Area 1 Income and Financial Hardship Assessment for District 1 and East McKinney

Executive Summary

Using **District 1** as the political and comparison geography, and **East McKinney** as the neighborhood-level service-area lens inside that geography, the available local evidence shows a strong and specific case for financial hardship programming. The City of McKinney's council-district dashboard identifies **District 1 as the lowest-income council district**, with a median household income of **$87,559**, compared with **$111,138 in District 2**, **$135,933 in District 3**, and **$151,624 in District 4**. At the finer neighborhood level, the East McKinney preservation study shows a much more economically fragile picture: **median household income of $42,036**, about **30% of households below $25,000**, **16% below $15,000**, and only **13% above $100,000**. [1]

Housing conditions reinforce that income pressure rather than soften it. The East McKinney study found that **57.7% of households rent**, **45% of renters are cost burdened**, and **54% of homeowners are cost burdened**. Among owners with a mortgage, about **55% are cost burdened**, and among owners without a mortgage, about **20% still spend more than half of household income on housing-related costs**, indicating that even long-time owners can be financially stretched by taxes, utilities, insurance, and upkeep. [2]

Resident survey findings align with the housing and income data. In East McKinney, the most frequently reported recurring challenges were financial: **23% said they often or always had trouble saving money**, **10% reported a life event that made living expenses hard to cover**, and **9% reported trouble paying taxes**. Residents also said the most helpful responses would be forms of direct financial support, with **home repair assistance rated highest**, followed by help with **down payments, utility payments, and rent/security deposits**. [3]

The City's current Consolidated Plan adds an official policy signal behind those neighborhood findings. It states that the **highest proportions of cost-burdened households are in central and eastside areas of McKinney, especially Census Tracts 307, 308, and 309**, and it continues to prioritize eastside low-income tracts for CDBG investment. The same plan identifies public services such as **education, childcare, counseling, youth services, emergency assistance, and food assistance** as core anti-poverty strategies for low- and moderate-income residents. [4]

Key Findings

District 1 is not just lower-income than McKinney overall in a general sense; it is the **lowest-income council district in the city** by the City's own district dashboard. That makes District 1 the strongest internal city comparison for establishing concentrated financial vulnerability. [5]

At the neighborhood scale, East McKinney shows a **heavily bottom-weighted income distribution**. Nearly one-third of households fall under $25,000 annually, while higher-income households are comparatively rare. That pattern is far more consistent with economic precarity than with occasional hardship. [6]

Housing cost burden is not limited to renters. East McKinney's data show strain across **renters, mortgaged owners, and owners without mortgages**, which suggests the issue is broader than rent alone and includes taxes, utilities, insurance, and maintenance pressures. [7]

The preservation study also documents **rising market pressure**. East McKinney home prices increased sharply after 2010, and the report estimated that a household would need about **$63,175** to afford the area's median-priced home, while only **43% of East McKinney households earned more than $50,000**. That mismatch helps explain ongoing instability, difficulty moving into ownership, and vulnerability to displacement. [8]

Survey responses show that residents themselves identify the problem in financial-stability terms: saving, taxes, emergency shocks, utilities, and upfront housing costs. That makes a strong case for programming that combines **financial literacy**, **resource navigation**, and **targeted emergency support**, rather than treating hardship as a one-time charity issue. [9]

Detailed Analysis

The strongest District 1 indicator is the council-district income comparison. The City's dashboard places District 1 at **$87,559 median household income**, which is about **$1,965 per month below District 2**, about **$4,031 per month below District 3**, and about **$5,339 per month below District 4** when annual medians are converted to monthly differences. For a family budget, those are meaningful gaps in capacity to absorb childcare costs, transportation shocks, rent increases, utility spikes, or medical bills. [10]

Neighborhood-level East McKinney data show that hardship is not merely relative to wealthier districts; it is substantial in absolute terms. The East McKinney preservation study found a **median household income of $42,036**, with neighborhood medians ranging from **$34,469 in La Loma** to **$49,506 in Mouzon**. The same source found **16.3% of East McKinney households below $15,000**, **13.2% between $15,000 and $24,999**, and **13.1% between $25,000 and $34,999**. By contrast, only **4.9%** of East McKinney households were in the **$150,000+** bracket. This distribution points to a service area where many families have very little room for error in monthly budgeting. [6]

Housing intensifies the income problem. The study found that **57.7% of East McKinney households rent**, compared with only **42.3% owner occupancy**, and that renter share increased materially from 2010 to 2021. Among renters, **45% spend at least 30% of**

income on rent and utilities, including **18.8% who spend 50% or more**. Among owners with mortgages, **54.4% are cost burdened**, and **40.6% spend more than half of household income on owning costs**. Even owners without mortgages were not insulated: **20.1% spent more than 50% of household income on non-mortgage housing costs**. The report explicitly notes that this kind of burden is often a sign of **minimal resources**, not luxurious spending. [2]

That burden sits inside a rising-cost environment. The preservation study found that East McKinney's housing market escalated rapidly after 2010, and by 2021 the **median sale price per square foot** had reached **$185**, slightly above the citywide figure of **$182**. It also estimated that an income of **$63,175** would be needed to afford the neighborhood's median-priced home of **$245,600**, yet only **43% of households earned more than $50,000**. In parallel, the City's 2025–2029 Consolidated Plan says McKinney's highest concentrations of cost-burdened households are in **central and eastside areas**, especially **Census Tracts 307, 308, and 309**, and it prioritizes eastside low-income tracts for geographically targeted CDBG work. [11]

Community voice supports the quantitative picture. In survey responses, the most common recurring challenge was **trouble saving money**, reported by **23%** of respondents. Other major items included **life events that made living expenses hard to cover** at **10%**, **trouble paying taxes** at **9%**, **difficulty finding or maintaining employment near home** at **9%**, and **borrowing money from friends or family to pay bills** at **7%**. Residents also reported average monthly expenditures of about **$2,103 for renter households** and **$2,428 for owner households**, with rent or mortgage making up the largest share, followed by credit-card payments, vehicle payments, and utilities. [12]

The survey's "what would help" responses are especially useful for program design. Residents rated **financial assistance for home repairs** highest, and also ranked **down-payment assistance**, **utility-payment assistance**, **rent/security-deposit help**, and **more affordable housing options** highly. That means families are not only reporting financial strain; they are already identifying the types of interventions they believe would materially improve stability. [13]

Data Visuals

The following district comparison uses the City of McKinney's council-district demographics dashboard. Monthly gaps are derived from the dashboard's annual medians. [10]

Council district	Median household income	Gap vs. District 1	Approx. monthly gap vs. District 1
District 1	$87,559	—	—
District 2	$111,138	$23,579	$1,965
District 3	$135,933	$48,374	$4,031

Council district	Median household income	Gap vs. District 1	Approx. monthly gap vs. District 1
District 4	$151,624	$64,065	$5,339

The following table compiles East McKinney's 2021 household-income distribution from the neighborhood preservation study. [6]

Income bracket	East McKinney share	McKinney share
Less than $15,000	16.3%	4.9%
$15,000–$24,999	13.2%	4.7%
$25,000–$34,999	13.1%	4.9%
$35,000–$49,999	14.9%	11.1%
$50,000–$74,999	15.9%	14.6%
$75,000–$99,999	13.7%	14.6%
$100,000–$149,999	8.2%	20.4%
$150,000 or greater	4.9%	24.9%

The next table summarizes the most relevant East McKinney housing-pressure indicators for this financial-hardship section. [14]

Indicator	East McKinney value	Comparison / note
Median household income	$42,036	McKinney: $90,272
Renter share	57.7%	Owner share: 42.3%
Renter households cost burdened	45%	26.5% spend 30–49.9%; 18.8% spend 50%+
Owner households with mortgage cost burdened	54.4%	13.8% spend 30–49.9%; 40.6% spend 50%+
Owner households without mortgage spending 50%+ on housing costs	20.1%	Indicates pressure from taxes, utilities, insurance, maintenance
Income needed to afford median-priced home	$63,175	Median home price: $245,600
Share of households earning over $50,000	43%	Suggests ownership is out of reach for many households

The following survey table captures the strongest resident-reported financial signals. [15]

Survey signal	Share of respondents
Often/always had trouble saving money	23%

Survey signal	Share of respondents
Life event created a struggle to cover living expenses	10%
Had trouble paying taxes	9%
Difficulty finding or maintaining employment near home	9%
Borrowed money from friends or family to pay bills	7%
Trouble paying utilities or other bills	6%
Most-helpful assistance themes identified	Home repairs, down-payment help, utility assistance, rent/security-deposit help

Source Documentation and Limitations

This assessment relies primarily on three local sources. The first is the **City of McKinney council-district demographics dashboard**, used here for District 1 median-income comparison against the other council districts. The second is the **East McKinney Neighborhood Preservation Study Existing Conditions Report**, which provides the neighborhood-scale income distribution, tenure, cost-burden, affordability, and resident-survey findings used throughout this section. The third is the **City of McKinney 2025–2029 Consolidated Plan**, which provides current official confirmation that eastside census tracts remain among the city's highest-cost-burden areas and that public services for low- and moderate-income residents remain a city priority. [19]

The main limitation is geographic precision. The district dashboard is current and district-specific, but it is less detailed. The East McKinney preservation study is much more detailed, but it is a neighborhood-based lens rather than a perfect one-to-one District 1 boundary file. For this reason, the cleanest interpretation is: **District 1 supplies the official city comparison frame, while East McKinney supplies the detailed neighborhood hardship profile for the service area.** [20]

A second limitation is timing. The district dashboard reflects more recent ACS-based district data, while the detailed East McKinney study relies largely on **2019–2021 housing and income data** and a **2022 resident survey**. Those sources remain highly relevant for demonstrating local need, but they should be presented as the **best available neighborhood-level evidence**, not as real-time 2026 estimates. [21]

A third limitation is survey representativeness. The preservation study explicitly states that its survey responses **cannot be extrapolated to the entire East McKinney community**, in part because homeowners responded at a higher rate than renters. The survey is still very useful for identifying lived experience, common challenges, and desired forms of help, but it should be treated as **qualitative and directional evidence**, not as a statistically representative household survey. [22]

[1] [5] [10] [16] [17] [21] ACS BAO City 2024

https://www.arcgis.com/apps/dashboards/cc6e65b5337c4d88b21d60bd24999930?utm_source=chatgpt.com

[2] [3] [6] [7] [8] [9] [11] [12] [14] [15] [18] [22] mckinneytexas.org

https://www.mckinneytexas.org/Archive.aspx?ADID=2540

[4] 25-3527 - Plan

https://www.mckinneytexas.org/DocumentCenter/View/39181/Final-Consolidated-Plan-2025-2029-and-2025-AAP

[13] East McKinney Neighborhood Preservation Study

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[19] [20] Demographics, Census & Reports | McKinney, TX

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