

NJEDA Brownfield Impact Fund Program FAQs

<u>Question</u>	<u>Answer</u>
GENERAL Questions	
General 1. When can I apply?	<p>Applicants may submit a pre-qualification form at any time at https://www.njeda.com/brownfields-impact-fund-pre-qualification-form/.</p> <p>Applications will become available on January 20, 2022. For the first 90 days of the program, NJEDA will only review applications from projects located in Community Collaborative Initiative (CCI) cities*. Applications from projects that are not located in CCI cities will be considered after April 20, 2022.</p> <p>*CCI cities: Bayonne, Bridgeton, Camden, Jersey City, Millville, Newark, Trenton, Paterson, Paulsboro, Perth Amboy, Salem City, Vineland</p>
General 2. Why is the program limited to CCI cities for the first 90 days?	<p>This will prioritize investment in communities which have high instances of brownfields, poverty, health disparities and need revitalization. After the initial 90 days, the program will be open throughout the state.</p>
General 3. Do I need to complete a prequalification form?	<p>Prospective applicants to the Brownfields Impact Fund are asked to complete the pre-qualification screening form to evaluate that the applicant, the proposed site, and the proposed project are eligible for the financial assistance offered by NJEDA. This pre-qualification form is designed to screen the applicant and the proposed project for minimum qualifying criteria. The final approval of the site is determined by USEPA and NJEDA. To make an accurate determination, all information on the pre-qualification form needs to be completed to the extent possible.</p> <p>Visit https://www.njeda.com/brownfields-impact-fund-pre-qualification-form/ for the prequalification screening form.</p> <p>There is no fee for the prequalification form. Completing a prequalification form does not confer any obligations.</p>
General 4. How do I access the application?	<p>Visit https://www.njeda.com/brownfieldsimpactfund/ for the application.</p>

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<p>General 5. Is there an application fee? Are there any other fees?</p>	<p>Yes. The application fee is \$1,000, which is payable by check and applicants must follow the instructions provided by NJEDA.</p> <p>NJEDA will evaluate funding availability, and upon receipt of a complete application, NJEDA will notify the applicant that they have 10 business days to submit a check for payment, along with instructions on where to send the check.</p> <p>The program also includes the additional following fees for loans: a Commitment Fee: 0.875% of loan amount, and a closing fee of 0.875% of loan amount. Loans are also subject to a loan modification fee of \$1,000, if applicable. The applicant will also be responsible for reimbursement for any third-party fees that NJEDA staff deems necessary and incurs during application review and prior to Board approval. Fees are non-refundable.</p>
<p>General 6. What if I cannot afford to pay the application fee? Is there an option for a hardship waiver of the application fee and how do I know if I qualify?</p>	<p>Applicants may under certain circumstances request a waiver of the required application fee due to undue financial hardship. Fee waivers may only be obtained by direct request of the applicant, either through the prequalification screening form, or at the time of application. Fee waivers are limited to grant applicants that are either:</p> <ul style="list-style-type: none"> • A distressed municipality, which is defined as those municipalities which ranked in the top 10% of the Municipal Revitalization Index (MRI) in 2020. MRI rankings are available at https://www.nj.gov/dca/home/2020_MRI_Scores_and_Rankings.xlsx • A non-profit for which the application fee is greater than 0.1% of annual operating budget, defined as total expenses reported on their latest federal filing (Form 990). <p>Applicants that are approved for a hardship fee waiver will be provided with a special code to use on the online application.</p>
<p>General 7. What is the maximum amount that an eligible entity can apply for? Is there a minimum amount?</p>	<p>The maximum loan amount is \$350,000. The minimum loan amount is \$50,000.</p> <p>The maximum grant amount is \$350,000. The minimum grant amount is \$25,000.</p> <p>An eligible entity may apply for both a grant and loan. In this instance the total maximum award would be \$700,000 (\$350,000 grant and a \$350,000 loan).</p>
<p>General 8. How much total funding is available?</p>	<p>The program is funded by a US Environmental Protection Agency (USEPA) Brownfield Revolving Loan Fund (RLF) grant of \$800,000. The total amount of all grant funding will not</p>

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	exceed 45% of the total USEPA award amount of \$800,000 (\$360,000) pursuant to USEPA program requirements. The remainder of the funding may be used for loans.
General 9. What happens if the program is oversubscribed and funding is exhausted?	Upon determining that either the entire program, or a portion of the program (e.g., the grant portion of the program) is fully subscribed, the NJEDA will put a notice on the Brownfield Impact Fund website and may close the online application portal.
General 10. If a complete application is not approved, will it be considered in the event of any renewal/replenishment of the funding?	Applications that meet all eligibility criteria under the program, will be considered for award only if applicants ahead of them in queue do not proceed through closing. If additional funding becomes available, it is anticipated that NJEDA will re-open the program, and that a new application will be required.
General 11. Can the Brownfield Impact Fund program be layered with other programs?	<p>Eligible costs must not be duplicative of other approved State or Federal grants previously awarded and must be associated with the remediation project.</p> <p>Projects that have been approved for grants through other NJEDA programs, including, but not limited to the Hazardous Discharge Site Remediation Fund (HDSRF) program may eligible for the Brownfield Impact Fund, however the applicant must demonstrate to the Authority that the uses of the funds for the Brownfield Impact Fund are not duplicative of the uses from other NJEDA grants. Applicants may leverage funding from other federal, state, and/or local grant programs to the extent allowable under USEPA Brownfield RLF grant program rules.</p>
General 12. Can you submit multiple applications for different projects?	Yes.
General 13. If my application is denied, is there a process for me to appeal that decision?	An applicant has a right to appeal the declination of its Brownfields Loan application. Appeal notices will be provided to applicants whose applications are declined.
General 14. Where can I get a copy of the presentation slides about this program?	Presentation slides are available on the NJEDA website. https://www.njeda.com/brownfieldsimpactfund/

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General 15. What is the timeline for review and approval of loan applications?	We do not have a specific timeframe for approval and/or denial of applications. However, based on the steps involved in reviewing applications, and determining eligibility, the NJEDA anticipates that the process will take a few months for approval and closing.
General 16. Can a consultant apply, on behalf of an applicant?	While a consultant can assist with the application, the applicant is solely responsible for its contents and will need to certify the application for submission.
General 17. How long does it take to complete the application?	While we are not able to advise applicants on how long it will take to complete the application. Downloading the Brownfield Impact Fund Program Application Checklist, along with the sample draft application on the NJEDA website, will allow applicants to see what types of questions will be asked and the information that will be required.
General 18. Where can I find a listing of brownfield sites in New Jersey?	<p>There is no comprehensive resource, at this time, for all brownfield data in the state. Brownfields SiteMart lists some brownfield sites https://www.njbrownfieldsproperties.com/default.aspx, but information may not be up to date, so it is best to look at the creation and last updated fields.</p> <p>Some municipalities, working with Sustainable New Jersey, have identified and prioritized brownfields to be cleaned up, and the information is available here: https://www.sustainablejersey.com/certification/search-participating-municipalities-approved-actions/. Select “Brownfields” as the action and filter the data to only show brownfields.</p>
General 19. What documents are required to be submitted with my application?	<ol style="list-style-type: none"> 1. Proof of ownership (for grants) or proof of site control or path to site control (for loans) 2. Current tax clearance certificate printed in NJ Economic Development Authority’s name 3. Support Letter from the Mayor (or governing body if position of mayor does not exist) for the project and its application to the NJEDA. 4. Completed Notice Regarding Affirmative Action/Prevailing Wage 5. Completed Environmental Activity & Redevelopment Summary (Loan and/or Grant Application Report Template) 6. Financial Records to demonstrate the viability and experience of the entities undertaking the remediation.

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<p>General 20. How do I get or print my tax clearance certificate?</p>	<p>In order to print your tax clearance certificate please follow the directions provided in this link. https://www.njeda.com/wp-content/uploads/2021/08/Securing-Your-Tax-Clearance-Certificate-Directions-Client.pdf</p> <p>The tax Clearance must include New Jersey Economic Development Authority as the referenced agency. This document must be provided at the time of application.</p> <p>If you have any questions, please email BusinessAssistanceTC.Taxation@treas.nj.gov.</p>
<p>General 21. Do I have to answer all the questions on the application?</p>	<p>Applicants must answer all mandatory fields on the online application (a mandatory field is a required field to continue to the next page of the application). Optional fields are not required. If a mandatory field is not applicable, an applicant may input 'NA' if they do not have the requested information at the time of the application or if the question does not apply. Some examples of required fields where 'NA' may be appropriate are:</p> <ul style="list-style-type: none"> • Doing Business As • Holding Company • NAICS Code • # of Employees • Website • CEO for public sector entities
<p>General 22. If I am working with an environmental consultant, do I have to provide their information?</p>	<p>The application question that refers to providing consultant information is optional; however, if an applicant is working with an environmental consultant at the time of application, please include their contact information</p>
<p>General 23. I have a question that is not covered in this document. How can I get a response?</p>	<p>You may email your question to bfimpactfund@njeda.com</p>

<u>Question</u>	<u>Answer</u>
TERMS & CONDITIONS	
T&C 1. What is the term of the loan?	<p>Loans will have up to a 20-year term based on the remediation and project redevelopment timeframe. There is no prepayment penalty.</p> <p>Principal and interest will be deferred through the end of Year 4, interest will accrue and capitalize during this period, then the outstanding balance plus capitalized interest to fully amortize for the remaining term (no balloon).</p>
T&C 2. What is the interest rate for the loan? How can I qualify for an interest rate reduction?	<p>Loan interest will be set at 2%, with option for interest rate reductions to a floor of 1%.</p> <p>To receive a reduced interest rate of 1%, project site locations must meet at least two of the following criteria</p> <ul style="list-style-type: none"> • CCI communities or Government Restricted Municipality (Atlantic City, Bayonne, Bridgeton, Camden, Jersey City, Millville, Newark, Trenton, Paterson, Paulsboro, Perth Amboy, Salem City, or Vineland) • Project site is located in a municipality ranked as one of the 50 most distressed municipalities per the NJDCA 2017 Municipal Revitalization Index • Project site is located within an existing Planning Area 1 (Metropolitan) and within a one-half mile radius, with existing bicycle and pedestrian connectivity, to the mid-point of an existing New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations, or a high frequency bus stop as certified by the New Jersey Transit Corporation • Project site is located in an Opportunity Zone eligible census tract <p>A mapping assistance tool is available to assist potential applicants with determining if proposed projects may be eligible for an interest rate reduction. https://njeda.maps.arcgis.com/apps/webappviewer/index.html?id=4a818aaf29664fa09f9c71389e8c6c0a</p>
T&C 3. How will the funds be disbursed?	Funds will be disbursed based on a reimbursement structure for actual eligible costs incurred and provided on an invoice.
T&C 4. What timeframes apply and when does the	Projects must be completed no later than the term of NJEDA's Cooperative Agreement with USEPA (term ending 9/30/2025). If USEPA provides an extension to NJEDA's Cooperative Agreement, then staff may consider extending the term of the grant or loan agreement. Timeframes will be established

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project need to be completed?	on a project by project basis, including, but not limited to the project start date, number of days for the awardee to submit the first invoice, and additional invoices.
<p>T&C 5. Is the Brownfield Impact Fund project subject to the NJEDA's Affirmative Action and Prevailing Wage requirements?</p> <p>Is the Brownfield Impact Fund project subject to Davis Bacon?</p>	<p>Yes. The federal Davis-Bacon Act, and NJ Prevailing wage and affirmative action requirements apply to both the remediation project and the redevelopment project and they also apply to subcontractors. Additionally, prior to closing on the loan, any and all construction contracts awarded in New Jersey that require payment of prevailing wage will be required to provide proof of valid Construction Contractor Registration Certification (CRC) and proof of participation if Registered Apprenticeship Program, if employing craftworkers. Information regarding this act can be found: https://www.nj.gov/labor/wagehour/regperm/pw_cont_reg.html</p>
T&C 6. Does Prevailing Wage apply to environmental investigations?	<p>Yes. Environmental investigations qualify as "construction" or "alteration" work which includes drilling holes (including but not limited to: utilizing a hand auger to extend a boring into the subsurface, a shovel, or a post hole digger) for the collection of soil/groundwater/rock samples and/or remediation. Also included is the collection of vapor samples from subsurface soils or from inside a building, if done through the use of a drill or similar type of apparatus to drill a hole through the building foundation or into the ground for the collection of the samples.</p>
T&C 7. Are there other terms and conditions that apply?	<p>All applications must be accompanied by a letter of support from the mayor or, if the position of mayor does not exist, from the governing body of the municipality in which the brownfield site is located. The letter of support must indicate that the project aligns with the master land use plan, or the local redevelopment plan, or that no local redevelopment plan exists.</p> <p>Applicant must have a plan for the redevelopment of the property.</p> <p>Entities applying to the Brownfield Impact Fund will complete a legal questionnaire.</p> <p>All applicants will be required to provide with their application a valid Tax Clearance Certificate.</p> <p>All applicants must be in good standing with the Department of Labor and the Department of Environmental Protection.</p>

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	<p>In addition, applicants applying for grants must also demonstrate that they also meet one of the following criteria for award:</p> <ul style="list-style-type: none"> • The grant will facilitate the creation of, preservation of, or addition to a park, greenway, undeveloped property, recreational property, or other property used for nonprofit purposes; • The grant will meet the needs of a community that has the inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which a brownfield site is located because of the small population or low income of the community; <p>OR</p> <ul style="list-style-type: none"> • The grant will facilitate the use or reuse of existing infrastructure.
<p>T&C 8. Does Prevailing Wage apply to environmental investigations?</p>	<p>Yes. Environmental investigations qualify as "construction" or "alteration" work which includes drilling holes (including but not limited to: utilizing a hand auger to extend a boring into the subsurface, a shovel, or a post hole digger) for the collection of soil/groundwater/rock samples and/or remediation. Also included is the collection of vapor samples from subsurface soils or from inside a building, if done through the use of a drill or similar type of apparatus to drill a hole through the building foundation or into the ground for the collection of the samples.</p>

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ELIGIBILITY	
<p>Eligibility 1. What entities are eligible to apply for this program?</p>	<p>The following entities are eligible to apply for a grant under this program:</p> <ul style="list-style-type: none"> • Nonprofit organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and other nonprofit organizations as defined at 2 CFR § 200.70 (including Institutes of Higher Education, but excluding 501(c)4) and • Units of local government (including County, Regional, and quasigovernmental entities) <p>The following entities are eligible to apply for a loan under this program:</p> <ul style="list-style-type: none"> • For-profit entities • Nonprofit organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and other nonprofit organizations as defined at 2 CFR § 200.70 (including Institutes of Higher Education, but excluding 501(c)4) and • Units of local government (including County, Regional, and quasigovernmental entities)
<p>Eligibility 2. Do I need to own the property?</p>	<p>Applicants applying for a loan do not need to own the property. However, applicants applying for a grant, are required to own the property.</p> <p>Loan applicants must be able to demonstrate site control or a path to site control of a brownfield property.</p> <p>Grant applicants must own the brownfield property at the time of the application and award of grant. The grantee must retain ownership of the site throughout the period of performance of the grant and must consult with the NJEDA and USEPA Project Officer prior to transferring title or otherwise conveying the real property comprising the site. "Owns" means fee simple title unless NJEDA and USEPA approves a different ownership arrangement.</p>
<p>Eligibility 3. Does a long term lease meet the criterion for showing a path to site control?</p>	<p>Yes. A long-term lease may be utilized to satisfy the criterion for site control, so long as the lease allows for the applicant to undertake and complete the remediation. The duration of the lease must be for a sufficient length of time to complete the remediation activities proposed in the application.</p>

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<p>Eligibility 4. If I am responsible for the contamination, can I still apply for this program?</p>	<p>Loans and/or grants cannot be provided to entities who caused or contributed to the contamination of the property. The entity must not be considered liable or potentially liable for the environmental contamination under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) § 107.</p>
<p>Eligibility 5. What can I use these funds for?</p>	<p>Eligible Activities must be associated with the cleanup of environmental contamination and must be approved by NJEDA. Examples may include:</p> <ul style="list-style-type: none"> • Preparation of Remedial Action Workplans; • Remediation of hazardous substances that are part of a structure (to include lead based paint and asbestos); • Construction of a site's engineered remediation cap which could include foundations/roadways; • Demolition of structures to the extent that the demolition is integral to enabling access to contamination needing remediation (must be pre-approved by USEPA); • Actions necessary to clean up the release or mitigate the threatened release of hazardous materials such as: <ul style="list-style-type: none"> ○ providing fences, warning signs or other site control precautions; ○ drainage controls; ○ capping of contaminated soils; ○ excavation, consolidation, or removal of highly contaminated soils; ○ removal of containers that may contain hazardous substances; ○ use of chemicals to retard the spread of hazardous substances; ○ containment, treatment, disposal, or incineration of hazardous materials. • Purchase of environmental insurance; • Site monitoring, including sampling and analysis, required during the cleanup process; • Monitoring and data collection which are required as a component of the cleanup action (including payment of the annual NJDEP remediation permit fees, if approved by USEPA); • Installation of engineering and/or institutional controls to fulfill cleanup requirements. • Others uses will be considered upon request from borrower / subgrantee, and approval by USEPA.
<p>Eligibility 6. What are examples of activities that</p>	<p>Examples of ineligible activities includes, but are not limited to:</p> <ul style="list-style-type: none"> • Pre-cleanup assessment, identification, and characterization;

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the funds may not be used for?	<ul style="list-style-type: none"> • Cleanup of a naturally occurring substances; • Payment of a penalty or fine; • Construction, demolition, and development activities that are not integral to cleanup actions; • Public or private drinking water supplies that have deteriorated through ordinary use; • Monitoring and data collection necessary to apply for, or comply with, environmental permits under other federal and state laws, unless such a permit is required as a component of the cleanup action; • Other activities unrelated to the cleanup; • Properties already listed as Superfund sites; • Any cost incurred prior to loan or subgrant approval; • Any use not approved by NJEDA or USEPA.
Eligibility 7. Can the funds be used for costs incurred before application?	No. The funds may not be used for costs incurred prior to loan or grant approval.
Eligibility 8. Can the funds be used to purchase a property?	No. The funds may not be used to purchase a property.