

# **New Jersey Economic Development Authority (NJEDA)**

## **21<sup>st</sup> Century Redevelopment Program**

### ***Notice of Funding Availability***

The NJEDA will begin accepting applications beginning Monday, May 24, 2021, 9:00 AM. Applications will be accepted no later than Thursday, July 8, 2021, 5:00 PM.

Applicants should read the application instructions posted to the Authority's webpage at <https://www.njeda.com/21stcentury/> for more information.

#### *Background*

A number of demographic and economic trends are re-shaping where people in New Jersey live and work, with many suburbs experiencing an outmigration of jobs and population similar to those that cities have experienced previously. New Jersey now has a surplus of suburban retail and office parks.

Suburban offices and shopping malls boomed during the 1980s and 1990s, when the supply of cheap land and easy access to highways were a strong attraction. These properties are now over a quarter-century old and are outmoded and less desirable, and many are sitting empty or are underutilized. Most importantly, real estate markets have shifted, with corporations trying to attract a younger talent pool seeking locations either close to transit or with neighborhood amenities within walking distance. This urban centric trend is happening nationally, with GE moving from Fairfield, CT to Boston; McDonald's moving from Oak Brook, IL to Chicago; and Weyerhaeuser moving to Pioneer Square in Seattle from a 430-acre campus outside the city. Many suburban municipalities that are car-based, have multiple or no town centers and are facing stagnation or even a population exodus.

Many of New Jersey's suburban municipalities with no town centers (or multiple small "centers,") that are car-dependent and largely made up of single-family detached homes, are at risk. These municipalities must strategically plan their land use to attract or keep young residents and employers.

A glut of corporate campuses, underutilized malls and shopping centers, and vacant office buildings left behind by the 1980-1990s building boom have become a drain on many New Jersey communities. As a result, these communities are dealing with the loss of tax revenues, the costs of maintaining infrastructure and roads around these properties, and a lack of resources to solve the issues. These challenges are compounded by the preferences of millennials and young people to live in walkable communities with vibrant mixed-use corridors. Local government entities face hurdles planning the retrofitting, redevelopment, and repurposing of large stranded assets.

The growing need for newer, suburban municipalities to address challenges related to significant office and retail vacancy adds to the needs that have existed and, in some cases, continues to exist in older cities and suburbs. To allow New Jersey to better attract economic activity and jobs, the Authority intends to support municipalities, counties, or redevelopment agencies to produce plans that will explore strategies and next steps to repurpose these properties.

#### *Overview*

The 21st Century Redevelopment Program will provide grants of up to \$50,000 each to eligible redevelopment agencies, municipalities, or counties to undertake planning efforts aimed at addressing the challenges of significant vacancies (for at least two consecutive years) of a building or buildings previously used for commercial or retail purposes, such as shopping malls or plazas, or office parks.

In addition to the \$50,000 in grant funding, recipients will be offered technical support provided by the Division of Policy, Planning, and Research at NJEDA and the Office of Local Planning Services at New Jersey Department of Community Affairs. These services will be limited in scope depending upon Authority/Department resources and can be defined in coordination with a consultant or professional services firm following grant approval.

Applications must clearly identify how the municipality, county, or redevelopment authority intends to approach the planning project. The Authority is not limiting the grant funding to specific uses, but expects the grant would most likely be used to support any approach or combination of approaches as described below:

- Legal analysis to explore the appropriateness of designating one or more relevant properties in the community as an area in need of redevelopment.
- Determining cost-benefits of retrofitting, redeveloping or greening the property or properties
- Driving economic growth for the locality and region
- Creating greater social, economic, and environmental sustainability
- Expanding affordable and multi-family housing
- Attracting employers and a diverse, talented workforce
- Expanding entrepreneurial opportunities and support local businesses
- Promoting walkable neighborhoods and improve accessibility and mobility
- Connecting to public transportation
- Improving livability and healthy outcomes for the local population
- Stakeholder engagement and facilitation to identify community desires and needs.
- The identification of appropriate funding sources to support community led re-use of one or more properties.
- Cataloging relevant retail and office properties in a community and identifying priority sites when considering community needs.
- Economic analysis relating to the feasibility of various redevelopment and/or reuse scenarios.
- Land-use planning identifying the most suitable re-use scenarios.

Applications must also submit a timeline that demonstrates that the planning project can be completed within 6 months of execution of a grant agreement with the Authority. Once grant funding is awarded, the Authority may authorize a three-month extension to a grant recipient's deadline for plan completion, upon written request, if the Authority deems the extension necessary.

### *Eligible Applicants*

Only a New Jersey local or county government or redevelopment agency is eligible to submit an application for the 21st Century Redevelopment Challenge.

Eligible municipalities, counties, or redevelopment agencies are permitted to enter into a partnership for the purposes of submitting an application for a single planning project. In the case of such a partnership, the partnership must designate ONE lead municipality or county government who will have the following responsibilities:

- Serve as the sole entity under whose name the application will be submitted.
- Serve as the sole entity with whom the Authority would execute a grant agreement (in the event of an application approval).
- Provide (directly or in coordination with other governmental partners) the twenty percent (20%) match (funding or in-kind resources).
- Serve as the sole entity receiving disbursements from the Authority per the terms of the grant agreement and distributing the disbursements among partners, as necessary, to execute the planning project.
- Serve as the sole entity responsible for meeting the deliverables of the contract.
- While partnerships as described above are permitted, the Authority will NOT consider applications submitted by joint ventures or conditioned on the creation of a joint venture to perform the Work for this Application.

Applicants shall note that any and all reference to “joint venture(s)”, “joint venture partner(s) / “joint venture partnership(s)” in any documents included as a part of the Application specifications, exhibits or attachments shall be read as though the words are stricken and removed.

A municipality, county, or redevelopment agency may only submit one application each in a lead role but can be included as a partner in additional applications where they play a non-lead role. A proposal on behalf of a county or county redevelopment agency does not preclude a municipality within that county from submitting their own proposal.

Applicants that are approved for grant funding must agree to share ownership of deliverables with the Authority for the purpose of making results publicly available to foster a dynamic discussion about repurposing stranded assets and to assist other similarly situated municipalities. Approved applicants must also agree to participate in at least 2 events hosted by EDA to share lessons learned with other New Jersey municipalities and counties facing stranded assets challenges.

#### *Eligible Properties*

As part of the application, the municipality, county, or redevelopment agency must present a site or facility or collection of properties suffering from significant vacancies that will be the focus of the planning project. This may be a building, corporate campuses that were used by a single entity, buildings that are adjacent to each other, or buildings across a parking surface or structure that is dedicated for use by the buildings.

Property eligibility will be limited to sites that were previously used primarily for office or retail purposes.

#### *Match Requirement*

To be considered eligible for a contract award, applications must demonstrate ability to provide a twenty percent (20%) matching contribution of the total grant amount to be reinvested back into the planning project.

The twenty percent (20%) match can be in the form of a financial contribution, or a contribution of in-kind resources, or a combination, thereof. In-kind resources are defined as non-monetary resources that will add value and help advance the planning project.

As part of the required documentation to accompany an application, applicants must demonstrate the ability to provide either a twenty percent (20%) financial match or demonstrate that the in-kind resources that are being dedicated to the project have a value equivalent to twenty percent (20%) of the funding request. This could be in the form of hours dedicated to the planning project across proposed hourly rates, or the value of goods or services being provided to support the planning project.

#### *Grant Disbursement*

Grant disbursements will only be made to the Lead Municipality/County/Redevelopment Agency. The Lead Municipality/County/Redevelopment Agency shall be responsible for assuring the compliance of any municipal, county, or strategic partners with all terms and conditions of this application and assumes the sole and absolute responsibility for any payments due to any municipal, county, or strategic partners.

All Applicants who are successfully awarded 21st Century Redevelopment grants will follow a uniform disbursement schedule. The Lead Municipality/County/Redevelopment Agency will receive 50% of the grant amount, upon execution of grant agreement, 25% of the grant amount will be disbursed on or around the halfway point of the grant term upon EDA's receipt and approval of a progress report, and 25 % to be disbursed upon completion and submission of final plan.

At a minimum, the progress report referenced above should include:

- Summary of funds expended to date, and;
- Narrative detailing milestones achieved and overall progress toward completion of final plan.

#### *Evaluation Criteria / Scoring:*

Applications will be evaluated by a cross-organizational Evaluation Committee composed of the Authority's staff, management, and possibly other state agencies and/or industry Subject Matter Experts (SME's) to evaluate, score and rank applications received in response to the Application, and the criteria established in this notice.

Applications will be evaluated & scored on the criteria listed below (# 1 – 7), based on the information submitted in applications as set forth in Application Instructions (Section VI - Technical Proposal)

It is the policy of the New Jersey Economic Development Authority that to be considered for award, a Proposer must achieve or exceed an overall score of sixty five ("65") indicating a rating of "Good", on a scale of 10-100 with 100 being the highest rating. The Authority shall be under

no obligation to make an award to an applicant which does not achieve this minimum scoring threshold.

The point scale below will be assigned as follows for evaluation criteria 1:

0 points – Feature is absent.

1 – 7 points – Feature is present but shows deficiencies.

8-11 points – Meets requirements.

12-17 – points – Marginally exceeds requirements.

18-20 points - Significantly exceeds requirements.

Applications will be assigned points against the following criteria:

1. Identification of Project Purpose and Merits (Up to 20 points) – Proposals Identify opportunities for creating vibrancy in the community, including but not limited to:

- Presence of an articulated public use component (such as public space, parks, etc).
- Ability to address locality-specific needs and challenges.
- Emphasis on long term viability and adaptability of a given concept.
- Dedication to principles of environmental sustainability, such as stormwater management and reduced carbon emissions.
- Ability to consider and mitigate any past difficulties that created challenges for a given asset/grouping of assets.
- Ability to identify and balance local needs with those of the region and state as a whole.

The point scale below will be assigned as follows for evaluation criteria 2:

0 points – No effect on municipal area.

1 – 7 points – Minimal effect on municipal area.

8-12 points – Moderate effect on municipal area.

13-20 points – Significant effect on municipal area.

Applications will be assigned points against the following criteria:

2. Scope and Scale (Up to 20 points)- Preference will go to identified project areas that can display scope and scale, which will be evaluated based on the following:

- Total available square footage on the site, including parking.
- Size of the site relative to the greater municipal area (i.e. as a percentage).
- Vacancy rate and/or length of time the site has been vacant.
- Vacant commercial/office space of or within the site relative to all vacant space in the greater municipal area (i.e. as a percentage)
- Historically site(s) responsible for providing an outsized portion of local employment opportunities in the community (i.e. as a percentage)
- Historically significant portion of municipal tax levy (i.e. as percentage)

The point scale below will be assigned as follows for evaluation criteria 3:

1-5 points – Demonstrates minor structural challenge

6-12 points - Demonstrates 2 -3 structural challenges

13-20 points – Demonstrates more than 3 structural challenges

Applications will be assigned points against the following criteria:

3. Commitment to Social Impacts (Up to 20 points) – Preference will go to sites located in municipalities facing inherent structural challenges (i.e. lacking public transit, planning resources, challenging geography etc.).

The point scale below will be assigned as follows for evaluation criteria 4-6:

1-5 points- Feature is present but shows deficiencies

5-7 points – Meets requirements

7-10 points – Significantly exceeds requirements

Applications will be assigned points against the following criteria:

4. Previous Record (Up to 10 points) – Preference will go to municipalities who can demonstrate a track record of:

- Partnership and engagement with private industry for purposes of re-development.
- Adherence to the municipality's affordable housing obligations
- Dedication to principles of environmental sustainability.
- Efforts to advance walkability and bike facilities in the municipality.

5. Presence and Strength of Regional Partnership (Up to 10 points)- Preference will go to entities who are able to display strong local leadership as well as regional collaboration towards re-development efforts. Applications should demonstrate a commitment by local leadership to engage in re-development projects with neighboring municipalities, the county, and/or higher-education institutions whether by a record of past project involvement or a commitment to future efforts, or both. Preference will be given to applications that include a local match from the property owner or an anchor institution (higher education, medical center, foundation, etc.).

6. Community Engagement (Up to 10 points) – Preference will go to communities that are able to display efforts to engage local residents and businesses in planning efforts. Local interest may be shown in the form of both past and present support, whether formal (municipal resolutions) or informal (community discussion and engagement).

The point scale below will be assigned as follows for evaluation criteria 7:

5 points – MRI Distress Score 30-39

7 Points – MRI Distress Score 40-49

10 Points – MRI Distress Score 50 or higher

Applications will be assigned points against the following criteria:

7. Municipal Revitalization Index Score (0 to 10 points) – The Municipal Revitalization Index (MRI) serves as the State's official measure and ranking of municipal distress. The MRI ranks New Jersey's municipalities according to eight separate indicators that measure diverse aspects of social, economic, physical, and fiscal conditions in each locality.

In the case of multiple municipalities on a single application, an application will receive the requisite number of points based on the ranking of the municipalities within the application, on a cumulative basis, but not to exceed a total of 10 for the category. For example, if an application includes three municipalities ranked between 25-50 on the MRI Index, the application will receive a score of “6” for the criterion. If the application includes two municipalities ranked in the top 1-5 on the MRI Index, the application will receive a score of “10” for the criterion. If a county or redevelopment agency is involved in an application in a lead role or as a partner, the application receives points based on all municipalities within that county that are part of the scope of the planning project.

#### *Application Process:*

Entities interested in applying for the program should visit the Authority’s website at <https://www.njeda.com/21stcentury/> to access the application instructions, application, and any other application or reference materials.

The NJEDA will begin accepting applications beginning Monday, May 24, 2021, 9:00 AM. Applications will be accepted no later than Thursday, July 8, 2021, 5:00 PM.

Applicants should read the application instructions posted to the Authority’s webpage for further guidance on the process by which applications must be submitted for this program.

Because this is a competitive program, no applications will be reviewed until the deadline has passed and the Authority has collected all applications that have been submitted by the application deadline (Thursday, July 8, 2021, 5:00 PM).

#### *Fees*

No application fee will be collected by the Authority for this program.

#### *Additional Information*

Additional information on the 21<sup>st</sup> Century Redevelopment Program may be found at <https://www.njeda.com/21stcentury/>