

City of McKinney

Housing Needs Assessment: Top Needs & Recommendations

PRESENTED BY

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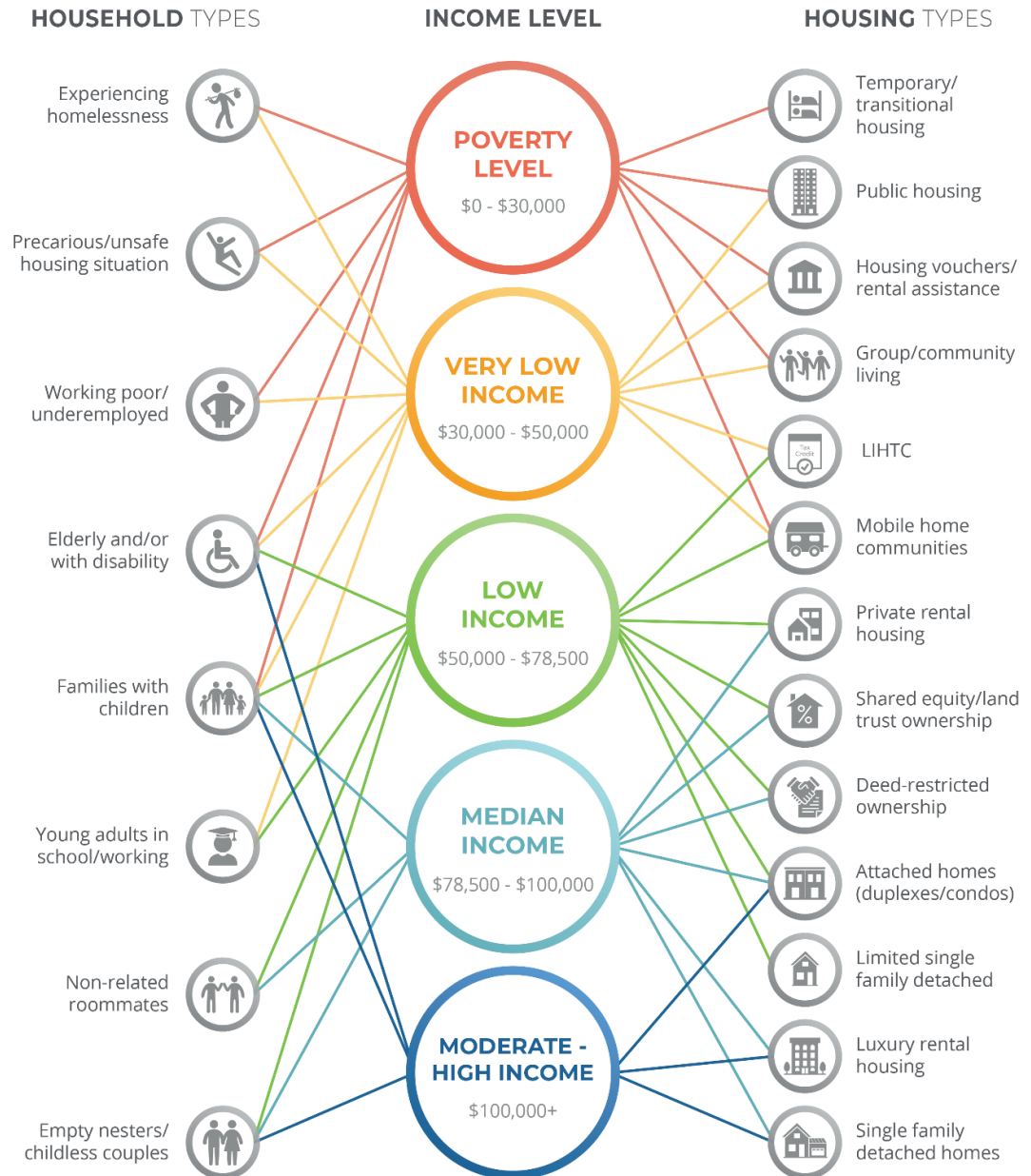
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Why Work to Address Housing Needs?

A balanced housing stock accommodates a full “life cycle community”—where there are housing options for each stage of life from career starters through centenarians—which in turn supports the local economy and contributes to McKinney’s community culture.

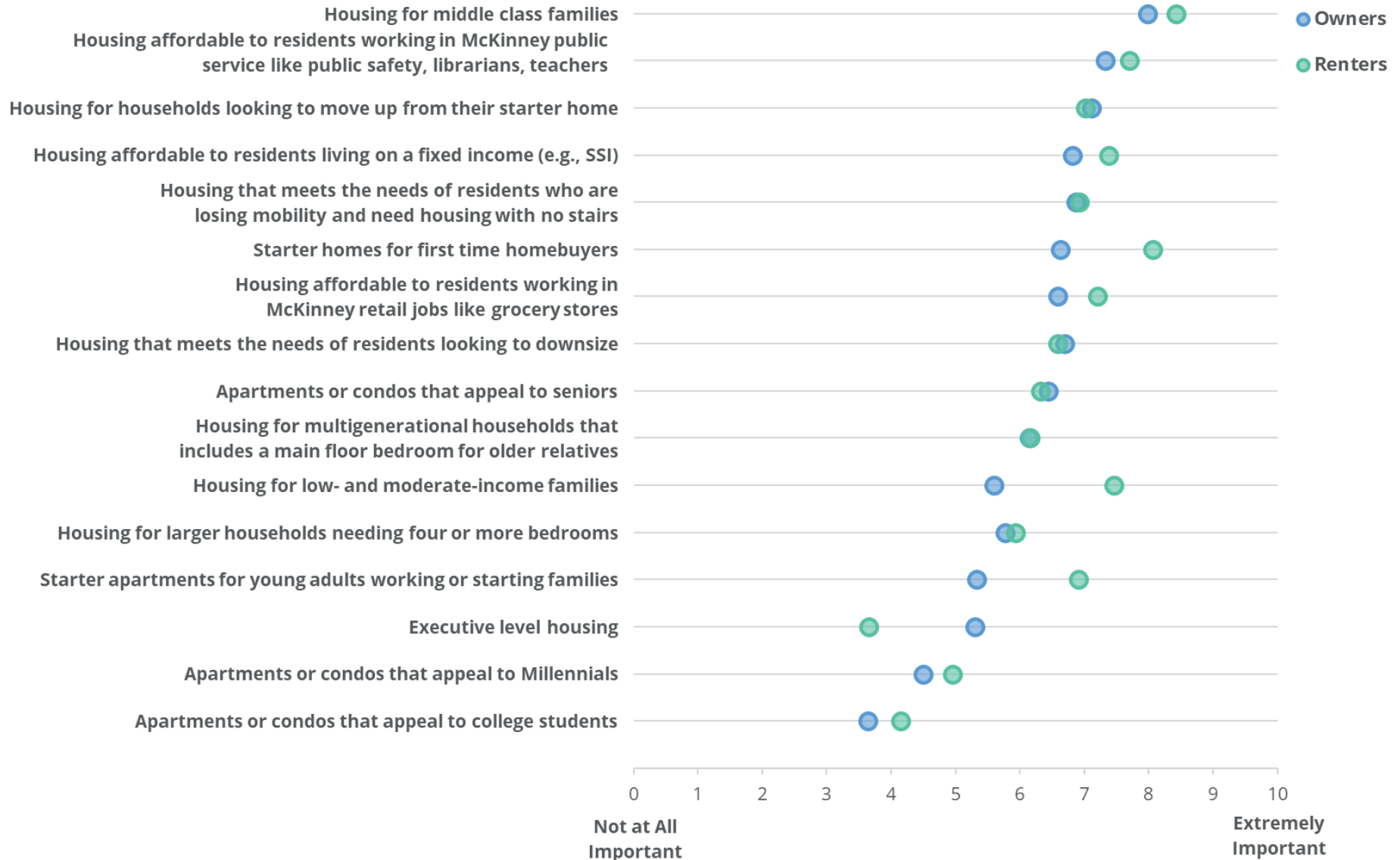
Actions that help mitigate price increases, preserve both market-rate and publicly assisted housing affordability, and generate diverse and affordable housing options will also help preserve the culture and identity of the community itself.

THE HOUSING CONTINUUM



Housing Spectrum

How important to you is it that McKinney's housing supply includes the following types of homes?



Top Housing Needs

McKinney's Top Housing Needs

The needs summarized at right were identified through extensive data analysis along with community engagement of residents and stakeholders through focus groups and the Resident Survey.

Subsequent slides highlight key data points underlying the top needs.

7

Additional affordable rentals, particularly for residents earning less than \$35,000.

2

Starter homes and workforce housing priced near or below \$200,000.

3

Increase ownership product diversity (e.g., “missing middle”).

4

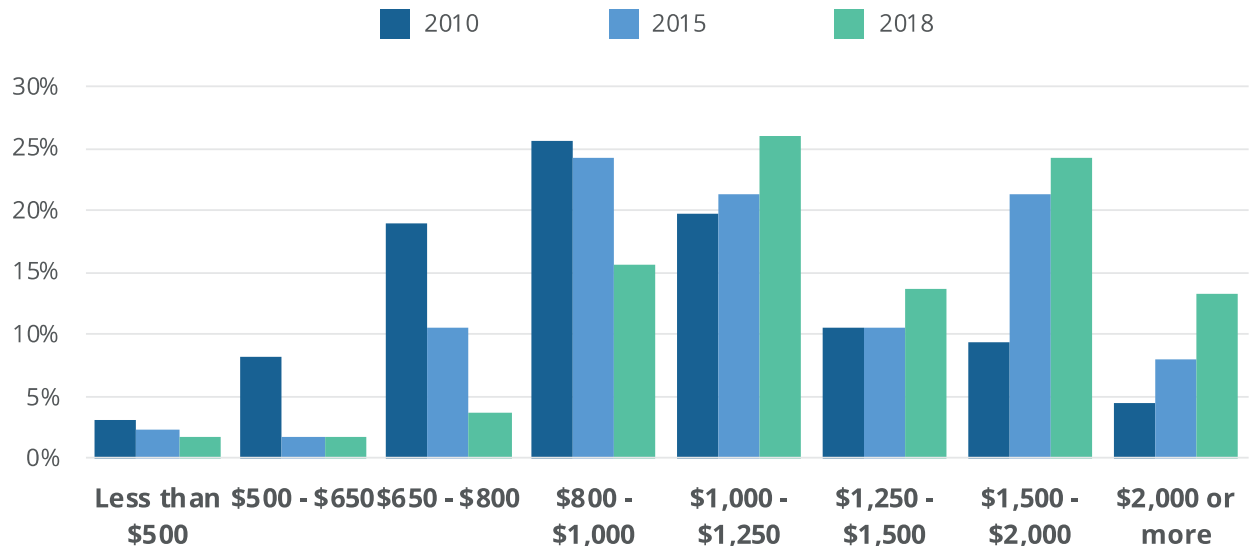
Strategic redevelopment and condition improvements.

1. Additional affordable rentals for households earning less than \$35,000

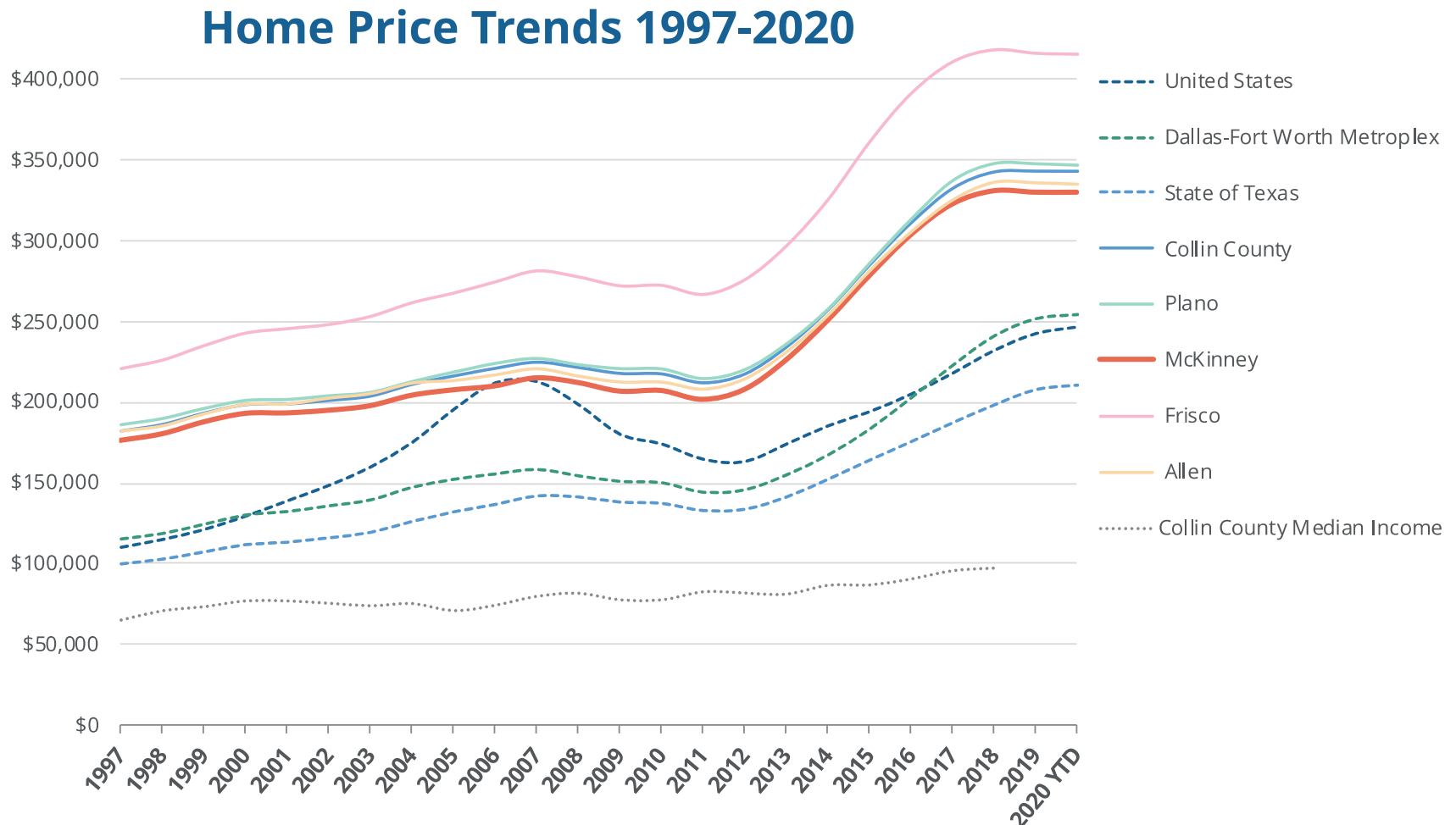
RENTAL GAP



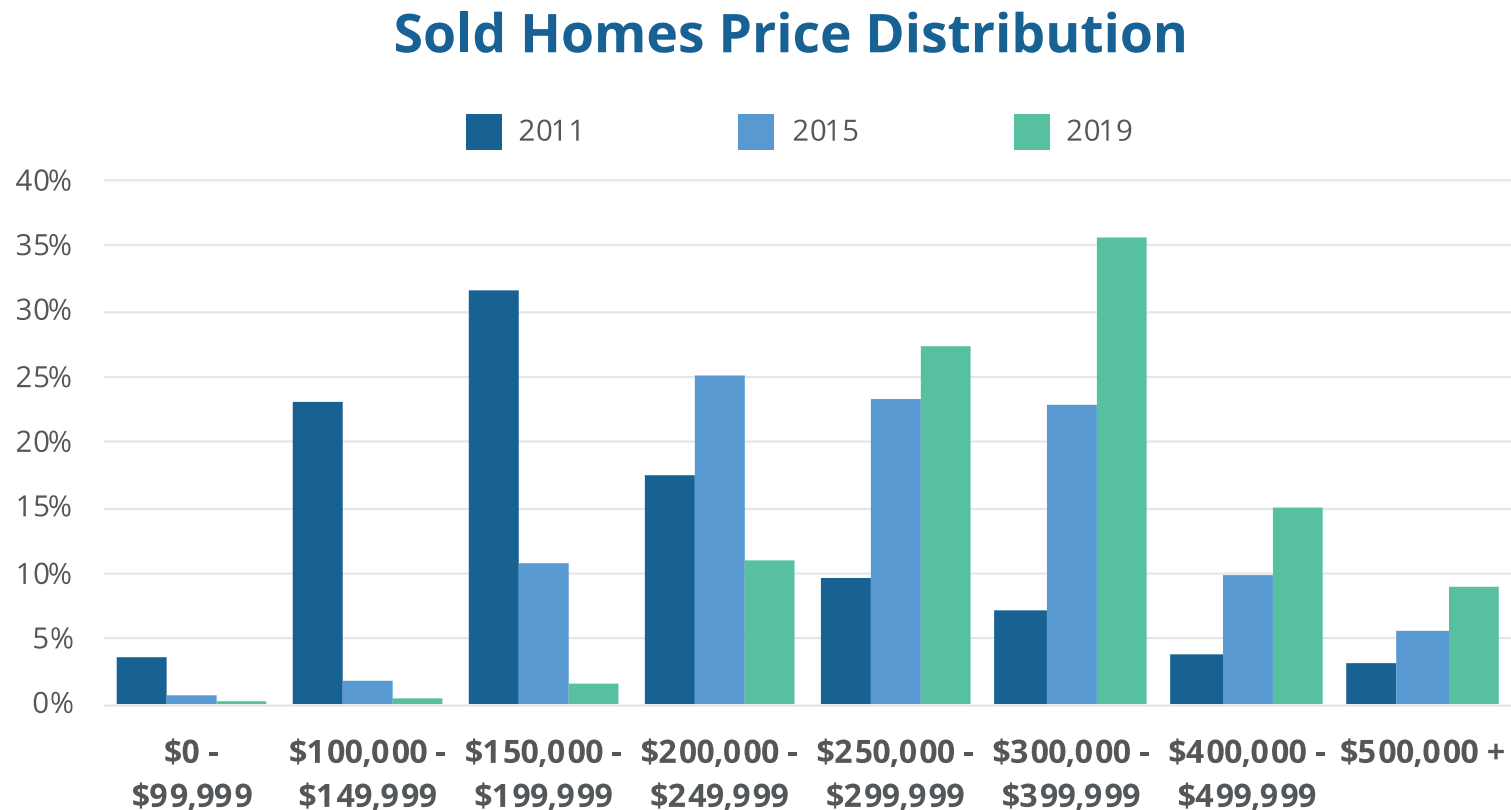
RENTAL DISTRIBUTION



2. Starter homes and workforce housing priced near or below \$200,000.

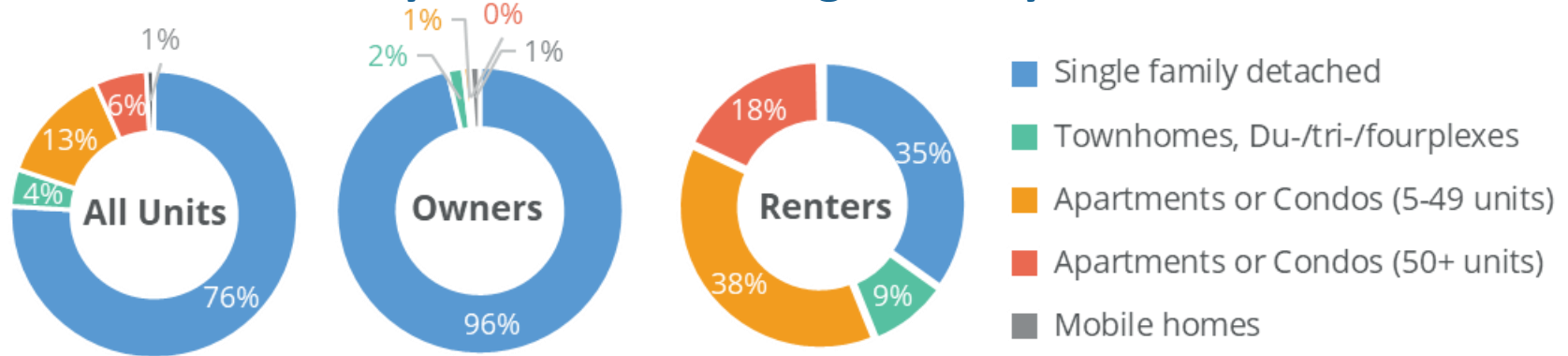


2. Starter homes and workforce housing priced near or below \$200,000.



3. Increase ownership product diversity.

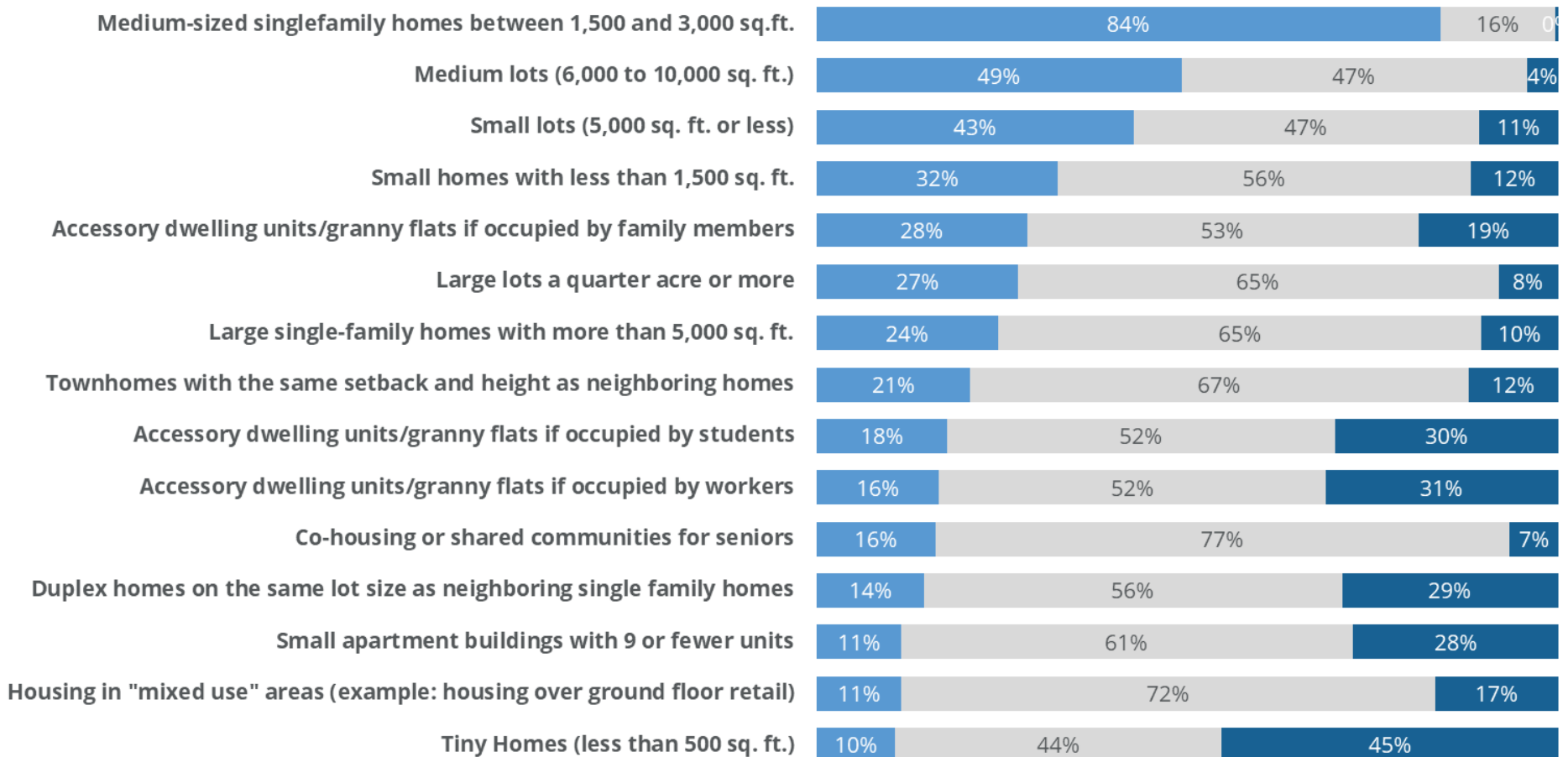
McKinney's Current Housing Stock by Tenure:



3. Increase ownership product diversity.

McKinney Residents' Appetite for Density

■ Appropriate in my neighborhood ■ Appropriate in other McKinney neighborhoods ■ Not appropriate in McKinney



4. Strategic redevelopment and condition improvements.

NEIGHBORHOOD CHALLENGES, RESIDENT SURVEY

	Zip 75069	Zip 75070	Zip 75071	Zip 75072
I am concerned about my or my family's safety in my current neighborhood	17%	13%	3%	2%
Too much traffic/too much street/highway noise	21%	16%	15%	15%
Not enough job opportunities in the area	12%	5%	7%	7%
I need to be closer to health care/medical facilities	1%	1%	0%	0%
No or few grocery stores/healthy food stores in the area	17%	3%	2%	2%
There are inadequate sidewalks, street lights, drainage, or other infrastructure in my neighborhood	34%	10%	8%	8%
My neighborhood does not have safe places for children to play outside	14%	6%	7%	3%

Redevelopments can serve multiple purposes for the City:

- 1) Help to revitalize and refresh aging stock and infrastructure; and
- 2) Contribute to mixed-use placemaking, which serves as an economic driver, drawing both residential and commercial activity.

Policy Options & Recommendations

Toolkit for Housing Diversity and Affordability

See report for details including description, beneficiaries, benefits, challenges, outcomes, and keys to success for each tool.

Tool	Keys to Success
Acquiring and Repurposing Land and Property	
Inventory Public Land for Housing Sites	Works best... - in community where there is land available to repurpose - when can acquire during a down market - have good partnerships with non-profit developers
Active Land Bank Program	
Donation of Land/Homes Program	
Land Trust (or other deed-restricted ownership model)	From a policy perspective the key to making this work is partnership with a local land trust and deciding how the city will support the land trust
Preservation/Revitalization	
Right of First Refusal for MF/Affordable Developments	Works best when there are state or other outside funds to leverage; very difficult to compete with private market buyers in a hot market.
Acquisition/ rehabilitation	Works best with a trusted non-profit partner
Small landlord incentives	Works best if have (or are instituting) a rental registry.
Foreclosure and eviction prevention.	Works best with a trusted non-profit partner
Financial Resources	
Dedicated Local Funding Source (Housing trust funds)	Works best when City has clear housing plan/goals and has staff capacity to manage.
Commercial and/or Residential Linkage Fees	Works best in "hot" markets and in communities with additional capacity for development.
Tax Increment Reinvestment Zones (TIRZ)	Works well when affordable housing is paired with uses that generate higher future tax revenue
Buydown of ADA/accessible units	Efficacy unknown; not widely used
Regulatory changes and Incentives	
Local Affordable Housing Goals Adopted	Most effective when goals are clear and when there is an entity responsible for monitoring
Community Benefit Agreements	Works best when primary barrier to development is community opposition.
Zoning for product and price diversity	Works best when changes are consistent with Comprehensive plan vision.
Development incentives	Works best in "hot" markets and in communities with additional capacity for development.
Expedited Development Review	Works best in competitive regional market.

Root Policy Research recommends the following for priority consideration...

- 1. Adopt an affordable housing goal** that articulates the City's priorities for housing development and methods for achieving it (such as set-asides).
- 2. Allocate publicly owned land** (and/or acquire vacant or underutilized properties) for affordable and mixed-income housing. Property acquisition costs, especially in developed areas of the city, is a major component of the cost of developing affordable housing. This can be achieved through donations of tax delinquent properties or direct purchase with TIRZ, MCDC or grant funds.
- 3. Implement a foreclosure/eviction prevention program.** Housing Counseling generally takes the form of providing assistance with mortgage debt restructuring and mortgage and/or utilities payments to avoid foreclosure and/or short-term emergency rent and utilities assistance for renters. Cities often partner with local nonprofits experienced in foreclosure counseling.

Root Policy Research recommends the following for priority consideration...

- 4. Increase funding for affordable housing** through a dedicated local funding source and access to state funding sources. In addition to evaluating options for local funding allocations, the City of McKinney should investigate and leverage state programs for affordable development (e.g., TDHCA Single Family Development for CHDO program, Multifamily Mortgage Revenue Bond program, Multifamily Direct Loan program, and Housing Tax Credits).
- 5. Zoning/land use:** The City of McKinney is currently in the process of updating its land use and zoning code in partnership with Clarion Associates. While the new code is in development, the City should strive to increase flexibility and implement best practices that allow product diversity and a mix of uses and encourage affordable development. Development incentives could also be included in the code to formalize affordability requirements in exchange for development benefits.

QUESTIONS?

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