

Housing Initiatives

May 21, 2024 - Council Work Session

FY24 Initiatives

MHFC Community Land Trust

```
graph TD; A[MHFC Community Land Trust] --> B[Local Gap Voucher Program]; B --> C[Co-Development for 2025]; C --> D[HOME Participating Jurisdiction (PJ) (NEW)];
```

Local Gap Voucher Program

Co-Development for 2025

HOME Participating Jurisdiction (PJ)
(NEW)

MHFC Community Land Trust

Utilize MHFC as the CLT partner to acquire property and homes

- Will permit the MHFC to use CLT funding and provisions to acquire property and homes.
- 2 Resolutions on Regular Agenda:
 - Designating MHFC as a CLT.
 - Permitting MHFC to acquire properties on certain eligible projects that may be time sensitive.
- MHFC plans to purchase up to 3 properties in FY24-25.

Local Gap Voucher Program

Local Voucher program proposed to keep McKinney residents in their home.

Proposed Guidelines:

- *Household 30-50% AMI*
- *Seniors 62+ and persons with disabilities*
- *Households already living in tax credit apartments that are no longer affordable*
- *Participates will pay up to 30% of their income toward rent*
- *Anticipated Cost - \$15,000 per year per household*
- *Will follow similar guidelines as the TDHCA Tenant Based Rental Assistance (TBRA) program currently in place*

Local Gap Voucher Program

Funding Source: PFC

- *Anticipated Program Cost – \$150,000 annually*
- *\$15,000 per year per household*
- *Program estimating 10 households first year*
- *Funding through PFC monies*
- *Currently have \$500,000 set aside in account*
- *Utilizing \$150,000 would leave \$300,000.*
- *\$420,000 of rental income anticipated annually starting six months after stabilization of the Jefferson Verdant Development would continue to fund the program.*
- *Resolution on the regular agenda authorizing the use of funds.*

Co-Development for 2025

MHFC Co-development: A partnership between MHFC and Developer to provide affordable housing using tax credits and property tax exemption. MHFC receives developer fee and cash flow from project which can be used to “further affordable housing”

- Two MHFC Co-developments
 - The Independence – 204 units, Collin McKinney Parkway
 - Palladium – 172 units, under construction, Virginia Parkway
- One PFC Co-development
 - Jefferson Verdant- 401 units, under construction, 380 & Bois D’Arc Rd
- We plan to issue an RFQ this summer for a 2025 MHFC Co-development

HOME Participating Jurisdiction (PJ) (NEW)

- This HOME PJ designation will allow us to receive a direct allocation of \$500,000 this year from HUD.
- Currently, we access this funding through TDHCAs reservation system. Generally, we reserve about \$500,000 every two years.
- Being a PJ will allow us to access funding more quickly and efficiently for our programs.
- This funding is like our direct funding for CDBG, its just HOME funding.