



# CITY OF MCKINNEY, TEXAS

## Legislation Details (With Text)

<b>File #:</b>	19-0013	<b>Name:</b>	RFQ for Affordable Housing MHFC
<b>Type:</b>	Reports	<b>Status:</b>	Reports
		<b>In control:</b>	City Council Work Session
<b>On agenda:</b>	1/15/2019	<b>Final action:</b>	
<b>Title:</b>	Update on Request for Qualifications for Future Affordable Housing Development Utilizing Public Private Partnership with the McKinney Housing Finance Corporation		
<b>Indexes:</b>			
<b>Attachments:</b>			

Date	Ver.	Action By	Action	Result
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Update on Request for Qualifications for Future Affordable Housing Development Utilizing Public Private Partnership with the McKinney Housing Finance Corporation

**COUNCIL GOAL:** Financially Sound Government  
4A: Provide funding and organizational framework to ensure continual economic improvements

**MEETING DATE:** January 15, 2019

**DEPARTMENT:** Housing and Community Development

**CONTACT:** Cristel Todd, Affordable Housing Administrator

### RECOMMENDED CITY COUNCIL ACTION:

- N/A

### ITEM SUMMARY:

- On behalf of the MHFC, the City issued a request for qualifications (18-28RFQ) seeking an experienced real estate developer (the "**Co-Developer**") to maximize the resources available for affordable housing purposes within the City of McKinney.
- RFQ was issued on October 14, 2018.
  - Advertised in McKinney Courier Gazette
  - Posted on McKinney TV
  - 298 matching eBid Supplier Notifications
- In response to all notices published, five (5) submissions were received on November 1, 2018.
- An evaluation team comprised of City staff, and MHFC board members reviewed and ranked the submissions based on the following evaluation criteria listed within the RFQ:

Evaluation Factors	Points
Development Team	15
Development Experience	15
Project Specific Experience	15
Financing Experience	15
Financing Strategy	15
Financing Structure and Share of Development Fee and Cash Flow	5
Financial Responsibility	10
References	10

- Based on the evaluation results, the City and MHFC has deemed The NRP Group, LLC as the most qualified firm for this project.

#### **BACKGROUND INFORMATION:**

- On September 18, 2017, City Council discussed the ability of the McKinney Housing Finance Corporation to enter into co-developer agreements with private affordable housing developers.
- City Council supported a competitive Request For Qualifications (RFQ) process for the selection of the private developer.
- On September 29, 2017, the MHFC recommended moving forward with the competitive RFQ process for selecting a co-developer for the FY19 funding cycle.
- On September 14, 2018, the MHFC approved a recommendation to City Council for a RFQ for future affordable housing development utilizing public/private partnerships.
- On October 2, 2018, City Council approved the RFQ.

#### **FINANCIAL SUMMARY:**

- The McKinney Housing Finance Corporation will recognize financial gain from the transaction as a percentage of the developer fee and cash flow. These amounts will be negotiated by McKinney Housing Finance Corporation general partner counsel.
- Section 394.001 of the Texas Local Government Code allows Housing Finance Corporations to partner with private developers in the creation of affordable or mixed-income developments.
- Project proceeds may be used to meet City of McKinney affordable housing needs.

#### **BOARD OR COMMISSION RECOMMENDATION:**

- The McKinney Housing Finance Corporation (MHFC) Subcommittee has deemed the NRP Group LLC as the most qualified firm for the project.