



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 18-041, **Version:** 1

Conduct a Public Hearing to Consider/Discuss/Act on a Resolution of the City Council of the City of McKinney, Texas, Regarding the Application of GroundFloor Holdings LLC to the Texas Department of Housing and Community Affairs (TDHCA), for 9% Tax Credits for the Construction of Circle F Ranch Seniors

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: January 16, 2018

DEPARTMENT: Housing & Community Development Department

CONTACT: Janay Tieken, Housing and Community Development
Cristel Todd, Affordable Housing Administrator

RECOMMENDED CITY COUNCIL ACTION:

- Approve one of the Resolutions

ITEM SUMMARY:

- GFH Circle F Ranch Seniors, LP will be applying to TDHCA for 9% tax credits for the construction of Circle F Ranch Seniors.
- GFH Circle F Ranch Seniors, LP is requesting a **Resolution of Support** from the City Council in order to increase the chances of the development receiving funding from TDHCA.

BACKGROUND INFORMATION:

- GroundFloor Holdings (GFH) specializes in and focuses on building well-conceived urban multifamily housing communities to serve and accommodate the growing demand for affordable metropolitan living. Since 2011, GroundFloor Holdings has completed and operates four LIHTC multifamily development projects - two of which are located in McKinney (Millennium and Post Oak) totaling 636 units to date. GroundFloor Holdings' fifth project is a 121-unit project for seniors and is scheduled to open in summer 2018.
- The proposed mixed income development consists of 180 units, 115 of which will be affordable and 65 of which will be market-rate. The development is age-restricted to seniors - those 55 or older.
- Development site is located at the Northeast Corner of future Hardin Boulevard and Community Avenue.
- A zoning analysis for the development is attached. A "Hold Harmless Agreement" has been signed by the developer.

FINANCIAL SUMMARY:

- The estimated total cost of the project is approximately \$23.7 million. Tax credits make up approximately \$13.3 million, a deferred developer fee of \$328,579 with private debt making up the remaining \$10 million.
- The developer will be asking the City for a minimal contribution of \$500 to assist with scoring of the application.
- The developer is not asking for any additional contribution or fee waivers from the City.

BOARD OR COMMISSION RECOMMENDATION: N/A