

KCStat

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April 3, 2018

#KCStat

Planning, Zoning and Economic Development



Planning, Zoning and Economic Development

“To develop a vibrant economy where there is opportunity for job creation, entrepreneurship, and growth, particularly in historically underdeveloped areas; all citizens have opportunities for creating wealth and prosperity; and visitors continue to consider Kansas City a desirable destination.”

How To Get There: 2018-2023 City Objectives and Strategies For Planning, Zoning and Economic Development

1. **Create and implement aggressive neighborhood revitalization plans with special emphasis on historically disinvested corridors and neighborhoods. (Place-based)**
 - a) Develop a strategy to update the City comprehensive plan (FOCUS). (City Planning and Development)
 - b) Evaluate the effectiveness of area plan implementation committees and develop ways to strengthen them. (City Planning and Development)
 - c) Target City resources toward neighborhood revitalization in targeted, distressed areas by using the Market Value Analysis (MVA). (Office of the City Manager)

2. **Implement strategies to promote the social and economic well-being of City residents. (People-based) .**
 - a) Develop and implement a plan to foster entrepreneurship, small business growth, and development. (Office of the City Manager)
 - b) Identify creative space development needs of the arts, culture, and creative sectors. (Office of Cultural and Creative Services)
 - c) Create a "Shop Local" program. (Office of the City Manager)
 - d) Implement a business-to-business mentorship program. (Human Relations)
 - e) Develop a plan that defines paths to economic mobility for residents. (Health)
 - f) Implement the digital equity strategic plan. (Office of the City Manager)

How To Get There: 2018-2023 City Objectives and Strategies For Planning, Zoning and Economic Development

3. **Strategically target economic development throughout the City. (Policy-based)**

- a) Monitor and report performance of the current and historic use of incentives. (Office of Economic Development)
- b) Collaborate with the Advisory Committee for the Central City Economic Development Sales Tax to support the effective use and implementation of the 1/8 cent economic development sales tax. (Office of the City Manager)
- c) Target and implement economic development strategies by utilizing the Market Value Analysis (MVA). (City Planning and Development)

4. **Enhance the operational efficiency of City development activity.**

- a) Implement and monitor the performance of the community development software system, EnerGov, to streamline business processes related to development. (Office of the City Manager)

How To Get There: 2018-2023 City Objectives and Strategies For Planning, Zoning and Economic Development

5. Enhance the City as a destination for leisure and business travel. (Place-based)

- a) Continually invest in annual appropriated capital improvement projects for the City's convention and entertainment facilities. (Conventions and Entertainment Facilities)
- b) Aggressively promote our community as a place to visit and live in partnership with VisitKC. (Conventions and Entertainment Facilities)
- c) Develop a plan to ensure Kansas City International Airport achieves success in becoming a 21st century airport for business and leisure. (Aviation)
- d) Develop a plan to preserve and invest in historic and cultural assets and destinations. (City Planning and Development)
- e) Monitor the use of Neighborhood Tourist Development Fund (NTDF) resources. (Office of Cultural and Creative Services)
- f) Develop a short-term rental ordinance to regulate residential unit sharing. (City Planning and Development)

Measures of Success

Objective	Measures of Success	Actual FY15	Actual FY16	Target FY17	Actual FY17	Target FY18	Target FY19
1	Percent of residents satisfied with physical appearance of neighborhoods.	-	56%	-	56%	58%	60%
2	Percent change in average annual wage.					TBD	TBD
3	Percent change in jobs in distressed census tracts.	-	-	-		TBD	TBD
4	Percent of businesses rating the City as an excellent or good place to do business.	65%	70%	69%	70%	71%	73%
4	Percent of businesses satisfied with overall quality of services provided by the City.	60%	60%	64%	59%	64%	64%
5	Dollars of economic impact from tourism	5,100,000,000			5,500,000,000	TBD	TBD
5	Number of hotel nights booked due to convention center activity per calendar year	170,359	284,278	200,000	362,305	289,964	205,000

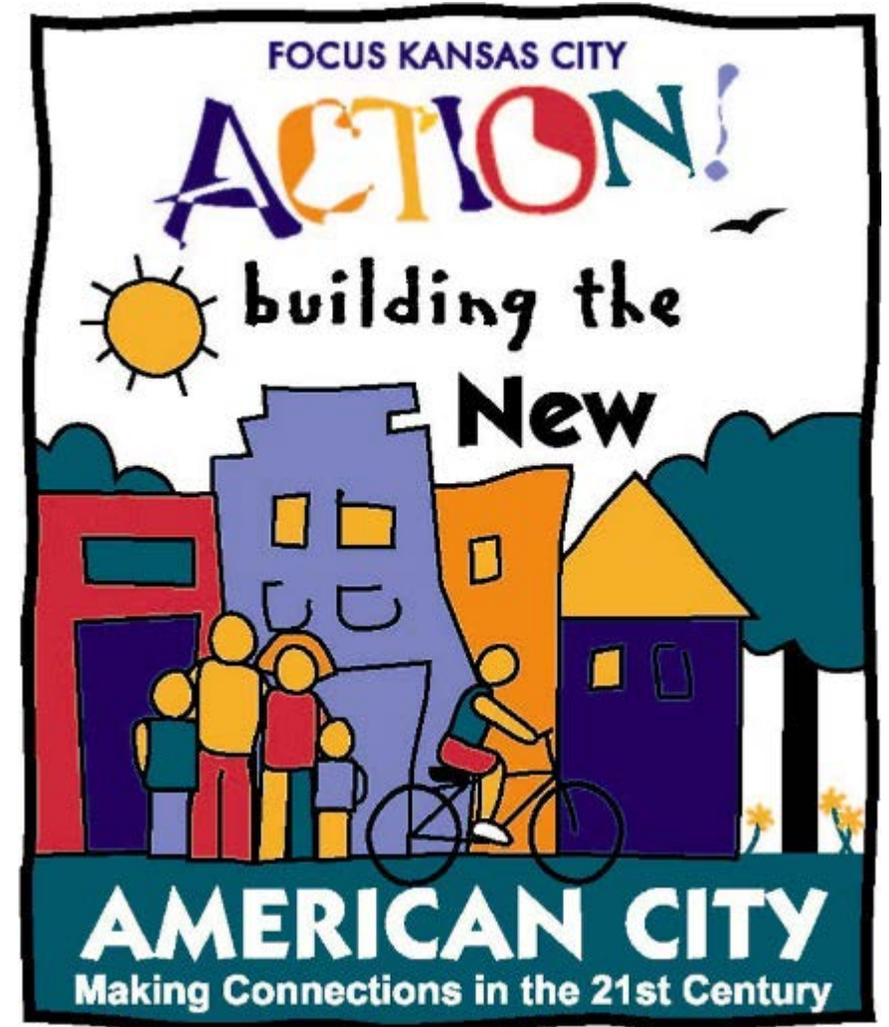
Objective 1: Create and implement aggressive neighborhood revitalization plans with special emphasis on historically disinvested corridors and neighborhoods.

Strategy A

- a) Develop a strategy to update the City comprehensive plan (FOCUS).
(City Planning and Development)

Comprehensive Plan

- A comprehensive plan is long range vision that sets priorities and guides decisions at the citywide scale.
- FOCUS (Forging Our Comprehensive Urban Strategy) was adopted in 1997, and is the comprehensive plan for the city.
- Comprehensive plans are traditionally utilized for a time period of approximately 25 years
- A series of listening sessions is being planned for 2018 to identify stakeholder priorities
- Potential start of Comp Plan in 2019

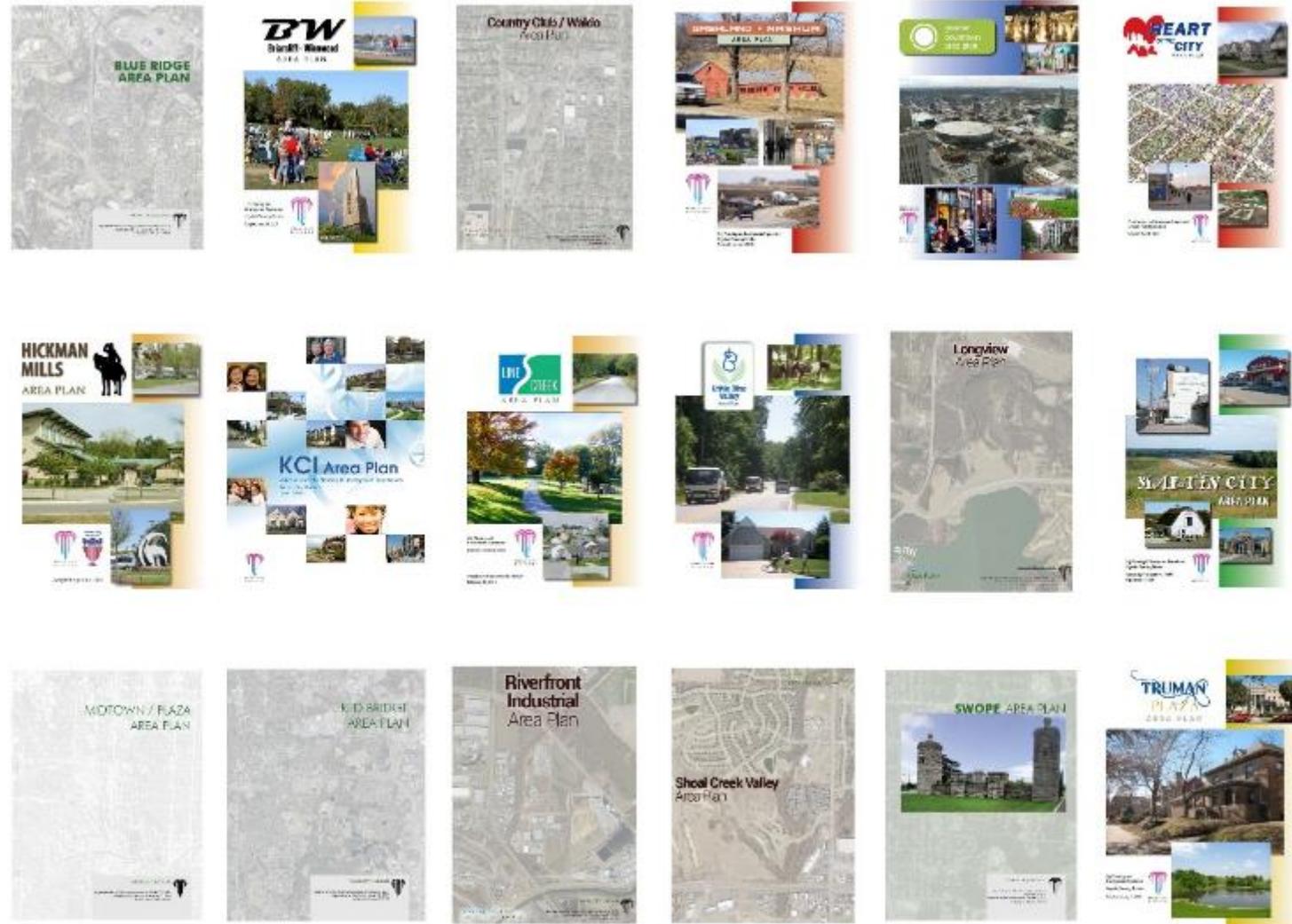


Strategy B

- a) Evaluate the effectiveness of area plan implementation committees and develop ways to strengthen them. (City Planning and Development)

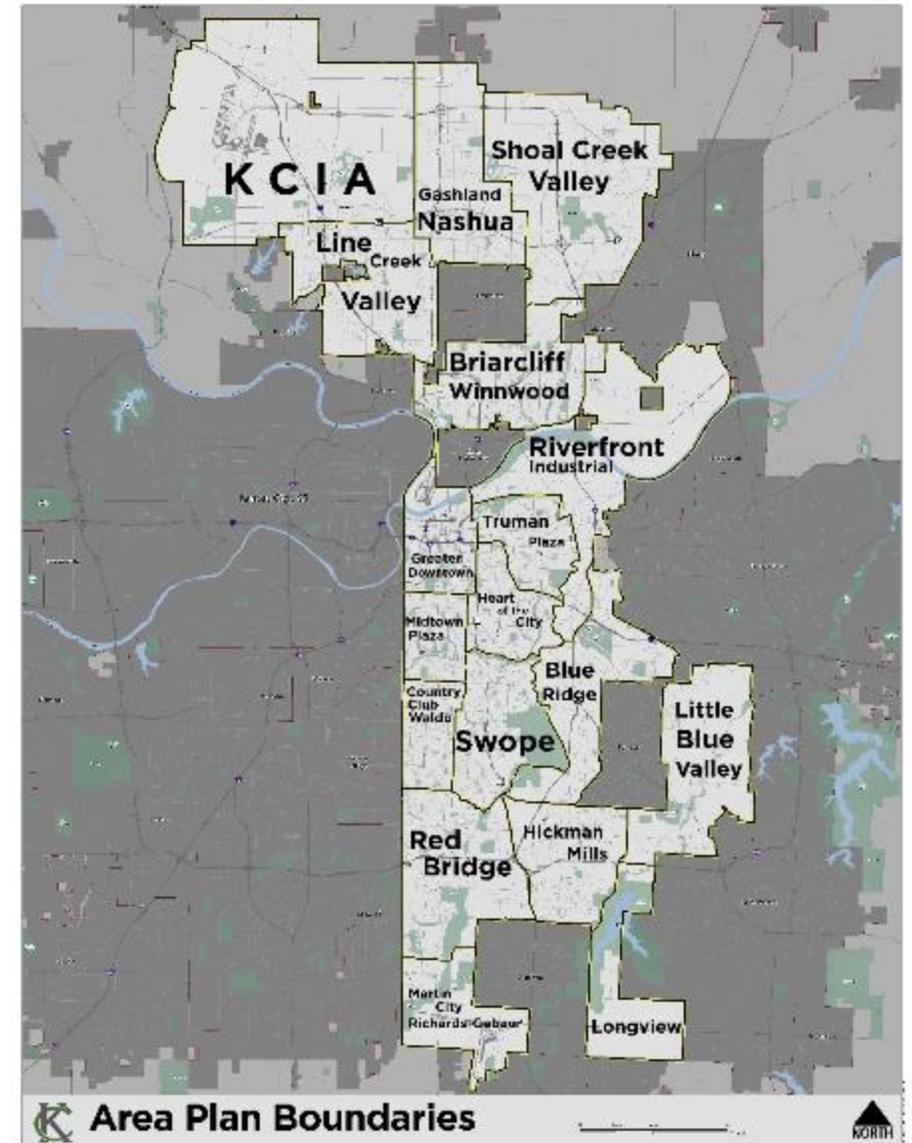
Area Plan Program

- Create a more manageable Long Range Planning Process
- Consolidate multiple documents which provide guidance for the same or similar areas
- Complete the process in a reasonable time frame – 10 Years



Area Plan Program

- All 18 planning areas have been updated
- Includes implementation programs after adoption
- Approximately 275 public meetings
- Approximately 11,000 hours of staff time for meeting prep and analysis
- Next steps will identify areas where plan updates will be needed



Objective 4: Enhance the operational efficiency of City development activity.

Strategy A

- Implement and monitor the performance of the community development software system, EnerGov (CompassKC) to streamline business processes related to development. (Office of the City Manager)



CITY SERVICES AT YOUR FINGER TIPS

Pre-registration for CompassKC Users is available online at City Planning now

CompassKC Open House is scheduled for April 5, 2018 at Robert J. Mohart Center

End User Training is underway now and will be completed by 3/12 - 4/6/2018

KIVA (old software) shutdown 4/18/2018

Go Live is scheduled for 4/23/2018

Objective 3: Strategically target economic development throughout the City.

Objective 1: Strategy C

- Target City resources toward neighborhood revitalization in targeted, distressed areas by using the Market Value Analysis (MVA). (Office of the City Manager)

Objective 3: Strategy C

Target and implement economic development strategies by utilizing the Market Value Analysis (MVA). (City Planning and Development)

Opportunity Zone Program

Overview

- Tax Cuts and Jobs Act of 2017
- Administered by US Treasury Department
- Encourage long-term investments in low-income communities
- Provides tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds
- Department of Economic Development coordinating for State of MO

Program Snapshot

- Governors designate Opportunity Zones
- US Treasury Certifies Opportunity Funds (investment vehicle)
- Allows investors to defer paying taxes on unrealized gains, if they invest in an Opportunity Zone fund (tiered-bonus system)
- Can invest in stock, capital/profits interest, or tangible property
- Real estate investments include rehab requirement

Application

City Prioritization

- Census tracts with high levels of combined risk factors, lacking historic investment, with strong potential for future investment.
- 54 census tracts in 5 “Clusters”
- Clusters and census tracts prioritized
- Targeted around successful community strategies already underway (accelerate and enhance).
- Provides flexibility for DED to scale

Timeline

- City and County Initial submittals – March 2 (COMPLETE)
- DED Cuts to 28 CT (RECEIVED 3/21)
- City Comments to DED (DUE/COMPLETE 3/23)
- Governors nominations – Originally Due 3/22, EXTENDED to April 6
- Consideration Period for Treasury – 30 Days

Strategy B

- 2) Collaborate with the Advisory Committee for the Central City Economic Development Sales Tax to support the effective use and implementation of the 1/8 cent economic development sales tax. (Neighborhood and Community Services – Housing Division)

Central City Sales Tax Demographics and Details

19,528

Total number of housing units in the study area

*(19,416 in 2000)
(21,919 in 1990)
(24,548 in 1980)*

13,997

Number of households in the study area

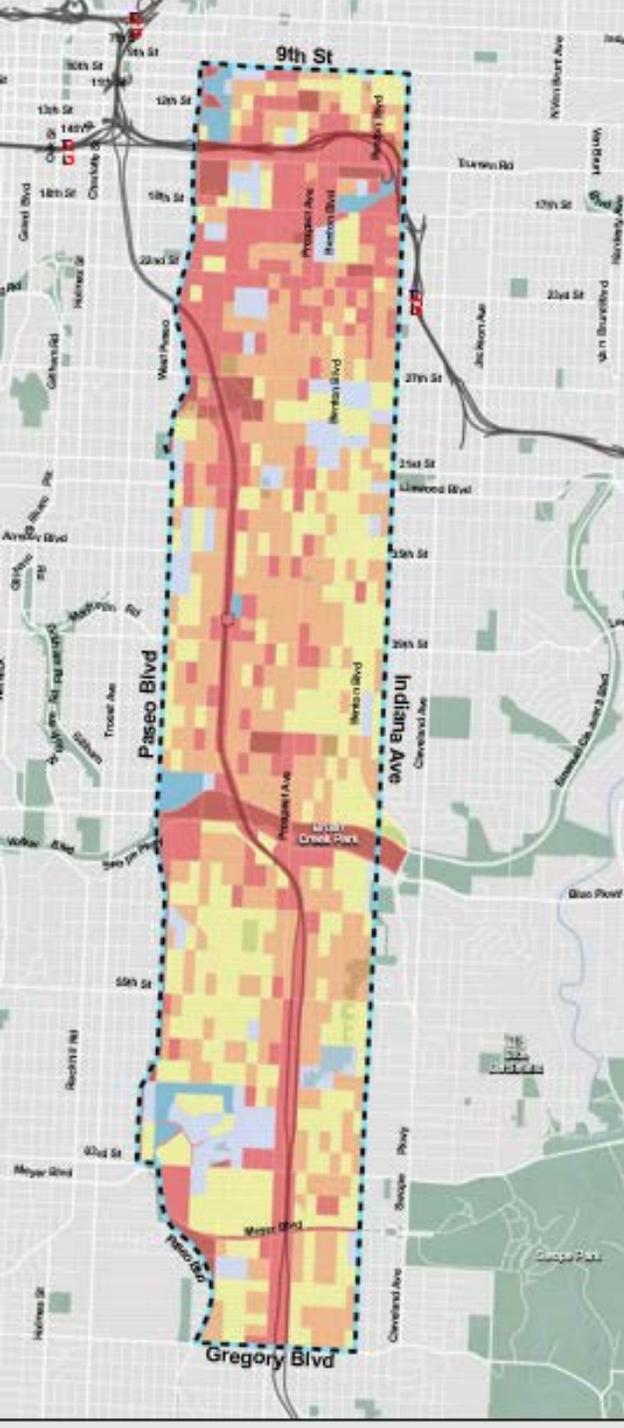
*(16,467 in 2000)
(18,254 in 1990)
(21,369 in 1980)*

\$23,812

Median household income for the study area

(Compared to \$46,090 for Kansas City, Missouri)

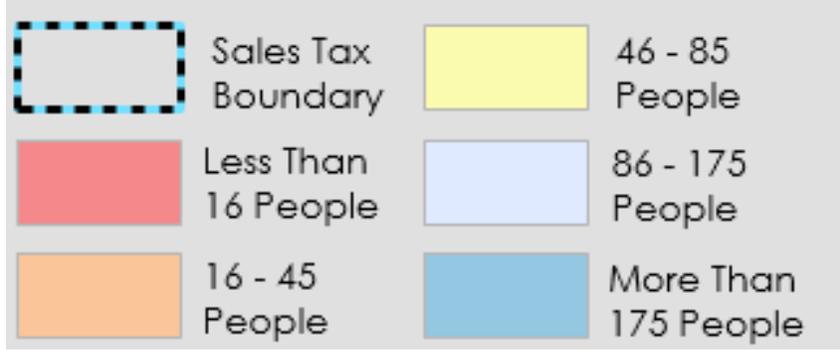
- The boundaries of the CCED is 9th Street on the north, Gregory Boulevard on the south, The Paseo on the west, and Indiana Avenue on the east.
- 5-Member Board includes 3 appointed by the Mayor; 1 appointed by Jackson County and 1 appointed the Kansas City School District.
- The Board is charged with making recommendation to the Kansas City Council for their approval for budget, programming and award of projects within the boundaries of the District.
- The term of the sales tax is 10 years.
- The sales tax revenue is anticipated to generate approximately \$8 million per year.
- Board members: Herbert Hardwick, Melissa Patterson-Hazley, Donna Wilson-Peters, Ronald Finley and Keith Brown



Demographics

2010 Population by Census Block

Central City Sales Tax District

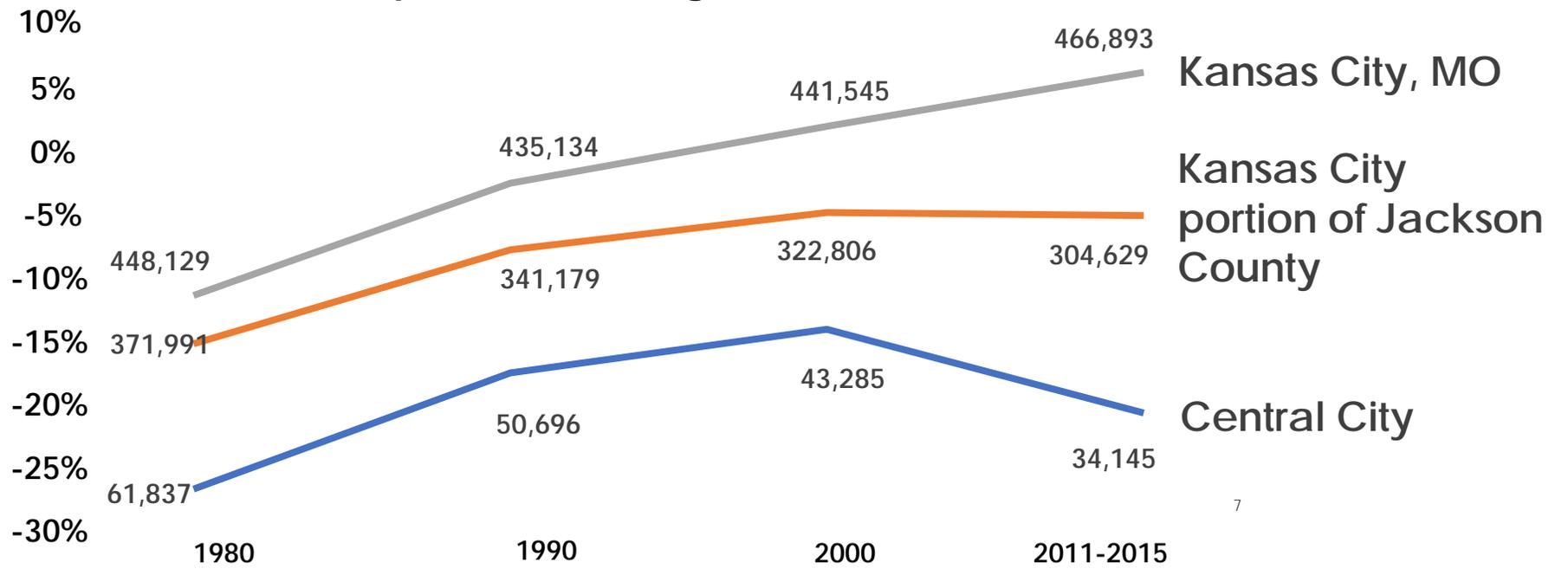


Population Comparison Since 1980

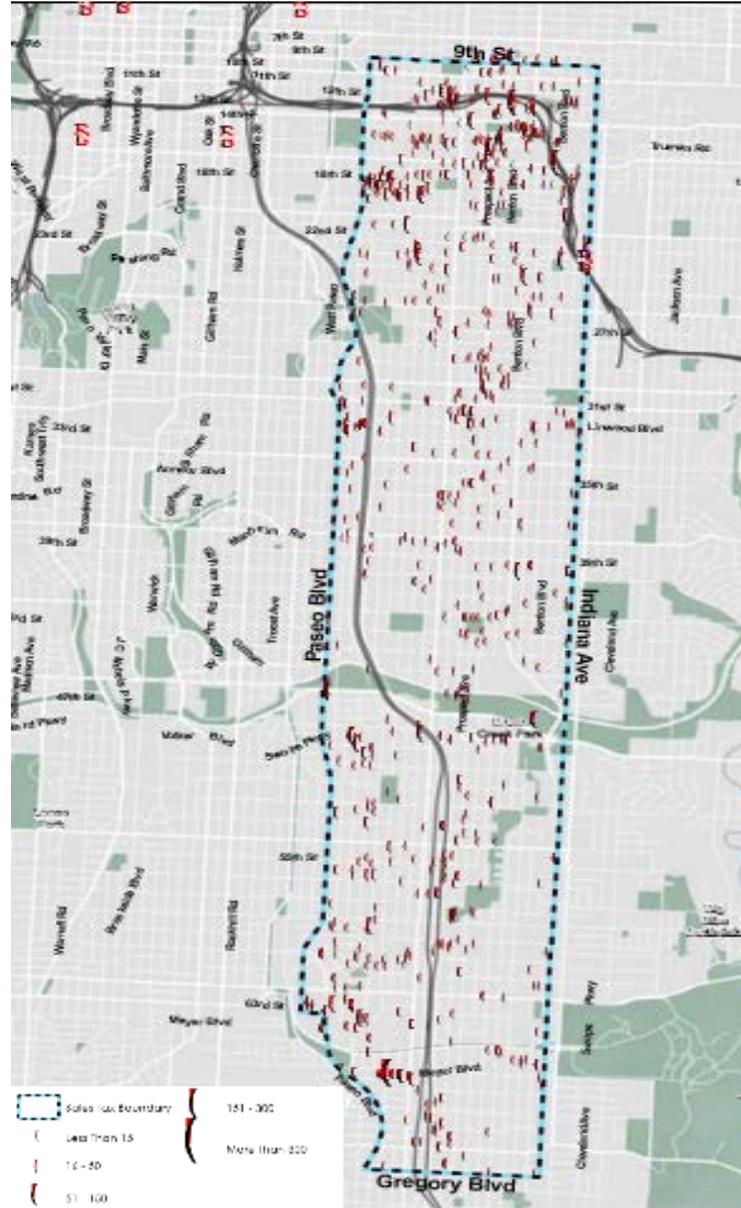
**Kansas City portion of Jackson County*

	Central City	Jackson County*	Kansas City
Total Population Now <i>(2011-2015 ACS)</i>	34,145	304,629	466,893
Change Since 1980	-27,692	-67,362	18,764

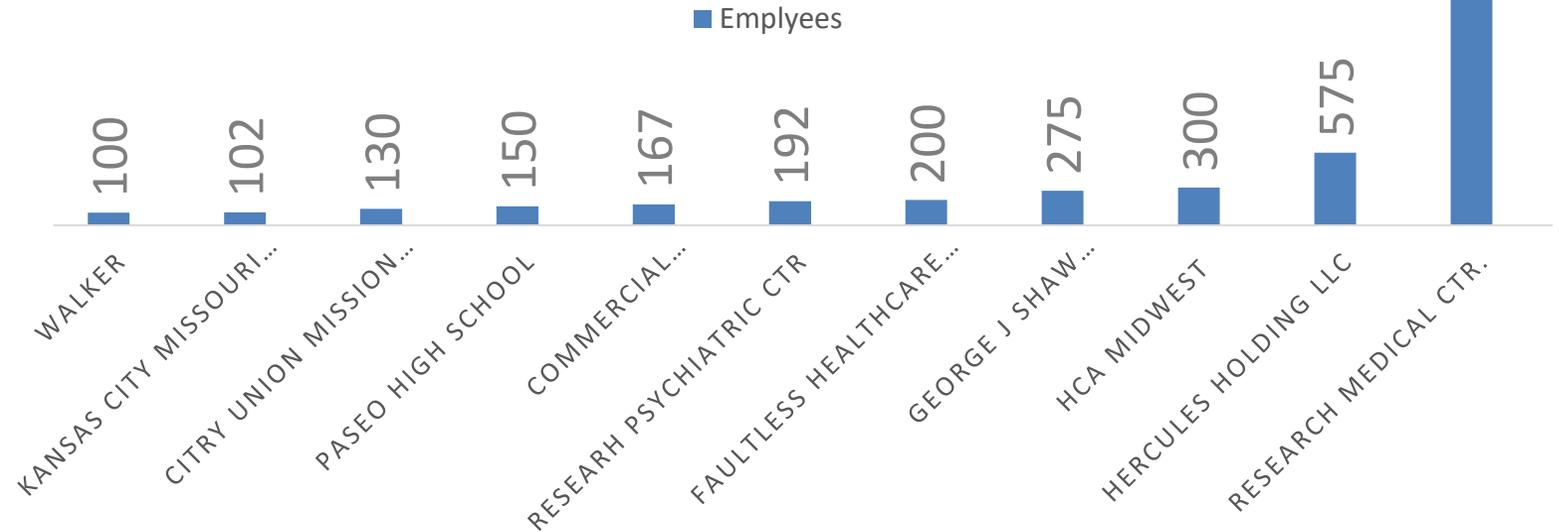
Population Change 1980 - 2011/2015



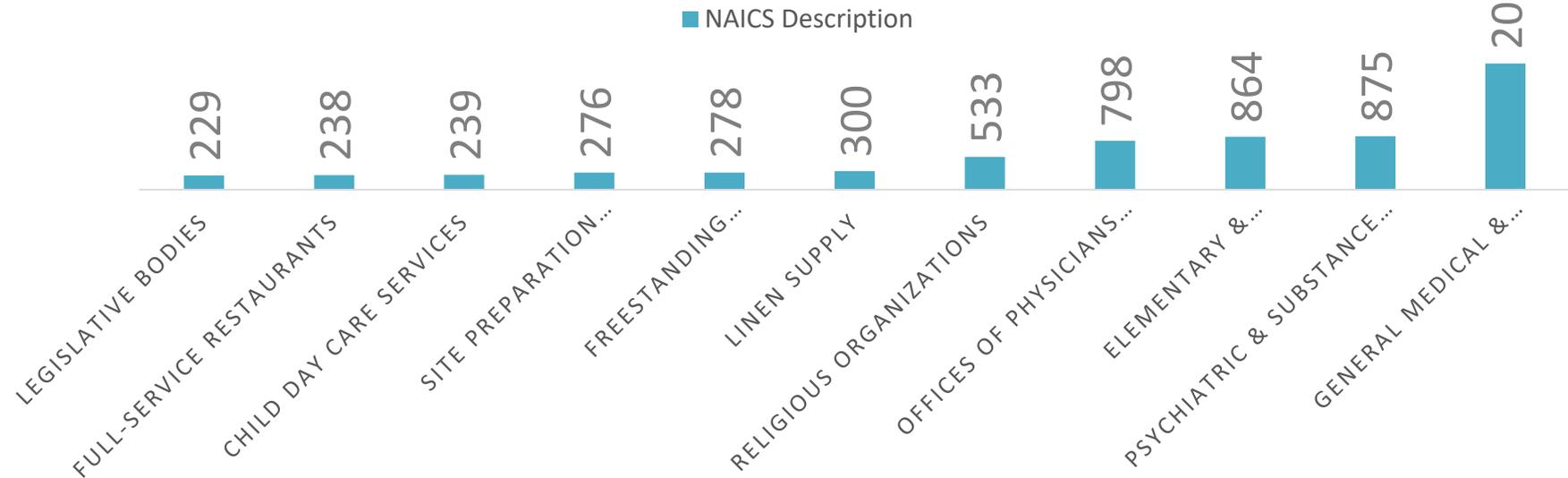
Employment Density



MAJOR EMPLOYERS



MAJOR INDUSTRIES



Redevelopment Opportunities Areas

6 Tax Increment Financing Districts

Jazz District TIF

39th & Prospect TIF

Brush Creek Corridor TIF

Troost Proactive TIF

Southtown Urban Life Development TIF

Southtown Corridor TIF

8 Planning Initiatives

18th & Vine

39th Street Redevelopment Plan

Bluford Library

Independence Avenue Overlay

Independence Avenue Right-of- Way Study

Prospect - Prosperity Playbook

Prospect TOD

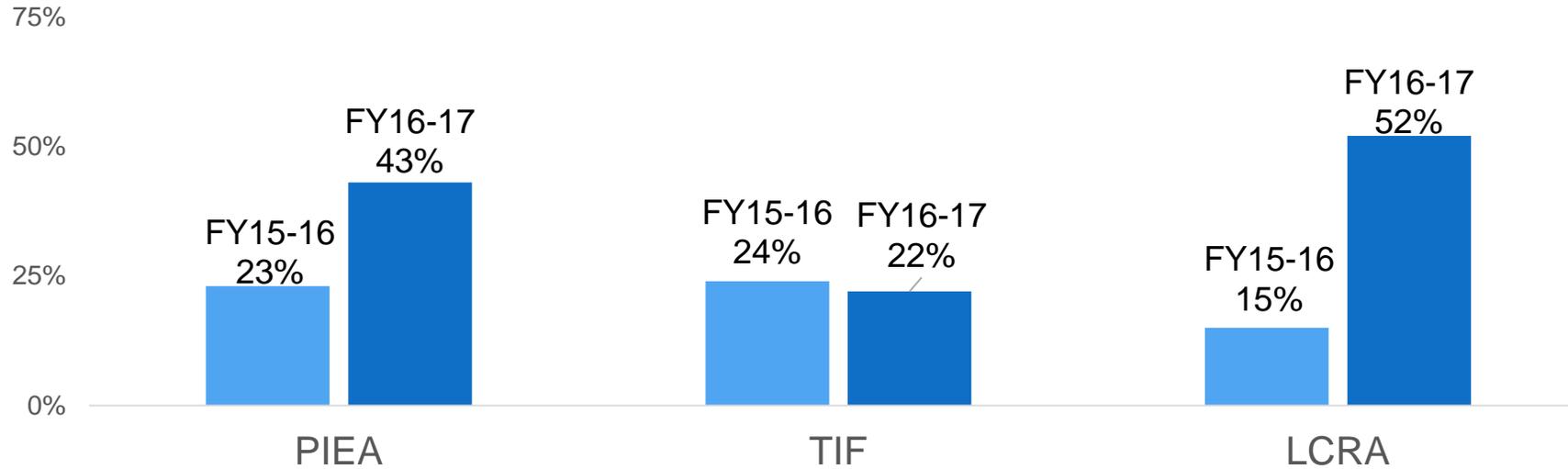
Urban Neighborhood Initiative (UNI)

Strategy A

- a) Monitor and report performance of the current and historic use of incentives. (Office of Economic Development)

Agency Utilization Minority And Women Business Enterprise (M/WBE)

M/WBE Utilization for **Construction** by Agency



Acronym Key

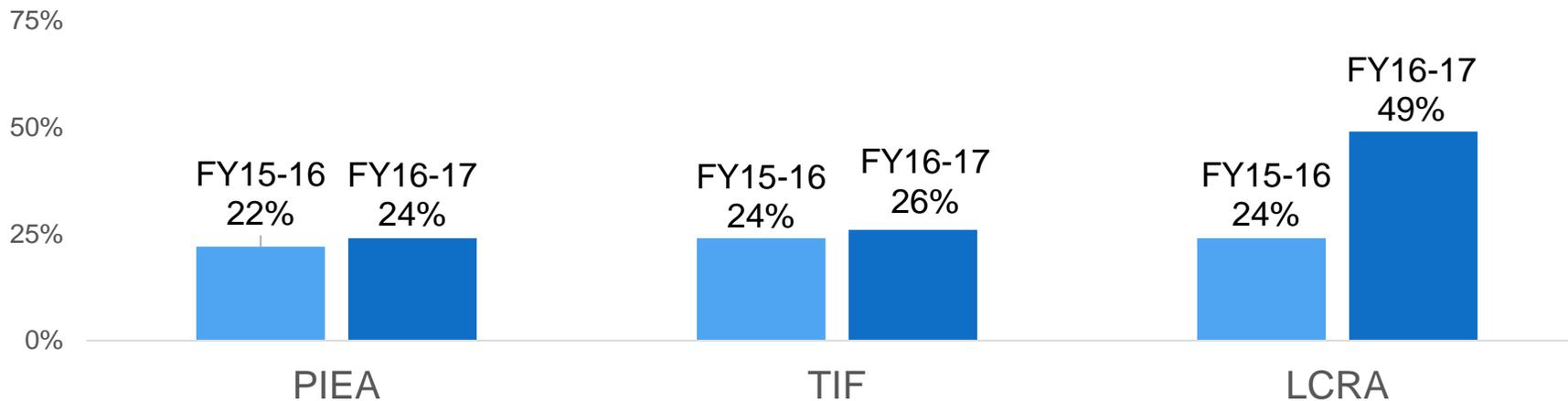
PIEA: Planned Industrial Expansion Authority

TIF: Tax Increment Financing

LCRA: Land Clearance for Redevelopment Authority

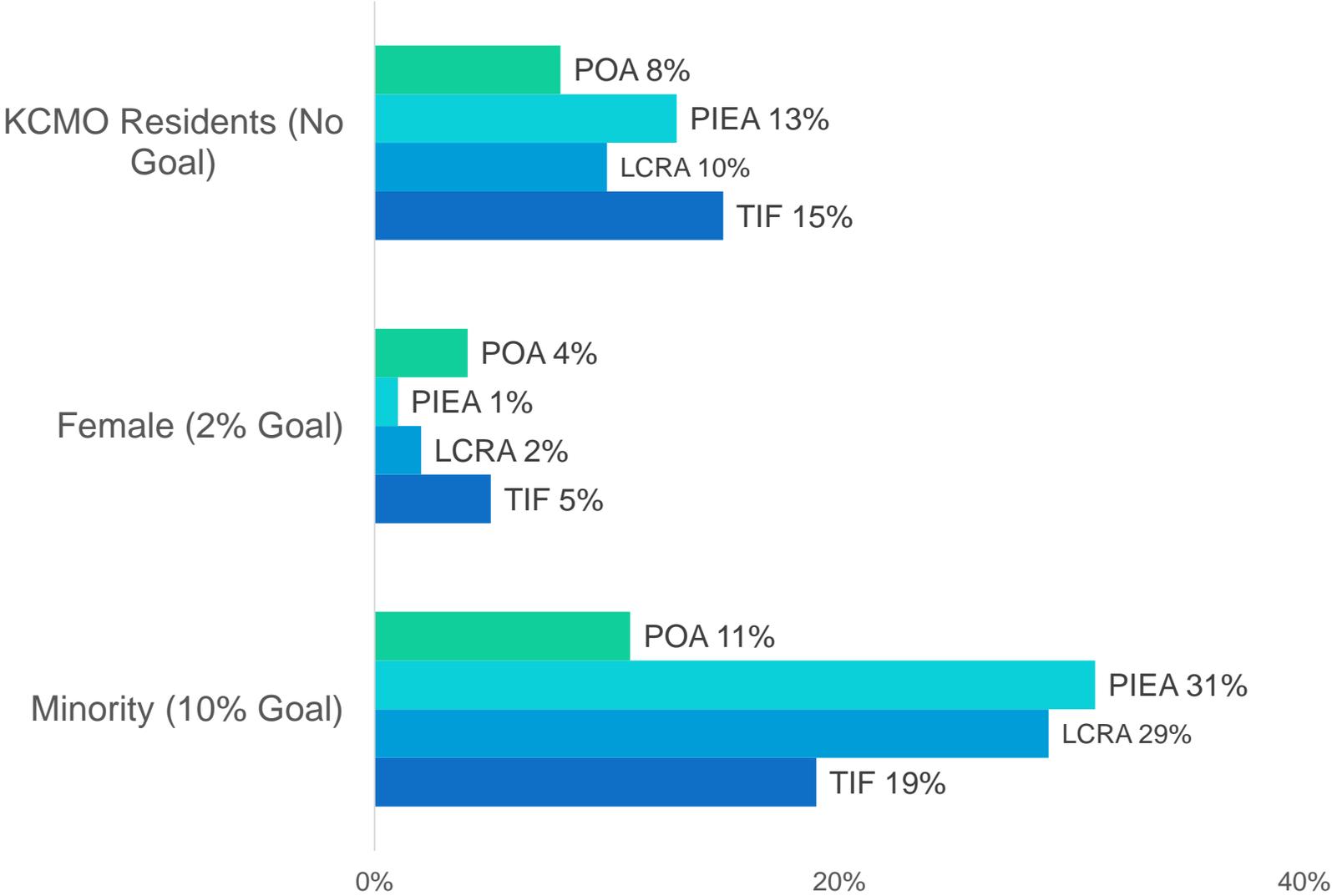
M/WBE: Minority/Women Owned Business Enterprises

M/WBE Utilization for **Professional Services** by Agency



Construction Employment Program (aka Construction Workforce)

Construction Workforce FY16-17



Acronym Key

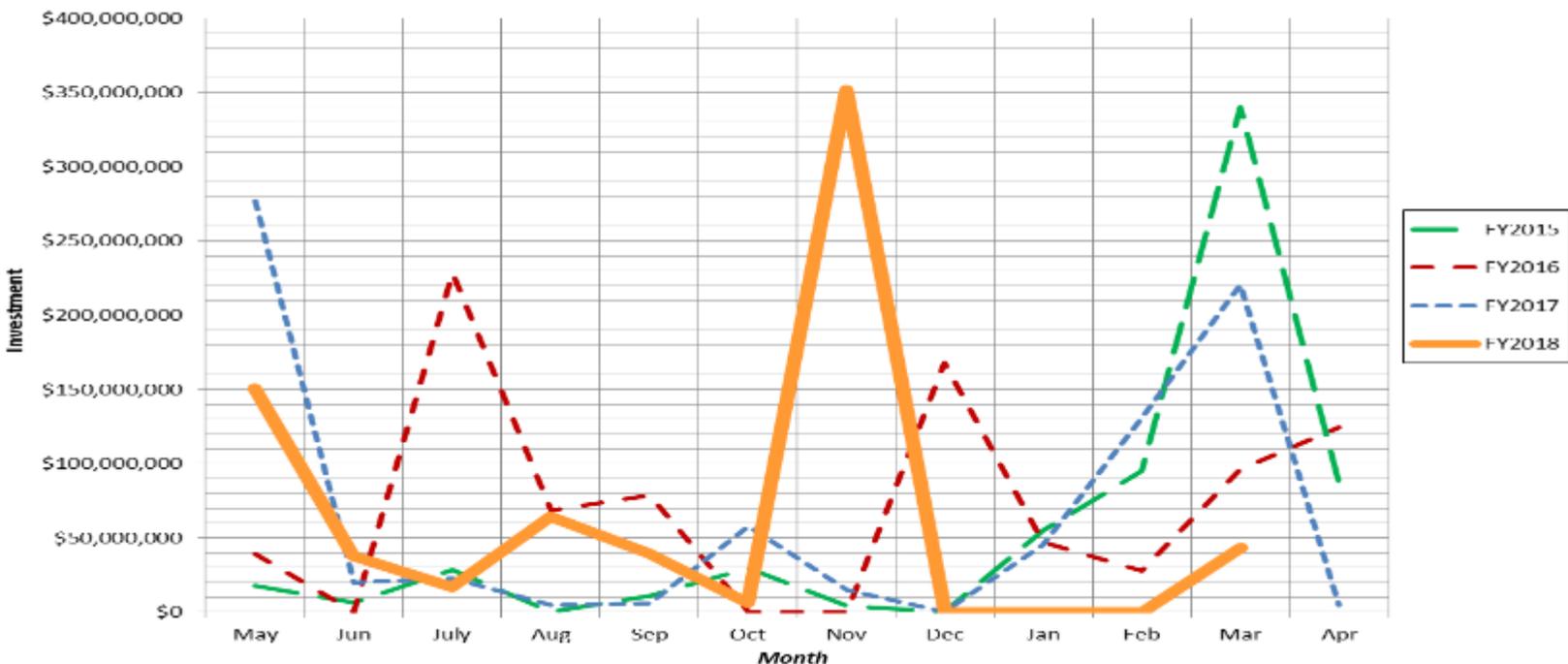
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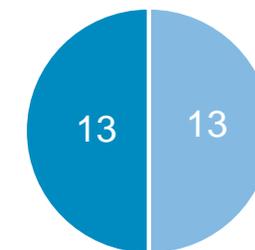
Economic Development Corporation (EDC)

Investment Comparison FY2015-FY2018

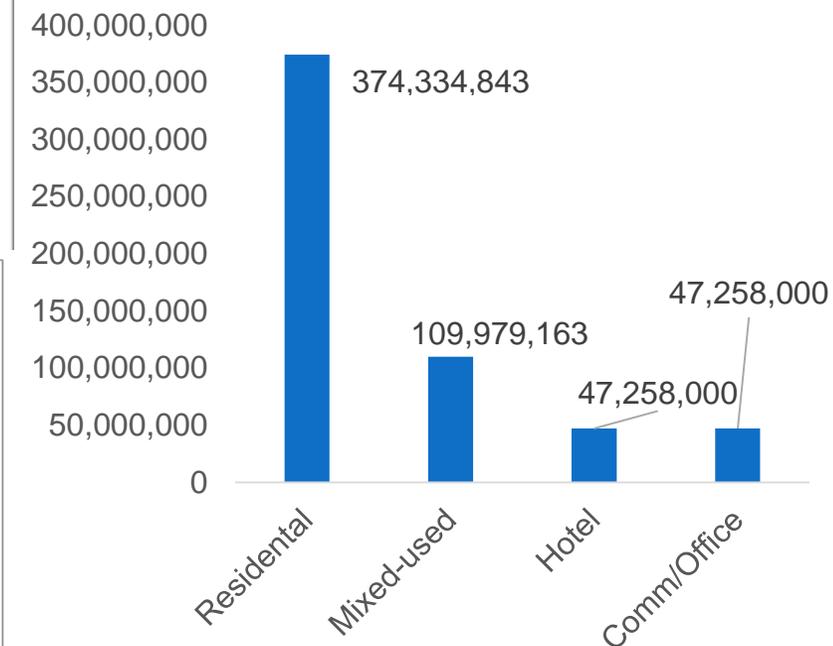


Projects by Construction

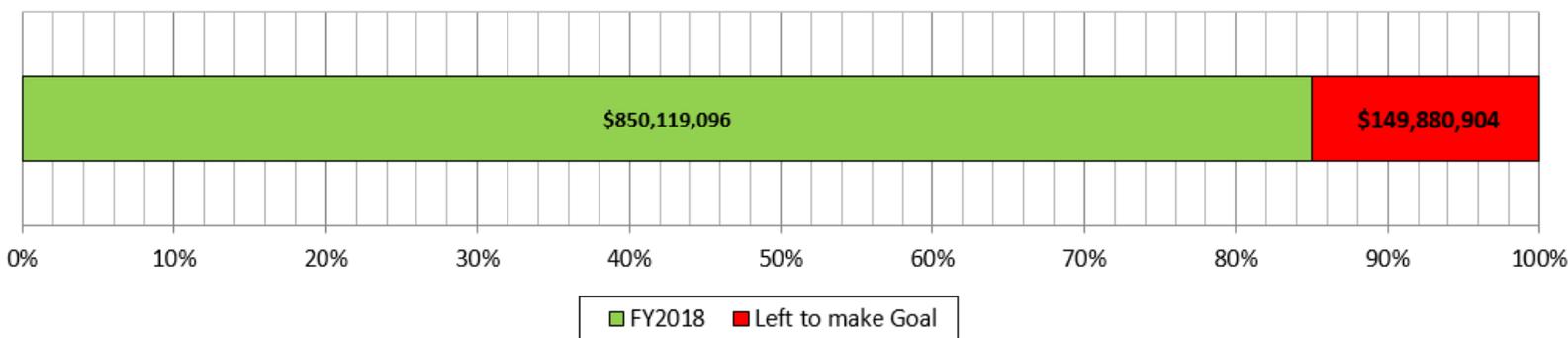
■ New Const. ■ Rehab/Expan



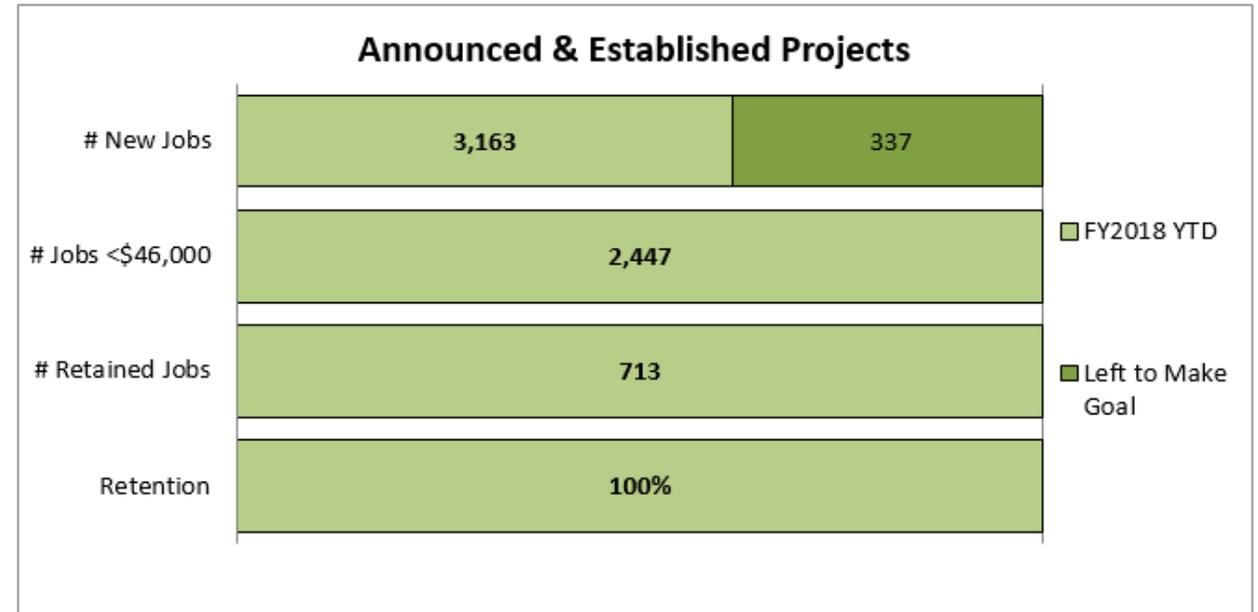
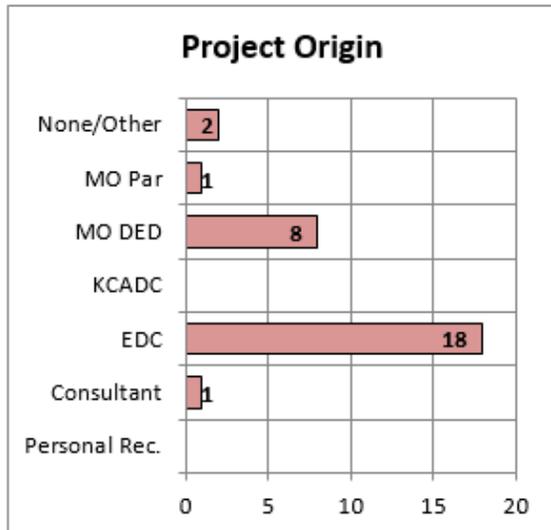
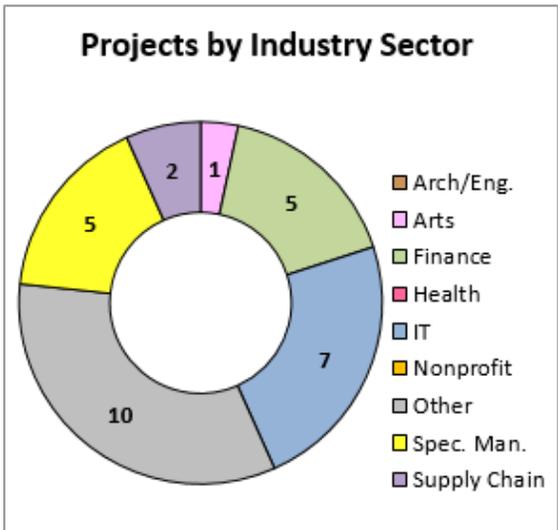
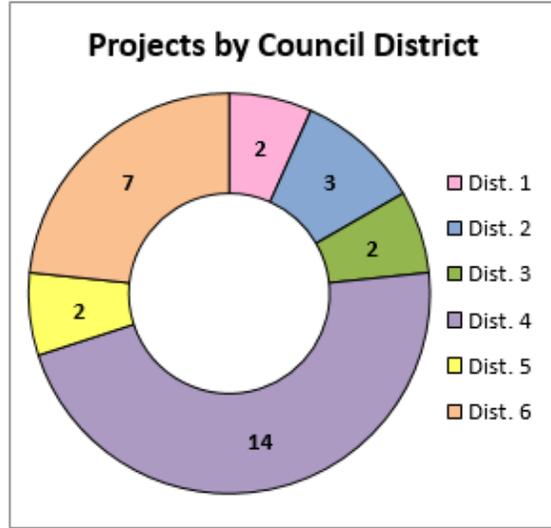
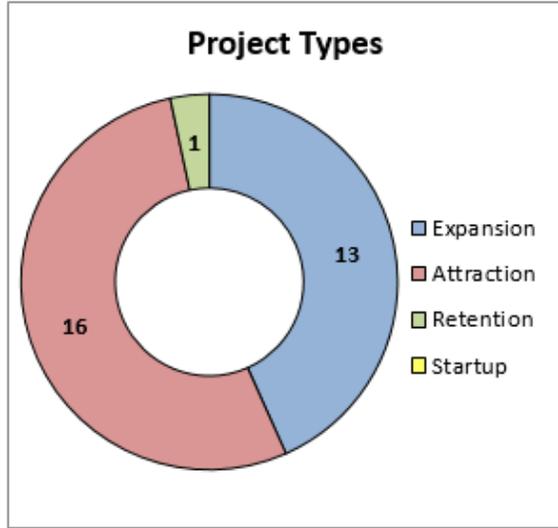
■ Investment by Type



Left to Make \$1 Billion Goal



Economic Development Corporation (EDC)

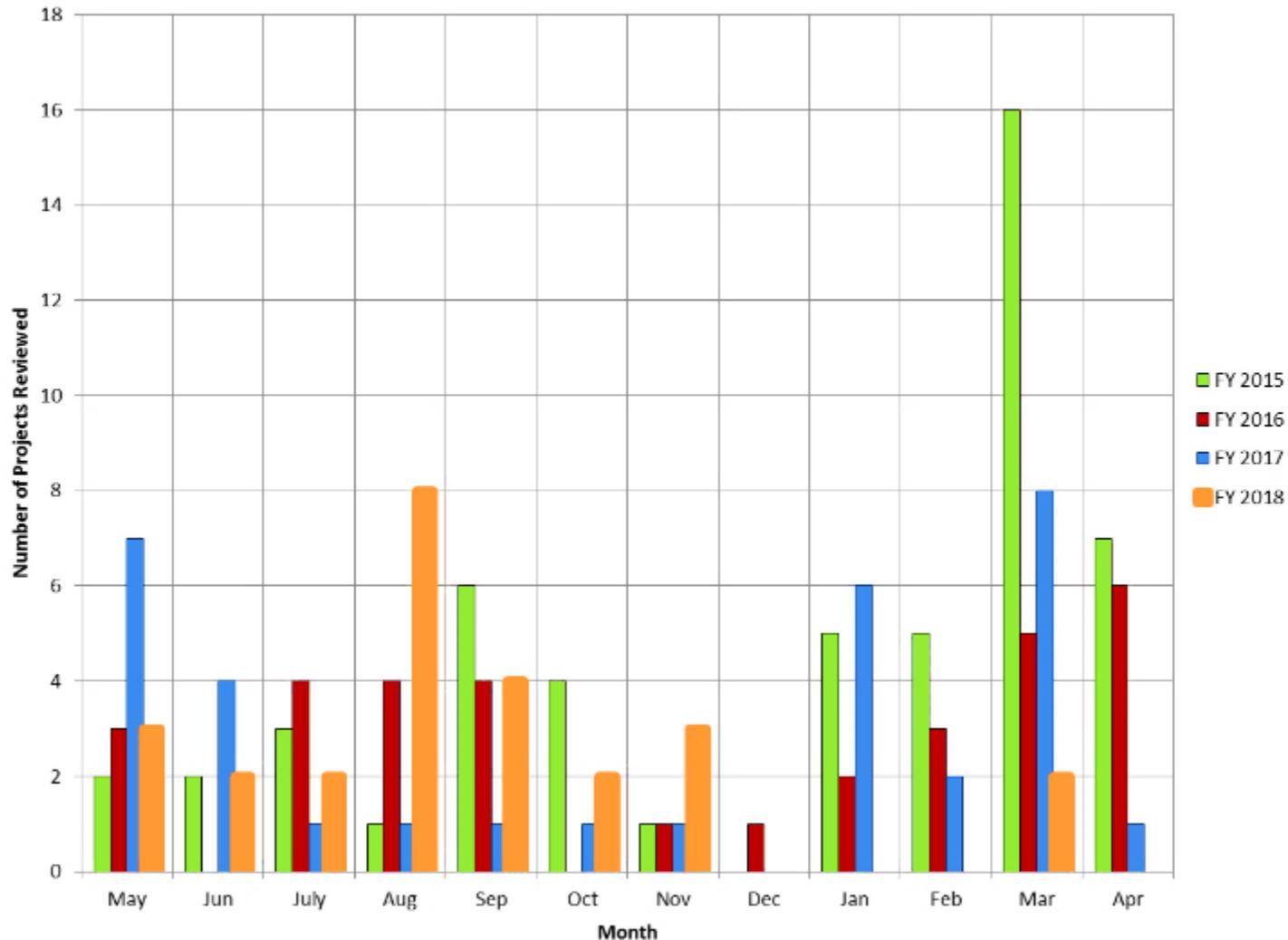


Job Creation By Project

Project Name	# New Jobs
NBKC	327
FishTech	40
Crossroads Financial	3
Project Cart (HyVee)	127
Spring Venture Group	650
FishTech Phase 2	23
Whitlock	51
GlynnDevins	265
WeWork	3
Precision Door Service	10
Pegasus Financial	24
BMS Logistics	200
DeJana Truck & Utility Equipment	30
Custom Truck #1	40
Eley & Sons Funeral Chapel	3
Affinity Worldwide	100
First Mortgage Solutions	17
TSL Terminals (Indiana Av.)	3
TSL Terminals (Nicholson)	2
GO Self Storage	2
Orbis RPM, Inc.	8
Swiss RE	400
Eleve Dancewear	2
Full Potential Solutions	150
National Security Campus (Honeywell FM&T)	450
Price Spider	20
WELD Racing	85
Mark One Electric	65
Midwest Industrial Rubber	10
Tallgrass Technologies	53

Economic Development Corporation (EDC)

Number of AdvanceKC Projects Reviewed FY2015-FY2018



EDC Activity – May '17 to Jan '18

- 23 Announced Projects (13 Attraction, 10 Retention)
- 6,223 New & Retained Jobs (3,054 New, 3169 Retained) JOBS-BASED
- 287 New & Retained Jobs (131 New, 156 Retained) SITE-BASED
- \$302M New Investment from SITE-BASED
- \$66M in Incentives for SITE-BASED
- **Average Ratio of Investments to Incentives = 5:1**

Status of Project



In Progress

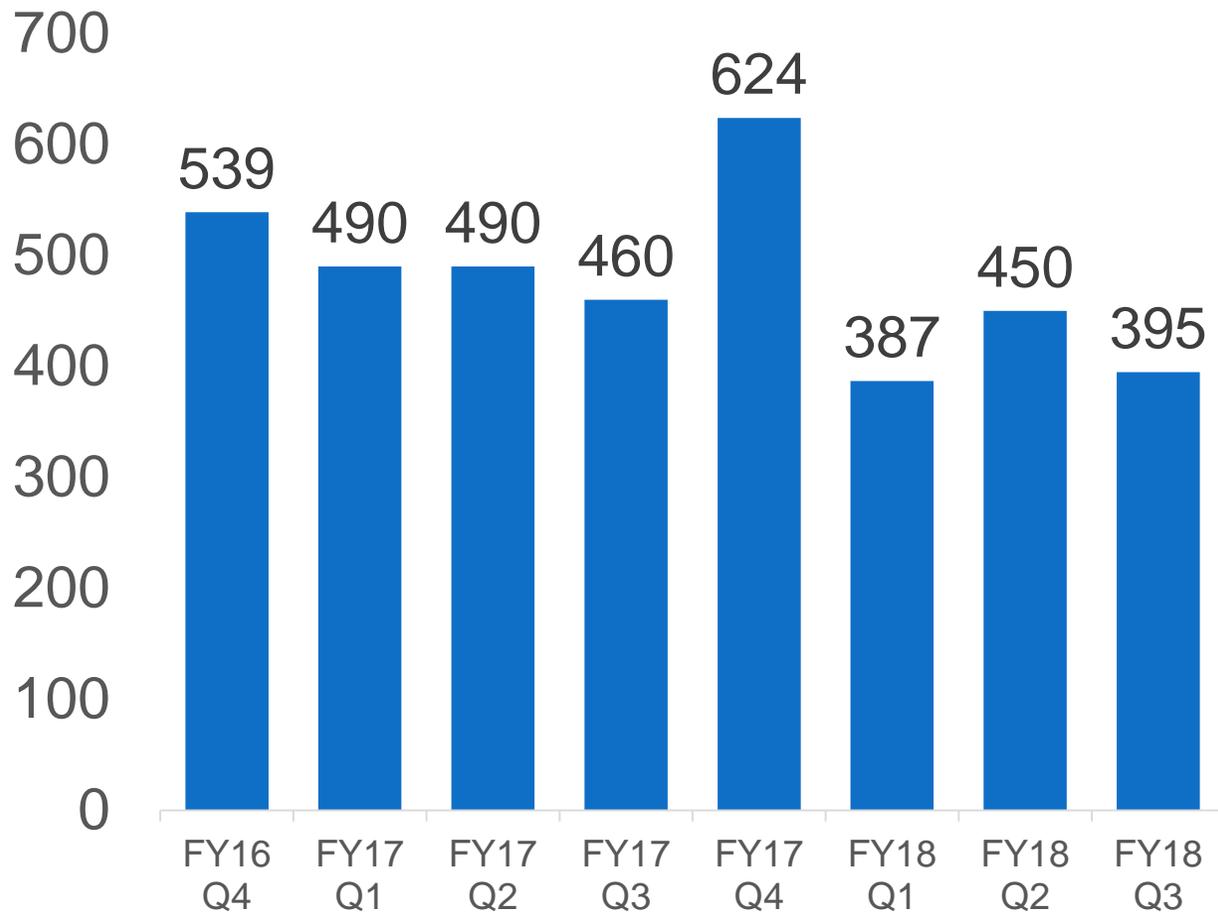
Objective 2: Implement strategies to promote the social and economic well being of City residents.

Strategy A

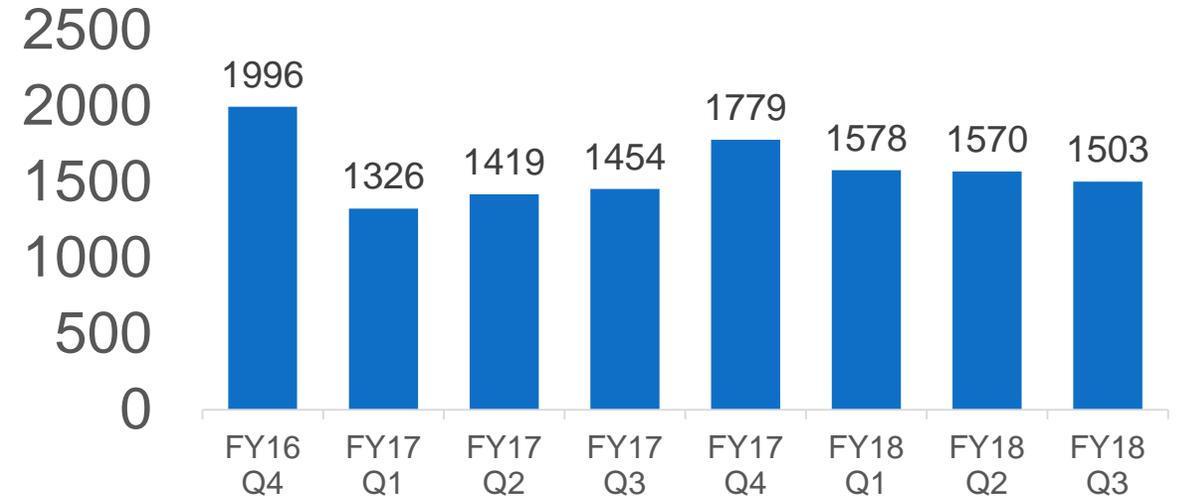
- a) Develop and implement a plan to foster entrepreneurship, small business growth, and development. (Office of the City Manager)

KC BizCare Clients

Total # of Clients



of Referrals



of Networking Events



BizCare outreach initiatives

- Small Business Focus Groups
- Office Hours at the KC Public Library
 - Standing office hours on the 3rd Monday of each month at the Lucile H. Bluford branch
- Shop Local Roundtables
 - #ShopLocalKC
- We collaborated with the Mid-Continent Public Library, Kansas City Public Library and the IRS to offer workshops on e-commerce, marketing and small business taxes during Global Entrepreneurship Week.
- We are currently collaborating with the Finance Department and the Mid-Continent Public Library to inform mobile food vendors about changes to the way they are licensed.

Launch KC



Metrics : Classes of 2015 & 2016

Fiscal Impact : 17 Grant Winners

Two Year Comparison // Reporting Through 9/30/2017

 **92** FULL TIME EMPLOYEES
UP FROM 38

AGGREGATE SALES

UP **170%** OVER YEAR 1



\$4.6 Million
2-Year Total

 Average Salary
\$77,387 for 2015 class
\$40,451 for 2016 class

ANNUAL PAYROLL PROJECTED
\$5 Million

UP FROM **\$2.5** Million
1 Year Ago



Strategy C

- a) Create a “Shop Local” program.



- b) (Office of the City Manager)

ShopLocalKC initiative

The purpose of the ShopLocalKC Roundtable is to bring together business associations and small business entrepreneur support organizations to share and develop strategies for growing locally-owned businesses.

- KCSourcelink's WeCreateKC Jobs Report says that small businesses in Kansas City are the leading generators of new jobs in the community
- Consumer spending at locally-owned businesses keeps more of the dollar in KC generating wealth, employment and opportunity
- Initial focus is around social media support utilizing the #ShopLocalKC to share the stories of locally-owned businesses.
- First roundtable was held December 6, 2017
- Ongoing roundtables will be held throughout 2018

Strategy D

- a) Implement a business-to-business mentorship program.
(Human Relations)

Business to Business Strategy

Mentor-Protégé Program Purpose

Increase economic impact in urban areas as businesses grow and reinvest in the community

Augment opportunities for certified M/WBE firms to successfully compete for KCMO professional and construction services contracts in the next 5 years

Enhance the capabilities of certified M/WBE firms in both public and private sectors

Create Joint Venture opportunities for M/WBE firms to successfully compete for major KCMO professional and construction services contracts

Grow local businesses that investment in the city

Business to Business Strategy

Mentor-Protégé Program Implementation

Mentors apply to KCMO Human Relations Department to participate in the program

Mentors can have no more than 3 Protégés simultaneously

Protégé can have no more than 2 Mentors simultaneously

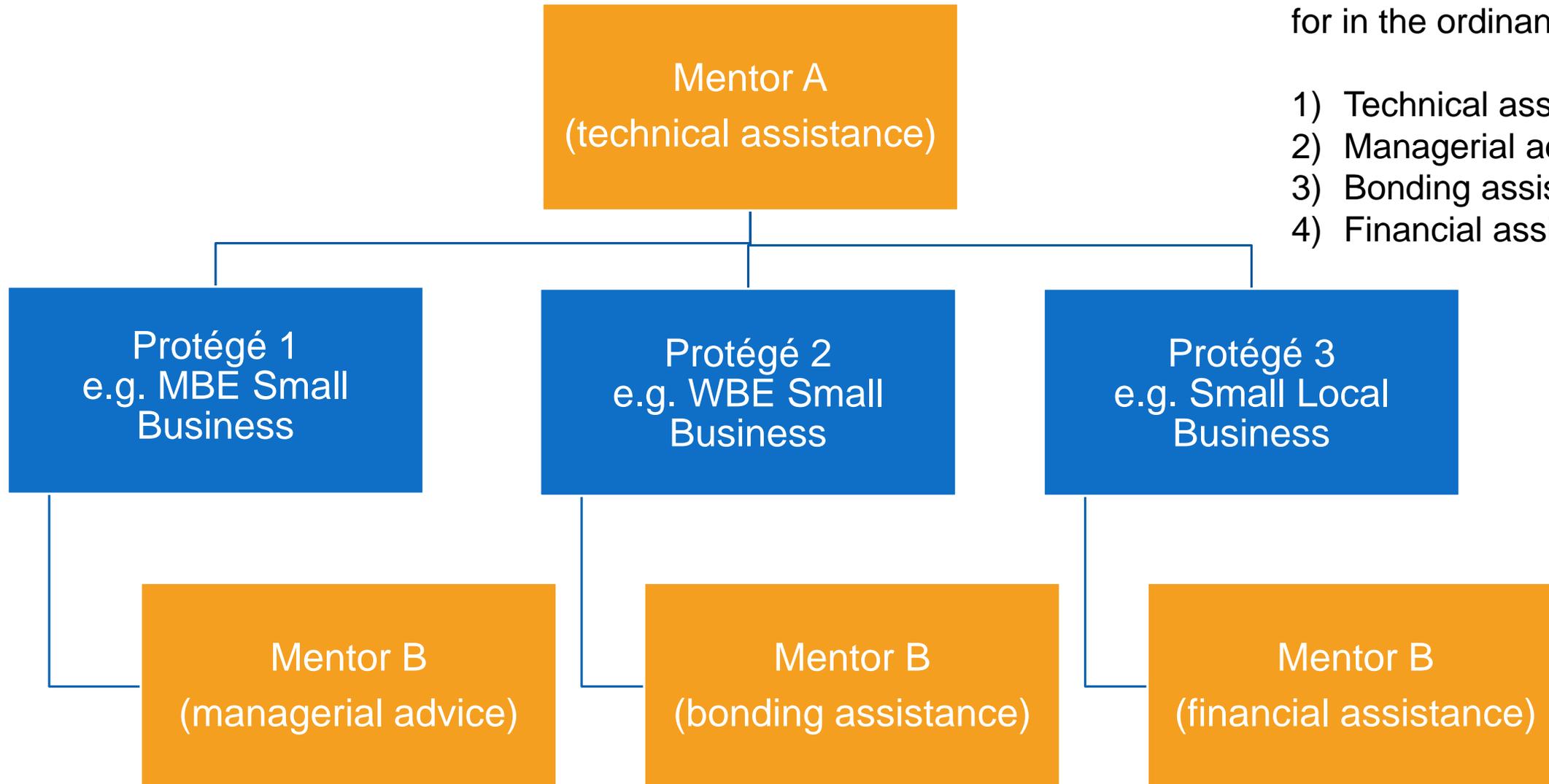
Mentor-Protégé must commit to a term of at least 3 years but no more than 5 (with the option to terminate the relationship by mutual consent)

HRD Director-appointed Mentor-Protégé Committee meets quarterly with Mentor-Protégé Teams to review MP Plans

Example: Business to Business Mentoring Model

Four assistance areas were called for in the ordinance:

- 1) Technical assistance
- 2) Managerial advice
- 3) Bonding assistance
- 4) Financial assistance



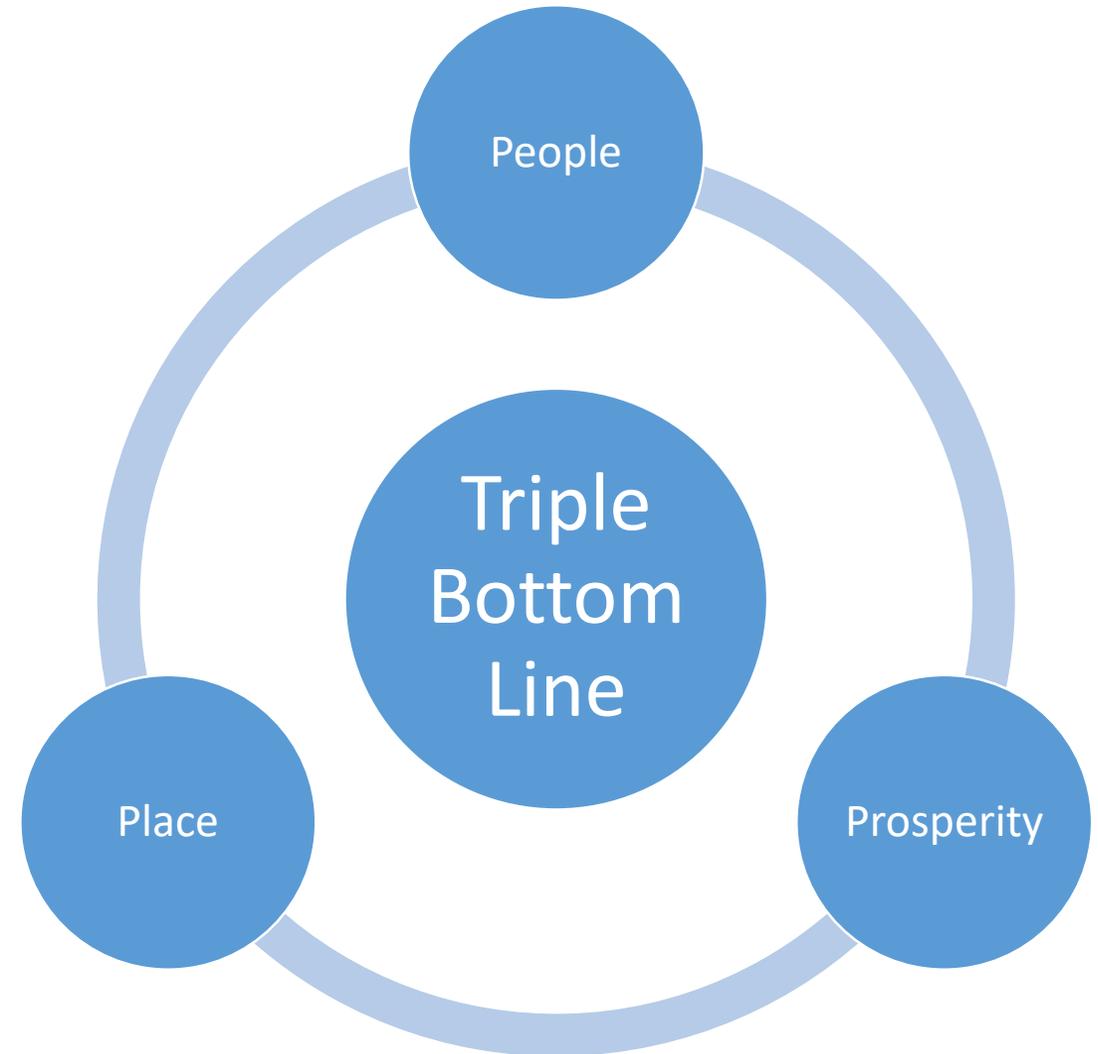
Strategy E

- a) Develop a plan that defines paths to economic mobility for residents.
(Health)

Triple Bottom Line

“Economic Development is inextricably connected to environmental and social factors, and all three must be addressed for economic development to succeed”

- Hammer & Pivo, *The Triple Bottom Line and Sustainable Economic Development Theory and Practice* (2016)



Economic Mobility Taskforce

- A multi-departmental working group has been meeting since late 2017
- Researching issues and compiling data related to economic mobility for City Council
- Inform future policy discussion about economic mobility strategies
- Areas of focus to date:
 - Existing Plans
 - Types of economic mobility and influencers
 - Cost of segregation
 - Financial health of residents
 - Qualitative indicators of social cohesion and economic mobility in KC
- Public input will be a key component in determining strategies

Planning Approach



Existing Plans

“Silos impede the City’s ability to move forward on transformative initiatives and efforts and limit the development of consensus visions for the City’s future”

- Market Street Services
(AdvanceKC Strategic Plan) 2012



What is Economic Mobility?

“The ability of an individual, family or some other group to improve their economic status.”

This is usually measured by both income and wealth.

May be between generations or within a person or groups lifetime.

<http://www.pewtrusts.org/en/multimedia/video/2011/economic-mobility-and-the-american-dream>



Factors that Help or Hinder Economic Mobility



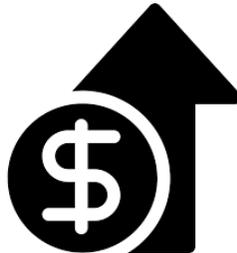
Education



Neighborhoods



Savings



Wealth



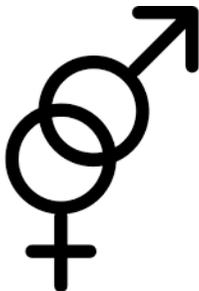
Household Expenditures



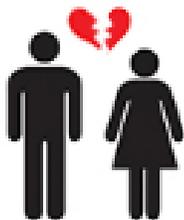
Income



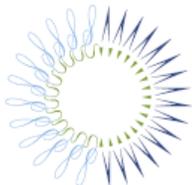
Race



Gender



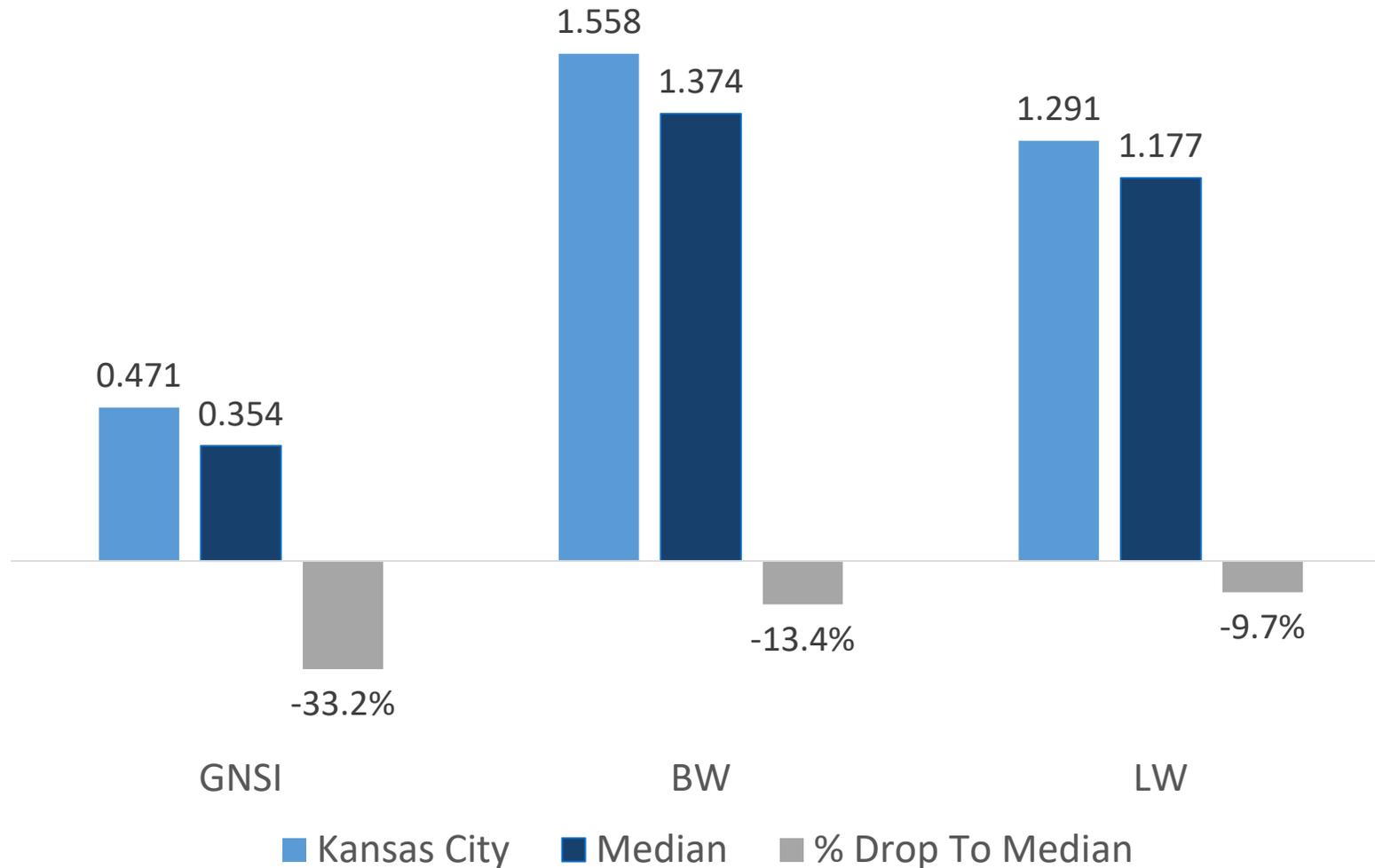
Family Structure



THE PEW CHARITABLE TRUSTS

Source: Pew Charitable Trust Economic Mobility Project

Segregation in Kansas City KS-MO



Where KC fits into National Rankings of Segregation

- 5 Economic
- 26 Black-White
- 29 Latino-White

Costs of Segregation

Economic Segregation

- **Income:** 
Blacks have lower Median & Per Capita Income
- **Educational Attainment:** 
Blacks less likely to attain a BA
- **Life Expectancy**
Life expectancy is slightly LONGER in areas with MORE inequality but SHORTER in areas with higher % whites.

In general life expectancy increased between 1990-2010

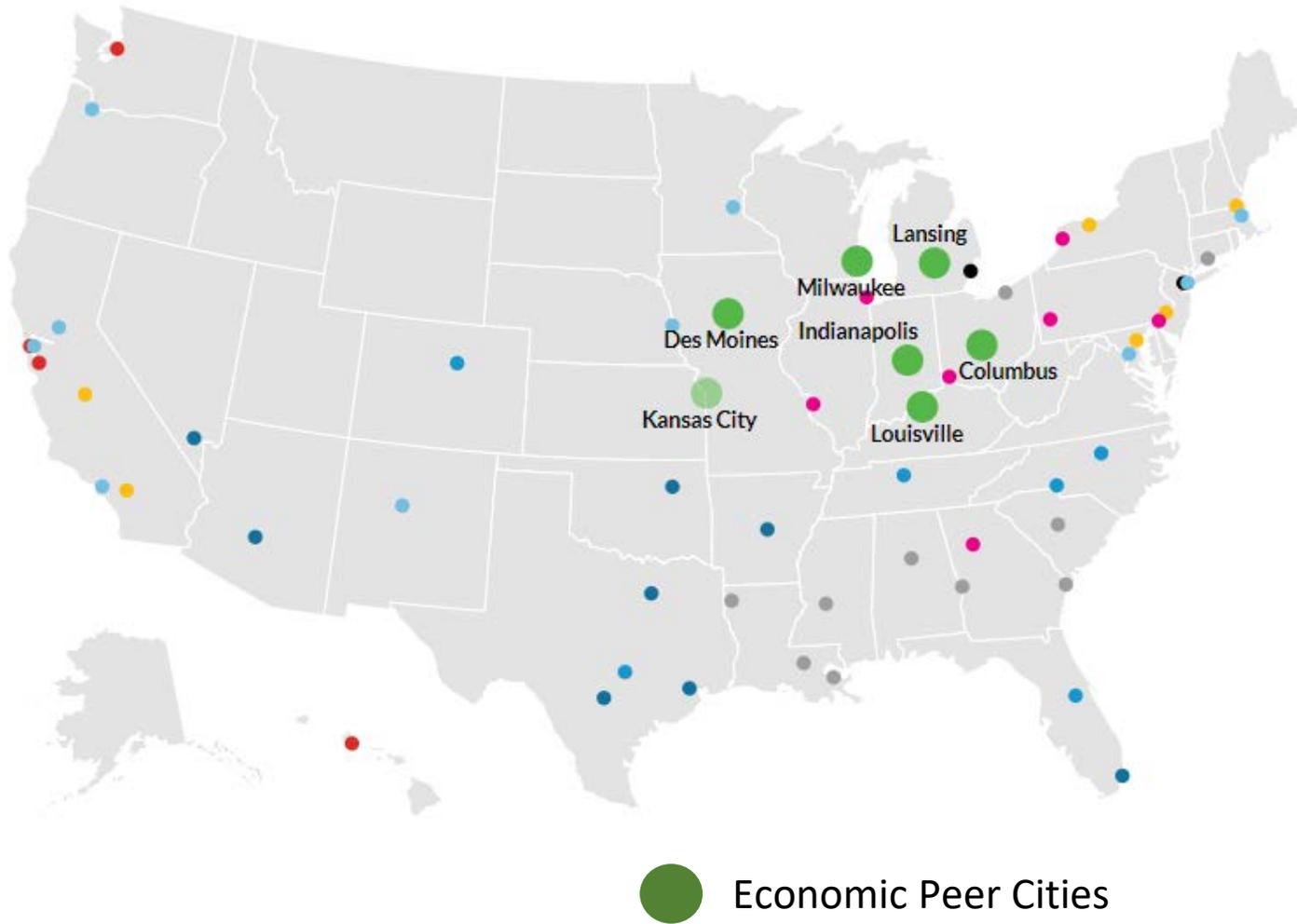
Black-White Segregation

- **Income:** 
Blacks have slightly lower Per Capita Income
- **Educational Attainment:** 
Blacks less likely to attain a BA
- **Homicide Rate** 
Associated w/Higher Homicide Rates

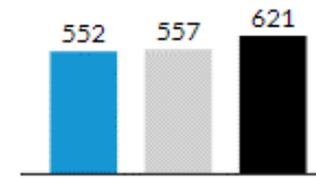
Latino-White Segregation

- **Homicide Rate**
Associated w/Lower Homicide Rates

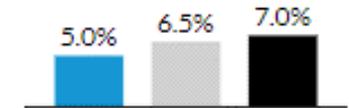
Financial Health



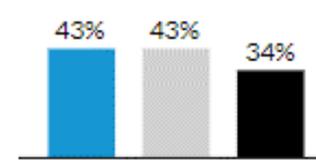
“The financial health of a city is closely intertwined with that of its residents. Financially healthy residents are better able to weather difficult times, are less likely to need city supports and services, and can contribute more to the local economy by supporting property, sales, and income taxes.”



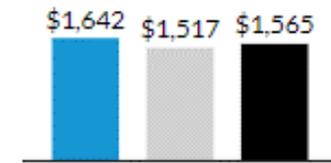
Credit score, nonwhite areas



Unbanked, metro area



Delinquent debt



Median delinquent debt

Updated Resident Survey – Measuring Economic Mobility and Social Capital

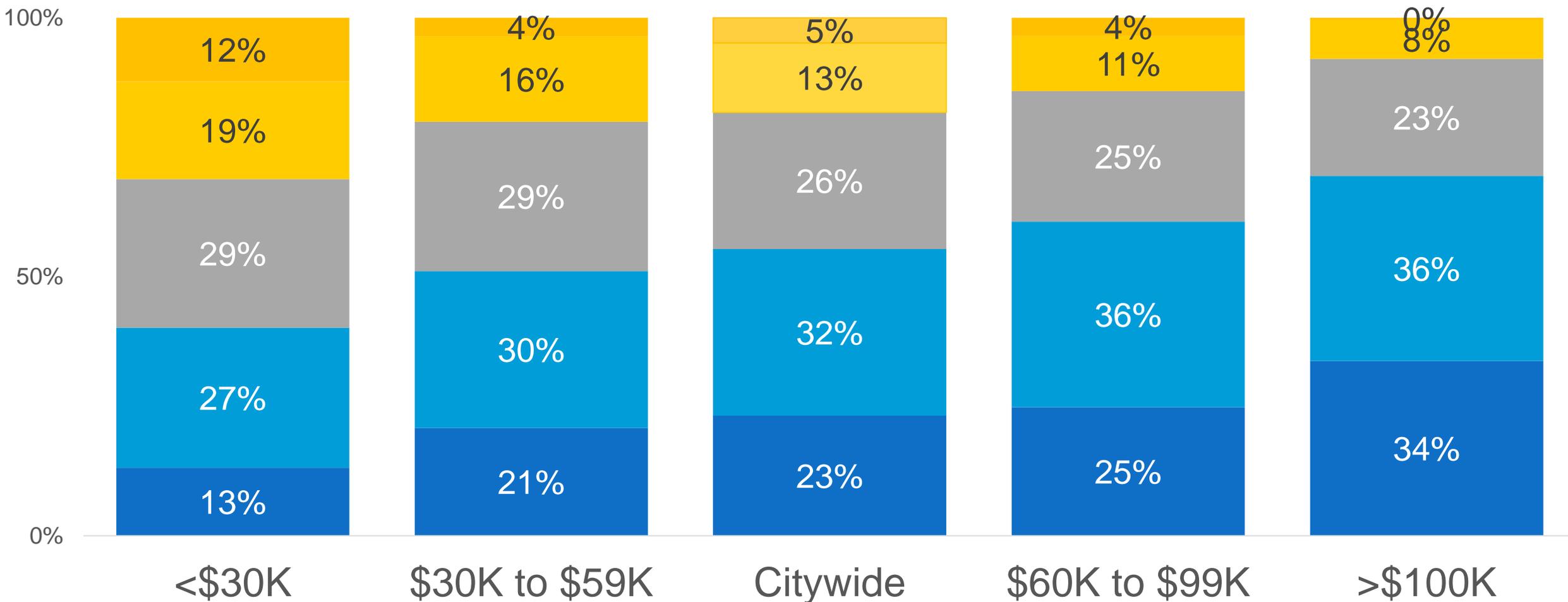
- In FY2018, questions were added to the resident survey to measure social cohesion and economic mobility.

- These questions include:

- Theme: Economic Mobility**
- Thinking about your ability to meet your household's needs, would you say your financial situation is...
 - Thinking about your parents when they were your age, how would you compare your standard of living to theirs...
 - How often have you...
- Theme: Social Cohesion & Trust**
- Attended an arts or cultural event in the City
 - Participated in a neighborhood association (block association, homeowner or tenant association or a crime watch group)
 - Volunteered your time
 - Had friends over to your home
 - Had friends who live in your neighborhood over to your home
 - Had friends of another race over to your home

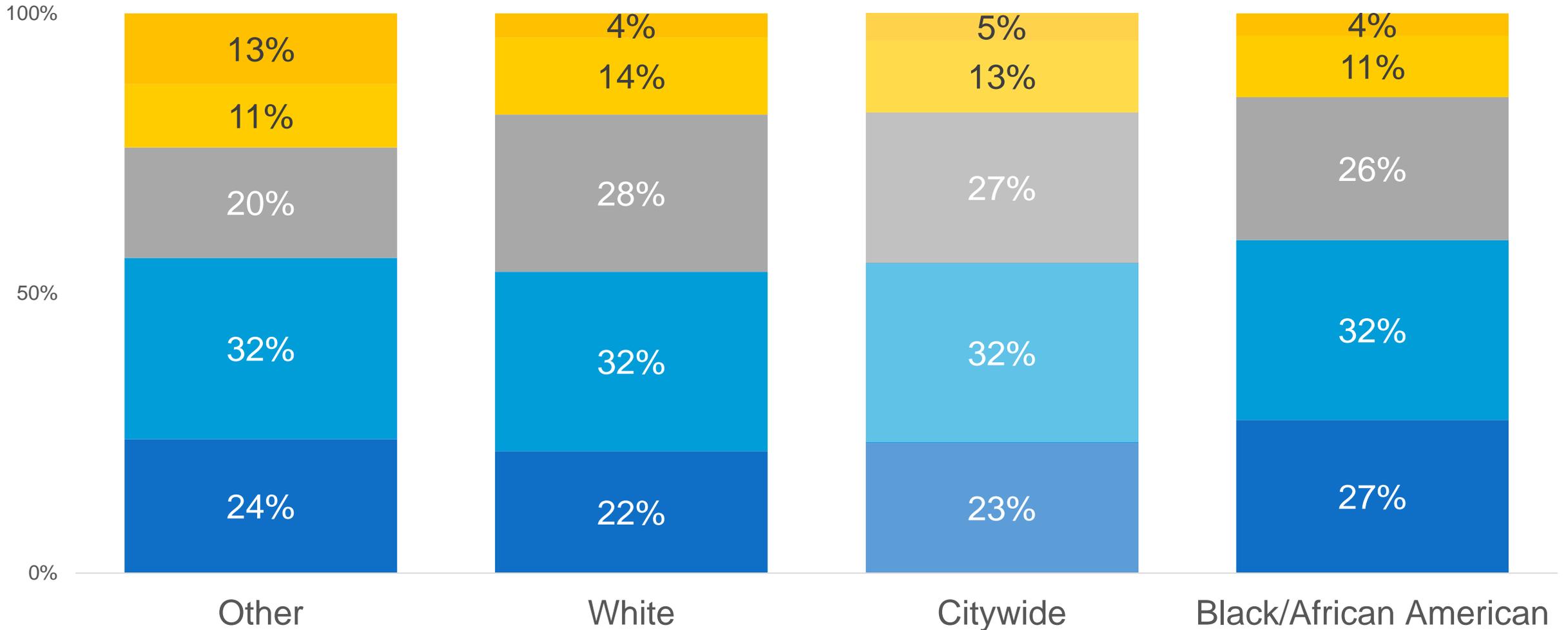
Parents Versus Your Standard of Living by Income

■ Much Better ■ Somewhat Better ■ About the Same ■ Somewhat Worse ■ Much Worse



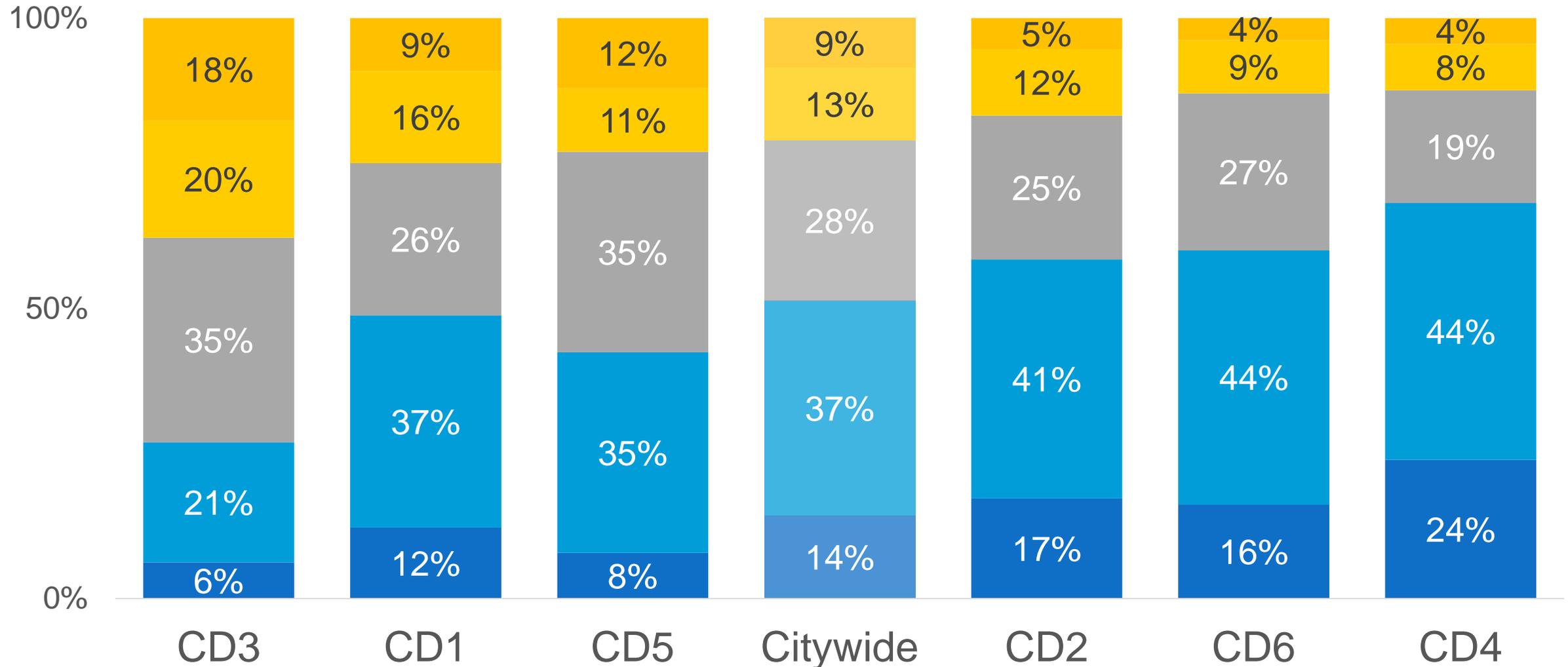
Parents Versus Your Standard of Living by Race

■ Much Better ■ Somewhat Better ■ About the Same ■ Somewhat Worse ■ Much Worse



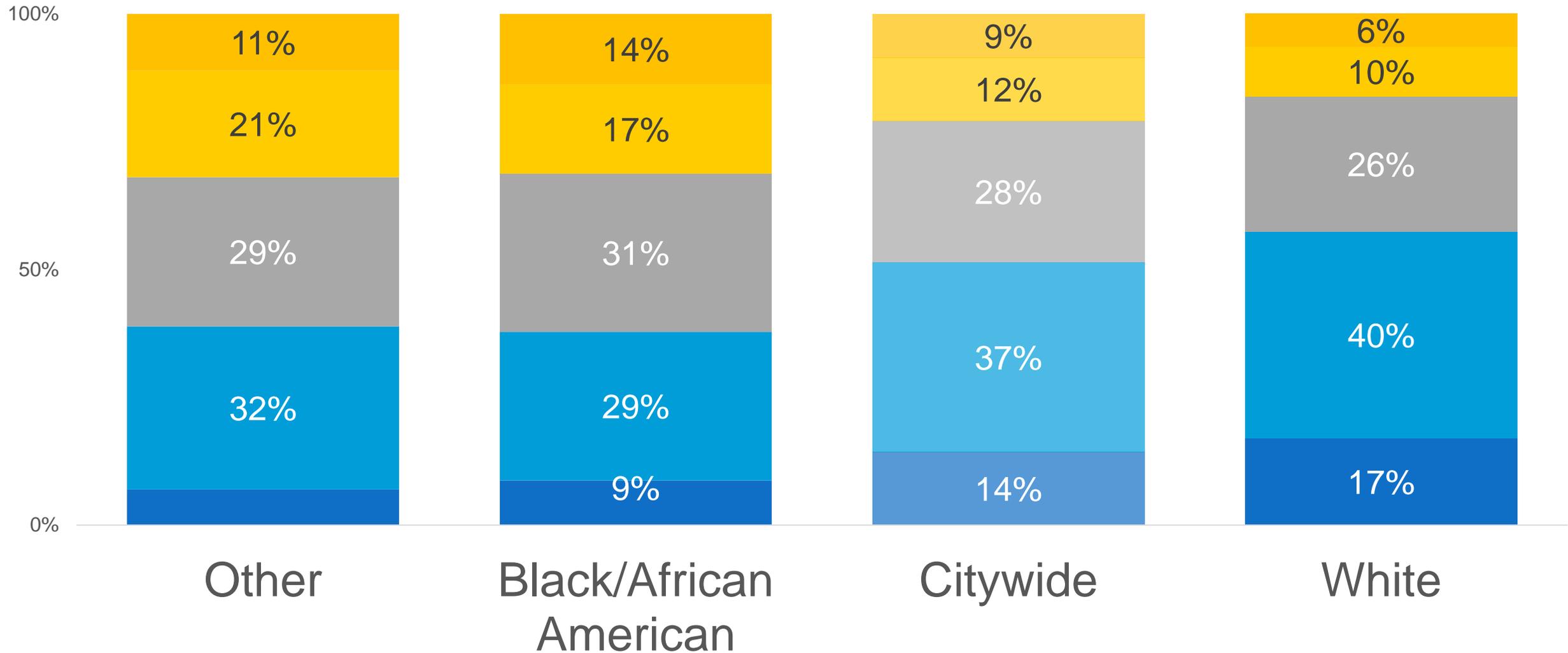
Residents Ability To Meet Needs Based On Their Financial Condition by Council District

■ Excellent ■ Good ■ Average ■ Fair ■ Poor



Residents Ability to meet needs based on their financial condition by Race

■ Excellent ■ Good ■ Average ■ Fair ■ Poor



Strategy F

- a) Implement the digital equity strategic plan. (Office of the City Manager)

Digital Equity Strategic Plan

Plan was approved by the City Council on April 7, 2017

Successes to date:

HireKCYouth Digital Scholars Community Learning Center Network Project

Digital Inclusion Awareness Day, July 15, 2017

Google Fiber Community Connections Challenge launched in the Fall of 2017 has successfully connected 34 non-profits engaged in digital equity.

The Surplus Exchange constructed 3 Community Learning Center in the community to serve residents who lack Internet services at home.

eDigital Equity Partner designation with eStewards, January 1, 2018

Nonprofit Technology Network Digital Inclusion Fellowship, January 8, 2018 – Chris Hernandez, City Communications Director, is in the Fellowship and active in implementing the plan's Digital Citizen components.

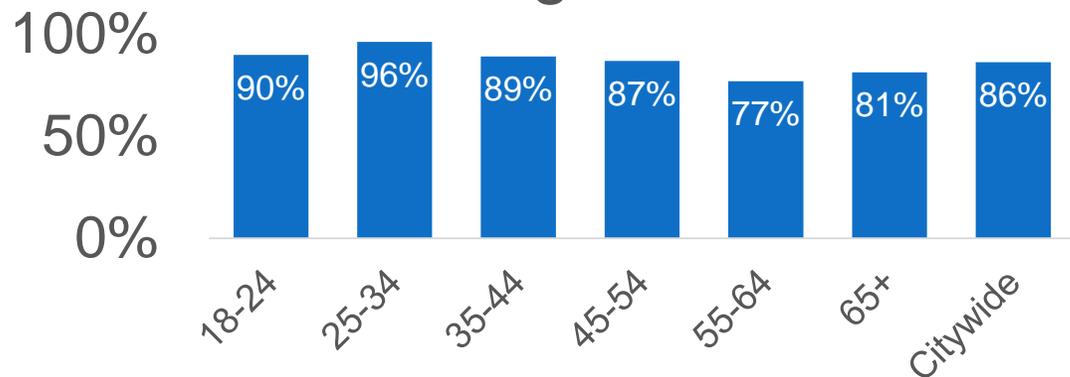
Coalition for Digital Inclusion, April 2018 – City is a Steering Council member and staff from the City Manager's Office, Parks & Recreation and Health are regular participants in Coalition activities

NetInclusion Summit, April 2018 – Panel presentation on Coalition for Digital Inclusion creation, growth and benefits

What We Know about Internet Access in KCMO

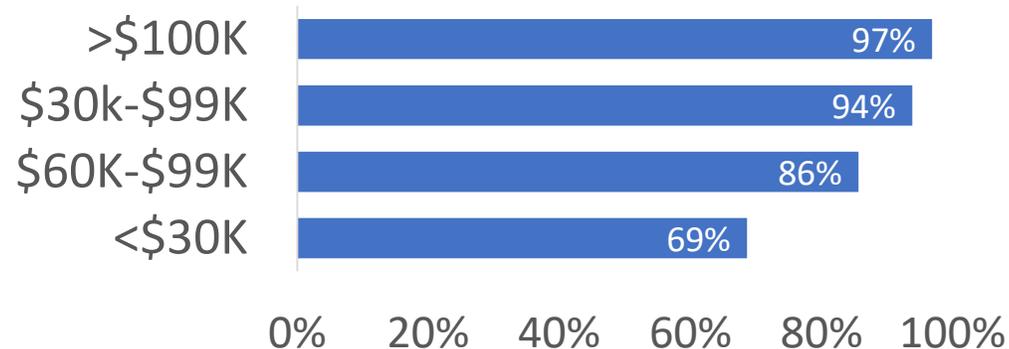
(Percent with Access to Internet at Home)

Age



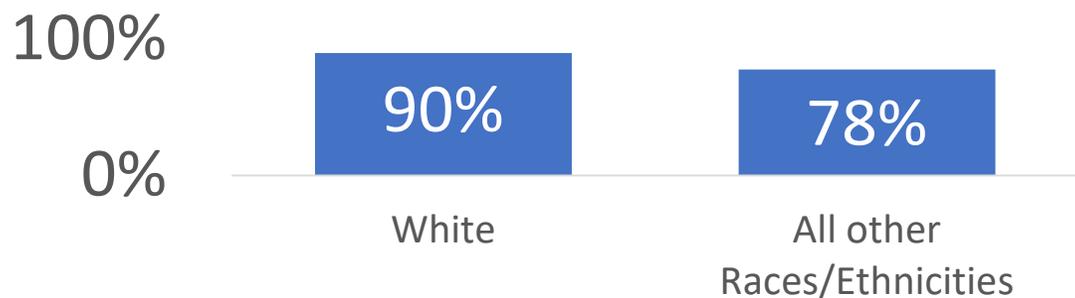
**It Decreases with Age.
65+ up 7% in FY18**

Income



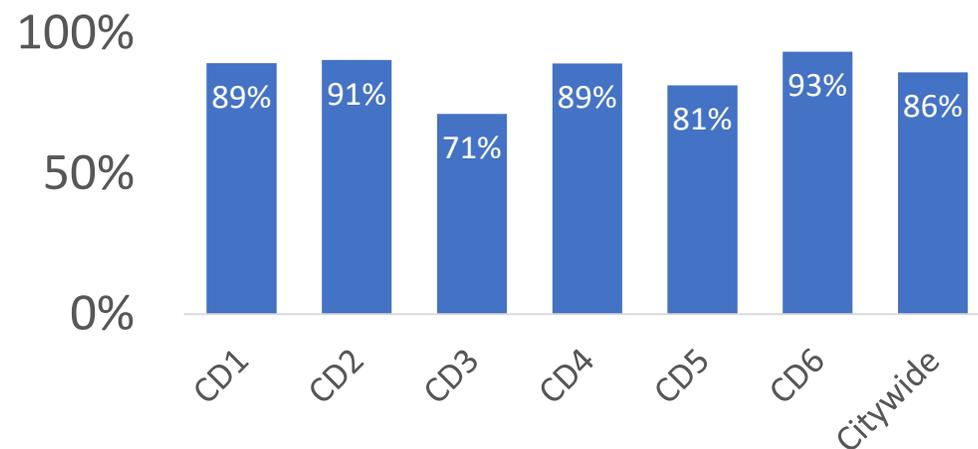
It Decreases with Income

Race/Ethnicity



A Large Race/Ethnicity Gap Exists

Council District



Is Lowest in Council District 3

Strategy B

a) Identify creative space development needs of the arts, culture, and creative sectors.
(Office of Cultural and Creative Services)

Arts Market Study – Creative Space Findings

Affordable and functional creative spaces are how we attract and retain creatives in Kansas City!

Individual artists

Housing / Live-work space

62%

Private studio / work space

40%

Shared space / Equipment

35%

0% 20% 40% 60% 80%

Business / Organizations

One-year or longer lease

42%

Short-term or occasional rental

62%

Long + short-term rental

33%

0% 20% 40% 60% 80%

75% of the individuals interested in renting live/work space can pay between \$400 - \$800/month for rent.

47% of respondents' household incomes are at or below 60% of the AMI for Kansas City, consistent with HUD guidelines for affordable housing rental limits.

75% of the individuals interested in renting creative work space can pay \$300/month or \$.50-\$1.00 per sq. foot up to 500 sq. feet.

Creative Space Recommendations

A: ARTSPACE-MODEL MIXED-USE FACILITY

B: LOCAL PRIVATE DEVELOPMENT

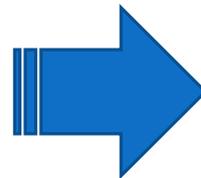
Conduct informational sessions for local KC developers about market demand for private studio space and other non-residential creative space.

Encourage local developers to incorporate creative space into existing or planned/future projects.

Develop policy to incentivize private development to build affordable and useable creative spaces (live/work, studio, co-working space, etc.)

C: SHARED SPACE WITH CREATIVE TENANT

Identify top 2-3 potential creative businesses to anchor a shared space project. Project could include commercial space for creative businesses, shared office space, and/or shared studio space for short-term rent/membership.



Pendleton ArtsBlock, Northeast



Kansas City Young Audiences

Creative Spaces – Long-Term Solutions

- Facilitate use of city facilities and parkland for creative space needs (i.e. rehearsals, arts education, workshops, and performances)
(Advance KC Economic Development Strategic Plan)
- Ensure artists and creatives are part of city planning initiatives / committees on affordable housing.
(KCMO Arts Convergence Plan)
- Consider creative space needs (i.e. *arts market study and cultural asset map*) in the comprehensive plan for zoning to ensure allowable arts uses.
- Establish a coalition to consider long-range solutions for affordable and functional creative spaces citywide.



Objective 5: Enhance the City as a destination for leisure and business travel.

Strategy E

- a) Monitor the use of Neighborhood Tourist Development Fund (NTDF) resources. (Office of Cultural and Creative Services)

Neighborhood Tourist Development Fund

FY 2017-2018 snapshot

Total funding requests (*demand*) **\$5.27M**

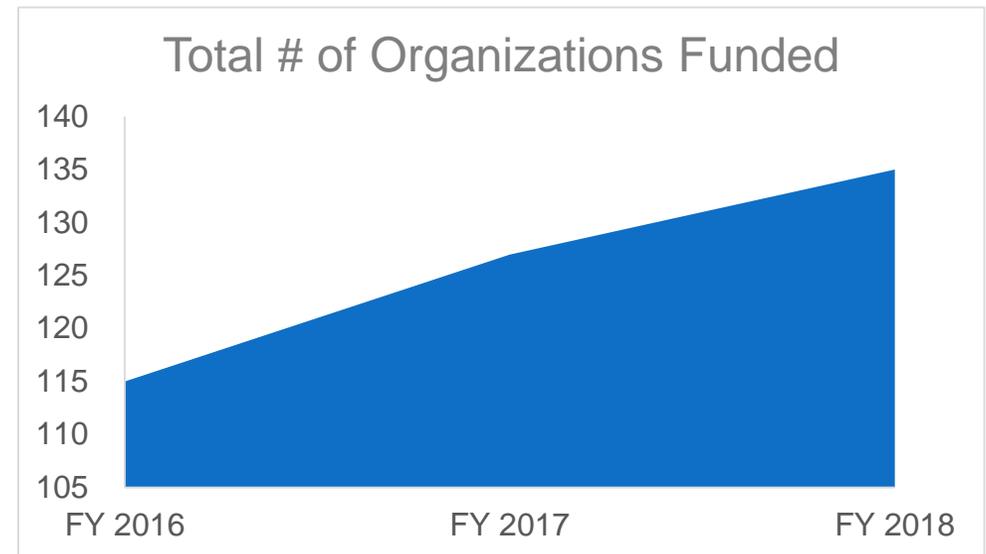
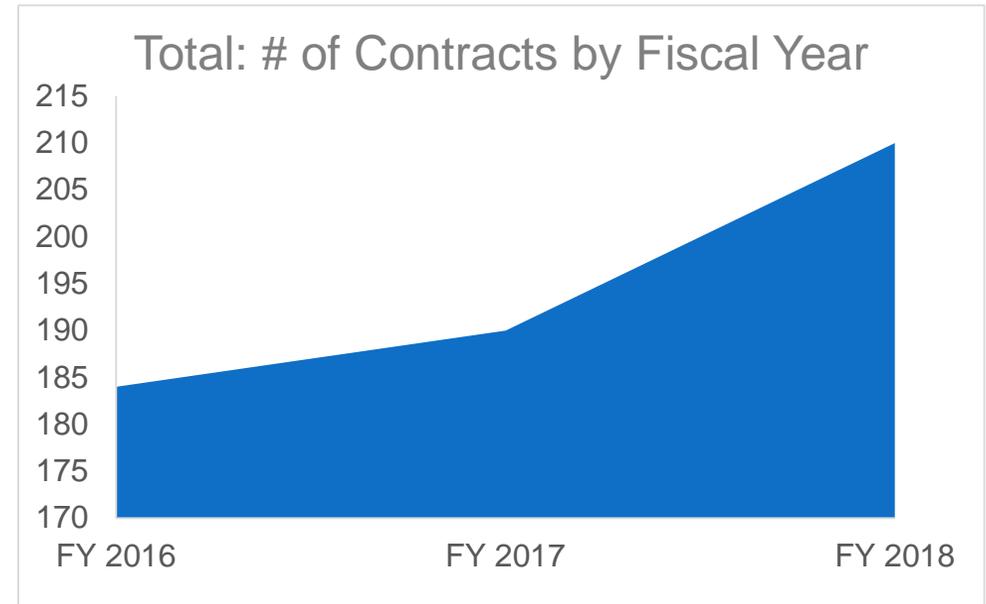
- *Increase* from \$4,642,640 (~14%) in FY17

Annual funding appropriation **\$1.51M**

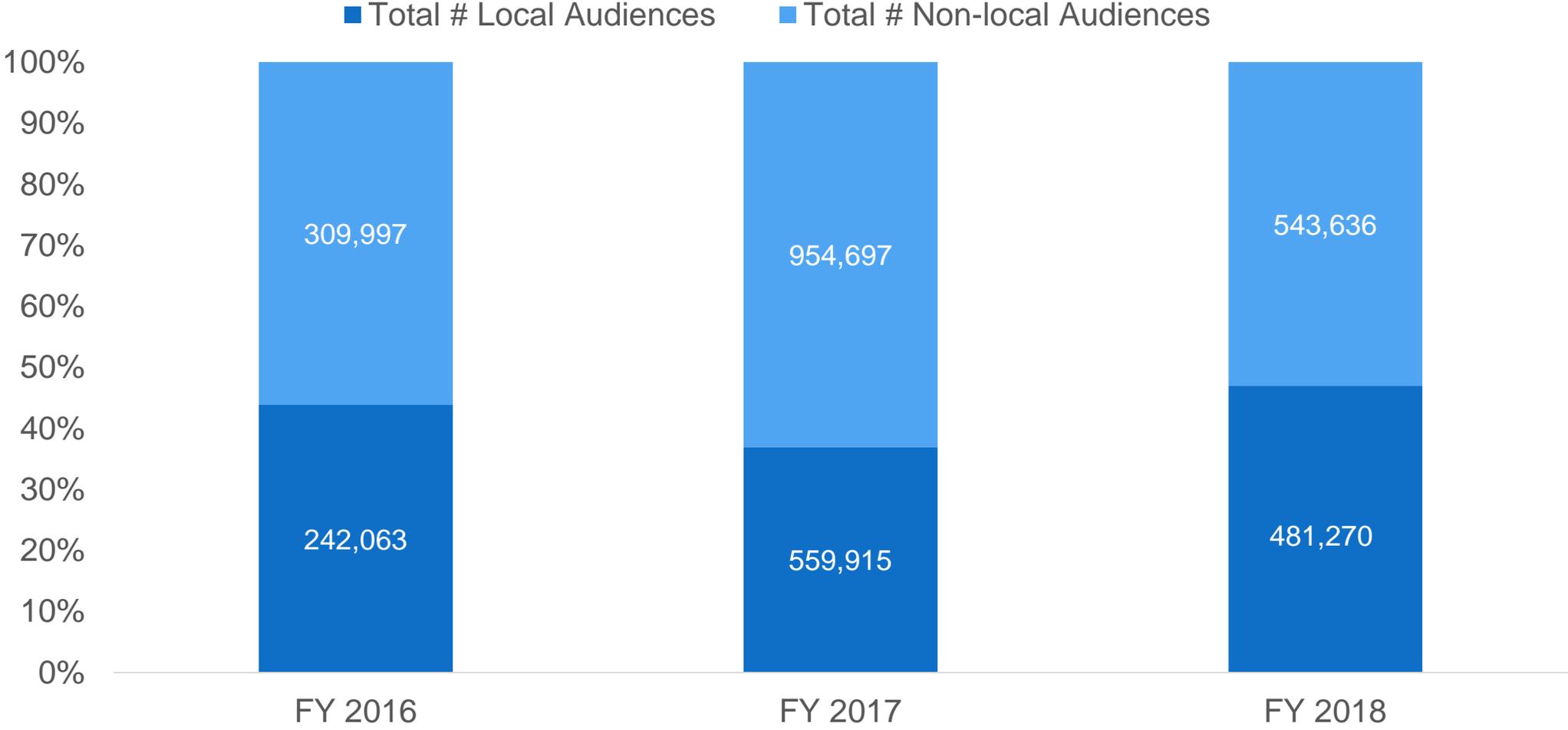
- *Decrease* from \$1,883,490 (~25%) in FY17

Total NTDF funding awarded **\$1.65M**

- **11%** increase in number of funded projects
- **19%** increase in # of applications since FY16
- **16** new nonprofit applicants since last year



Neighborhood Tourist Development Fund



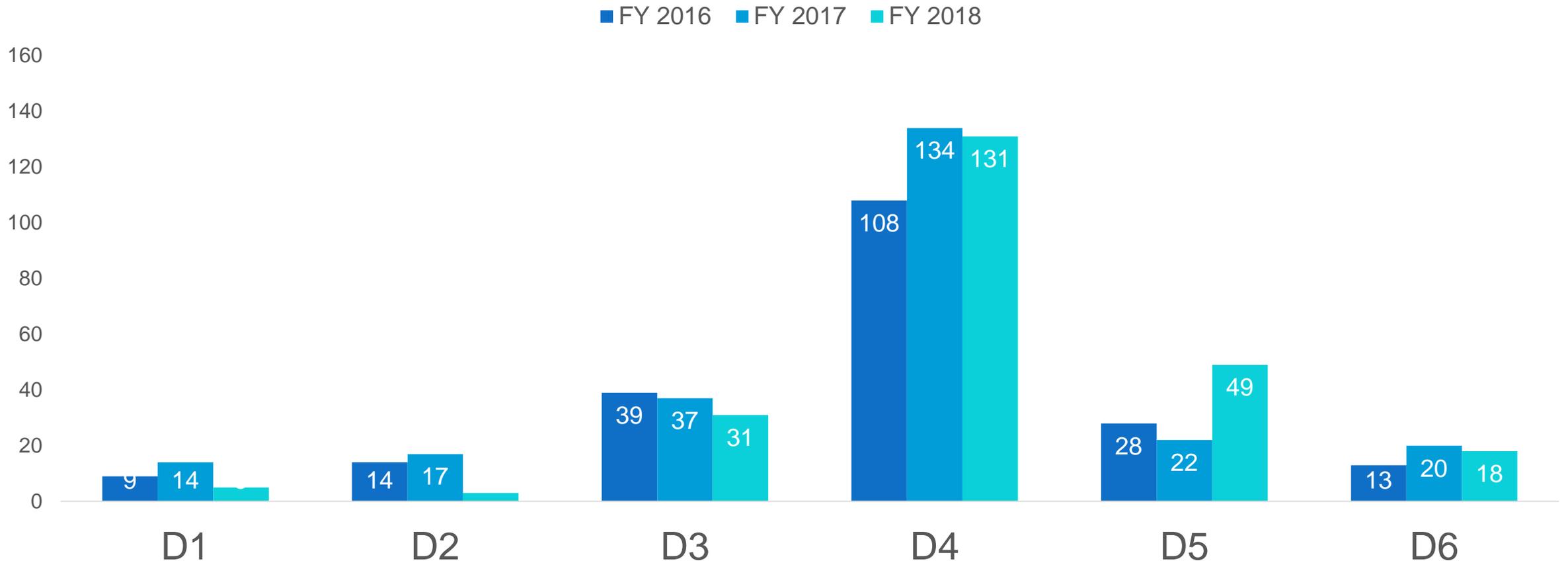
Local vs Visitor Audiences

53% reported to date

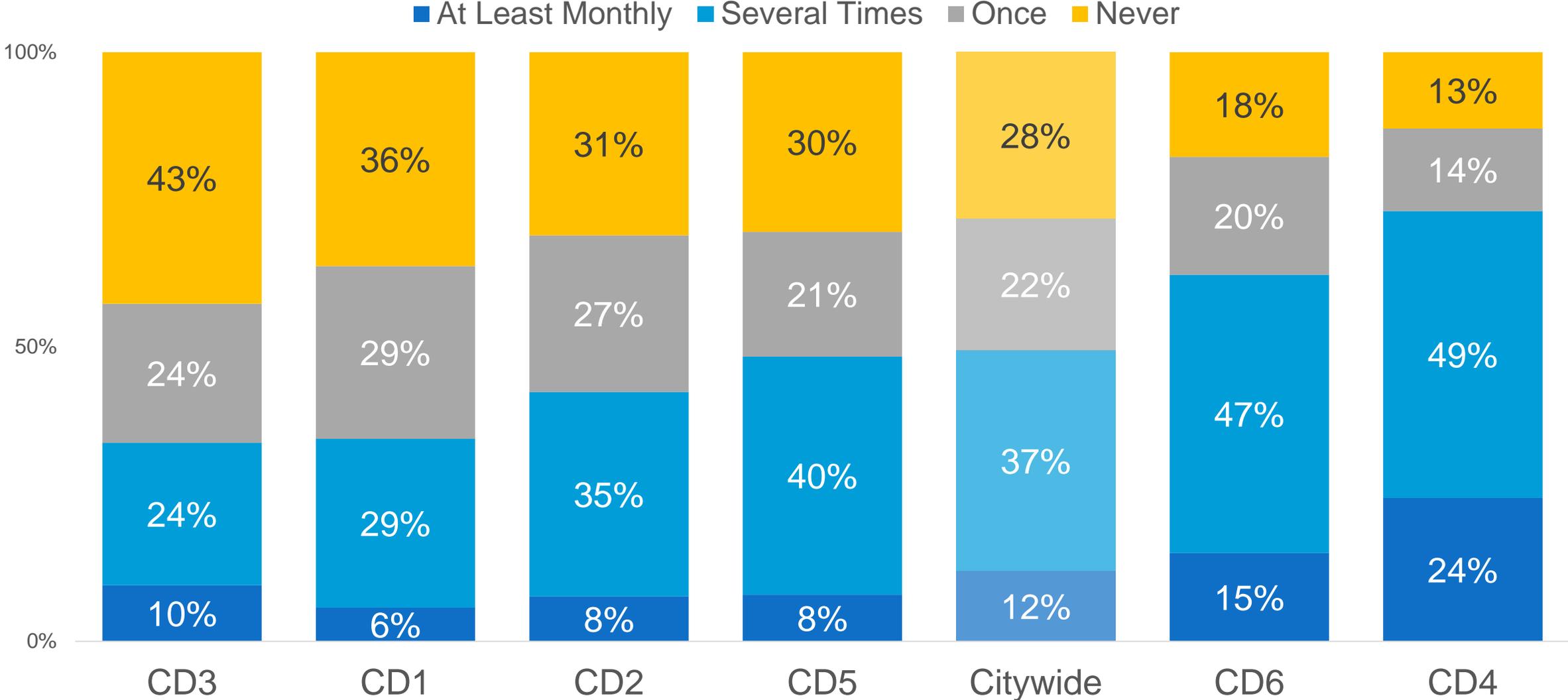
Neighborhood Tourist Development Fund

GOAL: to increase awareness and access to funding by diverse organizations across the city and to increase access to arts & leisure activities by all citizens and visitors to Kansas City.

Number of Funded Arts & Leisure Activities by City Council District



Resident Survey – Attended A Cultural Event



Neighborhood Tourist Development Fund



FORMULA

1. Multiply request amount by score = A
2. Divide total funding allocation by total request amount = B
3. Multiply A x B = award

Example: request is \$10,000 and score is 72%.
 $\$10,000 \times .72 = \$7,200$. Total amount to be allocated (\$250,000) divided by total request amount of \$482,260 = .52. $A \times B = \$3,744$.

Eligibility Criteria

Economic and Neighborhood Impact (55 Points)

- Tourism Appeal
- Tourism Promotion
- Benefit to Community
- Marketing / Outreach Strategy

Activity/Program Merit and Excellence (25 Points)

- History of Excellence
- Evidence of Support
- Measure of Success

Organizational Capacity (20 Points)

- Management Capacity
- Project Budget Feasibility
- Organizational Stability

Strategy C

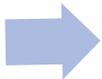
- a) Develop a plan to ensure Kansas City International Airport achieves success in becoming a 21st century airport for business and leisure. (Aviation)

New KCI Timeline Review



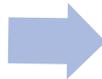
2017

- Ballot Language
- Developer Selection
- Election
- Design Workshops



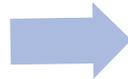
2018

- MOU
- FAA Environmental Assessment / Airspace Study
- Program Validation
- Guaranteed Maximum Price
- Financial Close
- Groundbreaking



2019

- Concessions planning



2020

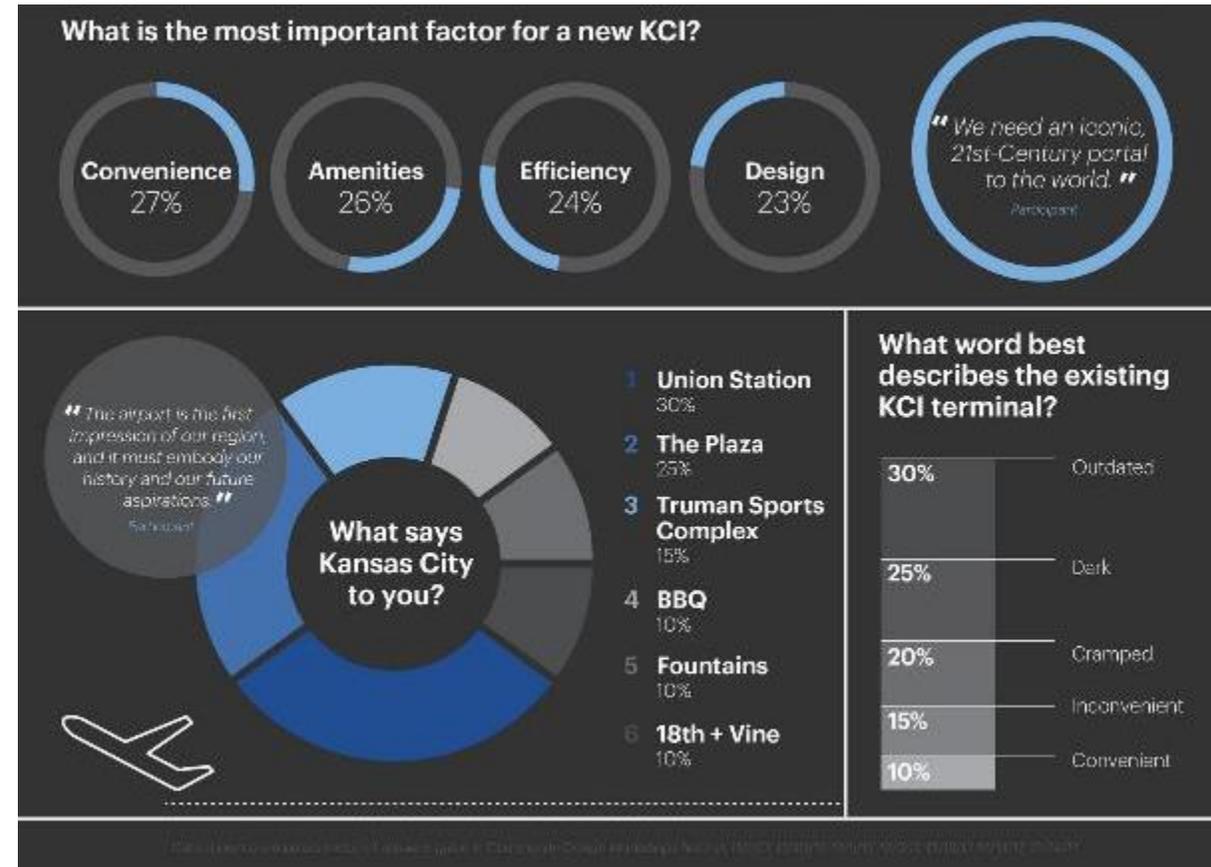
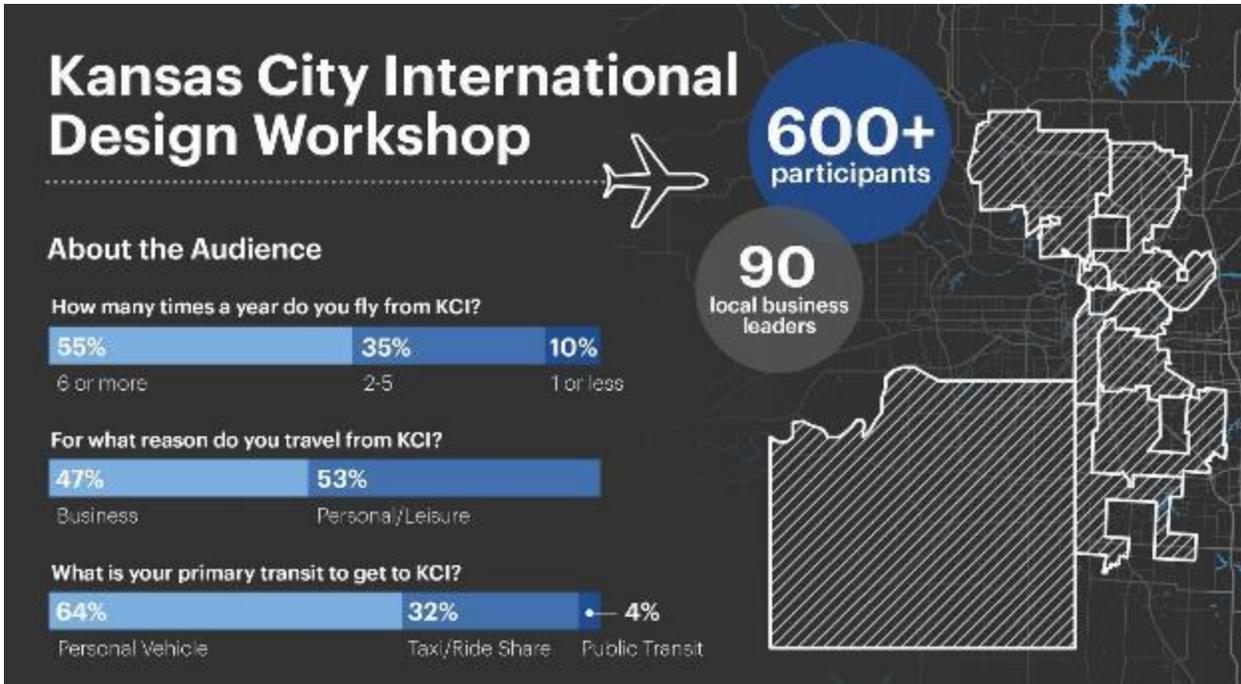


2021

- Grand Opening

Design Workshop Feedback

- Nine design workshops (every council district plus Johnson County & Chambers)
- Summary from Edgemoor will be provided to Council at 19APR Business Session



Air Service Update

- 4 New Airlines
- 7 New Destinations

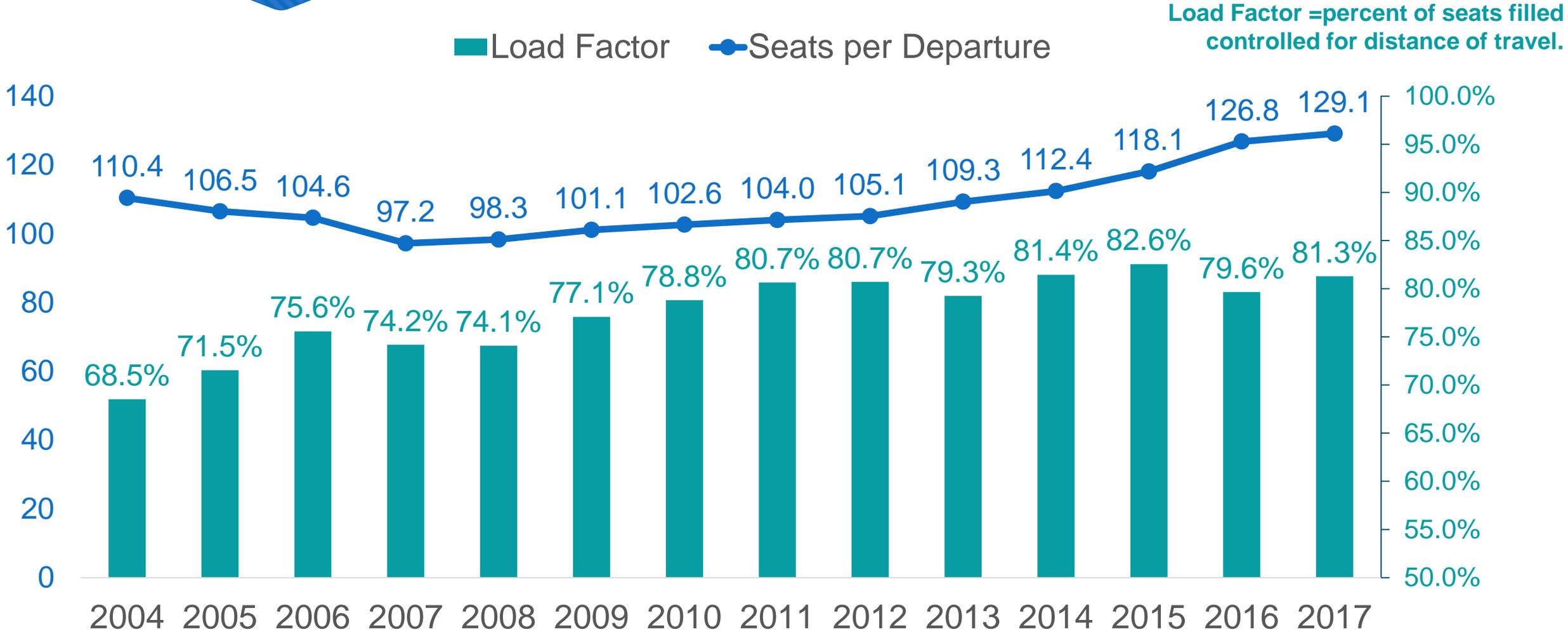


Airline	Destination	Announced	Inaugurated
Alaska	San Diego	15MAR	15DEC
	San Francisco	09MAR	18SEP
Allegiant	Phoenix-Mesa	20JUN	04OCT
Delta	Boston	16JAN	08JUN
	Seattle	16JAN	08JUN
Frontier	Raleigh/Durham		18JUL
		09APR	
	Cancun	18JUL	11DEC
	Tampa	18JUL	16DEC
	Ft. Myers	18JUL	10DEC
Icelandair	Reykjavik	09JAN	26MAY
OneJet	Pittsburgh	13DEC	21MAR
	Memphis	13DEC	TBD
Southwest	Raleigh/Durham		15FEB
		08APR	
Vacation Express	Punta Cana	31JUL	16FEB
ViaAir	Steamboat	26JUL	13DEC



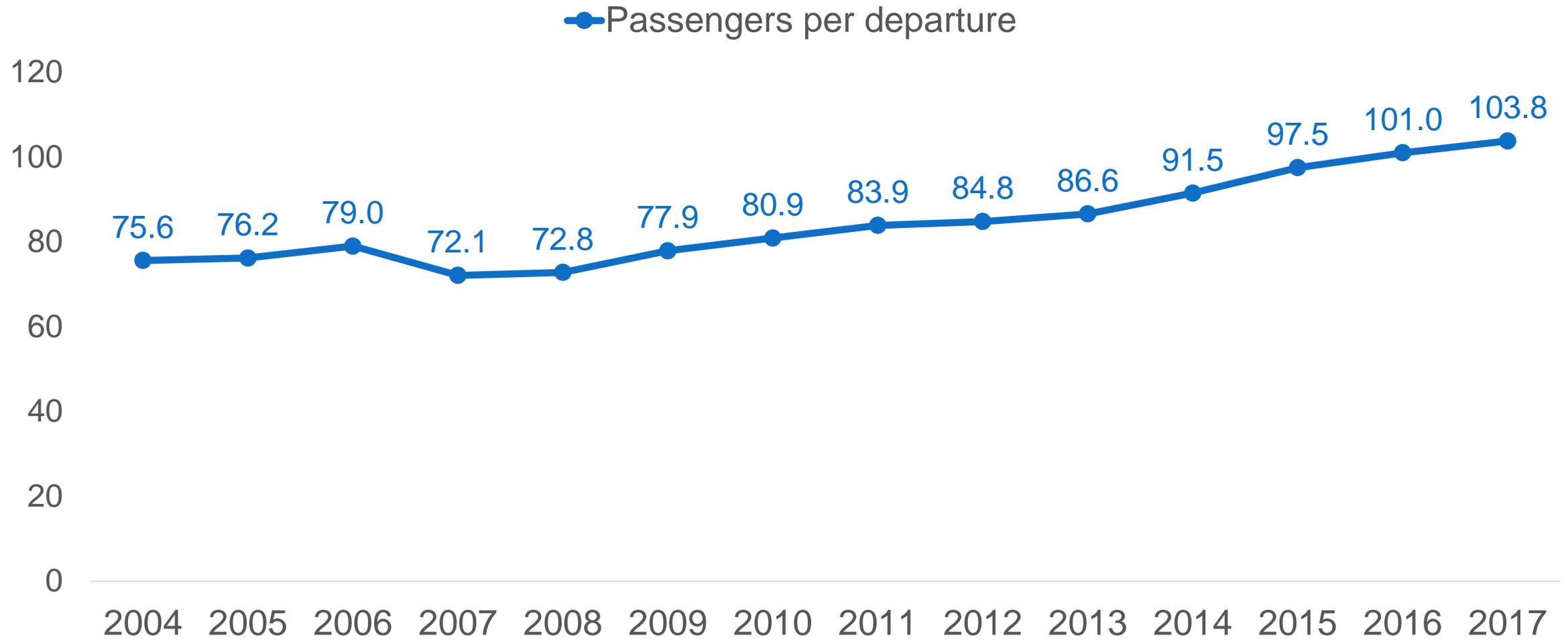
*January – June 2018 vs January – June 2017

Load Factor & Seats Per Departure



Source: Aviation Department

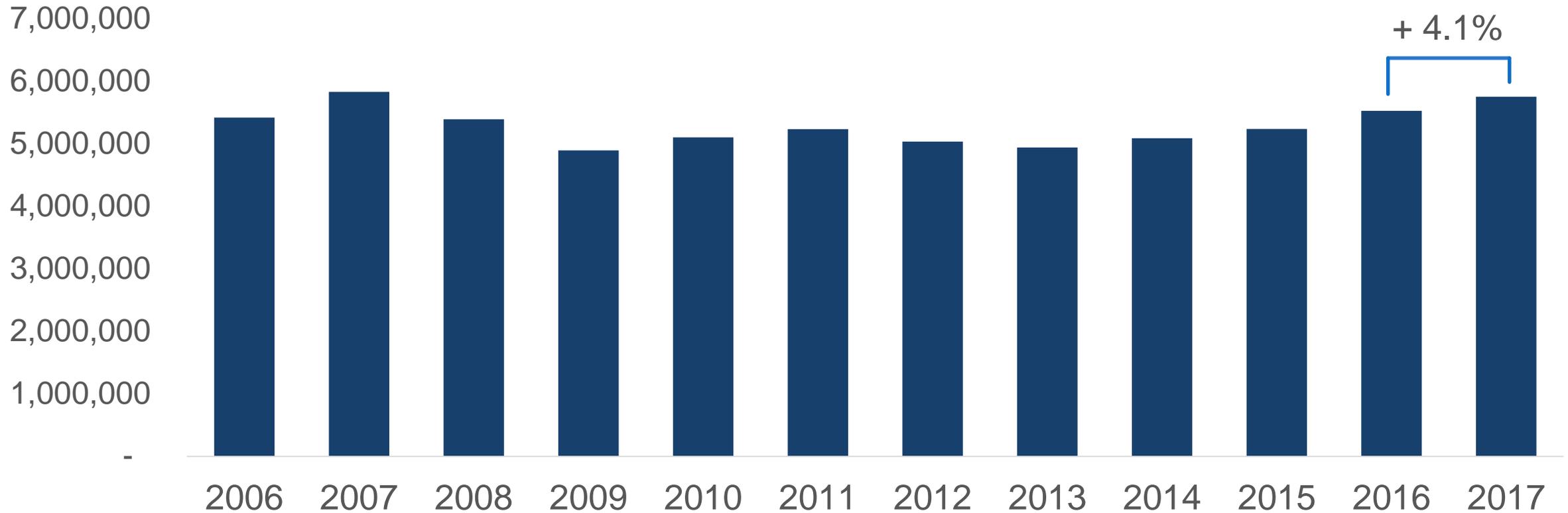
Passengers per departure



In 1972 - Passengers per departure = 40

Enplanements (number of passengers who get on a plane at KCI)

2018 has potential to set enplanement record



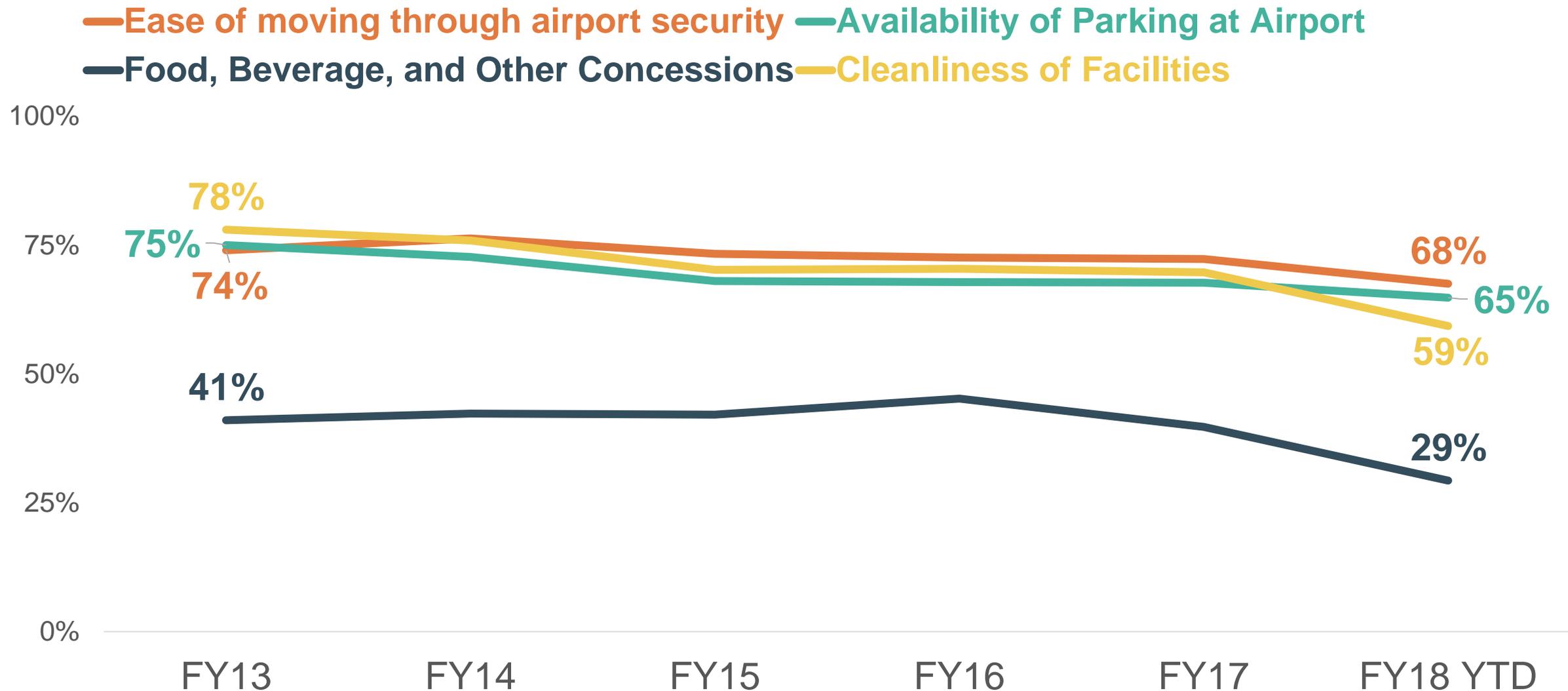
○ Factors influencing enplanement growth:

○ Larger aircraft

○ Additional flights

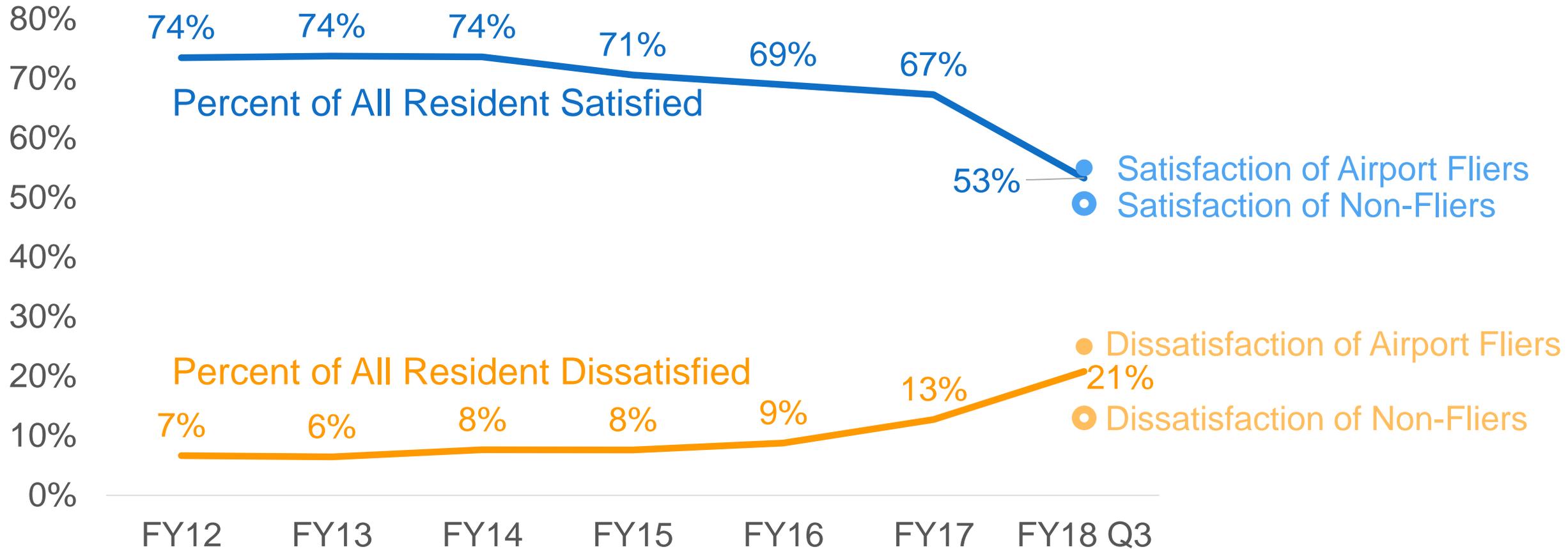
○ Higher load factors

Citizen Satisfaction with Airport Services



This data includes both respondents who say they have used and those who indicate they have not used the airport in the last year.

Overall Resident Satisfaction with Airport



Not shown: Percent Rating Neutral

Strategy B

- Aggressively promote our community as a place to visit and live in partnership with VisitKC. (Conventions and Entertainment Facilities)

Return on Investment

Tourism Economic Impact • \$5.5 billion

Visitor Spending • \$3.4 billion

Visitor spending increased 8.9%



TOTAL VISITORS 2009-2016 (MILLIONS)

% CHANGE



Jobs • 47,936

Wages • \$1.7 billion

1 in 19.6 jobs (5.1%) in the region are sustained by tourism either directly or indirectly

Federal Tax Revenue • \$395.3 million

State Tax Revenue • \$164.3 million

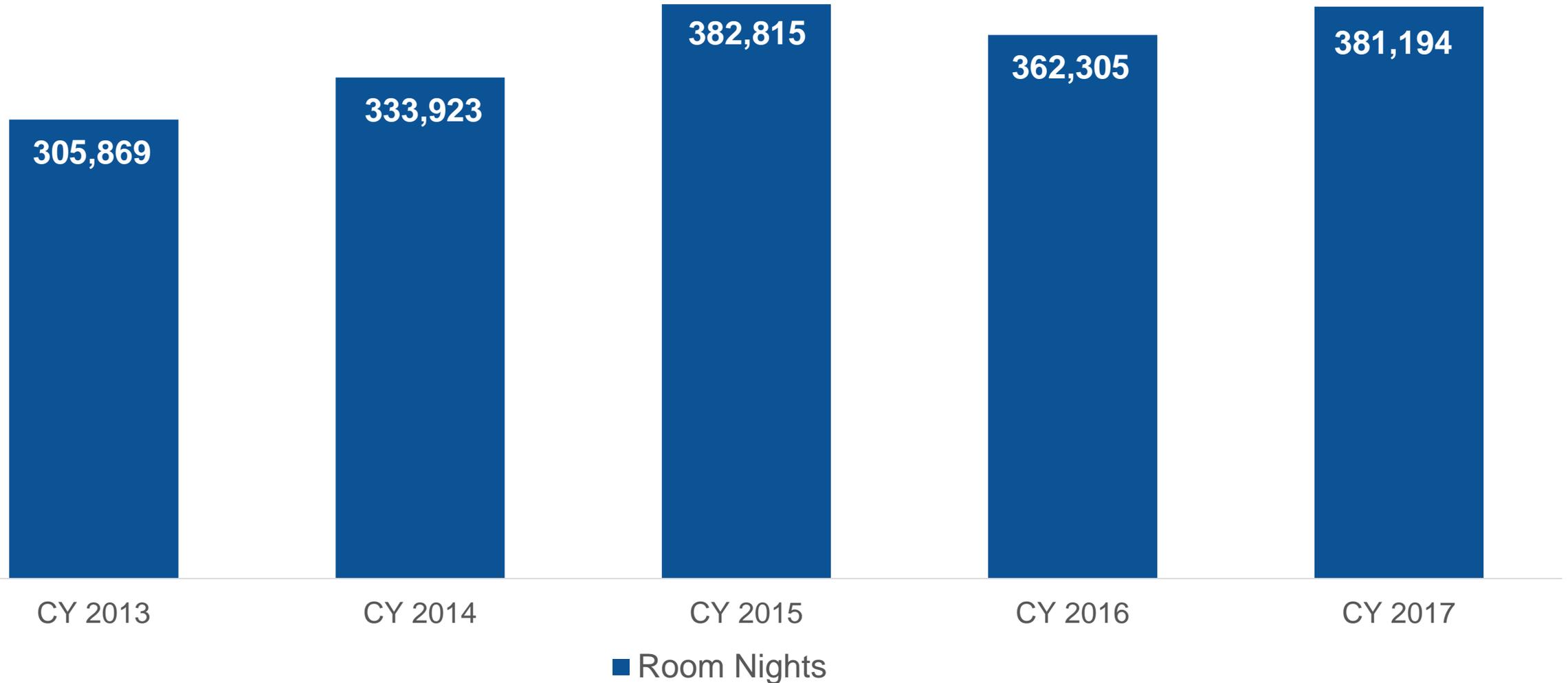
Local Tax Revenue • \$215.5 million

Source: 2016 Tourism Economics

Tourism-Generated Taxes (US\$ Million)

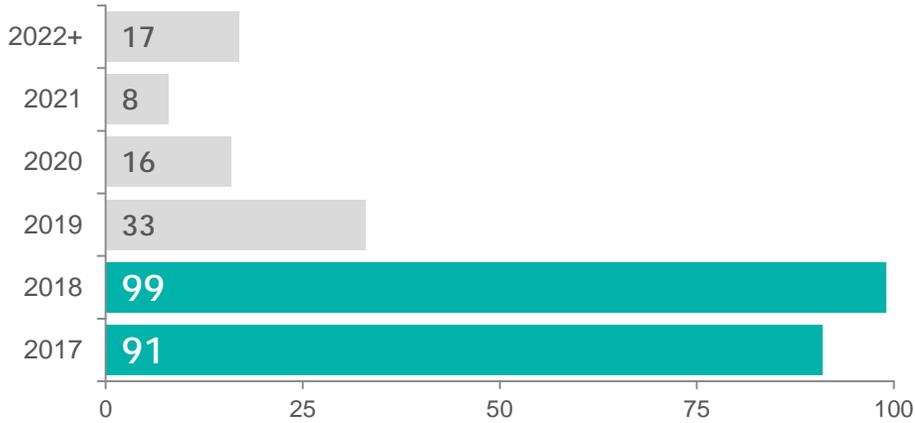
	2012	2014	2016
FEDERAL TAXES	\$349.2	\$369.9	\$395.3
Corporate	\$50.6	\$52.9	\$56.1
Indirect Business	\$39.1	\$40.9	\$42.5
Personal Income	\$106.6	\$113.4	\$121.3
Social Security	\$153.0	\$162.7	\$175.4
STATE TAXES	\$141.4	\$153.0	\$164.3
Corporate	\$22.6	\$23.7	\$24.6
Personal Income	\$26.8	\$28.5	\$30.4
Sales	\$89.4	98.0	106.2
State Unemployment	\$2.7	\$2.9	\$3.1
LOCAL TAXES	\$186.4	\$202.7	\$215.5
Sales	\$23.8	\$26.1	\$28.3
Property	\$79.3	\$81.1	\$82.6
Excise & Fees	\$7.0	\$7.2	\$7.4
Gaming	\$5.1	\$4.8	\$4.5
Hotel & Motel	\$53.5	\$75.0	\$83.5
Restaurant	\$3.6	\$4.2	\$4.6
Car Rental	\$4.0	\$4.2	\$4.6
TOTAL	\$677.1	\$725.6	\$775.1

Total Hotel Room Nights Booked for Future Meetings

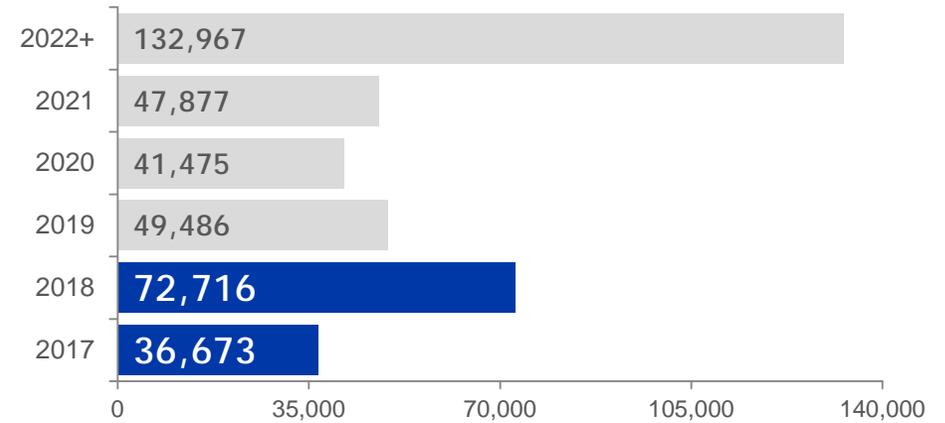


2017 Yearly Placement

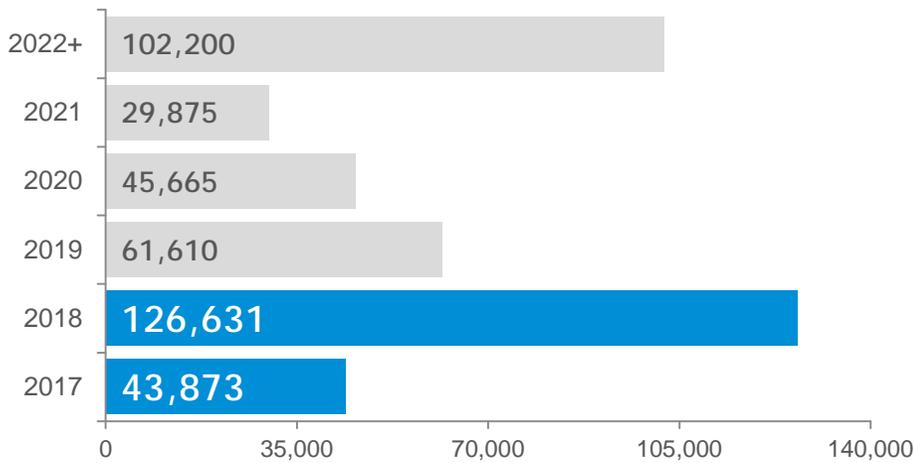
Bookings



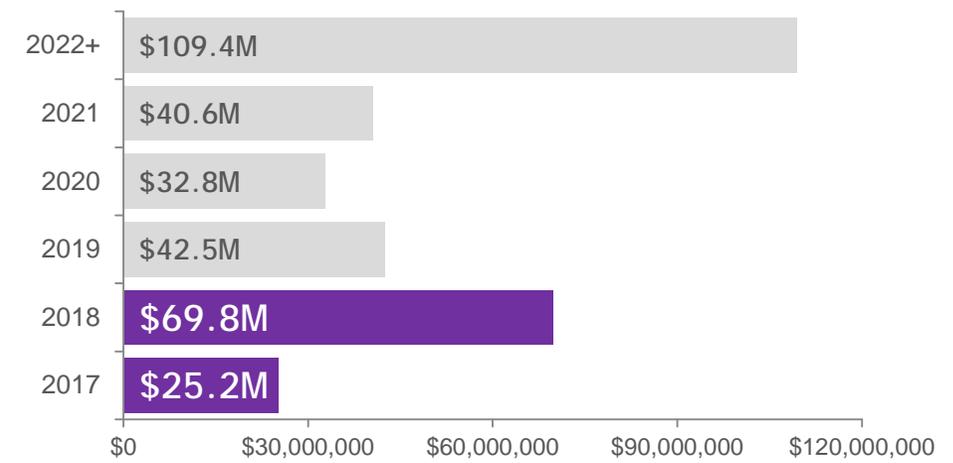
Room Nights



Attendance



Economic Impact



Major Events Booked in 2017

2021-2022 Educational Testing Service

29,197 Room Nights/Year

2028 African Methodist Episcopal Church

25,360 Room Nights

2018 Cerner Corporation

17,210 Room Nights

2020 National Baptist Convention, USA, Inc.

12,288 Room Nights

2022 Veterans of Foreign Wars of the US

10,480 Room Nights

2027 United Soccer Coaches

10,050 Room Nights

2017 Midwest Sports Productions

9,500 Room Nights

2024-2025 Triple Crown Sports

9,300 Room Nights/Year

2019 National Collegiate Athletic Association

8,500 Room Nights

2022 Evangelical Free Church of America

8,010 Room Nights

2019 North American Gay Amateur Athletic Alliance

7,028 Room Nights

2019 UBM Life Sciences, Veterinary

6,500 Room Nights



2018 Top 25 Conventions

25 largest conventions will account for nearly **205,000 room nights** and will generate over **\$170 Million in economic impact** to city

Largest 2018 conventions in KC include:

Cerner \$20.1M economic impact

Educational Testing Service \$18.9M economic impact

USA Volleyball \$14.7M economic impact

Big 12 Conference \$14.2M economic impact

Loews Kansas City Hotel



Features **800 guest rooms** and **60,000 square feet of meeting space**

Will include a lobby bar, signature restaurant, indoor lap pool

Connects to Kansas City Convention Center via connector bridge

Broke ground March 1st; Completion in 2020 ****15% MBE; 11% WBE****

New convention hotel played key role in KC being selected to host:

2021 USA Volleyball 32,400 Room Nights

2028 African Methodist Episcopal Church 25,360 Room Nights

2023 American Occupational Therapy Association 13,372 Room Nights

2020 National Baptist Convention of the USA 12,288 Room Nights

2020 Shriners International 11,023 Room Nights

2021 American Assn for Laboratory Animal Science 8,840 Room Nights

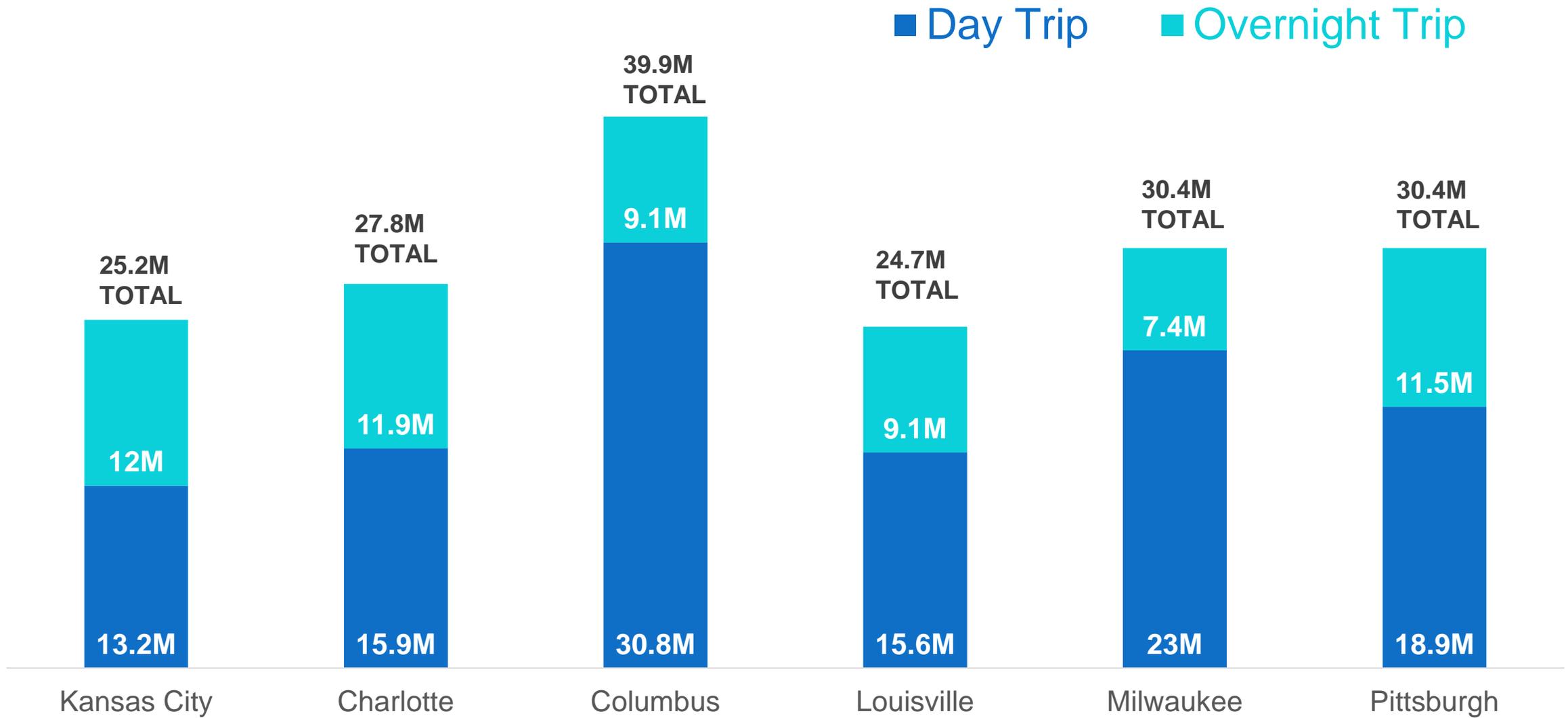
2021 Kubota Tractor Corporation 7,869 Room Nights

2023 Building Owners & Managers Association 5,430 Room Nights

Strategic Plan

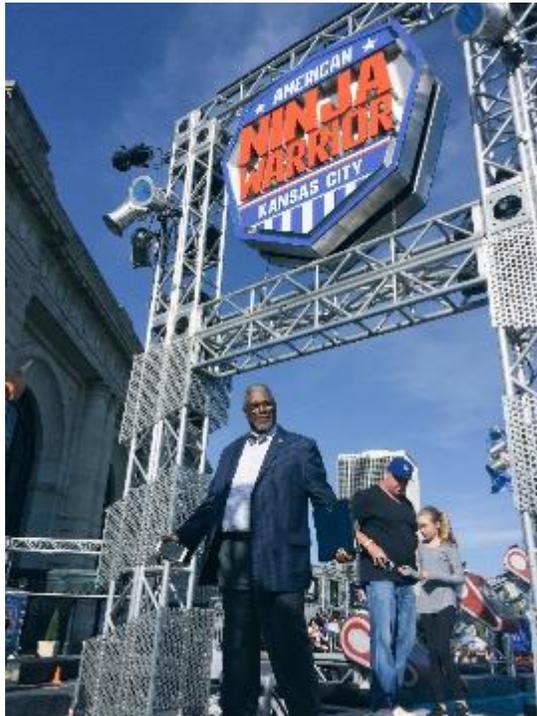
- Increase & develop prospect pipeline, track prospects in CRM; establish annual prospect goal
- Continue strategic account management
- Increase direct sales opportunities
- Continue collaborating with LOC to attract marquee sporting events to KC
- Develop industry tradeshow booking strategy
- Implement short term sales strategy
- Implement long term sales strategy
- Forecast and plan for the evolution of market segments
- Increase Sales and Services Team

Trip Volume Data: Peer Cities (in Millions)



KC Film Office

- 686 Productions assisted since opening the KC Film Office (October 2014)
- 220 Productions assisted in 2017
- 592 KC area locations showcased in KC Film locations database
- 380 Projects confirmed that have filmed in the KC area



ASSISTS BY PROJECT TYPE

Films

- 71 Feature films
- 58 Reality TV shows
- 32 Short films
- 12 TV pilots

Commercials

- 95 Productions

International

- 8 Overseas production companies

Visit KC Annual Meeting

Registered nearly **650 guests** for Visit KC's Annual Meeting at the Kauffman Center for the Performing Arts on February 27

- Event featured six different food/beverage vendors, two musical acts and a keynote address by Evita Robinson.



Strategy A

- a) Continually invest in annual appropriated capital improvement projects for the City's convention and entertainment facilities.
(Conventions and Entertainment Facilities)

CAPITAL IMPROVEMENT PROJECTS

MUNICIPAL AUDITORIUM RENOVATIONS

- Completed renovations in the Arena locker rooms including new carpet, paint, lockers and video screens.
- Arena basketball court and basketball goal replacement.
- Installed new carpet, wayfinding signage, stair lighting and HVAC in the Music Hall.
- Music Hall roof replacement.
- Music Hall sound system and theatrical lighting replacement.

13TH STREET DIGITAL MARQUEE INSTALLATION

- Completed installation of a high definition LED marquee above 13th and Central Street.



CAPITAL IMPROVEMENT PROJECTS

PORTABLE TELESCOPIC SEATING RISER REPLACEMENT

- Replaced the facilities Exhibit Hall portable telescopic seating risers.

LOBBY 2200 CAFÉ RENOVATION

- Renovated the Lobby 2200 Café to a grab and go concept for quick food and beverage concession options during events.

SECURITY CAMERA SYSTEM REPLACEMENT

- Replacement of the security camera system is underway in all interior and exterior areas throughout the Convention Center and Municipal Auditorium.



CAPITAL IMPROVEMENT PROJECTS

FUTURE CAPITAL IMPROVEMENT PROJECTS

- Municipal Auditorium roof replacement
- Conference Center roof replacement
- Grand Ballroom kitchen build out
- Grand Ballroom carpet replacement
- Meeting room 2100 and 2200 carpet replacement
- Lobby 2200 escalator replacement
- Music Hall restroom renovations
- Little Theater restroom renovations

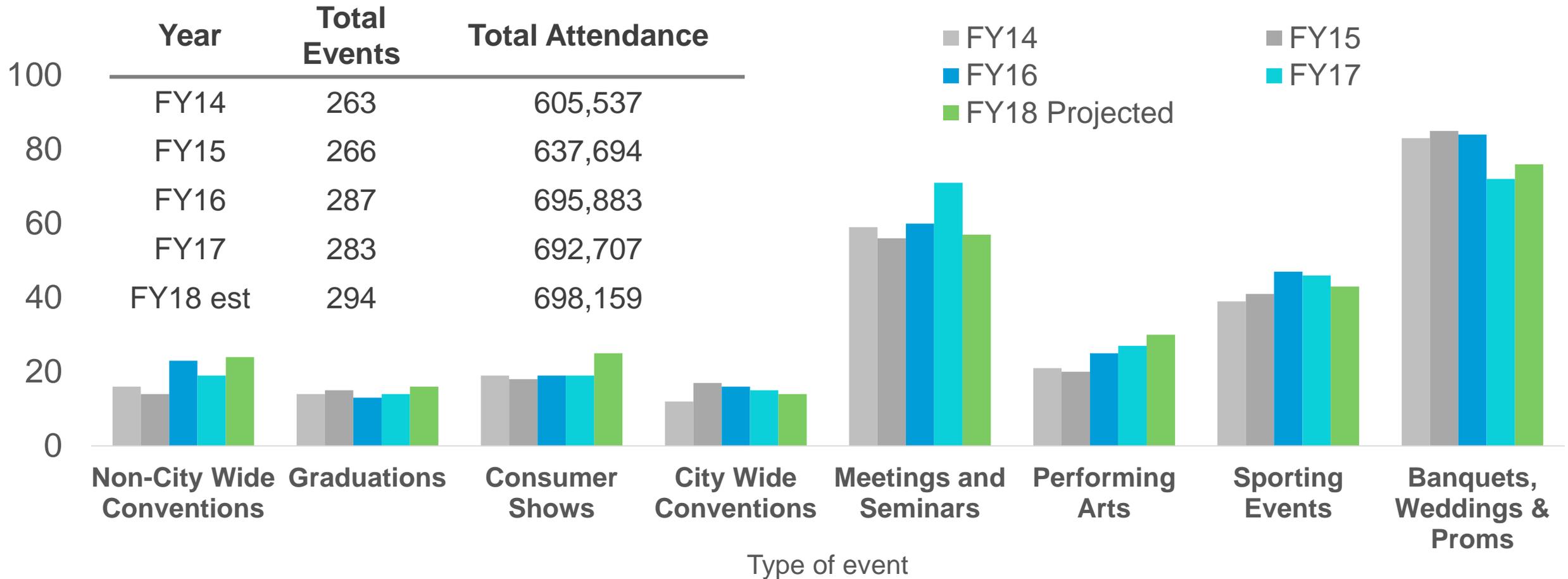


Top Ten Public Events

- Planet Comicon
- Les Miserables
- The Waitress
- Finding Neverland
- Kansas City Auto Show
- World of Wheels
- Holiday Mart
- RV Show
- Kansas City Royals Fan Fest
- Kansas City Sports Show

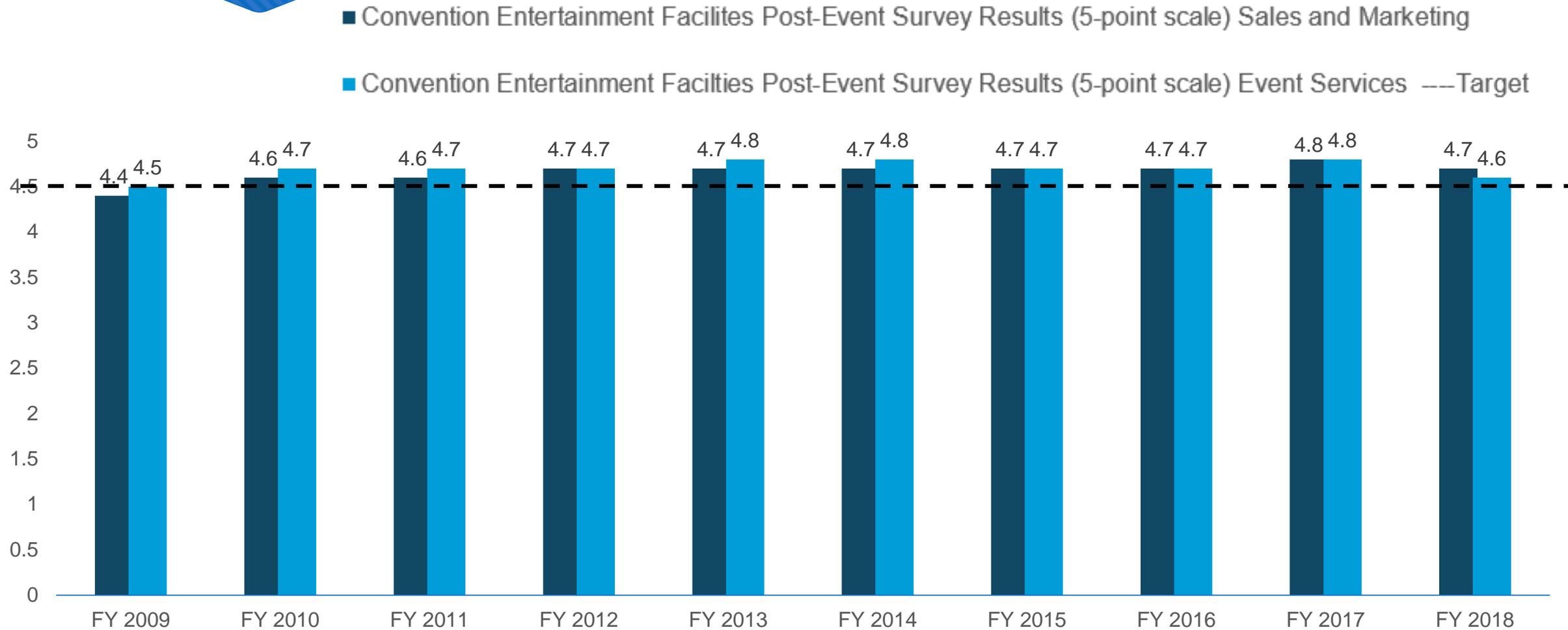


Total Events Held at Convention Center



In FY18, 29% of attendance came from consumer shows, 21% of attendance came from conventions, 17% of attendance came from performing arts, 12% came from sporting events and 10% or less of attendance came from each of the other event categories.

Convention Center Post-Event Survey



Source: *Convention and Entertainment Facilities*

Strategy D

- a) Develop a plan to preserve and invest in historic and cultural assets and destinations. (City Planning and Development)

Historic Preservation

- Modern Architecture Historic Resource Survey – Over 3000 Surveyed Properties
- Investment in building stabilization and future planning in 18th & Vine
- New Preservation Façade Easements on building in the Library District
- Multiple Historic Building Rehabilitations, including the Pickwick, the Hotel Indigo, Westport Junior High, West Armour Apartments, and many more
- Kansas City Museum Renovations



Kansas City Museum

- **Stage I Construction:** Restoration and Renovation of Corinthian Hall into a leading-edge 21st-century Museum of the City's history and cultural heritage.
- **Built in 1910** as the home of civic leader R.A. Long and has served as the City's History Museum since 1940.
- **Museum collection** has over 100,000 historical objects.
- **Construction** with JE Dunn Construction Co. began in November 2017.
- **Construction budget** is \$12 million including GO KC Bond and Museum Mill Levy Funding.
- **Mission** of the Kansas City Museum is to preserve, interpret, and celebrate Kansas City through collections, exhibitions, and bold programs that reflect the City's evolution and spirit, and engage visitors in unfolding stories about Kansas City's vibrant history, cultural heritage, and pride.
- **Vision** of the Kansas City Museum is be a hub of learning, creativity, and collaboration where individuals and communities innovate and inspire engagement and civic unity.



Strategy F

- a) Develop a short-term rental ordinance to regulate residential unit sharing. (City Planning and Development)

Short-term rental ordinance

The City Council passed ordinance no. 170771 on February 22, 2018



The ordinance establishes a legal path for residents and property owners to offer short-term stay (Airbnb, Homeaway, VRBO, etc.) with provisions and restrictions based on the zoning of the property.



The ordinance prohibits short-term stay in zoning districts R-7.5 (unless the property is in a historic district) and R-10. R-7.5 and R-10 zoning districts are generally composed of low-density single-family residential units.



The ordinance also includes a provision that allows short-term stay rentals that were established prior to passage of the ordinance to continue to operate in districts R-7.5 and R-10

Questions?

Stay up to date on progress at kcstat.kcmo.org

#KCStat

