



2024-2029 Comprehensive Economic Development Strategy

for Metropolitan Kansas City

MID-AMERICA REGIONAL COUNCIL
on behalf of the Mid-America Regional Council
Economic Development District

600 Broadway, Suite 200 | Kansas City, MO 64105
816-474-4240 | www.marc.org

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MARC

MID-AMERICA REGIONAL COUNCIL

600 Broadway, Suite 200
Kansas City, Missouri 64105
816-474-4240 • marc.org

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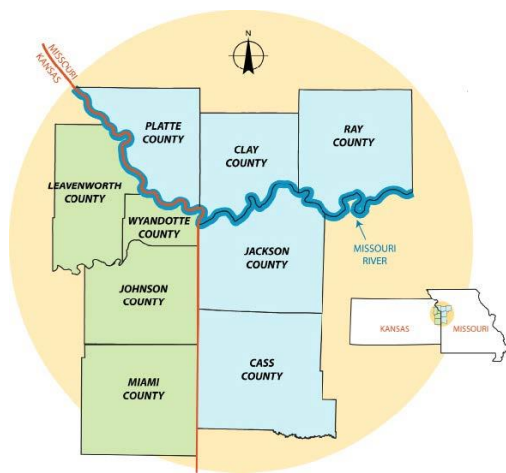
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EXECUTIVE SUMMARY

PURPOSE OF THE CEDS

The 2024-2029 Comprehensive Economic Development Strategy (CEDS) for Metropolitan Kansas City was prepared by the Mid-America Regional Council (MARC) with public participation from key stakeholders. The CEDS provides a continuing regional economic development planning process designed to capture the driving forces guiding economic growth, resilience and inclusive prosperity. Contributions to the data and SWOT analyses, policy framework, action plan and performance measures were under the review and guidance of the Regional Workforce Intelligence Network (RWIN) and its CEDS Strategy Committee. The plan was adopted by the MARC Board of Directors on September 23, 2024.

As the region’s designated Economic Development District (EDD), MARC has the responsibility to develop and maintain the CEDS in accordance with the requirements of the U.S. Department of Economic Development Administration (EDA). A new CEDS is required at least every five years to qualify for funding through EDA’s Public Works and Economic Adjustment Assistance Program. Funding eligibility is extended to communities and organizations in the region to carry out the plan’s strategies through infrastructure and planning projects that benefit economically distressed communities and populations.



Greater Kansas City Region

EDA promotes the federal economic development agenda through innovation, competitiveness and collaboration helping to prepare regions for growth and success to advance national and regional economic goals. Efforts focus on strategic investments to foster job creation and attract private investment to support development in economically distressed areas and in areas that require assistance to recover from emergencies and natural disasters.

The Economic Development District includes Cass, Clay, Jackson, Platte and Ray counties in Missouri and Johnson, Leavenworth, Miami and Wyandotte counties in Kansas.

EMERGING NATIONAL PRIORITIES

The strategy proposed for 2024-2029 is informed by previous CEDS planning efforts and forward-thinking leadership. The 2022 CEDS update incorporated resilience and equity policies to address pandemic-era economic challenges. Recent work by KC Rising, a business-led civic collaborative, has identified metrics to measure the region’s economic competitiveness and growth toward inclusive prosperity. Climate Action KC is working with MARC to create a more sustainable region through mitigation, adaptation and resiliency measures to reduce greenhouse gas emissions.

Further, the UMKC Innovation Center’s recent report on the state of small business reveals opportunities to support the region’s entrepreneurial ecosystem. Respondents to a recent public opinion survey as part of the Connected KC 2050 regional transportation plan update process identified affordable housing options, road and bridge options, and a healthy environment as top regional priorities for the next five years.

And, work on behalf of the Civic Council of Greater Kansas City by Bruce Katz, founder of New Localism Associates and Accelerator for America, provides insights into new national economic priorities and how the region can respond competitively to take advantage of driving forces and local assets to support economic growth.

To measure progress, KC Rising benchmarks the **region against ten aspirational metros** that historically have done a little better than Kansas City on growth, inclusion, or both, and that the region continuously competes against for economic development projects. These metros are Austin, Charlotte, Cincinnati, Columbus OH, Denver, Indianapolis, Minneapolis, Nashville, Portland, and Raleigh.

Early Identification of Opportunities to Unlock Kansas City's Assets in Critical Technologies

Biotechnology & Medical technology

KC shows a strong positioning in this technology prioritized by the US government and highly interconnected to the local life sciences cluster.

Advanced energy efficiency technologies

Cross-sectoral players (construction, batteries, suppliers) that could position the region on these technologies that are essential to the energy transition.

Data storage, Data mgmt. & Cybersecurity

The region has important federal agencies (such as FBI-Kansas City Division; Fort Leavenworth) with strong cybersecurity activity, and a rich ecosystem of organizations and chambers.

Grid & Microgrid

A coordinated ecosystem of construction firms, utilities and R&D could position KC to tap into the growth opportunities driven grid expansion.

Automotive supply chain: EVs & Batteries

The ecosystem of suppliers and OEMs, alongside recent Panasonic’s investment and the ongoing transition to EVs renew the opportunities for KC.

Transportation & Logistics Hub

Nearshoring is strengthening trade within the US and across the North Triangle, with KC strategically positioned to attract investments in tradable sectors.

Federal Assets

Including the National Bio and Agro-Defense Facility, along with the US Army Command and General Staff College at Fort Leavenworth, often recognized as the intellectual hub of the US Army.

Source: Bruce Katz, New Localism Associates

REGIONAL GROWTH & COMPETITIVENESS

The region's diversity of industry clusters is among its economic advantages. Regional and local organizations have worked together with business and industry to create important leadership groups in areas of animal and human health, transportation logistics and warehousing, manufacturing, building construction and design and others. Recent efforts around emerging industries have led to national Tech Hub designations. In addition to current economic development advances in biologics, biodefense, critical minerals, cybersecurity, data storage and electric vehicle technologies, the region is well-positioned to respond to emerging national economic priorities. These new priorities, as defined in the aforementioned Civic Council research, include **reshoring** to bring manufacturing back to the US, **remilitarization** given wars and tensions in Ukraine, Gaza and China, and growing concerns over the changing climate and need for **decarbonization**. Growth opportunities can bring in new federal resources to the region, take advantage of opportunities for critical technologies and green supply chain investments, and increase domestic and global exports as a share of greater Kansas City's total economy.

KC Rising Pillars of Prosperity

Enterprise

A robust entrepreneurial ecosystem sparks scalable business and innovation, leading to breakthroughs that can transform a region's economy.

Industry

Building on our strengths enables our region to attract, grow, and retain globally competitive businesses.

Inclusion

Economies thrive through increased participation when everyone has equitable access to opportunity.

Connectivity

Effective, accessible transportation and Internet options open doors to economic mobility.

Culture

Cultural assets are an integral component of our economy, as well as a force to unify and inspire our region.

Neighborhoods

Healthy, safe, and attainable housing options allow families to build better futures.

Education

Learners of all ages need equitable access to continuous, innovative education to meet evolving workforce needs.

KC Rising established **two overarching growth metrics** to measure regional growth and competitiveness. An economy's overall growth rate is set by its growth in workers and its growth in their productivity.

Net migration rate is a key component of population growth, and by extension labor force growth.

GDP per job is a measure of productivity, or how much each worker is able to produce.

INCLUSION & EQUITY

As one of EDA's investment priorities, the CEDS aligns with KC Rising's Pillars of Prosperity to grow the regional economy

through inclusive prosperity. For the region to succeed, socioeconomic inequities must be addressed to allow all people to achieve economic prosperity. KC Rising also established **two overarching inclusion metrics**. In today's economy, self-sufficient incomes may not be enough to cover unexpected expenses or loss of income. It takes wealth for households to be resilient in the face of adversity. The greatest potential to support building wealth is increasing opportunities for homeownership.

Self-sufficient households – percent of workers, a measure of whether jobs are sufficient to cover bills for necessities such as housing, transportation, childcare and healthcare.

Housing wealth gap – black percent of white housing wealth as indicator for resiliency.

RESILIENCE

The region's recovery from the pandemic demonstrated the need for increased resiliency to withstand, recover and bounce forward from future events and natural disasters. Many of those who were at an economic disadvantage before and during the pandemic remain at a greater disadvantage.

Climate Action KC and MARC are continuing efforts to address economic and climate resilience with a focus on social equity and public health. The CEDS aligns with the nine

Kansas City Region's Climate Action Plan – Areas of Focus

1. **Collaboration and Leadership:** Create new patterns of collaboration that engage diverse interests and support leadership development and capacity building around climate action and adaptation.
2. **Energy:** Replace our dependence on fossil fuels with renewable and clean energy to address climate impacts and reduce energy costs for households and for businesses.
3. **Transportation:** Reduce Vehicle Miles Traveled (VMT) by encouraging a shift to other modes of travel (public transit, bicycle, pedestrian) and by locating businesses offering goods and services at key activity centers and along key transportation corridors. Reduce travel by increasing the supply of affordable housing near growing employment centers.
4. **Urban Greening:** Use green infrastructure in the design of new development and redevelopment to achieve important public health and environmental benefits.
5. **Food Systems:** Strengthen local food systems to increase access to affordable healthy food.
6. **Finance and Innovation:** Increase equitable opportunities for a healthy environment, digital technology adoption and green businesses and jobs.
7. **Healthy and Resilient Homes and Buildings:** Support policies and programs to produce more energy-efficient homes and buildings that not only reduce GHG emissions but create healthy living and working environments. Support energy-efficient homes to reduce utility costs for low-income households.
8. **Community Resiliency:** Engage organizations and people of color in the design of policies and programs that create a more inclusive, resilient region.
9. **Industry and Resource Management:** Encourage waste reduction and diversion through recycling, waste diversion and reuse- that could create new economic business opportunities and reduce government, residential and business expenses. Support use of methane from landfills for energy use.

focus areas of this 2021 climate planning effort to reduce greenhouse gas emissions (GHG) and create greater economic opportunity for the greater Kansas City area.

COLLABORATION

Community and private sector organizations support the region’s economic progress and inclusive prosperity efforts. Regional and local economic development agencies, chambers of commerce, public institutions, nonprofits and civic and government partners contributed to the establishment of the CEDS policy goals, objectives and strategic actions. The policy areas address investments in industry sector growth, innovation and entrepreneurship, education and workforce preparation, housing, and transportation and other infrastructure investments.

2024-2029 CEDS STRATEGIC FRAMEWORK POLICY AREAS

BUSINESS

Strengthen the region's economy by focusing on steps to support robust and emerging traded sectors, including efforts to enable existing businesses to grow and for the region to attract new firms. Encourage steps to increase the region's economic position relative to the nation and peer metros.

INNOVATION AND ENTREPRENEURSHIP

A new regional vision for strengthening entrepreneurship is under development by the UMKC Innovation Center. Recognized as a hub for entrepreneurial talent and small business formation, the region’s entrepreneurs need better access to investor funding and increased support from the area’s established companies to fully achieve their growth potential. With assets provided by the UMKC Innovation Center, KCSOURCELINK and Ewing Marion Kauffman Foundation among many others, further strengthening of the region’s pipeline with research institutions is needed.

PEOPLE

Build a skilled workforce designed to meet the needs of business and to create economic opportunity for residents. Ensure that the region can develop, attract and retain the talent needed to increase the region's pace of innovation and sustain inclusive growth. The increasing diversity of the region's population poses opportunities and challenges to develop the human capital necessary to meet these needs.

PLACE

Invest in vital infrastructure to support economic growth, create vibrant places, a resilient region and increase access to opportunity.

LEADERSHIP, RESILIENCE AND EQUITY (SYSTEMS)

Strengthen local governments and other public and civic institutions throughout the Kansas City region to address social equity, economic resiliency and climate resiliency.

CONCLUSIONS

The region's economic strategies address future growth and prosperity for all. Data analysis reveals how different trends and forces influence the CEDS' policy framework in the five areas of Business, Innovation and Entrepreneurship, People, Places, and Leadership, Resilience and Equity. The Civic Council's Kansas City Playbook, UMKC Innovation Center's Entrepreneurial Strategy, and recent work by UMKC, KU, K-State and others around major economic projects in areas of biologics and life sciences, biodefense, cybersecurity, and critical minerals are incorporated into the CEDS Five-Year Strategic Action Plan.

Population and labor force: Population trends are impacting the region's economy. Much of the region's population growth will be persons of color. Population is growing more modestly due to a declining birth rate, growing deaths due to the aging population, and fewer immigrants entering the region. The lack of enough workers in the labor force to support a growing economy is also impacted by disparities in educational and skill attainment that could result in many workers limited to filling low skill, low wage jobs. And, the region's unemployment rate has remained low, creating a tight labor market. Yet, this high demand for labor and limited supply has not translated into above average wage gains. Less than half of the region's workers earn a salary considered adequate for self-sufficiency.

Business and industry profile: Our regional economy continues to be diverse—a longstanding strength. Yet our GDP per worker is not keeping up with our peer metros, in part due to our continued reliance on services rather than the production of goods through our traded sectors. The region's three key traded sectors – professional and business services, wholesale trade, and information – have shown no or slow growth beyond the pandemic recovery.

Need for innovation and support for small business: The region has demonstrated strong entrepreneurial activity, and job growth across the region has been fueled by the strength among small businesses. However, the region has low research and development expenditures and patents. To bolster the region's position as a strong entrepreneurial region, a focus on increased capital, entrepreneurship among persons of color, commercialization through research institutions and entrepreneurs, and increased technical support services.

Create a capable workforce and enable households to achieve inclusive prosperity: The region has strong workforce development organizations, but the state line and a lack of awareness of available programs and services limits support for those seeking education and training. The two states offer strong apprenticeship support systems, and the region

could benefit from interest by area employers to offer apprenticeship opportunities to build their workforce. The region’s K-12 system and intermediaries have strong career readiness and career exploration programs with scale up needed to serve more students.

Address challenges of creating places that support economic progress: The region, like much of the nation, has a deficit of workforce housing, particularly in and around emerging and growing employment centers. The ability of the region’s workforce to find affordable rental and owner housing to meet their needs has become increasingly challenging and limits opportunities for the region to attract new workers. The region has a strong transportation system but lacks adequate public transportation to help workers travel time to training and jobs.

Encourage collaboration among local governments, public institutions, economic development agencies and others to pursue economic opportunities: The region needs to expand industry support organizations to strengthen key industry sectors for continued growth. More encouragement of public and private organizations can lead to greater understanding and opportunities to address economic and environmental resilience.

In the next five years, the regional economy will be strengthened by our business goals reframed around the new national priorities of reshoring, remilitarization, and decarbonization. A greater emphasis on manufacturing and transportation and logistics can strengthen domestic and international export trade. New opportunities to advance biologics, biodefense and biotechnology, critical materials, cybersecurity, and green energy, including electric vehicles and batteries place the region in a unique competitive advantage. Remilitarization offers sizable opportunities for Kansas City area businesses to provide goods and services to support nearby military bases and other major enterprises in the region. And through decarbonization, the region can expand upon EV investments in vehicle manufacturing and battery manufacturing, expand the number of energy efficient buildings, and strengthen the use of renewables like solar and hydrogen.

FIVE-YEAR STRATEGIC ACTION HIGHLIGHTS

BUSINESS - Actions are centered around the KC Playbook and regional initiatives.

INNOVATION AND ENTREPRENEURSHIP - Actions are centered around the UMKC Innovation Center’s Entrepreneurial Strategy and small business support services and diversity.

PEOPLE - Actions focus on workforce training and education and the providers of those services.

PLACES - Actions concentrate on housing options.

LEADERSHIP, RESILIENCE, EQUITY (SYSTEMS) - Actions seek to leverage funding and collaboration to support public investment of projects with significant impact to the region.

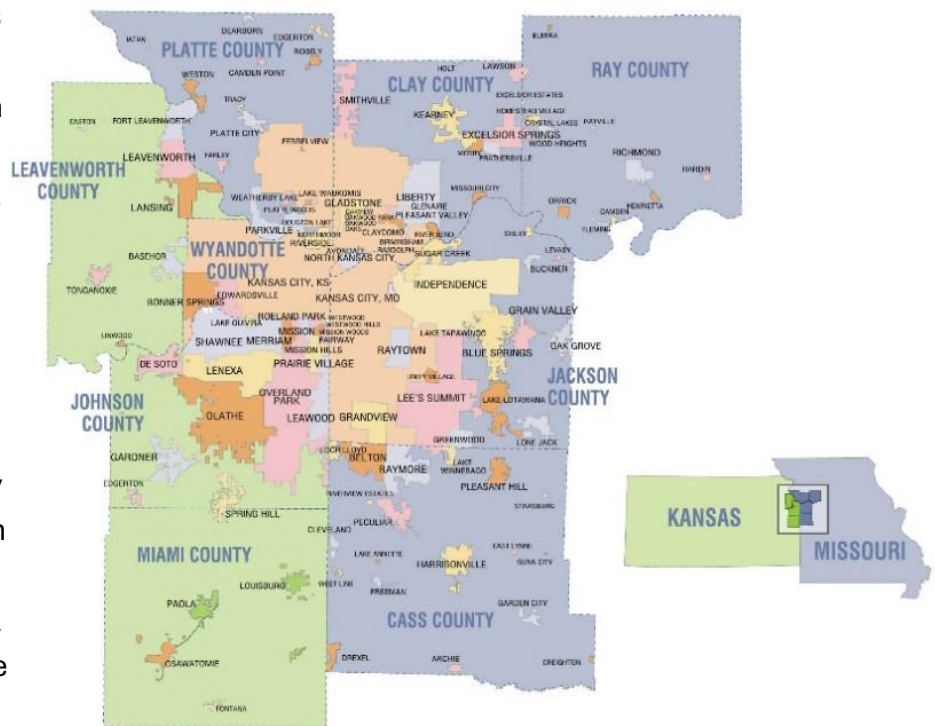
SUMMARY BACKGROUND

The 2024-2029 Comprehensive Economic Development Strategy Plan (CEDs) for Metropolitan Kansas City provides an economic roadmap to help guide investments to further diversify and strengthen the regional economy. This plan provides an analysis of the current regional economy, integrates human and physical capital into economic planning, and offers useful benchmarks to evaluate progress. This technical report is an assessment of the region’s economic, demographic and geographic systems that influence growth and inclusion.

The Mid-America Regional Council Community Services Corporation, a 501(c)3 subsidiary of the Mid-America Regional Council, serves as the designee for the Kansas City region's Economic Development District and receives funding to support preparation of the CEDs on behalf of the 119 cities and nine counties in the bistate Kansas City region. MARC serves as the association of city and county governments and the metropolitan planning organization for the Kansas City area. MARC provides a forum for local jurisdictions and diverse community interests to work together to address the region’s problems and identify opportunities for cooperative solutions.

Metropolitan Kansas City as defined by the CEDs spans 4,400 square miles in region representing 119 cities and nine counties — Johnson, Leavenworth, Miami and Wyandotte in Kansas, and Cass, Clay, Jackson, Platte and Ray in Missouri.

This area comprises roughly 96 percent of the population of the 14-county Kansas City Metropolitan Statistical Area (MSA) as defined by the Office of Management and Budget. The Kansas City MSA is the 30th largest metropolitan area in the U.S., with over 2.1 million people, 1.2 million jobs and 900,000 households.



KANSAS CITY ECONOMY

In exploring the region’s economic resiliency and prosperity, the economy’s overall growth rate is measured by its growth in workers and their productivity. However, growth, all by itself, isn’t enough. Inclusion allows everyone to experience the benefits of that growth through a rise in their standard of living.

The 2024-2029 CEDS aligns with the region’s business-led civic collaborative – KC Rising – and its *Pillars of Prosperity* focused on economic prosperity for all. KC Rising established four long-term metrics key to determining how well the Kansas City region is simultaneously achieving both greater economic growth and greater inclusion in receiving the benefits from that growth.

Two of the four are overarching growth metrics followed by two overarching inclusion metrics.

- **Net migration rate**, a key component of population growth thus labor force growth
- **GDP per job**, a measure of productivity, or how much each worker produces.
- **Percent of workers living in self-sufficient households**, a measure of whether jobs that people have are sufficient to cover bills for necessities such as housing, transportation, childcare and healthcare.
- **Black/white housing wealth gap**, based on a measure of homeownership. Even self-sufficient incomes may not be sufficient to cover unexpected expenses. It takes wealth to be resilient in the face of adversity and this starts with owning a home.

Benchmark Metros

To measure progress, KC Rising benchmarks the **region against ten aspirational metros** that historically have done a little better than KC on growth, inclusion, or both, and that we continuously compete against for economic development projects. These metros are Austin, Charlotte, Cincinnati, Columbus OH, Denver, Indianapolis, Minneapolis, Nashville, Portland, and Raleigh.

What enables the population of some metros to grow faster than others is their ability to attract people from outside the area. This makes net migration a measure of a region's ability to attract and retain talent, which is essential to business attraction and retention.

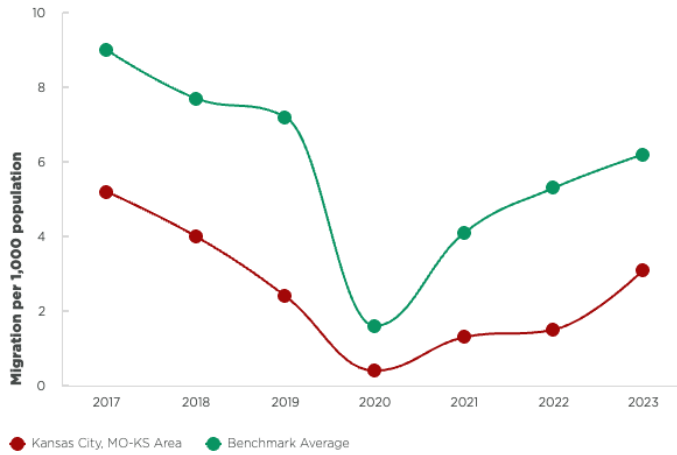
BENCHMARK METROS

Austin
Charlotte
Cincinnati
Columbus
Denver
Indianapolis
Minneapolis
Nashville
Portland
Raleigh

Net Migration

Kansas City’s *net migration rate* is half that of the benchmark metro average, though in the last year the region began to close a gap that had been widening post-pandemic. Its net migration rate doubled in the past year and currently ranks 8 out of 11.

Net Migration Rate Over Time



Sources: Census Bureau Population Estimates 2017-2023
Note: Calculation based on 3-year moving average.

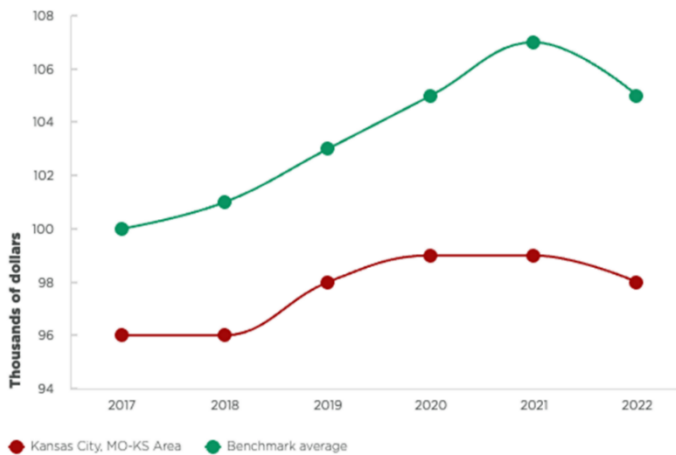
Gross Domestic Product (GDP)

GDP measures the total economic value generated by an economy’s businesses in the process of employing workers to transform inputs into finished goods and services for sale. GDP per job measures the average amount the region’s workers are able to contribute to GDP. As such, it is a measure of business productivity.

High levels of business productivity tend to attract other businesses.

Unfortunately, Kansas City’s **GDP per job** currently ranks 10 out of 11 and the gap compared to benchmark metros has grown by \$3,000

Yearly Increase in GDP per Job



Sources: Bureau of Economic Analysis 2017-2022
Notes: Calculation based on 3-year moving average.

per worker over the past five years. Considering the region has more than 1 million workers, this increase costs the economy \$3B annually.

Self-Sufficient Households

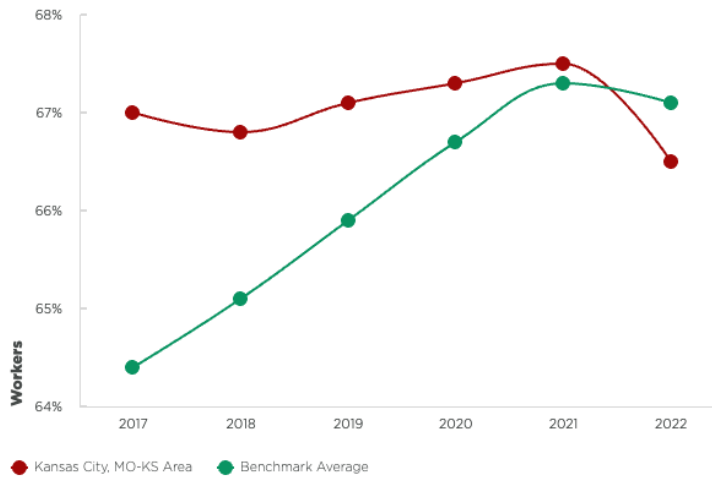
Growth, all by itself, isn’t enough. We want everyone to experience the benefits of that growth through a rise in their standard of living. One measure of whether everyone is benefiting is whether all households earn enough to pay their bills. If they do, then we can

consider them to be **self-sufficient households**.

Increases in self-sufficiency generally mean incomes are rising faster than costs.

Kansas City’s historical affordability advantage is slipping and currently ranks 8 out of 11. While most metros saw significant progress in becoming more affordable between 2017 and 2022, Kansas City’s progress stagnated and appears to have reversed in the last year.

Percent of Workers in Households with Self-Sufficient Incomes



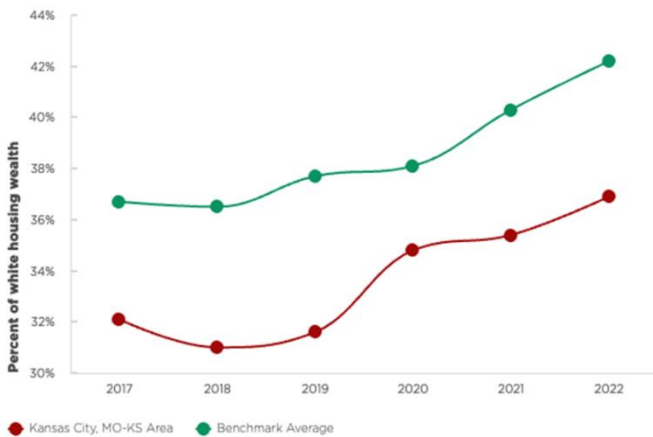
Sources: American Community Survey PUMS 2017-2022.
Note: Calculation based on 3-year moving average.

Wealth Gap

Self-sufficiency alone is not enough either. While a self-sufficient income can pay the bills, it can also be fragile if there are unexpected expenses, such as a serious illness, or unexpected loss of income, as when one of the earners in the household loses their job.

Resiliency in the face of unexpected adversity requires wealth and, for most households, wealth-building begins with home ownership.

Black Percent of White Housing Wealth

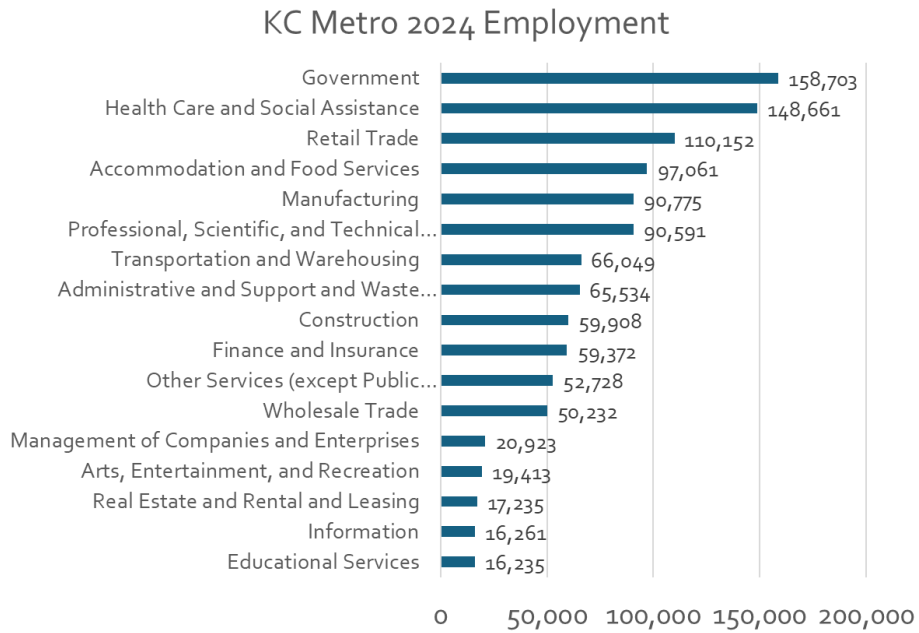


Sources: American Community Survey PUMS 2017-2022
Note: Calculation based on 3-year moving average. Benchmark average calculated using unweighted average of the metros.

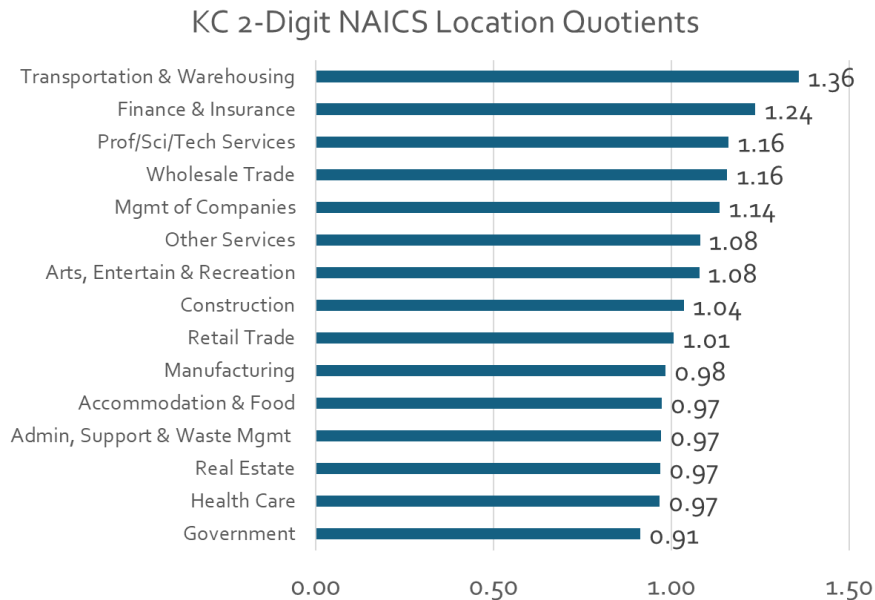
Black households in Kansas City average about 37% of the housing wealth of white households, a rate that ranks 10th among its benchmark metros in 2022. While up from 32% in 2017, Kansas City’s advancement has not enabled it to improve its performance relative to the benchmark average.

What explains the region’s sluggish economic performance?

Kansas City’s industrial structure is heavily oriented toward production of services rather than goods. This is similar to the nation.



How similar can be measured by comparing each industry’s proportion of total regional and total national jobs. When they are the same, the ratio of these proportions, called a “location quotient,” is equal to 1. In Kansas City, over 85% of its employment is in industry sectors with a location quotient between 0.9 and 1.2. Only two sectors have LQ’s greater than 1.2 – Transportation and Warehousing, and Finance and Insurance.



Source: Lightcast

Yet, regions grow by serving a larger economy through exports. The dollars they bring into the region then are used to hire workers whose spending on homes, transportation, food, education, and entertainment create the demand that supports all of a region’s local-serving jobs. In general, for the size of the Kansas City metropolitan area, each dollar earned from the sale of an exported good or service generates at least one additional dollar of sales for local-serving industries.

While having a broad-based economy that mirrors the nation promotes economic stability, it also suggests the region’s capacity to export goods and services to the rest of the world is relatively weak. Exporting depends on being the superior producer of something the rest of the world needs or wants but does not produce or produce it as well. Therefore, specialization is a key to having product to export.

EXPORTS

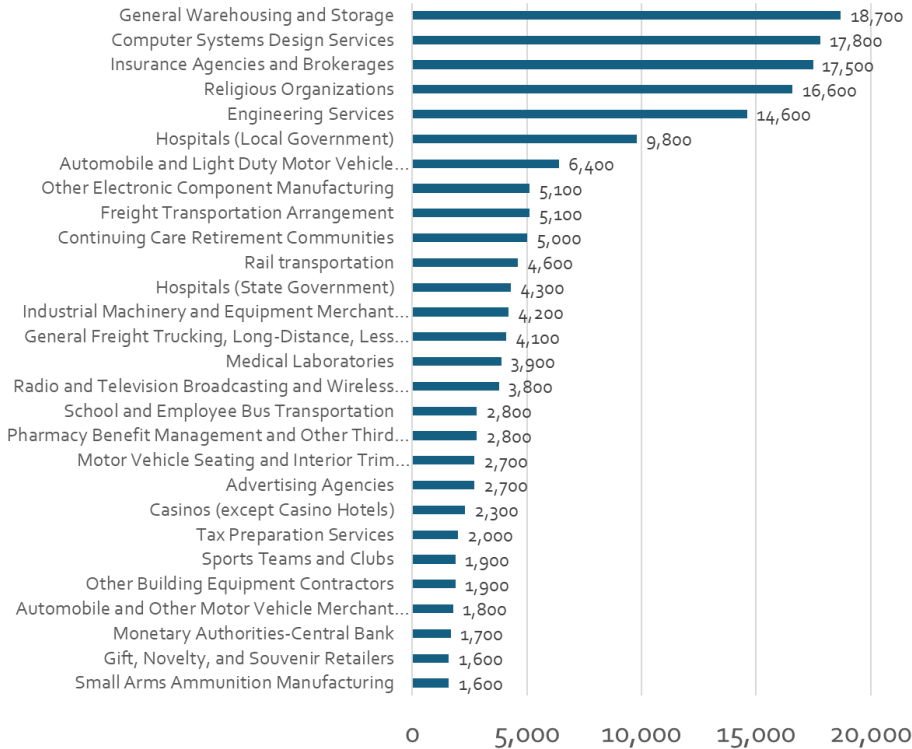
Location quotients, then, measure the level of specialization and so are one indicator of export capacity. If we look at more detailed industries than the broad sector level, definite employment specializations emerge. These industries all have location quotients greater than 1.5, with small- arms manufacturing, electronics manufacturing, monetary authorities and communications equipment manufacturing all having LQs greater than 10.



Source: Lightcast

However, by ranking the same industries by their number of employees, a clearer picture emerges of the industries on which the Kansas City regional economy depends – warehousing, computer systems design, insurance, engineering, hospitals, auto manufacturing, electronic manufacturing, freight-related transportation, medical labs. These, then, are the economic clusters that have historically powered the region’s economy.

KC Largest Exporting Industries
Ranked by 2022 Jobs



Source: Lightcast

Yet, it appears that compared to other regions, the region’s economic clusters are underpowered. Conducting the same exercise for each of the benchmark metros, looking at the employment in their industries with location quotients greater than 1.5, the Kansas City economy is not nearly as export-oriented.

In fact, Kansas City ranks last among the benchmark metros when export employment is expressed as a share of total employment. In most metros, a quarter to a third of their employment is export-oriented. In Kansas City, only one-sixth of the region’s employment is in industries primed for exporting.



Innovation Capacity

Low export capacity may be related to the region’s relatively low innovation capacity, as measured by its relatively low research and development expenditures and patents. Though this is partially offset by its high level of entrepreneurship capacity, low rates of innovation limit the region’s ability to continually develop new products and services to export, and likely is a contributing cause to the region’s sluggish recovery from the Covid-19 recession compared to benchmark metros.

R&D as a percentage of Gross Domestic Product

Includes R&D activities conducted in the state by federal and state agencies, enterprises, universities, and nonprofit organizations.

	Year 2021
United States	3.1%
Kansas	1.99%
Missouri	2.36%

<https://nces.nsf.gov/indicators/states/state/kansas>; <https://nces.nsf.gov/indicators/states/state/missouri>

Average Annual Federal Small Business Innovation Research and Small Business Technology Transfer Funding per \$1 Million of Gross Domestic Product

	Years 2018-2020
United States	\$168.13
Kansas	\$47.16
Missouri	\$92.78

<https://nces.nsf.gov/indicators/states/state/kansas>; <https://nces.nsf.gov/indicators/states/state/missouri>

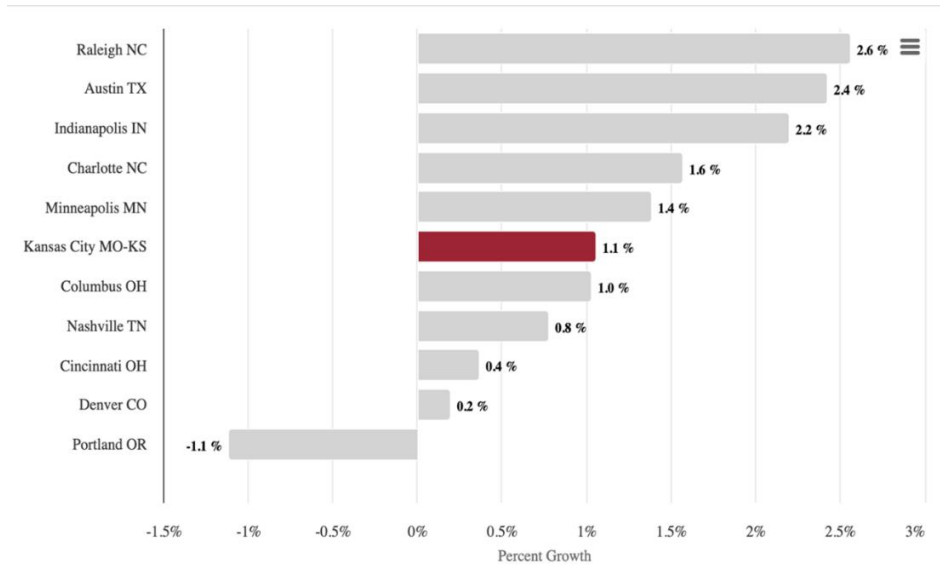
KC Rising Cluster Analysis and Market Overview

Source: EnterpriseKC, “Cluster Analysis & Market Overview,” Fall 2023

EMPLOYMENT

Growth in total employment lags many benchmark metros though progress has been shown in the first half of 2024. The lag is more severe since long before the pandemic and the recovery from the pandemic, in fact, since about 2000.

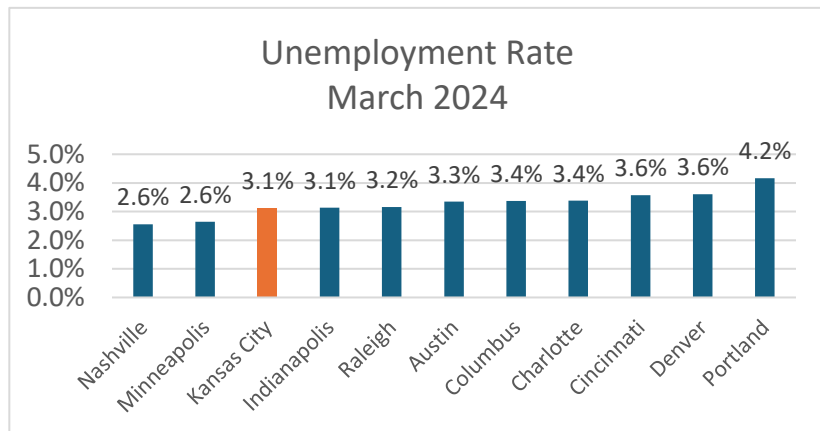
**12-Month Percent Change in Total Employment
KC vs. Benchmark Metros**



Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

Highcharts.com

The region’s unemployment rate has recently started to stair-step upward though it is still below pre-pandemic levels and very low by historical standards. At 3.1 percent in March 2024, the unemployment rate remains substantially below the nation’s 3.7 percent and is the third lowest among the region’s benchmark metros.

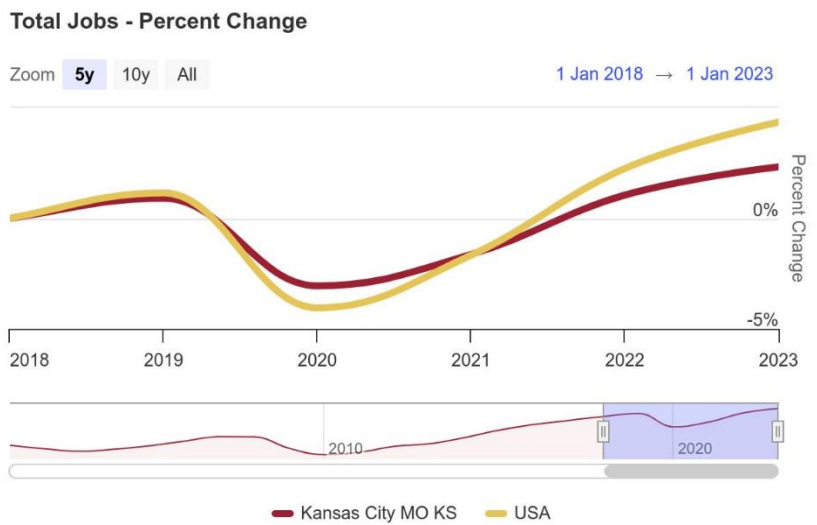


Source: Bureau of Labor Statistics

Yet a relatively tight labor market has not translated into above-average wage gains for area workers. Kansas City’s post-pandemic increase in average hourly earnings for those working for private employers is second lowest among the benchmark metros.

Benchmarks are a relatively high bar, but Kansas City’s growth is also lagging national averages. The adage that the Kansas City economy neither booms as high nor busts as low as the national average proved true during the Covid-19 recession.

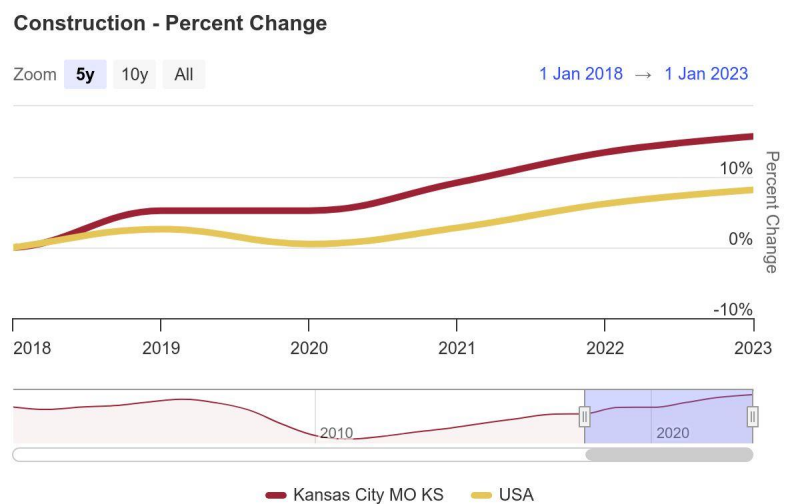
But it wasn’t true in the 2001 recession nor the Great Recession, when the region was hurt as much or more than the nation during the downturn. Moreover, by not “booming as high”, this results in the gap between Kansas City and U.S. performance are gradually growing wider.



Source: Bureau of Labor Statistics

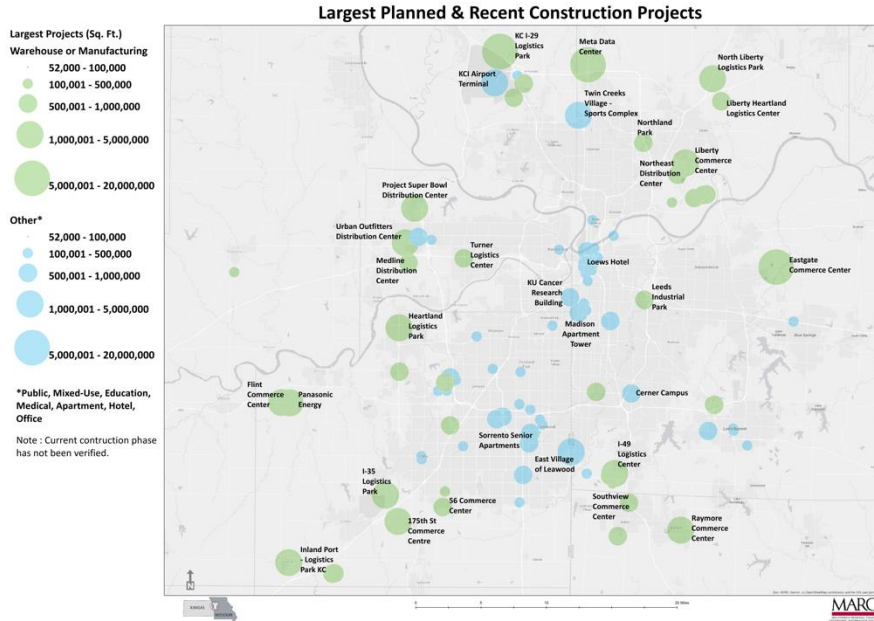
INDUSTRIES

A few industries in the Kansas City region have recently outperformed the nation, some significantly as the region has benefited from the shift to the distribution economy.



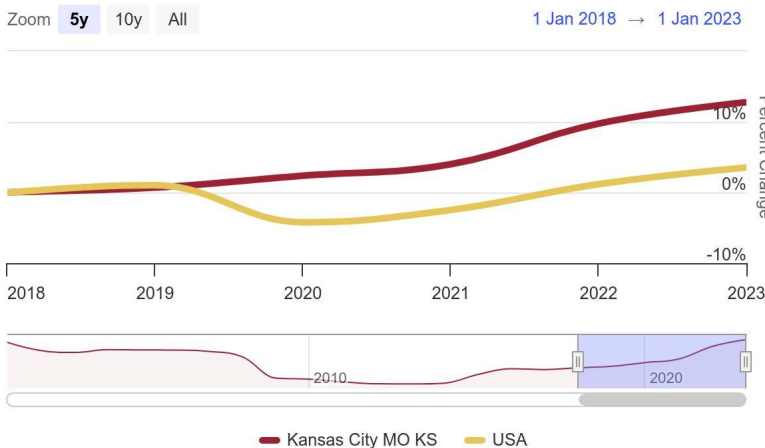
Source: Bureau of Labor Statistics

While residential and commercial construction appears to be down relative to last year, industrial construction remains both widespread and strong as building the new Panasonic plant gets underway.



Source: Dodge Data and Analytics, MARC

Manufacturing - Percent Change

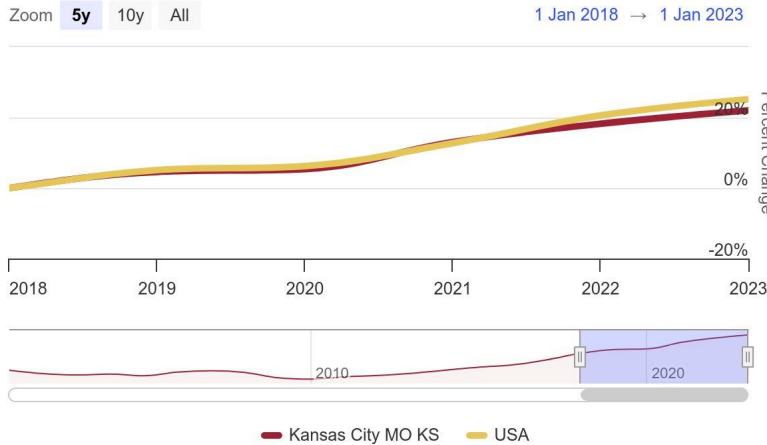


Kansas City has also benefited from the shift to onshoring of manufacturing.

Source: Bureau of Labor Statistics

A few of our strongest clusters are holding their own with respect their employment growth relative to the nation. These include the health care industry and the transportation and warehousing industry.

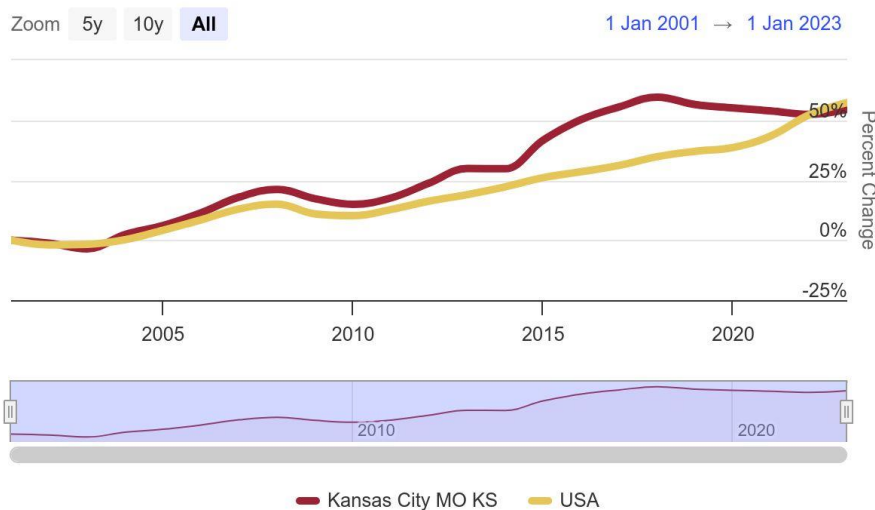
Transportation and Warehousing - Percent Change



Source: Bureau of Labor Statistics

But several others – wholesale trade, finance and insurance and professional, scientific and technical services are growing much slower than national averages. This represents a real reversal for Professional, Scientific and Technical Services, which underpinned much of the region’s employment growth until 2018, when Cerner stopped rapidly expanding in the region and ultimately was sold to Oracle.

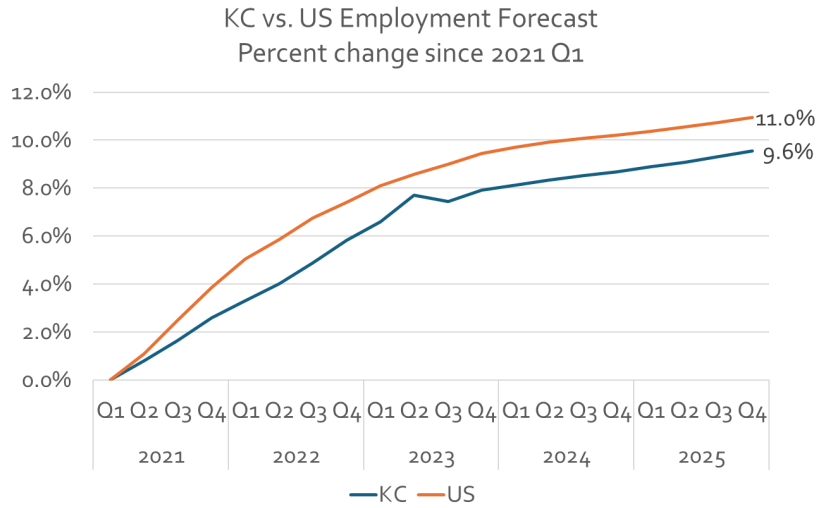
Professional Scientific and Technical Services - Percent Change



Source: Bureau of Labor Statistics

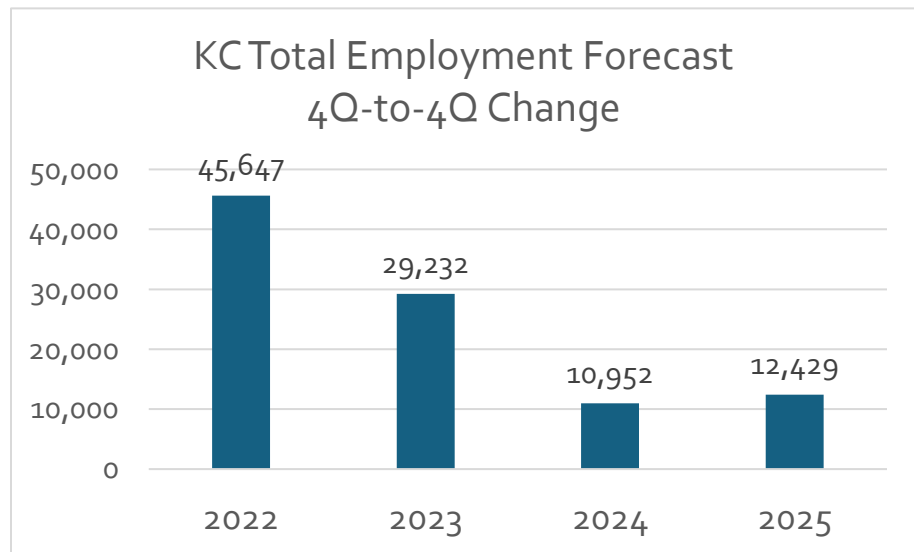
The forecast is for sluggish growth to continue.

Consequently, the Kansas City economy has been performing worse than the nation in terms of job growth. While both are forecast to experience significant slowing, the gap between Kansas City and U.S. employment growth rates is not expected to narrow appreciably in the near future.



Source: BLS, RSQE, MARC

In 2022, the economy was still bouncing back from the pandemic-induced recession. Growth moderated substantially in 2023, and employment growth is expected to be about 2/3 that of 2022. Job growth moving forward will be about 1/3 that of 2023.

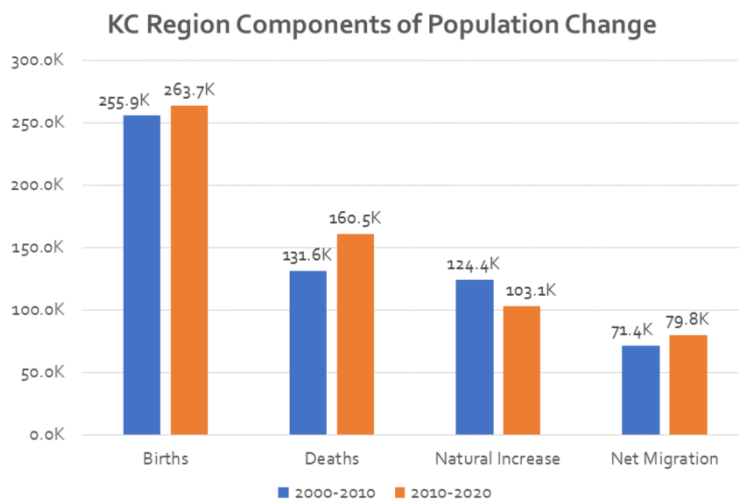
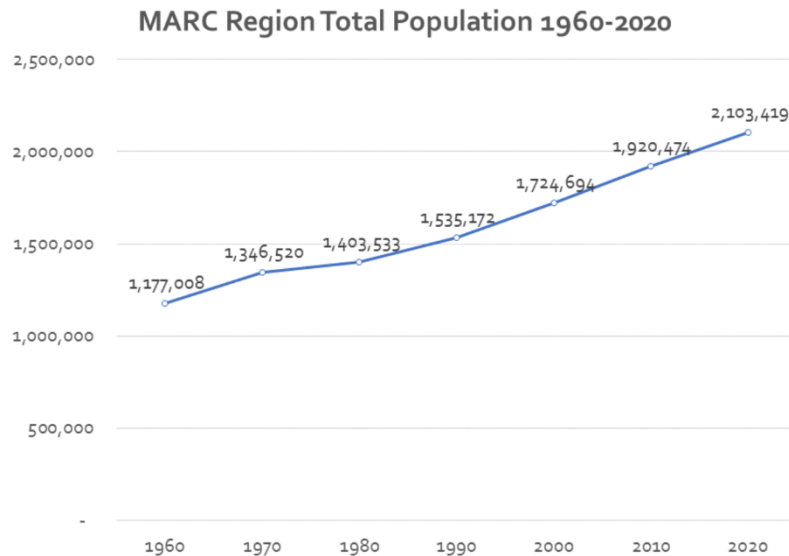


POPULATION

In MARC’s, *What a Difference a Decade Makes*, 2020 census data revealed the Kansas City region is becoming more racially and ethnically diverse. While white, non-Hispanic residents remain the substantial majority in the population at 68 percent, the increase in the number of residents of color between 2010 and 2020 accounted for 92 percent of the region’s overall population growth. The increase in population diversity contributed to a dramatic shift in how the region is growing, from one where all the growth is focused on the edges of the region while the center declines, to one where all areas are now growing.

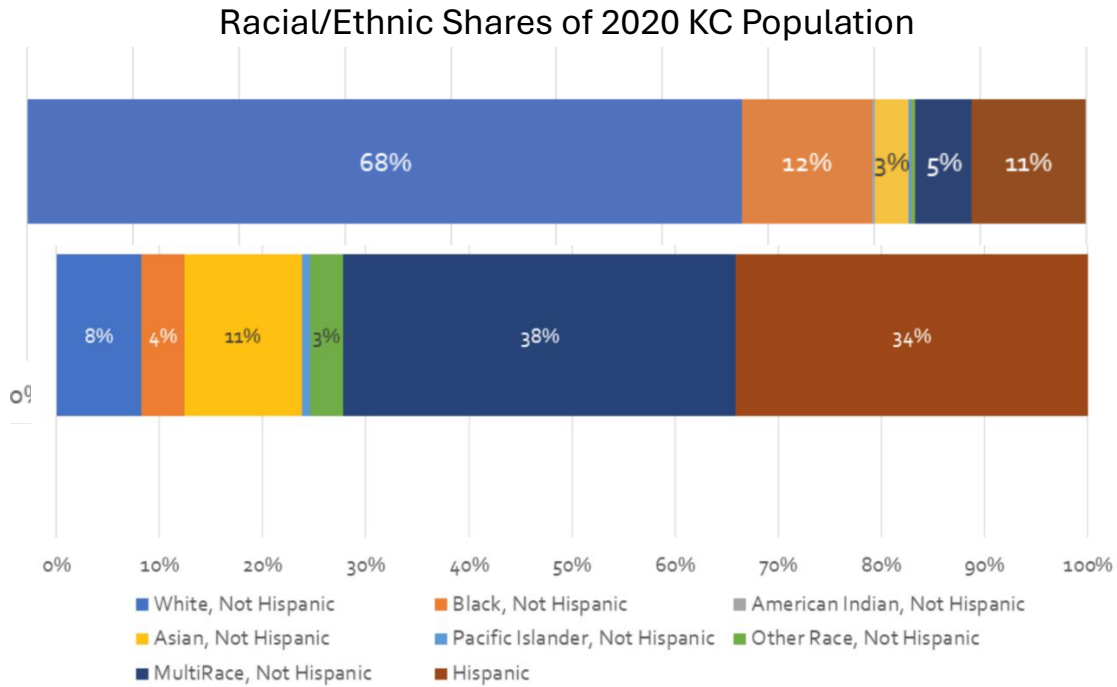
While efforts to fully count the population during the pandemic proved especially challenging, the U.S. census data showed the nine-county Kansas City region is more diverse than ever. The region has historically grown moderately and steadily; however, the rate of growth slipped slightly from 11.4% in the 2000s to 9.5% in the 2010s.

The region typically has a consistent, though moderate, population growth rate, adding close to 200,000 people a decade.



Population change is driven by births minus deaths (i.e., the natural increase in population) plus net migration. Births were slightly higher in the 2010s than in the 2000s. Deaths were significantly higher due to the aging of the population, producing a smaller natural increase. Net migration was somewhat higher, indicating the region continued to attract talent.

The region’s population continues to be majority white. However, the white population share is shrinking. This is because nearly all of the net gains in population were from people of color. Their increase in the 2010s accounted for 92 percent of the region’s population growth.



At a county level, Jackson continues to be the most populous county, followed by Johnson, Clay and Wyandotte. Johnson County continued to grow the most, followed by Jackson and Clay counties. Johnson County’s growth slowed significantly during the 2010s, while Jackson and Wyandotte counties saw significant acceleration. As a result, growth was spread across counties much more evenly than in prior decades.

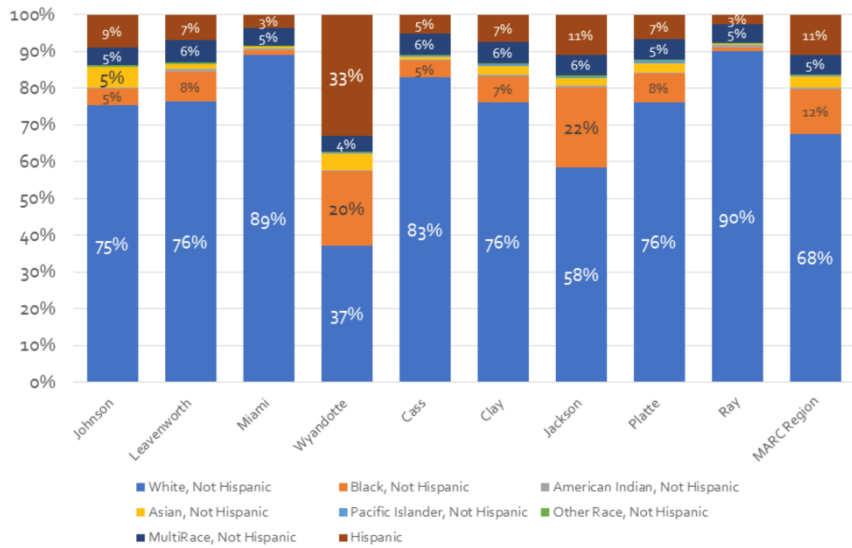
	Population			Change 2000-2010	Change 2010-2020
	2000	2010	2020		
Johnson	451,086	544,179	609,863	93,093	65,683
Leavenworth	68,691	76,227	81,881	7,536	5,654
Miami	28,351	32,787	34,191	4,436	1,404
Wyandotte	157,882	157,505	169,245	-377	11,740
Cass	82,092	99,499	107,824	17,407	8,325
Clay	184,008	221,939	253,335	37,931	31,396
Jackson	654,880	675,530	717,204	20,650	42,964
Platte	73,774	89,314	106,718	15,540	17,404
Ray	23,354	23,494	23,158	140	-336
MARC Region	1,724,118	1,920,474	2,103,419	196,356	184,234

Most counties remain more than 75 percent white, not Hispanic or Latino. The exceptions are Wyandotte, which is majority people of color, and Jackson where the white majority is under 60 percent.

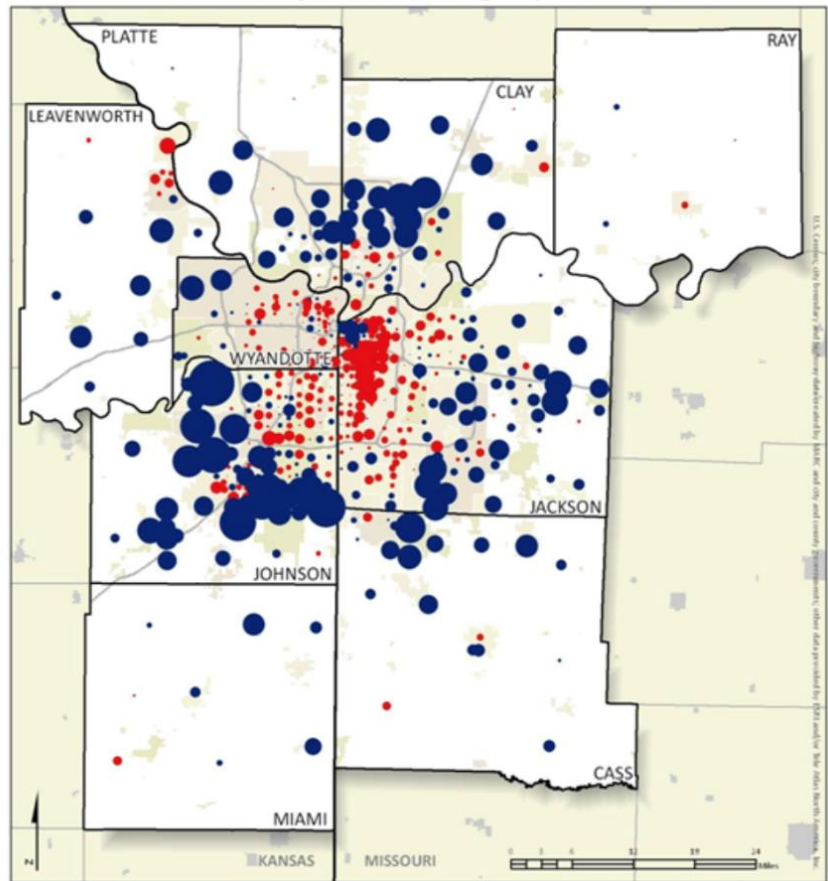
In all counties, people of color accounted for most of their net population growth. In Miami, Wyandotte, and Jackson counties, the white population declined. As a result, the growth in the number of people of color exceeded the total population growth of the county. This then results in calculating their growth as a proportion of the county's growth to be greater than 100%.

At a neighborhood (census tract) scale, the region's growth pattern has generally been one of outward expansion accompanied by decline inwards. This pattern persisted for nearly 100 years. Change started in the 2000s when the scale of redevelopment around Downtown Kansas City, Missouri, exceeded the rate of population loss in other parts of that area. Nonetheless, the existing area that had developed prior to 1990 still lost 20,000 people between 2000 and 2010, or 10 percent, of the region's population.

Race/Ethnic Composition by County, 2020



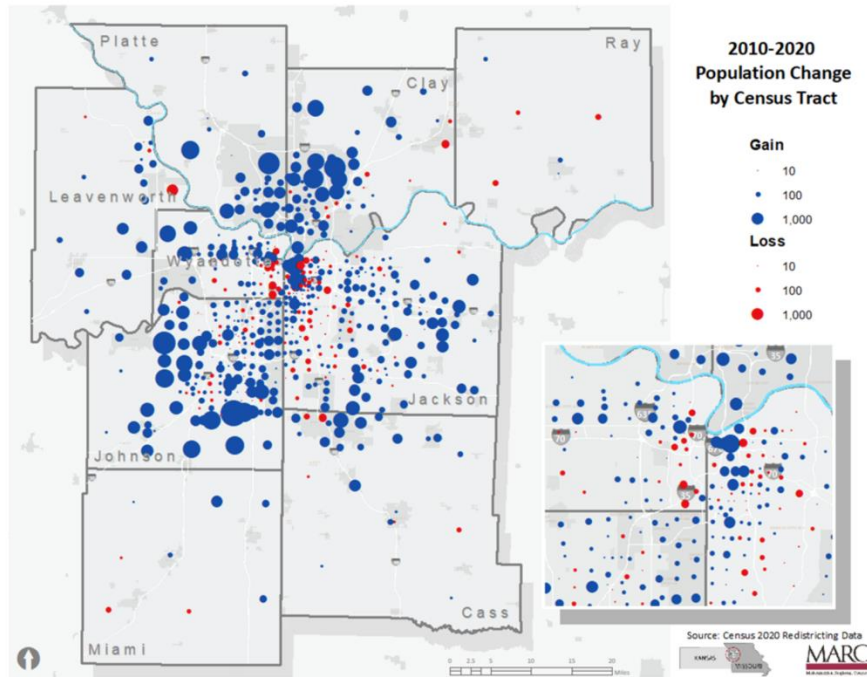
2000-2010 Population Change by Census Tract



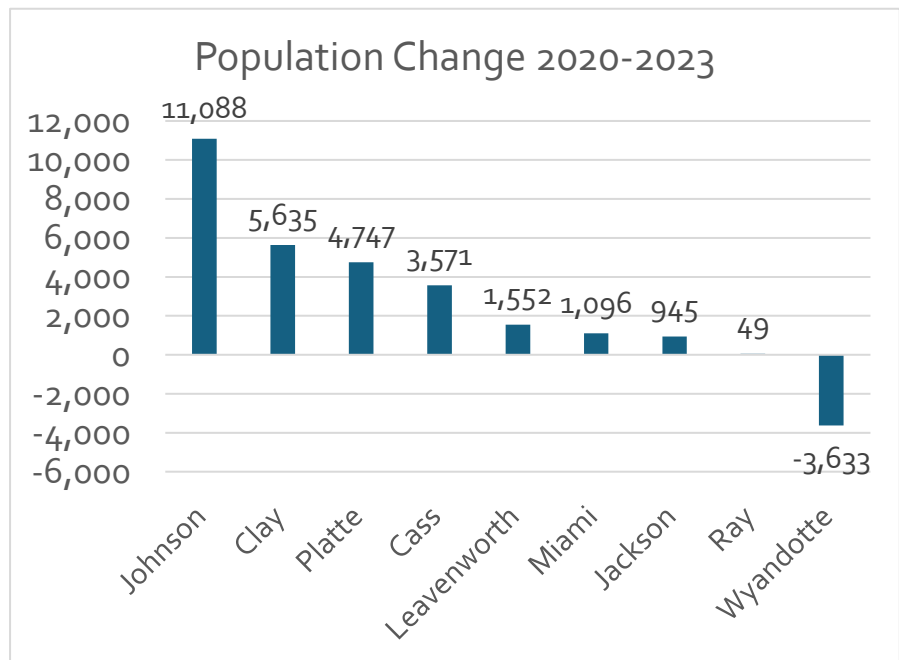
In the 2010s, the region's urban core did not continue to decline in population. Instead, the region's growth pattern became much more balanced with all parts attracting people.

In large part, the shift reflected local policy changes in planning for redevelopment as intently as planning for new development.

Between 2010 and 2020, some 37 percent of the region's population growth occurred inside the area that had developed prior to 1990. According to the most recent population estimates from the Census Bureau (2023), Jackson County remains the region's largest county, followed by Johnson, Clay, and Wyandotte counties.



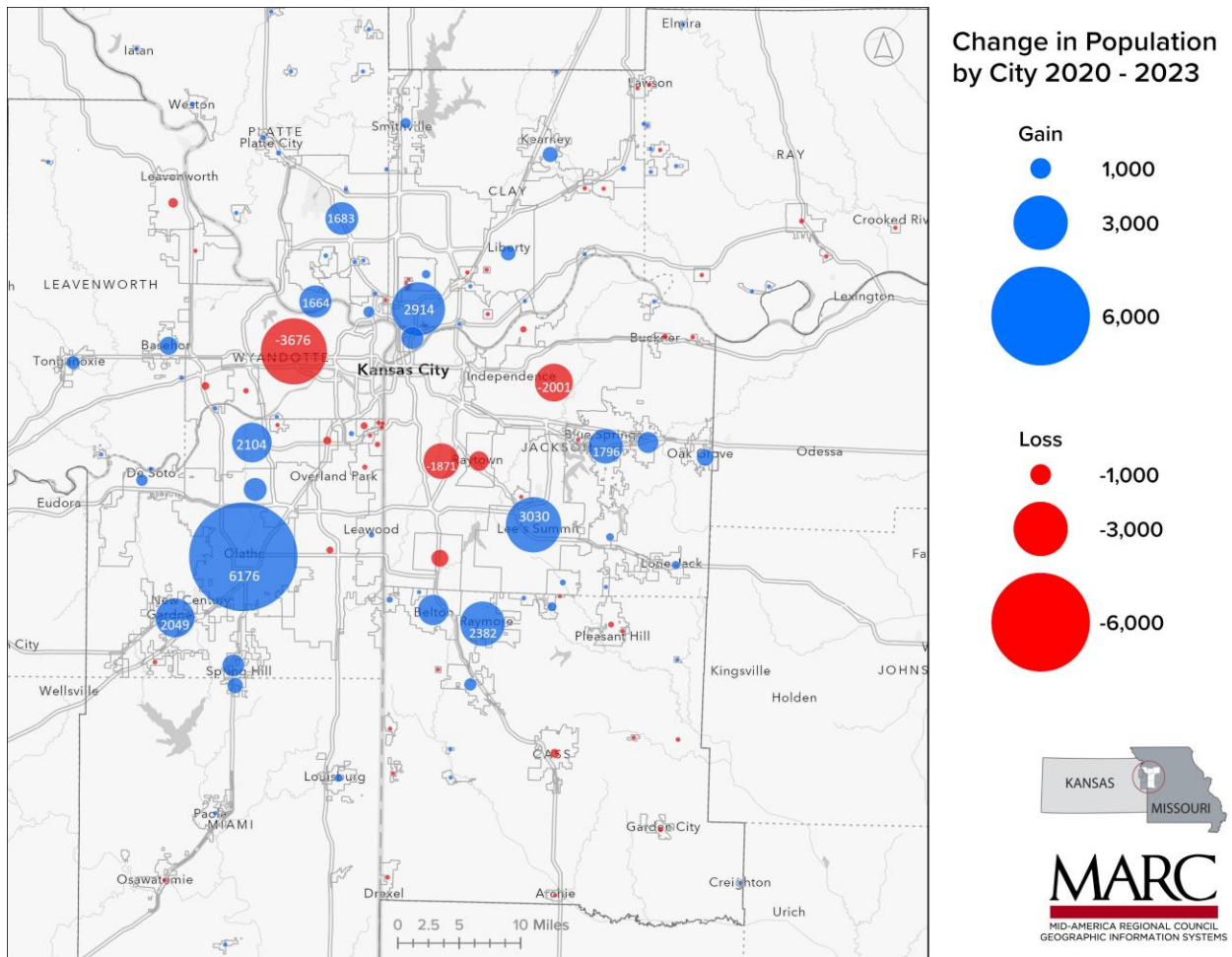
Between 2020 and 2023, the Kansas City region added 25,000 people and all counties grew, except Wyandotte County. Johnson County's population grew the most, adding 11,100 people and accounting for 44 percent of the region's growth. Johnson County was followed by Clay County, which added 5,600 people and comprising 22 percent of the region's population growth.



The pattern of growth is significantly different than the 2010-2020 trends, when the core counties of Jackson and Wyandotte showed strong growth. Now Wyandotte has resumed

declining and Jackson County’s growth has been sharply curtailed. Also, population growth appears to have slowed significantly in most counties so far in the 2020s compared to the 2010s, not just the core counties. Cass is the one county showing significant acceleration from the prior decade.

Examining data by city confirms that, according to the most recent estimates, population growth is again concentrated on the edges of the region while decline is occurring in the older portions in the center, especially south of the Missouri River.



When we look at the population estimates by city, this perception of shifting growth to the edges of the region is born out as we see much growth in smaller cities generally on the periphery of the region as well as historic growth centers like Olathe to the south and Kansas City, Missouri north of the Missouri River.

WORKFORCE

Previous work by the Brookings institution determined that the wage required in the Kansas City region for a good job, one that leads to self-sufficiency, is about \$45,000 per year. Nearly half (45 percent) of the region’s workers make less than this amount, however. In fact, the occupations making less than \$45,000 annually with the largest numbers of workers are often much less than that. Most also require only limited education, making upskilling the existing labor force a priority path to more broadly sharing prosperity.

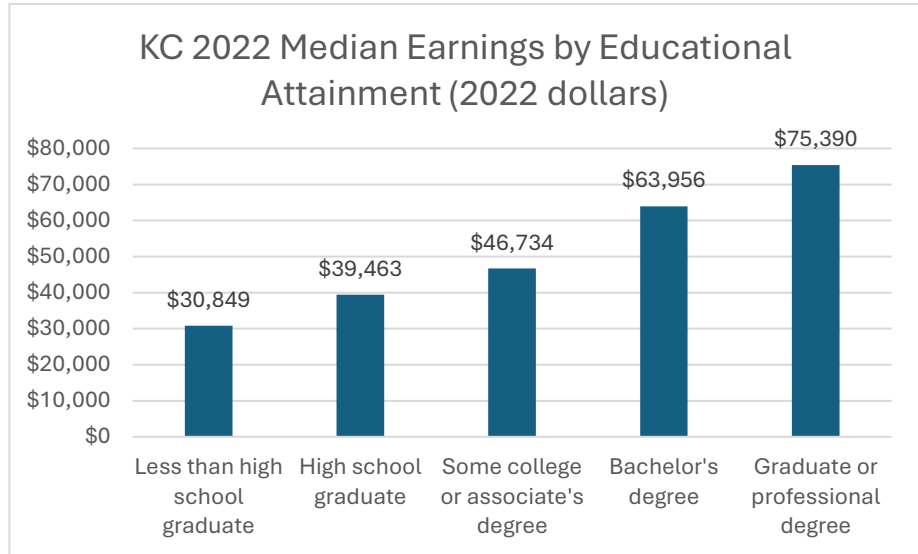
Moreover, such upskilling is increasingly critical to the future growth of the economy. The current and projected decline in national and regional labor force growth makes fully utilizing the talents of every worker paramount.

Description	2023 Jobs	Median Annual Earnings	Typical Entry Level Education
Stockers and Order Fillers	25,049	\$36,387	High school diploma or equivalent
Retail Salespersons	23,900	\$33,405	No formal educational credential
Cashiers	23,817	\$30,447	No formal educational credential
Customer Service Representatives	23,697	\$40,367	High school diploma or equivalent
Home Health and Personal Care Aides	21,529	\$30,922	High school diploma or equivalent
Office Clerks, General	20,777	\$38,722	High school diploma or equivalent
Laborers and Freight, Stock, and Material Movers, Hand	19,547	\$38,852	No formal educational credential
Fast Food and Counter Workers	19,066	\$29,527	No formal educational credential
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	17,835	\$41,116	High school diploma or equivalent
Waiters and Waitresses	17,510	\$34,803	No formal educational credential
Miscellaneous Assemblers and Fabricators	15,758	\$42,884	High school diploma or equivalent
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	14,420	\$33,942	No formal educational credential
Nursing Assistants	12,273	\$38,175	Postsecondary nondegree award
Cooks, Restaurant	11,318	\$35,645	No formal educational credential
Cooks, Fast Food	10,635	\$29,621	No formal educational credential

Source: Lightcast

Educational Attainment

The traditional path to upskilling is to increase educational attainment. Higher levels of education have been the most reliable way to raise earnings. Someone with a bachelor's degree will typically earn about 50 percent more than someone with a high school degree only.



Source: 2022 American Community Survey, 1-year data

Unfortunately, the proportion of Kansas City residents 25 and over with a bachelor's degree or higher ranks relatively low compared to its benchmark metros. The proportion of Kansas City adults 25 and over that have earned a college degree is currently just under 40 percent, which ranks 8th among the 11 metros.

Additionally, the disparities in educational attainment between white residents and Black or Latino residents are especially large here. Black residents earn a bachelor's degree at a rate that is just over half (56 percent) that of white residents. Similarly, Latino residents achieve this level of educational attainment at a rate that is just under half (48 percent) that of white residents. In both cases, KC ranks 9th out of the 11 Benchmark metros on its level of educational attainment disparities.

The bachelor's degrees that yield the highest annual earnings are most often those in STEM fields – Science, Technology (computers), Engineering and Math. Only business degrees earn comparable salaries. STEM jobs are also among the fastest growing. The combination of good pay and high demand make STEM careers a viable path to prosperity. However, the proportion of residents with bachelor's degrees that earn them in STEM fields reveals the Kansas City region underperforms relative to the benchmark metros. Kansas City ranks 10th for both all adults over the age of 25 (30 percent) and for young adults, 25-39 (33 percent).

A bright spot for the region is how much STEM degree achievement among young adults exceeds the region's average among all adults ranking 4th among the benchmark metros.

The region’s programs to introduce STEM careers to K-12 students and early post-secondary work may be beginning to have a positive impact. Also, research is in the early stages in studying the impacts of AI. A 2023 report by McKinsey Global Institute, *Generative AI and the future of work in America*, shows how occupations will be affected by the adaptation of AI in the workplace. STEM jobs will be affected in substantial ways, but not necessarily replaced with workers focused on other tasks due to the high demand for STEM workers among other occupations.

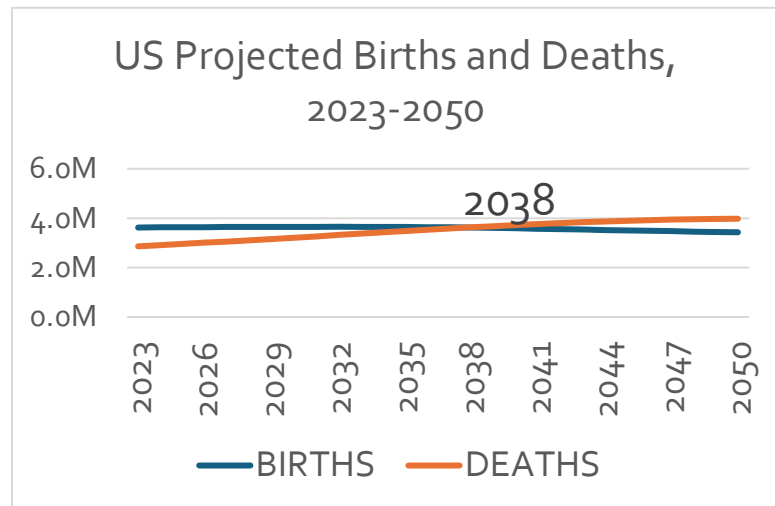
Not everyone can or wants to obtain a college degree, however. More recently there has been a shift toward identifying and measuring the specific skills needed to succeed in jobs, rather than employers using the bachelor’s degree as a simple way to screen for candidates who are believed likely to succeed. This shift increases the potential job pool for employers while expanding opportunities to more job seekers, potentially improving prospects on both sides of the labor market:

- > Good jobs that don’t need a bachelor's degree
- > Specific skills most often sought in job postings

Nonetheless, much work remains to be done to identify the shortest path for workers in lowest-paid occupations – food service, health aids, cashiers, retail workers – to successfully make the transition at scale to those that are higher paid.

LONG TERM FUTURE

Long-term, the region is facing continued slow growth, though largely the result of national demographic trends. As late as 2007, U.S. fertility rates were at the replacement level of 2.1 births per woman over her lifetime. Along with the Great Recession of 2008, fertility rates started to decline. Unexpectedly, this decline continued even as the economy rebounded.



Fertility rates are expected to do no more than stabilize in the future. An aging population means births gradually decline while deaths increase even though life expectancy

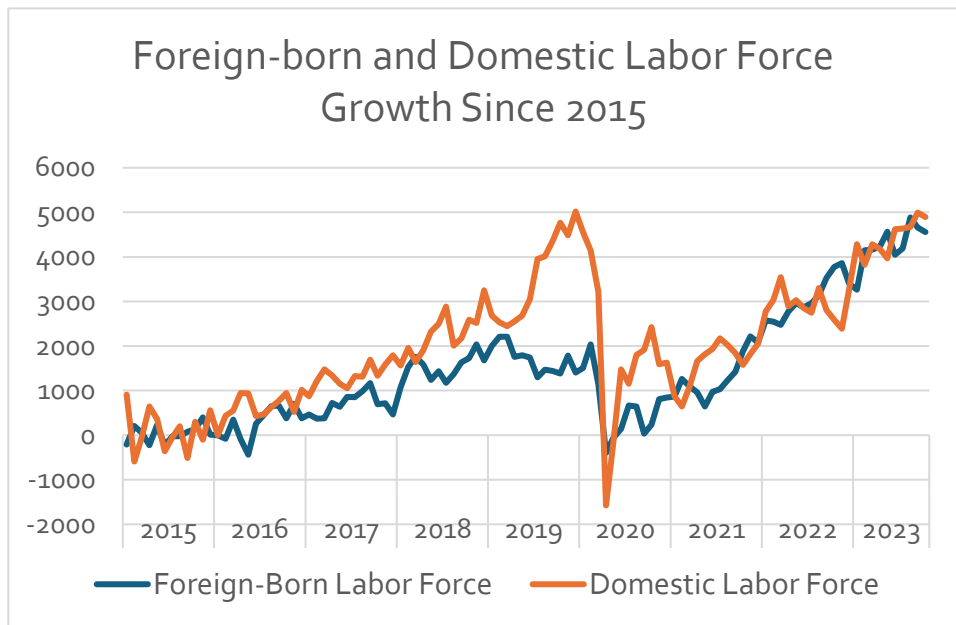
continues to improve. As a result, deaths exceed births beginning in 2038, leaving immigration as the only source of net population growth after that point.

One reason for the decline in fertility in recent years appears to be the increase in the opportunity cost of having children. Difficulty in finding quality, affordable childcare for young children is causing more women to drop out of the labor force.

So, what is projected for immigration levels?

Both the Census Bureau and the Congressional Budget Office see the current high rates of immigration as reverting to something approaching historical levels.

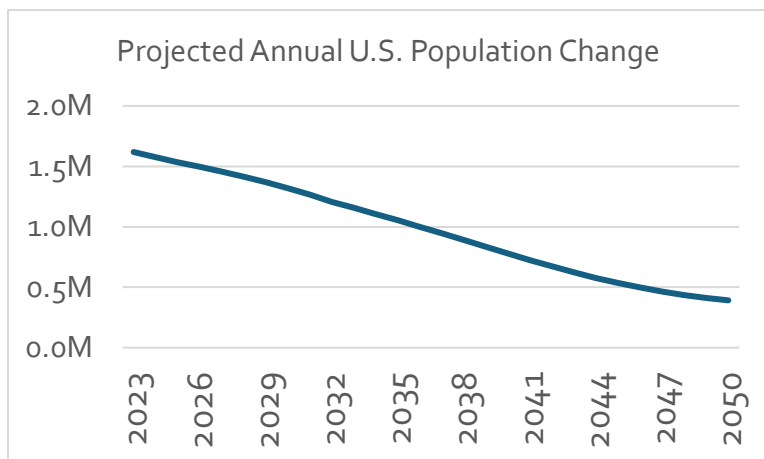
This assumption that immigration reverts to historical average is critical. The natural increase in the U.S. population is currently only adding 100,000 workers per month, but the economy has been adding over 200,000. This excess demand is being met by increases in the foreign-born



workforce, enabling the U.S economy to continue to add jobs while at the same time the rate of inflation gradually declines.

In fact, any labor force growth beyond the pre-pandemic peak can be attributed to growth in foreign-born workers.

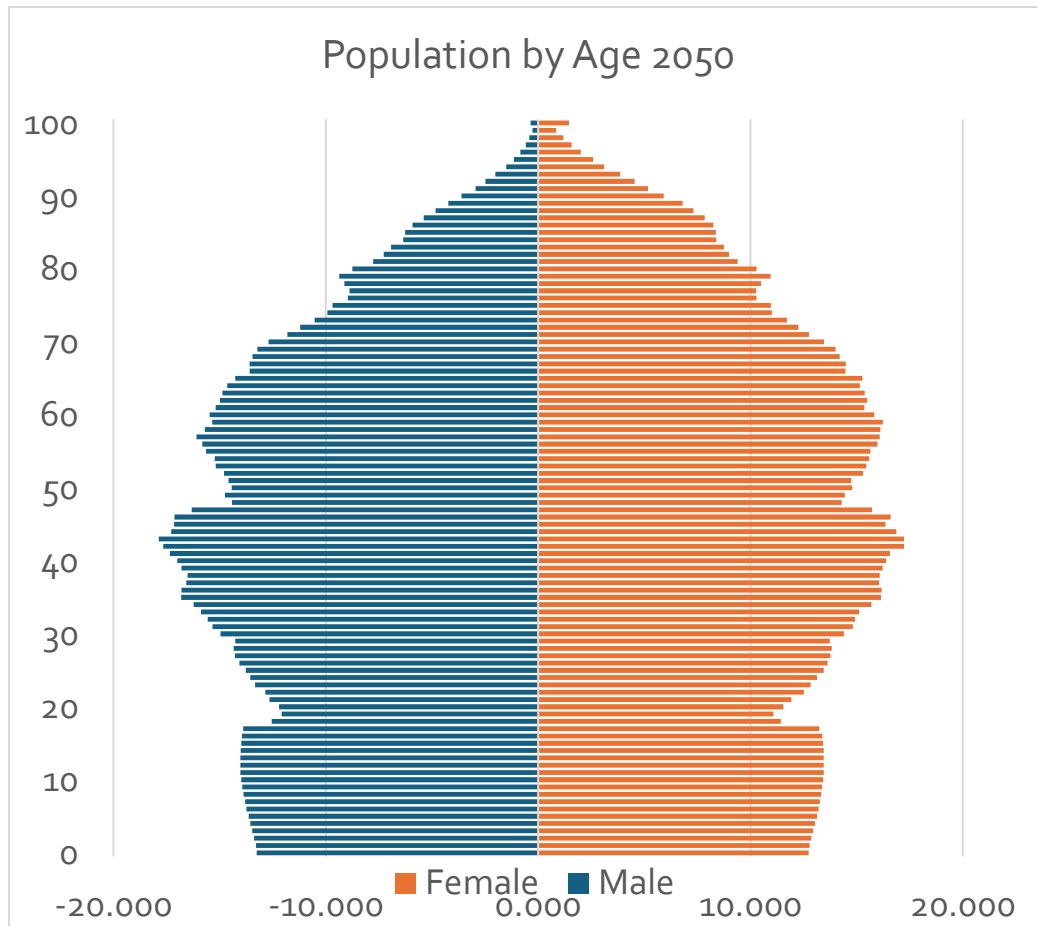
Employment in the U.S. would not be larger today than it was pre-pandemic without an influx of foreign workers. In the future, however, immigration is not expected to increase above the



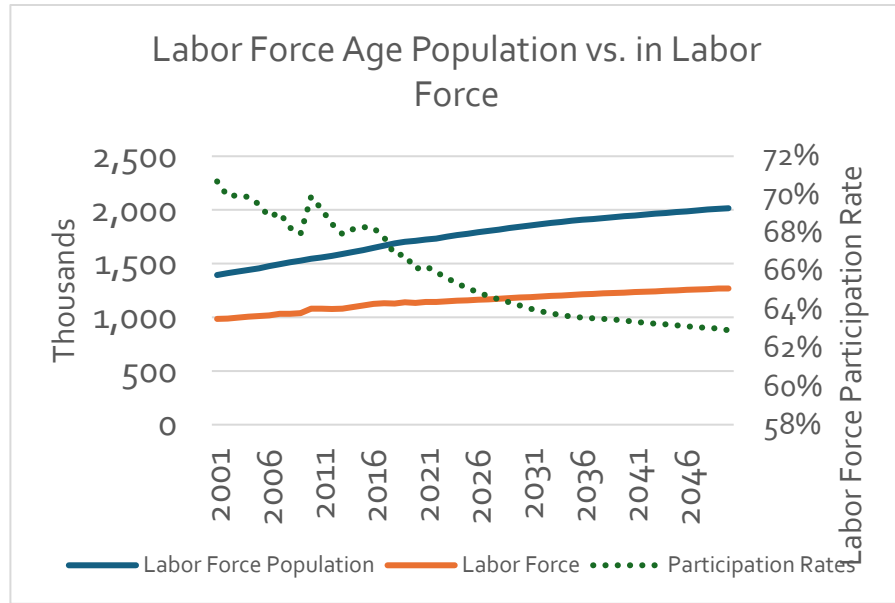
historical average, due to policy and political constraints. As a result, fewer births and more deaths lead to U.S. population growth that is one-quarter of the current rate by the end of the projection period.

The slower rate of U.S. population change impacts the region moving forward as well. Over the projection period, the region's population growth rate is expected to be about half that of the previous two decades. The lower fertility rate and the aging of the baby-boom generation produce a dramatically older age distribution, which affects labor force availability.

Population by 1-year age group, 2050
Population 16 and over that is 55+ = 43%



Aging population produces declining labor force participation, limiting the growth of the workforce. Labor supply constraints limit overall employment growth ensuring continuing labor shortages. Lower labor force growth limits employment growth. Employment growth spikes between 2020 and 2025 reflecting the rebound from the 2020 recession but grows < 5,000 jobs per year thereafter.



EDUCATION

An educated workforce helps attract and retain businesses that strengthen the regional economy. Workforce training and development is a focus of many public, private and nonprofit efforts to build a talent pool to meet the growing needs not only for the private sector but also the public sector. A vast array of career training programs and support services through secondary and postsecondary providers, institutions, universities and

PUBLIC SECTOR WORKFORCE SPOTLIGHT

Government-To-University (G2U) Coalition

formed from a partnership between MARC and The Volker Alliance to build sustainable connections between government and universities. The performance of the region’s government institutions depends significantly on the training of talented public servants.

The initiative seeks to cultivate a talent pipeline into the public sector workforce, ensure the workforce has the skills to meet public sector challenges, and assist with government’s top priority research questions. Local, state and federal government leaders in the region with key faculty and administrators from surrounding colleges and universities focus efforts on regional recruitment, public sector professional development, market analysis and networking.

A list of workforce development-related programs and providers, including workforce investment boards, K-12 intermediaries, higher education, workforce support, and wrap-around service support for workforce development are included in Appendix B.

nonprofits offer curriculum, pre-apprenticeships and apprenticeships programs, scholarships, career exploration tools for youth and adults. Recent efforts have focused on public sector workforce development.

HOUSING

The Kansas City region has long touted **affordability** as a major draw to businesses and people looking for a place to establish themselves, relative to benchmark metros. Rents across the region climbed to unprecedented rates between 2021 and 2022. As that growth cooled among other peer metros, Kansas City’s rates continued to climb through the first half of 2023. As a result, Kansas City’s rent increases were the third highest among the benchmark metros last year.

The **availability** of affordable housing is complicated by the lack of nearly 64,000 affordable rental units in the region. The market segment most acutely affected by this deficit are low-income households who can afford monthly rents at or below \$650. Exacerbating this issue, the region has been underbuilding for the last 15 years since the great recession leaving a shortage of 12,000 to 24,000 units.

The market alone cannot supply traditional new units at this price point without substantial public subsidy, new housing types, or combination of the two.

The implications of housing affordability and availability and the impact on the region’s

competitive advantage to attract and retain businesses and talent are being addressed through the Regional Housing Partnership (RHP). The RHP initiative – convened and supported by MARC and the LISC Greater Kansas City– addresses these regional housing challenges through seven elements of an effective housing system: data analysis,

REGIONAL HOUSING PARTNERSHIP SPOTLIGHT

The Greater Kansas City Regional Housing Partnership (RHP) is working to address challenges and barriers to the development of a variety of healthy, energy-efficient, affordable housing options for owners and renters to meet the needs of a diverse population. Recommendations of a recent Developer Needs Assessment include supporting programs to reduce pre-development barriers including financing, work on efforts to streamline local housing policies and processes, and increase growth opportunities for those in housing development.

Creation of a **regional community land trust consortium** will enable more affordable housing options for first-time moderate-income households and the establishment of a **regional housing fund** will support the development and preservation of housing throughout the region to meet the needs of workers, young families and older adults.

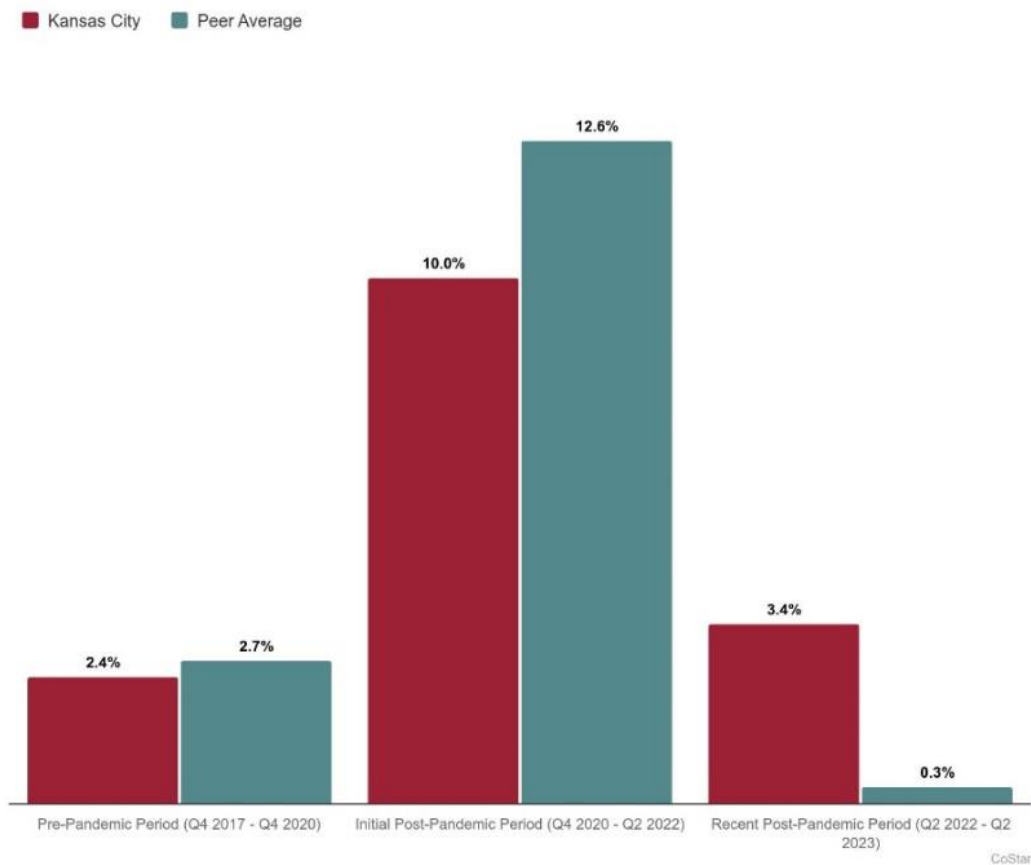
networked leadership, financing tools, production capacity, rental and homeowner resources, public policy and engagement.

Affordability

In the past year, Kansas City’s rents continued to increase while those in most peer metros fell. As a result, Kansas City’s rent increases were the third highest among the benchmark metros in the last year. The net result over (Q4 2020 to Q2 2023) is that Kansas City’s cost advantage is shrinking. Post-pandemic annual rent increases for the region are very close to the average for benchmark metros. If the recent trends continue, it will put the Kansas City region at risk of losing its competitive edge in housing affordability.

Region's rent growth outpaces majority of peer metros over the last year.

Values below represent the percent change in effective rents for Kansas City compared to peer averages by period.



Workforce housing impacted by affordability and availability concerns

Recent trends, particularly rising home prices, accelerating rents, and slow growth in wages are creating challenges for area communities. Housing costs are increasing at a

pace not matched by increased income. Meaning more working individuals are left without a place they can afford to live.

Adding to the problem for low-income households is the difficulty in finding locations that accept housing vouchers, and rental assistance programs cannot keep pace with rising costs and need. Social service agencies are strained given their finite capacity to serve this ever-growing need, while homelessness numbers are increasing.

Availability

It is estimated that the nine-county region is missing 64,000 housing units most at the \$650 and below rent price – approximately 37,428 missing units.

In addition to the current housing gap, the region could lose nearly 11,000 units of affordable housing in the next decade as Low-Income Tax Credits (LIHTC) affordability requirements begin to expire. In the three focus counties that equates to roughly 9,500 units. The housing gap will only continue to grow as the region has not kept pace with needed production at all levels of housing need.

PUBLIC OPINION TOP PRIORITIES SPOTLIGHT

A recent transportation public opinion survey found that affordable housing options are important or very important to 74 percent of respondents. When asked which three items in the survey should be prioritized in the region over the next five years, housing was the highest ranking with 44 percent choosing **affordable housing**. This was **followed by road and bridge construction** and **healthy environment** each at 38 percent and **access to jobs using public transportation** at 30 percent.

TRANSPORTATION

The Kansas City region’s transportation system provides facilities, infrastructure and services that drive the regional economy. As a major transportation hub, the bistate region lies at the intersection of four interstate highways — Interstates 70, 35, 29 and 49 — which connect the region to both coasts, Canada and Mexico. Numerous interstate beltways, and U.S. and state highways also serve the region.

The transportation system supports the region as a distribution hub with major trucking companies operating out of the Kansas City area. Air transportation, including considerable air freight operations and general aviation activity, is served by Kansas City International Airport, Downtown Kansas City Airport and a number of smaller airports. Kansas City is the second busiest railroad center in the nation, with major rail yards for Union Pacific, Burlington Northern Sante Fe, and Canada Pacific which acquired Kansas

City Southern in 2021 to form CPKC – the largest railroad merger in decades. Barge transportation, with about a dozen regulated barge lines transporting goods through the metropolitan area on the Missouri River, also serves the region.

As the Metropolitan Planning Organization, MARC is responsible for regional transportation planning to establish priorities, guide investments and support coordinated operations to implement the region’s long-range plan for a safe, balanced and equitable transportation system. The plan advances the region’s vision for quality places focusing on development and redevelopment around mixed-use, walkable activity centers connected by multi-modal transportation corridors.

Roadway System

Kansas City’s system of roadways is among the most extensive in the nation with the third highest total roadway miles per person and one of the highest daily vehicle miles traveled (VMT) per person. The most recent target data on road conditions shows percentages of interstate pavement and bridges in poor and good condition are on track; however, non-interstate pavement is worsening.

Bicycle and Pedestrian Facilities

Bicycle and pedestrian facilities in the Kansas City metropolitan region are expanding at an increasing rate as many communities recognize the importance of offering residents and visitors greater mobility choices. Many communities in the region have adopted local plans for both on-road and off-road facilities, and many have adopted Complete Streets policies to include bicycle and pedestrian accommodations as roadways are constructed or improved. Data compiled by MARC in 2022 identified 2,125 miles, including walking and hiking trails representing a little more than half of the total. On-road bike lanes and share the road routes account for about 40 percent.

PLANNING SUSTAINABLE PLACES SPOTLIGHT

MARC’s Planning Sustainable Places (PSP) program advances local transportation and land use planning and project development. Actions support three key concepts:

1. Vibrant places that offer a mix of options for housing, jobs, services and recreation
2. Connected places with a variety of transportation options
3. Green places that support healthy living and a healthy natural environment

The PSP program promotes concepts consistent with sustainable communities and the advancement of site-specific activities within key activity centers and corridors. Funding for planning projects is provided through Surface Transportation Block Grant. All projects require meaningful community engagement in a collaborative dialogue.

Walkability plays an essential role in a multimodal transportation system and increases the vitality of the built environment. Walkability affects how we get to work and school, our health through exercise for recreation, our access to transit, the quality of the air we breathe, our economic vitality, and our safety as transportation users. Walkability supports creating quality communities and vibrant corridors and centers.

Freight and Goods Movement Facilities

Freight is fundamental to the Kansas City region’s economy and quality of life with the daily movement of goods from production to market to end-user, both locally and across the country. Kansas City’s freight industry supports more than 100,000 jobs in the region. Freight transported by air, barge, rail and truck is supplied through regional freight zones, freight-related companies and infrastructure.

Kansas City’s rail system consists of six of the seven Class I railroads and several regional or short line carriers. The extensive rail network throughout the region serves local industry with major intermodal yards and provides connections to international markets. BNSF Railway’s Transcontinental Route runs diagonally through the region from the southwest to the northeast and connects the Ports of Los Angeles and Long Beach to Chicago via Kansas City. The Union Pacific (UP) Railroad’s major coal route runs east-west through the region from Topeka into Missouri where it parallels the Missouri River.

Other significant routes in the region include the Canada Pacific Kansas City (CPKC) serves Kansas City with a single line rail network connecting Canada, the U.S. and Mexico, and Norfolk Southern (NS) east-west route that ends in Kansas City.

CONNECTED FREIGHT KC 2050 SPOTLIGHT

Connected Freight KC 2050 is a regional freight planning effort to support rural and urban efficient movement of goods. The Study supports planning efforts encompassing 14 counties. These are the planning areas of the Pioneer Trails Regional Planning Commission (Saline, Johnson, Lafayette and Pettis Counties, MO), the metropolitan planning organizations (MPO) of Lawrence-Douglas County in Kansas (Douglas County, KS) and MARC (Johnson, Leavenworth, Miami, Wyandotte Counties KS and Cass, Clay, Jackson, Platte, Ray Counties, MO).

If a community needs food, medical supplies, construction materials and almost anything else, those goods will arrive via the freight system. A talented workforce is needed to coordinate logistics, communications, customer service, multimodal transportation logistics, agricultural accommodations, and other means to move goods around the regionally, nationally and internationally.

The region currently has five intermodal rail yards serving BNSF, CPKC, NS and UP and numerous switching yards, classification yards, trans-load facilities and other rail operations. The former Richards Gebaur Airport site allows more opportunities for complimentary development at the CenterPoint Intermodal Center – Kansas City. BNSF has moved its intermodal operations to Logistics Park KC in southern Johnson County, Kansas, where significant warehouse space is under development.

The Kansas City Port Authority operates the area’s only public port, located along the Missouri River near the confluence of the Kansas and Missouri Rivers. The port is an intermodal facility, transferring freight between barge, truck and rail. In addition, the Kansas City region benefits from numerous private ports, which are used by companies shipping commodities that include grains, sand and gravel, fertilizer, chemicals, coal and coke.

The Kansas City area is also one of the nation’s top five trucking centers with truck volumes heavily concentrated on interstates and U.S. highways. The region’s national freight corridors are estimated to carry approximately 70 percent of truck vehicle miles traveled with historic trends indicating its high rate of growth is likely to continue.

Aviation

The regional aviation system includes the Kansas City International Airport (KCI) and 13 general aviation airports in the nine-county region. KCI is home to the region’s air cargo terminal, one of the highest-volume air freight hubs in the six-state region. KCI expanded service capabilities will enhance the attractiveness of aviation facilities associated with manufacturing and industrial operations. An 800-acre master planned site, the KCI Intermodal Business Centre, began operation in 2015 and will include more than 5 million square feet of distribution, air cargo and on-ramp airport-related logistics buildings.

The new \$1.5 billion single terminal at KCI opened in early 2023. The new modern terminal will serve businesses, airlines and travelers and enable expansion of air passenger travel. Total passengers at KCI were 11.5 million in 2023, a 17.7 percent increase from 923,034 in 2022. A total of 233.5 million pounds of air freight moved in and out of KCI in 2023, a 9.3 percent decrease from the previous year.

Passenger Rail

Amtrak Missouri River Runner provides inter-city passenger service between St. Louis and Kansas City and includes two access points to national Amtrak routes. Kansas is exploring Amtrak connections from Kansas City to Oklahoma City, OK through Newton KS and Missouri is exploring extending Amtrak service to St. Joseph, MO and an additional Missouri River Runner between St. Louis and Kansas City. The Kansas City Area Transportation Authority (KCATA) is exploring an intercity rail system with 107 miles of passenger train

service mostly on existing track used by the region’s freight railroads and new track connecting the greater Kansas City area from Leavenworth to Lee’s Summit with bridges linking Platte and Wyandotte Counties and link to existing Amtrak-served lines including Topeka and DeSoto. The proposed system would connect with the existing bus service and Kansas City Streetcar.

The Kansas City Streetcar has a current route in downtown Kansas City serving the central business district from River Market to Crown Center and Union Station with a planned 3.5 mile extension underway south of Union Station along Main Street to UMKC. The Riverfront Extension broke ground in early 2024 to bring access from River Market north to Berkley Park along River Front Drive.

Transit Service and Ridership

Transit service in the region is provided by the Kansas City Area Transportation Authority (KCATA); Johnson County Transit (JCT); Unified Government Transit (UGT); the city of Independence, Missouri; and the Kansas City Streetcar Authority. For more than 20 years, MARC and area transit providers have worked cooperatively to develop and implement the Smart Moves Regional Transit and Mobility Plan, a regional transportation plan for expanded transit and mobility services throughout a seven-county area.

For the past several years, the Kansas City area has seen an overall decrease in total bus transit ridership, on par with national transit ridership trends. This decrease was largely due to an improving economy, low gas prices, increased car ownership and the introduction of transportation network companies as a mobility option. Despite the overall decrease in bus-based ridership, local agencies continue to improve and expand the transit system with a focus on connecting more people to jobs. A shift to zero fares on transit buses during the pandemic had increased ridership at a time when federal resources helped replace the fare revenues. The KCATA and local communities are examining whether to maintain no fare transit.

The Kansas City Streetcar Authority, in partnership with Kansas City Area Transportation Authority, and the city of Kansas City, Missouri, are pursuing extensions to the streetcar line north along the Riverfront and south to the University of Kansas City-Missouri. The first phase of the system resulted in \$18 million in private investment along the corridor. The south extension is expected to be completed in 2025 and the north extension by 2026 prior to the summer World Cup events.

Modes of Travel

The Kansas City metropolitan area remains heavily dependent on the automobile as the dominant mode of transportation. While the percentage of people working from home has decreased slightly post-pandemic, the number remains at a much higher level than before 2020. Commute trips in the Kansas City region are generally characterized by very low vehicle occupancy rates. Kansas City’s average is 1.05 workers per car, truck or van.

Average workers per car, truck or van: **1.05** ²⁰²¹

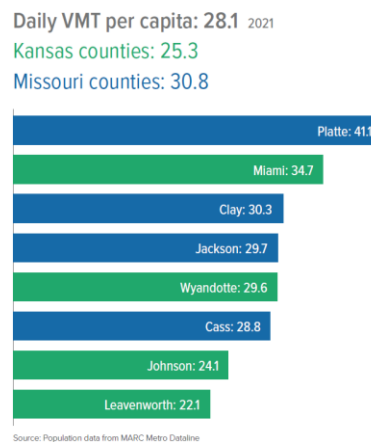
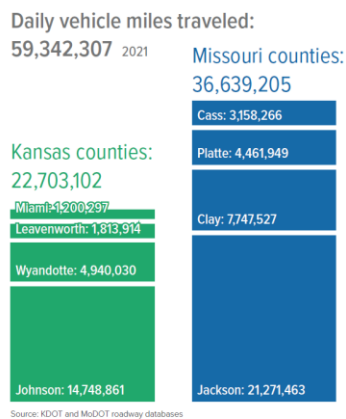
Kansas counties: 1.05

Missouri counties: 1.05

Johnson: 1.04	Clay: 1.04
Miami: 1.04	Jackson: 1.04
Leavenworth: 1.05	Cass: 1.05
Wyandotte: 1.08	Platte: 1.05

Source: U.S. Census Bureau, 2017-2021 American Community Survey

Roadway users in the Kansas City urban area travel more vehicle miles on average than roadway users in other urban areas of similar population size (1 to 3 million). The region experienced a modest increase in the total miles traveled to 59,342,307 in 2021, compared to 58,332,878 in 2016 and daily vehicle miles traveled (DVMT) per capita fell from 29.3 to 28.1 in 2021.



Congestion & Travel Time

Recent analysis of 2022 traffic congestion and reliability data by MARC shows the majority of region’ congestion management network (CMN) remains uncongested and reliable. This network includes a series of roadways in the Kansas City region selected for an increased focus on traffic congestion, both recurring congestion at predictable times and non-recurring congestion caused by traffic incidents or inclement weather.

The results suggest:

- Congestion and unreliable conditions are worse on major roadways in the afternoon peak period (4-6 p.m.) than in the morning peak period (7-9 a.m.).
- Congestion and reliability are worsening over time.

- Historical commuting corridors have decreased in the a.m. and p.m. peak periods suggesting growth in congestion and reliability is occurring outside these corridors.
- Kansas City commuters experience less delay compared to commuters in most other peer metros.

While research shows that traffic congestion has increased post-pandemic; the nature of the congestion change is likely influenced by the flexibility in hybrid work schedules.

Commuters into the Central Business District in Kansas City, Mo. experienced an increase in travel time. Major new development in outlying suburban locations, including the Panasonic plant in DeSoto, Kansas, will increase travel time to work for many workers and create congestion challenges in outlying communities until

workforce housing is available to enable workers to live closer to their places of employment.

Transportation Technologies

Changing transportation technologies requires coordination among a strong network of partners to overcome challenges in the areas of automated vehicles (AV) and the use of regional unmanned aircraft systems, i.e. drones (UAS). The region is working through MARC to create a policy

and regulatory environment that supports high-quality economic development, innovation, training and education. Newer technologies like AV and UAS will require state and local public policy to support innovation, safety, training, education and economic development. Technology-driven business development could attract new companies and create new business opportunities.

Transportation and traffic management data systems like HERE, INRIX traffic data are used to aggregate data from individual roadway segments and supported with calculation tools by the Probe Data Analytics Suite run by the University of Maryland's CATT lab. Other traffic systems like Operation Green Light and Kansas City Scout improve traffic management and

TRANSPORTATION MANAGEMENT SPOTLIGHT

Operation Green Light and Kansas City Scout

coordinate when traffic conditions require diversion from freeways to arterials adapting signal timing to manage overflow conditions when and where possible. KC Scout is a freeway management system to help respond to traffic incidents.

Operation Green Light's wireless communications system allows analysts to make changes remotely to a signal without having to visit the intersection.

By decreasing how long motorists idle at intersections or during traffic incidents, the combined effort helps to reduce emissions that contribute to the formation of ground-level ozone, Kansas City area's main air pollutant.

incident coordination to reduce unnecessary delays, improve traffic flow, and reduce vehicle emissions that contribute to ozone pollution.

INFRASTRUCTURE

Overall, the Kansas City region is well served by public infrastructure, including ground, air, rail and port transportation facilities; water, wastewater and stormwater facilities; and green infrastructure. Maintaining existing systems continues to be a challenge in portions of the region as facilities age or were designed prior to modern standards or changing climate conditions. Many jurisdictions have passed special sales taxes and/or bond issues to support new facilities and improvements to existing systems. Examples of recent major infrastructure investments include:

- KC International Airport New Terminal opened in 2023
- Kansas City Streetcar extension in Kansas City, MO to be completed in 2025/2026
- New Missouri River Buck O'Neil Bridge to be completed in 2025
- Upgrades and New Wastewater Treatment Plants for Johnson County, Kansas in 2024 and 2026
- Significant Levee & Stormwater Investments through US Army Corps of Engineers and Local Communities to reduce flooding risks and address environmental quality

MARC is working with local governments and other community stakeholders on an updated set of resilience-focused stormwater engineering design standards (i.e., APWA 5600) scheduled for completion in 2025. These new standards will improve the region's infrastructure, water quality, and reduce risks of extreme weather conditions.

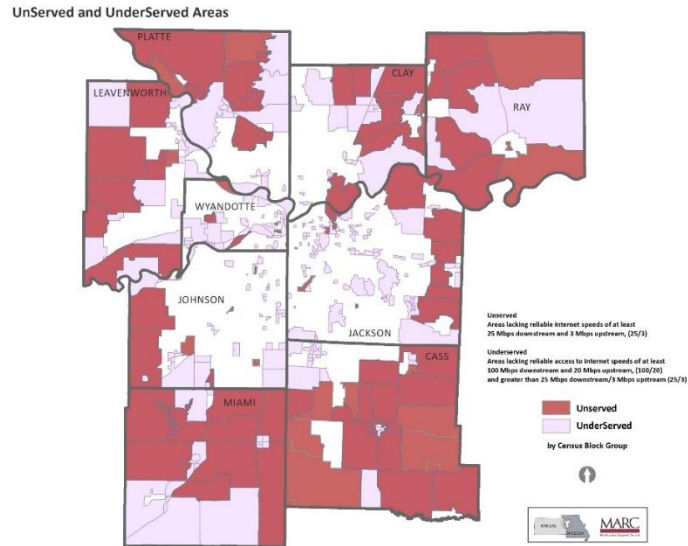
Broadband Access and Digital Equity

The ability to access the internet and use technology for education, to apply for a job or access health care or community information or stay socially connected has become a necessity for social and economic success. The need for connectivity and knowledge of using the internet and computers became more critical during the COVIDi-19 pandemic and has continued to influence everyday living.

MARC, the Federal Reserve Bank of Kansas City and KC Rising initiated broadband and digital equity planning for the Kansas City region in late 2022 as the federal government announced large funding to be distributed to the states to reduce disparities in broadband infrastructure in rural areas and increase digital access for disadvantaged populations in urban, suburban and rural parts of the nation.

The broadband analysis found that the metropolitan area needs additional infrastructure investment.

Much of the Kansas City region is well served with broadband infrastructure; however, gaps exist in urban, suburban and rural areas. In particular the rural periphery of the region has slower service at much higher prices, and in some cases virtually no broadband service at all.



While most households in the region have adequate broadband services in their homes, about one in ten households lack broadband subscriptions, computers and know-how to effectively use the technology. The digital equity strategy plan evaluated digital equity needs for target populations throughout the region and outlined recommendations to address digital access and services.

Energy & Utilities

The Kansas City region is well served by the electric grid and natural gas distribution companies. Modernization of the grid is expected to require major investment to accommodate the region's growth in large industrial and data system facilities and the installation of solar and other renewables. In addition, the electric grid will need investment to ensure the region is resilient to extreme weather events.

The Kansas City region has adequate electric and natural gas services to support residential, industrial, commercial and institutional needs throughout the metro area. Most of the electric utilities offer assistance and incentives to support lowering energy bills, and many offer support for solar installations. Mid-America Assistance Coalition and other organizations offer utility assistance for low-income households through federal, utility company and philanthropic resources.

The costs for electricity in Kansas City, Missouri, averaged \$12.52 kWh in April 2024, which was 26 percent less than the national average. Rates vary by company, time of day and season. Natural gas average costs are \$17.45/1,000 cubic feet about 17 percent more than the national average.

Renewable & Clean Energy

The region is working to address climate impacts and reduce energy costs for households and businesses by replacing our dependence on fossil fuels with renewable and clean energy. Major investment in wind will continue with solar anticipated to grow at an accelerated rate. The region's growth in solar deployment may require state legislative action. Energy efficiency investments will complement this increased focus on renewable energy. Efforts supporting this transition include:

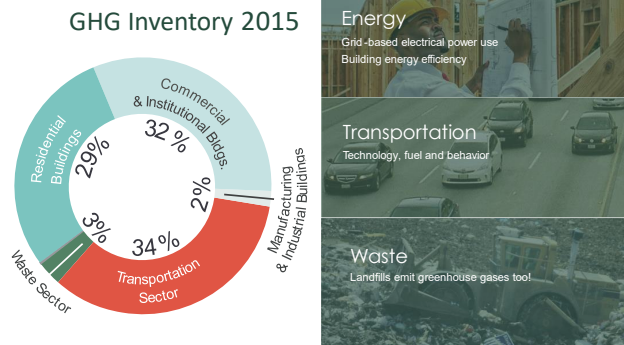
- Evergy's integrated resource plan calls for carbon-free energy generation by 2045 with focus on wind and solar.
- Utility investments in energy efficiency programs approved by both the Missouri and Kansas state utility commissions will bring more significant resources for residential, commercial, institutional, and industrial retrofits.
- Growth in the region's electric vehicle charging infrastructure is projected to build on recent previous investment by Evergy to support the electric vehicle sector.
- New economic development strategies tied to national climate policy is helping create the demand for electric vehicles.
- Strong potential for additional related business growth at the Astra Enterprise Park in DeSoto where the \$4 billion Panasonic battery plant will open in 2025 and in other locations around the metro area.

Electric Vehicles

Electric vehicle (EV) registrations have been steadily rising over the last several years. A majority of EV charging stations are classified as Level 2 with chargers common for home, workplace and public charging. While there is a dense network of EV charging stations in the Kansas City metro, faster and more advanced platforms like DC Fast Charging are concentrated outside central Kansas City. A recent transportation public opinion survey shows increased interest in EVs with 46 percent of respondents considering a future purchase with 16 percent planned within 1, 5 or 10 years. Three percent already own an EV.

ENVIRONMENT AND HEALTH

The Kansas City economy is tied to how well the region reduces pollution and greenhouse gas emissions, preserves and restores ecosystem health, and fosters healthy communities. Recent initiatives on building decarbonization, green infrastructure, and air and water quality are driving a focus on economic and climate resilience and equity to ensure quality of life for all residents of the region.



Climate Action KC and MARC are leading efforts to implement climate actions that touch on these and other focus areas. The regional climate action plan, adopted in 2021, guides this implementation by providing a voluntary, flexible and collaborative framework tailored to meet local needs in ways that can scale up for regional benefits and impact.

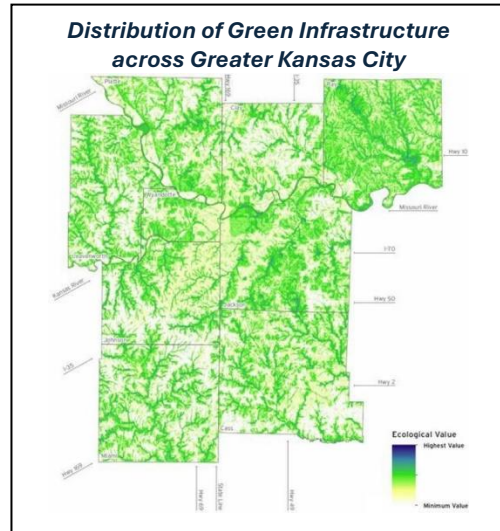
Building Decarbonization

The region's building stock accounts for 63 percent of regional greenhouse gas emissions – with transportation at 34 percent and waste at three percent. Significant investments in building energy-efficiency will save money, reduce energy burdens for low-income populations, improve public health – all in ways that align with regional climate plans.

Climate Action KC launched the Kansas City Building Energy Exchange to support the transition to support decarbonation of the region's building stock. Other key strategies to support this work include utility and federal programs and incentives, local government policies, and workforce development. Emerging job and business opportunities focus on building retrofits and renewable energy like energy audits, HVAC, insulation, solar installations and more.

Green Infrastructure

The natural and built environment are inextricably linked to provide for the quality of life expected by the region’s residents. Clean air and water are foundational to public health. Parks and natural areas provide for recreation and mental health, especially during the pandemic; they also provide for high quality habitat, biodiversity, flood-risk reduction and heat island mitigation. As the region’s continues to develop, conservation and restoration of natural resources will facilitate and enhance economic growth and community health.



Sustainable Materials Management

The Kansas City region disposes roughly 3 million tons of solid waste each year. Waste reduction and reuse and waste diversion create new economic business opportunities and reduce government, residential and business expenses. A new regional solid waste plan will assess opportunities for waste diversion, including a circular economy – keeping materials and products in circulation for their highest use as long as possible. Key examples of a circular economy include using glass for fiberglass insulation production, recovering used building materials to support affordable housing retrofits, and composting organic waste to improve soil quality.

Air Quality

The region’s air quality has improved drastically over the last 30 years. However, there is more work to be done. The region has long struggled with elevated ground-level ozone formed when emissions (nitrogen oxide, or NOx, and volatile organic compounds) from sources such as cars, lawn mowers and industry react with heat and sunlight. Fine particulate matter – primarily formed from chemical reactions in the atmosphere and through fuel combustion – is also an indicator. Air quality concerns create particular risk to youth, the elderly, and populations with cardiovascular and pulmonary conditions. Many of the climate strategies will improve air quality while providing innumerable co-benefits.

While the region is in attainment with all federal air quality standards, the region is at risk of becoming a non-attainment for both ozone and fine particulate matter (PM2.5) due to new, more stringent EPA standards. The region has maintained its ozone average at or below the federal standard with a slight uptick to 68 in 2022. The PM2.5 level in 2022 was 10.4.

EMERGENCY PREPAREDNESS AND RESILIENCY

The Kansas City region’s local officials have dedicated time and resources to ensure that risks to lives and property from natural and man-made disaster events are mitigated through sound planning, resource allocation and coordination, proper policy adoption and public education.

From flooding to drought, tornados, ice storms, and extreme heat, the Kansas City region has a long history of confronting natural hazards. Understanding how climate change might exacerbate the region’s risks and vulnerabilities to extreme weather is fundamental to formulating strategic priorities to achieve our vision of health, resilience and sustainability. These natural hazards pose a risk to both homes and businesses and could severely impact the region's economy.

A 2021 Climate Risk and Vulnerability Assessment included a downscaled climate model for the Kansas City region. The metro area could reasonably anticipate changes to heat and precipitation patterns in the coming years. Changes in precipitation are projected to lead to increased frequency, intensity and duration of storm events, causing anticipated impacts such as flooding, stream bank erosion and weakened water quality. Extended periods of rain-free days in the summer months are anticipated to accompany a more than twentyfold increase in the number of extremely hot days.

The impacts and implications of climate change are diverse. Changes in precipitation patterns — be it flood or drought — cause increased risks to infrastructure and property. More extreme heat and flooding also impact public safety. Extreme heat, air and water quality impairments, and increased allergens all pose significant public health challenges, and economic impacts are anticipated to affect vulnerable communities in a disproportionate manner.

The increased severity of natural events – rain, drought, heat, and severe winter weather - threaten the region's economic activity. These impacts could disrupt the ability of our transportation systems to adequately serve workers traveling to jobs, customers attempting to engage in commerce or freight moving to destinations. Recent storms have created significant challenges for our region's utilities, with most electric power lines above ground and impacted by tree damage.

Hazard Mitigation

Local cities and counties have adopted a Regional Hazard Mitigation Plan developed by MARC for the five Missouri counties in the region, and individual county plans on the Kansas side of the state line. The nine area counties have recently initiated an update of

their Hazard Mitigation Plans. The current Regional Hazard Mitigation Plan outlines actions that communities may take to reduce risks from both natural and man-made disasters. The plan supports the region's goal of a disaster resilient community.

Proper planning, land management, resource allocation and policy adoption could reduce risks, lower insurance premiums, and address stress on vulnerable populations living in areas of greater vulnerability.

The region's homeland security and emergency services program has established a vision for a region prepared to prevent, protect, respond to and recover from a broad range of threats and hazards — including terrorism — through strong relationships, protocols for regional action, strong regional and local plans, sharing and coordination of resources, equipment investments, coordinated training and exercise, improved surveillance capabilities, and the early detection and mitigation of hazards and threats. To achieve that vision, local communities have worked together through MARC's Regional Homeland Security Coordinating Committee since 2003 to invest federal resources and develop and strengthen regional capabilities.

Cyber-attacks have created new challenges for public and private organizations and businesses. Recent global and national events have impacted air travel, banking, communications, healthcare and government operations.

Recovery

The Homeland Security Strategy Plan outlines specific goals for the region to prevent, deter, respond to and recover from disaster events. MARC provides support to local communities affected by disasters, particularly small communities, including application and grant assistance for federal disaster funds to help the communities restore basic infrastructure and services and recover from the disaster.

The strong working relationships developed throughout the region through homeland security work have enabled communities to respond to neighboring jurisdictions when disasters create the need for support. Events such as tornados, floods, ice storms and heat-related power outages have impacted many local communities. For many of those events, both during and following the event, communities have provided critical mutual aid.

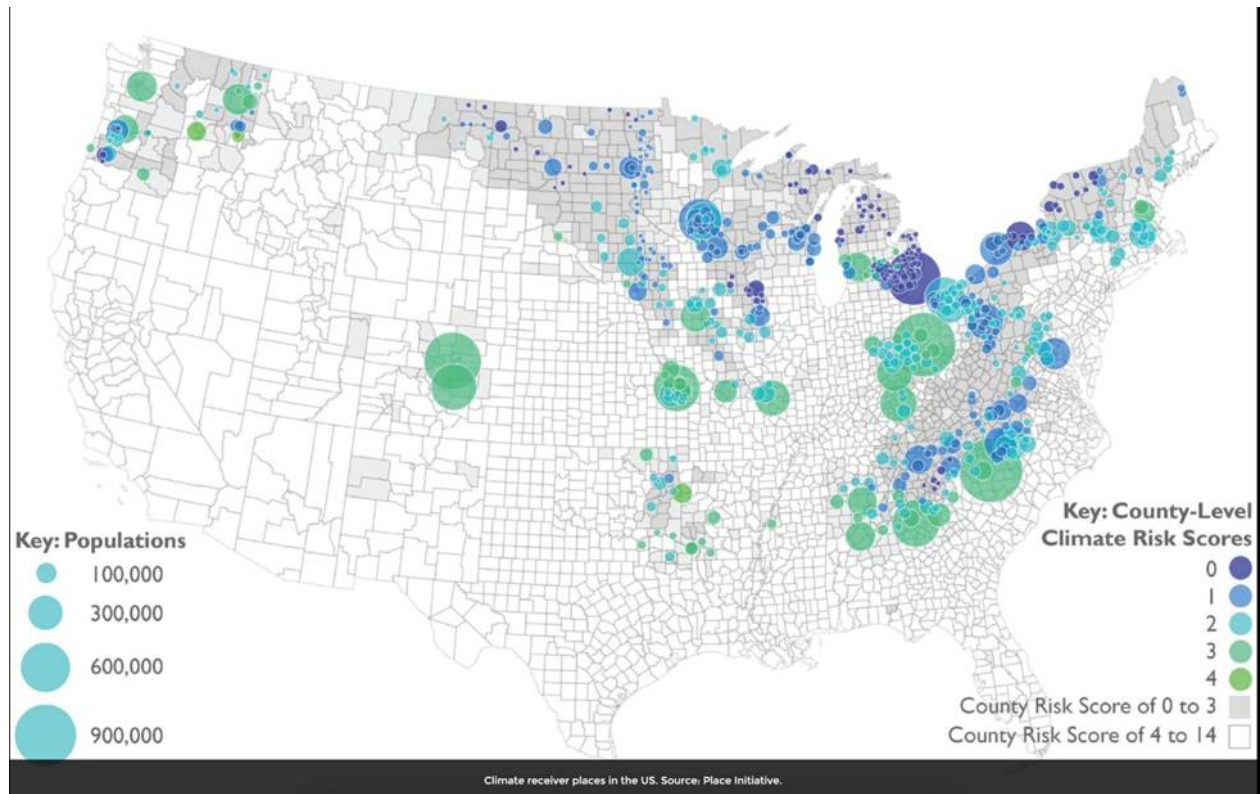
Efforts are underway to expand private sector involvement in emergency preparedness and recovery, in particular. Many businesses lack plans to support their efforts to operate during and after a disaster event; however, many businesses also have resources that could support other companies and the broader community. The Regional Homeland Security Coordinating Committee, FEMA and others seek to establish stronger public-

private partnerships to aid recovery capabilities and support the region's economic resilience following disaster events. Work with federal agencies and private cybersecurity firms is underway to increase public and private sector protections from cyber-attacks and the ability to recover.

Climate Migration

Climate change may reduce the region's historical net migration to the Sunbelt metros as populations shifts from other areas experience more dramatic effects. The greater Kansas City area may become a climate receiver for this migration based on lower county-level climate risk scores ranked by Place Initiative and several counties potentially considered climate receiver counties.

Climate Receiver Places



SWOT ANALYSIS

A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis was prepared to assess the region’s capabilities and capacities to support the strategic direction of the CEDS. This analysis is a compilation of a recent review of the 2022 SWOT conducted with the Regional Workforce Intelligence Network in April 2024. Discussion was also informed by the recent work of New Localism Associates for the Civic Council of Greater Kansas City that identified opportunities and weaknesses to encourage the region’s leaders to better position the metro area in the pursuit of new national economic priorities.

STRENGTHS

Business

- Diverse economy, particularly traded sectors of logistics, manufacturing, professional services, construction, and biologics/pharmaceuticals.

Innovation and Entrepreneurship

- KC Rising Fund offers resources for business start-ups.
- Alt-Cap and other CDFIs provide important business financing for business start-up and expansion.
- Strong set of programs supporting entrepreneurship with foundation leadership and support (Kauffman Foundation).

People

- Number and quality of public and non-profit higher education institutions in and around the metro area.
- Specialized career and technical education, experiential learning through Real World Learning, education intermediaries like PREP-KC and KC STEM Alliance/Project Lead the Way and the DeBruce Foundation's Agilities Profiler in K-12 schools.
- Scholarship opportunities, including support for post-secondary education and career technical training, through KC Scholars.
- Strong public workforce system.

- Missouri Regional Apprenticeship Programs with an Earn and Learn Model; Strong Kansas Apprenticeship office expanding opportunities for apprenticeships across industries.
- Women are well represented in the healthcare industry (diagnosing and treating practitioners and technologists and technicians).
- Persons of color are well represented in occupations related to the energy transition including production, material moving and construction, installation and repair.

Place

- Extensive highway and major road system across the region, extensive railroad network, to support freight and commuter travel.
- Expanding streetcar system and bikeway system.
- Adequate water, wastewater, broadband, natural gas and other resources to support development and business operations.

Leadership, Resiliency and Equity (Systems)

- Strong regional and local economic development organizations, including the coordinated regional marketing led by the Kansas City Area Development Council.
- UMKC Innovation Center/KCSourceLink leadership in bringing numerous organizations serving entrepreneurs and small businesses together.
- Civic and business leadership focused on region's economic progress through KC Rising.
- Collaborative leadership for key industry sectors, including KC Global Design, BioNexus and Kansas Manufacturing Solutions/Missouri Enterprise.
- Mid-America Regional Council brings local governments together to address regional issues and pursue opportunities.
- MARC and Climate Action KC have engaged local governments, organizations and residents to prepare and advance a regional Climate Action Plan.
- MARC, KC Rising and numerous organizations are intentionally focused on addressing racial, ethnic and other under-represented group disparities.

WEAKNESSES

Business

- The region has few industry clusters, particularly those in traded sectors, with a high location quotient, and a competitive advantage over peer metros.
- Workers with at least a bachelor's degree and skills are leaving the region.

- Losing or downsizing of large companies and loss of headquarter businesses through mergers/acquisitions.
- GDP growth and exports from metro businesses lag metro peers.
- Export activity is stagnant despite a diversified export bucket (transportation equipment, agricultural products, chemicals, processed foods and computer and electronic equipment), R&D (innovation) is relatively weak.

Innovation and Entrepreneurship

- Inadequate capital for business start-up and small business growth, particularly those led by persons of color.
- Lack of angel investors.
- Inadequate capital for business start-up and small business growth, including resources to enable successful small businesses to scale up. Minority and women-owned firms and entrepreneurs face greater challenges securing financing from mainstream lenders.

People

- Difficulty retaining international students who may be able to study in area higher education institutions and remain in the region filling technical jobs.
- Limited federal funds to support education, particularly for disadvantaged students.
- Large number of adults without necessary skills to fill in-demand available jobs.
- Business engagement is not sufficient in career technical education.
- Need for continued education for trade sectors.
- Need more education for children and youth about entrepreneurship.
- More middle skill workers needed for the area's manufacturing businesses.
- There is a lack of wrap-around services for disadvantaged job seekers, particularly transportation and childcare.
- Women and persons of color are under-represented in critical technology industries and women are under-represented in occupations related to the energy transition.

Place

- Limited public transportation system to connect workers to growing employment centers.
- Inadequate broadband infrastructure in many parts of the metro area (access) and barriers, including costs, for many households to sign up for internet subscriptions and acquire computers.

- Lack of low-cost housing and affordable housing near suburban job centers.
- Vehicle miles traveled are increasing, leading to increased emissions that harm air quality.
- Growing divide among income groups, and growth in suburban poverty.
- Low density dispersed development patterns make economic development and access to jobs difficult, while degrading the region's natural resources.

Leadership, Resilience and Equity (System)

- Low state support for education and workforce preparation — pre-K, K-12 and higher education.
- Racial and ethnic disparities, economic and racial segregation.
- Racial disparities exist in education, income, housing and health.
- Federal and state earmarks need to be better coordinated for transformative impacts.
- Greater coordination among government, business and civic groups are needed for the region to pursue new and large economic opportunities.
- Lack well-resourced business/civic leadership groups to support economic growth
- Low state support for business and entrepreneurship economic investments
- The ecosystem of higher education institutions is relatively weak, with limited collaboration in areas of research.

OPPORTUNITIES

Business

- Use of AI in business and education applications (e.g., supportive production/automation tool, language asset).
- Employer co-location with education hubs (e.g., UMKC Health Sciences District).
- Take advantage of opportunities to increase suppliers for the Dept. of Defense through nearby bases or national defense supplies/services.
- The KC region has the greatest strengths to advance key technology industries, including biotechnology and medical technology (strong pipeline of talent, research, higher education resources, strong industry players), advanced manufacturing (strong talent pool) and advanced energy efficiency technologies (strong talent pool and research).

- Modest strengths have been identified for data storage, data management and cybersecurity (talent pool and industry players), AI (industry players) and quantum information science (talent pipeline and industry players).
- KC has a relatively strong positioning on advanced energy efficiency technologies with talent pool, R&D efforts and industry players. The strongest sector position is with electric/smart grid and microgrid technology, EV batteries and electric vehicles.
- The region has a strong logistics and transportation system and Kansas City is strategically positioned to attract investments in tradable sectors.

Innovation and Entrepreneurship

- Increased presence of organizations offering financing and guidance to support minority and immigrant entrepreneurs and small businesses.

People

- Educated workforce and opportunities to increase post-secondary attainment through extensive online and in-person learning, evening offerings, scholarships and career support. Increasing interest in career technical education and youth and adults entering trade programs.
- College and universities' abilities to attract and educate international students, providing potential for an expanded skilled workforce.
- Availability to retain or attract older adults to support the need for skilled talent.

Place

- Over 50 census tracts in the KC region have been designated as Qualified Opportunity Zones.
- Numerous urban core and other census tracts identified as Justice 40 neighborhoods eligible for new federal investment.
- New opportunities for federal investment in infrastructure (transportation, broadband, water and sewer, clean energy, climate adaptation).

Leadership, Resilience and Equity (Systems)

- Government, business and civic leadership could take more deliberate action to align the region's assets with shifting market dynamics and to address disparities for disadvantaged populations to achieve economic success.
- KC Rising is working with New Localism Associates and regional groups to develop an economic development playbook (beyond the CEDS) that identifies a clear sense of economic position with assessment of economic environment, advantages,

federal assets, R&D capabilities, infrastructure, industry hubs, supplier network and workforce pools. Respond to new economic forces with new diagnostic tools to assess areas for regional growth, including federal spending, military assets, key technology areas such as green supply chains and foreign and domestic trade.

- The states of Missouri and Kansas are placing greater emphasis on workforce preparation and business support, particularly around broader use of apprenticeships to prepare workers and fill employer talent needs.
- New interest and leadership in affordable housing to support attracting and retaining talent needed to grow the economy through a Regional Housing Partnership (MARC and LISC) and increased interest by area local governments.
- Adoption of new energy building codes by cities, including Kansas City, Missouri, offer opportunities to produce more energy efficient commercial and residential properties.

BARRIERS/THREATS

Business

- > Potential for AI to replace workers.
- > Minority-owned firms' participation in strategic economic sectors is low.
- > Vulnerability of supply chains for manufacturing, construction, and other business activity.
- > The nation is experiencing a highly distributed manufacturing boom in efforts at reshoring, with the region not well positioned for manufacturing investment in city centers or with a shortage of skilled workers.
- > The retirement of baby boomers and reduced size of succeeding generations is creating a systemic shortage of workers for the foreseeable future. While upskilling the remaining workforce is part of the answer, the region also must attract more people to the region to fill business demand.

Innovation and Entrepreneurship

- Promising small business startups are leaving the region for places where capital and other supports are more available.

People

- Limitations on use of Pell grants and availability of other resources to support training for disadvantaged youth and adults.

- Need to strengthen the ecosystem of higher education institutions with stronger connections and more emphasis on R&D.

Place

- Maintaining infrastructure, particularly water and sewer, is increasing costs for local governments and customers.
- Rising energy costs are impacting businesses and households.
- Climate change is likely to impact public infrastructure and require larger investments to address electricity, stormwater and other systems.

Leadership, Resiliency and Equity (Systems)

- Numerous political boundaries, including a state line, often complicate efforts at growing the regional economy and creating a skilled workforce.
- Political backlash to DEI policies.
- There is a need for greater emphasis on language translation support to welcome and integrate immigrants into the community and workforce.
- Higher interest rates and downpayment requirements, increasing property values and out-of-town investor purchasing have limited home ownership.
- Perceptions about personal safety is a growing concern for many neighborhoods and business areas.
- Need for long-term local leadership and funding beyond initial planning and seed grant investments (EDA Tech Hubs, South Loop, NSF Engines, RAISE grants)
- New patterns of collaboration are needed to support the region's efforts to secure federal resources.
- New patterns of collaboration are needed around climate action and adaptation
- The region is dependent on fossil fuels and needs to invest in renewable and clean energy.

STRATEGIC FRAMEWORK/ACTION PLAN

The 2024 Comprehensive Economic Development Strategy (CED) Policy Framework has been informed by previous CEDS planning between 2019 and 2022; work led by KC Rising to identify key metrics measuring the region's economic competitiveness and growth toward inclusive prosperity; work led by MARC and Climate Action KC to create a more sustainable region; a new report on the state of small business by the UMKC Innovation Center; and, work on behalf of the Civic Council by Bruce Katz, founder of the New Localism Associates, and Accelerator for America.

The Policy Framework identifies goals, objectives, five-year strategies and metrics in five key areas:

- Business
- Innovation and Entrepreneurship
- People
- Place
- Leadership, Resilience and Equity (Systems)

GOALS, OBJECTIVES, AND ACTIONS

BUSINESS

Strengthen the region's economy by focusing on steps to support robust and emerging traded sectors, including efforts to enable existing businesses to grow and for the region to attract new firms. Encourage steps to increase the region's economic position relative to the nation and peer metros.

GOAL 1: Focus regional economic development efforts to respond to new national priorities - reshoring to bring manufacturing back to the US, remilitarization given wars and tensions in Ukraine, Gaza and China, and growing concerns over the changing climate and need for decarbonization—with a focus on securing new federal resources, taking advantage of opportunities for critical technologies and green supply chain investments and increasing domestic and global exports as a share of Greater Kansas City's total economy.

OBJECTIVES

Reshoring

- Strengthen domestic and international export trade activity from the region to increase exports as a percentage of GDP.
- Further investments in the region's transportation and logistics systems to support

international trade, particularly from Mexico, Canada, Japan, and Germany, which are current top export destinations.

- Identify new domestic and international markets for the region's traded goods and services beyond transportation equipment, agricultural products, chemicals, processed foods and computer and electronic equipment (current leaders).
- Support the region's efforts for the recently designated Tech Hubs focused on biologics, including the production of pharmaceuticals and vaccines; and the Tech Hub on critical minerals supporting EV batteries and other emerging technology products.
- Support efforts identified in the KC Playbook to establish a Destination Healthcare Hub that takes advantage of the sizable healthcare system and advanced diagnostic and treatment resources. Establish an Incubator for Graduation power.

Remilitarization

- Strengthen the region's investments to support the US defense industry at military facilities in and around the region – Fort Leavenworth, Fort Riley, Whiteman AFB, with large and small vendors, and large businesses supporting defense spending or future opportunities – Honeywell, Olin Manufacturing, Veteran's Administration electronic medical records and other systems. Consider how assets in cybersecurity, clean energy, health informatics, bioterrorism research, and advanced manufacturing could further support growth in industries supporting the nation's military.
- Support the biodefense industry assets and programs being led by Kansas State University and NBAF (National Bio & Ag-Defense Facility) and UMKC Critical Minerals.
- Support a new energy materials campus, create a regional cybersecurity center of excellence and a secure vaccine facility as outlined in the KC Playbook support of the nation's defense industry.

Decarbonization

- Examine how the region could strengthen its work on grid and microgrid assets, and support for advanced energy in areas of construction, EV vehicles and batteries, and renewable energy work around hydrogen (KU) and solar.
- Through Building Energy Exchange KC, create a high-performance building hub that supports building decision-makers in advancing energy performance, lowering building-related emissions, and growing a clean energy economy within our regional real estate market. The hub would work with public and private leadership to build a regional ecosystem capable of providing the technical and financial resources required to meet this economic opportunity.

GOAL 2: Promote growth of Greater Kansas City’s diverse set of existing traded sectors by developing more robust industry clusters or concentrations of assets with a special focus on new critical technologies, equity and economic resiliency.

OBJECTIVES

Support Leadership Groups to Strengthen Industry Clusters

- Support KC Global Design to position the region to be a global center of excellence for top talent in engineering, architecture, construction and technology.
- Support BioNexus KC and Bio Kansas to position the region to capitalize on economic growth opportunities for life sciences research, biologics, animal health, data analytics and Collaborate2Cure.
- Through the Digital Health KC cluster, support growth in the digital health industry.
- Through KC Smart Port, continue to support growth in the logistics industry. Consider the opportunities for specialized storage and shipping capacities, such as cold storage, to offer unique assets that further distinguish the region as a center for the biologics industry.
- Through the KC Animal Health Corridor, continue to support growth in the animal health industry.
- Through the Kansas City Building Energy Exchange, support growth in the renewable energy and energy efficiency sectors for the region's buildings and built environment.
- Continue to support growth in the manufacturing sector, particularly in those areas where the region has a competitive advantage (vehicle and food manufacturing) and areas where technology and biosciences offer opportunities to attract companies to locate and grow in the region. Support building the manufacturing industry around electric batteries, building off the recent announcement of a Panasonic Energy plant in DeSoto, Kansas.

Build on Assets and New Opportunities in Advancing Critical Technologies, Equity and Economic Resiliency

- Support the development of the Tech Hubs’ designated clusters, KC BioHub (BioNexus KC), Critical Minerals for Advanced Energy (University of Missouri system), and Biomanufacturing for biodefense and biosecurity (Kansas State University and University of Kansas).
 - **KC BioHub:** Many know Kansas City as the heart of the Animal Health Corridor stretching from Manhattan, Kansas, to Columbia, Missouri. What is less well known is that this same corridor is an active player in human health as it accounts for an estimate of 5 percent of global human vaccine production. In recognition, the Kansas City region was designated as a Tech Hub by EDA for

its biologics cluster, the KC BioHub. The region seeks to build on this designation by delivering new “scale-up” space for start-ups in or near UMKC’s new Health Sciences District, increasing the level of biotech workforce development, establishing a four-university platform (the KC BioCollaboratory) for speeding and de-risking commercialization of university-developed innovation, and generating access to new sources of capital for start-ups.

- **Critical Materials:** The Kansas City region has the potential to play a significant role in the nation’s energy transition from fossil fuels to electricity. The region is a national leader in both the production of minerals and materials for lead-acid batteries and the manufacturing of batteries themselves, with seven battery manufacturing corporations operating 13 plants along the Kansas-Missouri border. The area is richly endowed with mineral resources needed for next-generation batteries – cobalt, nickel, iron and fluorophosphates – with the metallurgy expertise to extract them and the transportation and logistics infrastructure to access them and deliver finished products to the nation. What is missing is the manufacturing capacity to produce the intermediate materials needed for key battery components, especially their cathodes and anodes. The region’s Critical Materials Crossroads initiative aims to fill this gap. Building on the attraction of the Panasonic plant to the region and the plans of existing manufactures to expand into next-generation battery technologies, this initiative will construct the needed advanced manufacturing capacity, with the goal of meeting 10 percent of the U.S. lithium-ion battery demand by 2035.
- **Biodefense, biosecurity and biomanufacturing:** Capitalize on the recent NSF Tech Hub designation for Kansas State University, NBAF and the University of Kansas around biodefense, biosecurity and biomanufacturing. This NSF engine development award could offer opportunities to produce commercially important biomaterials and biomolecules for these industry sectors.
 - Create a more resilient region by examining how the region's strengths in water supply, electricity grid, logistics, and other contributors to clean energy might create opportunities through innovation, production and/or deployment.
 - Evaluate and address how AI (artificial intelligence) and changes in the nature of work will affect the Kansas City region’s economy, opportunities for business and job creation and growth.

GOAL 3: Identify industry clusters with the greatest opportunities for future growth.

OBJECTIVES

- Build Kansas City's leadership position as a **multi-state health care leader** given unique assets through Children's Mercy Hospital, University of Kansas Medical Center and strong hospitals and other health care institutions in the Kansas City region.
- Bring business, civic, government and other sector stakeholders together to identify and pursue collaborative efforts at strengthening existing and building future industry clusters through federal, state and local investments.
- Consider critical technologies and new diagnostic tools across research and development, talent and industry players. Critical technologies identified by the federal government include:

Artificial intelligence	Biotechnology and medical technology
High performing computing	Data storage, data management, and
Quantum information science	cybersecurity
Disaster prevention and mitigation	Advanced energy efficiency technologies
Advanced materials science	Advanced communications technology

The New Localism Associates identified three "legacy" industries for continued support - strong construction sector with large companies that are industry leaders - Burns and McDonnell, Black and Veatch and JE Dunn; life sciences cluster with advanced research institutions - Stowers Institute, MRI Global, KU Medical Center, Evogen and NBAF; and growing cluster in the automotive supply chain - Ford, GM and Panasonic Energy.

New opportunities include:

- Biotechnology and Medical Technology, biologics and vaccine production (connected to Life Sciences cluster)
- Advanced Energy Efficiency Technologies (construction, batteries, suppliers)
- Advanced Renewable Energy Technologies (agriculture, construction, manufacturing, use of solar, hydrogen, wind)
- Data Storage, Data Management & Cybersecurity (strong federal presence – FBI and Fort Leavenworth and rich ecosystem of organizations)

- Grid and Microgrid – rich ecosystem of construction firms, utilities and R&D
- Automotive Supply Chain: EVs and Batteries – suppliers and OEMs along with Panasonic Energy
- Transportation & Logistics Hub – nearshoring is strengthening trade within US and across the North Triangle
- Federal Assets – NBAF and Fort Leavenworth US Army Command and General Staff College

STRATEGIC ACTIONS (FIVE-YEAR)

- Focus on three industry areas and two cross-cutting priorities that align with the new economic order outlined in the KC Playbook - defense, energy and biologics - supported by a skilled workforce and entrepreneurship and small business development.
- Adjust economic priorities in response to changes in critical technologies that could impact the region's domestic and international trade, including foreign investment in land, buildings and companies.
- Build awareness and involvement of business, civic, government and other stakeholders in the work being led by the Civic Council on an economic development playbook focusing on the region's economic competitiveness in alignment with new national economic priorities.
- Invest in regional initiatives designed to strengthen the region's current leadership groups around key traded sectors – World Trade Center, BioNexus-KC, KC Global Design, KC Smart Port, KC Animal Corridor and KC Building Energy Exchange.
- Develop a regional ecosystem focused on innovation in battery chemistries and production processes by attracting start-up activity and generating new jobs in battery-related production and applied R&D. Support reinvestment in a 400-acre \$4.1 billion KC Energy Materials Catalyst Manufacturing campus.
- Bring key leaders together to consider new regional collaborations around new opportunities identified above.

METRICS

- ❖ Growth in GDP per job (KC Rising Horizon Metric)
- ❖ Growth in Exports, both domestic and international
- ❖ Change in industry clusters with competitive advantage to metro peers

INNOVATION AND ENTREPRENEURSHIP

The Kansas City region is recognized as a hub for entrepreneurial talent and small business formation, with assets provided by the UMKC Innovation Center, KCSOURCELINK, Ewing Marion Kauffman Foundation and many others. The region's pipeline with research institutions needs strengthening. A new regional vision for strengthening entrepreneurship is under development by the UMKC Innovation Center. Initial key findings include:

- More than 7,000 people in the region are working to start a business at any given time.
- The region is short \$1.4 billion in growth capital for entrepreneurs.
- The region is developing clusters in digital health, biologics, cybersecurity and critical materials for battery manufacturing in addition to strong clusters in animal health and global design.
- Collectively the four regional research universities would rank among the top 25 for research expenditures in 2021, and work is needed to convert intellectual assets into market opportunities.
- First-time employers are creating 66 percent of net new jobs, yet necessary talent doesn't exist.
- Kansas City has a compelling entrepreneurial story to tell, and all regional organizations must collaborate to craft it.
- Entrepreneurship can close wealth gaps for Black and Hispanic business owners.

GOAL 1: Improve greater Kansas City's performance rate in overall business creation. Create a culture that supports risk and offers intensive support to enable early-stage companies to persist in their efforts. Open doors to entrepreneurship and small business ownership by dismantling barriers. Cultivate entrepreneurial talent.

OBJECTIVES

- Integrate entrepreneurship into existing workforce and professional development initiatives to include talent needs of entrepreneurs and develop collaborations to address those needs.
- Coordinate efforts that maximize the availability, visibility, use and effectiveness of entrepreneurial support resources. Address barriers such as health care, childcare, elder care, student loan debt and investing in retirement.
- Expand and sustain small business support resources to serve all parts of the metro area and to meet the diverse needs of entrepreneurs, including minorities and women, and those lacking English proficiency (or lack ability to obtain a Social

Security number). Meet entrepreneurs where they are geographically, culturally and linguistically. Increase investment and delivery of resources to support overlooked communities, ensuring their success as they navigate the ecosystem.

- Expand recruitment of existing talent into small businesses, educating prospective talent about opportunities and entrepreneurs about alternative approaches to attracting and retaining talent.
- Increase support for small business formation and job creation in targeted industries.
- Increase climate resilience-focused firm formation and employment, with a focus on the energy, food, waste, green infrastructure and transportation sectors.

GOAL 2: Move ideas from the Research Lab to the Marketplace. Capitalize on regional research assets to build the innovations that Kansas City, the nation and the world need. Create a strong pipeline of innovation by developing flow between research institutions, entrepreneurs and corporations to connect ideas and move them toward commercialization. Create additional space such as the KU Innovation Park for such innovation to be demonstrated and supported, such as wet labs and facilities with tools to support prototype manufacturing.

OBJECTIVES

- Make prospective national and regional partners aware of emerging technology as regional universities and research institutions. Attract entrepreneurs and corporations to the region that can commercialize existing technology in research institutions. Grow technology and bioscience commercialization efforts.
- Expand research and development capabilities for area universities and research institutions to engage with area employers. Improve processes at research institutions to support the movement of innovations from technology concept to validation in a relevant environment to draw industry interest.
- Establish easily accessible grant funding at research institutions that allows a researcher to perform early assessment needed to move an innovation toward commercialization.
- Share research institution assets with one another and the community. Support cross-university research efforts, such as the Healthcare Institute for Innovations in Quality and design technical assistance programs for researchers at any area institution to take ideas to commercialization. Create a Regional Technology Commercialization Collaboratory.

GOAL 3: Capitalize entrepreneurs, dramatically increasing access to capital for start-up and early-stage businesses, especially for women and minorities.

OBJECTIVES

- Increase networked capital for start-up and early-stage business growth.
- Address the wealth gap that limits the ability of some entrepreneurs without access to grants and/or other programs to start and grow businesses. Increase debt and equity investment in women and minority-owned businesses to address disparities in investment.
- Increase the amount of alternative debt capital available by maximizing use of federal loan intermediary programs.
- Better engage banks, traditional lenders and CDFIs in implementing new debt products that support diverse communities.
- Increase the amount of proof-of-concept funding available to move companies through "the valley of death" including increasing access to SBIR/STTR funds.
- Grow the number and size of venture capital deals, and drive equity investments between \$500,000 and \$1 million to move companies past minimal viable product to revenue.

GOAL 4: Increase awareness of the Kansas City region as a hub for entrepreneurship.

OBJECTIVES

- Design and implement a regional awareness campaign to improve visibility of resources available to support entrepreneurs from idea to exit.
- Position Kansas City as a hub for entrepreneurial finance in a broad region from Dallas to Minneapolis and from Chicago to Denver.
- Be recognized as a leader among peer communities for entrepreneurial activities and small business development. Define, illustrate and communicate the power of entrepreneurship to Kansas City.
- Maintain the world's largest celebration of entrepreneurship through the annual Global Entrepreneurship Week KC event.
- Use the upcoming World Cup 2026 to promote the region as an entrepreneurial hub.

GOAL 5: Build Entrepreneur Support Capacity

OBJECTIVES

- Enhance the expertise of entrepreneur support organizations through education and

leadership certification. Encourage ESOs to focus on organizational expertise and collaborate with and refer among one another to ensure small businesses receive the best support available.

- Convene diverse groups of stakeholders regularly to gain an understanding of gaps in service and develop programs and programs to serve entrepreneurs, especially for growth and developing traded sector companies.
- Develop a shared regional dashboard among partner organizations to demonstrate the impact of entrepreneurial support.
- Identify, educate and invite corporate, philanthropic and government agencies to invest in the entrepreneurial ecosystem. Develop a regional system to identify grant opportunities and foster collaboration in securing grants.

GOAL 6: Engage the corporate community in building small businesses.

OBJECTIVES

- Develop exchange and mentorship programs among corporations, small businesses and ESOs. Foster the development of early-stage management teams through mentorship and connections to seasoned management teams.
- Actively engage small businesses in developing priority industry clusters.
- More fully develop programs to forge supplier relationships between large companies and small businesses.
- Increase corporate investment in small businesses and entrepreneurial initiatives.

STRATEGIC ACTIONS (FIVE-YEAR)

- Continue to grow the number of options and value of capital funds for entrepreneurs and small businesses, particularly for women and minority-owned firms in ways that reduce barriers due to company location, size, and proof of cash flow. Encourage greater corporate finance involvement to assist entrepreneurs, offer mentorships and lower interest rates.
- Strengthen the ecosystem of higher education institutions across the greater metro area and encourage research and development across institutions and with key research companies. The BioTech Hub application supports a four-university platform for commercialization. Although not funded by EDA the region should continue to pursue this important initiative to strengthen collaboration among the four research universities. Efforts such as K-State's biodefense efforts, KU's cybersecurity, UMKC Health Sciences and critical minerals and other initiatives all offer new opportunities for joint research and commercialization.

- Expand small business support services to serve all parts of the metro area and to meet the diverse needs of entrepreneurs, including those lacking English proficiency.
- Increase opportunities for equity acquisitions of family-owned small businesses by local entrepreneurs, particularly minorities and women afforded the ability to build wealth through business ownership.
- Support employee groups to consider employee ownership of business as a wealth building strategy.
- Increase capacity for support by subject matter experts, finance, advocacy, translation and communications, to champion and help maximize opportunities from federal, state and private investment.

METRICS

- ❖ Change in small business growth, particularly among women and minority-owned firms in the metro area
- ❖ Change in the number of patents issued in the metro area
- ❖ Change in amount of capital available for start-up, early-stage business growth and to support scale-up of existing small businesses

PEOPLE

Build a skilled workforce designed to meet the needs of business and to create economic opportunity for residents. Ensure that the region can develop, attract and retain the talent needed to increase the region's pace of innovation and sustain inclusive growth. The increasing diversity of the region's population poses opportunities and challenges to develop the human capital necessary to meet these needs.

GOAL 1: Support the development of an educated and skilled workforce.

OBJECTIVES

Adults

- Develop and scale up the capacity to offer demand-driven training and post-secondary education programs for high- growth occupation areas: information technology, construction, health care, manufacturing and skilled trades, logistics, and engineering.
- Increase pre-apprenticeships and apprenticeships in a broad range of occupations and industries.
- Identify emerging occupations and industries, and work with training and education

institutions to develop and offer programs to prepare adults for new career opportunities.

- Integrate entrepreneurship development through education into workforce development strategies and initiatives.
- Strengthen the region's workforce system to reduce disparities in skilled workers by gender, race and ethnicity and attract and retain talent.
- Encourage the states to provide more resources to support adult workforce development through the public workforce system.
- Focus attention on the region's untapped talent not in the workforce with workforce training and support services. These target populations include re-entry, veterans leaving the military, and those who fear losing public benefits by becoming employed.
- Encourage adults with some college, but no degree, to “come back” to complete an in-demand post-secondary credential.
- Evaluate actions to strengthen the region's post-secondary education system's programs and curriculum to produce graduates from an increasingly diverse population with the skills needed by growing industry sectors and by incorporating new critical technologies.

Children and Youth

- Expand experiential learning opportunities including internships for high school students and adults. Expand opportunities for teachers to engage with employers to better understand skill requirements.
- Increase pre-apprenticeships and youth registered apprenticeships.
- Increase the percentage of students and young adults in the metro area with market-value assets, including college credit, work-based and entrepreneurial experiences, postsecondary credentials and degrees.
- Enhance coordination among post-secondary and training programs to align with industry needs to create stackable credentials and define career pathways that enable youth and adults to consider and pursue careers leading to good-paying jobs in the region.
- Support STEAM learning for young children, school-age children and older youth.
- Expand scholarship opportunities in the metro region (through KC Scholars, Great Jobs KC and other regional programs) for youth and adults to pursue high-quality post-secondary credentials.
- Expand career exploration tools, such as the Agility Profiler, to help youth and adults consider their skills and interests in selecting career pathways.
- Build a stronger regional workforce system that provides supportive services, including strong career coaching/navigation, wrap-around support to remove barriers

to education and employment, and stronger connections with employers to understand job skills needed and expanded experiential learning opportunities.

- Develop successful leaders at all career stages by emphasizing entrepreneurial mindset, technical skills, critical thinking skills and soft skills for success.

GOAL 2: Attract highly skilled individuals to locate in the Kansas City region.

OBJECTIVES

- Promote Kansas City as a vibrant place to live with high-quality careers.
- Support initiatives like those offered by the Kansas City Area Development Council to attract workers to career opportunities in the metro area, including the KC Career Network.
- Support efforts by area colleges and universities to attract foreign students to study and efforts by the Greater Kansas City Chamber of Commerce and others to be a welcoming place to encourage students to work in the region after graduation.

GOAL 3: Retain highly qualified individuals to see the Kansas City region as a home for themselves and their families over the long-term.

OBJECTIVES

- Integrate new residents into the workforce and ensure that employers and communities are welcoming and culturally competent.
- Ensure affordable and more childcare options are available for workers with efforts to increase the number of qualified early education and childcare teachers.
- Increase relationships between industry and education so students stay or return to the metro area for employment.

STRATEGIC ACTIONS (FIVE-YEAR)

- Promote apprenticeship programs with support offered by the Kansas Office of Apprenticeship and the Missouri Department of Higher Education and Workforce Development's Registered Apprenticeship Office.
- Promote expansion of experiential learning opportunities, including internships, to expose students to industries and careers.
- Encourage workforce development organizations and programs to work together to share information and resources to meet the needs of residents seeking careers and better opportunities.
- Support post-secondary education scholarship opportunities, including those offered

by KC Scholars and others, particularly those targeting disadvantaged youth and adults.

- Support career training through Career Technical Education programs offered through area school districts and through programs including Good Jobs KC.

METRICS

- ❖ Workers with Self-Sufficiency Incomes
- ❖ Net Migration
- ❖ Reduction in number of vacancies for in-demand jobs

PLACE

Invest in vital infrastructure to support economic growth, create vibrant places, a resilient region and increase access to opportunity.

GOAL 1: Create a region that increases economic opportunity by encouraging strategic locations for business investment.

OBJECTIVES

- Create a reliable, regional, public, multi-modal transportation system for residents to travel to work, school, for health care, and other purposes. Ensure that public transportation is available to help residents access jobs in employment hubs around the region.
- Increase opportunities for businesses to locate along key transportation corridors and within or adjacent to activity centers close to where workers live.
- Create 15-minute neighborhoods (walkable, accessible to amenities with 15 minutes — nodes and activity centers) to link job creation with inclusive, sustainable neighborhood development.
- Expand the availability of high-speed broadband infrastructure and support digital equity to enable all households in the region to have access to high-speed broadband subscriptions, computer devices and digital literacy training.

GOAL 2: Invest in quality, durable and resilient infrastructure to support economic development and quality of life for all residents and invest in a multi-modal transportation system that improves access to jobs and economic opportunity.

OBJECTIVES

- Create and maintain a robust multimodal transportation system to serve the region's economy and make Kansas City more attractive to potential talent.
- Support public investments to make sites around the region "ready" for development with infrastructure in place.
- Support infrastructure and other investments to enable smaller communities with important corridors and activity centers to meet the needs of their residents for economic opportunity.
- Invest in electric grid and micro-grid infrastructure to support the region's development and as back-up power for continuity of operations during disaster events.
- Use technology to foster inclusive and innovative education and workforce development. Support additional broadband infrastructure and household adoption and services to enable all persons throughout the region to have access to quality, affordable broadband and related technology.
- Integrate advanced technologies and renewable energy into the region's transportation system.
- Invest in water and wastewater systems to support sustainable and resilient reinvestment in urban core areas as well as new suburban areas.
- Conserve, protect and restore green infrastructure throughout the region to protect air and water quality, protect wildlife habitat, reduce flooding, protect public health, reduce heat islands and facilitate bicycle and pedestrian transportation.
- Invest in clean energy to support reinvestment and new development.
- Protect the natural environment by maximizing use of existing gray and green infrastructure.
- Employ sustainable materials management in the development of regional supply chains.

GOAL 3: Create a region that supports greater housing choices and focuses development along key corridors and older built-up neighborhoods.

OBJECTIVES

- Support the development of a variety of healthy, energy-efficient, affordable housing options for owners and renters to meet the needs of a diverse population.
- Promote residential and commercial development along key transportation corridors and at key activity centers.
- Support targeted investment in disadvantaged areas that offer the opportunity for

business development and an increase in household wealth.

- Support the creation of a regional community land trust consortium to enable more affordable housing options for first-time and moderate-income households.
- Support the establishment of a Regional Housing Fund to support the development and preservation of housing throughout the region to meet the needs of workers, young families and older adults.

STRATEGIC ACTIONS (FIVE-YEAR)

- Work with local governments, local developers and stakeholders to develop and enact policies and processes that encourage development of multiple housing types and multiple price points.
- Encourage local governments, civic and business organizations to participate in community education and outreach on the need for a diversity of housing options for owners and renters.
- Support investment in a Regional Housing Fund to support housing options throughout the region.
- Produce quality data and analysis around the regional housing system to assist policymakers, local government staff and community members in understanding the housing challenges and potential solutions for the region.
- Support the Kansas City Community Land Trust (KCCLT) as part of the Regional Housing Partnership (MARC and LISC) on the development of a regional community land trust consortium.

METRICS

- ❖ Change in Black/White Housing Ownership Gap (KC Rising Horizon Goal)
- ❖ Creation of the Regional CLT Consortium and Regional Housing Fund

LEADERSHIP, RESILIENCE & EQUITY (SYSTEMS)

Strengthen local governments and other public and civic institutions throughout the Kansas City region to address social equity, economic resiliency and climate resiliency.

GOAL 1: The region will be more interconnected. Local governments will work collaboratively with regional and local government partners, business, nonprofit, community and educational organizations and state governments to pursue opportunities for economic growth.

OBJECTIVES

- Identify and pursue shared services among local governments and with community partners.
- Strengthen transportation and communications systems to improve access to jobs, goods and services — connecting people to opportunity.
- Encourage local and regional organizations to work together to pursue support from both states on economic development priorities.

GOAL 2: The region's public, civic and business stakeholders will strive to support social and economic mobility for all residents.

OBJECTIVES

- Encourage leadership among employers to look for talent by emphasizing skills over formal education, offer apprenticeships to allow workers to earn while learning, consider persons re-entering the workforce from incarceration and veterans and encourage continued training for current workers to adjust to changing technology and other job requirements.
- Provide training and technical assistance to public and civic institutions to ensure transparency and opportunities for engagement and fairness in decision-making around public investments.
- Encourage public institutions to review employment policies and practices to ensure that they are encouraging, selecting and supporting a diverse employee base.
- Evaluate public investments to ensure support for the region's most vulnerable residents.

GOAL 3: The region will strive to become more resilient, with the increased institutional and infrastructure capacity to withstand public health, weather, economic and other adverse events through increased collaboration and strategic investments.

OBJECTIVES

- Expand training for public and private sector employees about the importance of data analysis and increase their ability to use data to understand the region's economy, their industry position and to set metrics to measure progress.
- Expand training and exercises for public sector elected officials and administration staff to understand the Kansas City Metropolitan Area Regional Coordination Guide for all hazards facing the region.
- Increase investment in pre-disaster mitigation, reducing risks and vulnerabilities with

a focus on the region's most disadvantaged communities.

STRATEGIC ACTIONS (FIVE-YEAR)

- Support the work of **KC Rising's Economic Development Playbook** to help the region build cohesive leadership to support public investment in priority economic opportunities and take full advantage of the nation's new economic priorities. In particular, focus on collaboration in areas of applied research and development, business attraction and expansion, entrepreneurship, workforce and governance. The playbook should help the region gain a thorough assessment of its economic environment, competitive advantages, federal assets, R&D capabilities, infrastructure, industry hubs and supplier networks, and workforce strengths.
- Encourage public and civic organizations to collaborate to bring new federal and state resources into the Kansas City region.
- Encourage collaboration among organizations to maximize the availability of private and philanthropic resources.
- Support well-resourced business/civic leadership groups, emphasizing regional projects with significant impact.
- Encourage the states to support priorities within the region, with greater collaborative efforts at the regional level.

METRICS

- ❖ Increase in federal and state resources, particularly in support of the region's economic development

PERFORMANCE MEASURES

Performance measures help to evaluate the progress of the proposed economic development strategies and actions. Metrics in each policy area were identified to evaluate the effectiveness of the strategies and quantify the impacts of the proposed actions when possible.

KEY METRICS

Business

- Growth in GDP, per job (KC Rising Horizon Metric)
- Growth in Exports, both domestic and international
- Change in Industry Clusters, with competitive advantage to metro peers

Innovation and Entrepreneurship

- Change in Small Business Growth, particularly among women and minority-owned firms in the metro area
- Change in the Number of Patents, issued in the metro area
- Change in the amount of Capital Available for start-up, early-stage business growth and to support scale-up of existing small businesses

People

- Workers with Self-Sufficient Incomes
- Net Migration
- Reduction in Number of Vacancies for In-Demand Jobs

Place

- Change in Black/White Housing Ownership Gap (KC Rising Horizon Goal)
- Creation of the Regional Community Land Trust Consortium and Housing Fund Policy Adoption

Leadership, Resilience & Equity (Systems)

- Increase in Federal and State Resources, particularly in support of the region's economic development

CONCLUSIONS

What should the region's economic strategies address to ensure future growth and prosperity for all based on what the key data is telling us?

Population and Labor Force

- Our population trends are impacting our region's economy. Much of the region's population growth will be persons of color. The region's population is growing more modestly than in previous decades due to a declining birth rate, a growing number of deaths due to the aging population and fewer immigrants entering the region.
- Not only might the region lack enough workers to support a growing economy as part of a necessary labor force, but disparities in educational and skill attainment could result in many workers limited to filling low skill, low wage jobs.
- The region's unemployment rate has remained low, creating a tight labor market. Yet, this high demand for labor and limited supply has not translated into above average wage gains. Less than half of the region's workers earn a salary considered adequate for self-sufficiency.

Business and Industry Profile

- Our regional economy continues to be diverse, which has been a longstanding strength. Yet our GDP per worker is not keeping up with our peer metros, in part due to our economy's greater reliance on services rather than the production of goods through our traded sectors.
- Some of our traded sectors have not grown much beyond pandemic recovery. Professional and business services, wholesale trade and information -- three key traded sectors, have shown no or slow growth. The region lags behind all peer metros in export industry employment as a share of all jobs.

Need for Innovation and Support for Small Business

- The region has relatively low research and development expenditures and patents. The region has demonstrated strong entrepreneurial activity, and job growth across the region has been fueled by the strength among small businesses. Increased capital, a focus on supporting entrepreneurship among persons of color, increased support for commercialization through research institutions and entrepreneurs, and increased technical support services could bolster the region's position as a strong entrepreneurial region.

Create Capable Workforce and Enable Households to Achieve Inclusive Prosperity (People)

- The region has strong workforce development organizations, but the state line and lack of awareness of available programs and services limits support for those seeking education and training.
- The two states offer strong apprenticeship support systems, and the region could benefit from interest by area employers to offer apprenticeship opportunities to build their workforce.
- The region's K-12 system and intermediaries have strong career readiness and career exploration programs. In some cases, programs need to be scaled up to serve more students.

Address Challenges of Creating Places that Support Economic Progress (Places)

- The region, like much of the nation, has a deficit of workforce housing, particularly in and around emerging and growing employment centers. The ability of the region's workforce to find affordable rental and owner housing to meet their needs has become increasingly challenging and limits opportunities for the region to attract new workers.
- The region has a strong transportation system but lacks adequate public transportation to help workers travel to training and jobs.

Encourage collaboration among local governments, public institutions, economic development agencies and others to pursue economic opportunities. (Leadership)

- Expand industry support organizations to strengthen the region's key industry sectors for continued growth.
- Encourage public and private organizations to work together to address economic and environmental resilience.

What does the policy framework outline for a regional economic development strategy?

Our region's business goals have been reframed around new national priorities – reshoring, remilitarization, and decarbonization.

Reshoring - These national priorities require the region to focus on strengthened domestic and international export trade, including a greater emphasis on manufacturing and transportation and logistics. The region is focusing on advancing new opportunities in biologics, biodefense and biotechnology, critical materials, cybersecurity, green energy including electric vehicles and batteries.

Remilitarization - The region, more broadly defined, has three military facilities (Fort Scott, Whiteman AFB and Ft. Leavenworth), and other major enterprises, including the Olin Manufacturing, Honeywell, and Veteran's Administration facilities. There are sizable opportunities for Kansas City area businesses to provide goods and services to support the nation's military through these facilities.

Decarbonization - The region has opportunities to expand upon EV investments in vehicle manufacturing and battery manufacturing, to expand the number of energy efficient buildings throughout the region, and strengthen use of renewables, including solar and hydrogen.

FIVE-YEAR ACTION PLAN CHART

BUSINESS	INNOVATION AND SMALL BUSINESS	PEOPLE	PLACE	LEADERSHIP
<p>1. Focus on three industry areas and two cross-cutting priorities that align with the new economic order outlined in the KC Playbook - defense, energy and biologics - supported by a skilled workforce and entrepreneurship and small business development.</p>	<p>1. Continue to grow the number of options and value of capital funds for entrepreneurs and small businesses, particularly for women and minority-owned firms in ways that reduce barriers due to company location, size, and proof of cash flow. Encourage greater corporate finance involvement to assist entrepreneurs, offer mentorships and lower interest rates.</p>	<p>1. Promote apprenticeship programs with support offered by the Kansas Office of Apprenticeship and the Missouri Department of Higher Education and Workforce Development's Registered Apprenticeship Office.</p>	<p>1. Work with local governments, local developers and stakeholders to develop and enact policies and processes that encourage development of multiple housing types and multiple price points.</p>	<p>1. Support the work of KC Rising's Economic Development Playbook to help the region build cohesive leadership to support public investment in priority economic opportunities and take full advantage of the nation's new economic priorities. Collaborative areas: applied research and development business attraction and expansion entrepreneurship workforce governance. Use KC Playbook to assess economic environment, competitive advantages, federal assets, R&D capabilities, infrastructure, industry hubs and supplier networks, and workforce strengths.</p>
<p>2. Adjust economic priorities in response to changes in critical technologies that could impact the region's domestic and international trade, including foreign investment in land, buildings and companies.</p>	<p>2. Strengthen the ecosystem of higher education institutions across the greater metro area and encourage research and development across institutions and with key research companies. Pursue BioTech Hub's four-university platform for commercialization</p>	<p>2. Promote expansion of experiential learning opportunities, including internships, to expose students to industries and careers.</p>	<p>2. Encourage local governments, civic and business organizations to participate in community education and outreach on the need for a diversity of housing options for owners and renters.</p>	<p>2. Encourage public and civic organizations to collaborate to bring new federal and state resources into the Kansas City region.</p>

Comprehensive Economic Development Strategy

	<p>initiative to strengthen collaboration among the four research universities. Efforts such as K-State biodefense efforts; KU cybersecurity, UMKC Health Sciences and critical minerals and other initiatives offer new opportunities for joint research and commercialization.</p>			
<p>3. Build awareness and involvement of business, civic, government and other stakeholders in the work being led by the Civic Council on an economic development playbook focusing on the region's economic competitiveness in alignment with new national economic priorities.</p>	<p>3. Expand small business support services to serve all parts of the metro area and to meet the diverse needs of entrepreneurs, including those lacking English proficiency.</p>	<p>3. Encourage workforce development organizations and programs to work together to share information and resources to meet the needs of residents seeking careers and better opportunities.</p>	<p>3. Support investment in a Regional Housing Fund to support housing options throughout the region.</p>	<p>3. Encourage collaboration among organizations to maximize the availability of private and philanthropic resources.</p>
<p>4. Invest in regional initiatives designed to strengthen the region's current leadership groups around key traded sectors – World Trade Center, BioNexus-KC, KC Global Design, KC Smart Port, KC Animal Corridor and KC Building Energy Exchange.</p>	<p>4. Increase opportunities for equity acquisitions of family-owned small businesses by local entrepreneurs, particularly minorities and women afforded the ability to build wealth through business ownership.</p>	<p>4. Support post-secondary education scholarship opportunities, including those offered by KC Scholars and others, particularly those targeting disadvantaged youth and adults.</p>	<p>4. Produce quality data and analysis around the regional housing system to assist policymakers, local government staff and community members in understanding the housing challenges and potential solutions for the region.</p>	<p>4. Support well-resourced business/civic leadership groups, emphasizing regional projects with significant impact.</p>
<p>5. Develop a regional ecosystem focused on innovation in battery chemistries and production processes by attracting start-up activity and generating new jobs in battery-related production and applied R&D. Support reinvestment in a 400-acre \$4.1 billion KC Energy Materials Catalyst Manufacturing campus.</p>	<p>5. Support employee groups to consider business ownership as a wealth building strategy.</p>	<p>5. Support career training through Career Technical Education programs offered through area school districts and through programs including Good Jobs KC.</p>	<p>5. Support the Kansas City Community Land Trust (KCCLT) as part of the Regional Housing Partnership (MARC and LISC) on the development of a regional community land trust consortium.</p>	<p>5. Encourage the states to support priorities within the region, with greater collaborative efforts at the regional level.</p>

Comprehensive Economic Development Strategy

<p>6. Bring key leaders together to consider new regional collaborations around new opportunities identified above.</p>	<p>6. Increase capacity for support by subject matter experts, finance, advocacy, translation and communications, to champion and help maximize opportunities from federal, state and private investment.</p>			
<p>Business & Industry Lead Partners: KC ADC and GKC Civic Council with support from local and regional economic development agencies, chambers of commerce, and industry sector representatives.</p>	<p>Innovation & Small Business Lead Partner: UMKC Innovation Center with support from industry, education, institution, economic development, and equity representatives.</p>	<p>People Lead Partners: Education, nonprofits, and other workforce-related organizations with support from public and private sector representatives.</p>	<p>Places Lead Partner: MARC with support from local, state and federal government partners and institutions and nonprofit representatives.</p>	<p>Leadership Lead Partner: KC Rising with support from civic, business and government representatives.</p>

APPENDIX A: TECHNICAL REPORT

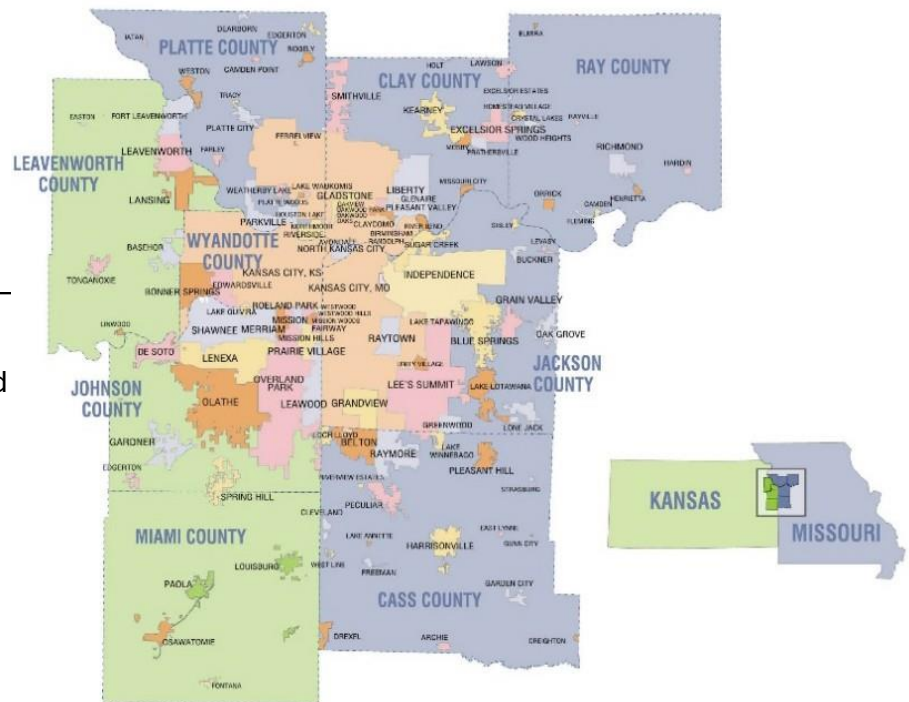
OVERVIEW

The 2024-2029 Comprehensive Economic Development Strategy Plan (CEDS) for Metropolitan Kansas City provides an economic roadmap to help guide investments to further diversify and strengthen the regional economy. This plan provides an analysis of the current regional economy, integrates human and physical capital into economic planning, and offers useful benchmarks to evaluate progress. This technical report is an assessment of the region’s economic, demographic and geographic systems that influence growth and inclusion.

The Mid-America Regional Council Community Services Corporation, a 501(c)3 subsidiary of the Mid-America Regional Council, serves as the designee for the Kansas City region's Economic Development District and receives funding to support preparation of the CEDS on behalf of the 119 cities and nine counties in the bistate Kansas City region. MARC serves as the association of city and county governments and the metropolitan planning organization for the Kansas City area. MARC provides a forum for local jurisdictions and diverse community interests to work together to address the region’s problems and identify opportunities for cooperative solutions.

Metropolitan Kansas City as defined by the CEDS spans 4,400 square miles in region representing 119 cities and nine counties — Johnson, Leavenworth, Miami and Wyandotte in Kansas, and Cass, Clay, Jackson, Platte and Ray in Missouri.

This area comprises roughly 96 percent of the population of the 14-county Kansas City Metropolitan Statistical Area (MSA) as defined by the Office of Management and Budget. The Kansas City MSA is the 30th largest metropolitan area in the U.S., with over 2.1 million people, 1.2 million jobs and 900,000 households.



KANSAS CITY ECONOMY

In exploring the region’s economic resiliency and prosperity, the economy’s overall growth rate is measured by its growth in workers and their productivity. However, growth, all by itself, isn’t enough. Inclusion allows everyone to experience the benefits of that growth through a rise in their standard of living.

The 2024-2029 CEDS aligns with the region’s business-led civic collaborative – KC Rising – and its *Pillars of Prosperity* focused on economic prosperity for all. KC Rising established four long-term metrics key to determining how well the Kansas City region is simultaneously achieving both greater economic growth and greater inclusion in receiving the benefits from that growth.

Two of the four are overarching growth metrics followed by two overarching inclusion metrics.

- **Net migration rate**, a key component of population growth thus labor force growth
- **GDP per job**, a measure of productivity, or how much each worker produces.
- **Percent of workers living in self-sufficient households**, a measure of whether jobs that people have are sufficient to cover bills for necessities such as housing, transportation, childcare and healthcare.
- **Black/white housing wealth gap**, based on a measure of homeownership. Even self-sufficient incomes may not be sufficient to cover unexpected expenses. It takes wealth to be resilient in the face of adversity and this starts with owning a home.

Benchmark Metros

To measure progress, KC Rising benchmarks the **region against ten aspirational metros** that historically have done a little better than KC on growth, inclusion, or both, and that we continuously compete against for economic development projects. These metros are Austin, Charlotte, Cincinnati, Columbus OH, Denver, Indianapolis, Minneapolis, Nashville, Portland, and Raleigh.

What enables the population of some metros to grow faster than others is their ability to attract people from outside the area. This makes net migration a measure of a region's ability to attract and retain talent, which is essential to business attraction and retention.

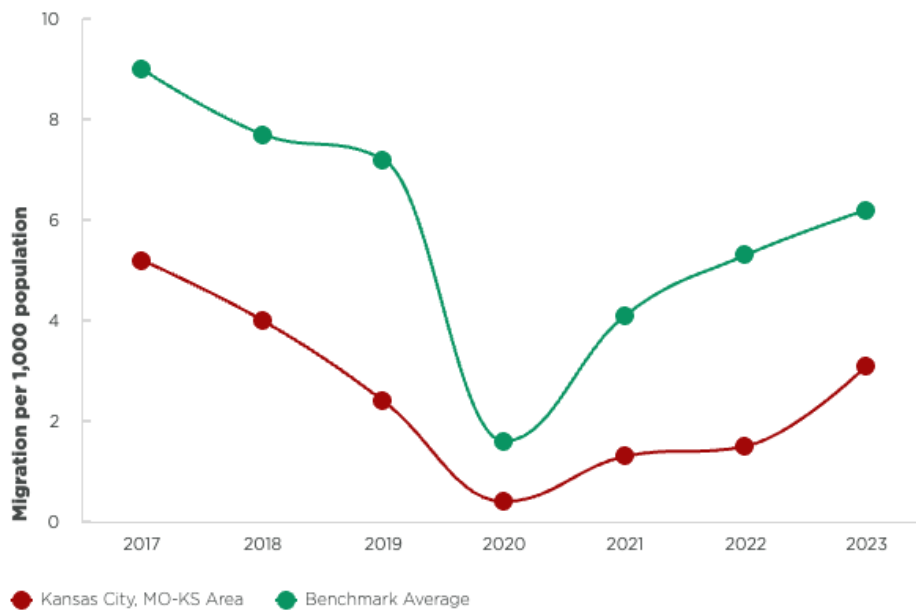
BENCHMARK METROS

Austin
Charlotte
Cincinnati
Columbus
Denver
Indianapolis
Minneapolis
Nashville
Portland
Raleigh

Net Migration

Kansas City's **net migration rate** is half that of the benchmark metro average, though in the last year the region began to close a gap that had been widening post-pandemic. Its net migration rate doubled in the past year and currently ranks 8 out of 11.

Net Migration Rate Over Time



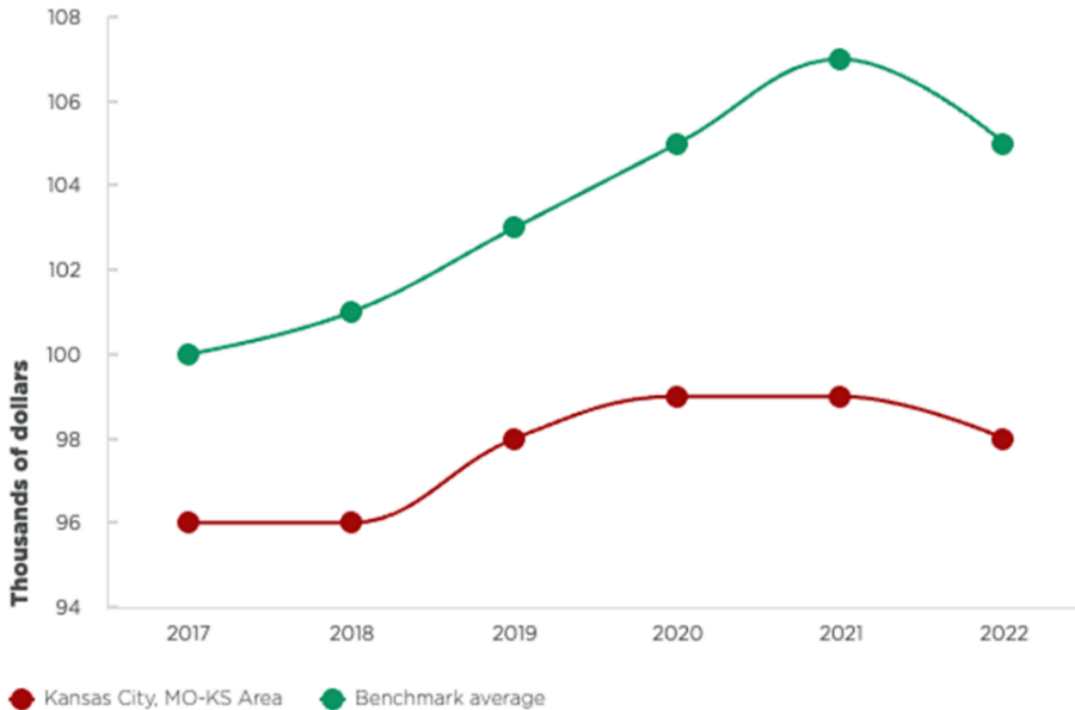
Sources: Census Bureau Population Estimates 2017-2023
Note: Calculation based on 3-year moving average.

Gross Domestic Product (GDP)

GDP measures the total economic value generated by an economy's businesses in the process of employing workers to transform inputs into finished goods and services for sale. GDP per job measures the average amount the region's workers are able to contribute to GDP. As such, it is a measure of business productivity.

High levels of business productivity tend to attract other businesses. Unfortunately, Kansas City's **GDP per job** currently ranks 10 out of 11 and the gap compared to benchmark metros has grown by \$3,000 per worker over the past five years. Considering the region has more than 1 million workers, this increase costs the economy \$3B annually.

Yearly Increase in GDP per Job



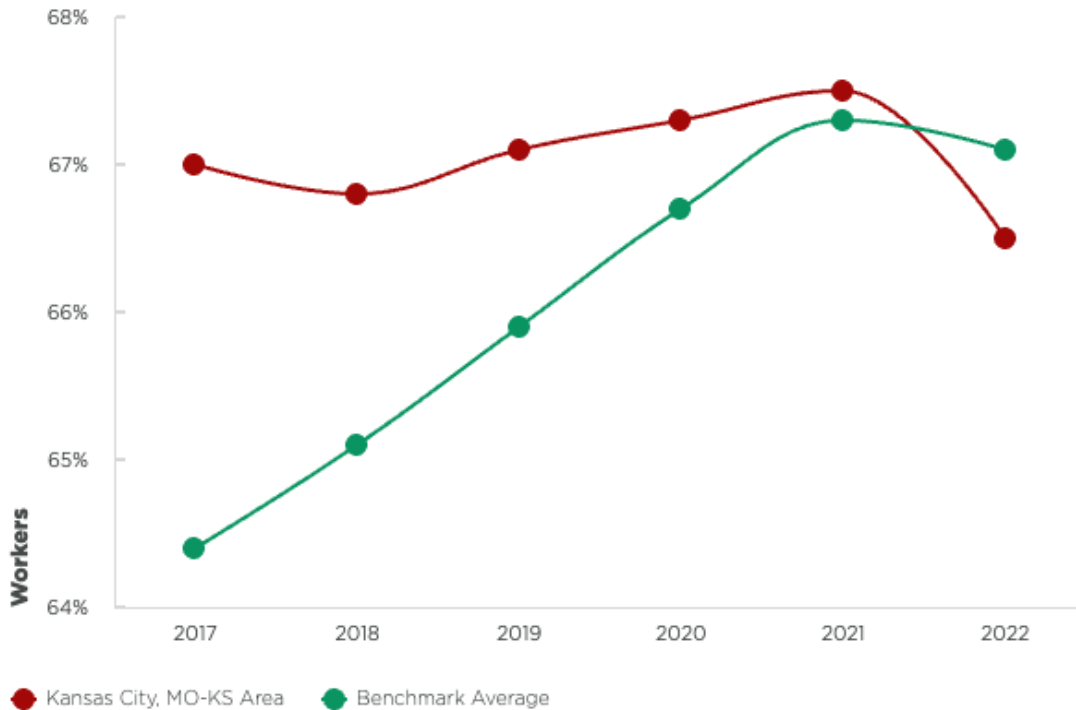
Sources: Bureau of Economic Analysis 2017-2022
Notes: Calculation based on 3-year moving average.

Self-Sufficient Households

Growth, all by itself, isn't enough. We want everyone to experience the benefits of that growth through a rise in their standard of living. One measure of whether everyone is benefiting is whether all households earn enough to pay their bills. If they do, then we can consider them to be **self-sufficient households**. Increases in self-sufficiency generally mean incomes are rising faster than costs.

Kansas City's historical affordability advantage is slipping and currently ranks 8 out of 11. While most metros saw significant progress in becoming more affordable between 2017 and 2022, Kansas City's progress stagnated and appears to have reversed in the last year.

Percent of Workers in Households with Self-Sufficient Incomes



Sources: American Community Survey PUMS 2017-2022.

Note: Calculation based on 3-year moving average.

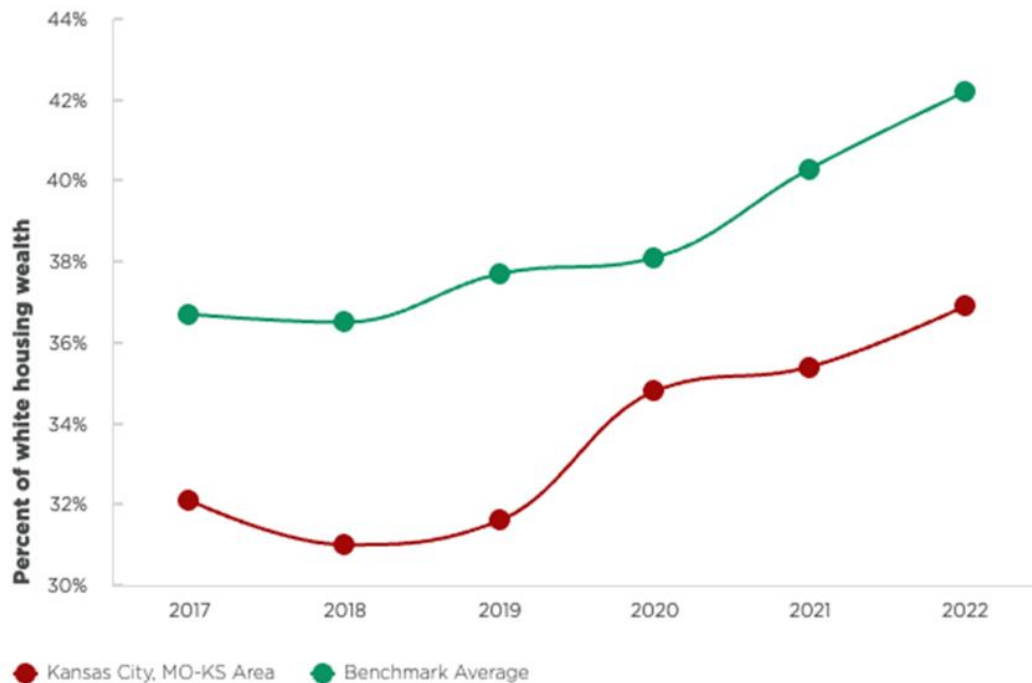
Wealth Gap

Self-sufficiency alone is not enough either. While a self-sufficient income can pay the bills, it can also be fragile if there are unexpected expenses, such as a serious illness, or unexpected loss of income, as when one of the earners in the household loses their job.

Resiliency in the face of unexpected adversity requires wealth and, for most households, wealth-building begins with home ownership.

Black households in Kansas City average about 37% of the housing wealth of white households, a rate that ranks 10th among its benchmark metros in 2022. While up from 32% in 2017, Kansas City's advancement has not enabled it to improve its performance relative to the benchmark average.

Black Percent of White Housing Wealth



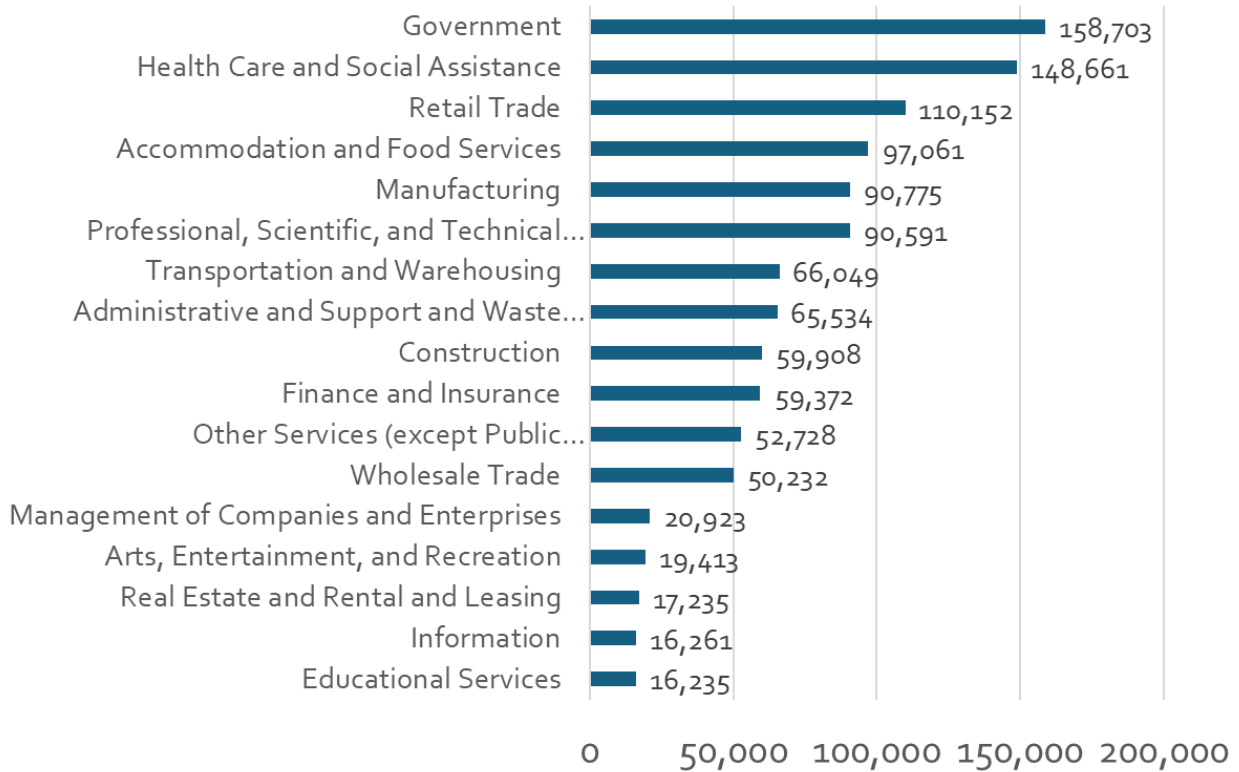
Sources: American Community Survey PUMS 2017-2022

Note: Calculation based on 3-year moving average. Benchmark average calculated using unweighted average of the metros.

What explains the region’s sluggish economic performance?

Kansas City’s industrial structure is heavily oriented toward production of services rather than goods. This is similar to the nation.

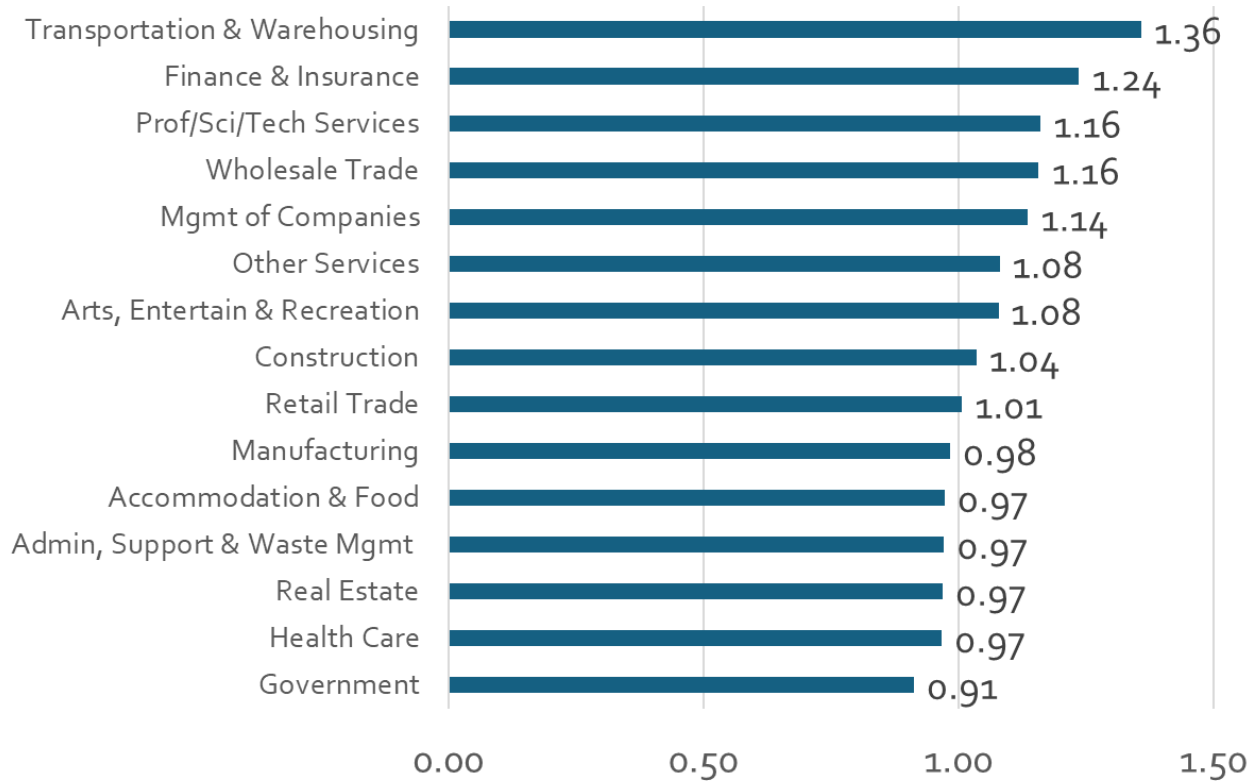
KC Metro 2024 Employment



Source: Lightcast

How similar can be measured by comparing each industry’s proportion of total regional and total national jobs. When they are the same, the ratio of these proportions, called a “location quotient,” is equal to 1. In Kansas City, over 85% of its employment is in industry sectors with a location quotient between 0.9 and 1.2. Only two sectors have LQ’s greater than 1.2 – Transportation and Warehousing, and Finance and Insurance.

KC 2-Digit NAICS Location Quotients



Source: Lightcast

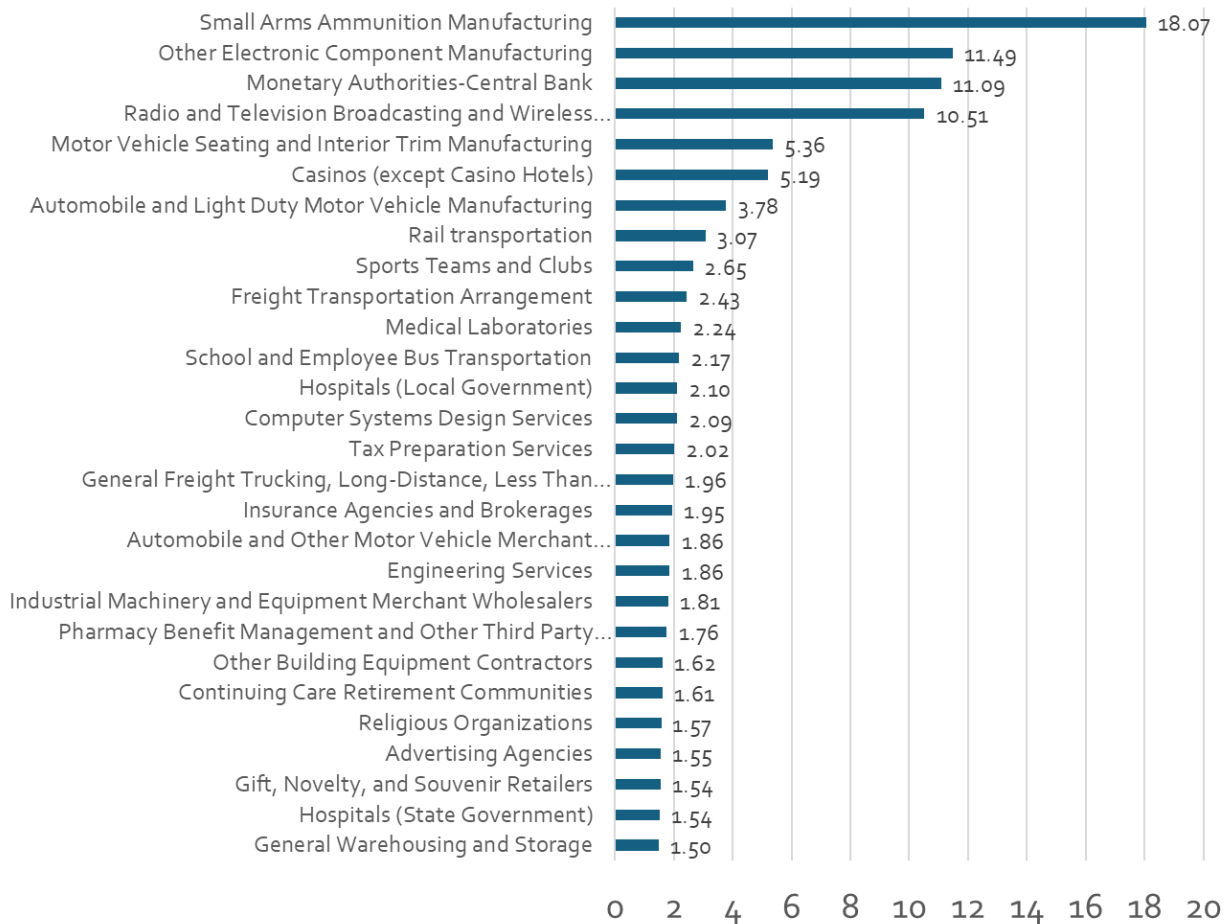
Yet, regions grow by serving a larger economy through exports. The dollars they bring into the region then are used to hire workers whose spending on homes, transportation, food, education, and entertainment create the demand that supports all of a region’s local-serving jobs. In general, for the size of the Kansas City metropolitan area, each dollar earned from the sale of an exported good or service generates at least one additional dollar of sales for local-serving industries.

While having a broad-based economy that mirrors the nation promotes economic stability, it also suggests the region’s capacity to export goods and services to the rest of the world is relatively weak. Exporting depends on being the superior producer of something the rest of the world needs or wants but does not produce or produce it as well. Therefore, specialization is a key to having product to export.

Exports

Location quotients, then, measure the level of specialization and so are one indicator of export capacity. If we look at more detailed industries than the broad sector level, definite employment specializations emerge. These industries all have location quotients greater than 1.5, with small- arms manufacturing, electronics manufacturing, monetary authorities and communications equipment manufacturing all having LQs greater than 10.

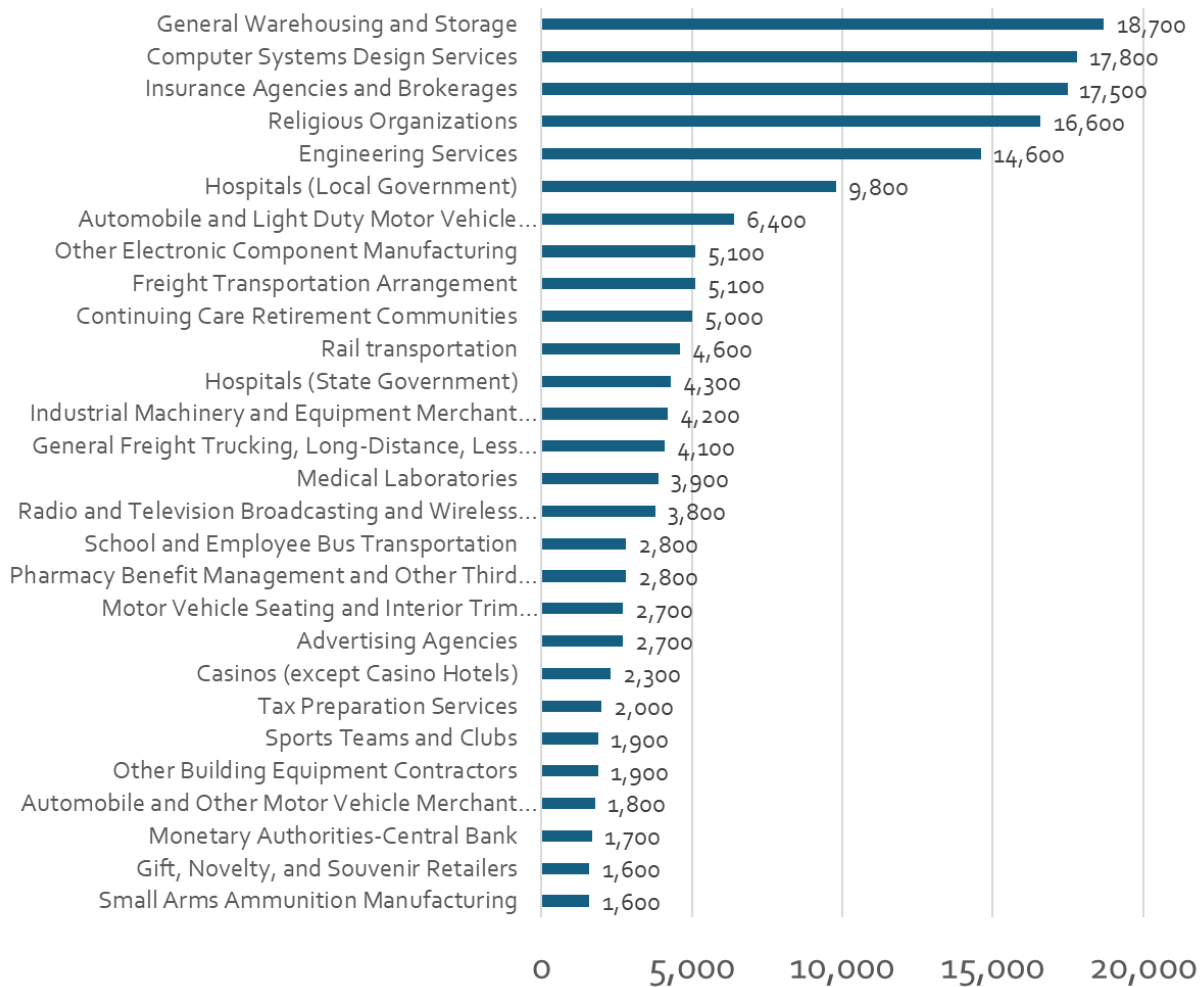
**KC Largest Exporting Industries
Ranked by 2022 Relative Employment Specialization**



Source: Lightcast

However, by ranking the same industries by their number of employees, a clearer picture emerges of the industries on which the Kansas City regional economy depends – warehousing, computer systems design, insurance, engineering, hospitals, auto manufacturing, electronic manufacturing, freight-related transportation, medical labs. These, then, are the economic clusters that have historically powered the region’s economy.

KC Largest Exporting Industries Ranked by 2022 Jobs

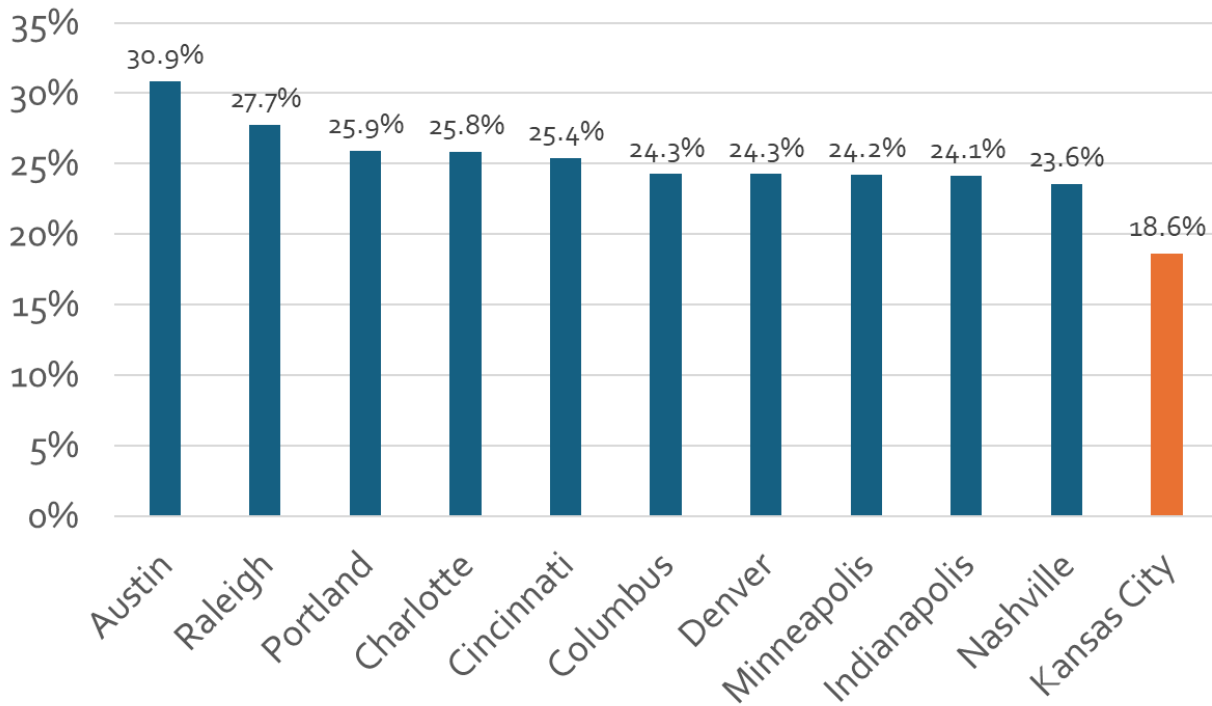


Source: Lightcast

Yet, it appears that compared to other regions, the region’s economic clusters are underpowered. Conducting the same exercise for each of the benchmark metros, looking at the employment in their industries with location quotients greater than 1.5, the Kansas City economy is not nearly as export-oriented.

In fact, Kansas City ranks last among the benchmark metros when export employment is expressed as a share of total employment. In most metros, a quarter to a third of their employment is export-oriented. In Kansas City, only one-sixth of the region’s employment is in industries primed for exporting.

Export Industry Employment as a Share of All Employment



Source: Lightcast

Innovation Capacity

Low export capacity may be related to the region’s relatively low innovation capacity, as measured by its relatively low research and development expenditures and patents. Though this is partially offset by its high level of entrepreneurship capacity, low rates of innovation limit the region’s ability to continually develop new products and services to export, and likely is a contributing cause to the region’s sluggish recovery from the Covid-19 recession compared to benchmark metros.

R&D as a percentage of Gross Domestic Product

Includes R&D activities conducted in the state by federal and state agencies, enterprises, universities, and nonprofit organizations.

	Year 2021
United States	3.1%
Kansas	1.99%
Missouri	2.36%

<https://nces.nsf.gov/indicators/states/state/kansas>; <https://nces.nsf.gov/indicators/states/state/missouri>

Average Annual Federal Small Business Innovation Research and Small Business Technology Transfer Funding per \$1 Million of Gross Domestic Product

	Years 2018-2020
United States	\$168.13
Kansas	\$47.16
Missouri	\$92.78

<https://nces.nsf.gov/indicators/states/state/kansas>; <https://nces.nsf.gov/indicators/states/state/missouri>

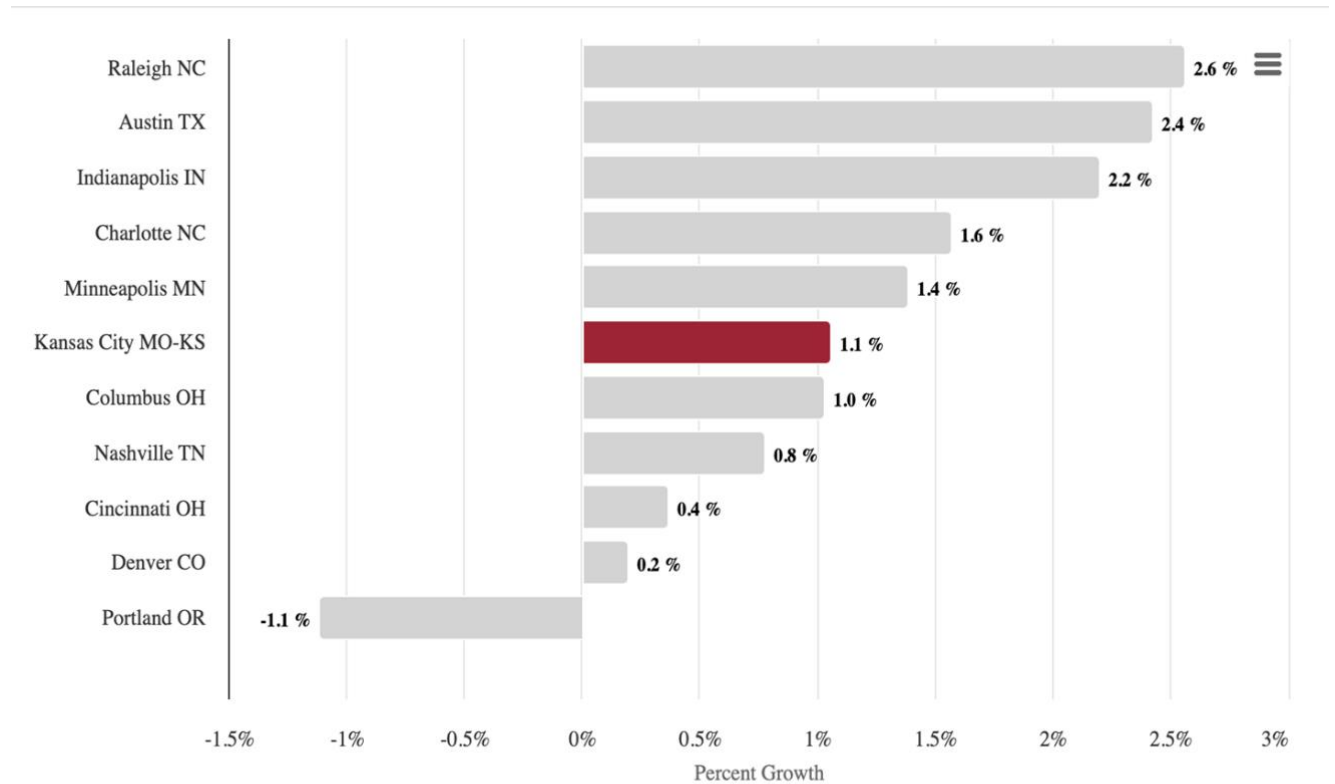
KC Rising Cluster Analysis and Market Overview

Source: EnterpriseKC, “Cluster Analysis & Market Overview,” Fall 2023

Employment

Growth in total employment lags many benchmark metros though progress has been shown in the first half of 2024. The lag is more severe since long before the pandemic and the recovery from the pandemic, in fact, since about 2000.

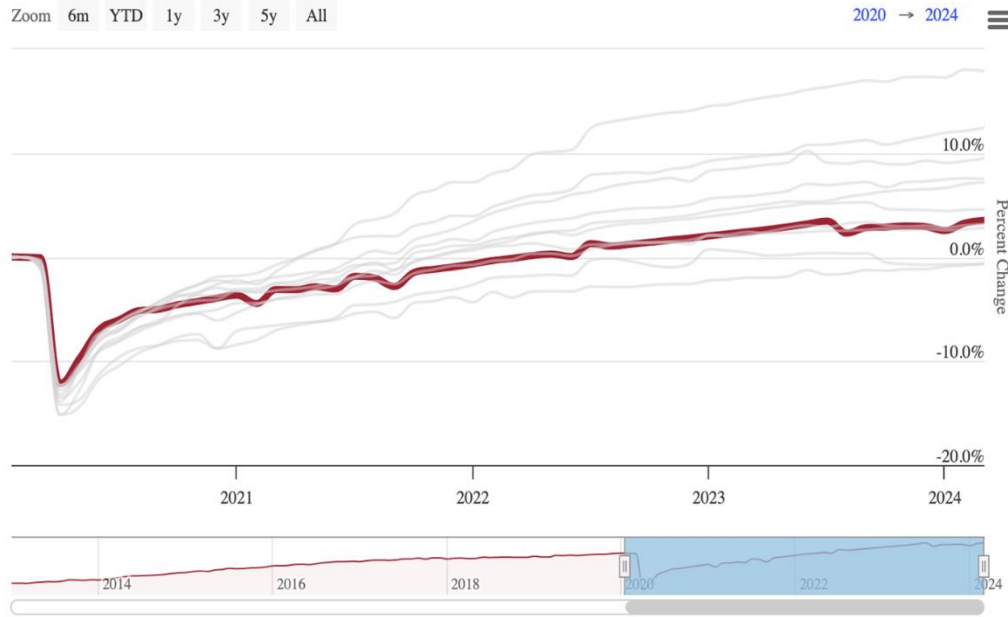
12-Month Percent Change in Total Employment
KC vs. Benchmark Metros



Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

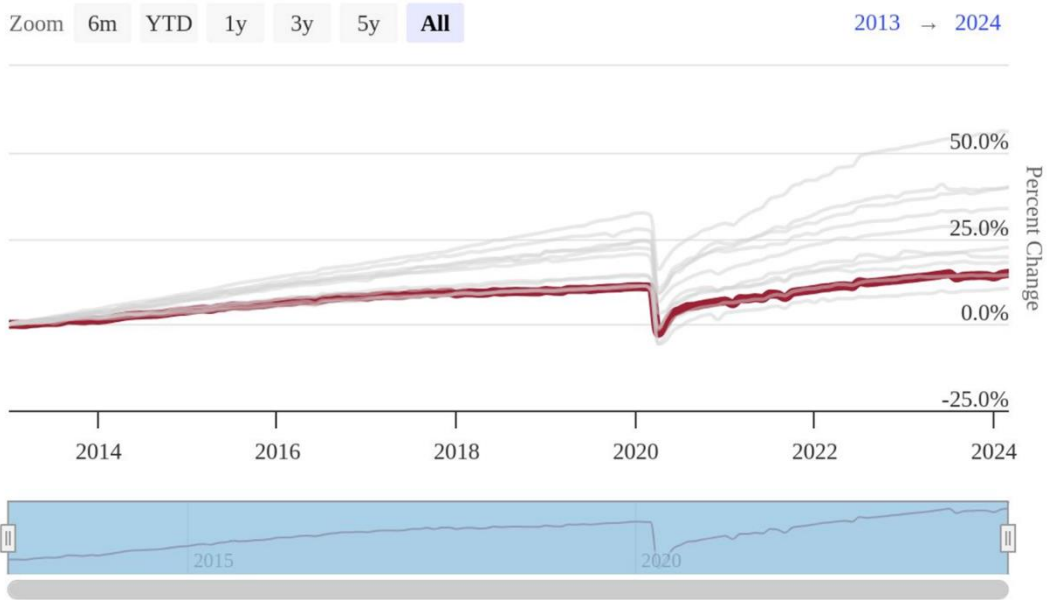
Highcharts.com

Percent Change in Total Employment (Jan 2020)
KC vs. Benchmark Metros



Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

Percent Change in Total Employment (2013-2024)
KC vs. Benchmark Metros



Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

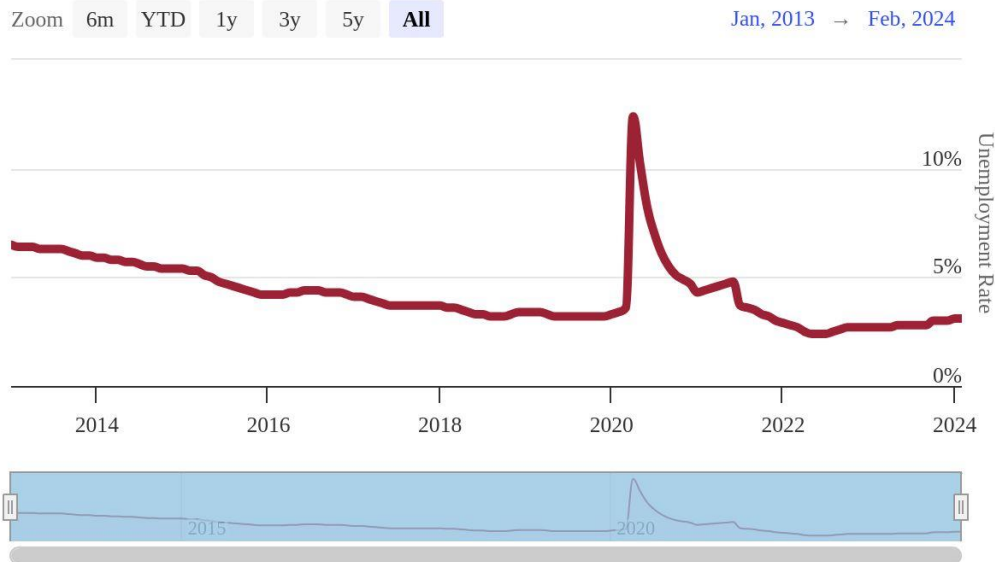
The region's unemployment rate has recently started to stair-step upward though it is still below pre-pandemic levels and very low by historical standards.

Unemployment Rate (2024) KC vs. Benchmark Metros



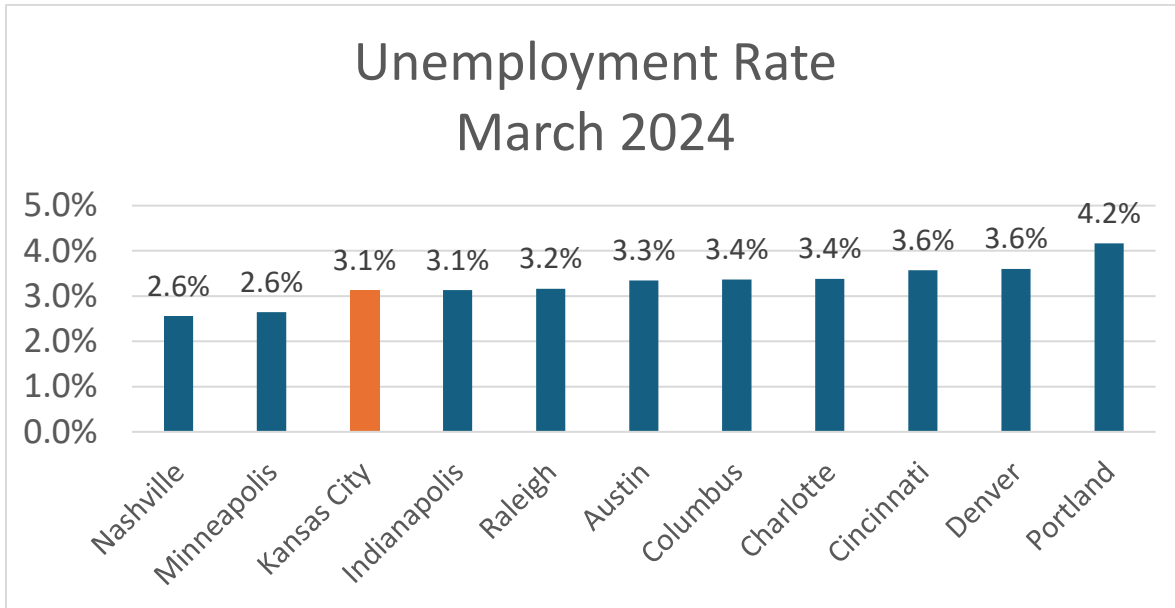
Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

Unemployment Rate (2013-2024) KC vs. Benchmark Metros



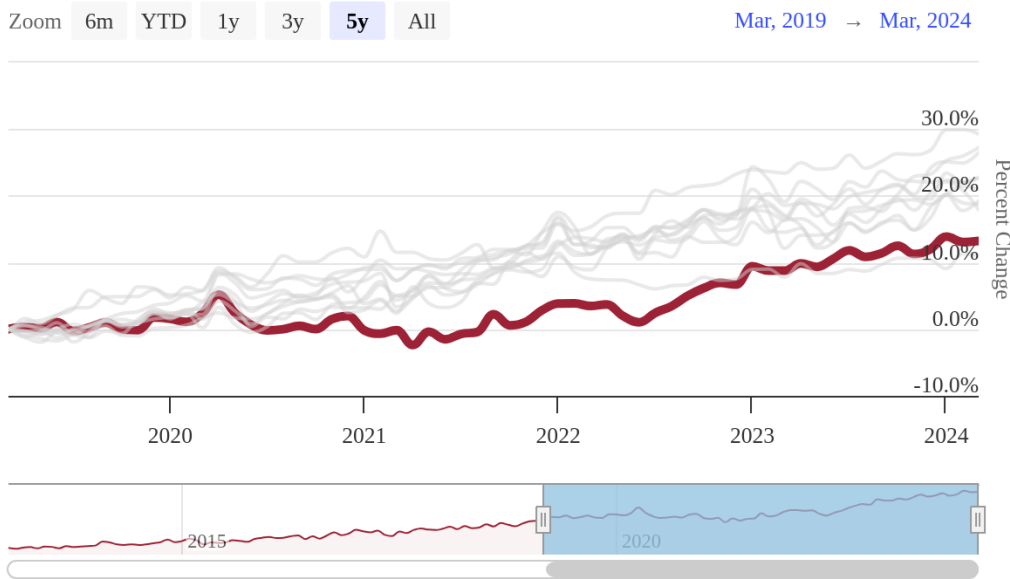
Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

At 3.1 percent in March 2024, the unemployment rate remains substantially below the nation’s 3.7 percent and is the third lowest among the region’s benchmark metros.



Source: Bureau of Labor Statistics

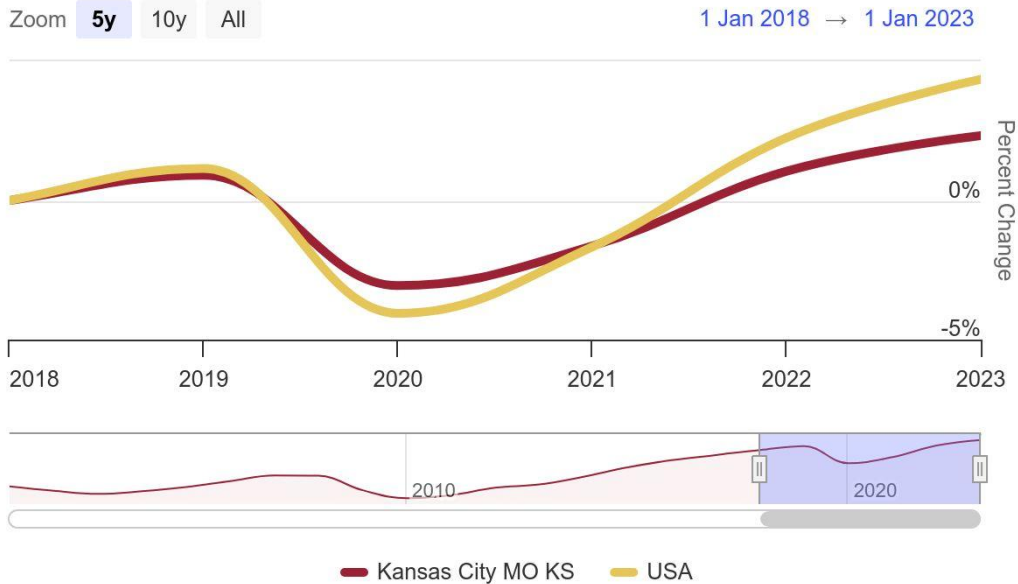
Yet a relatively tight labor market has not translated into above-average wage gains for area workers. Kansas City’s post-pandemic increase in average hourly earnings for those working for private employers is second lowest among the benchmark metros.



Source: U.S. Bureau of Labor Statistics.
Last Updated: Thursday, Apr 25, 2024

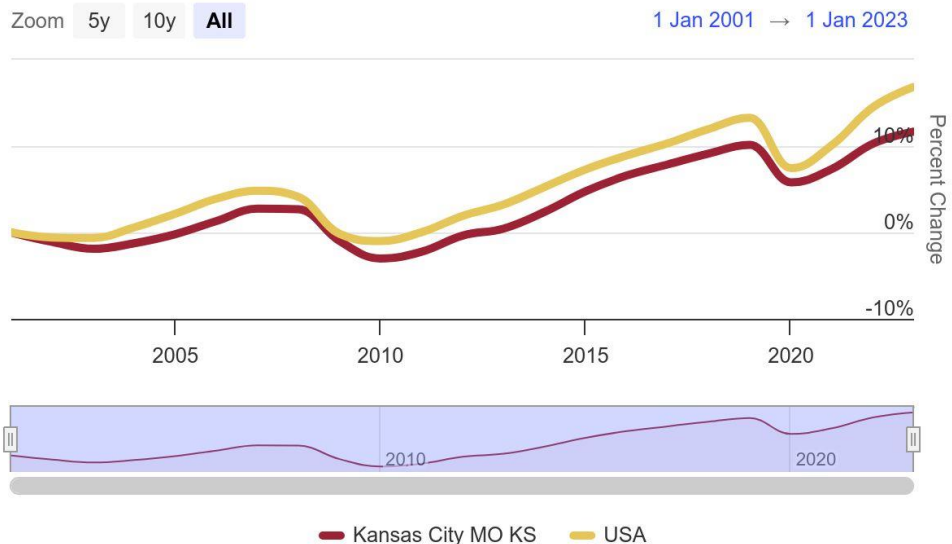
Benchmarks are a relatively high bar, but Kansas City’s growth is also lagging national averages. The adage that the Kansas City economy neither booms as high nor busts as low as the national average proved true during the Covid-19 recession.

Total Jobs - Percent Change



But it wasn’t true in the 2001 recession nor the Great Recession, when the region was hurt as much or more than the nation during the downturn. Moreover, by not “booming as high”, this results in the gap between Kansas City and U.S. performance are gradually growing wider.

Total Jobs - Percent Change

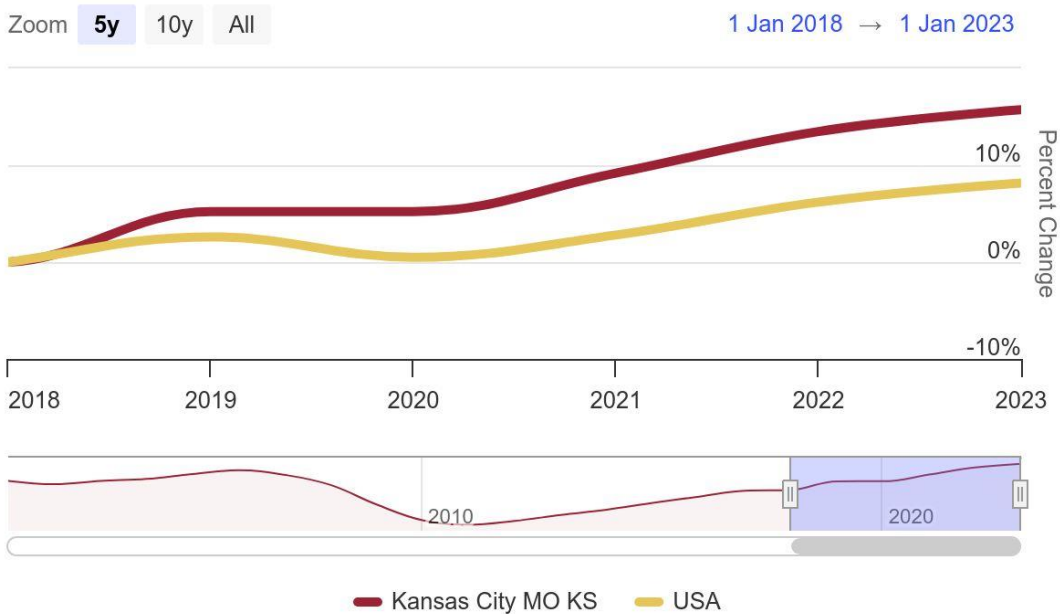


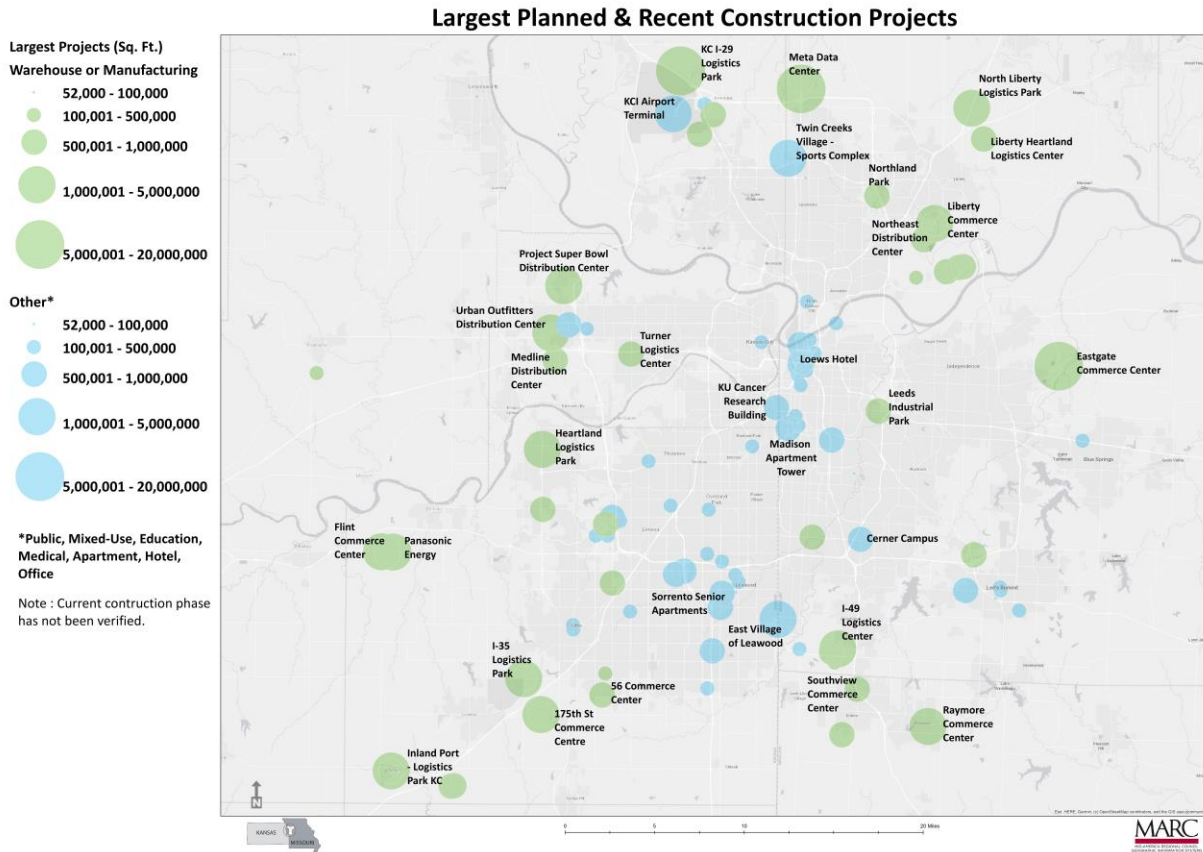
Industries

A few industries in the Kansas City region have recently outperformed the nation, some significantly as the region has benefited from the shift to the distribution economy.

While residential and commercial construction appears to be down relative to last year, industrial construction remains both widespread and strong as building the new Panasonic plant gets underway.

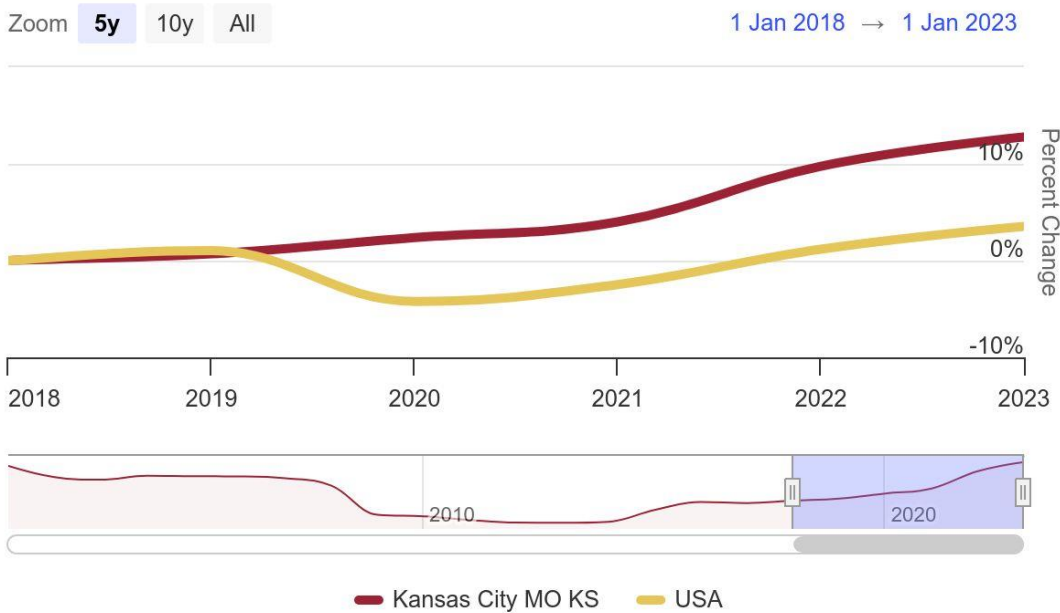
Construction - Percent Change





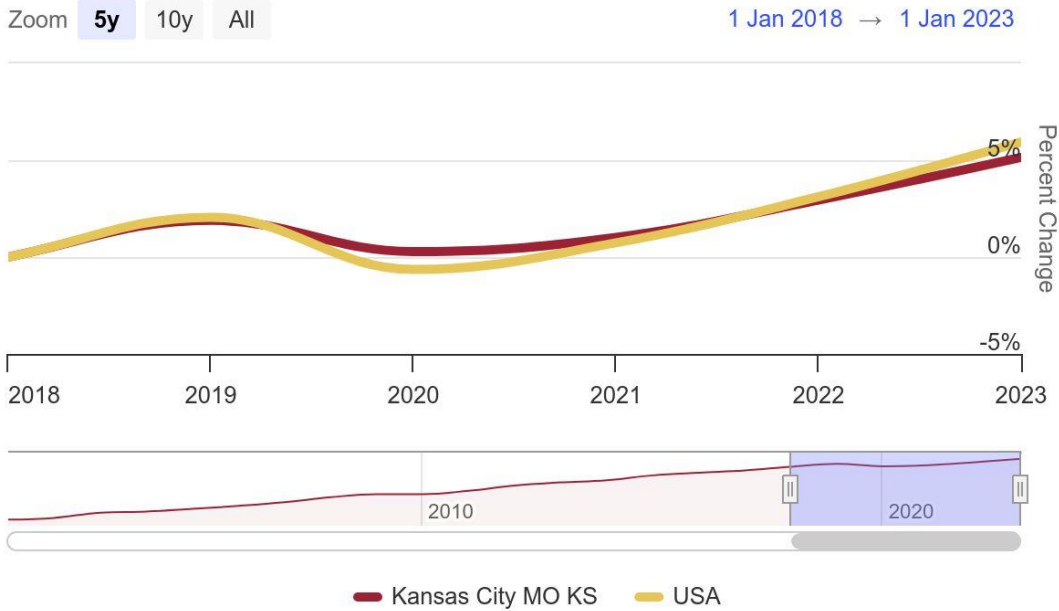
Kansas City has also benefited from the shift to onshoring of manufacturing.

Manufacturing - Percent Change

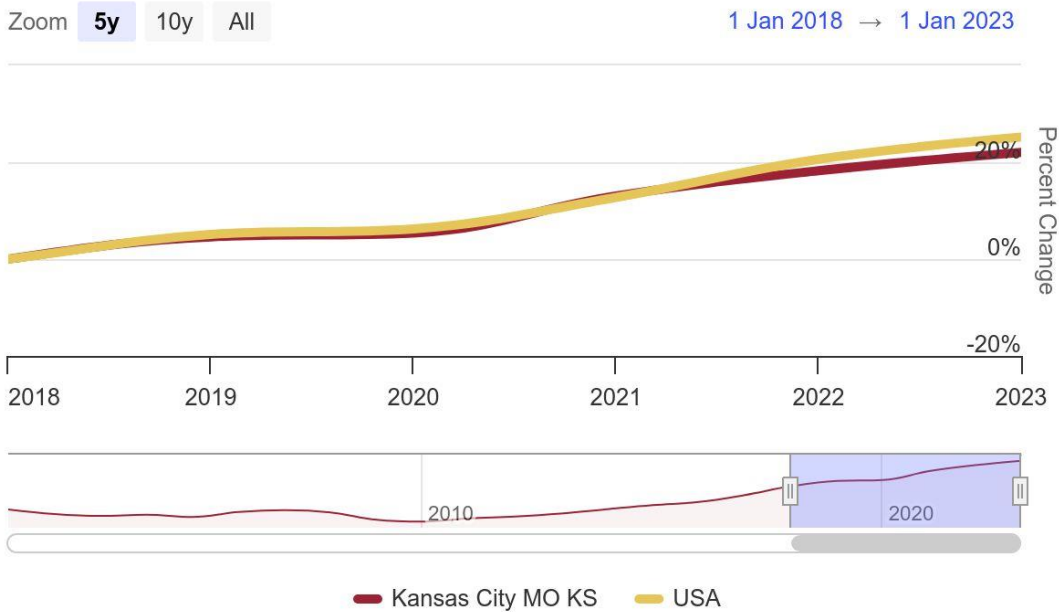


Several of our strongest sectors are underperforming the nation. A few like Health Care and Social Assistance and Transportation and Warehousing are slightly underperforming.

Health Care and Social Assistance - Percent Change



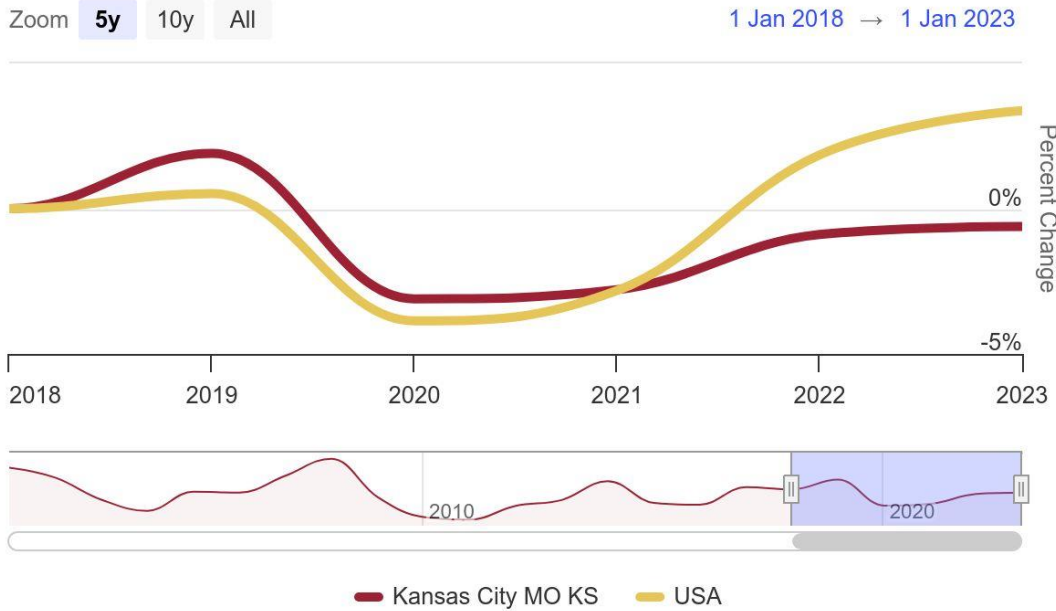
Transportation and Warehousing - Percent Change



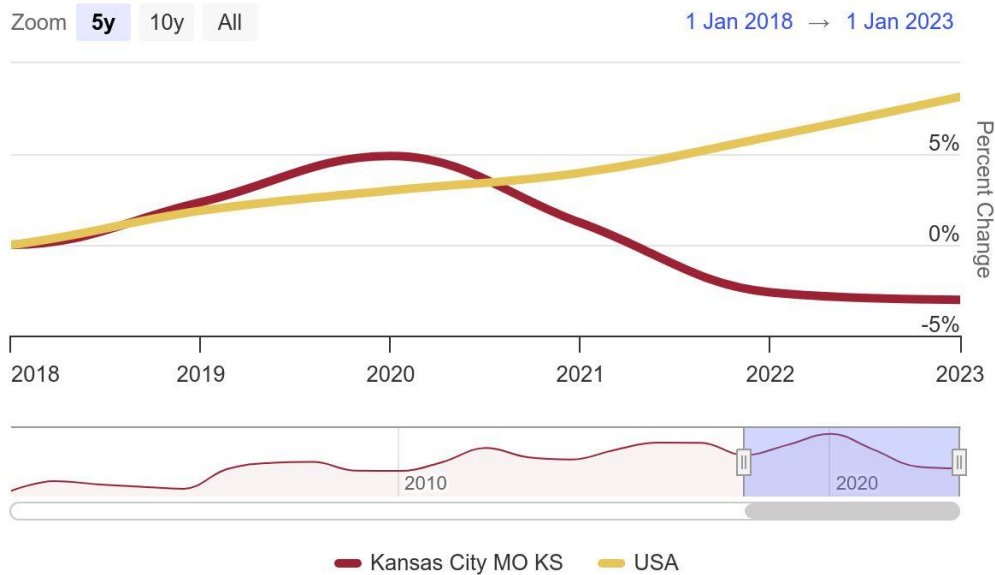
Source: Bureau of Labor Statistics

But several others – wholesale trade, finance and insurance and professional, scientific and technical services are growing much slower than national averages. This represents a real reversal for Professional, Scientific and Technical Services, which underpinned much of the region’s employment growth until 2018, when Cerner stopped rapidly expanding in the region and ultimately was sold to Oracle.

Wholesale Trade - Percent Change



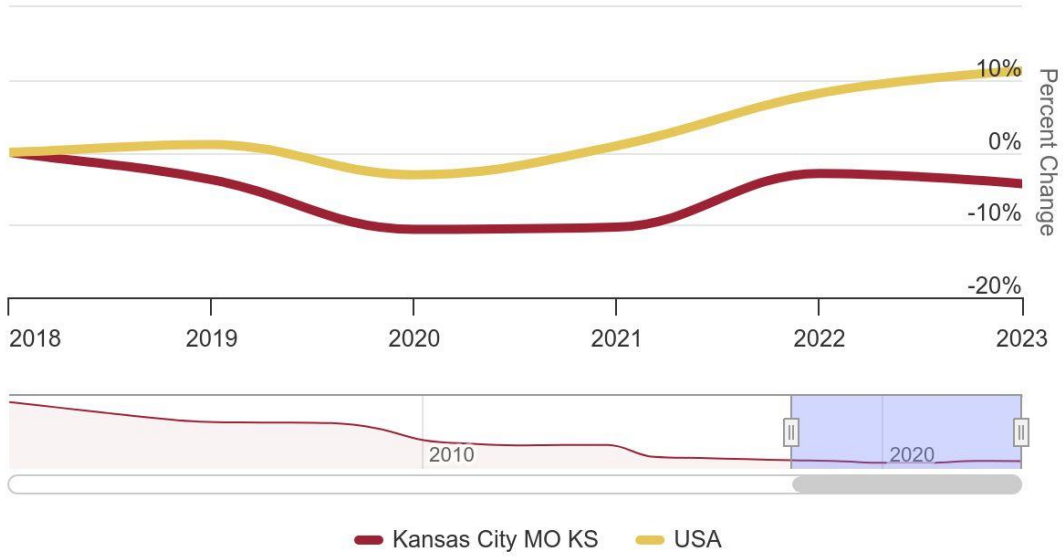
Finance and Insurance - Percent Change



Information - Percent Change

Zoom **5y** 10y All

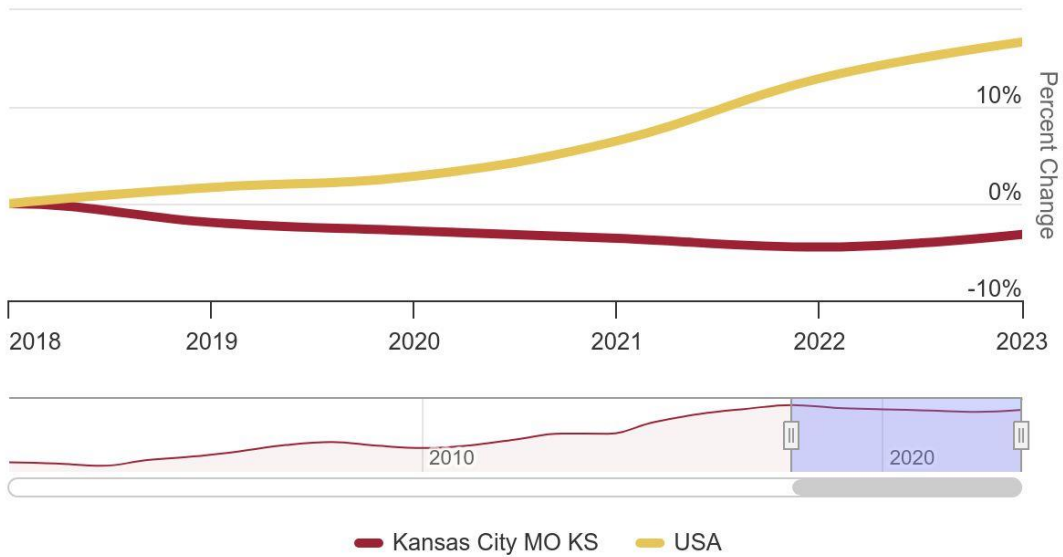
1 Jan 2018 → 1 Jan 2023



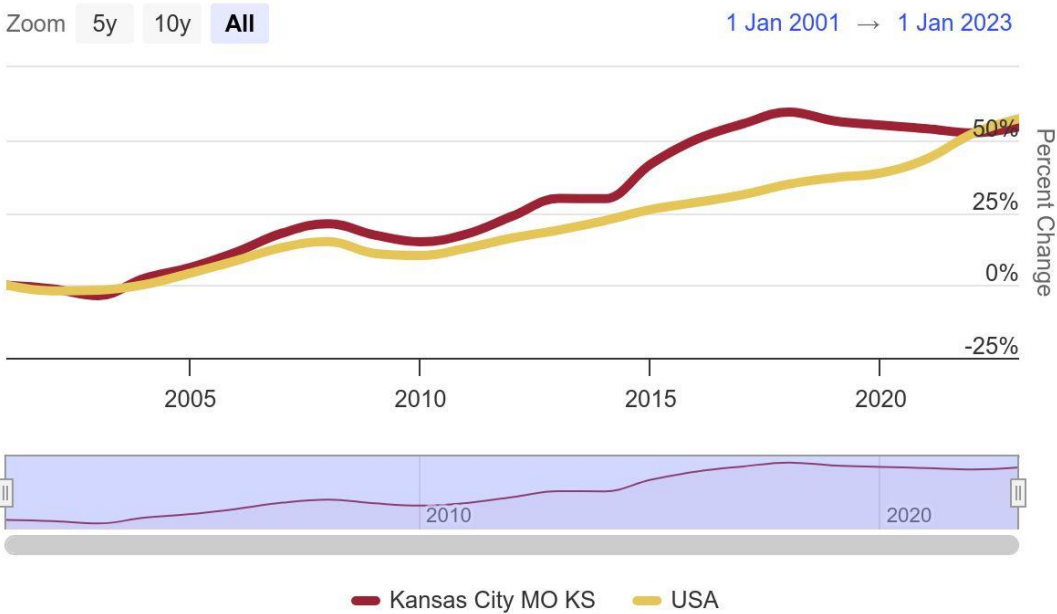
Professional Scientific and Technical Services - Percent Change

Zoom **5y** 10y All

1 Jan 2018 → 1 Jan 2023



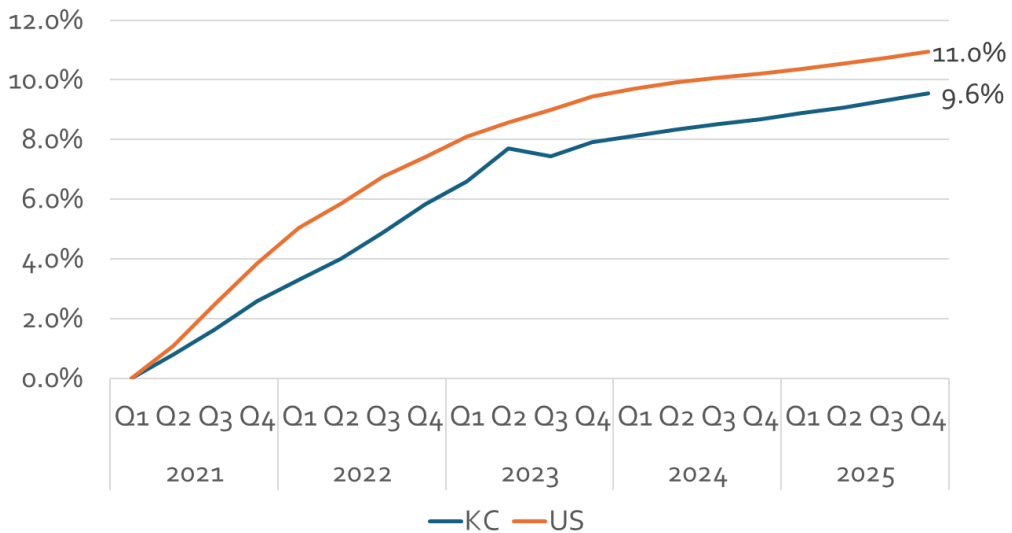
Professional Scientific and Technical Services - Percent Change



The forecast is for sluggish growth to continue.

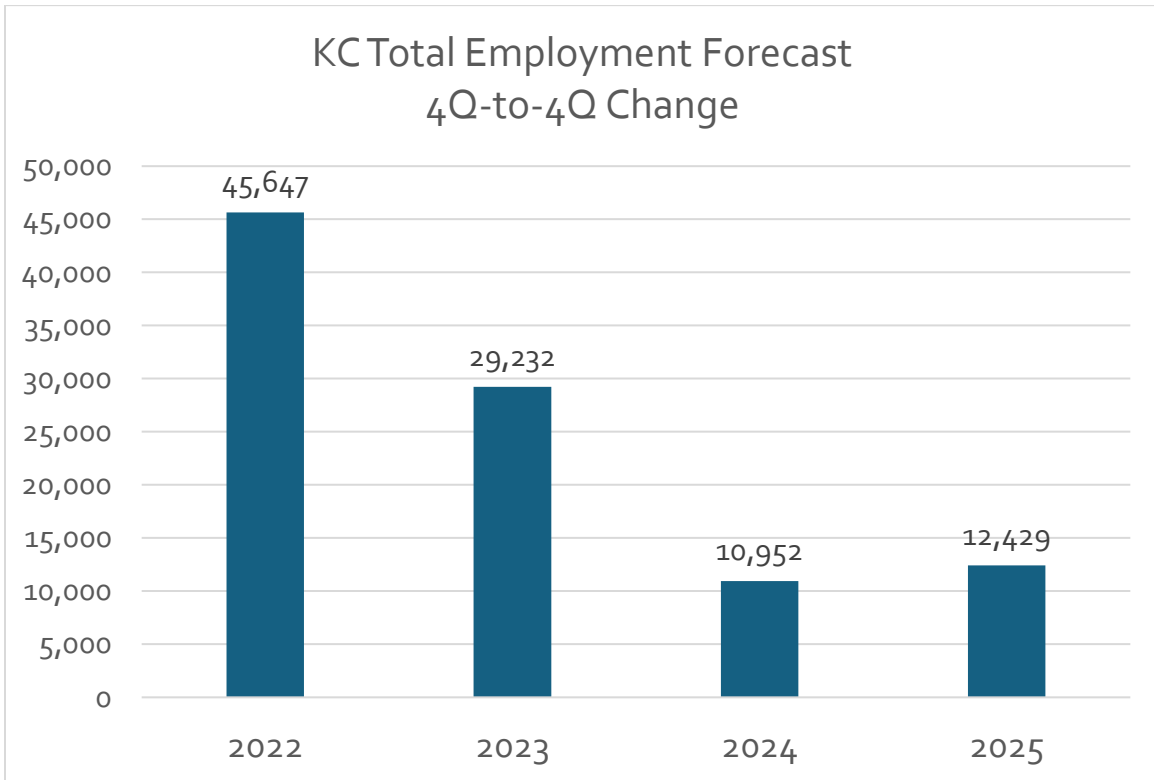
Consequently, the Kansas City economy has been performing worse than the nation in terms of job growth. While both are forecast to experience significant slowing, the gap between Kansas City and U.S. employment growth rates is not expected to narrow appreciably in the near future.

**KC vs. US Employment Forecast
Percent change since 2021 Q1**



Source: BLS, RSQE, MARC

In 2022, the economy was still bouncing back from the pandemic-induced recession. Growth moderated substantially in 2023, and employment growth is expected to be about 2/3 that of 2022. Job growth moving forward will be about 1/3 that of 2023.



Source:

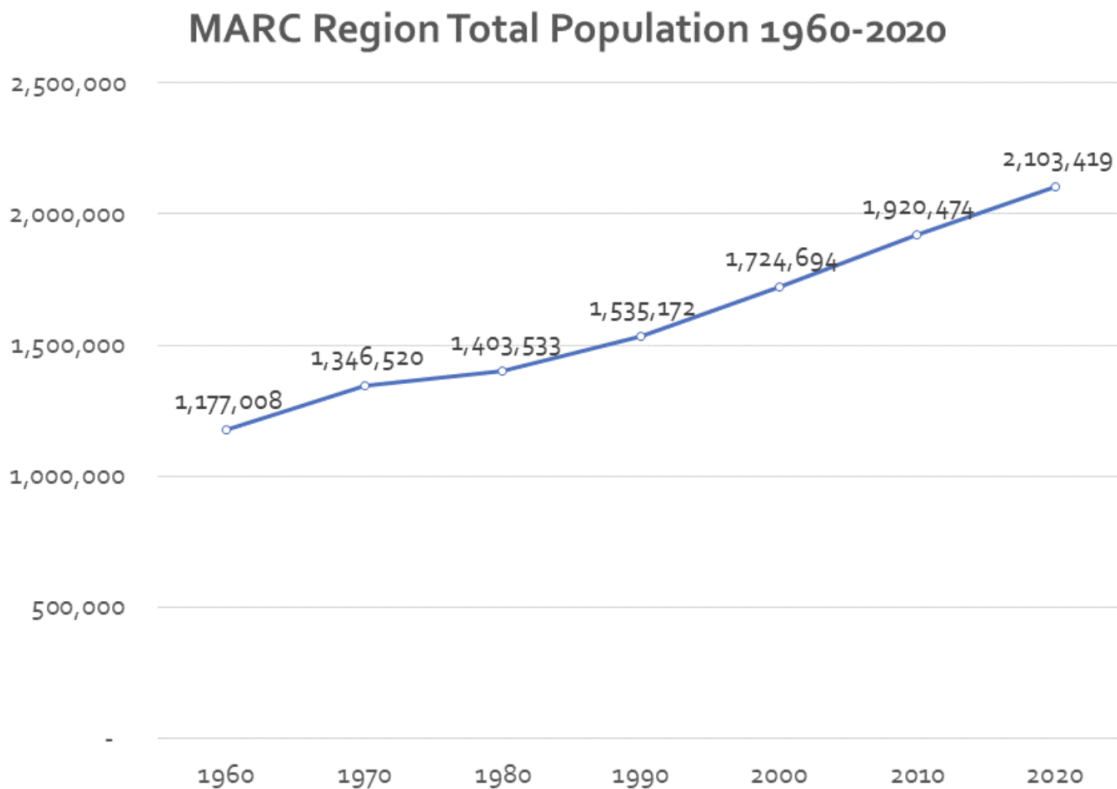
KANSAS CITY DEMOGRAPHIC TRENDS

In MARC’s, *What a Difference a Decade Makes*, 2020 census data revealed the Kansas City region is becoming more racially and ethnically diverse. While white, non-Hispanic residents remain the substantial majority in the population at 68 percent, the increase in the number of residents of color between 2010 and 2020 accounted for 92 percent of the region’s overall population growth. The increase in population diversity contributed to a dramatic shift in how the region is growing, from one where all the growth is focused on the edges of the region while the center declines, to one where all areas are now growing.

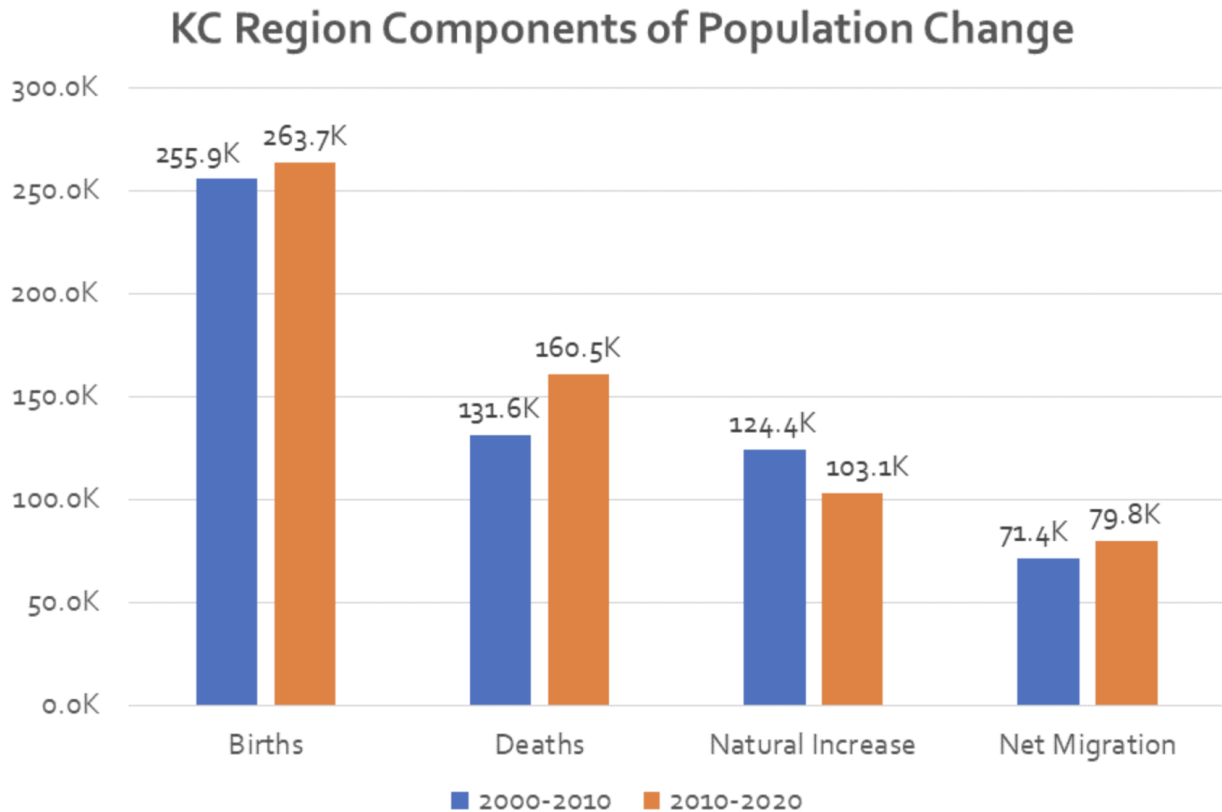
While efforts to fully count the population during the pandemic proved especially challenging, the U.S. census data showed the nine-county Kansas City region is more diverse than ever. The region has historically grown moderately and steadily; however, the rate of growth slipped slightly from 11.4% in the 2000s to 9.5% in the 2010s.

Population

The region typically has a consistent, though moderate, population growth rate, adding close to 200,000 people a decade.

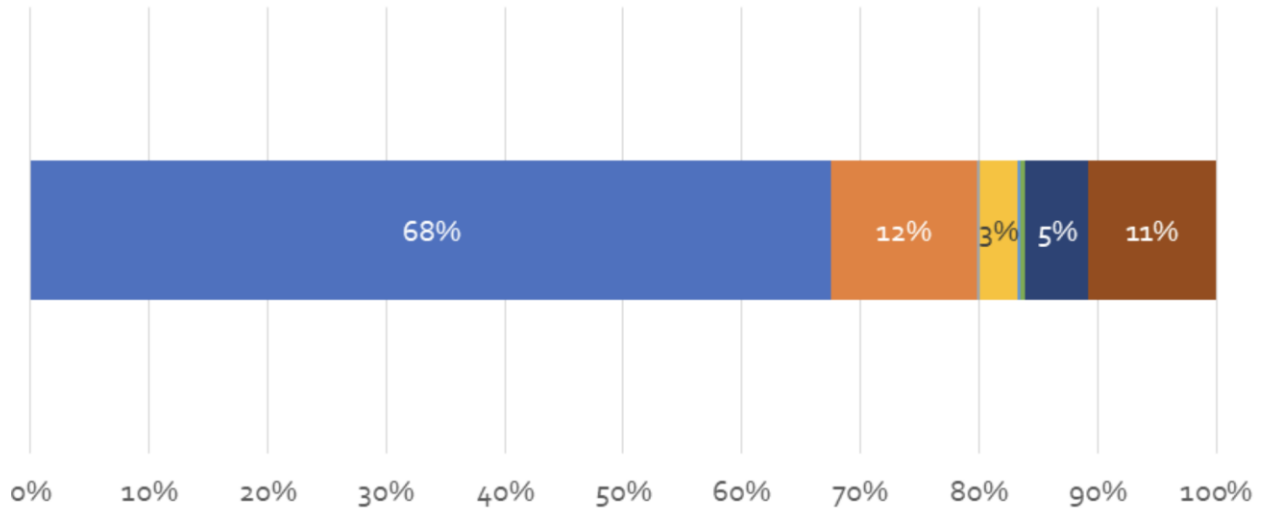


Population change is driven by births minus deaths (i.e., the natural increase in population) plus net migration. Births were slightly higher in the 2010s than in the 2000s. Deaths were significantly higher due to the aging of the population, producing a smaller natural increase. Net migration was somewhat higher, indicating the region continued to attract talent.

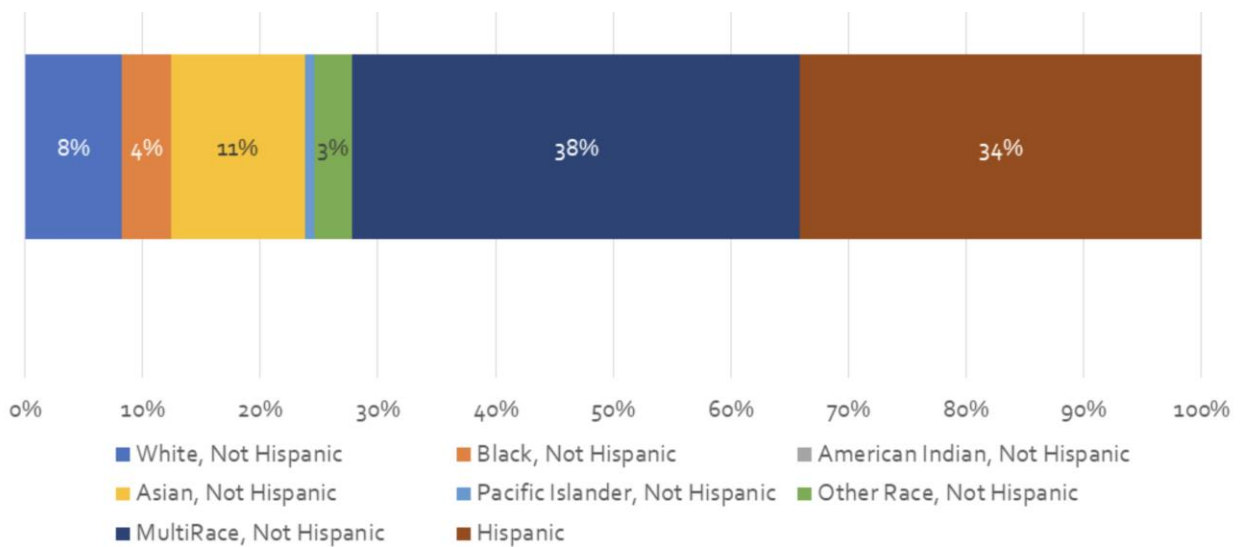


The region’s population continues to be majority white. However, the white population share is shrinking. This is because nearly all of the net gains in population were from people of color. Their increase in the 2010s accounted for 92 percent of the region’s population growth.

Racial/Ethnic Shares of 2020 KC Population



Racial/Ethnic Shares of 2010- 2020 KC Population Growth

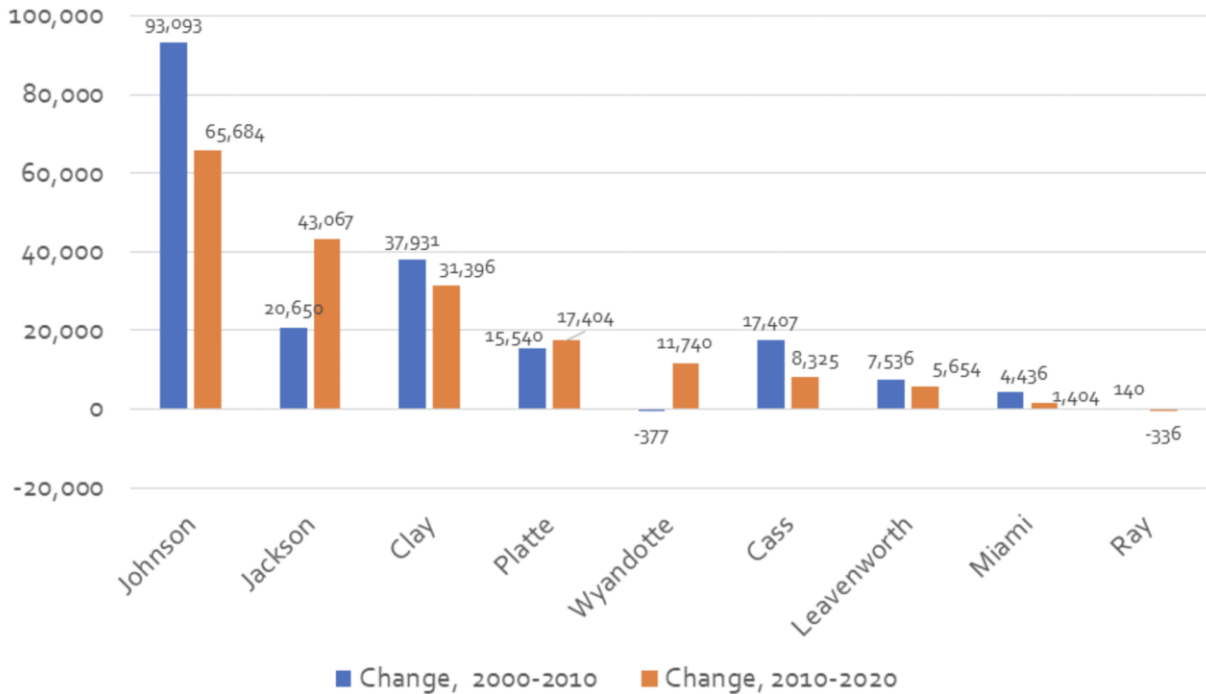


At a county level, Jackson continues to be the most populous county, followed by Johnson, Clay and Wyandotte. Johnson County continued to grow the most, followed by Jackson and Clay counties.

	Population			Change 2000-2010	Change 2010-2020
	2000	2010	2020		
Johnson	451,086	544,179	609,863	93,093	65,683
Leavenworth	68,691	76,227	81,881	7,536	5,654
Miami	28,351	32,787	34,191	4,436	1,404
Wyandotte	157,882	157,505	169,245	-377	11,740
Cass	82,092	99,499	107,824	17,407	8,325
Clay	184,008	221,939	253,335	37,931	31,396
Jackson	654,880	675,530	717,204	20,650	42,964
Platte	73,774	89,314	106,718	15,540	17,404
Ray	23,354	23,494	23,158	140	-336
MARC Region	1,724,118	1,920,474	2,103,419	196,356	184,234

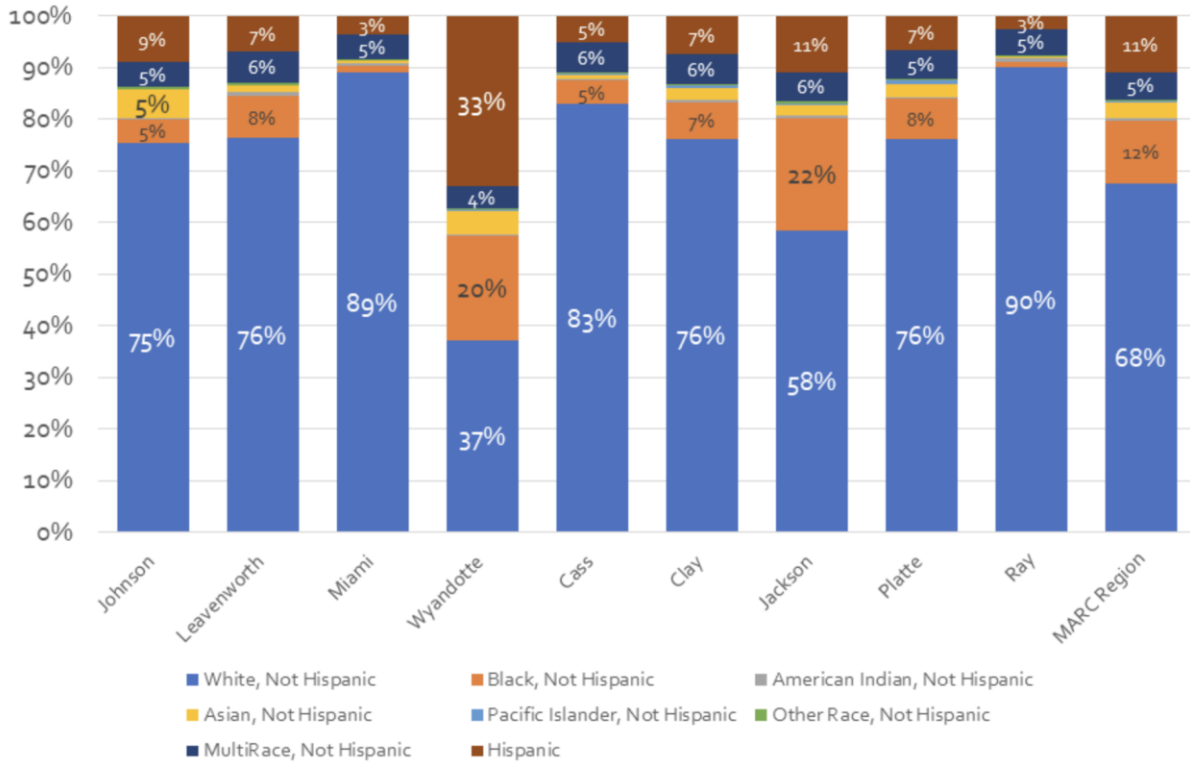
Johnson County’s growth slowed significantly during the 2010s, while Jackson and Wyandotte counties saw significant acceleration. As a result, growth was spread across counties much more evenly than in prior decades.

**Comparison of County Population Change:
2000s vs. the 2010s**



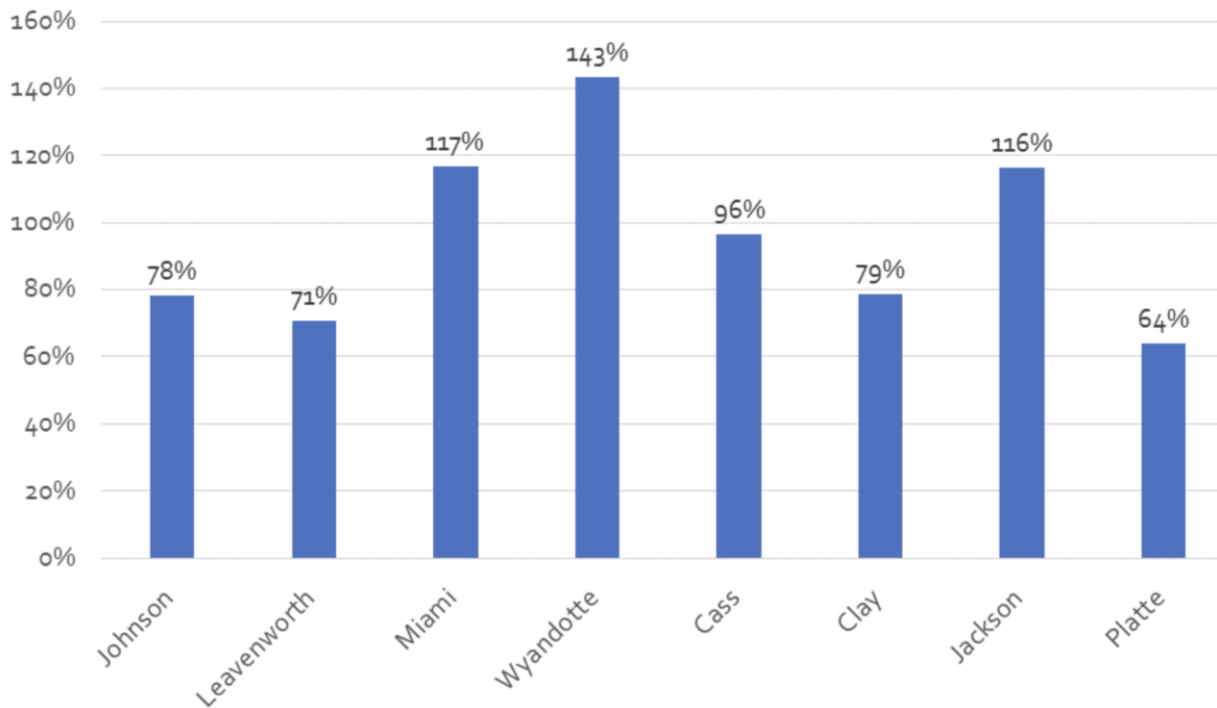
Most counties remain more than 75 percent white, not Hispanic or Latino. The exceptions are Wyandotte, which is majority people of color, and Jackson where the white majority is under 60 percent.

Race/Ethnic Composition by County, 2020

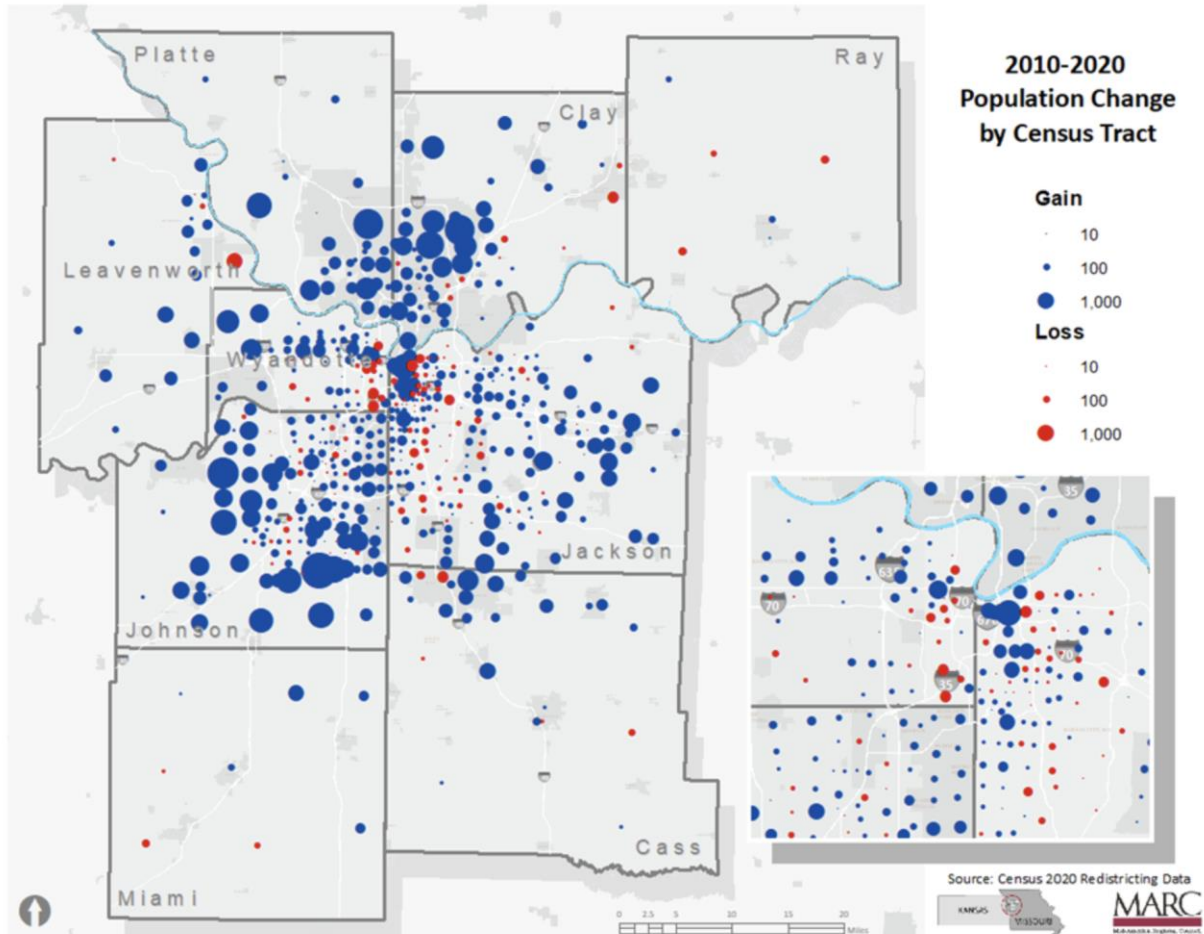


In all counties, people of color accounted for most of their net population growth. In Miami, Wyandotte, and Jackson counties, the white population declined. As a result, the growth in the number of people of color exceeded the total population growth of the county. This then results in calculating their growth as a proportion of the county's growth to be greater than 100%.

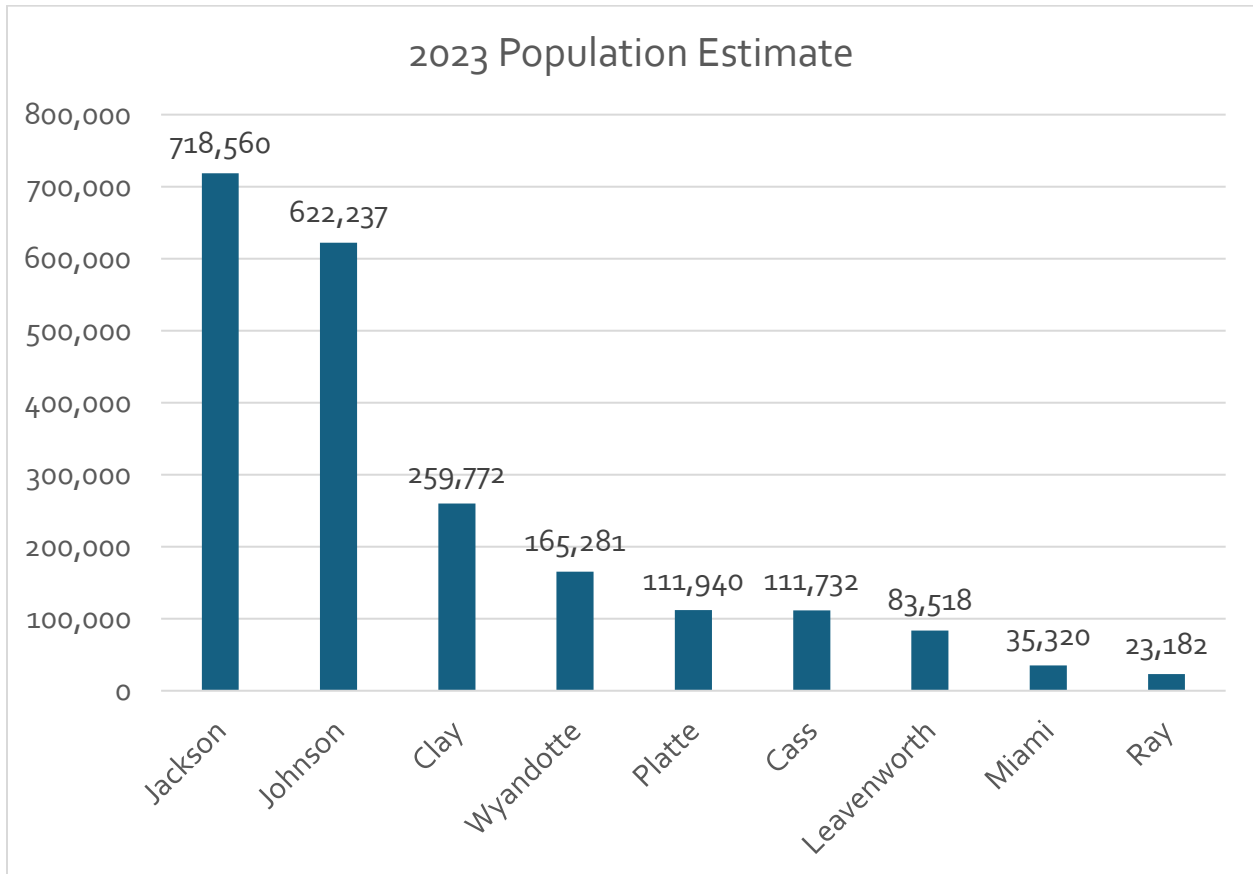
County Proportion of Population Growth
from People of Color



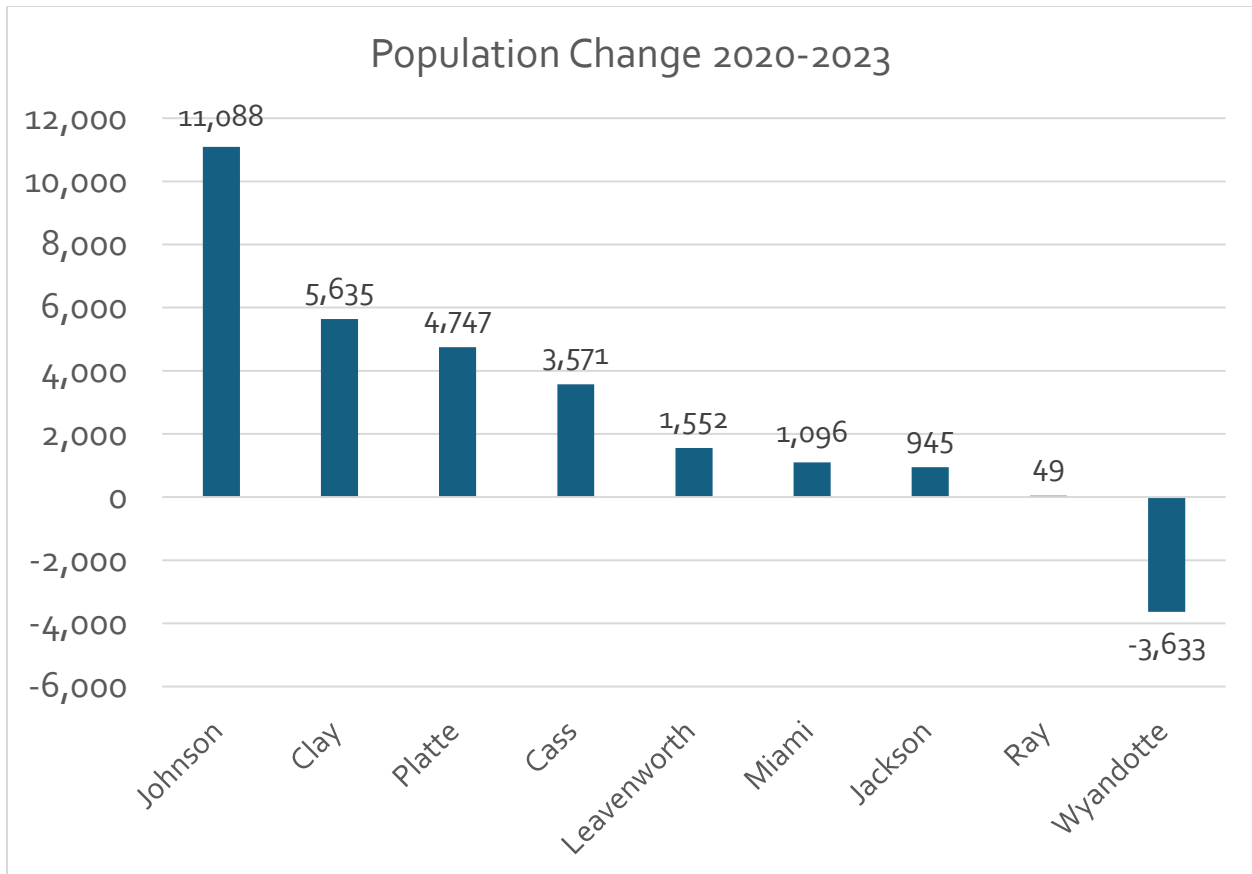
In the 2010s, the region's urban core did not continue to decline in population. Instead, the region's growth pattern became much more balanced with all parts attracting people. In large part, the shift reflected local policy changes in planning for redevelopment as intently as planning for new development. Between 2010 and 2020, some 37 percent of the region's population growth occurred inside the area that had developed prior to 1990.



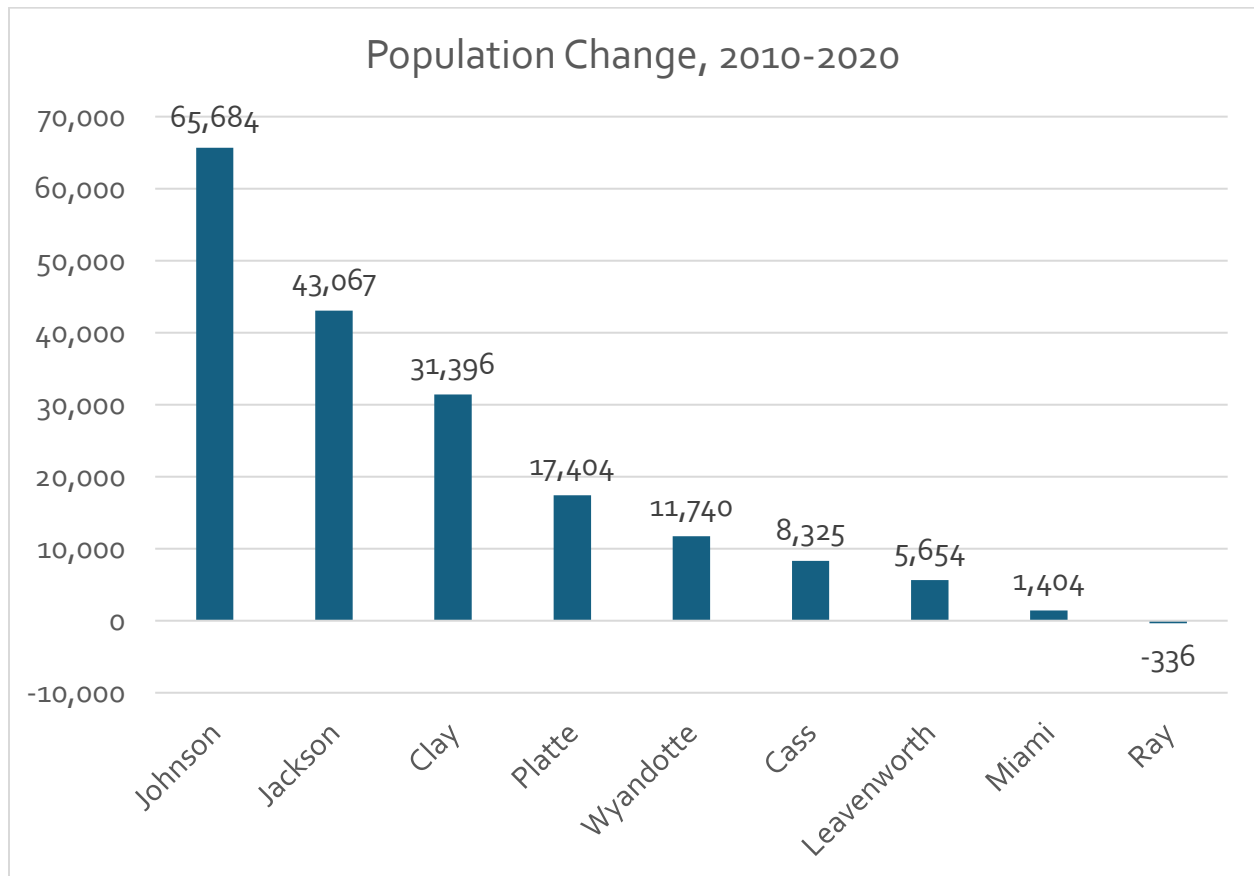
According to the most recent population estimates from the Census Bureau (2023), Jackson County remains the region’s largest county, followed by Johnson, Clay, and Wyandotte counties.



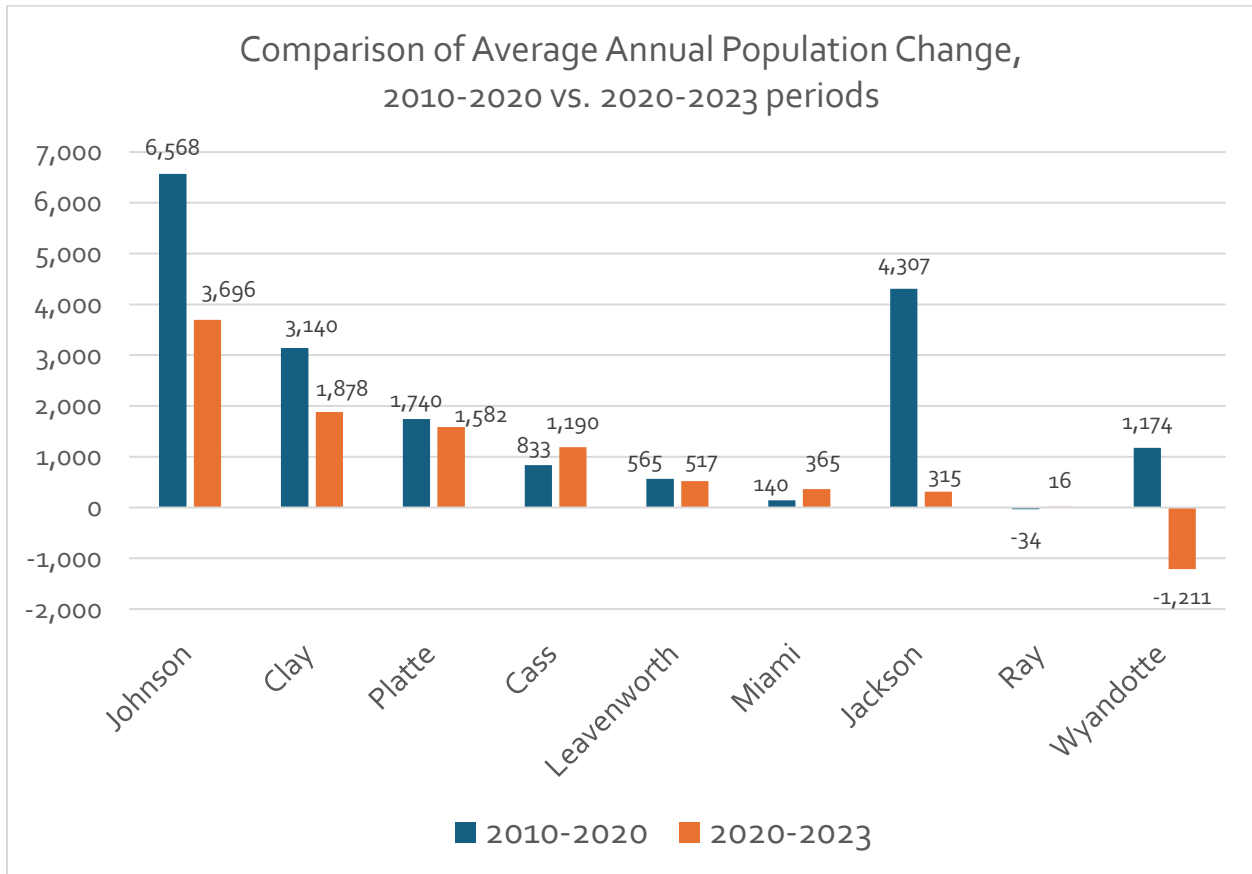
Between 2020 and 2023, the Kansas City region added 25,000 people and all counties grew, except Wyandotte County. Johnson County's population grew the most, adding 11,100 people and accounting for 44 percent of the region's growth. Johnson County was followed by Clay County, which added 5,600 people and comprising 22 percent of the region's population growth.



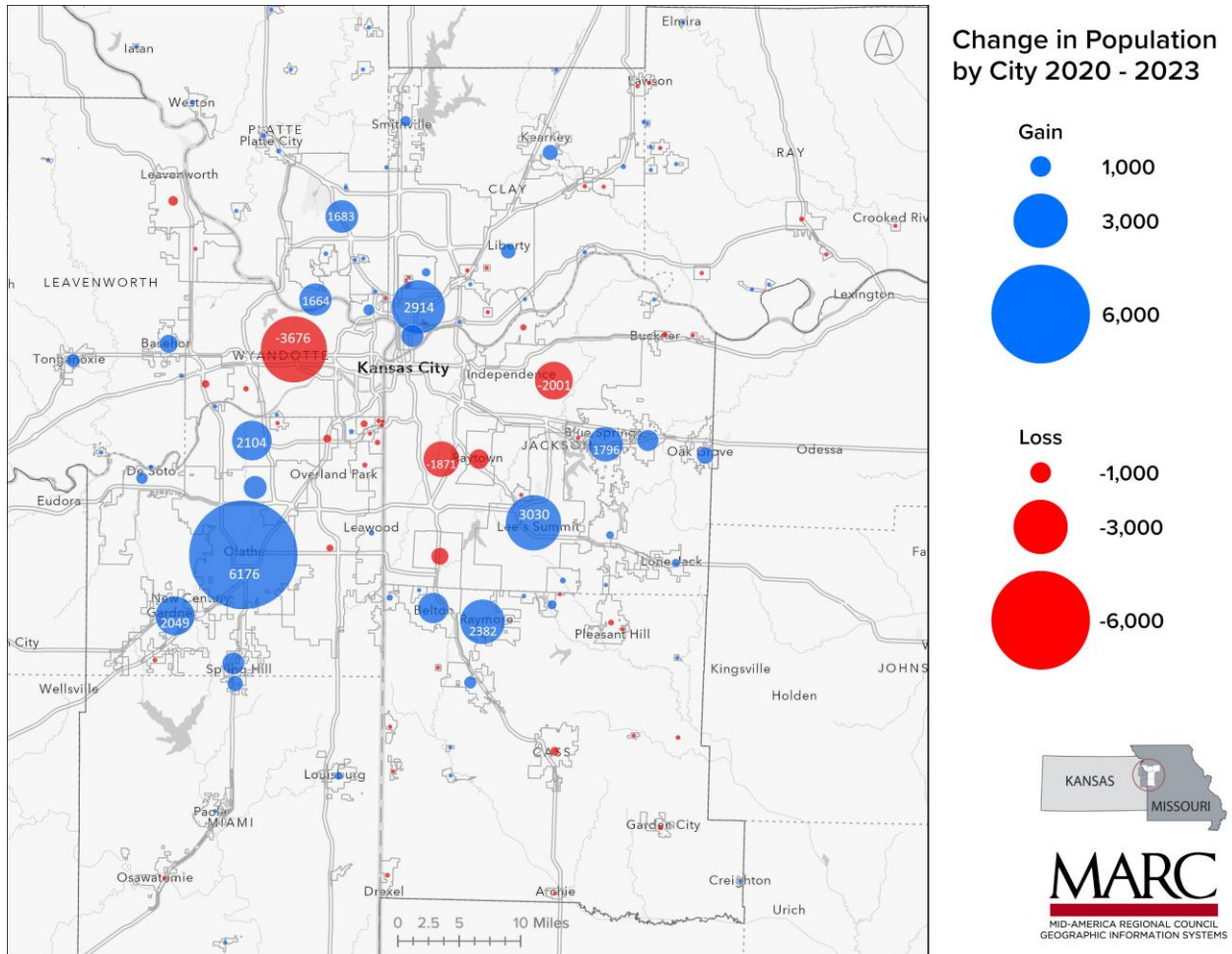
The pattern of growth is significantly different than the 2010-2020 trends, when the core counties of Jackson and Wyandotte showed strong growth. Now Wyandotte has resumed declining and Jackson County's growth has been sharply curtailed.



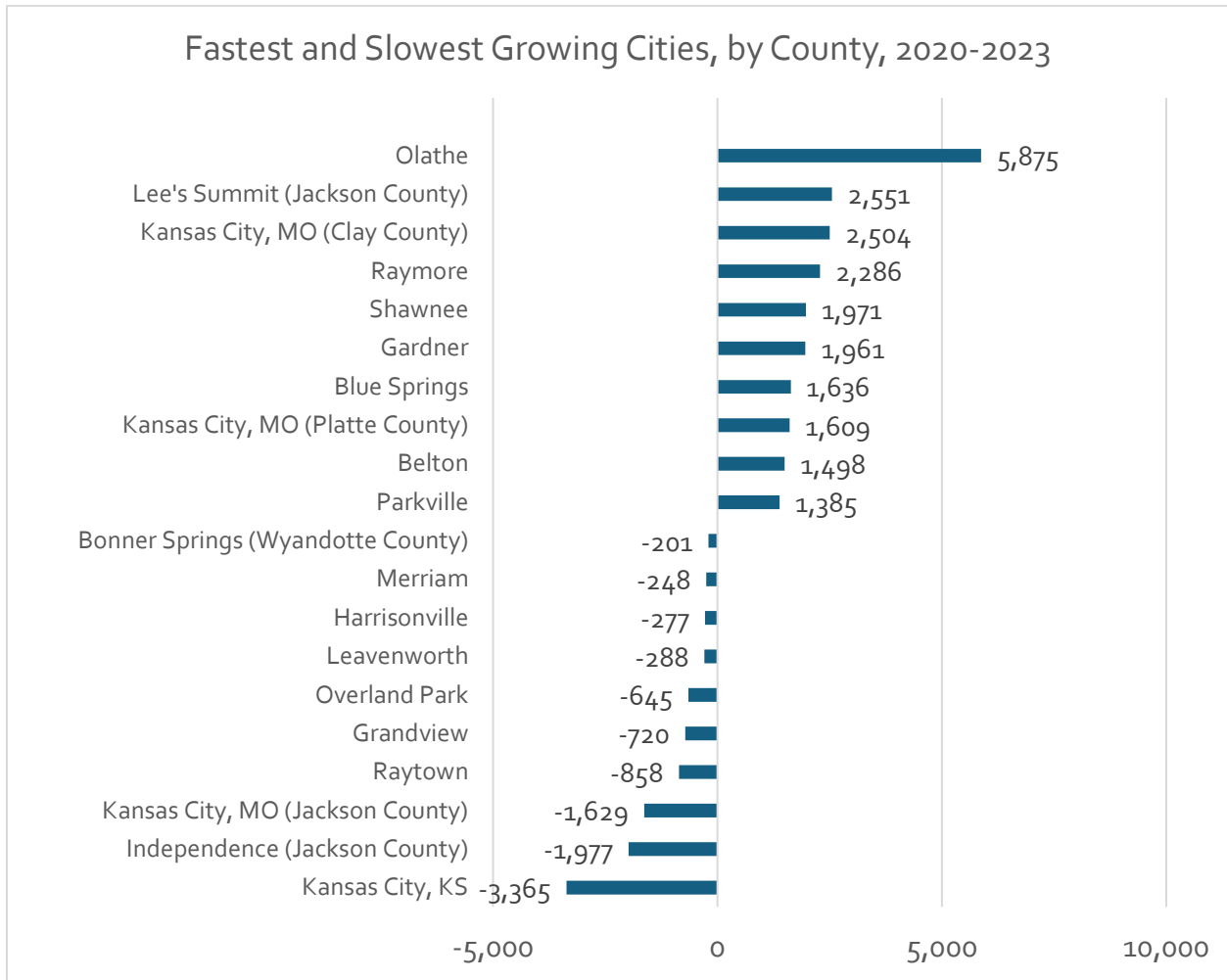
Also, population growth appears to have slowed significantly in most counties so far in the 2020s compared to the 2010s, not just the core counties. Cass is the one county showing significant acceleration from the prior decade.



Examining data by city confirms that, according to the most recent estimates, population growth is again concentrated on the edges of the region while decline is occurring in the older portions in the center, especially south of the Missouri River.

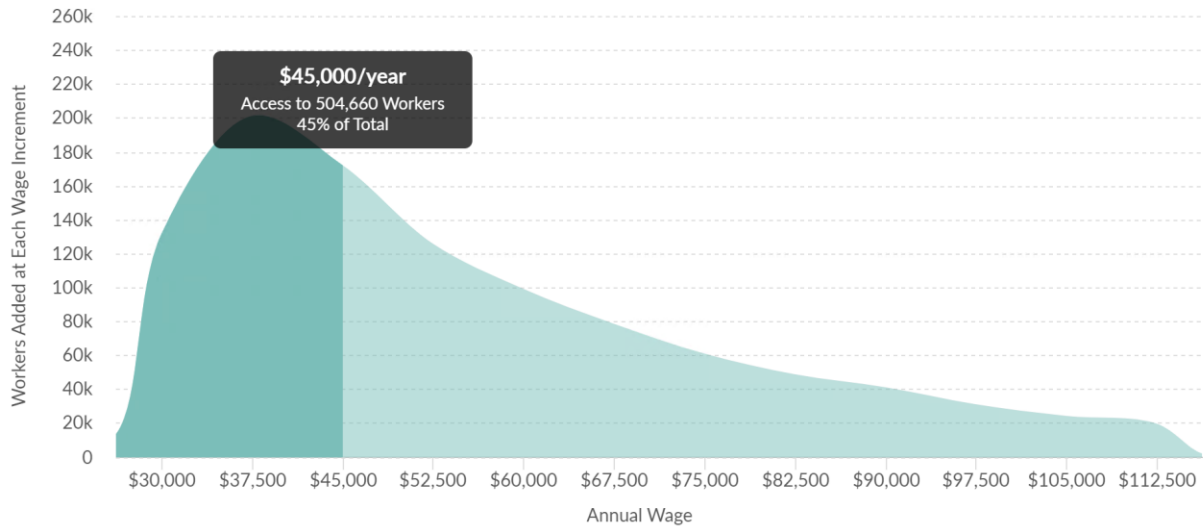


When we look at the population estimates by city, this perception of shifting growth to the edges of the region is born out as we see much growth in smaller cities generally on the periphery of the region as well as historic growth centers like Olathe to the south and Kansas City, Missouri north of the Missouri River.



Workforce

Previous work by the Brookings institution determined that the wage required in the Kansas City region for a good job, one that leads to self-sufficiency, is about \$45,000 per year. Nearly half (45 percent) of the region’s workers make less than this amount, however.



Source: Lightcast

In fact, the occupations making less than \$45,000 annually with the largest numbers of workers are often much less than that.

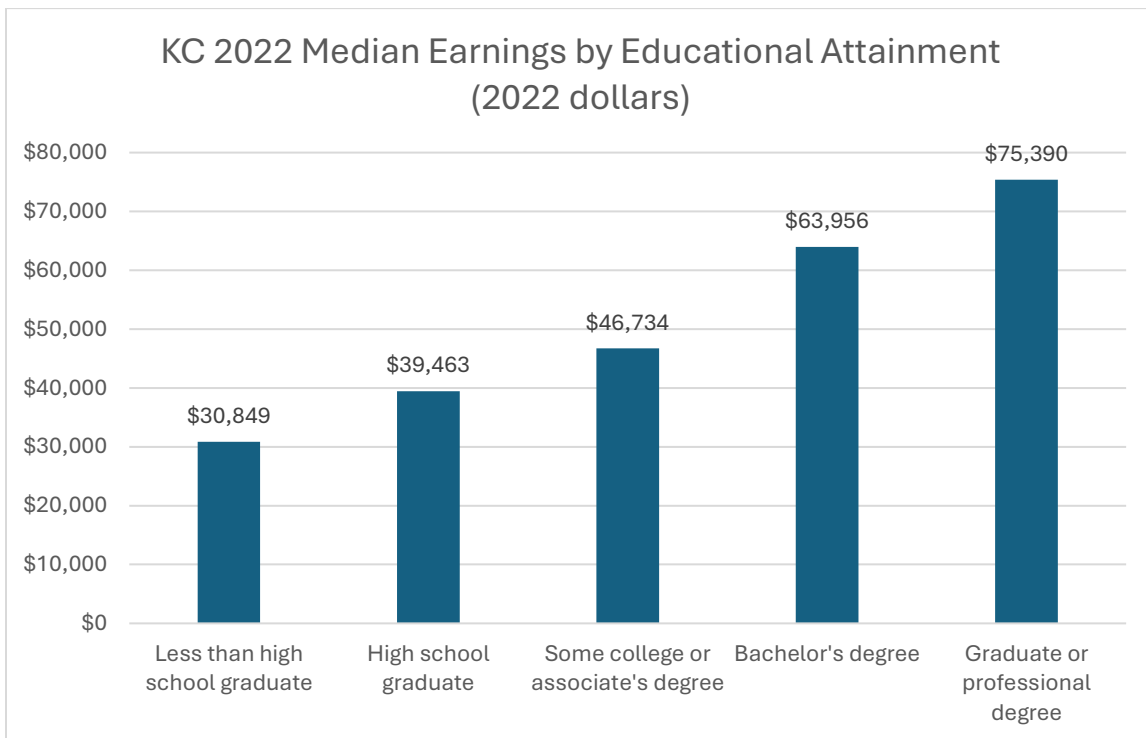
Description	2023 Jobs	Median Annual Earnings	Typical Entry Level Education
Stockers and Order Fillers	25,049	\$36,387	High school diploma or equivalent
Retail Salespersons	23,900	\$33,405	No formal educational credential
Cashiers	23,817	\$30,447	No formal educational credential
Customer Service Representatives	23,697	\$40,367	High school diploma or equivalent
Home Health and Personal Care Aides	21,529	\$30,922	High school diploma or equivalent
Office Clerks, General	20,777	\$38,722	High school diploma or equivalent
Laborers and Freight, Stock, and Material Movers, Hand	19,547	\$38,852	No formal educational credential
Fast Food and Counter Workers	19,066	\$29,527	No formal educational credential
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	17,835	\$41,116	High school diploma or equivalent
Waiters and Waitresses	17,510	\$34,803	No formal educational credential
Miscellaneous Assemblers and Fabricators	15,758	\$42,884	High school diploma or equivalent
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	14,420	\$33,942	No formal educational credential
Nursing Assistants	12,273	\$38,175	Postsecondary nondegree award
Cooks, Restaurant	11,318	\$35,645	No formal educational credential
Cooks, Fast Food	10,635	\$29,621	No formal educational credential

Source: Lightcast

Most also require only limited education, making upskilling the existing labor force a priority path to more broadly sharing prosperity. Moreover, such upskilling is increasingly critical to the future growth of the economy. The current and projected decline in national and regional labor force growth makes fully utilizing the talents of every worker paramount.

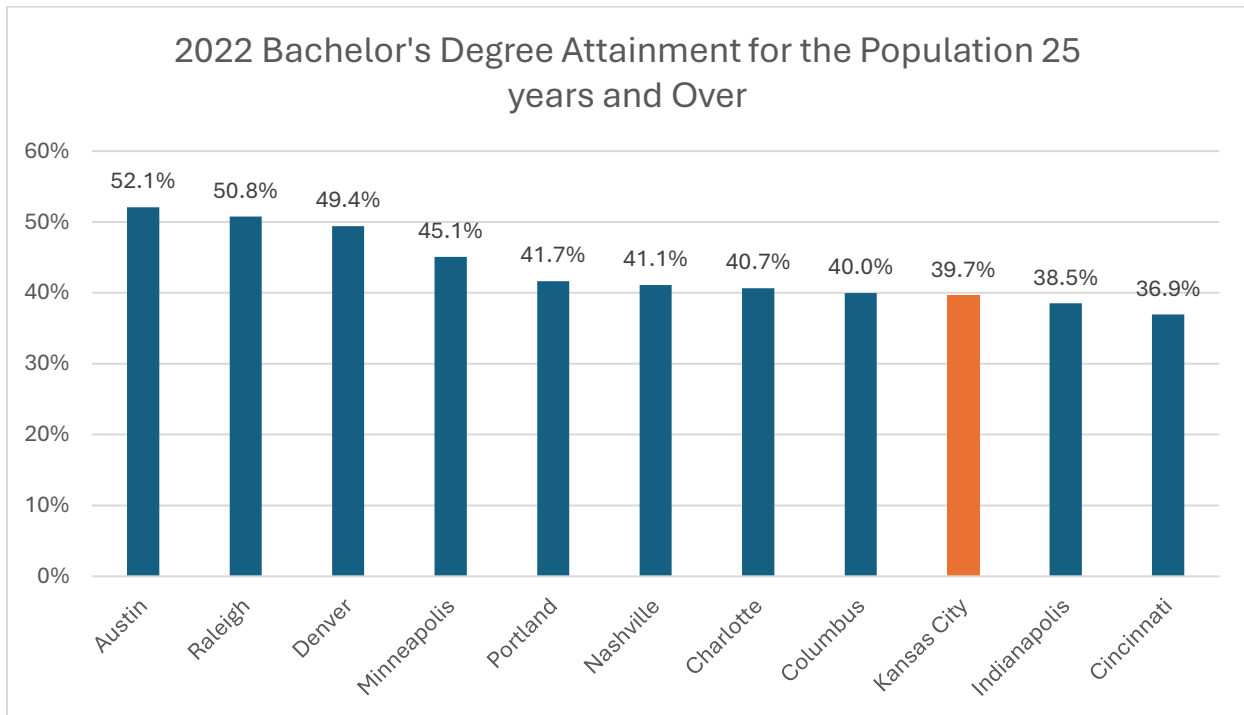
Educational Attainment

The traditional path to upskilling is to increase educational attainment. Higher levels of education have been the most reliable way to raise earnings. Someone with a Bachelor's degree will typically earn about 50 percent more than someone with a high school degree only.



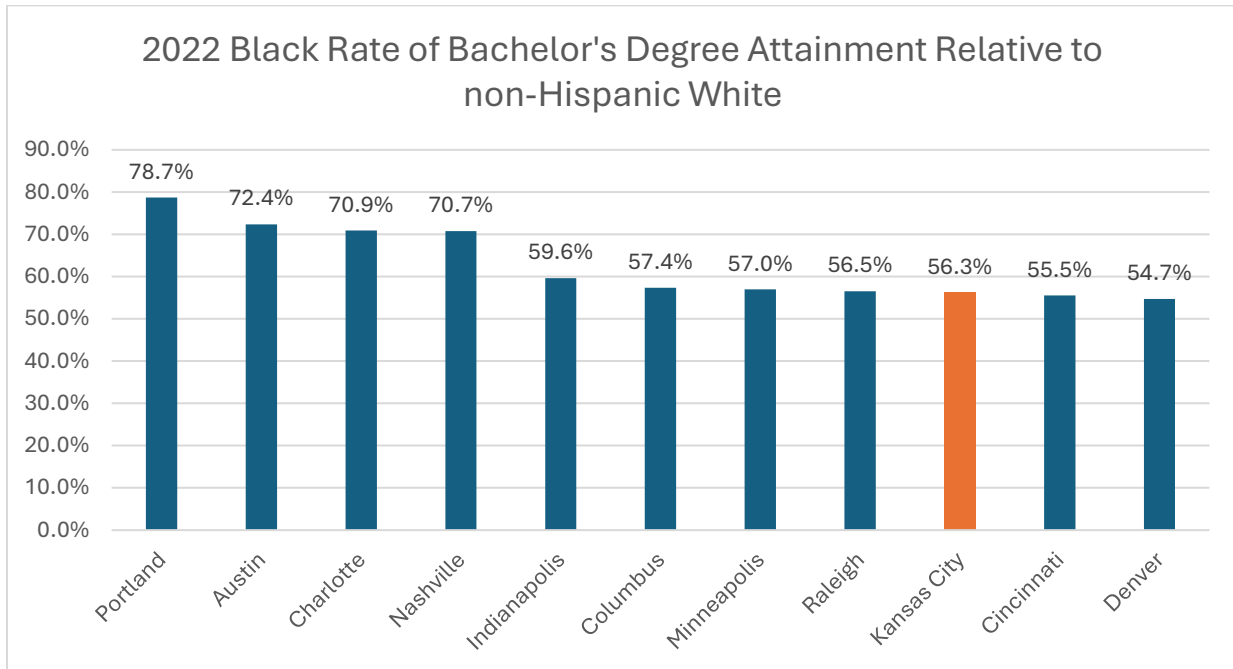
Source: 2022 American Community Survey, 1-year data

Unfortunately, the proportion of Kansas City residents 25 and over with a bachelor's degree or higher ranks relatively low compared to its benchmark metros. The proportion of Kansas City adults 25 and over that have earned a college degree is currently just under 40 percent, which ranks 8th among the 11 metros.



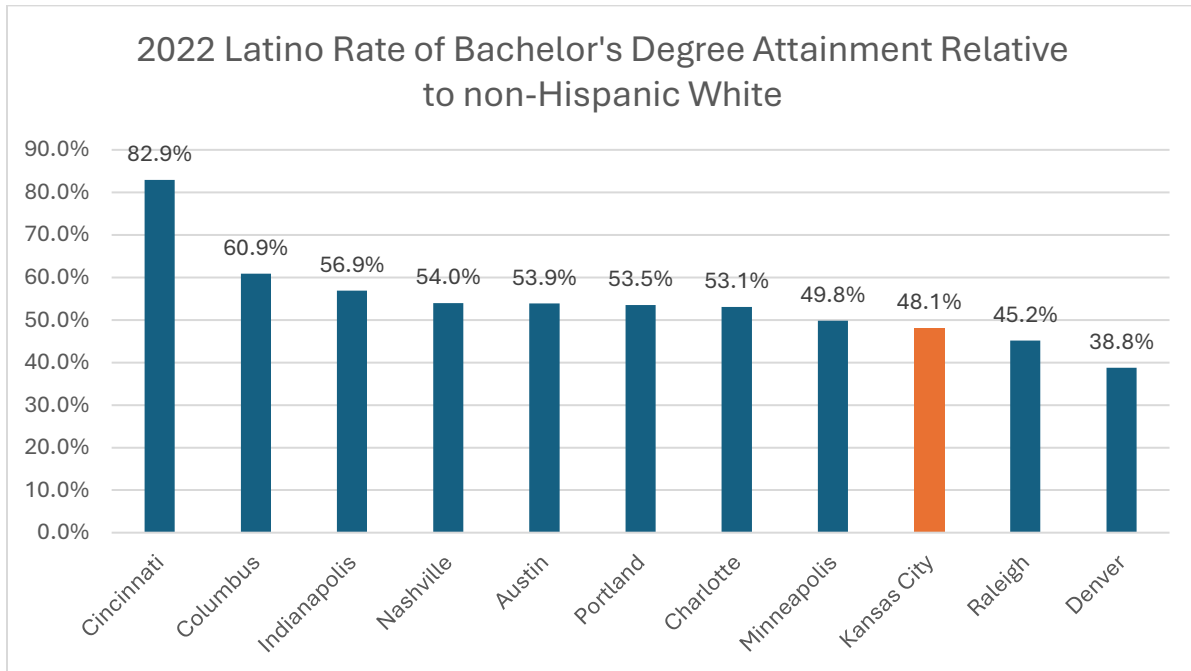
Source: 2022 American Community Survey, 1-year data

Additionally, the disparities in educational attainment between white residents and Black or Latino residents are especially large here. Black residents earn a bachelor's degree at a rate that is just over half (56 percent) that of white residents.



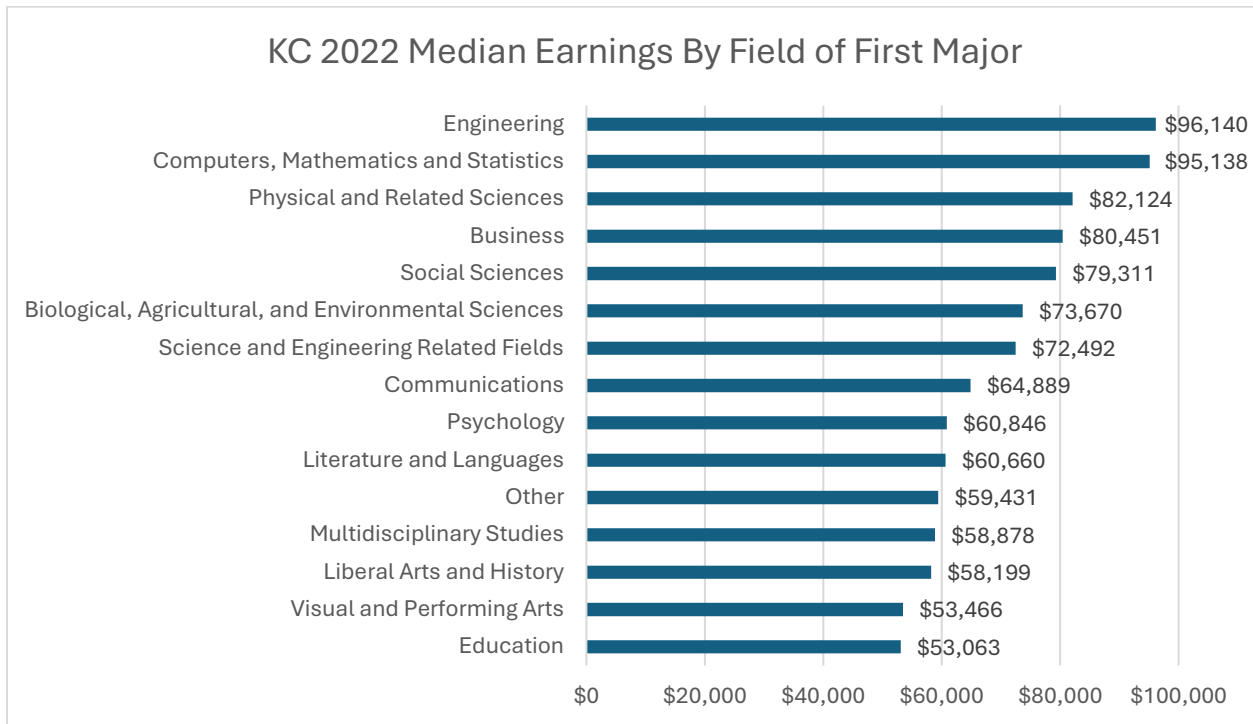
Source: 2022 American Community Survey, 1-year data

Similarly, Latino residents achieve this level of educational attainment at a rate that is just under half (48 percent) that of white residents. In both cases, KC ranks 9th out of the 11 Benchmark metros on its level of educational attainment disparities.



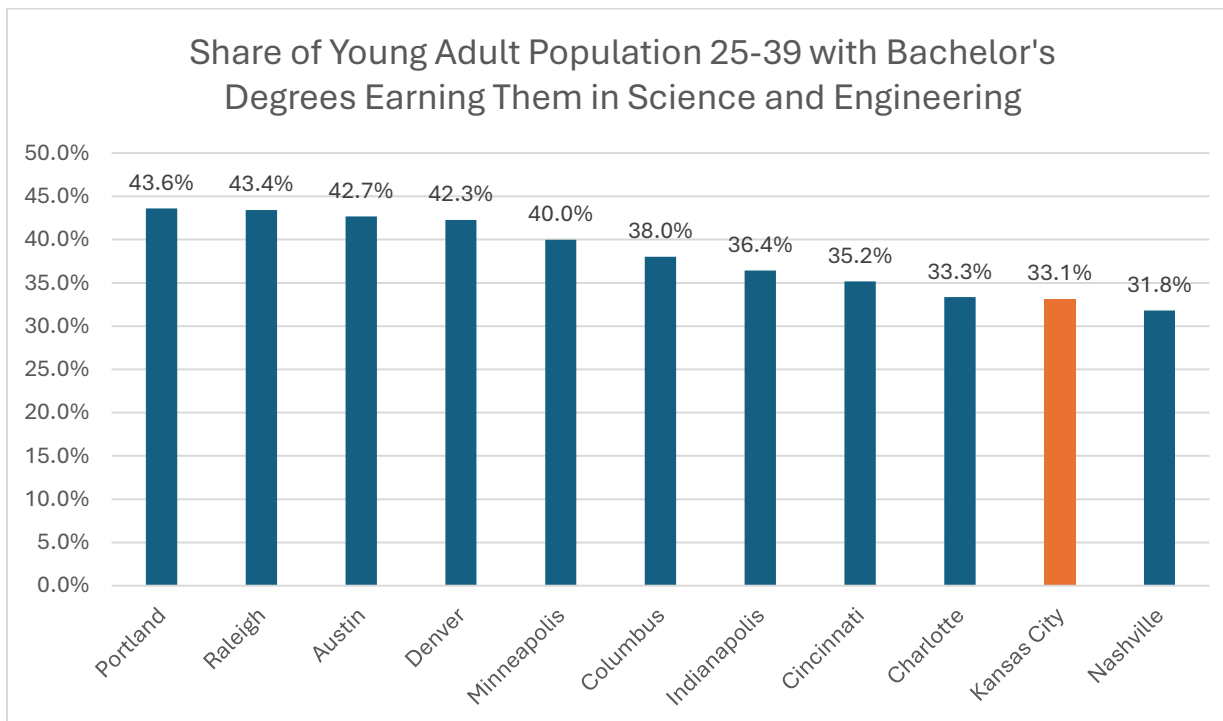
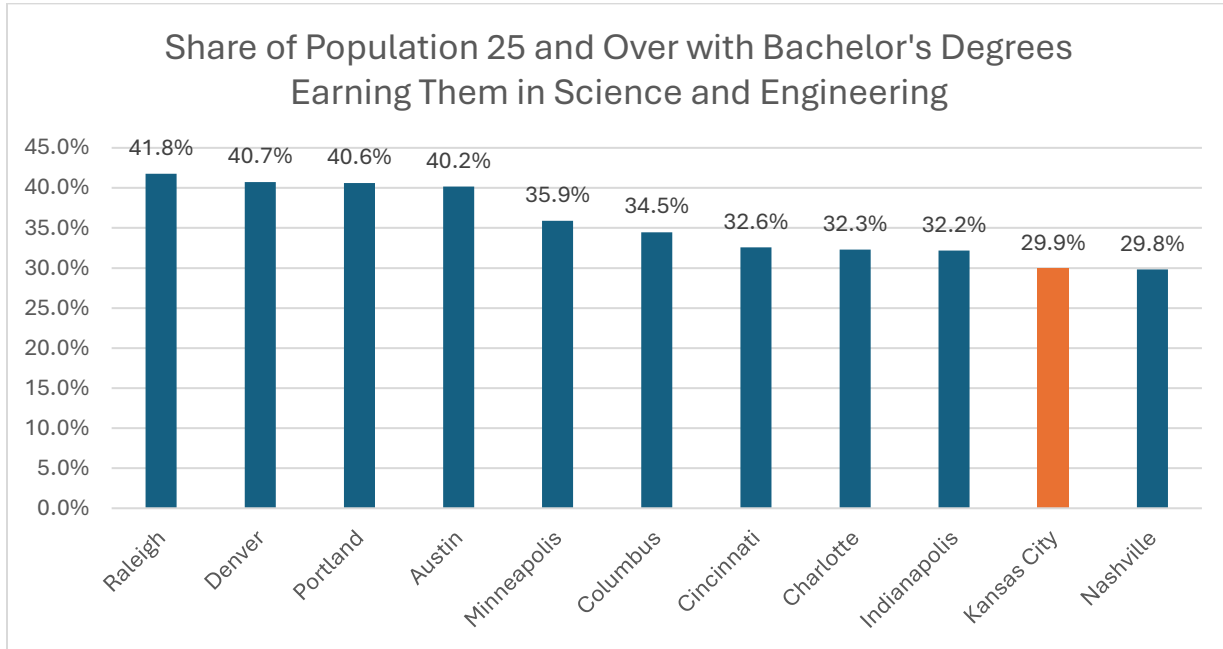
Source: 2022 American Community Survey, 1-year data

The bachelor’s degrees that yield the highest annual earnings are most often those in STEM fields – Science, Technology (computers), Engineering and Math. Only business degrees earn comparable salaries. STEM jobs are also among the fastest growing. The combination of good pay and high demand make STEM careers a viable path to prosperity.



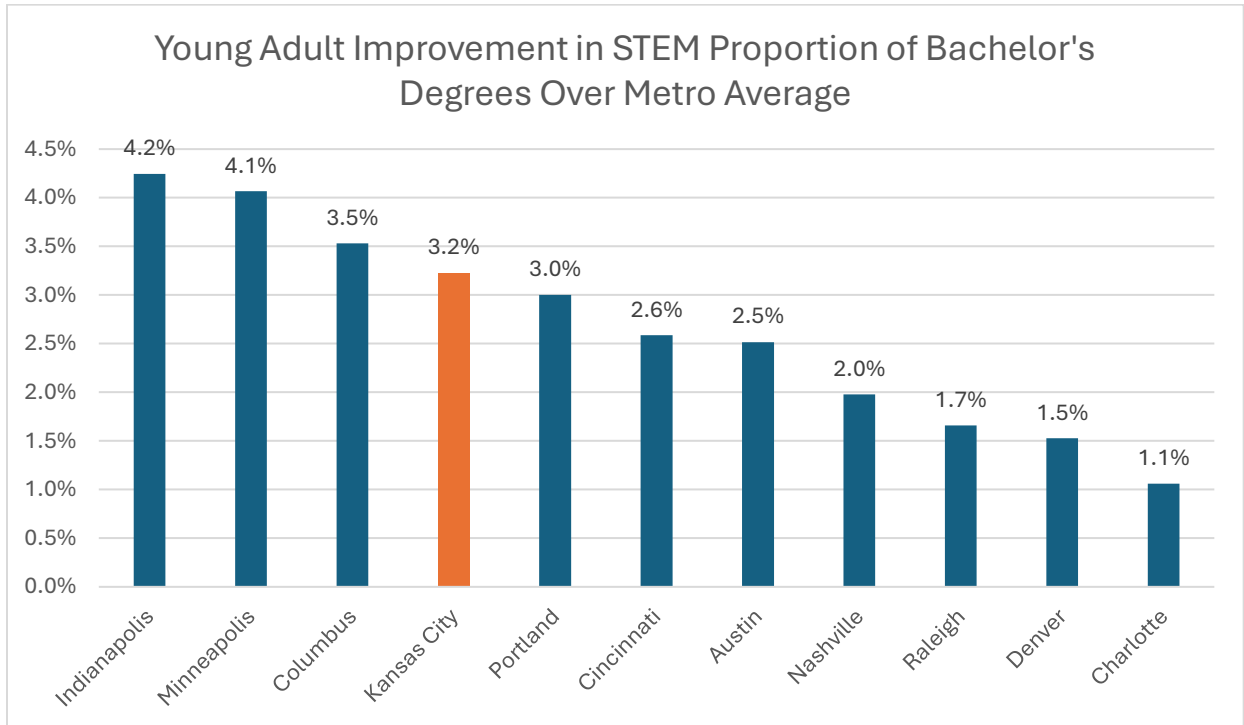
Source: 2022 American Community Survey, 1-year data

However, the proportion of residents with bachelor’s degrees that earn them in STEM fields reveals the Kansas City region underperforms relative to the benchmark metros. Kansas City ranks 10th for both all adults over the age of 25 (30 percent) and for young adults, 25-39 (33 percent).



Source: 2022 American Community Survey, 1-year data

A bright spot for the region is how much STEM degree achievement among young adults exceeds the region’s average among all adults. The 3.2 percent difference ranks 4th among the benchmark metros and indicates that the region’s programs to introduce STEM careers to K-12 students and early post-secondary work may be beginning to have a positive impact.



Source: 2022 American Community Survey, 1-year data

Not everyone can or wants to obtain a college degree, however. More recently there has been a shift toward identifying and measuring the specific skills needed to succeed in jobs, rather than employers using the bachelor’s degree as a simple way to screen for candidates who are believed likely to succeed. This shift increases the potential job pool for employers while expanding opportunities to more job seekers, potentially improving prospects on both sides of the labor market:

- > Good jobs that don’t need a bachelor's degree
- > Specific skills most often sought in job postings

Nonetheless, much work remains to be done to identify the shortest path for workers in lowest-paid occupations – food service, health aids, cashiers, retail workers – to successfully make the transition at scale to those that are higher paid.

What will be the impacts of AI?

McKinsey Global Institute’s July 2023 report, *Generative AI and the future of work in America*, shows how occupations will be affected by the adaptation of AI in the workplace. STEM jobs will be affected in substantial ways, but not necessarily replaced with workers focused on other tasks due to the high demand for STEM workers among other occupations.

With generative AI added to the picture, 30 percent of hours worked today could be automated by 2030.

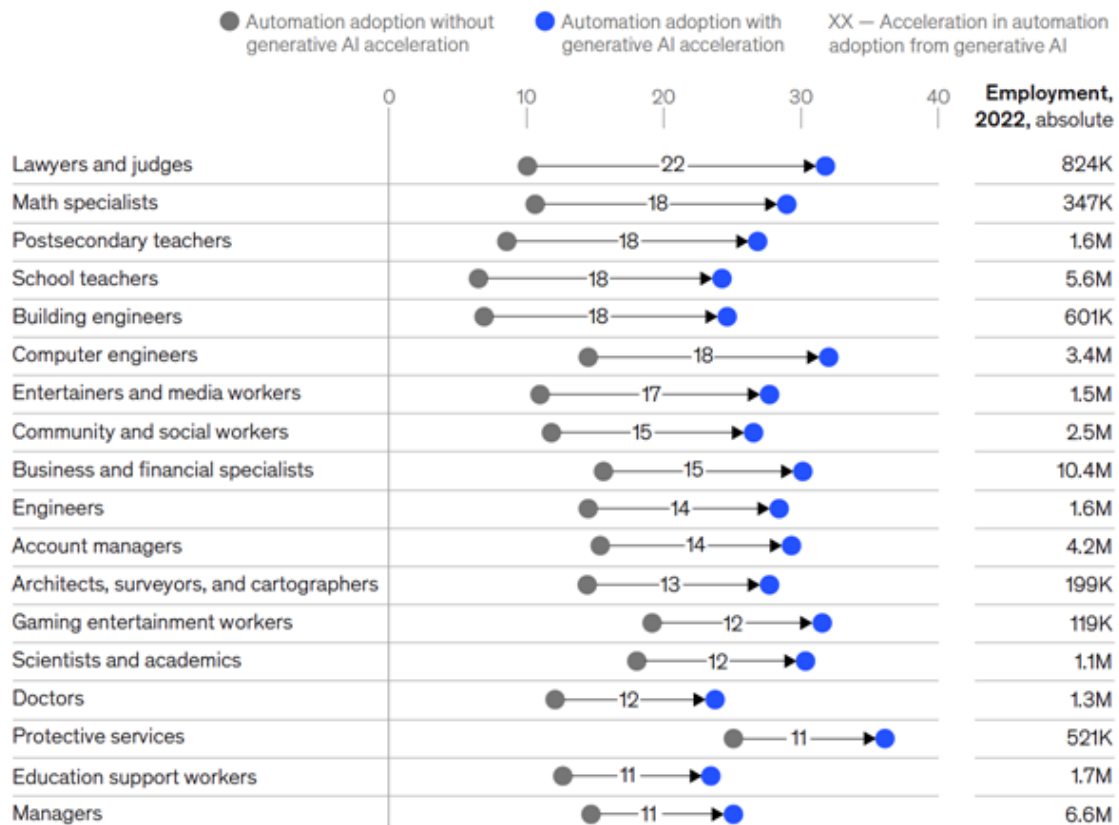
Midpoint automation adoption¹ by 2030 as a share of time spent on work activities, US, %



¹Midpoint automation adoption is the average of early and late automation adoption scenarios as referenced in *The economic potential of generative AI: The next productivity frontier*, McKinsey & Company, June 2023.
²Totals are weighted by 2022 employment in each occupation.
 Source: O*NET; US Bureau of Labor Statistics; McKinsey Global Institute analysis

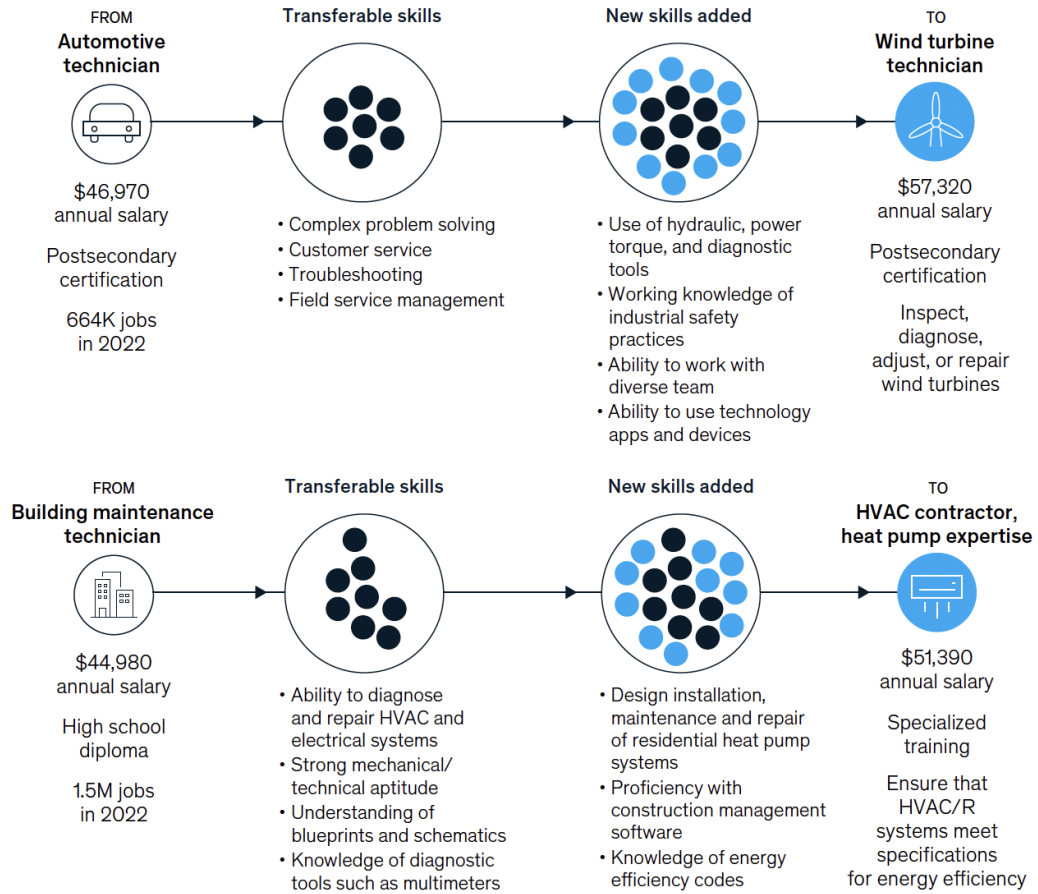
White-collar jobs are among the most potentially impacted by generative AI.

Midpoint automation adoption by 2030 as a share of time spent on work activities, US, % by occupation¹



¹Occupations for which generative AI increased automation adoption by more than 10 percentage points in the midpoint scenario. Midpoint automation adoption is the average of early and late automation adoption scenarios as referenced in *The economic potential of generative AI: The next productivity frontier*, McKinsey & Company, June 2023.
Source: O*NET; US Bureau of Labor Statistics; McKinsey Global Institute analysis

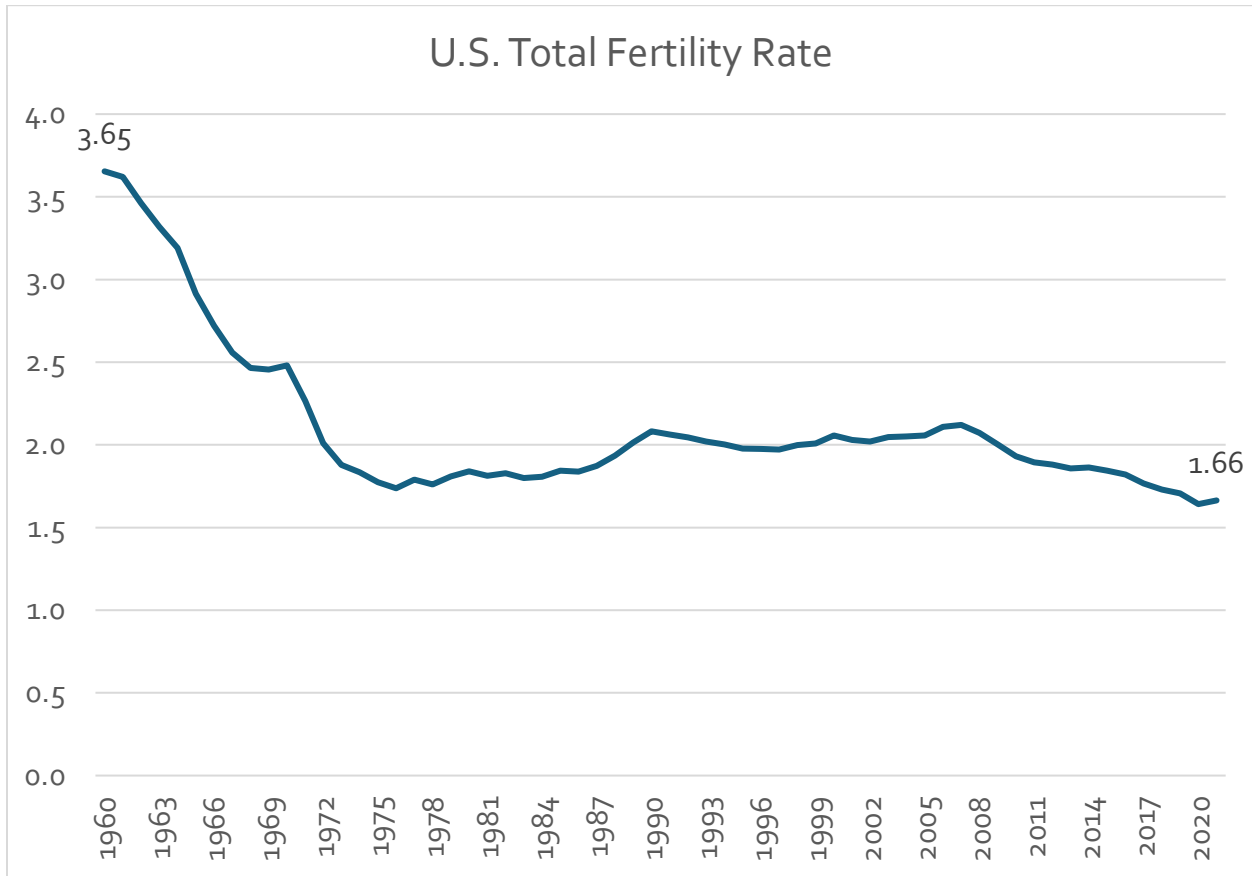
Transferable skills can help workers move into growing and higher-paying jobs.



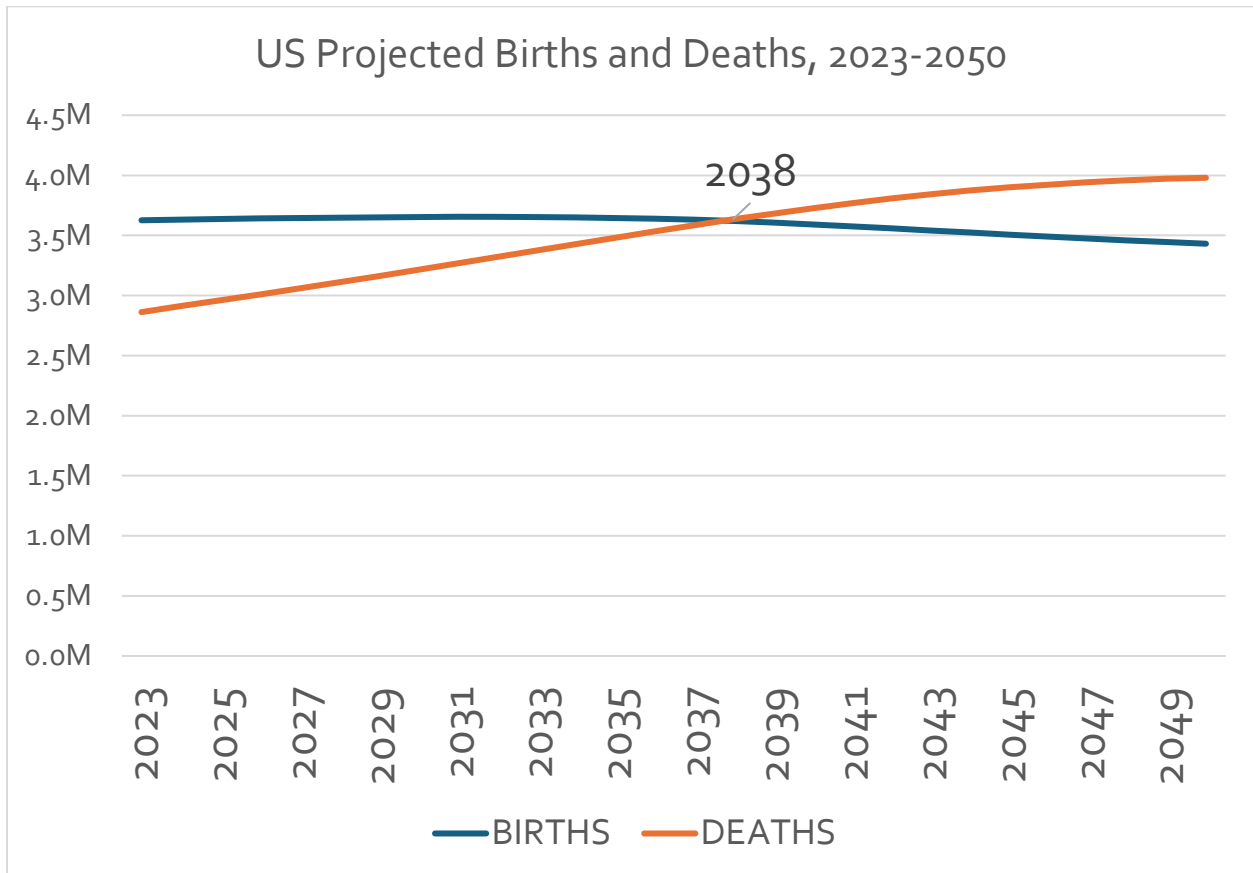
Source: EMSI Burning Glass; US Bureau of Labor Statistics; Lightcast; Indeed.com; IREC (2022) Green Buildings Career Map; McKinsey Global Institute analysis

KANSAS CITY LONG-TERM FUTURE

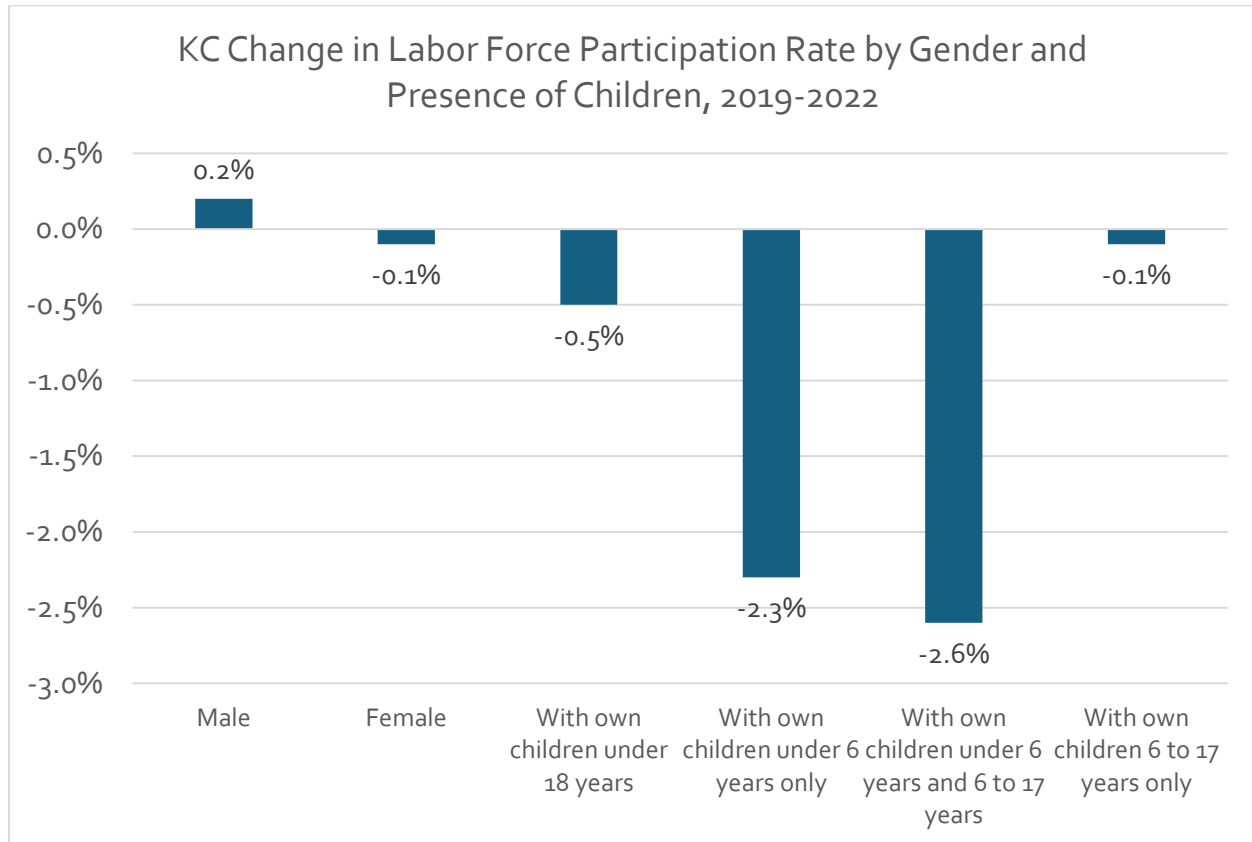
Long-term, the region is facing continued slow growth, though largely the result of national demographic trends. As late as 2007, U.S. fertility rates were at the replacement level of 2.1 births per woman over her lifetime. Along with the Great Recession of 2008, fertility rates started to decline. Unexpectedly, this decline continued even as the economy rebounded.



Fertility rates are expected to do no more than stabilize in the future. An aging population means births gradually decline while deaths increase even though life expectancy continues to improve. As a result, deaths exceed births beginning in 2038, leaving immigration as the only source of net population growth after that point.

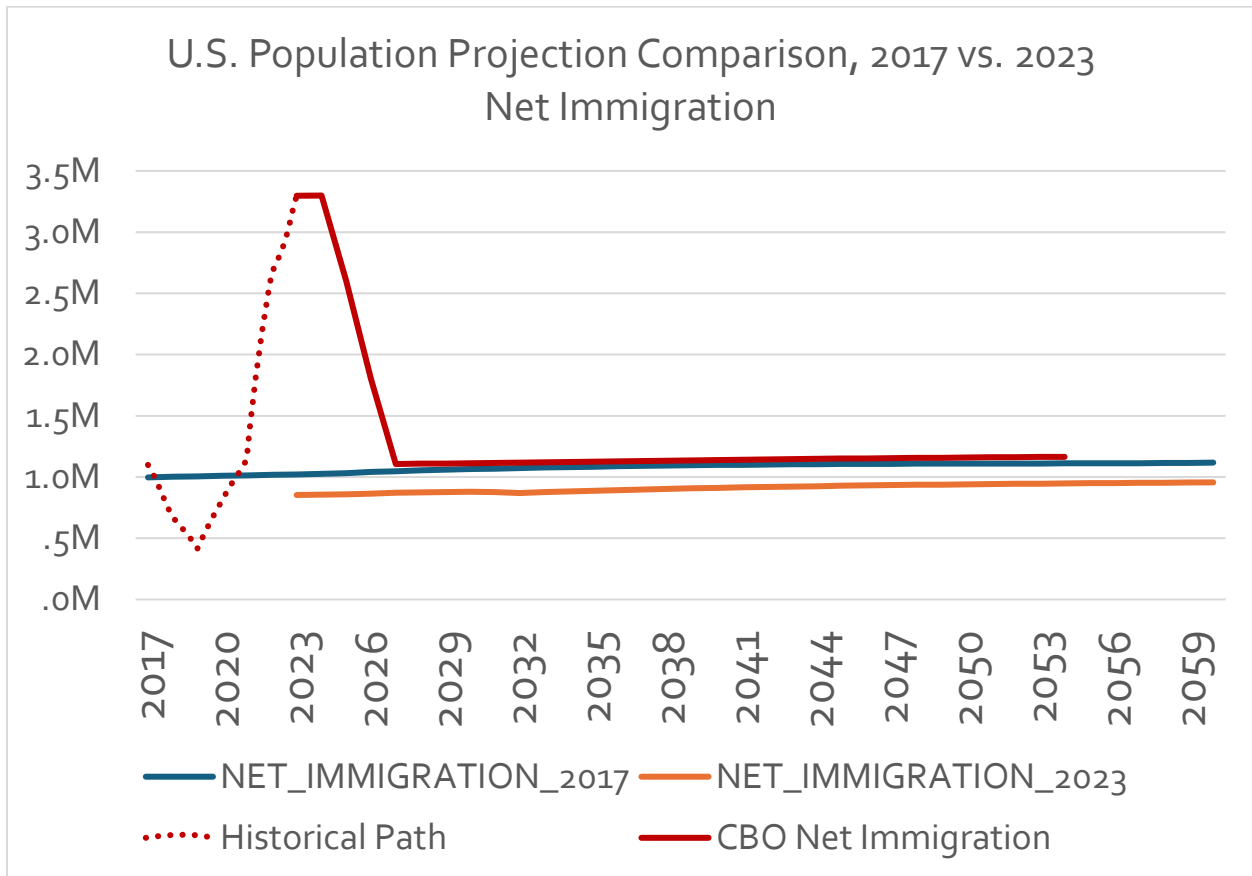


One reason for the decline in fertility in recent years appears to be the increase in the opportunity cost of having children. Difficulty in finding quality, affordable childcare for young children is causing more women to drop out of the labor force.

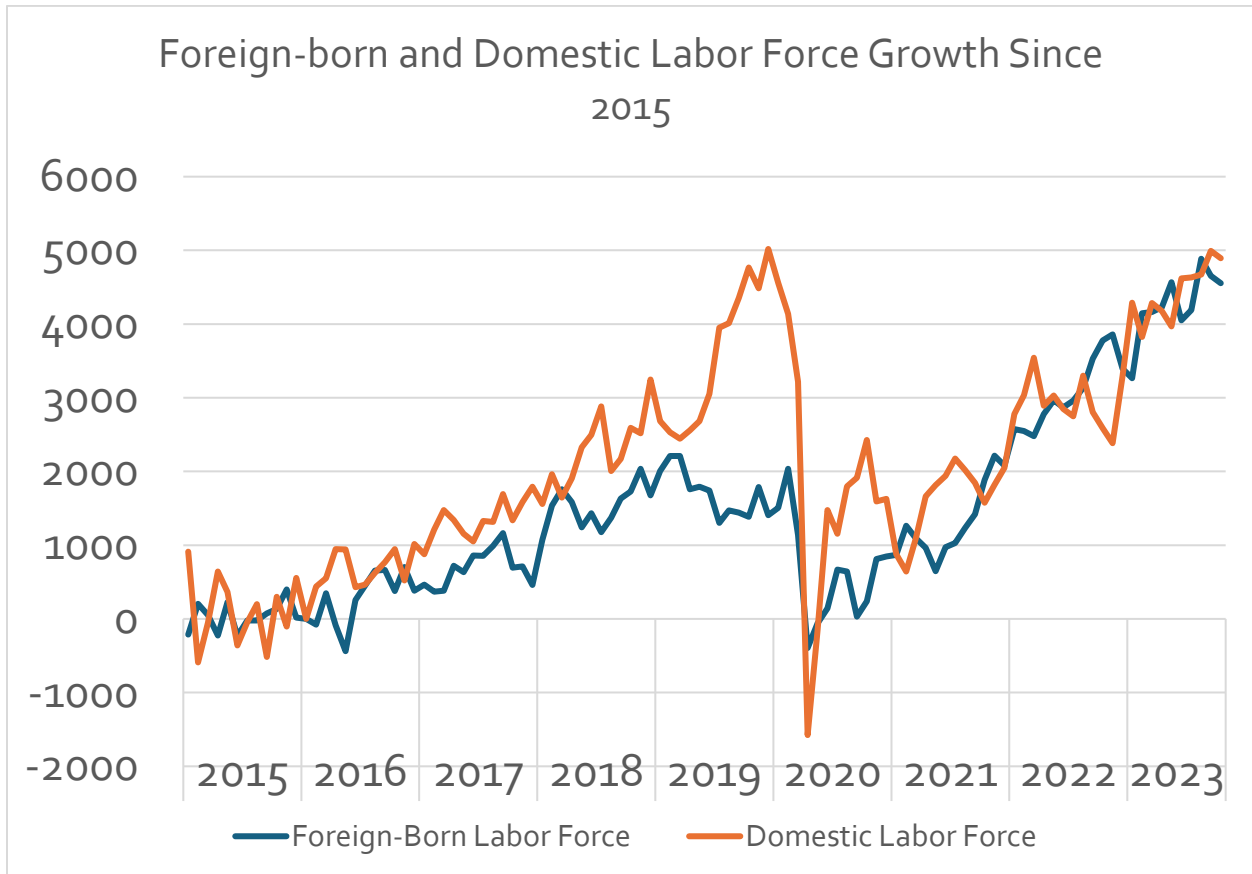


So, what is projected for immigration levels?

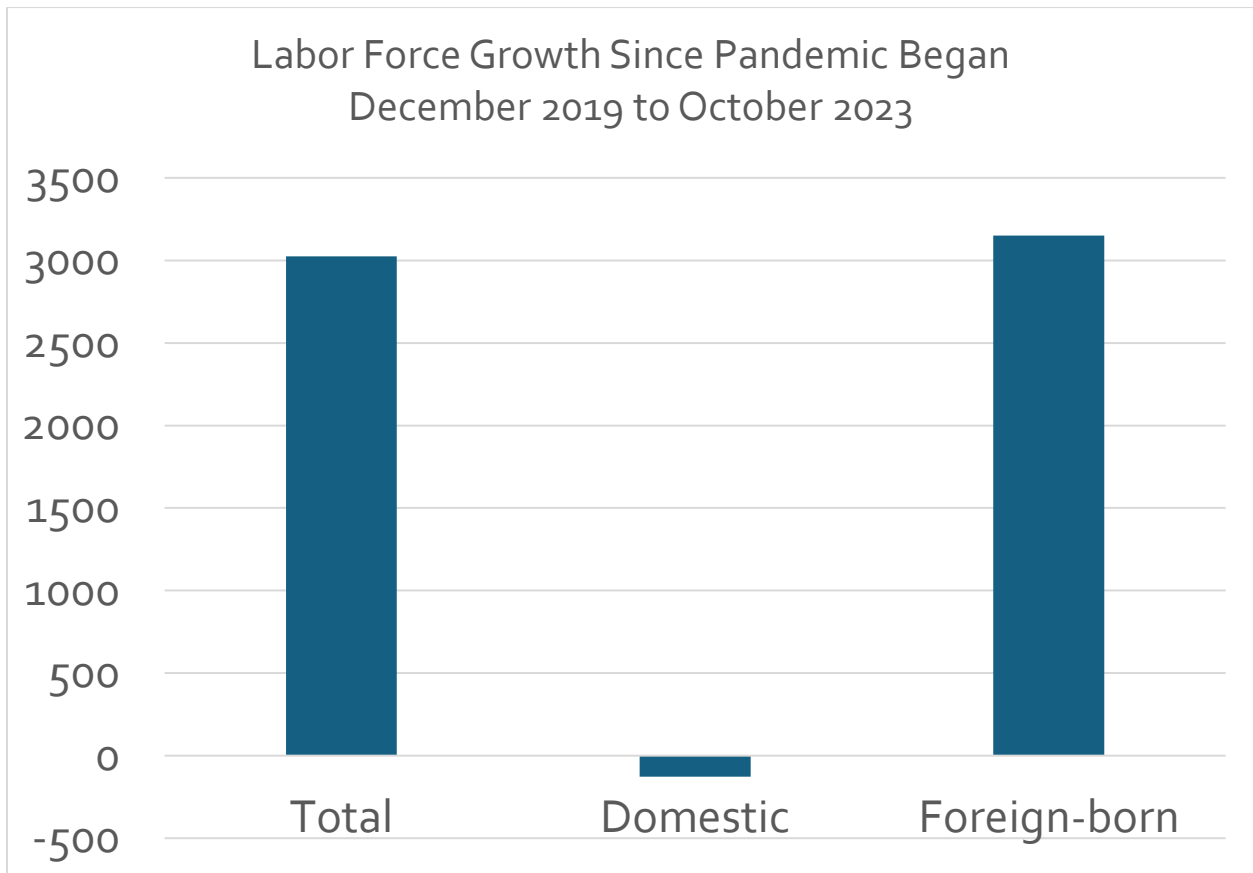
Both the Census Bureau and the Congressional Budget Office see the current high rates of immigration as reverting to something approaching historical levels.



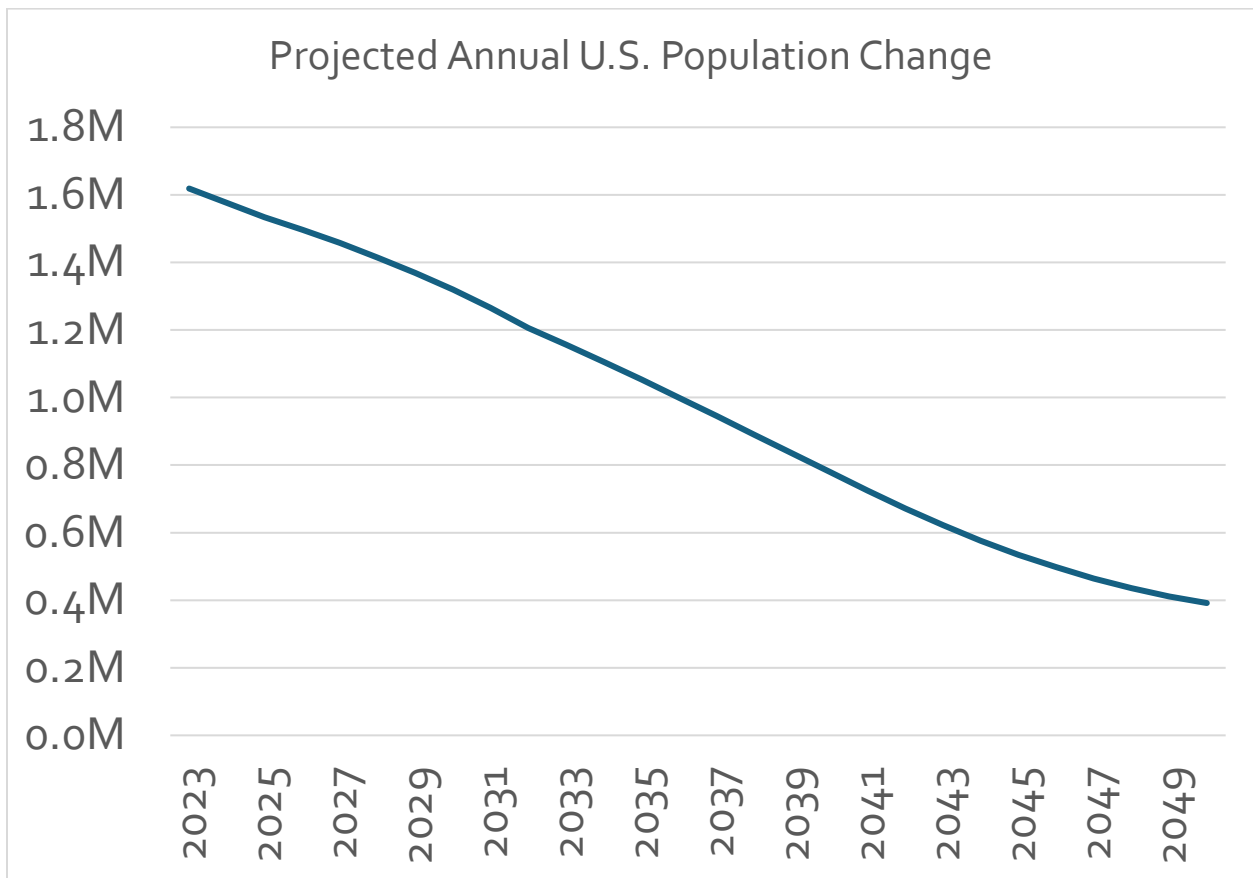
This assumption that immigration reverts to historical average is critical. The natural increase in the U.S. population is currently only adding 100,000 workers per month, but the economy has been adding over 200,000. This excess demand is being met by increases in the foreign-born workforce, enabling the U.S economy to continue to add jobs while at the same time the rate of inflation gradually declines.



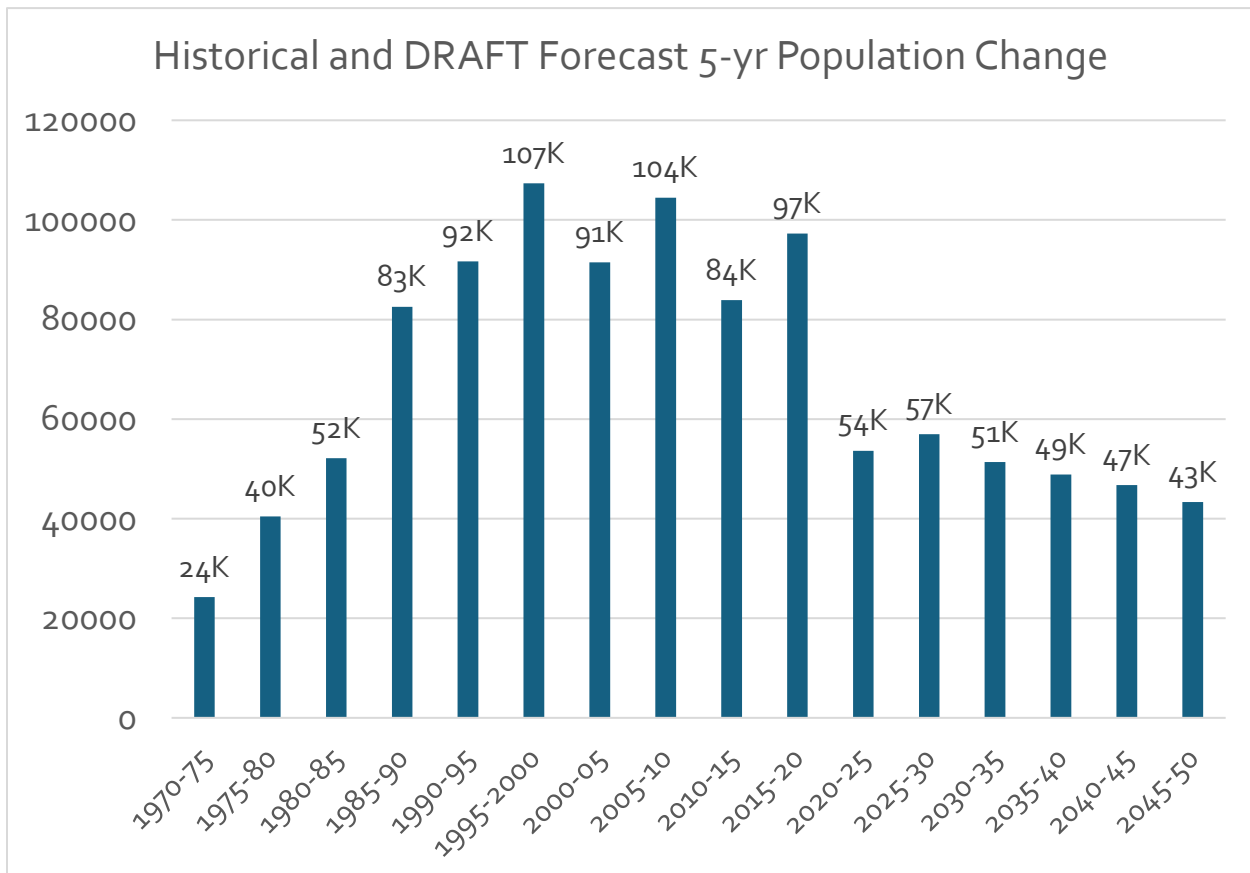
In fact, any labor force growth beyond the pre-pandemic peak can be attributed to growth in foreign-born workers. Employment in the U.S. would not be larger today than it was pre-pandemic without an influx of foreign workers.



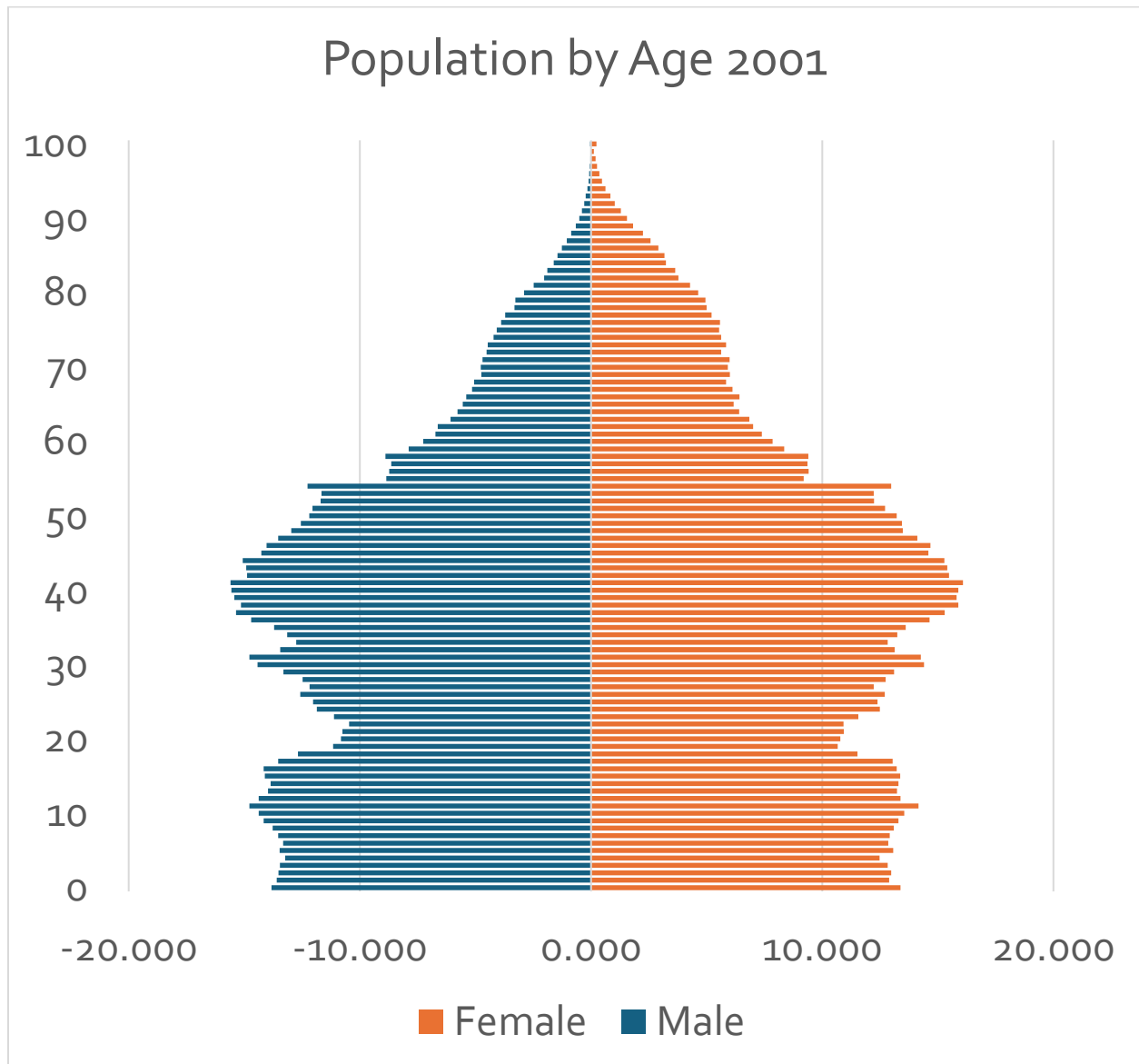
Employment in the U.S. would not be larger today than it was pre-pandemic without an influx of foreign workers. In the future, however, immigration is not expected to increase above the historical average, due to policy and political constraints. As a result, fewer births and more deaths lead to U.S. population growth that is one-quarter of the current rate by the end of the projection period.



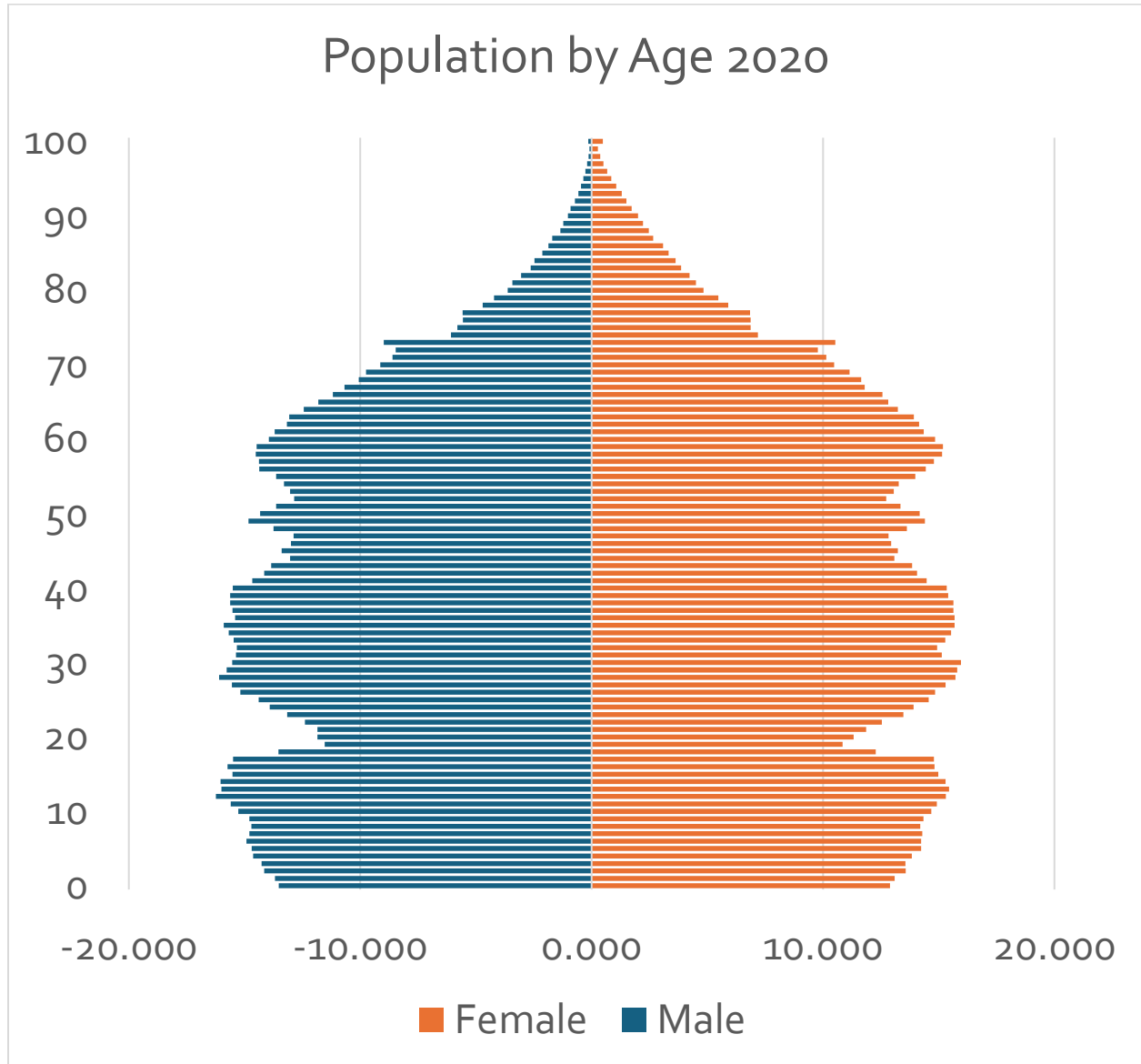
The slower rate of U.S. population change impacts the region moving forward as well. Over the projection period, the region's population growth rate is expected to be about half that of the previous two decades.



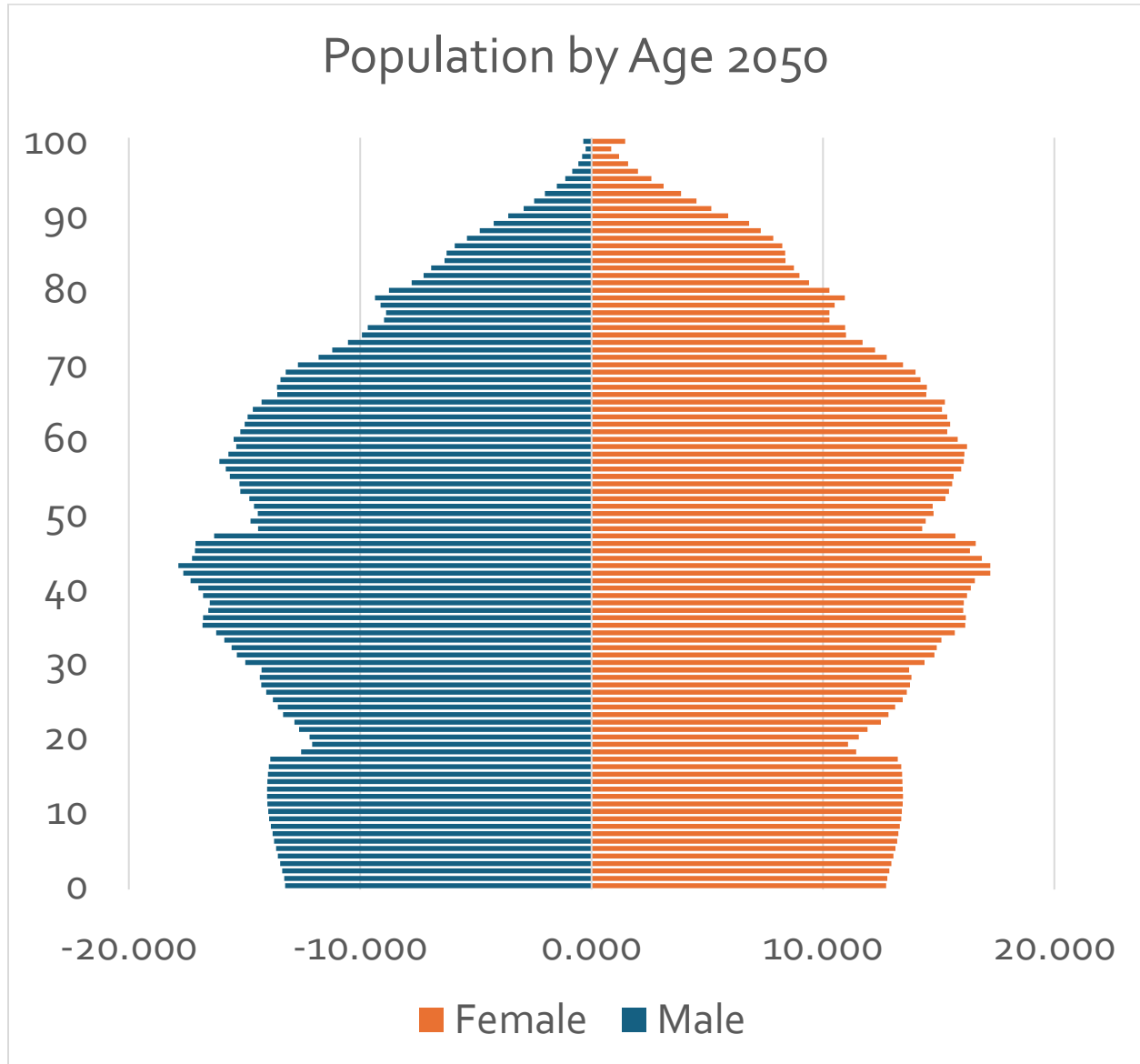
The lower fertility rate and the aging of the baby-boom generation produce a dramatically older age distribution, which affects labor force availability.



Population by 1-year age group, 2001
Population 16 and over that is 55+ = 26%

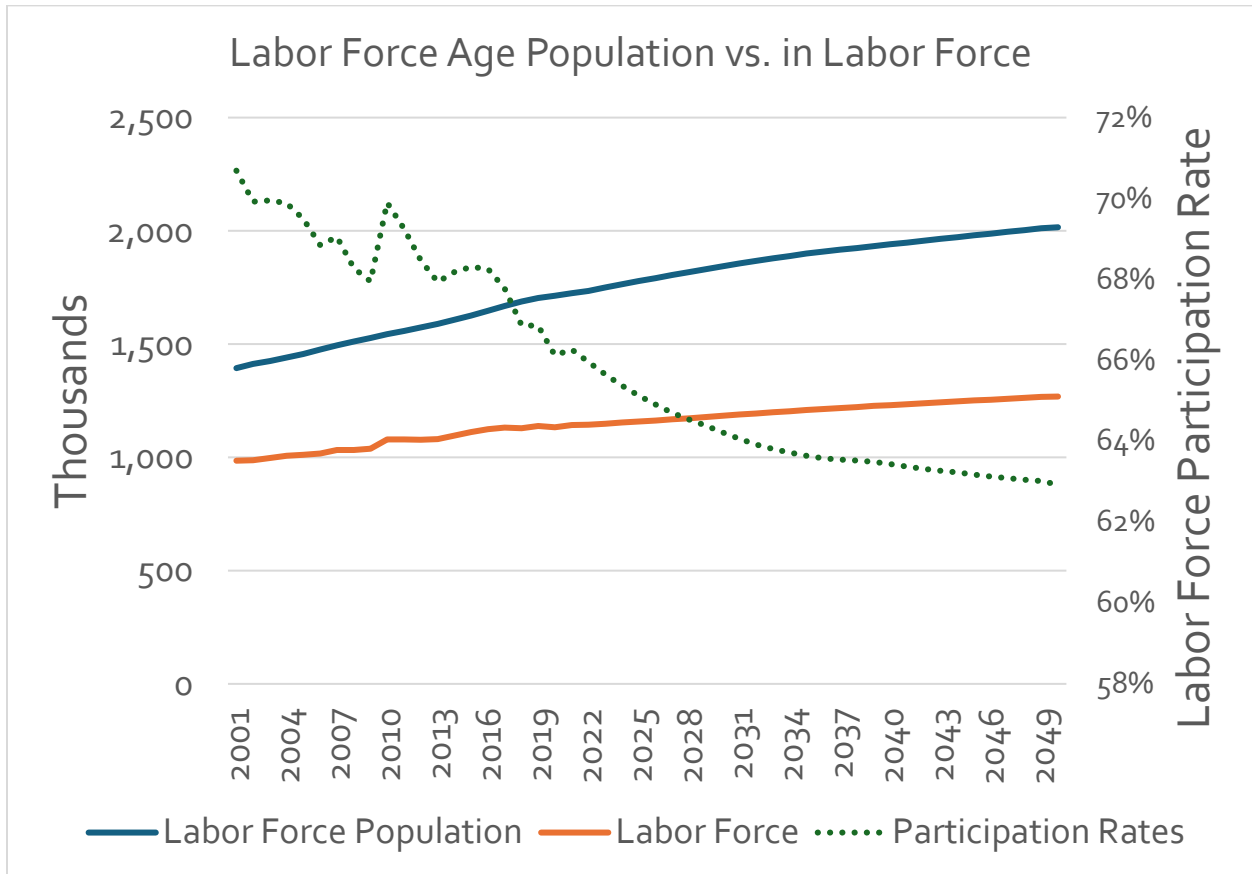


Population by 1-year age group, 2020
Population 16 and over that is 55+ = 36%

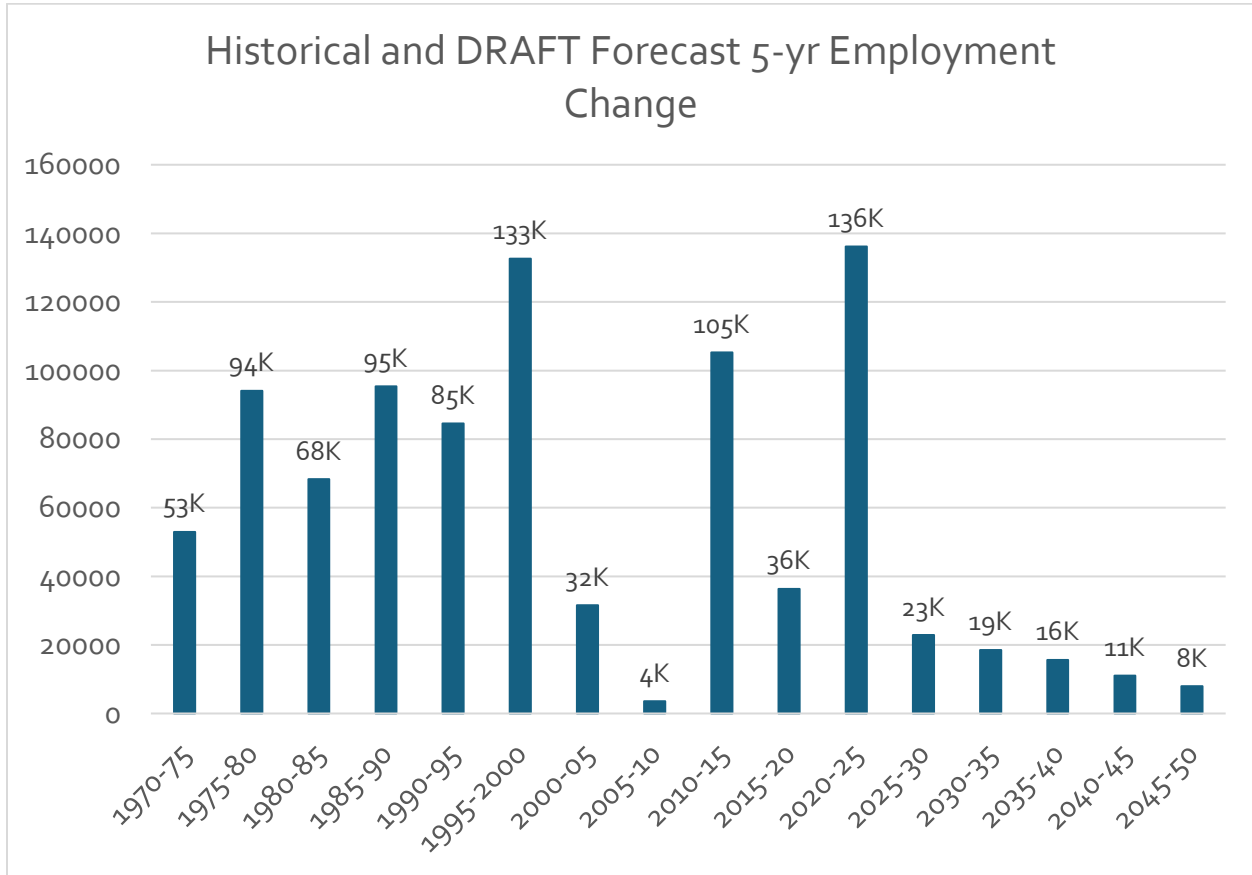


Population by 1-year age group, 2050
Population 16 and over that is 55+ = 43%

Aging population produces declining labor force participation, limiting the growth of the workforce. Labor supply constraints limit overall employment growth ensuring continuing labor shortages.



Lower labor force growth limits employment growth. Employment growth spikes between 2020 and 2025 reflecting the rebound from the 2020 recession but grows < 5,000 jobs per year thereafter.



KANSAS CITY GEOGRAPHIC FACTORS & SYSTEMS

Human geography is concerned with the trends and patterns of human populations and their activity on the environment. Leadership at all levels from industry, institution, civic, community and government drive policies and actions to support a thriving economy. Federal, state, regional and local policies influence key factors and systems affecting the region's ability to support strong economic growth for business and industry and the economic prosperity of its workforce.

The 2024-2029 CEDS includes an assessment of these key influences that impact the region's commitment to equity and resilience – directly or indirectly – and essential to economic growth and prosperity for all.

- Education
- Housing
- Transportation
- Environment & Health
- Infrastructure
- Emergency Preparedness & Resiliency

Education

An educated workforce helps attract and retain businesses that strengthen the regional economy. Workforce training and development is a focus of many public, private and nonprofit efforts to build a talent pool to meet the growing needs not only for the private sector but also the public sector. A vast array of career training programs and support services through secondary and postsecondary providers, institutions, universities and nonprofits offer curriculum, pre-apprenticeships and apprenticeships programs, scholarships, career exploration tools for youth and adults. Recent efforts have focused on public sector workforce development.

A list of workforce development-related programs and providers are included in Appendix B. This list includes Workforce Investment Boards, K-12 Intermediaries, Higher Education including 4-year universities, Workforce Support, and Wrap-Around Service Support for Workforce Development.

HOUSING

The Kansas City region has long touted **affordability** as a major draw to businesses and people looking for a place to establish themselves, relative to benchmark metros. Rents across the region climbed to unprecedented rates between 2021 and 2022. As that growth

cooled among other peer metros, Kansas City's rates continued to climb through the first half of 2023. As a result, Kansas City's rent increases were the third highest among the benchmark metros last year.

The **availability** of affordable housing is complicated by the lack of nearly 64,000 affordable rental units in the region. The market segment most acutely affected by this deficit are low-income households who can afford monthly rents at or below \$650. Exacerbating this issue, the region has been underbuilding for the last 15 years since the great recession leaving a shortage of 12,000 to 24,000 units.

The market alone cannot supply traditional new units at this price point without substantial public subsidy, new housing types, or combination of the two.

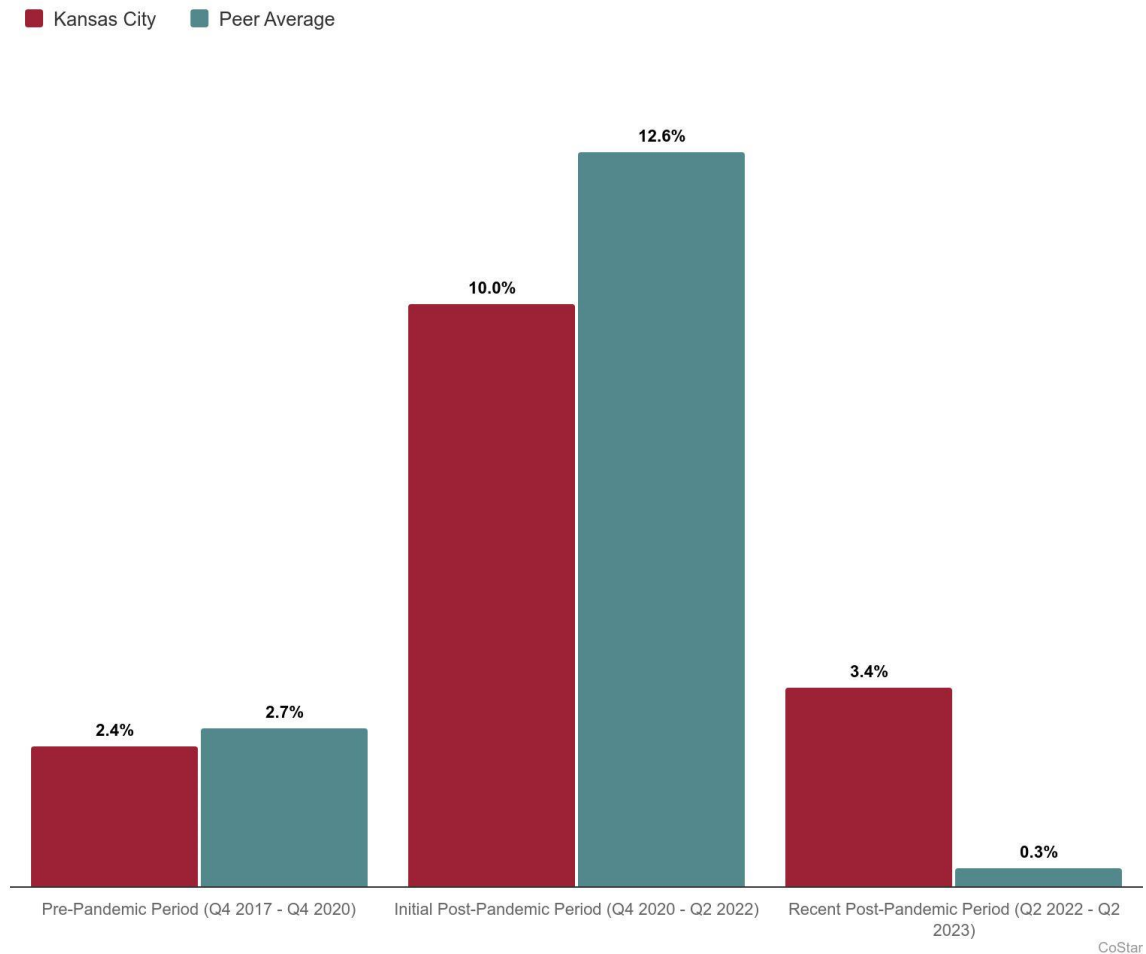
The implications of housing affordability and availability and the impact on the region's competitive advantage to attract and retain businesses and talent are being addressed through the Regional Housing Partnership (RHP). The RHP initiative – convened and supported by MARC and LISC Greater Kansas City addresses these regional housing challenges through seven elements of an effective housing system: data analysis, networked leadership, financing tools, production capacity, rental and homeowner resources, public policy and engagement.

Affordability

In the past year, Kansas City's rents continued to increase while those in most peer metros fell. The net result over the entire post-pandemic period (Q4 2020 to Q2 2023) is that Kansas City's cost advantage is shrinking. Post-pandemic annual rent increases for the region are very close to the average for benchmark metros. If the recent trends continue, it will put the Kansas City region at risk of losing its competitive edge in housing affordability.

Region's rent growth outpaces majority of peer metros over the last year.

Values below represent the percent change in effective rents for Kansas City compared to peer averages by period.

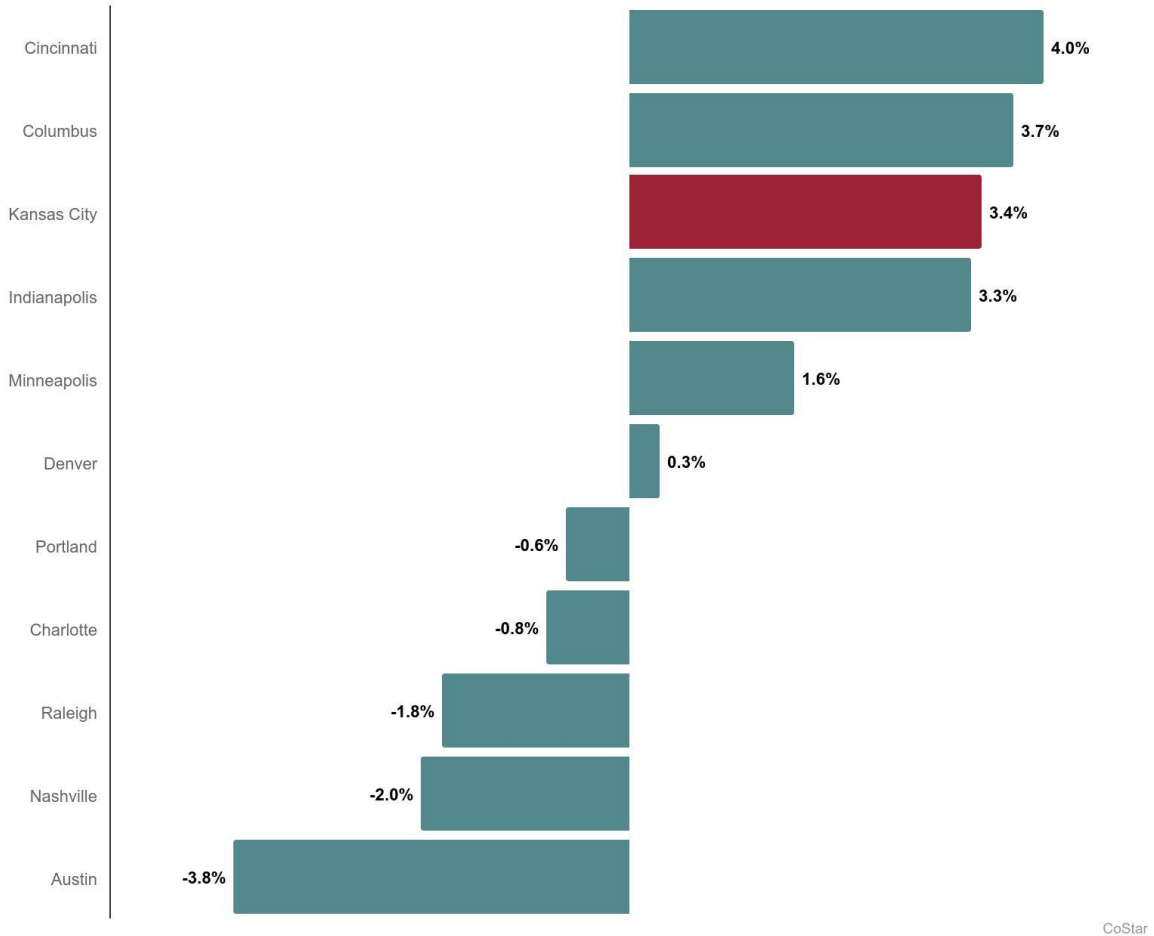


Recent trends, particularly rising home prices, accelerating rents, and slow growth in wages are creating challenges for area communities. Housing costs are increasing at a pace not matched by increased income. Meaning more working individuals are left without a place they can afford to live.

Last year, the region had the third-highest rent growth among peer metros.

Kansas City had the third highest percentage rent growth of peer metros in the last year.

Values below represent the percent change in effective rents for the last year (Q2 2022 - Q2 2023).



Adding to the problem for low-income households is the difficulty in finding locations that accept housing vouchers, and rental assistance programs cannot keep pace with rising costs and need. Social service agencies are strained given their finite capacity to serve this ever-growing need, while homelessness numbers are increasing.

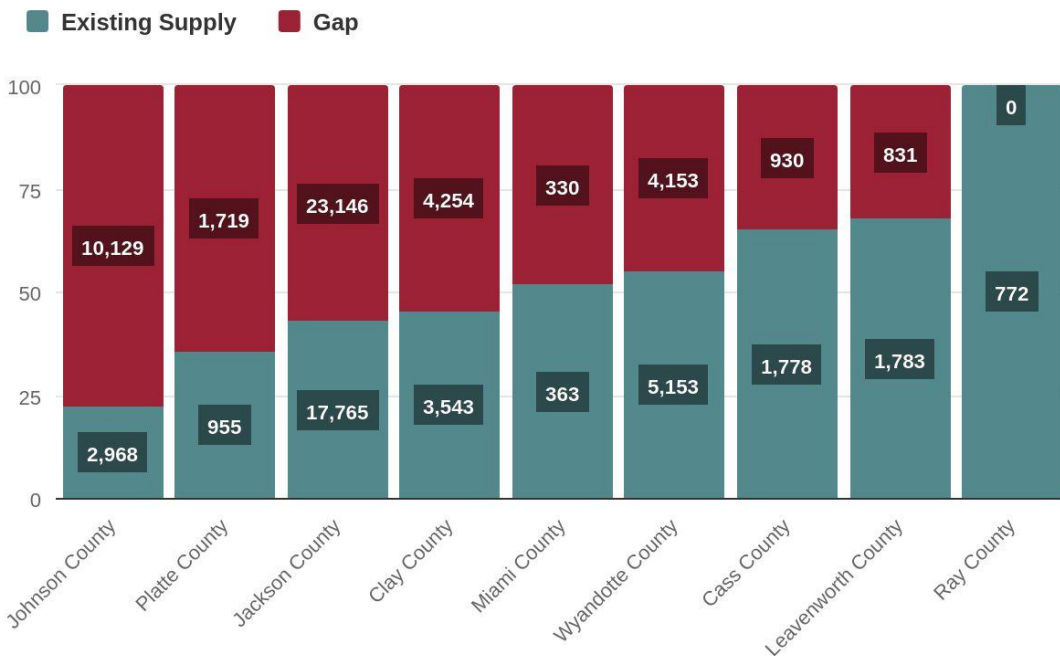
A recent transportation public opinion survey found that affordable housing options are important or very important to 74 percent of respondents. When asked which three items in the survey should be prioritized in the region over the next five years, housing was the highest ranking with 44 percent choosing affordable housing. This was followed by road and bridge construction and healthy environment each at 38 percent and access to jobs using public transportation at 30 percent.

Availability

It is estimated that the nine-county region is missing 64,000 housing units most at the \$650 and below rent price – approximately 37,428 missing units.

Renter Housing Gap for Units Less Than \$650 Per Month by County

The affordable housing gap varies by county in both the number and proportion of units. Looking at the gap relative to the existing supply helps compare across different sized counties. Here we see that Johnson County has the largest gap by proportion of units.



2017 - 2021 American Community Survey 5-Year Data

In addition to the current housing gap, the region could lose nearly 11,000 units of affordable housing in the next decade as Low-Income Tax Credits (LIHTC) affordability requirements begin to expire. In the three focus counties that equates to roughly 9,500 units. The housing gap will only continue to grow as the region has not kept pace with needed production at all levels of housing need.

Transportation

The Kansas City region’s transportation system provides facilities, infrastructure and services that drive the regional economy. As a major transportation hub, the bistate region lies at the intersection of four interstate highways — Interstates 70, 35, 29 and 49 — which connect the region to both coasts, Canada and Mexico. Numerous interstate beltways, and U.S. and state highways also serve the region.

The transportation system supports the region as a distribution hub with major trucking companies operating out of the Kansas City area. Air transportation, including considerable air freight operations and general aviation activity, is served by Kansas City International Airport, Downtown Kansas City Airport and a number of smaller airports. Kansas City is the second busiest railroad center in the nation, with major rail yards for Union Pacific, Burlington Northern Sante Fe, and Canada Pacific which acquired Kansas City Southern in 2021 to form CPKC – the largest railroad merger in decades. Barge transportation, with about a dozen regulated barge lines transporting goods through the metropolitan area on the Missouri River, also serves the region.

As the Metropolitan Planning Organization, MARC is responsible for regional transportation planning to establish priorities, guide investments and support coordinated operations to implement the region’s long-range plan for a safe, balanced and equitable transportation system. The plan advances the region’s vision for quality places focusing on development and redevelopment around mixed-use, walkable activity centers connected by multi-modal transportation corridors.

Roadway System Infrastructure

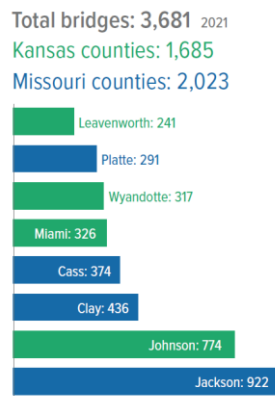
Kansas City’s system of roadways is among the most extensive in the nation. According to Federal Highway Administration statistics, the Kansas City region has the most freeway miles per person of all urbanized areas with populations greater than 700,000. The Kansas City metro area also has the third highest total roadway miles per person and one of the highest daily vehicle miles traveled (VMT) per person.

These rankings are due in large part to the extensive highway projects implemented in the Kansas City region during the 1970s and 1980s, such as the construction of the Interstate 435 loop. The region has 709 miles of interstates and 545 miles of freeways/expressways.

Roadway miles by functional classification ²⁰²²

Classification	MARC region	Kansas counties	Missouri counties
Interstate	709	274	435
Freeway / Expressway	545	241	304
Other principal arterial	345	89	256
Minor arterial	1,400	580	819
Major collector	1,945	1,037	908
Minor collector	286	206	80
Local	12,810	5,305	7,465
Total	18,041	7,732	10,268

Source: MARC 911 Centerline Data



Roadway System Condition

Infrastructure condition for roads and bridges are tracked on two- and four-year performance measures for years 2023 and 2025.

The most recent data shows the percentages of interstate pavement and bridges both in good and poor condition are on track to meet 2023 targets; however, a slight dip in 2022. Non-interstate pavement is worsening.

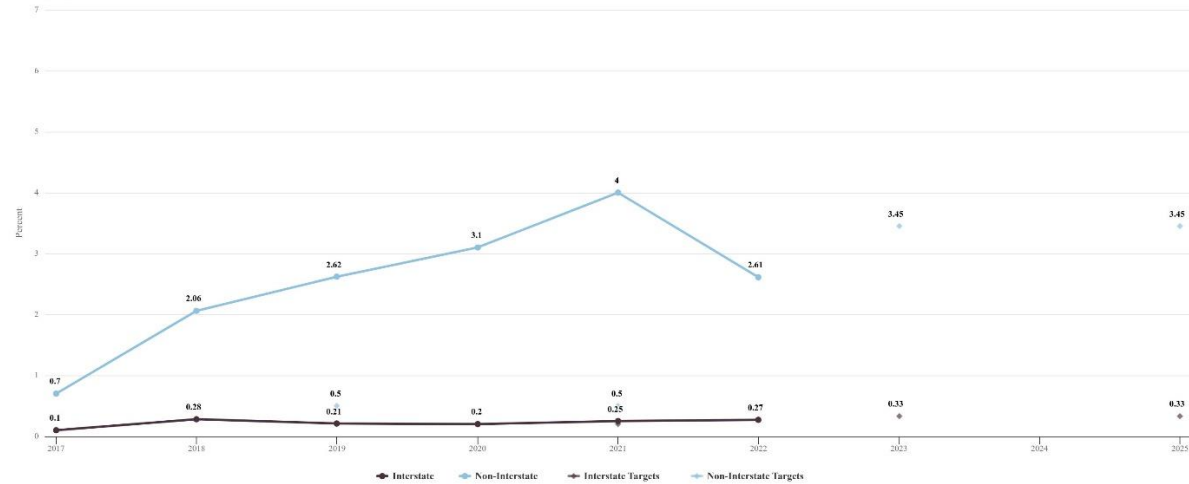
Bridge conditions 2022

	Percent of bridges in poor condition
MARC region	5.27%
Kansas counties	4.05%
Miami	0.8%
Johnson	1.2%
Leavenworth	1.4%
Wyandotte	7.28%
Missouri counties	6.26%
Cass	4.9%
Clay	14.2%
Jackson	4.42%
Platte	2.95%

Source: Federal Highway Administration
2022 National Bridge Inventory

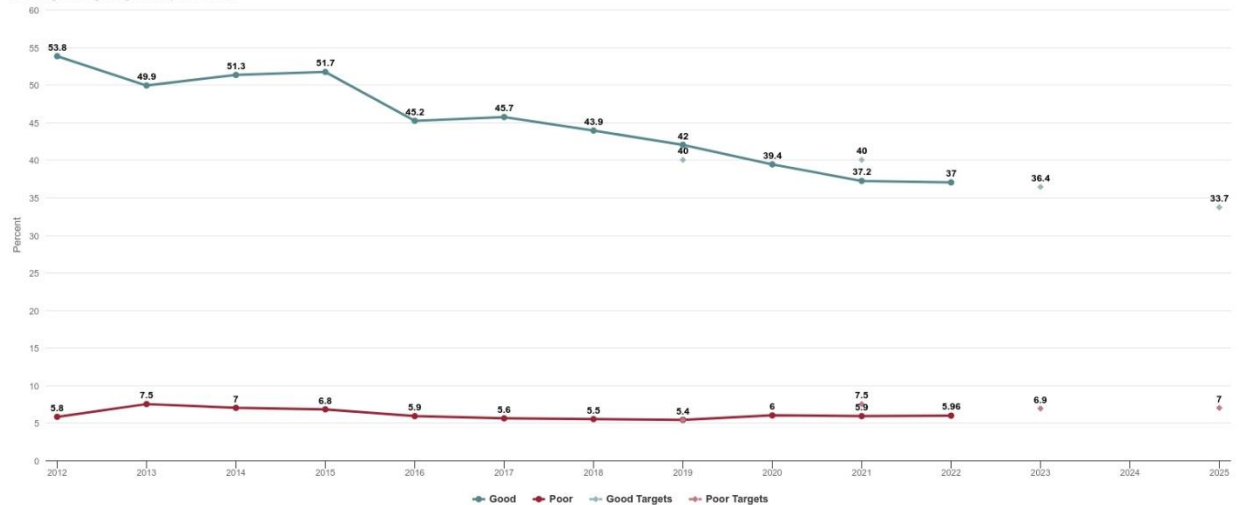
Poor Pavement Condition on the National Highway System

Percentage of pavement in poor condition



Bridge Condition on the National Highway System

Percentage of bridges in good and poor condition



Bicycle and Pedestrian Facilities

Bicycle and pedestrian facilities in the Kansas City metropolitan region are being developed at an increasing rate as many communities recognize the importance of offering residents and visitors greater mobility choices. Many communities in the region have adopted local plans for both on-road and off-road facilities, and many have adopted Complete Streets policies to include bicycle and pedestrian accommodations as roadways are constructed or improved.

Total bikeway miles: 2,125 2022

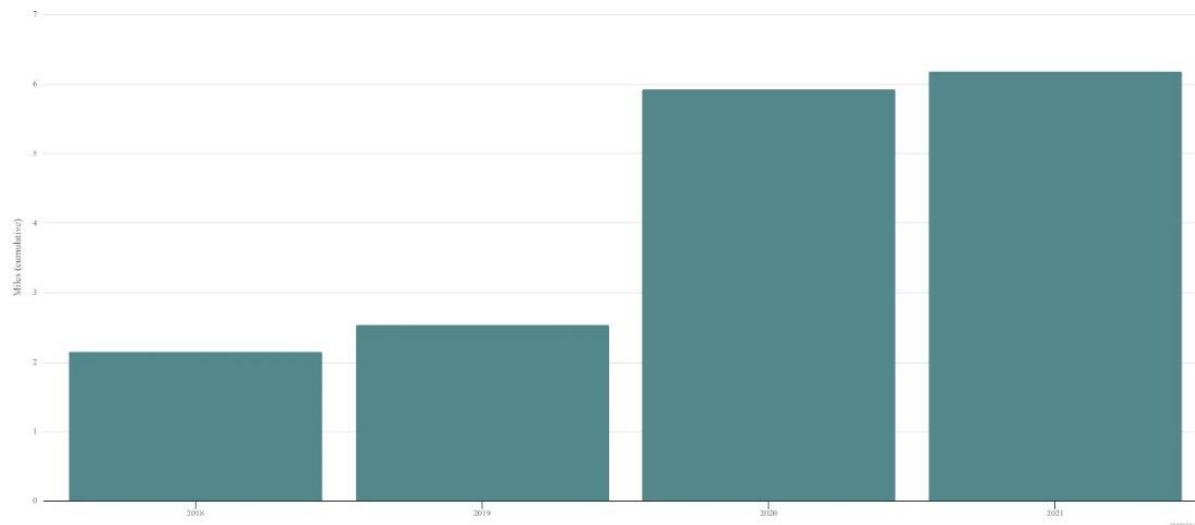
Classification	Number of miles
Protected bike lanes	19
Bike lanes	185
Mountain bike trails	197
Walking/hiking trails	288
Bike routes	189
"Share the Road" bikeways	331
Paved trails	916
Total:	2,125

Source: MARC bikeway data

Data compiled by MARC in 2022 identified 2,125 miles, including walking and hiking trails representing a little more than half of the total. On-road bike lanes and share the road routes account for about 40 percent.

Data reported in July of 2023 shows the MARC region currently has more than 150 miles of bike lanes, and just over six miles of those lanes are separated from traffic by a physical barrier. Protected bike lanes make cycling feel safer and more comfortable for many riders.

Miles of Streets with Protected Bike Facilities



Walkability plays an essential role in a multimodal transportation system and increases the vitality of the built environment. Walkability affects how we get to work and school, our health through exercise for recreation, our access to transit, the quality of the air we breathe, our economic vitality, and our safety as transportation users. Walkability supports creating quality communities and vibrant corridors and centers.

Freight and Goods Movement Facilities

Freight is fundamental to the Kansas City region’s economy and quality of life with the daily movement of goods from production to market to end-user, both locally and across the country. Kansas City’s freight industry supports more than 100,000 jobs in the region. Freight transported by air, barge, rail and truck is supplied through regional freight zones, freight-related companies and infrastructure.

Freight movement 2018

Kansas City MSA:	Tons	Value
Truck	171,410,677	\$212,969,464,300
Rail	28,462,598	\$5,593,205,300
Water	19,403	\$6,113,300
Air	44,287	\$4,592,089,700
Pipeline	61,026,867	\$12,278,572,100
Total	260,963,832	\$235,439,444,700

Source: Bureau of Transportation Statistics (BTS) Freight Analysis Framework 4(FAF4) December 2018

Kansas City’s rail system consists of six of the seven Class I railroads and several regional or short line carriers. The extensive rail network throughout the region serves local industry with major intermodal yards and provides connections to international markets. BNSF Railway’s Transcontinental Route runs diagonally through the region from the southwest to the northeast and connects the Ports of Los Angeles and Long Beach to Chicago via Kansas City. The Union Pacific (UP) Railroad’s major coal route runs east-west through the region from Topeka into Missouri where it parallels the Missouri River.

Other significant routes in the region include the Canada Pacific Kansas City (CPKC) serves Kansas City with a single line rail network connecting Canada, the U.S. and Mexico, and Norfolk Southern (NS) east-west route that ends in Kansas City.

The region currently has five intermodal rail yards serving BNSF, CPKC, NS and UP and numerous switching yards, classification yards, trans-load facilities and other rail operations. The former Richards Gebaur Airport site allows more opportunities for complimentary development at the CenterPoint Intermodal Center – Kansas City. BNSF has moved its intermodal operations to Logistics Park KC in southern Johnson County, Kansas, where significant warehouse space is under development.

The Kansas City Port Authority operates the area’s only public port, located along the Missouri River near the confluence of the Kansas and Missouri Rivers. The port is an intermodal facility, transferring freight between barge, truck and rail. In addition, the Kansas City region benefits from numerous private ports, which are used by companies shipping commodities that include grains, sand and gravel, fertilizer, chemicals, coal and coke.

The Kansas City area is also one of the nation’s top five trucking centers with truck volumes heavily concentrated on interstates and U.S. highways. The region’s national freight

corridors are estimated to carry approximately 70 percent of truck vehicle miles traveled with historic trends indicating its high rate of growth is likely to continue.

Aviation

The regional aviation system includes the Kansas City International Airport (KCI) and 13 general aviation airports in the nine-county region. KCI is home to the region's air cargo terminal, one of the highest-volume air freight hubs in the six-state region. KCI expanded service capabilities will enhance the attractiveness of aviation facilities associated with manufacturing and industrial operations. An 800-acre master planned site, the KCI Intermodal Business Centre, began operation in 2015 and will include more than 5 million square feet of distribution, air cargo and on-ramp airport-related logistics buildings.

The new \$1.5 billion single terminal at KCI opened in early 2023. The new modern terminal will serve businesses, airlines and travelers and enable expansion of air passenger travel. Total passengers at KCI were 11.5 million in 2023, a 17.7 percent increase from 923,034 in 2022. A total of 233.5 million pounds of air freight moved in and out of KCI in 2023, a 9.3 percent decrease from the previous year.

Passenger Rail

Amtrak Missouri River Runner provides inter-city passenger service between St. Louis and Kansas City and includes two access points to national Amtrak routes. Kansas is exploring Amtrak connections from Kansas City to Oklahoma City, OK through Newton KS and Missouri is exploring extending Amtrak service to St. Joseph, MO and an additional Missouri River Runner between St. Louis and Kansas City. The Kansas City Area Transportation Authority (KCATA) is exploring an intercity rail system with 107 miles of passenger train service mostly on existing track used by the region's freight railroads and new track connecting the greater Kansas City area from Leavenworth to Lee's Summit with bridges linking Platte and Wyandotte Counties and link to existing Amtrak-served lines including Topeka and DeSoto. The proposed system would connect with the existing bus service and Kansas City Streetcar.

The Kansas City Streetcar has a current route in downtown Kansas City serving the central business district from River Market to Crown Center and Union Station with a planned 3.5 mile extension underway south of Union Station along Main Street to UMKC. The Riverfront Extension broke ground in early 2024 to bring access from River Market north to Berkley Park along River Front Drive.

Transit Service and Ridership

Transit service in the region is provided by the Kansas City Area Transportation Authority (KCATA); Johnson County Transit (JCT); Unified Government Transit (UGT); the city of Independence, Missouri; and the Kansas City Streetcar Authority. For more than 20 years, MARC and area transit providers have worked cooperatively to develop and implement the Smart Moves Regional Transit and Mobility Plan, a regional transportation plan for expanded transit and mobility services throughout a seven-county area.

Public transit 2021

Agency	Average weekday trips
Kansas City Area Transportation Authority	36,417
RideKC Streetcar	2,301
IndeBus	960
Johnson County Transit	894
UG Transit	587
Total	41,159

Source: National Transit Database (NTD), Annual transit profiles for Johnson County Transit and KCATA; City of Independence Community Development Department / Unified Government Transit

For the past several years, the Kansas City area has seen an overall decrease in total bus transit ridership, on par with national transit ridership trends. This decrease was largely due to an improving economy, low gas prices, increased car ownership and the introduction of transportation network companies as a mobility option. Despite the overall decrease in bus-based ridership, local agencies continue to improve and expand the transit system with a focus on connecting more people to jobs. A shift to zero fares on transit buses during the pandemic had increased ridership at a time when federal resources helped replace the fare revenues. The KCATA and local communities are examining whether to maintain no fare transit.

The Kansas City Streetcar Authority, in partnership with Kansas City Area Transportation Authority, and the city of Kansas City, Missouri, are pursuing extensions to the streetcar line north along the Riverfront and south to the University of Kansas City-Missouri. The first phase of the system resulted in \$18 million in private investment along the corridor. The south extension is expected to be completed in 2025 and the north extension by 2026 prior to the summer World Cup events.

Modes of Travel

The Kansas City metropolitan area remains heavily dependent on the automobile as the dominant mode of transportation. While the percentage of people working from home has decreased slightly post-pandemic, the number remains at a much higher level than before 2020. Commute trips in the Kansas City region are generally characterized by very low vehicle occupancy rates. Kansas City’s average is 1.05 workers per car, truck or van.

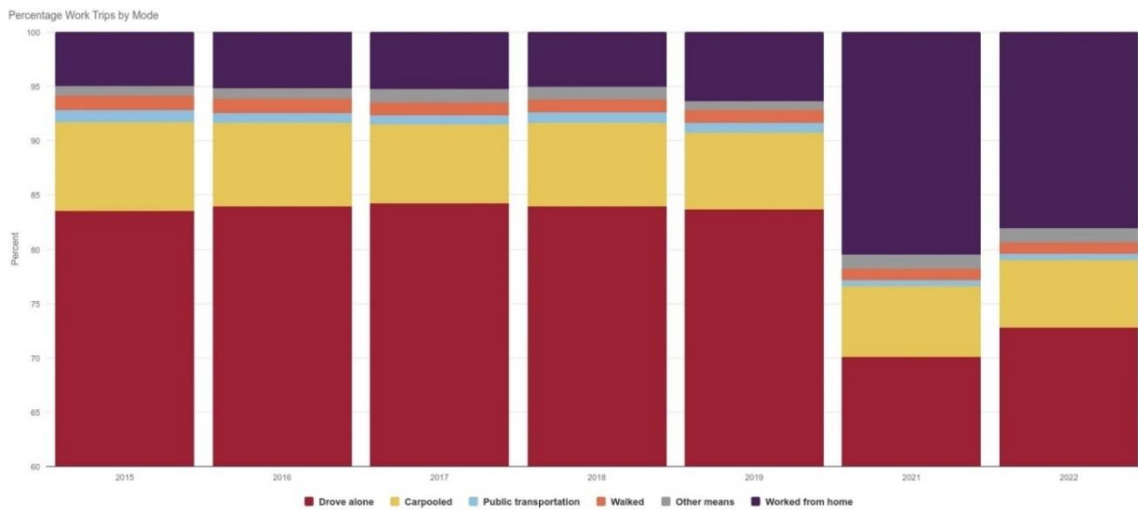
Average workers per car, truck or van: **1.05** 2021

Kansas counties: 1.05

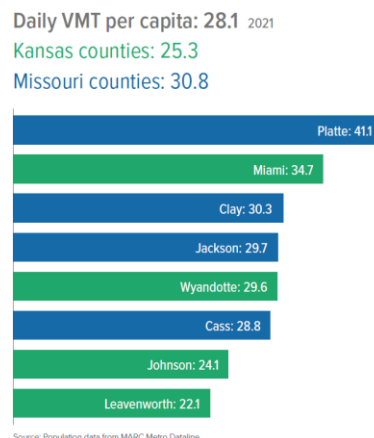
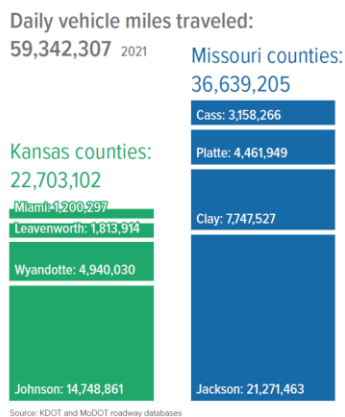
Missouri counties: 1.05

Johnson: 1.04	Clay: 1.04
Miami: 1.04	Jackson: 1.04
Leavenworth: 1.05	Cass: 1.05
Wyandotte: 1.08	Platte: 1.05

Source: U.S. Census Bureau, 2017-2021 American Community Survey



Roadway users in the Kansas City urban area travel more vehicle miles on average than roadway users in other urban areas of similar population size (1 to 3 million). The region experienced a modest increase in the total miles traveled to 59,342,307 in 2021, compared to 58,332,878 in 2016 and daily vehicle miles traveled (DVMT) per capita fell from 29.3 to 28.1 in 2021.



Congestion

Recent analysis of 2022 traffic congestion and reliability data by MARC shows the majority of region’ congestion management network (CMN) remains uncongested and reliable. This network includes a series of roadways in the Kansas City region selected for an increased focus on traffic congestion – both recurring when too many vehicles try to occupy the same roadway at predictable times and non-recurring congestion caused by a temporary blockage in the roadway or difficulty navigating the roadway often caused by traffic incidents or inclement weather.

The results suggest:

- Congestion and unreliable conditions are worse on major roadways in the afternoon peak period (4-6 p.m.) than in the morning peak period (7-9 a.m.). Unreliability occurs in many of the same congestion areas.
- The percent of uncongested and reliable miles on the CMN decreased in both the a.m. and p.m. peak periods compared to pre-pandemic metrics meaning congestion and reliability are worsening over time.
- A decrease in historical commuting corridors in the a.m. and p.m. peak periods suggests that growth in congestion and reliability is occurring outside these corridors.
- Kansas City commuters experienced less delay in 2022 compared to commuters in most of the other peer metros.

Congestion & reliability System-Wide Statistics for the Kansas City Region

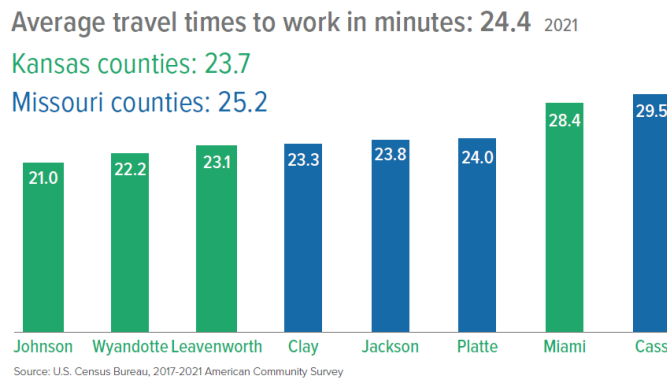
Measure	2019	2020	2022
Percent of uncongested miles on the CMN in the morning	89%	96%	82%
Percent of uncongested miles on the CMN in the afternoon	84%	92%	76%
Percent of reliable miles on the CMN in the morning	90%	96%	82%
Percent of reliable miles on the CMN in the afternoon	86%	94%	80%
Percent of person-miles travelled on the NHS	87.1%	98.1%	96.5%
Percent of person-miles travelled on the non-interstate NHS	89.4%	95.2%	95.5%
Truck Travel Time Reliability Index	1.25	1.30	1.31

Source: 2023-2024 Congestion Management Report, MARC

The Texas Transportation Institute (TTI) measures congestion annually in Kansas City and among 101 metro areas since 1982 and other urban areas since 2017. According to TTI’s 2023 Urban Mobility Report, traffic congestion has increased post-pandemic, including in Kansas City. However, it’s the nature of the congestion post-pandemic change that requires reevaluation, which is likely influenced by the level of hybrid work flexibility.

Travel Time

Commuters into the Central Business District in Kansas City, Mo. experienced an increase in travel time up from the previous 20 minutes distance to downtown. Peak travel times remain heaviest on the I-35 corridor from downtown south to Olathe, Kansas; the I-70 corridor from downtown east to Blue Springs, Missouri; U.S. 69 from I-35 to 151st Street; U.S.71/I-49 from downtown to Belton, Missouri; and I-35 from downtown to Liberty, Missouri.



Major new development in outlying suburban locations, including the Panasonic plant in DeSoto, Kansas, will increase travel time to work for many workers and create congestion challenges in outlying communities until workforce housing is available to enable workers to live closer to their places of employment.

New Transportation Technologies

Changing transportation technologies requires coordination among a strong network of partners to overcome challenges in the areas of automated vehicles (AV) and the use of regional unmanned aircraft systems, i.e. drones (UAS). The region is working through MARC to create a policy and regulatory environment that supports high-quality economic development, innovation, training and education. Newer technologies like AV and UAS will require state and local public policy to support innovation, safety, training, education and economic development. Technology-driven business development could attract new companies and create new business opportunities.

Transportation and traffic management data systems like HERE, INRIX traffic data are used to aggregate data from individual roadway segments and supported with calculation tools by the Probe Data Analytics Suite run by the University of Maryland's CATT lab. Other traffic systems like Operation Green Light and Kansas City Scout improve traffic management and incident coordination to reduce unnecessary delays, improve traffic flow, and reduce vehicle emissions that contribute to ozone pollution.

Infrastructure

Overall, the Kansas City region is well served by public infrastructure, including ground, air, rail and port transportation facilities; water, wastewater and stormwater facilities; and green infrastructure. Maintaining existing systems continues to be a challenge in portions of the region as facilities age or were designed prior to modern standards or changing climate conditions. Many jurisdictions have passed special sales taxes and/or bond issues to support new facilities and improvements to existing systems. Examples of recent major infrastructure investments include:

- KC International Airport New Terminal opened in 2023
- Kansas City Streetcar extension in Kansas City, MO to be completed in 2025/2026
- New Missouri River Buck O'Neil Bridge to be completed in 2025
- Upgrades and New Wastewater Treatment Plants for Johnson County, Kansas in 2024 and 2026
- Significant Levee & Stormwater Investments through US Army Corps of Engineers and Local Communities to reduce flooding risks and address environmental quality

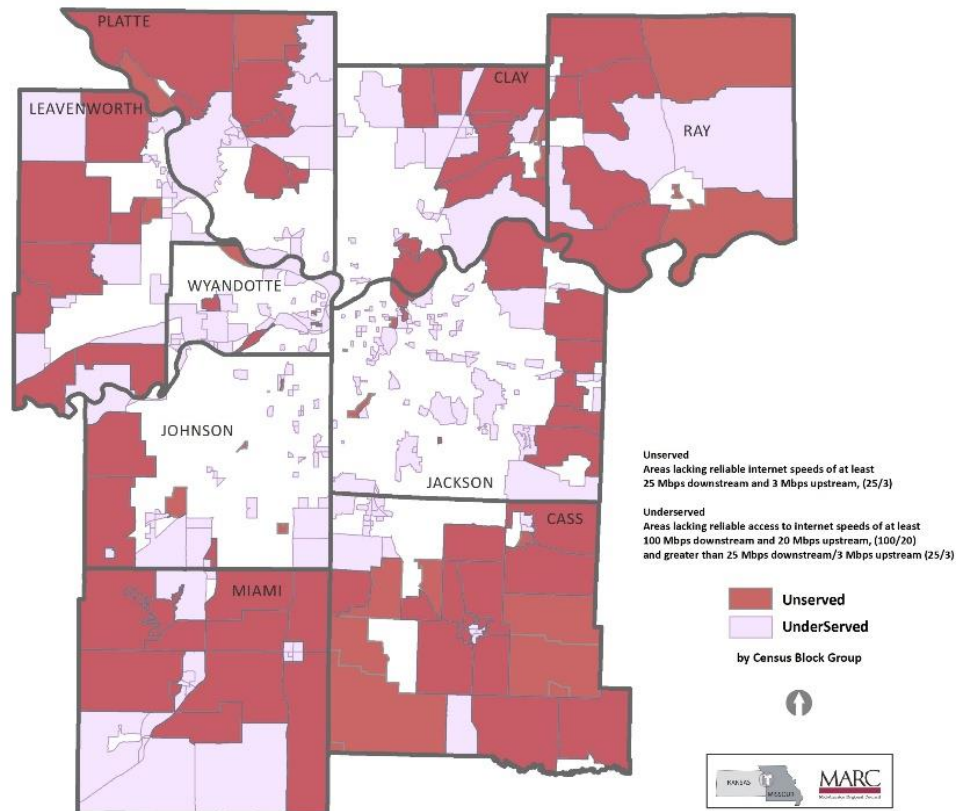
MARC is working with local governments and other community stakeholders on an updated set of resilience-focused stormwater engineering design standards (i.e., APWA 5600) scheduled for completion in 2025. These new standards will improve the region's infrastructure, water quality and reduce risks to extreme weather conditions.

Broadband Access and Digital Equity

The ability to access the internet and use technology for education, to apply for a job or access health care or community information or stay socially connected has become a necessity for social and economic success. The need for connectivity and knowledge of using the internet and computers became more critical during the COVID-19 pandemic and has continued to influence everyday living.

MARC, the Federal Reserve Bank of Kansas City and KC Rising initiated broadband and digital equity planning for the Kansas City region in late 2022 as the federal government announced large funding to be distributed to the states to reduce disparities in broadband infrastructure in rural areas and increase digital access for disadvantaged populations in urban, suburban and rural parts of the nation. The broadband analysis found that the metropolitan area needs additional infrastructure investment. In particular, the rural periphery of the region has slower service at much higher prices, and in some cases virtually no broadband service at all.

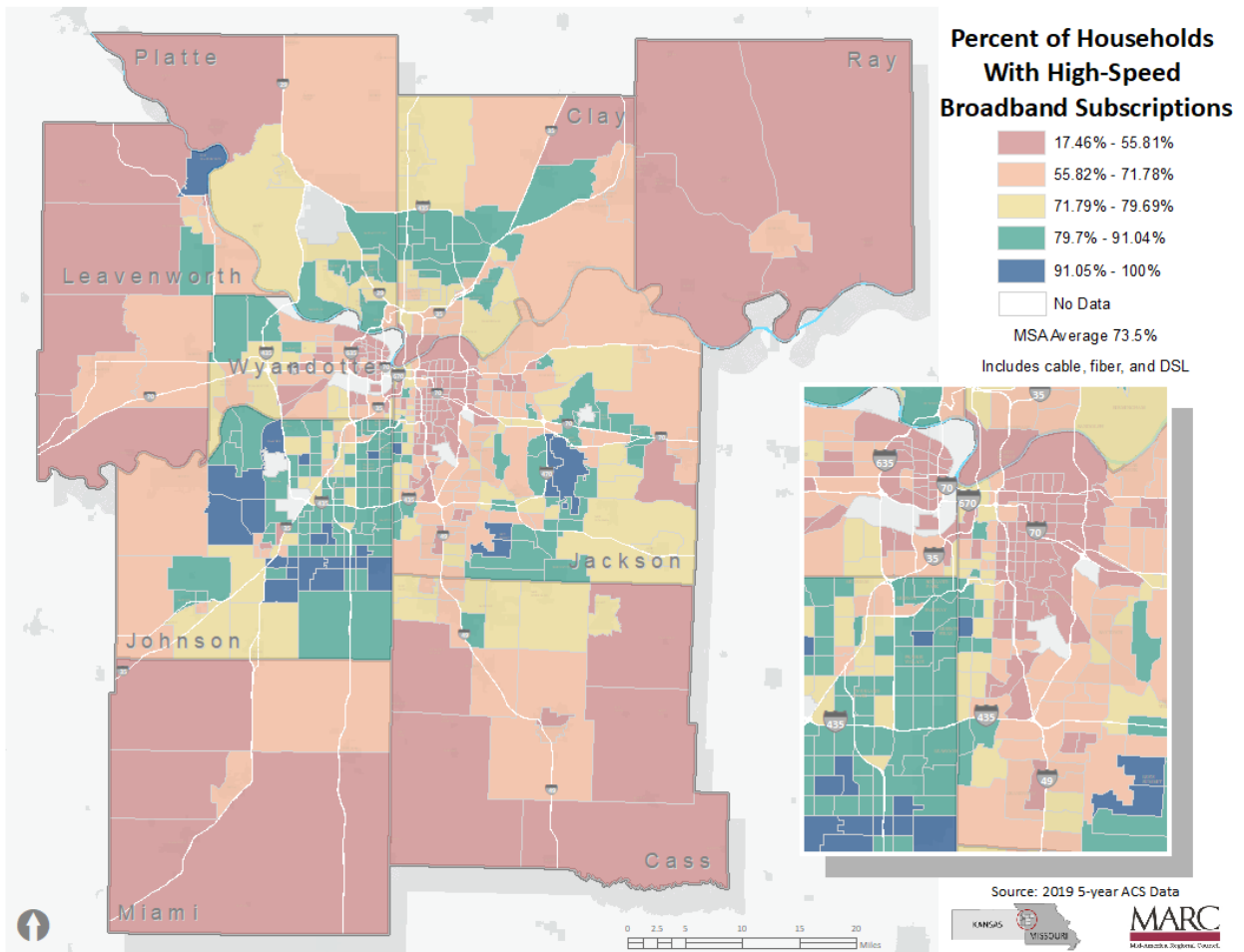
UnServed and UnderServed Areas



While much of the Kansas City region is well served with broadband infrastructure, gaps exist in urban, suburban and rural areas. The broadband infrastructure plan identifies geographic areas where investments through grants from the two states could address these needs.

While most households in the region have adequate broadband services in their homes, about one in ten households lack broadband subscriptions, computers and know-how to effectively use the technology. The digital equity strategy plan evaluated digital equity needs for target populations throughout the region and outlined recommendations to address digital access and services.

A federal program, the Affordable Connectivity Program (ACP) offered low-cost subscriptions to households with limited incomes. Funding for the program lapsed in 2024 and has not been renewed. Community support to help households secure broadband subscriptions, computers and trainings are important for the region's economic development success.



Energy & Utilities

The Kansas City region is well served by the electric grid and natural gas distribution companies. Modernization of the grid is expected to require major investment to accommodate the region's growth in large industrial and data system facilities and the installation of solar and other renewables. In addition, the electric grid will need investment to ensure the region is resilient to extreme weather events.

The Kansas City region is served by a number of commercial companies, municipal utilities and electric cooperatives. They include:

Natural Gas

- Spire
- Atmos Energy
- Kansas Gas Energy
- Miami Pipeline Company

Electric

Evergy Missouri Metro Inc.,	Farmers Rural Electric Cooperative
Evergy Missouri West, Inc.,	Osage Valley Rural Electric Cooperative
Union Electric (dba Ameren Missouri)	Freestate Rural Electric Cooperative
Evergy Kansas Central, Inc.	West Central Rural Electric Cooperative
Evergy Kansas Metro, Inc.	Independence, MO Power and Light
Kansas City Power and Light Co.	Board of Public Utilities
Westar Energy Inc.	Gardner
Heartland Rural Electric Cooperative	Harrisonville
Platte-Clay Electric Cooperative	Osawatomie

The Kansas City region has adequate electric and natural gas services to support residential, industrial, commercial and institutional needs throughout the metro area. Most of the electric utilities offer assistance and incentives to support lowering energy bills, and many offer support for solar installations. Mid-America Assistance Coalition and other organizations offer utility assistance for low-income households through federal, utility company and philanthropic resources.

The costs for electricity in Kansas City, Missouri, averaged \$12.52 kWh in April 2024, which was 26 percent less than the national average. Rates vary by company, by time of day and season. Natural gas average costs are \$17.45/1,000 cubic feet, which are 17 percent more than the national average.

Renewable & Clean Energy

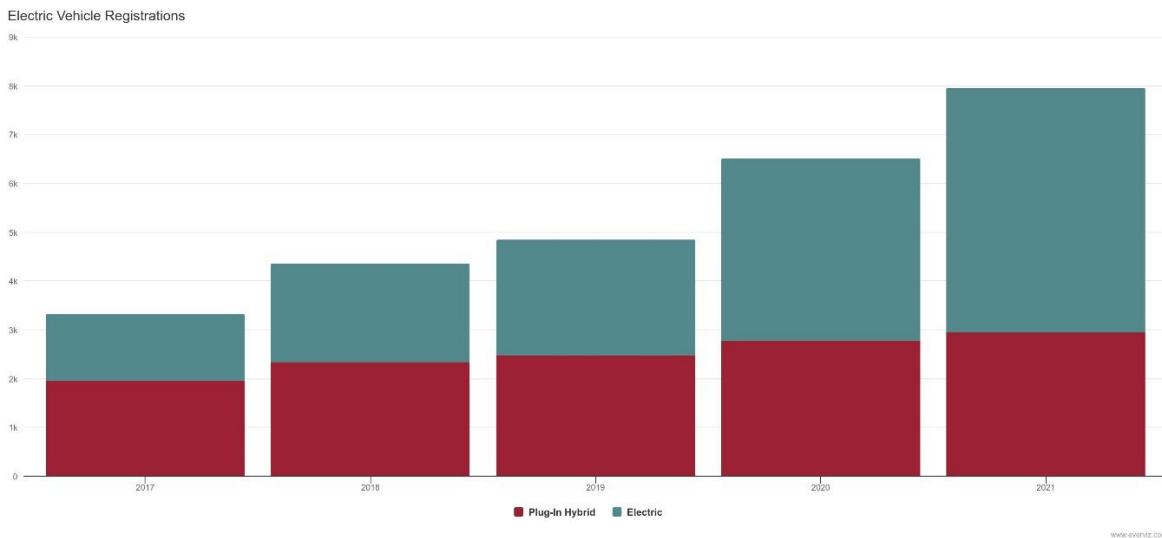
The region is working to address climate impacts and reduce energy costs for households and businesses by replacing our dependence on fossil fuels with renewable and clean energy. Major investment in wind will continue with solar anticipated to grow at an accelerated rate. The region's growth in solar deployment may require state legislative action. Energy efficiency investments will complement this increased focus on renewable energy. Efforts supporting this transition include:

- Evergy's integrated resource plan calls for carbon-free energy generation by 2045 with focus on wind and solar.
- Utility investments in energy efficiency programs approved by both the Missouri and Kansas state utility commissions will bring more significant resources for residential, commercial, institutional, and industrial retrofits.
- Growth in the region's electric vehicle charging infrastructure is projected to build on recent previous investment by Evergy to support the electric vehicle sector.

- New economic development strategies tied to national climate policy is helping create the demand for electric vehicles.
- Strong potential for additional related business growth at the Astra Enterprise Park in DeSoto where the \$4 billion Panasonic battery plant will open in 2025 and in other locations around the metro area.

Electric Vehicles

Electric vehicle (EV) registrations have been steadily rising over the last several years. A majority of EV charging stations are classified as Level 2 with chargers common for home, workplace and public charging. While there is a dense network of EV charging stations in the Kansas City metro, faster and more advanced platforms like DC Fast Charging are concentrated outside central Kansas City. A recent transportation public opinion survey shows increased interest in EVs with 46 percent of respondents considering a future purchase with 16 percent planned within 1, 5 or 10 years. Three percent already own an EV.



Environment & Health

The Kansas City economy is tied to how well the region reduces pollution and greenhouse gas emissions, preserves and restores ecosystem health, and fosters healthy communities. Recent initiatives on building decarbonization, green infrastructure, and air and water quality are driving a focus on economic and climate resilience and equity to ensure quality of life for all residents of the region.

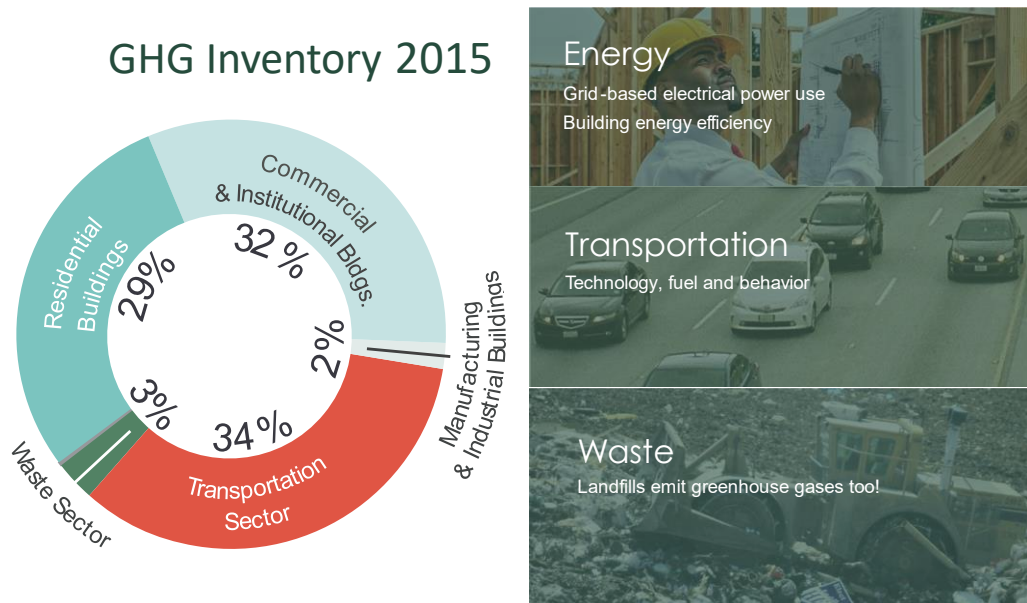
- Climate Action KC and MARC are leading efforts to implement climate actions that touch on these and other focus areas. The regional climate action plan, adopted in 2021, guides

this implementation by providing a voluntary, flexible and collaborative framework tailored to meet local needs in ways that can scale up for regional benefits and impact.

Building Decarbonization

The region’s building stock accounts for 63 percent of regional greenhouse gas emissions – with transportation at 34 percent and waste at three percent. Significant investments in building energy-efficiency will save money, reduce energy burdens for low-income populations, improve public health – all in ways that align with regional climate plans.

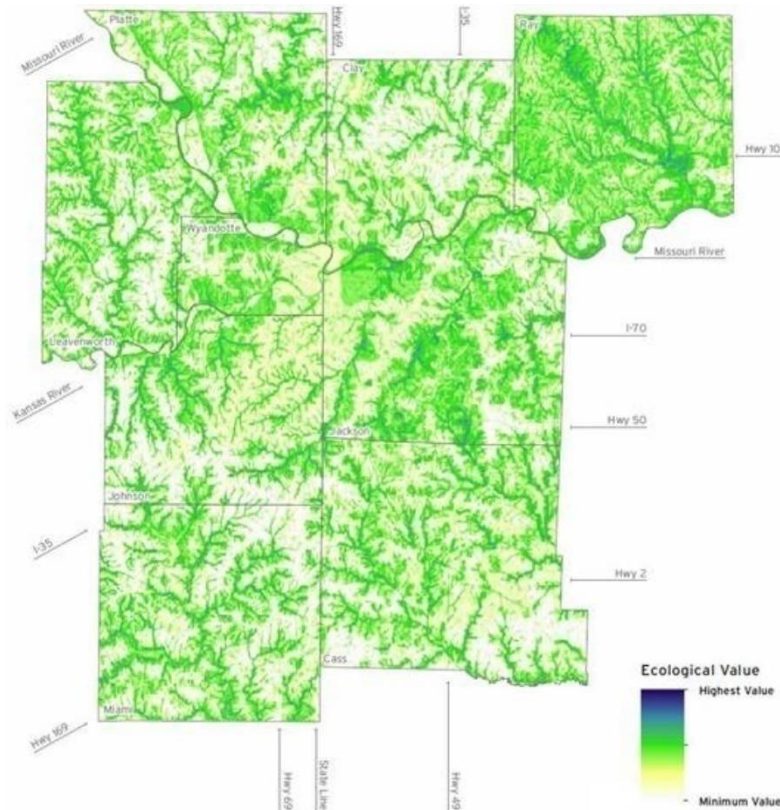
Climate Action KC launched the Kansas City Building Energy Exchange to support the transition to support decarbonation of the region’s building stock. Other key strategies to support this work include utility and federal programs and incentives, local government policies, and workforce development. Emerging job and business opportunities focus on building retrofits and renewable energy like energy audits, HVAC, insulation, solar installations and more.



Green Infrastructure

The natural and built environment are inextricably linked to provide for the quality of life expected by the region’s residents. Clean air and water are foundational to public health. Parks and natural areas provide for recreation and mental health, especially during the pandemic; they also provide for high quality habitat, biodiversity, flood-risk reduction and heat island mitigation. As the region’s continues to develop, conservation and restoration of natural resources will facilitate and enhance economic growth and community health.

Distribution of Green Infrastructure across Greater Kansas City



Sustainable Materials Management

The Kansas City region disposes roughly 3 million tons of solid waste each year. Waste reduction and reuse and waste diversion create new economic business opportunities and reduce government, residential and business expenses.

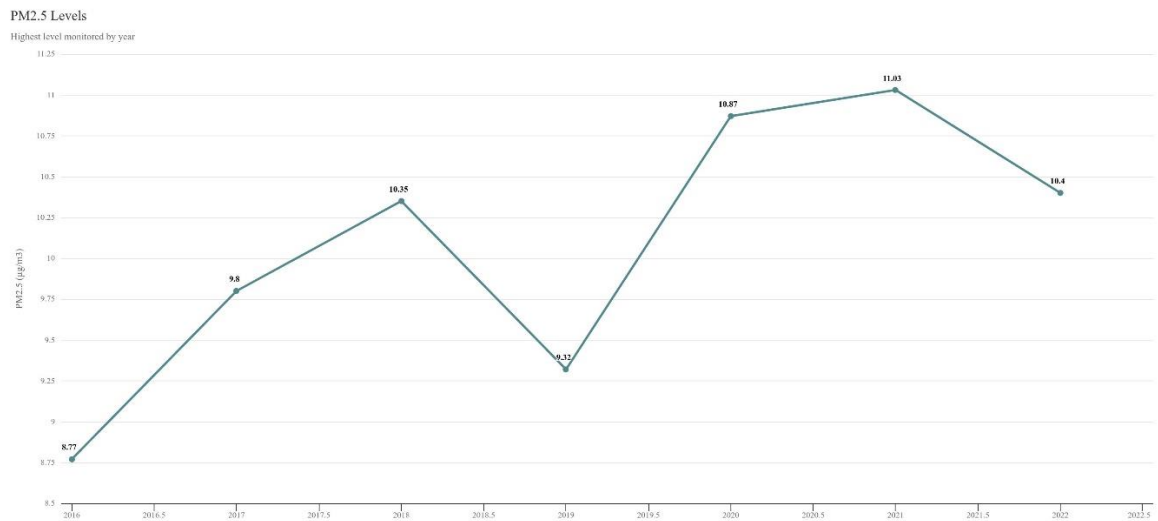
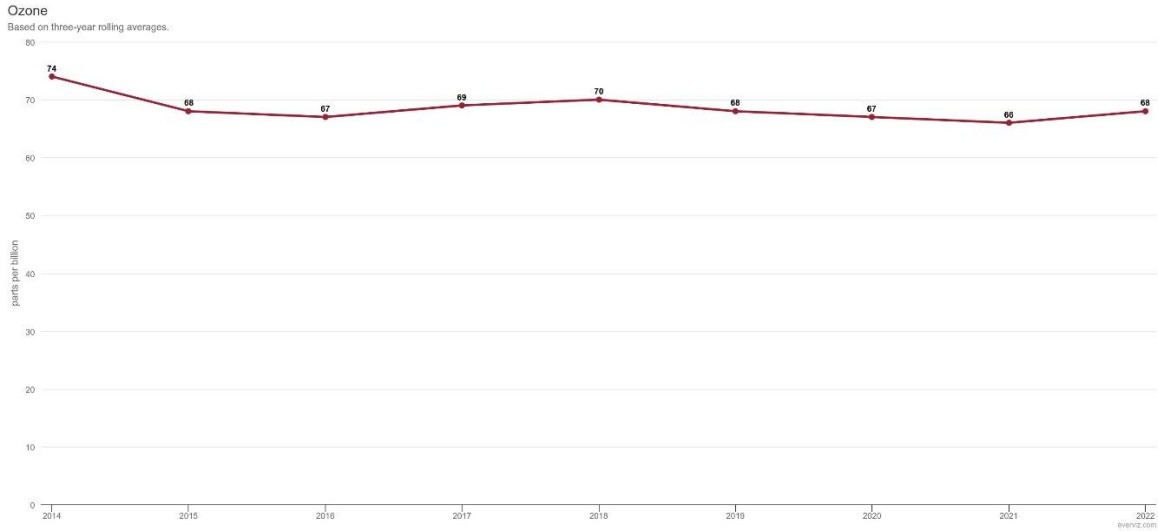
A new regional solid waste plan will assess opportunities for waste diversion, including a circular economy – keeping materials and products in circulation for their highest use as long as possible. Key examples of a circular economy include using glass for fiberglass insulation production, recovering used building materials to support affordable housing retrofits, and composting organic waste to improve soil quality.

Air Quality

The region’s air quality has improved drastically over the last 30 years. However, there is more work to be done. The region has long struggled with elevated ground-level ozone formed when emissions (nitrogen oxide, or NOx, and volatile organic compounds) from sources such as cars, lawn mowers and industry react with heat and sunlight. Fine particulate matter – primarily formed from chemical reactions in the atmosphere and through fuel combustion – is also an indicator. Air quality concerns create particular risk to

youth, the elderly, and populations with cardiovascular and pulmonary conditions. Many of the climate strategies will improve air quality while providing innumerable co-benefits.

While the region is in attainment with all federal air quality standards, the region is at risk of becoming a non-attainment for both ozone and fine particulate matter (PM2.5) due to new, more stringent EPA standards. The region has maintained its ozone average at or below the federal standard with a slight uptick to 68 in 2022. The PM2.5 level in 2022 was 10.4.



Emergency Preparedness & Resiliency

The Kansas City region’s local officials have dedicated time and resources to ensure that risks to lives and property from natural and man-made disaster events are mitigated through sound planning, resource allocation and coordination, proper policy adoption and public education.

From flooding to drought, tornados, ice storms, and extreme heat, the Kansas City region has a long history of confronting natural hazards. Understanding how climate change might exacerbate the region’s risks and vulnerabilities to extreme weather is fundamental to formulating strategic priorities to achieve our vision of health, resilience and sustainability. These natural hazards pose a risk to both homes and businesses and could severely impact the region's economy.

A 2021 Climate Risk and Vulnerability Assessment included a downscaled climate model for the Kansas City region. The metro area could reasonably anticipate changes to heat and precipitation patterns in the coming years. Changes in precipitation are projected to lead to increased frequency, intensity and duration of storm events, causing anticipated impacts such as flooding, stream bank erosion and weakened water quality. Extended periods of rain-free days in the summer months are anticipated to accompany a more than twentyfold increase in the number of extremely hot days.

The impacts and implications of climate change are diverse. Changes in precipitation patterns — be it flood or drought — cause increased risks to infrastructure and property. More extreme heat and flooding also impact public safety. Extreme heat, air and water quality impairments, and increased allergens all pose significant public health challenges, and economic impacts are anticipated to affect vulnerable communities in a disproportionate manner.

The increased severity of natural events – rain, drought, heat, and severe winter weather - threaten the region's economic activity. These impacts could disrupt the ability of our transportation systems to adequately serve workers traveling to jobs, customers attempting to engage in commerce or freight moving to destinations. Recent storms have created significant challenges for our region's utilities, with most electric power lines above ground and impacted by tree damage.

Hazard Mitigation

Local cities and counties have adopted a Regional Hazard Mitigation Plan developed by MARC for the five Missouri counties in the region, and individual county plans on the Kansas side of the state line. The nine area counties have recently initiated an update of their Hazard Mitigation Plans. The current Regional Hazard Mitigation Plan outlines actions

that communities may take to reduce risks from both natural and man-made disasters. The plan supports the region's goal of a disaster resilient community.

Proper planning, land management, resource allocation and policy adoption could reduce risks, lower insurance premiums, and address stress on vulnerable populations living in areas of greater vulnerability.

The region's homeland security and emergency services program has established a vision for a region prepared to prevent, protect, respond to and recover from a broad range of threats and hazards — including terrorism — through strong relationships, protocols for regional action, strong regional and local plans, sharing and coordination of resources, equipment investments, coordinated training and exercise, improved surveillance capabilities, and the early detection and mitigation of hazards and threats. To achieve that vision, local communities have worked together through MARC's Regional Homeland Security Coordinating Committee since 2003 to invest federal resources and develop and strengthen regional capabilities.

Cyber attacks have created new challenges for public and private organizations and businesses. Recent global and national events have impacted air travel, banking, communications, healthcare and government operations.

Recovery

The Kansas City region's Homeland Security Strategy Plan outlines specific goals to ensure that the region can prevent, deter, respond to and recover from disaster events. MARC provides support to local communities affected by disasters, particularly small communities. MARC offers assistance in preparing applications for federal disaster funds and in administering grants as awarded to help the communities restore basic infrastructure and services and recover from the disaster.

The strong working relationships developed throughout the region as a result of the region's homeland security work have enabled communities to respond to neighboring jurisdictions when disasters have created the need for support. Events such as tornados, floods, ice storms and heat-related power outages have impacted many local communities. For many of those events, both during and following the event, communities have provided critical mutual aid.

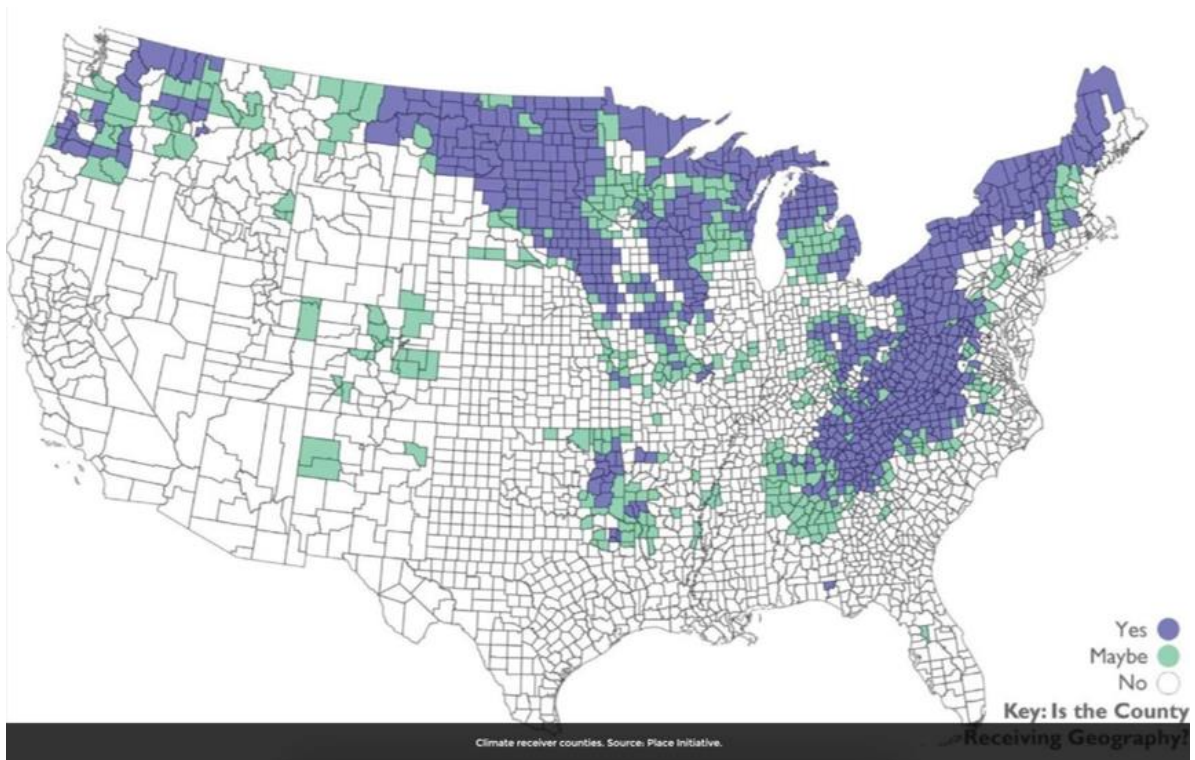
Recent efforts are underway to expand private sector involvement in emergency preparedness and in particular, with recovery. Many businesses lack plans to support their efforts to operate during and after a disaster event. Many businesses have resources that could support other companies and the broader community. Work is underway with the Regional Homeland Security Coordinating Committee, FEMA and others to establish

stronger public-private partnerships to aid recovery capabilities in the Kansas City area. These recovery capabilities could improve the region's economic resilience following disaster events. Finally, work is underway working with federal agencies and private cybersecurity firms to increase public and private sector protections from cyber attacks and ability to recover.

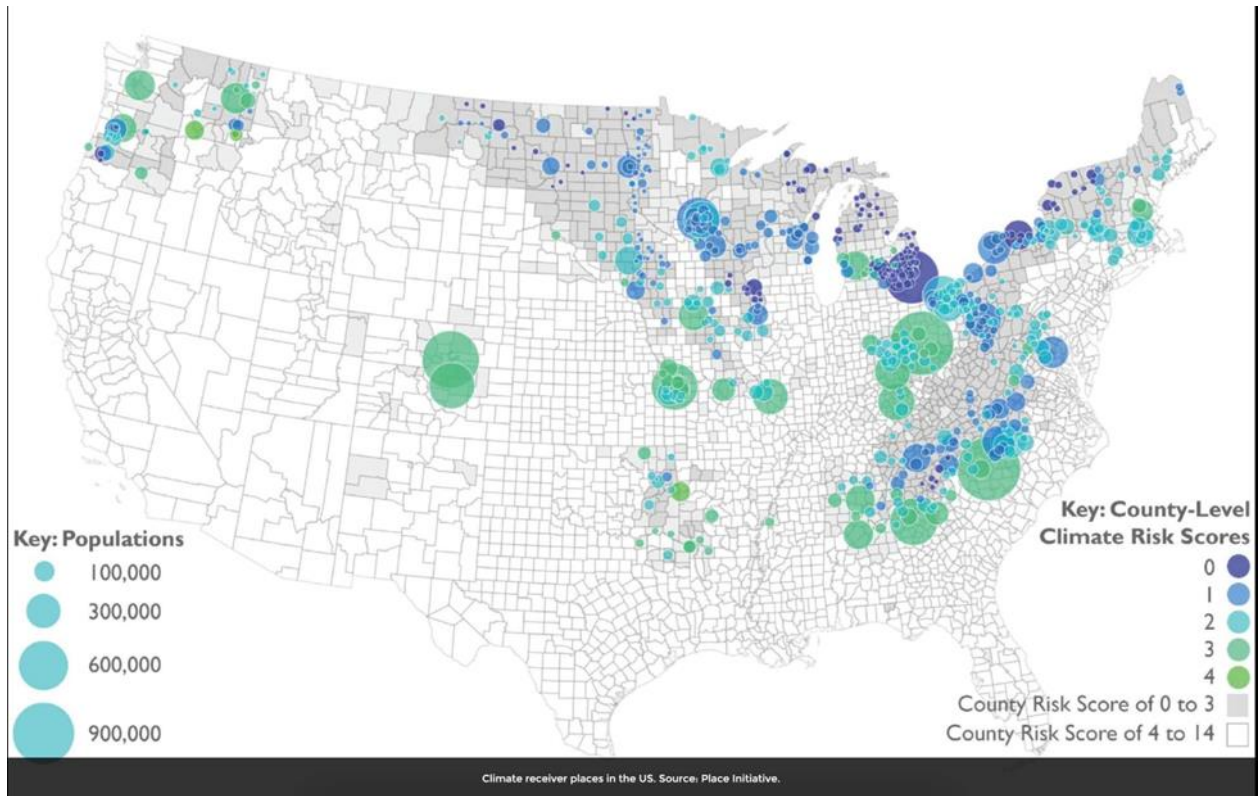
Climate Migration

Climate change may reduce the region's historical net migration to the Sunbelt metros as populations shifts from other areas experience more dramatic effects. In the Kansas City metro area, several counties may be considered receiver counties for this migration as well as the greater Kansas City area based on lower county-level climate risk scores ranked by Place Initiative.

Climate Receiver Counties



Climate Receiver Places



APPENDIX B: COMMUNITY AND PRIVATE SECTOR PARTICIPATION

Many organizations and initiatives support economic progress in the greater Kansas City area. This listing is not intended to be comprehensive, but illustrative of the breadth of regional and local efforts underway to support the goals, objectives and strategies outlined in the Comprehensive Economic Development Strategy plan. The Mid-America Regional Council welcomes feedback to update information and add organizations and initiatives not listed.

REGIONAL ECONOMIC DEVELOPMENT ATTRACTION AND RETENTION

Kansas City Area Development Council (KCADC) represents the economic development interests of the greater Kansas City region (18 counties in Missouri and Kansas). KCADC brands the region as one location to stimulate economic growth and enhance awareness of the metro area's assets. KCADC promotes the region as the business location of choice and as one that offers a high quality of life for talent to move to the Kansas City area.

KC Smart Port is a nonprofit economic development organization and the region's authority on logistics, promoting the region as a leading North American logistics hub. KC Smart Port's mission is to grow the Kansas City area's transportation industry by attracting businesses and make the industry and the region more competitive in the movement of goods in and out of the region.

Animal Health Corridor/Forum is an initiative to support animal health companies in and around the Kansas City region from Manhattan, Kansas, to Columbia, Missouri. The initiative supports programs to bring companies together to strengthen the industry sector and advocate for state and federal legislation to advance the corridor's assets.

Team KC is an initiative to attract and retain top talent by offering resources (Talent Toolkit) to area companies. A Network of top recruiters in the region work to build a career network and promote diversity and inclusion.

KC Tech Council is an independent nonprofit membership organization that works with industry leaders to strengthen and promote the tech hub of the Midwest. KCTC promotes the region's tech sector to recruit firms to the region by building connections and industry advocacy. The KC Tech Council brings business leaders together to collaborate, promotes

tech positions to attract a strong tech talent pipeline, and operates Apprenti KC, part of a nationally recognized apprenticeship program focused on diversity and equity in tech.

KC World Trade Center, hosted by the KC Chamber, participates in the Brookings Institution Global Cities Initiative. The FTC has a regional export market plan, has an inventory of companies exporting from the region, assists area businesses with their export plan and offers an electronic platform to process Certificates of Origin for export goods.

Bionexus KC formerly known as the Kansas City Area Life Sciences Institute, brings khealth research, manufacturing and related sectors in the metro area. The regional concentration of animal and human health research and manufacturing companies uniquely positions the area to capitalize on economic growth opportunities where these industries intersect. The latest effort to emerge is a new series of events, called Collaborate2Cure, designed to bridge the research and expertise between human and animal health and **BioKansas**, focused on building the biologics industry in the Kansas City area and across the state of Kansas.

LOCAL ECONOMIC DEVELOPMENT AGENCIES

Multiple local economic development agencies in the region promote economic activity and work to attract new companies or help existing companies expand or address challenges to support retention. Many economic development offices are part of city and county government. The following are separate organizations, working in close collaboration with local governments.

Other Regional with Special Focus

Asian Chamber of Commerce
Black Chamber of Commerce
Heartland Black Chamber
Hispanic Chamber of Commerce of GKC
Mid-America LGBT Chamber
Visit KC

Missouri side

Cass County

Cass County Corp. of Economic Development
Belton Chamber of Commerce
Harrisonville Area Chamber
Harrisonville Economic Dev Dept.

Pleasant Hill Chamber

Raymore Chamber

Clay County

Clay County EDC

Industrial Dev Authority of Clay Co

Excelsior Springs Chamber

Excelsior Springs ED office

Gladstone Chamber

Gladstone Eco Betterment Council

Kearney Chamber

Liberty Chamber

North KC Business Council

Northland International Trade Assistance Group

North KC office of Eco Dev

Northland Regional Chamber

Smithville Eco Dev

Smithville Chamber

Jackson County

Blue Springs Chamber

Buckner Chamber

Grain Valley Partnership

Grandview Chamber

Independence Chamber

Independence Council for Economic Development

IDA of Independence

Lee's Summit Chamber

Lee's Summit EDC

Oak Grove Chamber

Raytown Chamber & Visitor Bureau

Raytown Eco Dev Dept.

Platte County

Platte County EDC

Platte Co Convention & Visitor Bureau

Northern Platte Co Area Chamber

Parkville Chamber

Platte City Chamber/EDC

Riverside Chamber

Weston Chamber

Ray County

Richmond Chamber

Richmond Economic Dev

Kansas City, MO

Black Economic Union

Downtown Council

EDC of Kansas City, MO

KC Biz Care

KC Industrial Foundation

Northeast KC Chamber

Planned Industrial Authority

Port KC

South Kansas City Chamber

Kansas side

Johnson County

Johnson County Airport Commission

DeSoto Chamber

Gardner Chamber

Leawood Chamber & EDC

Northeast Jo Co Chamber

Lenexa Chamber

Lenexa EDC

Merriam Visitors Bureau

Olathe Chamber

Olathe Conv & Visitor Bureau

Olathe EDC

Overland Park Chamber

Overland Park EDC

Shawnee EDC

Southwest Johnson Co EDC

Spring Hill Chamber

Visit Overland Park

Visit Shawnee

Leavenworth County

Leavenworth Co Dev. Corp.
Basehor Chamber
Leavenworth-Lansing Area Chamber
Tonganoxie Business Association

Miami County

Miami County EDC
Louisburg Chamber
Osawatomie Chamber
Paola Chamber

Wyandotte County

Wyandotte EDC
Bonner Springs-Edwardsville Chamber
Kansas City Kansas Chamber

INNOVATION AND ENTREPRENEURSHIP/BUSINESS START-UP

UMKC Innovation Center offers a number of programs to help businesses become established and grow, with a specialization in technology commercialization. The Innovation Center delivers just-in-time education, counseling and access to resources to aspiring and existing business owners resulting in increased jobs for the communities it serves.

KCSOURCELINK helps lead the effort to make Kansas City America's most entrepreneurial city by connecting entrepreneurs to resources, coaches, funding, education and help coordinate events for entrepreneurs, like Global Entrepreneurship Week. KCSL monitors Kansas City's entrepreneurial ecosystem to measure outcomes, work with Partners to fill gaps in resources and bring national resources to the community through grants such as the i6 Challenge and the University Center grants from the Department of Commerce EDA. KCSL connects 240+ business-building organizations across the 18-county bistate metro. Through KCSL, thousands of entrepreneurs and business owners are able to gain access to the right resource at the right time to start, grow and accelerate their businesses.

Talent Link connects residents, students and employers to fill the workforce talent needs to grow the Kansas City region's economy.

Digital Sandbox KC provides information technology innovators with proof-of-concept resources to support early-stage commercialization processes. The Sandbox may cover

expenses for project consultants, market research, legal support, equipment and other market validation, prototyping and beta testing needs.

Whiteboards 2 Boardrooms is a team effort that includes research partners that provide the new technologies, a technology transfer office that collects technologies from research partners and helps with initial assessment and IP issues, entrepreneurs with a depth of expertise and experience in different technical domains that utilize a variety of business models, W2B staff members that serve as "match-makers", and service providers that assist with business connections to facilitate startup development.

KC Rise Fund is a co-investment fund which invests institutional Venture Capital investors in early-stage companies based in KC. KC Rise Fund portfolio companies benefit from the diligence and industry talents of investment professionals all over the US, including the Kansas City area.

KC InvestEd, in partnership with KCSL and an advisory board of Kansas City area civic leaders, is dedicated to supporting the development of local investments, connecting investors to improve deal visibility, connecting deals to investors and bringing visibility to Kansas City-based deal flow ready for institutional investment from outside the region.

Entrepreneurship Center of Johnson County aims to reduce barriers to new business creation and entrepreneurship in Kansas. The ECJC is building a statewide coalition of policy partners, engaging and educating lawmakers, and interfacing entrepreneurs with lawmakers to build positive working relationships and support entrepreneurship as a statewide economic development priority in Kansas.

Manufacturing Extension Partnerships for Kansas and Missouri deliver solutions for Kansas City area manufacturing companies by providing technical assistance to implement technology to help resolve process challenges and evaluate products or parts for potential improvements in labor costs, accuracy and materials used.

Small Business Development Center at Johnson County Community College is one of eight SBA-supported centers in the state of Kansas. The Center serves Johnson, Wyandotte and Miami counties, and it offers training and technical assistance and advising to entrepreneurs seeking to start a business and to small businesses needing support to expand, grow, market or transition their business.

Launch KC is sponsored by the Kansas City EDC and is designed to provide policy and marketing guidance for a sector specific recruitment and expansion initiative that will qualitatively change the perception of Kansas City's capabilities for emerging innovation technology companies, and for public sector incentives.

Ennovation Center - The Independence Regional Ennovation Center is a mixed-use business incubator which focuses on three core areas for the development of new businesses -biotech, kitchen/culinary, and business and technology. Located in Independence, Missouri, the Ennovation Center has transformed the former Independence Regional Medical Center into a launching pad for entrepreneurs with the necessary facilities and support services to assist successful start-up businesses in an innovative environment which fosters collaboration.

KC Innovation District is a redevelopment initiative focused on creating a place where entrepreneurs, research institutions, students and corporations can collaborate to generate impact and workforce readiness. Following a market analysis supported by the Civic Council of Greater Kansas City, the Keystone Community Corporation, a 501c3 nonprofit organization, reached agreement with the Kansas City Area Transportation Authority for the redevelopment of properties around 18th and Troost in an Opportunity Zone in Kansas City.

KC Digital Drive is a 501c3 non-profit organization whose mission is to make Kansas City a digital leader to secure economic prosperity and improve the quality of life for all people in the region. KCDD accomplishes this by: Closing 76 the Digital Divide to connect everyone to affordable broadband Internet and make emerging technology equitably accessible. Driving Digital Innovation to give everyone the opportunity and resources to create new technology ventures and applications that will improve lives and grow the economy. Building Kansas City's Reputation to make Kansas City a capitol of civic innovation and thoughtful adopter of technology known the world around.

Alt-Cap formed in 2008 to be a catalyst for investments in capital and resource starved communities in Missouri and Kansas through the delivery of accessible and innovative financing products, targeted small business and economic development programming, and the development of strategic partnerships that promote inclusive and equitable economic growth. AltCap exists to increase the flow of capital to communities and businesses not adequately served by mainstream financial institutions. Whether it is through the New Markets Tax Credit (NMTC) Program, small business and microloans, or other alternative capital, AltCap is committed to delivering accessible financing to support job-creating small business investments and catalytic, community-focused real estate development projects.

Community Builders of Kansas City, formerly Swope Community Builders, is the largest urban core developer working as a non-for-profit community development organization working with the neighborhoods it serves to build meaningful relationships, acting as community convener, facilitator and resources for services.

Community Capital Fund: Community Capital Fund (CCF) is a Community Development Corporation that provides grants, technical assistance, and coaching to support under-resourced neighborhoods and businesses in the greater Kansas City metropolitan area, helping to advance Asset Based Community Development and increase financial, human and social capital. CCF is an affiliate organization of AltCap, a Kansas City-based Community Development Financial Institution (CDFI), and eEquity2, an impact investment firm. Since 2012, CCF has granted over \$2 million to community and neighborhood organizations.

The Porter House KC is an inner city-based organization providing entrepreneurship access and resources to underserved populations in the Kansas City metro area. The Porter House KC assists in the representation of entrepreneurs of color by providing an affordable business space that can be used to grow an idea to a full-fledged business. They serve individuals looking to start a business, including start-ups and New Product Launchers. The organization's other focus is existing Small Businesses, companies are 0-2 years old, and have already reached some limited success and are planning to expand their operations.

The Toolbox is a nonprofit small business assistance organization operating a co-working and training and technical assistance program in Kansas City, Kansas. The Toolbox provides support with planning, registering, funding, operating, and growing a small business. They provide private one-on-one small business coaching. Many of those served are minority or women-owned small businesses.

Women's Employment Network (WEN) helps women earn a brighter future for themselves, families and our community. Through structured and personalized signature programming and career services, WEN creates positive change in the lives of women who struggle with social, economic and educational barriers to employment. WEN's efforts help women discover their own abilities, gain employment and build a better future for themselves, their families and their communities. Services include Licensed case management and community referrals; Career exploration; Job-search assistance; Ongoing support for program graduates; and financial coaching and credit building.

GIFT (Generating Income for Tomorrow) provides access to capital, technical assistance and training for Black small business owners.

The Black Mastermind Group serves Black entrepreneurs with training and technical assistance in Kansas City, Kansas.

KC Prospect Business Association offers entrepreneurial support and business association services and business-to-business connections in Kansas City.

WORKFORCE INVESTMENT BOARDS

Several local workforce development boards operate Adult, Dislocated Worker and Youth programs under the U.S. Department of Labor Workforce Innovation and Opportunity Act (WIOA) signed into law in 2014. WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy.

Full Employment Council is a nonprofit organization that administers two workforce development boards with one serving the region's five Missouri counties, including Kansas City, Missouri and the second serving Eastern Jackson County, including Independence and areas in Jackson County not in Kansas City. In addition to Missouri WIOA programs, FEC also operates workforce programs associated with Temporary Assistance to Needy Families (TANF).

Workforce Partnership is the local workforce development board serving Johnson, Leavenworth, and Wyandotte counties in Kansas. It has a network of career centers in the three-county area operating Kansas WIOA programs.

Southeast Kansas Works is the local workforce development board serving Miami County, Kansas. The organization has a career center in Paola operating Kansas WIOA programs.

K-12 INTERMEDIARIES

PREP-KC is focused on increasing career exploration, college going and access to high-quality employment for the over 60,000 mostly low-income students served by six of bistate Kansas City's urban school districts. PREP-KC addresses benchmarking for teachers to help students improve math and literacy scores, career academies to gain knowledge and skills in specific growing industry sectors, and college and workforce preparation.

The KC STEM Alliance is a collaborative network of educators, business affiliates and organizations designed to inspire interest in Science, Technology, Engineering and Math careers and to strengthen skills and knowledge of professionals supporting students. KC STEM provides a shared services model for STEM programs, such as Project Lead the Way and FIRST, coordinating data collection and program evaluation as well as facilitating school and industry partnerships. The KC Social Innovation Center (KCSIC), in partnership with Kansas City, Missouri Mayor's Office, Kansas City Public Library, and KC STEM Alliance, launched the LRNG KC pilot in Summer 2016 with the goal of connecting 10,000 youth to engaging learning experiences that will inspire youth while providing 21st century skills and career pathways to opportunity. This means the KCSIC will manage and organize

local efforts with the national LRNG movement. LRNG KC will build partnerships between existing community resources on and offline to help the city's youth learn anywhere and anytime.

Real World Learning established by the Ewing Marion Kauffman Foundation to help students to earn 'Market Value Assets'. Their experience has shown that students attaining professional experiences with employers and documenting these MVAs in high school are much more likely to persist and succeed in work and learning beyond graduation. To-date, RWL has engaged 31 school districts with 75 high schools and 83,000 students. ProX was established under the Real-World Learning program to offer professional experiences for high school students during the summer months.

aSTEAM Village is an equity nonprofit focusing on engaging students, families, and educators in science, technology, engineering, arts, and math (STEAM) pathways to facilitate career and education readiness for participation in the 21st Century economy. They strive to serve and inspire students and families to pursue education and career pathways in Science, Technology, Engineering, Arts and Math (STEAM), through community-based project learning and innovative programs.

WeCodeKC is a nonprofit organization serving youth in Kansas City's urban core to learn technology concepts and build leadership skills. Classes in coding and computer programming, robotics and summer camps are offered.

WORKFORCE SUPPORT

KC Scholars was publicly launched on September 28, 2016. The program awarded its first scholarships in May 2017. KC Scholars has grown into a strong, recognizable community asset offering savings accounts for children and scholarships for youth and adults. A new initiative around workforce development is helping youth and adults interested in careers that do not require a college degree to pursue credentials and other training to be prepared for good paying jobs. It is unlike other programs nationally and is changing the lives of thousands of low- and modest-income Kansas Citians and will be transformative to our region's workforce and economy. Its skill-based program, **Great Jobs KC**, is focused on help older youth and adults obtain skill-based certificates to secure a good-paying job.

KC Rising, a business-led initiative led by the Civic Council of Greater Kansas City, is focused on growing an inclusive economy, will provide leadership and employer engagement. Formed in 2015 by the Civic Council of Greater Kansas City, the Kansas City Area Development Council, the Mid-America Regional Council, and the Kansas City Chamber of Commerce by increasing the region's economic competitiveness by focusing

on growing target industry sectors. KC Rising engages business and civic leaders through a series of task forces focused on growing region's economy (Traded Sectors) and workforce (People) with an intentional focus on addressing disparities for economic opportunity. KC Rising supports initiatives that have resulted in stronger industry collaboration such as KC Global Design and the Biologics sector.

Greater Kansas City Chamber engages business and community leaders to support building a stronger regional economy and representing business interests at the federal, state and local levels. The Chamber focuses on workforce development through a number of initiatives to expand opportunities for entrepreneurs, women, formerly incarcerated and immigrants.

Urban League of Greater Kansas City, a regional nonprofit, is founded on the principles of equity and opportunity. This organization is a historic civil rights organization dedicated to economic empowerment, equal opportunity, equity, and social justice. The League collaborates with community leaders, policymakers, and corporate partners across Greater Kansas City and the region to elevate standards of living for African Americans and other historically underserved groups. Mission Our mission is to enable African Americans and other disadvantaged populations to secure economic self-reliance, parity, power, and civil rights. The Urban League's programs support youth and adults to pursue training and education, leading to fulfilling careers.

Goodwill of Western Missouri and Eastern Kansas: Nonprofit organization providing employment services to disadvantaged residents of the greater Kansas City area. Goodwill provides Digital Skills Training, Employment Services with one-on-one career support to individuals with barriers to employment, Reentry Services offer career support to individuals who have been incarcerated and/or currently involved with the criminal justice system; the Federal AbilityOne Program serves individuals with disabilities, and Essential Skills Training that provides career planning and employment readiness courses. In 2021, Goodwill established The Artemis Institute Bridge to Technology Program will offer the opportunity for adult learners to enhance their digital skills for tech-driven work.

Literacy KC provides training for adults to increase reading skills and basic computer skills; help adults complete an online high school diploma and offers a creative writing program in partnership with UMKC.

The DeBruce Foundation is a national foundation whose mission is to expand pathways to economic growth and opportunity. The Foundation is committed to helping individuals unlock their potential and find career pathways. By developing solutions such as the Agile Work Profiler, the foundation supports youth and adults to learn about and pursue careers.

Truman Heartland Community Foundation was established in 1982 to support residents in Jackson County. The foundation launched the Job Skills for New Careers community initiative in 2019 to help improve the economic status of families in Eastern Jackson County and break the cycle of poverty by providing a pathway to higher paying, in-demand careers through job skills training, financial coaching and mentorship.

PCs for People is a national nonprofit social enterprise working to get low-cost quality computers and internet into the homes of individuals, families, and nonprofits with low income. By recycling and then refurbishing computers, PCs for People provides a valuable service to businesses, families, and the planet by keeping computers out of landfills and repurposing them to advance digital inclusion.

Mid-Continent Public Library provides a range of services at 36 locations across Platte, Clay and Jackson counties. Public computers and WI-FI, chrome books and hot spots available for check-out use, and online excel adult high school diploma training are among services.

Kansas City Public Library provides digital services to help residents with online and one on one services, public computers and WI-FI, and technology available for check-out.

The Builders' Association is a nonprofit commercial construction trade association serving hundreds of member companies that employ over 25,000 people in mid-America. Founded in 1887, The Builders' Association has advanced the construction industry by delivering safety, craft and management training; employment, labor and government relations; and construction plans and technology tools.

Associated Builders and Contractors is a national construction industry trade association representing more than 21,000 members. Founded on the merit shop philosophy, ABC and its 68 Chapters help members develop people, win work and deliver that work safely, ethically and profitably for the betterment of the communities in which ABC and its members work. ABC's membership represents all specialties within the U.S. construction industry and is comprised primarily of firms that perform work in the industrial and commercial sectors.

Determination, Incorporated is a 501C3 nonprofit in KCMO empowering formerly incarcerated people to seize employment and entrepreneurial opportunity in home improvement, home building, and affordable housing in Kansas City.

Pawsperty (formerly The Grooming Project) 501c3 organization dedicated to reducing generational poverty in Kansas City. Through a state-certified grooming school and grooming salon, the organization trains struggling parents to be pet groomers and salon managers, both in-demand, high pay professions.

Second Chance, Kansas City Crime Commission, assists Missouri ex-offenders with job readiness training and employment services to enable individuals to re-enter the workforce.

HIGHER EDUCATION

Many higher education institutions serve the Kansas City region. These institutions offer short-term credentials and certificates to support technology, skilled trades and other workforce opportunities. Their traditional role of supporting post-secondary attainment with associates, bachelors and advanced degrees continues to expand to meet the diverse needs of students and talent needs of employers.

Two-Year Institutions:

Metropolitan Community College is a five-campus community college system serving a 50-mile radius area around Kansas City. More than 30,000 students are enrolled in credit coursework and another 12,000 in career workforce programs each year. Collaborative relationships with more than 30 four-year colleges and universities provide easy credit transfer. The MCC student population is categorized as disadvantaged: within the Associate Degree program, 51 percent of students are classified as ethnic minority, socio-economically or educationally disadvantaged. Approximately 80 percent of students need developmental education support. No other area college is as diverse. Students represent high school graduates, GED recipients, single parents, older returning students, and international students. Working students are the norm; 78 percent are employed. More than 27 percent are people of color; 43 percent are the first generation in their family to attend college.

Johnson County Community College (JCCC) has over 34,000 students enrolled in credit and continuing education classes, JCCC is located in Overland Park, Kansas is the third largest institution of higher education in the state. JCCC offers undergraduate credit courses that form the first two years of most college curricula and features more than 50 one- and two-year career degree and certificate programs which prepare students to enter the job market. Professional continuing education is offered to individuals required by state licensing boards, certifying agencies and professional associations to obtain continuing education units (CEUs). Kansas City Kansas Community College is a public, urban, open-door, and comprehensive community college committed to excellence in higher education. Through an accessible and supportive learning environment, the college mission is to provide higher education and lifelong learning to the varied communities, primarily in its service area of Wyandotte and Leavenworth counties in Kansas. The total enrollment at the college is 7,000 students.

Kansas City Kansas Community College (KCKCC) has received a TAACCCT grant from the Department of Labor to create the Training for Employment (T4E) program. T4E will focus on programs in construction (electrical, heating and refrigeration, building and property maintenance) with value added through additional green technology training (material reuse and recycling, lead, LEED, and environmental remediation); and advanced manufacturing (machine technology and welding).

Donnelly College is a private Catholic institution of higher education located in Kansas City, Kansas. The college offers bachelor's and Associates of Arts degree programs, including business, information technology and nursing.

Four-year public and not-for-profit higher education institutions serving the metro area include:

The University of Central Missouri main campus is located in Warrensburg, Missouri and hosts more than 11,000 students each year. The Summit Center in Lee's Summit, Missouri offers workforce development programs and helps individuals obtain their bachelor's or master's degree. The state-of-the-art UCM Summit Center provides evening classes complemented with online and interactive classes.

The University of Kansas Edwards is located in Overland Park, KS. Courses at the Edwards Campus earn the same credit as those taught on the main campus in Lawrence, Kan. with students earning KU degrees. They have a wide variety of graduate and undergraduate degree completion programs for students to choose from and provide late afternoon and evening classes to help students balance the responsibilities of work and family. The University of Kansas in Lawrence offers over 400 degree and certificate programs at five campuses with 28,500 students.

The University of Missouri–Kansas City is a public research university located in Kansas City, Missouri. It is a part of the University of Missouri System. The academic divisions of UMKC are the College of Arts and Sciences, the School of Education, the School of Nursing, the School of Management, the School of Medicine (one of six in Missouri), the School of Law (also one of only four in Missouri), the School of Computing and Engineering, the 78 School of Biological Sciences, the Conservatory of Music and Dance, the School of Dentistry, the School of Graduate Studies, and the School of Pharmacy.

Kansas State University is a three-campus system, and K-State Olathe, is the newest member of the family. complementing the main campus in Manhattan and the College of Technology and Aviation in Salina, the Olathe campus is the academic research presence within the Kansas Bioscience Park, leveraging K-State's broad capabilities and its many resources on the Manhattan campus.

Northwest Missouri University has a campus in Gladstone at the Northland CAPS building offering students the opportunity to complete degrees or advance their education.

Park University is a private non-profit university headquartered in Parkville, with over 60 online programs and 41 campus centers. Park offers degree programs in Accounting, Criminal Justice, Business, Social Work, Communication and Leadership, Psychology and Public Administration.

Avila University, a Catholic nonprofit university in south Kansas City, offers 60 undergraduate and 6 graduate programs.

Rockhurst University, a Jesuit institution established in Kansas City in 1910, offering a liberal arts curriculum. The university offers the School of Management and an Executive MBA program as well as masters and doctorate degrees in occupational and physical therapy, education and speech pathology.

Western Governor's University was established in 1997 to support affordable online learning by students in partnership with states. The WGU Missouri was established in 2013 through an agreement with the state of Missouri. The online programs provide affordable, accessible competency-based programs that address key workforce needs.

Baker University is a public nonprofit university in Baldwin City, Kansas, serving traditional and non-traditional students with degree programs in four schools – arts and sciences, nursing, education, and professional and graduate studies.

Lincoln University is a land grant public university established in 1866 to serve African American students. Today, the university offers undergraduate and graduate programs in nursing, education business, arts and sciences and agriculture, environment and human science.

University of Missouri – Columbia is a public research university established in 1839 and offering over 300 post-secondary degree programs with 90 online options through 19 colleges and universities. MU is one of only six public universities nationwide that can claim a medical school, veterinary medicine college, and a law school on the same campus.

WRAP-AROUND SERVICE SUPPORT FOR WORKFORCE DEVELOPMENT

There are many community organizations providing career coaching and wrap-around service support for those pursuing further training and education and for job seekers. Many also offer workforce training.

Those identified include:

Amethyst Place	Healing House
Avenue of Life	Jewish Vocational Service
Catholic Charities of Northeast Kansas	Made Men
Catholic Charities of Kansas City/St. Joseph	Metropolitan Crime Commission – Second Chance
Community Services League	Metropolitan Lutheran Ministry
Connections to Success	NCircle
Determination Inc	Swagg Inc.
El Centro	Welcome House KC
Guadalupe Centers	West Central Community Action Agency

APPENDIX C: NEW & EXISTING BUSINESSES WITH MAJOR OPERATIONS (Job Changes 2020-2029)

The Kansas City Area Development Council tracks companies moving into the region and many existing companies are continuing to expand. There are some changes and downsizing. The following charts track this detail.

Businesses that Opened Major Operations or Expanded Existing Operations in the Greater Kansas City Area					
Company	Type of Operation	Location	Jobs Created	Type of Action	Date
2024					
Americold	Temperature controlled warehousing	Kansas City, MO	167	Opening	2/13/24
Eastern Airlines	Cargo and charter airline (Hdq.)	Kansas City, MO	165	Opening	2/21/24
Edged Energy	Data Center	Kansas City, MO	14	Opening	3/15/24
Excellerate, a div. of Faith Technologies, Inc.	Energy experts in electrical planning, engineering, design and installation	Olathe, KS	400	Expansion	2/13/24
Google	Data center	Kansas City, MO	109	Opening	3/20/24
H&T PENA	Supplier to Panasonic (Do not put on reports or website)	De Soto, KS	180	Opening	3/4/24
HART, Inc.	Digital health (Hdq.)	Kansas City, MO	50	Opening	1/18/24
Honeywell Aerospace Electronic Systems	Aircraft comm. & nav. equip. mfg.	Olathe, KS	156	Expansion	2/2/24
LEADER Worldwide	Ground travel and logistics	Kansas City, MO	59	Expansion	1/30/24
RB Srl	Precision parts mfg.	Kansas City, MO	35	Opening	2/1/24
TAB Battery	Industrial battery assembly (Hdq.)	Liberty, MO	50	Opening	1/17/24
Yukon Real Estate	Cold food distribution	NewCentury, KS	143	Opening	5/13/2024
2023					
ACE Hardware	Distribution center	Kansas City, MO	350	Opening	6/22/23
Chick-fil-A Supply, LLC	Distribution center	Olathe, KS	63	Opening	3/14/23
Cnano Technology USA	Carbon nano tube mfg.	New Century, KS	112	Opening	6/9/23
DSM	Pet nutrition mfg.	Tonganoxie, KS	28	Opening	5/1/23
Felixvet	Pharmaceuticals mfg.	Kansas City, MO	10	Opening	7/11/23
Hillman Co.	Distribution center	Belton, MO	120	Opening	2/6/23
Marvin Windows	Building materials mfg.	Kansas City, KS	600	Opening	5/16/23
MoreFlavor, Inc.	Food distribution center	New Century, KS	84	Opening	9/18/23
Nuuly/URBN	Retail distribution center	Raymore, MO	750	Opening	1/17/23
Triump Foods	Foods processing (Hdq.)	St. Joseph, MO	88	Expansion	12/20/23
US Motor Works	After market auto parts distribution center	Liberty, MO	70	Opening	7/21/23
Veeva Systems	Pharmaceutical cloud computing technology	Kansas City, MO	124	Opening	2/21/23
Vertical Cold Storage	Cold storage facility	Kansas City, MO	67	Opening	1/23/23
Walmart	Beef packaging and distribution center	Olathe, KS	667	Opening	6/13/23
Western Governors University	Education	Kansas City, MO	23	Opening	5/21/23
2022					
Amazon	Sortation center	Liberty, MO	750	Opening	8/29/22
Boot Barn	Retail distribution center	Kansas City, MO	240	Opening	5/16/22
Catalent, Inc.	Pharmaceutical product dev. services	Kansas City, MO	50	Expansion	10/21/22
Clorox	Distribution	Olathe, KS	250	Opening	5/3/22
Ford Motor Company**	Motor vehicle mfg.	Claycomo, MO	1,100	Expansion	6/2/22
Garmin International, Inc.***	Global positioning systems mfg. (Hdq.)	Olathe, KS	Phase 1 – 900	Expansion	8/4/22
			Phase 2 – 600		
Home Depot	Retail distribution	Kansas City, MO	25	Opening	3/30/22
Mars Petcare	Pet food R&D and mfg.	Kansas City, MO	95	Expansion	7/27/22
Meta	Data Center	Kansas City, MO	100	Opening	3/24/22
Panasonic Energy Co., Ltd.	EV Battery mfg.	De Soto, KS	4,000	Opening	7/13/22
RLE International Group USA	Global engineering and design	Kansas City, MO	85	Opening	3/1/22
VetNova	Animal supplements distribution	Olathe, KS	2	Opening	2/23/22
Zoom	Tech and video communications	Overland Park, KS	50	Expansion	5/25/22

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Accelerate360	Retail magazines and consumer packaged goods order fulfillment center	Olathe, KS	167	Opening	3/12/21
ALPLA, Inc.	Plastics mfg.	Kansas City, MO	75	Opening	10/25/21
Amazon Air	eCommerce	Kansas City, MO	50	Opening	5/13/21
C2FO	Financial technology (Hdq.)	Leawood, KS	150	Expansion	6/2/21
Cereal Ingredients Inc.	Fruit analogs production	St. Joseph, MO	60	Opening	4/19/21
Charter Communications	Telecommunications call center	Overland Park, KS	510	Opening	11/19/21
Eastern Airlines	Retrofitting passenger planes to cargo haulers	Kansas City, MO	140	Opening	11/29/21
ePac	Flexible packaging mfg.	Lenexa, KS	40	Opening	10/8/21
Ford Motor Company*	Motor vehicle mfg.	Claycomo, MO	150	Expansion	1/4/21
National Fulfillment Services, LLC	Distribution services	Kansas City, MO	18	Opening	4/5/21
NetPMD Solutions	Network engineering, design, installation and integration services provider (Hdq.)	Overland Park, KS	131	Opening	11/5/21
Niagara Bottling Co.	Bottling mfg.	Kansas City, MO	92	Opening	6/28/21
Torch.AI	Large data analysis software	Leawood, KS	70	Expansion	3/17/21
TTEC	Shared service center	Overland Park, KS	450	Opening	5/13/21
Walgreens	Fulfillment and distribution center	Liberty, MO	200	Opening	11/22/21

2020

A Place for Mom	Shared Service Center	Overland Park, KS	600	Opening	1/14/20
BoxyCharm	Makeup products distribution	Belton, MO	250	Opening	10/5/20
CarMax	Customer experience center	Olathe, KS	150	Expansion	7/22/20
Chewy, Inc.	eCommerce	Belton, MO	1,200	Opening	7/21/20
CVS CareMark	Pharmaceutical customer service center	Lenexa, KS / Lee's Summit, MO	500	Expansion	10/19/20
CVS Health	Pharmaceutical fulfillment	Kansas City, MO	200	Expansion	7/29/20
Deluxe Corp.	Check printing and customer service	Lenexa, KS	100	Expansion	3/16/20
Dots Pretzels	Food mfg.	Edgerton, KS	22	Opening	6/9/20
FedEx	Delivery services	Kansas City, MO	300 / 300	Expansion	
GEICO	Auto insurance customer service center	Overland Park, KS	100	Expansion	6/10/20
Kenco Logistics Services	Third-party logistics	Liberty, MO	31	Opening	11/16/20
Loews Kansas City Hotel	Hotel	Kansas City, MO	350	Opening	2/19/20
Pretzel's, Inc.	Pretzel mfg.	Lawrence, KS	281	Opening	10/5/20
Spectrum	Cable tv contact center	Kansas City, MO	185	Expansion	2/21/20
Spring Venture Group	Insurance broker (Hdq.)	Kansas City, MO	300	Expansion	5/19/20
Thermo Fisher Scientific, Inc.	Microbiology media products mfg.	Lenexa, KS	300	Expansion	5/18/20
Tuthill	Pump mfg.	Lenexa, KS	68	Opening	6/11/20
UPS	Delivery service	Kansas City, MO	68	Expansion	8/25/20
Urban Outfitters	Omni-channel distribution center	Kansas City, KS	985	Opening	7/23/20
World Pantry	eCommerce	Kansas City, MO	20	Opening	7/16/20

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Businesses that Closed Major Operations or Reduced Existing Operations in the Greater Kansas City Area					
Company	Type of Operation	Location	Jobs Lost	Type of Action	Date
2024					
Student Transportation of America, Inc.	Bus transportation for students	Kansas City, MO	149	Closing	4/3/2024
Walmart Stores, Inc.	Retailer distribution center	Edgerton, KS	318	Closing	5/17/2024
2023					
AGI SureTrack LLC	Ag Tech	Leawood, KS	73	Downsizing	3/11/23
American Century Investments, Inc.	Mutual funds (Hdq.)	Kansas City, MO	30	Downsizing	6/26/23
Attane	Marketing agency specializing in senior living communities (Hdq.)	Kansas City, MO	73	Closing	7/25/23
AutoAlert	Automotive data mining (Hdq.)	Kansas City, MO	175	Downsizing	2022-2023
CHEP Services LLC***	Logistics supplier of pallets, crates and containers	Kansas City, MO	100	Closing	3/15/23
Centrinex	Call center management operation (Hdq.)	Lenexa, KS	114	Downsizing	2022-2023
Coleman Company	Retail distribution center	Gardner, KS	100	Closing	1Q 23
Compass Minerals International, Inc.	Salt production (Hdq.)	Overland Park, KS	48	Downsizing	5/1/23
Hallmark Cards, Inc.	Greeting card mfg. (Hdq.)	Kansas City, MO	38	Downsizing	3/28/23
HMSHost	Food and beverage operator	Kansas City, MO	170	Closing	2/27/23
Matheson Flight Extenders	Flight logistics	Kansas City, MO	40	Closing	12/6/23
NASB Financial Inc.**	Financial services	Kansas City, MO	85	Downsizing	1/12/23
Oracle Cerner***	Health care information systems	Kansas City, MO	??	Downsizing	3/23/23
PPC Flexible Packaging LLC	Packaging mfg.	Mission, KS	99	Downsizing	8/21/23
VVF Kansas Services LLC	Soap mfg.	Kansas City, KS	76	Closing	2/17/23
Yellow Corp.	Trucking company (Hdq.)	Overland Park, KS	990	Closing	7/31/23
2022					
Serta Simmons Bedding (SSB Manufacturing Company)	Mattress mfg.	Lenexa, KS	70	Closing	5/1/22
Smithfield Farmland Foods	Meat processing mfg.	Kansas City, KS	80	Closing	5/17/22
Spring Venture	Insurance broker (Hdq.)	Kansas City, MO	197	Downsizing	1/13/22
2021					
CEVA Logistics	Freight forwarding company	Liberty, MO	74	Downsizing	2/28/21
Graham Packaging Company	Packaging mfg.	North Kansas City, MO	67	Closing	7/31/21
H&R Block, Inc.	Tax preparation and financial services (Hdq.)	Kansas City, MO	90	Downsizing	6/10/21
Informa	Event digital platforms	Shawnee Mission, KS	60	Downsizing	1/7/21
Waddell & Reed Financial, Inc.*	Financial services (Hdq.)	Overland Park, KS	219	Downsizing	3/2/21
2020					
API Foils, Inc.	Metal foil and leaf mfg.	Lawrence, KS	90	Closing	2/10/20
Cerner Corporation	Healthcare information systems (World Hdq.)	Kansas City, MO	50	Downsizing	6/24/20
Exide Technologies	Industrial battery mfg.	Kansas City, KS	223	Closing	5/1/20
Ford Motor Co.*	Motor vehicle mfg.	Claycomo, MO	150	Downsizing	11/10/20
Gaming Partners International	Gaming equipment mfg.	Blue Springs, MO	112	Closing	5/26/20
Hallmark Cards, Inc.	Greeting card mfg. (Hdq.)	Kansas City, MO	325 / 125	Downsizing	1/6/20 / 7/29/20
Home Credit US LLC	Sprint credit card customer service center	Overland Park, KS	99	Downsizing	1/31/20
Hy-Vee	Fulfillment center	Kansas City, MO	583	Closing	5/6/20
JCPenney Logistics Center	Catalog fulfillment and store distribution center	Lenexa, KS	243	Downsizing	1/17/20
Kansas City Star	Newspaper printing and publishing	Kansas City, MO	124	Downsizing	11/11/20
Kmart Distribution Center	Retail	Lawrence, KS	111	Closing	1/30/20
Premier Surfaces	Counter top mfg.	Riverside, MO	175	Closing	1/8/20
T-Mobile	Telecommunications	Overland Park, KS	241 / 270 / 74	Downsizing	6/17/20 / 7/1/20 / 8/31/20

APPENDIX D: CEDS STRATEGY COMMITTEE

MARC engages chambers of commerce and economic development professionals representing business, civic, education, workforce and community perspectives in the Regional Workforce Intelligence Network (RWIN). EDA-supported work is shared with RWIN on a regular basis at its quarterly meetings. The CEDS Strategy Committee comprised of RWIN leadership provided oversight and guidance in the development of the 2024-2029 Comprehensive Economic Development Strategy.

2024 Strategy (CEDS) Committee Roster		
<i>Name</i>	<i>Organization</i>	<i>Position</i>
Cindy Brittain	Kansas City Area Development Council	Director, Research
Carolyn McKnight	University of Kansas Edwards	Sr. Dir., Community Engagement and Business Development
Janet McRae	Miami County, KS	Economic Development Director
Keely Schneider	Workforce Partnership	Executive Director/RWIN Co-Chair
Libbey Tucker	Overland Park Chamber of Commerce	Sr. VP, Economic Development
Lara Vermillion	Blue Springs Chamber of Commerce	President/RWIN Co-Chair
Irene Caudillo	Unified Govt. of Wyandotte County/Kansas City, KS	Chief of Staff to Mayor
Rohina Behrmann	Full Employment Council	Director, Employer Development and Special Projects
Melinda Mehaffy	Excelsior Springs, MO	Economic Development Director
Pedro Zamora	Hispanic Economic Development Council	Executive Director
Lorraine Moore	Riverside Chamber of Commerce	Executive Director
Jacob Bosch	Second Chance	Resource Specialist
Debbie Kirchoff	Kansas State University Olathe	Executive Director, Strategic Initiatives
Carolyn Yatsook	Kearney, MO	Economic Development Director
Miles Sandler	Ewing Marionn Kauffman Foundation	Director, Policy
Matt Pezold	University of Missouri Extension	Labor and Workforce Development Specialist
Maria Meyers	UMKC Innovation Center	Executive Director