



## Brownfields Redevelopment Loan Program Application Package

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## I Introduction

As part of his Illinois FIRST initiative, Governor George H. Ryan has created the Illinois Brownfields Redevelopment Loan Program. This is a new, five-year \$10 million low interest loan program to support efforts by local governments and private parties to clean up brownfields sites. These cleanups will take place under the Illinois Environmental Protection Agency's voluntary Site Remediation Program (SRP).

The BRLP program is a revolving loan fund because it will use loan repayments (principal, plus interest) to make new loans for the same authorized purposes. Similar revolving loan funds administered by the Illinois EPA have successfully supported investments in wastewater treatment, drinking water, and general economic development.

The Illinois EPA's Office of Brownfields Assistance (OBA) administers the BRLP program.

## II Program Requirements

### Use of Funds

BRLP loans may be used to pay for limited site investigation and demolition and remediation at brownfields sites contaminated by hazardous substances, pesticides and petroleum. Costs associated with participation in the SRP are eligible. Loan recipients may use up to 10 percent of borrowed funds for administrative costs as defined in the loan agreement.

### Eligible Sites

Use of BRLP funds is limited to sites that have an actual release or substantial threat of release of hazardous substances, pesticides or petroleum into the environment. Loan funds may also be used to address releases or substantial threats of releases into the environment of a pollutant or contaminant that may present an imminent or substantial danger to public health or welfare. Loans may be made on sites that are publicly-owned, either directly by a municipality or indirectly through a quasi-public entity such as a community development corporation; and privately-owned and with adequate means of repayment of the loan.

The borrower may be a unit of local government or a private entity, including nonprofit organizations. Brownfields projects for which loans will be issued must meet the eligibility requirements of the SRP.

Remedial activities funded by the BRLP must take place under the state's SRP. A brownfields site is eligible for the SRP unless:

1. The remediation site is on the National Priorities List (Appendix B of 40 CFR 300);
2. The investigative or remedial activities for which Illinois EPA review, evaluation and approval are sought are required under a current state or federal solid or hazardous waste permit or are closure requirements for a solid or hazardous waste treatment, storage or disposal site pursuant to applicable state or federal laws and implementing regulations (e.g., RCRA Part B, interim status closure; sites regulated by 35 Ill. Adm. Code 811-815);
3. The investigation or remedial action for which Illinois EPA review, evaluation and approval are requested are required under state or federal underground storage tank laws and implementing regulations [e.g. Leaking Underground Storage Tank (LUST) sites]; or
4. The investigation or remedial activities for which Illinois EPA review, evaluation and approval are requested are required by a federal court order or an order issued by the USEPA and compliance with the Program would be contrary to the terms of that order.

### Loan Amounts

Maximum loan amounts:

For site investigation	\$120,000
Per application	\$500,000
Per project	\$1,000,000

## **Interest Rate**

The fixed loan rate is comprised of an interest rate and a loan support rate. The fixed loan rate charged for the brownfields redevelopment loan shall be a simple annual rate at one-half the market interest rate, but not less than 2.50 percent.

## **Terms**

The maximum term of the loan is five years. Loan repayment will begin within 12 months of the initial disbursement of funds. Loan recipients whose repayments are delinquent for more than 15 days will be charged a late payment fee equal to 2 percent of the outstanding balance.

## **Criteria for Loan Issuance**

Loans will be issued based on the following criteria (order does not imply importance):

- Credit worthiness and ability to repay loan;
- Economic redevelopment potential;
- Long-term benefits and sustainability;
- Strength of community and local support;
- Interest of potential future users in the brownfields site;
- Protection of human health and the environment;
- Availability of funds; and
- Commitment by loan recipient or other entity to enter the brownfields site into the Site Remediation Program.

## **Steps to Securing an Illinois Brownfields Redevelopment Loan**

### **Step 1: Submit a Pre-Application Packet for a Brownfields Redevelopment Loan**

A pre-application packet, as a minimum, shall include a brownfields loan pre-application form (provided by the Illinois EPA), a description of the proposed remediation project, basis for the proposed remediation project, a cost estimate prepared by an environmental consultant, tentative schedule for the completion of the remediation project and a summary of prior environmental assessments. All pre-applicants will be assigned a Brownfields Representative from the OBA to guide them through both the Pre-Application and Application process. The Brownfields Representative will review the pre-application packet and work with the borrower to resolve any issues that may slow down or may result in future denial of a loan.

### **Step 2: Submit an Application Packet for a Brownfields Redevelopment Loan**

A brownfields loan application packet, as a minimum, shall include a brownfields loan application form (provided by Illinois EPA), background information, detailed project plan, project team members, environmental consultant information, certification that the borrower used a free and openly competitive bidding process in contracting, detailed remediation project budget using the form provided by Illinois EPA, detailed work schedule, assets and liabilities statement and demonstration of credit worthiness. Upon receipt of a completed brownfields loan application packet, the OBA will notify the applicant if funding is available.

Illinois EPA shall take action on all pending complete brownfields redevelopment loan applications, at a minimum, at the close of each of two loan application periods per year, the first ending January 1 and the second ending July 1. Illinois EPA may award and fund any loan prior to the end of a loan application period provided that the loan applicant demonstrates that remediation of the project site is necessary to assure protection of human health and environment and failure to issue the loan prior to the end of the loan application period would substantially impair implementation of the project.

### **Step 3: Enter into a Loan Agreement**

The loan takes effect once Illinois EPA and the loan recipient sign a loan agreement. The loan agreement governs the loan.

### **III Pre-Application Instructions and Forms**

Submit one original pre-application and one copy. All pre-applications should be typed, doublespaced on 8½ x 11 post consumer content recycled paper and must be prepared in the format outlined below. The complete pre-application should not exceed 10 pages.

#### **Brownfields Loan Pre-Application Form**

Complete the Brownfields loan pre-application form provided by Illinois EPA. The authorized representative of the loan applicant must sign the pre-application form.

#### **Description of the Brownfields site and the Proposed Remediation Project**

Identify the site in detail providing location, size, current status, and anticipated future use. Describe in detail the proposed remedial scope of work.

#### **Reason for the Proposed Project**

Explain why a brownfields loan would benefit the site and surrounding community.

#### **Cost Estimate for the Proposed Project**

Provide a detailed cost estimate that includes eligible costs associated with site remediation [see Brownfields Redevelopment Loan Program 35 Ill Adm. Code 886, Section 886.240, Cost Criteria for eligible costs]. Do not include costs related to infrastructure or new buildings or any other ineligible cost. Include the name, title and company of the individual who prepared the cost estimate.

#### **Tentative Schedule for Completion of the Proposed Project**

Provide a table of activities and estimated milestone dates, including, as appropriate, submittal dates of reports to the Site Remediation Program.

#### **Summary of Prior Environmental Assessments**

Briefly describe investigative and remedial work performed at the site, if any. Identify the chemicals of concern and the extent of contamination if known.

#### **Community Benefit**

Describe the negative effects of the site on the local community and the positive effects on the local community of funding and implementing the proposed project.

#### **Government Involvement**

Describe the local government involvement and planned additional involvement in the proposed project.

#### **Long Term Benefit**

Describe the anticipated long-term benefits of the project and the means by which the municipality will sustain the benefits.

Mail the completed pre-application to:

Illinois Environmental Protection Agency  
Bureau of Land, Office of Brownfields Assistance  
1021 North Grand Avenue East  
Springfield, Illinois 62794-9276



# Illinois Environmental Protection Agency

Bureau of Land • 1021 North Grand Avenue East • P.O. Box 19276 • Springfield • Illinois • 62794-9276

## Illinois Brownfields Redevelopment Loan Program Pre-Application Form

### Borrower Information

Legal Name of Borrower: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Borrower is a:  Unit of local government  Private party

Has the borrower received other brownfields assistance for the subject property? (Check all that apply)

- Illinois Brownfields Redevelopment Grant Program
- Illinois EPA Redevelopment Site Assessment
- U.S. EPA Brownfields Demonstration Pilot
- U.S. EPA Brownfields Redevelopment Loan Program
- Other \_\_\_\_\_

Is the borrower currently in default under any existing loan agreement?  Yes  No

Does the borrower currently own the brownfields site?  Yes  No

If no, will borrower take title to the property during term of the loan?  Yes  No

### Brownfields Site Information

Note: If a single loan will be used at multiple Brownfield sites, please attach a list containing the information requested in items 11 through 22 for each site.

Brownfields Site Name (building name, facility name, local reference, etc.):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Legal Description:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Site Address (street, city, county, state, zip code):

Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code \_\_\_\_\_

Property Owner (name and address):

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code \_\_\_\_\_

Year Property Acquired: \_\_\_\_\_

Original Purchase Cost: \_\_\_\_\_

Amount of Existing Liens: \_\_\_\_\_

Approximate Property Value: \_\_\_\_\_

Is the site currently enrolled of the Illinois EPA Site Remediation Program?  Yes  No

Acres of Site: \_\_\_\_\_

Post cleanup land use plan:  Industrial  Residential  Commercial  Mixed Use

Illinois EPA 10-Digit LPC Number: \_\_\_\_\_

**Project Summary**

Purpose of Loan:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Loan Amount Requested: \_\_\_\_\_

Estimated length of the remediation project (in months) from start of Loan Agreement: \_\_\_\_\_

Is remediation of the project site necessary to assure protection of human health and environment?

Yes  No

Would failure to issue the loan prior to the end of the loan application period substantially impair implementation of the project?

Yes  No

Type of contamination:  Petroleum  Pesticides  Hazardous Waste  Mixed

**Environmental Consultant Information** (if one has been retained)

Firm (name and address):

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code \_\_\_\_\_

Main contact person

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**Loan Applicant Signature**

To the best of my knowledge and belief, the information provided in this pre-application and its attachments is true and complete.

Any person who knowingly makes a false, fictitious, or fraudulent material statement, orally or in writing, to the Illinois EPA commits a Class 4 felony. A second or subsequent offense after conviction is a Class 3 felony. (415 ILCS 5/44(h))

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

## **IV Application Instructions and Forms**

The brownfields loan application packet is designed to be completed by the borrower with the help of the assigned Illinois EPA Brownfields Representative. Submit one original application packet and two copies. All submittals should be typed, double-spaced on 8½ x 11 post consumer content recycled paper and must be prepared in the format outlined below.

### **Brownfields Loan Application Form**

The borrower must complete and sign the provided brownfields loan application form. Attach a legible copy of the Brownfields loan pre-application packet previously submitted. The borrower must notify the Illinois EPA if any information previously provided in the pre-application packet has changed since the pre-application was originally submitted. If information has changed, provide updated information and explain the basis for the change.

### **Attachments**

#### **Background**

- A. Explain the relationship of the borrower to the site.
- B. Describe the investigative and remedial work performed at the site, if any. Summarize all prior environmental assessments and conclusions. Attach copies of all environmental reports generated for any part of the site: Site Investigation Report, Remediation Objectives Report, Remedial Action Plan, Remedial Action Completion Report, or their equivalents. If the site is currently enrolled in the SRP, the borrower does not have to submit copies of reports, rather provide a summary, which lists reports prepared as part of the SRP and the date(s) the report(s) was submitted to the SRP.
- C. Describe the future participation of the site in the Site Remediation Program and identify who the remedial applicant will be. If the site is not enrolled in the SPP, attach a letter committing the site's entry into the Site Remediation Program. If the site is currently enrolled, identify the remedial applicants relationship to the borrower.
- D. Indicate how the success of the project will be measured by listing milestones and goals.

#### **Project Plan**

- A. Describe all components and phases of the proposed remediation project. Indicate each activity's relationship to the Site Remediation Program regulations and program requirements.
- B. Describe planned or proposed tasks to be performed by parties involved.
- C. Provide a detailed schedule of the work plan by task, including specific activities and events.
- D. Attach letter(s) of agreement or other documentation showing the applicant is authorized, by law or consent, to act on behalf of or in lieu of the owner or operator of the site.
- E. Attach letter(s) of agreement or other documentation from the contractor or subcontractors involved in or responsible for components or phases of the proposed project.
- F. Include map(s) showing location of the proposed project and areas affected by the proposed project.

#### **Borrower's Project Team Members (In-House)**

- A. Provide the name of the project manager and a description of his or her previous management experience and other pertinent experience and capabilities.

- B. Provide the names of other project team members (lawyers, financial advisor, developers, etc.) and a description of their job titles, work assignments and experience.
- C. Provide the name, telephone number, fax number and E-mail address, if any, of the applicant project team member designated to serve as liaison with the Illinois EPA.

#### Environmental Consultant

- A. Provide the name, telephone number, fax number and E-mail address of the environmental consulting firm selected to perform the remedial action.
- B. Describe the previous project management experience and other pertinent experience and capabilities of the environmental consultant.
- C. Provide the names of key environmental consultant personnel and describe their job titles, work assignments and experience.
- D. Explain in detail the tasks consultant personnel are to perform in the proposed project.
- E. Provide evidence of relevant experience of all environmental consultant personnel involved in the project.
- F. Complete and submit a Bidding Certification.

#### Budget

Use the budget form provided. All entries on the budget forms must be explained in detail. Round all amounts to the nearest dollar. Carry all percentages to one decimal place.

#### Collateral Analysis

- A. Provide borrower's credit history.
- B. Identify the borrower's source of revenue for repaying the loan.
- C. Indicate whether there are restrictions on what additional debts can be issued by the loan applicant.
- D. Describe the borrower's plan for financing any project costs that are not eligible for loan financing, but necessary to ensure success of the project (i.e., asbestos removal, lead paint removal, legal services, demolition not necessitated by remediation, infrastructure upgrade, etc.).
- E. Explain whether the amount and timing of the borrower's revenues match up with the loan repayment schedule.
- F. Provide Pro Forma balance sheets for three years.
- G. Provide Pro Forma profit and loss statements for three years.
- H. Provide quarterly cash flow projections for the first two years of the remediation project, indicating cash flow to service all current obligations and proposed new debt.
- I. If the loan applicant will receive project funds from multiple sources, indicate whether funding from those sources will be available at the same time.

#### **Brownfields Redevelopment Loan Application Attachment Checklist**

In addition to supporting documentation the borrower may be required to provide, the application packet must contain the following attachments:

- Copies of all environmental assessment reports generated for the site. If the site is enrolled in the SRP, in lieu of submitting copies of the report, the borrower may provide a summary of the report previously submitted to the SRP and the dates the reports were submitted.
- If the site is not currently enrolled in the SRP, a letter committing the site's entry into the SRP.
- If the borrower is not the owner or operator of the site, a letter of agreement or other documentation showing the applicant is authorized to act on behalf of or in lieu of the owner or operator of the site.
- Letters of agreement or other documentation from the contractor or subcontractors involved in or responsible for components or phases of the proposed work project.
- Budget form.
- Bidding Certification.

Mail the completed loan application to:

Illinois Environmental Protection Agency  
Bureau of Land, Office of Brownfields Assistance  
1021 North Grand Avenue East  
Springfield, Illinois 62794-9276



# Illinois Environmental Protection Agency

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## Illinois Brownfields Redevelopment Loan Program Application Form

### General Loan Information

1. Loan Amount: \_\_\_\_\_
2. Duration of Loan (number of months): \_\_\_\_\_
3. Loan Position: \_\_\_\_\_

### Property Information and Purpose of Loan

4. Brownfields Site Name (building name, facility name, local reference, etc.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Legal Description: (attach description if necessary):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Subject Property Address (street, city, state, zip code):

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Zip Code \_\_\_\_\_

### Borrower Information

7. Legal Name of Borrower: \_\_\_\_\_
8. Social Security Number: \_\_\_\_\_
9. FEIN Number \_\_\_\_\_

10. Borrower (name and address):

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Zip Code \_\_\_\_\_

11. Phone Number: \_\_\_\_\_

12. Property Owner (name and address):

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Zip Code \_\_\_\_\_

**Project Summary**

13. Purpose of Loan:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

14. Estimated length of the project (in months) from start of loan agreement: \_\_\_\_\_

**Environmental Consultant Information**

15. Firm Name: \_\_\_\_\_

16. Address (street, city, county, zip code):

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Zip Code \_\_\_\_\_

17. Primary Contact Person (Name and Title): \_\_\_\_\_

18. Phone: \_\_\_\_\_ 19. Fax: \_\_\_\_\_

20. E-mail: \_\_\_\_\_

**Loan Applicant Signature**

To the best of my knowledge and belief, the information provided in this application and its attachments is true and complete.

Any person who knowingly makes a false, fictitious, or fraudulent material statement, orally or in writing, to the Illinois EPA commits a Class 4 felony. A second or subsequent offense after conviction is a Class 3 felony. (415 ILCS 5/44(h))

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

## Illinois Redevelopment Loan Program Budget Summary Sheet

Project Activity	Total Cost	Requested Financing	Other Financing Sources
Administrative Costs			
Phase I and II Environmental Assessment			
Site Investigation			
TACO Analysis (Tiered Approach to Corrective Action Objectives)			
Remedial Engineering/ Environmental Consulting			
Demolition (as necessary for remediation)			
Subcontractor(s)			
Site Remediation Program (enrollment and oversight cost)			
Other			
Total Costs			

Prepared by (name, title and company):

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_