

## Loan Eligibility Requirements

### Eligible Borrowers

1. BCRLF funds may not be loaned to a party that is a generator or transporter of contamination at the site for which the party is requesting funds.
2. BCRLF funds may be loaned to a party that is an owner/operator of the site only if:
  - a. ADEQ can determine that the owner/operator would fall under a statutory exemption from CERCLA liability; or
  - b. EPA would use its enforcement discretion and not pursue the party in question under CERCLA, as described by EPA guidance. The initial findings made by ADEQ do not limit the authority of the federal or state government.
3. Each borrower must submit information regarding its environmental compliance history.
4. Each borrower must certify that they are not currently, nor have they been, subject to any penalties resulting from environmental non-compliance at the site subject to the loan.
5. Someone that has been suspended or debarred from conducting business with the Federal Government under contracts, grants, loans, etc., or who has otherwise declared ineligible cannot be a borrower.

### Eligible Sites

1. The proposed property must be located within the city limits of Tucson or Phoenix, Arizona.
2. The proposed property may either be:
  - a. Publicly-owned, either directly by a municipality or indirectly through a quasi-public entity such as a community development corporation; or
  - b. Privately-owned and with clear means of recouping BCRLF expenditures (e.g., through an agreement with the owner or developer or through a lien or other security interests) -- this includes properties undergoing purchase by an entity who meets the definition of a prospective purchaser.
3. The proposed property must have the extent of hazardous substance contamination fully characterized prior to BCRLF program application.

### BCRLF funds may not be used at any sites:

1. Listed, or proposed for listing on the National Priorities List;
2. At which a removal action must be taken within six months (i.e., time critical removal action)
3. Where a Federal or state agency is planning or conducting a response or enforcement action; or
4. Contaminated by petroleum products except to address a non-petroleum hazardous substance (e.g., co-mingled waste).

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### Eligible Activities to be Funded

1. Actions associated with removing, mitigating, or preventing the release or threat of a release of a hazardous substance, pollutant, or contaminant (as appropriate to different site locations), including:
  - a. Fences, warning signs, or other security or site control precautions;
  - b. Drainage controls;
  - c. Stabilization of berms, dikes, or impoundments or drainage or closing lagoons;
  - d. Capping of contaminated soils;
  - e. Using chemicals or other materials or retard the spread of the release or mitigate its effects;
  - f. Excavation, consolidation, or removal of highly contaminated soils from drainage or other areas;
  - g. Removal of drums, barrels, tanks or other bulk containers that contain or may contain hazardous substances, pollutants or contaminants;
  - h. Containment, treatment, disposal, or incineration of hazardous materials;
  - i. Provision of alternative water supply, where necessary, immediately to reduce exposure to contaminated household water, and continuing until such time as local authorities can satisfy the need for a permanent remedy.
2. Site monitoring activities, including sampling and analysis, that are reasonable and necessary during the cleanup process, including determination of the effectiveness of a cleanup.
3. Costs associated with meeting public participation, worker health and safety, and interagency coordination requirements.
4. All activities funded with BCRLF monies must be completed within a 12 month time period.

### Activities Ineligible for BCRLF Funding

1. Pre-cleanup environmental response activities, such as site assessment, identification and characterization.
2. Cleanup of a naturally occurring substance from a location where it is naturally found; a product that is part of the structure and result in exposure within residential buildings or business or community structures (e.g., interior lead-based paint contamination or asbestos which results in indoor exposure), or public or private drinking water supplies that have deteriorated through ordinary use.
3. Monitoring and data collection necessary to apply for, or comply with, environmental permits under other Federal and state laws, unless such a permit is required as a component of the cleanup action.
4. Development activities that are not removal actions (e.g., construction of a new facility or marketing of property).