

RESOLUTION NO. 2024-08-__(R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, SUPPORTING THE EFFORTS OF THE MCKINNEY HOUSING AUTHORITY TO ACQUIRE THE MAGNOLIA RANCH APARTMENTS

WHEREAS, the City of McKinney, Texas, (“City”) is a home rule municipality organized pursuant to Article 11, Section 5 of the Texas Constitution, certain provisions of the Texas Local Government Code, and its Home Rule Charter (“Charter”), and possesses the full power of local self-government; and

WHEREAS, the City Council of the City of McKinney, Texas, (“City Council”) supports the preservation of affordable housing; and

WHEREAS, the City Council has adopted a number of objectives or goals for the City including Goal 1B, to “Provide a strong city economy by implementing a Global Housing Strategy with a focus on affordable housing and facilitating a balance between industrial, commercial, residential, and open space”; and

WHEREAS, the McKinney Housing Authority plans to work with Bridge Partners II, LLC (“Bridge Partners”) through a public/private partnership to acquire the Magnolia Ranch Apartments located at 3191 Medical Center Drive in the City of McKinney, and has requested a letter of support regarding that proposed acquisition from the City of McKinney; and

WHEREAS, the City Council desires to support the McKinney Housing Authority’s efforts through its public/private partnership to acquire the Magnolia Ranch Apartments; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS THAT:

- Section 1. McKinney Housing Authority (“MHA”) and Bridge Partners have committed to designate at least fifty percent (50%) of the 576 total currently existing rate market units located within the Magnolia Ranch Apartments as affordable apartment units set aside for residents with incomes at or below sixty percent (60%) of the Area Median Income (“AMI”) as determined by the U.S. Department of Housing and Urban Development (“HUD”) (the “Affordable Housing Units”).
- Section 2. MHA and Bridge Partners have committed to setting aside at least five percent (5%) of the designated Affordable Housing Units identified above for residents with incomes at or below thirty percent (30%) of the AMI.
- Section 3. MHA projects that the designated Affordable Housing Units at the Magnolia Ranch Apartments will result in approximately \$12,563,923 in rental savings to the McKinney community over a ten-year period.
- Section 4. The City Council understands that the Magnolia Ranch Apartments once acquired by the MHA public/private partnership will become public property used for essential public and governmental purposes and is exempt from all taxes and special assessments of a municipality, a county, another political subdivision, or the State of Texas in accordance with and subject to the property owner’s compliance with Section 392.005 of the Texas Local Government Code.
- Section 5. The City Council recognizes the benefits of the MHA public/private partnership acquiring the Magnolia Ranch Apartments in furthering the City’s goal to establish additional affordable housing within the City of McKinney and hereby expresses its support for the McKinney Housing Authority’s acquisition of the Magnolia Ranch Apartments.

Section 6. The City Council hereby directs that a duplicate original of this Resolution be provided to the McKinney Housing Authority showing the City of McKinney's support for their proposed acquisition of the Magnolia Ranch Apartments through a proposed public/private partnership.

Section 7. This Resolution shall be effective immediately upon its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS ON THE 6th DAY OF AUGUST, 2024.**

CITY OF McKINNEY, TEXAS

GEORGE C. FULLER, Mayor
GERÉ FELTUS, Mayor Pro Tem

CORRECTLY ENROLLED:

EMPRESS DRANE, City Secretary
TENITRUS BETHEL, Deputy City Secretary

DATE: _____

APPROVED AS TO FORM:

MARK S. HOUSER, City Attorney
ALAN LATHROM, Assistant City Attorney