

## Appendix B

### Historic Property Reinvestment Program Project Scoring Criteria

The Authority has established scoring criteria for the evaluation of proposed rehabilitation projects. These criteria can be used to set a required minimum score for reviewed rehabilitation projects and to allocate tax credits in circumstances where the requests for tax credits exceed the annual maximum cap established by the statute. To receive a tax credit award, a business entity's application must receive a minimum score of 50 out of 100 maximum total score.

Based on the statute's imposed annual cap for the Historic Property Reinvestment Program (HPRP), as well as data reviewed from other states with historic tax credits programs, and information on applicants to the federal historic tax credit program for New Jersey projects, staff anticipate that there is a possibility for the program to be oversubscribed (that is, more applications scoring above the minimum than can be satisfied with the amount of tax credits available). As a result, staff is recommending the utilization of preestablished scoring criteria as a means to competitively rank or compare projects against each other. If the volume of HPRP tax credit award requests is less than currently anticipated, resulting in the program being undersubscribed for any particular year, the minimum score ensures that proposed rehabilitation projects receiving tax credits are consistent with the objectives, goals and principles of the HPRP.

Applications will be reviewed and scored by a committee comprised of a multidisciplinary team of professionals. Members of the committee will include NJEDA staff, as well as professional staff from DEP's Historic Preservation Office. At a minimum, the committee will include at least one staff with experience in the fields of historic preservation, and construction/project management. Staff may seek assistance from consultants hired by the EDA to participate in or support the committee.

The recommended system will score projects with respect to five criteria:

1. Historic Significance of Resource
2. Imminent Threat to Historic Resource
3. Project Concept and Team
4. Site Control
5. Positive Impact on Surrounding Neighborhood

#### **Criterion 1: Historic Significance of Resource**

This criterion will look at specific aspects related to the level of historical significance and designations held by the qualified or transformative property. Specifically, projects will be scored based on the following weighted items:

- **Property’s Significance**  
 Methodology: What is the level of significance of the qualified or transformative property in its current status? Is it the only or one of a limited number of representative example(s) of a type/period/feature of historic significance, or is it the only existing known property associated with a significant historic figure, historical event, period, or historical feature? Review will be guided by the Criteria for Evaluation as outlined in 36 CFR § 60.4, and N.J.A.C. 7:4-2.3.  
 Scoring: Scale of 0-15 points
  
- **Historic Fabric/Integrity**  
 Methodology: Does the site retain the ability to convey its historic significance? Are the aspects of integrity (location, design, setting, materials, workmanship, feeling, association) as outlined in the original designation remain? Do the most significant historic features, finishes and materials remain in place?  
 Scoring: Scale of 0-13 points
  
- **Level of significance**  
 Methodology: What is the level of significance identified within the historic resource designation? National, State or Local?  
 Scoring:
 

National Significance	3 points
State Significance	2 points
Local Significance	1 point
  
- **Type of Designation**  
 Methodology: What is the highest type of designation held by the historic resource?  
 Scoring:
 

National Register of Historic Places	4 points
New Jersey Register of Historic Places	3 points
Pinelands Commission Historic Resource Designation	2 points
Identified/Registered by a Certified Local Government	1 point

*(For Transformative projects, a property with a NJ Register listing AND a Determination of Eligibility from the Keeper of the National Register of Historic Places will equal a NR listing in score value and will therefore result in 4 points)*
  
- **National Historic Landmark**  
 Methodology: Has the historic resource been recognized as a National Historic Landmark by the Secretary of the Interior?  
 Scoring:
 

Yes – 6 points	No – 0 points
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**Criterion 1 – Maximum Total Points: 41**

**Criterion 2: Imminent Threat to Historic Resource**

This criterion evaluates potential threats to historic resources and seeks to award additional points to projects that include the rehabilitation of a qualified or transformative property that without assistance from the HPRP, face an imminent threat and may be lost due to deteriorated physical condition or encroachment from new development. Specifically, projects will be scored based on the following weighted items:

- **Building Envelope**  
 Methodology: Is the property in danger due to issues with the Building Envelope which are causing water infiltration (roof leaks, missing or leaking windows or doors)?  
 Scoring: Scale of 0-3 points, to be determined based on level of condition
  
- **Structural Condition**  
 Methodology: Is there significant damage to structural components such as foundation, roof rafters, load bearing walls, columns and/or beams? Unless damage is to such a degree that it is easily noticeable (such as in the case of the partial collapse of a portion of the structure), or it already has been condemned or deemed unsafe by a building official with jurisdiction over the site or project, a structural report from a Structural Engineer must be included.  
 Scoring: Scale of 0-5 points, to be determined based on level of condition
  
- **Vacancy**  
 Methodology: Has the building been fully vacant for at least continuous 1 year (without utilities)?  
 Scoring:
 

5+ Years Continuously Vacant	5 points
4-5 Years Continuously Vacant	4 points
3-4 Years Continuously Vacant	3 points
2-3 Years Continuously Vacant	2 points
1-2 Years Continuously Vacant	1 points
  
- **Encroachment**  
 Methodology: Is there encroachment in the immediate vicinity that is believed to pose an immediate or near future threat to the historic resource?  
 Scoring: Scale of 0-3 points

**Criterion 2 – Maximum Total Points: 16**

**Criterion 3: Project Concept and Team**

This criterion evaluates how well is the project conceptualized/thought-out. It takes into consideration qualification and experience of the project team, proposed project concept/approach,

and consideration of historic resources, as well as whether the project schedule and budget seem realistic and follow industry standards. Specifically, projects will be scored based on the following weighted items:

- **Project Reviews and Approvals**  
Methodology: Have the plans and specifications been reviewed and approved by all applicable reviewing bodies (building permits, planning board, historic commission, DEP, etc.)?  
Scoring: Scale of 0-5 points
  
- **Project Schedule**  
Methodology: Is the project schedule realistic and achievable within the selected rehabilitation period?  
Scoring: Scale of 0-3 points
  
- **Construction Cost Estimate (CCE)**  
Methodology: Does the Construction Cost Estimate meet realistic and current market value/cost for a project of this size/scope/complexity? Was it prepared by a qualified professional with experience preparing CCEs for projects addressing historic structures?  
Scoring: Scale of 0-3 points
  
- **Experience and Qualifications**  
Methodology: What is the level of experience and qualifications of the applicant, any co-applicant, and any relevant team members (such as: developer, design professionals, cultural resource consultants, or specialized contractor or subcontractor), and do they have a demonstrated history of successful completion of projects of similar size/scope/complexity?  
Scoring: Scale of 0-5 points
  
- **Proposed Project Approach**  
Methodology: Does the proposed project approach include adequate consideration of historic resource(s)? If the project includes ground disturbance, does the project approach clearly define how known, or previously unidentified archeological resources will be addressed if encountered during the course of the project? Has information provided fully addressed requirements for compliance with the Secretary of the Interior’s Standards for Rehabilitation and does it include detailed, specific proposed treatment for interior and exterior historic fabric, materials, and spaces throughout the property?  
Scoring: Scale of 0-15 points

**Criterion 3 – Maximum Total Points: 31**

#### **Criterion 4: Site Control**

This criterion evaluates status/level of applicant’s site control at time of application. Specifically, projects will be scored based on the following weighted item:

- Status of Site Control  
Methodology: Has the business entity/applicant secured site control for the entire project site?  
Scoring: Own or have lease of entire site 3 points  
Own or have lease of partial site 2 points  
Have agreement with current owner(s) for obtaining control of entire site 1 point

**Criterion 4 – Maximum Total Points: 3**

#### **Criterion 5: Positive Impact on Surrounding Neighborhood**

This criterion evaluates positive impact to the surrounding neighborhood based on the level of local community support and whether the proposed project will provide a positive impact on the surrounding neighborhood by addressing community needs and attracting business owners and/or employers to the region. Specifically, projects will be scored based on the following weighted items:

- Community Needs  
Methodology: Does the project articulate that there is an unmet neighborhood, municipal, and/or regional need that the project is going to meet?  
Scoring: Scale of 0-3 points
- Community Support  
Methodology: Is there a written letter/s of support from a community group/s from the neighborhood/area in which the property is located or the municipality for the rehabilitation of the qualified or transformative property, and for the applicant’s project?  
Scoring: Scale of 0-3 points
- Impact to Area Businesses/Jobs  
Methodology: Will the redevelopment of the project site grow the number of small businesses or attract employers to the municipality/region?  
Scoring: Scale of 0-3 points

**Criterion 5 – Maximum Total Points: 9**