



McKinney Flats/4% tax credit  
Housing & Community Development

**TO:** Paul Grimes, City Manager  
**FROM:** Janay Tieken, Housing & Community Development Manager  
**DATE:** 10 December 2019  
**SUBJECT:** McKinney Flats

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;*

McKinney Flats is a 206 unit, affordable multifamily development, to be located on Collin McKinney Pkwy at Test Drive, McKinney, Texas, 75070. The site is located in Council District #2. The project is located less than one (1) linear mile from two existing tax credit developments serving the same type of household. Post Oak Apartments (0.4) and Lakes of Eldorado Apartments (0.9).

2. *Housing needs characteristics;*

With a 2019 estimated city population of 187,802, there are currently 2,128 multifamily, tax credit units in McKinney or 1 unit for every 88 people. Based on a 2020 projected population of 190,027, to maintain an historical number of tax credit units of 1.25% of the city's population (or 1 unit for every 80 people), 2,375 tax credit units will be needed. This is an additional 247 units of tax credit units 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;*

Program and Owner Data:

Project Name: McKinney Flats  
Location: Collin McKinney Pkwy at Test Drive  
Finance Structure: 4% Non-Competitive Tax Credits and Tax Exempt Bonds  
Program Year: 2020  
Partnership Name: McKinney Flats Ltd.  
General Partner Name: McKinney Flats GP Ltd.  
General Partner Owner: McKinney Housing Finance Corporation

Project and Site Data

Census Tract: 48085030801  
Site Acreage: 12.069 acres  
Density: 17.0 units/acre  
Allowable density per zoning: 20.0 units/acre (PD with MF-3 base)  
Max units per zoning: 241.38 units

Building Data:

Total Net Rentable Square Footage: 206,741 SF

Total Overall Square Footage: 286,990 SF

	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>TOTAL</u>
<u>50% AMI</u>	1	12	14	4	<b>31</b>
	\$702	\$848	\$982	\$1,091	
<u>60% AMI</u>	4	66	75	19	<b>164</b>
	\$863	\$1,041	\$1,205	\$1,340	
<u>70% AMI</u>	1	4	5	1	<b>24</b>
	\$1,024	\$1,234	\$1,428	\$1,589	
<b>TOTAL</b>	<b>6</b>	<b>82</b>	<b>94</b>	<b>24</b>	<b>206</b>

4. *Sponsor/developer characteristics and experience, and list the name, including company name, of the contact person, with address and telephone number, and the identification of those persons providing developmental or operational services to the development, including: (a) development owner (b) architect (c) attorney (d) tax professional (e) property management consultant (f) consultant (g) market analyst (h) tenant services provider (i) syndicator (j) real estate broker or agent or a person receiving a fee in connection with services usually provided by a real estate broker or agent (k) the owners of the property on which the development is located (l) developer (m) the builder or general contractor;*

- a) Development Owner: McKinney Flats LTD
- b) Architect: Womack + Hampton Architects, Danny P. Baker, AIA - 4311 Oak Lawn Ave, #50 Dallas, TX, 214-252-9000
- c) Attorney: Nelson Mullins Riley & Scarborough, 1320 Main Street, 17<sup>th</sup> Floor, Columbia, SC 29201, 300-237-2000
- d) Tax Professional: Novogradac & Company LLP, Renee Beaver, CPA, 1100 Superior Avenue, Ste 900 Cleveland, OH, 216-239-5550
- e) Property Management: NRP Management, Erick Waller, 1228 Euclid Avenue Ste 400, Cleveland, OH, 216-475-8900
- f) Consultant: Abernathy, Roeder, Boyd & Hullett, P.C, Robert Roeder, 1700 Redbud Blvd, Ste 300, McKinney, TX, 214-544-4000
- g) Market Analyst: Apartment Market Data, Kirt Shell, 20540 Hwy. 46 West Ste 115, Spring Branch, TX, 512-312-4238
- h) Tenant Services Provider: Community Housing Resources Partners, Meghan Oswald, 19141 Stone Oak Pkwy, #104 San Antonio, TX, 210-570-8917
- i) Syndicator: TBD
- j) Real Estate Broker: Applewhite Commercial Real Estate, John Applewhite, 4648 Twin Post Rd. Dallas, TX, 214-794-6917
- k) Property Owners: Busco, Inc., Michael Pacheco, 14747 Northsight, Ste 111-431 Scottsdale, AZ, 602-230-3500
- l) Developer: NRP Lonestar Development, Jason Arechiga, 200 Concord Plaza Ste 900, San Antonio, TX, 210-487-7878
- m) General Contractor: NRP Contractors, Dan Hull, 200 Concord Plaza Ste 900, San Antonio, TX, 210-487-7878

5. *Whether the anticipated tenant population includes individuals with special housing needs;*

The anticipated tenant population may include, but does not specify, persons with special housing needs.

6. *McKinney Housing Authority (“MHA”) waiting lists, and whether the development is supported by MHA;*

The McKinney Housing Authority, in accordance with its mission to provide decent, safe and affordable housing solutions for the residents of McKinney, supports the development of McKinney Flats. The MHA waiting list currently consists of:

Public Housing: 1009 persons  
Housing Choice Voucher (Section 8): 508 persons

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

The proposed development includes (6) 1-br units, (82) 2-br units, (94) 3-br units and (24) 4-br units. The anticipated tenant population includes individuals with children.

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

No. The project is a Developer-owned, rental development and must remain so through the end of the TDHCA compliance period – at least 15 years.

9. *The energy efficiency of the project;*

The development contains water and energy conserving features.

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

The site is not a historic site and is not adjacent to any historic sites.

11. *Whether at the time of application the City had 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 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 State average is .00972 units per capita. At the time of the application, the City did not have more than twice (2.0 x) the state average of units per capita supported by housing tax credits and private activity bonds. With an estimated 2019 population of 187,802, there are 2128 tax credit units for a total of .01133 units per capita. The City has 1.17 x the State average.

12. *Whether the applicant has notified the following entities about the filing of the application: (a) any neighborhood organizations on the 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;*

Notifications: (a) the Village Creek of Eldorado neighborhood association has been notified. (b) Superintendent and the presiding officer of the board of trustees of MISD have been notified (c) the Mayor and Councilmembers have been notified (d) the Collin County Commissioners and the County Judge have been notified (e) the state Senator and state Representative 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:*

The subject property is zoned "PD" Planned Development District, including multifamily uses. The development is consistent with the City of McKinney'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;*

City Council approved the appropriate zoning on the property on December 3, 2019.

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 development is financed through private activity bonds issued by the McKinney Housing Finance Corporation.

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 development complies with accessibility standards required under Section 504 of the Rehabilitation Act of 1973.

17. *An evaluation of the 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 development is consistent 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: Multi-family 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.

An evaluation of existing infrastructure, as well as a traffic analysis, are attached.

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

The development will comply with health and safety codes.