



# CITY OF MCKINNEY, TEXAS

## Legislation Text

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**File #:** 22-0567, **Version:** 1

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Consider/Discuss/Act on a Resolution Approving the Application Process and Guidelines for a Nonprofit to Create a Community Land Trust in the City of McKinney

**COUNCIL GOAL:** Enhance the Quality of Life in McKinney  
5E: Develop Sustainable Quality of Life Improvements Within the City of McKinney

**MEETING DATE:** June 21, 2022

**DEPARTMENT:** Housing and Community Development

**CONTACT:** Janay Tieken, Director of Housing and Community Development

### ITEM SUMMARY:

- A Community Land Trust (CLT) was identified as a tool by the Root Policy Study for the development and preservation of affordable, single-family homes
- The Community Land Trust application will allow selected nonprofits to partner with the City of McKinney to offer tax abatements, subject to City and County guidelines, on designated land for affordable housing developments
- Habitat for Humanity has expressed an interest in forming a Community Land Trust with the City in order to develop and preserve affordable housing

### BACKGROUND INFORMATION:

- Approved Community Land Trust organizations will set the terms for the ground lease (usually 99 years) and options for resale to maintain affordability under the CLT
- The Community Land Trust organization locks the subsidy and part of the appreciation into the assisted homes, thereby maintaining affordability and lowering their price for the next income qualified homebuyer
- American Rescue Plan Act (ARPA) funding is a potential source for initial land purchases for the Community Land Trust partnership.

### FINANCIAL SUMMARY:

- Initial funding for the Community Land Trust land purchase is recommended to be between \$1 - \$1.5M
- The funding source and amount will be part of a budget amendment that will be submitted to Council for review at a future meeting.

**BOARD OR COMMISSION RECOMMENDATION:** N/A