






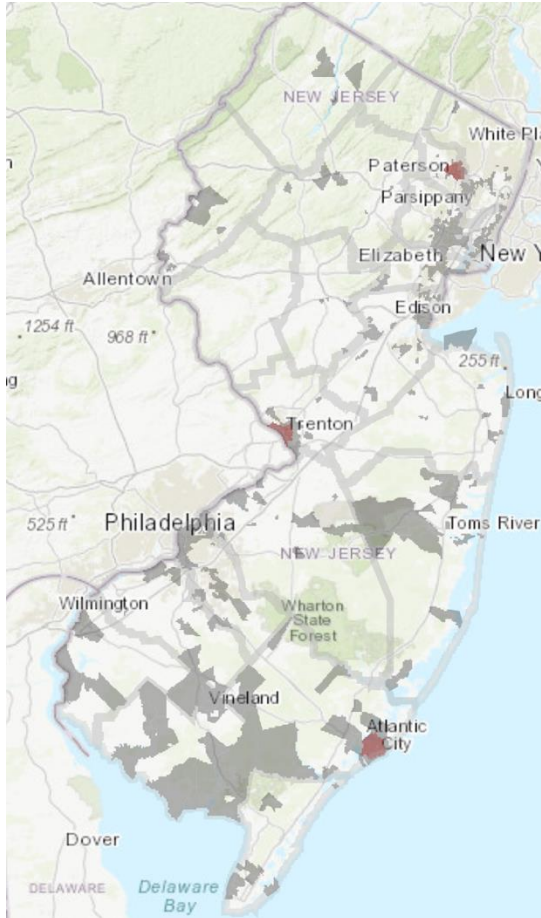


# Brownfields Redevelopment Incentive Program

-  Provides tax credits to incentivize **brownfields remediation** (only funds remediation, **not vertical construction**)
-  **Award Size: 60 or 80%** of the cost of eligible remediation up to a maximum of **\$8-12M** (100% reimbursement for solar on landfills up to \$12M)
-  Provides incentives on all phases of brownfields redevelopment **from investigation through remediation**
-  Also includes **demolition** and disposal of structures, **asbestos abatement**, contaminated paint and wood removal, and infrastructure remediation
-  Allows for the **redevelopment** project to be a **remediation-only** project. Property owners are eligible, but property ownership is not required for this program. Dischargers are not eligible.
-  Potential to **stack** with other funding **programs**, including **Aspire** and **Historic**.
-  Tax credits are **transferable (can be sold)** (floor of 85% of their value; 75% for LIHTC projects)
-  **Eligibility Wizard** <https://www.njeda.com/bri-eligibility-assesment-tool/>

# Award Size

## TAX CREDITS



60% up to \$8M

Redevelopment projects **NOT** located within a qualified incentive tract or a government-restricted municipality:

- **60 percent** of eligible remediation costs up to a maximum of **\$8 million**
- **Equity contribution** is **20%** of remediation costs

100% up to \$12M for solar on landfills

80% up to \$12M

Redevelopment projects located within a **qualified incentive tract** or a **government-restricted municipality (Atlantic City, Paterson, Trenton)**

- **80 percent** of the cost of eligible remediation up to a maximum of **\$12 million**,
- **Equity contribution** is **10%** of remediation costs.

Check out the [Mapping Tool](#) on our website



# Key Features of BRIP

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- ▶ **Who is eligible:** Eligible entities include for-profit and non-profit developers; and municipalities / redevelopment agencies.
- ▶ **What sites are eligible:** Eligible properties must be a brownfield site, and the applicant must not be the discharger. Brownfield sites throughout the state are eligible for the program. Property owners are eligible for the program, but ownership is not required for program eligibility.
- ▶ **What activities are eligible:** Remediation activities are eligible.
  - ▶ Reasonable costs / Contingency
  - ▶ Redevelopment Project can be a remediation-only project
- ▶ Tax Credit is a one-time tax credit issued in the year of completion of remediation
- ▶ **Prevailing wage** applies to entire site
  - ▶ **Construction PW** for 2 years following issuance of tax credit
  - ▶ **Building Services PW** for 10 years following project completion



# Eligible Activities

- ▶ Soil and groundwater investigation
- ▶ Site remediation
- ▶ Hazardous materials assessment and survey
- ▶ Hazardous materials or waste disposal
- ▶ Prior environmental assessments and investigations within 24 months of application submission
- ▶ Building and structural issues, including:
  - Demolition
  - Asbestos abatement
  - PCB removal
  - Contaminated wood or paint removal
  - Other infrastructure remedial activities
- ▶ Planning activities that are directly brownfield related, such as conceptual reuse designs, Remedial Action Workplans



# Ineligible Activities

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- ▶ **Non-remediation construction**

- ▶ This program does not pay for vertical construction which are not part of the remediation

- ▶ Property acquisition

- ▶ Financing fees

- ▶ Legal fees

- ▶ Incentive consultant fees (however, environmental consultant fees are eligible)

- ▶ NJEDA fees

- ▶ Remediation (Clean up) costs prior to application

- ▶ Prior environmental studies and surveys incurred more than 24 months from submission of application





# Project Financing

## Eligibility Criteria

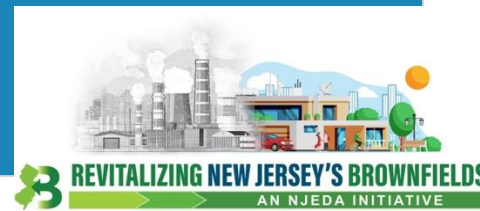
- Not economically feasible without the tax credit
- Project financing gap not required for small project (<\$5M), or any projects of any size in Atlantic City, Paterson, or Trenton
- Applicant equity contribution (10% or 20%)

## Application Requirements

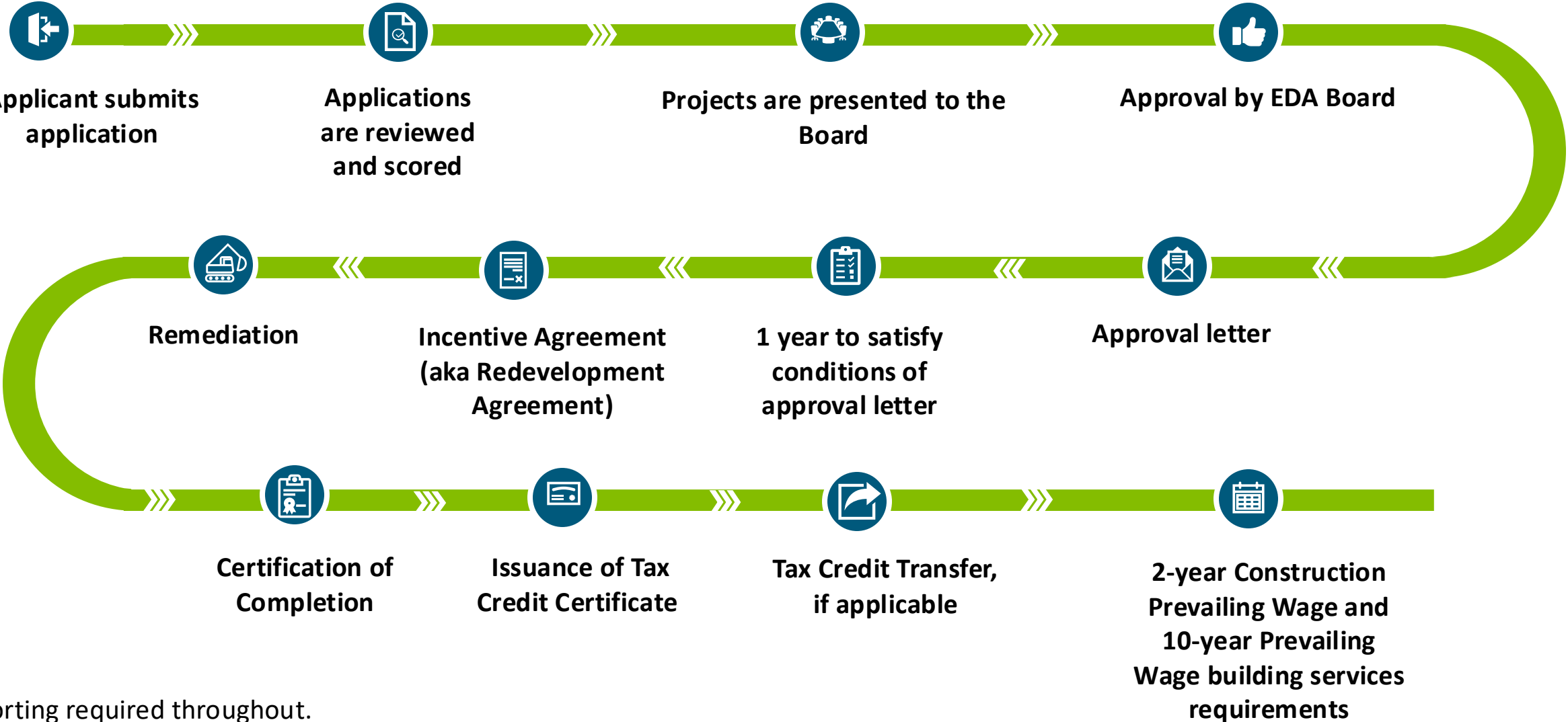
- Project cost estimate
- Appraisal, if applicable
- Project Pro Forma (only for sites that need to demonstrate a project financing gap)
- Sources and Uses / Development subsidies – **Documentation of ALL Sources**
- Market/feasibility study (for non-remediation-only projects)

## Financial Requirements

- Reasonable Return on Investment – for sites subject to project financing gap
- Financing to bridge the gap (loan), if applicable
- Syndicator / Broker identified, if applicable
- Floor of 75 or 85% for transfer of tax credit



# Basic Program Project Timetable Brownfields



Reporting required throughout.  
Projects have 6 years from Board Approval to complete project.  
Submit documents for certification within 1 year of completing remediation.

# Ideal Project for the Brownfields Redevelopment Incentive Program

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- ▶ Larger scale remediation and/or demolition
- ▶ Well defined areas of concern in order to propose remediation costs that are reasonable and appropriate since the tax credit cap cannot be increased after award
- ▶ Use of prevailing wage
- ▶ Support from local government

<https://www.njeda.gov/brownfield-redevelopment-incentive/>

