Borrower Checklist: Brownfield Revolving Loan Fund (RLF)

The Indiana Brownfields Program (Program), under the Indiana Finance Authority (IFA), offers low-cost loans for eligible borrowers/projects for remediation of brownfields. The Program, in cooperation with the U.S. Environmental Protection Agency (U.S. EPA), administers the Revolving Loan Fund (RLF) Incentive to help protect both public health and the environment and facilitate economic redevelopment. This checklist, while not all inclusive, should help a borrower to understand the loan process and standard requirements when borrowing federal RLF 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

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
  - Based on site assessment/investigation work
  - Available for public notice/comment
  - Program approval
- Conduct an ABCA
  - Analysis of reasonable cleanup alternatives (including no action) considering the site characteristics, surrounding environment, land-use restrictions, potential future uses, and cleanup goals
  - Includes effectiveness, implementability, and estimated cost of proposed cleanup alternatives
  - Available for public notice/comment
  - Program and U.S. EPA review and approval
- Meet all other applicable federal or State laws, including but not limited to:
  - Compliance with NHPA, documented by U.S. EPA approval
  - Compliance with the Davis-Bacon Act of 1931 (prevailing wage requirements)
  - Compliance with Disadvantaged Business Enterprise (DBE, formerly M/WBE) requirements
Compliance with contract administration provisions/competitive bidding rules, as applicable

Provide public notice (comment period varies; usually 30 days concurrent for RWP, ABCA, and NHPA responses)

Create and post signage for the duration of site remedial activities

Perform the environmental cleanup (following public comment period & Program’s issuance of notice to proceed/Decision Memo)

Complete and document the environmental cleanup (final report)

Submit Property Profile Form(s) & assist with Program reporting to U.S. EPA

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/write 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 I get more information about the brownfield RLF Incentive?

For more information about RLF loan funding from the Indiana Brownfields Program, please contact Michele Oertel at (317) 234-0235 or moertel@ifa.in.gov and/or visit the Program’s Web page at www.brownfields.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.