

BROWNFIELDS REVOLVING LOAN AND GRANT FUND PROGRAM INFORMATION

Q: What is the Brownfield Revolving Loan Fund Program?

A: In May 2010 the EPA selected the REDC for a \$1M Revolving Loan Fund Grant (RLF). The RLF will be used to capitalize a revolving loan fund from which the REDC will provide low interest loans and sub-grants to conduct cleanup activities.

Q: How much money is available?

A: \$900,000 of which up to \$450,000 may be used for grants.

Q: Who can access the funds?

A: Anyone who anticipates cleaning up a contaminated property and is NOT liable for the contamination. The following is an example of who could qualify for an RLF Loan:

- Expanding businesses and local developers
- Developers
- Non-profit organizations
- Public and quasi private entities
- Municipalities

The RLF Sub-grant may be provided to the following group to cleanup the site:

- Municipalities
- Non-profit organizations

The potential property must be owned by the eligible entity or non-profit organization at the time the sub-grant is awarded.

Q: What are the eligible activities?

A: RLF funds are designated for cleanup activities at eligible Brownfield sites. Examples of actions associated with cleanup include:

- Installation of fences, warning signs, or other security or site control precautions
- Installation of drainage controls
- Stabilization of beams, dikes, or impoundments, or drainage or closing of lagoons
- Capping of contaminated soils
- Using chemicals and other materials to retard the spread of the release or mitigate its effects
- Excavation, consolidation, or removal of contaminated soils
- Removal of drums, barrels, tanks, or other bulk containers that contain more hazardous substances, pollutants, or contaminants
- Removal of source materials, including free product recovery
- Containment, treatment, or disposal of hazardous materials

Q: What is an eligible site?

A: RLF funds can be used to cleanup eligible Brownfield sites. Eligible sites are defined by the Brownfields Law as sites where the expansion, redevelopment, or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

Q: What are the benefits of applying for a loan?

A: There are many benefits, including:

- Reduced interest rates in comparison to the market interest rates
- Costs to cleanup the contamination do not have to be paid up front by the developer
- Lower overall projects costs because of reduced interest rates
- Flexible repayment term
- Although the loan may not always be able to finance 100% of the project cleanup cost, it can help leverage other financing options and help accelerate overall project completion

Q: If I apply for a sub-grant and not awarded one can I then apply for the loan?

A: Yes. After your sub-grant application was denied you are welcome to submit a loan application.

Q: Can I sell the property after I have received the sub-grant or loan funds?

A: Sub-grant: No. The EPA requires that the sub-grant recipient must retain ownership for the site throughout the period of performance of the sub-grant.

Loan: Yes. The property can be sold as long as the loan is paid back.

Q: Does the potential property have to be owned by the eligible entity when the RLF loan is awarded?

A: The entity that is using the funds has to maintain control of the property during the cleanup action. If the property is not owned by the borrower, a written agreement must be in place to assure that the cleanup action will continue to completion.

Q: Who will be reviewing the sub-grant/loan applications and agreements?

A: The applications will be reviewed by the REDC Revolving Loan Fund Program Committee and staff of the Environmental Protection Agency.

Q: Are there any restrictions on what the sub-grant funds can be used for?

A: The RLF Sub-grant money is targeted towards projects that benefit the “greater good of the community”. The EPA supports sub-grant recipients that take into consideration and demonstrate the extent to which a sub-grant will:

- Facilitate the creation of preservation of green space (e.g. a park, recreational area, etc.)
- Benefit the needs of low income communities that have limited sources of funding for environmental remediation and redevelopment
- Facilitate the use of existing infrastructure; and
- Promote the long-term use of RLF funds.