



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: April 9, 2025

SUBJECT: Creation of the Apprenticeship Training Centers Construction Grant Program

Summary

The Members are requested to approve:

1. Creation of the Apprenticeship Training Centers Construction Grant Program (the “Program”), a competitive grant program that will provide up to \$9.7 million to support the development of facilities for use as training centers for USDOL Registered Apprenticeship programs located within New Jersey Overburdened Communities. Grants will be provided for new construction, substantial rehabilitation or new construction with substantial rehabilitation of a training center.
2. Utilization of a total of \$10 million from the Workforce Development Partnership Fund (WDPF) including \$300,000 to support the Authority’s administrative costs for the Program. These funds will be allocated pursuant to the current Memorandum of Understanding (“MOU”) between the New Jersey Economic Authority (NJEDA, or “Authority”) and New Jersey Department of Labor (NJDOL) dated February 23, 2024.
3. Waiving the application fee for the Apprenticeship Training Centers Construction Grant Program.
4. Delegation of authority to the Chief Executive Officer (“CEO”) of the Authority to extend program timelines, as deemed necessary to support program objectives.

Background

The New Jersey Economic Development Authority serves as the State’s principal agency for driving economic growth. The Authority is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on strategies that help build strong and dynamic communities, create good jobs for New Jersey residents, and provide pathways to a stronger and fairer economy. Through cooperation with a diverse range of stakeholders, the Authority creates and implements initiatives to enhance the economic vitality and quality of life in the State, and to strengthen New Jersey’s long-term economic competitiveness.

In accordance with the current MOU between NJEDA and NJDOL governing the use of the Workforce Development Partnership Fund, NJEDA provided the NJDOL Commissioner with the Board materials associated with this expenditure more than 5 days prior to the Board meeting. The NJDOL Commissioner approved the use of the WDPF for this program.

In November 2023, the New Jersey Department of Labor and Workforce Development (NJDOL) announced the investment of \$10 million to expand apprenticeship training centers to meet the growing need for skilled workers as New Jersey experiences an unprecedented surge in infrastructure and public works initiatives. Subsequently, in February 2024, the Members approved an MOU between NJEDA and NJDOL that permits the disbursement to NJEDA of up to \$20,000,000 in funds from the Workforce Development Partnership Fund for NJEDA to create and sustain workforce development programs and projects. The MOU also enabled a deepened and expanded collaboration between the two parties across a range of workforce and economic development initiatives, to reduce barriers to training and employment and help employers retain qualified workers. Pursuant to the MOU, NJEDA has developed this competitive Program to support the construction of facilities for use as Registered Apprenticeship training centers in New Jersey's Overburdened Communities.

Apprenticeship Training Centers Construction Grant Program Overview

The Apprenticeship Training Centers Construction Grant Program is established to provide grants for new construction and/or substantial rehabilitation, of facilities in Overburdened Communities dedicated to training apprentices in USDOL Registered Apprenticeship programs ("Projects"). The overall goals of the program will be to:

1. Eliminate transportation barriers for residents of Overburdened Communities by locating training centers funded by this grant opportunity in said communities.
2. Enable access to low- or no-cost training to participants that fulfill a workforce-related need in the building and construction trades and position trainees to attain high-quality employment.
3. Create positive economic and local benefits to the communities in which the training centers are located.

The Murphy Administration has led significant investment in the development of apprenticeship, pre-apprenticeship, and work-based programs in the state, with a particular focus on expanding diversity and inclusion in the building and construction trades. The Program will bolster Governor Murphy's and the state's efforts to expand access to apprenticeship programs, quality careers, and increase equity and fairness in New Jersey's economy. The Program will build on existing workforce development efforts in New Jersey by supporting the construction of facilities that will be used for USDOL Registered Apprenticeship training programs that lead to quality careers.

The \$10 million from the WDPF will be deposited into the Economic Recovery Fund which will allow the Authority to authorize a grant program as listed under N.J.S.A § 34:1B-7.13(a)(12) for "a fund to provide grants or competition prizes to fund initiative-based activities which stimulate growth in targeted industries as defined by the authority's board or supports increasing diversity and inclusion within the State's entrepreneurial economy; this fund may also support not-for-profit industry, trade, and labor organization initiatives."

Eligible Projects

Eligible Projects are new construction, and/or substantial rehabilitation, (hereinafter collectively referred to as "construction") projects located in Overburdened Communities for use as a training center for a

USDOL Registered Apprenticeship program as defined below are eligible and will be considered for Apprenticeship Training Centers Construction grants:

Substantial rehabilitation shall have the same meaning as “reconstruction” in N.J.A.C. 5:23-6.3 which means: any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied. Reconstruction may include repair, renovation, alteration or any combination thereof. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.”

- Projects must be primarily used for USDOL Registered Apprenticeship training activities following construction for a minimum of five (5) years.
- Applicants that own the Project site must agree to a deed restriction on the Project site ensuring no change in the proposed project use for five (5) years after Project completion. Applicants that lease the Project site must have a lease term that extends at least five (5) years beyond Project completion.
- Projects that have started construction are not eligible. Construction, including demolition and remediation, cannot start until execution of a grant agreement.
- All projects will be subject to compliance with New Jersey prevailing wage law and the Public Works Contractor Registration Act (N.J.S.A. 34:11-56.48 et seq.) which require all contractors, subcontractors, or lower tier subcontractors (including subcontractors listed in the bid proposal) who bid on or engage in the performance of any public work in New Jersey to register with the NJ Department of Labor and Workforce Development.
- Evidence of site control or a pathway to site control within 180 days of Board approval is required at time of application. However, in order to execute a grant agreement, the Authority would require evidence of site ownership (a deed) or an executed lease agreement with a term that extends at least five (5) years beyond project completion.
- Development of projects must be completed within two (2) years of grant agreement execution, which may be extended up to two (2) times by one (1) year each, at the sole discretion of the Authority.

Eligible Project Locations

The project location must be within an Overburdened Community (OBC)¹ as defined by the New Jersey Department of Environmental Protection (NJDEP). Specifically, OBCs are block groups with:

1. At least 35 percent low-income households; or
2. At least 40 percent of the residents identify as minority or as members of a State recognized tribal community; or

¹ N.J.S.A. 13:1D-158

3. At least 40 percent of the households have limited English proficiency

NJDEP provides the public a list and visualizations of OBC locations throughout the state at <https://dep.nj.gov/ej/communities/>.

Eligible Applicants

- Eligible applicants must be the Sponsor of at least one (1) Registered Apprenticeship Program as defined by the United States Department of Labor Office of Apprenticeship. Sponsors must possess the registration of an apprenticeship program meaning the acceptance and recording of such program by the Office of Apprenticeship, or registration and/or approval by a recognized State Apprenticeship Agency, as meeting the basic standards and requirements of the Department for approval of such program for Federal purposes.
- Applicants will be required to be in and conduct training for the building and construction trades in the facility funded by this grant.
- Applicants must have been in continuous operation as a USDOL Registered Apprenticeship training program for a minimum of ten (10) years at the time of application.
- Applicant must be in substantial good standing with the New Jersey Department of Labor and Workforce Development, New Jersey Department of Environmental Protection, and NJEDA prior to approval. The Program requires applicants to provide a current tax clearance certificate at the time of execution of the grant agreement to demonstrate the applicant is in good standing with the New Jersey Division of Taxation, unless the applicant is not required to register with the Division of Taxation.

Grant Funding

In order to provide grants and support projects by different entities and in various regions of the State, no applicant (and or applicant related entity) may receive more than one grant award. In addition, the Authority will seek to make a minimum of one award per State region (contingent on the availability of funds) as described below:

- North region: Bergen, Essex, Hudson, Morris, Passaic Sussex, Union, and Warren counties
- Central region: Hunterdon, Mercer, Middlesex and Somerset counties
- South region: Atlantic, Burlington Camden, Cape May, Cumberland Gloucester, Monmouth, Ocean, and Salem counties

Provided that one or more applications are submitted for each region which meet or exceed the minimum score requirement of 65 points, the highest ranked application from each region will be recommended to the Board for award approval within the funding available for the program.

- Step 1: The highest scored eligible application in the pool will be recommended to the Board for approval irrespective of region.
- Step 2: The next highest scored eligible application from either of the other remaining regions will be recommended to the Board for approval (contingent on the availability of funds).

- Step 3: The next highest scored eligible application from the remaining region will be recommended to the Board for approval (contingent on the availability of funds).

Following this step, all remaining applications will be merged into a single group and scored. The highest scoring applications from the merged group will be recommended to the Board for award approval until all Program funding is awarded.

The minimum grant award would be \$500,000 and the maximum grant award would be \$6,500,000, per project.

Grant funding may be used for soft and hard construction costs, including predevelopment project costs. Grant funding cannot be used for property acquisition costs/equity and are not considered as part of total project development costs. Operating costs for the training itself post construction are not eligible project costs. Grant funding cannot exceed 70% (or 80% in Government Restricted Municipalities²) of eligible total project development costs (soft and hard construction costs) within the approved application.

Additional funding requirements are:

- Eligible soft costs may not exceed 20% of the total project development costs.
- The developer fee cannot exceed 8% of total project development costs.
- Contingencies of total project development costs cannot exceed 10% of hard project costs and 5% of soft project costs.

Application Process

The Program will be open to the public and applicants will be able to apply online. Applications will be accepted during a defined application window, which NJEDA will make potential applicants aware of through a Notice of Funding Availability and other information posted to NJEDA's website. There will be a defined window for potential applicants to submit questions and receive answers that are made public on the website. The Authority will allow only one application per applicant (EIN).

The application will request information about:

1. Project description and overview
2. Description of the need for this Project in the OBC and benefits of the Project to the respective OBC as a whole
3. Project financial information including development budget, sources and uses, project feasibility, and evidence or status of financing
4. Project development timeline/implementation schedule indicating readiness to proceed, status of funding, permit and other approvals, and ability to complete the project within the program timelines
5. Ability to secure site control within 180 days of award, including documentation of consent to use restriction for five (5) years post-Project completion
6. Applicant's formation and organizational documentation and/or authorizing documentation
7. Applicant's experience and capacity to undertake and complete the proposed project

² Government Restricted Municipalities are Atlantic City, Camden, East Orange, New Brunswick, Paterson and Trenton.

Applicants must provide a detailed budget using the budget template included within the grant application materials. The budget should demonstrate how the grant will be used to cover eligible costs related to the proposed project.

Note that readiness to proceed and project development timelines for completion will be scoring factors. Applicants should provide as much detail as possible regarding the steps involved and projected timeline for undertaking and completing the proposed project if grant funds are awarded.

The Authority will perform a review of applications after the closing of the application period. Applications will first be reviewed for application completeness to ensure that all necessary application information and documents are submitted and complete. Applicants will be given ten business days to cure any deficiencies and/or clarify any submitted documentation. If at the end of the cure period, the applications are still incomplete, they will not be scored.

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.

All applications recommended for approval and declinations due to discretionary reasons are subject to NJEDA Board approval.

Scoring and Awards

All compliant applications will be evaluated, scored, and ranked by an Evaluation Committee comprised of NJEDA staff. Staff from New Jersey Department of Labor may serve as Subject Matter Experts (SMEs) and advise the evaluation committee. NJEDA staff may request clarifying information from respondents at any point during the evaluation process and applicants must submit a response within ten business days. All complete responses will be reviewed by the Evaluation Committee.

The Evaluation Committee will review and score proposals based on four (4) criteria (see Exhibit A for more detail):

1. Project Team (20%)
2. Readiness to Proceed and Anticipated Construction Timeline (25%)
3. Financial Feasibility (20%)
4. Project Concept, Design, and Goals (35%)

The maximum score is 100 and a minimum of 65 points is required to be considered for an award. All evaluated applications will be ranked according to score, with recommended awards made according to the highest score, with priority given to funding at least one project per each region as described above.

Once the highest scoring applicants have been fully funded, if the next highest scoring applicant has a budget request that would exceed the total maximum program funding available, NJEDA may request that this applicant decrease their budget and/or project scope. The applicant has the right to decline or accept the budget revision option. Any applicant that accepts the offer to revise its budget will have the revised application evaluated by NJEDA to determine if the revision would lower their proposal's ranking to an extent that they are no longer the next highest ranked proposal. NJEDA may continue this process until Program funds are fully allocated.

All awards and declinations based on discretionary reasons will be brought to the NJEDA Board for

approval. Applicants whose applications are declined will have the right to appeal.

Grant Agreement and Funding Disbursements

Following Board approval, the Authority will enter into a grant agreement with the applicant detailing the project to be funded, eligible project costs, the amount of grant funding, and all financial programmatic requirements including all other sources of project funding. In order to execute the grant agreement, the awardee must provide evidence of site control within six (6) months of Board approval, which may be extended up to one (1) six (6) month extension, at the sole discretion of the Authority. The grant agreement will detail timelines for the project based on the project schedule included in the application and the project approval. At the Authority's sole discretion, the Authority may grant timeline extensions for project completion of up to two (2) times by one (1) year each, as deemed necessary to support program objectives. The grant agreement will ensure that the funding shall be subject to compliance with New Jersey prevailing wage law and labor 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.

The applicant shall be responsible for assuring the compliance of the project with all terms and conditions of the application, grant agreement, and the Program funding requirements.

To ensure the grant is used properly and the community receives the benefit, the grant agreement will also include a provision that the proposed project use must be maintained for at least five (5) years after the project is completed. If the applicant owns the property, NJEDA will require that the applicant 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 five (5) years from final project closeout. If the applicant does not own the project site, their lease must demonstrate site control five (5) years beyond project completion (including any renewal options). Awardees are also not able to sell all or a part of the Project, or terminate or reduce their lease, for up to five (5) years after project closeout or the Authority may require repayment of all the grant.

Following the execution of the grant agreement, grant funds will be disbursed incrementally as eligible project expenses are incurred, and disbursement may be prorated with outside funding sources, if applicable. Funding disbursement requests must be evidenced by documentation supporting that the expenses were incurred, work has been performed in accordance with prevailing wage and labor standards compliance requirements, and work was done consistent with grant approval and eligible uses of Program funding.

Fee Waiver

As allowed by EDA's revised fee rules, NJEDA Board may decide that no application fee will be charged where there is availability of other sources of funding for the Authority's administrative fees. The MOU between DOL and NJEDA covers the Authority's administrative costs and therefore the fee will be waived for this Program.

Recommendation

The Members are requested to approve:

1. Creation of the Apprenticeship Training Centers Construction Grant Program (the

“Program”), a competitive grant program that will provide up to \$9.7 million to support the development of facilities for use as training centers for USDOL Registered Apprenticeship programs located within New Jersey Overburdened Communities. Grants will be provided for new construction, substantial rehabilitation or new construction with substantial rehabilitation of a training center.

2. Utilization of a total of \$10 million from the Workforce Development Partnership Fund (WDPF) including \$300,000 to support the Authority’s administrative costs for the Program. These funds will be allocated pursuant to the current Memorandum of Understanding (“MOU”) between the New Jersey Economic Authority (NJEDA, or “Authority”) and New Jersey Department of Labor (NJDOL) dated February 23, 2024.
3. Waiving the application fee for the Apprenticeship Training Centers Construction Grant Program.
4. Delegation of authority to the Chief Executive Officer (“CEO”) of the Authority to extend program timelines, as deemed necessary to support program objectives,

Tim Sullivan, CEO

Prepared by:

Luke Brunskill - Project Officer, Workforce Innovation Partnerships

Liza Nolan - Director, Real Estate

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Attachments

Exhibit A: Apprenticeship Training Centers Construction Grant Program Specifications

EXHIBIT A

Apprenticeship Training Centers Construction Grant Program Specifications

Program Purpose	In order to facilitate greater access to workforce opportunities and address identified labor market shortages by providing tangible skill development and/or job readiness training, the Program will support the development of facilities for use as Registered Apprenticeship training centers to be located within New Jersey Overburdened Communities. Grants will be provided for new construction, substantial rehabilitation or new construction with substantial rehabilitation of a training center that will be dedicated to USDOL registered
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	<p>apprenticeship programs. Training activities related to the proposed registered apprenticeship program must be the primary use of the facility for the entire grant term.</p> <p>The Program will support the development of training centers for Registered Apprenticeship programs in the building and construction trades³ to enable greater participation of local residents, with a particular focus on increasing access for residents of Overburdened Communities, in training programs that lead to quality careers. The program would encourage ongoing diversity and inclusion within New Jersey’s Registered Apprenticeship programs. A strong focus on diversity and inclusion in these training centers aligns with the Murphy Administration’s goals to expand access to apprenticeship programs and increase equity and fairness in our economy.</p>
Eligible Applicants	<p>Eligible applicants must be the Sponsor of at least one (1) Registered Apprenticeship Program as defined by the United States Department of Labor Office of Apprenticeship and must have been in continuous operation for a minimum of ten (10) years) at the time of application. Sponsors must possess the registration of an apprenticeship program meaning the acceptance and recording of such program by the Office of Apprenticeship, or registration and/or approval by a recognized State Apprenticeship Agency, as meeting the basic standards and requirements of the Department for approval of such program for Federal purposes. Applicants must agree to maintain their Certificate of Registration for at least five (5) years following completion of the project. A Sponsor may include any, person, association, committee, or organization that operates a Registered Apprenticeship program and assumes the full responsibility for administration and operation of the apprenticeship program. If applicants do not maintain their Certificate of Registration and /or do not use the training center for its proposed use for the term of the grant, they may be required to return a proportionate share of their awarded grant. The grant term includes the construction period, and a minimum of five (5) years post project completion dedicated to training implementation.</p> <p>Applicants will be required to conduct training for the building and construction trade(s) in the facility funded by this grant. Eligible occupations within the building and construction trades registered and approved by USDOL include: Electrician, Electrician – Maintenance, Telecommunications Technician, Refrigeration and Air Conditioning Maintenance, Heating and Air Conditioning Mechanic and Installer, Stationary Engineer, Structural Steel Worker, Sheet Metal Worker, Boilermaker, Plumber, Pipe Fitter (Construction), Millwright, Cement Mason, Bricklayer – Construction, Roofer, Operating Engineer, Elevator Constructor, Carpenter, Carpenter – Mold, Pile Driver, Cabinetmaker, Floor Layer, Floor Cover Layer, Construction Craft Laborer, Pipe Coverer and Insulator, Bricklayer, Painter, Painter – Decorator, Painter – Industrial Coating</p>

³ Eligible occupations within the building and construction trades registered and approved by USDOL include: Electrician, Electrician – Maintenance, Telecommunications Technician, Refrigeration and Air Conditioning Maintenance, Heating and Air Conditioning Mechanic and Installer, Stationary Engineer, Structural Steel Worker, Sheet Metal Worker, Boilermaker, Plumber, Pipe Fitter (Construction), Millwright, Cement Mason, Bricklayer – Construction, Roofer, Operating Engineer, Elevator Constructor, Carpenter, Carpenter – Mold, Pile Driver, Cabinetmaker, Floor Layer, Floor Cover Layer, Construction Craft Laborer, Pipe Coverer and Insulator, Bricklayer, Painter, Painter – Decorator, Painter – Industrial Coating and Lining Application Specialist, Taper, Glazier, Plasterer, Drywall Finisher, Pavement Striper, and Truck Driver – Heavy.

	<p>and Lining Application Specialist, Taper, Glazier, Plasterer, Drywall Finisher, Pavement Striper, and Truck Driver – Heavy.</p> <p>The applicant must also be in substantial good standing with the New Jersey Department of Labor and Workforce Development (NJDOL) and NJ Department of Environmental Protection (DEP) to participate in the program. At the time of execution of the grant agreement, a current tax clearance certificate will be required to demonstrate the applicant is properly registered to do business in New Jersey and in good standing with the NJ Division of Taxation.</p>
Eligible Projects	<p>Funding will be available based on the criteria listed below:</p> <ul style="list-style-type: none"> • New construction and/or substantial rehabilitation of a building (hereinafter collectively referred to as “construction”) for use as Registered Apprenticeship training centers for building and construction trades in New Jersey Overburdened Communities. Substantial rehabilitation shall have the same meaning as “reconstruction” in N.J.A.C. 5:23-6.3 as “any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied. Reconstruction may include repair, renovation, alteration or any combination thereof. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.” • Construction/renovation must be completed within two (2) years from grant execution, which may be extended up to two (2) times by one (1) year each upon Authority approval. • Applicant must demonstrate site control through ownership, purchase option, or leasing for a minimum of five (5) years post project completion. • A five (5) use deed restriction will be required in the grant agreement. • • Construction, including demolition, remediation, and rehabilitation cannot start until the execution of a grant agreement. <p>All projects will be subject to compliance with New Jersey prevailing wage law and the Public Works Contractor Registration Act (NJSA 34:11-56.48 et seq.) which requires all contractors, subcontractors, or lower tier subcontractors (including subcontractors listed in bid proposal) who bid on or engage in the performance of any public work in New Jersey to register with the NJ Department of Labor and Workforce Development.</p>
Eligible Project Location	<p>Must be located in an Overburdened Community (OBC) as defined by the New Jersey Department of Environmental Protection. (What are Overburdened Communities (OBC)?)</p>
Grant Funding and Eligible Costs	<p>Minimum grant award of \$500,000 and a maximum grant award of \$6.5 million.</p> <p>Grant funds may cover up to 70% percent of eligible project development costs (soft and hard construction costs) with the applicant covering the remaining 30%. For Projects located in Government Restricted Municipalities (as defined</p>

in Sections 55 and 69 of the Economic Recovery Act of 2020), grant funds may cover up to 80% percent of eligible project development costs (soft and hard construction costs⁴) with the applicant covering the remaining 20%.

- All soft and hard construction costs (no operating costs) can be included and may include predevelopment projects costs associated to the Project. Property acquisition costs may not be included.
- Eligible soft costs may not exceed 20% of the total project development costs.
- The developer fee cannot exceed 8% of total project development costs.
- Contingencies of total project development costs cannot exceed 10% of hard project costs and 5% of soft project costs.
- Any costs incurred prior to a grant award are not eligible. Construction, including demolition and remediation, cannot start until grant execution.

The Authority will award only one grant per applicant (one per EIN) and a minimum of one award per state region (contingent on the availability of funds) as described below.

- North region: Essex, Bergen, Hudson, Morris, Passaic Sussex, Union, and Warren counties
- Central region: Hunterdon, Mercer, Middlesex, and Somerset counties
- South region: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Monmouth, Ocean, and Salem counties

Provided that one or more applications are submitted for each region which meet or exceed the minimum score requirement of 65 points, the highest ranked application from each region will be recommended to the Board for award approval within the funding available for the program.

Step 1: The highest scored eligible application in the pool will be recommended to the Board for approval irrespective of region.

Step 2: The next highest scored eligible application from either of the other remaining regions will be recommended to the Board for approval (contingent on the availability of funds).

Step 3: The next highest scored eligible application from the remaining region will be recommended to the Board for approval (contingent on the availability

⁴ "Soft costs" means costs not directly related to construction, including capitalized interest paid to third parties, real estate taxes, utility connection fees, accounting, title/bond insurance, fixtures/equipment with a useful life of five years or less, affordable housing fees, and all costs associated with financing, design, engineering, legal, or real estate commissions, including, but not limited to, architect fees, permit fees, loan origination and closing costs, construction management, and freight and shipping delivery. The term does not include early lease termination costs, air fare, mileage, tolls, gas, meals, packing material, marketing and advertising, temporary signage, incentive consultant fees, Authority fees, loan interest payments on permanent financing, escrows, reserves, pre-opening costs, commissions and fees to the developer not included in the definition of project cost, project management, or other similar costs. Soft costs shall include costs for benefits and services provided under the community benefits agreement that are not directly related to construction of the project, subject to the limitations at N.J.A.C. 19:31-23A.8(e)8

	<p>of funds).</p> <p>Following this step, all remaining applications will be merged into a single group and scored. The highest scoring applications from the merged group will be recommended to the Board for award approval until all Program funding is awarded.</p>
<p>Grant Awards and Agreement Terms</p>	<p>The awards will be based on the total requested project development costs, amount of funding, demonstrated readiness to proceed, and the ability to expand apprenticeship training opportunities in OBC's to meet the growing need for skilled workers in New Jersey. The Authority will award only one grant per applicant [one per Employer Identification Number (EIN)], and one award per region as described in the Grant Funding and Eligible Costs section. The Authority will allow only one application per applicant (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.</p> <p>Grants will cover up to 70% of all project costs (80% in a Government Restricted Municipality) 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.</p> <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 five (5) years after the project is completed. If the applicant owns the property, NJEDA will require that the applicant file a five (5) year deed restriction on the property utilizing the NJEDA's required restriction language. The deed restriction will be released by the Authority after five (5) years from final Project closeout. If the applicant does not own the project their lease must demonstrate site control five (5) years beyond project completion (including any renewal options). Property must continue to be used for five (5) years post project completion as collectively stated in the grant agreement, application, proposal, and Board approval.</p> <p>Applicant must acknowledge they are aware and agree that the construction project can be completed within two (2) of grant execution or they may be held liable for the recapture of the grant funds they drawdown or have received. The grant term may be extended up to two (2) times by one (1) year each upon at the sole discretion of the Authority approval.</p>
<p>Application Process and</p>	<p>The Grant Program will be open to the public and applicants will be able to apply online.</p>

Approval

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:

- 1) 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;
- 2) Applicants will also have to describe how they are addressing the need for this Project in the community and benefits of the Project to the respective OBC as a whole, anticipated economic and local impact to the community, development objectives, projected jobs creation, and anticipated local impacts;
- 3) 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;
- 4) 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 within two (2) years of grant execution;
- 5) At the time of application, evidence of site control or pathway to site control within 180 days of Board approval. Applicant (on its own or through a wholly owned special purpose entity) must provide a deed, executed purchase and sale agreement, or executed lease (term must be five (5) years beyond project completion), any/all of which must be fully signed by both seller and purchaser/applicant;
- 6) Approved registration as a Registered Apprenticeship Program Sponsor as evidenced by a Certificate of Registration or other written indicia
- 7) Evidence that the applicant has continuously operated a USDOL Registered Apprenticeship training program for a minimum of ten (10) years at the time of application; and
- 8) Narrative and documentation of previous project experience and capacity to undertake and complete the Project by providing a description and providing documentation of one similar project (in scope and budget size) to the proposed Project.

Applicants must provide a detailed budget using the budget template included within the Grant application materials. The budget should demonstrate how the grant will be used to cover eligible costs related to the proposed program. All program collaborators must be included in the application budget and identified for their role in the project.

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.

	<p>The Authority will receive applications in a defined application period and perform a review of applications after the closing of the application period. Applications will first be reviewed for completeness. Applicants will be given ten business days to cure any deficiencies. If at the end of the cure period, the applications are still incomplete, they will be notified that the application will not be advancing to be scored and will be deemed nonresponsive.</p> <p>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.</p> <p>If the applicant hasn't provided documentation to fully show they have secured the remaining funding, they can proceed to an approval but will not be able to execute their grant agreement until formal documentation is provided. Awardees will have 6 months from approval of a grant award to provide any required documentation or forfeit their grant award.</p> <p>Approvals and declinations based on discretionary reasons will be presented to the NJEDA Board for their approval.</p>
<p>Project Eligibility Considerations and Scoring Criteria</p>	<p>All applicants must demonstrate how the Project will support workforce development programs and projects. All projects will need to demonstrate how they meet the following requirements at time of application.</p> <p>The term of the grant may not exceed two (2) years from grant execution for the construction/renovation project. The grant term may be extended up to two (2) times by one (1) year each upon Authority approval.</p> <p>The awards will be based on the total requested project costs, amount of funding, demonstrated readiness to proceed, and the ability to expand apprenticeship training opportunities in OBC's to meet the growing need for skilled workers in New Jersey. The Authority will award only one grant per applicant [one per Employer Identification Number (EIN). The Authority will allow only one application per applicant (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.</p> <p>The Authority has established scoring criteria for this grant program. These criteria can be used to set a required minimum score for reviewed projects. To be considered for an award, an entity's application must receive a minimum score of 65 out of 100 maximum total points. If an applicant requests grant funding for an eligible project but there are not sufficient Program funds available to fund the full grant request, the Authority will inform the applicant of the amount of grant funds available. If the applicant wishes to proceed, the applicant will be required to commit to and then fund the difference to fill the gap to ensure the submitted project proposal is undertaken as described. In this instance, the Authority may make a grant award below the established minimum of \$500,000.</p>

Applications will be scored by an Evaluation Committee based on the following four (4) criteria:

1. Project Team
2. Readiness to Proceed and Anticipated Construction Timeline
3. Financial Feasibility
4. Project Concept, Design, and Goals

Criterion 1 – Project Team (20%)

- Level of experience and qualifications of the applicant, any co-applicant, and any relevant team members (such as: developer, design professionals, cultural resource consultants, or specialized contractor or subcontractor), and do they have a demonstrated history of successful completion of projects of similar size/scope/complexity.
- Previous project experience and capacity to undertake and complete the Project

Criterion 2 – Readiness to Proceed and Anticipated Construction Timeline (25%)

- Project schedule is realistic and achievable within the selected construction/renovation period for the future supplemental use and indicates readiness to proceed
- Ability to provide evidence of site ownership/executed lease agreement within 180 days of award
- Status of requirements needed to proceed with construction (e.g., municipal permits)
- Viability of the proposed project including current zoning status, local supports, identification of possible complexities or challenges with project development,

Criterion 3 – Financial Feasibility (20%)

- Status and evidence of applicant’s financing required to complete the development project
- Construction Cost Estimate (CCE) meets realistic and current market value/cost for a project of this size, scope, and complexity
- CCE was prepared by qualified professionals with experience preparing CCEs for similar projects
- Detailed budget demonstrating how the grant will be used to cover eligible costs related to the proposed project.

Criterion 4 – Project Concept, Design, and Goals (35%)

- Description of the 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
- Describes the proposed training program(s) and operations plan including program management for the first five (5) years of the training centers including the number of apprentices to be recruited and trained

	<p>in each registered apprenticeship program operating in the project site as a direct result of the Project funded by this grant program; details strategies to ensure near-term job placement for trainees, if the program management partner is different than applicant, please explain</p> <ul style="list-style-type: none"> • Description of how the applicant will address the need for this Project in the community and the benefits of the Project to the respective OBC (e.g., anticipated economic and local impact to the community, development objectives, and projected jobs creation); Outlines a compelling and reasonable approach to offer low- or no-cost training to participants and identifies strategies to successfully recruit and serve residents of New Jersey’s overburdened communities • Details how the construction project will fulfill a workforce-related need in the construction trades and position trainees to attain high-quality employment
Funding Source	\$9.7 million from the Workforce Development Partnership Fund (WDPF) through the MOU between NJEDA and NJDOL dated February 23, 2024.
Funding Disbursements	<p>The Authority will disburse grants only to the applicant. The applicant shall be responsible for assuring the compliance of the project with all terms and conditions of the application and the Program funding requirements.</p> <p>The Authority will disburse Grants after the execution of the grant agreement based on applicant requested drawdowns as eligible Project expenses are incurred but no more frequently than once a quarter. Funding disbursement requests must be evidenced by documentation supporting that the expenses were incurred, work has been performed in accordance with prevailing wage and labor standards compliance requirements, and work was done consistent with Grant approval and eligible uses of Program funding. 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 supporting documentation as needed for drawdowns.</p> <p>Prior to the last disbursement of 10% of the Grant, the awardee must submit a Project close out request, which will include, but 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).</p>
Fees	As allowed by NJEDA's recently revised fee rules, no application fee will be charged as the Authority is using part of the available funds for NJEDA's administrative costs.