

APPENDIX A

KCMO Comparative Analysis Research

Barriers to Business: Steps to Start a Restaurant in Kansas City, Missouri

Disclaimer: The numbers below are based on information and data current as of Fall 2023. Since then, processes as managed by Kansas City regulatory agencies may have been changed or updated, which could mean that certain details below are no longer fully accurate.

We assume:

- The restaurant is a limited liability company (LLC)
- It will have 40 seats and 8 employees
- Spatial dimensions:
 - 1,000 sq. ft. total
 - 600 sq. ft. for seating
 - 400 sq. ft. for kitchen/storage/preparation space
- The desired location is zoned commercial, and a restaurant is permitted by right
- A planned renovation involving structural interior changes of a space that was formerly a restaurant
- Permits needed:
 - Building permit for \$180,000 of work
 - Mechanical permit for \$25,000 of work
 - Electrical permit for \$25,000 of work
 - Plumbing permit for \$25,000 of work
 - Sign permit
 - No other miscellaneous permits

These estimations are based on industry standards for calculating the seating capacity of a restaurant as well as for valuing renovation projects on a per-square-foot basis.¹ Please note that the itemized lists below are not necessarily in chronological order nor are they required to be completed in a specified order.

¹ Sherman, F. (2019, Aug. 26). How to calculate seating capacity of a restaurant. *bizfluent*. <https://bizfluent.com/how-5707504-calculate-seating-capacity-restaurant.html>; Bean-Mellinger, B. (2020, July 14). How to calculate the seating capacity of a restaurant. *Chron.com*. <https://smallbusiness.chron.com/calculate-seating-capacity-restaurant-39808.html> ↑ [Back to Text] ; Natter, E. (2018, Oct. 30). What are the components of a restaurant floor plan? *Chron.com*. <https://smallbusiness.chron.com/components-restaurant-floor-plan-76876.html>

Total Cost: \$6,947.87—the total amount in fees for licenses and permits an applicant will have to pay to start a restaurant; see fee totals below.

Number of Fees: 16—the number of fees an applicant will have to pay to start a restaurant, according to the assumptions listed above; in some cases, these fees are estimations based on researchers' best understanding of agency regulations and fee schedules.

1. LLC Articles of Organization: \$50
2. Registration of Fictitious Name Form: \$7
3. Commercial Construction Permit Plan Review: \$1,499.50
4. Miscellaneous Renovation to Commercial Building Permit: \$2,585
5. Commercial General Plumbing Permit: \$415
6. Commercial General Mechanical Permit: \$415
7. Commercial General Electrical Permit: \$415
8. Wall Sign and projecting Signs Permit: \$141
9. Commercial Plan Check: \$207.50
10. Request to Obtain a Certificate of Occupancy: \$36
11. Business License Fee: \$378.87
12. Plan Review Audit Form: \$200
13. Food Establishment Permit & Inspection Fee: \$445
14. Missouri HACCP Training Course: \$50
15. Online Food Handler Course & Certificate: \$25
16. Online Food Manager Course & Certificate: \$78

Agencies Involved: 9—the number of agencies an applicant will likely have to interface with to start a restaurant.

1. Internal Revenue Service—oversees Employer Identification Numbers (EIN).
2. Missouri Secretary of State—oversees fictitious name and Articles of Organization registrations.
3. Missouri Department of Revenue—oversees tax accounts.
4. Missouri Department of Labor and Industrial Relations—oversees unemployment tax accounts.
5. KCMO Inspection Division of the Department of City Planning and Development—oversees inspections for permits.
6. KCMO Permits Division of the Department of City Planning and Development—oversees permit applications.
7. KCMO Fire Department—oversees fire safety inspections.
8. KCMO Department of Finance—oversees business licenses.

9. KCMO Health Department—oversees food establishment permit requirements and inspections.

In-Person Activities: 5—the minimum number of compliance activities an applicant will have to complete in person to start a restaurant.

1. Undergo permit inspection.
2. Undergo fire inspection.
3. Undergo health inspection.
4. Submit certificate of completion for an online food handler course to Kansas City Department of Health in person.
5. Submit certificate of completion for an online food manager training course to Kansas City Department of Health in person.

Number of Forms: 19—the number of forms and applications an applicant will have to complete to start a restaurant.

1. LLC Articles of Organization
2. EIN registration
3. Registration of Fictitious Name form
4. State Sales Tax Number Registration
5. Commercial Construction Permit Plan Review
6. Miscellaneous Renovation to Commercial Building Permit Application
7. Commercial General Plumbing Permit Application
8. Commercial General Mechanical Permit Application
9. Commercial General Electrical Permit Application
10. Electrical Service Permit Checklist
11. Wall Sign and Projecting Signs Permit Application
12. Zoning Clearance for Business License
13. Certificate of Occupancy Application
14. Business License Application
15. Plan Review Audit Form
16. Food Establishment Permit Application
17. Missouri HACCP Training Course
18. Online Food Handler Course
19. Online Food Manager Training Course

Number of Steps: 48—the total number of discrete steps an applicant will have to complete to start a restaurant; We identified documentation requirements using city instructions featured on guides and applications.

1. Verify business name availability.
2. Create a business service portal account.
3. Appoint a registered agent.
4. Submit Articles of Organization to form an LLC corporation.
5. Verify business fictitious (trade) name availability.
6. Register Fictitious Name.
7. Obtain EIN number.
8. Create a MyTax Missouri account.
9. Complete State Sales Tax Number registration (also known as Sales Tax License).
10. Register for an unemployment tax account.
11. Apply for the commercial construction permit plan review.
12. Submit with plan review, building plans.
13. Submit with plan review, construction specifications.
14. Submit with plan review, structural calculations.
15. Submit with plan review, soils report.
16. Submit with plan review, storm drainage studies or a letter addressing stormwater runoff prepared and sealed by the DPRC.
17. Submit with plan review, hydraulic calculations.
18. Submit with plan review, code analysis.
19. Submit with plan review, site plan.
20. Apply for a Miscellaneous Renovation to Commercial Building.
21. Apply for a Plumbing General – Commercial permit.
22. Submit with plumbing permit, plumbing riser plan/diagram.
23. Apply for a Mechanical General – Commercial.
24. Submit with mechanical permit, HVAC equipment specifications.
25. Apply for an Electrical General – Commercial permit.
26. Submit with electrical permit, line drawing of circuitry.
27. Submit with electrical permit, a completed Electrical Service Permit checklist.
28. Apply for a Wall Sign and Projecting Signs Permit.
29. Undergo a Commercial Plan check.
30. Schedule permit inspection.
31. Undergo permit inspection in person.
32. Verify commercial zoning.
33. Apply for Zoning Clearance for Business License.
34. Obtain Certificate of Occupancy.
35. Apply for a Business license.
36. Schedule a fire inspection by calling the Kansas City Fire Department and leaving a message or by going in-person to obtain a form.
37. Undergo a Fire Inspection in person.
38. Submit the Plan Review Audit Form.
39. Submit Food Establishment Permit Application.

40. Prepare HACCP Plan.
41. Complete the Missouri HACCP Training Course
42. Schedule a pre-opening Health inspection.
43. Undergo inspection in person.
44. Complete the Online Food Handler Course.
45. Bring certificate of completion in person to Kansas City Department of Health.
46. Complete the Online Food Manager Training Course.
47. Complete the Online Food Manager Training Exam.
48. Bring certificate of completion in person to Kansas City Department of Health.

Barriers to Business: Steps to Add a Liquor License to a Restaurant in Kansas City, Missouri

Disclaimer: The numbers below are based on information and data current as of Fall 2023. Since then, processes as managed by Kansas City regulatory agencies may have been changed or updated, which could mean that certain details below are no longer fully accurate.

We assume:

A fully permitted and operating restaurant wants to add on a liquor license.

- Limited Liability Company (LLC)
- 40 seats
- 8-10 employees
- Facility already zoned for use as a liquor establishment.

Total Cost: \$1,351.75—the total amount in fees for licenses and permits an applicant will have to pay to add a liquor license to a restaurant; see fee totals below.

Number of Fees: 8—the number of fees an applicant will have to pay to add a liquor license to a restaurant, according to the assumptions listed above; in some cases, these fees are estimations based on researchers' best understanding of agency regulations and fee schedules.

1. State Primary Retail by the Drink Application: \$300
2. Background Check per Person: \$15.00 + \$1.25 Processing Fee
3. County Application: \$150
4. Certificate of Good Standing: \$10
5. County License: \$300
6. KCMO Liquor License Application: \$450
7. Regulated Industries Coordinates Fee: \$100
8. KCMO Criminal Background Check per Person: \$25.50

Agencies Involved: 9—the number of agencies an applicant will likely have to interface with to add a liquor license to a restaurant.

1. Missouri Department of Public Safety Division of Alcohol and Tobacco Control—oversees primary retail liquor license permit applications.
2. Missouri State Highway Patrol Criminal Records Division—oversees state background checks.
3. Missouri Department of Revenue—oversees Missouri retail sales tax licenses.

4. Missouri Secretary of State—oversees voter registration records and certificates of good standing.
5. Jackson County Division of Licenses—oversees county licenses.
6. KCMO Department of Health—oversees city health inspections.
7. KCMO City Planning and Development Department—oversees zoning clearance requests.
8. KCMO Regulated Industries Division—oversees city liquor licenses.
9. KCMO Department of Finance—oversees tax clearance forms for applications.

In-Person Activities: 2—the minimum number of compliance activities an applicant will have to complete in person to add a liquor license to a restaurant.

1. Get primary retail application form notarized.
2. Get entrance coordinates identified.

Number of Forms: 10—the number of forms and applications an applicant will have to complete to add a liquor license to a restaurant.

1. Primary retail application.
2. Missouri Retail Sales Tax License application.
3. Certificate of No Tax Due.
4. Voter registration form.
5. Health inspection documentation.
6. Liquor license application.
7. Consultant consent form.
8. Managing officer appointment form.
9. Schedule P form.
10. Statement of tax clearance form.

Number of Steps: 25—the total number of discrete steps an applicant will have to complete to add a liquor license to a restaurant; We identified documentation requirements using city instructions featured on guides and applications.

1. Complete “Primary Retail Application.”
2. Get form notarized.
3. Submit naturalization certificate or passport if not born in US.
4. Create background check account.
5. Submit background check request.
6. Obtain Missouri Retail Sales Tax License.
7. Obtain Certificate of No Tax Due.
8. Submit proof of voter registration.
9. Submit recent photograph of the sole owner, each partner, or the managing officer (depending on the business structure).

10. Submit recent photograph of the building.
11. Obtain Certificate of Good Standing.
12. Submit completed health inspection documentation.
13. Submit application to county for premises already licensed by the state.
14. Obtain copy of zoning clearance.
15. Submit the city liquor license application.
16. With application, submit two coordinates identifying the center of the door.
17. With application, submit two recent photographs of the front of the premises.
18. With application, conduct an approved criminal background check.
19. With application, submit a diagram of the premises.
20. With application, submit Certificate of Good Standing.
21. With application, submit Managing Officer Appointment Form.
22. With application, submit two recent passport-style photos for the managing officer and anyone who owns more than 10% stock of the location and/or business.
23. With application, submit a schedule P form for the managing officer and anyone who owns more than 10 percent stock in the location or owns more than 10 percent of the business or from anyone who contributed money to the business.
24. With application, if not born in the United States, submit a passport, driver's license, or other proof of authorization to work in the United States for anyone with a greater than 10 percent stake in the company.
25. With application, submit a statement of tax clearance form.

An Additional Notable Barrier:

KCMO has many considerations and processes that affect a liquor license application but are not under the applicant's immediate control. For example, there is a "Density Study and Checklist" that an investigator must complete. There is also a ballot process in which eligible neighbors are sent a ballot by the Regulated Industries Division wherein they can vote to support or oppose the license. If the application fails the voting process twice, an application will need to be resubmitted. To avoid failing a second ballot, an applicant may need to spend significant time building goodwill within the community. The Fire Marshal also has an opportunity to object to the license. The final decision lies with Regulated Industries as to whether a license will be granted.

Barriers to Business: Steps to Start a Retail Establishment in Kansas City, Missouri

Disclaimer: The numbers below are based on information and data current as of Fall 2023. Since then, processes as managed by Kansas City regulatory agencies may have been changed or updated, which could mean that certain details below are no longer fully accurate.

We assume:

We are looking into the requirements of starting a standard retail establishment in Kansas City (ex., bookstore, clothing store, etc.).

- No alcohol sales or pharmacy
- No manufacturing
- No food preparation
- LLC
- 3-5 employees
- 1000 sq ft
 - Limited liability company
 - 2 employees
 - 1,000 sq. ft.
 - Desired location is not permitted by right, but doesn't need to be rezoned, either—instead, requires conditional approval.
 - The previous space was not a bookstore, but no structural changes or renovations are involved.
 - Permits needed:
 - Conditional use permit²
 - Sign permit
 - No other miscellaneous permits

Total Cost: \$749.29—the total amount in fees for licenses and permits an applicant will have to pay to start a retail establishment; see fee totals below.

Number of Fees: 6—the number of fees an applicant will have to pay to start a retail establishment, according to the assumptions listed above; in some cases, these fees are estimations based on researchers' best understanding of agency regulations and fee schedules.

1. LLC Articles of Organization: \$50
2. Registration of Fictitious Name Form: \$7
3. Wall Sign and Projecting Signs Permit: \$141

² For more information on how land-use regulations create additional barriers for entrepreneurs, see: Berliner, D. et al. (2020, Jan. 8). The land use labyrinth: Problems of land use regulation and the permitting process. Washington, D.C.: Regulatory Transparency Project of the Federalist Society. <https://regproject.org/wp-content/uploads/RTP-State-and-Local-Working-Group-Paper-Land-Use.pdf>

4. Zoning Board of Adjustment Property Video Filing Fee: \$174
5. Certificate of Occupancy Sunshine Request (if after 2018): \$36
6. Business License Fee: \$341.29

Agencies Involved: 9—the number of agencies an applicant will likely have to interface with to start a retail establishment.

1. Internal Revenue Service—oversees Employer Identification Numbers (EIN).
2. Missouri Secretary of State—oversees fictitious name and Articles of Organization registrations.
3. Missouri Department of Revenue—oversees tax accounts.
4. Missouri Department of Labor and Industrial Relations—oversees unemployment tax accounts.
5. KCMO Inspection Division of the Department of City Planning and Development—oversees inspections for permits.
6. KCMO Permits Division of the Department of City Planning and Development—oversees permit applications.
7. KCMO Department of Finance—oversees business licenses.
8. KCMO Board of Zoning Adjustment—oversees zoning variances.
9. KCMO Fire Department—oversees fire safety inspections.

In-Person Activities: 4—the minimum number of compliance activities an applicant will have to complete in-person to start a retail establishment.

1. Undergo permit inspection.
2. Attend Board of Zoning Adjustment public hearing.
3. Get affidavit authorizing an agent to act on behalf of the property owner notarized.
4. Undergo fire inspection.

Number of Forms: 7—the number of forms and applications an applicant will have to complete to start a retail establishment.

1. EIN Registration.
2. LLC Articles of Organization.
3. Registration of Fictitious Name Form.
4. States Sales Tax Number Registration.
5. Wall Sign and Projecting Signs Permit Application.
6. Zoning Variance Application.
7. Affidavit Authorizing Agent.
8. Certificate of Occupancy.
9. Business License Application.

Number of Steps: 25—the total number of discrete steps an applicant will have to complete to start a retail establishment; We identified documentation requirements using city instructions featured on guides and applications.

1. Verify business name availability.
2. Create a business service portal account.
3. Appoint a registered agent.

Submit Articles of Organization to form an LLC corporation.

Verify business fictitious (trade) name availability.

Register Fictitious Name.

4. Obtain EIN number.
5. Create a MyTax Missouri account.
6. Complete State Sales Tax Number registration (also known as Sales Tax License).
7. Register for an unemployment tax account.
8. Apply for a Wall Sign and Projecting Signs Permit.
9. Schedule permit inspection.
10. Undergo permit inspection.
11. Verify commercial zoning using KCMO's Parcel Viewer.
12. Complete pre-application counseling.
13. Apply for a zoning variance.
14. Complete application form.
15. Submit affidavit appointing an agent.
16. Submit twelve copies of a site plan.
17. Submit a video clip showing property.
18. Attend public hearing.
19. Obtain Certificate of Occupancy.
20. Apply for a Business license.
21. Schedule a fire inspection.
22. Undergo a Fire Inspection.

Barriers to Business: Steps to Start a Food Truck in Kansas City, Missouri

Disclaimer: The numbers below are based on information and data current as of Fall 2023. Since then, processes as managed by Kansas City regulatory agencies may have been changed or updated, which could mean that certain details below are no longer fully accurate.

We assume:

A typical food truck serving hot meals prepared on location using standard ingredients.

- Limited Liability Company (LLC)
- 1 food truck
- No existing brick-and-mortar location
- Will not serve alcohol
- 2-3 employees

Total Cost: \$1,188.40—the total amount in fees for licenses and permits an applicant will have to pay to start a food truck; see fee totals below.

Number of Fees: 9—the number of fees an applicant will have to pay to start a food truck, according to the assumptions listed above; in some cases, these fees are estimations based on researchers' best understanding of agency regulations and fee schedules.

1. LLC Articles of Organization: \$50
2. Registration of Fictitious Name Form: \$7
3. Pre-Opening Plan Review: \$320
4. Mobile Unit Fee: \$215
5. Business License Fee: \$213.40
6. Mobile Unit Food Permit Application Processing Fee: \$230
7. Missouri HACCP Training Course: \$50
8. Online Food Handler Course: \$25
9. Online Food Manager Training Course: \$78

Agencies Involved: 8—the number of agencies an applicant will likely have to interface with to start a food truck.

1. Internal Revenue Service—oversees Employer Identification Numbers (EIN).
2. Missouri Secretary of State—oversees fictitious name and Articles of Organization registrations.
3. Missouri Department of Revenue—oversees tax accounts.

4. Missouri Department of Labor and Industrial Relations—oversees unemployment tax accounts.
5. Jackson County Department of Environmental Health—oversees food permits.
6. Missouri Department of Health and Senior Services—oversees
7. Jackson County Assessment Department—oversees state and county business personal property declarations.
8. Kansas City Health Department—oversees mobile food permits.

In-Person Activities: 4—the minimum number of compliance activities an applicant will have to complete in person to start a food truck.

1. Undergo county health inspection.
2. Undergo city pre-opening health inspection.
3. Submit certificate of completion for an online food handler course to Kansas City Department of Health in person.
4. Submit certificate of completion for an online food manager training course to Kansas City Department of Health in person.

Number of Forms: 13—the number of forms and applications an applicant will have to complete to start a food truck.

1. LLC Certificate of Organization
2. Registration of Fictitious Name Form.
3. States Sales Tax Number Registration.
4. Pre-Opening Plan Review Form.
5. Priority Assessment Worksheet.
6. Commissary Agreement.
7. Food Permit Application.
8. State and County Business Personal Property Declaration Forms.
9. Mobile Unit Food Permit Application.
10. Missouri HACCP Training Course.
11. Online Food Handler Course.
12. Online Food Manager Course.
13. Food Employee Reporting Agreement.

Number of Steps: 29—the total number of discrete steps an applicant will have to complete to start a food truck; We identified documentation requirements using city instructions featured on guides and applications.

1. Verify business name availability.
2. Create a business service portal account.
3. Appoint a registered agent.

4. Submit Articles of Organization to form an LLC corporation.
5. Verify business fictitious (trade) name availability.
6. Register Fictitious Name.
7. Obtain EIN number.
8. Create a MyTax Missouri account.
9. Complete State Sales Tax Number registration (also known as Sales Tax License).
10. Register for an unemployment tax account.
11. File county pre-opening plan review form.
12. Complete priority assessment.
13. Obtain a brick-and-mortar commissary; complete form if renting and necessary permit applications if starting a new one.
14. Obtain a food permit.
15. Schedule health inspection.
16. Undergo inspection.
17. Complete state and county Business Personal Property Declaration forms.
18. Apply for a business license.
19. Submit Mobile Unit Food Permit Application 30 days before opening.
20. Prepare HACCP Plan.
21. Complete the Missouri HACCP Training Course.
22. Schedule a pre-opening health inspection.
23. Undergo inspection.
24. Complete the Online Food Handler Course.
25. Bring certificate of completion in person to Kansas City Department of Health.
26. Complete the Online Food Manager Training Course.
27. Complete the Online Food Manager Training Exam.
28. Bring certificate of completion in person to Kansas City Department of Health.
29. Have all employees fill out the Food Employee Reporting Agreement.

Additional Notable Barriers:

The KCMO [municipal code](#) defines where food trucks are permitted to operate:

(a) Street vending is prohibited at the following locations:

(1) In or upon any public street now or hereafter designated by the city council as a trafficway, boulevard or parkway, except as permitted by [section 50-454\(3\)](#).

(2) In or upon any public street, public sidewalk, public alley, or public way of the territory bounded by Brookside Boulevard and Ward Parkway on the south, Summit Street on the west, 45th Street on the north and Grand Avenue on the east, such streets being included.

(3) In or upon any public street, public sidewalk, public alley, or public way on or along 13th Street between the centerline of Broadway Boulevard and the centerline of Wyandotte Street, on or along 14th Street between the centerline of Broadway Boulevard and the centerline of Central Street, on or along the south side of 14th Street

between the centerline of Central Street and the centerline of Wyandotte Street, on or along the west side of Central Street between the centerline of 12th Street and the centerline of 13th Street, on or along Central Street between the centerline of 13th Street and the southernmost edge of the 14th Street right-of-way, and with the exception of mobile units, on or along the east side of Central Street between the centerline of 12th Street and the Auditorium Parking Garage entrance lanes.

(4) In or upon any public street, public sidewalk, public alley, public way, public building, public park, or other public place in the city bearing postings placed by the city indicating that street vending is prohibited.

(5) In or upon any public street, public sidewalk, public alley, public way, public building, public park, or other public place in the city where engaging in street vending would result in a violation of this Code.

(6) Within the Truman Sports Complex on the property, including all roads, parking lots, sidewalks, walkways or plazas, enclosed by the road known as Dubiner Circle, except for sales by any tenant of the Truman Sports Complex or its designee.

(7) In or upon any public street, public sidewalk, public alley or public way on or along the east side of Grand Boulevard between the centerline of Truman Road North Drive and the centerline of 13th Street and on or along the west side of Oak Street between the centerline of Truman Road North Drive and the centerline of 13th Street and on or along Truman Road North Drive and 13th Street between the centerline of Grand Boulevard and the centerline of Oak Street.