

## Draft Report

# East McKinney Neighborhood Preservation Study

## Existing Conditions Report

*The Economics of Land Use*



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City of McKinney

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# 1. Introduction

The City of McKinney has grown tremendously over the past 20 years, and with this growth has come pressure for new development, largely targeting areas located both east and west of US75. Until recently there had been little development pressure east of Highway 5, in the East McKinney neighborhoods. This is changing, though, and the City's Comprehensive Plan notes that this area is the only one of the 17 Districts in the City with any significant redevelopment potential. Understanding how to preserve these neighborhoods and prevent displacement in the face of this pressure is a fundamental issue of this study.

To address this coming change, the City hired Economic & Planning Systems (EPS) to complete a Neighborhood Preservation Plan for the five neighborhoods comprising East McKinney – La Loma/Lively Hill, Lewisville, Mouzon/Central, Rockwall, and Wilcox (**Figure 1**). This plan reflects the need to ensure preservation of these neighborhoods and to create strategies that maintain the character of East McKinney and work to prevent displacement as development pressure moves in.

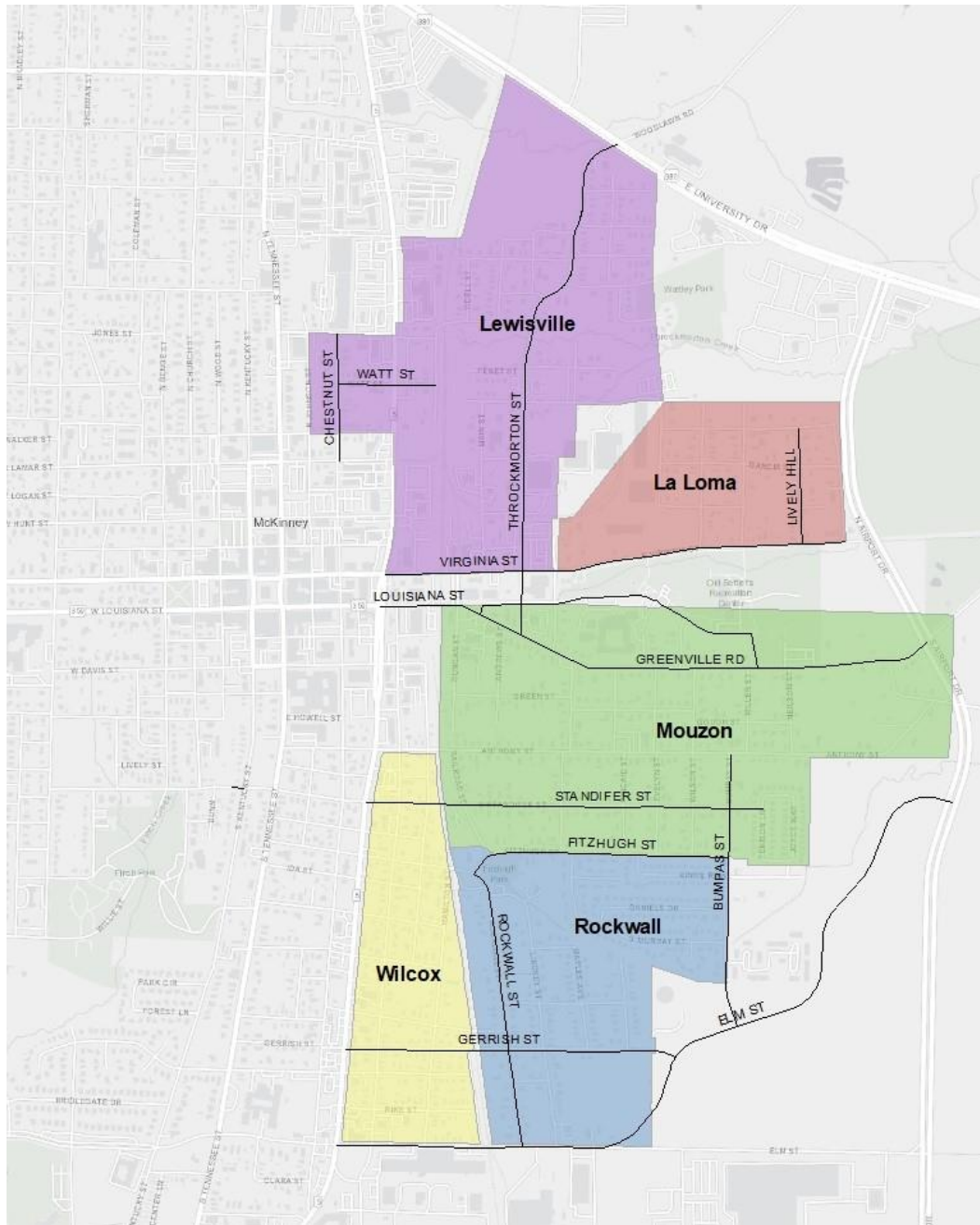
This report provides a summary of the existing conditions analysis completed as the first phase of this effort, identifying trends and changes in the neighborhoods. The document is presented in five chapters following this introduction:

- **Economic and Demographic Trends** provides an overview of population and household trends, characterizing changes in the neighborhoods and the impact of those changes on housing demand.
- **Housing Characteristics** analyzes the housing inventory and market trends to understand the current market conditions in East McKinney.
- **Resident Survey** summarizes the key findings from a resident survey fielded during Spring and Summer 2022 to solicit feedback from East McKinney residents on challenges they are facing and what would help to overcome those challenges.
- **Redevelopment Context** provides an overview of where growth pressures may be coming from, examining both land availability and value potential.
- **Takeaways and Next Steps** summarizes the key themes from the analysis and outlines the project components to follow this effort.

In addition to the analysis, community outreach has been ongoing throughout this process. The resident survey is summarized in this document; in addition to survey outreach, focus groups and interviews are being conducted to gather more detailed feedback from community members and stakeholders.

The final phase of this effort will incorporate the analysis presented within this report and the community feedback generated as part of this study to develop tools and strategies for the City to adopt to achieve preservation and stabilization goals for these neighborhoods. This will include an implementation plan, outlining phasing and other considerations for utilizing the various strategies, as well as metrics to measure success so that the City can track progress towards its goals.

**Figure 1. East McKinney Neighborhoods**



## Key Themes

**1. Residents of East McKinney are vulnerable to displacement in a number of ways**

On nearly every metric evaluated, East McKinney lags the rest of the City in terms of economic and social well-being.

**2. Home sale prices are high and have been increasing, particularly relative to household incomes, and are particularly concerning when considered by price per square foot**

Market pressure in East McKinney is increasingly limiting the ability for East McKinney residents to move from renting into homeownership. At the same time, rents in the area are high and so the expenditure increase from renting into owning may not be as significant as it used to be.

**3. Since 2010 there has been a significant shift to rental from homeownership in East McKinney, which increases the vulnerability of the population to displacement**

This shift, particularly in conjunction with other trends and factors, makes preservation and stabilization more important but also more challenging.

**4. As the City reaches buildout of greenfield development sites, pressure will increase on infill locations**

East McKinney has a significant amount of land in and around the area, and proximity to the successful historic Downtown area is likely to fuel ongoing demand pressures.

**5. When developers are looking for redevelopment opportunities, given cost differential in land value and ability to acquire tracts of scale, they are more likely to seek out industrial/commercial sites**

Given the availability of these sites in the East McKinney area, the desired future of these sites will be a key consideration in development of the preservation plan, balancing jobs and commercial development with residents and housing.

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## 2. Economic and Demographic Trends

This chapter provides an overview of economic and demographic trends in East McKinney and the City overall, including population, households, age, income, and health insurance coverage. For all data provided in this report, a reference to the City of McKinney includes the East McKinney neighborhoods. These indicators of change and current conditions in the neighborhoods provide context for market changes and other factors in the area and will help in determining and prioritizing needs and strategies for neighborhood preservation and stabilization.

### Population and Households

Population and household trends provide an understanding of resident growth in the community. In the information that follows, data will be presented for the City of McKinney in parallel with East McKinney. The trends for the City will be contrasted to those within the study area. The magnitude of growth for both geographies establishes the “resident demand” for housing, with implications on the supply and demand of the local markets and corresponding impact on pricing. Other attributes of demand can be identified by examining the nature of these trends – for example, the age, education, and income of existing and new residents – to contextualize the demand for both existing and new housing.

#### Population Trends

East McKinney had slow population growth over the past two decades, growing consistently at an average rate of 0.8 percent per year both from 2000 to 2010 and from 2010 to 2021. Although consistent in aggregate, the composition of growth in the individual neighborhoods varied during this time. Meanwhile, the City of McKinney was rapidly growing around these neighborhoods.

East McKinney currently has a population of 3,513 residents, shown in **Table 1**, accounting for 1.7 percent of the City population of 208,225. The greatest share of the population is in Mouzon, with 1,203 residents (34 percent of East McKinney), followed by

Rockwall with 839 residents, Wilcox with 701 residents, Lewisville with 561 residents, and La Loma with 209 residents.

Description	2000	2010	2021	2000-2010			2010-2021		
				Total	Ann. #	Ann. %	Total	Ann. #	Ann. %
<b>Population</b>									
East McKinney									
La Loma	89	185	209	96	10	7.6%	24	2	1.1%
Lewisville	293	481	561	188	19	5.1%	80	7	1.4%
Mouzon	1,317	1,149	1,203	-168	-17	-1.4%	54	5	0.4%
Rockwall	519	726	839	207	21	3.4%	113	10	1.3%
Wilcox	750	683	701	-67	-7	-0.9%	18	2	0.2%
<b>Total</b>	<b>2,968</b>	<b>3,224</b>	<b>3,513</b>	<b>256</b>	<b>26</b>	<b>0.8%</b>	<b>289</b>	<b>26</b>	<b>0.8%</b>
McKinney	55,264	131,359	208,225	76,095	7,610	9.0%	76,866	6,988	4.3%

**Table 1. Population Trends, 2000-2021**

Source: U.S. Census; ESRI Business Analyst; Economic & Planning Systems

From 2000 to 2010, East McKinney added 256 residents, an average of 26 residents per year at an annual growth rate of 0.8 percent. La Loma grew the fastest over this time, doubling in size from 89 residents in 2000 to 185 residents in 2010, an annual growth rate of 7.6 percent. Lewisville and Rockwall also added residents, growing annually at rates of 5.1 percent, and 3.4 percent, respectively. Growth in these neighborhoods was offset by population losses in Mouzon (168 residents) and Wilcox (67 residents). Over the same period, the City of McKinney had significant population growth, nearly tripling in size with the addition of roughly 76,000 residents. This is an average of 7,610 residents per year, an annual growth rate of 9.0 percent. McKinney is a high growth community and has been the destination for a significant number of new residents. Established communities with a solid economic base typically growth at rates between 1.5 percent to 3.0 percent (depending on the size of the base). McKinney’s growth reflects unusually high rates of change, building on a base that was modest at the onset.

From 2010 to 2021, population trends in East McKinney overall remained consistent with the prior 10 years. The neighborhoods added 289 residents, an average of 26 residents per year and the same annual growth rate of 0.8 percent. Although this annual growth rate was unchanged from the prior decade, the composition of growth within the individual neighborhoods was very different. Every neighborhood saw an increase in residents, with annual growth rates ranging from 0.2 percent in Wilcox to 1.4 percent in Lewisville. Over the same period, the City of McKinney saw its annual growth rate decrease to 4.3 percent. While slowing as the City builds out, this is nonetheless significant citywide growth.

### Household Trends

Households in East McKinney are much larger than households citywide, and growth rates in East McKinney directly mirrored those of the overall population, both in aggregate and at the neighborhood level.

In 2021, East McKinney had just over 1,000 households, as shown in **Table 2**, representing 1.4 percent of the 71,540 households in McKinney. Similar to population, Mouzon has the largest share of households and La Loma the smallest. Wilcox, however, has a larger share of population than households, a function of larger household size in this neighborhood.

All of the neighborhoods in East McKinney have larger average household sizes than the City overall.

Description	2000	2010	2021	2000-2010			2010-2021		
				Total	Ann. #	Ann. %	Total	Ann. #	Ann. %
<b>Households</b>									
East McKinney									
La Loma	27	57	65	30	3	7.8%	8	1	1.2%
Lewisville	91	150	176	59	6	5.1%	26	2	1.5%
Mouzon	317	262	273	-55	-6	-1.9%	11	1	0.4%
Rockwall	154	192	217	38	4	2.2%	25	2	1.1%
Wilcox	168	159	164	-9	-1	-0.5%	5	0	0.3%
<b>Total</b>	<b>839</b>	<b>900</b>	<b>1,006</b>	<b>61</b>	<b>6</b>	<b>0.7%</b>	<b>106</b>	<b>10</b>	<b>1.0%</b>
McKinney	18,488	44,418	71,539	25,930	2,593	9.2%	27,121	2,466	4.4%

**Table 2. Household Trends, 2000-2021**

Source: U.S. Census; ESRI Business Analyst; Economic & Planning Systems

Across McKinney, average household size is 2.88 persons per household. Within East McKinney, Mouzon has the largest household size at 4.37 persons per household, followed by Wilcox at 4.27, Rockwall at 3.87, Lewisville at 2.95, and La Loma at 2.91.

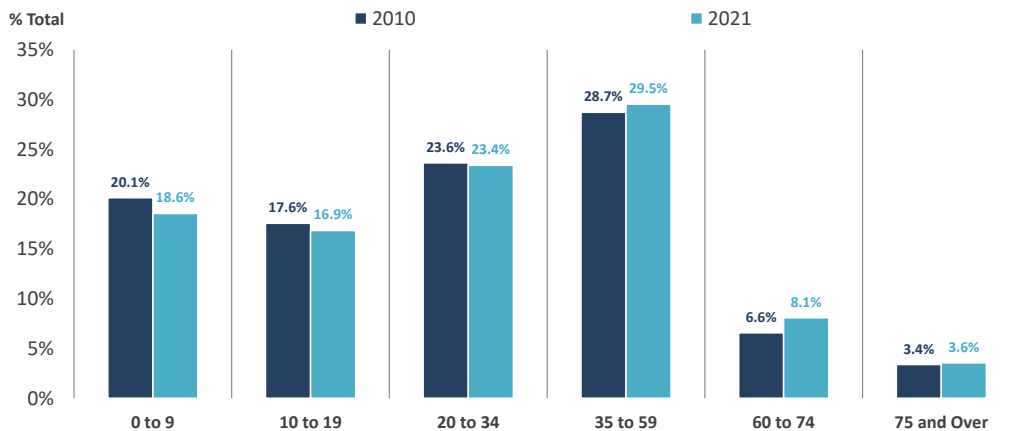
### Age Distribution

Residents of East McKinney are younger than residents in the City overall. Despite this, the East McKinney neighborhoods are undergoing the same aging trends as the City, and since 2010 the median age in both geographies has increased.

The median age in East McKinney is 29.4 years, five years younger than the citywide median of 34.4. The median age in East McKinney increased from 27.7 years in 2010 to 29.4 years in 2021, as shown in **Figure 2**. Over this same time period, the City’s median age increased from 32.8 to 34.4 years, as shown in **Figure 3**. This measure increased by approximately the same amount in both areas, indicating that both are affected by similar demographic trends.

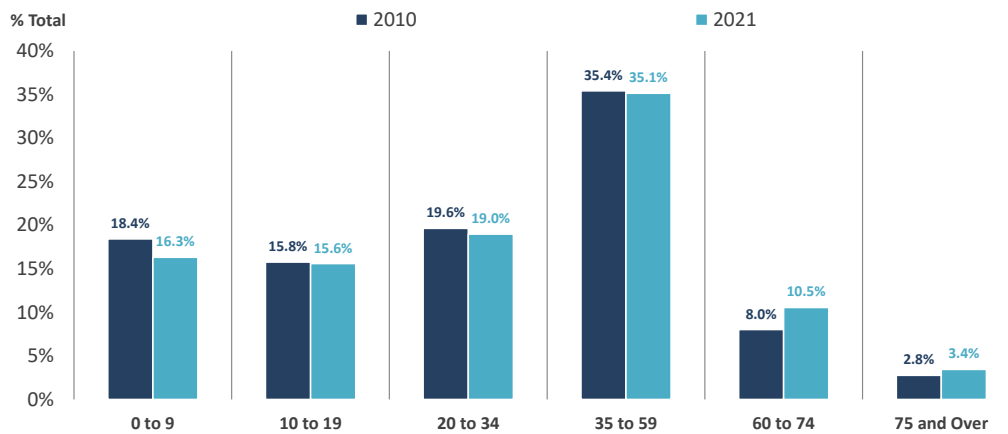
In 2010, the median ages in the East McKinney neighborhoods ranged from 26.1 years in Rockwall to 28.8 years in La Loma. By 2021, the median age had increased in most neighborhoods, ranging from 26.1 years in Rockwall (which saw no change) to 31.1 years in Wilcox (which saw the greatest increase, at 2.5 years).

**Figure 2. Age Distribution, East McKinney, 2010-2021**



Source: U.S. Census; Economic & Planning Systems

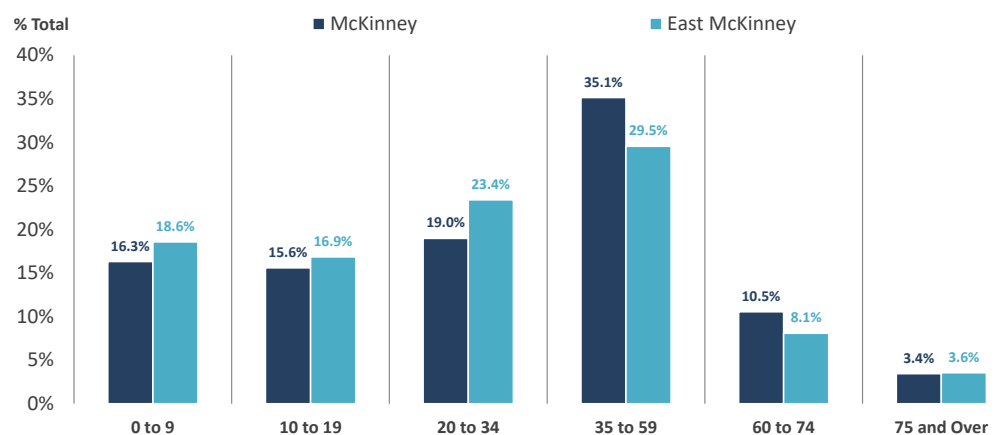
**Figure 3. Age Distribution, McKinney, 2010-2021**



Source: U.S. Census; Economic & Planning Systems

Though both populations have trended older over time, approximately 59 percent of East McKinney residents are under the age of 35, compared to 51 percent in McKinney, shown in **Figure 4**. While the incremental difference is small, it is noteworthy that East McKinney has a greater percentage of children compared to the City as a whole. With 18.6 percent of residents aged 0 to 9 and 16.9 percent aged 10 to 19, over 35 percent of East McKinney is younger than 20. The percentage of children in these age brackets in the City is 16.3 and 15.6 percent, respectively.

**Figure 4. Age Distribution in McKinney and East McKinney, 2021**



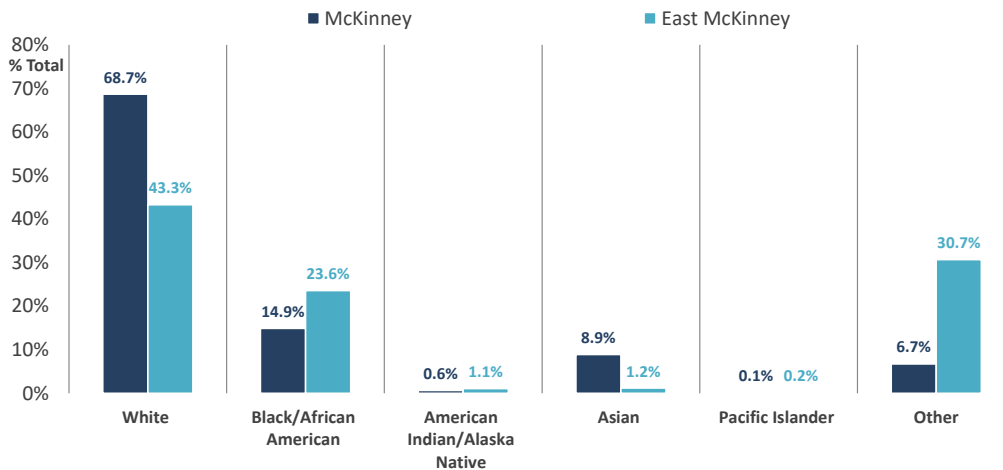
Source: U.S. Census; Economic & Planning Systems

## Population Diversity

Nearly 24 percent of the population in East McKinney is Black/African American and 59 percent of the population is Hispanic. This is a much more diverse population than the City overall.

In 2021, white residents represented approximately 43.3 percent of the East McKinney population, as shown in **Figure 5**, a much lower proportion than the City where nearly 69 percent of the population is white. In East McKinney, 23.6 percent of the population is Black/African American, compared to just 15 percent of the population citywide. Additionally, the Hispanic population (of any race) accounted for approximately 59 percent of the total population in East McKinney neighborhoods, compared to only 19 percent in the City overall.

**Figure 5. Population by Race, McKinney and East Neighborhoods, 2021**



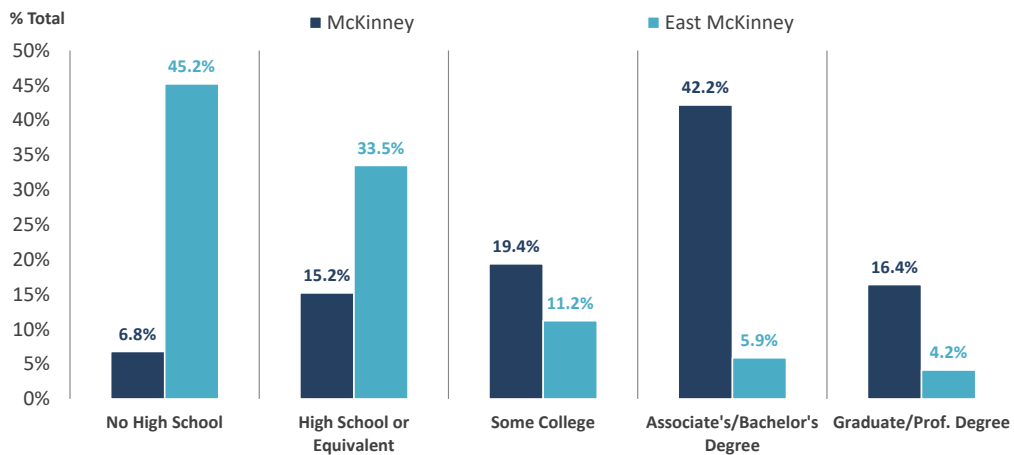
Source: U.S. Census; Economic & Planning Systems

## Educational Attainment

The population in East McKinney has a lower overall level of education than the City average.

In East McKinney, 45 percent of the adult population (25 and older) did not graduate high school, compared to only 7 percent in the City, shown in **Figure 6**. Additionally, only 10 percent of the population has received a college degree, compared to 59 percent in McKinney. In the East McKinney neighborhoods, the percentage of the population that did not graduate high school ranges from 31 percent in Rockwall to 51 percent in Mouzon and Wilcox. Rockwall has the highest educational attainment, with 69 percent of the adult population having at least graduated high school or attained an equivalent certification. While the highest among these neighborhoods, this is still low compared to the City of McKinney, where 93 percent of the adult population has graduated high school or attained an equivalent certification.

**Figure 6. Educational Attainment, Population Age 25 and Older, 2021**



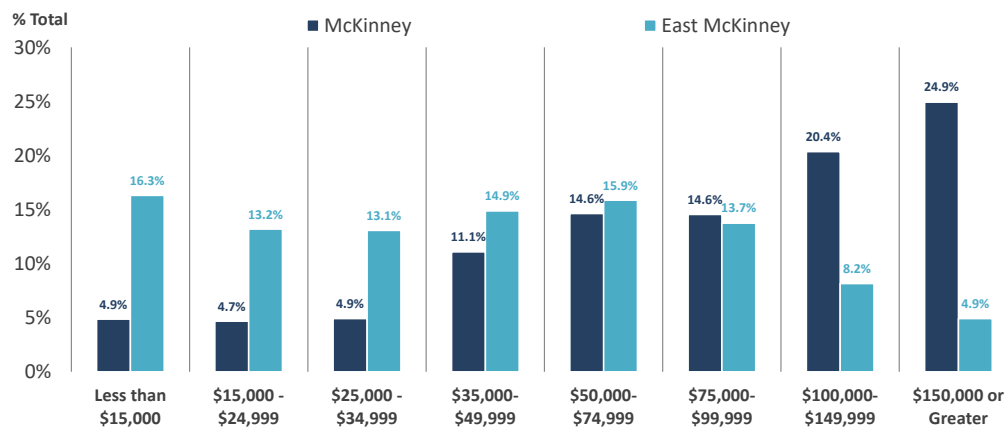
Source: U.S. Census; Economic & Planning Systems

## Household Income Distribution

**East McKinney households earn significantly less than households in the City overall.**

In East McKinney, roughly 30 percent of households earn less than \$25,000, with 16 percent of households earning less than \$15,000 annually, shown in **Figure 7**. There is a limited number of higher-income households; 13 percent of East McKinney households have incomes greater than \$100,000 annually. This compares to 45 percent in the City at large.

**Figure 7. Household Income Distribution, McKinney and East McKinney, 2021**



The median household income in East McKinney is \$42,036, less than half of the City’s median of \$90,272. Median household income in the neighborhoods ranges from \$34,469 in La Loma to \$49,506 in Mouzon, shown in **Table 3**. The per capita income in East McKinney, at \$14,834, is just over one-third that of the City. This indicates that wages for jobs held by East McKinney residents are likely lower than those of residents elsewhere in the city. It may also be an indication that more household members in East McKinney need to work to contribute to household income compared to households across the city.

**Table 3. Household Income, 2021**

Description	McKinney	East McKinney	La Loma	Lewisville	Mouzon	Rockwall	Wilcox
Median Household Income	\$90,272	\$42,036	\$34,469	\$34,561	\$49,506	\$40,253	\$39,588
Average Household Income	\$114,109	\$59,522	\$56,682	\$55,998	\$83,209	\$43,409	\$41,824
Per Capita Income	\$39,316	\$14,834	\$15,352	\$15,406	\$19,073	\$11,075	\$11,447

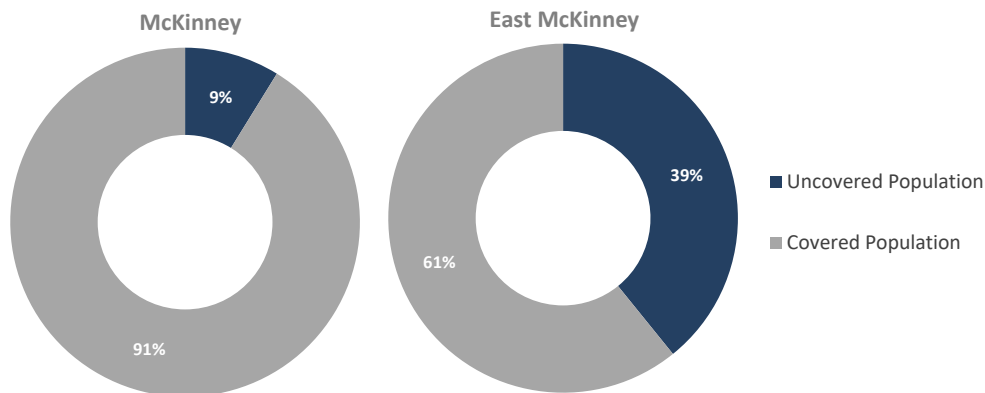
Source: Esri Business Analyst; U.S. Census; Economic & Planning Systems

### Health Insurance Coverage

East McKinney residents have health insurance coverage at lower rates than the City overall. Coverage varies widely across the individual neighborhoods, ranging from a low of 9 percent to a high of 91 percent (on par with the City).

In East McKinney overall, 61 percent of the population has health care coverage, while 39 percent does not, as shown in **Figure 8**. Of the East McKinney neighborhoods, Mouzon is the most disproportionately affected by low insurance rates, with an uncovered population of 91 percent. In the other neighborhoods, the percentage of the population without health insurance coverage ranges from 9 percent in Wilcox to 33 percent in La Loma. In the City overall, only 9 percent of the population does not have health insurance coverage. Residents of East McKinney without health insurance coverage represent 8.3 percent of the City’s uncovered population, a much higher share than the area’s overall population (which represents just 1.7 percent of the City).

**Figure 8. Health Insurance Coverage, 2019**



Source: Esri; U.S. Census; Economic & Planning



## Summary of Economic and Demographic Findings

- 1. *East McKinney had slow population growth over the past two decades relative to the City of McKinney; however, its population remains younger than the City.***

While population growth was slow in aggregate, the composition of the growth in the individual neighborhoods varied across the two decades. From 2000 to 2010, the population of La Loma, Lewisville, and Rockwall grew, while Mouzon and Wilcox both contracted. Over the course of the next decade, population growth was relatively stable, with all neighborhoods adding population. Over this time the population got older, but the median age in East McKinney remains five years younger than the City overall.

- 2. *The population of East McKinney is more diverse than the City overall.***

In East McKinney, the non-white population accounts for approximately 56.7 percent of the total, compared to only 31.3 percent in the City. Additionally, the Hispanic population (of any race) represents approximately 59 percent of the total population in East McKinney, compared to only 19 percent in the City.

- 3. *The local population in East McKinney has lower levels of education than the City average.***

In East McKinney, 45 percent of the adult population (25 and older) did not graduate high school (compared to 7 percent in the City) and 10 percent of the population has received a college degree (59 percent in the City).

- 4. *Households in East McKinney have significantly lower incomes than households in the City overall.***

The median household income in East McKinney is \$42,036, less than half of the City's median of \$90,272. In East McKinney, approximately 16 percent of households earn below \$15,000 annually and roughly 30 percent earn below \$25,000, a much higher proportion of low-income households than the City overall.

- 5. *On average, East McKinney residents are less likely to have health insurance coverage compared to the City overall.***

Health insurance coverage varies by a wide margin in the neighborhoods. The percentage of the population without coverage ranges from a low of 9 percent in Wilcox to over 91 percent in Mouzon. In aggregate, 39 percent of East McKinney residents do not have coverage, compared to only 9 percent in the City at large.

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### 3. Housing Characteristics

This chapter documents trends and conditions in the housing inventory and market in East McKinney. Housing market trends and conditions are evaluated in comparison to the City at large to understand key similarities, differences, and potential areas of vulnerability.

#### Housing Inventory

Overall housing inventory increased in East McKinney from 2010 to 2021, but at a slower rate than growth from 2000 to 2010. As an historic area, housing units in East McKinney are significantly older than in the City at large.

From 2010 to 2021, East McKinney grew by a net total of 76 housing units (accounting for both new construction and demolition), an average annual increase of 7 units or 0.7 percent, shown in **Table 4**. The change in the housing inventory is not attributed to new construction as much as a shift from owner to rental status; over this time period the East McKinney neighborhoods gained 143 renter households and lost 68 owner households, leading to the net increase of 76 units. Over the same period, housing units in the City of McKinney grew at a pace of 4.2 percent annually, adding a total of 27,752 housing units.

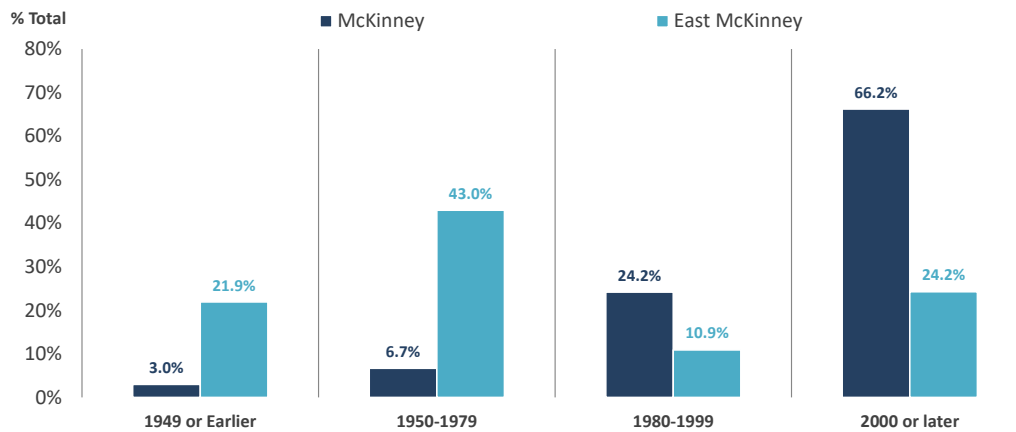
**Table 4. Housing Inventory, 2000-2021**

Housing Units	2000	2010	2021	2000-2010			2010-2021		
				Total	Ann. #	Ann. %	Total	Ann. #	Ann. %
<b>McKinney</b>									
Owner Occupied	13,061	31,620	47,838	18,559	1,856	9.2%	16,218	1,474	3.8%
Renter Occupied	5,428	12,798	23,702	7,370	737	9.0%	10,904	991	5.8%
Vacant	1,302	3,577	4,207	2,275	228	10.6%	630	57	1.5%
<b>Total</b>	<b>19,791</b>	<b>47,995</b>	<b>75,747</b>	<b>28,204</b>	<b>2,820</b>	<b>9.3%</b>	<b>27,752</b>	<b>2,523</b>	<b>4.2%</b>
<b>East McKinney</b>									
Owner Occupied	369	447	379	78	8	1.9%	-68	-6	-1.5%
Renter Occupied	388	373	516	-15	-2	-0.4%	143	13	3.0%
Vacant	30	68	69	38	4	8.5%	1	0	0.1%
<b>Total</b>	<b>787</b>	<b>888</b>	<b>964</b>	<b>101</b>	<b>10</b>	<b>1.2%</b>	<b>76</b>	<b>7</b>	<b>0.7%</b>

Source: Esri Business Analyst; U.S. Census; Economic & Planning Systems

Only 24 percent of housing units in East McKinney were built after 2000, compared 66 percent of units citywide, as shown in **Figure 9**. In East McKinney, roughly 65 percent of housing units were built prior to 1979, compared to only 9.6 percent in the City. Within the neighborhoods, Mouzon, Rockwall, and Wilcox have the oldest housing stock, with 91 percent, 67 percent, and 45 percent of total housing units built before 1980, respectively. La Loma and Lewisville have the newest housing stock, with 71 percent and 58 percent of total housing units built after 2000, respectively.

**Figure 9. Housing Units by Year Built, 2019**

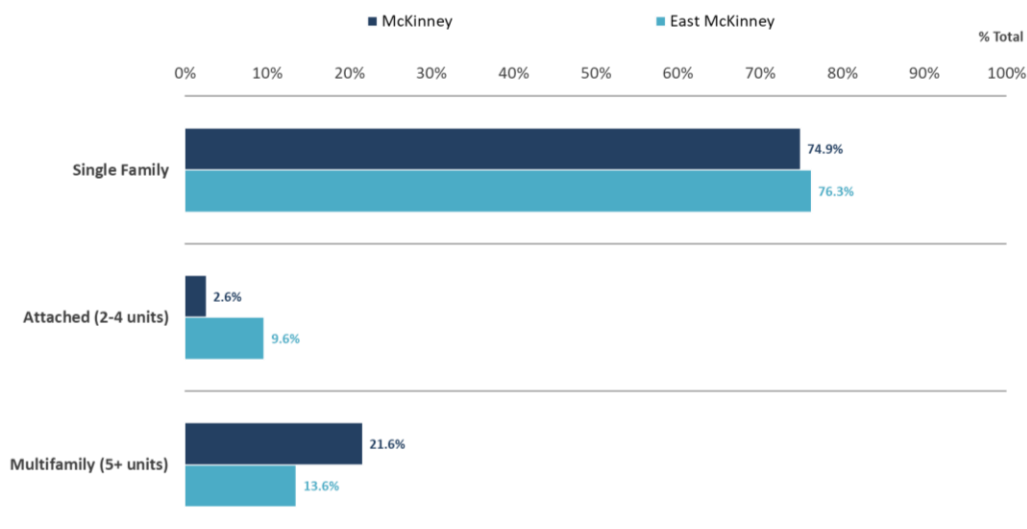


Source: U.S. Census; Economic & Planning Systems

The majority of East McKinney residents live in single family housing units, which is true of the City as well.

Over 76 percent of housing units in East McKinney are single family homes, and in each neighborhood single family housing accounts for over 70 percent of the housing units, as shown in **Figure 10**. While single family homes also comprise the bulk of housing across the City, there is a significant difference between East McKinney and the City in the availability of multifamily housing. In the City of McKinney overall, multifamily units account for approximately 22 percent of the housing units, compared to 14 percent in East McKinney. This indicates that the majority of renters in East McKinney reside in single family housing, while more renters in the City dwell in multifamily units.

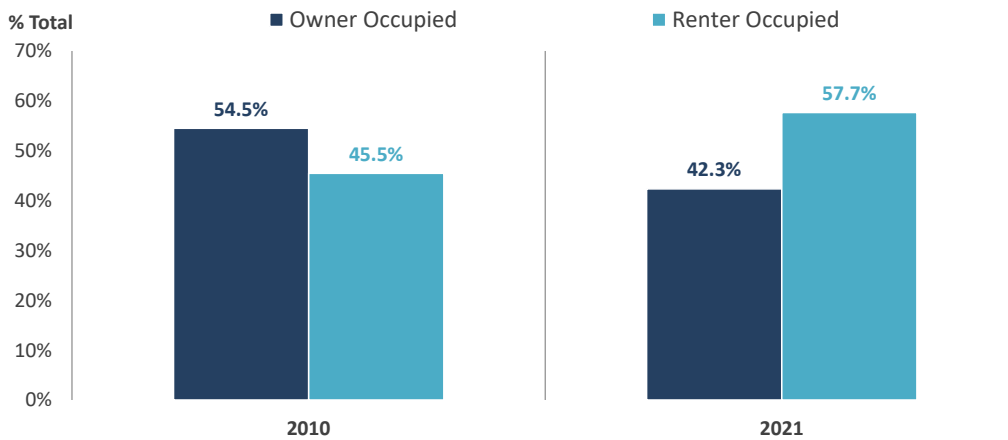
**Figure 10. Housing Units by Type, McKinney and East McKinney, 2019**



Source: U.S. Census; Economic & Planning Systems

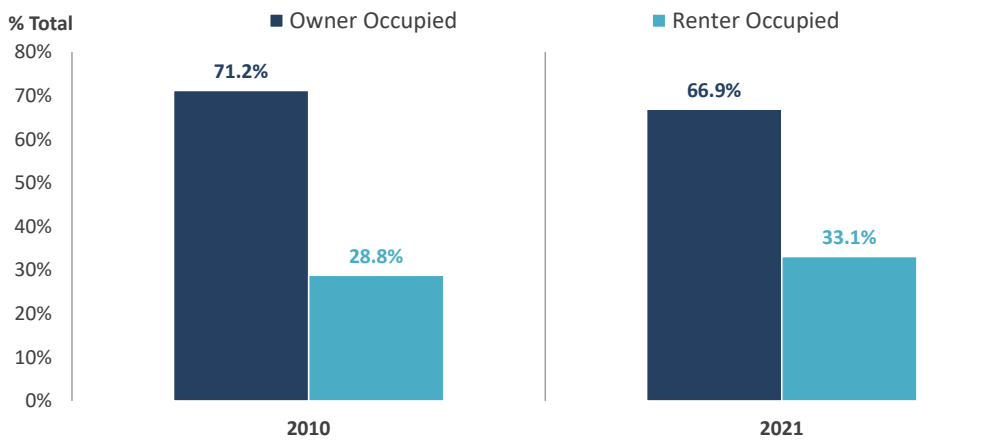
Approximately 58 percent of the housing units in East McKinney are renter occupied and 42 percent are owner occupied units, as shown in **Figure 11**. As noted previously, this is a 12-point shift from 2010, when approximately 55 percent of homes were owner-occupied, and 45 percent were rented. The City as a whole has a larger portion of homeowners, with approximately 67 percent owner occupied and 33 percent renter occupied units. The City’s rate of homeownership has also declined since 2010, from 71 percent to 67 percent, but with only a 4-point shift, this change has not been seen to the same extent as the decline in East McKinney.

**Figure 11. East McKinney Housing Tenure, 2010-2021**



Source: U.S. Census; Economic & Planning Systems

**Figure 12. McKinney Housing Tenure, 2010-2021**



Source: U.S. Census; Economic & Planning Systems

Among homeowners, a much higher proportion of East McKinney residents do not have a mortgage, compared to the City overall. Within the East McKinney neighborhoods only 51 percent of homeowners have a mortgage, while 49 percent own their homes free and clear. In the city overall, nearly 77 percent of homeowners have a mortgage while only 23 percent own their homes outright.

A higher proportion of renters is an important metric for neighborhood preservation, as data show that renter housing is associated with higher frequency household moves than owner housing, and thus is less stable than ownership. A high proportion of homeowners without mortgages is also an important metric – often these residents are older, have been in their homes for a long time, and may be on fixed incomes, which can create challenges if housing costs increase (as will be seen in the next section).

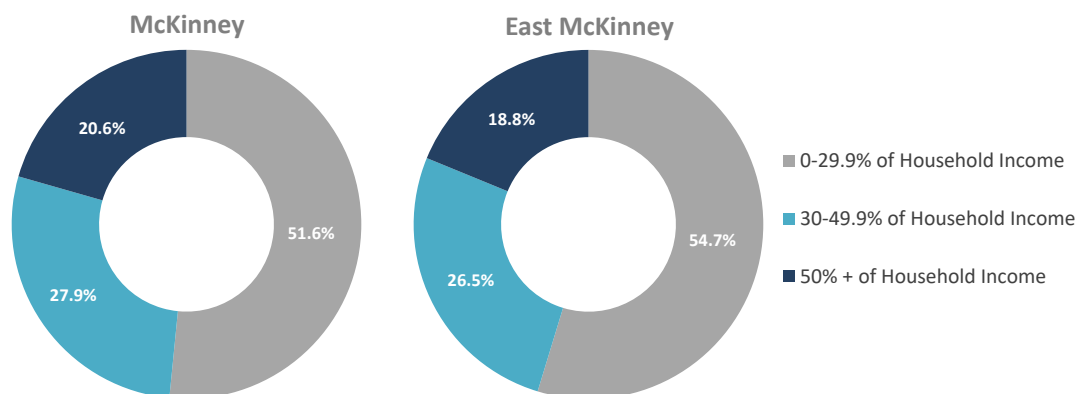
## Housing Costs and Affordability

**In East McKinney, 45 percent of renters and 54 percent of homeowners are considered cost burdened, spending more than 30 percent of income on housing.**

In East McKinney, 188 households, representing approximately 45 percent of renters, spend 30 percent or more of their income on rent (including utilities). This proportion of cost burdened renters is on par with the City of McKinney overall, where roughly 48 percent of renter households are cost burdened, as shown in **Figure 13**.

The cost burdened households in East McKinney reside primarily in La Loma, Lewisville, and Wilcox. The percent of cost burdened households range from 56 to 67 percent, with 18 households, 58 households, and 30 households, respectively, cost burdened. In Wilcox in particular, approximately 49 percent of renter households are severely cost burdened, spending 50 percent or more of their household income on rent and utilities. In Mouzon and Rockwall, fewer households are cost burdened, as approximately 66 percent of households spend less than 30 percent of their household income on rent in each neighborhood.

**Figure 13. Rent as a Percentage of Income, 2019**

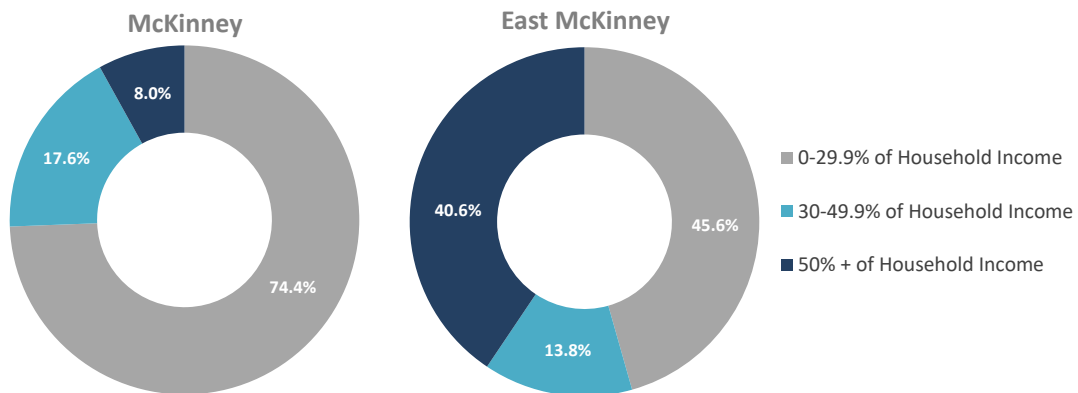


Source: Esri; U.S. Census; Economic & Planning

Among owner-occupied households, cost burden is broken out between households with and without a mortgage. As noted previously, in 2019 homeownership in East McKinney was nearly evenly split along these lines, with 51 percent of homeowners having a mortgage. Of these owner-occupied households with a mortgage, approximately 55 percent, or 130 households, are considered cost burdened, shown below in **Figure 14**, spending more than 30 percent of their income on mortgage payments and other housing costs (including taxes, utilities, and insurance). The neighborhoods with the largest share of cost burdened households are Mouzon, at 66 percent (82 households) and Rockwall, at 72 percent (26 households). In Mouzon, 95 percent, or 78 households, spend more than 50 percent of their household income on housing payments. In Rockwall, this figure is also significant at 73 percent (19 households).

Citywide, approximately 77 percent of homeowners have a mortgage and 23 percent are free of mortgage debt. Of those with a mortgage, 26 percent are cost burdened, representing a much smaller share compared to East McKinney.

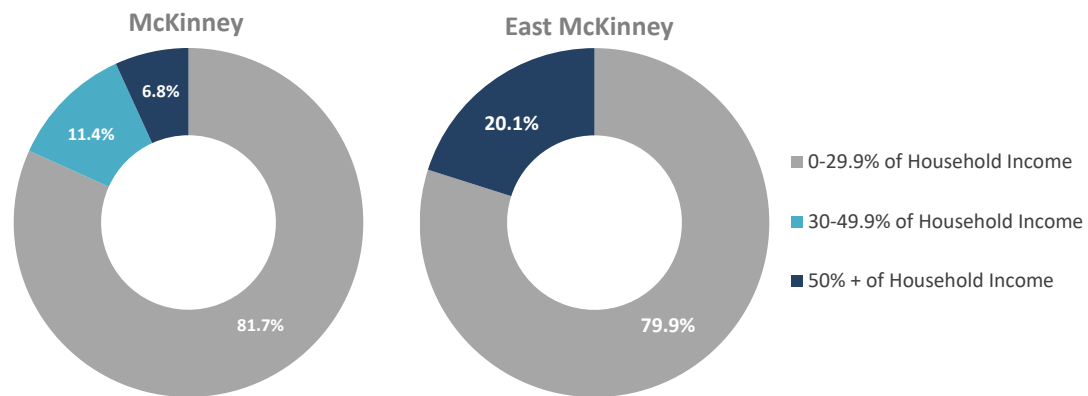
**Figure 14. Ownership Costs as a Percentage of HH Income (with Mortgage), 2019**



Source: Esri; U.S. Census; Economic & Planning

As might be expected, owner-occupied households without a mortgage have lower housing costs overall. Despite this, in East McKinney approximately 20 percent of these households spend over 50 percent of their household income on housing costs, as shown in **Figure 15**. Across the City, approximately 18 percent of owner-occupied households without a mortgage are cost burdened, with 11 percent spending between 30 and 50 percent of income on housing, and 7 percent spending over 50 percent of income on housing. The data for this indicator is likely influenced by low incomes. The fact that operational costs (taxes, utilities, heating/cooling, maintenance, etc.) exceeds 50 percent of household income is more an indicator of minimal resources, as opposed to high expenditures.

**Figure 15. Ownership Costs as a Percentage of HH Income (No Mortgage), 2019**



Source: Esri; U.S. Census; Economic & Planning

While homeownership is often a measure of neighborhood stability—and homeowners that do not have mortgages can be even more stable—the level of cost burden among homeowners in East McKinney indicates that this may be an area of vulnerability. This will be increasingly important as market pressure increases and tax burdens increase alongside property values.



## New Housing Development

Nearly all new housing development in East McKinney since 2015 has been single family detached homes, with 2019 representing the highest level of new home development in the area.

East McKinney saw a total of 93 permits for new single family home development from 2015 through 2021, compared to five permits for duplex housing and one permit for multifamily development. One-third of this new housing was in Mouzon, which had 32 new homes permitted over this time. Other new housing was split between the other neighborhoods, ranging from 11 new homes in Lewisville to 18 new homes in Rockwall, as shown in **Table 5**. 2019 represented the highest level of new home development in East McKinney, with 23 new homes permitted. La Loma saw 35 percent of this development (eight new homes), and Mouzon saw 26 percent (six new homes).

Between 2015 and 2021, the City of McKinney had over 12,300 new single family detached homes permitted, an average of 2,050 new homes per year. The level of new homes permitted citywide has been declining as developers build out available land, with an average of nearly 2,100 per year from 2015 through 2018, and 1,330 per year from 2019 through 2021.

East McKinney has 1.2 percent of total City housing units. With the exception of 2019, East McKinney neighborhoods have comprised less than 1 percent of new single family detached home construction in the city, averaging 0.6 percent of citywide home permits. In 2019, however, the East McKinney neighborhoods accounted for 1.6 percent of new homes permitted in the city.

**Table 5. Building Permits - Single Family Detached Homes, 2015-2021**

Description	2015	2016	2017	2018	2019	2020	2021	2015-2021	
								Total	Ann. #
<b>Single Family Detached Units</b>									
La Loma	2	3	1	0	8	1	0	15	3
Lewisville	0	2	4	3	1	1	0	11	2
Mouzon	4	3	7	5	6	4	3	32	5
Rockwall	3	2	2	4	4	3	0	18	3
Wilcox	0	1	4	2	4	3	3	17	3
<b>East McKinney Total</b>	<b>9</b>	<b>11</b>	<b>18</b>	<b>14</b>	<b>23</b>	<b>12</b>	<b>6</b>	<b>93</b>	<b>16</b>
<b>City of McKinney</b>	<b>1,969</b>	<b>2,025</b>	<b>2,209</b>	<b>2,128</b>	<b>1,411</b>	<b>1,419</b>	<b>1,165</b>	<b>12,326</b>	<b>2,054</b>
<b>East McKinney % of City</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>1.6%</b>	<b>0.8%</b>	<b>0.5%</b>	<b>0.8%</b>	

Source: City of McKinney; Economic & Planning Systems

## Home Sales

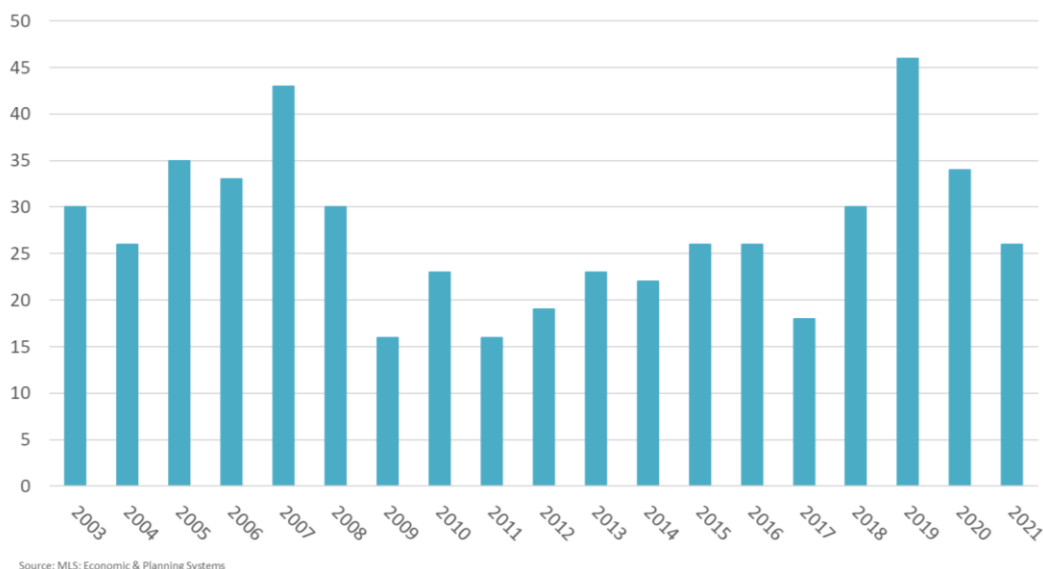
The housing market in East McKinney was more significantly impacted by the 2008 recession than the City and recovery took longer. Since 2010, and especially in recent years, the housing market in East McKinney has escalated rapidly both in terms of sales volume and price.

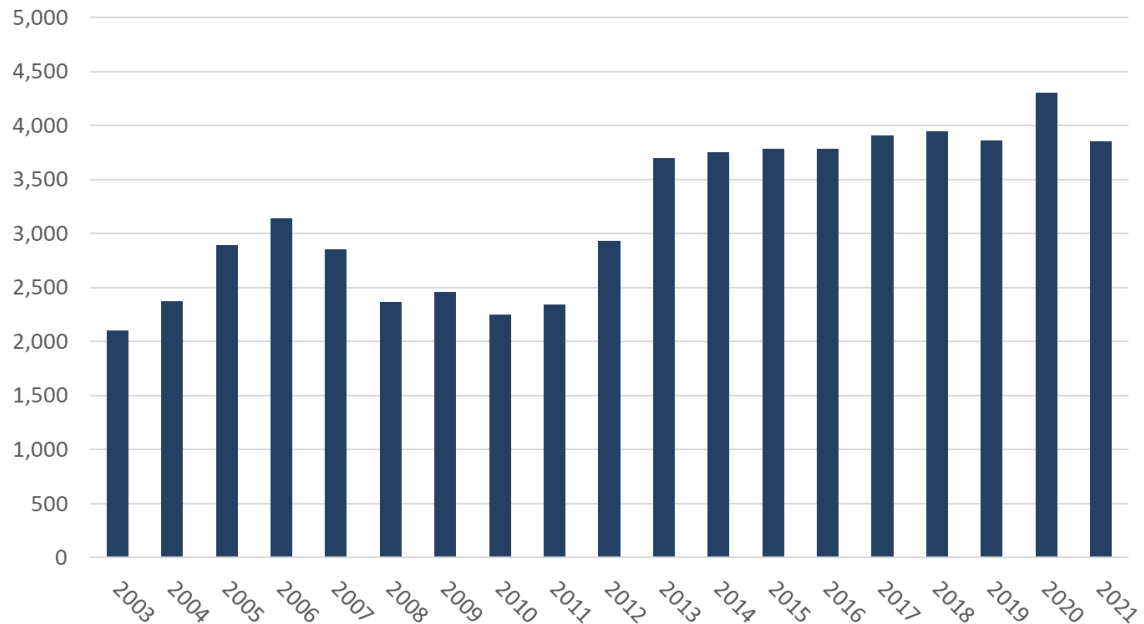
As shown in **Figure 16** and **Figure 17**, the pattern of home sales in East McKinney has been different from that of the City overall. In East McKinney, a peak in sales volume prior to the 2008 Great Financial Crisis (GFC) was seen in 2007, with a high of 43 sales. The GFC significantly impacted this area, reducing demand with a low of 16 home sales in both 2009 and 2011. Recovery took place slowly beginning in 2012, eventually leading to a high of 46 sales in 2019, exceeding the pre-recession peak. Since 2019, sales volume has declined with 34 home sales in 2020 and 26 in 2021, although this may be due at least in part to market impacts of COVID-19.

Citywide, recovery from the 2008 recession also began in 2012 reaching the City’s pre-recession peak much earlier than East McKinney. The previous peak of 3,140 sales (seen in 2006) was exceeded in 2013 with 3,700 sales. Since 2013, sales volume citywide has remained stable, with a peak in 2020 of 4,300 home sales.

The impact of the recession and recovery is also seen in East McKinney’s share of the City housing market. From 2003 through 2007, home sales in East McKinney accounted for an average of 1.3 percent of sales in the City. Between 2008 and 2018 this share declined to an average of 0.7 percent. In 2019, as sales jumped in East McKinney, the area accounted for 1.2 percent of sales in the City.

**Figure 16. Closed Home Sales, East McKinney, 2003-2021**



**Figure 17. Closed Home Sales, City of McKinney, 2003-2021**

Source: MLS; Economic &amp; Planning Systems

Home prices have followed a slightly different trend from sales volume. As shown in **Table 6** and **Figure 18**, in East McKinney a pre-recession price peak was established in 2005 with a median home price of \$95,400. From there, prices declined by 45 percent to a low of \$52,600 in 2010 as a result of the GFC. Between 2010 and 2014 there was rapid price escalation, with the median home price increasing 93 percent to \$101,500, average growth of nearly 18 percent annually. This surpassed the pre-recession peak price and since then prices have continued to steadily rise, with average growth of approximately 13.5 percent annually in East McKinney outpacing the City's growth rate. In 2021, the median sale price in East McKinney was \$245,600.

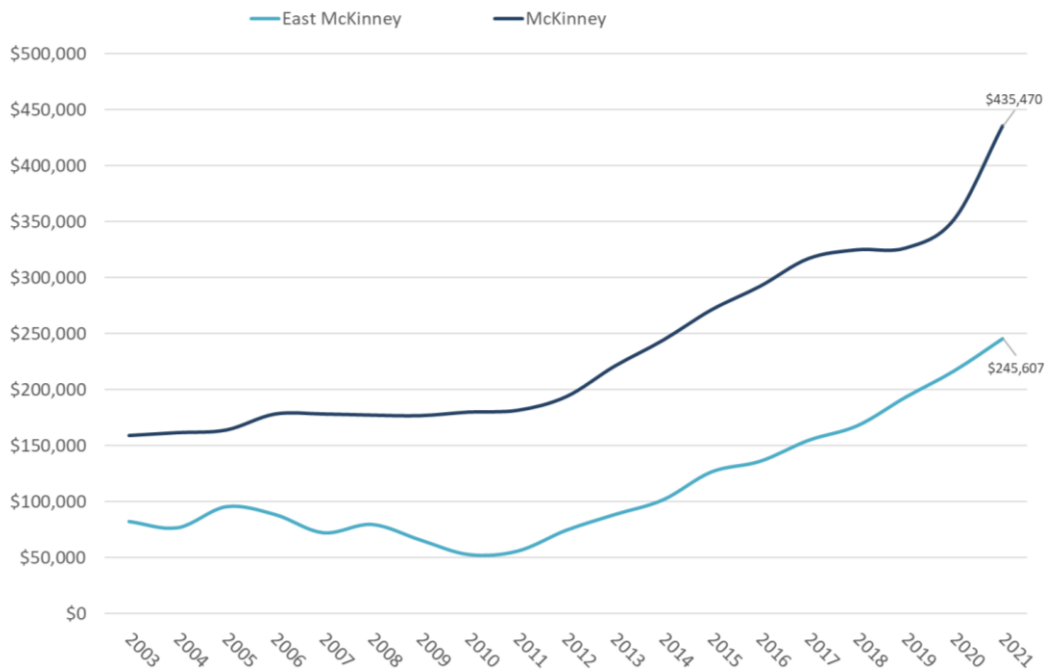
If a household spends 30 percent of its income on housing, an income of \$63,175 would be required to afford the median priced home in East McKinney (assuming 5.0% down, 30 years mortgage, and 5.0% interest). Only 43 percent of households in East McKinney earn over \$50,000 per year, putting ownership of local homes out of reach to many of the area's residents.

**Table 6. Median Sale Price, 2003-2021**

Year	East McKinney	City of McKinney	Year-over-Year Change		East McKinney as Pct. Of City
			East McKinney	City of McKinney	
2003	\$82,150	\$159,308			52%
2004	\$76,578	\$161,859	-7%	2%	47%
2005	\$95,395	\$164,223	25%	1%	58%
2006	\$88,510	\$178,431	-7%	9%	50%
2007	\$72,095	\$178,462	-19%	0%	40%
2008	\$79,557	\$177,470	10%	-1%	45%
2009	\$65,669	\$176,993	-17%	0%	37%
2010	\$52,595	\$180,202	-20%	2%	29%
2011	\$55,661	\$181,730	6%	1%	31%
2012	\$74,241	\$193,802	33%	7%	38%
2013	\$88,333	\$221,054	19%	14%	40%
2014	\$101,500	\$244,234	15%	10%	42%
2015	\$126,533	\$271,402	25%	11%	47%
2016	\$135,993	\$292,382	7%	8%	47%
2017	\$154,768	\$317,174	14%	8%	49%
2018	\$167,718	\$324,945	8%	2%	52%
2019	\$193,313	\$326,491	15%	0%	59%
2020	\$216,841	\$352,127	12%	8%	62%
2021	\$245,607	\$435,470	13%	24%	56%
<b>2003-2010</b>					
Pct. Growth	-36%	13%			
Avg. Ann. Pct.	-6.2%	1.8%			
<b>2010-2014</b>					
Pct. Growth	93%	36%			
Avg. Ann. Pct.	17.9%	7.9%			
<b>2014-2018</b>					
Pct. Growth	65%	33%			
Avg. Ann. Pct.	13.4%	7.4%			
<b>2018-2021</b>					
Pct. Growth	46%	34%			
Avg. Ann. Pct.	13.6%	10.3%			

Source: MLS; Economic & Planning Systems

**Figure 18. Median Sale Price, 2003-2021**



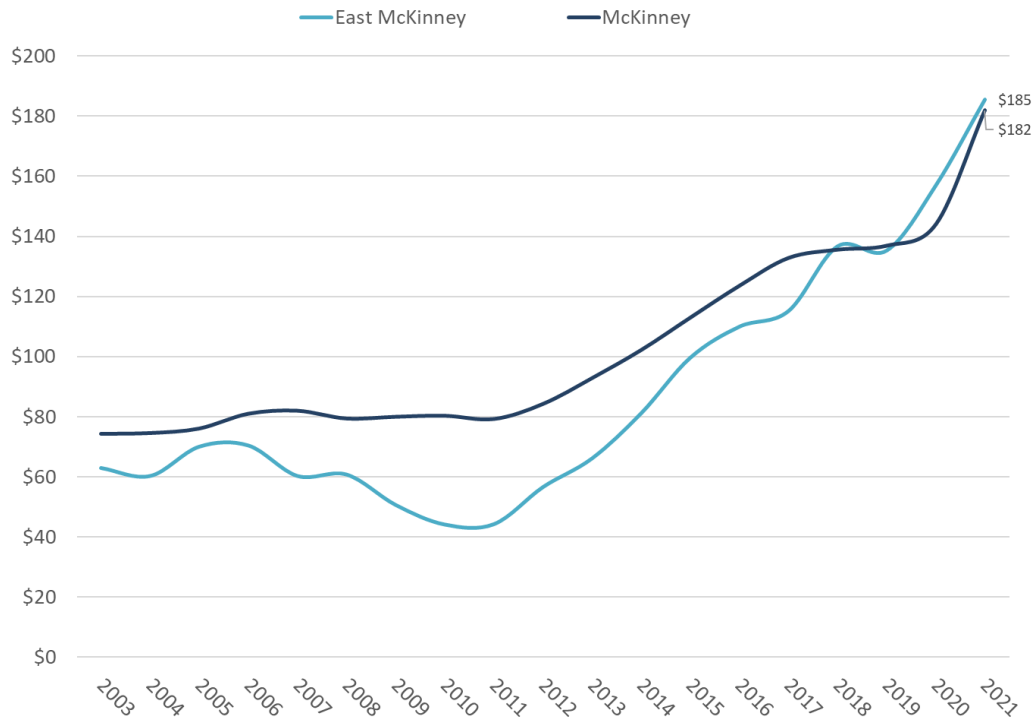
Source: MLS; Economic & Planning Systems

When prices are analyzed on a per square foot rather than a per unit basis, market changes in East McKinney are even starker. Pre-recession, East McKinney prices hit a peak in 2005 and 2006 at \$70 per square foot, then declined to a low of \$44 per square foot in 2010 and 2011. As shown in **Figure 19**, the price per square foot of homes in East McKinney has rapidly increased since 2011, exceeding the citywide median price in 2018. While in 2010 and 2011 the median price in East McKinney was about 55 percent of the City, since 2018 it has been at or above the citywide level. While per unit prices are still lower in this area due to the presence of smaller homes, this indicates significantly increasing market pressure in East McKinney.

**Table 7. Median Sale Price Per Square Foot, 2003-2021**

Year	East McKinney	City of McKinney	Year-over-Year Change		East McKinney as Pct. Of City
			East McKinney	City of McKinney	
2003	\$63	\$74			85%
2004	\$60	\$75	-4%	0%	81%
2005	\$70	\$76	16%	2%	92%
2006	\$70	\$81	1%	6%	87%
2007	\$60	\$82	-14%	1%	73%
2008	\$61	\$80	1%	-3%	76%
2009	\$51	\$80	-17%	1%	63%
2010	\$44	\$80	-13%	0%	55%
2011	\$44	\$79	0%	-1%	56%
2012	\$57	\$84	28%	6%	67%
2013	\$66	\$93	17%	10%	71%
2014	\$81	\$102	23%	10%	79%
2015	\$100	\$113	23%	11%	88%
2016	\$110	\$124	10%	9%	89%
2017	\$115	\$133	5%	7%	87%
2018	\$137	\$136	19%	2%	101%
2019	\$135	\$137	-1%	1%	99%
2020	\$157	\$144	16%	5%	109%
2021	\$185	\$182	18%	26%	102%
<b>2003-2010</b>					
Pct. Growth	-30%	8%			
Avg. Ann. Pct.	-4.9%	1.1%			
<b>2010-2014</b>					
Pct. Growth	84%	27%			
Avg. Ann. Pct.	16.5%	6.2%			
<b>2014-2018</b>					
Pct. Growth	68%	33%			
Avg. Ann. Pct.	13.9%	7.3%			
<b>2018-2021</b>					
Pct. Growth	36%	34%			
Avg. Ann. Pct.	10.7%	10.3%			

Source: MLS; Economic & Planning Systems

**Figure 19. Median Sale Price Per Square Foot, 2003-2021**

Source: MLS; Economic &amp; Planning Systems

## Key Housing Findings

### **1. The majority of East McKinney residents live in single family housing units, and these units are older than citywide housing.**

Similar to trends evaluated in the City at large, single family homes make up 76 percent of the housing inventory in East McKinney. While 66 percent of the overall City's homes were built after 1999, only 24 percent of East McKinney housing units are this new. The majority of housing units in the neighborhoods were built prior to 1980.

### **2. A significant portion of East McKinney residents are renters, and the share of renters has increased since 2010 as homeownership rates across the neighborhoods declined.**

Nearly 60 percent of households in East McKinney rent their homes, a much higher share than the City overall where only 33 percent of households rent. Renters have increased as homeownership in East McKinney has declined since 2010, from 55 percent to 42 percent, a much steeper decline than in the City overall (which saw a decline from 71 percent to 67 percent). A significant number of renters is likely to require different policies and approaches than ownership housing.

**3. In East McKinney, 45 percent of renters and 54 percent of homeowners are considered cost burdened.**

The proportion of cost burdened renter households in East McKinney is similar to the City at large. The primary difference in cost burden is seen in homeowners, particularly those without a mortgage. This difference is likely related to low incomes (and less ability to pay for housing costs) rather than high costs alone.

**4. Nearly all new housing development in East McKinney since 2015 has been single family detached homes, with 2019 representing the highest level of new home development in the area.**

East McKinney saw a total of 93 permits for new single family home development from 2015 through 2021, compared to five permits for duplex housing and one permit for multifamily development. One-third of this new housing was in Mouzon. 2019 represented the highest level of new home development in East McKinney, with 23 new homes permitted. La Loma saw 35 percent of this development (eight new homes), and Mouzon saw 26 percent (six new homes).

**5. The housing market in East McKinney was more significantly impacted by the 2008 recession than the City and recovery took longer. Since 2010, and especially in recent years, the housing market in East McKinney has escalated rapidly both in terms of sales volume and price.**

In East McKinney, a peak in sales volume prior to the 2008 Great Financial Crisis (GFC) was seen in 2007, with a high of 43 sales. The GFC significantly impacted this area, reducing demand with a low of 16 home sales in both 2009 and 2011. Recovery took place slowly beginning in 2012, eventually leading to a high of 46 sales in 2019, exceeding the pre-recession peak. Home prices have followed a slightly different trend from sales volume. East McKinney saw a pre-recession price peak in 2005 with a median home price of \$95,400. From there, prices declined by 45 percent to a low of \$52,600 in 2010. Between 2010 and 2014 there was rapid price escalation, with the median home price increasing 93 percent to \$101,500. This surpassed the pre-recession peak price and since then prices have continued to steadily rise, with average growth of approximately 13.5 percent annually in East McKinney outpacing the City's growth rate.

**6. These housing trends and challenges combined indicate where the most significant needs and opportunities for preservation and anti-displacement strategies lie.**

A significant (and growing) proportion of renters, lower household incomes, and rising housing prices create circumstances that make East McKinney residents particularly vulnerable to market and displacement pressures. These factors will guide the strategy development in the next phase of this project.



## 4. Resident Survey

In addition to the data analysis presented in the previous chapters, a community survey was fielded to get more detailed feedback from East McKinney residents on housing and related challenges. A specific goal of the survey effort was to characterize needs and challenges of residents that are not captured in traditional datasets (e.g., what the most significant challenges being faced are, what would most help). Listening to the perspectives of East McKinney residents has been central to the project from the outset, and this feedback will be used to inform strategies and actions to be taken.

### Survey Overview

The survey was fielded online and in a paper version in Spring and Summer 2022. Distribution occurred through social media posts, direct contact (e.g., Meals on Wheels volunteers), presence at community events, and neighborhood canvassing. Specific outreach for the survey included:

- East McKinney Community Conversation (Old Settlers Recreation Center, March 2022)
- Heart, Mind and Soul Expo (Family Health Center on Virginia, May 2022)
- Tacos with Cops (June 2022)
- Neighborhood canvassing (2 days, June 2022)

While survey results cannot be extrapolated to encompass the entire East McKinney community (for example, homeowners responded at a much higher rate than renters), the responses provide critical qualitative information regarding the most significant needs and challenges facing these neighborhoods and will help prioritize strategies within the preservation plan. Data summarized in this chapter reflects information provided by respondents who live in East McKinney.

### Survey Responses

**309 respondents**

**173 (56%) live in East McKinney**

*East McKinney respondents live in...*

- *Mouzon/Central (17%)*
- *Lewisville (16%)*
- *La Loma/Lively Hill (12%)*
- *Rockwall (8%)*
- *Wilcox (3%)*

*78% of East McKinney respondents speak English at home; 20% speak Spanish.*

## Key Survey Findings

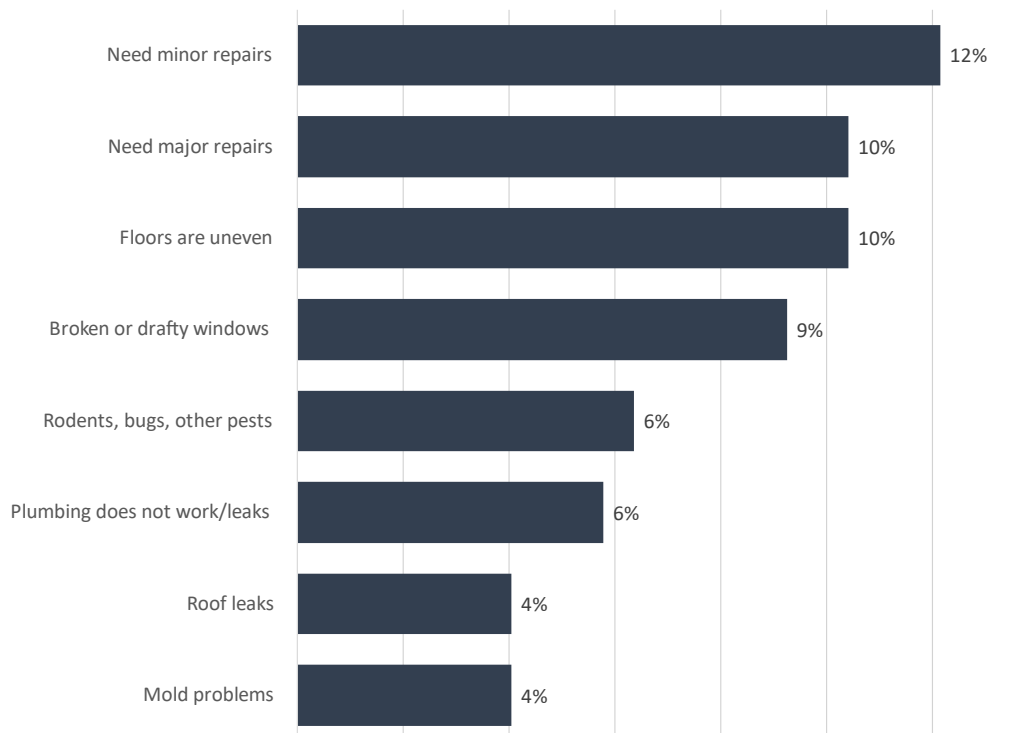
The survey highlighted key issues facing the East McKinney community, and how these issues are affecting residents of each neighborhood in different ways.

**Overall, East McKinney residents are satisfied with their housing conditions.**

As shown below, the most significant housing need reported by respondents was the need for minor repairs, with 12 percent indicating that this is a major issue. This was followed closely by the need for major repairs (10 percent), uneven floors (10 percent), and broken or drafty windows (9 percent).

This feedback can help prioritize strategies moving forward – for example, expanding the City’s current repair program, or helping residents with access to those resources. Additionally, the cost data presented below combined with issues with high utility costs may indicate an opportunity for home retrofit programs to increase energy efficiency.

### Survey Question: How Would You Rate Your Level of Concern with the Following Conditions in Your Current House or Apartment? (Major Issue)



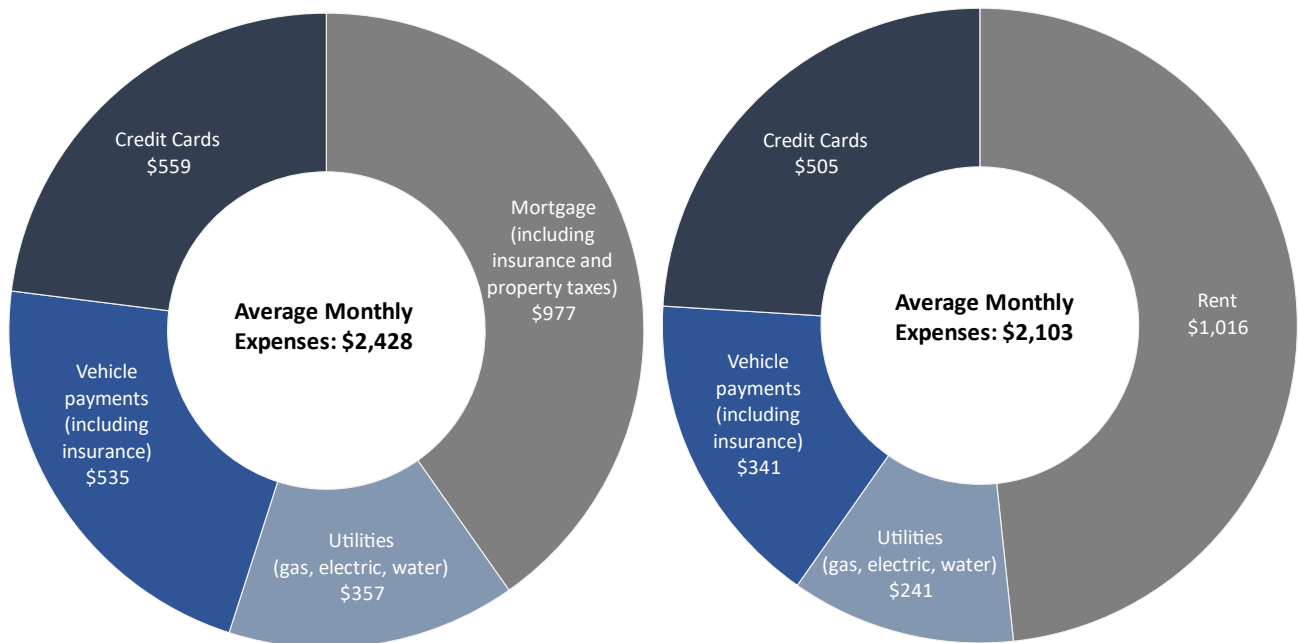
**In addition to mortgage and rent costs, other monthly expenses add up for residents of East McKinney, putting additional financial pressure on households.**

As shown below, average monthly expenditures reported through the survey are similar for renter and owner households and fall between \$2,100 and \$2,500 per month. While direct housing costs (mortgage or rent) make up a significant portion of expenses, other significant factors include credit cards, vehicle payments, and utilities. As not all survey respondents reported both expenses and household income metrics of cost burden are not provided here, but it is nonetheless instructive to see the composition of monthly expenses for owner and renter households.

For homeowners, mortgage payments (including insurance and property taxes) average \$977 per month, representing 40 percent of average monthly expenditures of \$2,428. Credit card payments are the next most significant expense, at 23 percent of monthly spending (\$559), followed by vehicle payments (22 percent) and utilities (15 percent).

For renter households who responded to the survey, rent averages just over \$1,000 per month, accounting for an average of 48 percent of total expenditures of \$2,103. This is followed by credit card payments at 24 percent (\$505), vehicle payments (16 percent), and utilities (11 percent). It is also important to note that while total expenditures are similar for owner and renter households, typically household incomes are lower for those who rent, meaning a greater proportion of income needs to be put towards these costs.

**Survey Question: Average Monthly Expenditures, Owner and Renter Households**

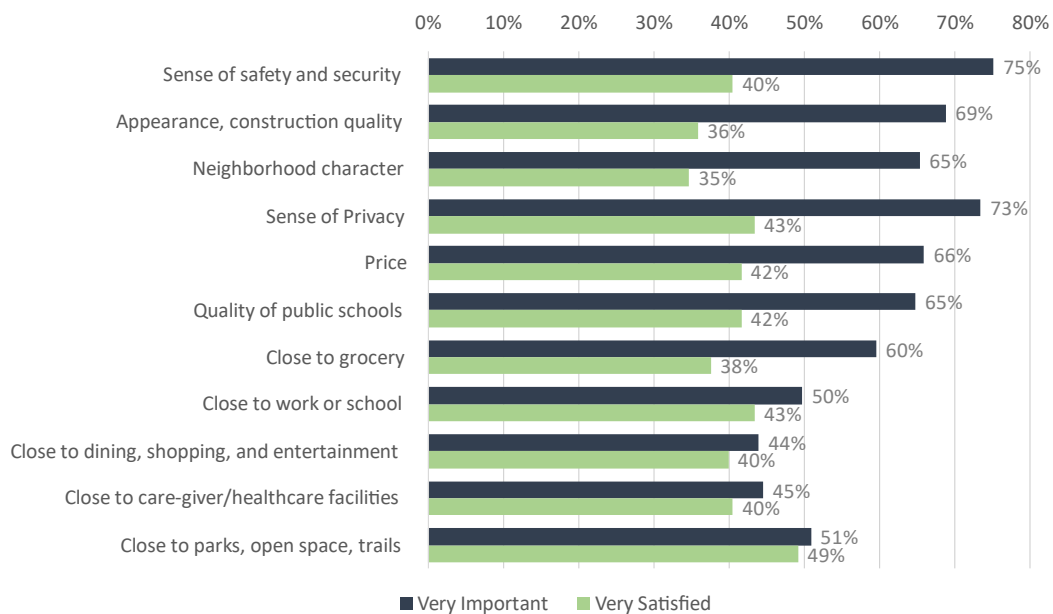


A household with a budget of \$977 for a mortgage payment can afford a home up to \$191,600, and if renter households put their \$1,016 towards a mortgage payment they can afford a home up to \$199,300. With the current median home price in East McKinney at \$245,600, households are constrained in where they can go. Current owners may not be able to move and may also be vulnerable to increasing property values and the tax increases that come along with that. Renter households, who are already more vulnerable to increasing housing costs, also have limited options to move into homeownership.

**East McKinney residents are generally satisfied with locational characteristics of the area (e.g., proximity to amenities and services) but there is a gap between sense of importance and satisfaction for other area characteristics.**

The figure below shows the difference between level of importance and level of satisfaction noted by residents for various neighborhood characteristics. Ordered by the gap between importance and satisfaction, this shows that residents highly value factors such as safety/security, home appearance/quality, neighborhood character, and privacy but do not feel satisfied to the same degree that they value these. The factors where the gap is smallest include proximity to parks, health care, and commercial services. These might be expected given the investment in recreation and parks as well as East McKinney’s proximity to downtown.

**Survey Question: How Important Are the Following Considerations in Where You Would Prefer to Live, and How Satisfied are You With Your Current Residence/ Location? (Scores of 4, 5 out of 5)**



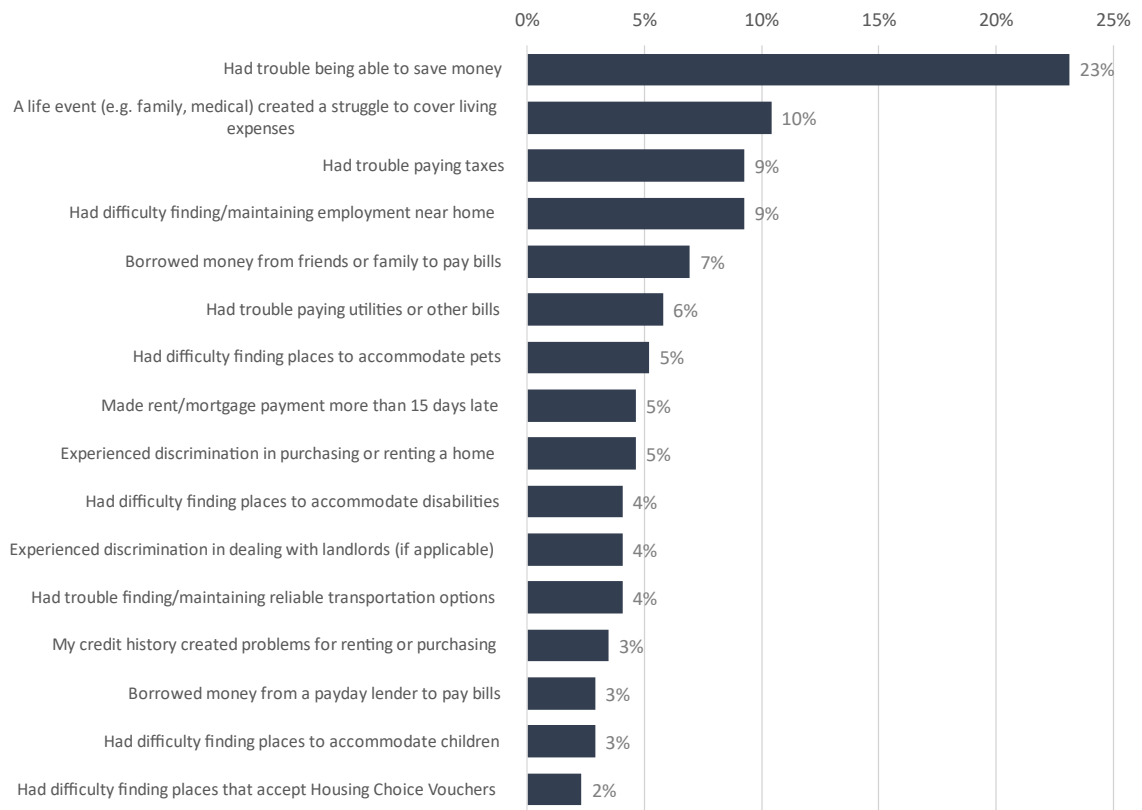
**Financial challenges were the most common challenges reported by East McKinney residents, with nearly one-quarter of respondents struggling to save money.**

The figure below highlights challenges that were reported “often” or “always” within the last 5 years, and financial challenges are the most common. As shown, nearly 1 in 4 respondents has trouble being able to save money, while 1 in 10 experienced a life event that created a struggle to cover living expenses, and nearly as many had trouble paying taxes.

These three financial challenges at the top of the list highlight the vulnerability of residents in East McKinney to rising costs, and point to a potential need for programs to assist with financial stability for East McKinney residents.

At the same time, the small number of respondents facing challenges with inclusivity (e.g., finding home to accommodate children or disabilities) is a positive factor of the neighborhoods.

**Survey Question: How Frequently Have the Following Challenges Occurred in the Last 5 Years? (Often, Always)**



**Most East McKinney residents who completed the survey intend to stay in their homes for at least 10 years, with many intending to stay for longer than 20 years.**

Overall, 56 percent of East McKinney residents who answered this question intend to stay in their current home for 20 years or longer, and another 13 percent intend to stay for 10 to 20 years. Respondents’ answers are broken down below by how long they have been in their current home, and as shown residents with greater longevity in their current home are more likely to intend to stay.

Taken in context with the data presented above, there is a tension among residents in the area between a desire to stay and the realities of the challenges they face (rising costs, financial instability, etc.). A key piece of the preservation plan will be how to support these households who want to stay in East McKinney but may need resources and support to do so.

**Survey Question: “How Long Do You Intend to Stay in Your Current House or Apartment?”**

	How long do you plan to stay in your current home?					
	Less than 1 year	1 to 2 years	3 to 5 years	5 to 10 years	10 to 20 years	Longer than 20 years

**How long have you lived in your current home?**

Less than 1 year		2			1	3
1 to 4 years	3	5	7	8	6	11
5 to 9 years	3	1	2	3	2	10
10 to 19 years		1	4		4	21
20 years or more	1		4		4	33
<b>Total</b>	<b>7</b>	<b>9</b>	<b>17</b>	<b>11</b>	<b>17</b>	<b>78</b>

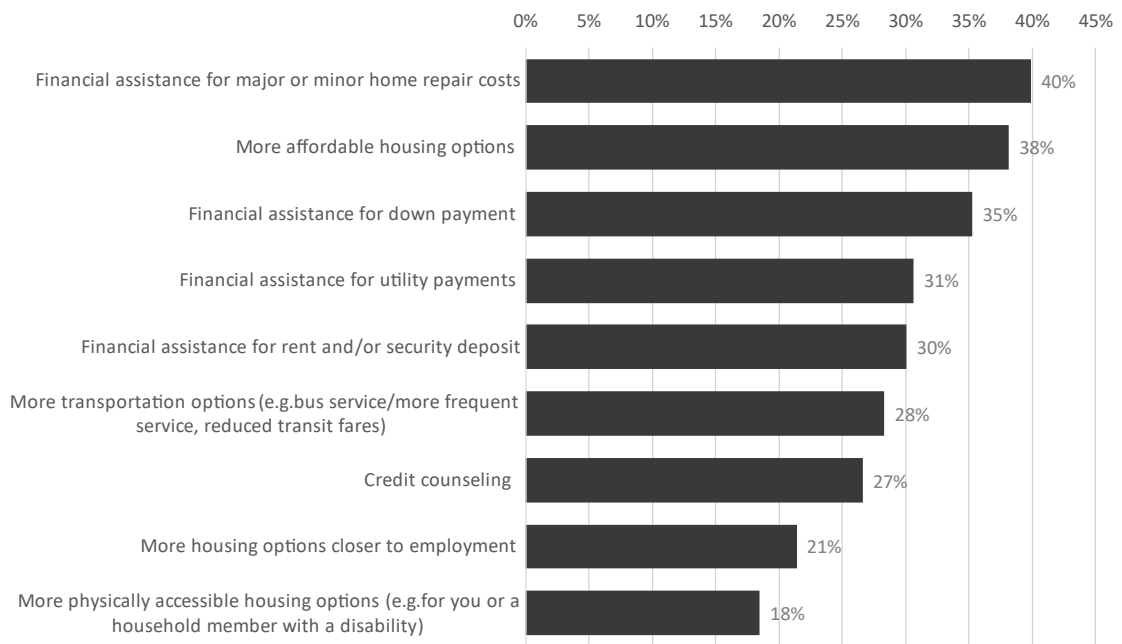
Source: Economic & Planning Systems

**When asked what would help overcome challenges being faced, most residents indicated that financial support programs would provide the greatest assistance.**

As shown below, financial assistance for home repairs was the highest rated assistance, with financial assistance for down payments, utility payments, and rent/security deposits also highly ranked. More affordable housing options were also desired.

Some of these assistance programs already exist within the City, some may be provided by other organizations, and others would need to be established. The survey results will help inform the next phase of this effort when tools and strategies will be determined.

**Survey Question: How Much Would the Following Help You Overcome These Challenges? (Somewhat, Very)**



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## 5. Redevelopment Context

In addition to analyzing data related to the conditions of East McKinney for residents, there is a need to evaluate the community in light of the larger market context. In this chapter, the larger perspective is provided that addresses the degree to which the area is attracting investment now and how the market views this subarea. Details are provided related to public investments as well as metrics related to current industrial uses. The purpose is to provide the City with a broader understanding of the pressures the neighborhood faces and opportunities the City can create as it develops a plan for stabilization.

In addition to the data presented here, interviews with local stakeholders have indicated that this pressure is being felt by residents on an individual level. Residents are seeing homes and lots being purchased to large degree by buyers external to the area, and in some cases are receiving unsolicited offers of purchase for their homes.

### Industrial Context

There is a significant amount of industrial development in and around East McKinney. With strong rents and low vacancy rates this is currently an economic driver; however, large parcels of land may be attractive to developers, particularly as residential market pressure grows with its commensurate returns.

East McKinney has 143,400 square feet of retail space and 15,900 square feet of office space, compared to 1.29 million square feet of industrial space. The industrial market in both the City at large and East McKinney represents the largest commercial use of land and is a significant economic driver. In East McKinney, industrial space has more than doubled since 2010, increasing by 720,000 square feet, or 7.7 percent annually, as shown in **Table 8**.

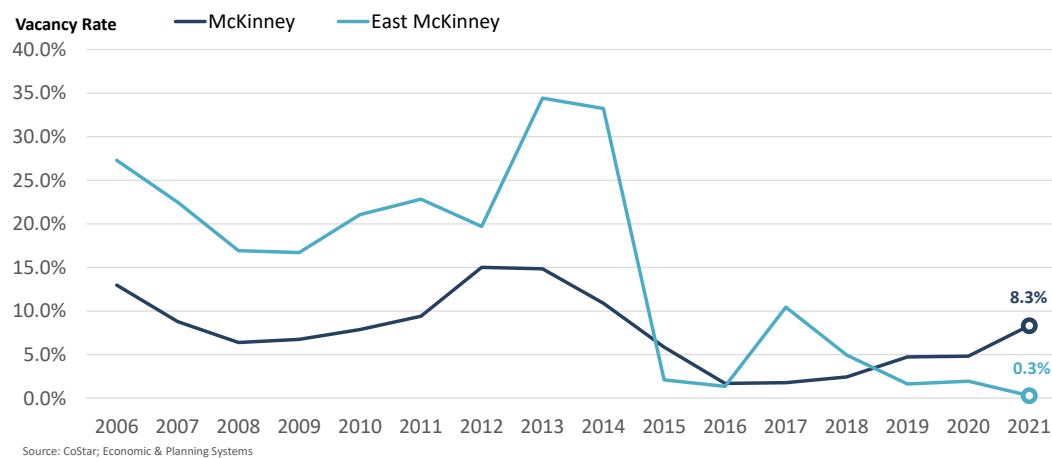
**Table 8. Industrial Development, 2010-2021**

Inventory (sq. ft.)	2010	2015	2021	2010-2021			2015-2021		
				Total	Ann. #	Ann. %	Total	Ann. #	Ann. %
McKinney	9,020,020	9,150,450	12,378,512	3,358,492	305,317	2.9%	3,228,062	538,010	5.2%
East McKinney	573,725	573,725	1,293,725	720,000	65,455	7.7%	720,000	120,000	14.5%

Source: CoStar; Economic & Planning Systems

This industrial space is performing well. As of the fourth quarter of 2021, the average vacancy rate for industrial space was 8.3 percent in the City and 0.3 percent in East McKinney, as shown in **Figure 20**. Given that a standard vacancy rate that represents equilibrium for industrial uses ranges from 8 to 12 percent, this low vacancy rate reflects strong market conditions within East McKinney. It is important to note, though, that the base floor area is small, and thus the submarket is subject to considerable fluctuations. For example, rates spiked to nearly 35 percent in 2013 before rapidly falling to 2.1 percent in 2015 and have remained relatively low since then.

**Figure 20. Industrial Vacancy Rate, 2010-2021**

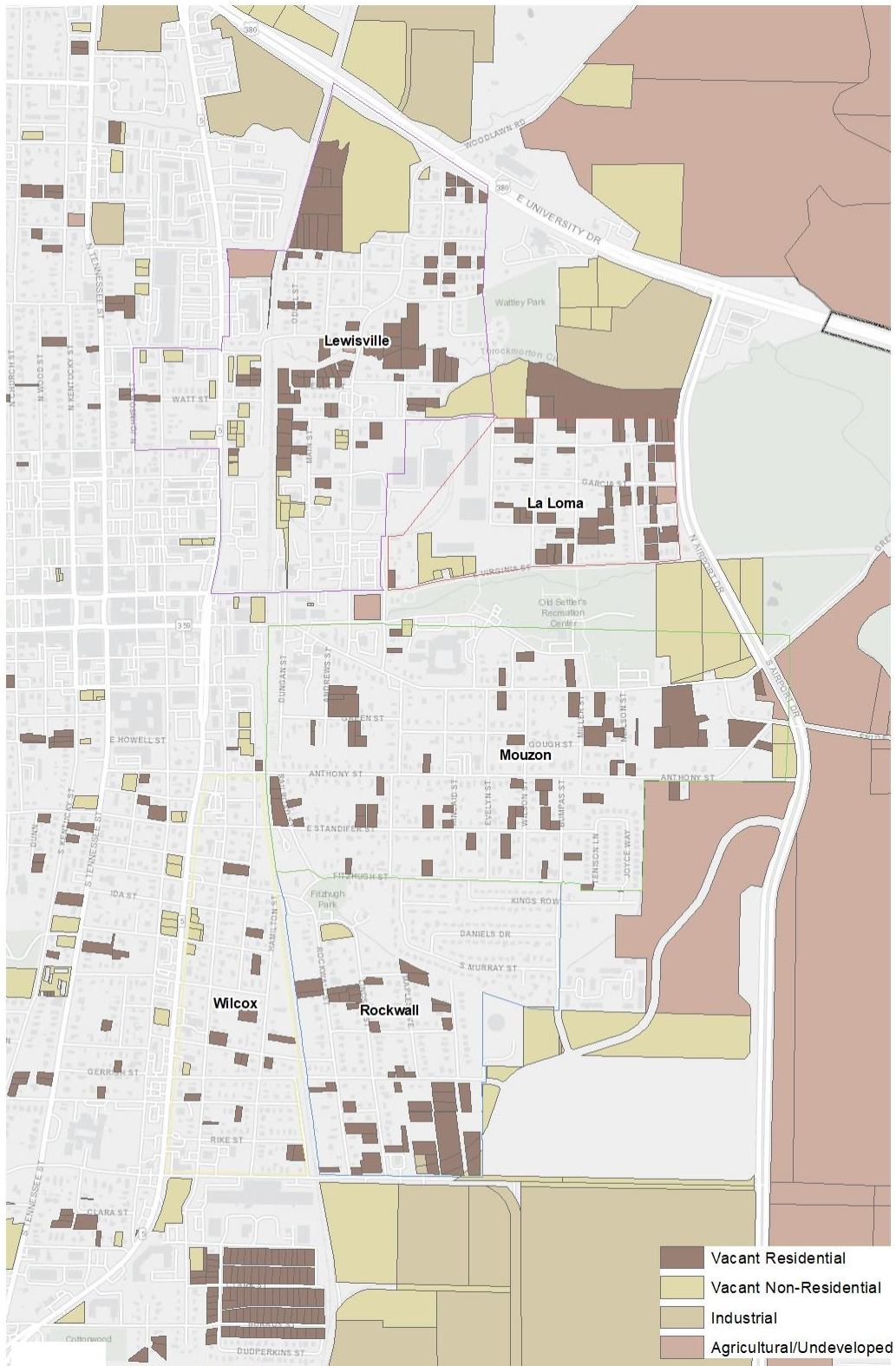


## Land Capacity

With over 1,000 acres of potentially developable land in and around East McKinney, crafting a strategic preservation plan will be critical to ensuring that growth in this area happens in an intentional manner.

**Figure 21** shows industrial, vacant, and undeveloped land (based on county assessor parcel records) in East McKinney and the surrounding area. As illustrated, there is a significant amount of development potential in this area. While a full redevelopment potential analysis was not a part of this effort, the City is reaching buildout of greenfield development sites which means that pressure will begin to increase on infill development. East McKinney, with its proximity to downtown, will likely feel the effects of demand generating from this area. Complicating the set of choices for the City is that the market pressure is reasonably high for either residential or industrial land uses, both of which put pressure on existing residents. The City is in a good position to direct the market with land use policy, given the strength of current conditions.

Figure 21. Vacant and Large Parcels



One key factor in redevelopment potential is land value – both what land can currently be purchased for (raw land value), and the cost of that land once it is redeveloped (finished land value). As shown in **Figure 22**, based on planning-level assumptions residential development can provide a 1.75 to 1.8 times increase in value over industrial development.

**Figure 22. Estimated Land Value per Acre, Residential and Industrial**



## East McKinney Projects

In addition to the development and redevelopment potential outlined above, there are a number of civic investments currently underway or recently completed in the East McKinney area. These include infrastructure, public amenities, a new City Hall, and other types of property redevelopment.

While these projects may not all have a direct impact on neighborhood preservation, they indicate that the area is attracting investment and can often generate greater interest from private capital. Understanding the benefits these investments provide is a key piece of framing up opportunities and challenges moving forward.

In addition to private development, East McKinney projects include:

### Infrastructure

- East Louisiana Public Parking Lot
- Green & Andrews: roadway, curb & gutter, resurfacing, reconstruction, parking, lighting, and landscaping
- Virginia & Throckmorton: comprehensive street, drainage, utility, pedestrian and lightning improvements
- SH 5 City Utility Relocation: Permanent and temporary easements to accommodate utility improvements required as part of the TxDOT S.H.5 reconstruction project

### Civic Investment and Redevelopment

- Municipal Community Complex: New facility for all City departments and staff
- Chestnut Water Tower: Repainting, lighting, site improvements, and accommodations for cellular providers
- McKinney Silo Mural Project: Installation of a mural on the historic silos and grain elevator, to serve as the backdrop for the new Municipal Community Complex
- Old Settler's Park: expansion of the playground and pavilion area with additional site amenities such as climbing boulders and swings
- Old Settler's Recreation Center: Construction of new facility (complete)
- TUPPS Brewery: Relocation and expansion of campus to the historic Mill District, including a tasting taproom, production facility, retail space, and entertainment venue
- Wattley Park: Update of the playground area, pavilion, sports court and install walking trails

### **Other Projects**

- S.H. 5 (TxDOT): Full reconstruction from Spur 399 to Power House Street, including wide sidewalks and improved stormwater systems
- Spur 399 (TxDOT): Realignment to address reduced mobility and connectivity between the eastern portion of Collin County and destinations south of McKinney
- Neighborhood Sign Topper Program: Sign toppers for the street signs in each neighborhood (complete)

## 6. Takeaways and Next Steps

This analysis has outlined the key trends and drivers that will impact the development of the East McKinney neighborhood preservation plan. Key themes that emerged in this analysis include:

**1. Residents of East McKinney are vulnerable to displacement in a number of ways.**

On nearly every metric evaluated, East McKinney lags the rest of the City in terms of economic and social well-being.

**2. Housing costs are high and have been increasing, particularly relative to household incomes, and are particularly concerning when considered by price per square foot.**

The ability for East McKinney residents to move from renting into homeownership is becoming increasingly limited.

**3. Since 2010 there has been a significant shift to rental from homeownership in East McKinney, which increases the vulnerability of the population to displacement.**

This shift, particularly in conjunction with other trends and factors, makes preservation and stabilization more important but also more challenging.

**4. As the City reaches buildout of greenfield development sites, pressure will increase on infill locations.**

East McKinney has a significant amount of land in and around the area, and proximity to the successful historic Downtown area is likely to fuel ongoing demand pressures.

**5. When developers are looking for redevelopment opportunities, given cost differential in land value and ability to acquire tracts of scale, they are more likely to seek out industrial/commercial sites**

Given the availability of these sites in the East McKinney area, the desired future of these sites will be a key consideration in development of the preservation plan, balancing jobs/commercial development with residents/housing.

These themes will guide the project moving forward, informing the creation of a preservation strategy. In general, this strategy will be crafted in three categories:

- Policy Changes
- Program Formation
- Funding Commitments

Next steps in crafting this strategy include:

- Neighborhood indicators
- Focus groups
- Interviews
- Draft strategies
- Strategy workshop with staff, council
- Final strategies and plan