

N J E D A



New Jersey

Economic

Development

Authority

PROPERTY OF
NEW JERSEY STATE LIBRARY
186 W. STATE ST. PO BOX 5
TRENTON, NJ 08625-0520

New Jersey Economic Development Authority

The New Jersey Economic Development Authority is an independent entity of the State of New Jersey created to retain and expand job opportunities, enlarge the tax base of the State and its local governments and encourage economic growth and diversity.

To carry out its mandate, the Authority issues tax-exempt and taxable bonds to enable businesses and other qualified users to obtain low cost financing; makes direct loans and guarantees for business retention, expansion and modernization; operates a real estate development program in under utilized areas; arranges technical and financial assistance to help manufacturers combat foreign competition; and conducts research related to its legislative mandate.

The Authority's programs are targeted to areas of the State that have the greatest need for private and public investment and to projects which offer the most economic growth and diversity for New Jersey.



**To the Governor and
Members of the Legislature**

It is with great pleasure that I transmit the 1988 Annual Report of the New Jersey Economic Development Authority.

In 1988, the Authority continued to operate in an aggressive and innovative manner to maintain a strong, expanding economy. The Authority also continued to direct its programs to sectors of the economy most in need of public/private investment and to projects that promise the most economic growth and diversity. I am particularly pleased to report that the Authority's commitment to our older cities has remained strong. Although Urban Aid communities represent less than 10%

of the State's municipalities, projects in Urban Aid communities accounted for about 46% of all the projects assisted in 1988.

The Authority also continued to be a strong ally of the manufacturing sector which received the largest share of Authority assistance. Financing to help expand the commercial fishing industry in our coastal communities and to encourage commercial enterprise in our inner cities are other good examples of the Authority's efforts to strengthen small business.

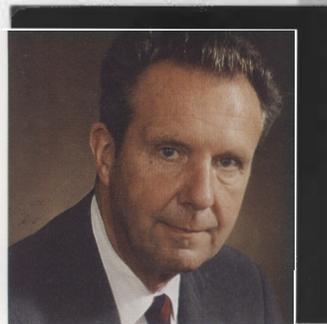
Simply stated, Authority programs in 1988 have meant construction, new business, new jobs, new products, and greater sales as the Authority strives to achieve new milestones for economic development in New Jersey.

Borden R. Putnam
Chairman

March 20, 1989



Thomas H. Kean
Governor



Borden R. Putnam
Chairman

"EDA has been favorable to bold enterprises during its career. Our economy, and our state, is much stronger because of it."

Thomas H. Kean
Governor
June 16, 1988

(At ceremonies commemorating the \$7 billion in assistance to New Jersey business made possible by the New Jersey Economic Development Authority.)

Financing Highlights

	1988	1987	Cumulative Totals 1974-1988
Investments			
Amount of Authority Financings	\$213,268,901	\$219,924,800	\$7,384,458,413
Total Investments Stimulated by Financings	\$307,819,981	\$199,294,404*	\$9,376,420,618
Number of Projects			
	101	83	4,263
Jobs Created			
Permanent Jobs to be Created by Financings	2,500	1,900	124,000
Construction Jobs to be Created by Financings (estimated)	3,100	4,700	118,000

Permanent job figures for projects closed during the years 1974-1985 have been adjusted to reflect jobs actually created by those projects. The job figures for 1986-1988 projects are estimates.

This chart does not include bond refundings.

*Total investments for certain multi-year projects have been included in prior years' totals and therefore are not noted here.

A copy of the 1988 financial statements is available upon request from the Authority's Office of Public Affairs, CN-990, Trenton, N.J. 08625



Authority Programs

Bond Financings

Tax-exempt bonds are issued to enable manufacturers to meet capital financing needs and also to benefit certain nonprofit activities and other specified projects. Interest income earned by bond holders is exempt, in most cases, from federal taxation enabling approved applicants to borrow money at low interest rates. Taxable bond financing is provided to help companies obtain long-term loans for fixed asset and working capital needs at attractive interest rates. Composite bonds also are marketed whereby financings for individual projects are grouped into a larger issue sold in the public markets. Authority bonds are generally underwritten and publicly sold or privately placed. They may also be purchased by financial institutions or private investors.

Loan Guarantees

The Authority makes loan guarantees to assist creditworthy businesses which may need additional security to obtain private financing. Guarantees may be provided for up to 10 years, not to exceed 90% of the loan amount with a maximum \$1.5 million Authority exposure for fixed assets and \$1 million exposure for working capital loans. The guarantee amounts were increased to these limits, effective January 1, 1989. Preference is given to businesses that are job intensive, will enhance the local tax base, are in an economically distressed area or represent an important economic sector and will contribute to the State's growth and diversity.

Direct Loans

Direct loans are available to businesses unable to obtain sufficient bank credit even with an Authority guarantee. Preference is given to enterprises located in economically targeted areas or representing targeted business sectors. Loans of up to \$500,000 for fixed assets and \$250,000 for working capital are made for a maximum term of 10 years. The interest rate is equal to the federal discount rate at the time of approval or closing, whichever is less. A revolving line of credit of up to \$100,000 can be arranged for companies exporting or planning to export goods and services produced in New Jersey.

Real Estate Development

The Authority develops modern business parks and commercial facilities to provide improved, affordable building space for businesses in urban centers and in other areas in need of economic expansion or diversity. Vacant sites or existing facilities are acquired, improved and subdivided for sale to private developers and business operators. The parks are equipped with modern infrastructure, including updated utilities and roads and offer such amenities as landscaping, fencing, limited access roads and room for expansion.

Trade Assistance & Other Affiliated Programs

The Authority's Trade Adjustment Assistance Center operates a federally funded program of consulting services for manufacturers whose employment and either sales or production have declined due to foreign competition. Assistance in all aspects of business operations is provided on a cost share basis.

The Authority also performs full loan processing functions, including credit evaluation, loan closing and post-closing services for the N.J. Department of Commerce, Energy and Economic Development's Local Development Financing Fund; N.J. Department of Environmental Protection's recycling business loan program; Urban Development Corporation's loan programs; and U.S. Small Business Administration's statewide 504 loan program. Business credit evaluations are done for the Casino Reinvestment Development Authority.



Message from the Executive Director



We are often asked the question, "How are you surviving tax reform?" Our answer is not too clever and hardly original but typical of our truth in lending tradition—"Very well indeed, thank you." In fact, looking at the results of our programs on only an operating basis, i.e., adjusting for federal program grants and Authority real estate transactions, it is fair to say that the Authority has recently completed one of its most successful years ever. And, this is after enduring the painful indignities of watching our Private Activity Bond program decline from over \$1 billion per year in 1984 and 1985 to just under \$250 million in 1988 (including refundings). Considering the mine fields that tax reform has placed in the paths of tax-exempt bond issuers, this is a record we are pleased to report.

Because of this still impressive volume of bonds issued by the Authority and because of the continued success of our other financing programs, we are able to report assets over \$100 million as of December 31, 1988. Thus, the Authority is well positioned to continue its increasingly aggressive posture in using its own resources to fulfill its mandate of creating jobs, increasing ratables and expanding the economy.

Unfortunately, however, we could now be in the twilight months of the enormously successful industrial development bond (IDB) program. Unless we are all successful in convincing the "Tax Reformers" of the folly of their ways, small issue IDBs, which are now available for only manufacturing projects, will sunset at year end 1989.

The Authority is committed in its ongoing efforts to achieve the elimination, or at least extension, of the sunset provision for IDBs. Toward that end, it is actively working with the Council of Industrial Development Bond Issuers in a nationwide campaign to bring all interested parties together in a concentrated effort to prevail upon Congress to reconsider this matter.

In the meantime, we are making the most of what remains of the bond program, and what remains for the rest of 1989 is at least as good as what we had in 1988. The Authority's bond financing programs offer much more than merely small issue IDBs for manufacturing projects. The portfolio of our

bond program for the year just ended included taxable bonds, refunding bonds, bonds for nonprofit organizations and bonds for certain eligible activities*, none of which have been significantly affected by tax reform. If the unhappy event of the IDB demise does indeed occur as scheduled, we will continue to offer an active bond program for those projects that do not die with the setting sun of December 31, 1989.

In regard to the Authority's other programs, particularly pleasing results were realized in the Finance Division which reported record levels in applications, approvals, closings and number of clients serviced. As a result, the Authority's closed or committed direct loans, loan guarantees and other state lending programs in which it participates now exceed \$112 million. While this may seem dwarfed by the \$7 billion in private activity bonds that the Authority has issued, it represents a significant dedication of the Authority's or State's own resources, as opposed to the bond commitments which are privately funded.

It is also especially gratifying to report that 98% of the Finance Division's commitments were to companies in industries and/or municipalities that have been targeted for special attention by the Authority.

In addition to its own loan and guarantee programs, the Authority is recognized for its expertise in assisting other state entities with their lending activities, e.g., the Urban Development Corporation, the Local Development Financing Fund of the N.J. Department of Commerce, Energy and Economic Development, and the Recycling Loan Fund of the N.J. Department of Environmental Protection. Recently, the Casino Reinvestment Development Authority asked the Authority to assist it in its business loan programs. Also, we continue to administer the federal SBA 504 loan program.

Another activity which we administer on a contractual basis with the federal government is the Authority's Trade Adjustment Assistance Center (TAAC). During 1988 TAAC worked with over 100 manufacturers impacted by import competition.

*See footnote, page 16

Over \$900,000 of federal funds for consulting assistance was obtained for 31 firms. This brings the cumulative total in New Jersey for this program to more than \$4 million for nearly 160 companies.

Although the Authority's Real Estate Development Division had minimal impact on 1988 financial results, per se, in all other respects, 1988 was a watershed year. Never before in the Authority's history have we been involved on such a scale in so many diverse and challenging real estate ventures.

In 1988, the Authority continued its role as an innovative and unique urban developer when it was selected for the financing and construction of a 500,000+ square foot super block in downtown Trenton. The *Trenton Office Complex* is critical to the rejuvenation of the State Street Corridor which connects the Capital Complex with the railroad station and involves the construction of new state offices, retail space, a parking garage and a new post office facility.

Also, during the past year, the Authority initiated studies for three real estate projects. In Galloway Township, Atlantic County, the development potential of a 200 acre high-technology research park is being analyzed. The Real Estate Development Division is also reviewing the redeveloping of the Linden Airport site into a mixed use project. Finally, at the request of the City of Hoboken, the industrial reuse potential of the Levolor plant site is being studied.

To date, the Urban Industrial Parks Program has created almost 5,000 permanent job opportunities and leveraged \$34.6 million in public funds to stimulate over \$160 million in private investment in the State's urban areas.

It is ironic that the year in which the Authority's real estate development program blossomed with so many exciting new projects is the year in which the person who planted the seed and nurtured it for 10 years left to return to his private practice of architecture and real estate development. Gerald J. Novak was the first Director of the Authority's Real Estate Development Division. The success and many awards achieved through his efforts are a tribute to Jerry's vision, creativity and enthusiasm.

Among Jerry's other fine attributes was his ability to recruit and train talented staff. Michael Francois was recruited by Jerry to the Authority 8 years ago. As Assistant Director of the Real Estate Development Division, Mike was able to step into the Director's position without missing a beat; and this he has done in an encouraging way.

In an early significant management decision, Mike recruited David Nuse, a talented professional from the Jersey City Redevelopment Agency who joined us late in the year as our Real Estate Development Administrator. Elsewhere in the Authority we were pleased to appoint Larry Cier as Assistant Director of Project Development. Larry has worked in all areas of our bond programs since joining the Authority 8 years ago.

During 1988, the Authority was pleased to commemorate the \$7 billion in financial assistance that it helped make available to businesses in New Jersey. On that occasion, Authority Chairman Borden R. Putnam commented, "A remarkable milestone for a small agency. But how do you measure 7 billion? Well, if you lay 7 billion one dollar bills end to end, they would make 2,000 circuits around New Jersey; in essence, creating a belt of financial support for the State's economy—an apt description of the contributions the Authority has made since 1974. In human terms \$7 billion takes on even greater significance. It has helped put 122,000 New Jerseyans to work on a permanent, full-time basis. Construction activities have added another 115,000 in job opportunities. It is due in no small part to this multi-service agency that New Jersey now stands as a thriving center of commerce."

I couldn't have said it better!



James J. Hughes, Jr.
Executive Director

March 20, 1989

Bond Financings

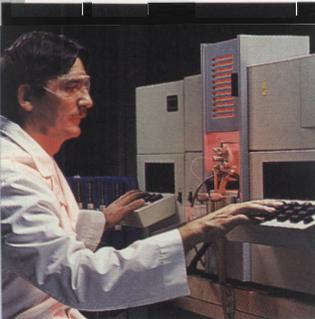
In 1988, the Authority issued \$183.1 million in low-interest tax-exempt bonds and \$12.2 million in taxable bonds for 47 projects. Bond activity included tax-exempt financings for 32 manufacturing projects, two nonprofit community organizations and six solid waste disposal, water and gas facility projects; a combination of taxable and tax-exempt financings for six solid waste disposal projects; and a taxable bond issue for a for-profit nursing home.

Associated with the 1988 financings is the creation of an estimated 1,425 permanent jobs and 2,861 construction jobs and the stimulation of \$267 million in private investments.

Included in the 1988 figures are two composite tax-exempt bond issues totaling \$35.9 million which provided financing and/or refundings for 14 manufacturers as well as financing for two nonprofit organizations. Through this pooled approach, the Authority was able to raise capital in the public marketplace, normally inaccessible to small business, and to bring interest costs down to about 3% below the prime rate. The Authority estimates that for each \$1 million borrowed under the composite method, the participant is saving \$30,000 annually when compared to conventional interest rates.

Applicants have found the composite approach to be a flexible financing tool, able to accommodate their varying needs and preferences. Within the composite program, for example, the Authority has been able to assist both nonprofit and for-profit users, offer variable and fixed interest rates, arrange financings and refundings, and vary loan terms from five to 10 years.

Also in 1988, at the request of 14 borrowers, more than \$51 million in previously issued bonds were refunded to enable the users to bring interest rates back down to affordable levels. The interest costs had risen as a result of the 1986 tax law. The Authority also allocated \$27.7 million in tax-exempt bonds for the future financing of water, sewage and electric or gas furnishing facilities.



Raymond F. Carulli,
New Providence



Employees put great care and concentration into the products being made at the Avionic Instruments, Inc. facility in Woodbridge. A manufacturer of power conversion equipment for commercial and military use, Avionic is using 36,600 square feet of space acquired and renovated with financing that its parent company, DAC Realty, obtained through the Authority. By participating in the Authority's \$19,650,000 tax-exempt composite bond issue, DAC Realty secured long term financing at an adjustable interest rate that averaged 5.6% in 1988.



Meadowview Geriatrics, Inc.,
Monroe

Producing professional quality amplifiers to be used by the best in the business is what John V. Lee, owner of Crest Audio, Inc. of Hawthorne, had in mind when the company decided to redesign its amplifiers. Although Crest was able to create an outstanding product, the debt it incurred in doing so put a strain on its working capital position. The company needed to put money back into the business, purchase modern equipment and expand its operations to meet the growing demand for its products. Crest required a \$660,000 bank loan but was unable to get the monies until the Authority agreed to provide a 90% loan guarantee.



Loan Guarantees

Loan guarantee activity reached record levels in 1988. The Authority provided 23 guarantees totaling \$11.2 million to enable 22 companies to obtain \$19.1 million in bank loans. It also guaranteed three bank letters of credit totaling \$2,225,000 for two companies that obtained \$2.9 million in financing through the Authority's composite bond program. The creation or retention of almost 700 jobs in New Jersey are linked to the 26 guarantees.

Loan guarantee activity in 1988 was double that of 1987 during which period the Authority had provided 12 guarantees amounting to \$5.5 million that resulted in the retention or creation of almost 400 jobs. There also was a significant increase in the private monies that the Authority dollars are leveraging—\$26.8 million in 1988 compared to \$11 million in 1987.

By the end of 1988, the Authority's guarantee exposure on a total of 87 guarantees had reached \$36.7 million, a 25.2% increase from year end 1987.

The Authority attributes its increased activity in 1988 to several factors. New Jersey's strong economy has encouraged many companies to make business improvements and expand their operations. Additionally, there has been increased demand for guarantee assistance from non-manufacturing businesses which are prohibited from using tax-exempt financing as a result of the 1986 tax law. Because conventional loan rates are higher than available through tax-free bonds, some banks may consider lending to these companies to be riskier than they would

like and insist on additional backing for the loans. These banks have turned to the Authority's guarantee to provide the extra security and make the loan transaction possible.

In 1988, the Authority continued its policy of targeting its guarantee assistance geographically and by industry. Consequently, about 70% of the guarantees were made for projects in Urban Aid and other economically targeted communities. When classified according to business sector, 46% of the guarantees represent manufacturing projects with the remainder being used for commercial, wholesaling/distribution, pollution control, transportation and service projects.

The guarantees are enabling the borrowers to undertake projects amounting to \$10.3 million for buildings and \$4.9 million for equipment and machinery, and to meet working capital needs of \$10.1 million.

In its ongoing efforts to respond to the financing needs of New Jersey businesses, the Authority in 1988 increased its guarantee limits, effective January 1, 1989, to \$1.5 million for fixed asset loans and \$1 million for working capital loans with the Authority's exposure not to exceed 90% of the loan amount. The limits had been \$1 million and \$600,000, respectively.



Ross Electric Supply
Distributors, Inc., Trenton

Direct Loans

Lending activities increased in 1988, surpassing annual levels of the past 11 years. The Authority made 31 loans amounting to \$6.8 million in 1988 to support \$16.6 million in project costs for small businesses in the State. The loans accounted for almost 900 jobs created or retained in New Jersey. These figures compare to \$6.3 million in loans made in 1987 for 33 projects to support approximately \$9 million in project costs, representing 550 retained or new jobs.

As a result of the Authority's targeting efforts, approximately 84% of the loans were made to projects located in Urban Aid and other economically depressed communities in the State.

In keeping with its business sector targeting criteria, manufacturing companies accounted for 48% of the loans, with another 20% being made for agricultural projects and projects in the commercial fishing industry. The remaining loans went to support commercial, wholesaling/distribution, service and transportation operations.

More than half of the project monies, \$8.9 million, are being spent on building acquisitions, construction or renovations. Another 14%, totaling \$2.4 million, is being spent on equipment and machinery purchases or improvements, and 12%, or \$2 million, is being used for working capital purposes.

As of December 1988, the Authority had 194 loans outstanding for an exposure of \$30.4 million. This dollar amount represents a 7% increase in loan exposure from year end 1987.

In addition, 16 loans were paid in full in 1988, making funding available for additional business projects.



Salvatore Pipitone, Jr.
(F & S Produce Co.),
Deerfield



Seafood purchased from New Jersey fleets is being processed at a Point Pleasant Beach facility that had been dormant for four years. Bradford Fisheries, Inc. purchased, renovated and equipped the waterfront property with financing that included a \$485,000 Authority loan at 6% interest for 10 years. The site is being operated by Phillips Seafood, Inc., a related company, as a processing plant for fish products that are wholesaled domestically and abroad.

New Jersey's fishing industry has been threatened in recent years by increased land development. The Authority's financing incentives, however, are encouraging fishermen to stay in business and preserve coastal properties for commercial fishing.



All Current Electrical Sales, Inc., Camden



After 95 years in New York, The Hopp Press and its divisions have relocated to modern facilities in the Authority's Airport Industrial Center in Newark, bringing about 100 jobs to New Jersey.

Run by third generation descendants of the founders, Hopp Press is nationally known for its innovations in the design and manufacturing of pricing and identification systems and merchandising aids for the supermarket and food industry, among others. Its plastics division specializes in plastic credit cards and numerous promotional items. The company financed its \$6 million move through an Authority tax-exempt bond, an Authority direct loan and Local Development Financing Fund monies. It spent more than \$2 million alone on building renovations and for new equipment and machinery that will increase production capacity and efficiency.



Real Estate Development

In 1988, the Authority gained further recognition as an innovative, aggressive developer of complex urban projects. Particularly noteworthy is its selection by the State of New Jersey to be the developer and financier of an estimated \$110 million downtown office building complex in Trenton.

The complex is viewed as a key component of the capital city's downtown redevelopment. Plans call for 500,000 square feet of new state office buildings, a 1,500-car parking garage, retail space and a new U.S. post office.

The Authority's Real Estate Development Division will oversee the entire project, including planning, property acquisition, tenant relocation, demolition and construction management. The Authority's Division of Project Development will be responsible for the sale of Authority bonds to finance the project.

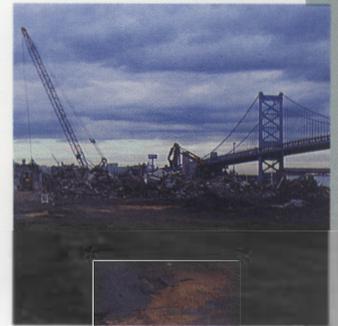
Considerable progress also was made in the Authority's redevelopment efforts in another major urban center. Using \$4.5 million of its own funds, the Authority began demolition of several outdated buildings owned by Campbell Soup Company in the City of Camden and will construct a parking lot for General Electric Company (G.E.) on the cleared site. When the lot is completed, G.E. will transfer ownership of its nearby parking lot to Campbell which then will construct a new world headquarters and visitors center on the G.E. site. As compensation for its role in this corporate land swap, the Authority obtained development rights to 17 acres of vacant urban renewal land. The Authority, in a joint venture with Cooper's Ferry Development Association, Inc.,

expects to recoup its total waterfront investment through its plans for the site which is located immediately south of the state aquarium property. These efforts gained impetus in 1988 with the approval of a \$1 million grant by the U.S. Economic Development Administration to enable the Authority and Cooper's Ferry to construct key off-site roadway and utility improvements.

The Authority's presence in southern New Jersey was further evident with the completion of a feasibility study for a 200-acre research park in Galloway Township, Atlantic County. Atlantic County officials had requested the study as part of their efforts to diversify the regional economy and reduce its reliance on the casino industry. Local and county officials have endorsed the research park concept and authorized the Authority to pursue its development plans.

A study also was conducted at the request of the Hoboken Community Development Agency to determine the feasibility of redeveloping the former Levolor Lorentzen, Inc. factory complex into a modern industrial park. The Authority's report confirmed the feasibility of retrofitting the facilities for light manufacturing use.

Finally, the Authority was contracted by the City of Linden to prepare a development feasibility study of the 190-acre Linden Airport site. The city is seeking federal approval to close the airport and transfer its operations to a new location, thereby freeing the municipally owned land for industrial and commercial development.



Demolition work proceeds in Camden as part of redevelopment project

Trade Adjustment Assistance and Other Affiliated Programs

The Authority's Trade Adjustment Assistance Center (TAAC) continued to serve as an important resource in 1988 for manufacturers whose employment and either sales or production have suffered as a result of foreign competition.

Despite the improving U.S. trade picture, New Jersey TAAC found, through its outreach efforts, that many small manufacturers still need assistance in countering the impact of foreign competitors.

During 1988, New Jersey TAAC worked with 100 manufacturers concerned about the impact foreign goods were having on their operations. The manufacturers represent a wide range of products and industries, including textiles, electronics, plastics, machined parts and pharmaceutical equipment. The companies were in varying stages of the trade adjustment process. A company must first petition the federal government to be declared eligible for assistance under the U.S. Trade Act. Once a company has been certified, TAAC helps it identify specific problems and recommends solutions. This analysis and action plan are then submitted to the federal government in the form of an adjustment proposal. If the proposal receives federal approval, TAAC and the company will work together to contract professional consultants to make recommendations and assist in implementing needed changes and improvements. The cost for the consulting services is shared by the federal government and the company.

In 1988, TAAC helped five companies become certified as eligible to apply for assistance. In addition, the federal gov-

ernment accepted the adjustment proposals submitted by TAAC on behalf of 13 companies which employ 1,550 people. The analyses encompassed such diverse areas as plant layout, quality control, information management, computer-aided manufacturing, productivity improvement, and product literature.

TAAC also arranged some \$900,000 in consulting assistance for 31 businesses representing 2,250 jobs.

Other Affiliated Programs

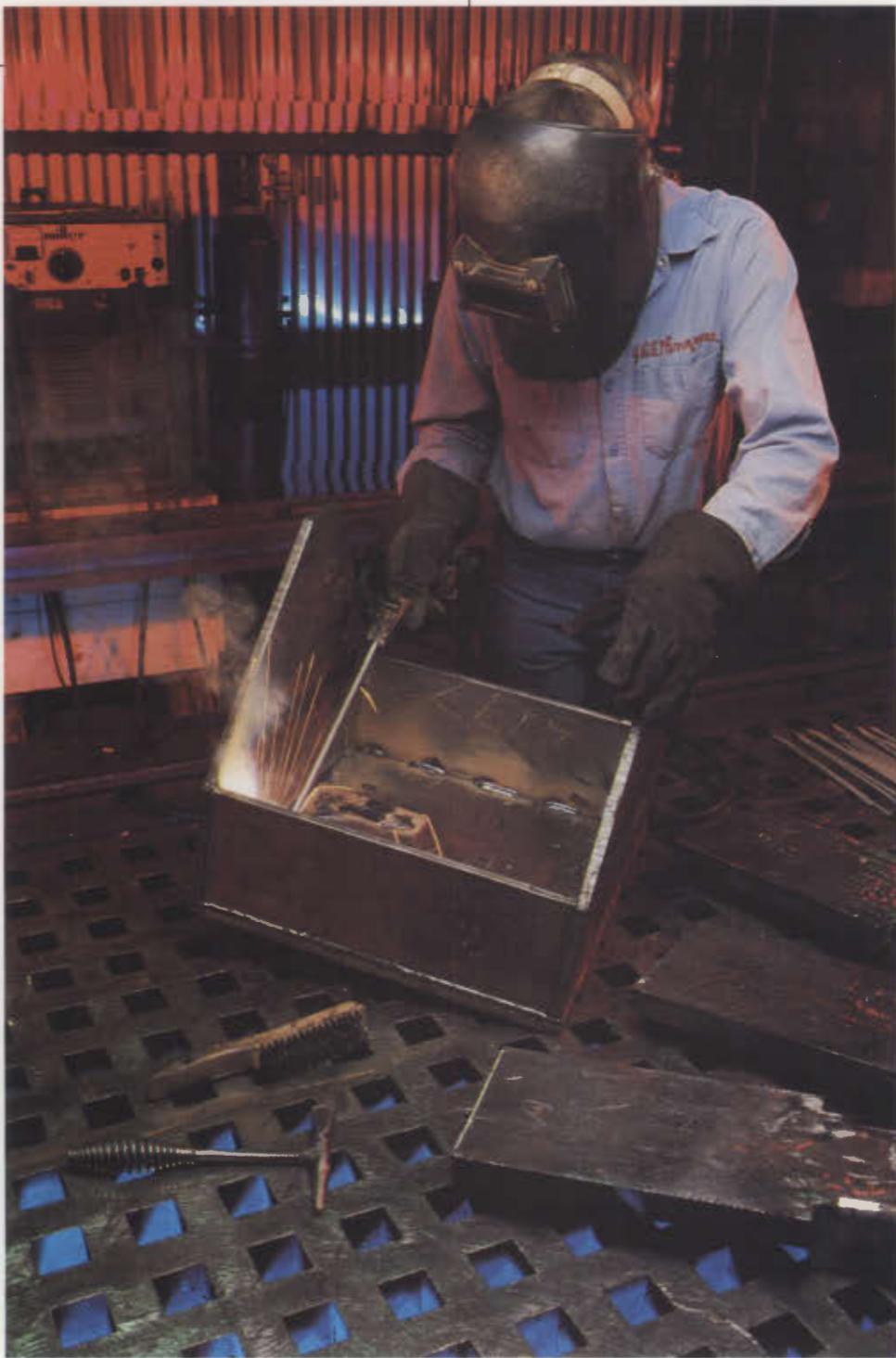
The Authority had another active year in providing loan processing services for three other affiliated programs. In 1988, the Authority closed 22 loans totaling \$7.6 million in program exposure for these other programs. These transactions include 18 loans made from the Local Development Financing Fund of the Department of Commerce, Energy and Economic Development; three loans made from the Recycling Loan Fund of the Department of Environmental Protection; and one loan on behalf of the Corporation for Business Assistance in New Jersey made under the federal Small Business Administration 504 loan program.

The Authority is now servicing a total of 79 loans reflecting almost \$28 million in exposure for these programs.

During 1988, the Authority began doing loan evaluations for the Casino Reinvestment Development Authority. It also is performing credit analyses and will close and service loans for the Urban Development Corporation.



The Hopp Press, Inc.,
Airport Industrial Center,
Newark



This welder is one of 70 workers now employed at the John Royle & Sons facility in Pompton Lakes. A victim of an overvalued dollar and European competition in the early '80s that forced it to lay off workers, this manufacturer of machinery for the wire and cable industry turned to New Jersey TAAC for help. Consulting services arranged through TAAC helped the company improve its efficiency and reduce manufacturing costs. The company also computerized its operations and explored new markets. Through these measures and a falling dollar, the company has become more competitive and almost fully recovered from its sales decline.

PROPERTY OF
NEW JERSEY STATE LIBRARY
186 W. STATE ST. PO BOX 520
TRENTON, NJ 08625-0520

Authority Bond Financings for 1988

Project	Municipality, County	Estimated New Jobs	Con- struction Jobs	Authority Loan Amount	Total Project Costs	Project Type
430 Hook Road Corp.	Bayonne, Hudson	20	33	\$ 2,300,000	\$ 3,000,000	M
651 Associates	Union, Union	25	9	1,836,000	2,117,000	M
777 Pattison Ave., Inc.	Gloucester City, Camden	25	67	4,000,000	4,095,000	M
Ames Rubber Corp. (#3)	Hamburg, Sussex	0	0	574,200	574,200	M
Ames Rubber Corp. (#4)	Wantage, Sussex	0	0	2,291,639	2,291,639	M
Ames Rubber Corp. (#5)	Vernon, Sussex	0	16	944,161	951,049	M
Raymond F. Carulli	New Providence, Union	41	17	4,500,000	6,761,000	M
Casa Di Bertacchi Corp.	Vineland, Cumberland	45	131	5,000,000	5,563,000	M
Chambers Morris County Land, Inc. (#1)	Mt. Olive, Morris	73	126	7,479,387 T	7,479,387	E
Chambers Morris County Land, Inc. (#2)	Parsippany-Troy Hills, Morris	0	196	7,790,805	7,790,805	E
Chambers New Jersey Trucking, Inc. (#1)	Mt. Olive, Morris	0	0	3,220,843 T	3,220,843	E
Chambers New Jersey Trucking, Inc. (#2)	Parsippany-Troy Hills, Morris	0	0	8,063,939 T	8,063,939	E
DAC Realty Corp. (#2)	Woodbridge, Middlesex	1	11	417 C	500,000	M
Dial Realty	Upper Twp., Cape May	8	23	3,800,000 C	3,800,000	M
Daniel D'Orazio, Anthony D'Orazio and D'Orazio Foods, Inc.	Bellmawr, Camden	16	20	1,150,000 C	1,445,000	M
Exit 8A, L.P.	South Brunswick, Middlesex	90	217	9,000,000	9,445,000	M
Fieldstone Corp.	Ocean Twp., Monmouth	11	3	1,500,000 C	2,404,399	M
Hyland Industrial Assoc.	Franklin Twp., Somerset	15	23	3,400,000 C	4,130,000	M
ICJ Realty Corp.	North Bergen, Hudson	80	8	2,000,000	2,350,000	M
JCC of Central New Jersey, Inc.	Scotch Plains, Union	2	6	1,500,000 C	1,500,000	N
Keyport Industries, Inc.	Howell Twp., Monmouth	10	50	2,000,000 C	2,500,000	M
Kikia Associates, L.P.	Roxbury Twp., Morris	58	125	3,500,000	5,362,527	M
Lamington Corners Assoc. II	Union Twp., Union	150	30	3,850,000 C	4,000,000	M
M & S Realty Co. (#2)	Paterson, Passaic	53	44	1,450,000 C	1,755,800	M
Marotta Scientific Controls, Inc. (#4)	Montville, Morris	0	0	1,040,717 C	1,045,000	M
Marx Brothers Meats, Inc.	Shrewsbury, Monmouth	52	63	2,500,000 C	4,595,000	M
Meadowview Geriatrics, Inc. (#2)	Monroe Twp., Gloucester	60	37	1,855,000 T	2,174,650	NH
Edward John Michura	Wallington, Bergen	73	6	1,000,000	1,422,500	M
Middlesex Water Co. (#2)	Various, Various	12	897	10,000,000	59,800,000	E
Morris County Transfer Station, Inc. (#1)	Mt. Olive, Morris	0	0	973,784	973,784	E
Morris County Transfer Station, Inc. (#2)	Parsippany-Troy Hills, Morris	0	0	1,471,242	1,471,242	E
Natural Ingredients, Inc.	Newark, Essex	11	1	300,000	373,000	M
New Jersey Natural Gas Co. (#6)	Various, Morris	0	39	25,000,000	25,000,000	E
Pen Pac, Inc. (#1)	Totowa, Passaic	18	150	7,599,600 T	8,148,870	E
Pen Pac, Inc. (#2)	Paterson, Passaic	18	120	15,687,080 T	17,081,648	E
Pen Pac, Inc. (#3)	Paterson, Passaic	12	38	6,913,320 T	7,384,877	E
Perth Amboy Industrial Center	Hillside, Essex	15	15	600,000	1,150,000	M
Polymer Technologies, Inc.	Clifton, Passaic	45	0	500,000	500,000	M
Polymeric Resources Corp. (#2)	Wayne, Passaic	15	10	4,000,000	4,000,000	M
Raceway Components, Inc.	Paterson, Passaic	9	4	1,425,000	1,582,500	M
Recycled Paper Board Inc. of Clifton (#2)	Clifton, Passaic	223	50	10,000,000	13,490,500	M
Rennoc Corp. (#3)	Vineland, Cumberland	66	123	7,405,000	7,405,000	M
Spear Packing Corp. (#3)	New Brunswick, Middlesex	12	15	1,650,000 C	2,000,000	M
Stewart M. Graff Urban Renewal Assn. (#2)	Paterson, Passaic	20	42	2,354,767 C	2,400,000	M
Teixeira Brothers Bakery and Restaurant, Inc.	Newark, Essex	35	0	1,950,000 C	4,350,000	M
The Hills Development Co. (#2)	Bedminster & Bernards Twp., Somerset	3	74	8,500,000	8,500,000	E
Young Men's Christian Assn. of Madison, New Jersey, Inc.	Madison, Morris	3	22	1,400,000 C	1,400,000	N
Totals*	47 Projects	1,425	2,861	\$195,276,901	\$267,349,159	

Since 1975, the Authority has issued almost \$7.3 billion in bonds which benefitted approximately 4,000 projects and resulted in about \$9 billion in investments in New Jersey.

Project Types

M - Manufacturing

N - Non-profit organization

NH - Nursing Home

E - Exempt facilities

T - A portion or all of the financing is taxable.

C - Part of a composite bond issue.

"Exempt facilities" are certain projects specified in the Internal Revenue Code as eligible for tax-exempt financing that include sewage disposal, solid waste disposal, and electric, gas and water furnishing facilities, among others.

*These totals do not include 14 projects that were refunded for a total of \$51 million.

**Authority Direct Loans and
Loan Guarantees for 1988**

Project	Municipality, County	Authority Direct Loan	Authority Guarantee Exposure	Private Sector Loan	Total Project Costs	New or Retained Jobs	Business Type
Aaron Aihini and Joseph Aihini t/a A & A Realty Partnership	Newark, Essex	\$ 300,000		\$	950,000	24	M
All Current Electrical Sales, Inc.	Camden, Camden	250,000			1,541,529	11	D
Apex Door Manufacturing, Inc.	Passaic, Passaic		\$ 225,000	\$ 250,000	250,000	22	M
Automated Modular Systems, Inc. (#1)	Linden, Union		1,000,000	4,658,800	5,740,000	7	P
Automated Modular Systems, Inc. (#2)	Linden, Union		600,000	781,200	*	*	P
Avalon Manufacturing Co., Inc.	Garfield, Bergen	150,000			150,000	15	M
Bradford Fisheries, Inc.	Pt. Pleasant Beach, Ocean	485,000			1,226,850	29	F
Cape Clam, Inc.	Lower Twp., Cape May	174,500			610,500	5	F
Cape May Ice Co., Inc.	Lower Twp., Cape May	250,000			490,000	7	F
Carole Industries, Inc. and Carole D. Iannelli (#1)	Atlantic City, Atlantic		702,000	780,000	800,000	10	C
Carole Industries, Inc. and Carole D. Iannelli (#2)	Atlantic City, Atlantic	90,000			90,000	*	C
Construction Adhesives Co., Inc.	Paterson, Passaic	90,000			100,000	9	M
Crest Audio, Inc.	Hawthorne, Passaic		594,000	660,000	660,000	30	M
Daniel D'Orazio, Anthony D'Orazio and D'Orazio Foods, Inc.	Bellmawr, Camden		1,000,000	1,150,000	1,445,000	16	M
Daniel D'Orazio, Anthony D'Orazio and D'Orazio Foods, Inc.	Bellmawr, Camden		225,000	250,000	365,000	17	M
Design Technologies, Inc. (#2)	Rahway, Union	250,000			250,000	7	M
Double A Die Cutting, Inc.	Fairfield, Essex		1,000,000	2,200,000	2,600,000	25	M
E. W. Bowker Co., Inc.	Pemberton, Burlington	170,000			170,000	8	A
Eaglespeed Oil & Lube, Inc.	Cherry Hill, Camden		448,000	800,000	800,000	91	C
Edward M. Callahan and Joyce T. Callahan	Trenton, Mercer	96,000			252,000	10	D
Enviro Metal Finishing Corp.	E. Brunswick, Middlesex	150,000			300,000	70	M
Fine Chocolates by Stork of New York, Inc. (#2)	Irvington, Essex		450,000	1,850,000	2,667,500	75	M
Fluid Systems, Inc.	Fairfield, Essex		405,000	450,000	450,000	12	M
Guardian Drug Co., Inc.	Trenton, Mercer	250,000			250,000	22	M
Hopp Press, Inc.	Newark, Essex	250,000			1,756,000	**	M
Howe Richardson, Inc.	Clifton, Passaic	250,000			350,000	312	M
International Corp.	Hillside, Union	250,000			250,000	19	D
International Motor Plaza, Inc. & 130 Rt. 17 Corp. (#1)	Mahwah, Bergen	200,000			200,000	45	T
International Motor Plaza, Inc. & 130 Rt. 17 Corp. (#2)	Mahwah, Bergen		360,000	400,000	400,000	*	T
J. E. Brenneman Co. (#1)	Camden, Camden		900,000	1,000,000	2,108,000	32	C
J. E. Brenneman Co. (#2)	Camden, Camden		540,000	600,000	600,000	*	C
Jack W. Morehouse	Paterson, Passaic	120,000			245,000	7	S
Kingsley/ATF Type Corp. (#3)	Elizabeth, Union		150,000	400,000	425,000	0	M
Kingsley/ATF Type Corp. (#2)	Elizabeth, Union	250,000			275,000	23	M
Koehler Industries, Inc.	Lakewood, Ocean	125,000			125,000	9	M
L & M Purveyors Co., Inc.	Carteret, Middlesex		135,000	150,000	150,000	15	D
M & S Realty Co. (#2)	Paterson, Passaic		1,000,000	1,450,000	1,755,800	53	M

(Continued on next page)

**Authority Direct Loans and
Loan Guarantees for 1988**

Project	Municipality, County	Authority Direct Loan	Authority Guarantee Exposure	Private Sector Loan	Total Project Costs	New or Retained Jobs	Business Type
Med-Mobile, Inc. (#2)	Newark, Essex		\$ 510,000	\$ 600,000	\$ 600,000	60	S
Modular Correctional Systems, Inc.	Kearny, Hudson	\$ 250,000			250,000	42	M
New General Packaging Service, Inc.	Clifton, Passaic	250,000			250,000	20	M
Paul J. Sullivan and Maureen Sullivan	Evesham Twp., Burlington	175,000			175,000	5	A
Herman Pogachefsky & Helen Pogachefsky	Pleasantville, Atlantic	200,000			2,873,000	44	C
Princeton Air Link Corp.	Princeton, Mercer		160,000	200,000	200,000	30	T
Princeton Restaurants, Inc.	W. Windsor Twp., Mercer		495,000	550,000	655,000	29	C
Robinson Electric Inc.	Newark, Essex	75,000			94,000	7	C
Rongold Assoc., L. P. (#2)	Trenton, Mercer	270,000			270,000	**	C
Ross Electric Supply Distributors, Inc.	Trenton, Mercer		162,000	180,000	180,000	***	D
Salvatore Pipitone, Jr.	Deerfield Twp., Cumberland	250,000			560,000	25	A
Savignano Foods Corp.	Orange, Essex	250,000			250,000	22	M
6614 Broadway Development	West New York, Hudson	500,000			678,750	50	M
Tello Enterprises, Inc.	New Brunswick, Middlesex		900,000	1,000,000	2,926,693	11	C
Tri-State Building Materials Corp.	Passaic, Passaic	200,000			1,000,000	25	M
V & C Butka, Inc.	Trenton, Mercer		130,500	145,000	195,000	12	D
WARE, a partnership	Cape May, Cape May	250,000			631,000	10	D
West Electronics, Inc.	Burlington, Burlington		540,000	600,000	600,000	120	M
Yardley Group, Inc. et al (#2)	Newark, Essex		540,000	600,000	600,000	17	M
Yardley Group, Inc. et al (#1)	Pennsauken, Camden		225,000	250,000	250,000	9	M
1988 Totals: 57 Financings		\$ 6,820,500	\$13,396,500	\$ 21,955,000	\$ 44,036,622	1,575	
1976-1988 Cumulative Totals: 396 Financings		\$54,932,200	\$77,682,557	\$163,287,204	\$505,584,018	16,913	

The 1976-1988 cumulative totals do not include guarantee exposure and direct loans receivable transferred to the Authority in 1978 from the N.J. Urban Loan and Area Redevelopment Authorities.

*See related financing.

**Jobs are reflected on previous financings.

***See V & C Butka.

Key to Business Type

A —Agriculture
C —Commercial

D —Distribution
F —Commercial Fishing

M —Manufacturing
P —Pollution Control

S —Service
T —Transportation

**New Jersey Economic Development
Authority Members**

Ex-Officio Members



Borden R. Putnam
*Chairman, NJEDA
Commissioner of
Commerce, Energy and
Economic Development*



Feather O'Connor
State Treasurer



Anthony M. Villane, Jr.
*Commissioner of
Community Affairs*



Christopher J. Daggett
*Commissioner of
Environmental Protection*



Charles Serraino
Commissioner of Labor

Public Members



Olive S. Cram
*Secretary-Treasurer,
Concord Chemical Co., Inc.*



Vincent J. Giblin
*Business Manager, International
Union of Operating Engineers*



Ronald Olszowy
*President,
Nationwide Bonding Agency*



Joseph Simunovich
*Director of Sales,
New Jersey Bell*

Alternate Public Members

Paul M. Roth
*President,
Retail Clerks Union
Local 1049 U.F.C.W.*

Edmund E. Downer
*President,
Downer Silica Company*

Wanda Webster Stansbury
*President,
Management Interventions, Inc.*

Authority Executive Staff



(Left to right)

Christina Hindley, *Review and Compliance Administrator*

Gregory Ritz, *Controller*

Rose M. Smith, *Public Affairs Administrator*

Richard L. Timmons, *Assistant Deputy Director*

Gary M. Nadler, *Manager of Administration*



(Left to right)

Jasper Sherrod, *Acting Affirmative Action Administrator*

Eugene J. Bukowski, *Director of Finance*

John F. Walsh, *Deputy Director*

Teri Dunlop, *Legal Administrator* (seated in front)

Frank T. Mancini, Jr., *Director of Project Development*

Michael B. Francois, *Director of Real Estate Development*

Joseph F. Cirafici, *Director of the Trade Adjustment Assistance Center*, is absent from the photo.

On the cover

This facility in South Brunswick is being built for Soundesign Corp., a manufacturer of stereo systems, telephones and related products distributed nationwide. Expected to employ 90 people, the facility is one of several Soundesign projects financed through tax-exempt Authority bonds. Says Samuel Laniado, executive vice president of Soundesign, "I really can't tell you how important the Authority has been to the growth of the company. We would not have realized our growth projections without the Authority's help. It's a great inducement for business expansion." The Soundesign projects are expected to employ about 400 people in total.

Back cover photos

Salvatore Pipitone, Jr.
(F & S Produce Co.),
Deerfield

Avionic Instruments, Inc.
(DAC Realty),
Woodbridge



**New Jersey
Economic Development Authority**
Power to build business.

Capital Place One
200 South Warren Street
CN 990
Trenton, New Jersey 08625
(609) 292-1800