



Indiana Brownfields Program
100 North Senate Avenue, Room 1275 • Indianapolis, IN 46204
www.brownfields.in.gov
Phone 317.234.4293
Fax 317.234.1338

GUIDANCE ON AUTO SECTOR INITIATIVE INVESTMENT REQUIREMENT

Pursuant to Indiana Brownfields Program (Program) guidelines for the Automotive Sector Brownfields Assessment Initiative (Auto Sector Initiative), private applicant funding recipients (Private Recipients) are required to demonstrate a certain level of cash investment in a site awarded Auto Sector Initiative funding within a one-year period following the award by the Indiana Finance Authority (Authority). Private Recipients that do not meet the investment requirement or do not submit the required documentation demonstrating the required investment prior to the expiration of the one-year period, are required to repay the amount of Auto Sector Initiative funding disbursed over a three-year period with a zero-percent interest rate. The Program may request any documentation necessary to verify the required investment.

An award of services made to a Private Recipient requires a cash investment match of a percentage of the award amount ultimately disbursed by the Authority according to the following table:

<u>Award Amount</u>	<u>Match Requirement</u>
\$0 - \$49,999	10%
\$50,000 - \$99,999	20%
\$100,000+	25%

Eligible Activities/Expenditures that Satisfy the Required Investment

In general, the required investment must be necessary and reasonable to accomplish the project benefiting from Auto Sector Initiative funds and be verifiable from Private Recipient records. The list below includes activities that, so long as they are conducted on or implemented at the site for which Auto Sector Initiative funds have been awarded, can count toward the required investment. Requests for alternative investment credit (e.g., for investments made on adjacent property), must be made in writing to the Program. The list is not exclusive, and discretion rests with the Program as to the final approval of what activities/expenditures will satisfy the required investment. A Private Recipient may choose to fund activities in the approved scope of work under the Auto Sector Initiative award if necessary to satisfy the required investment.¹

- Auto Sector Initiative Award activities including, but not limited to:
 - Phase I Environmental Site Assessments (ASTM E1527-05)
 - Phase II Environmental Site Assessments and related activities
 - Asbestos & lead-based paint surveys
 - Remediation work plan redevelopment
 - Limited demolition (integral to implementing an approved assessment work plan)

¹ If a Private Recipient does not have eligible site activities outside of the Auto Sector Initiative Award scope of work in which it can invest to satisfy its required investment match, this approach may be taken. However, there will be no corresponding reduction in the required investment match amount based on the reduced amount the Authority will spend on the site as a result of the Private Recipient investment; the Private Recipient's required investment match will remain at the percentage tied to the original amount of the Auto Sector Initiative Award, not as a percentage of what the Authority ultimately disburses.

- Site access control/site security (e.g., against vandalism, exposure to contamination)
- Site stabilization (e.g., removal of containerized materials; stabilizing structures)
- Remediation and demolition activities
- Infrastructure improvements
- Construction and other capital investment
- Value of an executed contract for remediation activities commenced during the one-year investment period
- Permanent jobs created (credit of \$1,000 per job created)
- Related activities on an adjacent property (only with Program pre-approval)

Ineligible Activities/Expenditures that Will Not Satisfy the Required Investment

- Activities performed prior to the Auto Sector Initiative funding award date
- Activities paid for with other Program² or State financial assistance
- Temporary job creation
- Acquisition costs
- Activities on adjacent property that were not pre-approved by the Program
- In-kind contributions

Required Documentation and Timeline for Submittal

The following is a list that serves as a starting point for documenting the required investment in conjunction with an Auto Sector Initiative award to a Private Recipient; the Program may require additional documentation. Before the end of the one-year period following the Auto Sector Initiative award date, the Private Recipient must submit, at a minimum:

- Overall summary of the required investment, including an itemized list of specific activities performed at the site, related costs, and a detailed timeline of project events
- Documentation of the work performed (e.g., photos, environmental reports, copies of paid invoices)
- Documentation that the investment activities were completed in accordance with applicable laws and regulations, if applicable (e.g., technical comment/approval letter from the Program or another remediation program, landfill manifests, etc...)
- If the Private Recipient is using permanent job creation to satisfy its required investment, include a signed affidavit from the on-site employer (or an authorized representative) affirming the number of permanent jobs created
- If an entity other than the Private Recipient is submitting information demonstrating satisfaction of the required investment, include written verification from the appropriate Private Recipient representative authorizing the third-party to submit investment information on behalf of the Private Recipient
- Certification statement by the Private Recipient that to the best of its knowledge, the information contained in the submittal is accurate and complete

For additional information on Auto Sector Initiative funding, please visit the Program's web site at <http://www.brownfields.in.gov> or contact Michele Oertel, Federal Funding & Community Relations Coordinator, at (317) 234-0235 or moertel@ifa.in.gov. For questions regarding this guidance, please contact Sara Westrick Corbin, Financial Resources Coordinator, at (317) 234-1688 or swestrick@ifa.in.gov.

Date: June 14, 2011

² If the Private Recipient executes a loan agreement with the Program within the one-year period following the execution date of an Auto Sector Initiative funding award, eligible activities funded with a non-forgivable portion of the loan can satisfy the required investment.