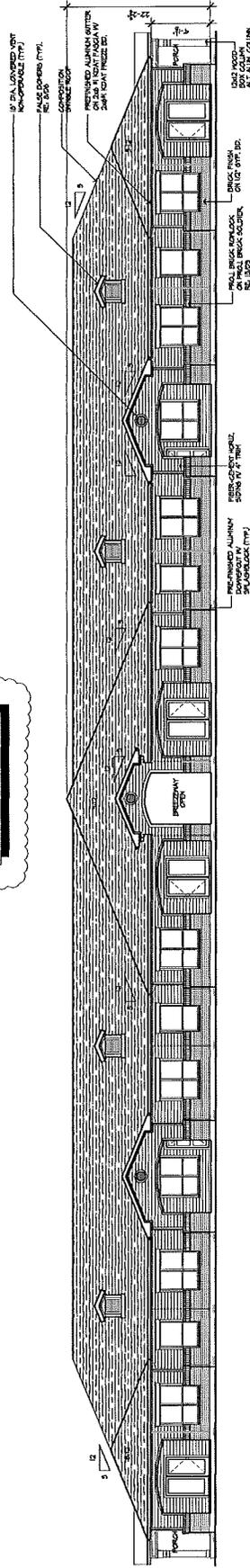
②



TYPICAL BREEZEWAY ELEVATION

③

CONVENTIONAL SIDING + BRICK
FIELDS GREATER THAN 75% &
MATERIALS TO BE USED IN THE EXTERIOR OF
THE BUILDING.



TYPICAL FRONT/REAR ELEVATION

①

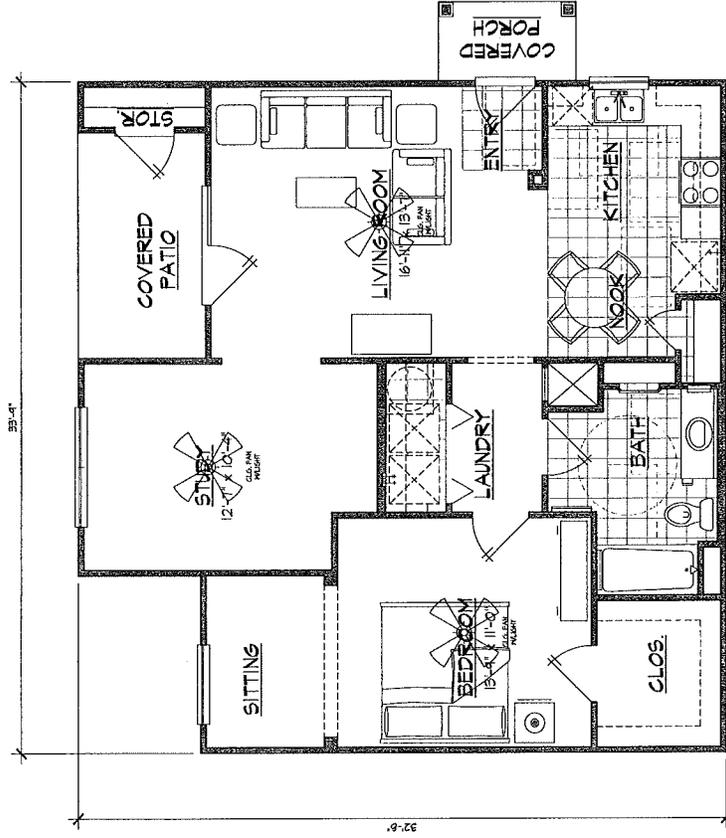
BUILDING TYPE III EXTERIOR ELEVATIONS

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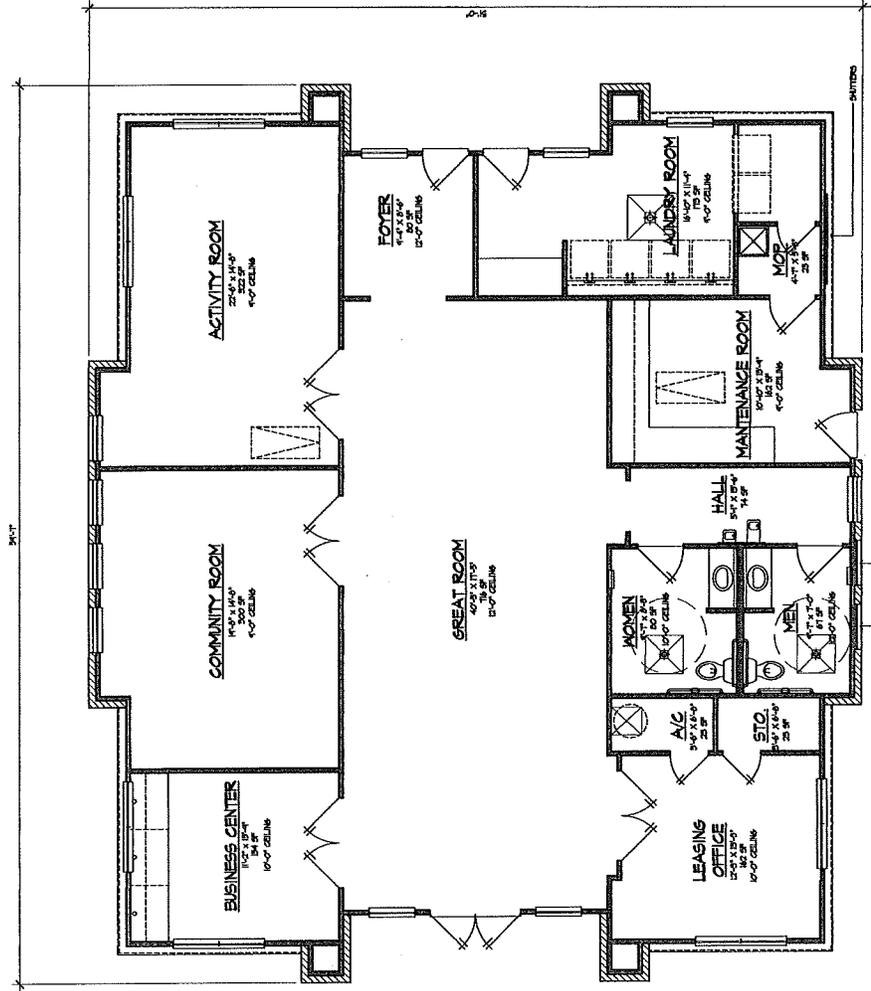
Unit "A"

Two Bedroom / One Bath
Total Living Area - 958 Sq. Ft.

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1/4"=1'-0"



CLUBHOUSE TOTAL SQUARE FOOTAGE = 2599 SF

CLUBHOUSE FLOOR PLAN

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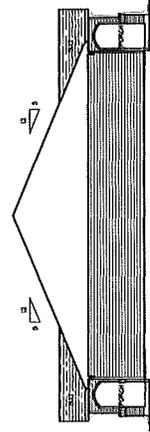
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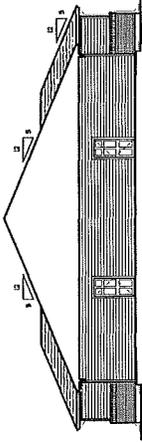
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LEAGUE CITY, TEXAS

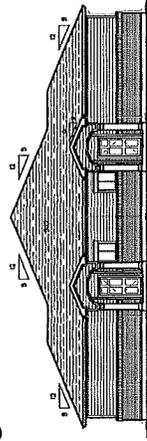
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TYPICAL BREEZEWAY ELEVATION AT BLDG I

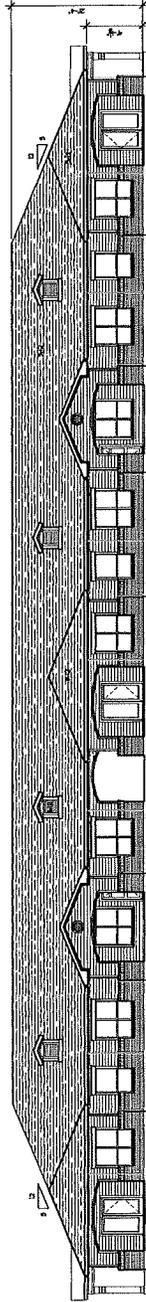


TYPICAL BREEZEWAY ELEVATION AT BLDG I

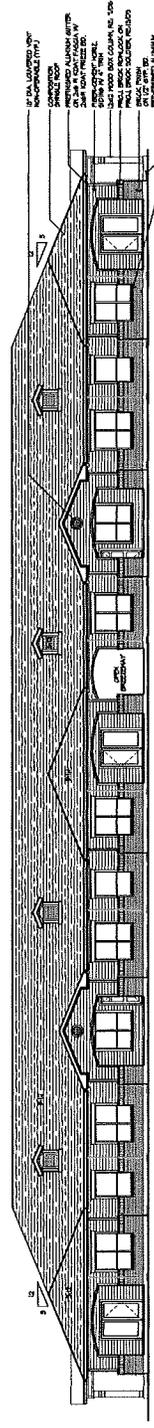


TYPICAL RIGHT/LEFT SIDE ELEVATION

IDENTIFIERS SHOWN IN BRICK
WORK ARE TO BE MATCHED TO
WORK ON THE SURFACES OF
THE BUILDING.



REAR ELEVATION



FRONT ELEVATION

BUILDING TYPE I EXTERIOR ELEVATIONS

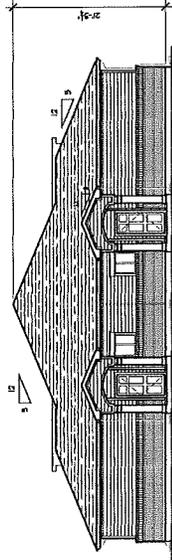
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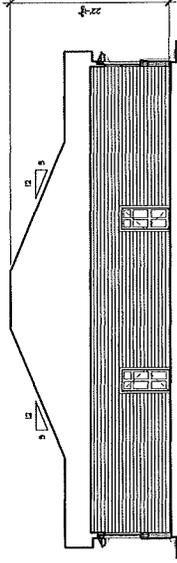
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LEAGUE CITY, TEXAS

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TYPICAL RIGHT/LEFT SIDE ELEVATION

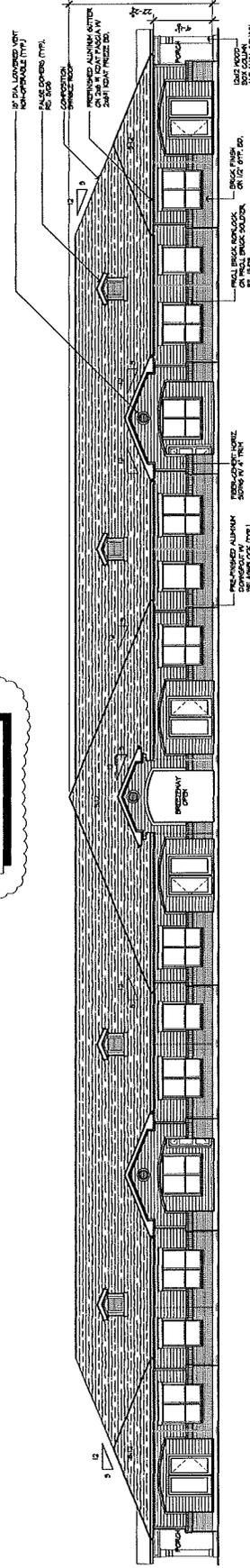
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TYPICAL BREEZEWAY ELEVATION

③

GENUINE SIDING + BRICK
YIELDS GREATER THAN 75%
SAVINGS ON THE EXTERIOR OF
THE BUILDING.



TYPICAL FRONT/REAR ELEVATION

①

BUILDING TYPE II EXTERIOR ELEVATIONS

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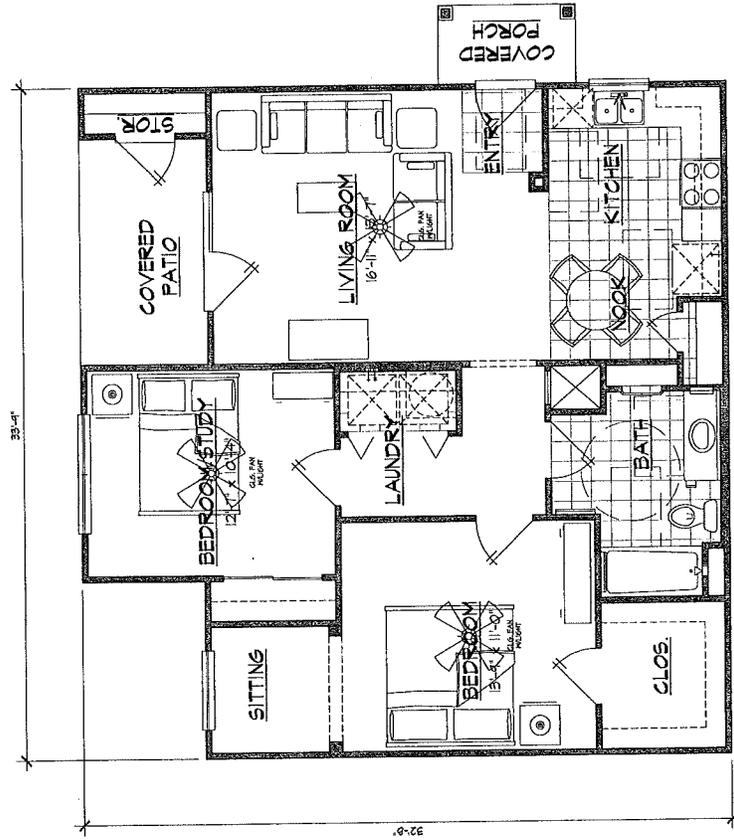
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Unit "B1"

Two Bedroom / One Bath
Total Living Area - 958 Sq. Ft.

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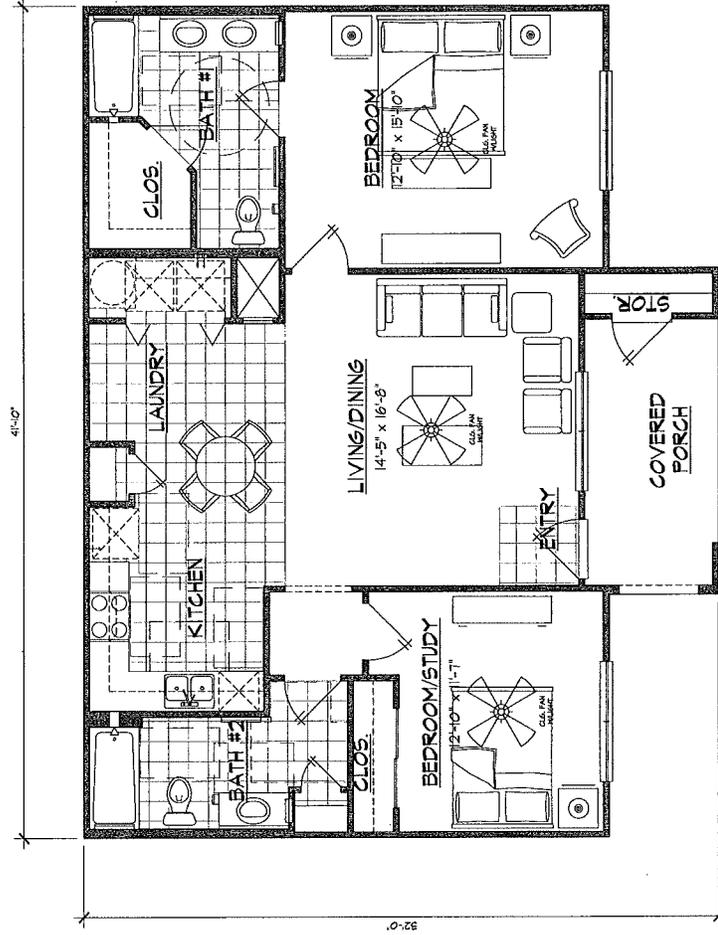
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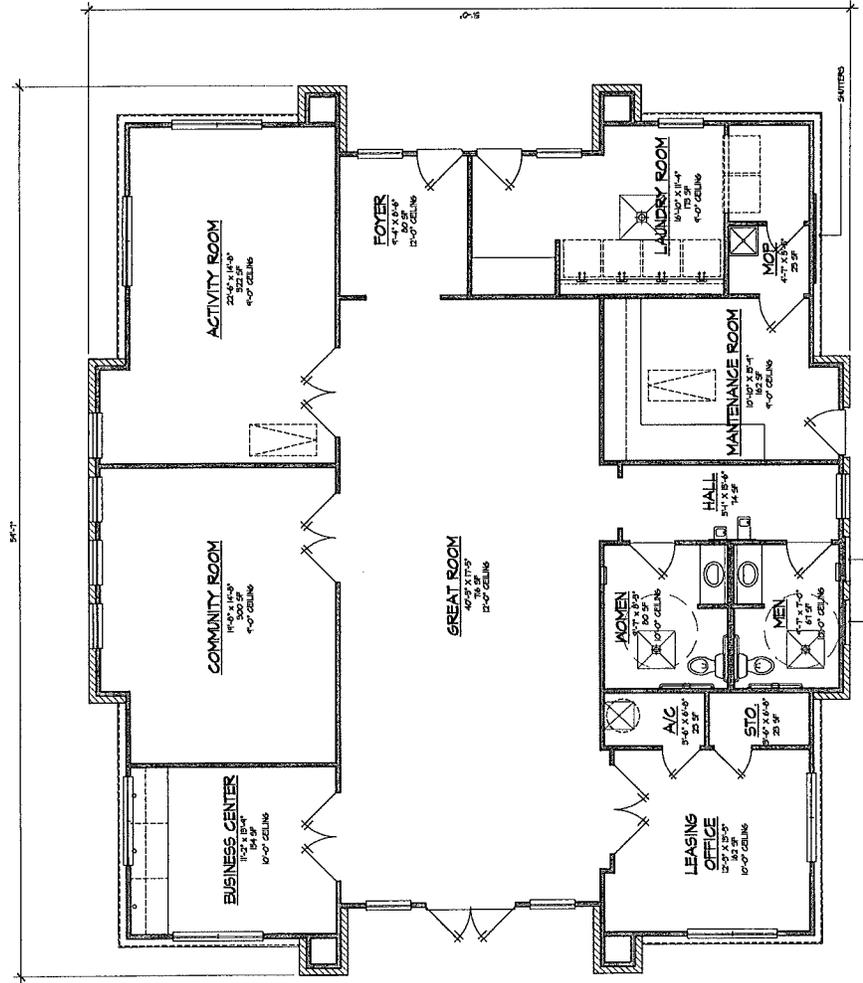
Unit "B2"

Two Bedroom / Two Bath
Total Living Area - 1,089 Sq. Ft.

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1/4"=1'-0"

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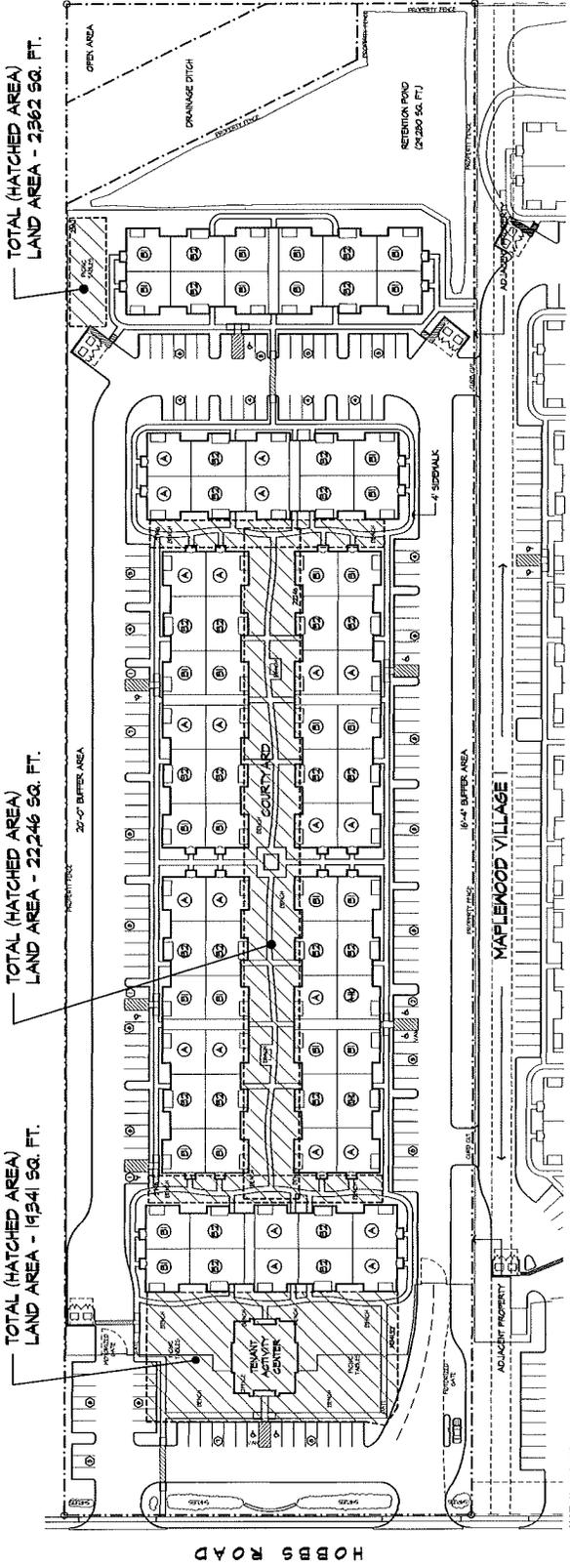
CLUBHOUSE FLOOR PLAN

CLUBHOUSE TOTAL SQUARE FOOTAGE = 2,598 SF

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V.
Parks Area Calculations

PARK ANALYSIS	
A. TOTAL PROPERTY LAND AREA:	= 8,0144 ACRES
B. PARK AREA REQUIRED:	
1. ACRE PER 90 UNITS REQUIRED, (102-550(1))	
50,80 UNITS @ 90 PER ACRE = 80/90 = .88	ACRES REQUIRED
C. PARK AREA PROVIDED:	
1. COURTYARD	22,246 SQ. FT.
2. COURTYARD WINGS	1,542 SQ. FT.
3. COMMUNITY CENTER	19,341 SQ. FT.
4. BAR-B-Q TABLES	2,362 SQ. FT.
TOTAL PARK AREA PROVIDED:	51,541 SQ. FT. = 1.185 ACRES
D. TOTAL OPEN AREA PROVIDED = 1.18 ACRES > .88 :	PERMITTED



OPEN SPACE CONCEPTUAL SITE PLAN

MAPLEWOOD VILLAGE II

ACTIVE ADULT COMMUNITY

LEAGUE CITY, TEXAS
 ARCHITECT
 THE CLERKLEY WATKINS GROUP
 ARCHITECTURE PLANNING INTERIOR DESIGN

VI. Landscape Area Analysis

VII. Estimate of Project Population

The proposed Maplewood Village development will consist of twenty-four one bedroom and fifty-six two bedroom units for a total of eighty units intended and designed to comfortably accommodate elderly, yet independent lifestyles. No children will be permitted. The maximum total population per unit, therefore, is two but, as a practical matter, given the average age of typical residents about 75% of the units will be empty nesters and perhaps 25% couples. Such a configuration, ignoring any allowance for vacancy would, therefore, indicate an average population of about 100 residents.

While it is the intention of Coach Realty to only lease suites to residents who are at least fifty-five years of age and above and as a practical matter the average age in Maplewood Crossing exceeds eighty, there are Fair Housing Act considerations, which must be observed. The actual Fair Housing restriction that the Texas Department of Housing and Community Affairs (“TDHCA”) mandates must appear in the Land use Restriction Agreement (“LURA”) is that all units must be leased such they are either: (i) occupied solely by Persons age 62 or older or (ii) intended for occupancy by at least 80% of the housing units are occupied by at least one person who is 55 years old or older. It is the intent for the proposed property that no one will live on our project that is under 55 unless he/she is a bona fide caregiver as supported by a physician’s letter or in certain instances exceptions must be made for individuals with handicaps.

“Caretakers”, or really “caregivers”, are those professional individuals who provide full time care to a resident who is not capable of functioning independently. In order for a resident to qualify to have a “caregiver”, a doctor must have certified as to their need in writing. Additional family members generally are excluded from being considered as “caregivers” because their occupancy under IRS requirements necessitates that their income must be counted to be approved as a low income tax credit household. Typically any attempt to do so, results in a combined household income that exceeds the regulated maximums, and excludes the possibility of such a related person taking up residence. The management company verifies ages through birth certificates and other proofs of date of birth.

VIII. Development Schedule

The timing of the Maplewood Village development is largely a function of the timing of the approvals required incident to the LIHTC credit application. The TDHCA Board traditionally announces and makes the awards of the competitive LIHTC credits at their July meeting. Although this project was approved in July 2009 for the award of tax credits, until the final zoning designation is resolved, it will not be possible to further pursue that award. Based upon that assumption, the following tentative development schedule is proffered:

Date	Event
1/1/2010	Tax Credit Approval
3/15/2010	Financing Finalized
9/15/2010	Plans Approved; Permits Issued
1/15/2010	Break Ground
7/1/2011	First Units Complete
8/15/2011	Project Complete

IX.
Design and Development Standards
And
Requested Variances

(REVISED 11/2/2009)

B. Requested Zoning Variance: Based upon the comments received from the Development Review Committee as of October 28th, there are two areas where variances are now being requested:

1. **Buffer Yards** - The requirement, as set forth in the City of League City Zoning Ordinance, Article IV, Division 6, Section 125-190.C as applicable to RMF-2, necessitates a Buffer Yard of twenty feet (20 ft) on all four sides, based upon the zoning designated on the contiguous parcels. The subject tract abuts RMF-2 to the south, which is the existing Maplewood Crossing property that is owned and operated by the same sponsor as the proposed development. The actual use of subject property will be exactly the same as Maplewood Crossing. In fact, for financing purposes the new project will be separate development but as to use and operation, it will be effectively a continuation of Maplewood Crossing, including common ownership. A “buffer” per se has really no effect. To the north, which is the boat barn property, the land is zoned “GC. While we are willing and able to create a buffer yard of twenty feet along most of the property line to the north next to the GC tract, the most appropriate and convenient locations for the trash collection areas serving that side of the property intrude within the proposed “landscape only” buffer area. Also, there are nine parking spaces shown at the front of the property that also intrude into the buffer area. It would be possible to relocate the trash areas but only at significant inconvenience to our elderly residents. The elimination of the nine parking spaces would create virtually no practical impact to the operation of the property but would cause our total parking count to become insufficient vis-à-vis RMF-2. Another variance would have to be requested. Rather than further adjust the parking or trash area locations, we respectfully request a variance permitting the partial buffer configuration we have presented. It is pointed out that the partial buffer, as presented, does in fact extend to protect (i.e. “buffer”) all residential buildings. Buffers, notwithstanding, all buildings will still be at least sixty feet (60’) from the demising north property line.

With respect to “New Comment # 24” in the latest DRC Memo, based upon our experience with Maplewood Crossing, we anticipate no problem, we see no reason why the required buffer yard at the southeast end of the property cannot be created, even in view of the detention area.

We are, therefore, requesting that (a) the buffer yard requirement to the south contiguous Maplewood Crossing be waived, and (b) the strict “landscape only” buffer yard requirement to the north contiguous GC tract be modified to permit a partial buffer as shown

2. **Lot Coverage** - According to Sec. 125-71.C under RMF-2, the “Maximum Lot Coverage” requirement is 50%. “Maximum Lot coverage” is defined as “Includes buildings, parking areas, and driveways and maneuvering areas, but excludes common open space amenities and landscaped areas”. In this case, there are a number of factors, which make a 50% coverage ratio impractical. While the actual coverage of the slab area of the residential buildings and the community center is slightly more than 31.0% of the gross tract area, when parking and driveway circulation are taken into account the ratio exceeds the 50% maximum and totals about 65%. In that regard, the following comments are submitted:
 - a. In residential multifamily development one the most generally looked to design quality standards is “building density”. In this situation the statute permits a maximum of 22 units per acre. Our proposal is for 9.9 units per acre, which an extremely favorable number for a multifamily property. Maplewood Crossing, by the way, has about 10.3 units per acre.
 - b. The minimum permitted unit size is 850 SF. We are over 100 SF larger at 958 SF and units average over 1,000 SF. These extra large units serve to accommodate a very comfortable elderly lifestyle but do require more slab area than would more compact, restrictive floor plans.
 - c. Our development is designed in a single-story garden style, which has been extremely well received by the League City community and the residents at Maplewood Crossing. The Standard permits heights of as much as 42 ft, which could accommodate as much as four stories. The only way we could attain 50% coverage would be to build up with multiple stories creating smaller footprints, which would result in a much less desirable property for all concerned.
 - d. Frankly, the parking requirement of over +160 spaces for only 80 elderly units is much more than will ever actually be used, based upon our actual experience at Maplewood Crossing during the almost four years it has been open. At most, we have needed about 115 spaces for the 100 units at the Crossing or about 1.15 per unit. That figure would translate to providing about 92 on the proposed property, leaving an excess mandated of 65-70 spaces. These extra spaces create impervious surface and raise the maximum lot ratio. The 50% requirement and the parking standards are inconsistent. Elderly people in their eighties simply don’t drive very much.

- e. The “Parks” open space requirement of one acre for every 90 residential units, in this case imposes .88 acre dedicated to green space. Our proposal incorporates 1.183 acres to this use and thereby significantly exceeds the standard.

- f. It is the intent of this proposed development to largely replicate Maplewood Crossing on a lesser scale. By all measures, that property has been well received within the League City community, where it has served an acute need for quality affordable elderly housing. It has a long waiting list. To a large degree the success of that property may be attributed to the very favorable design, and provides a virtual template for Maplewood Village II.

In view of the above, we are requesting that a variance to RMF-2 standards be granted such that the 50% lot coverage requirement is waived in favor of the configuration shown on the Conceptual Site Layout submitted herewith.

X. Statement Concerning Overlay

Based upon the current zoning configuration and the somewhat problematic nature of the award of the tax credits we were advised by the League City Planning office that an overlay would allow the best flexibility. In the event that if for any reason our project did not go forward the existing zoning would remain in place not be impacted.

XI.

PUD Overlay Master Plan

The suggestion of a PUD concept and master plan made by the Development Plan Review Committee staff is good. With respect to the three items discussed on page 46 of Article II of the Zoning Ordinance, be advised as follows:

- a. Proposed Governance: In as much as the proposed development does not contemplate the resale of lots, parcels, or homes to third parties, an owners association structure is not appropriate. The ownership will vest in one entity, which must conform to the laws of League City. There will be a Land Use Restriction Agreement (LURA), which is mandated by the Texas Department of Housing and Community Affairs. A sample copy of that document is included in the Appendix.
- b. Plot Plan showing Buffer Yards requirements: As discussed in Section VIII above, a slight variance with respect to waiving this requirement is along one property line is being requested.
- c. Surface Drainage and Detention: This tract is very similar to and adjoins Maplewood Crossing Drainage flows will be managed in the same manner as with that development. Flow generally moves toward the rear to the east away from Hobbs Rd where it will be accommodated by a detention area is clearly set out on the Conceptual Site Plan. An engineering analysis will be ordered and all building permits will be subject to the City's final approval of the final drainage plans.

XII.

Responses To

Attachment to General Development Application

1. Conformance of proposed zoning and use with City's Comprehensive Plan and other policies. – A review of the Comprehensive Plan for League City confirms that the proposed use which is the subject of this application is entirely consistent with the goals and objectives of that document. As stated in the Plan, by and large, the preponderance of recent neighborhood development has been for low density single use single family homes. While this trend has been as the direct result of strong regional demand, it does not recognize, as set forth in section 4.3 of the Plan, “a marked demographic shift both in terms of an *aging population* and smaller family size.” This single family detached housing is not necessarily appropriate or *affordable* for all members of the community. More diverse housing alternatives are called for to serve certain groups including the elderly. As clearly demonstrated by the existing Maplewood Crossing property, the proposed development would compatibly to fill a demonstrate need. As noted above, as a part of the application process for low income housing tax credits from the Texas Department of Housing and Community Affairs, Coach requested a letter in favor of the proposed property from State Representative Larry Taylor. As apart of that process Coach Realty appeared before City Council on March 24, 2009 at which time the Council unanimously voted to support the proposed project. Representative Taylor subsequently also issue a letter in support. (See the Appendix for copies of related documents.)

2. Character of the surrounding area. – The proposed development will effectively be a subsequent phase of the existing Maplewood Crossing elderly facility, which was developed by Coach Realty in 2005-2006 on the adjacent site just to the south. The surrounding neighborhood is primarily residential in character with a few light businesses in evidence. Based upon the harmonious acceptance of the Crossing, the Village should likewise blend well with the existing neighborhood.

3. Compatibility - Directly to the south is the aforementioned Maplewood Crossing Property, which was constructed on what at the time was General Commercial Zoning with a Special Use Permit as a compatible site use. Since that time, the Maplewood Crossing site has apparently been re-zoned Residential Multifamily 2 (M-2), which is, of course, entirely compatible with the intended Maplewood II use. To the north is a storage facility which lies on General Commercial zoning. This facility has been in existence long before Maplewood Crossing was developed and has also proved in practice to be compatible. That facility does, in fact, provide a storage alternative to the residents of the elderly multifamily property.

4. Suitability to use - the suitability of this intended use is best demonstrated by the acceptability into the neighborhood and League City community of Maplewood Crossing. Maplewood II will very closely resemble that property with the primary difference being that it will be smaller at eighty suites instead of one hundred.
5. Detrimental effects - We do not see any circumstances that would result in a detrimental impact to neighborhood properties.
6. Effect on safety - The proposed use of the subject property will be for residence of senior citizens with a minimum age of fifty-five, with exceptions only for bona fide caregivers and handicapped people with special needs. There will be no children allowed. As a practical matter, the average age of residents is in the 82-83 range and is largely dominated by elderly ladies to the extent of about 85-90% of the population. League City statutes have traditionally mandated much more parking capacity on site than actually needed. Certainly there will be no off site parking ever required. Also, as a rule, seniors in this age bracket do not have many autos. Many have stopped driving all together. Impact on additional traffic or safety issues with Maplewood Crossing have been minimal with the same result expected from Maplewood II. Disturbance police calls to these elderly, non-family properties are virtually non-existent.
7. Effect on value -Maplewood Crossing has been complimentary to the neighborhood. The proposed property, when completed, will likewise provide an excellent addition to the street scene, tax rolls, and enhancement to all area property values.
8. Gain to Public health and safety - As stated above this proposed use is entirely compatible with the City's master plan. The facility will provide high quality affordable housing for the elderly segment of the community's population. Maplewood Crossing was designed to attract elderly individuals from two primary groups: (a) seniors who already live in the community in single family detached housing that has become impractical to continue to keep up and maintain, and (b) elderly parents of League City residents, who would like their loved ones closer by. These two situations have occurred with Maplewood Crossing filling the need to provide such affordable, high quality, and comfortable housing. In fact, more ninety percent (90%) of the residents in the existing property had direct League City connections before moving in. Many of the residents owned single family homes in the city, which had become a burden to keep up or wanted to be closer to their grown children who lived in the community. There has been no great influx of individuals from outside the area. If this application is denied such a quality and affordable housing alternative would not be readily available for older residents who want to stay in the community or for older parents of existing

9. Exceptional circumstances - If approved, the intended development for this property will involve financing using tax credits issued by the Texas Department of Housing and Community Affairs. It is important to recognize that the existence of these tax credits will enable the investment from private sources of the funds needed to complete the development. These funds will be paid in by private investors and are not public funding. Maplewood II, as was the case with Maplewood Crossing, will be financed with private capital. By utilizing this method of finance, an excellent addition to the League City community can come about in difficult economic times without relying on public capital sources. By and large other properties in this neighborhood, which are not residential in nature cannot avail themselves to such financing.

XIII. Appendix

**Appendix
A.**

Cover Letter with Hold Harmless Provision



February 23, 2009

Kim Buttrum, AICP, Senior Planner.
Planning Office
City of League City
305 E. Main
League City, Texas 77573

Re: Application for "PUD Overlay" for proposed Maplewood Village on an 8.0 acre site at about 550 Hobbs Road, League City, Texas

Dear Kim:

As we have discussed with regard to the above, enclosed please find our application including a check for the required fee, for the processing of a PUD Overlay so that our proposed development will conform to League City zoning requirements.

As you are aware, we are in the process of applying for competitive low income housing tax credits from the Texas Department of Housing and Community Affairs. In that regard, please be advised that we hereby release and hold the City of League City and any other parties harmless in the event that the zoning we have requested is not approved for any reason.

We would appreciate your written confirmation of our having made application for zoning.

Thank you.

Sincerely,

Thomas H. Scott
President

**Appendix
B.**

Copy of Application Fee Check

**Appendix
C.**

Property Legal Description

County: Galveston
Project: Hobbs Road
M.S.G. No.: 091005
Job Number: 1839

FIELD NOTES FOR 7.8802 ACRES (TRACT 1)

Being a 7.8802 acre tract of land located in the Stephen F. Austin League, Abstract-3, Galveston County, Texas; said 7.8802 acre tract being out of the north 314 feet of Lot 12 of Braskora Gardens, a subdivision recorded in Volume 113, Page 47, of the Galveston County Deed Records (G.C.D.R.) and out of a call 9.3187 acre tract of land (Tract One) recorded in the name of Hauser Management Corp. in File Number 1997-21484 in the Office of the County Clerk of Galveston County, Texas (O.C.C.G.C.T.); said 7.8802 acre tract being more particularly described by metes and bounds as follows (bearings based on the recorded description of said Tract One acre tract):

BEGINNING at a 5/8 inch iron rod set at the northwest corner of said 9.3187 acre tract and the southwest corner of a call 9.83 acre tract of land recorded in the name of James M. Peacock, et al, in File Number 2001-050903 of the O.C.C.G.T. on the east right-of-way (R.O.W.) line of Hobbs Road (sixty feet wide), the north line of said Lot 12 and the south line of Lot 13 of said Braskora Gardens, from which a 5/8 inch iron rod found bears North 69 degrees 09 minutes East, a distance of 0.67 feet;

THENCE, with the line common to said 9.3187 acre tract, said 9.83 acre tract and said Lots 12 and 13, North 90 degrees 00 minutes 00 seconds East, a distance of 1009.69 feet, to 5/8 inch iron rod set at the most northerly northeast corner of said 9.3187 acre tract and the northwest corner of a call 0.373 acre tract recorded in the name of State of Texas in Volume 2117, Page 113, of the Galveston County Deed Records, from which a one inch iron pipe found at the northeast corner of said Lot 12 and the southeast corner of said Lot 13 bears North 90 degrees 00 minutes 00 seconds East, a distance of 153.71 feet;

THENCE, with lines common to said 9.3187 acre tract and said 0.373 acre tract the following two (2) courses:

1. South 26 degrees 16 minutes 10 seconds East, a distance of 249.69 feet, to 5/8 inch iron rod set at an angle point;
2. North 90 degrees 00 minutes 00 seconds East, a distance of 43.20 feet, to 5/8 inch iron rod set at the most easterly northeast corner of said 9.3187 acre tract and the southeast corner of said 0.373 acre tract on the east line of said Lot 12 and the west line of a call 25.4348 acre tract of land recorded in the name of The Vegas @ Brittany Associates Limited in File Number 2003-061242 of the O.C.C.G.C.T.;

THENCE, with the east line of said 9.3187 acre tract and said Lot 12 and with the west line of said 25.4348 acre tract, South 00 degrees 00 minutes 00 seconds East, a distance of 90.09 feet, to a 5/8 inch capped iron rod found at the southeast corner of said 9.3187 acre tract and the northeast corner of said 9.74 acre tract;

THENCE, with the line common to said 9.3187 acre tract and said 9.74 acre tract, North 90 degrees 00 minutes 00 seconds West, a distance of 1163.40 feet to a 1/2 inch capped iron rod found at the southwest corner of said 9.3187 acre tract and the northwest corner of said 9.74 acre tract on the east R.O.W. line of said Hobbs Road;

THENCE, with the west lines of said 9.3187 acre tract and with the east R.O.W. line of said Hobbs Road, North 00 degrees 00 minutes 00 seconds East, a distance of 314.00 feet to the POINT OF BEGINNING and containing 7.8802 acres of land.

A Land Title Survey Plat of the subject tract has been prepared by Miller Survey Group and accompanies this Description.



Michael Hall, R.P.L.S.
Texas Registration Number 5765



Miller Survey Group
Ph: (713) 413-1900
January 27, 2009
091005

County: Galveston
Project: Hobbs Road
M.S.G. No.: 091006
Job Number: 1839

FIELD NOTES FOR 0.1342 ACRE (TRACT 2)

Being a 0.1342 acre tract of land located in the Stephen F. Austin League, Abstract-3, Galveston County, Texas; said 0.1342 acre tract being out of the north 314 feet of Lot 12 of Braskora Gardens, a subdivision recorded in Volume 113, Page 47, of the Galveston County Deed Records (G.C.D.R.) and all of a call 0.3141 acre tract of land (Tract Two) recorded in the name of Hauser Management Corp. in File Number 1997-21484 in the Office of the County Clerk of Galveston County, Texas (O.C.C.G.C.T.); said 0.1342 acre tract being more particularly described by metes and bounds as follows (bearings based on the recorded description of said Tract Two acre tract):

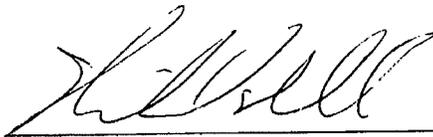
BEGINNING at a one inch iron pipe found at the northeast corners of said 0.3141 acre tract and said Lot 12 and the southeast corners of a call 9.83 acre tract of land recorded in the name of James M. Peacock, et al, in File Number 2001-050903 of the O.C.C.G.T. and said Lot 13 of said Braskora Gardens on the west line of a call 2.5698 acre tract of land recorded in the name of Taijan Family Partnership, Ltd. in File Number 2007-042323 of the O.C.C.G.C.T.;

THENCE, with the east lines of said 0.3141 acre tract and said Lot 12 and the west line of said 2.5698 acre tract, South 00 degrees 00 minutes 00 seconds East, at 33.25 feet pass a 5/8 inch iron rod found at the southwest corner of said 2.5698 acre tract and continuing with the west line of a call 1.31 acre tract of land recorded in the name of Taijan Family Partnership, Ltd. in File Number 2007-053186 of the O.C.C.G.C.T. an overall distance of 153.90 feet to a wood fence post found at the south corner of said 0.3141 acre tract, the southwest corner of said 1.31 acre tract, the most easterly north corner of a call 0.373 acre tract recorded in the name of State of Texas in Volume 2117, Page 113, of the Galveston County Deed Records and the northwest corner of a call 25.4348 acre tract of land recorded in the name of The Vegas @ Brittany Associates Limited in File Number 2003-061242 of the O.C.C.G.C.T., from which a 5/8 inch capped iron rod found at the north east corner of a call 9.74 acre tract of land recorded in the name of Hobbs Road Village, L.P. bears South 00 degrees 00 minutes 00 seconds East, a distance of 160.10 feet;

THENCE, with the line common to said 0.3141 acre tract and said 1.31 acre tract, North 26 degrees 16 minutes 10 seconds West, a distance of 171.62 feet to a 5/8 inch iron rod found at the northeast corner of said 0.3141 acre tract on the north line of said Lot 12 and the south lines of said 9.83 acre tract and said Lot 13;

THENCE, with the north lines of said 0.3141 acre tract and said Lot 12 and the south lines of said 9.83 acre tract and said Lot 13, North 90 degrees 00 minutes 00 seconds East, a distance of 75.96 feet to the POINT OF BEGINNING and containing 0.3142 acre of land.

A Land Title Survey Plat of the subject tract has been prepared by Miller Survey Group and accompanies this Description.



Michael Hall, R.P.L.S.
Texas Registration Number 5765



Miller Survey Group
Ph: (713) 413-1900
January 27, 2009
091006

**Appendix
D.**

**Site Survey
(Separate Cover)**

**Appendix
E.**

Site Inventory Statement

Site Inventory of existing vegetation: The site is flat with no significant vegetation with the exception of the field grasses,

**Appendix
F.**

Sample Governance Document

DECLARATION OF LAND USE RESTRICTIVE COVENANTS/LAND USE RESTRICTION AGREEMENT FOR LOW-INCOME HOUSING CREDITS

THIS DECLARATION OF LAND USE RESTRICTIVE COVENANTS/LAND USE RESTRICTION AGREEMENT FOR LOW-INCOME HOUSING TAX CREDITS (this "Declaration"), dated as of August 25, 2006, is made by and between Hobbs Road Village, L.P. (together with its successors and assigns, the "Project Owner") and The Texas Department of Housing and Community Affairs, a public and official agency of the State of Texas. (Together with any successor to its rights, duties and obligations, the "Department"), and is given by Project Owner as an inducement to the Department to allocate tax credits as a condition precedent to the determination that the Project, as defined herein, satisfies the requirements of the State of Texas's Qualified Allocation Plan and the allocation of low-income housing tax credits (the "Tax Credits"), pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, and regulations promulgated pursuant thereto (the "Code"), by the Department. This Declaration incorporates the extended low-income housing commitment required by Section 42(h)(6) of the Code and is promulgated in accordance with the provisions of Chapter 2306, Tex. Gov. Code, (the "Act"), as may be amended from time to time.



23 PGS
RESTRICTION#2007002083

WITNESSETH:

WHEREAS, the Project Owner is or shall be the Project Owner of a low income rental housing development, known as or to be known as Maplewood Crossing Apartments (the "Project Improvements"), on real property located in the City of League City County of Galveston, State of Texas, more particularly described in Exhibit A hereto (the "Project Land") (the Project Improvements and the Project Land being collectively referred to herein as the "Project");

WHEREAS, the Department has been designated by the Governor of the State of Texas as the housing credit agency for the State of Texas for the allocation of Tax Credits;

WHEREAS, the Project Owner has applied to the Department for a determination that the Project satisfies the requirements of the State of Texas's Qualified Allocation Plan for Tax Credits in an amount not to exceed \$552,528 Tax Credit dollars annually;

WHEREAS, the Project Owner has represented to the Department in the Project Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules (the "Department Rules"), that the Project Owner shall lease 80 % of the units in the Project to individuals or families whose income is 60 % or less of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application being incorporated herein by reference for all purposes;

WHEREAS, the Department has awarded an annual allocation of Tax Credits in the amount of \$ 551,851 in accordance with its Qualified Allocation Plan for the Year 2004 and applicable state and federal law;

WHEREAS, the Project Owner has represented to the Department in the Application that it will impose additional rent, occupancy, and ownership restrictions as shown in Appendix A of this document (Check box if applicable) ;

WHEREAS, the Project Owner is subject to the regulatory and oversight powers of the Department and other terms and conditions of Chapter 2306, Tex. Gov. Code;

WHEREAS, the Code requires, as a condition precedent to the allocation of Tax Credits, that the Project Owner execute, deliver and record in the real property records of the county in which the Project is located this Declaration in order to create certain covenants running with the land for the purpose of enforcing the requirements of Section 42 of the Code by regulating and restricting the use, occupancy and transfer of the Project as set forth herein; and

WHEREAS, the Project Owner, under this Declaration, intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants running with the Project Land for the Term stated herein, are binding upon all subsequent owners and operators of the Project during such Term, and are not merely personal covenants of the Project Owner.

NOW, THEREFORE, in consideration of the premises set forth above, and of other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Project Owner and the Department agree as follows:

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR LOW INCOME HOUSING TAX CREDITS

SECTION 1 - DEFINITIONS

(a) Unless the context otherwise requires, and in addition to those terms defined in the recitals set forth above, capitalized terms used in this Declaration shall have the following meanings:

"Act" means the Texas Government Code, Chapter 2306, as amended or any corresponding provision or provisions of succeeding law as it or they may be amended from time to time.

"Area Median Gross Income" means the median gross income of the area in which the Project is located as determined by the Secretary of Housing and Urban Development for purposes of Section 42 of the Code, including adjustments for family size.

"Assumption Agreement" is an agreement regarding the transfer of the property that meets the requirements of Section 3(i) hereof.

"Board" means the governing board of the Department.

"Compliance Period" means the period of 15 consecutive taxable years beginning with the first taxable year of the Credit Period, unless a longer period shall be specified in Appendix A hereto.

"Credit Period" means, with respect to any building in the Project, the period of ten taxable years beginning with the taxable year in which such building is placed in service or (at the election of the Project Owner) the following taxable year.

"Department Compliance Monitoring Procedures" means those procedures and requirements adopted or imposed by the Department, and modified by the Department from time to time, for the purpose of discharging its responsibilities pursuant to Section 42(m)(1)(B)(iii) of the Code to monitor compliance by the Project Owner and the Project with the provisions of Section 42 of the Code and to notify the Service of instances of noncompliance.

"Extended Use Period" means the period beginning with the first day of the Compliance Period and ending on the date which is 15 years after the end of the Compliance Period, unless a later date shall be set forth at Appendix A hereto or unless terminated earlier in accordance with Section 5 hereof.

"Gross Rent" means all amounts paid by a Tenant for rent, determined in a manner consistent with Section 42(g)(2) of the Code. If the Tenant pays utilities directly, Gross Rent shall include any utility allowance prescribed by the Secretary.

"Income" means the income of a Tenant determined in a manner consistent with the requirements of Section 42(d)(2)(B) of the Code.

"Low-Income" means, with respect to any Tenant, an income level not exceeding 50% or 60% of Area Median Gross Income, adjusted for family size, as provided in Section 4 hereof, unless an alternative income level shall be set forth at Appendix A hereto.

"Low-Income Tenant" means a Tenant who, when the Tenant originally occupied the Unit, had an Income qualifying as Low-Income. For so long as the Tenant occupies the particular Unit, the Tenant will remain a Low-Income Tenant if the Tenant's Income, upon the most recent income certification, does not exceed 140% of the applicable Low-Income level.

"Low-Income Unit" means a Unit in the Project that is occupied by a Low-Income Tenant, is Rent-Restricted and meets the other requirements of Section 42 of the Code, in particular, Section 42(i)(3).

"Minimum Applicable Fraction" means the percentage with respect to a building in the Project, calculated as the lesser of the percentage of Units in such building which are Low-Income Units or the percentage of floor space of all Units in such building which is in Low-Income Units, all calculated as required pursuant to Section 42(c)(1) of the Code, which serves as the basis for the Department's allocation of Tax Credits to the building as provided in Section 4(c) hereof.

"Principal" means any person or entity that holds an ownership interest in the Project Owner and (i) has the power to direct any aspect of the operations of the Project Owner or (ii) is entitled to at least a 25% share in any of the profits, losses, cash flow or residual value of the Project.

"Rent-Restricted" means, with respect to any Unit, that the Gross Rent with respect to such Unit is not more than 30% of the imputed income limitation applicable to such Unit pursuant to Section 42(g)(2)(C) of the Code.

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR LOW INCOME HOUSING TAX CREDITS

"Secretary" means the Secretary of the Treasury of the United States.

"Service" means the United States Internal Revenue Service and any successor thereto.

"State" means the State of Texas.

"Tenant" means the individual or individuals entitled to occupy a Unit in the Project by lease or other legal relationship with the Project Owner.

"Term" means the length of time this declaration shall remain in effect as set out in Section 5 hereof.

"Unit" means any residential rental unit in the Project consisting of an accommodation containing separate and complete physical facilities and fixtures for living, sleeping, eating, cooking, and sanitation; provided, however, that single room occupancy housing used on a non-transient basis may be treated as one or more Units.

(b) Any term or phrase which is used in this Declaration and not defined herein shall have the meaning, if any, assigned thereto in Section 42 of the Code, and if no meaning is assigned thereto in Section 42 of the Code, the meaning, if any, assigned in the Department Rules. Any term or phrase which is defined herein shall, unless the context shall clearly indicate otherwise, be interpreted in a manner consistent with the provisions and requirements of Section 42 of the Code.

SECTION 2 - RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

(a) The Project Owner shall, at its own cost, cause this Declaration and all amendments hereto to be recorded and filed in the official real property records of the county in which the Project is located. Upon recording, the Project Owner shall immediately transmit to the Department an executed original of the recorded Declaration stamped by the county to show the date, volume and page numbers of record. The Project Owner agrees that the Department will not issue the Internal Revenue Service Form 8609, evidencing final allocation of the Tax Credits, unless and until the Department has received the recorded, executed original of the Declaration.

(b) The Project Owner intends, declares and covenants, on behalf of itself and all future owners and operators of the Project during the Term of this Declaration, that this Declaration and the covenants and restrictions set forth in this Declaration regulating and restricting the use, occupancy and transfer of the Project (i) shall be and are covenants running with the Project Land, encumbering the Project Land for the Term of this Declaration and binding upon the Project Owner's successors in title and all subsequent owners and operators of the Project Land, and (ii) shall bind the Project Owner (and the benefits shall inure to the Department and any past, present or prospective Tenant of the Project) and its respective successors and assigns during the Term of this Declaration. The Project Owner hereby agrees that any and all requirements of the laws of the State of Texas to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to insure that these restrictions run with the Project Land. For the Term of this Declaration, each and every contract, deed or other instrument hereafter executed conveying the Project or portion thereof shall expressly provide that such conveyance is subject to this Declaration; provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Project or portion thereof provides that such conveyance is subject to this Declaration.

(c) The Project Owner shall obtain the written consent of any existing lienholder of record (each an "Existing Lienholder") on the Project to this Declaration and the requirements hereof, including specifically the requirements of Section 5(b)(1) and Section 5(c) with respect to provisions which survive or may be revived after foreclosure, and such consent shall be in a form promulgated by the Department from time to time and shall be a condition precedent to the issuance by the Department of Internal Revenue Service Form 8609, evidencing final allocation of the Tax Credits. The Project Owner represents and warrants to the Department that attached hereto as Addendum A and made a part hereof is an executed and acknowledged Lienholder's Consent from each Existing Lienholder, if any, as of the effective date hereof.

SECTION 3 - REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE PROJECT OWNER

The Project Owner hereby represents, covenants and warrants as follows:

(a) The Project Owner (i) is a limited partnership, duly organized and validly existing under the laws of the State of Texas, and is duly authorized and qualified to transact in the State any and all business contemplated by this Declaration and the Department Rules; (ii) possesses all requisite power, authority, licenses and permits to own its properties and assets and to conduct its business; and (iii) has all legal right, power and authority to execute and deliver this Declaration.

(b) The execution and performance of this Declaration by the Project Owner (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulation, or any order of any court or other department of the State or governmental body, (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement, mortgage, mortgage note or other instrument to which the Project Owner is a party or by which it or the Project is bound, and (iii) will not result in the creation or imposition of any prohibited encumbrance of any nature.

(c) The Project Owner has, at the time of execution and delivery of this Declaration, good and indefeasible fee simple title to or a leasehold interest extending at least ten years beyond the end of the Extended Use Period in the premises constituting the Project, free and clear of any lien or encumbrance, except those created by any loan documents relating to the Project, those which are created pursuant to this Declaration and those which are otherwise permitted encumbrances, as specifically set forth at Exhibit B hereto.

(d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Project Owner threatened, against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as now contemplated by this Declaration) or would materially adversely affect its financial condition.

(e) The Project constitutes or will constitute, and the Project Owner covenants, that commencing with the last day of the first year of the Credit Period and continuing throughout the Term of this Declaration, it shall maintain the Project as, a "qualified low-income housing project", as defined in Section 42(g) of the Code.

(f) Each Unit in the Project contains separate and complete physical facilities and fixtures for living, sleeping, eating, cooking and sanitation (unless the Project qualifies as a single-room occupancy project) which is to be used on other than a transient basis as provided in Section 42(i)(3) of the Code.

(g) The Project Owner will comply fully and at all times with the Department Rules.

(h) During the Term of this Declaration, the Project Owner covenants, agrees and warrants that each Low-Income Unit is and will remain suitable for occupancy in accordance with regulations prescribed by the Secretary, taking into account local health, safety, and building codes.

(i) The Project Owner covenants that it will not without prior written approval from the Department sell, transfer or exchange any portion of any building in the Project unless it sells, transfers or exchanges the entire building to the same person. Subject to the requirements of Section 42 of the Code and this Declaration, the Project Owner may sell, transfer or exchange the entire Project or any building in the Project at any time, provided that the Project Owner shall require, as a condition precedent to any such sale, transfer or exchange, that the successor owner and operator assume, in writing, in an Assumption Agreement acceptable to the Department, the Project Owner's obligations hereunder and under Section 42 of the Code, which Assumption Agreement shall be delivered to the Department in executed, recordable form prior to any such sale, transfer or exchange. This provision shall not act to waive any other restriction on sale, transfer or exchange of the Project or any building in the Project. The Project Owner agrees that the Department may void any sale, transfer or exchange of the Project if the successor owner and operator fails to execute and deliver an Assumption Agreement or if the Project Owner or the successor owner and operator otherwise acts in contravention of this Section 3(i). This Declaration and the covenants contained herein shall survive and be effective regardless of whether any such successor owner and operator or intended successor owner and operator shall have assumed them pursuant to an executed Assumption Agreement.

(j) The Project Owner agrees to notify the Department in writing prior to any sale, transfer or exchange of the entire Project or any building therein, and to provide to the Department the name(s) and address(es) and financial reports, as applicable, of the prospective successor owner and operator of the Project or building, so the Department can determine the economic viability of such prospective successor and such Project or building and whether such prospective successor is acceptable as Project Owner under the Department Rules. The Project Owner further agrees to notify the Department in writing prior to any change in the identity of a General Partner or other Principal of the Project Owner, and to provide to the Department the name(s), address(es), and financial reports, as applicable, of any successor or additional General Partner or Principal, so the Department can determine whether such party is acceptable in such role with the Project Owner under the Department Rules.

(k) The Project Owner shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project or permit the use of any Unit for any purpose other than rental housing during the Term of this Declaration, unless required by law.

(l) The Project Owner represents, warrants and agrees that if the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Project Owner will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Declaration.

(m) The Project Owner warrants that it has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Declaration are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith.

(n) The Project Owner agrees, warrants, and covenants to comply with all law, ordinances, statutes, codes, orders, rules, regulations and decrees of the United States, the State and any other Governmental Authority applicable to the Owner of the Project, including, without limitation, the following: the Civil Rights Act of 1964 (42 U.S.C. 2000(d); Executive Order 11-63, as amended by Executive Order 12259; Executive Order 11246; Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.); Fair Credit Reporting Act (15 U.S.C. 1681 et seq.); Fair Housing Act (42 U.S.C. 3601 et seq.); the Americans with Disabilities Act of 1990 (P.L. 101-336; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); Architectural Barriers Act of 1968 (42 U.S.C. 4151 et seq.); Section 3 of the Housing and Urban Development Act of 1968; Executive Orders 11625, 12432 and 12138, as amended; the Copeland "Anti-Kickback" Act (18 U.S.C. § 874 et seq.); the Davis-Bacon Act (40 U.S.C. § 276a et seq.); Sections 103 and 107 of the Work Hours and Safety Standards Act. (40 U.S.C. § 327 et seq.); the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. § 4201 et seq.); the Housing and Community Development Act of 1974; the National Environmental Policy Act (42 U.S.C. § 4321 et seq.); ("NEPA"); the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4321 et seq.); the State of Texas Senate Bill 1356; Title 8, and Chapter 92 of the Texas Property Code; Solid Waste Disposal Act TEX. HEALTH & SAFETY CODE Ann. Ch. 361 (Vernon's 1992); Comprehensive Municipal Solid Waste Management, Resource Recovery, and Conservation Act. TEX. HEALTH & SAFETY CODE Ann. Ch 363 (Vernon's 1992); County Solid Waste Control Act. TEX. HEALTH & SAFETY CODE Ann. Ch 364 (Vernon's 1992); Texas Clean Air Act, TEX. HEALTH AND SAFETY CODE Ann. Ch. 382 (Vernon's 1992); and Hazardous Communication Act, TEXAS HEALTH AND SAFETY CODE Ann. Ch. 502 (Vernon's 1992); and such Governmental Requirements as may be from time to time amended or superseded and all of their implementing regulations, as may be amended.

(o) The Project Owner agrees to apply for and accept renewal of any rent subsidy contracts from which the Project benefits, if such subsidies are sufficient to maintain the economic viability of the Project.

SECTION 4 - INCOME RESTRICTIONS/RENTAL RESTRICTIONS

The Project Owner represents, warrants and covenants throughout the Term of this Declaration and in order to satisfy the requirements of Section 42 of the Code that:

(a) (1) At least 20% or more of the Units in the Project are and will continuously be maintained as both Rent-Restricted and occupied by individuals whose income is 50% or less of Area Median Gross Income.

(2) At least 40% or more of the Units in the Project are and will continuously be maintained as both Rent-Restricted and occupied by individuals whose income is 60% or less of Area Median Gross Income.

(Check applicable percentage election)

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR LOW INCOME HOUSING TAX CREDITS

(b) The determination of whether a Tenant is a Low-Income Tenant shall be made by the Project Owner at least annually on the basis of the current income of such Low-Income Tenant. The Project Owner shall utilize forms as permitted from time to time by the Department for providing this certification. If, upon any such annual certification, the Tenant of a Low-Income Unit who was, at the last annual income certification, a Low-Income Tenant, is found no longer to be a Low-Income Tenant, such Unit will continue to be treated as a Low-Income Unit until the next available Unit of comparable or smaller size in the building in which such Unit is located is rented to a person who is not a Low-Income Tenant. A Low-Income Unit that has been vacated will continue to be treated as a Low-Income Unit, provided that (i) reasonable attempts are made to rent the Unit and (ii) no other Units of comparable or smaller size in the Project are rented to persons who are not Low-Income Tenants. In no case will a Unit be treated as a Low-Income Unit if all the Tenants of the Unit are students (as determined under Section 151(c)(4) of the Code); provided, however, that such rule shall not apply to the types of students identified at Section 42(i)(3)(D) of the Code.

(c) The Project will contain a total of 100 Units (including Units occupied by a resident manager or other employee, such that they are not treated as "residential rental units" for purposes of Section 42 of the Code), of which 80 Units treated as residential rental units will be Low-Income Units. The amount of Tax Credits allocated to the Project is based on the requirement that the Minimum Applicable Fraction for each building in the Project will be as specified, building-by-building, at Appendix A hereto. During the Term of this Declaration, Units at the Project shall be leased and rented or made available to members of the general public who qualify as Low-Income Tenants, such that each building in the Project shall at all times satisfy the Minimum Applicable Fraction for such building. The Project Owner's failure to ensure that each building in the Project complies with such requirement will cause the Department to report such fact to the Service and may result in the reduction and recapture by the Service of Tax Credits, as well as other enforcement action.

(d) The Project and the Project Owner are subject to additional and/or modified requirements, if any, set forth at Appendix A, which requirements are incorporated herein and made a part hereof.

(e) The Project Owner shall not discriminate on the basis of race, color, national origin, religion, sex, familial status, or disability in the lease, use or occupancy of the Project Improvements or in connection with the employment or application for employment of persons for the operation and management of the Project and shall not deny admission to any person exclusively on the basis of such person receiving rent assistance payments under a local, state, federal or other housing assistance program, including, but not limited to, Section 8 of the United States Housing Act of 1937 as amended.

(f) The Project Owner acknowledges that whether a Tenant is a Low-Income Tenant is a matter of fact, to be determined in accordance with applicable law, and the Project's Owner's determination as to such matter is not binding upon the Department or the Service.

(g) During the Compliance Period and the Extended Use Period, the Project Owner, notwithstanding anything herein to the contrary, shall not (1) evict or terminate the tenancy of a Tenant of any Low-Income Unit other than for good cause nor (2) increase the gross rent with respect to a low-income unit not otherwise permitted by Section 42 of the Code.

SECTION 5 - TERM OF DECLARATION

(a) This Declaration shall become effective with respect to a building in the Project on the first day of the Compliance Period for such building and shall terminate on the last day of the Extended Use Period, unless this Agreement is earlier terminated pursuant to Section 5(b) hereof (the "Term").

(b) Notwithstanding subsection (a) above, but subject to any modified or additional requirements set forth in Appendix A, in which event the terms of this Agreement shall be modified as applicable, this Declaration shall terminate:

(1) with respect to any building in the Project, on the date such building is acquired by foreclosure (or instrument in lieu of foreclosure), upon the recorded declaration of termination of the party so acquiring the building, unless the Secretary or his delegate determines that such acquisition is part of an arrangement with the taxpayer a purpose of which is to terminate such period. If any party acquiring a building by foreclosure (or instrument in lieu of foreclosure) fails to record a declaration terminating this Declaration, the building shall remain subject to this Declaration, and the eligibility of such party to receive Tax Credits shall not be adversely affected, if such party continues to comply with Section 42 of the Code and the terms of this Declaration; or

(2) following the end of the Compliance Period, but not later than 30 years following the date upon which the Project was first placed in service pursuant to the requirements of this Declaration, if the Project Owner has properly requested that the Department assist in procuring a "Qualified Contract", as defined in the Code, for the acquisition of a building and the Department is unable to present a Qualified Contract. To properly request the Department's assistance in procuring a Qualified Contract for the acquisition of a building, the Project Owner must submit a written request to the Department no earlier than one (1) year prior to the expiration of the Compliance Period, or on the last day of any subsequent year of the Extended Use Period. The Department will have one (1) year from the date of the Project Owner's written request to find a buyer to acquire the Project Owner's interest in the building. The Department will attempt to procure a Qualified Contract for the acquisition of any building only once during the Extended Use Period.

(3) following the end of the Compliance Period, subject to the consent of the Department, upon the acquisition of the Project by the Tenants of the Project, a qualified nonprofit organization or a government agency pursuant to a right of first refusal under Section 42(i)(7) of the Code.

(c) If this Declaration is terminated pursuant to subsection (b) above and notwithstanding anything herein to the contrary, the Tenant of any Low-Income Unit on the date of such termination shall be entitled to occupy such Unit in accordance with the provisions of this Declaration for a period of three years following such termination date, provided, however, that upon a showing of good cause, such Tenant's tenancy may be terminated or such Tenant evicted.

SECTION 6 - ENFORCEMENT, ADMINISTRATION AND COMPLIANCE

(a) The Project Owner covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of Section 42 of the Code or this Declaration. Moreover, the Project Owner covenants to take any lawful action (including amendment of this Declaration as may be necessary in the sole opinion and at the request of the Department) to comply fully with the Code and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the United States Department of the Treasury, the Service, or the United States Department of Housing and Urban Development, from time to time, pertaining to the Project Owner's obligations under Section 42 of the Code and affecting the Project.

(b) The Project Owner acknowledges that the primary purpose for requiring compliance by the Project Owner with the restrictions provided in this Declaration is to assure compliance of the Project and by the Project Owner with Section 42 of the Code and the Department Rules, AND BY REASON THEREOF, THE PROJECT OWNER, IN CONSIDERATION FOR RECEIVING THE TAX CREDITS FOR THIS PROJECT, HEREBY AGREES THAT THE DEPARTMENT AND ANY INDIVIDUAL WHO MEETS THE APPLICABLE INCOME LIMITATION UNDER SECTION 42 (WHETHER PROSPECTIVE, PRESENT OR FORMER TENANT) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE PROJECT OWNER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN A STATE COURT OF COMPETENT JURISDICTION. The Project Owner hereby further specifically acknowledges that the beneficiaries of the Project Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder. The Project Owner, still further, acknowledges and agrees that any party which brings an action to enforce any requirement of this Declaration, whether by specific performance or otherwise, shall be entitled, if successful, to recover such party's reasonable attorney's fees.

(c) The Project Owner hereby agrees that the representations and covenants set forth herein may be relied upon by the Department and all persons interested in Project compliance under Section 42 of the Code.

(d) The Project Owner acknowledges that the Department is required, pursuant to Section 42(m)(1)(B)(iii) of the Code, (i) to monitor the Project Owner's and the Project's compliance with the requirements of Section 42 of the Code, and (ii) to notify the Service in accordance with the Code and the rules of the Service of any noncompliance which is found. The Project Owner agrees (I) to maintain records that substantiate and document such compliance, (II) to take all actions required by the Department pursuant to the Department Compliance Monitoring Procedures to assist or cooperate with the Department in monitoring such compliance, and (III) to pay the fee prescribed by the Department with respect to such monitoring.

(e) The Project Owner agrees that the Department may enforce all state and federal law, the Department Rules and the terms of any allocation of Tax Credits through this Declaration, and utilize for such purposes any and all remedies available to the Department including but not limited to administrative or judicial action, appointment of trustee or receiver, or assume the management and operations of the Development.

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR LOW INCOME HOUSING TAX CREDITS

(f) The Project Owner agrees the Department may, at reasonable times and upon adequate notice at any time during the construction, rehabilitation, or operation of the Project, enter and inspect the Project to evaluate its physical and financial condition, construction, rehabilitation, operation, management and maintenance.

(g) The Project Owner agrees the Department may, at reasonable times and upon adequate notice, examine all books and records, and request and receive from the Project Owner one or more reports, relating to the ownership, operations, capitalization, reserve funds, income, expenses and other financial and regulatory matters of the Project or the Project Owner. This includes compliance with the Annual Owner's Certification of Project Completion, Fair Housing Sponsor report, and Owner's Financial Certification in a form and timeline as prescribed by the Department.

(h) The Project Owner agrees that the Department may at any time order it and/or its managing agent or Project manager to do whatever is necessary to comply with or refrain from violating an applicable law, ordinance, Department Rules, or term of an agreement regarding the Project, and that the Department may file and prosecute a complaint against a managing agent, Project manager, or the Project Owner for a violation of any applicable law or ordinance. The Project Owner acknowledges and agrees that, in the event that the Project Owner is found to have violated an applicable law, ordinance, Department Rules, or term of an agreement regarding the Project, the Department shall have the right, among other remedies and without limitation, to limit or deny participation by the Project Owner in any of the programs operated or administered by the Department.

(i) Upon a determination by the Department that the Project Owner has failed to maintain the Project in good and habitable condition and suitable for occupancy as hereinabove required, the Project Owner agrees, upon the Department's direction, to establish a reserve for replacement and repairs to the Project in such initial amount and with such monthly deposits as the Department may direct. Such reserve shall be held for the benefit of the Project Owner and the Project by such party as the Department shall direct, and disbursements shall be made there from only upon direction of or approval by the Department.

(j) The Project Owner agrees to indemnify and hold harmless the Board members, Department officers, directors and employees from and against all liabilities, losses, claims, damages, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by the Department as a result of any material inaccuracy in any of the representations and warranties contained in this Declaration, or as a result of any action or inaction by the Project Owner, including claims by third parties.

(k) The Project Owner agrees that should any claims, demands, suits or other legal proceedings be made or instituted by any person against the Department which arise out of any of the matters relating to this Declaration, Project Owner will cooperate fully with the Department in the defense or other disposition thereof.

(l) The Project Owner agrees to furnish the Department within 10 days of receipt with copies of all correspondence between the Project Owner and the Service with respect to the Project, other than tax returns and routine, periodic reports filed with the Service.

(m) The Project Owner agrees to notify the Department and modify the credit allocation identified on the IRS form 8609, if necessary, if any federal grant or loan of below market rate federal funds is received with respect to the Project at any time during the Compliance period.

SECTION 7 - FEES

(a) To compensate the Department for its responsibilities pursuant to the Act and the Code, the Project Owner shall pay to the Department an annual compliance monitoring fee for the first twelve month period of this Declaration in the amount of \$25 or \$40 per Low-Income Unit in the Project. In no event shall the fee be less than \$100.

(b) In addition to the compliance monitoring fee required by Section 7(a), the Project Owner shall pay to the Department a building inspection fee for any inspections that the Department requires or performs. The amount of such fee(s) will be determined by the Department in accordance with Department Rules.

(c) If the Department shall find the Project not to be in compliance with the terms hereof, the Project Owner shall pay to the Department (i) an additional administrative fee in an amount prescribed from time to time by the Department, which amount for the first twelve month period of this Declaration, shall not exceed \$25 per Unit (without regard to the number of Low-Income Units), for additional monitoring and enforcement activities undertaken with respect to the Project and (ii) all amounts required to reimburse the Department for its expenses in performing such additional monitoring and enforcement activities. The administrative fee payable in the event of noncompliance shall be in addition

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR LOW INCOME HOUSING TAX CREDITS

to, and distinct from, the amount due pursuant to Section 7(a), as well as any reimbursements of costs and legal fees to which the Department may be entitled as a result of judicial enforcement action, and such fee shall be payable without respect to whether the Department undertakes or succeeds in judicial enforcement activities, and any right to be compensated therefore, for a period of up to three years following its most recent finding of noncompliance with respect to the Project.

(d) For each successive twelve month period following the initial twelve month period of this Declaration, the administrative fees payable to the Department hereunder shall be the amounts established for the most recent administrative fee, multiplied by the increase in the Consumer Price Index for All Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor (or generally recognized successor to such Index) for the same twelve month period of time.

(e) The Project Owner agrees that it will pay the annual compliance monitoring fee and the building inspection fee(s) at the times required by the Department therefore and that it will pay all additional charges, fees, and expenses assessed hereunder by the Department within ten (10) days of receipt of written notice of any such assessment.

SECTION 8 - MISCELLANEOUS

(a) Severability. This Declaration is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Declaration or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Declaration and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

(b) Notices. All notices to be given pursuant to this Declaration shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, delivered by hand, or delivered by any other method permitted by law, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

To the Department: Texas Department of Housing & Community Affairs
P O Box 13941
Austin, Texas 78711-3941
Attn: Portfolio Management and Compliance Division

To the Project Owner: Hobbs Raod Village, L.P.
Attn: Thomas H. Scott
6919 Portwest, Suite 150
Houston, TX 77024-8050

The Department, and the Project Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(c) Amendment. This Agreement may not be amended or modified except by written instrument executed by both Project Owner and Department, or their respective heirs, successors or assigns, which instrument shall not be effective until it is recorded in the real property records in the county where the Property is located. Upon request by the Department, the Project Owner agrees that it will take all actions necessary to effect any amendment of this Declaration which may be necessary in the Department's sole discretion to comply with the Code, and any and all applicable rules, regulations, policies, procedures, rulings or other official statements pertaining to the Tax Credits.

(d) Governing Law. This Declaration shall be governed by the laws of the State of Texas, and, where applicable, the laws of the United States of America.

(e) Survival of Obligations. The obligations of the Project Owner as set forth herein and in the Application shall survive the allocation of the Tax Credit and shall not be deemed to terminate or merge with the awarding of the allocation.

(f) Interpretation. The Department's interpretation of this Declaration shall be controlling for purposes of determining whether (i) the Compliance Period and/or Credit Period shall have commenced, (ii) this Declaration shall have been terminated in accordance with Section 5 hereof, and (iii) the Additional Use Restrictions elected at Appendix A hereto, if any, shall have been complied with.

IN WITNESS WHEREOF, the Project Owner and the Department have caused this Declaration to be signed by their duly authorized representatives, as of the day and year first written above.

PROJECT OWNER:

Hobbs Road Village, L.P

a Texas limited partnership

By: Hobbs Road Village GP, LLC

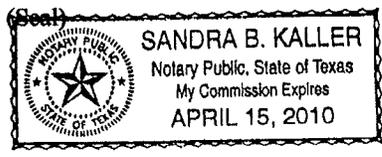
a Texas limited liability corporation
_____, its general partner

By: [Signature]
Name: Thomas H. Scott
Title: Manager

THE STATE OF Texas §
§
COUNTY OF Harris §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Thomas Scott, known to me to be the Manager of Hobbs Road Village GP, a LLC, general partner of Hobbs Road Village LP, a Texas limited partnership, the limited partnership that executed the foregoing instrument, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of said limited partnership, and that he/she executed the same as the act of such limited partnership for the purposes and consideration therein expressed and in the capacity therein stated.

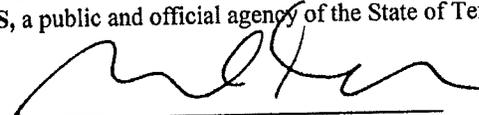
GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16 day of September, 2006.



Sandra B Kaller
Notary Public, State of Texas

DEPARTMENT:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS, a public and official agency of the State of Texas

By: 
Name: Michael Gerber
Title: Executive Director

THE STATE OF TEXAS

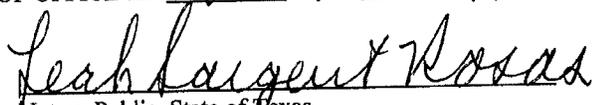
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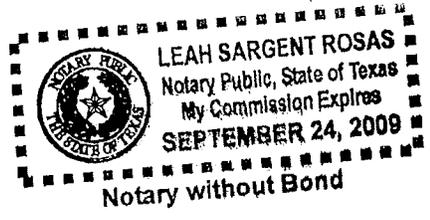
COUNTY OF TRAVIS

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Michael Gerber, Executive Director of the **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas, on behalf of such agency.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 19th day of December, 2006.

(Seal)


Notary Public, State of Texas



ADDENDUM A TO DECLARATION - CONSENT AND SUBORDINATION OF LIENHOLDER

[To be executed by each lien holder on the project as of the effective date of the declaration.]

The undersigned lien holder ("Lien holder") hereby consents to the execution by Project Owner of the foregoing Declaration for Maplewood Crossing Apartments (the "Project Improvements").

Lien holder hereby subordinates its lien(s) to the rights and interests created pursuant to Section 5(c) of the Declaration such that a foreclosure of its lien(s) shall not extinguish such rights and interests.

Lien holder acknowledges and agrees that, pursuant to Section 5(b)(1) of the Declaration, the Declaration will terminate on the date the Project is acquired by foreclosure or deed in lieu of foreclosure, upon the recorded declaration of the party so acquiring the building (unless it is determined that such acquisition is part of an arrangement with Borrower a purpose of which is to terminate such period); provided, however, Lien holder hereby acknowledges and agrees that the acquisition of the Project by any party by foreclosure or instrument in lieu of foreclosure shall be subject to the provisions of Section 5(c) of the Declaration, which provisions shall continue in full force and effect for a period of three (3) years from the date of such acquisition; provided, further, that such provisions shall not apply during such period if and to the extent that compliance therewith is not possible as a consequence of damage, destruction, condemnation or similar event with respect to the project.

Executed to be effective the 5th day of September, 2006.

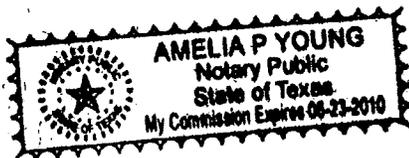
LIENHOLDER: JP Morgan Chase, N.A.

By: [Signature]
Name: KEN L OVERSHINER
Title: VICE PRESIDENT

STATE OF Texas

COUNTY OF Harris

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that KEN L OVERSHINER, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, being informed of the contents of such document, executed the same voluntarily. Given under my hand, official seal this 5 day of SEPTEMBER, 2006.



[Signature]
Notary Public
My Commission expires: 06-23-2010

EXHIBIT A TO DECLARATION - LEGAL DESCRIPTION

Being a tract of land containing 9.74 acres, located within the Stephen F. Austin League, Abstract 3, in Galveston County, Texas; Said 9.74 acres being all of a call 9.74 acre tract of land recorded in the name of Hobbs Road Village, L.P., in File Number 2004-075262 in the Office of the County Clerk of Galveston County, Texas (OCCGCT); Said 9.74 acres being more particularly described by metes and bounds as follows (Bearings are based on the description of said 9.74 acre tract per said File Number 2004-075262 in the OCCGCT):

COMMENCING at a 1 inch iron pipe found on the east right-of-way (ROW) line of Hobbs Road (sixty feet wide) at the northwest corner of Clear Creek Heights, Section 1, a subdivision recorded in Volume 1, Page 84, of the Galveston County Map Records (GCMR) and at the southwest corner of a tract of land recorded in the name of Kingdom Realty, Ltd. in File Number 2002-075742 in the OCCGCT;

THENCE, with said east ROW line and the west line of said Kingdom Realty, Ltd. tract, North 00 degrees 00 minutes 00 seconds East, a distance of 122.00 feet to a 1/2 inch capped iron rod found for the **POINT OF BEGINNING** of the herein described tract at the northwest corner of said Kingdom Realty, Ltd. tract and at the most west southwest corner of said 9.74 acre tract;

THENCE, continuing with said east ROW line and with the west line of said 9.74 acre tract, North 00 degrees 00 minutes 00 seconds East, a distance of 300.20 feet to a 1/2 inch iron rod found at the northwest corner of said 9.74 acre tract and at the southwest corner of the call north 314 feet of Lot Twelve (12) of Braskora Gardens recorded in the name of Hauser Management Corp. in File Number 1997-21484 in the OCCGCT;

THENCE, with the northerly line of said 9.74 acre tract and the southerly line of said Hauser Management Corp. tract, North 90 degrees 00 minutes 00 seconds East, a distance of 1,163.40 feet to a 1/2 inch capped iron rod found at the northeast corner of said 9.74 acre tract and the southeast corner of said Hauser Management Corp. tract;

THENCE, with the easterly line of said 9.74 acre tract, South 00 degrees 00 minutes 00 seconds East, a distance of 422.20 feet to a 5/8 inch iron rod set at the southeast corner of said 9.74 acre tract on the north line of said Clear Creek Heights, Section 1, from which a 5/8 inch iron rod found bears North 25 degrees 03 minutes West, a distance of 1.53 feet;

EXHIBIT A TO DECLARATION - LEGAL DESCRIPTION

THENCE, with the south line of said 9.74 acre tract the following three (3) courses:

1. with the north line of said Clear Creek Heights Section 1, North 90 degrees 00 minutes 00 seconds West, at 176.40 feet pass a 1/2 inch iron rod found at the northwest terminus of Canary Circle (sixty feet wide) as shown in said plat of Clear Creek Heights Section 1, and continuing an overall distance of 613.40 feet to a 1/2 inch iron rod found at the southeast corner of said Kingdom Realty, Ltd. tract;
2. with the east line of said Kingdom Realty, Ltd. tract, North 00 degrees 00 minutes 00 seconds East, a distance of 122.00 feet to a fence corner found at the northeast corner of said Kingdom Realty, Ltd. tract;
3. with the north line of said Kingdom Realty, Ltd. tract, South 90 degrees 00 minutes 00 seconds West, a distance of 550.00 feet to the **POINT OF BEGINNING** and containing 9.74 acres of land.

EXHIBIT B – PERMITTED ENCUMBRANCES AND EXCEPTIONS

NONE.

APPENDIX A - ADDITIONAL USE RESTRICTIONS
(Check all restrictions which were elected at the time of Application.)

Additional Rent and Occupancy Restrictions

At least 9 Units in the Project must be occupied by Tenants at or below 30% of Area Median Gross Income, with rents for these Units no higher than the allowable tax credit rents at such AMGI level. At least Units in the Project must be occupied by Tenants at or below 40% of Area Median Gross Income, with rents for these Units no higher than the allowable tax credit rents at such AMGI level. At least 23 Units in the Project must be occupied by Tenants at or below 50% of Area Median Gross Income, with rents for these Units no higher than the allowable tax credit rents at such AMGI level. If at recertification the Tenant's household income exceeds the applicable limit, then the Unit remains as a Unit restricted at the specified level of AMGI until the next available Unit of comparable or smaller size is designated to replace this Unit. Once the Unit exceeding the specified AMGI level is replaced, then the rent for the previously qualified Unit may be increased, subject to applicable Tax Credit requirements, lease provisions and local tenant-landlord laws.

Additional Rent and Occupancy Restrictions for Developments with below market rate HOME funding included in the total eligible basis and utilizing the "9%" Applicable Percentage

At least 40% of the Units in each Federal Subsidized Building must be occupied by Tenants whose incomes are at or below 50% of Area Median Gross Income.

Longer Compliance Period and Extended Use Period

The Compliance Period shall be a period of 15 consecutive taxable years and the Extended Use Period shall be a period of 40 consecutive taxable years, each commencing with the first year of the Credit Period.

Material Participation by Qualified Nonprofit Organization

Throughout the Compliance Period, a "qualified nonprofit organization" within the meaning of Section 42(h)(5)(C) of the Code shall hold a controlling interest in the Project as required by the Department Rules, shall materially participate (within the meaning of Section 469(h) of the Code) in the development and operation of the Project and shall otherwise meet the requirements of Section 42(h)(5) of the Code. At the time this Declaration is filed, the qualified nonprofit organization which shall own such interest and shall so materially participate in the development and operation of the Project is _____ and is the [managing General Partner] or [Managing Member] of the Project Owner. The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified nonprofit organization.

Joint Venture with Qualified Nonprofit Organization

Throughout the Compliance Period, a "qualified nonprofit organization" within the meaning of Section 42(h)(5)(C) of the Code shall materially participate as one of the General Partners or Managing Members in the development and operation of the Project. At the time this Declaration is filed, the qualified nonprofit organization which shall own such interest and shall so materially participate in the development and operation of the Project is _____ and is a [General Partner] or [Managing Member] of the Project Owner. The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified nonprofit organization.

Historically Underutilized Businesses (HUB)

Throughout the Compliance Period, unless otherwise permitted by the Department, the HUB shall hold an ownership interest in the Project. The HUB must also maintain regular, continuous, and substantial participation in the development and operation of the Project. At the time this Declaration is filed, the HUB which holds an ownership interest in the Project is SGI Ventures, Inc.

The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified HUB.

Supportive Services

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner has contracted for the provision of the following special supportive services that would not otherwise be available to Tenants: (1) health screening services, (2) social events and activities, and (3) computer facilities

At the time this Declaration is filed, the organization(s) providing these services is Texas Housing Resources, Inc.

The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified provider.

Transitional Housing for the Homeless

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project shall provide _____ number of units set aside for transitional housing for homeless persons, on a non-transient basis, with supportive services designed to assist Tenants in locating and retaining permanent housing.

Public Housing Waiting Lists

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner shall consider prospective Tenants referred to from the waiting list of the Housing Authority of City of Houston

QUALIFIED ELDERLY DEVELOPMENTS¹

Qualified Elderly Projects (2000 and later)

Throughout the Compliance Period, unless otherwise permitted by the Department, this project must conform to the Federal Fair Housing Act and must be a project which:

- (i) is intended for, and solely occupied by Persons 62 years of age or older; or
- (ii) is intended and operated for occupancy by at least one person 55 years of age or older per unit, where at least 80% of the total housing units are occupied by at least one person who is 55 years of age or older; and adheres to policies and procedures which demonstrate an intent by the owner and manager to provide housing for persons 55 years of age or older.

¹ Note: The Federal Fair Housing Act requires, generally, that projects which are limited to occupancy by older persons either (i) be restricted to households in which all members are 62 years or older or (ii) to households in which at least one member is 55 years or older. See 24 C.F.R. §§100.300-100.304 for exact requirements. All tax credit projects must comply with these requirements, as applicable under Federal law, in addition to the Declaration.

Special Housing Development

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner shall operate the Project exclusively as one or more of the following:

- housing for persons with mental health/mental retardation issues;
- group home;
- transitional housing;
- congregate care facility;
- housing for persons with HIV/AIDS;
- [OTHER – SPECIFY]_____.

APPENDIX A - ADDITIONAL USE RESTRICTIONS - ACCESSIBILITY REQUIREMENTS

(Only Projects which made the applicable Accessibility Requirements election should include this page as part of this Declaration.)

Accessibility Requirements for 1999 Allocations, Option §50.6(c)(6)(B)(i) and 2000 Allocations, Option §49.6(c)(6)(B)(i)

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner agrees to set aside Units for Persons with Disabilities. The Department will require a minimum of nine months during which the set aside Units must either be occupied by Tenants who are physically or mentally disabled or held vacant while being marketed to such tenants. The nine month period will begin on the date that each building receives its certificate of occupancy. For buildings which do not receive a certificate of occupancy, the nine month period will begin on the placed in service date as provided in the Cost Certification Manual. When a qualified Tenant is located, the Project Owner will be responsible for adapting the Unit per the tenant's requirements. The cost of adapting the Unit will be borne by the Project Owner. If the Project Owner is unable to locate qualified Persons with Disabilities following a good-faith effort throughout the nine month set aside period, then the Units may be rented to tenants without disabilities, provided that the next available Unit (from among those set aside for Persons with Disabilities) shall first be made available to Persons with Disabilities. To comply with this provision, the Project Owner must maintain a waiting list of qualified Tenants with disabilities throughout the Compliance Period. Each time a Unit set aside for Persons with Disabilities becomes available, the Project Owner must contact persons on the waiting list and/or provide notice to local service providers that such Units are available. If the waiting list or the local service provider cannot locate a qualified Tenant for the next available Unit, then the Unit may be rented to a Tenant without disabilities.

(a) For physical disabilities, such Units must be designed to meet American National Standards for buildings and facilities providing accessibility and usability for Persons with Disabilities (ANSI A117.1 - 1986) and will conform to the Fair Housing Act.

(b) For persons with mental disabilities, there must be a contract to provide appropriate supportive services for persons with mental disabilities between the Project Owner and an experienced service provider.

- At least 7% of the Units are set-aside for persons with physical or mental disabilities; or
 at least 10% of the Units are set-aside for persons with physical or mental disabilities.

Accessibility Requirements for 1999 Allocations, Option §50.6(c)(6)(B)(ii) and 2000 Allocations, Option §49.6(c)(6)(B)(ii)

The Project provides Units specifically accessible to persons with physical, visual or hearing disabilities as required by §504 of the Rehabilitation Act of 1973. As required by §504, a one time inspection and corresponding Accessibility Transition Plan will be required upon completion of construction. Project Owners making this election must also comply with the Fair Housing Act.

- At a minimum, 5% of the Units must be usable for persons with mobility impairments and 2% of the Units shall be made accessible for people with hearing or visual impairments; or
 At a minimum 10% of the Units must be usable for persons with mobility impairments and 2% of the Units shall be made accessible for people with hearing or visual impairments.

Accessibility Requirements for 2001 Allocations, Option §50.7(d)(1)(C)

For up to 5% of all LIHTC Units, the Project Owner shall provide reasonable accommodation(s) or modification(s) on a one-time basis in conformance with ANSI A117.1-1986 construction standards as requested by the tenant with a disability. The Project Owner shall incur the related expense(s) for the reasonable accommodation(s) and/or modification(s). For properties that are designed as townhouse units, the Project Owner must include one bathroom and one bedroom on the ground level of 5% of the LIHTC Units and meet standards of the Fair Housing Act.

Accessibility for 2002 and later Allocations

The Development will comply with the accessibility standards that are required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C. A minimum of five percent of the total dwelling Units or at least one Unit, whichever is greater, shall be made accessible for persons with mobility impairments. A Unit that is on an accessible route and is adaptable and otherwise compliant with sections 3-8 of the Uniform Federal Accessibility Standards (UFAS), meets this requirement. An additional two percent of the total dwelling Units, or at least one Unit, whichever is greater, shall be accessible for persons with hearing or vision impairments. Additionally, for Developments where some Units are two-story dwelling Units, a minimum of 20% of each Unit type (i.e. one bedroom, two bedroom, three bedroom) must provide an accessible entry level and include a minimum of one bedroom and one bathroom or powder room at the entry level.

APPENDIX A - ADDITIONAL USE RESTRICTIONS - RIGHT OF FIRST REFUSAL

(Only Projects which made a Right of First Refusal election beginning in 2001 should include this page as part of the LURA.)

Right of First Refusal to a Tenant or Qualified Nonprofit Organizations for 2001 and later allocations

The Project Owner has entered into an Agreement for Provision of the Right of First Refusal with the Department. If at any time after the fifteenth year of the Compliance Period, the Project Owner shall determine to sell the Project, this Declaration shall serve as evidence that the Project Owner agrees to provide, and provides, to a qualified nonprofit organization (as defined in §42 (h) (5) (C) of the Code) or a tenant organization determined to be such by the Department (a "Tenant Organization"), a right of first refusal to purchase the Project for the Minimum Purchase Price provided in, and in accordance with the requirements of §42 (i) (7) (B) of the Code as shown below.

"(B) Minimum purchase price. The minimum purchase price under this subparagraph is an amount equal to the sum of-

- (i) the principal amount of outstanding indebtedness secured by the building (other than indebtedness incurred within the 5-year period ending on the date of the sale to the tenants), and
- (ii) all Federal, State, and local taxes attributable to such sale.

Except in the case of Federal income taxes, there shall not be taken into account under clause (ii) any additional tax attributable to the application of clause (ii)."

The following terms are hereby incorporated into this Declaration:

(i) Upon the earlier to occur of:

(I) the Project Owner's determination to sell the Project, or (II) the Project Owner's request to the Department, pursuant to §42 (h)(6)(I) of the Code, to find a buyer who will purchase the Project pursuant to a "qualified contract" within the meaning of §42 (h)(6)(F) of the Code, the Project Owner shall provide a notice of intent to sell the Project ("Notice of Intent") to the Department and to such other parties as the Department may direct at that time. If the Project Owner determines that it will sell the Project at the end of the Compliance Period, the Notice of Intent shall be given no later than two years prior to expiration of the Compliance Period.

(ii) During the two years following the giving of Notice of Intent, the Project Owner may enter into an agreement to sell the Project only in accordance with a right of first refusal for sale at the Minimum Purchase Price with parties in the following order of priority:

(I) during the first six-month period after the Notice of Intent, only with a Qualified Nonprofit Organization that is also a community housing development organization, as defined for purposes of the federal HOME Investment Partnerships Program at 24 C.F.R. § 92.1 (a "CHDO") and is approved by the Department;

(II) during the second six-month period after the Notice of Intent, only with a Qualified Nonprofit Organization or a Tenant Organization; and

(III) during the second year after the Notice of Intent, only with the Department or with a Qualified Nonprofit Organization approved by the Department or a Tenant Organization approved by the Department.

(iii) At any time after the fifteenth year of the Compliance Period, but no earlier than two years after delivery of a Notice of Intent, the Project Owner may sell the Project without regard to any right of first refusal established by this Declaration if: (x) no offer to purchase the Project at or above the Minimum Purchase Price has been made by a Qualified Nonprofit Organization, a Tenant Organization or the Department, or (y) a period of 120 days has expired from the date of acceptance of such offer without the sale having occurred, provided that the failure to close within such 120-day period shall not have been caused by the Project Owner or matters related to the title for the Project.

(iv) At any time prior to the giving of the Notice of Intent, the Project Owner may enter into an agreement with one or more specific Qualified Nonprofit Organizations and/or Tenant Organizations to provide a right of first refusal to purchase the Project for the Minimum Purchase Price, but any such agreement shall only permit purchase of the Project by such organization in accordance with and subject to the priorities set forth in paragraph (ii) of this section.

(v) The Department shall, at the request of the Project Owner, identify in this Declaration a Qualified Nonprofit Organization or Tenant Organization which shall hold a limited priority in exercising a right of first refusal to purchase the Project at the Minimum Purchase Price, in accordance with and subject to the priorities set forth in paragraph (ii) of this section.

APPENDIX A - MINIMUM APPLICABLE FRACTION BY BUILDING

Building Number	Building Identification Number (BIN)	Minimum Applicable Fraction
1.	TX-04-16001	79.7%
2.	TX-04-16002	75.0%
3.	TX-04-16003	89.2%
4.	TX-04-16004	83.3%
5.	TX-04-16005	100.0%
6.	TX-04-16006	75.0%
7.	TX-04-16007	70.0%
8.	TX-04-16008	75.0%
9.	TX-04-16009	73.9%
10.	TX-	
11.	TX-	
12.	TX-	
13.	TX-	
14.	TX-	
15.	TX-	
16.	TX-	
17.	TX-	
18.	TX-	
19.	TX-	
20.	TX-	
21.	TX-	
22.	TX-	
23.	TX-	
24.	TX-	
25.	TX-	
26.	TX-	
27.	TX-	
28.	TX-	
29.	TX-	
30.	TX-	
31.	TX-	
32.	TX-	
33.	TX-	
34.	TX-	
35.	TX-	
36.	TX-	
37.	TX-	
38.	TX-	

FILED AND RECORDED



OFFICIAL PUBLIC RECORDS

Mary Ann Daigle

2007002083

January 09, 2007 10:48:10 AM

FEE: \$100.00

Mary Ann Daigle, County Clerk

Galveston County, TEXAS

RECORDER'S MEMORANDUM

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded.

Appendix G.

Ownership Explanation

The property is under contract for purchase from Hauser Management Corp. (Harris Hauser) by Thomas H. Scott, Trustee. Mr. Hauser consented to the overlay on the original application and has signed the General Development Application. Mr. Scott will be the General Partner of the Partnership that acquires title and develops the project.

There is no Maplewood Village I other than the existing Maplewood Crossing. We have not yet selected a final marketing name for the subject new development, which is referred to herein as "Maplewood Village II". It will be owned by a Texas limited partnership known as "Maplewood Village II, L.P."

**Appendix
H.**

**City Council and State Representative Support
Letters**

MAPLEWOOD VILLAGE II
TDHCA NO. 09185

Electronic Submission Item:

LEAGUE CITY COUNCIL SUPPORT RESOLUTION LETTER

Development Name:	MAPLEWOOD VILLAGE II
Pre-Application:	Yes
Owner Name:	Maplewood II, L.P.
Contact Names:	(a) Thomas H. Scott (b) Robert J. DeLuca
Contact Address:	6919 Portwest, Suite 150 Houston, TX 77024
Contact Phone and FAX Number:	(a) 713-953-3344(P); 832-673-0903(F) (b) 713-953-3330(P); 832-673-0903(F)
Contact Email Addresses:	(a) tscott@coachrealty.us (b) bdeluca@coachrealty.us



CITY OF LEAGUE CITY

300 W. Walker • League City, Texas 77573 • 281-554-1000

Office of the Mayor
281-554-1024

March 25, 2009

State Representative Larry Taylor's Office -- District 24
c/o Teri A. Goodman
174 Calder Rd., Ste. 116
League City, TX 77573

Re: Low Income Housing Tax Credits for Maplewood Village II Apartments

Representative Taylor:

We have received notice that Maplewood Village II, LP is making an application for 9% Low Income Housing Tax Credits (2009) with the Texas Department of Housing and Community Affairs

Per our adopted *Comprehensive Plan*, our City envisions a sustainable community that incorporates multiple housing options for residents in various stages of their lives that will stand the test of time. It is recognized that in order to achieve this goal, a diverse housing stock will inherently include sale and rental units for various income levels.

The developer is requesting tax credits for income restrictions on all 80 units. All of the units will be restricted to residents 55 years of age or older. The development is adjacent to and a proposed expansion of Maplewood Crossing, an age-restricted apartment complex. The use of housing tax credits to fund a conventional apartment complex that is entirely income restricted would typically be opposed as this practice segregates residents by income and leads to the "low-income housing" stigma. However, as documented in the Department of Housing and Community Affairs' report entitled "Analysis of Impediments to Fair Housing Report (2003)", many seniors intrinsically fall into the low income strata. Furthermore, senior housing products are protected by the Fair Housing Act.

On March 24, 2009, City Council voted unanimously to support this application. The zoning of the parcel for this proposed expansion does not permit apartments. Therefore, the developer has submitted an application for a Planned Unit Development (PUD). The City will expect the PUD to contain standards and design criteria that create a sustainable development.

Regards,


Mayor Toni Randall
City of League City

cc: Chris Reed, City Administrator
Tony Allender, Director of Land Management

Tom Scott, Coach Realty Services, Inc.

MAPLEWOOD VILLAGE II
TDHCA NO. 09185

Electronic Submission Item:

**COMMUNITY SUPPORT LETTER FROM STATE ELECTED
OFFICIAL: Larry Taylor, State Representative**

Development Name:	MAPLEWOOD VILLAGE II
Pre-Application:	Yes
Owner Name:	Maplewood II, L.P.
Contact Names:	(a) Thomas H. Scott (b) Robert J. DeLuca
Contact Address:	6919 Portwest, Suite 150 Houston, TX 77024
Contact Phone and FAX Number:	(a) 713-953-3344(P); 832-673-0903(F) (b) 713-953-3330(P); 832-673-0903(F)
Contact Email Addresses:	(a) tscott@coachrealty.us (b) bdeluca@coachrealty.us

March 27, 2009

Michael Gerber, Executive Director
Texas Department of Housing and Community Affairs
P. O. Box 13941
Austin, TX 78711-3941

Re: Proposed League City City Development For Senior Housing.

Dear Mr. Gerber:

The purpose of this letter is to express my support for the development for senior housing, Maplewood Village, in League City, TX which has support from the League City community and the League City, City Council. I fully understand the housing development will be built and designed to Texas Department of Housing and Community Affairs Guidelines.

I appreciate your attention to this matter and look forward to receiving confirmation of the department's final decision. Please let me know if you have any questions.

Sincerely,

Larry Taylor
State Representative
District 24

Bob Deluca

From: Teri Goodman [Teri.Goodman@house.state.tx.us]
Sent: Monday, March 30, 2009 4:15 PM
To: Bob Deluca; Bob Deluca
Subject: Support letter for Maplewood Village
Attachments: Maplewood Village Support letter.doc

Our Austin office sent the letter of support to the DHCA last week.

Teri A. Goodman

District Director for
State Representative Larry Taylor
District 24, Galveston County
174 Calder Rd., Ste 116,
League City, TX 77573
Phone 281-338-0924 or Fax 281-554-9240
<mailto:teri.goodman@house.state.tx.us>

Appendix

I.

**PDF Disk
(Separate Cover)**