
THE ENCLAVE AT RIVERBANK



The Enclave at Riverbank – Preliminary Renderings

DEVELOPMENT NARRATIVE

The Enclave at Riverbank is a proposed 72-unit, high-quality affordable senior apartment building located on the NWC of Riverbank Dr. & Elk Dr., Laredo, TX 78045, with easy access to shopping centers, recreational activities, and employment areas.

Strong and Capable Sponsorship:

Established in 1999, Madhouse Development has a proven track record of collaborating with the nation's largest financial institutions and employing complex financing methods to develop over 50 multifamily properties, totaling more than 5,400 units. With nearly 25 years of continuous success, Madhouse has become a well-respected name in the multifamily housing industry, demonstrating expertise in finance, development, construction, and asset management of both affordable and market-rate rental housing. The company's deep industry knowledge and market foresight drive its commitment to delivering high-quality, sustainable housing solutions.

As a leader in green building, Madhouse is dedicated to creating environmentally, economically, and socially sustainable communities. From project inception, the company integrates innovative, socially conscious designs and green building technologies to enhance energy and water efficiency and minimize environmental impact. By focusing on sustainable practices, Madhouse aims to develop well-rounded communities that offer a range of social, health, and environmental benefits.

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The Development:

The Enclave at Riverbank site is 3.08 acres and when completed will be comprised of 72 apartment units. The project will be marketed to residents seeking safe, welcoming, and family-oriented communities.

The building will feature approximately 24 one-bedroom/one-bathroom units of 655 sq. ft and 48 two-bedroom/two-bathroom units of 906 sq. ft. Monthly rents are projected to range from \$368 to \$815 for one-bedroom units and \$433 to \$969 for two-bedroom units. The apartments will be constructed using Type V wood-frame construction on post-tension slabs, with exterior walls featuring a combination of brick and Hardi plank siding.

The development will feature a stand-alone clubhouse and leasing center designed to serve as a welcoming community hub, including a business center with complimentary computer and internet access, as well as a kitchen available for residents and staff. Additional amenities will include a multi-purpose activity room, perimeter fencing, and controlled access entry gates.



Every apartment will exceed the industry standard and incorporate Energy-Star rated appliances including a frost-free refrigerator with icemaker, a self-cleaning oven, a dishwasher, and garbage disposal. All apartments will have faux-wood vinyl plank flooring, laminated countertops, individual HVAC systems, walk in closets with built-in shelving, and energy-efficient ceiling fans in the living and bedroom areas. The living room and each bedroom will also include cable, phone, and internet connections.

The tenants will be provided a utility allowance to assist in utility expenses but will be responsible for paying their own electricity; however, the use of energy efficient appliances and an emphasis on sustainable construction will greatly reduce their out-of-pocket expenses.

Zoning Change Request:

A zoning change application and a PUD application (ZC-056-2026 and ZC-037-2026) has been submitted to the City of Laredo. The subject property is currently zoned R1-A, which permits only single-family

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residential uses and does not allow for the proposed multifamily development. To accommodate the planned use, the Applicant is requesting rezoning to R-2 Multifamily.

In addition, the Applicant is requesting approval of a Planned Unit Development (PUD) overlay to allow for thoughtfully tailored development standards that respond to the unique characteristics of the site. The PUD designation will provide flexibility for items such as parking requirements, helping address site-specific constraints including limited developable area and overall site efficiency. The requested zoning modifications will support a cohesive and well-designed site plan that accommodates the proposed density while maintaining functionality and compliance with applicable development standards. Currently, the site plan proposes 111 parking spaces for 72 one- and two-bedroom units. Although less than the required parking under city code, this level of parking is consistent with actual demand expectations for comparable affordable housing developments and ensures that parking is adequately provided without overbuilding impervious surface or compromising the affordability and feasibility of the project. Given nearby amenities and the proximity to bus stops, we believe this supply is appropriate and sufficient given the project's unit mix.

Unfortunately, alternative approaches such as pursuing a Letter of Map Revision (LOMR) or other FEMA-related map amendments are not viable solutions given the project's development timeline and financing constraints. These processes are inherently lengthy, often extending well beyond the critical funding and construction schedules required for affordable housing programs, and any delay would jeopardize the project's ability to meet key application and closing deadlines.



Similarly, structured parking solutions such as podium parking, while sometimes used in higher-cost markets, would significantly increase construction costs to a level that is not feasible for an affordable housing development. The added expense per unit would directly undermine the project's financial viability and its ability to serve the intended income-restricted population. For these reasons, the requested PUD overlay and associated flexibility are essential to allow the project to proceed in a manner that is both economically viable and consistent with the community's urgent need for affordable housing.

Affordable housing remains critically important to the continued growth and stability of the city of Laredo, where many working families, seniors, and essential members of the workforce face increasing challenges in finding quality housing at attainable rents. Developments such as the proposed community provide long-term benefits to the city by expanding housing options, supporting economic development, and creating stable environments for residents to live, work, and contribute to the local community.

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Site-specific constraints, including limited developable area and unique layout considerations, should not prevent the delivery of much-needed housing opportunities, particularly when thoughtful design solutions can achieve the same overall functionality and compatibility with surrounding development. The requested PUD overlay and associated variances will allow the site to be developed in an efficient and cohesive manner while still maintaining high-quality standards for residents. Moreover, Laredo is already in the process of amending its development code to reduce parking requirements in recognition of evolving development patterns and the need for greater flexibility in addressing housing demand. The modifications requested are therefore consistent with the City's broader planning objectives and represent a practical approach to advancing affordable housing opportunities within the community.

Anticipated Project Schedule:

- TDHCA BOARD CONSIDERATION: JULY 2026
- PROJECT DESIGN COMPLETION: OCTOBER 2026
- FINANCING CLOSING: MARCH 30, 2027
- CONSTRUCTION START: APRIL 1, 2027
- CONSTRUCTION COMPLETION: JULY 2028
- PROJECT COMPLETION: JULY 2028

The Development Team:

The development team members are listed below (resumes available upon request). This team has extensive experience in working together and developing quality multifamily apartments throughout Texas:

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| ▪ <u>Owner/Partner:</u> | NeighborWorks Laredo |
| ▪ <u>Developer:</u> | Crimson Bulldog Development, Inc. |
| ▪ <u>Contractor:</u> | To Be Determined |
| ▪ <u>Management Entity:</u> | To Be Determined |
| ▪ <u>Architect:</u> | Don Smith, Northfield Design Associates, Inc. |
| ▪ <u>Landscape Architect:</u> | Jason Noble, Oro Design Group |
| ▪ <u>Interior Designer:</u> | Joy Flores, Plunkett Raysich Architects |
| ▪ <u>Civil Engineer:</u> | Craig Carney, Carney Engineering Company, PLLC |
| ▪ <u>MEP Engineer:</u> | Heath Steele, Worth Engineering |
| ▪ <u>Structural Engineer:</u> | Bradly Montgomery, TDI Engineering, LLC |
| ▪ <u>Environmental:</u> | Mitchell T. Young, Aspen Environmental, Inc |
| ▪ <u>Project Accountant:</u> | Trenton Kleist, Baker Tilly Virchow Krause, LLP |
| ▪ <u>Project Attorney:</u> | Cynthia Bast, Baker & Hostetler LLP |