

Merritt McGowan Manor (aka Merritt Homes)
Request for McKinney City Council Support Resolution for 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 1200 N. Tennessee St., McKinney, TX 75069 which is the current site of the MHA offices and Merritt Homes. There are no LIHTC properties serving the same population within one linear mile.
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;*
Project development plan is to demolish the existing 86 units of Merritt Homes and rebuild those 86 plus an additional 50 units, for a total of 136 units, as part of the anticipated community revitalization plan.
4. *Sponsor/developer characteristics and experience;*
Please see attached.
5. *Whether the anticipated tenant population includes persons with special housing needs;*
Yes, tenant population will include persons with special housing needs.
6. *McKinney Housing Authority (“MHA”) waiting lists, and whether the development is supported by MHA;*
Yes, MHA supports and sponsors the project. MHA’s development entity, MAHDC (McKinney Affordable Housing Development Corporation), is the Sole member of the GP and Co-Developer.
7. *Whether the anticipated tenant population includes individuals with children;*
Yes, the anticipated tenant population will include individuals with children.
8. *Whether the project is intended for eventual tenant ownership;*
No, project is not intended for eventual tenant ownership.
9. *The energy efficiency of the project;*
The project will comply with all applicable TDHCA, Federal, State and local energy efficiency guidelines.
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;*

The current Merritt Homes development will be demolished and replaced with a new apartment housing complex. This will not impact other City historical areas, sites, building or other structures.

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;*

All of the above officials have been notified of the filing of the application.

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; No,*

(a) The multifamily uses are permitted by the existing zoning on the property but the increased density will require a rezoning under the City's current zoning Ordinances.

(b) The project is consistent with the City's Comprehensive Plan and housing priorities.

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;*

The applicant has been communicating informally with the City Planning & Development staff and anticipate submission of a formal zoning request to the appropriate MF designation prior to the submission of the tax credit application and has provided to the City a hold harmless waiver.

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;*

The project will not be funded through private activity bonds.

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;*

The project is still under design, but it will comply with the accessibility standards required under Section 504 of the Rehabilitation Act of 1973 (20 U.S.C. §794); 24 C.F.R. Part 8 Subpart C; and related authorities concerning 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 stormwater capacities and facilities; traffic patterns; and any environmental issues;*

Police: 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: 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.

**Impact on City Services: see attached
Traffic analysis: see attached**

18. *An evaluation of compliance with City health and safety codes*
The project will comply with all applicable City health and safety codes.

Attachments:

- 1- Sponsor/Developer Characteristics
- 2- Impact of City Services
- 3- Traffic Analysis
- 4- Hold Harmless Agreement

#1 Sponsor/Developer Characteristics

	Company name	Contact	Address	Phone
a Development Owner	McKinney Affordable Housing Development Corporation	Roslyn Miller	1200 N. Tennessee St., McKinney, TX 75069	972-542-5641
b Architect	BGO Architects, Inc	Jaron Daily	4202 Beltway, Addison, TX 75001	214-520-8878
c Attorney	Cohen & Grigsby, P.C.	Alec Stone	625 Liberty Avenue, Pittsburgh, PA 15222-3152	412-297-4645
d Tax professional	Novogradac & Company LLP	George Littlejohn	3636 Executive Center Dr., Suite G70, Austin, TX 78713	512-231-0158
e Property Management	Lincoln Property Company	Darnell Harris	6500 Greenville Avenue, Suite 600, Dallas, Texas 75206	214-890-5000
f Consultant	NA			
g Market Analyst	Affordable Housing Analysts	Bob Coe	3912 Avenue O, Galveston, TX 77550	281-387-7552
h Tenant Services Provider	McKinney Housing Authority	Roslyn Miller	1200 N. Tennessee St., McKinney, TX 75069	972-542-5641
i Syndicator	National equity Fund, Inc.	Jason Aldridge	5332 Longview St., Dallas, TX 75206	972-741-5150
j Broker	NA			
k Current Owner of Property	McKinney Housing Authority	Roslyn Miller	1200 N. Tennessee St., McKinney, TX 75069	972-542-5641
l Co-Developer	McKinney Affordable Housing Development Corporation	Roslyn Miller	1200 N. Tennessee St., McKinney, TX 75069	972-542-5641
l Co-Developer	Carleton Residential Properties	Will Henderson	5485 Belt Line Rd., Ste. 300, Dallas, Texas 75069	972-980-9810
m General Contractor	Treymore Construction, Ltd.	Neal Hildebrandt	5485 Belt Line Rd., Ste. 300, Dallas, Texas 75069	972-980-9810



January 27th, 2017

Ms. Janay Tieken
McKinney Housing Finance Corporation
406 N. Tennessee Street
McKinney, Texas 75069

**RE: *Merritt Homes Redevelopment
Impact on City Services
1200 N. Tennessee Street
McKinney, Texas 75069***

Ms. Tieken:

The purpose of the letter is to provide a preliminary evaluation of the anticipated impact of the Merritt Homes Redevelopment on the City of McKinney public services and infrastructure. Please see the following:

Solid Waste

- Currently the site is occupied by a multifamily housing development. The proposed use upon redevelopment of the site is a multifamily housing development. The site is currently services IESI – Progressive Waste Solutions. The site is expected to maintain this service upon redevelopment.

Water and Waste Water

- It is anticipated that existing sewer and water lines serving the site will be utilized to serve the proposed development. Some reconstruction of these facilities will likely be necessary to serve the proposed development. Reconstruction details will be vetted through the Civil Engineering design process.

Traffic

- The property is currently developed as a multi family site with McKinney Housing Authority offices. The multi-family takes access via a driveway off of Tennessee Street just north of the intersection with White Avenue. The offices take access via a separate driveway south of the intersection with White Avenue. The proposed development would consolidate these drives into one that is aligned with White Avenue. We feel that this will improve the traffic patterns in the area. This proposal will be vetted with the City of McKinney engineering department through the Civil Engineering design process.



Environmental

- Based on readily available information, the site has been development with as multifamily housing since at least the 1960's. Environmental impacts from redevelopment are not anticipated.

If you have any questions or concerns, please feel free to contact me.

Levi Wild, PE
President

CC: File



Merritt Development #3 Traffic Analysis



Apartment (220)

Number of Units: **136**

Total Generated Daily Trips: **904**

AM Peak Hour Trips: **69** (14 AM in / 55 AM out)

PM Peak Hour Trips: **85** (55 PM in / 30 PM out)

Required:

Right turn lane on Tennessee Street: **No**

Left turn lane on Tennessee Street: **No**

Analysis by City of McKinney Engineering

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 Merritt McGowan Manor, LP, a Texas limited partnership (“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 Merritt McGowan Manor (the “Project”), generally located on property located in the City of McKinney, Texas (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 has also submitted or intends to submit an application to the City requesting a zoning amendment on the Property to: increase the density by adding additional units on the Property, as necessary to develop the Project, an affordable 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

Error! Unknown document property name.

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.

[Signature Pages Follow.]

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

RELEASOR:

MERRITT MCGOWAN MANOR, LP,

By: McKinney-Merritt McGowan GP, LLC, its general partner

By: McKinney Affordable Housing Development Corporation, its sole member

By: *[Signature]*
Roslyn Miller, Secretary

Date signed: 01-27-17

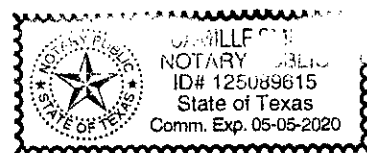
THE STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared ROSLYN MILLER, 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 27TH day of JANUARY, 2017, to certify which witness my hand and seal of office.

[Signature]
Notary Public in and for
the State of Texas

My Commission Expires: 5/5/2020



CITY OF MCKINNEY, TEXAS

By _____
Paul Grimes
City Manager

Date signed: _____

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 _____ day of _____, 2017, to certify which witness my hand and seal of office.

Notary Public in and for
the State of Texas

My Commission Expires: _____