



**Office of Brownfield Remediation and Development  
Targeted Brownfield Development Loan Program  
Notice of Funding Availability (NOFA)**

*December 21, 2020*  
Round 13 - Loan

The Office of Brownfield Remediation and Development (OBRD) of the Dept. of Economic and Community Development would like to announce the availability of \$12 million under the Targeted Brownfield Development Loan (TBDL) Program and would like to invite applications for the same. The purpose of the TBDL Program as per [C.G.S Section 32-765](#), is to provide low-interest loans for the eligible costs of brownfield remediation projects to potential brownfield purchasers and current brownfield owners who (1) have no direct or related liability for the conditions of the brownfield, and (2) seek to develop brownfields for purposes of reducing blight or for industrial, commercial, residential or mixed use development. Please see additional details below.

**“Brownfield” Definition:** As per [C.G.S Section 32-760](#), “Brownfield” means any abandoned or underutilized site where redevelopment, reuse or expansion has not occurred due to the presence or potential presence of pollution in the buildings, soil or groundwater that requires investigation or remediation before or in conjunction with the redevelopment, reuse or expansion of the property.

**Maximum/Minimum Request Per Application:** Minimum Loan amount - \$500,000; Maximum Loan Amount - \$4,000,000.

**Application Process:** The application is a two-step process. The Pre-application Form will assess the applicant and project eligibility for the program. Once approved, you will be invited to submit the Full Application form. Both forms can be accessed on the OBRD website – [Loan Program Page](#). All applications shall be sent to [Brownfields@ct.gov](mailto:Brownfields@ct.gov).

**Pre-application Due Date:** Pre-applications will be accepted until 3 p.m. on Monday, January 25, 2021. An email receipt will be sent back to confirm receipt of the form. Notifications to submit the full application form will be sent by 3 p.m. on Wednesday, February 10, 2021.

**Application Due Date:** The Full Application Form will be accepted until 3 p.m. on Monday, March 8, 2021. An email receipt will be sent back to confirm receipt of the form.

Questions related to the NOFA should be emailed to [Brownfields@ct.gov](mailto:Brownfields@ct.gov) by Monday, February 1, 2021. The FAQ addendum that includes responses to all questions will be posted on the OBRD website by Wednesday, February 10, 2021.

Finalists for funding under this program should tentatively expect to participate in a video conference interview in the second or third week of April 2021.

Awards are tentatively scheduled to be announced by the end of April 2021.

**Eligible Applicants:** Potential brownfield purchasers and current brownfield owners including, but not limited to, for-profit and non-profit entities, municipalities, Connecticut brownfield land banks, economic development agencies or regional councils of governments. Persons or entities responsible for the contamination are ineligible. All applicants must provide proof of access to the site, site control or path to site control.



**Source of Funding:** State Bond Commission allocation of \$23 million (December 18, 2020/Item# 3)

**Enabling Statutes:** [C.G.S. Section 32-765](#)

**Eligible Uses of Funds:** Costs associated with the investigation, assessment, remediation and development of a brownfield, including but not limited to: soil, groundwater and infrastructure investigation; assessment; remediation; abatement; hazardous materials or waste disposal; long-term groundwater monitoring or monitoring for natural attenuation; other forms of institutional controls; attorneys’ fees, planning, engineering and environmental consulting; building and structural issues (including demolition, asbestos abatement, PCB removal, contaminated wood or paint removal and other infrastructure remedial activities).

**Minimum Developer Equity:** Participation in the program will require a minimum developer equity of at least 10% of the total project cost. Equity may include assessment costs, local bonding, cash, administrative expenses, predevelopment expenses, property acquisition costs, deferred developer fee and other investments by the applicant deemed acceptable by the Commissioner of the DECD.

**Threshold Requirements:** Applicants will need to demonstrate the following to be eligible to apply for the program (these will be assessed in the pre-application stage):

- Proof that the site is a brownfield as per [C.G. S. Sec. 32-760](#)
- Proof that the Applicant (including parent entity) has no direct or related liability for the conditions of the brownfield.
- Proof that Applicant is the property owner or is a potential purchaser
- Proof that Applicant is registered to do business in the State of CT and is in good standing – no pending lawsuits, liens filed and tax arrears.

**Minimum Loan Terms:** The following are some of the minimum terms. The terms are negotiable and DECD is willing to match the private financing terms within statutory authority:

Loan Duration	Up to 30 years – should match the private debt financing terms
Loan Rate	3%
Debt Service Coverage Ratio (Gross Rents minus certain expenses)	1.15
Prepayment penalty	None
Permanent Refinancing	The loan will have to be fully repaid on permanent refinancing

**Loan Forgiveness:** DECD is not offering loan forgiveness with this NOFA.

**Application Review and Award Criteria:** The following criteria will be used to score the applications.



<b>Shovel-readiness</b>	Remediation plan completeness	Up to 10 points
	Redevelopment plan completeness	Up to 10 points
<b>Economic and Community Development Impact</b>	<p>Project is located in:</p> <ul style="list-style-type: none"> <li>• A distressed municipality, as defined in <a href="#">C.G.S. Section 32-9p</a>;</li> <li>• A targeted investment community, as defined in <a href="#">C.G.S. Section 32-222</a>; or</li> <li>• A public investment community, as defined in <a href="#">C.G.S. Section 7-545</a>.</li> </ul>	6 points
	Project in Opportunity Zone	6 points
	Increase in property value/ Tax contribution to municipal tax base	Up to 10 points
	Job creation (permanent full-time equivalent FTE; direct and indirect)	Up to 10 points
	Supports the industrial sectors identified in the DECD/Advance CT economic development strategy - Advanced Manufacturing; Aerospace & Defense; Bioscience & Healthcare; Film, TV, Digital Media; Financial Services; Green Energy; Insurance; Technology & Innovation	Up to 4 points
	Supports other DECD initiatives - workforce and/or mixed-income housing, transit-oriented development, proximity to transit, use of renewable energy, reuse of historic property/mill, tourism supportive, and/or urban food desert solutions	Up to 4 points
<b>Financing</b>	Loan to value ratio	Up to 10 points
	Developer equity	Up to 10 points
	Private leverage of DECD funds	Up to 10 points
<b>Applicant Experience</b>	Applicant experience with completing similar projects on-time and within budget	Up to 10 points

**New DECD Prevailing Wage Rule:** All projects will have to be consistent with the requirements of [C.G.S Section 31-53c](#).

**Collateral:** Applicants will be required to provide collateral to guarantee the successful completion of the project and repayment of the DECD Loan. Minimum collateral would be a mortgage lien on the property



Additional collateral options include but not limited to, mortgage of other assets owned by the project partners/parent company and/or corporate/personal guaranty etc.

**Special Note for Projects Seeking CHFA/DOH Funds:** If applicant is simultaneously seeking and waiting on CHFA/DOH financing, DECD will only provide a conditional award pending CHFA/DOH approvals. The conditional award will expire in a year or after the CHFA/DOH funding announcement, whichever occurs earlier.

**Application Page limit (excluding attachments):** DECD encourages all applicants to be as succinct as possible with their responses to the questions in the application forms. DECD will only accept responses to the questions included in the space provided within the forms.

**Schedule Summary:**

January 25, 2021 @ 3:00 PM	Deadline to submit Loan Pre-application Forms (pre-applications will be accepted any time prior to deadline)
February 1, 2021	Deadline to submit questions to DECD (regarding this Loan NOFA)
February 10, 2021 @ 3:00 PM	Deadline to receive approval/denial from DECD to submit Full Application Forms; date when DECD will be publishing responses to all questions (FAQ Addendum)
March 8, 2021 @ 3:00 PM	Deadline to submit Full Application Forms (Full Application Forms will be accepted any time prior to this deadline and after receipt of Full Application submittal sign-off from OBRD)
April 2 <sup>nd</sup> or 3 <sup>rd</sup> week	Video Conference Interview (tentative)
April 4 <sup>th</sup> or 5 <sup>th</sup> week	Award Announcements (tentative)

**For questions:** Please send email to [brownfields@ct.gov](mailto:brownfields@ct.gov) (preferred) or contact the dedicated OBRD hotline number at 860.500.2395 by Monday, February 1, 2021.

*Disclaimer: DECD reserves the right to amend or cancel this NOFA, to modify or waive any requirement, condition or other term set forth in this NOFA or the program application, to request additional information at any time from one or more applicants, to select any number of applications submitted in response to this NOFA, or to reject any or all such applications, in each case at DECD's sole discretion. DECD may exercise the foregoing rights at any time without notice and without liability to any applicant or any other party. Applications to this NOFA shall be prepared at the sole expense of the applicant and shall not obligate DECD to procure any of the services described therein or herein from any applicant. DECD shall not be obligated to any applicant until a final written agreement has been executed by all necessary parties thereto and all applicable approvals have been obtained. As such, any funds expended by the applicant prior to these approvals will be done so entirely at the risk of the applicant.*