



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 21-1086, **Version:** 1

Consider/Discuss/Act on a Resolution Appointing Two City Council Members to Serve on a Subcommittee of the McKinney Housing Finance Corporation (MHFC)

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: December 7, 2021

DEPARTMENT: Housing and Community Development

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

RECOMMENDED CITY COUNCIL ACTION:

- Approve Resolution

ITEM SUMMARY:

- City Council directed staff to create a competitive process for developers wishing to enter into public/private partnership with the McKinney Housing Finance Corporation (MHFC) for affordable housing development.
- A six (6) member subcommittee composed of three (3) members of the McKinney Housing Finance Corporation (MHFC), two (2) City Council members and one (1) City of McKinney Facilities Construction Manager will develop and evaluate affordable housing development needs and proposals.

BACKGROUND INFORMATION:

- Chapter 394 of the Texas Local Government Code enables Housing Finance Corporations to provide a means to finance the cost of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of local governments.
- The McKinney Housing Finance Corporation was incorporated with the State of Texas on May 30, 1980.
- In the last fifteen years, the McKinney Housing Finance Corporation has issued bonds for mortgages in the amount of \$2,352,985 to assist income eligible residents with home ownership, \$106,250,000 in bonds for the development and rehabilitation of affordable, multifamily rental properties, and \$95,526 for the rehabilitation of income eligible, owner-occupied single family homes

FINANCIAL SUMMARY:

- As a co-developer of affordable housing, the McKinney Housing Finance Corporation would

receive up to 25% of the developer fee and 30-50% of the cash flow from the development.

- This funding allows the MHFC to make a difference in the community assisting first time homebuyers to purchase a home and preserving homes of low income homeowners with needed repairs.

BOARD OR COMMISSION RECOMMENDATION:

- The McKinney Housing Finance Corporation met on November 12, 2021 and appointed three (3) members to the subcommittee.