



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 22-0893, **Version:** 1

Consider/Discuss/Act on a Term Sheet for the Development of Jefferson Verdant as a Partnership between JPI Companies and the McKinney Public Facilities Corporation

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

MEETING DATE: September 27, 2022

DEPARTMENT: City Manager's Office & Housing and Community Development

CONTACT: Kim Flom, Assistant City Manager
Cristel Todd, Affordable Housing Administrator

RECOMMENDED CITY COUNCIL ACTION:

- Approve the Memorandum of Understanding (MOU)

ITEM SUMMARY:

- City Council approved a resolution authorizing the City Manager to negotiate terms with JPI Hardin Development, LLC for a Public Facilities Corporation partnership on August 2, 2022.
- The attached Term Sheet includes proposed partnership terms for the development of Jefferson Verdant, an approximately 383-unit multifamily residential project, located on approximately 15 acres of property.

BACKGROUND INFORMATION:

- City Council approved a Request for Qualifications (RFQ) for a future public private partnership development for workforce/affordable housing on May 17, 2022
- The RFQ sought an experienced real estate developer for a Public Facility Corporation (PFC) partnership.
- An evaluation team recommended JPI based on their response and development experience. City Council approved a resolution authorizing the City Manager to negotiate terms with JPI Hardin Development, LLC for a potential Public Facilities Corporation partnership on August 2, 2022.
- City Staff and the City's Consultant team have been working with JPI to establish partnership parameters that are reflected in the attached Term Sheet.
- If the Term Sheet is approved, the parties will complete a more definitive agreement that will be brought back to the Public Facilities Corporation Board for review.

FINANCIAL SUMMARY:

- The City of McKinney will recognize financial gain from the transaction per the terms established in the Term Sheet and subsequent agreement.
- The PFC Board will establish the use of the financial gain at a future date.

BOARD OR COMMISSION RECOMMENDATION:

- N/A