



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250473

Submitted Department/Preparer: City Planning

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Estimating revenue from program income generated by the Kansas City Brownfields Revolving Loan Fund (RLF) program in the amount of \$1,552,755.95; appropriating funds in the same amount; and designating requisitioning authority.

Discussion

The City has received grants from the U.S. Environmental Protection Agency (EPA) to create a Brownfields Revolving Loan Fund (RLF) to finance the cleanup of hazardous substances at eligible sites. The Kansas City RLF has issued several loans, and has collected program income from the repayment of some of these loans in the form of principal, interest, and related fees. Program income is maintained in a cash-restricted account and may only be used in accordance with an EPA Closeout Agreement. The agreement limits program income use to environmental assessment, cleanup and related activities on eligible Brownfield sites, and loans and subgrants for similar purposes.

Program income is currently needed to fund several projects, including a loan for Historic Northeast Lofts (HNEL) (approved by Ord. 241051), a loan for Parade Park Homes (Brownfields Commission Res. 001-2025), and a subgrant for Unity Campus (Brownfields Commission Res. 002-2025). Program income is also needed for services and activities related to these RLF awards and operating costs. The total amount of the uses for program income is approximately \$1,552,755.95. The program income account currently has a balance of approximately \$1,911,054.09.

In addition, the EPA Closeout Agreement requires EPA to assess by September 30, 2025, and annually thereafter, whether the City has effectively used its program income in accordance with the agreement if unspent program income exceeds \$500,000.00. EPA may revoke the agreement and require repayment of all unspent program income if it finds that the City has not deployed it in a timely manner. This ordinance will appropriate funds in the amount of \$1,552,755.95 for

the benefit of current, eligible projects and activities, and enable the reduction of unspent program income to approximately \$358,298.14, below the \$500,000 agreement threshold.

Fiscal Impact

1. Is this legislation included in the adopted budget? ☐ Yes ☒ No
2. What is the funding source?
Brownfields Revolving Loan 26-2550-640001-458120 (Program Income Account); 26-2550-640001-460000 (Interest on Investments)
3. How does the legislation affect the current fiscal year?
All funds in an amount not to exceed \$1,552,755.95 will be estimated as revenue from the above-referenced program income and interest on investment accounts and appropriated to the brownfields appropriated program income account for use towards specified Brownfield project loans and subgrants, and related activities. It is anticipated that the loans and subgrants will be closed and funds encumbered in the current fiscal year by April 30, 2026.
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
The appropriation of program income supports the HNEL and Parade Park loans which will generate additional program income to be collected in future fiscal years.
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
The appropriated program income will leverage the HNEL project (\$180,000,000), Parade Park Homes project (\$352,865,996) and Unity Campus project (\$87,050,000).

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. ☐ Yes ☒ No
2. This fund has a structural imbalance. ☐ Yes ☒ No
3. Account string has been verified/confirmed. ☒ Yes ☐ No

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?
Housing and Healthy Communities (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - ☐ Utilize planning approaches in neighborhoods to reduce blight, ensure sustainable housing, and improve resident wellbeing and cultural diversity.
 - ☒ Maintain and increase affordable housing supply to meet the demands of a diverse population.
 - ☒ Address the various needs of the City's most vulnerable population by working to reduce disparities.
 - ☐ Foster an inclusive environment and regional approach to spur innovative solutions to housing challenges.
 - ☐ Ensure all residents have safe, accessible, quality housing by reducing barriers.
 - ☒ Protect and promote healthy, active amenities such as parks and trails, play spaces, and green spaces.

Prior Legislation

Ord. 220630.

Service Level Impacts

The program income estimated and appropriated by this ordinance will support projects that produce an estimated 683,000 square feet of remediated building space, remediate an additional estimated 230,000 square feet of dilapidated housing for demolition, and support construction of approximately 1,554 total new housing units of which approximately 51% or more will be affordable to families making 30% to 80% of area media income.

Other Impacts

1. What will be the potential health impacts to any affected groups?
Vulnerable populations, environmental justice communities, and current and future residents living or working on or near the HNEL, Parade Park and Unity Campus projects will benefit from the cleanup activities supported with the program income estimated and appropriated by this ordinance.

2. How have those groups been engaged and involved in the development of this ordinance?

Stakeholders, including non-profits, neighborhood organizations, and interested residents were or will be informed and invited to provide input concerning remediation activities each of the three above-mentioned projects through local newspaper advertisements, and through other public meetings of the Kansas City Brownfields Initiative and the Kansas City Brownfields Commission.

3. How does this legislation contribute to a sustainable Kansas City?

The RLF loans and subgrants help cleanup and reuse vacant, idle and blighted property, and reuse and improve existing infrastructure. Reuse of the HNEL property (former Hardesty Federal Complex), Parade Park Homes property, and the Unity Campus property (former Wendell Phillips Elementary) helps the City make more efficient use of its existing investments, increase density, promote public transit, reduce vehicle miles traveled and related carbon emissions, and reduce the overall cost of providing services to residents. Moreover, cleanup and redevelopment of these sites enhances environmental quality, helps to address social inequity and environmental justice issues, and contributes to the economic vitality of the old northeast neighborhoods and the City overall.

4. Does this legislation create or preserve new housing units?

Yes (Press tab after selecting)

Total Number of Units The projects supported by program income estimated and appropriated by this ordinance will support construction of approximately 1,554 total housing units of which approximately 51% or more will be affordable.

Number of Affordable Units Approximatley 789

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

Please provide reasoning why not:

[Click or tap here to enter text.](#)

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?
No(Press tab after selecting)