

**Kansas City Streetcar Main Street Extension**  
**Kansas City, Missouri**  
**New Starts Project Development**  
**(Rating Assigned November 2018)**

Summary Description	
<b>Proposed Project:</b>	Streetcar 3.5 Miles, 9 Stations
<b>Total Capital Cost (\$YOE):</b>	\$316.58 Million
<b>Section 5309 CIG Share (\$YOE):</b>	\$151.64 Million (47.9%)
<b>Annual Operating Cost (opening year 2023):</b>	\$6.99 Million
<b>Current Year Ridership Forecast (2017):</b>	7,300 Daily Linked Trips 2,274,500 Annual Linked Trips
<b>Overall Project Rating:</b>	Medium-High
<b>Project Justification Rating:</b>	Medium
<b>Local Financial Commitment Rating:</b>	Medium-High

**Project Description:** The City of Kansas City proposes to extend the Kansas City Downtown Streetcar south from the existing terminus at Union Station to the University of Missouri – Kansas City. The City expects the project will operate in mixed traffic with semi-exclusive service in portions of the corridor. The Project includes right-of-way acquisition, vehicle maintenance facility expansion, the purchase of six vehicles, road work, transit signal priority and queue-jumps, intersection and sidewalk improvements, communications system, and a fare collection system. The service is planned to operate every 10 minutes weekday peak and off-peak periods, and every 12 minutes during weekday evenings and weekends.

**Project Purpose:** The corridor contains several institutional and commercial uses such as the Federal Reserve Bank of Kansas City, Metropolitan Community College-Penn Valley Campus, St. Luke’s Hospital, Country Club Plaza, social service organizations, museums, and an emerging theatre district. The project is intended to connect the quickly growing activity centers in the corridor, improve transit service, and support economic development with efficient, reliable, and effective transit service.

**Project Development History, Status and Next Steps:** The Kansas City Area Transportation Authority (KCATA) identified a locally preferred alternative in November 2013 that was adopted into the region’s fiscally constrained long-range transportation plan in June 2015. The project entered Project Development in December 2017. The City expects to complete the environmental review process in early 2019, enter Engineering in late 2019, receive a full funding grant agreement in May 2020, and start revenue service in June 2023.

## Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
<b>Federal:</b>		
Section 5309 New Starts	\$151.64	47.9%
<b>Local:</b>		
Kansas City Main Street Rail Transportation Development District Bonds and Sales, Property, and Parking Assessment Revenues	\$164.94	52.1%
<b>Total:</b>	<b>\$316.58</b>	<b>100.0%</b>

**NOTE:** The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

**MO, Kansas City, Main Street Extension  
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<b>Factor</b>	<b>Rating</b>	<b>Comments</b>
<b>Local Financial Commitment Rating</b>	<b>Medium-High</b>	
<b>Non-Section 5309 CIG Share</b>	<b>+1 level</b>	The CIG share of the Project is 47.9 percent.
<b>Summary Financial Plan Rating</b>	<b>Medium</b>	
Current Capital and Operating Condition (25% of local financial commitment rating)	High	<ul style="list-style-type: none"> <li>• The City of Kansas City, Missouri, (KCMO) does not operate bus service. Thus, bus fleet age is not a component of the rating.</li> <li>• The most recent bond ratings for KCMO, issued in April 2018, are as follows: Moody's Investors Service A1, and Standard &amp; Poor's Corporation AA-.</li> <li>• KCMO's Streetcar system's current ratio of assets to liabilities as reported in KCMO's most recent audited financial statements is 3.6 (FY2017).</li> <li>• There have been no service cutbacks or cash flow shortfalls in recent years.</li> </ul>
Commitment of Capital and Operating Funds (25% of local financial commitment rating)	Low	<ul style="list-style-type: none"> <li>• None of the non-Section 5309 CIG capital funds are committed or budgeted. Sources of funds include special obligation bonds repaid with Transportation Development District (TDD) sales tax, property tax and parking assessment funds.</li> <li>• Approximately 43.3 percent of the funds needed to operate and maintain the transit system in the first full year of operation are committed or budgeted, and the rest are considered planned. Sources of funds include TDD sales tax, property tax, and parking assessment funds; KCMO general revenues; and advertising revenues.</li> </ul>
Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/Capital Funding Capacity (50% of local financial commitment rating)	Medium-Low	<ul style="list-style-type: none"> <li>• Assumed growth in capital revenues is reasonable compared to recent historical experience.</li> <li>• The capital cost estimate is reasonable.</li> <li>• Regarding growth in operating revenue assumptions, sales and property tax revenues are reasonable compared to recent historical experience. The financial plan assumes no fare revenue because the streetcar system will be free to ride.</li> <li>• Operating cost estimates are optimistic compared to recent historical experience.</li> </ul>

		<ul style="list-style-type: none"><li>• KCMO has access to funds via additional debt capacity, cash reserves, or other committed funds to cover less than 2 percent of the total Project capital cost, and no annual system wide operating expenses in excess of the current cash flow.</li></ul>
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**LAND USE RATING: *Medium-Low***

The land use rating reflects population density within one-half mile of proposed stations, employment served by the line, and the share of legally binding affordability restricted (LBAR) housing in the station areas compared to the share in the surrounding county.

- The station areas have an average population density of 5,100 persons per square mile, which rates Medium-Low by FTA benchmarks. The project would serve a total of 104,000 employees, which rates Medium. The average daily parking cost in the Kansas City central business district (CBD) is \$13, which corresponds to a Medium-High rating. The ratio of station area to county LBAR housing is 1.22, corresponding to a Medium-Low rating.
- Main Street is primarily a commercial street surrounded by neighborhoods of mostly single-family homes. The southern end of the corridor includes a university and a regional shopping complex. In the northern and middle segments of the corridor, the low-rise commercial strip character of Main Street is interspersed with large-lot cultural institutions and office complexes.
- Almost every block of Main Street has sidewalks and these connect to surrounding neighborhoods. However, the condition and quality of the pedestrian facilities are inconsistent.

**ECONOMIC DEVELOPMENT RATING: *Medium***

**Transit-Supportive Plans and Policies: *Medium***

- *Growth Management:* There is no binding regional growth management framework in the Kansas City metropolitan area. However, the regional long-range transportation plan encourages development in existing areas of concentration and the regional MetroGreen plan proposes a network of trails and green space along with potential strategies to protect these sites.
- *Transit-Supportive Corridor Policies:* Kansas City's Midtown/Plaza Area Plan, a district plan that applies to the majority of the corridor, recommends high residential densities in much of the corridor and mixed-use development along Main Street. The City's Transit-Oriented Development (TOD) Policy sets principles for more detailed station-area planning, including higher densities and diverse uses, with centers of activity located closest to transit stations.
- *Supportive Zoning Regulations Near Transit Stations:* Overlay zoning that applies to almost all parcels on Main Street allows High densities per FTA's benchmarks and requires transit-supportive uses and design elements. Other commercial zones in the corridor also allow high density development. Permitted residential densities vary widely, though many of the zones allow densities in the Medium-High range per FTA benchmarks.
- *Tools to Implement Land Use Policies:* The corridor encompasses four existing tax-increment financing (TIF) districts that are primarily supporting housing improvements and commercial development. Kansas City conducted significant public outreach as part of developing the TOD Policy and Midtown/Plaza Area Plan.

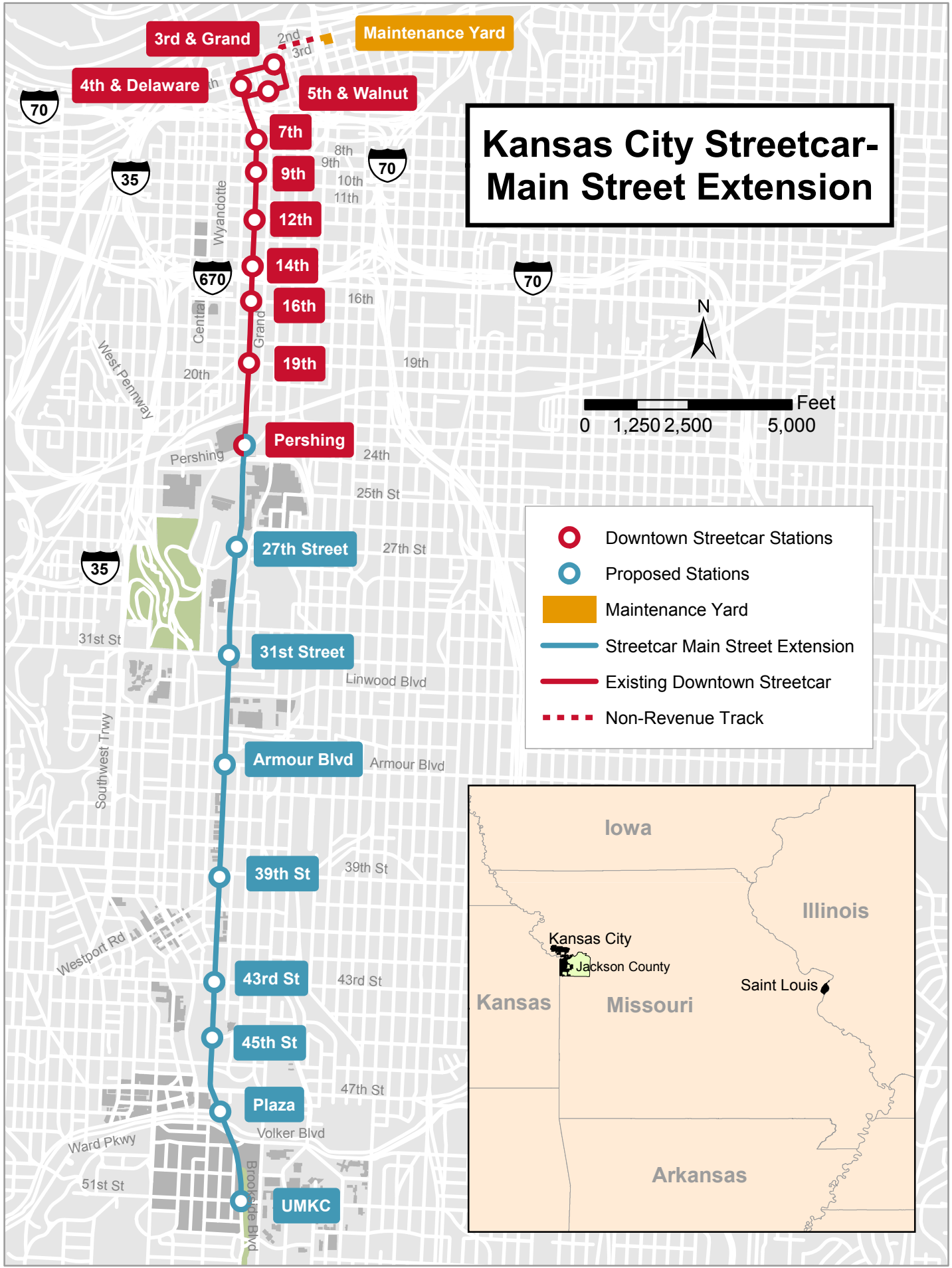
**Performance and Impacts of Policies: *Medium-High***

- *Performance of Land Use Policies:* Since the downtown streetcar line opened in 2016, many developments have been completed or proposed that overall appear to be supportive of transit. The extension corridor has attracted a few transit-supportive development proposals.
- *Potential Impact of Transit Investment on Regional Land Use:* Nearly 48 acres of vacant land in addition to a number of surface parking lots could be redeveloped with transit-supportive densities and character. The corridor's economic environment appears to be reasonably strong relative to Kansas City as a whole, with higher home prices and lower commercial vacancy rates.

**Tools to Maintain or Increase Share of Affordable Housing: Medium-Low**

- Kansas City is considering adoption of a housing policy that would include a range of tools to support affordable housing. Currently, the City offers up to a 100 percent property tax abatement for up to 25 years and an exemption on sales taxes on construction materials for housing projects in which more than 10 percent of units are LBAR.
- In the corridor, the Midtown TIF has supported the preservation and rehabilitation of over 2,000 housing units since the mid-1990s, of which 120 of the units were specifically noted as being affordable.

# Kansas City Streetcar- Main Street Extension



3rd & Grand Maintenance Yard

4th & Delaware 5th & Walnut

7th

9th

12th

14th

16th

19th

Pershing

27th Street

31st Street

Armour Blvd

39th St

43rd St

45th St

Plaza

UMKC

0 1,250 2,500 5,000 Feet

- Downtown Streetcar Stations
- Proposed Stations
- Maintenance Yard
- Streetcar Main Street Extension
- Existing Downtown Streetcar
- - - Non-Revenue Track

