**Interest Rate Policy for the Northwest Region Brownfield Program Revolving Loan Fund**
**Adopted by the NRPC Brownfields Steering Committee on September 19, 2019**

## 1) Interest Rate Policy.

The interest rate shall be fixed for the loan term and may be as low as 0%. Non-profits, public entities and private entities are eligible for different base interest rates. Base interest rates may be lowered for high priority projects (see criteria below) and for short term loans.

**Interest Rates shall be Set According to the Following Table:**

| Type of Borrower | Base Rate | High Priority Project | Short Term Loan (<10 years) |
|---|---|---|---|
| Non-Profits | 1.0% | 0.0% | 0.0% |
| Public Entities | 1.0% | 0.0% | 0.0% |
| Private Entities | 2% | Reduce by 1 Point | Reduce by 1 Point |
| **In no case shall a rate be reduced below 0.0%* | | | |

## 2) Entity Definitions.

a) *Non-profits* are defined as any tax-exempt organization listed in Title 26 of the United States Code, Section 501, including but not limited to Community Development Corporations [CDCs], Redevelopment Authorities, churches, etc.
b) *Public entities* are defined as a local government, housing authority or other government organization that does not qualify as a non-profit.
c) *Private entities* are defined as all applicants not qualifying as a non-profit or public entity.

## 3) High Priority Projects.

To qualify as a high priority project, the project shall be located in the Northern Vermont Economic Development District (Franklin, Grand Isle, Orleans, Caledonia, Lamoille and Essex Counties) or the Burlington/South Burlington Metropolitan Statistical Area (Franklin, Grand Isle and Chittenden Counties). The project shall also be located in a Vermont Designated Growth Center, Downtown, Village Center or New Neighborhood, or the Northwest Region Growth Center as designated in the most recent Regional Plan adopted by NRPC.
In addition, a high priority project shall meet at least one (1) of the following criteria:

1) The project will create public recreation facilities or public green space in the region.
2) The project will directly create or retain six (6) or more jobs in the region within two (2) years of beginning repayment of the loan. Short term construction jobs to complete the project shall not be counted.
3) The project is an Affordable Housing Development according to the definition in V.S.A. Title 24, Chapter 117 Section 4303.

Note: For projects that qualify as high priority for meeting criterion two (2) above, the interest rate point shall be added back if at the end of two (2) years from beginning repayment of the loan the required numbers of jobs have not been created.