



Overview

The Brownfields Redevelopment Incentive Program offers a one-time tax credit to developers who complete a cleanup of a brownfield site to prepare the site for redevelopment.

Perks

Applications for Round 1 are due 9/21/2023

- ▶ Tax credit may be sold
- ▶ Closes the finance gap on upside down properties
- ▶ Higher incentives in special areas
- ▶ Includes demolition on brownfield sites



Award Sizes



50 percent of remediation up to a maximum of **\$4 million**



60 percent of remediation up to a maximum of **\$8 million**, for projects located within a **qualified incentive tract** or a **government-restricted municipality (Atlantic City, Paterson, Trenton)**

Ideal project for this program

- ▶ Larger scale remediation and/or demolition
- ▶ Use prevailing wage
- ▶ Well defined areas of concerns in order to propose remediation costs that are reasonable and appropriate since the tax credit cap cannot be increased after award
- ▶ NOT an owner of the site, unless it is owned by a public entity (due to ownership liabilities under the NJ Spill Act) – some exemptions apply
- ▶ Option to purchase the site or enter in a pre-purchase ACO
- ▶ Market for tax credit with access to bridge loan

Eligible Activities

- ▶ Soil and ground water investigation
- ▶ Site remediation
- ▶ Hazardous material assessment and survey
- ▶ Hazardous materials or waste disposal
- ▶ Building and structural issues including: **demolition, asbestos abatement**, polychlorinated biphenyls (PCB) removal, contaminated wood or paint removal, and other infrastructure remedial activities
- ▶ Prior environmental assessment and investigation up to 24 months prior to application

Basic Eligibility

- ▶ Project site is a brownfield
- ▶ Letter of support from governing body
- ▶ Project financing gap exists
- ▶ Applicant NOT in any way responsible for the contamination
- ▶ Applicant NOT a corporate successor to the discharger
- ▶ Prevailing wage applies to remediation and construction work
- ▶ NOT economically feasible without this incentive
- ▶ Developer has NOT commenced any remediation unless the full extent of contamination is not known



How to apply

Contact bftaxcredit@njeda.gov to be added to the mailing list for updates on the program.

The application is now available at www.njeda.gov/brownfield-redevelopment-incentive. The following tools appear on the program website to help with the application process

- ▶ Sample Draft Application
- ▶ Frequently Asked Questions and Answers
- ▶ Mapping Assistant Tool for incentive locations and scoring factors
- ▶ Green Remediation Requirements
- ▶ Application checklist

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Questions? Contact bftaxcredit@njeda.gov