

ORDINANCE NO. 250655, AS AMENDED

Approving the application of FC Parade Park, LLC, for a loan from the Kansas City Brownfields Revolving Loan Fund in an amount not to exceed \$2,541,318.00; conditionally approving the same loan to the Port Authority of Kansas City, Missouri in place of FC Parade Park, LLC; conditionally approving a discount of loan principal not to exceed \$500,000.00; and authorizing the Director of City Planning and Development to execute the necessary loan documents and authorizing further acts.

WHEREAS, a Brownfields Revolving Loan Fund (RLF) Program has been established by the City of Kansas City, Missouri (the "City"), and the U.S. Environmental Protection Agency (EPA) has awarded Brownfields RLF grant funds to the City in the amount of \$10,400,000.00, and the City has entered into federal cooperative agreement No. 4B-97798101 with EPA (the "EPA Cooperative Agreement"); and

WHEREAS, on January 17, 2025, the Kansas City Brownfields Commission (the "Commission") received the application of FC Parade Park, LLC ("Borrower") to the Kansas City RLF Program for a loan in the amount of \$2,260,150.00 to abate asbestos-containing materials (ACM) and other hazardous substances and perform other related work necessary for the abatement and demolition of structures at the Parade Park Homes site, consisting of eight parcels with a total area of approximately 26 acres located at 1501, 1534, 1600 and 1726 Euclid Avenue; 1510, 1519 Garfield Avenue; 1601 Woodland Avenue; and 1700 Michigan Avenue, Kansas City, Missouri (the "Parade Park Site") (collectively, the "RLF Loan"); and

WHEREAS, FC Parade Park, LLC, has diligently pursued plans and financing for the redevelopment of Parade Park Site, has planned a redevelopment project in three phases with an estimated value of approximately \$400 million, and has secured commitments, tentative commitments and approvals for federal, state and local tax credits, grants and incentives, and private equity and financing for Development Phase I in a total amount of approximately \$147 million; and

WHEREAS, on January 30, 2025, the Commission adopted Resolution 001-025 thereby recommending to the City Council approval of the loan application of FC Parade Park, LLC in the amount of up to \$2,260,150.00 subject to certain preconditions; approval of the same loan to the Port Authority of Kansas City, Missouri ("PortKC") in place of FC Parade Park, LLC; and a discount of loan principal not to exceed \$500,000.00; and

WHEREAS, due to fires at the Parade Park Site, remediation costs have increased by \$281,168.00 since FC Parade Park LLC submitted its application to the Commission; and

WHEREAS, Precondition No. 1 that EPA modifies the EPA Cooperative Agreement to award an additional \$3,500,000.00, as announced in May 2024, was satisfied by Modification No. 2 to the EPA Cooperative Agreement issued by EPA on July 7, 2025; and

WHEREAS, Precondition No. 2 that the City prepare a determination that the requirements for borrower eligibility and site eligibility under the EPA Cooperative Agreement are met and that

EPA concurs in such determination has been partially satisfied by a determination prepared by the City, and EPA's concurrence will be confirmed prior to execution of the Loan Agreement and related documents; and

WHEREAS, Precondition No. 3 that an Analysis of Brownfields Cleanup Alternatives ("ABCA") for the remediation project is prepared and made available to the public for comment during a period of not less than 30 days was satisfied according to documents Borrower provided to the City dated 7/23/25; and

WHEREAS, Precondition No. 4 that Borrower provides an appraisal of the subject properties prepared by a real estate appraiser licensed by the State of Missouri and in accordance with applicable industry standards, to the satisfaction of the City's loan underwriter will be confirmed by the City prior to execution of the Loan Agreement and related documents; and

WHEREAS, Precondition No. 5 that Borrower furnishes evidence of an approved permanent debt loan for the project in an amount of no less than \$16.9 million, to the satisfaction of the City's loan underwriter will be confirmed by the City prior to execution of the Loan Agreement and related documents; and

WHEREAS, Precondition No. 6 that Borrower agrees to provide City a Second Deed of Trust on the Subject Properties as loan collateral to the satisfaction of the City's loan underwriter will be satisfied prior to execution of the Loan Agreement and related documents; and

WHEREAS, Precondition No. 7 that the City's loan underwriter delivers a report to the City with a determination that the loan is not inconsistent with commonly accepted prudent lending practices applicable to community development financing products and does not pose an unacceptable financial risk to the City or the RLF Program which will be satisfied prior to execution of the Loan Agreement and related documents; and

WHEREAS, Borrower estimates the costs to abate ACM and other hazardous substances during demolition and removal of existing structures on the Parade Park Site at approximately \$2,260,150.00; and

WHEREAS, there currently remains approximately \$10,212,245.85 available for loans in the RLF grant account and RLF Program Income account; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. Subject to the satisfaction of unmet preconditions 2, 4, 5 and 6 to Commission Resolution 001-025, the actions described in Sections 2, 3 and 4 are approved.

Section 2. In accordance with Section 1, the application of FC Parade Park, LLC, for a loan from the City in an amount not to exceed \$2,541,318.00 is hereby approved and funded from funds previously appropriated in the following accounts:

26-2550-645021-B-G64BRLFPI	RLF Program Income	\$1,100,000.00
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26-2550-645020-B-G64SBRLF	The Kansas City Supplemental RLF	\$1,441,318.00
	TOTAL	\$2,541,318.00

Section 3. In the event the Parade Park Site properties are transferred to the Port Authority of Kansas City, Missouri (PortKC) at any time prior to the start of remediation activities, that PortKC be approved to receive the RLF Loan as the Borrower, or assume an assignment of the RLF Loan as Borrower from FC Parade Park LLC, provided the following conditions are met:

- 1) PortKC acquires fee simple title to all Parade Park Site properties in compliance with the EPA Rule on All Appropriate Inquiries (40 CFR Part 300);
- 2) All the conditions of Section B are met with respect to PortKC as the Borrower of the RLF Loan; and
- 3) PortKC executes a loan agreement with City, or an instrument assigning to PortKC the RLF Loan, and related documents as appropriate and necessary.

Section 4. In the event PortKC becomes the Borrower of the RLF Loan pursuant to Section 3, that the loan agreement contain a provision allowing up to \$500,000.00 of the loan principal to be forgiven subject to the following conditions:

- 1) At least \$1 million of loan funds are disbursed to Borrower for eligible costs incurred in the implementation of a remediation action plan ("RAP") approved by the Missouri Brownfields Voluntary Cleanup Program ("BVCP");
- 2) Borrower completes implementation of the approved RAP and the BVCP issues a Certificate of Completion or similar document declaring the proper completion of site remediation activities and that "no further action" is necessary; and
- 3) No other loan discount or subgrant funding is provided by the RLF for cleanup activities at the Parade Park Site.

Section 5. In accordance with Sections 1 and 3, the Director of the City Planning and Development Department is authorized to execute with FC Parade Park LLC and/or PortKC the necessary loan documents to memorialize, issue and secure the Loan, all in accordance with the terms and conditions of the EPA Cooperative Agreement. A copy of the loan documents, approved in substantial form, is on file with the City Planning and Development Department.

Section 6. In accordance with Sections 1 and 3, the Director of City Planning and Development is authorized to take such necessary further acts related to the loan documents, all consistent with this ordinance.

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise

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unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.



William Choi
Interim Director of Finance

Approved as to form:



Abigail Judah
Assistant City Attorney



Authenticated as Passed



Quinton Lucas, Mayor

Marilyn Sanders, City Clerk

AUG 21 2025

Date Passed