



CITY OF MCKINNEY, TEXAS

Legislation Details (With Text)

File #: 23-0615 **Name:** Res Assigning PAB to TDHCA
Type: Resolution **Status:** Approved
In control: City Council Regular Meeting
On agenda: 8/1/2023 **Final action:** 8/1/2023
Title: Consider/Discuss/Act on a Resolution Approving Assignment of Private Activity Bond Authority to the Texas Department of Housing and Community Affairs; and Containing Other Provisions Relating to the Subject
Indexes:
Attachments: 1. Resolution, 2. Exhibit A

Date	Ver.	Action By	Action	Result
8/1/2023	1	City Council Regular Meeting		

Consider/Discuss/Act on a Resolution Approving Assignment of Private Activity Bond Authority to the Texas Department of Housing and Community Affairs; and Containing Other Provisions Relating to the Subject

COUNCIL GOAL: Enhance the Quality of Life

MEETING DATE: August 1, 2023

DEPARTMENT: Housing and Community Development

CONTACT: Cristel Todd, Affordable Housing Administrator
Janay Tieken, Director of Housing and Community Development

RECOMMENDED CITY COUNCIL ACTION:

- Approve Resolution Authorizing Assignment of Private Activity Bond Authority to the Texas Department of Housing and Community Affairs; and Containing Other Provisions Relating to the Subject

ITEM SUMMARY:

- MHFC would apply for Private Activity Bonds (PAB) volume cap, PABs are issued, and the MHFC will assign that PAB to TDHCA to administer tax-exempt bonds/MCCs on the MHFC behalf.
- TDHCA distributes the funds as below-market mortgages or MCCs to qualified homebuyers through their network of approved lenders.
- TDHCA manages all reporting and compliance.
- The MHFC is not required to qualify homebuyers, service loans or do anything beyond applying for PAB cap for \$500 and executing an agreement with TDHCA.

- Borrowers who use this program have access to TDHCAs down payment assistance program (DPA)
- MHFC can also fund additional DPA.
- The program will be used for 1st time homebuyers

BACKGROUND INFORMATION:

- The MHFC has offered the MCC program in the past and it was underutilized. Partnering with TDHCA will allow the MHFC to assist more homebuyers.

FINANCIAL SUMMARY:

- The MHFC will receive a to be determined annual admin fee based upon production of MHFC loans.

BOARD OR COMMISSION RECOMMENDATION:

- MHFC Board approved at the June 9, 2023, board meeting