



CITY OF MCKINNEY, TEXAS

Legislation Details (With Text)

File #: 22-0445 **Name:** RFQ for Affordable Housing MHFC
Type: Agenda Item **Status:** Regular Agenda Item
In control: City Council Regular Meeting
On agenda: 5/17/2022 **Final action:**
Title: Consider/Discuss/Act on a Request for Qualifications for Future Affordable Housing Development Utilizing Public Private Partnership with the McKinney Housing Finance Corporation
Indexes:
Attachments: 1. Request for Qualifications

Date	Ver.	Action By	Action	Result
5/17/2022	1	City Council Regular Meeting	Approved	Pass

Consider/Discuss/Act on a Request for Qualifications for Future Affordable Housing Development Utilizing Public Private Partnership with the McKinney Housing Finance Corporation

COUNCIL GOAL: Enhance the Quality of Life in McKinney
5F: Maximize Partnerships between the City of McKinney and Private Industry

MEETING DATE: May 17, 2022

DEPARTMENT: Housing and Community Development

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

RECOMMENDED CITY COUNCIL ACTION:

- Approve McKinney Housing Finance Corporation (MHFC) recommendation for Request for Qualifications (RFQ) for future affordable housing development utilizing partnership with McKinney Housing Finance Corporation (MHFC)

ITEM SUMMARY:

- 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
- Housing Finance Corporations receive financial benefit from the partnership from the project by sharing in the project cash flow and development fee
- Project proceeds may be used to meet City of McKinney affordable housing needs

BACKGROUND INFORMATION:

- In October 2018, the City Council approved a Request for Qualifications (RFQ) for the process to select a private developer to partner in developing an affordable or mixed-income development.
- The resulting project, The Independence by NRP Holdings, LLC will celebrate a grand opening in June of 2022.
- Based on the success of the first partnership and the Council priority to further workforce and affordable housing, a second RFQ for more projects has been prepared.
- The McKinney Housing Finance Corporation (MHFC) reviewed and recommended approval of the attached RFQ at their April meeting.
- This RFQ differs from the first RFQ in two ways:
 - It permits consideration for Public Facilities Corporations (PFC's).
 - It is an open RFQ, with no submittal deadline or limit on the number projects that can be considered.

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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 financial counsel

BOARD OR COMMISSION RECOMMENDATION:

- The McKinney Housing Finance Corporation (MHFC) voted on April 8, 2022, to recommend the attached Request for Qualifications (RFQ) for future housing development utilizing a public/private partnership with the McKinney Housing Finance Corporation (MHFC)