

# **RESOURCES LEGACY FUND**

## **Northern Rockies Revolving Loan Fund**

### **Overview**

Resources Legacy Fund (RLF) provides bridge loans to nonprofit conservation organizations to finance real estate transactions aimed at advancing conservation goals in the Greater Yellowstone Ecosystem (GYE), the Crown of the Continent and Idaho Panhandle (COC), and High Divide regions of the Northern Rockies. RLF's \$5 million revolving loan fund (Loan Fund) is capitalized by a loan from the David and Lucile Packard Foundation.

### **Objective**

The goal of the Loan Fund is to advance the conservation agenda developed by the Heart of the Rockies Initiative, by making bridge loans to help close significant conservation real estate acquisitions when sufficient permanent funding is not available at closing. RLF aims to use Loan Fund capital as efficiently as possible by focusing on priority regions and projects, providing relatively short-term financing, and leveraging other sources of financing.

### **Eligible Applicants**

The Loan Fund is open to those nonprofit land trust members of the Heart of the Rockies Initiative operating in the GYE, COC, and/or High Divide. The Loan Fund will fund acquisitions involving (a) properties identified as high priority in regional conservation planning prepared for the GYE, COC, and High Divide by the Heart of the Rockies Initiative, or (b) other areas within the GYE, COC, or High Divide determined by RLF as possessing comparable natural resource values. Eligible applicants must have adopted and be actively implementing the Land Trust Alliance's Standards and Practices.

### **Loan Size and Terms**

Generally, the Loan Fund will make loans of at least \$200,000 for terms not exceeding three years. The annual interest rate on borrowings is expected to be 3%. Interest payment and principal repayment schedules will be tailored to individual project requirements.

### **Evaluation Criteria**

Priority will be given to projects that conserve significant and threatened biological, ecological or agricultural resources, and contribute to landscape-scale conservation in the region. Additionally, RLF will consider the catalytic role of projects for other private land conservation and/or the leveraging of other funding.

## **Transaction Types**

Fee and conservation easement projects are eligible for Loan Fund financing. Loans to cover pre-acquisition costs will not be considered.

## **Financial Requirements**

RLF expects all funds loaned under the Loan Fund to be repaid in a timely manner. To that end, loan applications will undergo thorough due diligence. Borrowers must demonstrate managerial and financial strength, as well as transaction experience. Projects must be soundly structured, and the source of loan repayment must be clearly identified. Each loan will be evidenced by legally-enforceable loan documents signed by the borrower and RLF before the loan is funded.

Borrowers with adequate financial resources (as determined by RLF) will be eligible for unsecured loans, with full recourse to the borrowers' general assets. RLF will consider secured loans for borrowers without adequate financial strength for unsecured borrowing.

## **Timing**

RLF encourages potential borrowers to consider the need for bridge financing as early in deal structuring as possible. While every effort will be made to respond quickly to urgent requests, the program's turnaround time may not accommodate last-minute applications.

## **Application Process**

Potential applicants should contact Julie Turrini, at (916) 442-4880 or [jturrini@resourceslawgroup.com](mailto:jturrini@resourceslawgroup.com) for initial screening. If a project satisfies RLF's preliminary programmatic review, the applicant will be invited to submit a complete loan application to RLF for review and consideration. RLF Board approval is required before a program loan will be made under the Loan Fund.

RLF will make best efforts to complete its due diligence and approve or deny all applications within six weeks of receipt of a completed application.