



# REVITALIZING NEW JERSEY'S BROWNFIELDS

AN NJEDA INITIATIVE

# Brownfields Impact Fund

The Brownfields Impact Fund, funded by a USEPA Revolving Loan Fund (RLF) grant, can provide loans to private, public, and non-profit entities to carry out cleanup activities at brownfield sites, assisting with the revitalization of these vacant and underutilized properties.

NJEDA is currently accepting applications for this program on a rolling basis.



Offers loans on a first-come, first-serve basis



Addresses funding gaps to make the remediation phase of the project financially viable for remedial actions and other eligible activities



Minimum Loan: \$50,000  
Maximum Loan: \$350,000



Fee: \$1,000\*  
Loan Modification Fee: \$1,000  
Loan Closing Fee: 0.875%  
Loan Commitment Fee: 0.875%



Visit [www.njeda.com/brownfieldsimpactfund/](http://www.njeda.com/brownfieldsimpactfund/) for more information

# Loan Overview

Can provide loans for remediation activities necessary to cleanup the release or mitigate the threatened release of hazardous materials to promote redevelopment of brownfields sites.

## Key Program Features:



### Loan Amounts

**Minimum: \$50,000**

**Maximum: \$350,000**

- ▶ Up to a 20-year term with no payments for the four years (no pre-payment penalty)
- ▶ Base rate of 2% with rate reductions available if project meets specific criteria (floor of 1%)
- ▶ Submit a letter of support from the municipality in which the brownfield site is located
- ▶ Division of Taxation Tax Clearance Certificate required and may be requested through the State of New Jersey's Premier Business Services (PBS) portal online
- ▶ Funds are disbursed based on a reimbursement structure for actual eligible costs incurred and provided on an invoice

# Applicant Eligibility

## LOAN ELIGIBLE APPLICANTS

- ▶ **Nonprofit organizations** exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and other nonprofit organization as defined at 2 CFR § 200.70 (including Institutes of Higher Education, but excluding 501 (c)4);
- ▶ **Units of local government** (including County, Regional, and quasi-governmental entities);
- ▶ **For profit organizations.**

**The applicant must meet the eligibility criteria and must demonstrate that they satisfied USEPA's All Appropriate Inquires, or AAI, rule.**

# Site Control Requirements

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Potential brownfield site purchasers and current brownfield site owners are eligible as follows:

## LOAN SITE CONTROL

- ▶ Must be able to demonstrate site control or a path to site control of a brownfield property.
- ▶ Borrowers do not need to, but may, own the brownfield property.

# Eligible Activities

This funding is for **environmental cleanup** (not assessment or investigation).

## Specific examples of activities provided by USEPA:

- ▶ Preparation of **Remedial Action Workplans**;
- ▶ Remediation of **hazardous substances that are part of a structure** (such as lead based paint and asbestos);
- ▶ 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);
- ▶ Purchase of **environmental insurance**;
- ▶ **Site monitoring**, including sampling and analysis, required during the cleanup process;
- ▶ Actions necessary to **cleanup the release** or mitigate the threatened release of hazardous materials such as;
  - Provide 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
- ▶ **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.

Other uses may be considered upon request from borrower and approval by USEPA.

# Rate Reductions

Option to reduce interest rate from 2% to 1% to incentivize achievement of NJEDA state policy goals.

## Project site locations must meet at least TWO of the following criteria for interest rate reduction:

- ▶ within a CCI city or government restricted municipality (GRM)
- ▶ in a municipality ranked as one of the 50 most distressed municipalities per the NJDCA 2017 Municipal Revitalization Index (MRI)
- ▶ in an Opportunity Zone eligible census tract
- ▶ 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

# Exclusionary Criteria

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- ▶ Loans cannot be provided to entities who caused or contributed to the contamination of the property. Specifically, this program excludes: individuals or entities responsible for, or individuals or entities who have common ownership or control with entities responsible for, any existing environmental contamination at the site or any individuals or entities that have indemnified a responsible party or a party who has common ownership or control with a responsible party.
- ▶ Must meet the USEPA site control and eligibility requirements.

# Ineligible Activities

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- ▶ Pre-cleanup assessment, identification and characterization;
- ▶ Development activities that are not removal actions;
- ▶ Cleanup of a naturally occurring substance;
- ▶ 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; and
- ▶ Any use not approved by NJEDA or USEPA.

# Items To Note



Funding will be available on a rolling basis, first come, first served, based on the readiness of the application and the availability of funds.

- ▶ NJEDA will vet eligibility of the project site and eligibility of the applicant based on a brief pre-qualification screening form.
- ▶ Prior to closing, NJEDA will submit loan applicants to USEPA for applicant, activity and site eligibility.
- ▶ Applicants are required to comply with the Federal Davis-Bacon Act and New Jersey Prevailing Wage for the work for which they are being funded.
- ▶ Funds are subject to the Authority's **affirmative action and prevailing wage requirements**. These requirements shall also apply to all construction contractors (all tiers) associated with this project.



Visit [njeda.com](http://njeda.com) or email [melissa.dulinski@njeda.gov](mailto:melissa.dulinski@njeda.gov) for more information



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