

***American Recovery and Reinvestment Act (Recovery Act)  
Process and Consideration Guidelines for  
Brownfields Revolving Loan Fund (RLF) Grant Supplemental Funding***

The EPA plans to make available approximately \$40 million in Recovery Act funding to supplement RLF capitalization grants previously awarded competitively under section 104(k)(3) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). Brownfields Cleanup Revolving Loan Fund (BCRLF) pilots awarded under section 104(d)(1) of CERCLA that have not transitioned to section 104(k)(3) grants are not eligible to apply for these funds. Eligible RLF grantees are limited to those awarded under CERCLA section 104(k) and those originally awarded under CERCLA section 104(d) that have transitioned to section 104(k) as provided in section 104(k)(3)(D). EPA will award these funds under the criteria described below in Part III only to RLF grantees who have demonstrated an ability to deliver programmatic results by making at least one loan or subgrant and have effectively utilized existing available loan funds (high performing RLF grantees).

RLF grantees requesting supplemental funding should be aware that grant agreements will include all terms and conditions required by the Recovery Act including additional reporting requirements. Grantees selected for Recovery Act RLF supplemental funding must be willing to comply with these requirements. While this funding is to supplement an existing grant, in accordance with OMB's February 18, 2009, guidance for implementing the Recovery Act, EPA will provide supplemental RLF funding under new awards rather than through amendments to existing RLF grants. This will ensure that RLF grantees will track Recovery Act funds separately from RLF funds awarded using EPA's annual appropriation for Brownfields grants.

RLF supplemental funding awarded with Recovery Act funds is not subject to the 20 percent cost share required by CERCLA 104(k)(9)(B)(ii). Further, in order to increase flexibility, the Agency will not require that RLF grantees use at least 60 percent of the supplemental funding award for loans. RLF grantees may use up to 100 percent of Recovery Act funds for either loans or subgrants. In addition, while EPA is still limiting individual subgrants to no more than \$200,000 per site, RLF grantees may petition EPA to waive the \$200,000 per site subgrant limitation, if such a waiver would promote the goals of the Recovery Act through increased job creation, retention, and economic development.

## **I. Background**

On February 17, 2009, President Barack Obama signed the American Recovery and Revitalization Act of 2009 (Public Law No. 111-05) (Recovery Act). EPA received \$100 million in Recovery Act appropriations for the CERCLA 104(k) Brownfields program of which 25% must be used at brownfields sites contaminated with petroleum. The Agency has allocated approximately \$40 million of Recovery Act funds for

supplemental funding of previously competed RLF grants as authorized by CERCLA 104(k)(4).

## **II. Process**

### ***Notification of Supplemental Funding Availability***

Eligible grantees will be notified of the availability of the Recovery Act RLF supplemental funding by Regional RLF Project Officers/Project Managers. A Federal Register notice informing RLF grantees of the availability of Recovery Act RLF supplemental funding was published on April 10, 2009. In addition, information regarding the availability of RLF supplemental funding is posted on the EPA Brownfields website at <http://www.epa.gov/brownfields/eparecovery>.

### ***Requesting Supplemental Funding***

Recovery Act RLF supplemental funding decisions will be based upon specified considerations defined in Part III below. Priority consideration will be given to funding those grantees who can demonstrate they have shovel-ready projects that will expeditiously result in job creation and can clearly demonstrate how they will track and measure their progress in creating jobs associated with the loans or subgrants. In addition, EPA may consider geographic distribution of the funds among EPA's ten Regions.

The requestor of Recovery Act RLF supplemental funding must be the cooperative agreement recipient of a previously awarded RLF grant. Requests must clearly state at the beginning of their request the dollar amount requested for each type of funding available (hazardous substances and/or petroleum). For example, a grantee could request \$500,000 in hazardous substances funds and \$500,000 in petroleum funds. There is no maximum amount of supplemental funding that can be requested under this solicitation; however, requestors should be advised that EPA reserves the right to award amounts less than requested.

A request for supplemental funding must be in the form of a letter addressed to the Regional Contact identified in Appendix 1. A copy of the letter must also be emailed to Debi Morey at [morey.debi@epa.gov](mailto:morey.debi@epa.gov).

**Please note, eligible RLF grantees must submit a new request for Recovery Act supplemental RLF funds even if the grantee has a pending request for Brownfields RLF supplemental funding under consideration by EPA.**

The letter should address all the considerations identified in Part III.

### ***Regional Input on Requests***

EPA Regions will review request letters from RLF grantees. Regions will submit an evaluation of the request as it relates to the considerations in Part III and make a recommendation on the award of supplemental funding.

### ***Deadlines***

Requests must be sent by letter **and** email. Request letters must be postmarked by May 1, 2009. Email copies of the request letter must be received by May 1, 2009.

### ***Selection/Award***

The Assistant Administrator of the Office of Solid Waste and Emergency Response (OSWER) will make the final selection of those grantees receiving Recovery Act RLF supplemental funding.

RLF grantees will be required to work with EPA Regional Project Officer to negotiate a work plan and submit the required forms for a new cooperative agreement award. Award of supplemental funds will be made by the Regional Administrator, or other appropriate regional award official. All Recovery Act RLF supplemental funding will be awarded as new cooperative agreements in order to track and measure Recovery Act funding separately from RLF funds awarded using EPA's regular annual appropriations for the Brownfields grants.

## **III. Considerations**

Grantees requesting Recovery Act supplemental funding should address the following considerations in their letter. The EPA will consider this information when making their decisions for supplemental funding. Priority consideration will be given to funding those grantees who can demonstrate they have shovel-ready projects that will result in job creation and are able to track and measure their progress in creating the jobs associated with the loans and subgrants. In addition, EPA may consider geographic distribution of the funds among EPA's ten Regions.

- ***Demonstrated ability to make loans and subgrants with Recovery Act funds quickly (i.e., shovel-ready projects) for cleanups that can be started and completed expeditiously.*** RLF grantees should list specific projects where loans or subgrants are ready to be made if supplemental funding were provided. The RLF grantee should provide detailed information related to the status of the project(s) listed (e.g., status of site assessment, cleanup plan development, ABCA, loan application/approval, etc...) that clearly demonstrate the loan or subgrant is imminent.

- ***Demonstrated ability to use supplemental RLF funds in a manner that maximizes job creation and economic benefit.*** RLF grantees should include specific information regarding the number and types of jobs or other economic benefit that would be created as a result of the loans or subgrants.
- ***Demonstrated ability to track and measure progress in creating jobs associated with the loans or subgrants.*** RLF grantees should discuss how they will track and measure their progress in creating jobs associated with the loans or subgrants.
- ***Demonstrated ability to track and measure progress of cleanups resulting from a loan or subgrant.*** RLF grantees should discuss how they will track and measure their progress in cleaning up brownfields sites.
- ***The RLF grantee must have made at least one loan or subgrant AND have effectively utilized existing available loan funds.*** RLF grantees should discuss all previous loan(s) and/or subgrants and describe the budget status (including repayment schedules, income projections and remaining funds available) of their existing RLF and how they have effectively utilized their available loan funds.
- ***Demonstrated need for supplemental funding, including the number of sites and communities that may benefit from the supplemental funding.*** RLF grantees should specify the level of supplemental funding sought and discuss the specific project(s), community(ies), and site(s) that may benefit from such funding.
- ***Demonstrated ability to administer and “revolve” the RLF grant, and administer subgrant(s) and/or loan(s).*** Acceptable ability can be demonstrated through, e.g., demonstrated progress in your business plan to build and revolve your RLF; timely submission of all quarterly reports, or other applicable deliverables to EPA; success meeting the administrative requirements of your existing RLF grant; discussion of specific measures of success for work already funded by EPA including successful identification/use of a fund manager/environmental professional; timely completion of loan documentation; receipt of regional approvals required by cooperative agreements.
- ***Demonstrated ability to use the RLF grant to address funding gaps for Cleanup.*** Examples of accomplishments by the RLF grantee in addressing funding gaps may include identifying and addressing where such gaps exist in specific projects and efforts to coordinate with and leverage other financing programs for brownfields assessment, cleanup, and redevelopment, where available.

- ***Community benefit from past and potential loan(s) and/or subgrant(s).*** Community benefit from loans may be demonstrated by, for example, descriptions of how existing loans have or will benefit community(ies) in under-served areas, how loans have fit into long-range planning and development efforts of a community; how redevelopment is projected to benefit public health, the environment and the economic stability of the community, including the reduction of associated health risks, tax revenues generated and/or jobs leveraged from loans made.
- ***Demonstrated ability to use the RLF grant to provide funding to promote projects incorporating sustainable reuse and renewable energy.*** RLF grantees should list specific projects where loans or subgrants have or are ready to be made that promote sustainable reuse and renewable energy. Examples may include sustainable reuse/renewable energy as a component of either the cleanup or redevelopment of the site.

If you have questions about RLF supplemental funding, please contact Debi Morey, EPA's National Brownfields RLF Lead, at (202) 566-2735 or the appropriate Brownfields Regional Contact listed in Appendix 1.

## Appendix 1 Regional Contacts

REGION & STATES		ADDRESS/PHONE NUMBER/EMAIL
EPA Region 1 Diane Kelley  Kelley.Diane@epa.gov	CT, ME, MA, NH, RI, VT	One Congress Street Suite 1100 Boston, MA 02114-2023 Phone (617) 918-1424 Fax (617) 918-1291
EPA Region 2 Larry D'Andrea  DAndrea.Larry@epa.gov	NJ, NY, PR, VI	290 Broadway 18th Floor New York, NY 10007 Phone (212) 637-4314 Fax (212) 637-4360
EPA Region 3 Tom Stolle  Stolle.Tom@epa.gov	DE, DC, MD, PA, VA, WV	1650 Arch Street Mail Code 3HS51 Philadelphia, Pennsylvania 19103 Phone (215) 814-3129 Fax (215) 814-5518
EPA Region 4 Wanda Jennings  Jennings.Wanda@epa.gov	AL, FL, GA, KY, MS, NC, SC, TN	Atlanta Federal Center 61 Forsyth Street, S.W. ,10TH FL Atlanta, GA 30303-8960 404.562.8682 (w) 404.562.8439 (fax)
EPA Region 5 Deborah Orr  Orr.Deborah@epa.gov	IL, IN, MI, MN, OH, WI	77 West Jackson Boulevard Mail Code SE-4J Chicago, Illinois 60604-3507 Phone (312) 886-7576 Fax (312) 886-7190
EPA Region 6 Monica Chapa Smith Smith.Monica@epa.gov	AR, LA, NM, OK, TX	1445 Ross Avenue (6SF-VB) Dallas, Texas 75202-2733 Phone (214) 665-6780 Fax (214) 665-6660
EPA Region 7 Susan Klein Klein.Susan@epa.gov	IA, KS, MO, NE	901 N. 5th Street Kansas City, Kansas 66101 Phone (913) 551-7786 Fax (913) 551-8688
EPA Region 8 Ted Lanzano Lanzano.Ted@epa.gov	CO, MT, ND, SD, UT, WY	1595 Wynkoop Street (EPR-B) Denver, CO 80202-1129 Phone (303) 312-6596 Fax (303) 312-6067
EPA Region 9 Debbie Schechter Schechter.Debbie@epa.gov	AZ, CA, HI, NV, AS, GU	75 Hawthorne Street, SFD 9-1 San Francisco, California 94105 Phone (415) 972-3093 Fax (415) 947-3520
EPA Region 10 Brooks Stanfield  Stanfield.Brooks@epa.gov	AK, ID, OR, WA	1200 Sixth Avenue Seattle, Washington 98101 Phone (206) 553-4423 Fax (206) 553-0124