

## New Jersey Urban Enterprise Zone Program

# Re-Entry Procedures

If a company has been denied recertification into the UEZ Program because of a decline in employment or failure to meet the 25% factor or has been inactivated because of failure to recertify, the company may re-enter the program provided certain criteria have been met. **There are two types of re-entry: Regular Re-Entry and Special Re-Entry.** Regular Re-Entry requires a company to reapply to the program with at least one above the number of full-time employees with which it began the program as reported on its prior Certification Application. Special Re-Entry procedures permit the company to re-apply into the program with fewer full-time employees than it reported on its prior Certification Application, as long as the decline is at least 10% and certain other criteria are met. There are no restrictions on the number of times a company may apply as a Regular Re-Entry provided it employs at least one full-time employee more than it employed at the time its baseline was established on its last Certification Application. A company may apply as a Special Re-Entry only one time, however, it may later apply as a Regular Re-Entry.

### ■ Regular Re-Entry Procedures ■

If a company has been denied recertification into the UEZ Program because of a decline in employment or failure to meet the 25% factor or has been inactivated because of failure to recertify, the company may re-enter as a Regular Re-Entry provided the criteria listed below have been met. **There are no restrictions on the number of times a company may apply as a Regular Re-Entry as long as it employs at least one full-time employee more than it reported on its prior Certification Application.** If a company that has received approval as a Special Re-Entry later applies as a Regular Re-Entry, the new baseline employment level established on the Special Re-Entry Certification Application becomes the number upon which the Regular Re-Entry approval is based.

#### Criteria for Regular Re-Entry

To be eligible for Regular Re-Entry to the UEZ program, the company must meet the criteria listed below:

- ✓ Company was a program participant for any period of time; and
- ✓ Company was either denied recertification or inactivated because:
  - 1) it did not increase its employment level; or
  - 2) it did not apply for recertification; or
  - 3) it did not meet the 25% Factor; and
- ✓ Company has been out of the program for at least one year from the expiration date of its last certification or recertification year; and
- ✓ Company's full-time employment level is at least one above the number reported on its most recent Certification Application.

#### Process

A company that wishes to re-enter the program should complete a new Certification Application, and inform the appropriate coordinator that it is making application to re-enter the program. The coordinator should confirm that the company meets the requirements for re-entry, check the re-entry box on the Certification Application and follow regular Certification procedures to process the application. All program requirements apply anew. These include the increase in employment requirement and the 25% Employment Factor requirement, both described below:

***Increase in Employment:*** The company must increase its full-time employment level by at least one person during its first year in the program and maintain this increase throughout its program involvement. If the company is unable to meet this requirement, it may receive a one-time conditional approval.

***25% Employment Factor:*** The company, if required, must meet the program's 25% Employment Factor within two years from its new certification date. Refer to program procedures for information on the 25% Employment Factor.

## ■ Special Re-Entry Procedures ■

Special Re-Entry procedures permit the company to re-apply into the program with fewer full-time employees than it had as reported on its prior Certification Application, as long as the decline is at least 10% and the criteria below are met. A company may apply as a Special Re-Entry only once, however, it may later re-apply as a Regular Re-Entry.

### Criteria for Special Re-Entry

- ✓ Company was either denied recertification or inactivated because:
  - 1) it did not increase its employment level; or
  - 2) it did not meet the 25% Factor; or
  - 3) it did not apply for recertification; and
- ✓ Company created additional employment above the original number at any time during its most recent prior participation in the program; and
- ✓ Company's level of full-time employment declined by at least 10%; and Option One or Option Two as described below:

#### Option One (Two Years In-Two Years Out):

- Company was a program participant for a minimum of two (2) years.
- Company has been out of the program for at least two years from the date of its last certification or recertification deadline.

***For example:***

Certified: 10/94-10/95 and 10/95-10/96  
Out Two Years: 10/96-10/97 and 10/97-10/98  
Eligible for Re-Entry on: 10/98

#### Option Two (Three Years In-One Year Out):

- Company was a program participant for a minimum of three (3) years.
- Company has been out of the program for at least one year from the date of its last certification or recertification deadline.

***For example:***

Certified: 10/94-10/95; 10/95-10/96; 10/96-10/97  
Out One Year: 10/97-10/98  
Eligible for Re-Entry on: 10/98

### Process:

A company may apply to the Director of the Urban Enterprise Zone Program for Special Re-Entry by submitting a new Certification Application to its local coordinator. Along with the application, the Director will require the highest ranking officer of the organization to certify in writing that:

- The company has suffered at least a 10% decline in full-time employment levels based upon conditions beyond its control, along with the reasons for this decline. This may include mergers, acquisitions or other realignments in corporate structure, as well as national recessions or periods of documented economic decline.

- The company confirms that its current number of full-time employees reported on its new Certification Application is its new base level. The company should document and explain its full-time employment history from the date of application for re-entry back to its original date of certification. The company agrees to increase its level of employment by at least one full-time employee over its newly-established baseline level.

The application will be reviewed by the UEZ Director and, if acceptable, the company will be reactivated into the program, receiving all benefits available under the program for a full year. **The increased employment and 25% Employment Factor requirements apply anew, however, they must be met during the first year or the company will be denied recertification.** If these two requirements have been met the first year, the company will be eligible for a one-time conditional approval if the employment increase is not met in subsequent years.

The company may receive Special Re-Entry approval only once. It may, however, re-apply in the future as a Regular Re-Entry if applicable requirements are met. The baseline employment level established as a result of the Special Re-Entry application is the number upon which future Regular Re-Entry approval would be based.