Borrower Checklist: Brownfield Revolving Loan Fund & State Revolving Fund Brownfield Nonpoint Source Project Funding

The Indiana Finance Authority (IFA) Environmental Programs, which consist of the Indiana Brownfields Program (Program) and State Revolving Fund (SRF) Loan Programs, offer low-cost loans (that are not mutually exclusive) for eligible borrowers/projects. The IFA, in cooperation with the U.S. Environmental Protection Agency (U.S. EPA), administers these programs that protect both public health and the environment and can facilitate economic redevelopment. This checklist, while not all inclusive, should help a borrower to understand the loan process and standard requirements when borrowing federal funds for a brownfield remediation project. The IFA and the borrower share in satisfying the required steps for closing a loan for brownfield remediation using federal funds.

What loan funding is available?

- The Program offers a Revolving Loan Fund (RLF) incentive funded with U.S. EPA Brownfield RLF grant funds
  - Eligible borrowers are Indiana political subdivisions (as defined by Indiana Code 13-11-2-164(c)), private for-profit and non-profit organizations, and funds can be re-loaned to an eligible 3rd party
  - Eligible activities are for cleanup of petroleum and hazardous substances (per available funding) contamination at eligible brownfield sites
  - Rolling applications; first come, first served
- The SRF Programs offer low-interest loans to Indiana political subdivisions (including incorporated cities, towns, counties and regional water, sewer, waste, sanitary and conservancy districts) for projects that improve wastewater and drinking water infrastructure
  - Low-interest loans are also available to private for-profit and non-profit facilities for projects that improve drinking water infrastructure
  - Rolling applications; evaluated, scored, and placed on SRF’s project priority list (PPL) if approved
- The SRF Programs also fund activities that abate or prevent nonpoint source (NPS) pollution of Indiana’s waters as a nonpoint source water pollution control project under the Section 319 of the Clean Water Act
  - Integrating a NPS project with a wastewater infrastructure project lowers the interest rate for an SRF loan by up to 0.5%, making available additional funds that can be applied to qualified NPS activities
  - See the “Brownfield Remediation Nonpoint Source Projects” Fact Sheet for information on the types of brownfield projects that may be eligible for SRF NPS funding

What are the standard requirements for borrowing Program RLF funds to remediate a brownfield?

☐ Submission of a completed RLF application and associated, required site/project documentation
☐ Determination of borrower, activity, and site eligibility by the Program and U.S. EPA
☐ Community involvement
  ☐ Establish a Public Repository (e.g., at public library, City offices) where site documents can be accessed
  ☐ Prepare a site-specific Community Relations Plan (CRP), approved by U.S. EPA, that is part of the Public Repository and includes opportunities for reasonable notice (e.g., ~ 30-day public comment period), for involvement, for response to public comments, and for an administrative record to be available to the public, etc.
  ☐ Establish an Administrative Record (collection of documents related to site activities) that is part of the Public Repository, including, for example:
    ☐ Applicable Indiana Department of Environmental Management (IDEM) Remediation Closure Guide (RCG) standards
    ☐ Site investigation reports
    ☐ Remediation Work Plan (RWP) (see below)
    ☐ Analysis of Brownfield Cleanup Alternatives (ABCA) (see below)
    ☐ National Historic Preservation Act (NHPA) findings/responses (see below)
    ☐ Decision Memo, including response to public comments, if any
    ☐ Remediation report
    ☐ Program verification of completion of remedy
☐ Prepare a RWP
What are the additional/different requirements when SRF NPS project funding is sought to remediate a brownfield?

- Demonstrated surface and/or groundwater impacts with data from a completed Phase II investigation
- An open wastewater SRF loan and/or a pending SRF loan application (early in the pre-closing process)
- A draft or final RWP (as a substitute for/addendum to the SRF-required Preliminary Engineering Report)
- A brownfield Revolving Loan Fund (RLF) Incentive application and supporting documentation to provide sufficient site/project background for Program technical review still needs to be completed and submitted

What are the basic required steps in the closing process for a loan for brownfield remediation?

- Establish approved collateral repayment source identified in application
- Retain bond counsel & secure necessary local government approvals (e.g., fiscal ordinances), if applicable
- Follow applicable State and/or federal procurement rules for contracted services that will be paid with loan
- Obtain/provide written site access agreement if the borrower is not the site owner
- Retain an environmental consulting firm to prepare RWP and ABCA and assist with other documents
- Establish and maintain a local Public Repository
- Place the CRP and Administrative Record in the Public Repository
- Execute Program-prepared loan agreement
- Issue notice to proceed with loan-funded work/Decision Memo to borrower from Program
- Document correct expenditures (actual expense method) and invoice the Program for reimbursement in accordance with applicable Program disbursement guidelines

Where can a community get more information about SRF loans and request funding for an NPS project?
For more information about the SRF borrowing process (applications are accepted on a rolling basis), please contact the SRF Programs at (317) 234-1279 and/or visit IFA’s Web page at www.srf.in.gov. SRF loan applications are evaluated, scored, and placed on SRF’s project priority list (PPL) for funding if approved. To discuss incorporating an NPS project into your SRF loan, please contact Amy Henninger at (317) 232-6566 or ahennings@ifa.in.gov.

Where can I get more information about the brownfield RLF Incentive?
For more information about an RLF loan from the Indiana Brownfields Program, please contact Michele Oertel at (317) 234-0235 and/or visit IFA’s Web page at www.brownfields.in.gov. To discuss whether your brownfield project meets the criteria for an SRF NPS project, please contact Sara Westrick Corbin at (317) 234-1688 or swestrick@ifa.in.gov. For existing borrowers of brownfields ARRA RLF funds, please contact the Indiana Brownfields Program regarding any additional/different requirements that must be satisfied.