

Low Income Transit Subsidy Pilot Program

McKinney Urban Transit Board Meeting
November 1, 2017

Background

- At the August 30, 2017 McKinney Urban Transit District (MUTD) meeting, the Board directed staff to work with participating MUTD cities and develop a proposal analysis for different subsidy options for low income individuals
- Staff met with representatives from each of the participating McKinney Urban Transit District (MUTD) on October 19, 2017 to discuss different low income subsidy options

Subcommittee Findings

- A survey of Collin County residents is needed to provide key information on how to structure the Low Income Pilot Program
- Staff recommends the amount allocated to the pilot program not to exceed \$360,000
- Marketing for the pilot program should be pushed out by the MUTD as a whole. Promotional information should be consistent
- 100 participants may not be enough to capture true data

Financial Impact

- Based on the survey, the pilot may serve more individuals at varying monthly maximums, subsidies, and/or program length

	Max Monthly Cost	Max Monthly Cost for 181 Participants*	Monthly Cost for Additional 25 Participants	Monthly Cost for Additional 50 participants	Monthly Cost for Additional 100 participants
75% Subsidy	\$300	\$54,300	\$7,500	\$15,000	\$30,000

*As of September 2017

Financial Impact (Cont'd)

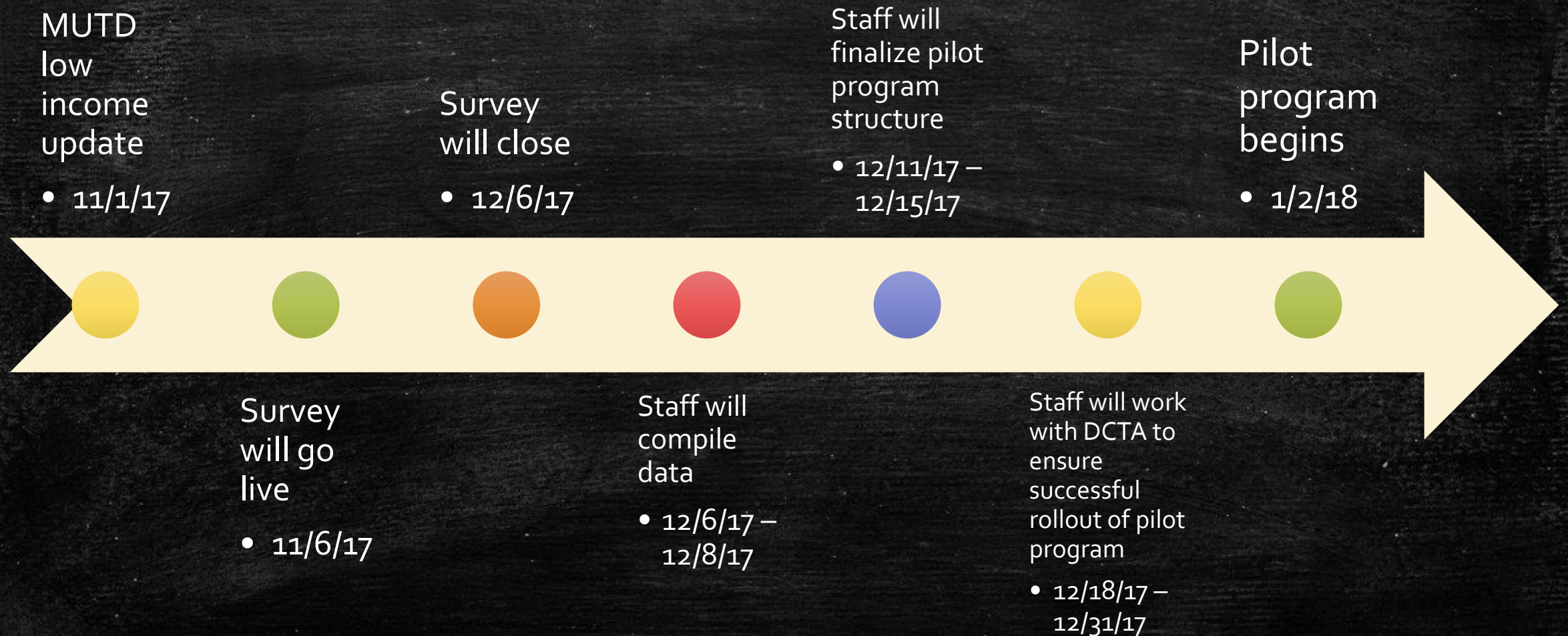
- Budget projections based on anticipated expenditure and revenue

	Revenue		Expenditures				
	FY17	FY18	FY17	FY18	LI 75% subsidy		
					25 additional participants for 12 months	50 additional participants for 12 months	100 additional participants for 12 months
TxDOT (Sept. 2017 - May 2018)*	\$433,017.00	\$312,000.00					
FTA	\$470,933.00	\$384,088.00					
Local Match	\$72,088.00	\$72,088.00					
DCTA			\$350,000.00	\$350,000.00	\$90,000.00	\$180,000.00	\$360,000.00
City of McKinney Administrative costs			\$86,612.00	\$86,612.00			
Subtotal	\$976,038.00	\$768,176.00	\$436,612.00	\$436,612.00	\$90,000.00	\$180,000.00	\$360,000.00
Add Yearly Expenditures					\$436,612.00	\$436,612.00	\$436,612.00
Total Annual Projected Cost	\$976,038.00	\$768,176.00			\$526,612.00	\$616,612.00	\$796,612.00

Low Income Subsidy Options

- The sample size of the pilot program has yet to be determined. The purpose of the survey is present staff with an idea of the level of demand from each of the MUTD cities. Here are a few possible scenarios for the pilot program:
 - **Scenario #1**: 100 participants, \$400/mo (75% subsidy), 12 mos
 - Resident out-of-pocket: \$100/mo
 - **Scenario #2**: 200 participants, \$200/mo (75% subsidy), 12 mos
 - Resident out-of-pocket: \$50/mo
 - **Scenario #3**: 200 participants, \$400/mo (75% subsidy), 6 mos
 - Resident out-of-pocket: \$100/mo
 - **Scenario #4**: 300 participants, \$400/mo (75% subsidy), 4 mos
 - Resident out-of-pocket: \$100/mo
 - **Scenario #5**: Allocate \$30,000 per month and accept participants on a first-come-first-serve basis. Monthly balance of funds will roll over

Anticipated Timeline



Questions?
