

KC STREETCAR -REQUEST FOR INFORMATION ON INNOVATIVE PROJECT DELIEVERY METHODS

FORMALLY SUBMITTED QUESTIONS AND RELATED RESPONSES 2.7.2018

Question 1: Since the City of Kansas City was the procuring entity for the original project, will the City serve as the procuring entity for the Project(s) or will the Partnership play that role?

Answer: No decisions have been made if or when there will be an additional procurement or who will be the procuring entity.

Question 2: What is the status of any feasibility studies and permitting processes for the Main Street Extension?

Answer: The general technical feasibility for the Main Street Extension has already been determined. There is a study underway to further define project alignment assumptions, station stop locations, utility coordination needs, and updated cost estimates which is scheduled to be completed in May 2018.

Question 3: The RFI states that alternative delivery may assist the Partnership in putting together the financing for the Project(s). Can the Partnership describe the overall goal and objectives they wish to reach using an alternative delivery method?

Answer: The objectives in using an alternative delivery and/or private financing option are as follows:

1. Develop a financially viable plan for streetcar expansion
2. Lower the cost of streetcar expansion
3. Expedite and shorten the schedule to revenue service

Question 4: Is the Partnership satisfied with the current maintenance, operation, and appearance of the system? Are you looking to derive operating improvements from the system by using alternative delivery?

Answer: The current streetcar operation is a model of success for the rest of the country. There is no explicit objective related to operational improvements embedded in this RFI however the Partnership would be interested in information related to opportunities for operational improvements, efficiencies, and long-term cost controls.

Question 5: The RFI indicates that the City contributes \$2.039 million annually to the TDD. Is the annual supplement of funding necessary and what is the purpose of the supplement?

Answer: The City’s current annual contribution to the streetcar fund is used, in addition to TDD revenues, to support overall financial obligations related to existing debt service payments on the starter-line and annual operations and maintenance expense.

Question 6: Is additional debt issuance a possibility or are there constraints on debt issuance for the streetcar system?

Answer: Additional debt issuance is a possibility however alternative debt sponsors (Kansas City Area Transportation Authority, or private partners) will be evaluated as alternatives to City-backed debt.

Question 7: Please comment on Kansas City Streetcar Transportation District (TDD) financial performance since inception. Specifically, how has TDD revenue performed relative to the original forecast. If possible, please provide historic data broken out by category i.e. (i) retail sales tax (ii) special assessments on real property (iii) special assessments on paid public surface parking lots (iv) City contributions from the 0.5% transportation sales tax.

Answer: Below is the annual revenues for the Kansas City Streetcar Transportation District (TDD) by category since inception. Revenue growth has significantly exceeded original forecasts. New estimates are now being formed for estimation of initial revenues resulting from the expanded TDD that has been formed to support streetcar expansion. Initial forecasts of the expanded districted estimated \$24m in annual revenues starting in 2018.

Kansas City Downtown Streetcar TDD					
	FY2014	FY2015	FY2016	FY2017	*FY2018
Sales tax	4,059,710	4,872,144	5,529,643	5,690,893	5,700,000
Special Assessments	3,189,809	3,270,937	3,324,934	3,663,400	3,700,000
Surface Pay Parking lots	196,964	159,003	159,165	89,407	136,000
City Contribution	2,039,000	2,039,000	2,039,000	2,039,000	2,039,000
Total	9,485,483	10,341,084	11,052,742	11,482,700	11,575,000
* Estimated through April 30, 2018		Source KCMO Finance Dept			