

**Atlantic City Revitalization Grant Program
Proposed Program Specifications
December 2024**

<p>Funding Source</p>	<p>\$2,949,413.29 of the original \$19.65 million from the “Atlantic City Initiatives” (FY 2024 Budget Appropriations Act) will be rolled over and \$1,000,000.00 of funding will be added. The grant program will utilize \$3,949,413.29 million for awards.</p>
<p>Program Purpose and Objective</p>	<p>Reopen the Atlantic City Revitalization Grant Program (“Program”) which is a grant-funded program that will utilize \$3,949,413.29 to support capital projects that address the impacts of COVID-19 and contribute to Atlantic City’s revitalization. These capital projects must be located in and directly support Atlantic City neighborhoods and communities and include, but not limited to public infrastructure improvements that support the completion of the project, capital construction projects that renovate or restore a vacant (at time of application and up to approval) building that aim to increase the downtown vitality, public space utilization, foot traffic, and overall economic prosperity in Atlantic City.</p> <p>While the pandemic impacted millions of American households and businesses, the most severe impacts disproportionately fell on low income and underserved communities, where pre-existing disparities accelerated the impact of the pandemic, further delaying a full economic recovery. Allocating funding to stimulate real estate projects that bolster economic development initiatives will result in stronger communities and revitalized neighborhoods. This allocation is among a myriad of strategies to mitigate the harms caused in municipalities disproportionately affected by the COVID-19 pandemic and support economic development ventures that advance stability and economic vitality throughout the region.</p> <p>The goal of this program is to proactively address the negative economic impacts of the pandemic by investing in projects that demonstrate an ability to cultivate the environment and neighborhoods necessary to attract and retain local talent, enable business creation and tourism, enhance downtown vitality through</p>

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	<p>small business support efforts, support towards a clean and safe initiatives, address food insecurity issues, and buttress social impact supports for the community at large.</p>
<p>Eligible Applicants</p>	<p>For-profit or non-profit entities 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, are eligible to apply (each, an “Applicant” or “Developer Entity”). A real estate holding company or other special purpose entity that exists solely to own property or a real estate project is not eligible. Any city, State, or county entity and any colleges or universities are not eligible to apply for any support from the Program.</p> <p>Additional requirements:</p> <ul style="list-style-type: none"> • 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. • 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.
<p>Eligible Projects and Restrictions</p>	<p>Eligible projects include:</p> <ul style="list-style-type: none"> • Commercial project must address 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. • No new construction projects and no sole acquisitions project are eligible. Renovation or restoration of a vacant or partially vacant building in need of repair is eligible (if the project consists of vacant space or partially vacant it would have to be at time of application and up to approval). Project must be located within Atlantic City. New construction was allowed in the previous version of this grant but due to the limited time left to expend Federal funds, its now not eligible.

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	<ul style="list-style-type: none"> • Addresses a “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. • 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. • 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. • Contingencies of total Project costs cannot exceed 10% on hard Project costs and 5% on soft Project costs. The Grant amount shall not increase after approval due to contingencies. • Any awardee that closed on their grant agreement for a Real Estate Grant under the NJEDA Activation Revitalization Transformation (ART) Program established by the Authority is not eligible to apply for this Program. • Projects that have started construction are not eligible. Construction, including demolition and remediation, cannot start until approval.
<p>Eligible Project Locations</p>	<p>All projects must be located in the City of Atlantic City.</p>
<p>Project Eligibility Considerations (necessary for federal guidelines)</p>	<p>Since the Program is funded through federal resources that were meant to mitigate the negative impacts of COVID-19, applicants must demonstrate how the Project will benefit the community. All Projects will need to address and demonstrate how they meet the following requirements at time of application:</p> <ul style="list-style-type: none"> • COVID Impact: Applicants must certify that 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 must certify they have experience implementing at least three similar scope and size projects (similar budget size and scope) and provide documentation except if the applicant is

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**Project Eligibility
Considerations (necessary
for federal guidelines)
continued**

selecting to support a “Small Business Efforts” or “Food Insecurity Efforts” box as their local impact consideration at time of application, in which case the experience requirement is waived.

- Long-term impacts: Applicants must certify how the project will have a positive long-term impact in the community it will be located in and the overall benefit to Atlantic City. The applicant, they must agree to a 5- year deed restriction so that the project use or ownership cannot change after the later of their last disbursement or project closeout.
- Financial Viability: Applicant must certify the project will be financially viable and self-sustaining after construction. The applicant will certify they are able to operate and maintain site control for the necessary time period. Also, that the applicant will meet US Treasury project completion timeline requirements.
- Project completion: Applicant must certify they are aware and agree that the construction project can be completed by 12/31/26 (as per US Treasury) or they may be held liable for the recapture of the grant funds they drawdown or have received.
- Local impact considerations: All Projects must address at least one of the following community initiatives to be eligible to apply (applicant will check all that apply):
 - 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: Applicants must certify that they have the

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	<p>ability to provide the U.S. Department of the Treasury with relevant reporting for all Project expenditures exceeding \$1 million if 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.</p>
Rolling Applications	<p>Applications will be accepted on a rolling basis. Applications that are complete will proceed to an approval on a “first in, first out basis” using the date and time that the Authority receives a completed application.</p>
Application Process and Approval	<p>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 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).</p> <p>As part of a Program application, the Authority will request information about the Project and how the community will benefit from the Project, which may include, but is not limited to:</p> <ol style="list-style-type: none"> 1) Evidence of ownership or site control resulting in ownership is required at time of application. Applicant (on its own or through a wholly owned special purpose entity) must provide a deed, closing documents (HUD-1 or proof site was purchased), executed purchase and sale agreement, any/all of which must be fully signed by both seller and purchaser/applicant prior to the applicant’s application date (if haven't closed then agreement must demonstrate applicant can close within 60 days of application date and will have to provide a deed prior to executing their grant agreement); 2) Project description and overview – description 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;

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Application Process and Approval (Continued)

3) Local Impact Considerations – applicant must select which category the Project falls into from the following (have to check at least one):

- Small Business Efforts
- Clean and Safe Efforts
- Food Insecurity Efforts
- Downtown Vitality Efforts
- Job and Office Space Creation

Applicants will also have to describe how they are addressing the need for this Project in the community and benefits of the Project to Atlantic City as a whole, anticipated economic and local impact to the community, development objectives, projected jobs creation, anticipated local impacts including possible projected increase in pedestrian traffic and public access;

4) COVID-19 impact - applicants must explain how the Project is addressing a negative impact to Atlantic City as a result of COVID-19;

5) Project location must be located within Atlantic City;

6) 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 must provide preliminary Project budget and funding plan, which shall include an Authority source and uses template;

7) Project development timeline/implementation schedule indicating readiness to proceed on the project and for the future supplemental use and must demonstrate that project will be completed prior to 12/31/26;

8) Applicant’s formation and organizational documentation and/or authorizing documentation;

9) Narrative and documentation of previous project experience 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

10) Detailed project budget provided by a NJ certified and registered 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.

11) Applicants must demonstrate proof they have fully secured their other 50% of funding prior to approval.

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Application Process and Approval (continued)

Applicants will need to 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 will be used.

The Authority will perform a review of 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.

Approvals and declinations will be under delegated authority.

Grant Awards and Agreement Terms

The awards will be based on the total requested project costs, amount of funding, and demonstrated readiness to proceed. All eligible applications that are complete and viable will proceed to an approval. Grants will be awarded until funds are fully exhausted. The Authority will award only one grant per applicant (one per EIN). If an applicant requests a grant for a Project which is eligible for the Program, but sufficient funding is not available to fund the full grant request, the Authority will inform the applicant of the amount of grant funds available. If the applicant wishes, nevertheless, to proceed for approval, the applicant will be required to demonstrate that they have the financial resources to fund the difference to fill the gap to ensure the submitted Project proposal is undertaken as described.

Grant will cover up to 50% of all Project costs with a minimum award request of \$250,000 and the maximum award request of \$2.5 million and will be provided pursuant to a grant agreement to be entered into between the Authority and the applicant. Documentation to verify the remaining amount of Project funding will be required in order to execute the grant agreement if such documentation was not provided at time of application.

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	<p>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 which 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.</p> <p>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. NJEDA will file a 5-year deed restriction on the property utilizing the NJEDA’s required restriction language. The deed restriction will be released by the Authority after 5 years from final Project closeout. Awardees are also not able to sell all or a part of the Project or change use, 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.</p>
Fees & Administrative Expenses	<p>A \$1,000 application fee will be charged to all applicants at the time of application for the Program.</p>
Disbursements	<p>The Authority will disburse Grants after the execution of the grant agreement, and amounts will be based on applicant requested drawdowns calculated upon expected costs or expended costs after approval 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 (\$50,000 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.</p> <p>Prior to the last disbursement of 10% of the Grant, the awarded must submit a Project close out request, which will include, but not be</p>

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	<p>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).</p>
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