



# CITY OF MCKINNEY, TEXAS

## Legislation Text

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**File #:** 18-038, **Version:** 1

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Presentations on Requests for Resolutions of Support for 2018 9% Low Income Housing Tax Credits (LIHTC) from Affordable Housing Developers

**COUNCIL GOAL:** Enhance the Quality of Life in McKinney

**MEETING DATE:** January 16, 2018

**DEPARTMENT:** Housing and Community Development

**CONTACT:** Janay Tieken, Housing and Community Development

### **RECOMMENDED CITY COUNCIL ACTION:**

- Presentations on Requests for Resolutions of Support for 9% Low Income Housing Tax Credits (LIHTC) from Affordable Housing Developers.

### **ITEM SUMMARY:**

- The following developments are requesting Resolutions of Support for Low Income Housing Tax Credits (LIHTC):
  - Maddox Square/Saigebrook Developers - Magen Lasch
  - Circle F Ranch Seniors/Ground Floor Holdings - Brandon Bolin
  - Circle F Ranch Lofts/Ground Floor Holdings - Brandon Bolin
- Developments receive seventeen (17) points for Resolutions of Support, fourteen (14) points for Resolutions of No Objection and no points for Resolutions of Objection from the municipality in which the development is to be located.

### **BACKGROUND INFORMATION:**

- Based on the revisions made to the tax credit Qualified Allocation Plan made by the Governor's office in late December 2017, an Application may receive ten (10) points if at the time of Application submission or at any time within the two-year period preceding the date of submission, the Development Site is located in an area declared to be a disaster area under the Texas Gov't Code, §418.014. Collin County is one of these counties. **If a development wishes to receive the 10 points and is located in one of these counties, a complete Application must be received to TDHCA prior to January 26, 2018 at 5:00 p.m. (see attachment).**
- 9% competitive LIHTC funds provide investor equity into an affordable housing development.
- The LIHTC program's structure as part of the IRS tax code ensures that private investors have an interest in the success of the development during the compliance period - a minimum of fifteen years.

- Approval of a Resolution of Support or No Objection does not guarantee that TDHCA will award tax credits to the development. If tax credits are not awarded, the project will not move forward.

**FINANCIAL SUMMARY:**

- Developments may ask for a minimal City contribution (\$500 or less) in order to maximize TDHCA tax credit application scoring.
- Developments will not be asking for any additional City support or fee waivers.

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A