EDC EPA Brownfield RLF Loan Program - Narrative Information Sheet

Applicant Identification
Economic Development Corporation of Kansas City Missouri, applying as EDC Strategic Initiatives Fund
300 Wyandotte, Suite 400
Kansas City, MO 64105

Funding Requested
$1,000,000 by EDC Strategic Initiatives Fund, in coalition with; Economic Development Corporation of Kansas City, MO, EDC Loan, Land Clearance Redevelopment Authority (LCRA), the Tax Increment Financing (TIF), Industrial Development Authority (IDA), Planned Industrial Expansion Authority (PIEA) and Chapter 353 (353).

20% cost share will be provided by EDC Strategic Initiatives Fund.

RLF Boundaries
Projects and sites located within the city limits of Kansas City, Missouri. In Jackson, Clay, Platte and Cass counties, if inside the city limits of Kansas City, Missouri.
- Population: 508,090 (2020 Census)
- Area: 314.95 sq. miles
- FIPS Code: 2938000

Target Area and Priority Site Information
Projects and sites located in Council Districts 3 and 5 will be prioritized. These council districts have been historically underserved.

Demographics for the population of Kansas City, MO include:
- White: 55.2%
- Black, or African-American: 28.9%
- Hispanic or Latinx: 10.6%
- Other (including Native American, Asian): 6%

Contacts:
Project Director:
Dan Moye, Executive Director LCRA, Chapter 353 and EEZ
300 Wyandotte, Suite 400
Kansas City, MO 64105
816-691-2134
dmoye@edckc.com

Chief Executive / Highest Ranking Elected Official
Heather Brown, Interim President & CEO
300 Wyandotte, Suite 400
Kansas City, MO  64105
816-691-2109
hbrown@edckc.com

**Letter from the State Environmental Authority**
Included

**Releasing Copies of Application**
Not applicable
November 23, 2021

Economic Development Corporation of Kansas City
Attn: Heather Brown, Interim President & CEO
300 Wyandotte, Suite 400
Kansas City, MO 64105

RE: Small Business Liability Relief and Brownfields Revitalization Act
Environmental Protection Agency (EPA) Grants

Dear Heather Brown:

Please allow this letter to confirm acknowledgment by the Missouri Department of Natural Resources of the intention to apply to EPA for funding by the Economic Development Corporation of Kansas City (EDCKC) as authorized under the above-referenced Act. I understand and acknowledge that, if successful in its grant application, EDCKC or any of its constituent agencies or agents intends to utilize such funds for eligible purposes pursuant to the above-referenced Act.

EDCKC, is applying for a $1,000,000 Brownfields Revolving Loan Fund (RLF) grant and intends to conduct Brownfields RLF activities in the city of Kansas City, MO. EDCKC plans to partner with the land bank and vacancy/green infrastructure initiative to provide remediation loans/grants to remediate and revitalize old industrial sites that have long been vacant or underutilized. EDCKC will focus funds on the east and southeast sides of the city, including the Blue Valley Industrial Corridor area, where vacancy issues have been identified. The funding will be used to remediate lead, asbestos, and petroleum contamination at the vacant properties prior to demolition and redevelopment. Much of the redevelopments will be mixed use, commercial, or office space.

We expect EDCKC, to enroll the sites in the Brownfields/Voluntary Cleanup Program (BVCP), and receive the benefits of the program. Of course, we require that each site enroll separately in the BVCP. Nothing in this letter should be construed as automatic acceptance of the sites; standard enrollment procedures still apply.

Sincerely,

ENVIRONMENTAL REMEDIATION PROGRAM

Scott Huckstep, Chief
Brownfields/Voluntary Cleanup Section

SH:jrs
EDC EPA Brownfield RLF Loan Program Project Narrative

**Funding:** $1,200,000  
Federal = $1,000,000 (grant application)  
Matching from Industrial Development Authority - $200,000

**EPA Grant NOFO**  
FY22 Guidelines for Brownfield Revolving Loan Fund Grants  
CDFA # 66.818 Brownfield Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements  
Funding Opportunity Number: EPA-OLEM-OBLR-21-05

Application Deadline: December 1, 2021, 11:59 ET  
Award Range: up to $1,000,000  
20% Cost Share from EDC Strategic Initiatives Fund = $200,000  
Total Project: $1,200,000  
Project Period: 5 years

**PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION**

a. **Target Area and Brownfields**

i. **Background and Description of Target Area:**
   Kansas City, Missouri was incorporated in 1850 at the confluence of the Missouri and Kansas rivers and quickly grew as a mid-western center of commerce, attracting businesses in stockyards, manufacturing, and transportation in the form of railroads. By the mid-20th century, the city was a sprawling and bustling metro, with major industries in manufacturing and rail transportation. Many of these facilities created hazardous waste and prevailing residential and commercial construction practices contributed asbestos and lead paint hazards. The areas of the city where these sites predominantly located are now marginalized and suffer from underdevelopment and crumbling infrastructure. KCMO has 6 City Council districts, each served by 2 elected representatives, an elected Mayor, and an appointed City Manager.

   City Council Districts 3 and 5 are located on the east and south-east side of the city and include many former industrial sites with contamination issues, many commercial buildings, single and multi-family residential units built using asbestos and lead paint. These projects are receiving increasing interest from real estate developers, especially using local and state real estate incentive programs.

ii. **Description of the Priority Brownfield Sites:**
   There are currently 16 projects in the pipeline for re/development. These projects include commercial mixed-use and multi-family as rehab and new construction. Estimated Investment for these 16 projects is $246,333,250, at least 11 of these projects are in possible brownfield sites. Projects in the pipeline are primarily located in Council Districts 3, 4 and 5.
Location:
- City of Kansas City, Missouri is wholly or partially located in Jackson, Clay, Platte, and Cass counties.
- Missouri congressional districts 5 and 6.
- Kansas City Council Districts 1-6. Target areas will be Council Districts 3 and 5, located on the east and southeast sides of the city. Many areas include old industrial sites. The Blue Valley Industrial Corridor is within the target area along the Blue River.
- Community population, April 1, 2020, Census: 508,090.
- FIPS Code 2938000

b. Revitalization of the Target Area
   i. Reuse Strategy and Alignment with Revitalization Plans
   ii. Outcome and Benefits of Reuse Strategy

c. Strategy for Leveraging Resources
   i. Resources Needed for Site Reuse
   ii. List of Existing Infrastructure

COMMUNITY NEED AND COMMUNITY ENGAGEMENT

a. Community Engagement
   i. Program Involvement
   ii. Program Roles

b. Community Need
   i. The Community’s Need for Funding
   ii. Threats to Sensitive Populations
      1) Health or Welfare of Sensitive Populations
      2) Greater Than Normal Incidence of Disease and Adverse Health Conditions
      3) Promoting Environmental Justice

Revolving Loan Fund (RLF) will be created to provide low-interest loans to eligible entities to carry out cleanup activities at brownfield sites contaminated with hazardous substances. Site eligibility will be determined by EPA after grant award and prior to approving loan funds for any project. Sites where hazardous substances and petroleum contamination are distinguishable must meet eligibility requirements for both contaminants. Potential projects may receive additional assistance from partner agencies in the form or abatements or other incentives available.

EDC Strategic Initiative Fund, EDC Loan, and the partner agencies of the EDC (LCRA, 353, IDA, PIEA, TIF) as well as the City of Kansas City, Missouri (KCMO City Hall have agreed to provide consultation on RLF program management, prudent lending practices, community engagement, environmental remediation, procurement of remediation contractors, remediation design, state environmental oversight, and related aspects of operating and maintaining a brownfields program.
Loan Terms offered by EDC Loan Brownfield RLF program:
Loan amounts $25,000 - $150,000
Interest rate: 2-4% for 4–10-year term
Application fee: None
No pre-payment penalties

Qualifying Brownfield Project Types:
Asbestos Abatement and Cleanup
Lead Paint cleanup
Petroleum cleanup
Other (as approved)

Partner Agencies and Organizations:
Industrial Development Authority (IDA)
Land Clearance Redevelopment Authority (LCRA)
Planned Industrial Expansion Authority (PIEA)
Tax Increment Financing (TIF)
City of Kansas City, MO (KCMO)

Qualifying applicants for EDC Brownfield RLF loan funds must:

- **The Applicant.** must demonstrate experience, capacity, leadership, and track record involving property redevelopment or projects of similar scale, value, or difficulty. An applicant can be an organization, including non-profit, for-profit, governmental, or institutional.

- **The Property.** Include address(es); general location; area in square feet or acres; whether there are any structures and their size, type, and condition; knowledge of any relevant site history; the current owner and any environmental reports. A map is very helpful, but not required. Properties must be located within the city limits of Kansas City, Missouri.

- **Project.** Describe the proposed re/development, reuse or repurposing of the properties; the total project value; general resources and uses of funds; any commitments or funding, incentive, leases, etc.; any re-zoning, plan approvals, or other public planning processes involved; any other public or economic development incentive processes involved; approximate project schedule.

- **Partners.** All key public and private team members involved in the project must be identified. This may include neighborhood representatives, developers, lenders, institutions etc. Letters of support may be provided, but are not required, unless specified. Brief biographies of the principal partners must be included. All partners must comply with all local, state, and federal laws regarding EEOC.

- **Public Engagement.** Describe any prior meetings or opportunities to share information with the public and/or affected stakeholders and residents about your project and/or target properties.

- **Environmental Services Requested.** Generally, describe the environmental concerns and conditions that motivated your request, including the specific assistance you believe in needed to help your project succeed or advance to the next critical stage of feasibility evaluation.
• **Financial Need.** Describe why assistance is needed.
• **Community Benefit.** Describe how the affected community, stakeholders, or the city in general will benefit. These benefits can include identification and mitigation of potential health risks, the elimination of blight, job creation, etc.
• **Eligibility.** Applicant cannot be responsible for creating or contributing to the environmental impacts that may be present on the property. The Brownfields program will determine if other eligibility applies.

### Organization/Entities/Groups & Roles

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Point of Contact</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Clearance Redevelopment Authority (LCRA)</td>
<td>Dan Moye, Exec. Director <a href="mailto:dmoye@edckc.com">dmoye@edckc.com</a></td>
<td>Partner and source of qualifying projects</td>
</tr>
<tr>
<td>Tax Increment Financing (TIF)</td>
<td>Heather Brown, Exec. Dir. <a href="mailto:hbrown@edckc.com">hbrown@edckc.com</a></td>
<td>Partner and source of qualifying projects</td>
</tr>
<tr>
<td>Industrial Development Authority (IDA)</td>
<td>Heather Brown, Exec. Dir. <a href="mailto:hbrown@edckc.com">hbrown@edckc.com</a></td>
<td>Partner and source of qualifying projects</td>
</tr>
<tr>
<td>Planned Industrial Development Authority (PIEA)</td>
<td>David Macoubrie, Director <a href="mailto:dmacoubrie@pieakc.com">dmacoubrie@pieakc.com</a></td>
<td>Partner and source of qualifying projects</td>
</tr>
<tr>
<td>EDC Loan Corp</td>
<td>Lee Brown, Comptroller <a href="mailto:lbrown@edckc.com">lbrown@edckc.com</a></td>
<td>Manage and provide administrative support for loan applications and reporting</td>
</tr>
</tbody>
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### TASK DESCRIPTIONS, COST ESTIMATES AND MEASURING PROGRESS

**a. Program Description and Marketing Strategy**

i. Program management. How will RLF program:
   • Build and maintain a competent team?
   • Select borrowers/subgrantees and projects?
   • Structure and administer loans, and facilitate financial underwriting

ii. Revolution of the RLF program. How will RLF program:
   • Reasonable and prudent lending practices will be implemented using current best practices and financial regulations and guidelines.
   • Be properly maintained and report outcomes and outputs to EPA for entire period of program. EDC Loan Corporation, EDC and EDC Strategic Initiatives conducts annual independent audits and creates appropriate reports as required.

iii. Marketing Strategy
   • Types of applicants and projects to be targeted include real estate developers, local banks, community associations and organizations and
- Businesses and organizations that have expressed interest in loans for priority brownfield sites.
- RLF Brownfield Loan Program will be marketed and promoted via our network of community partners on our website and by our staff.

### Description of Tasks/Activities and Outputs

#### Task 1: Program Management

<table>
<thead>
<tr>
<th>i. Project Implementation</th>
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<tbody>
<tr>
<td>• Non-EPA grant resources needed to carry out tasks/activity: EDC staff</td>
</tr>
<tr>
<td>• EPA-funded activities</td>
</tr>
<tr>
<td>1. Set up and maintain financial management system, budget, and work plan.</td>
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<tr>
<td>2. Intake loan applications and perform due diligence to confirm eligibility.</td>
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<td>3. Prepare loan documents and issue loan.</td>
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<tr>
<td>4. Prepare progress, financial, and MBE/WBE reports; maintain ACRES database profiles; ensure grant regulatory compliance; track outputs/outcomes</td>
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</table>

| ii. Anticipated Project Schedule: ongoing intake of loan applications |
| iii. Task/Activity Lead: EDC staff |
| iv. Outputs: Annual progress reports, semi-annual MBE/WBE reports |

#### Task 2: Project Qualification as Brownfield Site

<table>
<thead>
<tr>
<th>i. Project Implementation</th>
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</thead>
<tbody>
<tr>
<td>• Non-EPA grant resources needed to carry out tasks/activity: EDC staff</td>
</tr>
<tr>
<td>• EPA-funded activities</td>
</tr>
<tr>
<td>1. Procure Qualified Environmental Professional (QEP) to provide technical review and oversight for work plans, field work and deliverables.</td>
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<td>2. Perform Hazardous Materials Survey</td>
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<td>3. Perform risk assessment and create report on RLF applicant site.</td>
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<td>4. Enroll site in state VCP</td>
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| ii. Anticipated Project Schedule: Year 1-3: 3-4 loan applications processed, Year 4-5, additional applications accepted, if funding is still available |
| iii. Task/Activity Lead: Dan Moye |
| iv. Outputs: 5-10 RLF loans awarded, 5-10 clean-up plans submitted |

#### Task 3: Community Engagement

<table>
<thead>
<tr>
<th>i. Project Implementation</th>
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<tr>
<td>• EPA-funded activities</td>
</tr>
<tr>
<td>1. Host public meetings in locations convenient to key community partners.</td>
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</table>

| ii. Anticipated Project Schedule: Year 1-2 years of project host quarterly meetings. Year 3-5 host bi-annual meeting. |
| iii. Task/Activity Lead: EDC staff |
| iv. Outputs: Total number of meetings = 14. |
## Cost Estimates

<table>
<thead>
<tr>
<th>Budget Categories</th>
<th>Project Task Cost</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>Task 1</td>
<td>Task 2</td>
</tr>
<tr>
<td>Personnel</td>
<td>9,000</td>
<td>22,500</td>
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<tr>
<td>Fringe Benefits</td>
<td>3,600</td>
<td>3,600</td>
</tr>
<tr>
<td>Travel</td>
<td></td>
<td></td>
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<tr>
<td>Equipment</td>
<td></td>
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<tr>
<td>Supplies</td>
<td></td>
<td></td>
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<tr>
<td>Contractual</td>
<td></td>
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<tr>
<td>Other-Loans</td>
<td></td>
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<tr>
<td>Other-Subgrants</td>
<td></td>
<td></td>
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<tr>
<td>Other (specify)</td>
<td></td>
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<tr>
<td><strong>Total Direct Costs</strong></td>
<td>12,600</td>
<td>1,114,800</td>
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<tr>
<td>Indirect Costs</td>
<td>60,000</td>
<td></td>
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<tr>
<td><strong>Total Federal Funding</strong></td>
<td></td>
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<tr>
<td>Cost Share</td>
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<tr>
<td><strong>Total Budget</strong></td>
<td>72,600</td>
<td>1,114,800</td>
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<tr>
<td>(Direct Costs + Indirect Costs + Cost Share)</td>
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### Task 1, Program Management
- Personnel: EDC (Procurement, Contract Administration, Project Management): 200hrs x $45/hr = $9,000
- Fringe Benefits: 40% rate x Personnel = $3,600
- Indirect Costs: $60,000

### Task 2, Project Management of Brownfield Site
- Personnel: EDC (Procurement, Contract Administration, Project Management): 500hrs x $45/hr = $22,500
- Brownfield technical support consultant: 15 projects @ 30hr x $125/hr = $56,250
- Loan Funding Approved: $1,036,050

### Task 3, Community Engagement
- Personnel: EDC (Procurement, Contract Administration, Project Management): 200hrs x $45/hr = $9,000
- Fringe Benefits: 40% rate x Personnel = $3,600