



Neighborhood Revitalization Tax Credit T O O L K I T

The Housing and Community Development Network of New Jersey



OUR BUDGET ASK:

DOUBLE THE NRTC CAP TO \$30 MILLION

The Neighborhood Revitalization Tax Credit, which has shown continued success due to its required community visioning process, has been capped at \$15M, despite rising costs and inflation. Community development practitioners use NRTC to carry out comprehensive neighborhood vision plans. The NRTC is a popular program, always competitively subscribed, many eligible organizations are turned away because of limited funding. It would be greatly disappointing to allow these projects to lose the support they need, not because we can't afford them, but because we didn't allocate enough funding at the start of the tax year. As a result, we are calling for the \$15M cap to be doubled to \$30M.





CONTACT YOUR LEGISLATOR: WWW.NJLEG.GOV/#FINDLEGISLATOR

What to do:

1. Ask your legislator to submit a budget resolution to double the NRTC. Here is some possible language for a budget resolution ask for you to work with:

For two decades the Neighborhood Revitalization Tax Credit has been a successful and critical resource for community development practitioners building affordable homes, leveraging \$5-\$7 for every dollar invested. Much of that success has been due to the program's required neighborhood visioning process. Despite its success, the NRTC has been capped for several years at \$15 million.

The NRTC is a popular program, with DCA Acting Commissioner Suarez characterizing it as "oversubscribed." We would not want to see organizations and communities turned away from the NRTC because of limited funding, particularly at a time when our state needs to be a leader in affordability. As a result, we are asking the legislature to propose doubling the NRTC cap to \$30 million in FY2025.

Would you consider submitting a budget resolution to grow one of the state's most successful tax credit programs that produces affordable homes?

2. Ask your legislator to send you a statement and photo of support for expanding the NRTC that we can use publicly. Please forward all statements to Matthew Hersh at mhersh@hcdnnj.org.

3. Request that your legislator call and write to Assembly Speaker Coughlin, Senate President Scutari, and Governor Murphy to urge expanding the NRTC in the budget.



**DOUBLE THE
NRTC IN
FY2025!!**

SAMPLE SOCIAL MEDIA POSTS

Increase the Neighborhood Revitalization Tax Credit to #HouseNJ!
NRTC is among NJ's most successful tax credit programs, leveraging up to \$7/dollar invested. Time to expand NRTC to #HouseNJ



Raise the Cap: NRTC Needs a Boost!
The Neighborhood Revitalization Tax Credit, whose required community visioning process produces affordable homes, has been capped at \$15M for years and community development practitioners are calling to raise the cap to \$30 million.

Tell Your Legislator to Double the NRTC to Help HouseNJ
Network members use the Neighborhood Revitalization Tax Credit's unique community visioning process to build affordable homes, but the program is oversubscribed and the current \$15M tax cap limits our towns from building affordable homes.



ABOUT THE NEIGHBORHOOD REVITALIZATION TAX CREDIT

The Neighborhood Revitalization Tax Credit (NRTC) program, designed by the Housing and Community Development Network of New Jersey and authorized by the New Jersey Legislature in 2002, is now in its third decade of promoting the economic development and revitalization of distressed neighborhoods across the state. The program provides tax credits to businesses that invest in the revitalization of eligible neighborhoods, fostering both social and economic improvements within these communities.

Over 20 years of evidence shows the NRTC program to be one of the most popular and most successful public/private programs behind community development in New Jersey, leveraging \$5-\$7 for every dollar invested. Yet, it still cannot offer the resources it promises with the current cap of \$15 million. We would not want to see organizations and communities turned away from the NRTC because of limited funding, particularly at a time when our state needs to be a leader in affordability. As a result, we are asking the legislature to propose doubling the NRTC cap to \$30 million in FY2025.

At its core, the NRTC program incentivizes investment and encourages revitalization in the state's most distressed areas by offering tax credits to qualified business entities. Through strategic investments in affordable housing, development, and community services, the program supports groundbreaking projects that uplift the communities around them.

NRTC funds are used by Department of Community Affairs (DCA)-approved neighborhood-based non-profit organizations, serving their neighborhoods through activities that will implement the goals and strategies of the approved neighborhood plan. As of now, the maximum amount per application is \$1,000,000, with a total of \$15 million in tax credits available annually.

NRTC has helped create youth programs and job-training programs, urban farms, community centers, affordable homes, small businesses and so much more, with a demonstrated tax record of success in neighborhoods that need public and private sector support.

TALKING POINTS

How do communities benefit from the NRTC Program?

Using public funding to provide tax relief to eligible businesses encourages investment that would otherwise be missing for projects like community education programs, building renovation and rehabilitation, providing homes and social spaces, and so much more. Through these projects, community organizations can revitalize their local economies with the new jobs and tax revenue generated.

What does NRTC fund?

The program brings much needed funding to a wide variety of community projects, from housing construction to assistance for small businesses, recreation to community outreach, building rehabilitation to infrastructure development, and so much more.

Is the NRTC Program beneficial for investors?

Aside from the 100% tax relief on certain New Jersey taxes, the businesses that invest in the program either begin or strengthen essential relationships with the non-profit organizations serving our communities.

Where can I find qualified projects?

Municipalities that contain DCA-approved neighborhood plans are eligible to host NRTC project, with over 60 [FACT CHECK] currently across the state. More information can be found at <https://nj.gov/dca/dhcr/offices/nrtc.shtml>

What Projects can I invest in?

After the DCA approves a neighborhood plan, submitted project applications are reviewed and evaluated with the most promising submissions listed as “eligible for funding” in the Qualified Projects Pool. From there, investors are encouraged to find a project to support.

We must increase the funding to an adequate amount to provide for our communities. There is plenty of demand, and an extensive record of success, but, in the words of DCA Commissioner Jacquelyn A. Suárez, the program is “oversubscribed.”