

Gateway National Recreation Area



Fort Hancock

21st Century Federal Advisory Committee



October 31, 2024
Public Meeting #44



*I Pledge Allegiance
to the Flag
of the
UNITED STATES
of America
and to the Republic
, for which it stands,
one nation under God,
indivisible,
with Liberty and Justice for All.*



Getting Started

Agenda Meeting 44

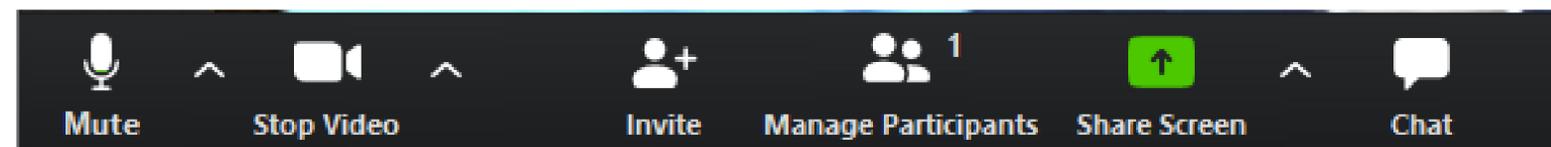
- 9:00 Meeting Overview - Jennifer T. Nersesian, Gateway NRA Superintendent and Designated Federal Officer (DFO)
 - Welcome (Shawn Welch and Gerry Glaser, Committee Co-Chairs)
 - Introductions, agenda overview, and meeting protocols (Bennett Brooks, Consensus Building Institute)
 - Confirm May 2024 meeting minutes and 2024-24 meeting schedule (Daphne Yun, NPS)
- 9:15 General Leasing Update - Karen Edelman
- 9:30 Leasing Alternatives Updates- Jennifer T. Nersesian
 - Stillman Cost Estimate (J. Nersesian)
 - Finance Alternatives Working Group discussions (J. Nersesian)
 - NJ Economic Development Authority presentation (Aidita Millsted, NJEDA)
- 10:45 Break
- 11:00 Leasing Alternatives (J. Nersesian)
 - Advisory Committee discussion
- 11:30 Public Comment Period
- 12:00 General Park Updates- Jennifer T. Nersesian
- 12:15 Brief Around the table comments
- 12:20 Wrap-Up
 - Next Steps
 - Committee Recommendations
 - Information on Fort Hancock Tour
 - Closing Remarks
- 12:30 Adjourn



Getting Started

How Committee Members Contribute

- Discussion protocols:
 - Contribute
 - Share time
 - Ask questions of one another
- To contribute to the discussion:
 - Add a comment to the “Chat”
 - Raise a “virtual” hand



We encourage you to keep your cameras on and stay on mute unless speaking

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Welcome and Updates



Photo: thehistorygirl.com

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Leasing Update – October 31, 2024



Recap

Buildings Currently Leased

Building 23 Barracks
MAST Educational Use

Building 56 Mess Hall
MAST Educational Use (complete)

Building 53 Post
as a Café (in use)

Building 21 Duplex
for Lodging (in use)

Building 104 Quarters
for Office (in use)

Building 52 Quarters
for Lodging (in use)

Building 36 Mule Barn
for Dining/Event Space (in use)

Buildings subject to a Letter of Intent (LOI)

Barracks Buildings 24 and 25
Residential use, One
Bedroom/Studio Mix

Building 40
Former YMCA
Bar/Restaurant/Event Space

Building 114
Officers Club Event and Lodging
Space

Lease negotiations are nearing
completion

Buildings subject to a General Agreement

Lieutenants Quarters - 2, 3, 4, 5,
6, 7*, 8, 16, and 17

Captains Quarters - 9, 10, 11, 13,
14, and 15

Commander's Quarters – 12*

Gas Station – 60

Mess Halls - 55 and 57

Civilian Family Quarters – 80

Post Exchange – 70

**Prototypes*

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Leasing Alternatives



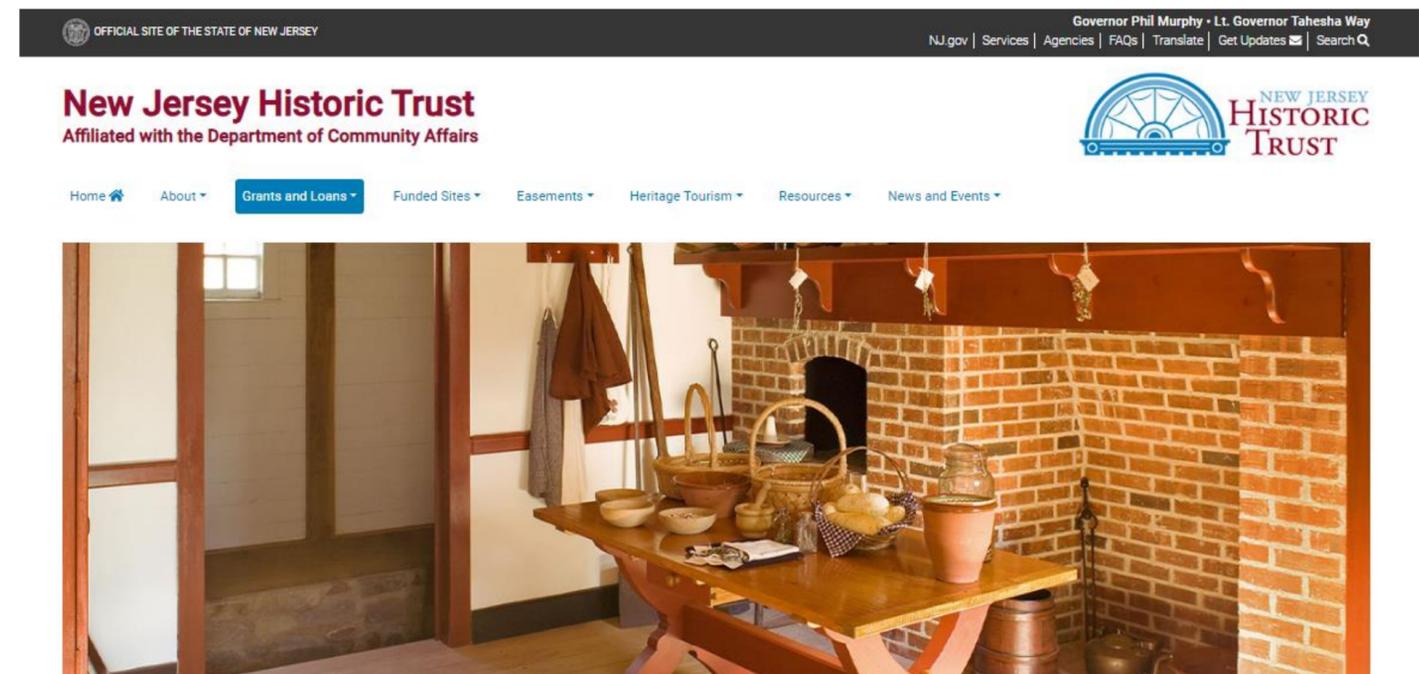
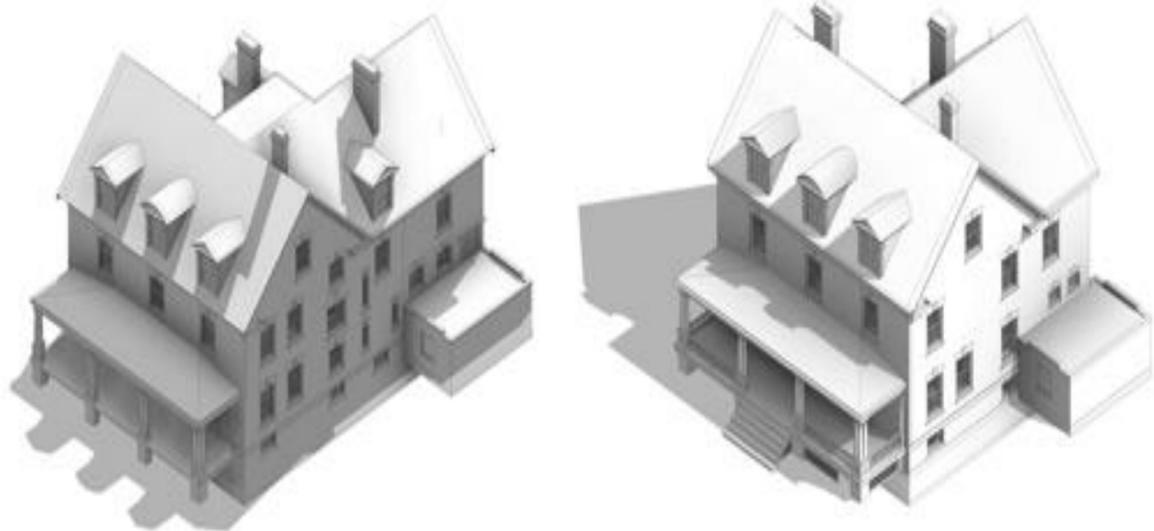
Photo: thehistorygirl.com

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Leasing Alternatives

- Stillman Cost Estimate (J. Nersesian)
- Finance Alternatives Working Group discussions (J. Nersesian)
 - NJ Historic Trust grant program: [Overview](#)
 - NJ CAFE program - [NJACRF-Generic-Grant-Guidelines-2024.docx](#)
 - Historic Property Reinvestment Program (NEW) – NJ Economic Development Authority presentation (Aidita Millsted, NJEDA)



New Jersey Historic Property Reinvestment Program

General Program Information



General Program Information

- ▶ Established under the **Economic Recovery Act of 2020 (ERA)**
- ▶ Provides tax credits to incentivize **rehabilitation of historic buildings** in New Jersey
- ▶ Can work in conjunction with **Federal Historic Tax Credit Program**
- ▶ Building must be **income producing** and project include the **rehabilitation of a previously identified historic building**
- ▶ Awards **45 - 60 Percent of Eligible Rehabilitation Costs** (*NEW increased amounts in 2024!*)
- ▶ Projects in **Government Restricted Municipalities (GRMs)** can receive **up to \$12 Million in tax credits** per project (*NEW increased amounts in 2024!*)
- ▶ Applications are due by a preestablished **deadline** and awards are based on **competitive scoring**
- ▶ Requires projects to **keep historic integrity** of the existing historic building.

Program Changes

New Legislation (A4619/S3479)

A new legislation signed into law by Governor Murphy on September 4, 2024 made significant changes to the Historic Property Reinvestment Program

EFFECTIVE IN CURRENT ROUND

- ▶ **Prior construction exceptions** were added to allow for some construction activities to occur prior to application and execution of agreement under Program.
- ▶ **Credit amounts** under the program were increased.
- ▶ **Funding gap requirement** was eliminated for projects in Government Restricted Municipalities and for projects with total costs of under \$5 million.

EFFECTIVE AFTER NEW RULES (EXPECTED 2025)

- ▶ **Prior historic designation requirement** will include initial designation from National Park Service as part of the Federal Historic Tax Credit Program.
- ▶ **Selected rehabilitation period for single phase projects** will be increased from 24 to 36 months.
- ▶ **Façade rehabilitation program** will be introduced.

Program Eligibility

HISTORIC DESIGNATION

- ▶ **Prior to application**, the property must be either individually listed or contributing to a historic district on the **National Register, NJ Register**, or identified as historic by the **Pinelands Commission** or a **Certified Local Government**.
- ▶ **Starting in 2025**, approval by the **National Park Service** of a **Part 1** under the Federal HTC Program will count as prior identification.

INCOME PRODUCING

- ▶ The property must be an income producing at the end of the conclusion of the rehabilitation project.

Program Eligibility

FUNDING GAP

- ▶ Projects not located in a Government Restricted Municipality or with total project costs under \$5 million must demonstrate that:
 - A project financing gap exists; and
 - The tax credit award being considered for the project is equal or less than the project financing gap.

ECONOMIC FEASIBILITY

- ▶ The Business entity must demonstrate at time of application that without the tax credit, the rehabilitation project is not economically feasible.

Program Eligibility

PROJECT EQUITY

- ▶ Rehabilitation project must include business entity contributed equity of at least 20 percent of the Total Cost of Rehabilitation.
- ▶ **Exception:** If a rehabilitation project is located in a government-restricted municipality, the equity shall be at least 10 percent of the Total Cost of Rehabilitation.

RESIDENTIAL PROJECT REQUIREMENTS

- ▶ For a residential project, the structure must serve a residential rental purpose and contain at least four dwelling units.
- ▶ A rehabilitation project consisting of newly-constructed residential units must reserve at least 20 percent of the residential units constructed for occupancy by low- and moderate-income households with affordability controls.

Program Eligibility

COMMENCEMENT OF CONSTRUCTION

- ▶ The applicant cannot commence any construction or rehabilitation activity at the site prior to submitting an application, or prior to the execution of the rehabilitation agreement unless work meets one of the following exceptions:
 - Construction was completed by someone other than the applicant or an affiliate
 - Work was completed by applicant more than two years prior to application
 - Applicant was ordered to complete work by a building code official to correct a health, safety or other hazard.
 - Work was approved by the New Jersey Historic Trust or the New Jersey State Historic Preservation Office as meeting the Secretary of the Interior's Standards for Rehabilitation.
 - Work was completed within two years of application in accordance with the Secretary of the Interior's Standards for Rehabilitation.

Any work completed prior to submitting an application or execution of the agreement under the Program may be considered as part of the project but will not be considered as an eligible cost when calculating and determining potential award amount under the Program.

Program Information

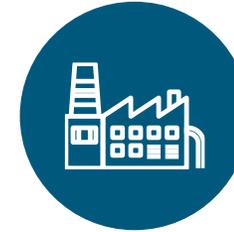
Award Sizes and Tax Credits



50 percent of the cost of rehabilitation up to a maximum of **\$8 million**, for rehabilitation projects NOT located within a qualified incentive tract or a government-restricted municipality



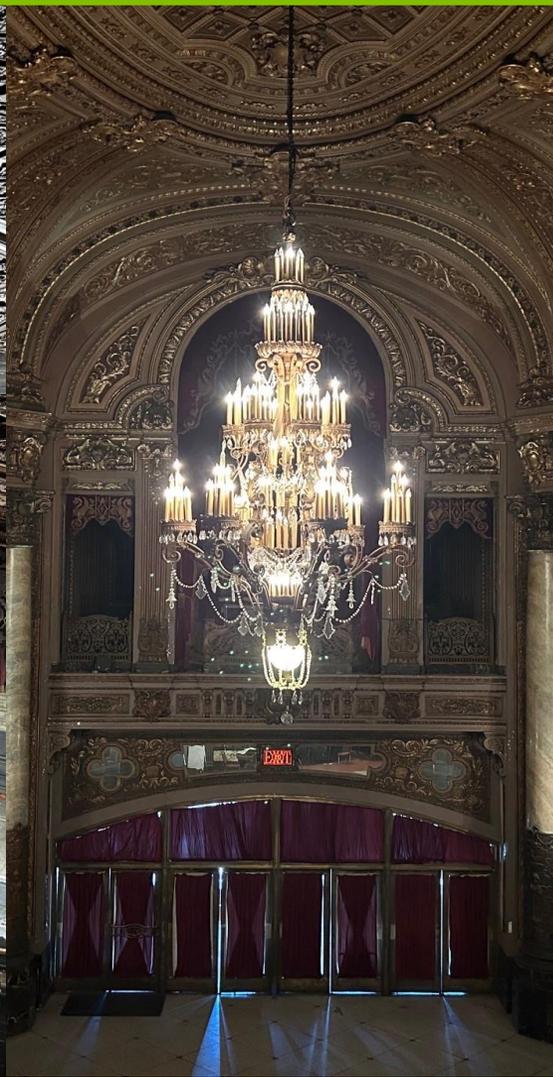
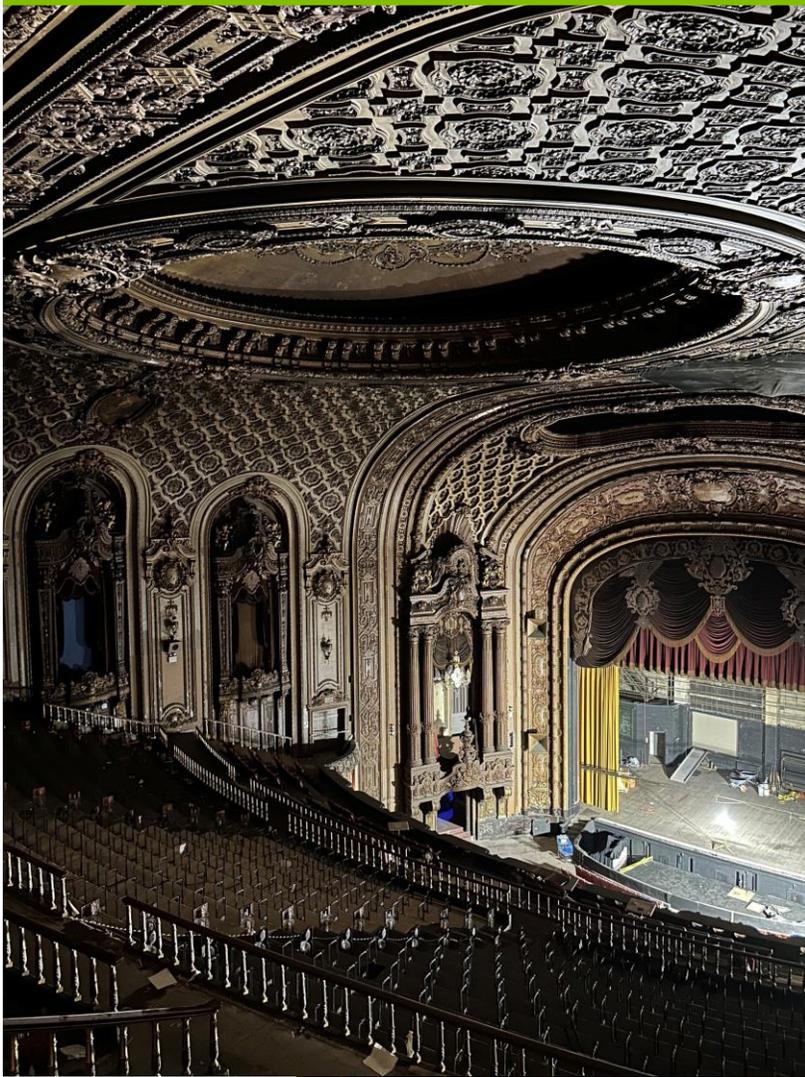
60 percent of the cost of rehabilitation up to a maximum of **\$12 million**, for rehabilitation projects located within a **qualified incentive tract** or a **government-restricted municipality**



45 percent of the cost of rehabilitation up to a maximum of **\$50 million** for rehabilitation projects that include a **transformative property**

* Award size is based on the cost of rehabilitation (eligible costs)

Loew's Jersey Theatre – Jersey City, NJ



Total Project Costs: \$110.8 Million
Eligible Costs: \$93.9 Million
Tax Credit Award: \$42.2 Million

Additional Program Information

NJEDA HPRP WEBPAGE

The NJEDA's HPRP webpage (www.njeda.gov/historic-property-reinvestment-program/) contains general Program information along with the following additional items:

- ▶ Sample Application
- ▶ Application Checklist
- ▶ Application & Required Forms
- ▶ Frequently Asked Questions
- ▶ Mapping Assistant Tool
- ▶ Program Rules
- ▶ Scoring Criteria
- ▶ Questions & Answers- Responses to questions received during an open application window will be posted here

If you have any questions or would like to be added to our mailing list, contact us at HistoricTaxCredit@njeda.gov



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Leasing Alternatives Continued



Photo: thehistorygirl.com



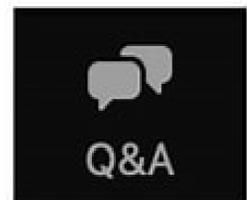
To contribute to the discussion

Opportunity for Public Comment

Raise a “virtual” or actual hand



Add a comment to the Q&A



Participants are asked to limit remarks to one to two minutes so others may contribute

News media is invited to contact Gateway National Recreation Area directly by emailing Daphne_Yun@nps.gov



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General Park Updates



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Questions?



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<http://www.nps.gov/gate/index.htm>

