

NJIT / NJDEP  
NEW JERSEY ALL EPA GRANTEES  
ROUND TABLE MEETING

**LESSONS LEARNED FROM  
GRANTEES**

*Michele Christina and Bob Goldsmith*

# MARKETING MUNICIPALLY OWNED BROWNFIELDS

- Identify Your Audience
- Get The Word Out
- Create the positive message that answers the question:

Why Is Your Town THE Place To Be?

# Liability

- Post LSRP world
- NFA vs. RAO
- Bank level of comfort
- Other

# How to Plan in this Economy

- How has the landscape changed with the recession?
- Public benefit projects?
- Projects on the back burner?
- Planning for future development



# Repositioning Properties

- Examples that have worked



# PRINCETON

# Concept Plan















# **SOUTH BOUND BROOK**



## Redevelopment brings rebirth to determined community

By CHAD HEMENWAY  
Staff Writer

SOUTH BOUND BROOK -- The colors of South Bound Brook have changed.

Gone are the dreary grays and browns that once seemed so prevalent to those crossing the Queens Bridge into the borough.

They have been replaced by bright blue lamp posts and benches, red brick pavers, yellow siding on new construction and gold lettering announcing one has just entered the new South Bound Brook.

"People have come up to me and said how good the town looks -- they're talking about South Bound Brook in a good way again," Borough Administrator Donald E. Kazar said. "It's not about the giant eyesore we once had staring at us everyday."

Buy this photo 



MATTHEW APGAR/COURIER NEWS

Dolly and Joe LaCorte, owners of Joe's Meat Market on Main Street in South Bound Brook, stand outside their deli Friday. "The look of Main Street has dramatically improved, and that can only mean good things for business," Dolly LaCorte said.



# South Bound Brook













# THOR LABS, NEWTON







EAST ELEVATION



SOUTH ELEVATION







SITE / LANDSCAPE PLAN











# Rahway



























# Wildwood





# Trenton





# Funding: Incentive!

- ❑ Money: EPA, State, Local, Foundation
- ❑ Technical Assistance – Environmental Process
- ❑ Local Approval Assistance
- ❑ Financial Assistance
- ❑ Acquisition Assistance
- ❑ Community Outreach Assistance

Source:  
[http://www.njeda.com/web/pdf/State\\_of\\_NJ\\_IncentiveProgInfo.pdf](http://www.njeda.com/web/pdf/State_of_NJ_IncentiveProgInfo.pdf)

# Financing, Incentive, and Assistance Programs Offered by The State of New Jersey\*

Select the appropriate business category to the right and refer to the page number column below for more information.

		Developers	Large Corporations	Manufacturers	Municipalities	Non-Profit	Small Businesses	Technology & Life Sciences	Urban	Foreign Direct Investment	Exporters
Bond Financing	8	•	•	•	•	•					
Brownfields and Contaminated Site Remediation Program	12	•		•				•			
Business Employment Incentive Program (BEP)	12		•	•			•		•		
Business Relocation and Relocation Assistance Grant (BRAG)	12		•	•			•		•	•	
BRAG Tax Credit Certificate Transfer Program	24		•	•			•				
Customized Training Grants	12		•	•			•		•	•	
Direct Install	13	•	•	•	•	•					
Economic Redevelopment and Growth (ERG) Program	13	•	•					•			
Edison Innovation Clean Energy Manufacturing Fund (ECMF)	8,14			•			•				
Edison Innovation Fund – Growth Programs	9						•				
Edison Innovation Zones	14						•				
Energy Efficiency & Conservation Block Grants	14			•							
Energy Sales Tax Exemption for Certain Counties	14			•							
Federal Historically Underutilized Business Zone (HUBZone) Employment Contracting Program	14					•		•			
Foreign Trade Zones**	15		•	•		•		•	•		
Fund for Community Economic Development	9			•	•			•			
Hazardous Discharge Site Remediation Fund (HDSRF)	15	•			•			•			
International Trade Assistance	15		•			•			•	•	
Utility Skills Grants	15		•	•		•					
Loan Guarantees	9		•		•	•				•	
Local Government Energy Audit	15			•	•	•					
Main Street Business Assistance Program	9			•	•	•				•	
Manufacturing Equipment and Employment Investment Tax Credit Program	24			•						•	
Municipal Landfill Closure and Remediation Reimbursement Program	15			•				•			
New Jersey Business Growth Fund	10			•		•				•	
New Jersey Manufacturing Extension Program (NJMEP)	15			•							
New Jersey SmartStart Buildings** Program	15	•	•	•	•	•					
New Jobs Investment Tax Credit	24		•	•	•	•					
Pay for Performance	17	•	•	•	•	•					
Permitting Assistance	17	•	•	•		•			•		
Petroleum Underground Storage Tank Program – Existing Tanks Commercial and Residential	17					•		•			
Petroleum Underground Storage Tank Program – Non-Existing Tanks Commercial, Residential & Non-As-Pipe	18				•	•		•			
Positive Recruitment	18			•		•					
Registered Apprenticeship Incentive Program	18		•	•	•	•		•			
Renewable Energy Incentive Program (REIP)	18		•	•	•	•		•			
Renewable Energy Manufacturing Incentive (REMI)	18		•	•	•	•		•			
Research and Development Tax Credit	24						•				
Sales and Use Tax Exemption Program	19		•	•			•				
Site Selection Services	19	•	•	•		•			•		
Small Business Fund	10				•	•				•	
Small Business Services	19					•				•	
Solar Renewable Energy Certificate (SREC) Registration Program (SRP)	20		•	•	•	•	•	•			
Statewide Loan Pool	10			•	•	•				•	
Technology Business Tax Certificate Transfer Program	24						•				
Urban Enterprise Zones (UEZ)	20			•				•			
UEZ – Employment Tax Credit	25			•		•		•			
UEZ – Manufacturers Energy Sales Tax Exemption	20		•					•			
UEZ – Investment Tax Credit	25					•		•			
UEZ – Sales Tax Exemption on Purchases	23		•	•	•	•		•			
Urban Transit Hub Tax Credit Program	25	•	•					•	•		

\*Designation under the following categories denotes the focus of each program. Segment categories are fully eligible for additional programs. Assistance under these programs is subject to available funding.  
\*\* Requires foreign manufacturing.



# Redevelopment Area Bonds

- These would be bonds issued by the municipality. Depending upon the application of the funds, they might or might not be tax exempt. Funds could be nominal, \$150,000 to \$300,000 (given the range of your project costs) but would dramatically simplify the payment in lieu of taxes (PILOT) structure between the municipality and you.
- It would allow you as the developer and the municipality to agree on the amount of PILOT payment.





# Long Term Tax Exemption

- This would have the advantage of reducing and fixing payments in lieu of taxes for a period of up to thirty (30) years.
- The term would be fixed by negotiations with the municipality. The formulas to establish the PILOT payments are somewhat complex but there is some range within the formula. The advantage to you is that for a substantial period of time, you could rely upon fixed payments in lieu of taxes rather than rising real property taxes. The PILOT would be less than real property taxes. The benefit to the municipality is that the municipality would retain 95% of the PILOT payments with only 5% going to the school district. In all likelihood, the municipality would only retain some 25% to 40% of real property taxes, the largest piece going to the school district and significant payments also going to the county.



## Short Term Tax Abatement

- This could provide for an abatement of taxes over a six (6) year period of 0, 20, 60, 80, 100% of taxes. The advantage is it permits your project to be stabilized. Effectively your tax rate is 50% averaged over the first six (6) years. It is obviously not long term.



# **Business Employment Incentive Program (BEIP)**

- Companies seeking to expand in New Jersey may be eligible for BEIP grants based upon the number of new jobs created. By adding at least 25 qualified jobs within two (2) years, eligible companies can be reimbursed for up to 80% of gross withholding tax paid by new employees up to ten (10) years to a maximum of \$50,000 per employee over the course of the grant.
- The company must demonstrate that the BEIP grant is a material factor in the decision to expand in New Jersey.



# **Business Retention & Relocation Assistance Grant (BRRAG)**

- BRRAG provides corporate business tax credits to companies that are maintaining and making a qualified capital investment at a location in the state. Companies may benefit from up to \$2,250 per year for six (6) years, payable as a tax credit against the company's corporate tax liability.
- Again, companies must demonstrate the grant is a material factor in the decision to invest in New Jersey and that the capital investment and job retention resulting from the proposed project will yield a net positive benefit to the State





## **Economic Redevelopment and Growth (ERG) Program**

- ERG is an incentive for developers, businesses or owners to address redevelopment project financing gaps.
- The program utilizes up to 75% of the incremental increase in certain state and local revenue sources attributed to the project to provide gap financing up to 20% of the total project cost paid out over a period of twenty (20) years. (See attached memorandum prepared at time of passage of the legislation). “Economic Redevelopment Growth Grant.”
- Most significantly with the Municipality’s Agreement, a portion of real property taxes could be refunded to you to offset the 20% gap. In addition, sales taxes with the agreement of the State would be refunded to you as well. The total percentage of the project cost, however, is limited to 20%.

# Conclusion

## THANK YOU

### CONTACT INFORMATION:

Michele Christina – BRS for NJIT 856-964-6456

[michele@njbrownfield.com](mailto:michele@njbrownfield.com)

Bob Goldsmith – Greenbaum, Row, Smith, Davis 732-476-2620

[rgoldsmith@greenbaumlaw.com](mailto:rgoldsmith@greenbaumlaw.com)

TAB Hotline: (973-642-4165) Email: [tab@njit.edu](mailto:tab@njit.edu)