Historic Property Reinvestment Program

2023 Application Round

Questions & Answers Log – Last Updated 04/20/2023

Question Number	Received Date	Question	Answer Date	Answer
1.	4/10/2023	I have a property located at ▮▮▮▮▮▮▮▮▮▮ ▮▮▮▮▮▮, New Jersey. I have attached that includes some general info about the property and project. My question is if the project is eligible for Grant funding being that phase one has begun. We have begun planning on phase two and our in need of assistance to complete it.	4/14/2023	Rules for the project impose restrictions on the start of construction activities at the site as follows: "The business entity has not commenced any construction or rehabilitation activity at the site of the rehabilitation project prior to submitting an application, and will not commence any construction or rehabilitation activity until the execution of the rehabilitation agreement except as follows: i. In the event that the business entity has been ordered by a building code or other official with jurisdiction over the site or the rehabilitation project to correct a health, safety, or other hazard if: (1) The business entity provides a copy of the order to the Authority; (2) The business entity documents to the Authority's satisfaction that the proposed construction or rehabilitation activity is limited to resolve the hazard; and (3) The proposed construction or rehabilitation activity complies with the Secretary of the Interior's Standards for Rehabilitation, 36 CFR 67.7; and, ii. Any construction or rehabilitation activity at the site of the rehabilitation project was conducted by an entity that is not the current owner or business entity, or an affiliate of the current owner or business entity, and was not done at the direction of or under contract with the

				owner, business entity, or an affiliate of the owner or business entity" Therefore, if construction activities have already started at the project site, and they do not meet the exception as described above, the project is no longer eligible to be considered for historic tax credits under the program.
2.	4/13/2023	Can you please clarify the difference between these two sections which fall under the Project Economics section? They appear to be requesting the same information. "<u>Please attach the financial information of the rehabilitation project.</u> This shall include all phases, including by not limited to, any State or local financial assistance for the project, proposed terms of financing, projected reasonable and appropriate return on investment based on the business entity's equity, net margin, and cash on cash yield." "<u>Upload Project Pro Forma.</u> Please upload a project pro forma providing comprehensive project-level financial information for the proposed (including for all phases), that includes, but is not limited to, estimated project costs and total development costs, any State or local financial assistance for the project, proposed terms of financing, projected reasonable and appropriate return on investment on developer's contributed capital, net margin, and cash on cash yield. Please upload project Pro Forma document in Excel only, including all formulas. Please see suggested Pro Forma template [here]."	4/20/2023	While the two questions are very similar and could in some cases be addressed with the same information/file there are some differences between the two: "<u>Please attach the financial information of the rehabilitation project.</u>" – The field is intended to be used to upload information the applicant believes would be necessary for a full financial review of the project and could include: narrative document providing information on sources and uses and/or financial information for the project; information on specific financial assistance for the project that the applicant believes would help the understanding of funding structure for the project; etc. If the applicant believes that financial information submitted elsewhere in this application combined with the completed Pro Forma Excel file (which can include multiple tabs with supplemental information) is sufficient to present a full comprehensive view of the project financials, the applicant may choose to upload a file which has been uploaded elsewhere in the application (such as the Pro Forma), in this section of the application. "<u>Upload Project Pro Forma.</u>" – The field is intended exclusively for uploading a project Pro Forma. The field only allows for an Excel file to be uploaded.