

Castle Park Public Applicant Meeting Minutes

September 30, 2021, 2-3P

Shops at Lake Havasu 5601 AZ-95, Lake Havasu City, AZ 86404

Attendees

James Gray, PED

Amy Spitzer, PED

Waylon Gates, Castle Park Investments / Havasu Shores RV Resort

Brad Scott, Castle Park Investments

Evan Bernstein, Castle Park Investments

Chad Nelson

Luke Morris, LHC Planning and Zoning

Laura Tarin

Nick Tarbring

Irene Rougan

Judy Tassie

Dan Fleming

Sandy Stewman

S Baughn

Guy Reynolds

Steve Mindt

(please see sign in sheet)

Agenda

1. Partnership for Economic Development | James Gray
 - a. Essential Housing Problems
 - b. Land Valuation - demands different approaches to housing
 - c. Innovation - why it matters?
 2. The Villages at Victoria Farms | Waylon Gates
 - a. Castle Park Investments - Introduction
 - b. What are The Villages at Victoria Farms?
 - c. Conceptual Plans
 3. Next Steps
 - a. Amend the General Plan
 - i. Planning & Zoning - Public Meeting
 - ii. City Council Approval - Public Meeting
 - b. Rezone the property
 - i. Planning & Zoning - Public Meeting
 - ii. City Council Approval - Public Meeting
 4. Q & A
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Questions

1. Are there flood plane issues?

Yes we have been looking into that.

2. When do you expect it to be complete?
Construction phase is 12 months
3. Concerns about current Infrastructure and additional traffic and RVs on the road.
Ingress/egress, traffic planning and engineering will be addressed after general entitlement
4. Will there be a height limit?
Current height for manufactured homes is 15', industrial is 30'. Depending what use is applied for determines height restrictions.
5. The structure will be owned and not the land?
Correct. This strategy helps lower the cost of home ownership. HOA will be wrapped into the one fee.

General Comments

1. Chad Nelson - 350 homes sounds like a lot, but the largest apartment complex currently is 86 units and has a waitlist of 1000 people. The need to rent and buy is dire. Plumbers, teachers, waitstaff, electricians are all calling for help in finding a place to rent or buy.

[No additional comments or correspondence was received after this meeting]

There's a Need for Safe and Comfortable Housing That's Within Reach for Everyone



The problem

One of the biggest problems our business community faces is attainable housing for employees. To keep business and facilities going, employers are continually searching for housing for medical staff, educators, emergency personnel, and hospitality professionals. With approximately 2,600 businesses in town — representing more than 22K employees — the need is urgent. When employees can't find suitable homes that fit their budgets, it directly impacts employers' ability to attract and retain talent. Workers need more options — and so do their employers. There are many hardworking short- and long-term residents with good credit who need an awesome place to live.

A competitive housing market

The current level of competition for housing — and the rising average home prices and lease rates in the market — make it difficult for residents and workers to find something attainable. Right now, very few homes in Lake Havasu City enter the market for less than \$400,000. In fact, the average home price in Lake Havasu for single-family homes is \$403,000, and it's increased by 30.4% in the last 12 months (Zillow). Though there are subsidized housing, condo, and apartment projects being built in the city, these aren't keeping up with the demand. For every new unit built, the city needs one and a half for adequate accommodation. In other words, we're building 350 to 400 units in a community that probably needs 2000 units. The supply is very constrained and nowhere near demand.

The problem is further compounded because:

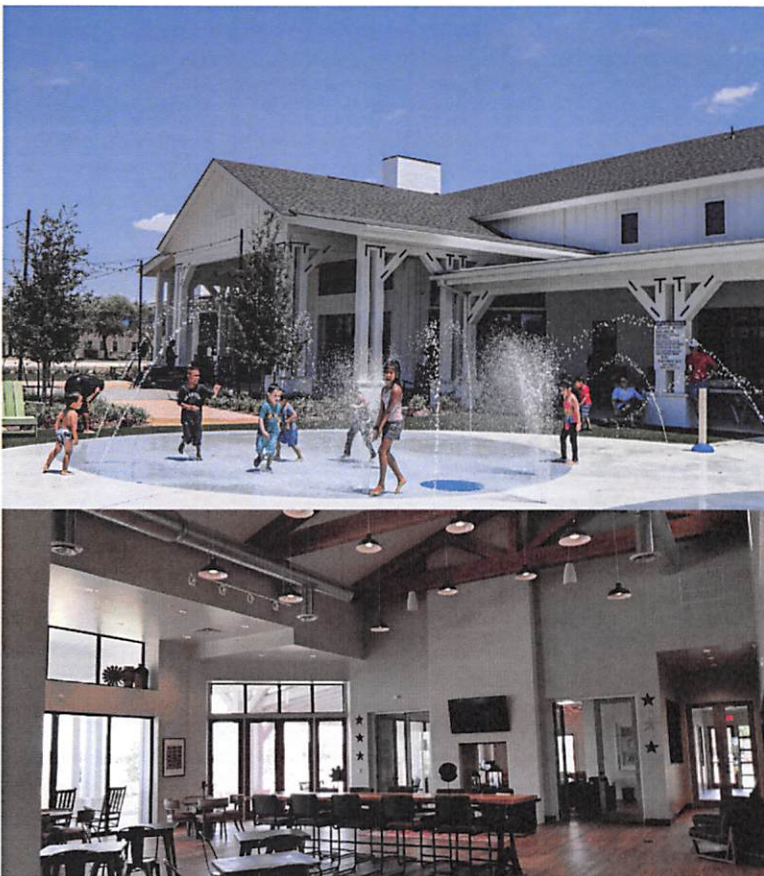
- Home prices are up significantly.
- Inventory supply is very low.
- Days on the market for homes are very low.

What are the possible alternatives?

The traditional single-family-home model does not always suit the needs and desires of the modern workforce. When owning a traditional house isn't feasible, renting is generally the next best option. But the extremely short supply of rentals means we must find other options. Multifamily is often considered the next best alternative, though, compared to homeownership, it comes with many well-known drawbacks. Is there another path?



Professionally Designed and Managed Manufactured Housing Communities are Part of the Solution



An innovative path to lower-cost housing with a higher standard of living

We're creating a well-balanced manufactured housing community that addresses the need for housing. This community is not only well balanced but also luxurious and immensely affordable. Victoria Farms Villages will be very affordable, with units starting under a hundred thousand dollars and offering very low space rent.

We keep monthly costs low because we own and manage the property and amenities. We apply our proven management style to provide a high-quality living experience for a lower monthly cost.

Lower barriers to ownership

Since the price is lower, it's easier for those with lower income to qualify for a mortgage. And due to the lower purchase prices, the down payment requirements are also smaller. Additionally, there are programs where residents can close and move in with zero down.

The Villages is a cost-effective middle ground between traditional homeownership and apartment/home rentals. While not a direct competitor of or replacement for single-family homes, manufactured housing is a more attractive option — from an affordability perspective — than renting a single-family home.



All the amenities... less the expense

Residents may pay hundreds of thousands of dollars for a home and have zero amenities. Not in our community. The Villages offer multiple levels of affordability within the community, plus amenities that would otherwise cost hundreds or thousands in additional monthly expenses. We cut these expenses by distributing the cost of amenities among all the residents.



Victoria Farms Villages Embodies a Long-Term Strategy To Improve Access To High-Quality Housing

Community impact and support

Residents

The Villages will offer a variety of housing choices in different sizes and price points to match any budget and lifestyle.

The community will also feature numerous amenities so everyone can enjoy a resort-style living experience. And professional management will ensure everyone's experience is maximized in the community.

Comfort, Safety, and Value

- Better living for less
- Security and comfort
- Maintained community
- Bundled value in amenities
- Return on space rent



Attainable Amenities

- Resort-style pools with cabanas
- Fitness and sports facilities
- Clubhouse and BBQs
- Bike/golf cart parking
- Walking trails
- Playgrounds
- Dog parks

The Villages will provide an opportunity to be part of a community that supports each other — very valuable for people who have limited means or are new to the area for work (travelling nurses, teachers, etc.). We'll also have community-gearred events, activities, and RV spaces for visiting family and travelling workers.

Community & Economy

Which do you need first: workers or housing?

The development will be an economic driver for the area by attracting and accommodating talent across many industries in Lake Havasu. Workforce expansion will foster business growth and further create opportunity and wealth for everyone in the community.

Victoria Farms Villages represents a nearly \$20M investment in your community that will support local businesses and their employees. Labor and materials will be locally sourced — we have a track record of partnering with local contractors and suppliers.

What has to happen for the Villages to become a reality?

The property needs to be rezoned to bring this product, which perfectly fits the needs of those most affected by LHC's housing shortage (teachers, firefighters, travelling nurses, hospitality workers, and other vital staff)

Castle Park Public Meeting Attendee List

9/30/21 12PM | @ 5601 AZ-95 #730, Lake Havasu City, AZ 86404

First Name	Last Name	Address	Email
CHAD	Nelson		
Don	Flaming		
S	Beughen		
Sandy	Stymann		
Heene	Ranbom		
Wally	Tassle		
Lybony	TARIN		
Nick	Laurey		
Egt	Rylands		
Steve	Mindt		
LUKE	MORRIS	LHC Planning Div.	morrisl@LHC.AZ.GOV
Aymie	Spitzer		
James	Gray		