

## Ovation Senior Living

### Request for McKinney City Council Resolution for 2017 TDHCA 9% Financing Application

**1. Project location, including whether the project is located one linear mile or less from a development that serves the same type of household as the new development:**

Project is located at the NEQ of W University Dr. and N Lake Forest Drive, McKinney, 75071. There are no tax credit developments within one linear mile of proposed development that serves the same type of household.

**2. Housing needs characteristics:**

With a 2017 population of 168,358, there are currently 1,992 multifamily, tax credit units in McKinney. Based on a 2020 projected population of 180,300, to maintain the historical percentage of 4% of all housing in McKinney, 2,622 units of affordable housing will be needed. This is an additional 630 units of affordable housing needed by 2020. (McKinney Planning Department; American FactFinder)

**3. Project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan:**

No, this is located in a high opportunity area, and not located within any community revitalization plan. This is new construction in a High Opportunity Area, as defined by TDHCA 2017 Qualified Allocation Plan (QAP) §11.9 (C)(4).

**4. Sponsor/developer characteristics and experience:**

Versa Development, LLC is a highly experienced firm offering comprehensive Development, Consulting and Management Services and related technical and support services to its diverse clients. Versa has a successful track record in providing professional Development Services on many large-scale projects. Versa has completed development on nearly 4000 units, totaling in excess of over 2 million square feet of new market rate and affordable housing development. See attached Exhibit A for contact list.

**5. Anticipated tenant population includes persons with special housing needs:**

Yes, we will make 5% available for persons with special needs. Development will also comply with Section 504 and have 5% accessible units for physical impaired tenants and 2% for hearing impaired.

**6. McKinney Housing Authority ("MHA") waiting lists, and whether the development is supported by MHA:**

Public Choice Housing Vouchers: 657

Housing Choice Voucher (Section 8): 365

The McKinney Housing Authority states:

*"The McKinney Housing Authority Board has no objections to the proposed developments as presented"* (see Attachment 2).



**7. Whether the anticipated tenant population includes individuals with children:**

No, this will be a senior living project.

**8. Whether the project is intended for eventual tenant ownership:**

No, the project will be a for lease development.

**9. The energy efficiency of the project:**

The project will include the following energy efficiency amenities:

Energy-star rated dishwasher and refrigerator, Energy-star rated lighting in all units (all fixtures), blinds or window coverings for all units, Low-flow or high efficiency toilets, water-conserving fixtures such as bathroom lavatory faucets, showerheads and kitchen faucets that exceed State standards, energy efficient landscape design and irrigation system, and recycling services.

**10. The historic nature of the project, including an evaluation of anticipated impact of the development on City historical areas, sites, building or other structures:**

N/A

**11. Whether at the time of application the City has more than twice the state average of units per capita supported by housing tax credits or private activity bonds, unless the applicant: (a) has obtained prior approval of the development from the City Council, and (b) has included with the development application a written statement of support from the City Council referencing Texas Government Code § 2306.6703 and authorizing an allocation of housing tax credits for the development:**

The City of McKinney City does not have more than twice the state average of units per capita supported by housing tax credits and private activity bonds. The population of the City is 168,358 and there are 1992 tax credit units for a total of .01183 units per capita. This is 1.35x the state average of .00875 units per capita.

**12. Whether the applicant has notified the following entities about the filing of the application:**

**(a) any neighborhood organizations on record with the State or Collin County; (b) the superintendent and the presiding officer of the board of trustees of the applicable independent school district; (c) the Mayor and City Councilmembers of the City Council; (d) the Collin County Commissioner's Court and County Judge; and (e) the State senator and State representative of the district containing the development, including whether the City has received any input from such persons or entities:**

Yes, all entities have been notified.

**13. Whether the development is: (a) permitted under the City's zoning ordinance provisions; and (b) consistent with the City's Comprehensive Plan and housing priorities:**

(a) The zoning on the property is PD 2012-08-37, which is split into two tracts, Tract 1 and Tract 2. The majority of the subject property falls within Tract 1, which is zoned "O", Office District with additional allowance in maximum height and allows assisted living (Rest Home or nursing home). As such, senior multifamily would not be permitted on the property under current zoning.

(b) The City's current Future Land Use Plan designates this property for commercial uses, although this is likely to change under the upcoming Comprehensive Plan update. At time of zoning request, Planning staff would also evaluate the percentage of multifamily units within the sector to insure that it did not exceed 10% of overall residential units and that development met design and location criteria before making a recommendation.



**14. Whether the applicant is in the process of seeking the appropriate zoning from the City and has signed and provided to the City a release agreeing to hold the City and all other parties harmless in the event that the appropriate zoning is denied:**

Yes, VDC Lake Forest 380 will be seeking a rezoning of the property, and has provided a release agreeing to hold the City and all other parties harmless in the event that the appropriate zoning is denied. See [Attachment 3](#)

**15. Whether the development is financed through a private activity bond program, including private activity bonds issued by the TDHCA, the Texas State Affordable Housing Corporation, or a local issuer, such as the McKinney Housing Finance Corporation ("MHFC"), and if so, review of any staff or City Council requested financial analysis provided by an issuer related to the applicant's financing:**

9% tax credit application, not financed through a private activity bond program.

**16. Whether the development complies with accessibility standards required under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794); 24 C.F.R. Part 8, Subpart C; and related authorities concerning accessibility standards:**

Yes, the development will comply with Section 504 accessibility standards.

**17. An evaluation of anticipated impact of the development on City services and related infrastructure, including but not limited to, police and fire services; water, sanitary sewer, and storm water capacities and facilities; traffic patterns; and any environmental issues:**

**Police Department:** The proposed developments are in line with the anticipated growth of the City. The McKinney Police Department has a multi-year plan to meet the demands of future City growth. The McKinney Police Department has sufficient current capacity to absorb the new development's anticipated service demands.

**Fire Department:** These developments typically increase demand for EMS. New buildings are built within existing codes and standards including active fire protection features. The overall impact to fire suppression should be minimal under normal circumstances. An additional inspection(s) requirement is created for the Fire Marshal Office.

**City Traffic Analysis:** see [Attachment 4](#)

**Developer Traffic Analysis:**

The site is located at the NEQ of Lake Forest and U.S. 380. U.S. 380 and Lake Forest are improved arterials that provide substantial capacity to city traffic circulation. The development is not anticipated to adversely impact traffic flow in the area. During site plan and engineering, the city may require a Traffic Study to verify if additional improvements are required to either of these arterial.

**18. An evaluation of compliance with City health and safety codes:**

The development will comply with existing City health and safety codes.

OVATION SENIOR LIVING



**Exhibit A**

<p><b>Contact:</b>  <b>Versa Development, LLC</b>  <b>Manish Verma</b>  <b>4733 College Park, Ste. 200</b>  <b>San Antonio, TX 78254</b>  <b>210-530-0090 x202</b></p>	<p><b>g) Market Analyst:</b>  <b>Bob Coe</b>  <b>Affordable Housing Analysts</b>  <b>3912 Avenue O</b>  <b>Galveston, TX 77550</b>  <b>281-387-7552</b></p>
<p><b>a) Development Owner:</b>  <b>VDC Lake Forest 380, LP</b>  <b>Versa Development, LLC</b>  <b>Manish Verma</b>  <b>4733 College Park, Ste. 200</b>  <b>San Antonio, TX 78254</b>  <b>210-530-0090 x202</b></p>	<p><b>h) Tenant services provider: TBD</b></p>
<p><b>b) Architect: TBD</b></p>	<p><b>i) Syndicator: TBD</b></p>
<p><b>c) Attorney:</b>  <b>Locke Lord LLP,</b>  <b>600 Congress Avenue, Ste. 2200</b>  <b>Austin, TX 78701</b>  <b>512-305-4707</b></p>	<p><b>j) Real Estate Broker/Agent: N/A</b></p>
<p><b>d) Tax Professional:</b>  <b>Cohn Reznick</b>  <b>816 Congress Ave, #200</b>  <b>Austin, TX 78701</b>  <b>512-494-9100</b></p>	<p><b>k) Property Owner:</b>  <b>Kayasa Family, Ltd.</b>  <b>670 W Arapaho Rd. Ste. 14</b>  <b>Richardson TX 75080</b></p>
<p><b>e) Property Management: TBD</b></p>	<p><b>l) Developer:</b>  <b>Versa Development, LLC</b>  <b>Manish Verma</b>  <b>4733 College Park, Ste. 200</b>  <b>San Antonio, TX 78254</b>  <b>210-530-0090 x202</b></p>
<p><b>f) Consultant:</b>  <b>Alyssa Carpenter</b>  <b>1305 E 6th, Unit #12</b>  <b>Austin, TX 78702</b>  <b>512-554-4721</b></p>	<p><b>m) General Contractor:</b>  <b>Galaxy Builders, Ltd.</b>  <b>4729 College Park</b>  <b>San Antonio TX 78249</b></p>

## OVATION SENIOR LIVING



### Attachments

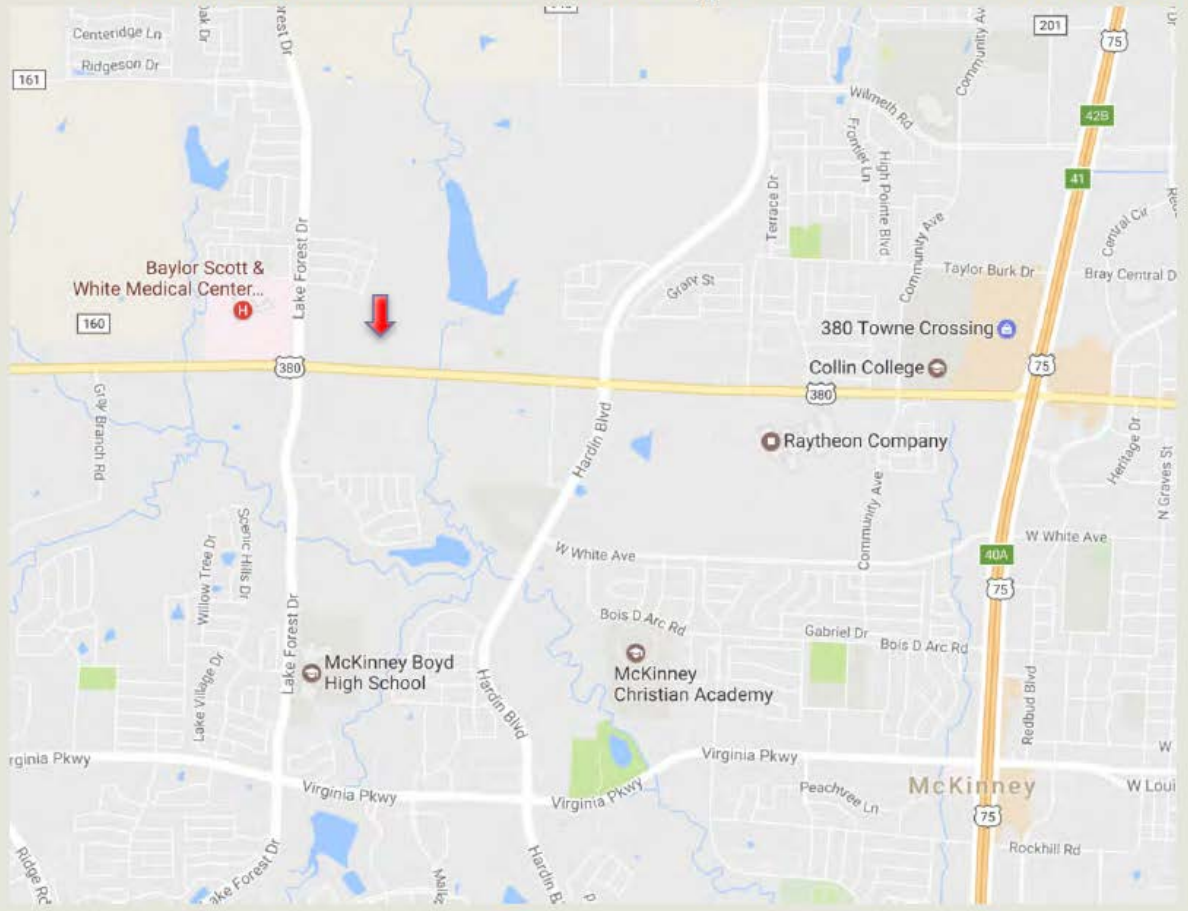
- 1- Map overview
- 2- Letter from McKinney Housing Authority
- 3- Hold Harmless Agreement
- 4- Traffic Analysis
- 5- Site aerial



Attachment 1

# Ovation

Ovation is a proposed senior rental community located in McKinney at the Northeast Quadrant of W University Dr and N Lake Forest Dr.





1200 N. Tennessee St.  
McKinney, TX 75069

Attachment 2

Phone: 972-542-5641  
Fax: 972-562-8387  
McKinneyha.org

## McKinney Housing Authority

January 31, 2017

Janay Tieken  
City of McKinney, Housing and Community Development  
PO Box 517  
314 S. Chestnut #101  
McKinney, TX 75070

RE: Community Revitalization Plan - Affordable Housing Development

Dear Ms. Tieken:

The McKinney Housing Authority is in receipt of two housing development applications from your office, Evergreen at McKinney and Ovation. In response to your request from the MHA board, please note the following.

The McKinney Housing Authority Board has no objection to the proposed developments as presented. MHA is committed to affirmatively furthering fair housing. We acknowledge the need for additional affordable housing units as our waitlist and client demand are a testament of the deficiency. The MHA board is committed to encouraging affordable housing solutions for the elderly, disabled and families in all census tracts. Moreover, we encourage that the developments also meet the service and quality of life needs such as transportation, grocery stores and health care services in immediate proximity to the properties as well.

Please let us know if you have questions or concerns.

Sincerely,

*Roslyn Miller*

Ms. Roslyn Miller, Executive Director

On behalf of

Justin Beller and the McKinney Housing Authority Board of Commissioners

### McKinney Housing Authority Board of Commissioners

Justin Beller – Chairman  
Jeremiah Hammer – Vice Chairman

Brenda Carter - Commissioner  
Elisa Jackson – Resident Commissioner

Gloria Evans - Commissioner

**RELEASE AND HOLD HARMLESS AGREEMENT**

STATE OF TEXAS            )  
  )        KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF COLLIN        )

WHEREAS, this Release and Hold Harmless Agreement ("Agreement") is hereby entered into by and between VDC Lake Forest 380, LP ("Releasor"), and the City of McKinney, Texas, a Texas municipal corporation (the "City"); and

WHEREAS, Releasor will be submitting an application for 9% low income housing tax credits ("LIHTC") to the Texas Department of Housing and Community Affairs ("TDHCA") for a housing development generally described as a senior, multifamily rental community of 160 units, Ovation at McKinney, (the "Project"), generally located on property located in the City at NEQ of W University Drive and N Lake Forest Drive (the "Property"); and

WHEREAS, Releasor has also submitted a request to the City for passage of a Resolution by the City Council of the City of McKinney, Texas ("City Council"), supporting the Project; and

WHEREAS, Releasor intends to submit an application to the City requesting a zoning amendment on the Property to rezone the property, as necessary to develop the Project, a senior multifamily development; and

WHEREAS, Texas law, at Texas Government Code, § 2306.6705(5), provides for Releasor to execute this Agreement to release and hold the City harmless in the event that Releasor's zoning amendment application on the Property is denied; and

WHEREAS, Releasor's providing this Agreement to the City is consistent with the City's LIHTC Resolution Policy.

NOW, THEREFORE, for and in consideration of the foregoing premises, and other good and valuable consideration, the receipt of which is hereby acknowledged, Releasor, and its

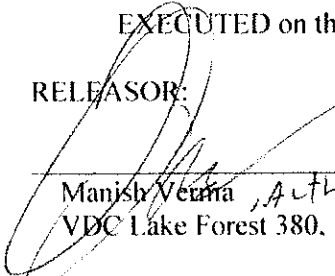


successors, assigns and grantees, does hereby completely release the City from and waive any and all claims, whether known or unknown, which arise or may arise, from Releasor's zoning amendment application, including but not limited to, its denial of appropriate zoning.

Furthermore, Releasor agrees to indemnify and hold harmless the City, its officers employees, agents, and representatives, from any and all claims, counterclaims, demands, actions, and causes of action of any kind or character, whether known or unknown, present or future, asserted by Releasor its successors, assigns and grantees, or any third party, with regard to any damages to the Property or Project, as identified above, that may be or have been brought against the City, its officers, employees, agents and representatives, as the result of the City's consideration of Releasor's zoning amendment application, including but not limited to, its denial of appropriate zoning.

EXECUTED on the dates acknowledged below, and effective as of the last date signed.

RELEASOR:

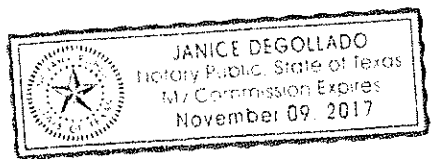
  
\_\_\_\_\_  
Manish Verma, Auth REP  
VDC Lake Forest 380, L.P.

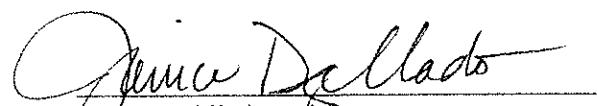
Date signed: 2/16/17

THE STATE OF TEXAS    §  
  §  
COUNTY OF COLLIN    §

BEFORE ME, the undersigned authority, on this day personally appeared Manish Verma, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that said instrument was executed and intended as a release for the purposes and consideration therein described and in the capacity therein stated.


SUBSCRIBED AND SWORN TO before me on this 16<sup>th</sup> day of February 2017, to certify which witness my hand and seal of office.



  
\_\_\_\_\_  
Notary Public in and for  
the State of Texas

My Commission Expires: \_\_\_\_\_

CITY OF MCKINNEY, TEXAS

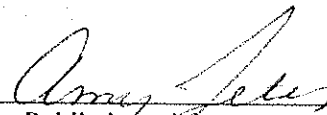
By   
Paul Grimes  
City Manager

Date signed: 2/16/17

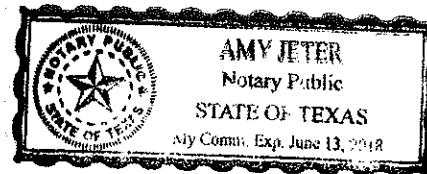
THE STATE OF TEXAS §  
§  
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Paul Grimes, City of McKinney City Manager, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that said instrument was executed and intended as a release for the purposes and consideration therein described and in the capacity therein stated.

SUBSCRIBED AND SWORN TO before me on this 16<sup>th</sup> day of Feb, 2017, to certify which witness my hand and seal of office.

  
Notary Public in and for  
the State of Texas

My Commission Expires: 2018





## Apartment (220)

Number of Units: 160

Total Generated Daily Trips: 1064

AM Peak Hour Trips: 82 (17 AM in / 65 AM out)

PM Peak Hour Trips: 99 (65 PM in / 35 PM out)

### Required:

Right turn lane on US380 (University Drive): No

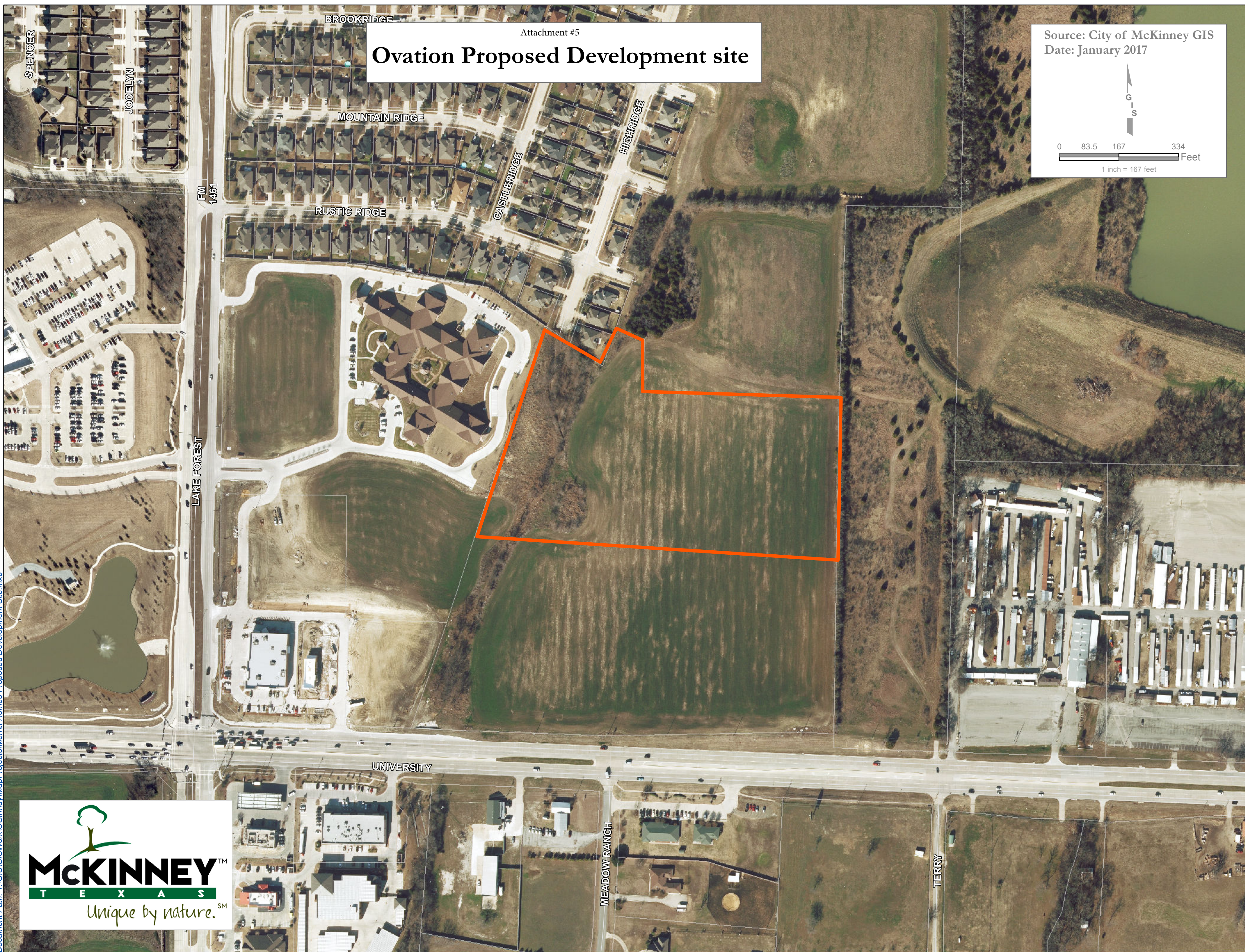
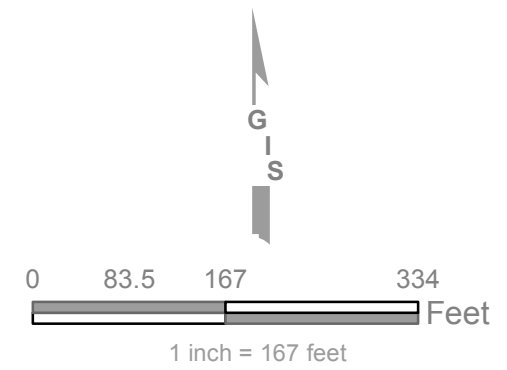
Left turn lane on US380 (University Drive ): Yes

Left turn lane on Lake Forest Drive: Yes

(Traffic Analysis Performed by  
City of McKinney Engineering)

# Ovation Proposed Development site

Source: City of McKinney GIS  
Date: January 2017



Document Path: Y:\GIS\GISWork\CGirray\MapProjects\Merritt\_Homes\_Proposed\_Development\_Site.mxd

