# Are Streetcars a Gift from the Economic Development Deities?

Tracking private development along the Kansas City, Missouri streetcar line.



#### John Pajor, Manager Business Customer Service Center



#### John Pajor, Manager KCMO Business Customer Service Center john.pajor@kcmo.org 816-513-1234

Topic : A discussion of streetcar systems as an economic development tool.

Content:

- A brief history of the current system
- What data is the City of Kansas City, Missouri tracking?
- How is it being presented?
- Discussion of best practices and ideas to improve the process

Learning Objective: To facilitate a conversation about a methodology for evaluating the economic impact of streetcar systems on local economies.



Are streetcars a gift from the economic development deities?



Yes, but first you must propitiate the Gods of Planning, Transit, Infrastructure and Finance.



Streetcars Initiatives in Kansas City, Missouri

2001: 23 mile route – FAIL
2006: 27 mile route – OFF THE RAILS!
2008: 14 mile route - FAIL

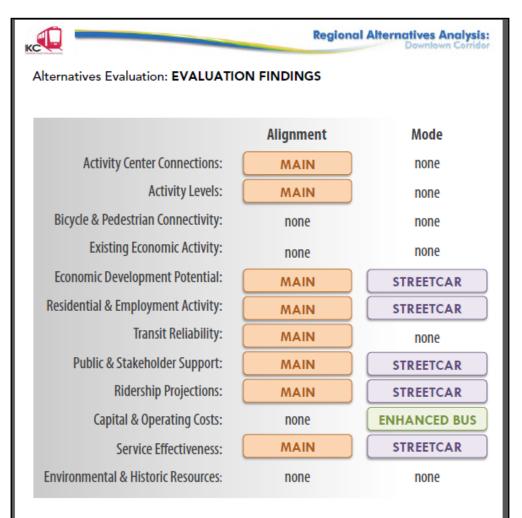


# 2009

# Civic leaders note that downtown residents have consistently voted for rail.



# 2010: City Council funds a Downtown Transit Analysis





## **Project Purpose**

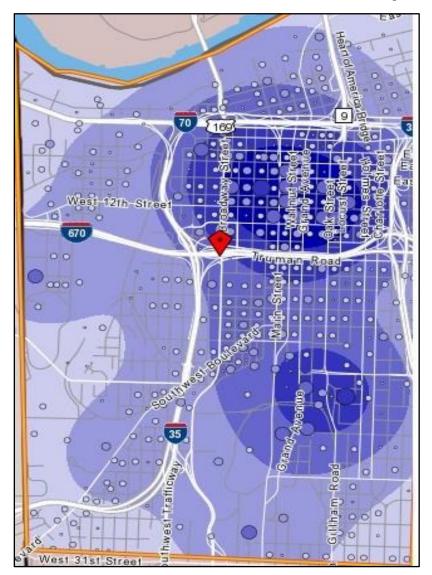
SKCATA

MARC

The purpose of the project is to provide an attractive transit option that will more conveniently connect people and places within the Downtown Corridor, and support regional and city efforts to develop downtown Kansas City and the Downtown Corridor as a more vibrant and successful urban center.

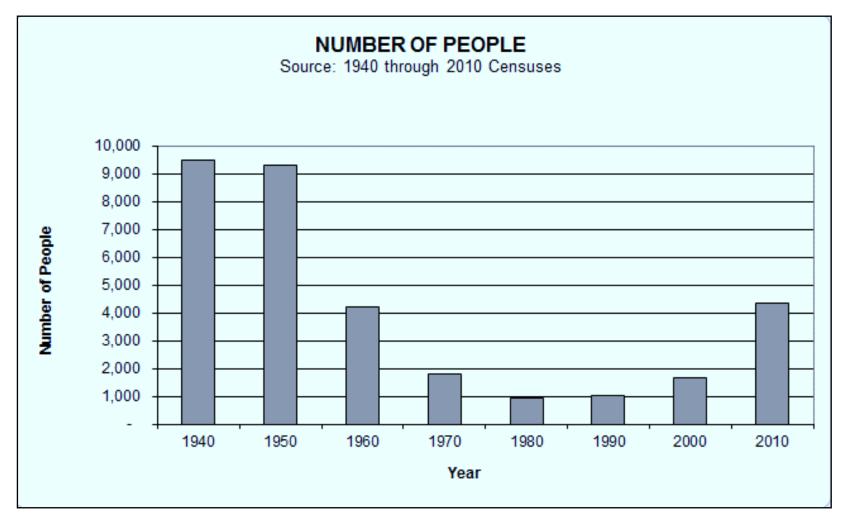


#### **Downtown Areas of Dense Employment**





## A Growing Population





#### **Downtown Renaissance**





# 2012 2.2 Mile Streetcar Route Approved!





A new mode of transportation for residents, employees and visitors that will connect with the regional transit system.





#### Multifaceted Investment: More Than Just Transit

- Water and sewer main replacements
- Relocation/upgrades to 24 other utilities.





#### Updated Technology Along Street Car Line



16 accessible stops with digital kiosksWiFi N125 LED StreetlightsVideo

WiFi Network Video Technology



# Funding

## Construction

- Bonds issued in 2014 - \$62.9 million
- Federal grants -\$37.1 million
- Total: \$100M

# Operations & Debt Service

- Property assessments
- Parking assessments
- Sales tax
- City contribution



# "It's going to cost how much?"



"...more attractive transit...would be expected to accelerate development..."



"There is, in fact, no evidence that development is created by light rail, by mass transit."



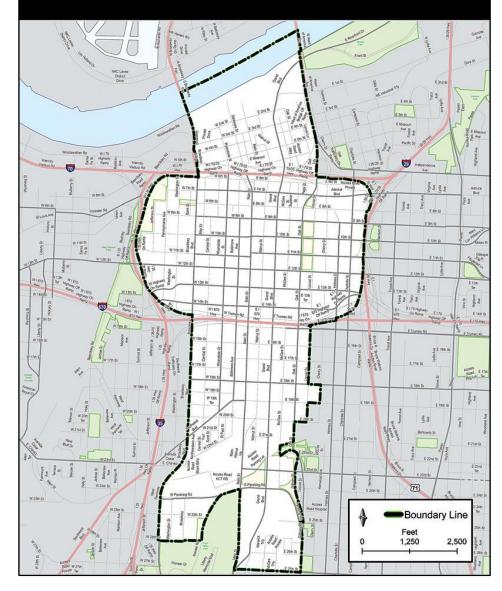
# "You don't build rail transit to move people...the goal is economic development."



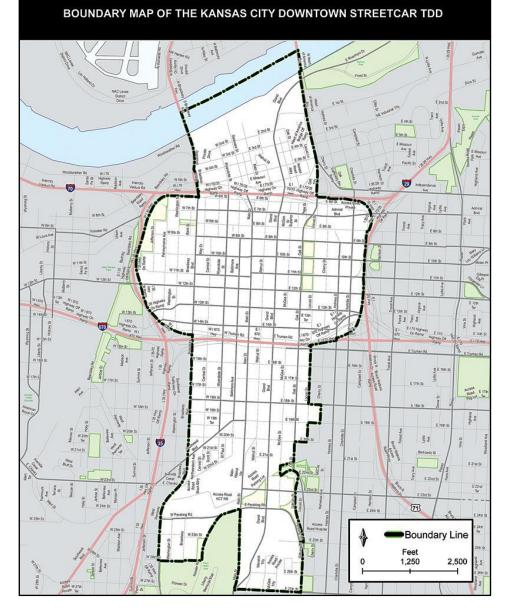
## **Current Tools**

- Tracking Sheet
- Streetcar Impact Analysis
- Developer Interviews
- Quotes/Testimonials
- Land Use Changes
- Alignment with Goals

BOUNDARY MAP OF THE KANSAS CITY DOWNTOWN STREETCAR TDD







# **Potential Tools**

- Employment density
- Population
- New business starts
- Property values
- Sales Tax revenue
- Commercial \$/sq ft rates
- Parking revenues
- Permits
- Other?



# **Activity Within the TDD**

# \$1.5 billion

#### **101** Major Projects

# 2,419 Units

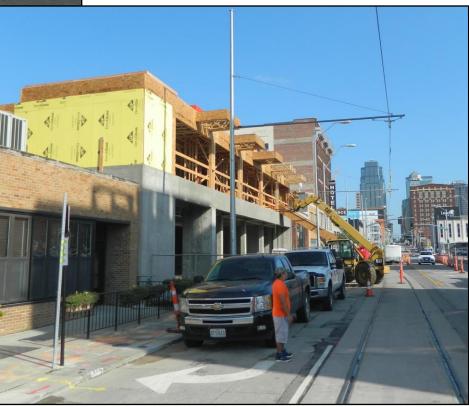




#### 1914 Main



"The streetcar is the big thing that drew us, absolutely." Scott Richardson, Linden Street Partners



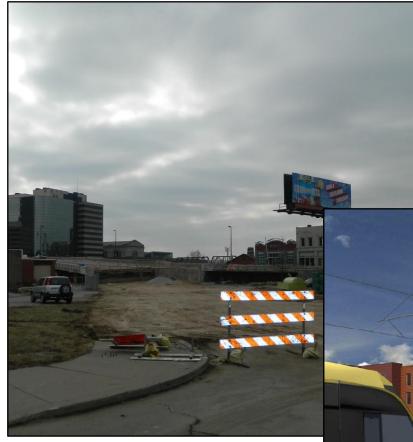


#### 1914 Main: \$10 Million, 44 units





#### Home 2 Suites by Hilton



\$20 Million 114 rooms "...several pluses associated with the site including its location on the new downtown streetcar starter line."

> Brad Wiens True North Hotel Group





## **Corrigan Station**



"The historic Corrigan Building...is linking its future to downtown's new streetcar line."

> Kansas City Star January 29, 2015

- \$40 Million
- Renovation of existing office 35,000 sq. ft. addition
- 360 space parking garage





#### **Centropolis on Grand**



"The continue development of the neighborhood and the addition of the streetcar makes Centropolis on Grand and attractive option for those interested in urban living." Justin Cottrell KC Commercial Realty

- \$8 Million
- 56 units





#### Second and Delaware Apartments

**Passive House Certified:** 

Resulting in 80% lower



"Arnold also emphasizes an environmental advantage to the project location...a block from Kansas City's ...streetcar line..."

September 27, 2015 Kansas City Star

**Concrete Construction:** 

100+ year structures that can stand

Uban Farming: Integrated into roof top gradens and pocket parks



- \$60 Million
- 276 units

"People will take the streetcar who live in the downtown area to the River Market for lunch and dinner, and I also expect the streetcar will bring more tourists." Jack Nguyen, Nguyen Pho Grill



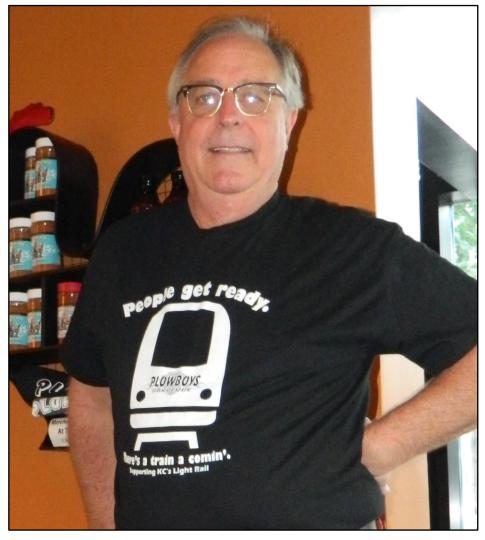




"The streetcar is going to literally drop off 20 feet from our patio."

II Lazzarone Pizza





# "It opens our universe."

Todd Johnson, Plowboys BBQ



### Documenting Existing Conditions and Changes in Use

15 Acres of Surface Parking/Vacant Lots Removed Since Approval of TDD in December 2012









# Advance KC

- Continued growth of Crossroads District as tech destination
- Expansion of KC Creative Crossroads brand
- Leveraging strengths to grow arts entrepreneurship



# **Greater Downtown Area Plan**

- Promote sustainability
- Double the population of downtown
- Increase employment
- Create a walkable downtown



# How is the Information Shared?

# **Public Presentations**

- Mayor and City Council
- Streetcar Authority
- Economic Development Corporation
- Civic groups

Open Data Portal (www.kcmo.org)

Response to media inquires



# **Questions/Discussion?**

Additional Information...



