



Office of the City Manager

29th Floor, City Hall
414 East 12th Street
Kansas City, Missouri 64106

(816) 513-1408
Fax: (816) 513-1363

August 23, 2019

Ms. Felicia James
FTA, Associate Administrator for Planning and Environment
United State Department of Transportation – East Building
1200 New Jersey Avenue, SE
Washington, D.C. 20590

RE: Kansas City Streetcar Main Street Extension Project – Submittal of Section 5309 New Starts Project Justification Rating and Financial Rating Materials

Dear Ms. James:

The City of Kansas City, Missouri (KCMO), and our local partners, the Kansas City Area Transportation Authority (KCATA) and Kansas City Streetcar Authority (KCSA), are pleased to submit this letter and attached Section 5309 New Starts Project Justification Rating materials for the Main Street Extension Project (hereafter the Project) for consideration of a funding recommendation in the President's FY 2021 budget as per the Federal Transit Administration's (FTA) published *FY 21 Reporting Instructions* and *Final Capital Investment Grant Interim Policy Guidance (2016)*. The FTA's review and subsequent rating of the Project will help achieve progress towards securing a federal partnership, helping to accelerate delivery of this important project for KCMO, our partners, and the greater Kansas City metropolitan region.

The Project first submitted project justification and financial rating materials in September 2018, and the materials accompanying this letter reflect updates to those initial materials, and the updates to the rating templates and Standard Cost Category (SCC) Workbooks issued by FTA earlier. The Project has substantially completed Project Development activities, including completion of the environmental review process with receipt of a signed FONSI received on May 31, 2019. Local community and financial support, including committing 100 percent of the local funding match necessary for the Project, has demonstrated by the actions taken by KCMO voters to approve the extension of the Transportation Development District (TDD) and the adoption of a municipal ordinance by the City Council committing to the full local match obligation.

In the year since our previous submittal, KCMO has made significant strides in the establishment of policies and programs to promote affordable housing within the city and the project corridor. Additionally, KCMO is actively working with several project stakeholders along the alignment such to engage local organizations as part of the Project's planning and design effort. The requested project rating is required for our future request for Entry into Engineering.

The reporting materials accompanying this letter include the following:

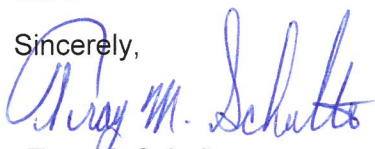
- New Starts Templates 1 and 2 (Word and Excel Documents): The FY 21 New Starts Project Justification Rating Templates have been completed to include information on the Project, detailed discussions on existing and future land uses, and economic development potential.
- Project Narrative (Word Document): This document provides a brief overview of the LPA's definition, identifying the alignment, station locations, and general operational characteristics.
- Standard Cost Category (SCC) Workbook (Excel Workbook): The SCC Workbook provides detailed project cost information in current and Year of Expenditure (YOE) dollars to provide an accurate estimate of Project costs for design, construction, vehicles, and administrative aspects of the Project, including necessary contingencies.
- Project Map (PDF Document): A map of the proposed project alignment and station locations.
- Financial Plan (PDF Document): A Project Financial Plan is attached outlining the Annual Cash Flow Model, 20-Year Cash Flow Model, and relevant citations to the Project adopted in statute as part of the fiscally-constrained Regional Transportation Plan (RTP) and the Transportation Improvement Program (TIP).
- Local Financial Commitment Checklist (Word Document): The checklist at the back of Template 2 has been completed.

KCMO is proud to resubmit this information to the FTA for evaluation and rating under the New Starts Project Justification and Local Financial Commitment criteria. Through this letter, KCMO and our project partners attest that the technical approaches and assumptions used to prepare the New Starts submittal items are consistent with FTA's *FY 21 Reporting Instructions* and *Final Capital Investment Grant Interim Policy Guidance*. A list of all New Starts annual reporting items submitted with this letter is provided in Attachment A.

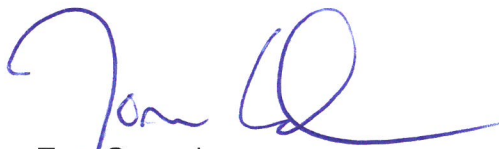
If you have any questions or a desire to discuss the proposed Project in greater detail, please contact Tom Gerend at (816) 627-2525 or tgerend@kcstreetcar.org. We are available to provide any additional information and answer any questions needed to facilitate the review of the accompanying materials.

We look forward to continuing our strong partnership with you, your staff, and FTA Region VII staff.

Sincerely,



Troy M. Schulte
City Manager
City of Kansas City, Missouri



Tom Gerend
Executive Director
Kansas City Streetcar Authority

CC: Mokhtee Ahmad, FTA Administrator, Region VII
Jason Waldron, Associate Director of Multimodal Transportation, KCMO
Sherri McIntyre, Director of Public Works, KCMO
Ralph Davis, Deputy Director of Public Works, KCMO
Dick Jerrold, VP Regional Planning and Development, KCATA
Chuck Ferguson, Chief Planning Officer, KCATA
Keith Sanders, Chief Engineer, KCATA
Karen Clawson, Senior Transportation Planner

Project accomplishments following 2018 New Starts Project Justification Rating submittal:

Accomplishments	
Completion of the environmental review process	Received a signed FONSI received on May 31, 2019
Completion of Preliminary Engineering	30% design level for mainline & maintenance facility completed Aug, 2019. The completed 30% design has informed the revised project cost estimate, integrated project schedule, and has been reviewed for the project cost and schedule risk assessment, value engineering and constructability.
Completion of Preliminary Geotechnical Report	Field investigations and Preliminary Report completed Aug, 2019
Utility Coordination with Public & 3rd Party Utilities	30% guideway alignment and stop locations provided to public (water, sanitary & storm sewer) and 3 rd party utilities for coordination of relocations. Clearance of VMF expansion designs with major utilities (overhead transmission line and underground steam line)
Three Party Governance Agreement	Execution of the project governance agreement between KCMO, KCSA & KCATA
Secured all non-CIG funding	Transition agreement to activate the Main Street Extension TDD executed, City Council approval of ordinance authorizing issuance of up to \$185M in special obligation bonds. See Section 1.1 of Financial Plan for additional information.
Revised the operations and maintenance costs	Updated project financials to include revised operations and maintenance costs. See Section 3.0 of Financial Plan for additional information.
Included finance charges in SCC Workbook	Finance charges including issuance costs and annual interest payment through the end of construction have been included in the SCC Workbook.
Included northern extension in Financial Plan	The northern extension project does not have an adopted implementation schedule and the sources of capital and operating funding would be different than the existing and planned sources for the existing streetcar line and the Streetcar Extension Project. As a result, the project is not included in the Financial Plan.
Demonstrate capacity to cover 10% shortfall	The Financial Plan contains details on the project sponsors ability to fund a 10% increase in in the Project's capital costs through a combination of remaining debt capacity from the City Council's approval to issue up to \$185 million in special obligation bonds and reserve funds. See Section 1.1 of the Financial Plan for additional information.
Adoption of Affordable Housing ordinances	KCMO has adopted several ordinances focused on increasing the supply and quality of affordable housing. See Section 5 of Template 2 for additional information.