

## **CALL FOR PROJECTS**

### **UTILIZATION OF AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 RECOVERY ZONE FACILITY BONDS (RZFB)**

#### **FIRST ROUND APPLICATIONS ACCEPTED UNTIL OCTOBER 16, 2009.**

The Gloucester County Improvement Authority is currently seeking applications for participation in Gloucester County's American Recovery and Reinvestment Act of 2009 Recovery Zone Facility Bonds (RZFB) utilization program.

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009, which contains within it the American Recovery and Reinvestment Tax Act of 2009. ARRTA creates several new tax-exempt bond and tax-credit programs available to state and local governmental issuers known as Recovery Zone Bonds. The County of Gloucester received volume cap allocation in the amount of \$15,106,000 for the issuance of RZFB's and has suballocated such volume cap to the Gloucester County Improvement Authority.

Recovery Zone Bonds provide tax incentives for state and local governmental borrowing at lower borrowing costs to promote job creation and economic recovery in targeted areas particularly affected by employment declines. The Recovery Act creates a new category of tax-exempt private activity bonds called "Recovery Zone Facility Bonds" to promote economic recovery for qualified businesses in specifically delineated "Recovery Zones" within each state. RZFB's are not subject to the Alternative Minimum Tax (ATM) and may be used to finance certain "Recovery Zone Property" including retail, commercial, office, manufacturing, entertainment and warehouse facilities. Recovery Zone Property is depreciable property that satisfied all of the following:

- Constructed, renovated or purchased after the date on which the Recovery Zone designation takes effect;
- "Original use" begins with the taxpayer in the Recovery Zone;
- "Substantially all" of the property is used within the Recovery Zone and used in a "qualified business" in the Recovery Zone.

Ninety-five percent (95%) or more of the net proceeds of Recovery Zone Facility Bonds must be used for Recovery Zone Property.

Recovery Zone Facility Bonds may only be issued until December 31, 2010 and are subject to national volume cap limitations established by the U.S. Department of Treasury and the Internal Revenue Service.

The Gloucester County Improvement Authority will accept first round applications until October 16, 2009. Applications will be reviewed by committee utilizing the attached prescribed criteria.

Send application to:  
Danae Ciociola  
GCIA  
109 Budd Blvd  
Woodbury, NJ 08096

Any questions on project:  
Call: Lisa Morina  
856-384-6930

**GLOUCESTER COUNTY IMPROVEMENT AUTHORITY**

**REVIEW CRITERIA  
FOR UTILIZATION OF AMERICAN  
RECOVERY AND REINVESTMENT ACT OF 2009  
RECOVERY ZONE FACILITY BONDS (RZFB)**

**APPLICANT:** \_\_\_\_\_

**PROJECT:** \_\_\_\_\_

Does any portion of this project include (check as appropriate):

<u>YES</u>	<u>NO</u>	
_____	_____	Private golf course
_____	_____	Country club
_____	_____	Massage parlor
_____	_____	Hot tub or suntan facility
_____	_____	Race track or facility used for gambling
_____	_____	Retail liquor store
_____	_____	Residential rental property

If yes, project is ineligible for funding.

<b>Criteria</b>	<b>Possible points</b>	<b>Score</b>
Is the property located in a designated Recovery Zone, Redevelopment Area or an Area in Need of Rehabilitation designated prior to February 17, 2009?	5	
Will the project be constructed, reconstructed, renovated or acquired by purchase after the date upon which the designation of the "Recovery Zone" in which such project is located took effect (i.e., August 19, 2009)?	2	
Will the original use of the project commence with the applicant?	2	
Is the project shovel ready? What is the extent of barriers?	5	
Status of local planning and zoning approvals	5	
Permits complete vs. in process. Realistic schedule?	10	
Total project cost vs. RZFB bonds. Are funding sources in place? Is 10-year proforma realistic?	10	
Bank commitment letter for RZFB?	10	
Letter of Commitment from Bank sufficient to cover any and all remaining costs to complete the proposed project.	5	
How many permanent jobs will be created or maintained? 1 point for each 20 FTEs (up to 10 points)	10	



**GLOUCESTER COUNTY IMPROVEMENT AUTHORITY**

109 Budd Boulevard  
Woodbury, New Jersey 08096  
(856) 848-4002 (telephone)  
(856) 384-1262 (fax)  
**www.gcianj.com**

**APPLICATION FOR UTILIZATION OF AMERICAN  
RECOVERY AND REINVESTMENT ACT OF 2009  
RECOVERY ZONE FACILITY BONDS (RZFB)**

**THESE PAGES MUST BE SIGNED AND RETURNED  
WITH THE FULL APPLICATION AND APPROPRIATE FEE**

**I. APPLICANT:**

Name of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Type of Applicant: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Phone #: \_\_\_\_\_ FAX#: \_\_\_\_\_

**II. THE PROJECT:**

Please provide a summary description of the project:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*A detailed description of the project to be provided as Attachment 1.*

Municipality of Project: \_\_\_\_\_

Block(s)/Lot(s) of Project: \_\_\_\_\_

Is the property located in a designated "Recovery Zone" (e.g., a "Redevelopment Area" or an "Area in Need of Rehabilitation" pursuant to *N.J.S.A.* 40A:12A-1 *et seq.*, an "Empowerment Zone" designated by the U.S. Department of Housing and Urban Development, or an area economically distressed by closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990)? **Yes** \_\_\_\_\_ **No** \_\_\_\_\_

Will the project be constructed, reconstructed, renovated or acquired by purchase *after* the date upon which the designation of the "Recovery Zone" in which such project is located took effect (i.e., August 19, 2009)?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_

Will the original use of the project commence with the applicant?

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_

Does any portion of this project include (check as appropriate):

<u>YES</u>	<u>NO</u>	
_____	_____	Private golf course
_____	_____	Country club
_____	_____	Massage parlor
_____	_____	Hot tub or suntan facility
_____	_____	Race track or facility used for gambling
_____	_____	Retail liquor store
_____	_____	Residential rental property

*(Residential rental property means: A building or structure if 80% more of the gross rental income for the taxable year is rental income from dwelling units, however, a hotel, motel or establishment where more than half of the units are used on a transient basis is not residential rental property).*

**III. COSTS:**

TOTAL PROJECT COST: \$ \_\_\_\_\_

AMOUNT OF ARRA RZFB REQUEST \$ \_\_\_\_\_

*A detailed project budget, sources and uses of funds chart and a pro forma 10-year operating statement to be provided as Attachment 2 to this application.*

*If total project costs are in excess of ARRA RZFB request, please indicate additional source of funding necessary to complete the project.*

**IV. SCHEDULE:**

What is the timeline for completion of this project? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

*A milestone construction schedule to be provided as Attachment 3 to this application.*

**V. PROJECT BENEFITS TO GLOUCESTER COUNTY:**

#of permanent jobs: New: \_\_\_\_\_ Retained: \_\_\_\_\_

#of construction jobs: \_\_\_\_\_

duration of construction \_\_\_\_\_ months

Expected Tax Impact upon County: \_\_\_\_\_

Expected Fiscal Impact upon County: \_\_\_\_\_

Other benefits of the project (short term and long term):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VI. SHOVEL READINESS:**

To what extent is the proposed project "shovel-ready"? (describe)

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**VII. PERMITS:**

What permits are required for this project and what potential barriers exist for final permitting? \_\_\_\_\_

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**VIII. ATTACHMENTS:**

1. Detailed description of the project.
2. Project budget, sources and uses of funds chart and a pro forma 10-year operating statement
3. Milestone construction schedule
4. Feasibility study
5. Project location on municipal base map
6. Site boundary map and site description
7. Site plan for the project
8. Status of local planning and zoning approvals
9. Status of local, state and federal development permits
10. Project construction budget certified by a licensed architect or engineer
11. Balance sheet for applicant for the past three years
12. Profit and Loss Statement for the past three years
13. 10-Year pro-forma for the project and/or applicant
14. Evidence of ownership or option agreement on the project site
15. If applicant is a 501 (c)3 non-profit corporation, attach a copy of the IRS determination letter

16. Mayor's letter of support
17. Letter of Commitment from Bank and/or underwriter for the purchase and/or reoffering of any RZFB's issued to finance the proposed project.
18. Letter of Commitment from Bank sufficient to cover any and all remaining costs to complete the proposed project.

**IX. CERTIFICATION OF APPLICATION:**

**PLEASE NOTE:** Eligibility for bond financing from the Gloucester County Improvement Authority (the Authority) is determined by the information contained in this application and is further governed by the Improvement Authorities act, the Recovery Act and applicable federal laws related to the issuance of tax exempt bonds. Only the Authority, by resolution of the Members, can determine project eligibility and authorize the issuance of bonds. Also, by submission of this application for bond financing, the applicant agrees to comply with the terms of the Authority's Fee Schedule.

**I, THE UNDERSIGNED, BEING DULY SWORN UPON MY OATH SAY:** The information contained in this application and in all attachments submitted herewith is to the best of my knowledge true and complete. I have the authority to submit this application on behalf of the applicant. I understand that if such information is false, I am subject to criminal prosecution under N.J.S.A. 2C:28-2 and that the Authority, at its sole discretion, may terminate its financial assistance.

SIGNATURE

\_\_\_\_\_

NAME (PRINT)

\_\_\_\_\_

TITLE

\_\_\_\_\_

DATE

\_\_\_\_\_

Sworn and Subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_

Notary Public

My commission expires \_\_\_\_\_