

PROGRAM CONTACTS

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APPLICATION DEADLINE

JULY 15, 2004

General Purpose Of BEDI Grant Funds



- To Complement and Enhance The Section 108 Program
- Must Be Used In Conjunction With 108 Loan To Finance Same Project

Community Development Block Grant (CDBG) Program



- **Eligible Applicants:**
 - **Entitlement Communities**
 - **Nonentitlement Entities Under The State's Program**
 - **Nonentitlements Under HUD-Administered Small Cities Program**

Calculating Section 108 Borrowing Capacity



- **5 TIMES MOST RECENT CDBG GRANT**
- **CDBG Grant x5 = 108 available - debt**
- **\$10,000,000 X 5 = \$50,000,000 - 5,000,000**
 - **= 45,000,000**

Reduce Potential CDBG

Loss By:

- **Strengthening Economic Feasibility Of The Project**
- **Enhancing Security Of The Section 108 Loan**
- **Combination Of Risk Mitigation Techniques**

Uses of BEDI Funds

- Land Writedowns
- Site Remediation
- Establish Reserves
 - Operating Reserves
 - Loss Reserves
 - Debt Service
- Over Collateralization
- Credit Enhancements
- Interest Rate Subsidies



Limitations on Use of BEDI Funds:



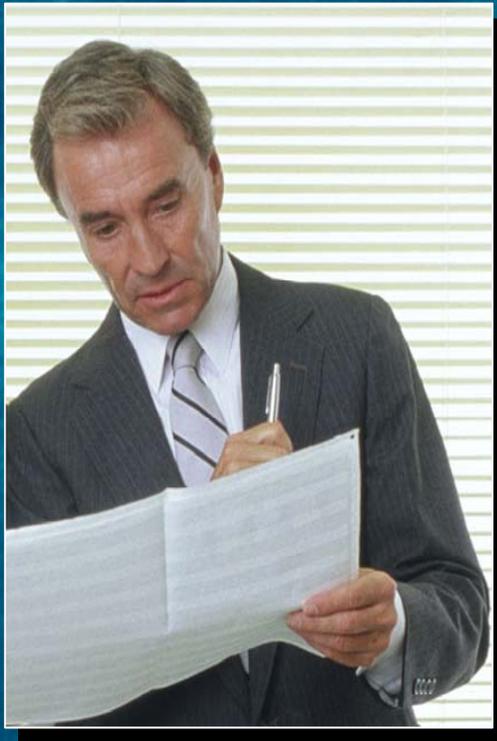
- **Not to Immediately Repay 108 Loan**
- **Not To Be Subordinated To Federal Tax Exempt Obligations**

Limitations on Use of BEDI Funds

- **Not For Those Who Caused The Environmental Contamination**
- **Not For Sites On EPA's National Priority List**



Factors For Award



- **Capacity And Relevant Organizational Experience**
- **Distress And Extent Of The Problem**
- **Soundness Of Approach**
- **Leveraging Resources**
- **Achieving Results/Evaluation**

Capacity & Relevant Organizational Experience – 20 Points

Measures The Extent To Which An Applicant Has The Organizational Resources Necessary To Successfully Implement The Proposed Activities In A Timely Manner.

Distress And Extent Of The Problem 15 Points

- **Indicates The Extent To Which There Is Need For Funding The Proposed Activities Based On Levels Of Distress In Both The Jurisdiction And The Geographic Area That Will Benefit From The Project.**

Soundness Of Approach

35 Points

Addresses The Quality And Cost-effectiveness Of The Proposed Plan: Does It Show A Clear Relationship Between Proposed Activities, Community Needs And Purposes Of The Program? Is Project Financially Feasible?

Leveraging Resources–15 Points

- **Leveraging Section 108 Funds Beyond 1:1 Ratio**
- **Leveraging Other Firmly Pledged Public And Private Funds**

