

# Housing Assessment Policy Recommendations

City Council Work Session Presentation

January 19, 2021

Housing and Community Development



## Housing Needs Assessment Research and Data Driven Goals:

- Analyze and profile the current housing market in McKinney, Texas
  - Existing housing stock – rental vs. ownership
  - Demographic profiles of current and future renters and owners
  - Housing cost and affordability of ALL housing products in the city
- Analyze current and projected labor force, by housing type, needed for business attraction and retention
- Define the gap in housing needs and options in the City, along with reasons for these gaps. This includes both rental and ownership products
- Prioritize needs based on magnitude and severity
- Summarize local policies and Ordinances governing housing
- Provide a matrix, based on population and demographics that can be used to update housing goals annually

# *McKinney's Top Housing Needs*

The needs summarized at right were identified through extensive data analysis along with community engagement of residents and stakeholders through focus groups and the Resident Survey.

1

**Additional affordable rentals, particularly for residents earning less than \$35,000.**

2

**Starter homes and workforce housing priced near or below \$200,000.**

3

**Increase ownership product diversity (e.g., “missing middle”).**

4

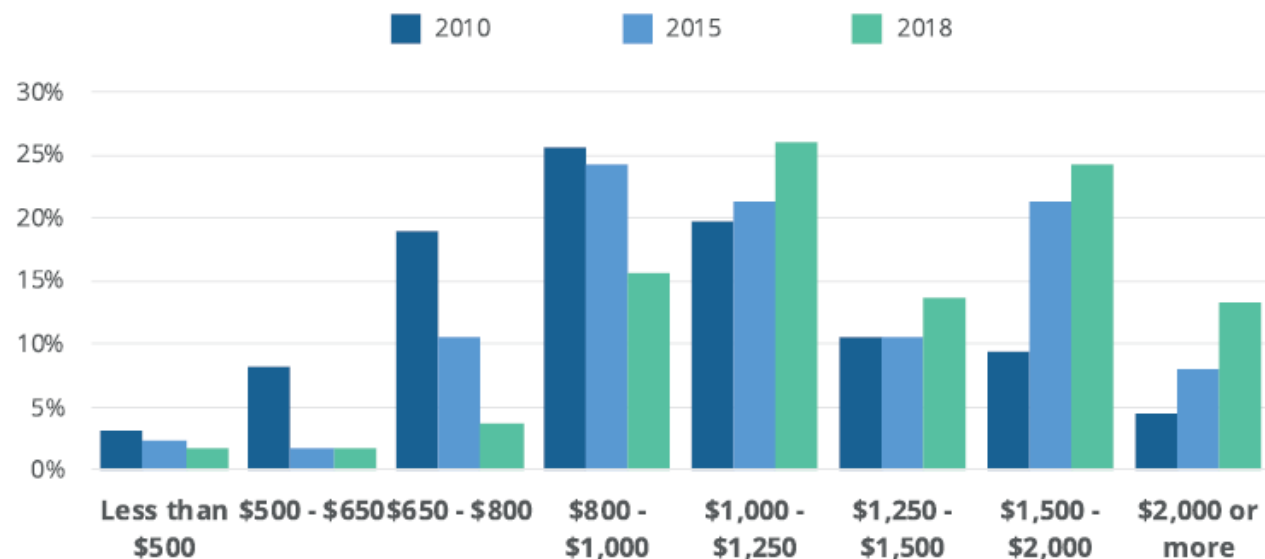
**Strategic redevelopment and condition improvements.**

*1. Additional  
affordable  
rentals for  
households  
earning less  
than  
\$35,000*

## RENTAL GAP



## RENTAL DISTRIBUTION



# Root Study Need # 1 – Additional Affordable Rentals

## Existing Partner Efforts

- McKinney Housing Authority Voucher Administration
- LIHTC Developments

## Existing City Efforts

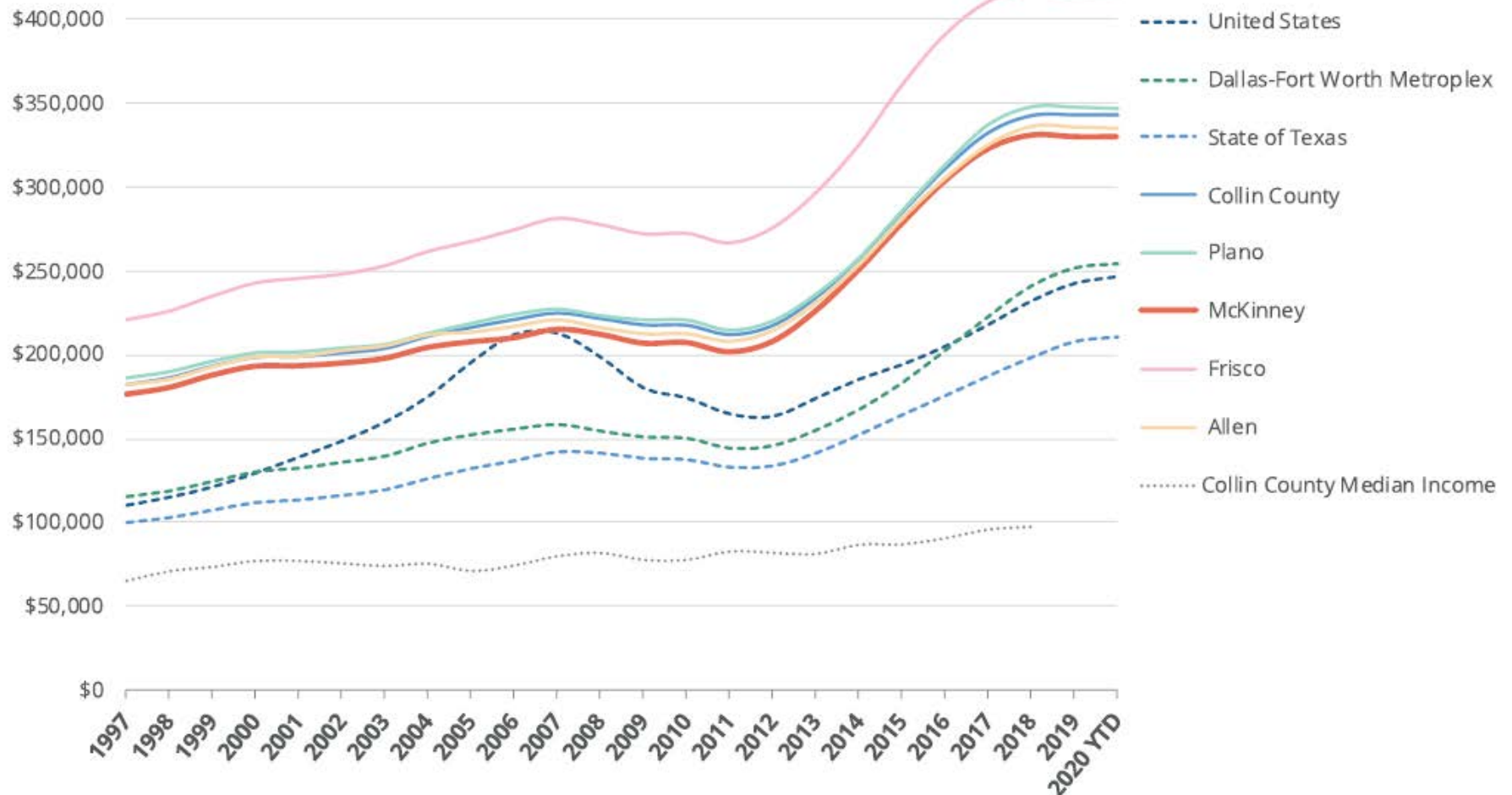
- Tenant Based Rental Assistance
- Rapid Rehousing Program
- CDBG/City Funding to Partner Agencies
- Partnership projects with MHFC

## ***Proposed:***

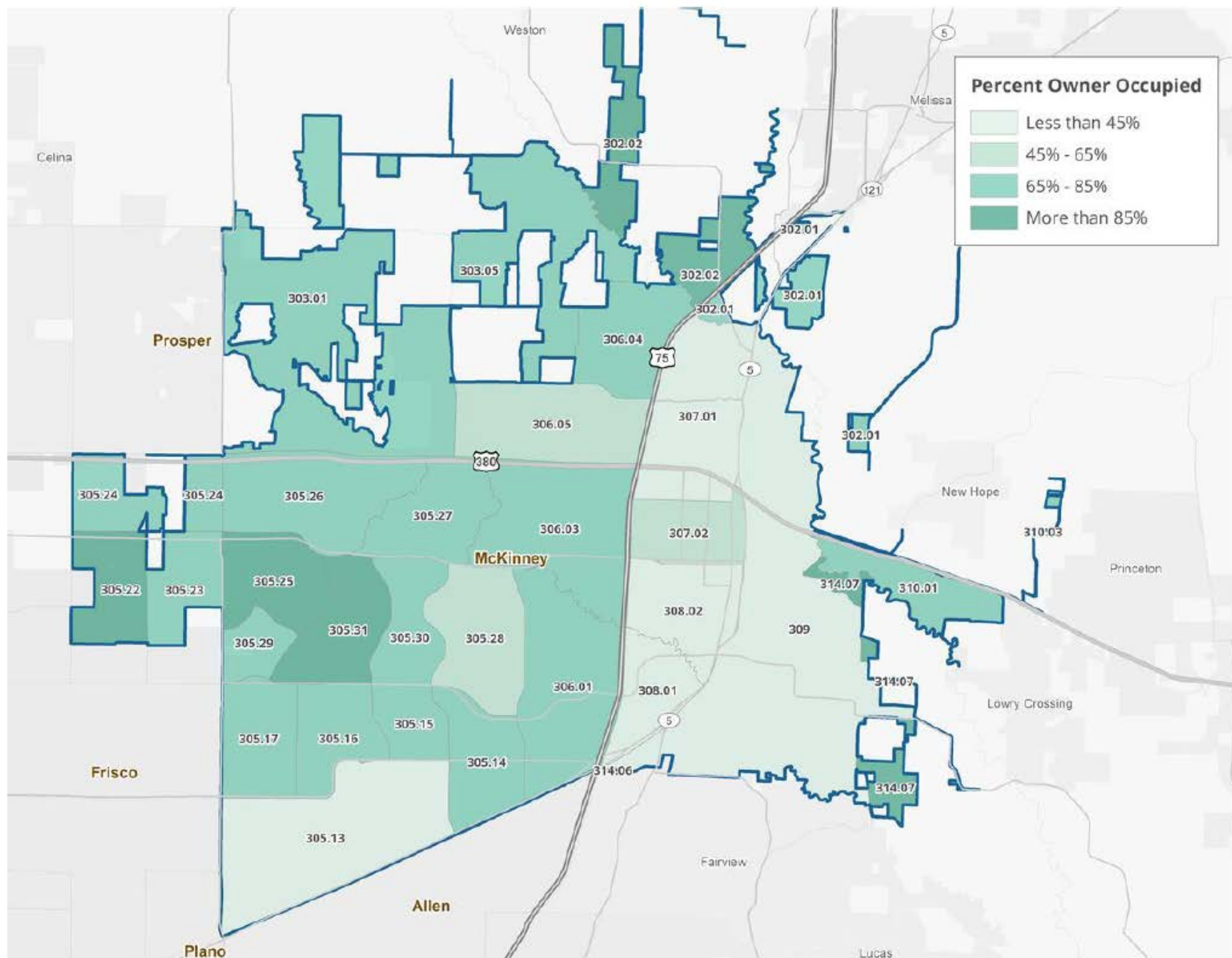
- Continue existing programs and support to partner programs
- Communication strategy to increase awareness of LIHTC rehab program availability for existing market rate developments
- Creation of rental rehab program that mirrors current homeowner program and targets properties with tenants up to 80% AMI
- Possible future MHFC Partnership projects

## 2. Starter homes and workforce housing priced near or below \$200,000.

### Home Price Trends 1997-2020



# Proportion of Homeowners by Census Tract, McKinney, 2018



## Root Study Need # 2 – Starter Homes and Workforce Housing

### Existing Partner Efforts

- Habitat for Humanity Projects

### Existing City Efforts

- Single Family Affordable Incentive Program
- Property Maintenance and Rehab Programs
- Homebuyer Assistance

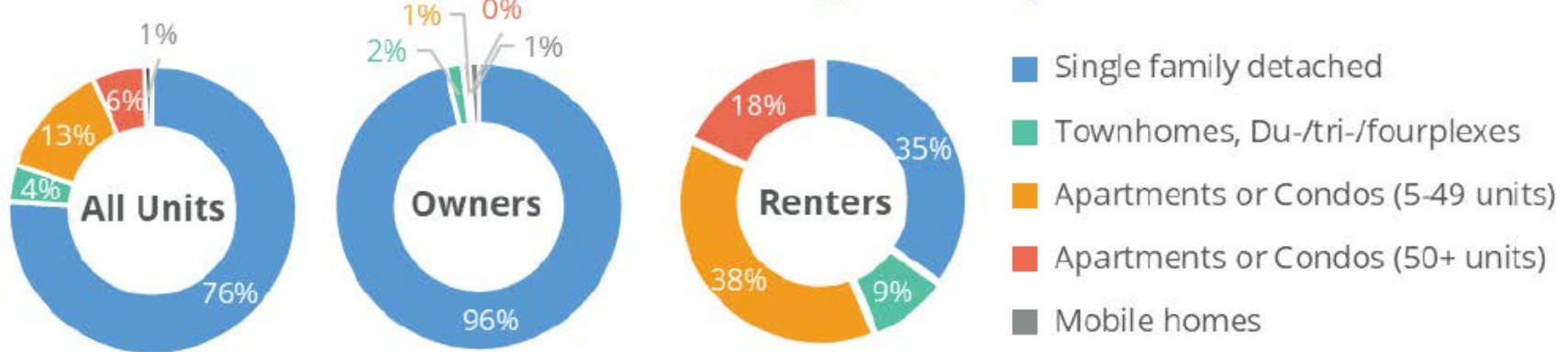
### ***Proposed:***

- Continue and possibly expand existing property maintenance and rehab programs
- Update the existing Single-Family Affordable Incentive Program from 80% AMI to 120% AMI
- Utilize MHFC funding for single family mortgage revenue bonds or direct loans to qualified home buyers



### 3. Increase ownership product diversity.

#### McKinney's Current Housing Stock by Tenure:

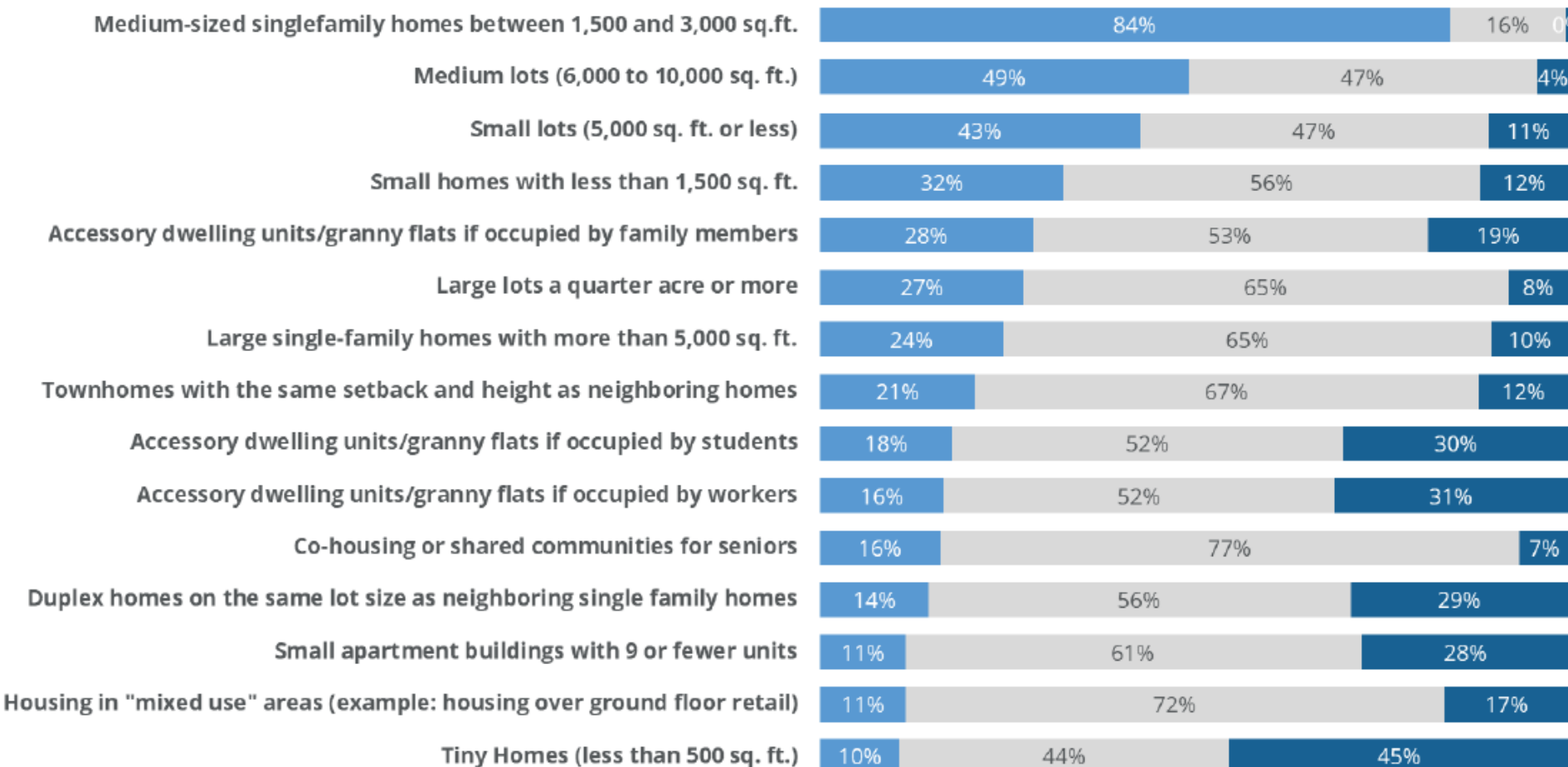


Source: Opticos Designs, Inc.  
[missingmiddlehousing.com](http://missingmiddlehousing.com)

### 3. Increase ownership product diversity.

#### McKinney Residents' Appetite for Density

■ Appropriate in my neighborhood    ■ Appropriate in other McKinney neighborhoods    ■ Not appropriate in McKinney



## Root Study Need # 3 – Increase Ownership Product Diversity

### Existing Partner Efforts

- Market rate residential developments
- Habitat for Humanity – shipping container homes

### Existing City Efforts

- Zoning Code updates
- Rezoning proposals and developer agreements

### *Proposed:*

- Continue Zoning Code updates that encourage housing product diversity and accessory dwelling units
- Include housing diversity targets in residential partnership projects that require Development Agreements
- Include housing diversity targets in certain types of Planned Developments. Possibly based on size, geographic location, etc

## 4. Strategic redevelopment and condition improvements.

### NEIGHBORHOOD CHALLENGES, RESIDENT SURVEY

	Zip 75069	Zip 75070	Zip 75071	Zip 75072
I am concerned about my or my family's safety in my current neighborhood	17%	13%	3%	2%
Too much traffic/too much street/highway noise	21%	16%	15%	15%
Not enough job opportunities in the area	12%	5%	7%	7%
I need to be closer to health care/medical facilities	1%	1%	0%	0%
No or few grocery stores/healthy food stores in the area	17%	3%	2%	2%
There are inadequate sidewalks, street lights, drainage, or other infrastructure in my neighborhood	34%	10%	8%	8%
My neighborhood does not have safe places for children to play outside	14%	6%	7%	3%

### Redevelopments can serve multiple purposes for the City:

- 1) Help to revitalize and refresh aging stock and infrastructure; and
- 2) Contribute to mixed-use placemaking, which serves as an economic driver, drawing both residential and commercial activity.

# Root Study Need # 4 – Strategic Redevelopment and Condition Improvements

## Existing Partner Efforts

- Habitat for Humanity

## Existing City Efforts

- Rehabilitation Program
- Infrastructure Investment

## *Proposed:*

- Neighborhood Preservation Plan, built with community engagement, that may include:
  - Property Acquisition Recommendations (Land Trust)
  - Possible Homestead Preservation District - Home Ownership Program (Home Buyer Assistance) and Strategies with Partners like Habitat
  - Workforce housing as a component to partnership agreement
  - Possible pilot project that leverage MHFC/TIRZ/MCDC resources
  - Targets and goals for new housing and for neighborhood preservation areas

## Root Priority Recommendations:

1. Adopt an affordable housing goal
  - Support a balanced housing stock that accommodates a full ‘life cycle’ community.
  - Increase home ownership opportunities for McKinney’s workforce earning up to 120% AMI.
  - Implement a variety of strategies to foster a balance redevelopment and neighborhood preservation that provides diverse housing options for a wide range of income levels.
  - Invest in rehabilitation efforts for key single family and multi-family properties that support residents up to 80% AMI in order to maintain housing stock quality.
2. Allocate publicly owned land
3. Implement foreclosure/eviction program
4. Increase funding for affordable housing
5. Zoning and Land Use

Questions and Comments?