



KANSAS CITY

DOWNTOWN
STREETCAR



TIGER IV GRANT APPLICATION



Kansas City, MO
March 19, 2012

PROJECT SUMMARY

Project Description

The proposed streetcar line in downtown Kansas City, Missouri is an exciting, modern transit solution to fill a long-noted gap in the city's resurging downtown. The proposed 2.1-mile north-south streetcar route (4.1 track-miles) would operate in City-owned streets connecting the River Market area, near the Missouri River, to the renowned Crown Center/Union Station area – also serving the Central Business District and eclectic Crossroads Arts District. It would include 12 stations, spaced roughly every two blocks, operating at 10-minute headways. Modern electric streetcar vehicles are planned to serve attractive stations with real-time passenger information and amenities. This project will support the City's long-established goals to make the corridor a place where people can live, work, shop, and be entertained.

Project Type

Modern Electric Streetcar; 4.1-track miles

Project Name

Kansas City Downtown Streetcar

Type of Application

Transit/Rail

Location

Kansas City, Jackson County, Missouri
 Congressional District 5, an urban area
 Serving River Market, Central Business District,
 Crossroads Arts District, and Union Station/Crown Center
 Designated Economically Distressed Area

Primary Point of Contact

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Major Activity Centers

There are a number of large destinations in downtown Kansas City that would be served by the Streetcar. The proposed project will connect them all! The downtown corridor is home to 65,000 employees and 4,600 residents. More than 10,000,000 people annually visit:

- Sprint Center
- Power & Light District
- Bartle Hall Convention Center and Ballroom
- Kauffman Center for the Performing Arts
- Crown Center
- Union Station
- City Market/Arabia Steamboat Museum
- Central Library
- Folly Theater
- National World War I Museum at Liberty Memorial
- Government District
- Financial District
- College Basketball Experience
- Midland Theatre
- 10th & Main Bus Transit Center
- 3rd & Grand Bus Transit Center

Project Cost

Overall Project	
Project Cost (millions)	\$101.0
State/Local Funds (millions)	\$76.0
TIGER IV Grant Funds Requested (millions)	\$25.0
Contains Confidential Business Information	No



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APPENDICES

Appendix A - Letters of Support

http://kcdowntownstreetcar.com/PDFs/Appendix_A_LettersOfSupport.pdf

Appendix B - Cost-Benefit Analysis

http://kcdowntownstreetcar.com/PDFs/Appendix_B_CBA.pdf

Appendix C - Wage Rate Certification

http://kcdowntownstreetcar.com/PDFs/Appendix_C_WageRateCert.pdf

Appendix D - Documentation of Anticipated Development

http://kcdowntownstreetcar.com/PDFs/Appendix_D_AnticDev.pdf

Appendix E - Schedule

http://kcdowntownstreetcar.com/PDFs/Appendix_E_Schedule.pdf



REFERENCE LINKS

For ease of review, the project team has provided a number of web links to reference documents. Appendices are linked as well, as shown on **page iii**.

Agencies/Organizations

- **City of Kansas City:** <http://www.kcmo.org/>
- **Kansas City Area Transportation Authority:** <http://www.kcata.org/>
- **Mid-America Regional Council:** <http://www.marc.org/>
- **Jackson County, Missouri:** <http://www.jacksongov.org/>
- **Port Authority of Kansas City, Missouri:** <http://www.kcportauthority.com/>
- **Downtown Council:** <http://www.downtownkc.org/>
- **Downtown/River Market CIDs:** <http://www.downtownkc.org/clean-safe-green/community-improvement/>
- **Downtown Neighborhood Association:** <http://dnakcmo.org>
- **Economic Development Corporation of Kansas City:** <http://edckc.com>
 - **TIF Commission:** <http://edckc.com/agencies-partners/tax-increment-financing-commission/>
 - **Planned Industrial Expansion Authority (PIEA):** <http://edckc.com/agencies-partners/planned-industrial-expansion-authority/>
 - **Enhanced Enterprise Zones:** <http://edckc.com/agencies-partners/enhanced-enterprise-zone-boards/>

-
- 1 - Liberty Memorial
2 - Union Station
3 - Crown Center

Corridor Attractions

- **Sprint Center:** <http://www.sprintcenter.com/>
- **Kauffman Center for the Performing Arts:** <http://www.kauffmancenter.org/>
- **City Market:** <http://thecitymarket.org/>
- **River Market:** <http://www.kcrivermarket.com/>
- **Crossroads Arts District:** <http://www.kccrossroads.org/>
- **Crown Center:** <http://www.crowncenter.com/Index.asp>
- **Sea Life Aquarium:** <http://www.visitsealife.com/kansas-city/>
- **Legoland Discovery Center:** <http://kansas.legolanddiscoverycenter.com/kansas/holding/>
- **Power and Light District:** <http://www.powerandlightdistrict.com/>
- **Union Station:** <http://www.unionstation.org/>
- **DeVry University Downtown:** http://www.devry.edu/locations/campuses/loc_kcdowntown.jsp
- **Park University:** <http://www.park.edu/Downtown/>
- **Bartle Hall Convention Center:** www.kcconvention.com
- **Arabia Steamboat Museum:** www.1856.com
- **Folly Theater:** www.follytheater.org
- **First Fridays:** <http://www.kccrossroads.org/organizations/1186>

Businesses in Corridor

- **H & R Block:** <http://www.hrblock.com>
- The following businesses have announced plans to relocate their offices downtown and will be in the project corridor:
 - **Data Systems International:** <http://www.dsionline.com/>
 - **University of Missouri – Kansas City Conservatory of Music and Dance:** <http://info.umkc.edu/artscampus/>
 - **Brightergy Solar Solutions:** <http://brightergy.com/>
 - **RareWire:** <http://www.rarewire.com>
 - **Sporting Innovations:** <http://www.sporting-innovations.com/>



Housing in Corridor

- **909 Walnut:** <http://www.909walnut.com/>
- **Downtown Lofts:** <http://www.kcloftcentral.com/>
- **Market Station Apartments:** <http://www.marketstationapts.com/>

Transportation in Corridor

- **BikeShareKC:** <http://bikesharekc.com/what>
- **KCATA routes:** http://www.kcata.org/maps_schedules/
- **KCATA MAX Maps:** http://www.kcata.org/maps_schedules/max/
- **KCATA connection to airport (map):**
<http://www.kcata.org/documents/routes/maps/129mwk.gif>
- **Johnson County Transit:** <http://www.thejo.com/>
- **Amtrak:** <http://www.amtrak.com/>
- **Riverfront Heritage Trail:** <http://kcrivertrails.org/>
- **Megabus:** <http://us.megabus.com/>

Newspaper articles

- **Streetcar Rezoning Approved:** [http://kcdowntownstreetcar.com/PDFs/Article_Streetcar Re-zoning.pdf](http://kcdowntownstreetcar.com/PDFs/Article_Streetcar_Re-zoning.pdf)
- **Google Ultra High Speed Fiber Coming to Downtown Kansas City:** <http://googlefiberblog.blogspot.com/>
- **Brightergy Solar moving downtown:**
http://kcdowntownstreetcar.com/PDFs/Article_Brightergy_Solar.pdf
- **Helix is buying its headquarters, expanding in Crossroads**
http://kcdowntownstreetcar.com/PDFs/Article_Helix.pdf
- **Move represents a victory for Downtown, GSA**
http://kcdowntownstreetcar.com/PDFs/article_GSA.pdf

Regional Studies, Plans, Initiatives

- **Greater Kansas City Chamber of Commerce “Big 5”:**
<http://www.kcchamber.com/News/Chamber-News/Greater-KC-Chamber-Rolls-Out-Big-5.aspx>
- **Downtown Corridor Alternatives Analysis:**
<http://www.kcsmartmoves.org/projects/downtowncorridor.aspx>
- **Greater Downtown Area Plan (GDAP):**
<http://kcdowntownstreetcar.com/PDFs/GDAP.pdf>
- **MARC TIGER Tracker:** <http://www.marc.org/TIGER/tracker.asp>
- **Smart Moves Regional Transit Vision:**
<http://www.kcsmartmoves.org/>
- **Transportation Outlook 2040:** <http://www.marc.org/2040/>
- **Jackson County Commuter Corridor Alternatives Analysis:**
<http://www.kcsmartmoves.org/projects/jacksoncounty.aspx>
- **KCATA Comprehensive Service Analysis (CSA):**
http://www.kcata.org/maps_schedules/comprehensive_service_analysis/
- **Kansas City Major Street Plan:**
http://kcdowntownstreetcar.com/PDFs/KCMO_MajStPlan.pdf

Legislation

- **Zoning ordinances – streetcar corridor:** http://kcdowntownstreetcar.com/PDFs/KCMO_Streetcar_Rezoning_Ords.pdf
- **KCMO Council Resolutions supporting establishment of TDD:** http://kcdowntownstreetcar.com/PDFs/KCMO_Streetcar_TDD_resolutions.pdf
- **KCMO Council Resolution supporting TDD incentives and development approval:** http://kcdowntownstreetcar.com/PDFs/KCMO_incentive&process_resolution.pdf
- **Missouri TDD Act:**
<http://www.moga.mo.gov/statutes/C238.HTM>



PROJECT DESCRIPTION

Project Area

The Study Area encompasses the downtown core of Kansas City, Missouri. The Corridor extends from the River Market area on the north, through the Central Business District and the Crossroads Arts District, to Union Station/Crown Center on the south. **Figure 1** illustrates the study area. The corridor, home to streetcar service in the early to mid-1900s (please refer to figure at left), is extremely well-positioned for a rail transit renaissance. Over the past 5–10 years, significant amounts of public and private investment in Kansas City's downtown have allowed it to re-emerge as the cultural center of the region. City planning actions are advancing this renaissance on the commercial and residential side, creating a vibrant, livable, mixed-use downtown. Regional and local plans and policies have formally identified the need for a north-south downtown transit spine. The recently completed Downtown Corridor Alternatives Analysis selected the modern electric streetcar on Main Street as the Locally Preferred Alternative (LPA).

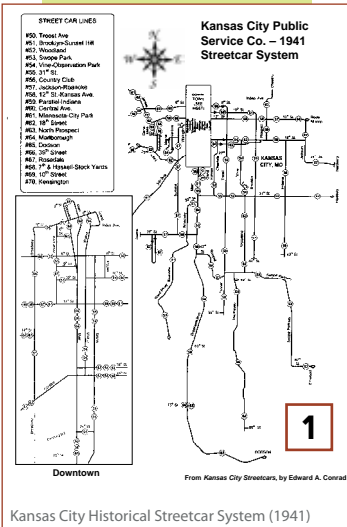
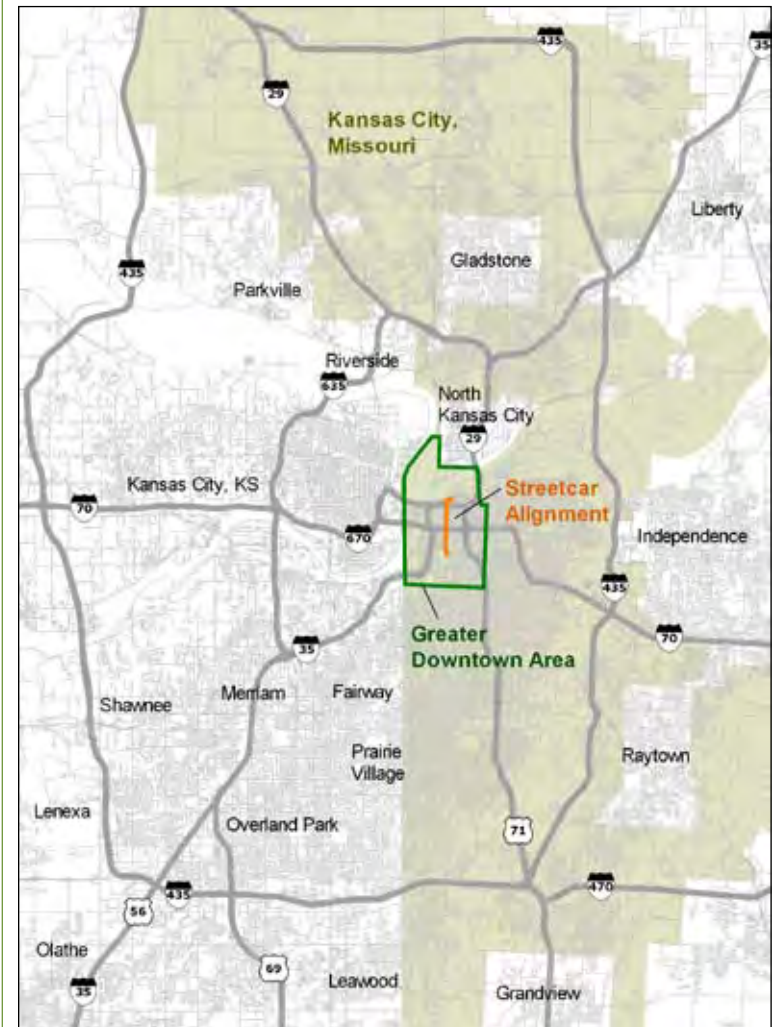
The proposed Kansas City Downtown Streetcar will initially serve more than 65,000 downtown employees, 4,600 downtown residents, and 10 million annual visitors connecting all of these important groups to local, regional, and national transportation infrastructure. Through substantial policy and planning support, as well as significant local financial contributions, this project will not only create an important and consolidated transit connection, but will also serve as a catalyst for continued and sustained economic development.

Project Scope

- **Transit mode:** Modern Electric Streetcar
- **Project length:** 4.1 track miles
- **Stop spacing:** Every 2 blocks
- **Opening date:** Spring 2015

1 - Historical Streetcar Service in Kansas City

Figure 1 | Regional Position of Kansas City Downtown Streetcar



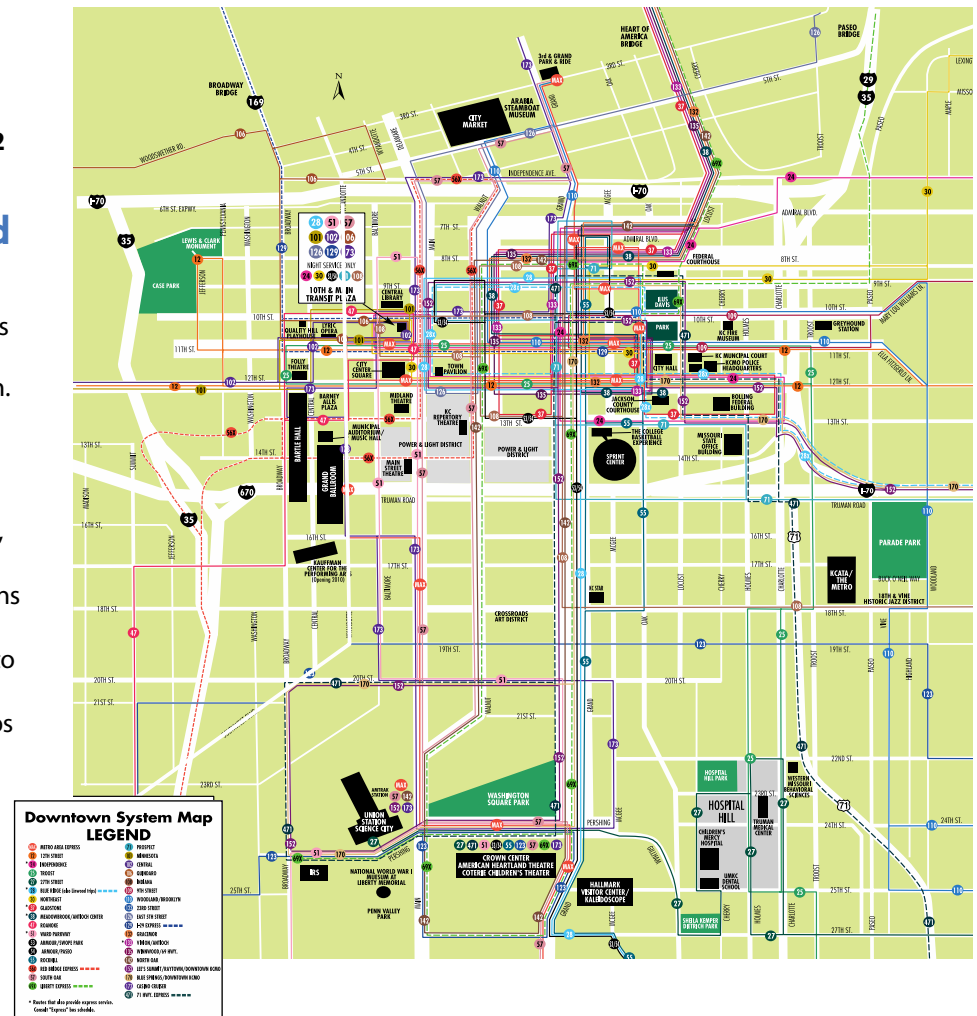
- **Construction method:** Innovative Delivery (Design-Build or Construction Manager/General Contractor)
- **Transit connections:** 31 local bus routes, 10 regional express bus routes (Johnson County Transit), 2 MAX BRT routes, intercity bus, Amtrak national network. Please refer to **Figure 2** for a map of downtown transit services.

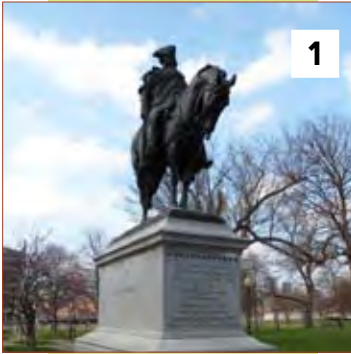
Transportation Challenges and Proposed Solution

In downtown Kansas City, there are limited linkages between activity centers. There is a need to improve transportation options for local circulation. Transportation and transit problems include:

- **Transit Circulator.** There is poor connectivity among downtown activity centers such as River Market, the Central Business District (CBD), Crossroads, Arts District, and Union Station/Crown Center. Currently, these major destinations are geographically separate. Existing transit services, including MAX BRT service, are designed to bring people to and from downtown, but there are no services designed to facilitate shorter trips within the downtown corridor. Better service for short trips is needed throughout the day, and also for special events such as “First Fridays”, Sprint Center events, and other events throughout the downtown.
- **Complete Transit System.** Downtown transit service is evolving in conjunction with efforts to strengthen the downtown core. The current transit system is not “complete” in that it does not serve residents, employees, visitors, and convention attendees sufficiently well, and

Figure 2 | Kansas City Existing Downtown Transit Services





1

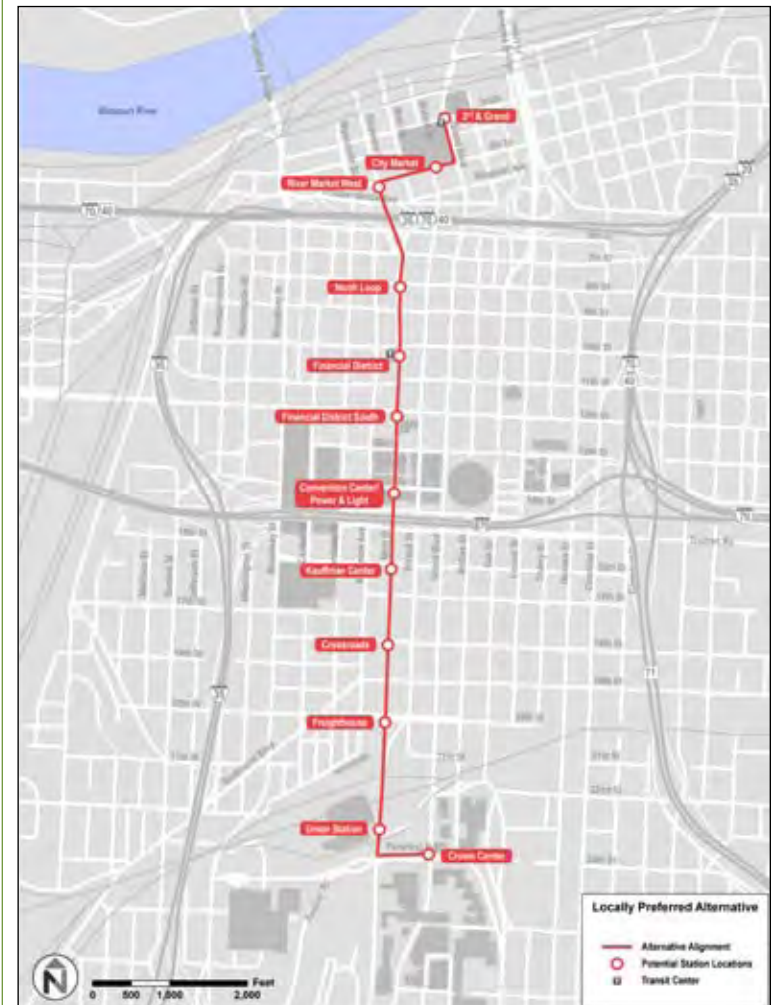
does not provide “last mile” connectivity from regional services, either existing or planned. The lack of strong downtown circulation is a major deficiency in the existing system.

- **Improve the Pedestrian Environment and Accessibility.** The downtown corridor is very auto-oriented, with wide streets and few buffers between vehicles and cars, which discourages many from walking. The development of a more transit-oriented environment, especially on one of the corridor’s major arterials, will also improve the pedestrian environment and encourage more people to walk.
- **Parking.** A large amount of land in the downtown corridor is devoted to surface parking lots. Better downtown transit circulation would connect existing buildings that have inadequate parking to available parking within the corridor. This would result in better utilization of existing structured parking and also reduce the need for surface parking lots.
- **Future Congestion.** Without better transit service, auto-based congestion will increase with the projected residential and employment growth. Conversely, better transit would allow the corridor to become less auto oriented.
- **Access to Parks and Recreation Facilities.** Park resources are concentrated at the ends of the downtown corridor. The Riverfront Heritage trail is currently difficult to access because it is somewhat isolated and disconnected from the more active parts of the downtown area. A new riverfront redevelopment plan is underway that seeks to expand activity in this area. However, without improved transit, these areas will be difficult to access without a car. Washington Square Park and Penn Valley Park are located at the southern end and will be well-served by the streetcar.

Figure 3 shows the new transit connection that would be implemented with the proposed Kansas City Downtown Streetcar line connecting downtown employees, residents, and visitors to activity centers with a simple, efficient, one-seat transit service.

1 - Washington Square Park

Figure 3 | Proposed Kansas City Downtown Streetcar Alignment and Stop Locations



Project Parties

Another strength of the project is the dedicated coordination amongst four key public agencies in the region: The City of Kansas City Missouri, Kansas City Area Transportation Authority, Mid-America Regional Council (the region's MPO), and Jackson County Missouri. The proposed project also has significant support from local stakeholders. Please refer to the "Partnership" section of the application (**page 19**) and **Appendix A** for more than 50 letters of support for the proposed project.



City of Kansas City

The City of Kansas City, Missouri (KCMO) is the local project sponsor. The City was an integral part of the Alternatives Analysis (AA), including providing the local funding match, and officially adopted the Main Street Streetcar as the LPA in 2011. KCMO is a key party in the region's TIGER I \$50 million grant award project to improve transportation infrastructure along key regional transit corridors and within the City's Green Impact Zone. KCMO is a working partner with KCATA and MARC on several local and regional transit plans and projects. KCMO has successfully delivered a significant number of federally funded transportation projects.

Kansas City Area Transportation Authority (KCATA)

The Kansas City Area Transportation Authority provides transit service in KCMO and the Missouri portion of the metropolitan area. Recently, KCATA conducted a Comprehensive Service Analysis (CSA) (please refer to **page v** for a link to preliminary findings) that involved stakeholders to develop a plan to streamline and consolidate transit services to improve cost-effectiveness. The CSA

included consideration of the proposed Kansas City Downtown Streetcar line. KCATA has extensive experience administering federal funds to develop and implement transit projects. Most recently, KCATA has received Very Small Starts funding from the Federal Transit Administration for both the Main Street and Troost Avenue MAX BRT lines, both considered successful projects. KCATA has also adopted the LPA and is working closely with KCMO to implement the Kansas City Downtown Streetcar line.

Mid-America Regional Council (MARC)

The Mid-America Regional Council, the region's metropolitan planning organization (MPO), has extensive experience administering federal grants and implementing major capital projects. MARC received a grant from FTA's Section 5339 Alternatives Analysis program to study transit alternatives in downtown Kansas City. Also, MARC was the lead agency in applying for and implementing improvements associated with the TIGER I grant. MARC has been diligent about publicly providing progress reports on the projects that received TIGER funding. Additionally, MARC led the development of Smart Moves, the region's transit vision, and Transportation Outlook 2040, the region's long-range transportation plan. This plan focuses regional growth around transportation and high density residential development. Please refer to **page iv** for a link to MARC's TIGER Tracker website, as well as a link to Smart Moves and Transportation Outlook 2040.

Jackson County

Jackson County, Missouri was also a partner on the Kansas City Downtown Corridor Alternatives Analysis. The County, in coordination with the City, is currently conducting a regional Commuter Corridors Alternatives Analysis. Transit solutions identified in this study will work to coordinate services and connections with the proposed streetcar. Additionally, Jackson County has expressed support for the streetcar project. Please refer to **page v** for a link to the Jackson County Commuter Corridor Alternatives Analysis.





PROJECT FUNDS: GRANTS AND SOURCES/USES OF PROJECT FUNDS

The City of Kansas City and partners request \$25 million in TIGER funds; approximately 25% of the project's total capital cost. This will leverage significant local and private investment for the design, construction and operation of the Kansas City Downtown Streetcar. More than 75% of the project's cost will be funded with local public and private funding. Please refer to **Table 1** for a summary of the sources of capital funding, **Table 2** for a breakdown of capital costs by major cost category, and **Table 3** for a schedule of expenditures by funding source.

Local and Private Funding Sources

As a sign of the City's commitment to moving this project toward construction, the City and the KCATA have jointly committed \$2.5 million in the current fiscal year to fund advanced conceptual engineering and NEPA, which are currently underway. Please refer to **Table 1** for a breakdown of the project's capital cost by funding source.

The primary funding source will be a Missouri Transportation Development District (TDD), formed pursuant to the Missouri Transportation Development District Act, § 238.200, et seq., RSMo (the "TDD Act"). A TDD is a special benefit district that operates as a separate entity and is a political subdivision of the State, governed by a Board of Directors. A TDD has the statutory power to establish (after the approval of a majority vote of the qualified voters within the TDD) several sources of revenue within the boundaries (and only within the boundaries) of the TDD.

The concept of establishing a special benefit district such as the TDD as a source for local investment in the proposed Kansas City Downtown Streetcar has been the subject of discussion for a considerable period of time. In February 2012, the City commenced the formal process

1 - TDD Boundary

Table 1 | Capital Funding Sources (millions \$ YOY)

SOURCES	CAPITAL COSTS (YOY)	FUNDING STATUS
TIGER IV Funds	\$25.0	Applied For
City/KCATA	\$2.5	Committed
TDD Revenue	\$73.5	Formation initiated
TOTAL PROJECT FUNDS	\$101.0	

Table 2 | Capital Cost Distribution (millions \$, YOY)

COST CATEGORY		
10.00	Guideway and Trackwork	12.30
20.00	Stations, Stops, Terminals	3.22
30.00	Support Facilities	8.97
40.00	Sitework and Special Conditions	14.18
50.00	Systems	14.87
60.00	ROW, Land, Improvements	2.71
70.00	Vehicles	18.97
80.00	Professional Services	16.64
90.00	Unallocated Contingency	9.19
100.0	Finance Charges	---
TOTAL PROJECT COST		101.05



of establishing the TDD by filing (jointly with the Kansas City Port Authority) a formation petition with the Jackson County Circuit Court. The question of forming the TDD will be submitted to those registered voters residing only within the boundary of the TDD at an election expected to occur in the early summer of 2012.

Table 3 | Timing of Project Expenditures by Funding Source (millions \$, YOE)

		FUNDING SOURCES (YOE)		
		Local	TIGER IV	TOTAL
2012	Q1	0.39		0.39
	Q2	2.04		2.04
	Q3	1.89		1.89
	Q4	1.24		1.24
2013	Q1	4.50	2.77	7.27
	Q2	5.00	3.23	8.23
	Q3	1.79	7.16	8.95
	Q4	2.06	8.25	10.32
2014	Q1	9.60	3.58	13.18
	Q2	15.47		15.47
	Q3	16.18		16.18
	Q4	11.07		11.07
2015	Q1	4.53		4.53
	Q2	0.57		0.57
TOTAL		76	25	101

The TDD would generate revenue primarily from a new and dedicated one-cent sales tax charged only within the TDD and special assessments on real property only within the TDD. The TDD revenue will also cover 100% of the proposed project's net operating and maintenance (O&M) costs after passenger fare revenues and advertising and concessions. O&M costs are estimated to be \$2.8 million annually, based on 2013 dollars.

All of the TDD revenue will be applied to pay the capital costs and O&M Costs of the proposed streetcar. This very significant local public and private investment far exceeds the United States Department of Transportation's (USDOT's) target for local investment in projects vying for TIGER IV funding. **Table 4** illustrates that the federal TIGER investment of \$25 million represents 15% of the **total capital costs and 20-years of operations** for the streetcar project, while the City contribution and local and private sector TDD accounts for 85% of total costs. An additional discussion on this innovative finance plan may be found on **page 19**.

Table 4 | Funding Sources Over 20-Year Project Horizon

	CAPITAL FUNDING (MILLIONS, \$2012)	O&M FUNDING (20 YEARS) (MILLIONS, \$2012)	TOTAL: CAPITAL + O&M
Local Funding Commitment			
City of Kansas City*	\$2.5		\$2.5 (1%)
TDD*	\$73.5	\$68.0	\$141.5 (84%)
Federal Funding Commitment			
TIGER	\$25.0		\$25.0 (15%)
TOTAL	\$101.0	\$68.0	\$168.0

*The City also owns properties that will be assessed in the TDD - an estimated additional \$800,000 annually.



TIGER IV PRIMARY SELECTION CRITERIA

The proposed Kansas City Downtown Streetcar project will have a positive, long-term impact on the City of Kansas City. The proposed project meets or exceeds each of the Primary Selection Criteria and will provide an efficient transportation connection between downtown, employment, residences, attractions, and regional transit service.

Long Term Outcomes

State of Good Repair

Transit System Efficiencies Will Ensure Streetcar Success

The Kansas City Downtown Streetcar project is the cornerstone of the City's downtown transportation and development plans. The proposed project will not only provide a unifying service between downtown activity centers, but will also connect to regional transportation services such as the MAX BRT lines, a number of local and express bus routes, as well as national Amtrak service. Additionally, as the proposed project has a funding source exclusive to the project, it will not impact KCATA's budget in any way. It is these connections that will allow the City and KCATA to optimize services and focus available funds on those routes that will most enhance connectivity and ridership. KCATA has recently conducted a Comprehensive Service Analysis (CSA), and is in the process of implementing the study's recommendations. A link to the study may be found on **page v**. The CSA identified key service corridors inside and outside of downtown. Specific routes have been identified to receive increased frequency and expanded hours. Approximately 70% of the routes identified in the study will directly feed the proposed streetcar. Follow-up route and service planning is more closely integrating bus service delivery with the streetcar alignment. This dedication to efficiency and focused transit service will not only help the region as a whole to make services more cost effective, but will also provide a substantial transit market for the streetcar line from opening day. Please refer to **Figure 4** for a map of

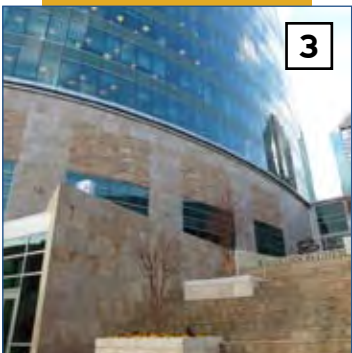
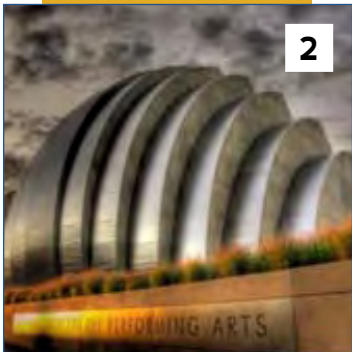
Figure 4 | Comprehensive Service Analysis Map of Proposed Changes to Downtown Transit



the proposed changes to downtown transit service outlined in the preliminary CSA findings. Additionally, below are a number of "quick facts" about KCATA:

- **Service Area:** 919 square miles in seven counties
- **Service Area Population:** 1,445,584
- **Employees:** 800
- **Annual Operating Budget:** \$80 million
- **Fleet Size:** 265 buses, including 28 MAX vehicles





- **Bus Stops:** 5,741
- **Municipalities contracting with KCATA:** 10
- **Ridership:**
 - 2011 Average Weekday Ridership: 52,720
 - 2011 Total Annual Ridership: 15.6 million

Economic Competitiveness

Downtown Resurgence Has Brought More Than \$5 Billion in Development

In the past decade, downtown has experienced a resurgence and transformation into a vibrant cultural and economic center. Significant investments totaling nearly \$5 billion (please refer to **Table 5** for precise amounts below), from both private and public sources, have stimulated economic growth and have begun to return the downtown to its rightful position as the economic engine of the region. Please refer to **Figure 5** for a map indicating the location of downtown investments.

Table 5 | Major Commercial Investments in Downtown Kansas City, MO Since 2002

TYPE OF DEVELOPMENT	AMOUNT INVESTED
Office Space	\$ 1,256,000,000
Convention / Hotel	\$ 257,000,000
Arts, Culture, & Entertainment	\$ 1,393,000,000
Religious	\$ 13,000,000
Mixed Use	\$ 365,000,000
Manufacturing	\$ 224,000,000
Healthcare	\$ 639,000,000
Transportation	\$ 383,000,000
TOTAL	\$ 4,530,000,000

- 1 - AMC at Kansas City Power & Light District
 2 - 2011, Kauffman Center for the Performing Arts
 3 - 2006, H&R Block World Headquarters

Below are several key examples within the project corridor. Please refer to **page iv** for web links to these significant attractions:

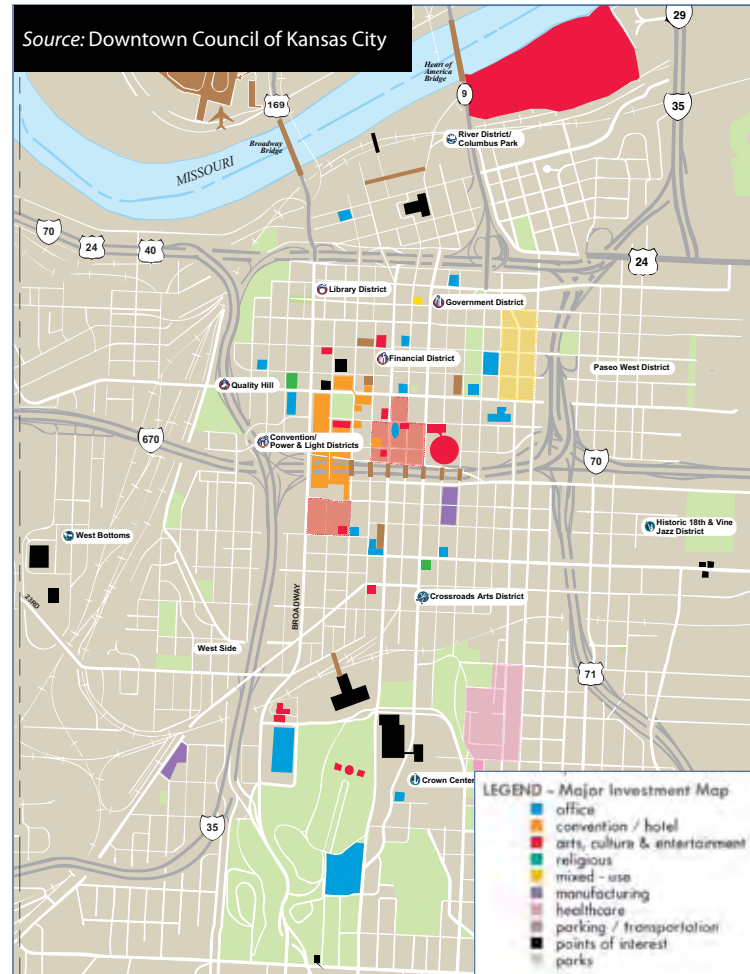
- **Power and Light District**
 - Distance from streetcar stop: adjacent
 - Opened: 2007
 - Nine-block entertainment and retail district with future plans for an urban residential component
 - The District was the result of \$350 million in investment
- **Sprint Center**
 - Distance from streetcar stop: 2 blocks
 - Opened: 2007
 - Ranked as the third busiest arena in the U.S. and the sixth busiest worldwide
 - The Arena was the result of a \$276 million investment
- **Kauffman Center for the Performing Arts**
 - Distance from streetcar stop: 2 blocks
 - Opened: 2011
 - Includes 1,800-seat theater and 1,600-seat concert hall
 - The Center was funded with a combination of public and private investment of \$452 million
- **H&R Block's World Headquarters**
 - Distance from streetcar stop: adjacent
 - Opened: 2006
 - An 18-story office building that reflects the company's desire to be a part of the downtown renaissance
 - Was the result of a \$138 million investment

In addition to significant commercial development in downtown Kansas City, approximately \$1 billion in residential development has occurred in the past few years. This significant development reflects both a City commitment to the urban core as well as residents' desire to relocate there. In addition, new housing and a resurgence of activities in downtown are attracting young people back to the region's core. Please refer to **Figure 6** for a view of how the housing stock in downtown Kansas City has changed over time. Some



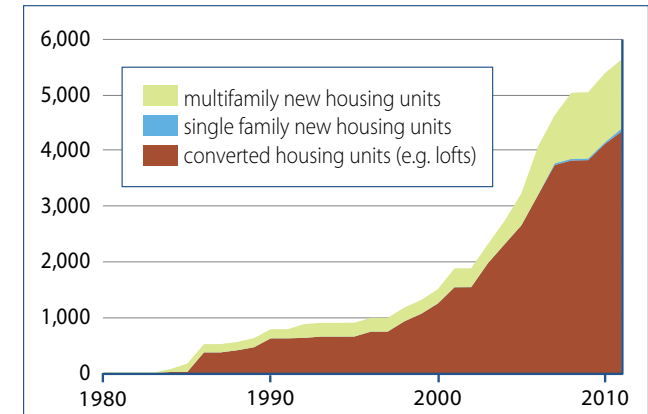


Figure 5 | Commercial Investment in Downtown Kansas City Since 2002



1 - 909 Walnut

Figure 6 | Downtown Housing Stock; Changes Over Time (Cumulative)



examples of the more than \$1 billion in residential development include:

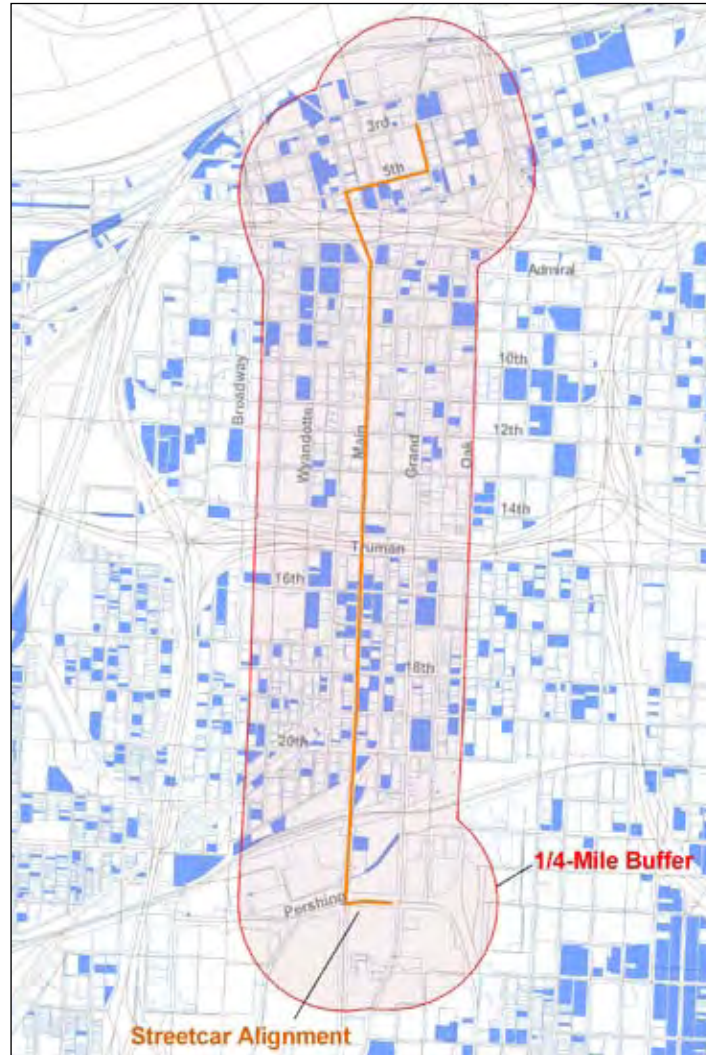
- Redevelopment of the historic 909 Walnut to condominiums plus office space (2005, 159 units, investment: \$57 million)
- Library Lofts: redevelopment of two historic buildings in the library district (2003, 272 units, investment: \$42 million)
- US. Courthouse Lofts (2011, 176 units, investment: \$38 million)
- Market Station in River Market (2010, 322 units, investment: \$46 million)
- Piper Lofts in the Crossroads Arts District (2009, 118 units, investment: \$50 million).

Downtown Resurgence is Attracting Significant Planned Development

It is significant that a number of businesses are choosing to relocate into downtown Kansas City along and near the Streetcar corridor. In addition to a number of City efforts to draw businesses and residents into the downtown core, a recently announced Google initiative has put a national spotlight on Kansas City. Google is installing "ultra high speed" fiber lines throughout Kansas City (early



Figure 7 | Developable Parcels in Study Corridor



1 - Sea Life Aquarium, Crown Center

"It makes a difference when you can bring people to your space and walk around instead of drive. A lot of people are used to that in their cities."

- Matt McGraw, President/CEO of DSI (Kansas City Star 11/21/11)



"The addition of [GSA] federal workers to downtown should coincide nicely with... a new streetcar system...."

- Kansas City Star Editorial, 2/16/12

installation is occurring downtown) and will enable networks to operate at the highest quality and speed. A link to more information on this initiative may be found on **page v**.

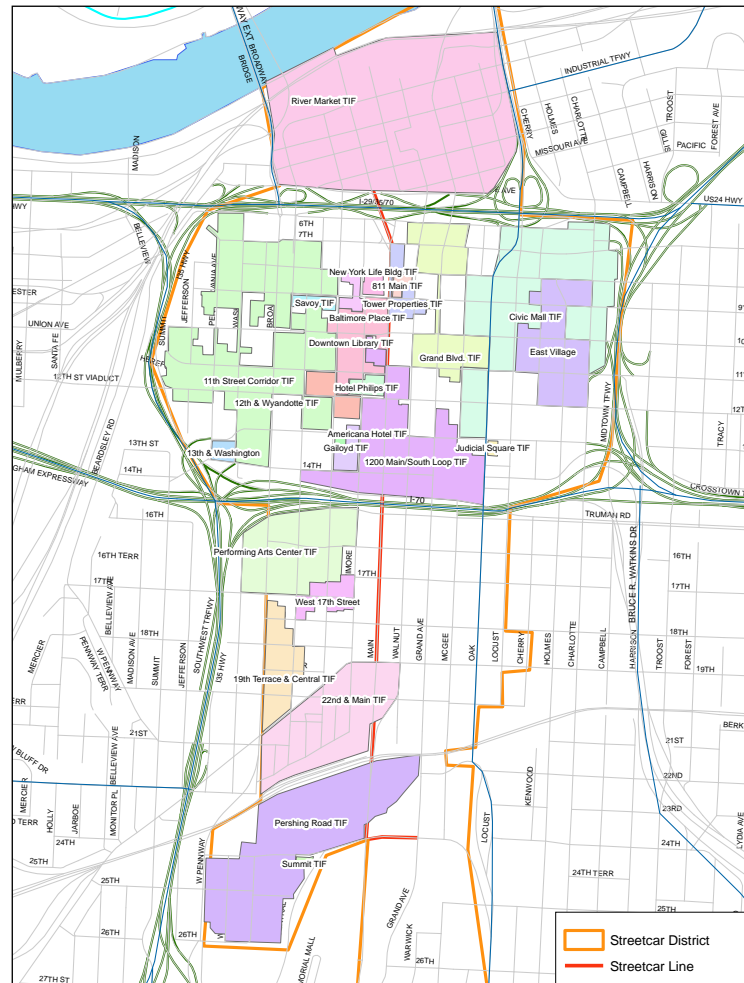
Significant redevelopment sites and opportunities exist within the corridor. Please refer to **Figure 7** for the location of these parcels. There are significant refill opportunities in existing buildings throughout the corridor. The following are just a few examples of planned development and redevelopment adjacent to the streetcar corridor:

- **Crown Center**
 - Distance from streetcar stop: 1 block
 - South end of the corridor
 - Long-standing (since the 1960s) major mixed-use development: Entertainment, Retail, Residential, Office
 - Adding two major synergistic redevelopment projects both opening in the spring of 2012:
 - **Sea Life Aquarium** - \$15 million investment
 - **LEGOLAND Discovery Center** - \$15 million investment
- **Data Systems International (DSI)**
 - Distance from streetcar stop: 2 blocks
 - Global high-tech software company
 - Relocated its world headquarters to downtown
- **General Services Administration (GSA)**
 - Announced it will be relocating 1,000 employees into downtown by 2014
 - Working with business leaders to identify office space
- **University of Missouri – Kansas City Conservatory of Music and Dance**
 - Will bring 600 students to corridor
 - City's concept is to build student housing downtown

The Economic Development Corporation of Kansas City, Missouri (EDC) is currently working with six private businesses expected to announce approximately 800 new jobs and approximately \$56 million in new investment in the downtown area within the streetcar corridor. A link to more information can be found in **Appendix D**.



Figure 8 | Map of TIF Areas in Downtown Kansas City



How Proposed Project Will Create Regional Economic Benefits

The project is expected to spur investment and economic growth along the corridor. The City is applying several tools to further incentivize development within the corridor and to grow and sustain investment in the downtown core, the most significant of which include:

- **Tax Increment Financing (TIF)**
 - Administered through the City's TIF commission
 - Has been a significant mechanism to encourage development
 - Downtown includes more than 20 TIF districts. Please refer to **Figure 8** for a map of these areas
- **Planned Industrial Expansion Authority (PIEA)**
 - Fosters commercial and industrial development in designated redevelopment areas through tax abatements.
 - Downtown includes several PIEA areas
- **Enhanced Enterprise Zone**
 - Entire corridor lies within Zone
 - Enables economic development tools such as New Job Credits, Investment Credits, and local tax abatements

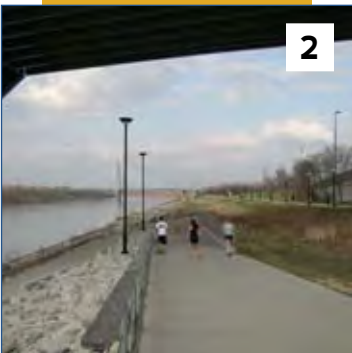
The City recognizes the value of encouraging economic growth in the proposed streetcar corridor, and has developed additional tools to do so. Some of these tools were recommended in the Greater Downtown Area Plan (Please see web link to this document on **page v**), and are being developed in conjunction with the downtown business community. The City Council has in fact taken steps to both streamline development review processes and implement incentives within the proposed TDD boundaries (Please see **page v** for a link to a resolution in this regard).

While the downtown area already includes a number of established incentive areas, the City is examining the idea of completely blanketing the entire proposed TDD area with incentive districts. Both property tax abatement (residential projects) and TIF (commercial and mixed-use developments) are being considered. The City Council has directed the City Manager to prepare a plan to incentivize development along the corridor, and City staff has already begun working with staff from



"Many cities around the world have proven the benefits of integrating bike sharing with rail transit, and we look forward to the same in Kansas City."

- Eric Rogers, Executive Director,
BikeShareKC



the TIF Commission and the PIEA on the process of establishing these additional incentive districts. Once the districts are created, the City will enable developers **to have reduced costs and processing time frames for the review of their projects**, creating additional reasons to complete projects served by the streetcar line.

The City is also working to encourage small entrepreneurial businesses within the corridor. The Crossroads Arts District is especially designed around the idea of vibrant, eclectic small business. This is also in line with The Greater Kansas City Chamber of Commerce's Big 5 entrepreneurship initiative (please see link on **page v**).

The Proposed Project Will Enable Increased Efficiencies in the Existing Transit Network

The proposed streetcar will increase efficiencies and effectiveness for multiple transportation modes. The streetcar line will become a central organizing feature of downtown transportation, with key connections from these modes.

- **Bus Transit**

- Currently, the majority of the proposed streetcar route is served by a Bus Rapid Transit (BRT) service known as MAX. This successful system, implemented in 2006, carries more than 4,100 riders daily, and is being emulated in other corridors throughout the City. "Upgrading" the corridor to fixed-rail transit is a logical/desirable next step. KCATA is in the final stages of a Comprehensive Service Analysis (CSA) for transit citywide, and is planning to significantly reorganize downtown service, with connections to the streetcar line as a major feature.

- **Trail Connections**

- The **Riverfront Heritage Trail** is a ten-mile bicycle/pedestrian path that runs along the Missouri River and then through downtown. The recently constructed Town of Kansas pedes-

trian bridge connects to Main Street three blocks from the proposed 3rd/Grand streetcar stop; thus, the streetcar will increase regional access to this important amenity.

- **Regional Transit Connections.** The proposed streetcar line is well-positioned to provide much-needed regional transportation connections:

- *Regional bus service* - Johnson County Transit is a major Kansas transit provider of commuter service to downtown KCMO via ten routes serving nearly 1,000 daily passengers. With several stops along the proposed streetcar route, Johnson County Transit enthusiastically supports the proposed streetcar line; see their letter of support in **Appendix A**.
- *National rail network* - Union Station includes an **Amtrak station** serving more than 155,000 annual passengers.
- *Park and Ride Lot* - KCATA 3rd/Grand park-and-ride lot will be a direct connection to the streetcar.
- *Intercity bus service* - serving St. Louis, Chicago, and other regional destinations.
- *Airport connection* - KCATA's **Route 129** provides express service to Kansas City International Airport and connects directly to the proposed streetcar route.

- **Bicycle Connections.** In 2012, the **BikeShareKC** program will locate 200 bicycles throughout the downtown area:

- Real-time tracking will be available via smartphone.
- Bike-sharing stations will be coordinated with streetcar station planning.
- Significant private resources have been committed.

The City has an adopted bicycle plan with routes that will interface with the streetcar.

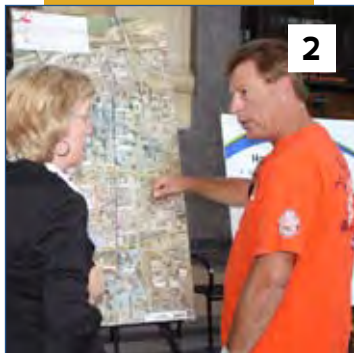
- **Pedestrian Connections.** The downtown grid system provides an extensive sidewalk system to ensure local connectivity to/from the streetcar.

In addition to existing connections, regional entities are studying ways to bring together the pieces of the regional transit picture. For

1 - The JO (Johnson County Transit)

2 - Riverfront Heritage Trail





example, the Jackson County Commuter Corridor Alternatives Analysis (please refer to **page v** for a link to this study's progress) is a powerful regional initiative to establish commuter transit service from the eastern suburbs to downtown. The same multi-agency partnership that conducted the *Downtown Corridor Alternatives Analysis* resulting in the streetcar LPA is behind this effort; consequently, the two systems will be integrated to maximize intermodal connectivity and provide a transit backbone for the region.

Livability

The proposed Kansas City Downtown Streetcar line exceeds all of the goals of USDOT's Livability Principles. Below is a summary of how the project will help to enhance and build upon the livable community in downtown Kansas City.

Providing more transportation choices...and connecting them!

The downtown streetcar meets USDOT's livability goals of being a safe, reliable and economical transportation choice to:

- *Enhance/reduce average cost of user mobility*
 - By encouraging more downtown residents, employees, and visitors to use a convenient form of transit rather than automobiles, the proposed streetcar will reduce user mobility costs.
- *Enhance modal connectivity, increase number of modes, reduce congestion*
 - The proposed streetcar line represents a new mode choice for downtown residents, employees, and visitors – and a starter line/building block for a robust regional rail transit system. As stated previously, the system will integrate well with multiple other modes including local transit (KCATA), regional transit (existing ATA and JCT commuter services plus future commuter service), and national systems (Amtrak, intercity bus, and the Kansas City International

Airport). The streetcar will reduce congestion by replacing auto trips with streetcar trips.

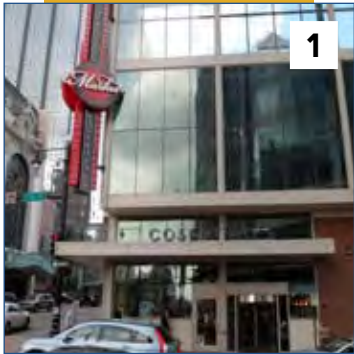
- *Economically disadvantaged populations, non-drivers, senior citizens, persons with disabilities*
 - As a public transit system, the streetcar will be designed to better serve the populations listed above, and with its rail-running technology instead of rubber tires, will have more accessible low-floor vehicles than are currently available in the corridor. Also, by providing ten-minute headways and two-block stop spacing, the system will enhance access to goods and services along the corridor, reducing dependency for these populations.
- *Coordinated transportation/land-use planning; community participation*
 - Ultimately, the downtown streetcar proposal is an outgrowth of a number of planning processes mentioned elsewhere in this application, including the Greater Downtown Area Plan (GDAP), the Smart Moves regional transit plan, and the Transportation Outlook 2040 regional Long-Range Transportation Plan. All of these plans included significant public participation, and the GDAP especially was very focused on land-use planning and its interrelationship with a walkable, transit-oriented community. Further, the downtown streetcar is the Locally Preferred Alternative adopted by MARC, KCATA, and the City of Kansas City resulting from an Alternatives Analysis process that also had significant public participation.

Promotes equitable, affordable housing

For decades, Kansas City's policy direction has been to encourage creation of not only a mix of land uses in the downtown area, but also a mix of housing types supporting a variety of income levels. An example was former Mayor Kay Barnes' "10,000 units in 10 years" initiative in 2000. These efforts have resulted in an ongoing upswing in downtown population after years of decline.

- 1 - Downtown Corridor Alternatives Analysis open house
2 - Downtown Corridor Alternatives Analysis open house





1

The distribution of existing downtown housing stock bears out the City's commitment to a mixed-income housing strategy distribution:

Table 6 | Distribution of Existing Downtown Housing Stock

TYPE	%
Multi-Family	
Market Rate Rental	20.2%
Income-Restricted Rental	25.2%
Market Rate for Sale	25.2%
Single-Family Homes	29.4%
TOTAL	100.0%



2

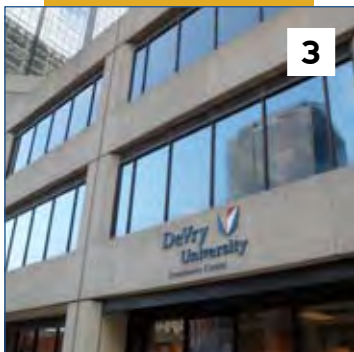
Table 7 | Utilization of Economic Tools for Residential Development in Core Downtown Neighborhoods, 2000–2009

TYPE	TOTAL
Low Income Housing Tax Credits	944
State/Federal Historic Tax Credits	1,847
PIEA Tax Abatement	2,103
Chapter 353 Tax Abatement	1,717
Chapter 99 Tax Abatement	579
Neighborhood Preservation Tax Credits (NPA)	76
TOTAL	6,091*

*Total is less than sum because many projects utilized multiple tools

Strengthening this position, the Greater Downtown Area Plan (GDAP) laid out an ambitious goal of doubling the downtown

- 1 - Cosentino's
- 2 - Park University
- 3 - DeVry University



3

area's population over the next 20 years. This plan called for the implementation of a comprehensive housing policy for greater downtown and for the provision of diverse housing options and increased housing opportunities for those with moderate and low incomes. These housing policies reinforce the City's historical commitment to mixed-income housing. Please see **Table 7** for the utilization of incentive tools for residential development.

The housing stock and housing policies in downtown are, and will be, well-configured to be further supported by the presence of a streetcar line. Connecting residents of all income levels with employment and retail opportunities along the streetcar corridor will strengthen support of affordable housing downtown.

Enhance economic competitiveness.

The streetcar will provide reliable and timely access to the densest employment corridor in the metropolitan area, with more than 65,000 employees, and will connect workers to basic needs and services. For example, the recently opened Cosentino's—the only full service downtown grocery store—is on the route. It will also directly serve educational centers including the downtown campuses of Park University, DeVry University, and the future UMKC Conservatory. And it will allow downtown's 10,000,000-plus annual visitors to conveniently explore cultural attractions throughout the length of the corridor.

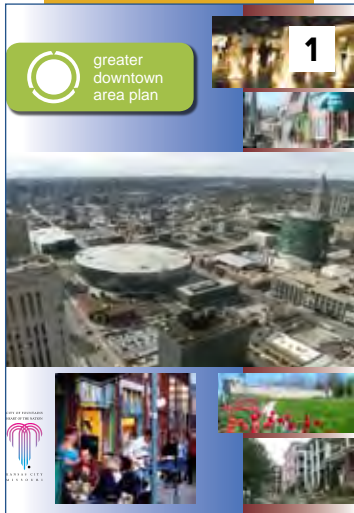
Support Existing Communities.

As evidenced elsewhere in this application, the downtown has emerged from decades of decline as a strong community organized around a shared vision. The proposed streetcar line directly supports this existing community, promotes redevelopment (and specifically transit-oriented, mixed-use development), and forges a stronger link between three of its component communities—the River Market, the CBD, and the Crossroads Arts District—through a strong, reliable rail-transit connection.

Coordinate Policies and Leverage Investments.

The City and region have planned and enacted many policy initiatives that will support, and be supported by, the proposed streetcar.





- **KCMO's Greater Downtown Area Plan (GDAP) (2010)** – This plan explicitly reinforces and embraces dense, mixed-use development in the Central Business Corridor. This enables downtown Kansas City to maintain:

- Regional office/employment center
- Center of government
- Regional cultural destination center
- Center of entertainment/convention/tourism activity
- Significant retail destination

The plan recommends a rail transit corridor along Main Street or Grand Boulevard. The plan also calls for increased connectivity between neighborhoods and activity centers, focused on mixed-use development to serve as nodes for the transit system. Transit-Oriented Development is encouraged. Finally, the plan lists walkability as the first of its five overarching goals. Most importantly, the plan is being implemented. The GDAP Implementation Committee has met regularly since the completion of the plan to develop and implement priorities for the downtown area. Please refer to **page v** for a link to the plan.

- **Zoning and Development Code** – Adopted in 2011, this changes, among other things:
 - Created new reflective zoning designations specific to downtown, consistent with the GDAP
 - Implemented “green” provisions (such as LEED compliance bonuses), and restructured parking provisions to reduce automobile dependency and emissions

In anticipation of the proposed streetcar line, and to further integrate transit investment and land use, the City has enacted what is perhaps its largest zoning action in recent history through the downtown area. Within a defined corridor surrounding the streetcar route, the City has rezoned to the newly created categories in the Code, supporting higher density and less restrictive parking requirements (most notably, the elimination of parking minimums). Please refer to **page v** for a link to the ordinances.

1 - 2010 KCMO Greater Downtown Area Plan

- **Parking Policy** – As an outgrowth of the GDAP, the City established a Transportation and Parking Commission, and is creating a policy regarding downtown parking, with a goal “to promote parking management strategies, policies and procedures that support the established goals and objectives of the GDAP.” Among the many objectives:

- Promote walkability and transit usage through parking policy
- Foster continued progress toward a downtown environment supportive of streetcar transit

- **The Port Authority of Kansas City's Comprehensive Development Plan (2010)** – This plan envisions “a sustainable, mixed-use urban village” at the north end of the corridor, “promoting sustainability and bringing more life to the downtown core.”

- **MARC's Smart Moves (2008)** – This plan represents the region's vision for expanded and enhanced regional transit service. The plan explicitly recognizes that transit service in key corridors needs to evolve to more intensive operational modes, such as bus rapid transit (BRT) and rail transit, as development intensifies over time.

- **Transportation Outlook (2040)** – This regional long-range transportation plan has a policy agenda centered on strategically concentrating growth and development. “Place Making” is a key goal, with such objectives as walkability, density/mixed uses, transportation options, and infill/redevelopment. The plan was amended to include the downtown streetcar LPA.

- **Major Street Plan (2011)** – This document, which generally lays out the plan for the City's major arterials, also has a section addressing a long-term transit corridor from the Airport to southern and eastern portions of the City. This corridor has been shown on the plan for more than 30 years, and the City has been preserving right-of-way along the corridor as development occurs. In downtown, the corridor is shown running down Main Street, indicating a very long-term commitment by the City to implement major mass transit through downtown.



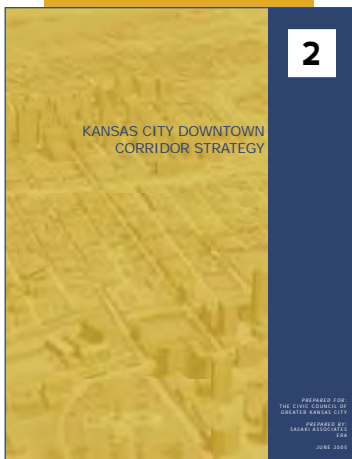


1

- **KCMO's Climate Protection Plan (2008)** – Lays out goals for reducing greenhouse gas emissions while simultaneously improving the economy and quality of life for businesses and citizens. Relevant recommendations include alternative transportation programs, implementation of rail transit, promotion of transit-friendly development patterns, emissions reductions, “complete streets” policies, and seamless regional transit.
- **The Downtown Corridor Development Strategy** – Known as the “**Sasaki Plan**”, was finalized in 2005 and was a catalyst in downtown reinvestment.
- **KCMO's Walkability Plan (2003)** – This adopted plan lays out principles to guide walkability throughout the City, and also looked at the downtown as one of several “case study” areas with specific walkability recommendations.

Values Communities and Neighborhoods

Downtown businesses and residents have demonstrated tremendous support for their communities and neighborhoods through establishment of Community Improvement Districts (CIDs), developed by property owners and funded by public and (voluntary) private resources. Activities include maintenance, security, streetscape improvements, landscaping services, and special event services. The Downtown CID (annual budget: \$2.4 million) and Downtown River Market CID (annual budget: \$330,000) will soon be joined by a Crossroads CID, currently under formation. These CIDs typify a history of public-private partnerships to better the City's unique downtown communities. As streetcar transportation is ideally suited to support, strengthen and connect neighborhoods, CID activities such as maintenance and security will be able to mesh effectively with the new system. The streetcar itself will support walkable neighborhoods, a key livability goal.



2

- 1 - KCMO Climate Protection Plan, 2008
2 - Sasaki Plan, 2005

Environmental Sustainability

The City of Kansas City is committed to becoming an internationally-recognized leader in the Green Movement. The proposed Kansas City Downtown Streetcar supports this commitment. Following are relevant City and Regional policies:

- **Green Solutions Policy** – All projects must incorporate green solutions.
- **Climate Protection Plan** – Goal of 30% reduction in greenhouse gas emissions community-wide.
- **Zoning Ordinance 110235** – Adopted ordinance requiring City construction and renovation projects to achieve LEED gold rating on facilities over 5,000 square feet.
- **Adopted ordinance requiring housing projects funded by City to be constructed to meet federal ENERGY STAR ratings**
 - First City in nation to set goal of 1 million light bulbs changed out to energy efficient bulbs; exceeded goal and changed out 1.63 million saving KC area businesses \$32 million over the life of the bulb.
- **Adopted Economic Development and Incentives Policy** – Promotes sustainability and green building in economic development projects receiving financial support from the City.
- **Transportation Outlook 2040** – This regional long-range transportation plan has a policy agenda that is centered on the idea of activity centers and corridors—strategically concentrating growth and development. The plan lists “Place Making” as one of its nine system goals driving policy, with such objectives as walkability, density/mixed uses, transportation options, and infill/redevelopment.



Safety

The following is a key safety goal of the proposed Kansas City Downtown Streetcar project:

- **Provide more “Eyes on the street”** - The proposed project offers the additional benefit of providing natural “eyes on the street”. The project’s stops would be designed to provide good visibility to the public and would follow Crime Prevention through Environmental Design (CPTED) guidelines. Streetcar operators and security personnel would be trained to spot potentially suspicious activities and take appropriate action. The streetcar vehicles would include passenger emergency reporting devices that allow passengers to communicate with the streetcar operator.

The streetcar will be designed to maximize traffic safety along the route.

Job Creation and Near-term Economic Activity

Estimated spending on project engineering, construction and vehicle procurement (capital expenditures) between 2012 and 2015 was used to compute short-term economic impacts.

The project is expected to generate 1,345 national job-years over the construction period, based on IMPLAN methodology. It is also expected to create \$113.6 million in value added, including \$75.8 million in labor income. A breakdown of short-term impacts by type of effect (direct, indirect and induced) is provided in **Table 8**.

Another method to estimate job-years from additional spending uses the Council of Economic Advisors’ (CEA) methodology as presented in a 2009 analysis . This method assumes that for every \$76,923 of government spending, one job-year is created. **Table 9** shows the difference in job-year estimates using the IMPLAN and CEA methodologies.

Note that the estimated employment impacts are lower when using CEA’s approach. Specifically, the simplified computation produces a more conservative estimate of 1,279 job-years.

A breakdown of short-term economic impacts (using IMPLAN estimates) in terms of employment (job-hours), labor income and value added is provided by quarter in the **Table 10**.

Table 8 | Direct, Indirect and Induced Impacts during Project Development Phase (IMPLAN)

	SPENDING**	DIRECT	INDIRECT	INDUCED	TOTAL
EMPLOYMENT*		477	367	501	1,345
LABOR INCOME**	\$98 (includes all project costs except ROW)	\$31.6	\$21.9	\$22.3	\$75.8
VALUE ADDED**		\$41.3	\$34.1	\$38.2	\$113.6

Note: * Employment impacts from IMPLAN reflect total employment (full time plus part time). These estimates are for job-years. On average, the ratio of FTE to total employment is estimated at 90 percent. **Millions of 2012 Dollars.



Table 9 | Job Year Estimates with IMPLAN and CEA Methodology

	SPENDING (MILLIONS OF 2012 DOLLARS)	DIRECT	INDIRECT	INDUCED	TOTAL
IMPLAN *	\$98 (includes all project costs except ROW)	477	367	501	1,345
CEA **		818		460	1,279

Notes: * Employment impacts from IMPLAN should not be interpreted as full-time equivalent (FTE) as they reflect the mix of full and part time jobs that is typical for each sector. ** According to CEA, for a typical government spending project, 64% of the job-years created by government spending represents direct and indirect effects of the spending, and the remaining 36% represent induced effects.

Table 10 | Short-Term Impacts Resulting from Capital Expenditures

PERIOD		SPENDING (MILLIONS OF 2012 DOLLARS)*	TOTAL JOB HOURS	DIRECT JOB HOURS	TOTAL LABOR INCOME(MILLIONS OF 2012 DOLLARS)	TOTAL VALUE ADDED(MILLIONS OF 2012 DOLLARS)
2012	Q1	\$0.40	4	2	\$0.30	\$0.47
	Q2	\$2.07	26	9	\$1.52	\$2.39
	Q3	\$1.10	14	5	\$0.81	\$1.27
	Q4	\$0.72	9	3	\$0.53	\$0.83
2013	Q1	\$7.02	92	32	\$5.12	\$7.98
	Q2	\$8.00	105	37	\$5.83	\$9.09
	Q3	\$8.73	114	40	\$6.36	\$9.93
	Q4	\$10.11	132	46	\$7.37	\$11.50
2014	Q1	\$13.35	190	69	\$10.62	\$15.54
	Q2	\$15.47	220	80	\$12.31	\$18.01
	Q3	\$16.18	231	84	\$12.88	\$18.83
	Q4	\$11.07	158	57	\$8.81	\$12.88
2015	Q1	\$3.53	43	12	2.88	4.19
	Q2	\$0.57	7	2	0.47	0.68
Total		\$98.3	1,345	477	\$75.8	\$113.6

Notes: * includes engineering, construction, and vehicle procurement.



TIGER IV SECONDARY SELECTION CRITERIA

Innovation

Innovative Technology

- **Off-wire vehicle** – One solution under consideration is an off-wire vehicle technology. This type of vehicle would maintain a clear line of sight which may be appealing to merchants, residents, and visitors alike. An additional concern of utilizing a vehicle with an overhead catenary system (OCS) is the considerable expense of reconstructing or retrofitting traffic signals to accommodate the OCS. Each of these concerns significantly affects the perception of the project.

Innovative Construction

- The City of Kansas City is looking to employ either a design-build method of construction or construction manager/general contractor (CMGC) for the proposed Kansas City Downtown Streetcar project. These methods are particularly useful when a project sponsor is aware of areas that may impact the project's cost or construction schedule. Given the already in-depth planning work completed to date and the additional engineering analyses underway, these methods could allow a design-build contractor to propose cost-effective, innovative engineering and construction solutions for this project.

Innovative Finance

- The project finance plan is based on anticipated terms of a market rate bond financing of the \$73.5 million of capital costs to be bor-

rowed and repaid through the TDD. (Note that 85 percent of the capital and 20-year O&M costs for the project are from local sources.) The City is also pursuing low-cost special financing opportunities for a substantial portion of the capital costs to be financed. Specifically, on December 30, 2011 the City filed a letter of interest to be considered for infrastructure financing for the Kansas City Downtown Streetcar under the Transportation Infrastructure Finance and Innovation Act (TIFIA). The City is also working with the State of Missouri to obtain state infrastructure bank financing through the Missouri Transportation Finance Corporation. Both the federal and state programs would provide financing at interest rates substantially lower than would be anticipated for a market rate bond transaction, even with the market rate reduction attributable to the City's annual appropriation pledge in support of the bonds. The Mayor and the City Council, all of whom were elected in April 2011 to four-year terms, have evidenced their very strong commitment to the proposed Kansas City Downtown Streetcar through the City's willingness to support the bonds by an annual appropriation pledge to satisfy any deficiency with respect to the bonds.

- The City is also in discussions with the State of Missouri regarding the potential the allocation of state tax credits that could generate up-front funds to reduce the amount needed to be borrowed to finance the capital costs.
- The City is in contact with transit advertising specialists to review opportunities for both up-front funds from vehicle naming rights (which would reduce the amount of the capital costs to be financed through the bonds) and on-board and other ongoing advertising methods (which would generate ongoing revenue that could be used for annual debt service on the bonds or to defray O&M costs).



Partnership

The Kansas City Downtown Streetcar project has extensive support from both public and private stakeholders throughout the region. A letter of support from each of these parties is included in **Appendix A**, and the parties are listed individually below.

Legislators

US Senator Claire McCaskill
US Congressman Emanuel Cleaver II
Missouri State Senator Kiki Curls
Missouri State Senator Jolie Justus
Missouri State Representative Mike Talbot

Local Governments and Agencies

Mid-America Regional Council
Kansas City Area Transportation Authority
Jackson County, Missouri
Kansas City, Missouri, Parks and Recreation
Port Authority of Kansas City
Missouri Department of Transportation
Johnson County Transit (Kansas)
City of North Kansas City

Local Businesses & Associations

BNIM Architects
Boulevard Brewery
Bryan Cave
Copaken Brooks

Curry Investment Company
Greater Kansas City Chamber of Commerce
Hallmark Cards
Hispanic Chamber of Commerce
Historic City Market
Kansas City Convention & Visitors Association
Kansas City Industrial Council
Main Street CID
MainCor
Northland Regional Chamber of Commerce
Polsinelli Shughart
Stinson Morrison Hecker
Trabon Consulting
UMB Bank
US Bank

Labor Organizations

AFL-CIO
Greater Kansas City Building and Construction Trades Council
Heavy Construction Laborers Local 663
Kansas City Insulation Contractors
Labor Management Council

Community Organizations

BikeShareKC
BikeWalkKC
Crossroads Community Association
Downtowners Association
Kansas City Regional Association of Realtors
Missouri Growth Association
Regional Transit Alliance
Transit Action Network

Residents & Neighborhood Associations

1819 Baltimore Lofts Condominium Association
3-Trails Village Community Improvement District
Columbus Park Community Council
Downtown Neighborhood Association
River Market Community Association
Streetcar Neighbors

Results of Benefit-Cost Analysis (BCA)

The benefits and costs associated with the proposed streetcar are summarized in **Table 11** and are consistent with USDOT TIGER IV guidance. Annual costs and benefits are computed over a long-term planning horizon and summarized over the life-cycle of the project. Construction is expected to be completed in 2015, with services to begin immediately and to continue for 20 years. Benefits will accrue during the full operation of the project. While the project is assumed to have a useful life of at least 40 years, a 20-year time horizon is used in this BCA because information on the life-cycle cost improvements to the streetcar for a longer period is not available.

The estimated rate of return for the project is 7%. At a 7% discount rate, a \$157 million investment is expected to result in \$117 million in benefits, generating a benefit to cost ratio of 1.0. At a 3% discount rate, a \$136 million investment results in about \$201 million in benefits and a benefit to cost ratio of 1.5. The estimate assumed an opening year average daily ridership of 3,186, accounting for both regular and special events users for an average of 300 days per year. Note that the benefit-cost ratios are calculated on present values of benefits and costs.



Table 11 shows the benefits estimated by benefit category:

- Community development benefits at \$251.4 million, is the largest benefit category for the project.
- Incremental revenue from the assumed \$1.50 per trip in fares generates \$43.4 million in benefits
- Streetcar user benefits, primarily accrued to those users diverted from other transit modes or new users, of \$9.6 million are the next largest category of benefits.
- Since benefits were only counted for 20 of the 40 years of service life, a straight-line residual value on physical assets was applied in the 21st year, accounting for \$18.3 million of benefits.
- Benefits of \$4.0 million total accrued to remaining roadway users due to the reduction in congestion from the diversion from auto to streetcar.
- Emissions benefits of more than \$113,000 are accrued due to the removal of autos from the roadway.
- The removal of autos also accounts for a small reduction in pavement maintenance costs of \$9,000 over the life of the project.
- While the removal of autos does reduce the rate of auto accidents at a value of \$1.24 million over the analysis period, the presence of the streetcar in traffic for an expected 406,458 revenue miles per year adds an additional accident related cost of \$11.7 million for a net safety benefit of negative \$10.2 million.

The project capital cost is estimated at \$101 million with a two-year construction period from February 2013 to April 2015. Annual operating and maintenance costs are expected to be approximately \$2.8 million, costing \$56 million over the total analysis period. Please refer to **Appendix B** for the full Cost-Benefit report that details the assumptions, methodology, and results of the benefit-cost analysis.

Table 11 | Overall Results of the Benefit-Cost Analysis - Full Alignment

	BENEFITS (2012\$)	
	7%	3%
BENEFITS		
Streetcar User Benefits	9.6	9.6
Benefits to Remaining Users	4.0	4.0
Safety Benefits	-10.2	-10.2
Emission Benefits	0.1	0.1
Pavement Maintenance Savings	0.0	0.0
Community Development	251.4	251.4
Incremental Revenue	43.4	43.4
Residual Value	18.3	18.3
TOTAL BENEFITS	316.7	316.7
PV OF TOTAL BENEFITS	116.6	201.2
COSTS		
Operating & Maintenance Costs	56.0	56.0
Capital Costs	101.0	101.0
TOTAL COSTS	157.0	157.0
PV OF TOTAL COSTS	116.8	135.7
SUMMARY		
NET PRESENT VALUE	0.0	65.5
BENEFIT-COST RATIO	1.0	1.5

Notes: *Estimated on the basis of non-discounted benefits and costs



PROJECT READINESS

Project Schedule

KCMO and partners KCATA, MARC and Jackson County continue advancing an aggressive, but realistic schedule for an operational streetcar by spring 2015. A detailed project schedule is provided in **Appendix C**, and summarized below.

October 2012	Complete Environmental Assessment (EA) and Finding of No Significant Impact (FONSI)
September 2012	Advanced Conceptual Engineering Completed
January 2013	Design/Build Contract Notice to Proceed
February 2013	Construction Begins
December 2014	Testing and Training Begins
April 2015	System Opening

Note that this schedule assumes that an alternative delivery method, such as Design-Build (D-B), will be used to expedite construction. All key project decisions and procurements will be completed well in advance of the June 2013 target for obligation of funds.

Environmental Approvals

An EA is being prepared, and scheduled for completion in August 2012 with a FONSI anticipated in October, 2012. KCMO continues working closely with the assigned FTA Environmental Protection Specialist and FTA Regional staff to advance development of a concise EA on this schedule. A preliminary environmental screening completed in late 2011 for the Downtown Corridor AA identified no major environmental concerns primarily because the streetcar will run in existing streets with traffic in an urban, built-up area.

Legislative Approvals

Significant local and state actions have supported the proposed Kansas City Downtown Streetcar. They are as follows:

- Local and regional legislative bodies have adopted the proposed streetcar line as the LPA:
 - The City of Kansas City (September 29, 2011)
 - The Mid-America Regional Council (January 24, 2012)
 - The Kansas City Area Transportation Authority (December 14, 2011)
- On August 28, 2011, in anticipation and support of Kansas City's Downtown Streetcar project, the Missouri legislature revised the Missouri Transportation Development District (TDD) Act (Missouri Revised Statutes Sections 238.200 to 238.280) to:
 - Clarify that a TDD can own and operate a public mass transit system (previously operations were not explicitly covered); and
 - Exempt any TDD whose project is a public mass transit system (as newly defined by the TDD Act) from having TDD sales tax revenues captured by an overlapping TIF district.
- On March 11, 2010, the KCMO City Council unanimously passed a resolution adopting the Greater Downtown Area Plan, which recommended a series of strategies that, among other things, would support fixed-rail transit along a north-south spine through the downtown.
- On January 19, 2012, the KCMO City Council unanimously passed a resolution calling for the establishment of a TDD to support the streetcar.
- On March 8, 2012, the KCMO City Council unanimously passed ordinances rezoning the area surrounding the streetcar corridor, encouraging transit-oriented development.
- On March 15, 2012, the KCMO City Council unanimously passed a resolution to begin a 90-day process to:
 - Create development incentives within the streetcar TDD boundaries, and
 - Streamline regulatory/approval processes for developments within the streetcar TDD boundaries.



In addition, **Appendix A** includes letters of support from various state and local officials, including the following:

- U.S. Senator Claire McCaskill
- U.S. Congressman Emanuel Cleaver II, 5th District
- Missouri Senator Kiki Curls, 9th District
- Missouri Senator Jolie Justus, 10th District
- Missouri Representative Mike Talboy, 37th District

State and Local Planning

MARC's Transportation Outlook 2040 (the region's Long-Range Transportation Plan) was amended to include the streetcar project identified as the LPA in the Downtown Corridor AA on January 24, 2012.

MARC's Transportation Improvement Program (TIP) was amended in the first quarter of 2012 to include Advanced Conceptual Engineering (ACE) and NEPA activities that are currently underway. The TIP will roll into the Statewide Transportation Improvement Program (STIP). The construction of the streetcar project is scheduled to be included in the TIP and STIP once all funding sources are secured.

Technical Feasibility

The Downtown Corridor AA and selection of streetcar as the LPA were based on early engineering analysis. Technical feasibility for this project is largely documented in the AA, a link to which can be found on **page v** of this application.

- **Previously performed and/or ongoing design studies and activities:** The project has a finalized AA. The City has initiated Advanced Conceptual Engineering, and further NEPA analysis.
- **Development of design criteria and/or a basis of design:** The AA includes a detailed Basis of Design Report.
- **Basis for cost estimate:** The AA includes both a Cost Methodology Report and a Cost Estimate developed according to FTA Standard Cost Categories (SCC) guidelines.

- **Statement of work:** The City has developed a detailed scope of work for Program Management, NEPA, and Advanced Conceptual Engineering; the City will be defining the construction scope as the project development process proceeds.
- **Operating expenses:** The operating expenses were estimated in the AA, and are included in the project's financial plan.
- **Segments/Phases:** The project is not anticipated to be phased, and is proceeding on an aggressive schedule.
- **Technical capacity of the project sponsor:** The project will soon be formally requesting initiation of the project development process with FTA, which will involve finalization of a Project Management Plan and other required elements. The City of Kansas City has overseen numerous large capital investments, one notable example being recent construction of the downtown Sprint Center Arena. The City has also delivered many large transportation projects with federal funding components, and is working in close partnership with KCATA, who has longtime experience administering FTA capital grants.

Financial Feasibility

It is intended that the TDD (or another qualified issuer) will finance \$73.5 million of the estimated \$101 million in capital costs needed for the proposed Downtown Kansas City Streetcar through the City issuance of limited obligation revenue bonds that are payable from the TDD's revenue stream. The City's annual appropriation pledge is projected to lower the true interest cost by approximately 1.84%. It would permit a significant reduction in debt service costs from market requirements, all of which allow for lower revenue requirements to finance the capital costs of the proposed streetcar. It would result in a correspondingly reduced need for TDD Revenue derived from, among other things, the TDD property assessments.

Regarding the City's financial state: despite high debt and a tough economy, the City has maintained a stable credit rating and is prepared to take on the financial commitments ascribed to it in this application.



FEDERAL WAGE RATE CERTIFICATION

The City of Kansas City will comply with all federal requirements. Please refer to **Appendix C** for a signed certification from City Manager Troy Schulte that states compliance with the Federal Wage Rate Requirement.

MATERIAL CHANGES TO APPLICATION FROM PRE-APPLICATION

There are no material changes to the Final TIGER application from information submitted in the Pre-Application.

