

CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 23-0431, **Version:** 1

Consider/Discuss/Act on Project Grant Request Submitted by McKinney Housing Authority (#23-08) in the Amount of One Million Eight Hundred Thousand and NO/100 Dollars (\$1,800,000.00) for the Demolition of Cockrell Homes and Lloyd Owens Low-Income Communities and the Construction of The Remnant at Greenwood, LP, a New Low-Income Housing Development in East McKinney. Amount Requested Represents 5% of Total Project Cost.

COUNCIL GOAL: 5: Enhance Quality of Life in McKinney
(5D): Develop sustainable quality of life improvements in the City of McKinney.

MEETING DATE: May 25, 2023

DEPARTMENT: McKinney Community Development Corporation

CONTACT: Cindy Schneible, President

ITEM SUMMARY:

- McKinney Housing Authority, in partnership with Knight Development, plans to replace two existing low-income housing communities (Cockrell Homes and Lloyd Owens) which provide a total of 50 units with The Remnant at Greenwood, a new low-income housing development that will provide 96 units.
- The Remnant will consist of duplexes, townhomes and multi-story apartments.
- Residents will have a targeted income under 60% Area Medium Income.
- Total estimated cost for the project is \$35,664,516. Bond reservation closing date for the project is July 17, 2023.

BACKGROUND INFORMATION:

- Formed under Texas Local Government Code 392 and funded by the Department of Housing and Urban Development, the McKinney Housing Authority's mission is to service the housing needs of low-income families to enhance self-sufficiency and promote quality of life and economic viability.
- The Housing Authority is regulated by the code of federal regulations and must meet compliance with Public Housing and Housing Choice Voucher guidance.
- The agency is governed by a five-member Board of Commissioners appointed by the City of McKinney and has a long-term initiative to rehabilitate, reconstruct and/or expand the existing portfolio of affordable multi-family properties.
- Knight Development was established in 2017 and exists to help public housing authorities and non-profit entities create and rehabilitate affordable housing communities.

FINANCIAL SUMMARY:

- Funds allocated for MCDC discretionary Project Grants for FY23 total \$2,177,223.00, and \$1,960,385.50 in funds remain unallocated.
- The request is eligible for MCDC consideration under Section 505.153 of the Texas Local Government Code - definition of "Projects Related to Affordable Housing."
- Additional proposed funding sources for this project include tax exempt bonds and housing tax credits from Texas Department of Housing and Community Affairs.