

FACT SHEET: Typical Modern Streetcar Funding Sources

Streetcars require large initial capital investments including laying down rails and purchase of cars. Unlike light or commuter rail, there is little to no acquisition of land required for modern streetcars as the cars run along existing traffic lanes. Land acquisition is sometimes required for the location of a streetcar storage and maintenance garage, otherwise garages are located on municipal property when possible.

The mix of funding sources varies widely from city to city but are usually comprised of a large contribution from federal and regional transportation agencies followed by local funding and proceeds from specially designated development districts.

Like Kansas City, many cities have taken a phased approach to modern streetcar construction beginning with a shorter route followed by second third and lines.

Examples of Streetcar Cities, Costs, and Funding

Kansas City KC Streetcar Main Street Extension – Preconstruction 2021

- Estimated \$351 million with 3.6-mile route serving Midtown, Westport, the Art Museum District, the Plaza, and the University of Missouri-Kansas City (UMKC).
- Funding: \$174 million in federal funding with other half from a new local funding source approved by voters in 2018 with the establishment of the Main Street Rail Transportation Development District (TDD).

Milwaukee The Hop – opened 2018

- \$128.1 million with 2 miles of initial track connects Milwaukee Intermodal Station and Downtown to the Lower East Side and Historic Third Ward.
- Funding: Federal of \$69.1 million including \$10 million, 12-year sponsorship deal with naming rights between the Potawatomi Native American community and the city of Milwaukee.

Cincinnati Bell Connector – opened 2016

- \$148 million
- 3.6-mile of track connects Cincinnati's riverfront at The Banks, Downtown and Over-the-Rhine.
- Funding: Variety of sources: Federal 30% with balance from local taxes, private sources, and selling land. Cincinnati Bell purchased naming rights to the streetcar system in 2016 for \$3.4 million for the next 10 years.

Seattle First Hill Streetcar – opened 2016

- \$134 million with 2.5 miles of track between several neighborhoods in central Seattle, including the International District, First Hill, and Capitol Hill neighborhoods.
- Funding: Primarily by the regional transit authority and a business improvement district.

Tucson Sunlink – opened 2014

- \$196 million with 3.9 miles of track
- Funding: Federal \$73 million, regional \$75 million, municipal and local \$45.6 million, private contributions of \$2.9 million