



An Indiana Finance Authority Program

Revolving Loan Fund Incentive

At a Glance:

The purpose of the Indiana Brownfields Program **Revolving Loan Fund (RLF)** incentive is to facilitate the redevelopment of brownfield sites by making low-cost funding available through low-to-zero interest loans to finance environmental cleanups.

What is a Brownfield?

A brownfield is an underutilized property where redevelopment or reuse is complicated due to actual or potential environmental contamination.

FOR MORE INFORMATION:

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Introduction

The Indiana Brownfields Program (Program) offers Revolving Loan Fund (RLF) low-to-zero interest flexible loans to finance environmental cleanups and facilitate the public or private redevelopment of brownfield sites throughout the state. In June 2010, U.S. EPA awarded the Indiana Finance Authority \$500,000 in RLF Supplemental funding, which with the 20% cost-share requirement, has made an additional \$600,000 available for cleanup activities at brownfields with hazardous substances and petroleum contamination.

Who can request a loan through the RLF incentive?

Loans are available to qualifying Indiana political subdivisions, non-profit organizations, and private, for-profit organizations for cleanup activities at eligible brownfield sites.

What are the loan terms?

Loan terms are flexible and dependent upon project/borrower needs and the Program's need to maintain the long-term stability of the RLF incentive. Interest rates will be fixed and range between 0 - 3%. The length of the loans will be within a maximum of 20 years. Repayment terms are negotiated on a project-by-project basis and may include a deferral of principal payments (and possibly interest payments) for up to two years. Contact the Program for the maximum loan amount available.

An RLF Loan made to a political subdivision or a non-profit entity (but not a private, for-profit entity) may be partially forgivable as determined by the Program. The forgivable amount of a loan may not exceed the lesser of either \$200,000 or 30% of the loan amount. The amount of forgiveness will be determined on a project-by-project basis by Program staff in accordance with the terms of the loan agreement. Specific Program-approved economic development or redevelopment goals must be achieved before a borrower will be released from its obligation to repay a forgivable loan.

What are some examples of cleanup activities that can be funded by the RLF incentive?

- Containment, treatment, or disposal of hazardous materials or petroleum contamination
- Excavation, consolidation, or removal of contaminated soils
- Removal of source materials, including free product recovery

How can I request funding?

Entities Statewide may apply for an RLF loan at any time during the balance of the five-year project period for the RLF grant which ends on July 31, 2013. Loans will be funded on a first come, first-served basis.

Visit the Indiana Brownfields Program Web site to view or download the RLF incentive application at www.in.gov/ifa/brownfields/2366.htm and guidelines at www.in.gov/ifa/brownfields/files/Guidance_for_RLF_Incentive.pdf.