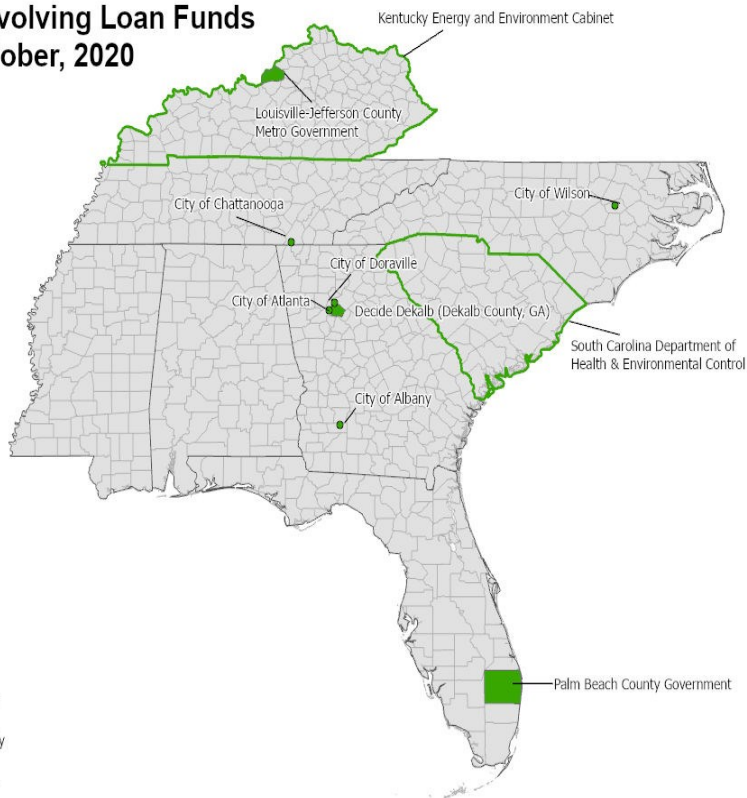


# R4 BROWNFIELDS' RLF APPLICATION CONSIDERATIONS FOR THE 2022 FUNDING CYCLE

The recommendations below represent “best practices” for the 2022 funding cycle to maximize the use of funds and suggests approaches for managing revolved funds from closed RLF grants.

## APPLYING FOR A COALITION RLF IN FY22

### Region 4 Brownfields Open Revolving Loan Funds as of October, 2020



1. A large geographic area makes for an ideal RLF application – as grants are limited to the geographic area within each application. This ensures shared marketing and flexibility in serving needs not identified at the time of application. Consider broader jurisdictions such as multiple counties or multiple planning districts for a coalition application. Cities & non-profits can be smaller partners.
2. It's not advised to create a coalition of more than 3-4 organizations due to the application's page limit restrictions, but these organizations should represent broad geographic jurisdictions.
3. If possible, consider areas immediately adjacent to or including areas with existing RLF grants. This can allow the movement of funds or transfer of funds if one grantee no longer wishes to manage their RLF grant. RLF funds can only be moved to immediately adjacent or inclusive grantees. This movement keeps the funds in the Region.

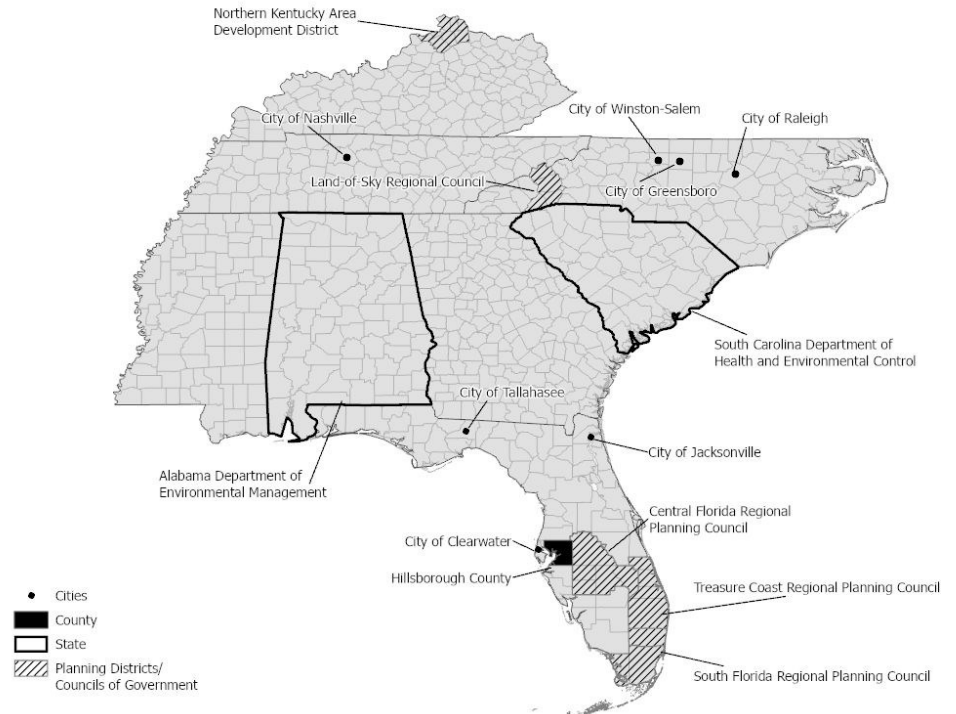
## NEW CONSIDERATIONS FOR REVOLVED FUNDS FROM CLOSED RLFs

1. Revolved funds are considered *program income* during the life of a grant and are still restricted to defined RLF activities under the Terms & Conditions (cleanups, Davis-Bacon wage reporting, ACRES and quarterly reporting to EPA). However, program income is not subject to the limitations on subgrants. RLFs may subgrant 100% of program income if desired, including more than \$350,000 at one site without a waiver.
2. However, after the grant is closed and subject to the post-closeout agreement, program income has broader uses and fewer Terms & Conditions. New uses of the revolved funds include all eligible brownfields activities such as assessments, limited planning, and revised use of loans or subgrants.
3. The post-closeout negotiated agreement allows alteration of the 50/50 split of loans and subgrants. All of the remaining funds maybe subgranted, or the desired ratio of grant to loan may be modified.
4. Post-closeout also means that program income is no longer subject to Davis-Bacon wage reporting.
5. If the recipient chooses not to have site specific brownfield work conducted under the State's Voluntary Response Program, then they are required to work with an EPA Project Officer for approval of a site eligibility form and quality assurance project plan (QAPP).
6. ACRES data will still need to be completed until all federal funds are expended.
7. Annual reporting to EPA continues until the last of the revolved funds has been expended.

## NEW STRATEGIES FOR EXISTING RLF'S

1. RLF grants are initially limited to 5 years, but can be extended for up to 15 years IF the grantee has drawn down their federal funding AND been awarded supplemental funding at least once.
2. It may be advantageous to end an RLF grant earlier than 15 years to have more flexibility in using the revolved funds.
3. Consider applying for another RLF grant before the existing grant is scheduled to close. If awarded, end the current grant. If not awarded, request supplemental funding and a grant extension.
4. Annual reports submitted to EPA are required *in perpetuity* until the close-out agreement is terminated. Therefore, expeditious use of revolved funds is recommended to eliminate post-closure reporting burdens.

Region 4 Closed Brownfield Revolving Loan Funds With Program Income as of October 2020



## ENGAGING THE STATE

1. EPA expects that grantees have a strong relationship with the State Response Program staff for RLF grants.
2. In most states, sites addressed under the RLF will need to be enrolled in the State Voluntary Cleanup Program in order to ensure state input for compliance with state cleanup standards.
3. Liability protection and tax benefits can only accrue after entering State programs.
4. Public participation and community engagement remain central to the Brownfields program throughout the use of all funds until the Closeout Agreement is terminated.

### **KEY MESSAGES:**

- Consider forming a regional coalition to apply for an RLF to maximize geographic area.
- If possible, consider including areas adjacent to or inclusive of an existing RLF to allow movement of funds between them.
- An RLF grant may end, but reporting to EPA does not until all revolved funds are spent and the Closeout Agreement is terminated. Therefore, carefully consider loan structure and more expeditious uses of revolved funds.