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Director

Department of Transportation & Public Works

Dallas Streetcar Update

Transportation & Infrastructure Committee

May 18, 2026



Purpose

- Purpose of presentation is to provide an update on the Operations and Maintenance (O&M) study results and on other associated streetcar planning activities

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- Dallas Streetcar O&M Study
- Dallas Streetcar Planning Activities
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Dallas Streetcar O&M Study

Objectives of Dallas Streetcar O&M Study

Identify revenue opportunities to reduce General Fund reliance for Dallas Streetcar O&M for the existing operations and potential expansions.



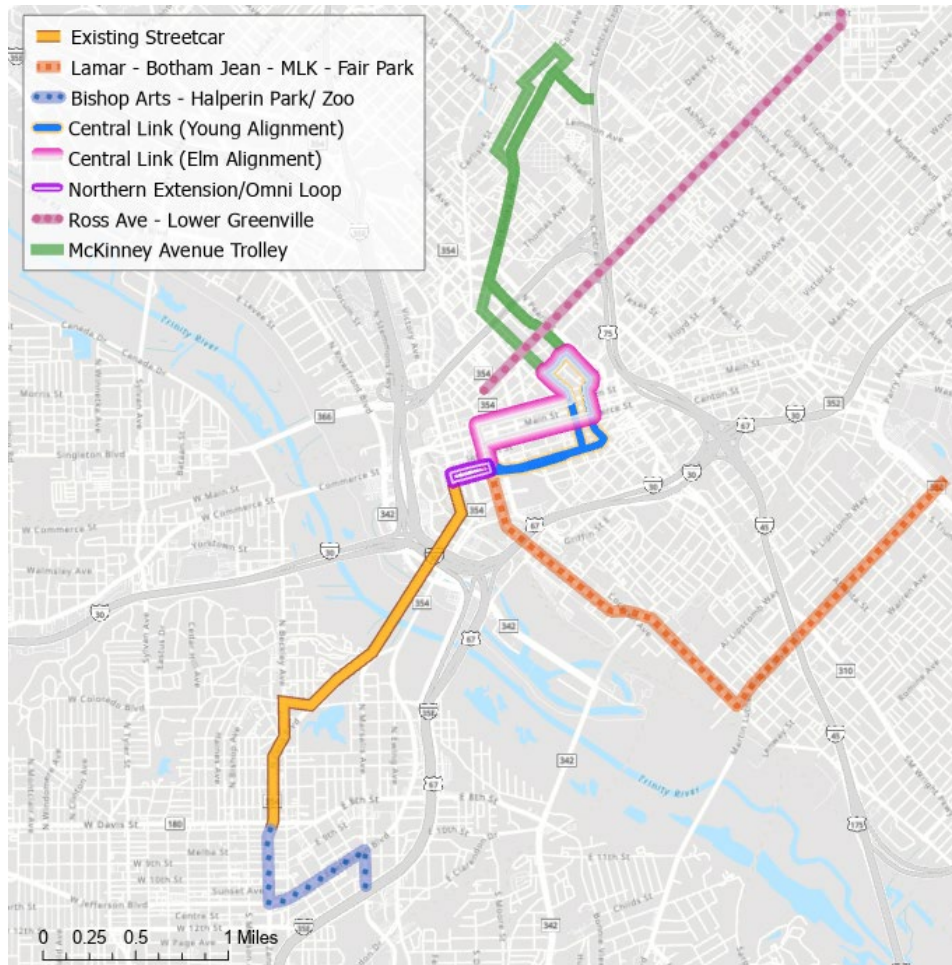


Dallas Streetcar O&M Funding Revenue Source Evaluation

How Dallas Compares to Peer Cities

City	Fares	General Fund	Sales Tax	Sponsorships/ Advertisement/ Naming Rights	Parking Fees/Benefit	Federal Formula Funds	Property Tax (or Related)	Charter Service	Hotel Occupancy Tax
Dallas Streetcar	●	●							
Dallas (M-Line)				●				●	
Kansas City			●		●		●		
Cincinnati				●		●		●	
Detroit				●					
Seattle	●		●			●	●		
Portland	●		●		●				
Atlanta	●		●						
Milwaukee				●			●		
Tucson			●						
Charlotte	●		●						
Washington DC		●							
Oklahoma City	●	●		●					
Little Rock		●		●				●	
El Paso			●	●		●			
Tempe	●	●	●						
Tampa				●			●		
Galveston	●					●			●

O&M Study Area and Cost Estimation



The O&M Study was conducted in two phases:

Phase one: Short-term recommendations for existing Dallas Streetcar.

Phase two: Evaluation of funding options for expanded system and/or longer-term implementation.

*McKinney Avenue Trolley alignment shown for connectivity, but not part of the scope of this study.

O&M Study Area and Cost Estimation

Route	Track Miles	VRM*	Low Range	Medium Range	High Range
Existing	4.9	69,122	\$3.3M	\$3.3M	\$3.3M
Central Link & Northern Extension/Omni Loop	4	38,789-138,500	\$1.5M - \$2.0M	\$6.5M-\$7.0M	\$7.8M-\$8.4M
Bishop Arts - Halperin Park/Zoo Area	2.9	33,973-67,000	\$1.5M - \$2.0M	\$3.0M-\$3.5M	\$3.6M-\$4.2M
Lamar - Botham Jean - MLK - Fair Park	6.9	97,335	\$4.5M - \$5.0M	\$4.5M-\$5.0M	\$5.4M-\$6.0M
Ross Ave - Lower Greenville	5.6	79,843-152,100	\$3.5M - \$4.0M	\$4.5M - \$5.0M	\$5.4M - \$6.0M
Total	24.3	524,057	\$11.0M - \$13.0M	\$21.8M - \$23.8M	\$25.5M - \$27.9M

*Vehicle Revenue Miles (VRM) estimate range based on service levels of existing streetcar at low end and 2020 DART Streetcar report at high end.

Funding Evaluation Approach



April/May 2025

Transportation & Infrastructure Committee Meeting and DDI Coordination; Draft Evaluation Phase I



October 2025

Stakeholder workshop for Phase II



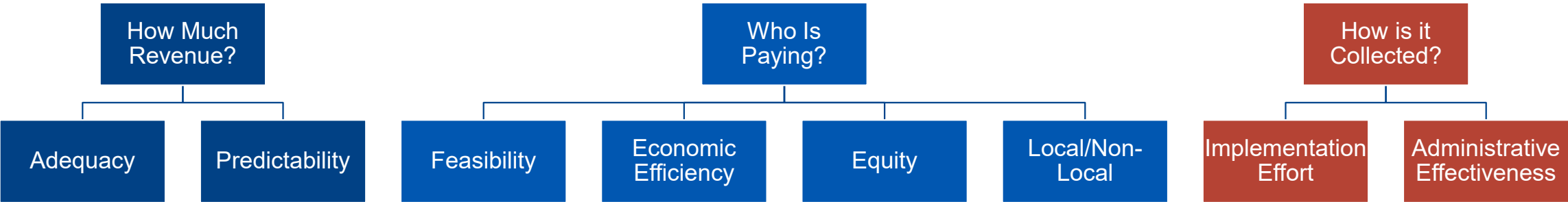
December 2025

Stakeholder workshop for Phase II



January 2026

Draft Evaluation Report Phase II



Funding Source Overview – Phase I Funding Sources Evaluated

Geography Based Funding Tools	Parking Benefit District (PBD)	Above Grade Joint Development	At-Grade Joint Development
	Transportation Utility Fees (TUF)	Public Improvement District (PID)	Property Tax Assessment
Commercial Partnerships	Advertisements/Naming Rights and Sponsorships		
Sales Tax	Sales Tax		
Other	Voluntary Special Collections	Federal FTA Formula Funds	
	Hotel/Motel Tax	Local Motor Vehicle Registration Fee	

Funding Evaluation Outcomes – Phase 1 Results

First phase: short-term recommendations for existing streetcar

MORE PROMISING

LESS PROMISING

Source/Criteria	How Much Revenue?		Who Is Paying?	How Is It Collected?
	Revenue Yield	Stability/ Leverage		
Advertisements	\$120,000	High	High	High
Naming Rights	\$300,000	High	High	High
Sponsorships	\$300,000	High	High	High
FTA Formula Funds	\$400,000	Low	Medium	High
Transportation Utility Fees (TUF)	\$2,200,000	High	Medium	High
Voluntary Special Collections	\$50,000	High	Medium	Medium
Public Improvement Districts (PID)	\$850,000	High	Medium	Low
Parking Fees	\$900,000	Low	High	High
At-Grade Joint Development	\$100,000	Low	High	High
Above-Grade Joint Development	\$250,000	High	Medium	Low
Hotel/Motel Taxes	\$85,000	High	Medium	Low
Local Motor Vehicle Registration Fee	\$1,000,000	Medium	Medium	Low
Property Tax Assessments	\$1,300,000	High	Medium	Medium
Local Option Sales Tax	\$1,800,000	High	Low	Medium

■ High
 ▲ Medium
 ● Low

Funding Source Overview – Phase II Funding Options Evaluated

Federal Sources	Federal Formula Funds (5337, 5307)	CMAQ	
Special District-Based Funding Tools	Tax Increment Financing (TIF)	Public Improvement Districts (PID)	Parking Benefit District (PBD)
	Voluntary Special Collections	Transportation Utility Fees	
Private Sector Revenue Sources	Advertisements	Sponsorship	Naming Rights
Direct Service Revenue	Farebox Revenues	Charter Services	
Other Suggested	Ticket Fees		

Funding Evaluation Outcomes – Phase II

Second phase: evaluation of funding options for expanded system and/or longer-term implementation.

Source/Criteria	How Much Revenue?					Stability/ Leverage	Who Is Paying?	How Is It Collected?
	Existing Streetcar	Central Link & Northern Extension/Omni Loop	Ross Ave – Lower Greenville	Bishop Arts – Halperin/Zoo Area	Lamar – Botham Jean – MLK – Fair Park			
FTA Formula Funds (5337, 5307)	\$380K	\$210K	\$440K	\$190K	\$530K	■	■	■
Transportation Utility Fees (TUF)	\$100K-\$400K	\$450K-\$1.9M	\$260K-\$1.2M	\$50K-\$250K	\$100K-\$400K	■	●	■
Parking Benefit District (PBD)	\$600K-\$2.9M	\$1.2K-\$5.6M*	\$1.0M-\$5.0M	\$300K-\$1.8M	\$900K-\$4.2M	▲	▲	▲
Ticket Fees	NA	\$300K-\$400K	\$3.0M-\$4.3M	\$600K	\$2.4M-\$3.6M	■	▲	▲
Digital Kiosks	\$380K-\$680K**					■	■	■
On Board Advertisements	\$50K-\$60K	\$75K-\$90K	\$75K-\$90K	NA	\$25K-\$90K	■	■	■
Sponsorship	\$80K-\$100K	\$160K-\$190K	\$180K-\$210K	\$30K-\$40K	\$60K-\$140K	■	■	■
Naming Rights	\$250K-\$850K**					▲	■	■
Dallas Tourism PID (DTPID)	NA	\$200K-\$500K		NA	NA	▲	▲	▲
Tax Increment Financing (TIF)	NA	\$1.4M-\$8.3M	\$400K-\$2.5M	\$500K-\$2.2M	\$300K-\$1.1M	■	▲	▲
Public Improvement Districts (PID)	\$800K-\$2.4M	\$800K-\$3.7M	\$1.2M-\$3.7M	NA***	\$80K-\$250K	▲	▲	▲
Congestion Mitigation and Air Quality Improvement Program (CMAQ)	NA	\$2.0M-\$4.0M	\$2.0M-\$4.0M	\$1.0M-\$2.0M	\$2.0M-\$4.0M	●	■	▲
Voluntary Special Collections	\$10K-\$20K	\$50K-\$80K	\$30K-\$50K	\$6K-\$10K	\$10K-\$20K	●	▲	▲
Charter Service	\$75K - \$200K**					●	■	●
Convention Center Contribution (Hotel Occupancy Tax)	\$350K-\$1.4M**					▲	▲	▲

More Promising

Less Promising

■ High ▲ Medium ● Low



Funding Source Evaluation Recommendations

City-Controlled Tools

- City General Fund
- FTA Sec. 5337 State of Good Repair
- Transportation Utility Fee
- Parking Benefit Districts
- Ticket Fees
- Advertising/Sponsorship/Naming Rights

Community-Driven Sources

- Tax Increment Financing (TIF)
- Public Improvement Districts (PIDs)
- Dallas Tourism PID

Recommended strategy is a package approach with multiple funding sources to enable a solid foundation to cover O&M costs of the Dallas Streetcar and its future expansions.

Planning Activities

Planning Activities - Halperin Park/Zoo Extension

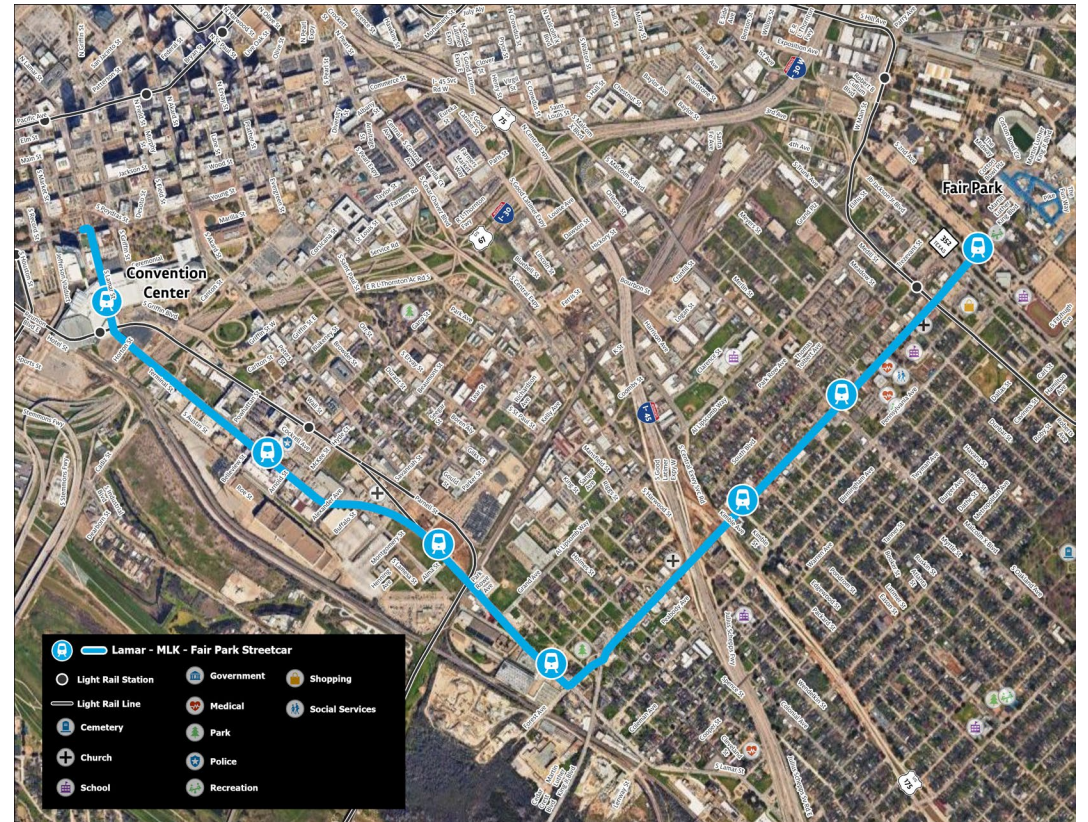
- As part of the City of Dallas' Oak Farm study in 2024/ 2025, a potential extension of the streetcar from Bishop Arts to the Halperin Park/Zoo area was evaluated.
- A draft alignment was prepared and presented during public meetings.

Planning Activities - Central Link and Greenville Ave Connection

- Potential extension of the streetcar through downtown
- Procurement of engineering consultant is currently underway
- Objective of this study is to:
 - Evaluate if the 2017 City Council adopted Locally Preferred Alternative (LPA) is still valid or if an alternate route is warranted
 - Identify potential options for interfacing with the McKinney Area Transit Authority (MATA)
 - Evaluate “Fatal Flaw” potential alignment to establish a connection to Ross Ave from Downtown to Greenville Ave
 - Develop a schematic level preliminary engineering plan

Planning Activities - Fair Park Link

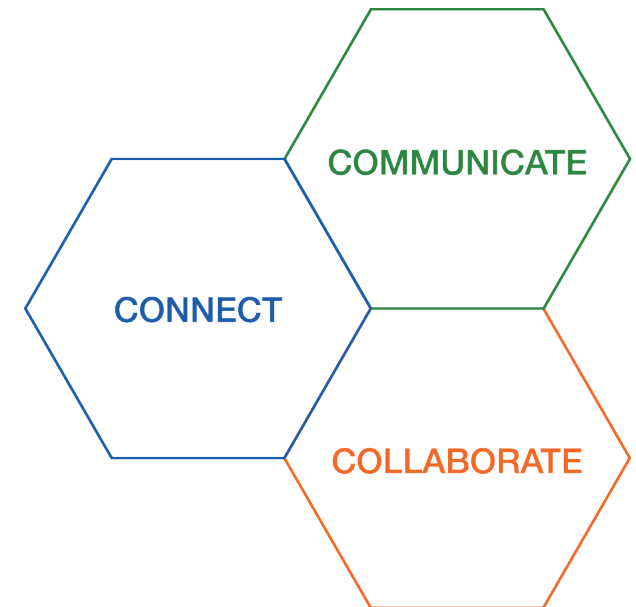
- Feasibility of a potential extension of streetcar from KBHCC to Fair Park
- Potential alignment is: Downtown/Lamar St – Botham Jean Boulevard – Martin Luther King Jr Boulevard - Fair Park
- High level “Fatal Flaw” study to evaluate feasibility/constraints
- Had a public meeting on 4/21/2026 with positive feedback



Next Steps

Next Steps

- Gather feedback about the O&M models that can be implemented based on short, medium, and long-term viability
- Finalize the O&M report for potential City Council adoption and implementation of some of the recommendations to reduce reliance on general funds
- Consideration to award the Central Link engineering consultant contract by City Council in August 2026





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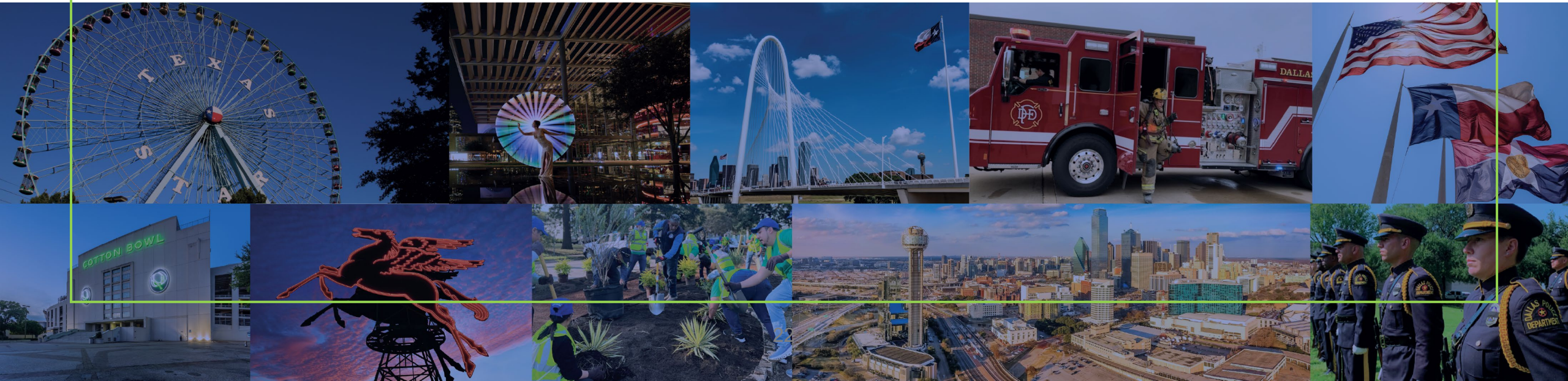
Director

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May 18, 2026



Appendix

Funding Source Overview

Candidate Funding Source		Short Description	Peer Agencies
Naming Rights/ Ads/Sponsorships	On Board Advertisements	Targeting public/private sponsors interested in promoting goods and/or services to riders.	<ul style="list-style-type: none"> Portland Little Rock Oklahoma City
	Naming Rights & Sponsorship	Rebranding certain assets under a sponsor's naming, for advertisement and visibility purposes.	<ul style="list-style-type: none"> Cincinnati Detroit McKinney Ave Milwaukee
	Digital Kiosks	Revenue collected from digital kiosks on the city's rights-of-way near the streetcar corridors.	<ul style="list-style-type: none"> n/a
Parking	Parking Benefit District	Establishing a parking benefit district (PBD) in areas with metered curbside parking (or adding metered parking), with the revenue generated from a PBD used for streetcar operations.	<ul style="list-style-type: none"> Kansas City Portland

Funding Source Overview

Candidate Funding Source		Short Description	Peer Agencies
Geography Based Funding Tools	Transportation Utility Fees (TUF)	Households/businesses located along the streetcar route would be billed a fee alongside utilities.	<ul style="list-style-type: none"> Austin roadway O&M
	Public Improvement District (PID)	City program allowing for property owners in an area to contribute with special property tax assessments for the provision of special services.	<ul style="list-style-type: none"> Milwaukee McKinney Ave
	Property Tax Assessment (e.g. Tax Increment Financing (TIF))	Mechanism through which future property tax revenue increases associated with proposed developments can be collected and used to fund the investment.	<ul style="list-style-type: none"> Cincinnati Kansas
	At-Grade Joint Development	Fees or royalties on future developments along the streetcar route, incorporated into existing permitting structures, reflecting the added real estate value from improved access and desirability.	<ul style="list-style-type: none"> Vancouver
	Above Grade Joint Development	Sale of city-owned building air rights along the streetcar route, with proceeds structured as multi-year payments to support operations and maintenance while capturing long-term land value gains.	<ul style="list-style-type: none"> Seattle

Funding Source Overview

Candidate Funding Source		Short Description	Peer Agencies
Federal Funds	Federal FTA Formula Funds (e.g. 5337, 5307, CMAQ)	Formula funds in several categories, in part based on Fixed Guideway miles for the service.	<ul style="list-style-type: none"> • Little Rock • El Paso
	Congestion Mitigation and Air Quality	Federal funding program for transportation projects that reduce congestion and improve air quality.	<ul style="list-style-type: none"> • Cincinnati • Kansas • Atlanta, etc...
Other	Local Motor Vehicle Registration Fee	Annual surcharge on locally registered vehicles, applied on top of existing state and county registration fees, generating a recurring revenue stream based on the number and mix of registered vehicles.	<ul style="list-style-type: none"> • Charlotte
	Local Option Sales Tax	Reallocation of existing local sales tax revenues to shift a portion of transit-designated funding toward streetcar operations while maintaining overall transit eligibility.	<ul style="list-style-type: none"> • Kansas • Seattle • Atlanta, etc...

Funding Source Overview

Candidate Funding Source		Short Description	Peer Agencies
Other	Dallas Tourism Improvement District	Participating hotels would contribute existing or increased assessments on room rental revenues to support the operations of the streetcar.	<ul style="list-style-type: none"> n/a
	Ticket Fees	Fees added to tickets for attractions and venues nearby the proposed streetcar route would generate revenue dedicated to streetcar operations	<ul style="list-style-type: none"> n/a
	Convention Center (Hotel Taxes)	The City of Dallas levies a 9% Hotel Occupancy Tax (HOT), more than 67% of which supports the Kay Bailey Hutchison Convention Center. As a potential mutual beneficiary, the convention center could voluntarily contribute to the operation and maintenance of the streetcar.	<ul style="list-style-type: none"> n/a
	Charter Service	Transit agency that rents streetcar or trolleys for private use, such as for special events and group travels, outside the normal schedule.	<ul style="list-style-type: none"> McKinney Ave Trolley Little Rock
	Voluntary Special Collections	Passengers or neighbors may contribute to the streetcar funding with voluntary donations.	<ul style="list-style-type: none"> McKinney Ave Trolley Detroit