



603 N. Tennessee St.  
McKinney, TX 75069

Phone: 972-542-5641  
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McKinneyha.org

## McKinney Housing Authority

February 3, 2025

**Via E-Mail (citymgr@mckinneytexas.org)**

Mr. Paul Grimes, City Manger  
City of McKinney, Texas  
222 N. Tennessee Street  
McKinney, TX 75069

**Re: Cotton Mill Phase I McKinney Letter of Support**

Dear Mr. Grimes:

The Housing Authority of the City of McKinney, Texas, a public body corporate and politic ("**MHA**"), intends to partner with Presidium ("**Presidium**"), a developer interested in developing a multifamily apartment complex on certain property located in the City of McKinney, Texas to be known as Cotton Mill Phase I ("**Cotton Mill**"). Specifically, MHA will own the land beneath the Cotton Mill development and ground lease the property to a Texas limited partnership in which both MHA and Presidium will have an ownership stake. The financial closing for the Cotton Mill property acquisition is scheduled to occur on or before June 30, 2025. In advance of closing, MHA is seeking a letter of support from your office for this transaction, which is described in more detail as follows.

At the time Cotton Mill is completed, MHA and Presidium will designate at least 50% of the 257 total units as affordable apartment units set aside for residents with incomes at or below 80% of the Area Median Income ("**AMI**") as determined by the U.S. Department of Housing and Urban Development. In addition, at least 5% of these affordable units will be further set aside for residents with incomes at or below 30% of AMI. As a result of MHA's acquisition of the Cotton Mill property and the designation of the completed units at Cotton Mill as affordable, MHA expects that the Cotton Mill property will be considered exempt from ad valorem taxation by the Collin Central Appraisal District pursuant to Chapter 392 of the Texas Local Government Code.

MHA projects that designating at least 50% of the market rate units at Cotton Mill as affordable units will generate \$6,240,736 in rental savings to the McKinney community over a 10-year period. Furthermore, MHA anticipates that its involvement in Cotton Mill will generate revenue to MHA that can be used to finance future affordable housing developments in McKinney in furtherance of MHA's mission to provide safe, sanitary and affordable housing for its residents.

We understand that affordable housing preservation and development is top of mind for the City of McKinney and Collin County, as each of us does our part to address the nationwide affordability crisis—a crisis that has hit the City of McKinney especially hard. Cotton Mill presents the perfect opportunity to bring 129 newly affordable units to our community while strengthening MHA's financial capacity to generate more affordable options in the future. To keep us on track for the upcoming closing, MHA respectfully requests that you furnish us with a letter of support for Cotton Mill on behalf of the City of McKinney within ten (10) business days of your receipt of this letter. Please do not hesitate to contact me if you require anything further to consider this request.

**McKinney Housing Authority Board of Commissioners**

Naomi Hodges – Chairman  
Logan Gill – Vice Chairman  
Ada Simmons – Commissioner

Bob Fisher - Commissioner  
Amanda Martinez – Resident Commissioner  
Vince Vittatloe - Commissioner



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Very truly yours,

*Roslyn Miller*

Executive Director

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