



AD ASTRA HOMES, L.L.C.

Developer of Quality Affordable Housing
David Criswell, President

Board of Directors
Ellsworth County Economic Development, Inc.
P.O. Box 321
Ellsworth, Kansas 67439

December 10, 2003

Dear Board of Directors:

My thanks to Anita Hoffhines and Members of the Board of Directors for allowing me to speak to you this evening about Czech Cottages, LLC, in Wilson.

Accompanying me is Doug Manske with Jack Manske & Associates, developers of affordable housing in Kansas and Nebraska for the past 14 years and experts on the Federal Low Income Housing Tax Credit Program. Doug is with me because this is my first LIHTC project and I want prospective investors to have the most accurate information possible.

Although Czech Cottages is a small project, one of my goals with it is to make a positive contribution toward the much broader effort to enhance the economic vitality and quality of life in Wilson and Ellsworth County. I applaud ECED, Inc., for its essential work in developing ways to strengthen Ellsworth County's economic potential.

When completed, Czech Cottages will consist of 6 affordable apartments (3 duplexes) for seniors (defined as persons 55 and older). A market analysis performed in 2000 by an independent marketing firm established that there is a need for more affordable senior housing units in the Wilson area. Czech Cottages will fill part of this need, but not all of it.

Czech Cottages will support economic development in Ellsworth County in several ways. For example:

1. **New tax revenue:** According to figures obtained from the Ellsworth County Appraiser's Office, the property taxes that will be paid by Czech Cottages once it is completed will be approximately \$8,580.00 annually. In 1999, the total taxes paid on the land and improvements that existed where Czech Cottages is now being built was only \$97.64. The majority of the land (2 1/3 lots) was owned by the City of Wilson, and the rest of it (2/3 lot) was privately owned and held a vacant house and garage.

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2. **New housing:** Six new two-bedroom energy efficient units.
3. **Construction spending:** Thus far, over \$180,000 has been spent; when completed, over \$364,000 will have been spent, most of it locally.
4. **Local employment:** Most of the work is performed by local contractors – Hanzlicek Construction, Mike’s Plumbing & Heating and Terry’s Construction, all of Wilson; concrete purchased from Ellsworth Ready Mix.
5. **Population stabilization:** The two current Czech Cottages residents moved to Wilson from Dorrance and the state of Montana. Future residents will undoubtedly come from both within and outside of the Wilson area. My wife and I and our two children (ages 4 and 1) plan to move to Wilson from Salina.
6. **Tourism:** In October alone, I gave tours to three groups with 12 or more people from out of town (including a bus tour with over 30 people) and several smaller tours.
7. **New businesses:** Czech Cottages, LLC, and Ad Astra Homes, LLC, (developer of Czech Cottages) are two new businesses in Wilson.
8. **Miscellaneous Spending:** Ad Astra Homes and Czech Cottages have spent and will continue to spend significant amounts of money for local products and services, promotional materials, advertising, charitable activities, etc.
9. **Support for local Eco-Devo groups:** Ad Astra Homes, LLC, is a member of the Wilson and Salina Chambers of Commerce and the Amazing 100 Miles Tourism Coalition.
10. **Olds Motor Company Building:** Once Czech Cottages has been completed, I will then begin the process of renovating the former Olds Motor Company building, which I purchased last April, to something useful for the community.

Czech Cottages has been deliberately designed to not only provide quality affordable housing for seniors but to also assist in supporting local cultural and economic needs of the community. Its location downtown near many community service points and its use of unconventional construction materials (wheat straw bale insulation) have been recognized and applauded by the Kansas Housing Resources Corporation (formerly the Housing Division of the Kansas Department of Commerce & Housing) and former Lieutenant Governor Gary Sherrer.

To build all three duplexes for which tax credits have been allocated, Czech Cottages must raise \$150,000 in investment equity. To date, we have raised \$105,000. The remaining \$45,000 must be raised soon or the third duplex will not be built and the unused tax credits will have to be returned to the state. The state will then reallocate them to some other community in Kansas.

I believe it would be unfortunate for Wilson and Ellsworth County to fail to take the fullest possible advantage of this opportunity. Wilson needs all six of these units and they should be built now, or their absence will be regretted in the future. As members of this board are probably aware, the LIHTC program is extremely competitive, and opportunities such as this don’t just fall from the sky.


Therefore, I am here to request your assistance in finding investors to purchase the remaining 30% equity interest that is available in Czech Cottages. I would be delighted if members of this board would permit us to meet with them in individual or group settings so that Doug Manske and I could explain the details of this investment and answer questions. I would also appreciate your assistance in identifying other prospective investors.

For anyone who is interested, they will learn that this is an investment that offers a high rate of return coupled with low risk. It gives investors the ability to earn a solid cash return plus to build equity in local housing using money they would otherwise pay as income taxes to the IRS. Thus, it is an opportunity to do well for oneself while also doing something good for the community.

Thank you for your time and thoughtful consideration.

Best regards,

AD ASTRA HOMES, L.L.C.

A handwritten signature in cursive script that reads "David Criswell".

David Criswell