Appendix C

Brownfields Redevelopment Incentive Program Project Scoring Criteria

NJEDA has developed scoring criteria for the evaluation of the proposed redevelopment projects. The criteria can be used to review redevelopment projects and to allocate tax credits in circumstances where the requests for tax credits exceed the annual maximum cap established by the state.

Based on the statute's imposed annual cap for the Brownfields Redevelopment Incentive Program (BRIP), as well as data reviewed from other states with brownfield tax credit programs, staff anticipate that there is a possibility for the program to be oversubscribed. As a result, staff is recommending the use of scoring criteria to rank or compare the projects against each other. If the volume of BRIP tax credit award requests is less than currently anticipated, resulting in the program being undersubscribed for any particular year, a minimum score will ensure that the proposed redevelopment projects receiving tax credits are consistent with the objectives, goals, and principles of the BRIP. For the initial round, staff is proposing a minimum score of 25 out of 100, to be as inclusive as possible. Staff may adjust the minimum score requirement for future rounds based on an evaluation of the results from the previous rounds.

Applications will be reviewed by a committee comprised of a multidisciplinary team of professionals from NJEDA. At a minimum, the committee will include at least one staff member with experience in brownfields and site remediation, and one with construction and/or project management experience.

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

- 1. Environmental history of the brownfield site and impact of the contamination, hazard, or other environmental concern on the surrounding community (23 points)
- 2. The degree to which the redevelopment project enhances and promotes job creation and economic development such as the land use and other designations of the site of the redevelopment project related to uses and purposes of the site, including, but not limited to, if it is an area in need of redevelopment (10 points)
- 3. Positive impact of the redevelopment project on the surrounding community. For the entity or entities in the applicant's ownership structure that will have direct or indirect control over the actions by the applicant to undertake the redevelopment project, the extent to which such entity or entities have owners or board of directors (or members or partners if no board of directors) who are diverse and representative of the community in which the redevelopment project is located (27 points)
- 4. Economic feasibility of the redevelopment project and project viability, including level of experience and qualifications of the applicant's key personnel and strategic partners.; (29 points)
- 5. The extent to which the remediation will reduce environmental or public health stressors in an overburdened community, as those terms are defined by section 2 of P.L. 2020, c. 92 (N.J.S.A. 13:1D-158), and how the remediation will address climate resiliency (11 points)

<u>Criterion 1: Environmental History of the Site and Impact of the Contamination, Hazard, or other Environmental Concern on the Surrounding Community (23 Points)</u>

This criterion is for the specific aspects related to the environmental history of the site plus the impact of the contamination to the surrounding environ and any on-site physical hazards, such as on-site buildings and other structures, to the surrounding community. The types of factors that may be considered include:

- A discharge at the site which may pose an immediate environmental concern
- Contaminated Building Material that poses an imminent and significant threat to human health and safety
- Contamination that has migrated off-site which will pose a threat to the surrounding community
- Additional public funding that the state has already invested for redevelopment of the site
- Environmental assessments and pre-remediation surveys that have already been completed such as preliminary assessment, site investigation, asbestos containing materials survey, universal waste survey, pre-demolition survey, and lead based paint survey
- Abandoned or underutilized site for 5 or more years

Criterion 2: The degree to which the redevelopment project enhances and promotes job creation and economic development (10 points)

This criterion will look at specific aspects related to where the project is located and beneficial zoning. This criterion also considers site location as it pertains to economic development on the surrounding community since cleaning up blighted sites will positively impact the community. The types of factors that may be considered include:

- Current Zoning for mixed use high density residential development
- Connectivity to transit
- State site designations such as
 - o Endorsed Plan Municipality
 - o Area in Need of Redevelopment
 - o Area in Need of Rehabilitation
 - o Urban Enterprise Zone
 - o Brownfield Development Area
 - o NJ Redevelopment Authority Eligible Municipality

<u>Criterion 3: Positive Impact of the Redevelopment Project on the Surrounding Community (27 points)</u>

This criterion evaluates the 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 in the region. The types of factors that may be considered include:

- Community support as evidenced by a written letter/s of support from a non-profit community group in the neighborhood where the site is located
- Community outreach by holding public meetings to discuss the project
- Diverse board of directors and ownership that is representative of the community
- Located within the vicinity of sensitive population such as residence, school, daycare, park, playground
- Located within the vicinity of potable water sources
- State site designation such as
 - o Community Collaborative Initiative Community
 - o Municipal Revitalization Index for 50 most distressed municipalities
 - o Government Restricted Municipality
 - Qualified Incentive Tract

Criterion 4: Economic Feasibility of the Redevelopment Project and Project Viability (29 points)

This criterion evaluates the project concept as well as the experience of the team and project schedule for executing the proposed project. It takes into consideration the quality and experience of the project team, proposed project concept/approach as well as whether the project schedule and budget seem realistic and follows industry standards. The economic feasibility of the redevelopment project is also evaluated. The types of factors that may be considered include:

- Experience and qualification of the applicant with projects of similar size/scope
- Presence and strength of strategic partners
- Project management skills, expertise and fit with the project
- LSRP and other licensed or certified professionals with demonstrated history of successful completion of projects of similar size/scope/complexity
- Experience with managing environmental consultants
- Funding sources to show commitment of a stable leveraged funding source(s)
- Proposed project approach with details on how the cleanup will be implemented
- Project schedule that is realistic and achievable within the selected remediation period.
- Remedial construction documents have been reviewed and approved by DEP
- Project costs are appropriate to the level of effort

Criterion 5: Environmental Justice and Climate Resiliency (11 points)

This criterion evaluates whether the project has environmental justice or climate resiliency issues. The types of factors that may be considered include:

- Overburdened Communities Census Block Group as having a combined environmental justice stressor total of more than the 50th percentile
- A letter of support demonstrating community support from a local environmental or grassroots organization

- Community engagement by providing ample opportunity for meaningful engagement with the community
- For climate resiliency, a determination that the site is not located in a 100-year FEMA flood plain for future reuse of the site, or for sites located in a 100-year FEMA flood plain, the preparation of a Climate Risk Assessment Plan.