

Sustainable New Jersey

June 24, 2022



About the NJ Economic Recovery Act

Governor Phil Murphy signed the **New Jersey Economic Recovery Act of 2020 (ERA)** into law on January 7, 2021.

The ERA creates a package of **tax incentive, financing, and grant programs** that will build a stronger, fairer New Jersey economy.

The ERA is both a broad-based **recovery bill and reform bill** that will better position New Jersey to recover from economic crisis caused by the COVID-19 pandemic, while remaining true to the NJEDA's commitments to transparency and accountability.

Visit the NJEDA's website at www.njeda.com/economicrecoveryact to learn more about each of the programs within the ERA, or to provide general ERA feedback.

Emerge Program

- ▶ Provides **tax credits to incentivize projects to locate in NJ**
 - **Capped at \$3,000 - \$8,000 per job** based on project location and net positive economic benefit to the State.
- ▶ **Focus on new jobs** with minimum job creation targets for most projects (reduced benefit for retained jobs).
- ▶ Focus on **communities with the greatest levels of distress and Governor's priority sectors** for economic growth.
- ▶ Business must make **minimum capital investment** in eligible incentive area.
- ▶ **Net benefit requirement of 200% – 400% of award amount.**
- ▶ **Community Benefits Agreements** for projects with upfront costs above \$10 million.
- ▶ Capped with NJ Aspire at **\$1.1 billion per year over 6 years.**
- ▶ **Approvals (9/2021) – Fiserv (1927 new jobs, 1063 retained), Party City (357 new jobs).**

Aspire Program

- ▶ **Gap-based real estate development financing program**
- ▶ **Incentive awards up to 60% of development costs** for newly constructed residential projects that are also utilizing Low Income Housing Tax Credits
 - **50% or 45% of development costs for other projects**
- ▶ **Up to \$60 million** for projects in targeted areas
 - \$42 million for other projects
- ▶ Targets **downtowns near transit and affordable and mixed-income housing** in job-centric areas; Drives **market-rate housing** in distressed areas

Economic Resources for Small Businesses



Direct Loans

New Jersey businesses in need of financing and committed to job creation or retention may be eligible for direct loans through the NJEDA when conventional financing is not available.



Small Business Lease Grant Program

Supports the growth and success of small businesses and nonprofits by providing grant funding to cover a portion of lease payments for businesses and nonprofits leasing new or additional space.



Premier Lender Program

NJEDA partners with banks to provide loan participations and guarantees that can help overcome the financial obstacles to the growth and expansion of New Jersey-based businesses and not-for-profit organizations.



CDFI Loan to Lender Program

NJEDA can provide qualified small businesses and not-for-profit organizations loan participations, loan guarantees, and line of credit guarantees in partnership with designated Premier Community Development Financial Institutions (CDFIs).



Small Business Bonding Readiness Assistance Program (SBBRAP)

Prepares small, minority-, and women-owned business owners to obtain surety bonds that allow them to compete for state and federal government contracts.



Small Business Fund

provides creditworthy small, minority-owned, and women-owned business in New Jersey access to financing.



Small Business Improvement Grant

Offers reimbursement for costs associated with completed building improvements or purchased new furniture, fixtures and equipment since March 9, 2020.

NJEDA Brownfield Programs and Initiatives



NJEDA Brownfield Programs and Initiatives



- ▶ NJ Brownfields Assistance Center at NJIT
- ▶ Hazardous Discharge Site Remediation Fund (HDSRF)
- ▶ Brownfields Redevelopment Incentive Program (BRI)
- ▶ Brownfields Impact Fund (BIF)
- ▶ Brownfield Assessment and Planning Services

NJ Brownfields Assistance Center @ NJIT

Mission

- ▶ Educate and engage NJ communities around brownfield issues
- ▶ Provide **FREE** guidance and resources to NJ county and municipal governments and nonprofits challenged with navigating the redevelopment process including identifying the funding source
- ▶ Develop tools, strategies, resources as well as create partnerships
- ▶ Support NJEDA's brownfields programs

Brownfields Help Desk for NJ Counties, Municipalities, and Nonprofits

Email: njbrownfields@njit.edu

Phone: 973-596-3000



**NJEDA provides funding to support
NJ Brownfields Assistance Center**



www.njit.edu/njbrownfields

Hazardous Discharge Site Remediation Fund (HDSRF)

Key program features

PROGRAM DESIGN

- ▶ **Purpose:** for the remediation of a suspected or known discharge of a hazardous substance or hazardous waste.
- ▶ **What:** Provides grants & loans to government entities, private citizens & non-profit organizations. Funds preliminary assessments, site investigations, remedial investigations and portions of remedial actions at brownfield sites
 - PA/SI/RI Grants = 100% for public sector and non-profits
 - RA Grants
 - 75% sites in BDA (for public sector)
 - Recreation / Conservation (75%); Renewable Energy (75%); Affordable Housing (50%) (for public sector)
 - Total Available for all Recreation/Conservation, Renewable Energy, and Affordable Housing RA is \$10M per year (for all projects)
 - 25% grant for Unrestricted use remedial action (for public sector and qualifying “persons” / businesses)

PROJECT CAP

- ▶ Annual Grant and Financial Assistance Cap **max \$3 million** to Municipal/County/Redevelopment Authorities
 - **Bonus of up to \$2M** for Brownfield Development Areas (for a cap of \$5M per year)
- ▶ Annual Loan Cap **max \$500K/year per person** goes to private entities and \$2M/year per public entity

BENEFITS TO COMMUNITIES

- ▶ Transforms underutilized and contaminated sites into environmentally sound, productive properties
- ▶ Particularly important in the redevelopment of older urban areas & New Jersey’s most distressed communities, and is vital to achieving a stronger, fairer, greener and more equitable New Jersey

The Hazardous Discharge Site Remediation Fund(HDSRF) is a grant/loan program administered jointly by both the NJDEP & NJEDA

Brownfields Redevelopment Incentive Program (BRI)

Created by the NJ Economic Recovery Act of 2020, BRI will offer developers tax credits for remediation, abatement, and demolition activities to promote brownfield redevelopment and cleanup projects around the state.

KEY PROGRAM FEATURES



Offers tax credit incentives for developers upon completion of a brownfield remediation project



Program applies to costs of assessment, site investigation, remediation, abatement, and demolition activities



Maximum value of \$4 million per project (\$8M for GRM or Qualified Incentive Tracts)



\$50 million in tax credits per year



Visit www.njeda.com/economicrecoveryact/ to submit your input



Brownfields Impact Fund

The Brownfields Impact Fund, funded by a USEPA Revolving Loan Fund (RLF) grant, provides loans to private entities and loans and/or grants (note: grants do not require repayment) to public sector and non-profit entities to carry out cleanup activities at brownfield sites, assisting with the revitalization of these vacant and underutilized properties. NJEDA is currently accepting applications for this program on a rolling basis.

KEY PROGRAM FEATURES



Offers loans and grants on a first come, first serve basis



Addresses funding gaps to make the remediation phase of the project financially viable for remedial actions and other eligible activities



Minimum loan: \$50,000
Maximum loan: \$350,000

Minimum grant: \$25,000
Maximum grant: \$350,000



Fee: \$1,000*

Loan Modification Fee: \$1,000
Loan Closing Fee: 0.875%
Loan Commitment Fee: 0.875%



Visit www.njeda.com/brownfieldsimpactfund/ for more information

***The NJEDA will waive the grant application fee upon demonstration by the applicant that the imposition of the fee would impose an undue financial hardship.**

Brownfield Planning and Assessment Services

FY22



In FY21 NJEDA received an award of **\$300K** from USEPA for this program. NJEDA was just notified that we will be receiving **\$2 Million** for FY22. An **Expression of Interest Form** is posted on the following link.

Link: <https://www.njeda.com/brownfields-planning-and-assessment-services/>

Email: bfassessment@njeda.com

Historic Property Reinvestment Program



What is the Historic Property Reinvestment Program?



Established under the **Economic Recovery Act of 2020 (ERA)**



Project must include rehabilitation of a **designated historic building**



Can work in conjunction with **Federal Historic Tax Credit Program**



\$300 Million Over 6 Years (\$50 million annual cap)



Awards **40 - 45 Percent of Rehabilitation Costs**



Applications are due by a preestablished **deadline** and awards are based on **competitive scoring**



Focuses on **historic preservation as a component of community development**

Program Eligibility

ELIGIBILITY CRITERIA

- ▶ Without the tax credit award, the rehabilitation project is not economically feasible
- ▶ Project financing gap exists
- ▶ Construction or rehabilitation activity has **NOT** commenced
- ▶ Minimum requirement for project equity
- ▶ Minimum rehabilitation cost requirement
- ▶ Residential project must meet minimum residential requirements
- ▶ Project must include rehabilitation of a designated historic building

Historic Preservation & Sustainability

PROGRAM'S SUSTAINABLE FEATURES

- ▶ Reuse of existing buildings with existing infrastructure (utility connections, roadways, etc.).
- ▶ Requirement for compliance with the Secretary of the Interior's Standards for Rehabilitation focuses on the retention of existing finishes and materials. This means less waste caused by demolition and reduced energy consumption by reusing existing materials, rather than manufacturing and transporting new ones.
- ▶ Certified Local Government designation gives a voice to local communities with established Historic Preservation Programs to allow for more control of sustainable development.

Historic Preservation & Sustainability

“The greenest building is...one that is already built,” Carl Elefante, FAIA, FAPT, LEED AP

Building reuse is the ultimate recycled project. It reduces waste by reusing existing materials and infrastructure already in place.

When comparing buildings of equivalent size and function, building reuse almost always offers environmental savings over demolition and new construction.

Did You Know?

It can take up to 80 years for a new energy efficient building to overcome, through efficient operations, the climate change impacts created by its construction.

The first LEED Triple Platinum Building in the world was the Christman Building (1928) in Lansing, Michigan. Project received Federal HTCs and met the Secretary of the Interior's Standards.

A watercolor-style illustration of a city skyline, featuring various skyscrapers and buildings in shades of blue and green. The illustration is positioned in the upper half of the slide, with a green diagonal shape in the top right corner. The text is overlaid on the lower part of the skyline.

Ecosystem development and incentives for zero-emission medium- & heavy-duty vehicles

NJ ZIP: Zero-emission Incentive Program – At a glance

Voucher Pilot for Medium Duty Vehicles

What is NJ ZIP?

NJ ZIP is a first come, first served pilot program for NJ businesses and institutions in eligible municipalities.

What is the purpose of this program?

Reduce the upfront cost of buying a zero-emission medium-duty vehicle, leveraging RGGI funding

How much voucher funding is available?

\$44.25M in total was put into the voucher pool, with \$4M funding still available as of today!

Vouchers range from \$25,000 - \$100,000, with bonuses available for:

- ▶ small businesses
- ▶ women-, minority-, and veteran-owned businesses
- ▶ NJ manufacturers
- ▶ Vendors who provide technical training



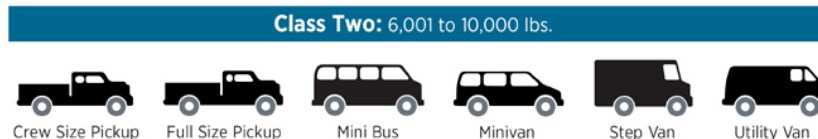
NJ ZIP pilot overview: Common questions

What is 'medium-duty'?

For this program, any vehicle between Class 2b – Class 6, by weight (GVWR)

Class	GVWR	Voucher
Class 2b:	8,501 – 10,000 lbs	\$25,000
Class 3:	10,001 – 14,000 lbs	\$55,000
Class 4:	14,001 – 16,000 lbs	\$75,000
Class 5:	16,001 – 19,500 lbs	\$85,000
Class 6:	19,501 – 26,000 lbs	\$100,000

Trucks, buses, vans, specialty vehicles, etc. are all eligible in these ranges.



Examples from FHWA



NJ ZIP pilot overview: Common questions

What communities are currently eligible?

Greater Camden Area

Bellmawr, Camden, Cherry Hill, Cinnaminson, Collingswood, Delran, Deptford, Gloucester, Lawnside, Lindenwold, Magnolia, Maple Shade, Merchantville, Mount Ephraim, Mount Laurel, Palmyra, Paulsboro, Pennsauken, Riverside, Somerdale, Stratford, Voorhees, Washington, West Deptford, Westville, Woodbury, Woodlynne

Greater Newark Area

Bayonne, Belleville, Bloomfield, Carlstadt, Carteret, Clark, Clifton, Cranford, East Newark, East Orange, East Rutherford, Elizabeth, Glenridge, Guttenberg, Harrison, Hillside, Hoboken, Irvington, Jersey City, Kearney, Kenilworth, Linden, Little Falls, Livingston, Lyndhurst, Maplewood, Millburn, Montclair, Moonachie, Newark, North Arlington, North Bergen, Nutley, Orange, Passaic, Rahway, Roselle, Roselle Park, Rutherford, Secaucus, South Orange, Springfield, Summit, Union City, Union Township, Verona, Wallington, Weehawken, West New York, West Orange, Westfield, Woodridge

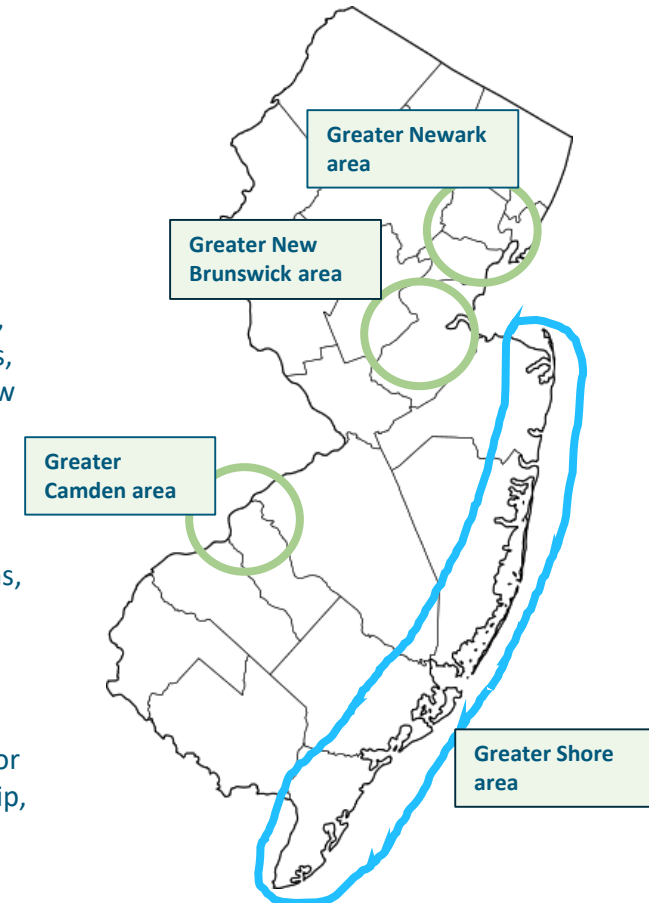
Greater New Brunswick Area

Bound Brook, Bridgewater, Clark, Dunellen, East Brunswick, Edison, Franklin, Green Brook, Highland Park, Hillsborough, Jamesburg, Manville, Metuchen, Middlesex, Monroe, Montgomery, New Brunswick, North Brunswick, North Plainfield, Old Bridge, Perth Amboy, Piscataway, Plainfield, Raritan, Sayreville, Scotch Plains, Somerville, South Amboy, South Bound Brook, South Brunswick, South Plainfield, South River, Spotswood, Woodbridge

Greater Shore Area

Greater Shore Area: Absecon, Asbury Park, Atlantic City, Barnegat Township, Berkeley Township, Bradley Beach Borough, Brick Township, Brigantine, Cape May, Colts Neck Township, Eatontown Borough, Egg Harbor City, Egg Harbor Township, Farmingdale Borough, Galloway Township, Highlands Borough, Holmdel Township, Howell Township, Keansburg Borough, Keyport Borough, Lacey Township, Lakewood Township, Little Egg Harbor Township, Long Branch, Lower Township, Manchester Township, Middle Township, Middletown Township, Neptune City Borough, Neptune Township, North Wildwood, Northfield, Ocean City, Ocean Gate Borough, Ocean Township, Pleasantville, Point Pleasant Beach Borough, Red Bank Borough, Seaside Heights Borough, Shrewsbury Township, Somers Point, South Toms River Borough, Stafford Township, Tinton Falls Borough, Toms River Township, Tuckerton Borough, Union Beach Borough, Ventnor City, Wildwood, Woodbine Borough

Approximate locations; visual may not be accurate to exact eligible municipalities




NJ ZIP program overview: Common questions

Where can I learn more?

Please visit our site at <https://www.njeda.com/njzip/> or email us at njzip@njeda.com

NJ ZIP NEW JERSEY ZERO EMISSION INCENTIVE PROGRAM



NJ ZIP is a new, \$15 million pilot voucher program, that will open for applications on April 6, 2021. This pilot supports businesses and institutions purchasing new, medium-duty zero-emission vehicles that will operate in the greater Newark and greater Camden areas. This pilot is funded by the Regional Greenhouse Gas Initiative (RGGI) proceeds allocated to NJEDA for the purposes of reducing harmful emissions, especially in communities disproportionately impacted by transportation emissions, and creating economic opportunity within the state. The program will provide voucher with base values ranging between \$25,000 to \$100,000.

PROGRAM GUIDE

- Eligibility and Compliance Requirements
- Bonus Criteria
- Conditions of Funding
- Application Process

NJ RGGI STRATEGIC FUNDING PLAN

FREQUENTLY ASKED QUESTIONS

INFORMATIONAL WEBINARS

Informational Webinar for Vendors
(3/25/21)

[SLIDES](#) | [RECORDING](#)

Information Webinar for Buyers/Purchasers
(3/25/21)

[SLIDES](#) | [RECORDING](#)

IMPORTANT INFORMATION TO READ BEFORE YOU APPLY:

[Vendor Application Read Me and Walk Thru](#)

[Purchaser Application Read Me and Walk Thru](#)

APPLY HERE

NJ ZIP brings a tried-and-true model for increasing the adoption and use of zero emission vehicles to New Jersey, with a focus on reducing emissions in the greater Camden and Newark areas

ELIGIBILITY & COMPLIANCE REQUIREMENTS

VOUCHER AMOUNT

CONDITIONS OF FUNDING

APPLICATION PROCESS

Base Voucher Values

Voucher GVWR	Vehicle Class	Voucher Amount
8,501-10,000 lbs	Class 2	\$25,000
10,001-14,000 lbs	Class 3	\$55,000
14,001-16,000 lbs	Class 4	\$75,000
16,001-19,500 lbs	Class 5	\$85,000
19,501-26,000 lbs	Class 6	\$100,000

Bonus Criteria Summary

- Certified woman-, minority-, or veteran-owned business bonus: \$4,000 per vehicle
- Small business bonus: A 25% increase of the base voucher amount per vehicle
- Small business vehicle scrappage bonus: \$2,000 per vehicle scrapped and replaced with a NJ ZIP voucher-funded ZEV
- New Jersey manufacturing bonus: A 25% increase of base voucher amount per vehicle if Vendor can formally document that 25% of the cost of the vehicle is spent in NJ on labor for vehicle design, assembly, or manufacturing and cost of components produced in New Jersey.
- Driver readiness and education bonus: \$2,000 per vehicle if Vendor provides two public training sessions per quarter in the year following Applicant voucher(s) approval, for a total of 8 sessions, including at least an overview of the technology, operation, and safety, given by subject matter experts. In addition, Vendor must provide a once per quarterly opportunity in the year following Applicant voucher(s) approval for publicly available vehicle test drive or in-person vehicle viewing and demonstration within one or more of the selected pilot communities.

These bonuses may be stacked, with applicants eligible for multiple bonus criteria

POTENTIAL VENDOR LIST

KEY DEFINITIONS

NJ ZIP: Common questions

Where can I find more information about EVs (and incentives!) in NJ?

www.drivegreen.nj.gov





Additional ERA 2020 Programs

Main Street Recovery Program

\$100 million appropriated for several products to support New Jersey small businesses:

- ▶ **Small Business Lease Grant** – Launched in October 2021
 - 212 applications approved
 - \$4.9M+ approved to date
- ▶ **Small Business Improvement Grant** – Launched in February 2022
 - 69 applications approved
 - \$1.6M+ approved to date
- ▶ **Main Street Lenders Grant** – Launched May 25th
- ▶ **Micro Business Loan Program** – Launching soon!

Economic Security

► Food Desert Relief Act

Addresses food security needs of NJ communities by providing **up to \$40 million per year in tax credits, loans, grants, and/or technical assistance to increase access to nutritious foods** and develop new approaches to alleviate food deserts.

► Childcare Revitalization Act (A5863/S3990)

Appropriated **\$54.5 million of American Rescue Plan funds to provide grants to improve childcare facilities and technical assistance** to the childcare sector.

► Maternal and Infant Health

As part of **First Lady Tammy Murphy's Nurture NJ strategic plan**, NJEDA is working to develop a **new Maternal and Infant Health Innovation Center in Trenton**. NJEDA and Kean University will lead community engagement efforts to better understand the existing landscape of services, engage community members to understand the gaps in services and to inform recommendations on potential offerings for the Center.

Film & Digital Media Tax Credit Program



Established under the Garden State Film and Digital Media Jobs Act in 2018 and expanded by the **Economic Recovery Act of 2020**. \$330MM annual allocation through 2034.



FILM TAX CREDIT: Provides tax credits for film eligible productions.

- 35% credit on all qualifying labor expenses / 30-35% for qualifying expenses for goods and services.



DIGITAL MEDIA TAX CREDIT: Provides tax credits for eligible digital media expenses in the state.

- 30% tax credit with a 5% bonus for incurring expenses through authorized NJ vendors based in SNJ.



DIVERSITY BONUS: Provides a 2-4% bonus on qualified film/ digital media expenses for eligible applicants.

- Diversity plans must prioritize hiring minorities and women in an amount not less than 15% of total hired cast & crew. Additional local hiring requirements for 4%.



FILM-LEASE PARTNERS: Separate allocation for studios committing to over 50,000 SF and plan to have at least an annual average of \$50MM in qualified film production expenses.



STUDIO PARTNERS: Separate allocation for large studios committing to occupy over 250,000 SF. Studio partners can capture more ATL salary and wage expenses as qualified expenses.

Clean Energy Products



NJ ZIP: New Jersey Zero Emission Incentive Program

NJ ZIP is a \$45M pilot voucher program to support NJ businesses to **purchase medium-duty zero-emission vehicles**, funded by RGGI. \$45M committed in 2021 with another \$50M planned in 2022.



Offshore Wind

\$350M tax credit program that provide **reimbursement for capital investments in offshore wind industry** specific facilities located in New Jersey.



New Jersey Green Fund

New Jersey's Green Fund will be a \$100M+ institution that will offer products to **maximize greenhouse gas emission reductions** per dollar through investments that **leverage private capital to promote an inclusive, clean energy transition** and clean energy economy in New Jersey.

- ▶ Commercial Property Assessed Clean Energy (CPACE): Financing structure in which building owners borrow money for energy efficiency, renewable energy, or other projects and make repayments via an assessment on their property tax bill.
- ▶ Incentive bridge financing for energy efficiency contractors: \$20M RGGI-funded financing to help bridge the gap for payments to contractors working on energy efficiency work in the State.
- ▶ Open-window clean energy business financing: \$80M SSBCI financing program to finance clean energy infrastructure projects, technology improvements and manufacture clean energy technologies.



Visit [**NJEDA.com/EconomicRecoveryAct**](https://NJEDA.com/EconomicRecoveryAct) for more information.



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