Brownfields and Sustainable Systems at NJEDA

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April 16, 2020
Brownfields

- Provide places for business growth and job creation
- Restore/enhance the local tax base
- Protects the state’s environment and supports climate resiliency

Inclusive and equitable development strategies are paramount to achieving our 5 key goals by 2025 of:

- **Driving faster job growth**...by fostering a better, more supportive business climate
- **Achieving faster median wage growth**
- **Closing** the racial and gender wage and employment gaps
- Creating the most diverse innovation ecosystem in the nation and doubling venture capital investment in the state
- **Encouraging thriving and inclusive New Jersey urban centers and downtowns**, with a focus on reducing poverty
NJEDA’s New Expansion of Brownfield Work

Internal & External Integration & Partnerships

➢ Environmental Justice
➢ Climate Resilience
➢ Community Collaborative Initiative
➢ Opportunity Zone Alignment

NJEDA Applying for EPA RLF Brownfield Grant

Brownfield Assistance Center @ NJIT

NJEDA Brownfield Loan Program
Environmental Justice EO-23

➢ (4/20/18) Directs the NJDEP, with support from other state agencies, to develop guidance on how all state departments can incorporate environmental justice considerations into their actions.

Statewide Climate Change Resilience Strategy EO-89

➢ (10/29/19) Establishes a Statewide Climate Change Resilience Strategy, that establishes a Climate and Flood Resilience Program in NJDEP, led by a Chief Resilience Officer.
Community Collaborative Initiative

The CCI Program is **smart, targeted**, and emphasizes **local input** and **collaboration** to develop **innovative solutions** to complex environmental issues.

- Bayonne
- Camden
- Perth Amboy
- Trenton
- Bridgeton
- Jersey City
- Millville
- Newark
- Paterson
- Paulsboro
- Salem City
- Vineland
Turning *Good* Projects into *Great* Projects

- PCB Scrapyard → Community park
- Private Redevelopment → GI, Jobs & Social
- Transit Investment → Connectivity

2nd St Park, Perth Amboy
Brownfield Loan Program

Key proposed program features

- Low interest loans for brownfield remediation includes assessment, investigation, and cleanup.
- Demolition, Asbestos, Lead Based Paint are all eligible.
- No payments first two years – Interest Only Next two years. Amortizing balance. No Pre-payment penalty.
- Base rate of 3%, with rate reductions incentives available.
Looking Forward

Proposed Brownfield Tax Incentive

Complimentary Programs
(e.g. Proposed Historic Tax Credit)

Coordination and Partnerships

SiteMart

https://www.njbrownfieldsproperties.com
COVID-19 Economic Relief Package

We have developed our economic stability approach around three core principles

1. Get funding into the market as soon as possible
   - Where possible, adjust existing NJEDA programs to address crisis needs
   - Utilize multiple channels / partners to maximize marketing of programs and minimize processing capacity constraints

2. Leverage private, federal, and philanthropic capital where possible to scale impact

3. Provide a suite of compatible offerings to help address varied marketplace needs (e.g., grants, no-cost loans, low-cost loans, loans through intermediaries, technical assistance)
COVID-19 Economic Relief Package

SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM

SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM

PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES
- CDFI First Loss Reserve Fund
- Emergency Assistance Guarantee
- Entrepreneur Support Program

NJ TECHNICAL ASSISTANCE SUPPORT

CREDIT FLEXIBILITY TO SUPPORT BUSINESSES
SMALL BUSINESS EMERGENCY ASSISTANCE
LOAN PROGRAM

Up to $100K working capital loans for up to 10 years for businesses with $5 million or less in revenue; 0% for years 1-5; 1-3% for years 6-10.

Business Eligibility

- $5M or less annual revenue
- Physical commercial location in New Jersey
- At least 1 year in existence
- Must be registered to do business in New Jersey
- Minimum Global Debt service ratio of 1.0 based on the year prior to the declaration of emergency
- Tax Clearance; Department of Labor good standing
- Minimum Credit Score of 600 for at least one guarantor
- Must show negative impact of emergency (e.g., closure, reduced hours, 20% revenue drop, 20%, etc.)
- Additional conditions may apply
- Must fill out and certify simplified debarment legal questionnaire

NJEDA Program Size

$10M
(initial wave)

Launched April 13th
Closes: April 20th 9AM
PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

CDFI First Loss Reserve Fund
$10M capital reserve fund for first-loss position, up to 50%, on CDFI loans that provide low/no-interest loans to micro and small businesses

Eligibility
- Federally-certified, NJ-based CDFI
- Have the operational and financial capacity to use the guarantee effectively
- Have significant experience working with underserved business segments and in communities underserved by other banks
- Must fill out and certify simplified debarment legal questionnaire

CDFI Loans that are guaranteed must:
- Be to an impacted business
- Be focused on working capital
- Not exceed $75,000
- Have an interest rate of 3.75% or less
- Not exceed a term of five years
- Provide flexible loan structures

NJEDA Program Size
$10M (initial wave)
Business Eligibility

- Must work through a Premier Lender bank or Premier CDFI
- $5M or less in revenue
- Physical commercial location in NJ
- At least 1 year in existence
- All industries eligible

- Must show negative impact of emergency (e.g., closure, reduced hours, 20% revenue drop, supply chain disruption, etc.)
- Must fill out and certify simplified debarment legal questionnaire
- Tax Clearance; Department of Labor good standing
- Non-profits are eligible

Emergency Assistance Guarantee

$100,000 Maximum guarantee, 50% guarantee of working capital loans, take first loss position; no fees

NJEDA Program Size

$10M (initial wave)
PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

NJ Entrepreneur Support Program
Provide 80% loan guarantees for working capital loans to start-up entrepreneurs

Eligibility

- Must be NJ-based start-up company (registered to do business, C-suite in the State)
- Under $5M in revenue; under 25 people
- Investors have already provided funding in the form of a convertible note, safe or equity interest.
- Investor does not need to be NJ-based
- Align with the Governor’s Economic Plan
- Must fill out and certify simplified debarment legal questionnaire
- Tax Clearance; Department of Labor good standing
- Minimum of 50% of employees in NJ

NJEDA Program Size
$5M (initial wave)
Support for organizations providing technical assistance to COVID-19 Impacted Small Businesses Applying for SBA Funding Programs

This assistance includes, but is not limited to, preparing financial information, packaging application documentation, and completing and submitting the on-line or paper-based application.

• African American Chamber of Commerce of New Jersey (AACCNJ)
• New Jersey State Veterans Chamber of Commerce
• Rising Tide Capital
• Statewide Hispanic Chamber of Commerce of New Jersey (SHCCNJ)

NJEDA Program Size
$150K (initial wave)
Ability to provide flexible terms to portfolio customers impacted by COVID 19

Expanded delegations to provide quick cash flow relief and to facilitate business access to funding for working capital to continue operations and employment in New Jersey through:

- Payment Moratoria
- Loan Maturity Extensions
- Subordinations
- Fee Waivers
Additional Resources

NEW JERSEY COVID-19 BUSINESS INFORMATION HUB
Search for information on COVID-19 and its impact on businesses.

EMERGENCY ASSISTANCE ELIGIBILITY WIZARD
See what support programs are available to you to help stabilize your operations and get back on a pathway to growth.

GRANT AWARD SIZE ESTIMATE CALULATOR
Get an early estimate of your potential grant award size based on information you submitted on your Q4 2019 NJ WR-30

NEW JERSEY COVID-19 JOBS AND HIRING PORTAL
Businesses across New Jersey need thousands of workers for immediate hire. Learn more about who is hiring in your community.

CV.BUSINESS.NJ.GOV
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JOBS.COVID19.NJ.GOV
Thank You

Stay Tuned - Much more to come

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