



Blue River Valley Redevelopment Opportunity Assessment

Completed by: **HR&A**
Analyze. Advise. Act.

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PA
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On behalf of: **edc**
ECONOMIC DEVELOPMENT CORPORATION

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Produced by **HR&A Advisors, Inc.**, **HKS Architects**, **Hg Consult**,
el dorado, inc., and **Parson + Associates** for the **Economic**
Development Corporation of Kansas City (EDCKC) | August 2017

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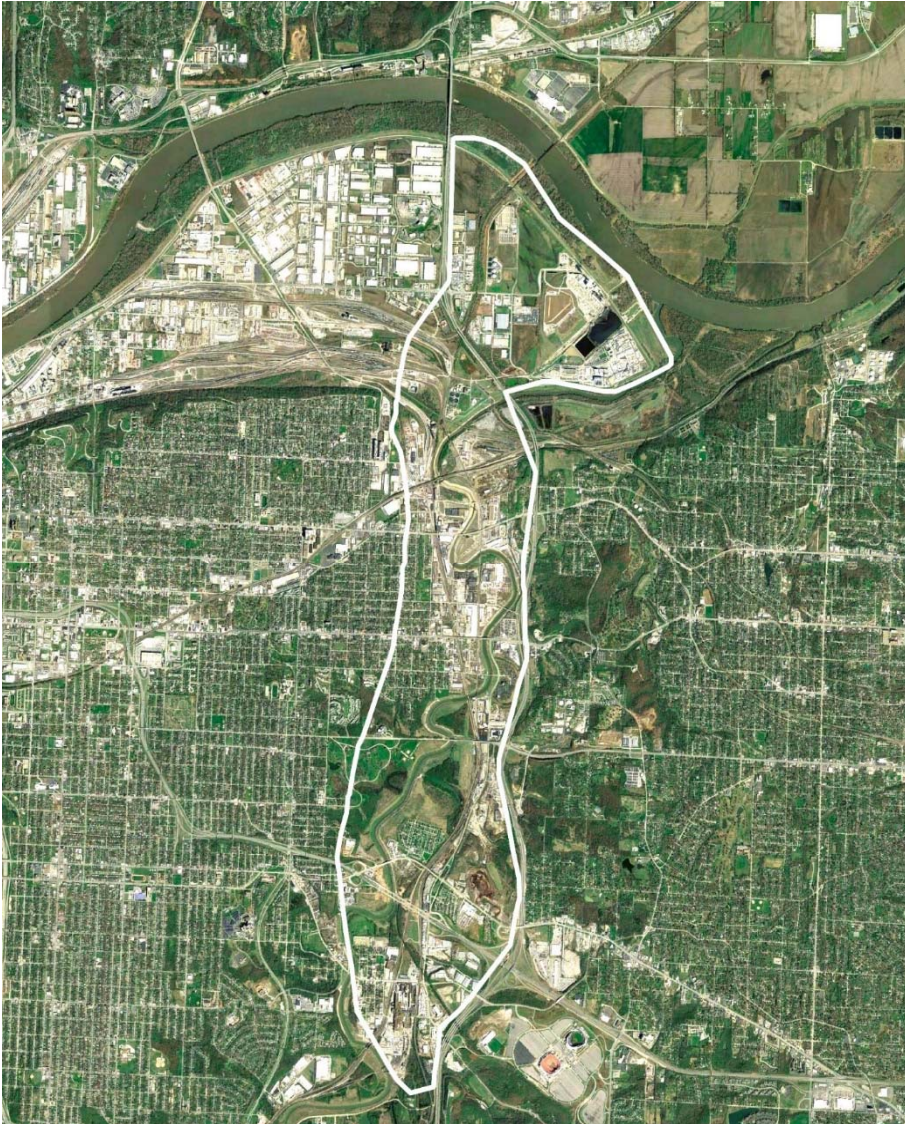
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EXECUTIVE SUMMARY

Redevelopment Opportunity Assessment | Vision, Strategy, and a Roadmap for Action



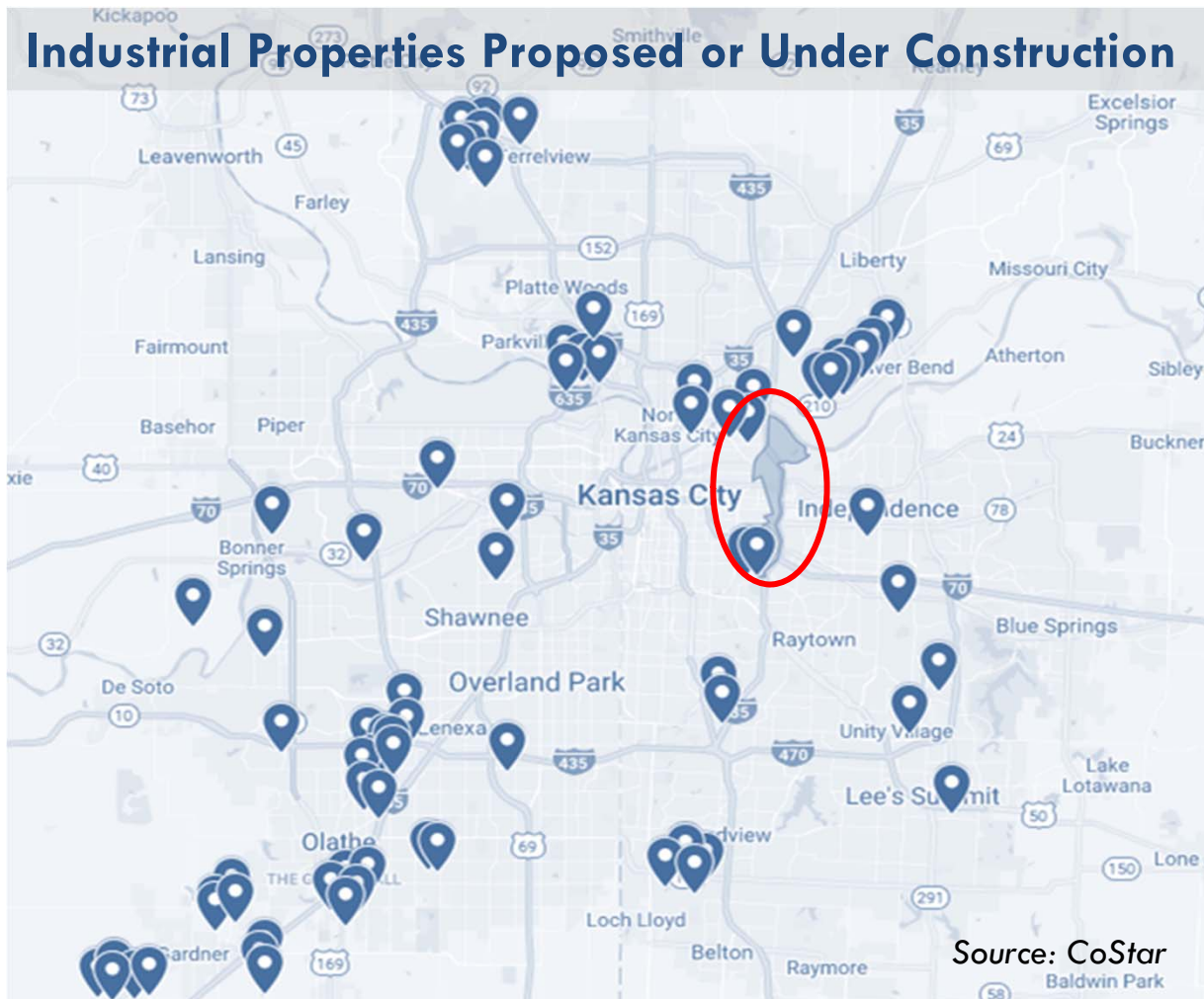
Restore
economic activity to the
Blue River Valley Industrial Corridor
to **grow jobs & benefit**
local communities

The Blue River Valley Industrial Corridor Vision

Kansas City's most **sustainable, multi-modal collection of manufacturing clusters**, with natural and employment connections that support the **community and economic development of Kansas City's East Side**



An Opportunity within a Thriving Regional Industrial Market



8.7M SF

Industrial Space
Delivered in 2016,
Metro Area

5.5M SF

Industrial Space
Under Construction,
Metro Area

113K

Potential Employees within
15-minute drive,
Blue River Valley

Blue River Valley Opportunities & Assets

Industrial Infrastructure

420 Acres

Rail right-of-way

High-capacity
utility service



Rail Network

Location & Access

15-minutes

from downtown
KCMO & 100K+
workers

85%

of US population
within 2-day
drive/rail trip



Road Network

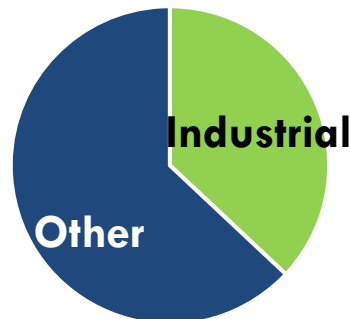
Manufacturing Focus

~50%

building area in
manufacturing use

~460 Acres

planned food
manufacturing /
ag facilities near
Blue River Valley



MSA Jobs

Recent Investment & Assets

\$290 million

floodway
improvements
completed

\$1.33 billion

recent public &
private investment,
Industrial
Riverfront area



Flood Control

Natural Amenities

134 acres

existing trails &
parks

2.5 miles

of Missouri River
frontage



Missouri River

Blue River Valley Challenges

Incomplete Connectivity

Limited Transit

Through Blue River Valley corridor

2+ miles

Blue River Valley corridor not served by Trafficway



Road Obstacles

Environmental Conditions

62 sites
in MDNR Hazmat database

Unknown

environmental conditions on many sites



Contamination

Flooding Risk

1,500 acres
in 100-year floodplain

1/3 of area
in floodplain



Flood Risk

Development Costs & Risks

50%+ higher
property, income, and utility taxes relative to region

20-60% lower
rents relative to other regional locations



Development Econ.

Limited Focused Capacity

8+
partner organizations on advisory committee

0
paid staff dedicated to Blue River Valley efforts



Partners

Industrial Revitalization Precedents

Menomonee Valley | Milwaukee, WI



Since 1999...
5K Jobs created
39+ Companies in Valley

Size: 1,200 Acres

Targeted Investments: Land use planning, environmental testing, land assembly, trails and recreational amenities, access & bridge improvements

Select Incentives: Brownfield remediation, workforce development

- Grants for brownfield assessment/ remediation; wage credits for employees living/working in defined area and deductions for property rehab

Project Steward: **Menomonee Valley Partners (MVP)**, a 501(c)(3) non-profit, created to lead public-private collaboration for Valley redevelopment

Philadelphia Navy Yard | Philadelphia, PA



Since 2000...
12K Jobs created
150+ Companies at Navy Yard

Size: 1,200 Acres

Targeted Investments: Redevelopment of office space by attracting first major tenant (URBN), gateway improvements

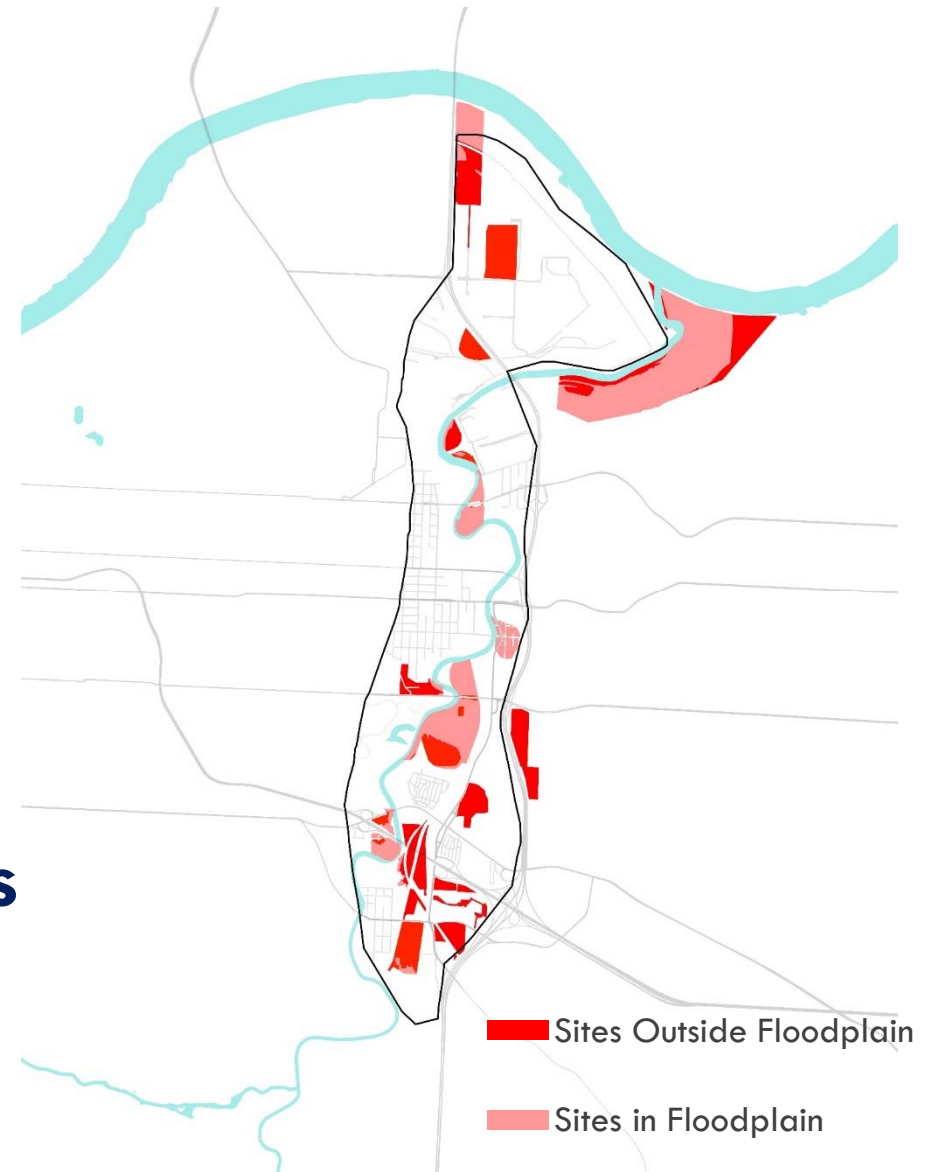
Select Incentives: Workforce development, R&D, new business / tech incubation

- Tax credits for specific targeted tech and R&D sectors; job creation tax credit

Project Steward: **Philadelphia Industrial Development Corporation (PIDC)**, a public-private economic development corporation leading redevelopment

Opportunity Sites with Future Development Potential

Opportunity Site Criteria

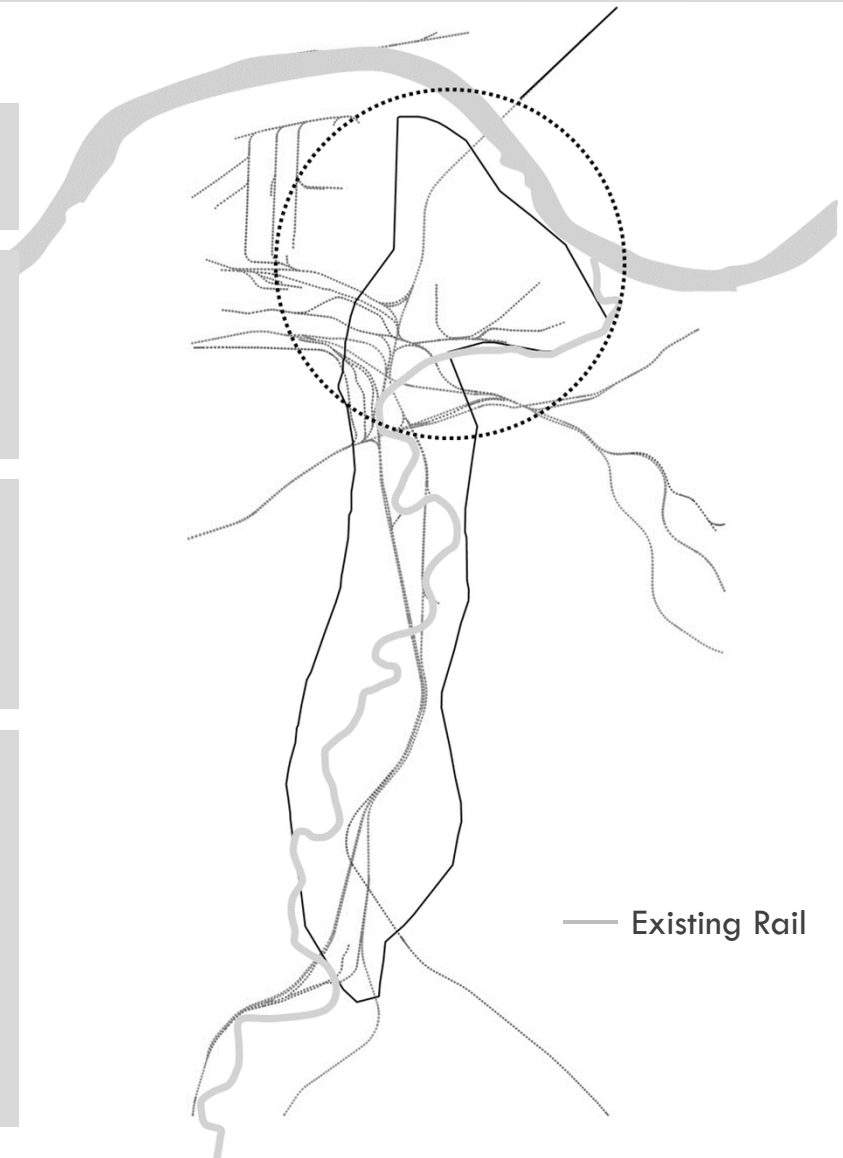


Segmenting a Large Corridor



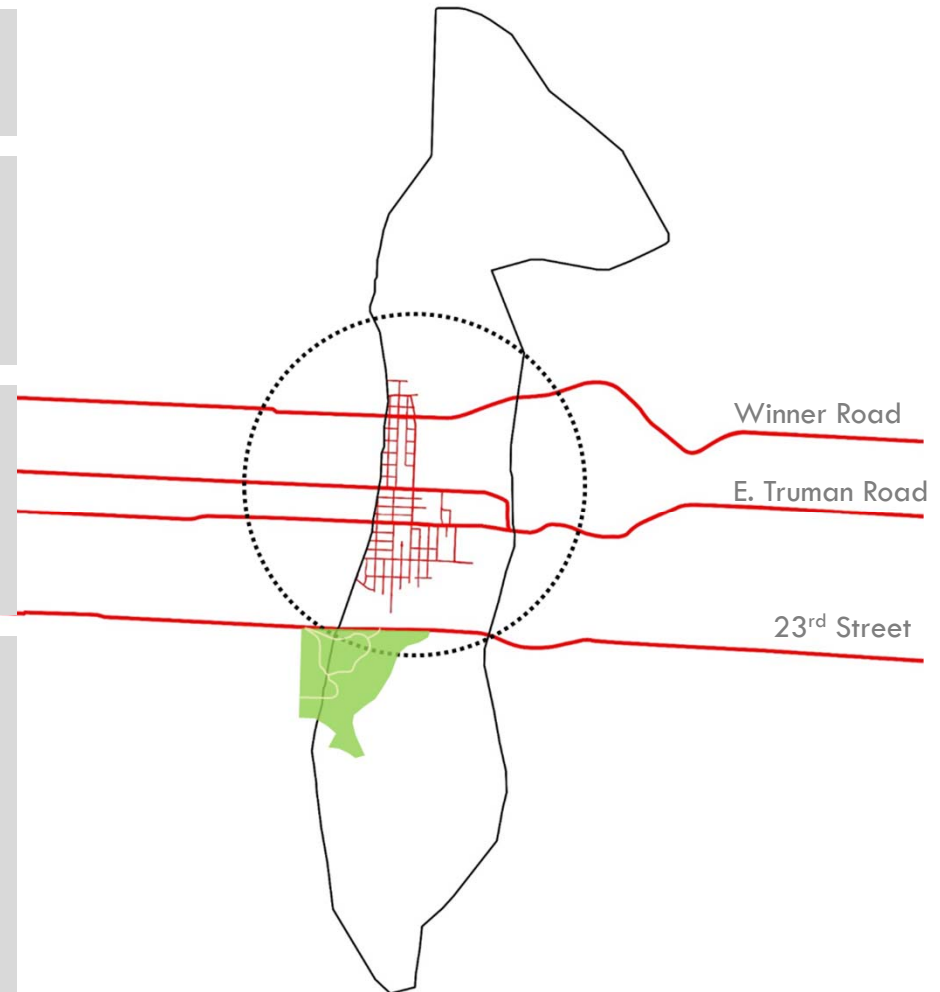
North Segment | River and Rail Access but Deficient Road Network

Area	1,760 acres
Key Industries	Trucking, Logistics, Auto Parts & Repair, Agricultural Products
Key Needs	Access – address road deficiency Assets – leverage rail & river access
Future Potential	Rail & River Major road investment Warehousing Heavy Industrial Manufacturing & Food Industry



Central Segment | East-West Connectivity and Neighborhood Proximity

Area	1,220 acres
Key Industries	Warehousing, material handling, equipment rental, and auto salvage
Key Needs	Access – complete N/S access Green – trails & green space Streetscape – improve perceptions
Future Potential	Neighborhood Transition Light Industrial Neighborhood Development Recreation

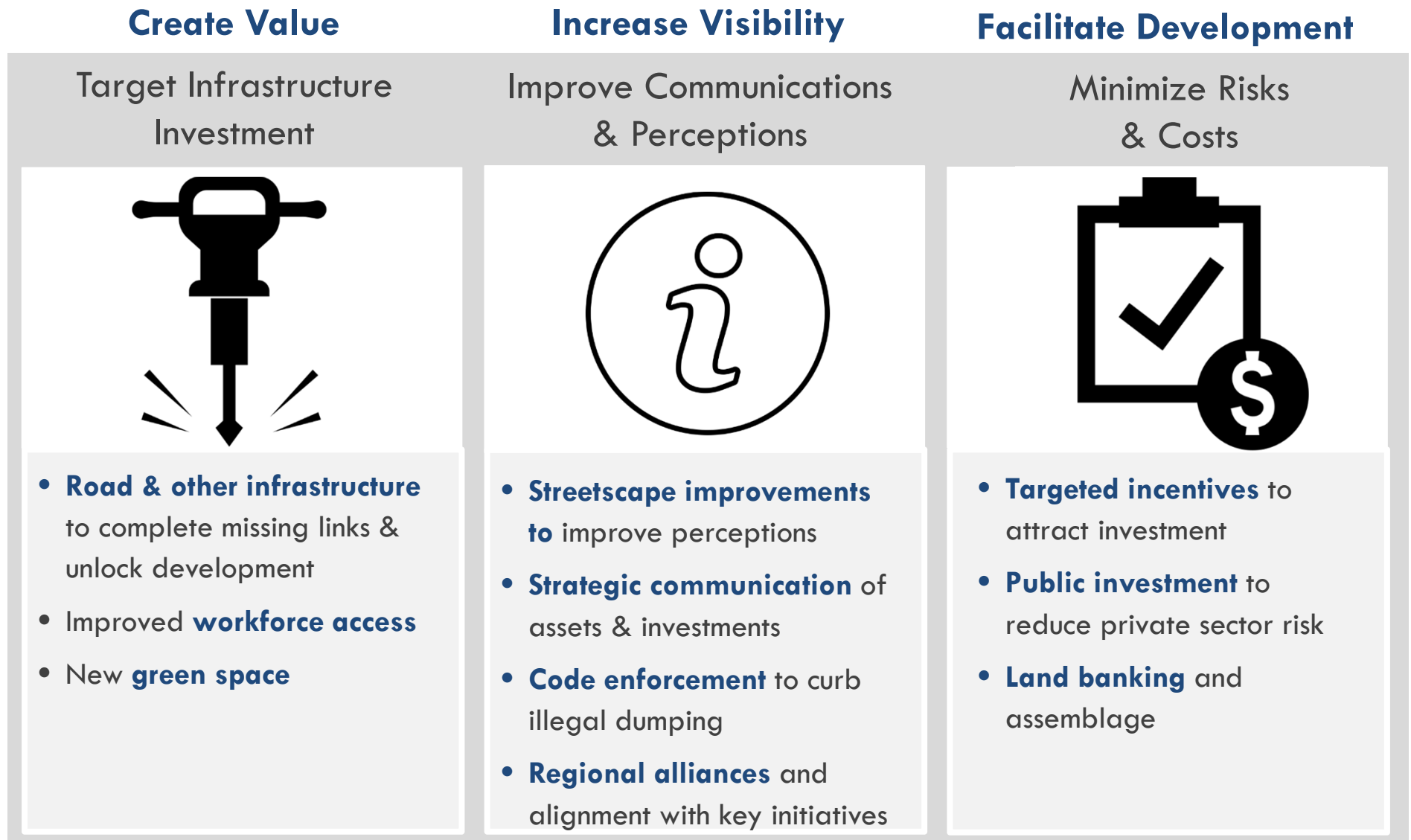


South Segment | Major Interstates and Opportunity Site Concentration

Area	1,620 acres
Key Industries	Recycling, waste management, equipment rental, and auto parts & repair
Key Needs	Access – connect opportunity sites to Trafficway
Future Potential	Mixed Industrial Traditional Manufacturing Artisan & Maker Space Incubators Agricultural & Food Production



Implementation Approach



Create Value | Roads & Open Space

North Segment

Roads - \$50M
+ \$45M Lewis
& Clark
Extension

Local & regional connectivity

- 16K LF neighborhood roads
- 11K LF Manchester Trafficway Extension
- Lewis & Clark Expy

Central Segment

Green Space –
Cost TBD

Neighborhood greening

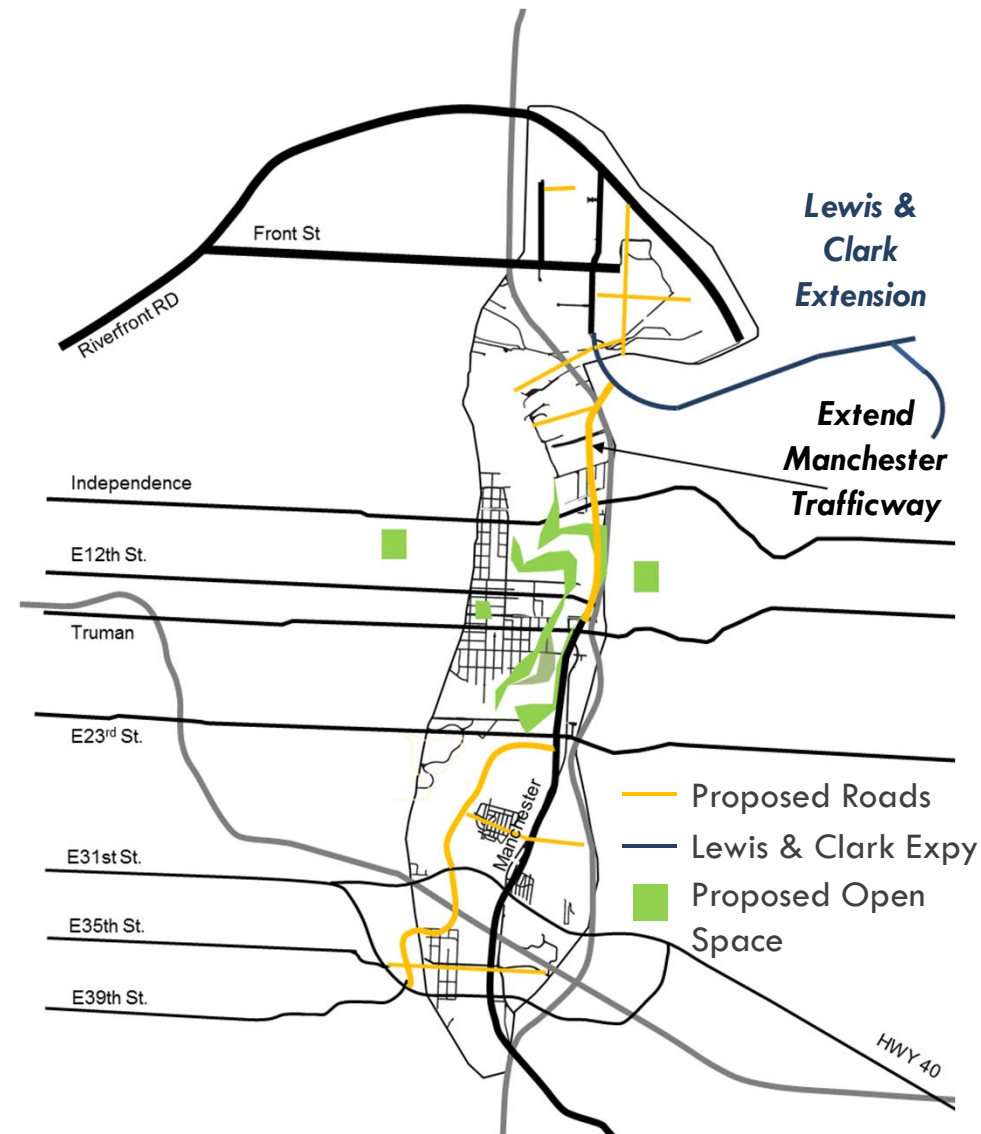
- 145 acres improved green space
- Completion of proposed trails

South Segment

Roads - \$30M

Opportunity site access

- 17K LF neighborhood roads



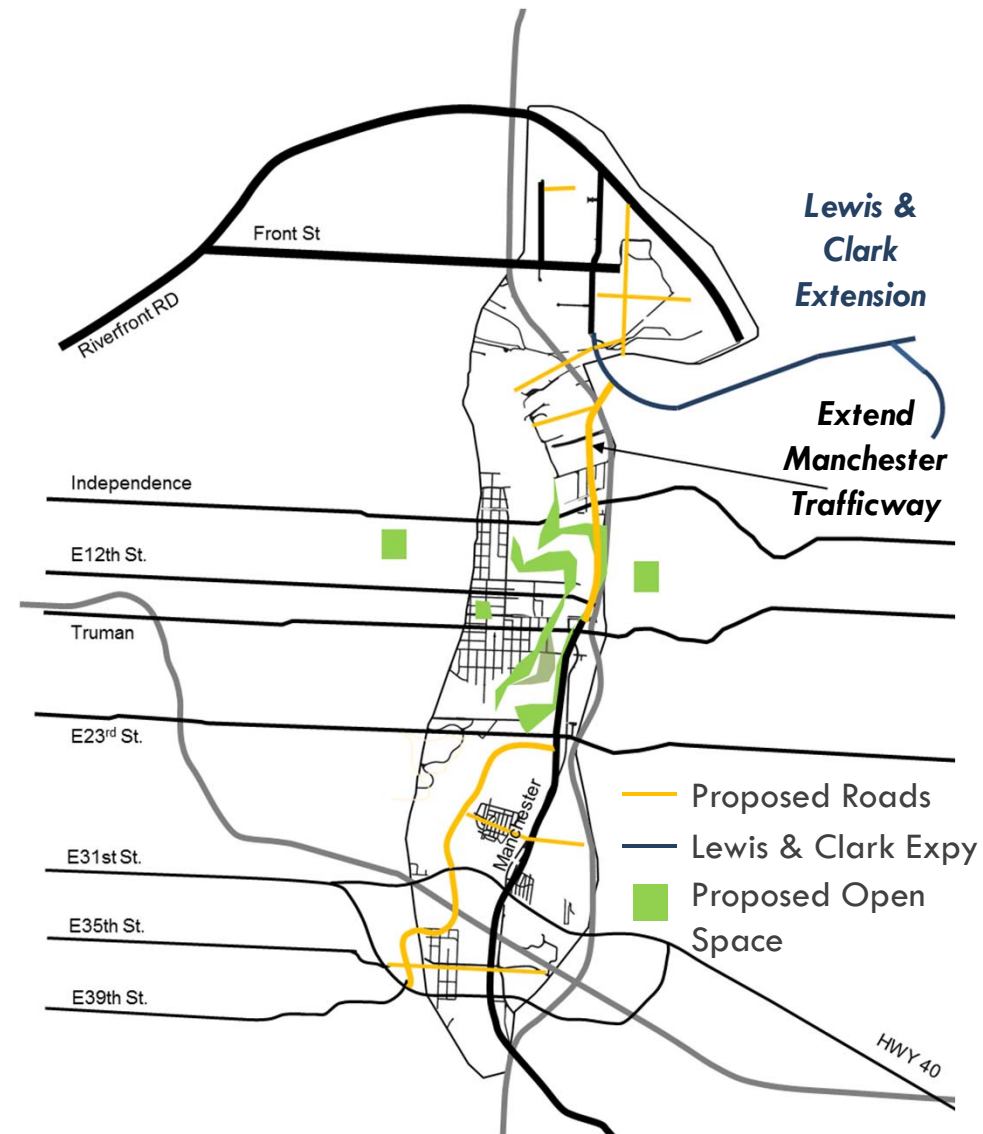
Source: Hg Consult Analysis

Create Value | Roads & Open Space

Target Infrastructure Investment

Phasing Considerations

- 1. South** – unlock opportunity sites in near-term
- 2. North** – longer-term regional projects
- 3. Central** – long-term greening following current trail investments



Increase Visibility | Streetscape Investments to Improve Perceptions

Invest in key corridors today...



...to increase investment tomorrow



Create a more **appealing investment environment** for future investors



Improve attractiveness and ease of **employee access**



Improve **perceptions of commuters** through corridor

Increase Visibility | Shared Responsibility to Communicate the Opportunity

Strategies

- Communicate **assets and challenges**
- Articulate a **compelling vision**
- Highlight **recent & planned investment**
- Raise awareness of **available incentives & tools**

Responsibilities

- **KCMO** – provide clear investment commitments
- **EDCKC, Greater KC Chamber, KCADC** – communicate competitive advantages & incentives to target companies
- **BVIA** – leverage strong leadership for outreach to potential users
- **Neigh. Assoc.** – engage community to ID needs & communicate progress

Facilitate Development | Build an Effective Incentives Strategy

Existing incentives and financing tools have **not consistently attracted** large-scale new investment in Blue River Valley.

Select Incentives Applied in Blue River Valley

**Enhanced
Enterprise Zone
Fund**
(Job Creation &
New Investment)

**Planned Industrial
Expansion Area
Abatement**
(New Investment)

Factors Limiting Blue River Valley Impact

- Regionally available
- Inadequate gap financing
- Limited costs considered

Future incentive policies

must be **targeted** to address costs and risks associated with Blue River Valley development. Policies should be:

Predictable

As-of-right, where possible

Targeted

Address specific financial gaps & costs

Comprehensive

Packaged to address multiple risk factors

Publicized

Communicated to potential users and developers

Facilitate Development | Enhance and Expand Incentives and Financing Tools

Expand KC, MO Incentives

Expand incentives available to potential Blue River Valley developers

Create New Incentives

Create **new incentives** for specific purposes:

- Provide earnings tax redirection for job creation
- Relax but-for test for abatement eligibility
- Reduce franchise utility tax for new/growing companies
- Provide abatement transfer credit for new investments

Additional Opportunities

Explore **other targeted mechanisms** such as:

- Brownfield remediation financing support
- Community Improvement District creation

Facilitate Development | Public Investment to Reduce Risk

Public-sector activities support may include:

Acquisition	Public land control for maximum flexibility
Infrastructure Investments	Streets, stormwater and other needs
Flood Mitigation	Site-specific or district protection
Remediation & Site Preparation	Site assessment & preparation, elevation
Public Transit	Consideration for new routes to serve employees
Public Safety	Address business security concerns
Studies & Site Analysis	Brownfield, traffic, and related studies

Example - Heart Drive-In Site



Opportunity: 27-acre City site on I-70

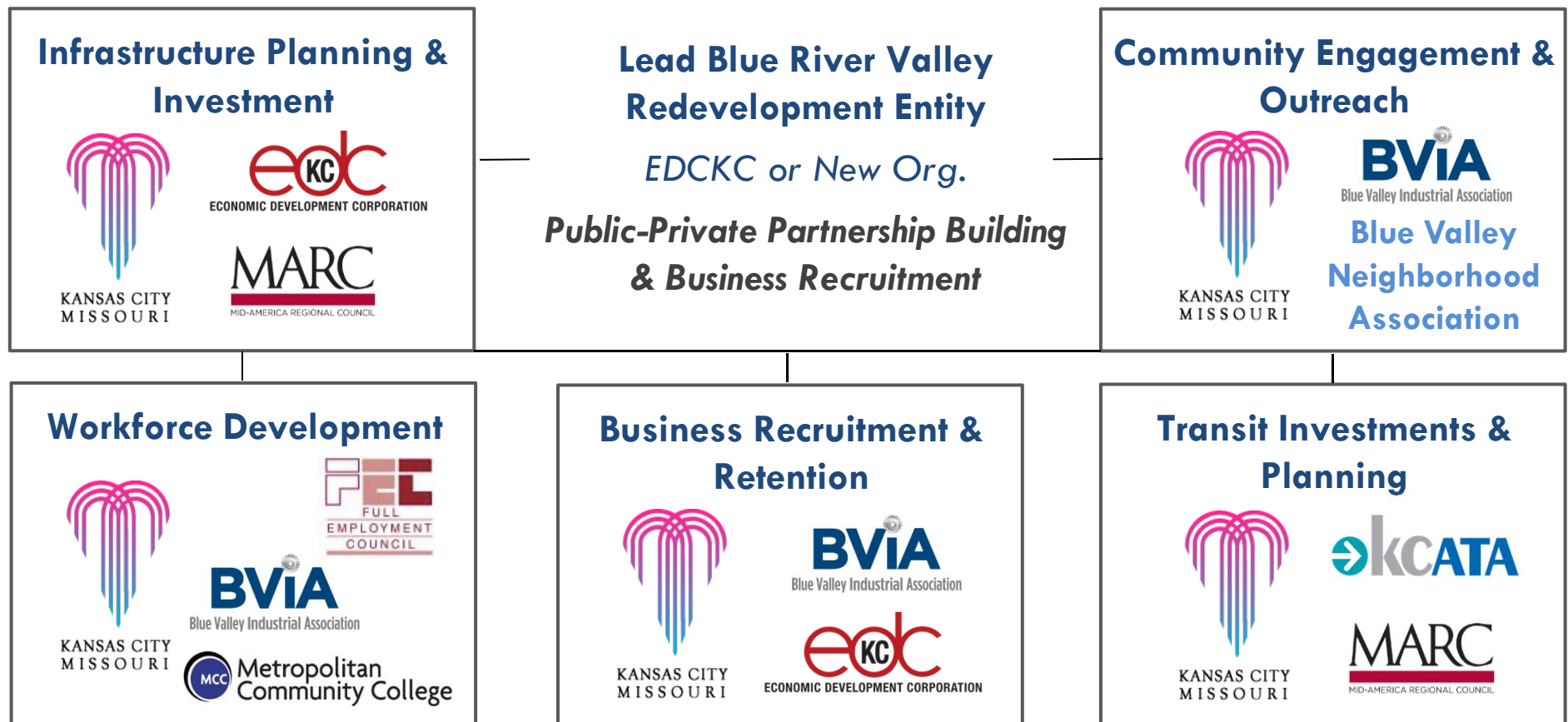
Challenge: site in 100-year floodplain

Potential Response: elevate site to unlock disposition and development potential (\$1-2M estimated cost)

Build Capacity | Proposed Partner Roles & Responsibilities

Establish focused leadership to advance Blue River Valley vision through:

1. Dedicated staff capacity within the EDC *and/or*
2. New public-private entity to spearhead Corridor redevelopment efforts



Implementation Roadmap | Near- and Long-Term Actions to Advance the Vision

- Coordinate with **Riverfront Industrial Area Plan**
- Complete analysis & policy to create Blue River Valley **incentive package**
- Create dedicated **capacity for planning & implementation**
- Prepare targeted **marketing strategy**
- Complete **brownfield & traffic studies**
- Initiate **design work** for new streets, streetscape & infrastructure
- Build **regional alliances**

- Construct **street, streetscape & infrastructure improvements**
- Create and fund **land banking/acquisition & site prep**
- Design & implement **pilot green space project**

- Implement **regional roadway improvements**
- Ongoing **site preparation**

0-2 Years

3-5 Years

5-10 Years

INTRODUCTION

Project Overview

To restore economic activity to the Blue River Valley Industrial Corridor, grow jobs in the area, and increase benefits to the surrounding community, the Economic Development Corporation of Kansas City, Missouri (EDCKC) partnered with the HR&A Team to analyze and draft preliminary recommendations for the future redevelopment potential for the Corridor.

The HR&A Team consisted of the following partners:

- **HR&A Advisors:** a leading economic development and real estate advisory consulting firm;
- **HKS Architects:** a global architecture and urban design firm;
- **el dorado:** a Kansas City-based architecture and urban planning studio;
- **Hg Consult:** a Kansas City-based full-service civil and environmental firm; and,
- **Parson + Associates:** A Kansas City-based communications firm specializing in community and stakeholder outreach.

From February to August 2017, the project team conducted their analysis and prepared the following briefing book to describe the current Corridor opportunities, outline a vision and planning framework to identify opportunity sites for potential development, and provide recommendations for next steps.

The Team met three times with an Advisory Committee of local Blue River Valley stakeholders and leaders, who provided important feedback and guidance. A list of committee participants is provided in the appendix.



Methodology



The team's approach included the following phases:

- **Existing Conditions:** The Team conducted a real estate market scan to assess current local and regional industrial conditions and recent trends, as well as a sectoral analysis to evaluate industry clusters in and around the Corridor. We analyzed demographic trends and the current labor market to identify area assets and challenges. The Team also assessed physical conditions on an area-wide and site-specific basis, which considered transit and transportation infrastructure, existing utilities, environmental conditions, and open space, among other factors. We examined available economic incentives and their applicability to the Corridor as well as recent policies affecting public investment and incentives.
- **Corridor Principles & Opportunities:** The Team established a set of criteria to evaluate sites and inventoried land parcels within the Corridor, exploring opportunities for future development.
- **Area Visioning & Planning:** The Team developed a preliminary vision for the Blue River Valley Corridor based on existing conditions and future opportunities. We identified conceptual infrastructure and connectivity improvements that would support future development within the Corridor, particularly on opportunity sites. To inform implementation planning, the Team prepared high-level cost estimates for proposed interventions.
- **Implementation Strategy:** The Team prepared an implementation strategy and roadmap for action outlining the partnerships, roles, responsibilities, and next steps to actualize the Blue River Valley vision.

The HR&A Team is grateful for the input provided by the Advisory Committee of public-and private sector Blue River Valley stakeholders throughout the study process.

SUMMARY OF BLUE RIVER VALLEY OPPORTUNITY

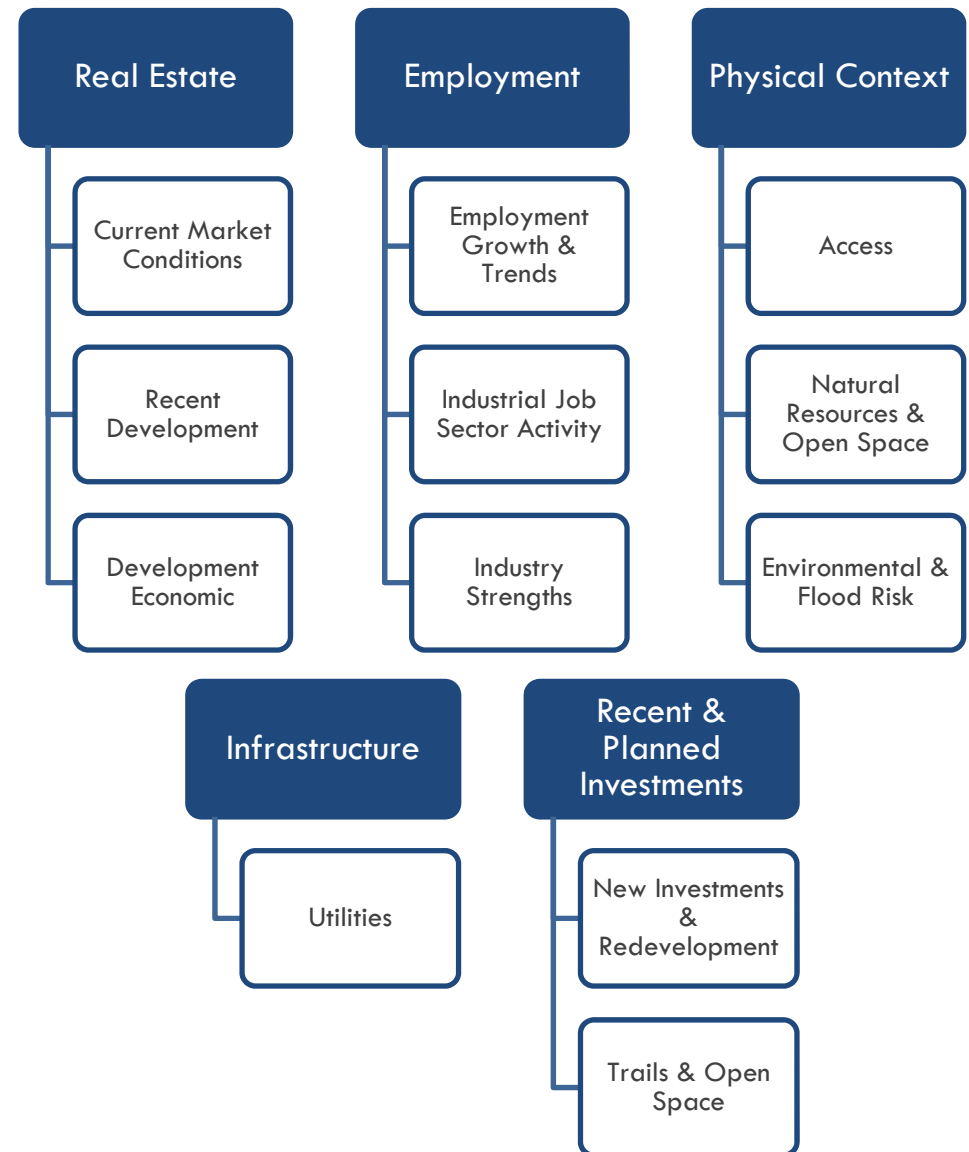
Existing Conditions | Overview

STUDY ELEMENTS

To gain an understanding of the current context, strengths, and challenges of the Kansas City Blue River Valley, the HR&A Team analyzed real estate market conditions, industry and employment trends, physical context, existing assets, and recent and planned investments for the Corridor. As applicable, we reviewed Corridor-specific data as well as data for comparable geographies, such as Kansas City, the Kansas City Metropolitan Statistical Area (MSA), and key areas of regional industrial growth to identify the Corridor's relative strengths and challenges.

KEY FINDINGS

- The Kansas City region has experienced significant industrial growth; however, the Corridor has lagged in industrial development.
- The Corridor maintains a unique manufacturing focus, in contrast to the region's industrial focus on warehousing and distribution.
- Industrial jobs comprise a significant share of regional employment; however, job growth has remained stagnant in the Corridor.
- The Corridor's strengths include easy access via rail, highway, and river as well as a strong utility network.
- Due to long-term industrial use, environmental contamination affects many sites throughout the corridor.
- Flooding remains a persistent risk, despite recent flood mitigation investments.
- Public land holdings are limited.



Real Estate | The Kansas City region has experienced record setting new industrial construction, outside of the Blue River Valley Corridor.

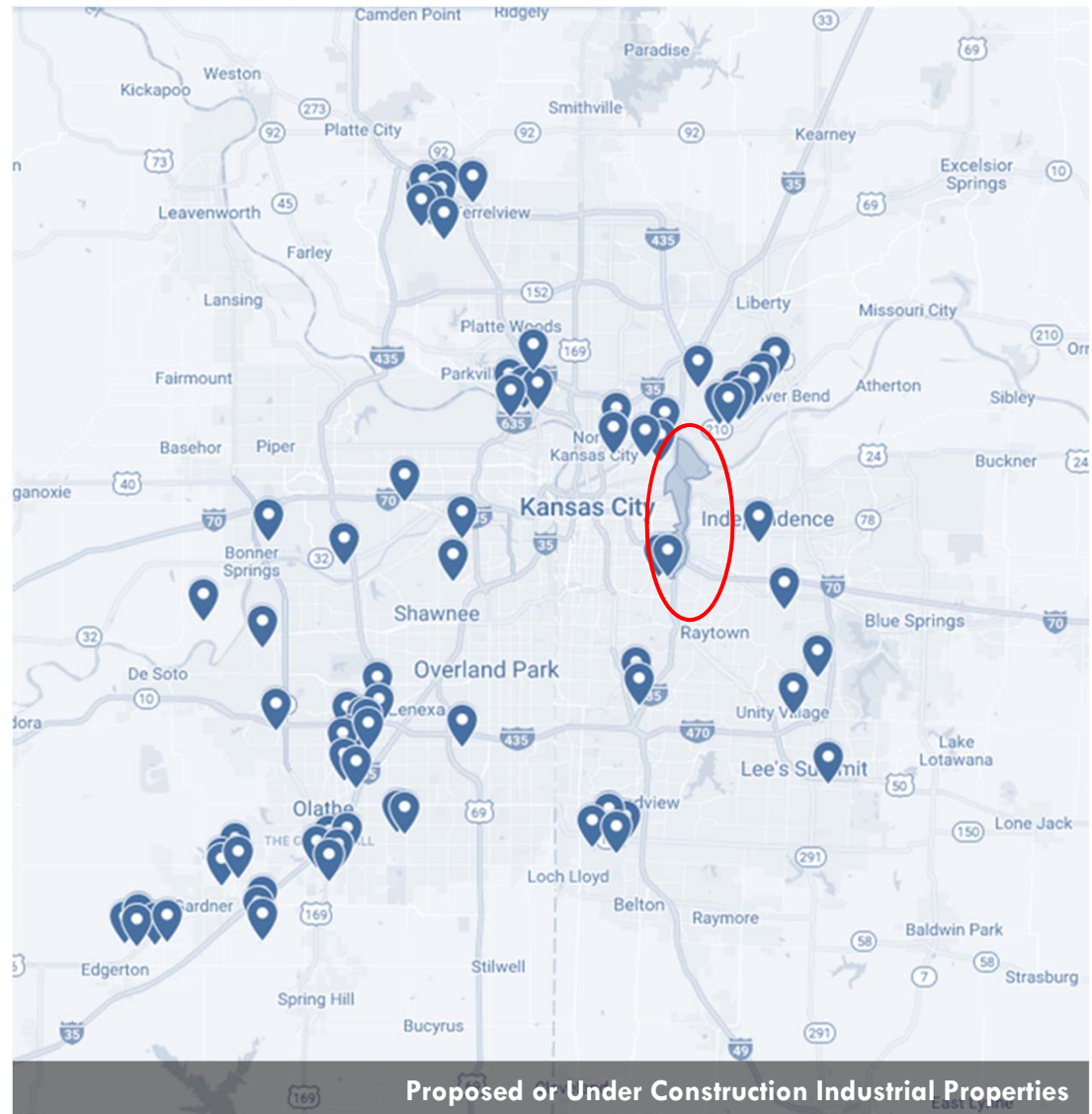
REAL ESTATE CONDITIONS

To understand trends in the industrial real estate market, HR&A reviewed the Blue River Valley's current market conditions as well as the conditions of regional industrial centers. HR&A identified five comparable industrial hubs:

- Hunt Midwest (Kansas City, MO)
- Kansas City, MO International Airport
- Lenexa, Kansas
- Northland Park (Kansas City, MO)
- West Bottoms (Downtown Kansas City, MO)

In 2016, 8.7 million square feet of industrial space was delivered in the region with 5.5 million square feet of industrial space under construction. Colliers identified Kansas City as “[A]n emerging power and prime target for companies, as a result of the central location and multiple intermodal operations, which allows the growing e-commerce and distribution sector the ability to quickly deliver goods.”¹ Kansas City's regional strength in manufacturing, distribution, and warehousing continues to attract businesses, such as Amazon, Garmin, and General Motors. Although the broader region has flourished, there has been little development within the Blue River Valley Corridor (circled in red).

¹ Colliers International, 2017 Commercial Real Estate Forecast Report

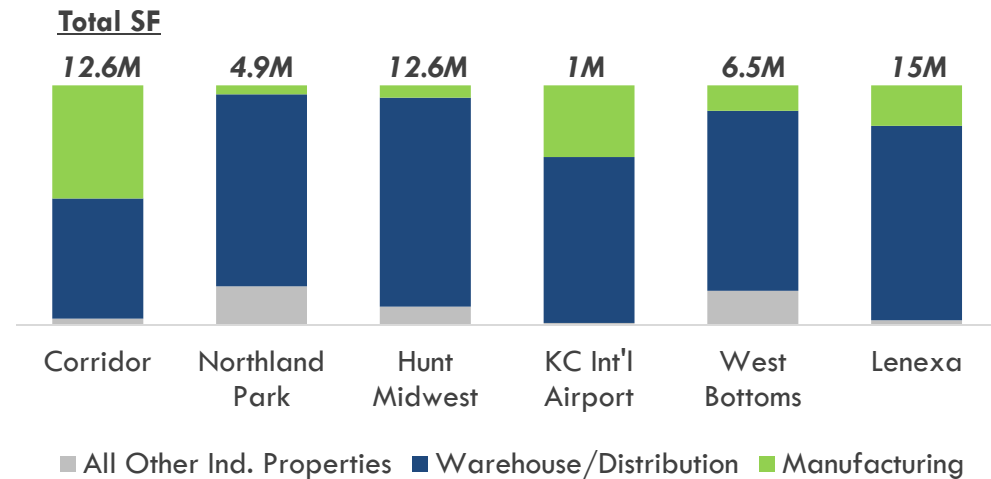


Sources: CoStar; JLL Industrial Insight- Kansas City

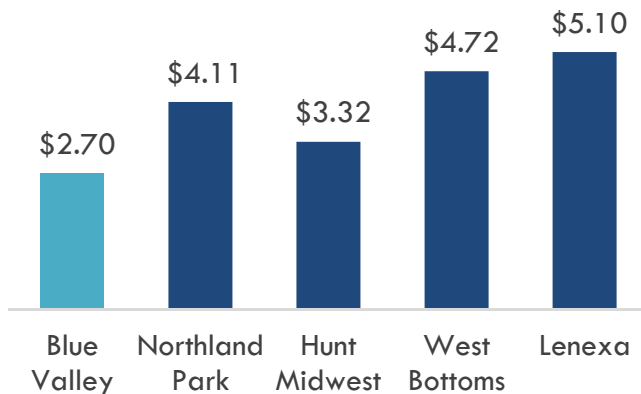
Real Estate | While the Corridor has not experienced recent industrial expansion, it maintains a unique manufacturing focus.



Percent Rentable Building Area by Primary Industrial Use (Existing Property)



Average Rent (\$ PSF)

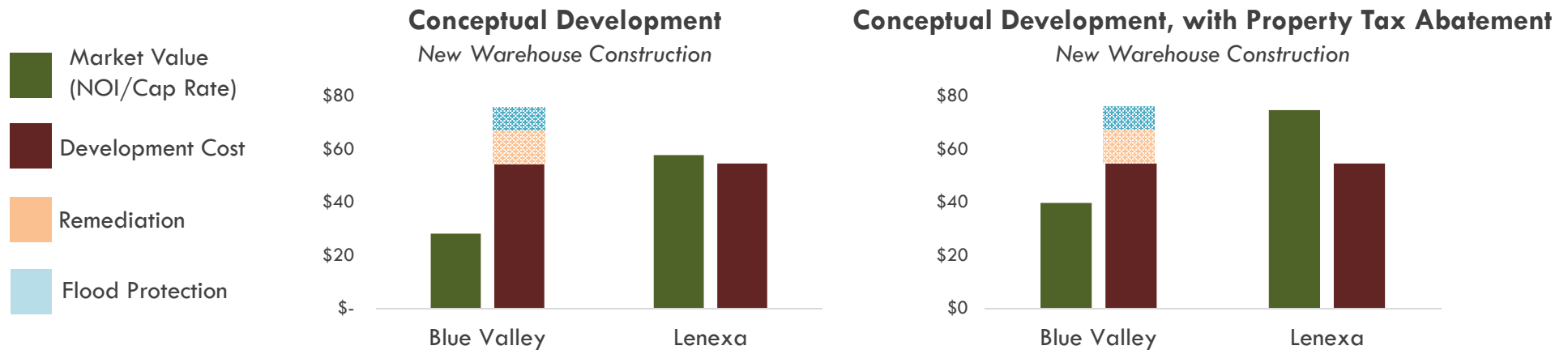


In contrast to regional industrial nodes, industrial development in the Corridor has been limited, with no recent large-scale manufacturing deliveries. In the Corridor, there has been no new industrial development projects greater than 150,000 square feet since 2000 and no new manufacturing properties of any size since 2005. The map to the left highlights the limited industrial activity in northern and southern sectors of the Corridor since 2000.

While the Corridor has not experienced industrial expansion commensurate with the region, the Blue River Valley Corridor is one of the largest industrial centers in the region, with a unique manufacturing focus. In contrast, industrial property in newer regional nodes is primarily used for warehousing and distribution needs. Industrial rents in Blue River Valley are 20% to 60% lower than surrounding regional nodes, reflecting potential cost savings to potential users, but limiting development feasibility.

Source: CoStar

Real Estate | The Corridor has the lowest average rents in the region but taxes and additional potential costs drive feasibility challenges.



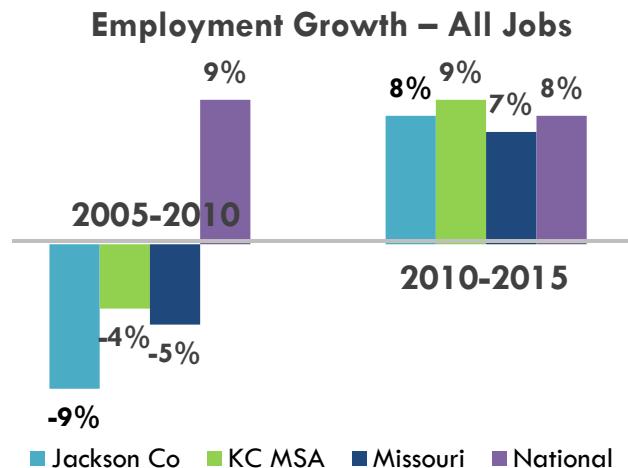
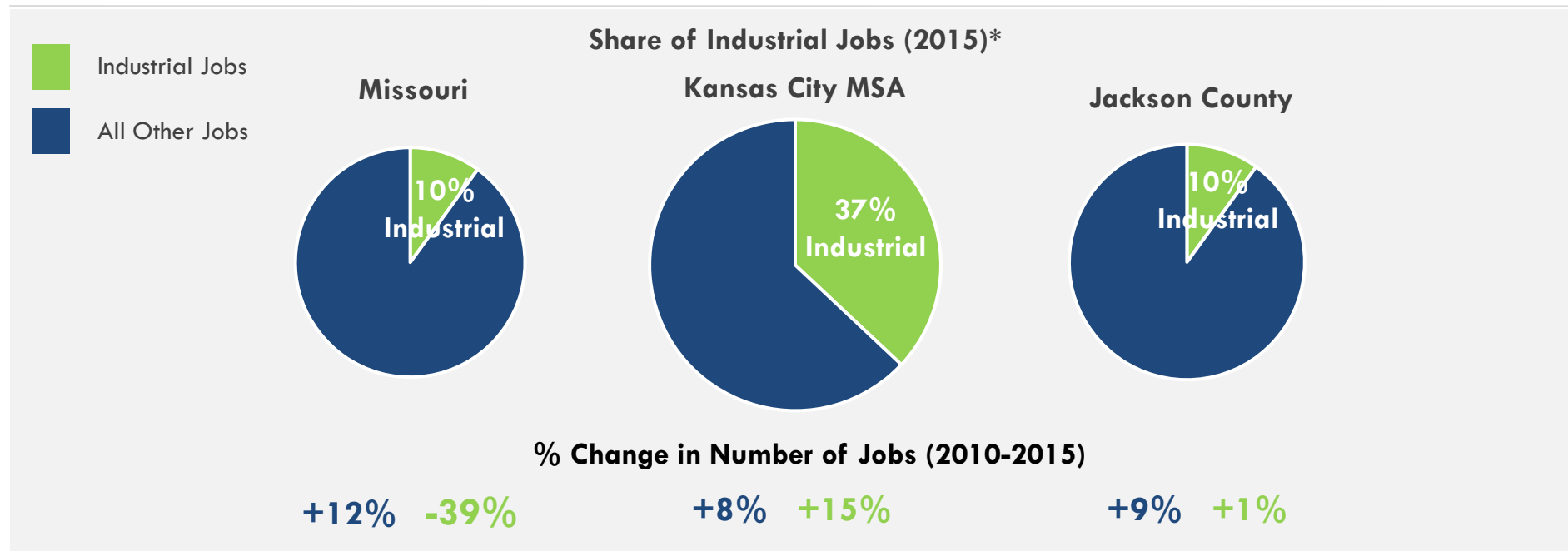
Relevant Taxes, Lenexa and KCMO

	Lenexa, Kansas	Kansas City, Missouri
Corporate Income Tax	4%	6.25%
Commercial Property Tax	~3.3%	~2.9%
City Earning Taxes	N/A	1%*
Utility Franchise Fee	~6%	~11%

Although the Corridor has the lowest average industrial rents compared to other industrial areas in the region; other factors drive feasibility challenges. The burden of taxes in Kansas City, Missouri may be higher than in other locations, especially those across the state line in Kansas. HR&A summarized comparative tax rates in Kansas City and Lenexa, which has seen significant recent industrial development. While property taxes are competitive, corporate income tax rates are higher in Kansas City, and Kansas City imposes a 1% tax on salaries, wages, and commissions earned by individuals living or working in the city. The Utility Franchise Fee charged in Kansas City is also nearly double that of other regional cities. Based on high-level analysis, these taxes can amount to a total tax bill in the Corridor that is 50% higher than other nearby locations.

Conceptual residual land value analysis completed by HR&A considered the relative financing surplus or gap for a warehouse development in Lenexa and Kansas City. Factors affecting feasibility include rental rates, tax burden, and environmental costs. Real estate tax abatements can help close the financing gap but additional potential costs, such as flood protection and brownfield remediation in the Blue River Valley, drive additional feasibility challenges.

Employment | Industrial jobs comprise a significant share of regional employment.



Kansas City employment across all job sectors has grown since 2010, following the upward trajectory of state and national employment. Within the Kansas City MSA, industrial jobs comprise a significant share of regional employment. Additionally, industrial employment in the metro area has increased from 2010 to 2015. In contrast, industrial jobs at the county and state levels, respectively, comprise a much smaller portion of the job market and have not grown substantially in recent years.

**Note: Industrial employment defined as of manufacturing and warehousing/storage sectors*

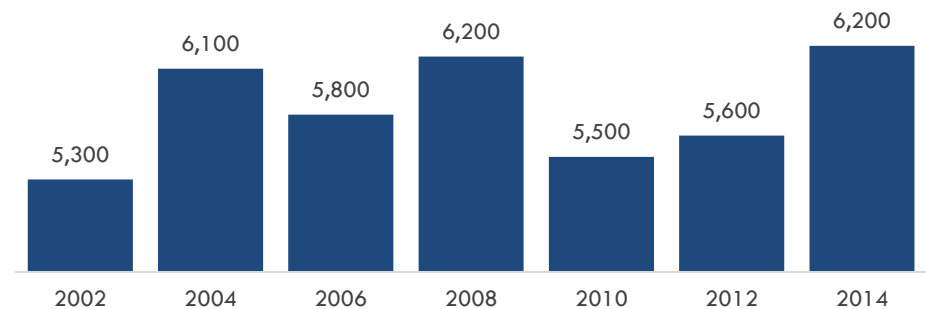
Source: Bureau of Labor Statistics

Employment | While industrial employment comprises 30-40% of jobs in the Corridor, job growth has been sporadic.

Industry Strengths (MSA vs. County)

	Kansas City MSA		Jackson County	
	# Jobs	% Change 2010- 2015	# Jobs	% Change 2010- 2015
Regional Concentration				
Warehousing and Storage	8K	-5%	1.5k	-2.5%
Transportation Equipment Mfg.	16K	+29%	1.1K	+4%
Regional and County Concentration and Growth				
Support Activities for Transp.	6K	+37%	1.7K	+47%
County Concentration and County Growth				
Truck Transportation	14K	N/A	4K	+19%
Computer & Elect. Mfg.*	6K	+1%	3K	+74%
Motor Vehicle & Parts Dealers	N/A	N/A	4.8K	+7%
County Concentration but Industry Decline				
Fabricated Metal Product Mfg.	8K	-38%	4.3K	-75%

Total Jobs Within Blue River Valley Corridor (2002-2014)



Despite the regional concentration in industrial jobs, Corridor job growth has been sporadic. The table at left highlights key strengths at the metro area and county levels, focused on specific industries within the manufacturing and transportation/warehousing super sectors. Between Jackson County (which includes the Blue River Valley Corridor) and the Kansas City MSA, transportation equipment manufacturing has seen faster growth regionally, though support activities for transportation have been a growing area of strength. In contrast, fabricated metal product manufacturing has declined substantially at both the MSA and county levels, though it remains a significant employment sector in Blue River Valley.

**The source of a significant increase in Computer & Electronic Manufacturing sector jobs was not confirmed through this study. Additional analysis may be required to determine whether new employers or data reclassification generated this growth.*

Source: On The Map- U.S. Census Bureau, Bureau of Labor Statistics

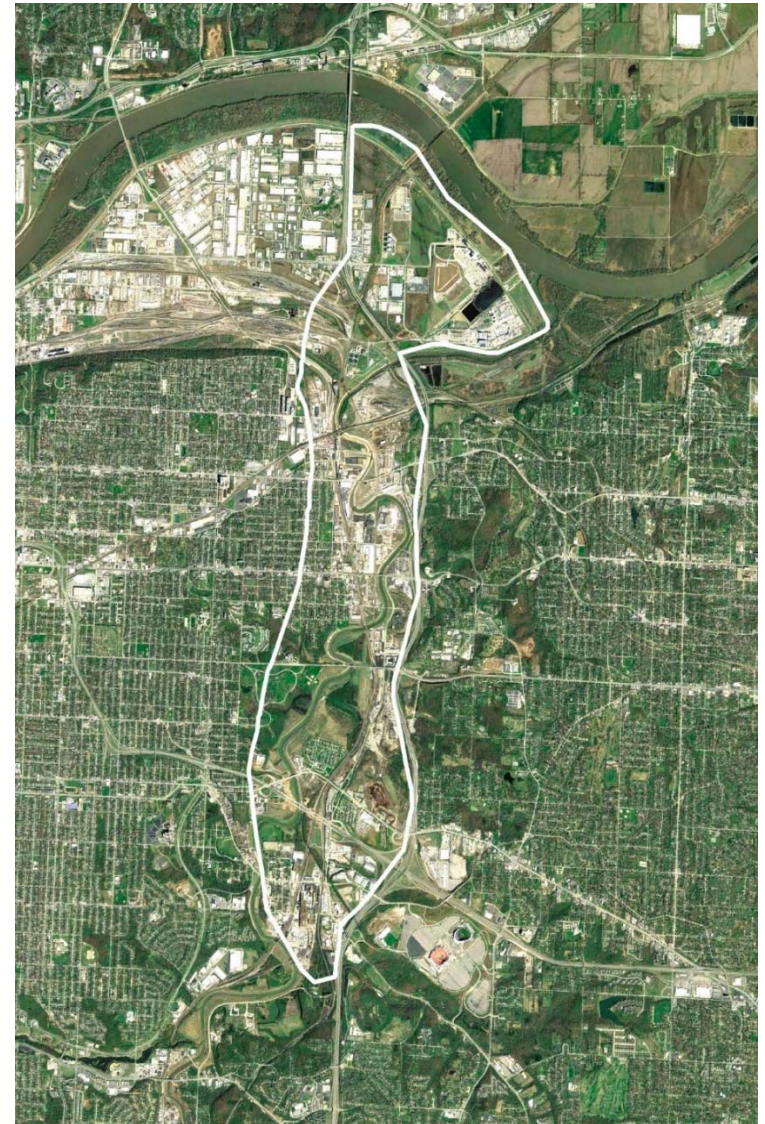
Employment | The Corridor can use its industrial strength to support regional growth industries and leverage nearby investment.

INDUSTRY OPPORTUNITIES

Based on industry concentrations in the Corridor and region, the HR&A Team has identified the following areas as potential industry opportunities:

- **Support activities for regional growth drivers**, including transportation equipment manufacturing and e-commerce
- **Advanced manufacturing** for electronic, and possibly transportation related, industries
- **Metal manufacturing**, and other historic Corridor strengths
- **Food production** and related research & development

These opportunities leverage the Corridor's well-established industrial base and emerging industries, such as the expected growth in food and agriculture businesses associated with the Hardesty Renaissance and Municipal Farm projects adjacent to the Corridor. Industry targeting should prioritize businesses that will bring jobs for residents of Kansas City's east side.



Physical Context | The Corridor is well-connected via rail and highway.

RAIL & HIGHWAY ACCESS

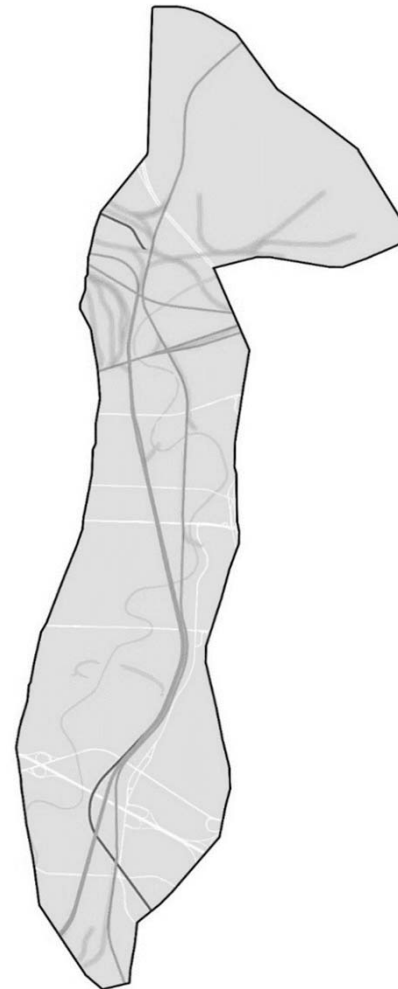
According to Colliers, “Kansas City allows goods to be delivered to 85% of the nation’s population within two days.”² Blue River Valley sits at the intersection of road and rail infrastructure that can provide great benefit to industrial users.

Kansas City ranks as America’s largest railroad hub by tonnage and serves as an important link for national transportation and distribution needs. The presence of Class I railroads – Union Pacific, BNSF, and Kansas City Southern – and the local Kansas City Terminal Railway creates opportunities for small and large rail customers to locate throughout the length of the Corridor.

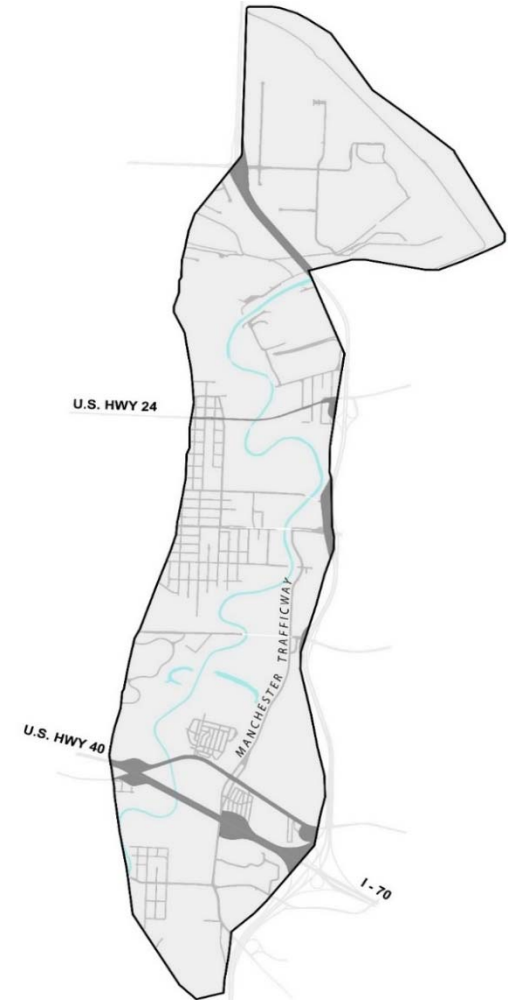
Additionally, the two major interstates that intersect in Blue River Valley provide significant local, regional, and national connectivity.

Corridor Railroad & Highway Networks

Rail Network



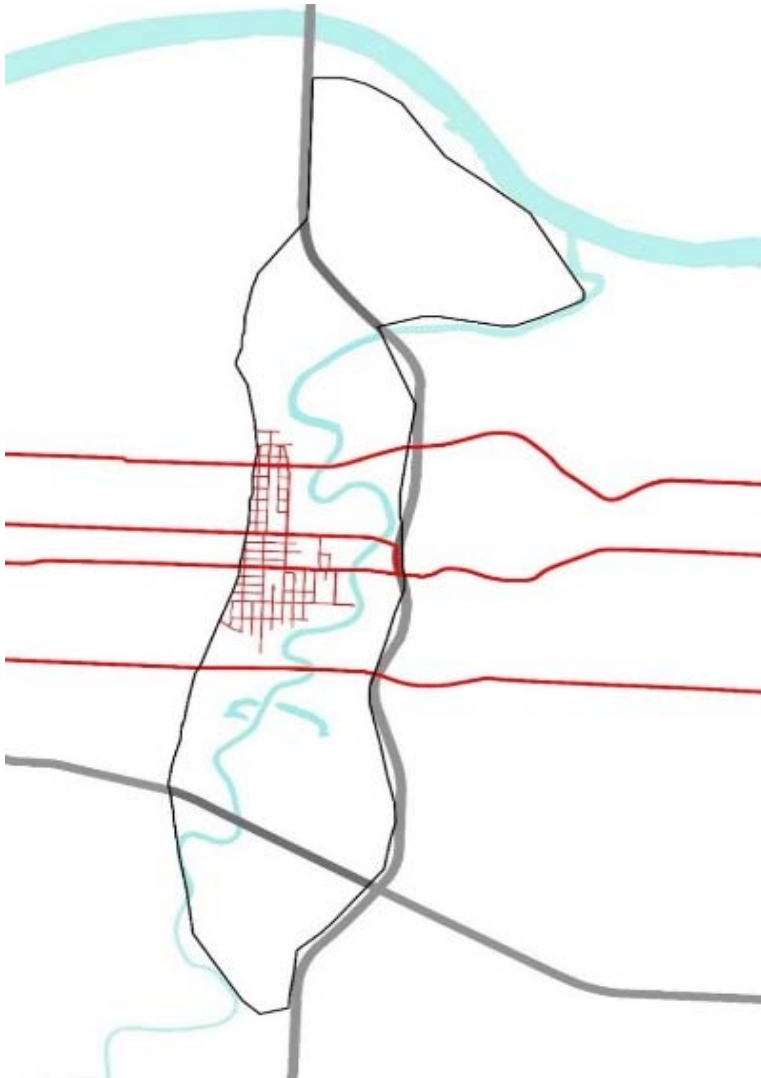
Highways & Roads



² Colliers International, 10 Emerging U.S. Industrial Markets to Watch

Physical Context | Inconsistent and incomplete roadways are a notable barrier to accessing the Corridor.

Current Corridor Roadway Access



Although the Corridor is well-connected via rail and highways, internal connectivity can be challenging. Independence, Truman, and 23rd provide east-west connections through the corridor, but rail crossings, limited wayfinding, and other factors create a difficult environment to navigate. North-south access is strong via the Manchester Trafficway in much of the corridor, but it terminates at Truman, limiting internal north-south connection for the northernmost sections of the Corridor.

Public transit access is also limited. Most east-west routes terminate before entering the Corridor and there are only two bus routes that run through the area. No transit routes provide north-south access within the Corridor.

This context creates significant barriers for attracting new businesses, facilitating the growth of current businesses, and providing easy access to residents and employees within the area.

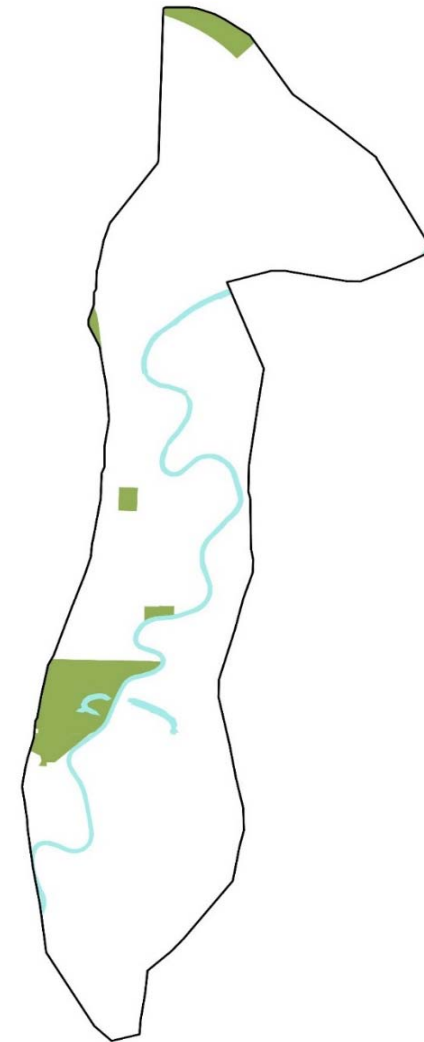
Physical Context | Nearby rivers and ample open space serve as key Corridor assets.

Blue River Valley benefits from its location at the convergence of two rivers. Two miles of Missouri River frontage provide potential future opportunities for recreational and intermodal uses. The central feature of the Corridor, the Blue River, has created significant flood risk and impediments to connectivity, but can serve as a valuable natural and recreational asset.

Park space currently comprises 260 acres, largely concentrated in Blue River Valley Park, while the Blue River covers 90 acres, resulting in 350 acres of natural or green space. Planning and design is underway for an expanded trail system in Blue River Valley, including sections from Swope Soccer Village to Colorado Bridge, Colorado Bridge to Stadium Drive, Stadium Drive to Corrington Park. These trails will provide important amenities for local residents, businesses, and employees.



Corridor Park Space



Source: HKS Architects

Physical Context | Flood risk, however, is a major environmental challenge.

100-Year Floodplain



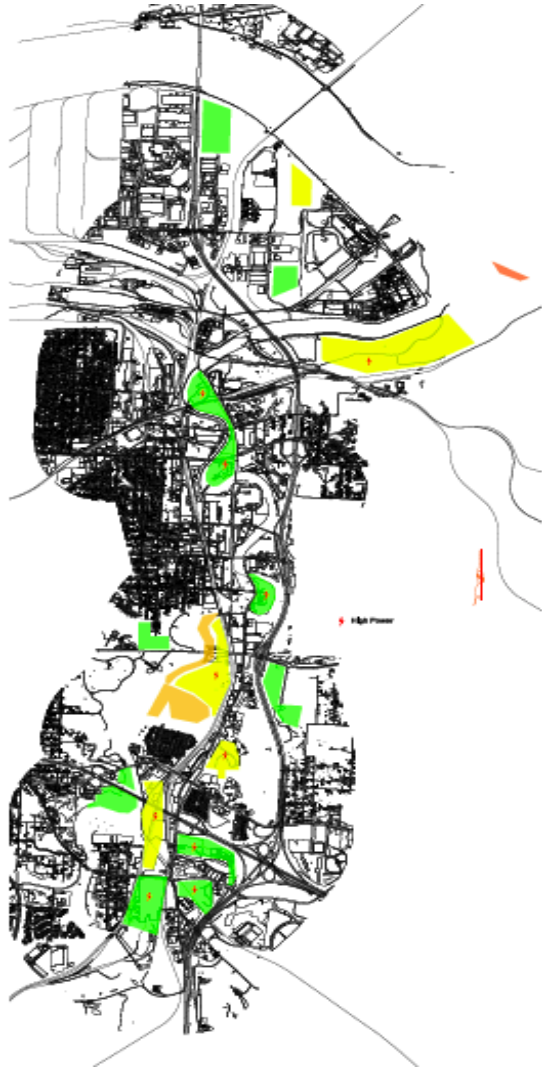
FLOODING RISK

Flooding has always been a challenge for businesses operating in Blue River Valley. Although the \$290 million, 30-year Blue River Channel Project significantly reduced flood risk, particularly in the northern sections of the Corridor, risk remains for numerous properties.

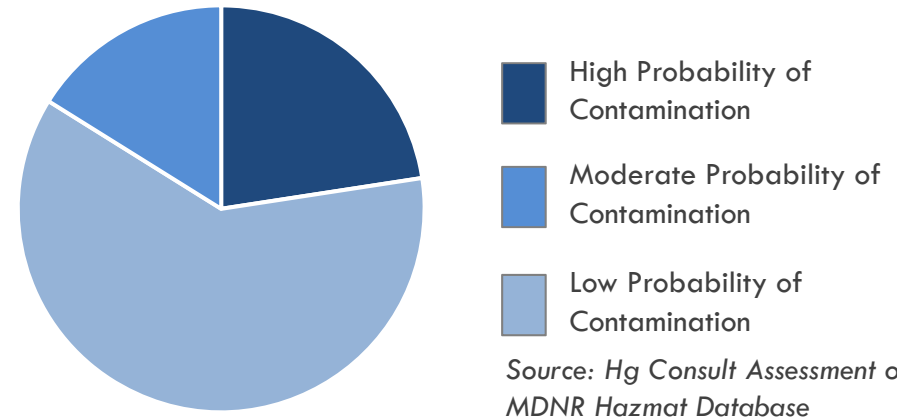
Currently about 1,500 acres, or more than 1/3 of the total Corridor, remain within the 100-year floodplain, according to FEMA's Flood Insurance Rate Maps (FIRMs) updated in early 2017.

Physical Context | History of industrial use creates both opportunities and challenges with utility networks and brownfield contamination.

Quality of Utility Access, Select Sites



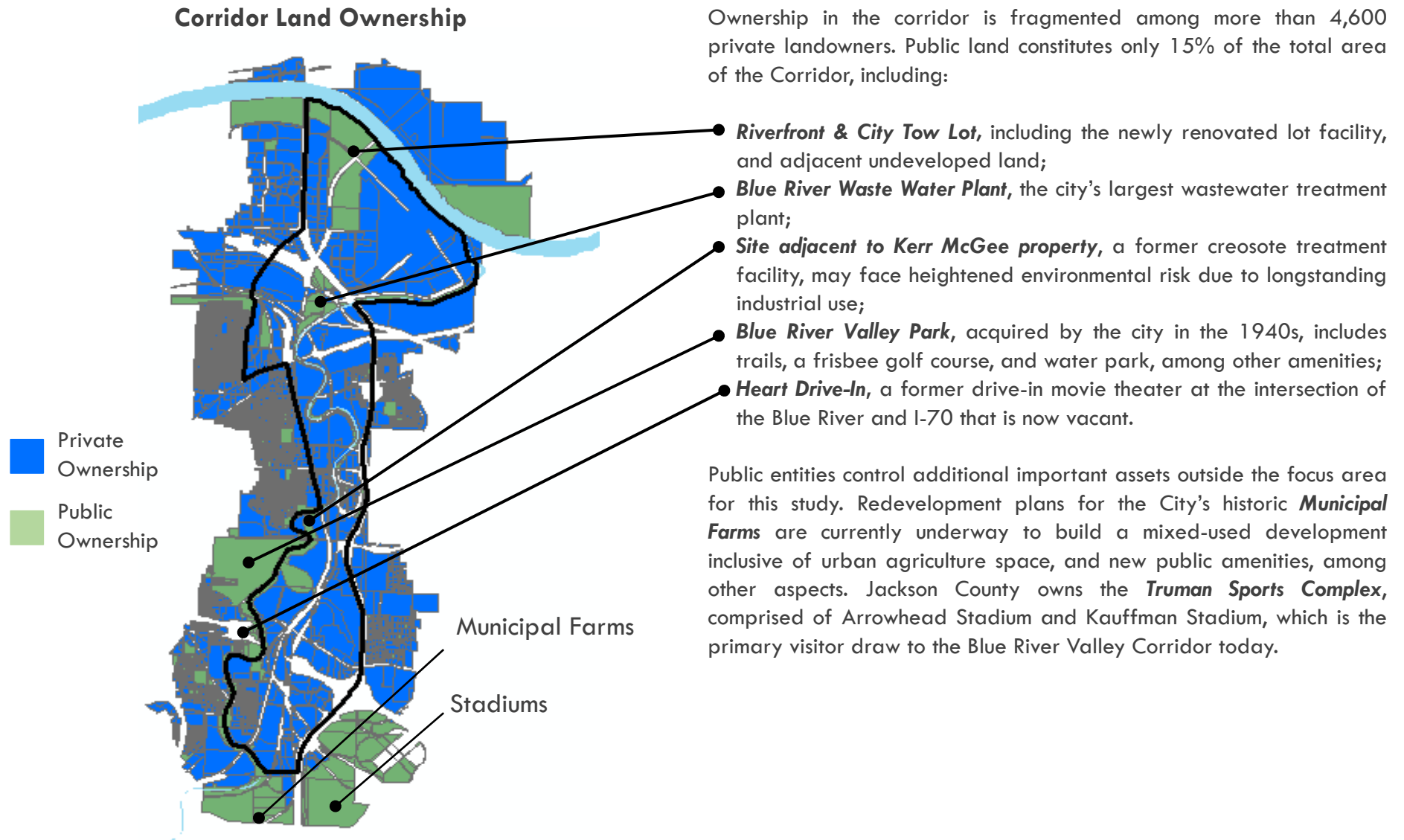
Assessment of Contamination Risk Blue River Valley Sites in MDNR Database



Relative to more suburban locations, Blue River Valley benefits from its historic role as Kansas City's heavy manufacturing hub for companies such as ARMO Steel. Blue River Valley users benefit from extensive high-capacity power coverage and utility service. However, business owners have highlighted challenges associated with aging water and stormwater infrastructure, which the City has begun to address.

Long-term industrial use has also left behind environmental contamination on many sites throughout the Corridor. Of the 62 Corridor sites in the MDNR Hazmat database, the majority of Corridor sites have a moderate to high probability of contamination, according to an evaluation by Hg Consult. While some sites are known to be contaminated and will require long-term remediation, such as the former Kerr-McGee facility, environmental conditions on many sites are unknown, creating risk for potential developers or investors. The City has undertaken some proactive evaluation of conditions in Blue River Valley, including the Soils Background Report in 2003, but unknown environmental conditions and existing contamination have been a barrier to investment and created challenges for existing companies seeking to expand.

Physical Context | Within the Corridor, there are limited concentrations of publicly-owned land.



Physical Context | Negative perceptions of the Corridor may impede tenant recruitment and development efforts.

North

Unattractive streetscape, navigation challenges



Central

Salvage uses, illegal dumping, lack of green space



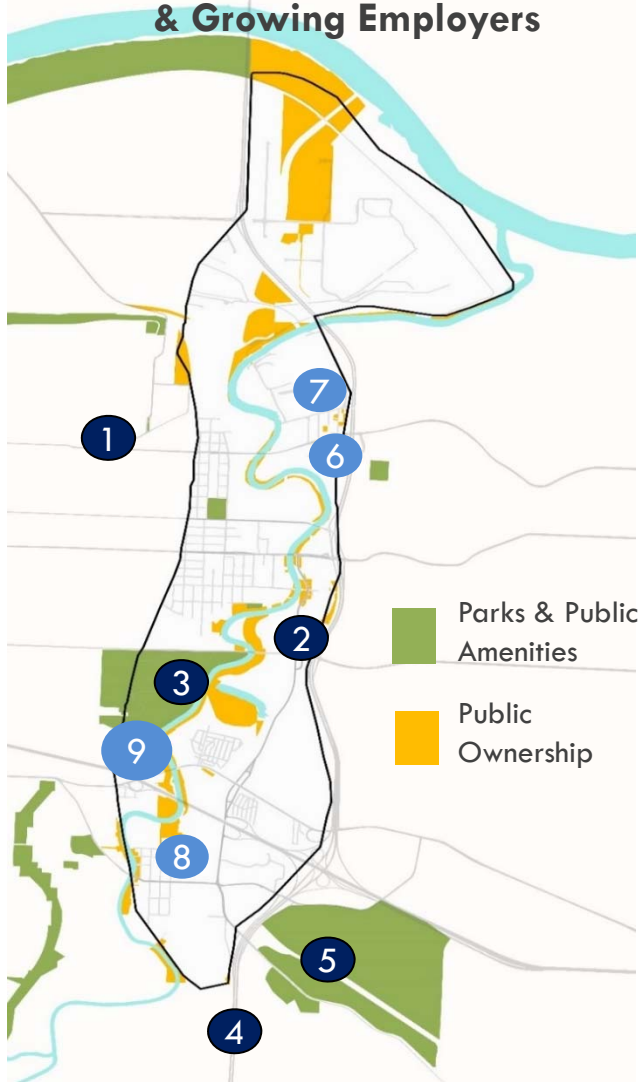
South

Navigation challenges, vacant parcels



Recent & Planned Investments | The Blue River Valley has several major assets and a select number of growing industrial employers.

Corridor Assets, Investments, & Growing Employers



According to the City, the Industrial Riverfront Area, which includes the Blue River Valley Corridor, has seen over \$1.3B in public and private investments since 2005. Select recent and planned investments in and around the Corridor can be leveraged as planning and investment advance.

- **Hardesty Renaissance:** Current plans for redeveloping this vacant site include bringing together commercial and residential uses with an emphasis on cultivating a local food hub and incubator space for new businesses.
- **Union Wire Rope:** Site redevelopment includes expanded manufacturing and distribution space to attract new industrial tenants.
- **Planned Trails:** Three new segments are in planning, including from Stadium Drive to Corrington Park within the Corridor. The City's adopted bike and trail plan is currently undergoing revision, and is expected to be completed in early 2018.
- **Municipal Farm Project:** Owned by the City, planners and community members envision this site with improved recreational amenities, mixed-use development, and urban agriculture, among other elements.
- **Stadium Complex:** The Truman Sports Complex consists of two stadiums, Arrowhead Stadium and Kauffman Stadium, which serve as home to the NFL's Kansas City Chiefs and MLB's Kansas City Royals, respectively.

Major Assets & Investments

- 1 Hardesty Renaissance
- 2 Union Wire Rope
- 3 Planned Trail Segment
- 4 Municipal Farm Project
- 5 Stadium Complex

Select Growing Employers

- 6 Custom Truck
- 7 Moly Cop
- 8 All Packaging
- 9 May Technology

Existing Conditions | Summary of Blue River Valley Opportunities & Assets

Industrial Infrastructure

420 Acres

Rail right-of-way

High-capacity
utility service



Rail Network

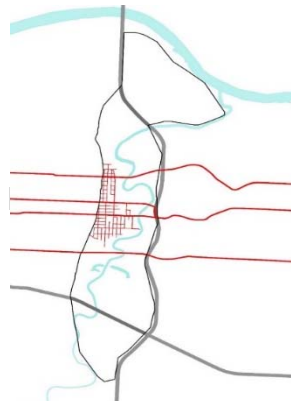
Location & Access

15-minutes

from downtown
KCMO & 100K+
workers

85%

of US population
within 2-day
drive/rail trip



Road Network

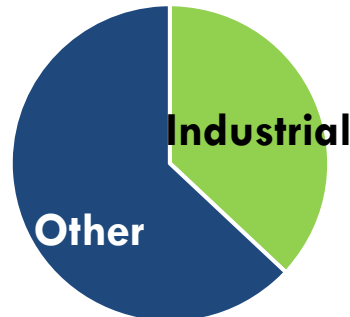
Manufacturing Focus

~50%

building area in
manufacturing use

~460 Acres

planned food
manufacturing /
ag facilities near
Blue River Valley



MSA Jobs

Recent Investment & Assets

\$290 million

floodway
improvements
completed

\$1.33 billion

recent public &
private investment,
Industrial
Riverfront area



Flood Control

Natural Amenities

134 acres

existing trails &
parks

2.5 miles

of Missouri River
frontage



Missouri River

Existing Conditions | Summary of Blue River Valley Challenges

Incomplete Connectivity

2 bus routes

Through Blue River Valley corridor

2+ miles

Blue River Valley corridor not served by Trafficway



Road Obstacles

Environmental Conditions

62 sites

in MDNR database

Unknown

Environmental conditions on many sites



Contamination

Flooding Risk

1,500 acres

in 100-year floodplain

1/3 of area
in floodplain



Flood Risk

Development Costs & Risks

50%+ higher
property, income, and utility taxes relative to region

20-60% lower
rents relative to other regional locations



Development Econ.

Limited Public Ownership

16%

land in the Corridor is publicly-owned

>4,600

private landowners



Ownership

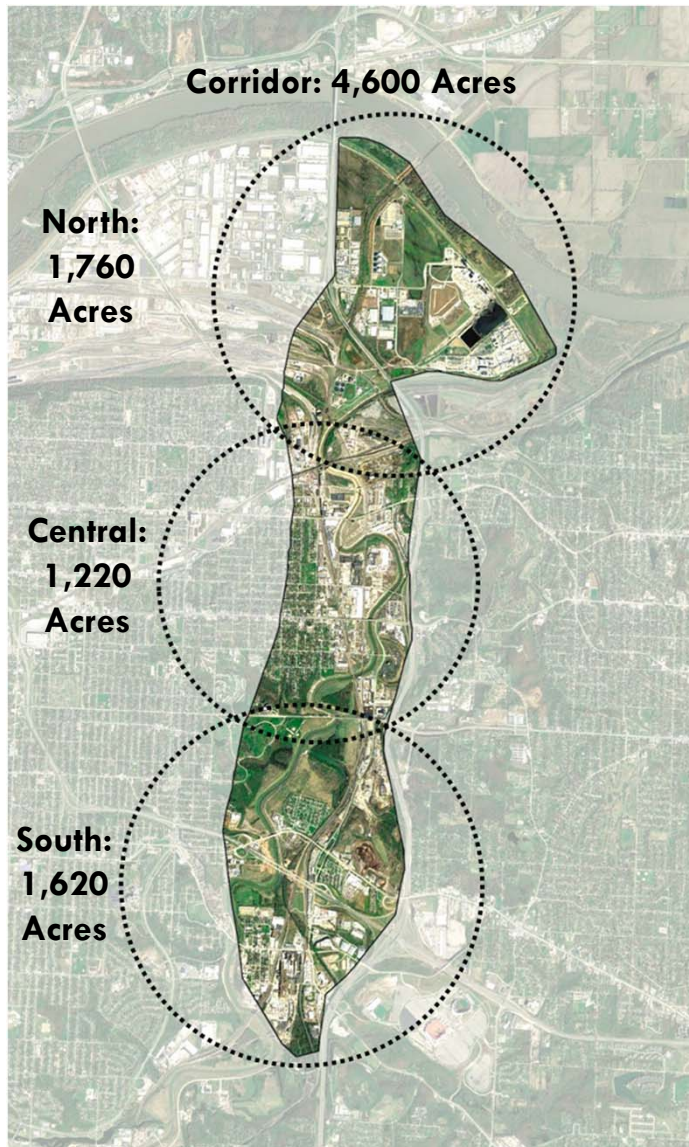
The Blue River Valley Industrial Corridor Vision

The Blue Valley Industrial Corridor is Kansas City's most **sustainable, multi-modal collection of manufacturing clusters**, with natural and employment connections that support the **community and economic development of Kansas City's East Side.**



BLUE RIVER VALLEY VISION & PLANNING FRAMEWORK

The Corridor is expansive. Managing this size means identifying key sites and areas of opportunity.



MANAGING THE SIZE

The Blue River Valley Corridor includes 4,600 acres of land along six miles of riverfront. While this large size creates a challenge for planning and investing, such an effort is not unprecedented. Revitalization efforts across the country – such as the Philadelphia, Detroit, and San Diego waterfront initiatives illustrated here – have seen significant investment and activation across corridors of similar size. These efforts, however, highlight the importance of segmenting a large area to target investments at unique needs and opportunities to maximize impact. Based on existing conditions and economic opportunities, the HR&A Team sought ways to segment the large land area based on existing conditions, economic opportunities, and site-specific potential.



Philadelphia



Detroit



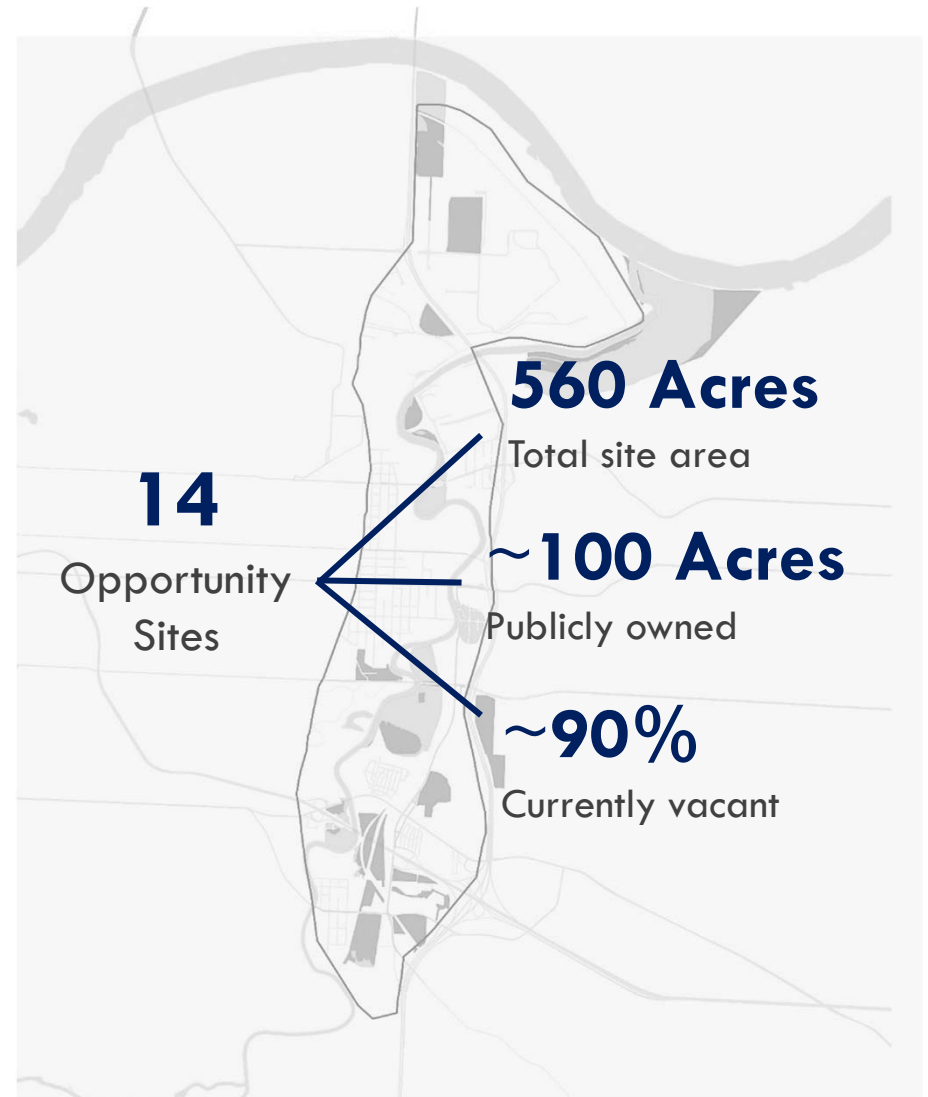
San Diego

Site Evaluation Approach | A range of criteria informed the process for identifying opportunity sites within the Corridor.

IDENTIFYING OPPORTUNITY SITES

Due to the Corridor's large land area, identifying opportunities and targeting public and private investment are essential. Based on a set of key criteria, the Team identified 14 opportunity sites (individual parcels or assemblages) with conditions that make them a potential target for investment and redevelopment by the public or private sector. Criteria included:

- **Vacancy** – vacant sites, as categorized by the City of Kansas City, represent opportunities for land acquisition, disposition, and development with flexibility to respond to shifting market conditions.
- **Ownership** – public ownership, though limited, offers the City greater control over future uses and development.
- **Size** – larger assemblages of consolidated ownership offer greater potential to reshape portions of the Corridor to align with a vision.
- **Flood Risk** – sites within the 100-year floodplain bring risks and costs that may limit future uses.
- **Environmental Risk** – unknown environmental status or known contamination can impact development potential.
- **Access** – future users will seek sites with sufficient road access for moving goods and attracting employees.



Opportunity Sites | Sites emerged that offer opportunities for future public and private investment to reactivate the Blue River Valley.

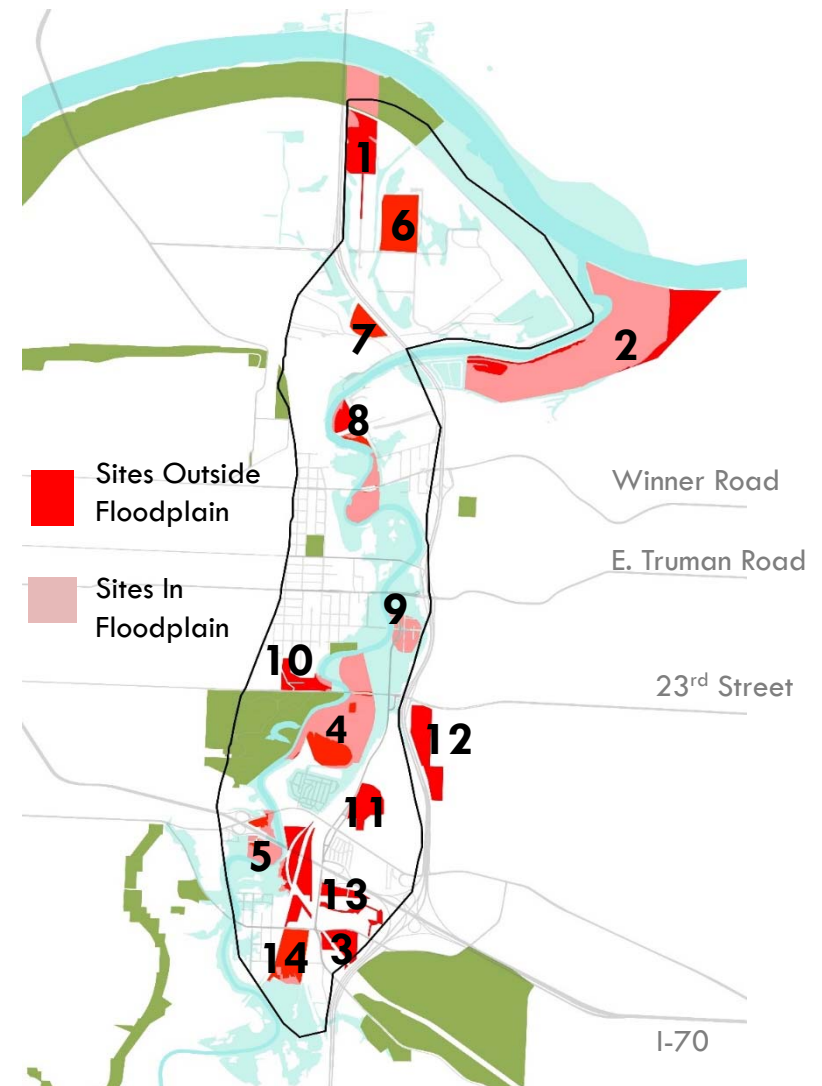
The 14 opportunity sites include a mix of publicly- and privately-owned sites, single parcels and assemblages, actively-used and vacant sites, and each with diverse environmental and flood conditions. They are divided into five key categories:

Near-Term Development Potential | Vacant sites with existing plans or demonstrated interest from the market.

1. **Riverfront Site:** 59-acre site owned by Universal Land Development Co. with strong utility networks, easy access, minimal flood risk, and no known brownfield risk.
2. **AK Steel Site:** 32-acre portion of former AK Steel property with strong utility access and road access but high flood and brownfield risks.
3. **Stadium IV Site:** 21-acre site with strong utility and site access, minimal flood risk, and no known brownfield risk.

Publicly-Owned Opportunities | Sites under public ownership with potential for near- or longer-term redevelopment.

4. **Kerr McGee:** 150-acre former wood treatment facility of mixed ownership (80 acres City-owned) with challenging access and long-term remediation needs under an environmental trust.
5. **Heart Drive-In:** 27-acre site at I-70 and Highway 40 with strong utility access, easy access, and no known brownfield risk, but within the 100-year floodplain.
6. **KCMO Tow Lot-Adjacent Land:** a 30-acre site adjacent to the recently renovated City Tow Lot with potential additional developable land.
7. **KCMO Vacant Site:** a 19-acre site adjacent to I-435 with challenging access, but outside the floodplain and with no current active use.



Opportunity Sites | Sites emerged that offer opportunities for future public and private investment to reactivate the Blue River Valley.

Opportunistic Potential | Privately-owned sites fitting multiple opportunity site evaluation criteria, with potential for development as public investments and market activity unlock potential.

8. **AK Steel Site:** 17-acre site with Missouri River access, but high risk of brownfield contamination.

9. **Centropolis Loop:** 21-acre site with multiple owners and operators, likely limited environmental risks, but significant flood risk.

10. **Clarkson Construction Site:** 24-acre site with strong utility access and minimal flood risk.

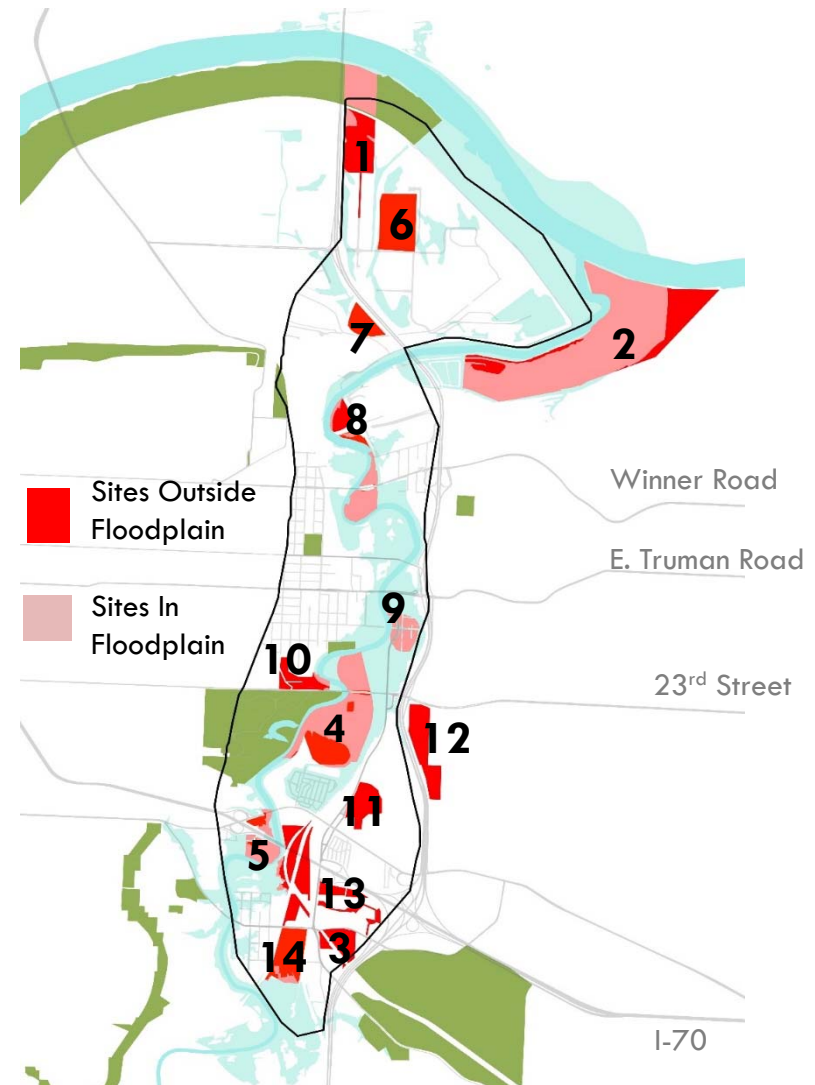
11. **Advantage Metals Site:** a 31-acre site with moderately challenging utility networks and access, minimal flood risk, and unknown environmental risks.

12. **Interstate Underground Site:** a 35-acre site with strong utility networks, easy access, and minimal flood risk

13. **Multiple Vacant Sites:** approximately 50 acres of contiguous vacant land under multiple owners with access challenges due to rail infrastructure, but potential opportunities for future use.

Longer-Term Potential | Sites under active use today, but with potential for long-term repositioning or investment.

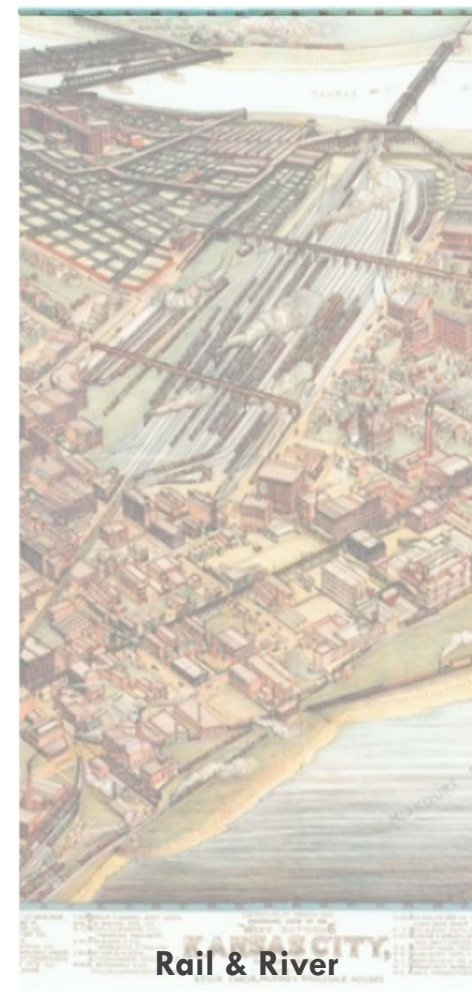
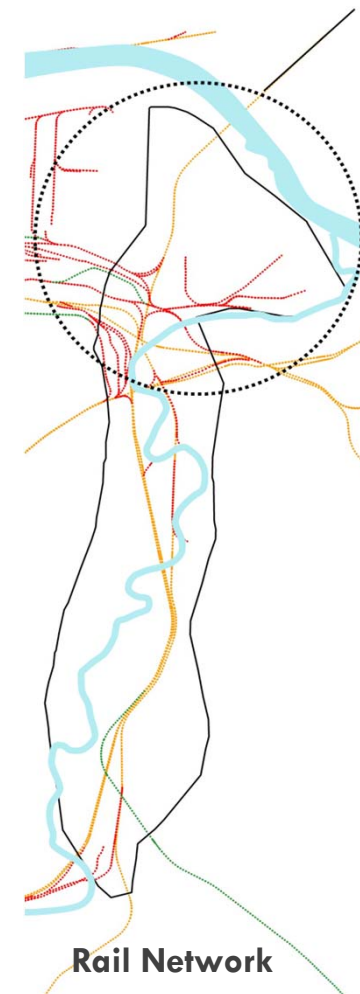
14. **Leeds Industrial Park:** the 47-acre former GM plant is actively used by a range of private industrial tenants, but is aging. With strong utility and road access and minimal flood risk, the site holds significant potential as a continued anchor for the Corridor.



North Segment | The North Segment has river and rail access but a deficient road network.

The North Segment has key transportation and distribution assets due to its established rail network and proximity to the Missouri River. Access may be improved with new roadways, which are currently lacking. The area has seen more recent investment than other portions of Blue River Valley, including ongoing improvements to Front Street, and has potential to become established as a key multimodal hub. With strong utility access and heavy industrial infrastructure, a range of industrial users may be drawn to this area.

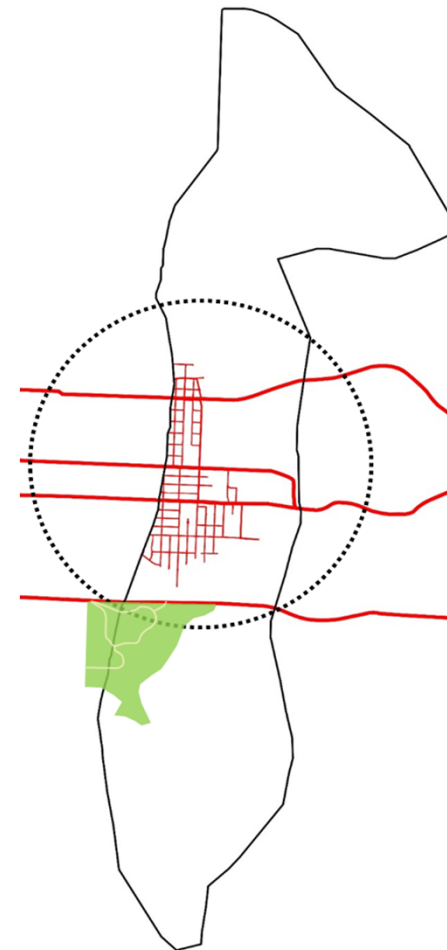
Area	1,760 acres
Key Industries	Trucking, logistics, auto parts & repair, agricultural products
Key Needs	Access – address road deficiency (road ROW comprises 80 acres, or 4% of land area, less than 1/4 of other segments) Assets – leverage rail & river access
Future Potential	Rail & River Major road investment Warehousing Heavy Industry Manufacturing & Food Industry



Central Segment | The Central Segment has the most East-West connectivity and neighborhood proximity.

The Central Segment has better east-west roadway access compared to other Corridor areas and the closest proximity to existing residential neighborhoods. The Blue River serves as a natural asset and opportunity for river-abutting amenities, including continued planning and investment in trails. The area is home to key expanding employers, such as Custom Truck, demonstrating the area's potential draw for industrial users seeking accessible proven industrial locations.

Area	1,220 acres
Key Industries	Warehousing, material handling, equipment rental, and auto salvage
Key Needs	Access – complete N/S access Green – green space (15% of land area, insufficient due to neighborhood proximity) Streetscape – improve perceptions
Future Potential	Neighborhood Transition Light Industrial Neighborhood Development Recreation



Road Network



Neighborhood Transition

South Segment | The South Segment has several major interstates and a large concentration of opportunity sites.

The South Segment has the most immediate supply of opportunity sites and benefits from the important intersection of I-435 and I-70. The former GM plant is a key anchor with future repositioning potential. Stakeholders indicate that artisans and maker spaces may be drawn to sites in this area, especially given ongoing displacement from West Bottoms. The diversity of sites provides opportunities for a range of industrial users. Spinoff activity from the adjacent Municipal Farm project may provide additional growth potential.

Area	1,620 acres
Key Industries	Recycling, waste management, equipment rental, and auto parts & repair
Key Needs	Access – connect opportunity sites to Trafficway (opportunity sites comprise 25% of land area, greatest supply in the Corridor)
Future Potential	Mixed Industrial Traditional Manufacturing Artisan & Maker Space Incubators Agricultural & Food Production



Opportunity Sites

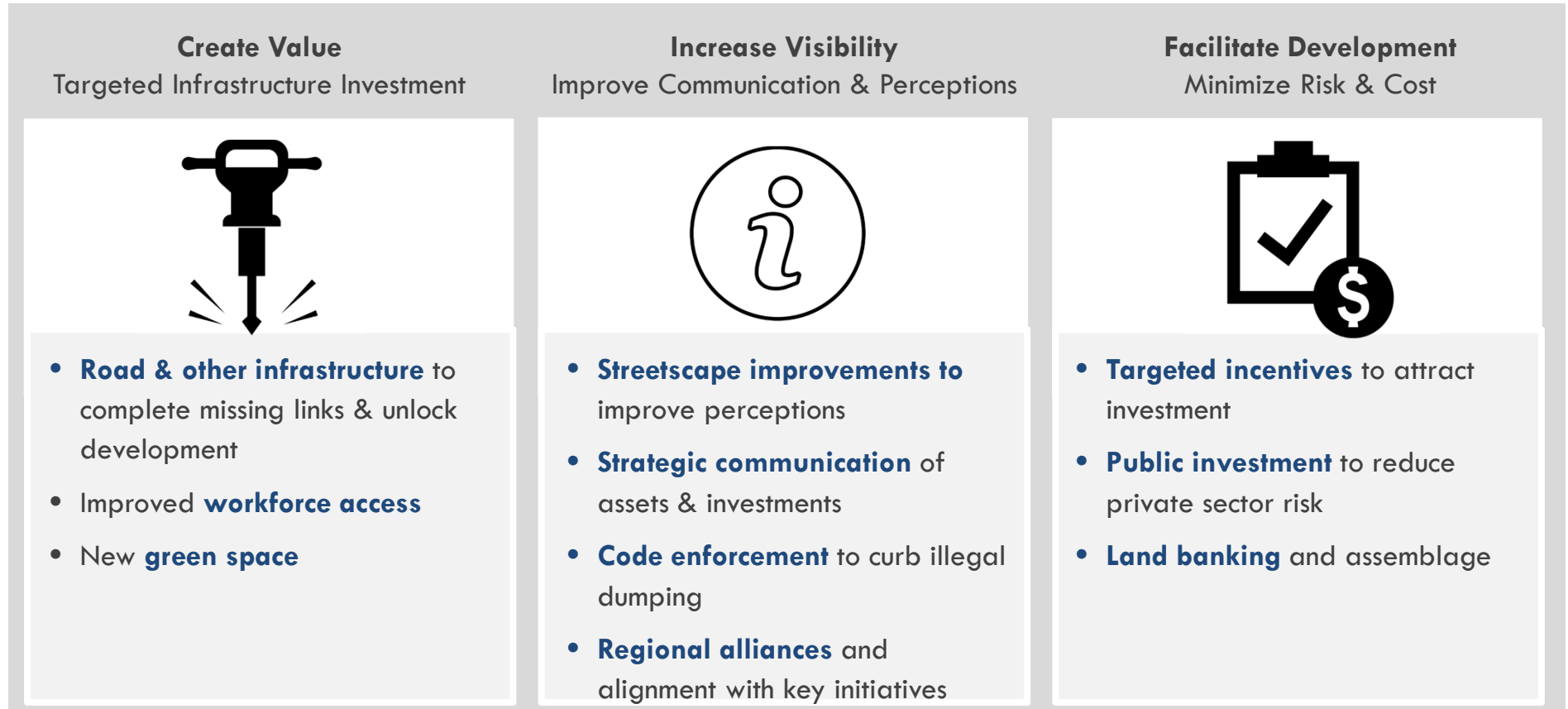


Mixed Industrial

IMPLEMENTATION STRATEGY

Implementation Approach | Advancing a vision for Blue River Valley will require a multifaceted and collaborative approach.

Implementing the interventions and strategies proposed in this study to reactivate the Blue River Valley will require a concerted and coordinated effort by public- and private-sector stakeholders. Infrastructure investments, communication, incentives, and other strategies will need to be phased and coordinated by existing and new entities. While recent or planned investment are already creating key assets in or around Blue River Valley, unlocking larger-scale transformative development that brings more activity and jobs to Blue River Valley will require significant resources targeted at counteracting and correcting the area's competitive challenges. This section outlines implementation considerations for the EDC and its partners.



Implementation Approach | The Menomonee Valley and Philadelphia Navy Yard offer useful precedents.

Menomonee Valley | Milwaukee, WI



In the 1900s, the Menomonee Valley was a key industrial hub focused on machinery, and rail car development, among other industries. By the end of the century, the Valley suffered from general industry decline, departure of businesses, and environmental contamination due to sustained industrial activities. In 1998, multiple partners jumpstarted collaboration efforts to revitalize the Valley. The **City of Milwaukee**, the **Menomonee Valley Business Association**, **Milwaukee Sewage District** and local **community groups** served as the primary stakeholders in planning efforts, and drafted a land use plan, focused on environmental rehabilitation and economic development initiatives.

Philadelphia Navy Yard | Philadelphia, PA



The Philadelphia Naval Shipyard was established in 1801 and operated as active Navy base and ship production area. Due to industry decline over time, the shipyard formally closed in 1996. In 2000, the **Philadelphia Industrial Development Corporation** (PIDC) acquired 1,000 acres of Navy Yard property on behalf of the **City of Philadelphia**. By 2004, the PIDC and City released a master plan for the Navy Yard and the PIDC led planning and redevelopment efforts. A important milestone for the Navy Yard was attracting URBN, the headquarter company of Urban Outfitters, Anthropologie, and Free People, which then jumpstarted property rehabilitation and office development.

Implementation Approach | The Menomonee Valley and Philadelphia Navy Yard offer useful precedents.

Menomonee Valley | Milwaukee, WI



Since 1999...
5K Jobs created
39+ Companies in Valley

Size: 1,200 Acres

Targeted Investments: Land use planning, site assembly, environmental testing, trails and recreational amenities, access & bridge improvements

Select Incentives: Brownfield remediation, workforce development

- Grants for brownfield assessment/ remediation; wage credits for employees living/working in defined area and deductions for property rehab

Project Steward: **Menomonee Valley Partners (MVP)**, a 501(c)(3) non-profit, created to lead public-private collaboration for Valley redevelopment

Philadelphia Navy Yard | Philadelphia, PA



Since 2000...
12K Jobs created
150+ Companies at Navy Yard

Size: 1,200 Acres

Targeted Investments: Redevelopment of office space by attracting first major tenant (URBN), gateway improvements

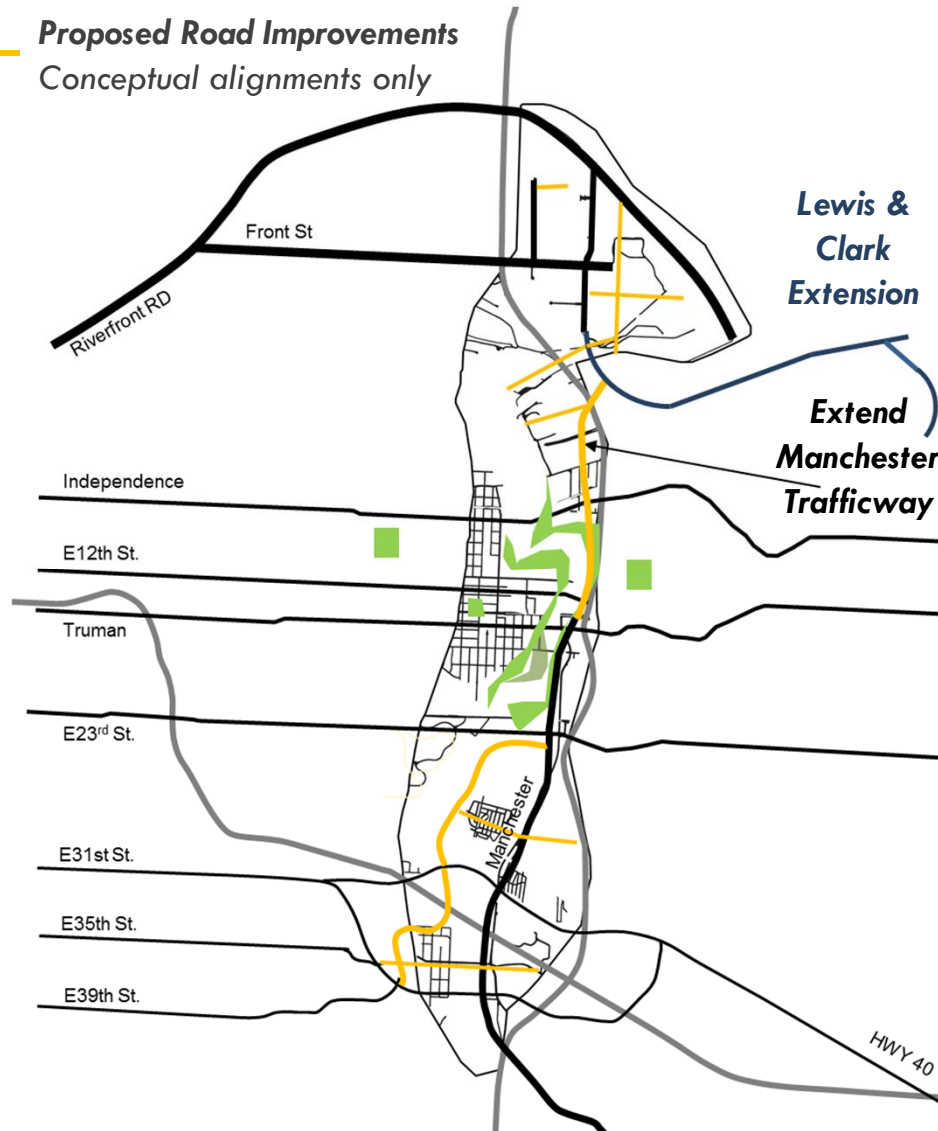
Select Incentives: Workforce development, R&D, new business / tech incubation

- Tax credits for specific targeted tech and R&D sectors; job creation tax credit

Project Steward: **Philadelphia Industrial Development Corporation (PIDC)**, a public-private economic development corporation leading redevelopment

Create Value | Investments in road infrastructure can improve connectivity and access, unlocking development potential.

Proposed Road Improvements Conceptual alignments only



PROPOSED ROAD INFRASTRUCTURE INVESTMENTS

To address the access challenges into and within the Corridor the Team identified conceptual road investments for consideration.

Northern & Central Segments - Adding new roadways in the Northern Segment will build on ongoing investments, including those to Front Street, to improve access and address the current road deficiency. Extension of the Manchester Trafficway through the Central and Northern Segments could complete the north-south road network within Blue River Valley, easing the movement of goods. Connecting with the contemplated Lewis & Clark Expressway Extension, for which right-of-way studies have progressed, would improve regional east-west and north-south connectivity, while a shared Blue River crossing for the two projects could limit costs.

Southern Segment – Road investments in the south should prioritize connecting opportunity sites and potential public and private development to the Manchester Trafficway, facilitating movement of people and goods from existing and future businesses to I-70 and I-435.

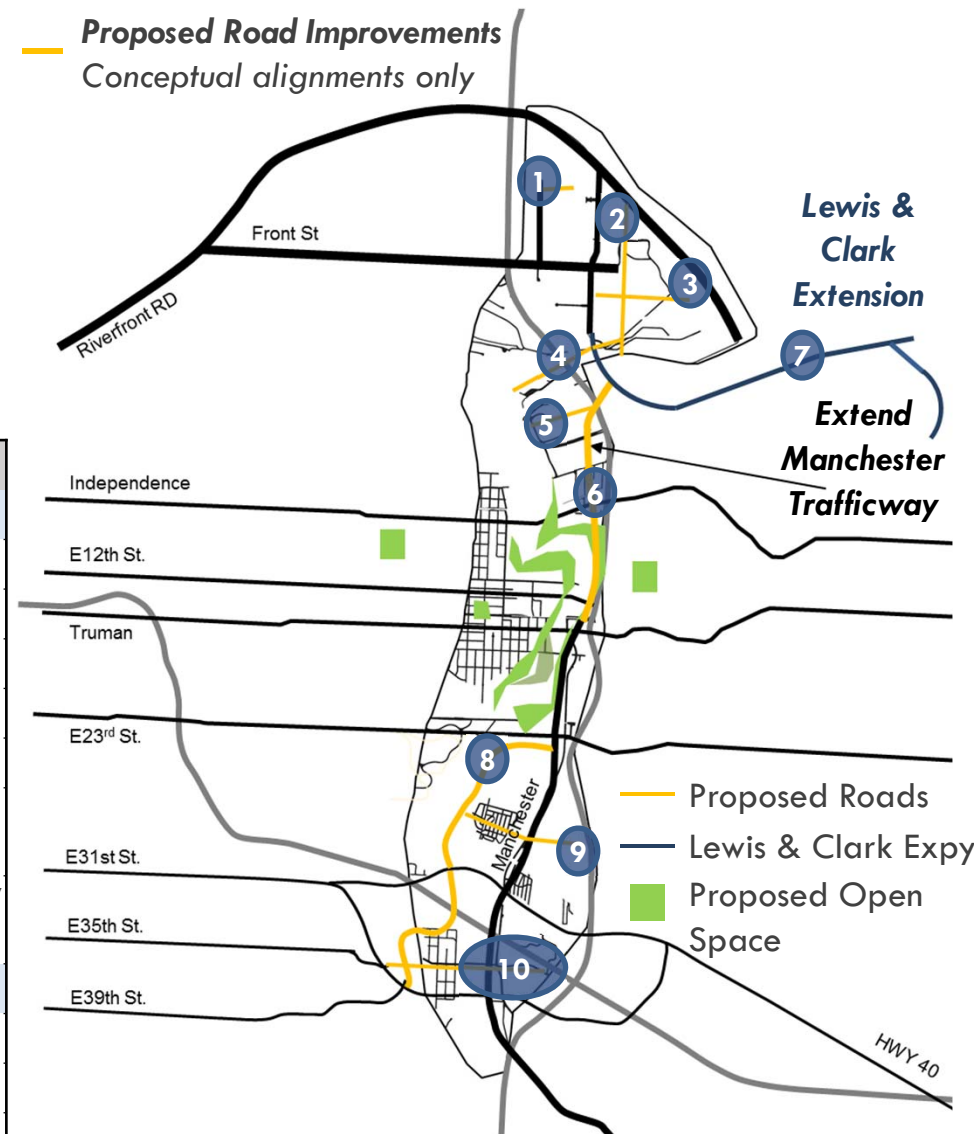
These proposed road investments and their alignments are preliminary and would require additional feasibility analysis, including assessment of implied rail crossings, bridge requirements, right-of-way, and traffic impacts.

Create Value | Infrastructure investments can improve connectivity, but strategic phasing is crucial.

The Team completed high-level cost estimates of contemplated road improvements, summarized below and detailed in the Appendix. The large-scale regional projects recommended in the north will be costly and require a longer timeframe for implementation. Given the development potential in the south, early investment in road infrastructure can create near-term return on investment by unlocking development potential and value. All phasing decisions should remain flexible and responsive to changing market conditions, funding sources, and new investment. For example, investment in multimodal operations in the Northern Segment could require earlier investment in regional connective infrastructure.

Estimated Road Costs (see appendix for more detail)

#	Cost	Key Considerations for Further Review
North & Central – \$93M Total		
1	\$2M	At-grade RR crossing
2	\$10M	Cooperation needed from KCP&L
3	\$4M	Cooperation needed from Bayer
4	\$5M	At-grade RR crossing
5	\$4M	At-grade RR crossing.
6	\$25M	Difficult alignment options, Right of Way and cooperation required from multiple parcels
7	\$43M	Lewis & Clark Extension (LCE) project. Status on hold, ROW plans submitted.
South - \$27M Total		
8	\$15M	At-grade RR crossings
9	\$7M	At-grade RR crossing
10	\$5M	At-grade RR crossing



Source: Hg Consult Analysis (includes hard & soft costs)

Create Value | Green space can serve as new amenities to attract recreational visitors and activity to the Blue River Valley.



GREEN SPACE INVESTMENT

New amenities such as more natural green space can attract new visitors back to the Blue River Valley and change negative perceptions of the area. Although green space may be developed throughout the Corridor, the Team identified the Central Segment as the area most in need of open space due to residential neighborhood proximity and the opportunity to leverage trail investment, including a trail segment from Stadium Drive to Corrington Park for which design has already been completed.

The addition of approximately 180 acres of new natural space and park space would create important amenities for residents and employees, create value for property owners, and increase connectivity options within the Corridor.

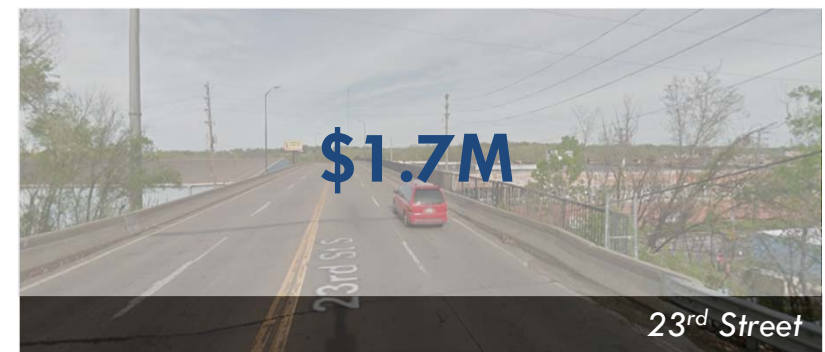
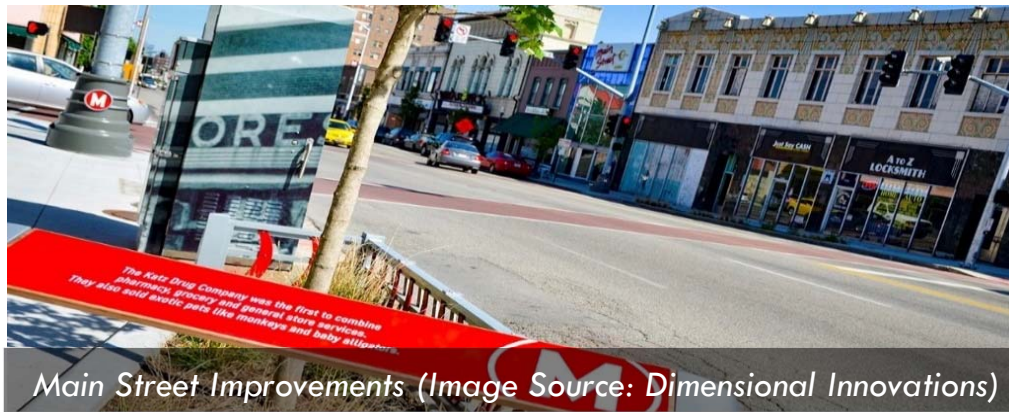
Source: HKS Analysis

Increase Visibility | While road investments will help unlock development, less costly interventions can help improve perceptions.

STREET FRONTAGE IMPROVEMENTS

Blue River Valley stakeholders consistently cite the uninviting and unattractive street frontages along key corridors as an obstacle to development. Limited improvements to streetscape, lighting, and resurfacing could greatly enhance the street experience, improving perceptions and creating value for property owners. Both Menomonee Valley and the Philadelphia Navy Yard successfully employed similar strategies. Independence, Truman, and 23rd provide crucial east-west connectivity, but present a lack of activity and vibrancy that can impact the perceptions of potential investors and city residents. Streetscape improvements along these corridors, **anticipated to cost approximately \$5.5M** including hard and soft costs, could not only help improve perceptions for potential investors, but also among regional residents who commute through the Corridor.

While Independence Avenue has the highest profile of east-west thoroughfares, early investments in 23rd Street could improve development potential of opportunity sites in the south segment. Additional traffic analysis and design would be required to assess feasibility and streetscape needs.



Source: Hg Consult Analysis (include hard & soft costs)

Increase Visibility | Public investment will need to be supported by targeted communications and marketing from Blue River Valley partners.

COMMUNICATIONS & PUBLIC RELATIONS APPROACH

Successful redevelopment efforts require a clear communication strategy that:

- Communicates the **assets and advantages** of the Blue River Valley
- Articulates a **clear and compelling vision**
- Informs potential investors of **recent and planned investment** in the corridor
- Raises awareness about the **incentives and tools** available to companies and developers seeking to invest in Blue River Valley

While a coordinated and centralized communication strategy will be necessary (see page 70 for partner roles and responsibilities), different audiences and messages require the engagement of multiple stakeholders in the near-term. Communication efforts will likely include:

- **The City** – provide clear commitments to investment in Blue River Valley
- **EDC, Greater KC Chamber, KCADC**– target communications and business recruitment efforts
- **Blue River Valley Industrial Association** – leverage strong leadership to attract new users
- **Blue River Valley Neighborhood Association** – leverage community voices to improve perceptions and attract new activity

Menomonee Valley | Milwaukee, WI



Early on in their efforts to revitalize the Menomonee Valley, Menomonee Valley Partners (MVP) drafted a **marketing strategy** to supplement the 1998 land use plan to serve as a guide for attracting new tenants to the area. As part of this process they outlined **partnership ideas** for economic development and outreach, and crafted a general **public relations approach** to disseminate updates on Valley progress. This marketing strategy was critical to the ultimate success of the project and helped spread awareness on policy changes and the business opportunities in the Valley.

Facilitate Development | The City, EDCKC, and local partners will need to address the particular risk factors affecting Blue River Valley.

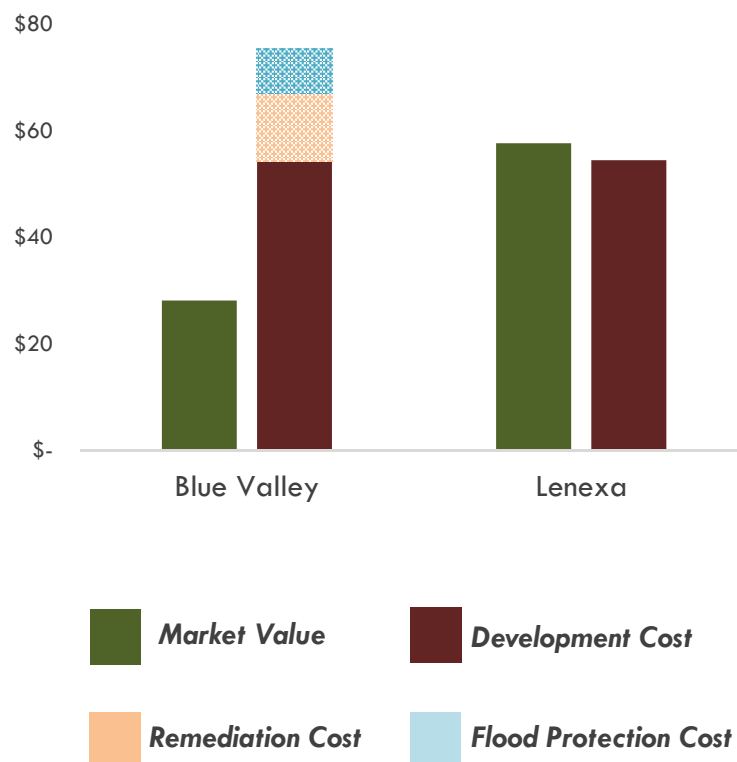
RISK FACTORS

Long-term activation of Blue River Valley will require a multifaceted approach to address the unique risk factors associated with development in the Corridor. The Team's high-level analysis and conversations with local landowners indicated that public action to increase revitalization will need to offset specific factors affecting feasibility, as summarized in the conceptual comparison between warehouse development in Blue Valley and Lenexa.

High-level feasibility analysis highlighted the economic challenges associated with development in Blue River Valley relative to an active industrial development market such as Lenexa. Assuming an industry standard industrial construction cost of approximately \$50 per square foot for both areas, site economics – including market rents, vacancy, and taxes – generate negative land value in Blue River Valley. Additional potential development costs in Blue River Valley that are difficult to estimate for a conceptual site, including remediation and flood protection, drive a larger gap between market value of new development and project costs. Other risk factors include:

- **Environmental conditions:** Cost and risk associated with unknown site conditions and/or documented contamination.
- **Flooding:** Site location within the 100-year floodplain, requiring additional insurance and consideration of flood risk.
- **Tax disadvantages & feasibility challenges:** Tax and fee disparities that increase operational costs.
- **Navigation:** Connectivity obstacles due to poor wayfinding and street conditions that challenge access for employees and goods.
- **Employee access:** Very limited transit access, particularly for East Side residents.
- **Negative perceptions:** Perceptions of Blue River Valley due to historical challenges that affect investment potential.

Conceptual Development
New Warehouse Construction



Facilitate Development | Several factors limit the impact of existing incentives in the Blue River Valley.

To date, existing incentives have had a limited impact in the Blue River Valley. First, a number of these incentives are only **regionally available**, which fails to provide a competitive advantage for development in the Corridor. Second, the incentives that are available provide **inadequate gap financing** to potential projects. Third, there are a limited number of **associated development costs** addressed by current Corridor incentives, not including extraordinary taxes, fees, environmental costs, and other risks specific to Blue River Valley. Because of these limitations, the current public incentives and tools available in the Blue River Valley have not consistently attracted large-scale investment in the Corridor.

Regional Availability



- Some KC, MO incentives are **regionally available**
- Additional bonds, tax abatements and/or designated districts **not targeted** to address Corridor-specific needs

Insufficient Financing to Fill Financial Gap



- Current incentives are **not enough to cover significant costs** associated with Corridor redevelopment

Limited Costs Considered



- Current Corridor **incentives address only certain costs**
- **Unknown costs** of other site needs (assessments, remediation, etc.) are not addressed by current incentives and tools

Facilitate Development | Existing and proposed incentives and financing tools can address cost and risk factors that have impeded development.

Existing and proposed public incentives and financing tools can address preliminary cost and risk factors that have traditionally impeded development. However, to date, only a limited set of incentives have been applied to projects in the Blue River Valley, and none are targeted specifically to address the risk factors unique to the Corridor. These incentives include an Enhanced Enterprise Zone Fund focused on job creation and new investment as well as a Planned Industrial Expansion Area (PIEA) focused on attracting new investment. The limited amount of recent private development in the Blue River Valley demonstrates that a comprehensive public-sector approach to reactivation will require thoughtful consideration of new incentives beyond those available today.

Existing Incentives Applied in Blue River Valley Corridor

Program	Incentive
Enhanced Enterprise Zone Fund	Support job creation and new investment. At a minimum, projects must be located within an Enterprise Zone, invest \$100K, and hire 2 full-time employees to receive 50% property tax abatement over 10 years.
Planned Industrial Expansion Area (PIEA) Property Tax Abatement	Address blighted areas by encouraging new investment. Projects addressing blight or unsanitary conditions may receive 100% of property tax abatement for 10 years and then 50% abatement on increased taxes for the next 15 years.

Facilitate Development | To build an effective strategy, future incentive policies for the Blue River Valley should follow four key principles.

Existing and proposed tools have not catalyzed significant redevelopment thus far or effectively targeted the specific costs and risks of the Blue River Valley in comparison to other regional industrial areas. To be effective, future incentives and financing tools should be:

Predictable

Where possible, incentives should be “as-of-right” for projects that meet key criteria to reduce the time of application and risks associated with unknown levels of public support.

Targeted

The minimum level of subsidies and incentives should be based on rigorous analysis of development feasibility and an understanding of specific site conditions.

Comprehensive

EDCKC should create a comprehensive package of incentives and financing tools that developers understand and can readily count on to address multiple risk factors for Corridor investments.

Publicized

Information about available resources and incentives must be publicly available and communicated to potential users.

Facilitate Development | Enhancing and expanding available incentives and financing tools would help attract investment.

RECOMMENDED INCENTIVES

For industrial development to be successful in Blue River Valley it is essential to expand the incentives available to potential developers. Policy changes may include **expansion** of current incentives, **creation of new incentives**, and **additional public sector support**. The public sector interventions described below, combined with targeted investment in the Corridor, would help create an environment for new development and industrial activity.

Expand KC, MO Incentives

Expand incentives available to potential Blue River Valley developers, such as deeper and longer subsidy through the Enhanced Enterprise Zone program.

Create New Incentives

Create **new incentives** that target specific Blue River Valley challenges:

- Provide earnings tax redirection for job creation, increasing attractiveness of Blue River Valley sites relative to sites outside KCMO
- Ease & relax but-for test for abatement eligibility
- Reduce franchise utility tax for new/growing companies to address extraordinary costs
- Provide abatement transfer credit for new investments to support developer investment within the Corridor.

Additional Opportunities

Explore **other targeted mechanisms** such as:

- Brownfield investigation and remediation financing support to supplement existing state and local programs
- Community Improvement District to leverage property value for ongoing marketing, maintenance, public safety, and other uses. Additional analysis of the cost implication for property owners would be required to assess feasibility.

Facilitate Development | Public sector actions will likely need to go beyond road investments.

ADDITIONAL DEVELOPMENT SUPPORT

The Corridor will require a range of additional investments and public sector intervention to effectively catalyze new activity:

- **Land Control & Assembly** – Monitor land availability and strategically target land acquisition and assembly for future disposition, joint development, or investment in community amenities consistent with the Blue River Valley vision.
- **Other Infrastructure Needs** – Address concerns of existing landowners related to stormwater management, aging infrastructure, and wayfinding needs, among other actions.
- **Flood Mitigation** – Lead site-specific or district studies to identify potential for additional flood protection measures to lower cost and risk of development of key sites, particularly publicly owned sites.
- **Public Transit** – Improve access for employees into and within the Corridor by adding/expanding new bus routes.
- **Public Safety** – Address business owner concerns about public safety, especially property theft, by expanding police presence and other security measures.
- **Remediation and Site Preparation** – Complete Phase I & Phase II site assessments, lead active remediation and other related site preparation and/or site elevation efforts to lower barriers to entry. Communicate site readiness to attract development
- **Site Studies:** Conduct additional studies such as brownfield, traffic, and related analyses to inform decision-making, cost considerations, and development priorities.

Example - Heart Drive-In Site



Opportunity: 27-acre City-owned site

Challenge: Site in 100-year floodplain

Potential Response: Elevate site to unlock disposition and development potential at an estimated cost of \$1-2M

Roadmap | Adequate focused staff and resource capacity will be essential to catalyzing redevelopment in the Blue River Valley.

PARTNER ROLES & RESPONSIBILITIES

While a range of partners will need to contribute to long-term planning and implementation for Blue River Valley revitalization, effective implementation will require the kind of focused attention and capacity that brought success in the Menomonee Valley and the Philadelphia Navy Yard. One of two alternate paths for achieving this focused capacity can bring similar success to the Blue River Valley:

- Ensuring dedicated and focused staff capacity within the EDC and/or City; **or**
- Creating a new organization or expanding the scope of a local partner, such as the Blue River Valley Industrial Association, to spearhead Corridor redevelopment efforts

Collaborating roles and responsibilities may include:

- **City of Kansas City** – lead area planning and infrastructure investment
- **Economic Development Corporation** – lead business recruitment and retention efforts and incentive policy implementation
- **Blue River Valley Industrial Association** – lead advocacy and engagement with existing and potential industrial users
- **Blue River Valley Neighborhood Association** – lead neighborhood engagement
- **Metropolitan Community College** – lead workforce development efforts by coordinating student academic and training programs with identified industry needs
- **Kansas City Area Transportation Authority** – lead planning and implementation efforts for new transit investments and establish new public transit routes for improved access.



Roadmap | Precedents provide lessons on the importance of dedicated capacity for redevelopment efforts.

Menomonee Valley | Milwaukee, WI



**Menomonee Valley Partners
(MVP)**

Menomonee Valley Partners is a 501(c)(3) non-profit organization, established in 1999, to lead **public-private coordination** and Menomonee Valley **redevelopment**.

MVP currently has three full-time staff members and is governed by a Board of Directors with representatives from Valley businesses, Marquette University, and city and state departments (Milwaukee Metropolitan Sewerage District, Milwaukee Dept. of City Development, Wisconsin Department of Natural Resources), among others.

Philadelphia Navy Yard | Philadelphia, PA



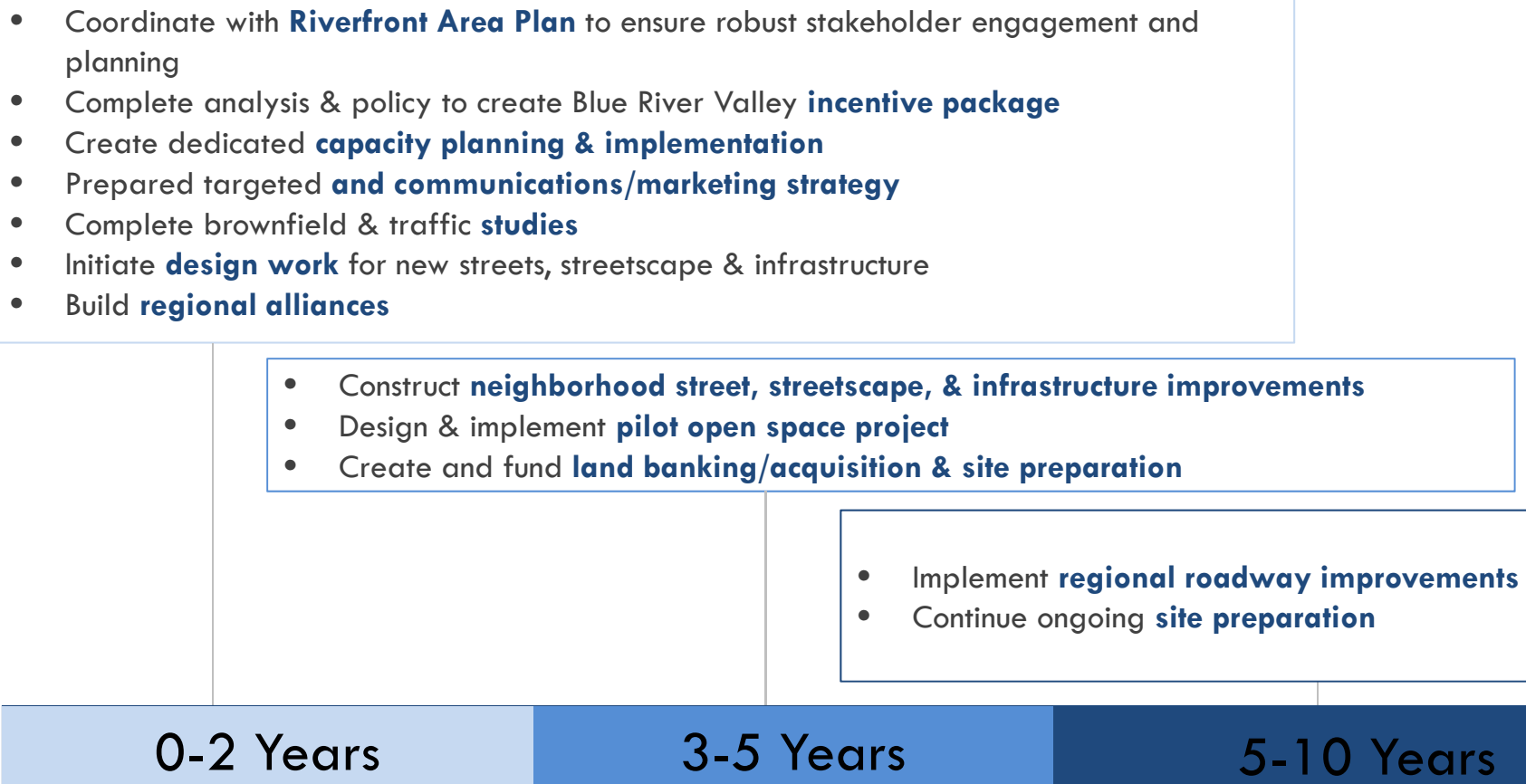
**Philadelphia Industrial
Development Corporation
(PIDC)**

The Philadelphia Industrial Development Corporation (PIDC) is a non-profit quasi-public economic development corporation and leads all **master planning, development, and management** aspects of the Philadelphia Navy Yard.

PIDC was established by the City of Philadelphia and the Greater Philadelphia Chamber of Commerce in 1958 and manages an array of investments and development efforts in Philadelphia. In 2000, The PIDC bought Navy Yard property on behalf of the City and began redevelopment planning.

Roadmap | Implementation of a vision for the Blue River Valley will require strategic near- and long-term activities.

Early planning and investment should focus on building tools and institutional capacity, achieving early wins, and kickstarting design and planning for infrastructure investments. The upcoming **Industrial Riverfront Area Plan** provides an opportunity to engage the community and carry forward the analysis and planning initiated through this Opportunity Assessment. The Team proposes the following timing of foundational steps to address basic Corridor needs and increase economic activity and job creation in the Blue River Valley revitalization over the next ~10 years.





Blue River Valley Redevelopment Opportunity Assessment

Completed by: **HR&A**
Analyze. Advise. Act.

HKS

Hg Consult
Inc engineers
planners

el dorado INC

PA
+

On behalf of: **edc**
ECONOMIC DEVELOPMENT CORPORATION

August 2017

APPENDIX

Appendix | Cost Estimates for Road Investments (Annotated Map on Next Page)

Cost Estimates							
	Unit Cost Per LF	L.F.	Construction Costs	Design (15%)	Utilities (10%)	Constr. Inspection (5%)	Total Cost
Corridor Streetscape Improvements							
<i>Independence / Winner</i>	\$300	5000	\$1,500,000	\$225,000	\$150,000	\$75,000	\$1,950,000
<i>Truman</i>	\$300	4000	\$1,200,000	\$180,000	\$120,000	\$60,000	\$1,560,000
<i>23rd Street</i>	\$300	4300	\$1,290,000	\$193,500	\$129,000	\$64,500	\$1,677,000
Road Improvements							
North & Central							
1	\$1250	1500	\$1,875,000	\$281,250	\$187,500	\$93,750	\$2,437,500
2	\$1250	6150	\$7,687,500	\$1,153,125	\$768,750	\$384,375	\$9,993,750
3	\$1250	2450	\$3,062,500	\$459,375	\$306,250	\$153,125	\$3,981,250
4	\$1250	3100	\$3,875,000	\$581,250	\$387,500	\$193,750	\$5,037,500
5	\$1250	2450	\$3,062,500	\$459,375	\$306,250	\$153,125	\$3,981,250
*6	\$1500	10500	\$19,500,000	\$2,925,000	\$1,950,000	\$975,000	\$25,350,000
7			\$33,000,000	\$4,950,000	\$3,300,000	\$1,650,000	\$42,900,000
North & Central Total							\$93,681,250
South							
8	\$1250	9500	\$11,875,000	\$1,781,250	\$1,187,500	\$593,750	\$15,437,500
9	\$1250	4250	\$5,312,500	\$796,875	\$531,250	\$265,625	\$6,906,250
10	\$1250	3200	\$4,000,000	\$600,000	\$400,000	\$200,000	\$5,200,000
South Total							\$27,543,750

* Assumes 9,500 Lin. Ft. of Roadway, 1,000 Lin. Ft. of Bridge at \$100/S.F., plus one signal.

Source: Hg Consult

Appendix | Map of Proposed Road Investments

