



**New Jersey Economic Development Authority
Atlantic City Revitalization Grant Program (Pilot)
*Notice of Funding Availability***

The New Jersey Economic Development Authority (“NJEDA” or “Authority”) will begin accepting applications for the *pilot* Atlantic City Revitalization Grant Program (“Program”) on **January 31, 2024 at 10:00am EST**. Applications will be accepted until all funds are fully awarded. The application can be accessed online at: [Atlantic City Revitalization Grant Program - NJEDA](#). The pilot Program will make available \$19.65 million in grant funding through a rolling application process to eligible for-profit and non-profit entities to fund capital real estate development projects that seek to revitalize the City of Atlantic City from the COVID-19 pandemic.

A \$1,000 application fee is required at the time of application.

Purpose and Overview

As the New Jersey economy continues to rebound in the wake of COVID-19, catalytic investments into distressed cities remains essential for jumpstarting local economies and promoting strong, resilient, and equitable economic recovery efforts to advance place-based economic development initiatives. Atlantic City continues to grapple with persistent economic challenges, including high unemployment rates, limited access to essential amenities such as quality food options, a shortage of class A office spaces, and an inability to access State incentives available to other municipalities.

Governor Murphy’s economic plan, “The State of Innovation: Building a Stronger and Fairer Economy in New Jersey,” identifies several economic development priorities, including “investing in communities to build world-class cities, towns, and infrastructure statewide.” The Atlantic City Revitalization Grant Program will address the Administration’s “investing in communities” priority as the grant funding will help support real estate development, specifically capital projects, throughout Atlantic City. The Program furthers the Administration’s efforts to build a stronger and fairer New Jersey economy by making new, impactful, and strategic investments in historic hubs like Atlantic City and its neighborhoods.

The Program will be focused on ensuring that communities are directly supported by ensuring the project addresses the negative impact of COVID-19 and contributes to Atlantic City’s revitalization. The Program is designed to invest in real estate development projects in Atlantic City that demonstrate an ability to cultivate the environment and neighborhoods necessary to attract and retain a local workforce, enable business creation and tourism, enhance downtown vitality through small business support efforts, support clean and safe initiatives, address food insecurity issues, and buttress social impact supports for the Atlantic City community at large. Grant funding will improve investment in communities by working to activate underutilized, distressed, or vacant land for projects in order to promote equitable economic growth and community wealth building in Atlantic City.

Funding for the Program is provided by Governor Murphy’s Fiscal Year 2024 Appropriations Act (P.L. 2023, c.74) (discussed below) to support the revitalization of a distressed city like Atlantic

City and to build a stronger and fairer New Jersey economy by making new, impactful, and strategic investments throughout the communities of Atlantic City .

Funding

Utilizing the funding provided through the from American Rescue Plan, Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”), \$30 million has been appropriated for “Atlantic City Initiatives” in the Fiscal Year 2024 Appropriations Act (P.L. 2023, c. 74) to support the revitalization of Atlantic City. Of that allocation, \$19.65 million has been deposited into the Economic Recovery Fund for the “Atlantic City Revitalization Grant Program”, which will be used to make grants to ensure long-term growth and opportunity for Atlantic City by supporting eligible projects that reinvigorate the local economy and revitalize local neighborhoods.

Program Details

The Program will be focused on ensuring that communities are directly supported by ensuring the project addresses the negative impact of COVID-19 and contributes to Atlantic City’s revitalization. The Program supports real estate development, specifically ***capital projects*** (“Project”) in the form of grants, to support rehabilitation or new construction, as well as other associated development costs with a minimum grant award of \$1 million and up to a maximum award of \$10 million in grant funding to one Project.

These capital projects must directly support Atlantic City neighborhoods and communities and may include either:

- Public infrastructure improvements that support the completion of the project;
- Capital construction projects that renovate or restore a vacant or partially vacant (at time of application and up to approval) building; or
- New construction projects that aim to increase the downtown vitality, public space utilization, foot traffic, and overall economic prosperity in Atlantic City.

Eligibility

Eligible applicants (“Applicant”) for this Program are for-profit or non-profit entities who are responsible for overseeing a real estate development project and coordinating the activities related to the project, including, but not limited to, project design, project financing, and permitting and local approvals.

To be eligible for the Program, the Applicant must:

- Be in substantial good standing with the New Jersey Department of Labor and Workforce Development and the New Jersey Department of Environmental Protection prior to approval.
- Provide a current tax clearance certificate prior to approval to demonstrate the applicant is in substantial good standing with the New Jersey Division of Taxation, unless the applicant is not required to register with the Division of Taxation.

Applying entities (per EIN) cannot have more than 100 full time jobs at time of application as per their last WR30 filed or any other documentation necessary to determine eligibility.

Eligible Uses

Grant funding may only be used for the following types of real estate projects located in Atlantic City:

- New construction for a commercial end use that addresses a community need listed in the “Local impact considerations” described below (100% residential is not eligible but mixed-used construction is eligible; must have at least 20% of the total square footage of the building dedicated to a commercial use).
- Renovation or restoration of a vacant or partially vacant building in need of repair (if the project consists of vacant space or partially vacant it would have to be at time of application and up to approval).
- Projects that address at least one “Local impact consideration” as identified below and within Atlantic City.
- Projects may include public infrastructure improvements that are necessary to complement or complete the Project.

This Program is ***not*** available for:

- Any awardee of a Real Estate Grant under the NJEDA’s Activation Revitalization Transformation (ART) Program.
- Projects that have started construction. Construction, including demolition and remediation, cannot start until approval by the Authority’s Board of Directors.
- Real estate holding companies or other special purpose entities that exist solely to own property or a real estate project.
- Any city, State, or county entity and any state colleges or universities.

Additional Project Requirements and Restrictions:

- All Project costs (soft and hard construction costs – no operating costs) can be included and may include predevelopment projects costs associated to the Project.
- The developer fee cannot exceed 8% of total Project costs.
- Contingencies of total Project costs cannot exceed 10% of hard Project costs and 5% of soft Project costs. The Grant amount shall not increase after approval due to contingencies.
- All Projects must be fully completed by the end of calendar year 2026 (as per US Treasury deadlines). Grants will be subject to federal Duplication of Benefits requirements.
- A cost reasonableness analysis will be completed prior to any Project being approved.
- Funding shall be subject to compliance with New Jersey prevailing wage law and other labor standards requirements. Other State requirements which may be applicable will depend on Project details and funding amounts, including New Jersey Executive Order 215 of 1989 regarding the requirement for environmental assessments.

Project Eligibility Considerations

As a federally funded Program meant to mitigate the negative impacts of COVID-19, applicants must demonstrate how the Project will benefit the community.

All Applicants will need to certify to the following requirements at the time of application, as applicable:

- COVID Impact: The Project is responsive to the negative public health and/or economic impacts of the COVID-19 pandemic and complies with all the ARP program requirements.
- Capacity: The Applicant has experience implementing at least three similar scope and size projects (similar in budget size and scope) and provide documentation. Exceptions to this experience requirement is available only if the Applicant selects supporting “Small Business Efforts” or “Food Insecurity Efforts” as their local impact consideration at time of application, in which case the experience requirement is waived.
- Long-term Impacts: How the project will have a positive long-term impact in the community or neighborhood where the Project will be located in.
- Deed Restriction: If the property is owned by the applicant, they must agree to a 5-year deed restriction so that the project use cannot change after the later of their last disbursement or project closeout. If the property is leased, then the landlord must sign off on a certification and agree to the deed restriction.
- Financial Viability: The project will be financially viable and self-sustaining after construction. The applicant is able to operate for the necessary time period pursuant to the 5-year deed restriction.
- Project Completion: Applicant agrees to meet the U.S. Department of Treasury’s project completion timeline requirement of 12/31/2026 . In the event of failure for the construction project to timely complete by this US Treasury deadline, the Applicant further acknowledges that they may be held liable for the recapture of the grant funds they have drawn down or have received.
- Local Impact Considerations: The Project addresses at least one of the following community initiatives:
 - Small Business Support Efforts - Businesses that are engaged in the following are not eligible for funding: the conduct or purveyance of "adult" (i.e., pornographic, lewd, prurient, obscene or otherwise similarly disreputable) activities, services, products or materials (including nude or semi- nude performances or the sale of sexual aids or devices); any auction or bankruptcy or fire or "lost-our-lease" or "going-out-of- business" or similar sale; sales by transient merchants, Christmas tree sales or other outdoor storage; cannabis related businesses; casinos; or any activity constituting a nuisance.
 - Clean and Safe Efforts
 - Food Insecurity Efforts
 - Downtown Vitality Efforts (all projects must be located from Sunset Avenue, Fairmount Avenue, Baltic Avenue to the boardwalk throughout Atlantic City).
 - Job and Office Space Creation
- U.S. Treasury Reporting: If requested by the Authority, the Applicant will cooperate to provide the U.S. Department of the Treasury with relevant information for reporting of all Project expenditures exceeding \$1 million, as necessary. Specifically, all applications shall provide a narrative on how the Project will address the impacts of COVID-19 in Atlantic City, and why this capital expenditure is the most appropriate to address the economic harms caused by COVID-19.

Application Submission and Review Process

The Program will be open to the public and applicants will be able to apply online. The Program will operate on a rolling grant application basis, where Grants are awarded on a “first-come,

first-served” basis as completed applications are submitted. The Authority will review applications as they are received. At the sole discretion of the Authority, staff may ask for clarification of the information included in the application, including but not limited to narrative responses, supporting documentation, and attachments.

The application window will remain open until all funds are awarded/exhausted. The Program will be available for three years from the date applications are made available to the public, or until the total funding pool is exhausted (whichever is sooner).

Applicants must register or log into the online application portal, complete all required application questions fully, and upload all required PDF document attachments including the following:

1. Evidence of site control. Applicant (on its own or through a wholly owned special purpose entity) must provide a deed, executed purchase and sale agreement, executed lease (term must be 5 years beyond project completion), any/all of which must be fully signed by both seller and purchaser/applicant;
2. Project description and overview of overall Project, related costs, and the proposed future use, describing the property/building(s) current and future state (i.e., vacant or partially vacant, abandoned, code violations, recent uses, any local, state, or federal historic designation/eligibility, brownfield site, location within designated redevelopment area, etc.); current or planned development/redevelopment efforts in the area proximate to the Project location;
3. Specify which Local Impact Considerations the Project addresses and describe the need for this Project in the community and how the Project benefits Atlantic City as a whole, the anticipated economic and local impact to the community, the development objectives, the projected jobs creation, the anticipated local impacts including possible projected increase in pedestrian traffic and the public access;
4. Explanation of how the Project is addressing a negative impact to Atlantic City as a result of COVID-19;
5. Provide a narrative (and documents as may be applicable) describing the viability/feasibility of the proposed project including current zoning status, local supports, identification of possible complexities or challenges with proceeding, and provide preliminary Project budget and funding plan, which shall include an Authority source and uses template;
6. Project development timeline/implementation schedule indicating readiness to proceed on the project and for the future supplemental use. Must also demonstrate that the project will be completed prior to 12/31/26;
7. Applicant’s formation and organizational documentation and/or authorizing documentation of the applicant;
8. Narrative and documentation of previous project experience (if applicable) and capacity to undertake and complete the Project by providing a description and providing documentation of three similar projects (in scope and budget size) to the proposed Project; and
9. Detailed project budget provided by a NJ certified and registered Public Works contractor, including all Project costs from pre-development and construction to close out and Certificate of Occupancy. All contracts of work, equipment installation must include NJ Prevailing Wage Rates.

Applicants must provide as much detail as possible regarding the Project steps involved, Project budget, community impact, and projected timeline for the Project from start to finish to show how the Grant funds will be used.

Applicants that demonstrate proof that the remaining amount of construction funding is secured at time of application will be approved before other completed applications that are still pending review. If the applicant hasn't provided documentation to show they have fully secured the remaining funding, the applicant can proceed to an approval but won't be able to execute their grant agreement until they provide this documentation. Secured means the applicant has provided an executed grant agreement, closed loan documents or agreements, or bank/financial institution statement to verify funds are available. Awardees will only have 6 months from approval to provide this documentation or forfeit their grant award.

All eligible applications will proceed to the Board for approvals, and all applications which will be declined for discretionary reasons will also proceed to the Board.

Grant Award and Agreement

Minimum grant awards will be \$1 million and maximum award amounts will be up to \$10 million. There will be one award per EIN and per eligible project location. Grants will be up to 50% of total Project costs (hard and soft construction costs).

The grant agreement will ensure that the funding shall be subject to compliance with New Jersey prevailing wage law and other labor standards requirements, as well as other State requirements that may be applicable depending on Project details and funding amounts, including, possibly, New Jersey Executive Order 215 of 1989 regarding the requirement for environmental assessments.

To ensure the grant is used properly and the community receives the benefit, the grant agreement will also include a provision that the Authority will ensure the end project use is maintained for at least 5 years after the project is completed. If the Applicant owns the property, a 5-year deed restriction on the property will be required to be filed utilizing the Authority's required restriction language. The deed restriction will be released by the Authority after 5 years from final Project closeout. If the Applicant does not own the project their lease must demonstrate site control 5 years beyond project completion (including any renewal options). Awardees are also prohibited from selling all or a part of the Project, or terminate or reduce their lease, for up to 5 years after Project closeout or the Authority may require repayment of all of the Grant that has been disbursed. If the Project is not completed, the Awardee will have to repay the amount of funds disbursed to them.

Grant Funding Disbursements

The Authority will disburse grants only to the applicant after the execution of the grant agreement. Disbursement of Grant funding will be based on applicant's requested drawdowns, which is calculated based upon expected contract costs with documentation of uses (such as AIA documents, contract payments for services providing during construction, and paid invoices related to the Project).

The Authority will allow for progressive drawdowns on the grant funds to support progressive project costs (\$150,000 minimum on all requests unless it's the final request) and such requests do not need to be pro-rata reimbursements based on actual costs incurred.

Staff will perform random site visits and will hold the final disbursement of 10% of the total award until the Project closeout is completed. Staff may also request any other support or documentation as needed for drawdowns.

The applicant must submit a Project close out request prior to the last disbursement of 10% of the awarded grant. The Project close out request, must include, but is not be limited to, all necessary information to evidence completion of the project and, when applicable, a Temporary Certificate of Occupancy. Once received, staff will perform a site visit to confirm and document the completed Project (including through photographs).

Fees

A \$1,000 non-refundable application fee is required at time of application submission and may be paid by credit card only.

Additional Information

Comprehensive information about the Atlantic City Revitalization Grant Program is available at [Atlantic City Revitalization Grant Program - NJEDA](#).

Questions concerning this Program's Notice of Funding Availability should be submitted to ACrevitalization@njeda.gov.

The NJEDA is subject to State and Federal statutes including but not limited to the following which may impact affiliates: N.J.S.A. 52:32-60.1, et seq., which prevents the New Jersey government entities from certain dealings with businesses engaged in prohibited activities in Belarus or Russia; N.J.S.A. 24:61-49 which provides that the following are not eligible for most State or local economic incentives (a) a person or entity issued a license to operate as a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or that employs a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and (b) a property owner, developer, or operator of a project to be used, in whole or in part, by or to benefit a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or to employ a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and N.J.S.A. 52:13D-12, et seq., which prohibits a member of the Legislature or a State officer or employee or their partners or a corporation in which they owns or controls more than 1% of the stock to undertake or execute any contract, agreement, sale, or purchase of \$25.00 or more, made, entered into, awarded or granted by any State agency, with certain limited exceptions.