Kansas City Streetcar Case Study

TCRP Value Capture in Public Transit Projects

Presented 6/23 BATIC / APTA Station Development Peer Exchange
Project history

- Pre-WW2, Kansas City had a robust streetcar system
- Streetcars were shut down 59 years ago

- Nine failed attempts for light rail
- 2009: Kansas City Area Transportation authority suggested the city narrow its focus to a downtown starter line
Modern Streetcar in Kansas City

Project Facts

- 2.2-mile starter streetcar line
- Construction started May 2014
- Substantial completion December 2015
- 11 stations, 10 minute headways
- 300K + riders as of May 6th
## Getting the project done

<table>
<thead>
<tr>
<th>Partner</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Kansas City (KCMO)</td>
<td>Local project sponsor providing local funding match for federal grants. Led environmental analysis, design, and procurement of project.</td>
</tr>
<tr>
<td>Kansas City Area Transportation Authority (KCATA)</td>
<td>Provides transit service in KCMO and coordinates with KCMO to implement project.</td>
</tr>
<tr>
<td>Mid-America Regional Council (MARC)</td>
<td>The region’s metropolitan planning organization (MPO). Leads the region’s long-range transportation plan.</td>
</tr>
<tr>
<td>Kansas City Streetcar Authority, Inc. (KCSA)</td>
<td>Not-for-profit formed at the direction of the City Council to provide the DTDD taxpayers an active and ongoing role in the oversight and administration of the system.</td>
</tr>
<tr>
<td>US DOT</td>
<td>The U.S. DOT provided a TIGER grant to this project.</td>
</tr>
</tbody>
</table>

### Capital Sources, 2012

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Obligation Bond (repaid through TDD)</td>
<td>$62.9 M</td>
<td></td>
</tr>
<tr>
<td>TIGER Grant</td>
<td>$20 M</td>
<td></td>
</tr>
<tr>
<td>Surface Transportation Program Funds</td>
<td>$16 M</td>
<td></td>
</tr>
<tr>
<td>CMAQ Funds</td>
<td>$1.1 M</td>
<td></td>
</tr>
<tr>
<td>City Commitment</td>
<td>$2 M</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$102 M</td>
<td></td>
</tr>
</tbody>
</table>
Creating the TDD

- Transportation Development District (TDD): Political subdivision created to fund streetcar
- Required two approvals by voters
  - Create the TDD
  - Approve various sources and amounts of revenue
  - Authorized sales, property and surface parking taxes to build and operate the downtown streetcar system
- As of April 2016, more than $1.7B in development projects completed, in progress or publicly announced since voters approved the streetcar in December 2012
Keys to passing the TDD

- Consider stakeholders as investors
- Create a governance structure that allowed for buy-in
  - Mayoral Task Force formed to provide recommendations
  - Formed Kansas City Streetcar Authority
    - Oversees streetcar operations, supports system branding, marketing, safety oversight, public communications and community engagement
    - 13 members, 11 from downtown businesses and residents, 2 city officials
- Used conservative financial projections to establish high levels of credibility
  - Revenue projected in the TDD financial model assumes no growth in property values or taxable sales beyond a modest inflation factor
  - No redevelopment of vacant or underused parcels within the corridor was included
Waiching Wong
4350 East-West Highway, Suite 950
Bethesda, MD  20814
Mobile: 301-280-0160
wwong@imgrebel.com