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Title 22@ Social Security

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Division 4.5@ Environmental Health Standards for the Management of Hazardous Waste

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Chapter 47@ Loan Programs

|-&gt;

Article 1@ Cleanup Loans and Environmental Assistance to Neighborhoods Revolving Loan Fund

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Section 68204@ ISCP Waivers of Loan Repayment

## **68204 ISCP Waivers of Loan Repayment**

### **(a)**

A recipient of an ISCP Loan may request, in writing, a partial waiver of Loan repayment under the following conditions: (1) If after completion of the PEA, a Borrower who is not the owner of the Property believes that the sum of the cost of the Response Action and the current appraised fair market value of the Property is greater than the projected fair market value of the Property after all necessary Response Actions have been completed and thus renders the redevelopment Project not economically feasible, the Borrower may request a waiver of Loan repayment of up to 75 percent of the Loan amount; (2) In support of a written waiver request, the Borrower shall submit the following to the Department: (A) A report that estimates the cost of the Response Action prepared for the Property by any of the following who are licensed or registered to practice in California and who have demonstrated expertise in Hazardous Material remediation and cost estimation: Class II environmental assessor, engineering geologist, licensed hazardous substance contractor, or licensed professional engineer. An affidavit may be submitted in lieu of the report if the affidavit is signed by a person who is authorized under this subparagraph to prepare a cost estimation report; (B) A real estate appraisal that provides an appraised value based on the estimated value of the Property after all necessary Response Actions have been taken, and performed by a licensed Real Estate appraiser appropriately and currently

certified by the State of California Office of Real Estate Appraisers. The appraisal shall include a copy of the appraiser's current certificate; and (C) An affidavit in support of the written waiver request that sets forth the information and documentation required under this section.

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**(2)**

In support of a written waiver request, the Borrower shall submit the following to the Department: (A) A report that estimates the cost of the Response Action prepared for the Property by any of the following who are licensed or registered to practice in California and who have demonstrated expertise in Hazardous Material remediation and cost estimation: Class II environmental assessor, engineering geologist, licensed hazardous substance contractor, or licensed professional engineer. An affidavit may be submitted in lieu of the report if the affidavit is signed by a person who is authorized under this subparagraph to prepare a cost estimation report; (B) A real estate appraisal that provides an appraised value based on the estimated value of the Property after all necessary Response Actions have been taken, and performed by a licensed Real Estate appraiser appropriately and currently certified by the State of California Office of Real Estate Appraisers. The appraisal shall include a copy of the appraiser's current certificate; and (C) An affidavit in support of the written waiver request that sets forth the information and documentation required under this section.

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A real estate appraisal that provides an appraised value based on the estimated value of the Property after all necessary Response Actions have been taken, and performed by a licensed Real Estate appraiser appropriately and currently certified by the State of California Office of Real Estate Appraisers. The appraisal shall include a copy of the appraiser's current certificate; and

**(C)**

An affidavit in support of the written waiver request that sets forth the information and documentation required under this section.

**(b)**

The Department will present the written waiver request to the Loan Committee for its determination to approve or deny;

**(c)**

The amount of repayment waived shall be deemed a grant to the Borrower. The Borrower shall repay the remaining portion of the Loan within one year of the approval date of the waiver; and

**(d)**

A Borrower who has received a partial waiver of Loan repayment under

subdivision (a) may not apply for a CLEAN Loan Program Loan for the same Property until the full amount of the ISCP Loan initially disbursed has been repaid.