Should Taxpayers Pay $10 Million To Reduce Streetcar Waiting Times?

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By: Kelvey Vander Hart

Is reducing the time someone spends waiting on a streetcar worth a $10 million-dollar price tag? The Kansas City Streetcar Authority certainly thinks so—they just spent taxpayer money on [two additional streetcars](#) , each costing $5 million.

These additional streetcars will be added to the current fleet of four that travels the two-mile loop from Union Station to the River Market. While the fleet currently has four streetcars, only three are usually in use; the remaining streetcar is brought out only during busy occasions. The two streetcars that were just ordered would increase the normal number in use from three to four.

Mike Hurd, the marketing director for the Downtown Council of Kansas City, [explained the purchase](#) :

> We have so many times of the year that we have big events going and the current rotation of streetcars really is not enough to handle the demand. So being able to add streetcars and still being able to keep the service free is just fantastic.

Hurd's comments need a correction. While the streetcar may not charge a fee to riders, it is not

a free service—it is paid for by taxpayers. Instead of receiving funds from a small user fee, the Kansas City streetcar is funded by special taxing in an area called a transportation development district (TDD). Researchers at the Show-Me Institute have written frequently about these districts, and previously explained how a TDD is created.

The taxing rates within this TDD are not going up to pay for these new streetcars. Instead, the official position is that the KC Streetcar Authority will be using existing funds saved from previously received TDD income. This raises a question: If the Authority is able to save more than $10 million dollars from this TDD, doesn't that indicate that the district tax rate is higher than needed to fund normal operations?

Additionally, no data has been released to confirm wait times will be significantly reduced by adding two new streetcars to the fleet. If the goal is to add an extra streetcar to the daily rotation and hold two back for special events, why not test the idea by running the current fleet of four streetcars on a daily basis and measuring the results? It appears Kansas City officials are touting an untested solution to a potentially nonexistent problem, and using taxpayer dollars to bring it to life.

If there really are $10 million dollars in excess funds, maybe the Streetcar Authority should lower the tax rates in the TDD. Instead, residents are being asked to pay for expensive additions to an already expensive scheme. Is that really a good idea?

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Kelvey Vander Hart is originally from Des Moines, Iowa, and joined the Show-Me Institute through

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