NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

NEIGHBORHOOD REVITALIZATION TAX CREDIT PROGRAM (NRTC)

ANSWERS TO QUESTIONS/COMMENTS FROM NRTC TECHNICAL ASSISTANCE SESSIONS,

SEPTEMBER 2017

Project Description page (SAGE):
What is the definition of a "microenterprise"
- *A commercial enterprise with 5 or fewer employees, one or more of whom owns the enterprise*

Organizational Information page (SAGE):
How current should the "Certificate of Good Standing" be (required document upload)?
- *It must have a 2017 date – obtained from the NJ Department of the Treasury, Division of Revenue and Enterprise Services*

Regarding the "organization's total budget for the current year" (required document upload), how much detail is needed in the listing of its funding sources?
- *These can be grouped by funder type – public (federal, state, county, local) and private (including companies, foundations, families and individuals)*

Community Development Experience page (SAGE):
How specific should the entries be, regarding completed NRTC-funded activities?
- *The entries must include: a brief narrative description; original performance measures (numerical); and actual performance outcomes (numerical). If a completed activity occurred in multiple NRTC grants, the information should be grouped together, rather than listed separately. Please note that the text box has a limit of 9,000 characters; if more space is needed, a document with the remaining information may be uploaded to the **Attachments** page (at letter E).*

Should "similar completed activities (non-NRTC funded)" be located within the approved NRTC neighborhood?
- *Yes; they must have been completed by the applicant, within the past 5 years, and performance measures (original vs. actual) should be included where appropriate/available.*

Development Information page (SAGE):
What types of site control evidence (required document upload) will be accepted?
- *Deed of ownership (recorded); or contract for sale (signed) and HUD-1 statement (signed); or contract for sale (signed) by itself if a closing (settlement) has not occurred; or option to purchase (signed).*

Non-Development Information page (SAGE):
What counts as a non-development activity?
- *A proposed application activity that does not involve development (defined as new construction or rehabilitation of one or more buildings for commercial, residential or community use) is considered to be a non-development activity. It must correspond with an objective and a program component initiated elsewhere in the application.*

How should related administration/personnel costs be documented?
- *Administration/Personnel costs should not be listed on the **Non-Development Information** page. An applicant should instead initiate a **Program Component** for Administration/Personnel, choosing "Other" from the drop-down menu for "component type". All Administration/Personnel costs that would be NRTC funded should be included in the associated <u>component budget</u>, not to exceed 20% of total requested funding (up to 15% for expenses directly related to delivering NRTC activities; and up to 5% for general administrative expenses related to NRTC).*

Attracting Investment for Proposed Activities page (SAGE):
How should this page be completed?
- *An applicant should provide information (narrative and numerical) about the investment they are likely to receive from non-NRTC funding sources for the proposed activities in their NRTC application. Section 5.3 of the NRTC Rules provides guidance on the types of investment, both public and private in nature. This page should "compile" information about other funding sources that are listed in the **Development Information** and **Non-Development Information** pages of the application. Information about other funding sources for an activity not included within the NRTC application should not be included on this page.*

How is external leveraged funding measured?
- *By dollar amount of funds committed or realistically anticipated*

Other Sources of Funds page (SAGE):
How should this page be completed?
- *An applicant should list, in the spaces provided, information about the non-NRTC sources of funds that have been committed to proposed application activities. This may entail duplicate entry of information from previous application pages. This page is associated with the **Attachments** page, at which copies of commitment letters for the listed **Other Sources of Funds** must be uploaded.*

If an applicant is an "implementation grantee" of the Wells Fargo Regional Foundation, may this funding source be listed?
- *Yes; however, only the amount of the implementation grant used for programmatic purposes should be listed; the portion of the implementation grant for administration/personnel should be excluded.*

Attachments page (SAGE):
Should resumes for organizational staff be uploaded here, in addition to those of partner staff?
- *Resumes for organizational staff should be uploaded at the **Personnel (Sched. A)** page. Only the resumes of partner staff (if applicable) are to be uploaded to the **Attachments** page, at letter E.*

Personnel (Sched. A) page (SAGE):
Is information required for every involved staff member?
- *Information is requested about each staff member from the applicant organization that would be involved with NRTC if funding is awarded, whether full-time or part-time employees. This includes staff that would implement an activity and be paid with NRTC funds (salary and fringe). This also includes management and administrative staff that would carry out oversight and support tasks regarding NRTC, but would not be paid with NRTC funds. The time commitment (weekly work hours) is a key piece of information being requested. Regarding part-time employees, this page must be completed for an employee with a minimum of 10 weekly hours devoted to NRTC. A resume upload is a requirement for this page.*

If a staff person is involved in more than one activity, does this page need to be completed multiple times for this person?
- *No – it should be completed only once, and should include information about the multiple activities that person would perform (in the "Responsibilities/Duties" text box)*

Can this page be used for volunteer staff?
- *Yes*

How should a position that would be involved with NRTC and is currently vacant be documented?
- *The "name of employee" should be listed as "TBD"; the remaining fields should be completed normally; for "resume" upload, provide a job description for the position.*

<u>Neighborhood Assets (Supplemental Required Application Information form)</u>:
How are "assets" defined?
- *The types of community assets and regional assets that can be entered are pre-defined for this application, as listed in the "Supplemental Required Application Information" form. They have been determined via an internal evaluation of the NRTC Program and a review of literature about neighborhood revitalization programs, which showed that neighborhoods with high concentrations of assets are more likely to achieve revitalization.*

Why must assets be located within the NRTC neighborhood's boundaries?
- *The assets are indicators of the neighborhood's potential for future revitalization; therefore they must be physically present within the neighborhood (except for medical facilities as explained below).*

Can a stadium be included as an asset if its parking lots are in the neighborhood (but the stadium isn't)?
- *No*

Does this category disadvantage distressed neighborhoods?
- *The Neighborhood Asset Score is based on potential for revitalization given a neighborhood's underlying strengths. A neighborhood can have extreme challenges with poverty and unemployment and still contain neighborhood assets as defined in this score. Most of the score is determined by concentration of community and regional assets which preliminary results have shown are not necessarily associated with levels of poverty or unemployment. Even the most highly distressed neighborhoods may contain neighborhood assets such as schools, parks and playgrounds, libraries, and recreation centers.*

Retail businesses should be included as neighborhood assets
- *Although retail businesses have a physical neighborhood presence, they can have less permanency than the other types of neighborhood assets already defined for this application, dependent on their business operations. For this reason, they have not been included as a community asset. They may still be contributory to economic development activities that an applicant includes in its NRTC application.*

Can a rehabilitation facility and/or nursing home be allowed as a specialty hospital?
- *Specialty hospitals were envisioned as hospital facilities with a specialization in a particular form of care or serving a unique population. These can include heart and lung hospitals, children's hospitals, psychiatric hospitals, or rehabilitation hospitals. Therefore rehabilitation facilities can be considered specialty hospitals if they are specifically classified as hospitals. Non-hospital long-term care facilities do not fit this definition.*

Would a paved path in a waterfront park in an NRTC neighborhood be similar enough to a boardwalk (regional asset)?
- *No; a waterfront park would already qualify as a regional asset*

Please explain the Housing Value Trend (understood that no input from applicant is required, but want to know how it will be evaluated)
- *The trend will be calculated as the percentage change in neighborhood median home value from 2000 to 2015, based on the block groups most closely matching the neighborhood boundaries. The change values will then be converted to a 0 to 3 point scale for comparison and scoring purposes.*

DCA's calculations on Housing Value Trend scoring should be posted publically
- *This is agreed-to, since publically-available data will be used*

Addressing Distress (Supplemental Required Application Information form):
Should each proposed activity be listed in this table?
- *A proposed activity should be listed only to the extent that it is intended to reduce poverty, reduce unemployment and/or increase incomes in the NRTC neighborhood in a measurable way. If a proposed activity is listed, its anticipated (measurable) impact in terms of poverty, unemployment and/or incomes must be described.*

Attracting Investment – Past (Supplemental Required Application Information form):
How is the total figure for the "Amount" column calculated and updated?
- *The table has been set-up to calculate the sum of the funding source amounts that are listed. Unlike an Excel spreadsheet, this sum will not automatically update with each entry of an amount. To obtain this updated sum, right-click on the cell (at the bottom of the "Amount" column), then highlight "Update Field" in the pop-up box.*

Application Rating Criteria:
Why are development activities being mandated (since housing and economic development can be more than development, such as downpayment assistance, business creation, etc.)?
- *NRTC funding is a scarce resource that must be used strategically to accomplish neighborhood revitalization. Accordingly, we strongly encourage development activities (new construction or rehabilitation of one or more buildings) which will have a long-lasting impact on an NRTC neighborhood in terms of housing and economic development. An application which does not include a development activity will be assessed a 5 point penalty.*

Qualified Projects Pool (QPP)
Is there a minimum designation requirement for a contributing company?
- *The minimum contribution amount is $25,000; the maximum contribution amount is $1,000,000. A contributing company will determine how it wants to allocate its funding – for instance, it can choose to allocation the full amount to one applicant, or to divide up its allocation among more than one applicant. DCA also allows contributing companies to indicate second and third choice options for funding allocations in case its original choice has already received full funding. Allocation possibilities are described further in the "Guide document for tax credits for business entities" which can be found at the NRTC webpage.*

After the applications are scored and QPP eligibility is determined, will the scores be used or relevant for prioritizing funding allocations?
- *Eligible applications will be listed in the QPP in order from highest to lowest score; the scores will not be disclosed.*

General Application Questions:
Can SAGE application be "copied forward" from last year's RFP?
- *No*

Regarding the "Supplemental Required Application Information" form, what will happen if its tables are not large enough to enter the requested information?
- *Please contact NRTC staff and the situation will be addressed*

Regarding the Resolution (required document upload), if an applicant has no scheduled board meeting prior to the application deadline, what should the applicant do?
- *It is recommended that the applicant convene a special board meeting to obtain the necessary authorization to complete and upload the Resolution. A sample Resolution has been posted to the NRTC webpage (at the "FY 2018 Project Application" link).*

Maximum file size for uploads is too small – last year, there were problems with submissions being too big for upload
- *SAGE will allow a file size of 200 MB per upload*

Will the webinar (from Sept 13, 2017) be recorded and available for future reference?

- *No; however, the PowerPoint slides from the webinar will be distributed to its attendees; also the PowerPoint slides from the application workshop at NJDCA (Sept 7, 2017) will be distributed to its attendees.*