

Available Incentives - Aviation Research and Technology Park

Background

The Stockton Aviation Research and Technology Park (ARTP), a 501 (c) (3) non-profit auxiliary organization of Stockton University, is a collaboration of industry, academia, and government dedicated to the advancement of aviation sciences through private and public research and development. The Research Park will be located on the campus of the Federal Aviation Administration's William J. Hughes Technical Center in Egg Harbor Township, the Stockton ARTP provides a state-of-the-art, technologically integrated, dynamic environment that promotes modernization and innovation and provides leadership for the future of aviation.

Given its proximity to Atlantic City International Airport, the ARTP qualifies as an "Aviation District." As such, businesses located in or relocating to the ARTP would be in a qualified incentive area and may be eligible for assistance under New Jersey's two most significant incentive programs – the Grow NJ Assistance Program and the Economic Redevelopment and Growth (ERG) Program.

Grow NJ Assistance Program

Grow NJ is a powerful job creation and retention incentive program that strengthens New Jersey's competitive edge against tax incentive programs in surrounding states by offering tax credits to businesses that are creating or retaining jobs in New Jersey.

If all applicable program eligibility criteria are met, businesses relocating to the ARTP would qualify for at least \$500, per full time job, per year. Bonus credits ranging from \$250 to \$3,000 per full time job, per year may apply if the project meets certain applicable bonus criteria. The maximum annual amount available per full time job is \$6,000 subject to a total maximum annual cap of the lesser of \$2,500,000 or 90% of business withholdings.

Mega Project Eligibility under Grow NJ:

If the business located in or relocating to the ARTP is in the aviation industry and includes capital investment of at least \$20 million and 150 full time jobs created or retained; or 1,000 full time jobs created or retained, then the project is elevated to "Mega Project" status and therefore could be eligible for increased awards under Grow NJ.

Mega projects qualify for at least \$5,000, per full time job, per year. Bonus credits ranging from \$250 to \$5,000 per full time job, per year may apply if the project meets certain applicable criteria. The maximum annual amount available per full time job is \$15,000 subject to a total annual maximum cap of \$30,000,000.

Economic Redevelopment and Growth (ERG) Program

The ERG Program is an incentive for developers and businesses to address revenue gaps in development projects, defined as having insufficient revenues to support the project debt service under a standard financing scenario. It can also apply to projects that have a below market development margin or rate of return. The grant is not meant to be a substitute for conventional debt and equity financing, and applicants should generally have their primary debt financing in place before applying.

Aviation Research and Technology Park (continued)

For commercial redevelopment projects, ERG provides an incentive grant reimbursement of up to 20% of total project cost. For aviation projects in the ARTP that meet additional eligibility criteria of the ERG Program, a bonus of 10% may be awarded for aviation projects, therefore the total tax credit may equal up to 30% of total project costs, not to exceed an average of 75% of the annual incremental state revenues derived from the project. Additional requirements, including a comprehensive net benefit analysis to verify that the revenues the State receives will be greater than the incentive, apply to commercial projects under ERG.

Additional Assistance

Employer Hiring Incentives through NJ Department of Labor and Workforce Development (DLWD):

Tax credits:

Under the new “Vow to Hire Heroes Act,” tax credits ranging from \$2,400 to \$9,600 are available for hiring an unemployed veteran. The amount of the tax credit is based on criteria such as the veteran’s length of unemployment and if there is a service-connected disability.

Federal bonding insurance:

When a business hires a veteran with a barrier to employment, free fidelity bond insurance coverage is available from \$5,000 to \$25,000 – with no deductible for up to a year.

Registered apprenticeships:

The DLWD sponsors on-the-job and classroom training programs for vets, up to \$5,000 is available for hiring a veteran who’s participating in this training.

On-the-job training:

If on-the-job training is being given to newly hired vet to help defray the cost of training an eligible veteran, a grant of up to 50% of their salary is available for up to six months.

108 loan and microloan programs for Atlantic City and portions of Atlantic County:

Administered by the Atlantic County Improvement Authority, the 108 Loan Program is for existing for-profit businesses while the Micro Loan Program is for existing family owned small businesses or start-up businesses.

Both programs are intended to create jobs, revitalize communities, and increase the tax base.

The 108 Loan Program is for existing for-profit businesses. Loans can be made for up to \$400,000 or 40% of the project cost, whichever is lower. The 108 Loan Program is intended to be combined with funds from the U.S. Small Business Administration’s 504 Program or funds from the Federal Home Loan Bank through its member institutions and other conventional and bank lenders.

Aviation Research and Technology Park (continued)

The 108 Loan Program must create one full time equivalent job for every \$35,000. The loan must be made to businesses located in census tracts with poverty rates of 20% or higher, or documentation must be provided that 51% of all jobs created are low and moderate income persons.

Loan monies are available for a variety of businesses functions as listed below:

- Working capital may be used for labor and moving costs associated with the expansion or relocation of a project, inventory financing, and receivable financing, training, and marketing financing; will only be considered in conjunction with the total project; and will not be financed independently. Repayment terms up to a maximum of ten (10) years. Loan to value is 70% for receivables, 50% for inventory.
- Renovation and new construction of commercial/industrial buildings.
- Acquisition of commercial/industrial land and buildings.
- Acquisition and installation of machinery and equipment.
- Refinancing of existing debt to an independent institutional lender (as part of a new project that creates new job opportunities).

Through the 108 Micro Loan Program, microloans of up to \$35,000 may be available to businesses that meet the HUD criteria of low and moderate-income persons wishing to start a business or businesses. The applicant will hire 51% of its new workers from the low and moderate income labor pool. Low and moderate income persons residing in Atlantic County will be given priority. Preference to borrowers will be given in the following order: Borrowers with at least one year's experience; Borrowers with at least six months experience; and Start-ups.

Incentives for hiring dislocated casino workers:

The DLWD offers on-the-job training grants for hiring and training eligible workers who were recently dislocated from a variety of jobs in Atlantic City's gaming industry. Under this program, new employees get on the job training for a specific skills set. This program helps defray the cost of training new employees. Employers who hire and train eligible dislocated casino workers can receive a grant for half of the new hires' wages – up to \$10,000 per worker, for up to six months. To participate, workers must be full time and paid at least \$10 per hour. The contract period will be for either 12 or 26 weeks, depending on the complexity of the skills to be learned.

NJ SmartStart Buildings:

Administered by the NJ Board of Public Utilities, New Jersey SmartStart Buildings can provide a range of support – at no cost to the business – to yield substantial energy savings for projects starting from the ground up, renovating existing space, or upgrading equipment. Financial incentives are available for size projects which can offset some – or maybe even all – of the added cost to purchase qualifying energy-efficient equipment.

Other Resources for Businesses in Atlantic County:

UCEDC's Business Resource Guides provide comprehensive listings and contact information for agencies and organizations that are focused on helping businesses. [Click here to view UCEDC's Atlantic County Business Resource Guide.](#)