



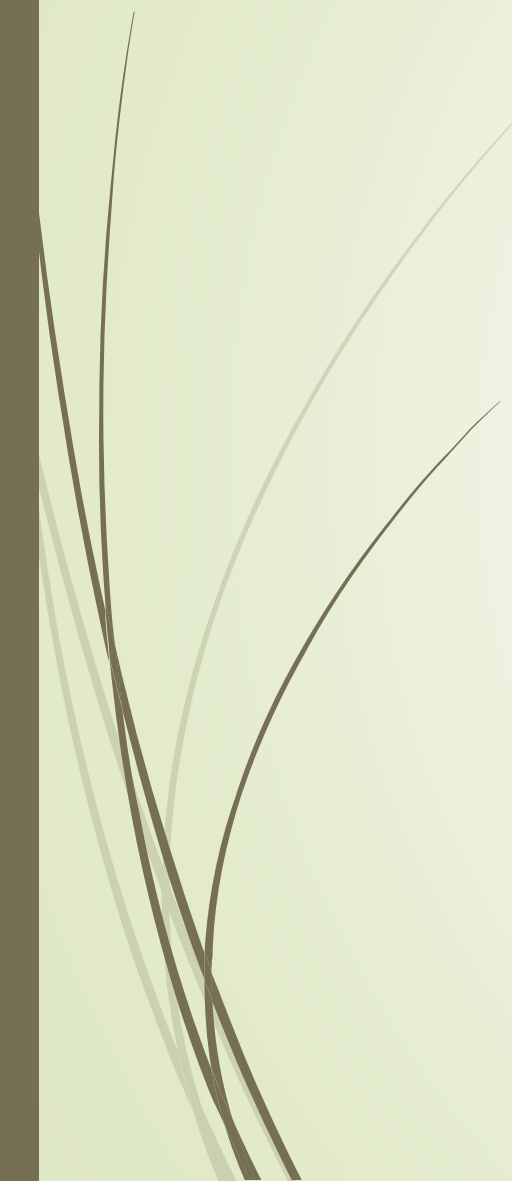
Hazardous Discharge Site Remediation Fund



Changes based on A1954



Hazardous Discharge Site Remediation Fund

- Grant/Loan Program administered by both the NJDEP & the NJEDA
 - Started in 1993, major modifications in 2002, 2005, 2009 and most recently in 2018
 - Provides grants & loans to government entities, private citizens, & non-profit organizations
 - Funds preliminary assessments, site investigations, remedial investigations and remedial actions at brownfield sites (mostly)
- 



A1954 Modified the HDSRF Program

Signed into law on January 15th, 2018.

Significant modifications to both Private Party and Public Entity grants.

Took effect immediately upon signing (1/15/18).

Does not apply to approved & closed grants, or grants awaiting approval at EDA at time of signing.



Grant Types Eliminated

All grants eliminated are Private Party Grants:

- Innocent Party Grant (50% match).
- Innovative Technology Grant (25% match).
- Limited Restricted Use portion of the Limited Restricted Use/Unrestricted Use Soil Remedial Action Grant (25% match).



Eliminated Grants - Supplementals

For the grants that have been eliminated, supplemental grant applications are considered new applications and are **not** eligible for funding.



Private Party Loans:

Before:

Loans were capped at \$1,000,000/year.

Now:

Loans are capped at \$500,000/year.



Public Entity Modifications



Public Entity Modifications

- Reduction of Annual Caps for Government Entities.
- Reduction of Annual Caps for Brownfield Designated Areas (BDAs).
- Reduction of Statewide Caps for Recreation/Conservation; Affordable Housing; Renewable Energy Grants.
- Reprioritization of funding.
- Portion of grant funding allocated for sites not in a BDA.
- Change in language regarding realistic opportunity to redevelop.
- Timeframes established for PA's, SI's, and RI's.
- Additional requirements for Supplemental Grant requests.



Public Entity Modifications

Reduction in Annual Caps


- ▶ Annual Grant Caps to Municipal/County/Redevelopment Authorities reduced from \$3,000,000 to \$2,000,000.
- ▶ Annual Grant Caps for the additional funding within BDAs reduced from \$2,000,000 to \$1,000,000.
- ▶ Recreation/Conservation; Affordable Housing; Renewable Energy Grants cap is reduced from \$5,000,000 to \$2,500,000 statewide.



Public Entity Modifications

Reprioritization of Funding Types

1. Immediate Environmental Concerns continue to be First priority.
 2. Previously, Sites in Planning Area 1 and 2 were Second priority. Now Third priority.
 3. Sites within a Brownfield Development Area are now Second priority.
- “Readiness to proceed” is an added factor in prioritizing applications.
 - Caveat: At least 30% of funding shall be allocated for PA, SI, and RI grants for Non-BDA Sites.



Public Entity Modifications


Change in Language re: Development Commitment

- ▶ Act requires Economic Development Authority to adopt criteria to provide direction for Public Entities to show a **commitment** that the property receiving the grant will be developed within a 3 year period from completion of the remediation.
- ▶ Will need more than a resolution stating a realistic opportunity exists which is the current requisite.



Public Entity Modifications Timeframes Added

- Preliminary Assessments – Completed within 2 years from Grant Closing.
- Site Investigation – Completed within 2 years from Grant Closing.
- Remedial Investigation – Completed within 5 years from Grant Closing.
- Failure to complete task will result in cancellation of the award.



Public Entity Modifications Supplemental Grants/Loans

Must demonstrate previous grant or loan award has been fully expended or will be fully expended before supplemental grants or loans can be recommended.



Changes Implemented by DEP

- ▶ HDSRF Application & Instructions have been updated.
- ▶ Changes have been made to the “HDSRF at a Glance” Chart on OBR website.
- ▶ Letters of Ineligibility have been sent to those with an application at DEP that were affected.
- ▶ List Serve was sent out announcing the changes.
- ▶ Chart summarizing changes placed on OBR website.

? QUESTIONS ?

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