



MEMORANDUM

TO: Board of Supervisors
FROM: Dan Coxworth, AICP, Director
SUBJECT: EPA Revolving Loan Fund Grant
DATE: September 26, 2023

Cochise County received two grants from the Environmental Protection Agency (EPA) - a \$600,000 Brownfield Assessment grant in 2019 and an additional \$500,000 grant in 2022. The 2019 grant has been successfully utilized and is now closed, facilitating assessments on numerous properties throughout the County. These assessments were instrumental in encouraging redevelopment and attracting investment.

The 2022 grant is presently active, and the County is actively utilizing these resources to support properties with potential contamination or other eligible activities, such as area-wide and reuse plans. Given the substantial progress made with property assessments, there is an increasing need for additional resources. These resources are crucial to aid property owners in the cleanup process as they progress with redevelopment efforts.

Cochise County has effectively managed EPA grants and efficiently utilized allocated funds. Building upon this success, the County submitted an application to the EPA, which was subsequently approved, securing a \$1 million grant to establish a Revolving Loan Fund (RLF). This fund serves as a resource, offering loans or grants to facilitate the cleanup of contaminated properties.

The RLF grant is particularly timely for Cochise County, given its rural character and the inherent challenges of securing loans from conventional banks for smaller-scale projects, especially in the face of rising interest rates.

The primary purpose of the EPA RLF Grant program is to support eligible entities in addressing environmental and public health challenges through loans or grants to clean up properties with ground contamination, asbestos, or lead-based paint.

Key points to understand about the EPA RLF Grant:

1. **Revolving Fund:** The term "revolving loan fund" signifies that the grant money is used to create a revolving pool of funds. As borrowers repay loans, the funds are replenished and can be loaned out again to other eligible projects. This allows the grant to have a lasting impact and support multiple projects over time.
2. **Eligible Projects:** The EPA RLF Grant is typically used for projects that address environmental contamination or pollution issues. Common project types include cleaning up hazardous waste sites (Brownfields) and remediating contaminated properties.
3. **Loan Terms:** The County will use the funds to provide low-interest loans to entities undertaking eligible environmental projects. These loans are intended to help finance the costs associated with environmental cleanup and remediation efforts.
4. **Long-Term Impact:** Successful implementation of projects through the RLF Grant program can lead to lasting environmental improvements, economic growth, redevelopment of underutilized properties, and a healthier community.