

US EPA ARCHIVE DOCUMENT

NH BROWNFIELDS CLEANUP REVOLVING LOAN FUND

Presented By:

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NHDES BROWNFIELDS TEAM

- **Geologists, engineers, and attorneys serving as:**
 - **Grant Liaisons**
 - **Covenant Program Manager**
 - **Revolving Loan Fund Administrator**
 - **Outreach Lead**
 - **Program Coordinator**

CURRENT BCRLF GRANT STATUS

- **BCRLF Grant - \$2.45 million**
- **5 Loans Made - \$1.35 million**
- **1 Loan in Process - \$0.92 million**
- **Total Loaned and In Process - \$2.27 million**
- **9 coalition partners**

KEYS TO SUCCESS

- **Marketing and Outreach**
 - DES is “connected”
 - Custom Project Management
- **Sophisticated Borrowers**
- **Risk Management**
- **Project Team**
 - Program and Project Managers, PE, PG
 - In-House Attorney
 - Accounting
 - BFA/Treasury

NH BCRLF LOAN PROCESS

Pre-Application Meetings	Discuss Project, \$\$\$, Determine Eligibility
Loan Application	Complete Loan Application
Financials Terms	Review Financial Statements, Develop Terms
BFA/NH Dept. Treasury	Risk/Loan Advisability Determination
Underwriting	Create Loan Instruments
G&C Approval	Governor & Council Authority to Make Loan
Loan Closing	Closing, Recording, Disbursements

UNDERWRITING

- The process of analyzing a loan application to determine the amount of risk involved in making the loan; it includes a review of the potential borrower's credit history and a judgment of the property value.
- For NHBCRLF - Two Part Process
 - Identifying Risk
 - Managing Risk

IDENTIFYING RISK

- **Pro Forma Statement**
- **Tax Returns**
- **Existing Debt Service**
- **Loan Subordination**
- **Sources of Repayment**
- **Security or Guaranty**

MANAGING RISK

- **Loan Agreement**
- **Promissory Note**
- **Mortgage & Security Agreement**
- **Collateral Assignment**
- **Guaranty**

NEW BCRLF GRANT

- **Cooperative agreement pending for \$800,000**
- **Up to \$320,000 for cleanup subgrants**
- **2 Coalition Partners:**
 - **NH Dept. of Resources & Econ. Dev.**
 - **Southwest Region Planning Comm.**

NEW PETROLEUM BCRLF

- **Cooperative agreement pending for \$1,001,790**
- **Up to \$400,000 for cleanup grants**
- **May be harder to lend**

CLEANUP SUBGRANTS

- **Total of \$720,000 available for subgrants**
- **Up to \$400,000 for petroleum; \$320,000 for all sites**
- **Eligible parties will be municipalities, non-profits**
- **Must own site**

CLEANUP SUBGRANTS – HOW WILL THEY WORK?

- **DES will advertise to municipalities for competitive selection**
- **Selected projects put in queue for future funds as available**
- **\$200,000 per site (20% match)**
- **Grantee would contract for remedial work with DES oversight**

QUESTIONS?

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