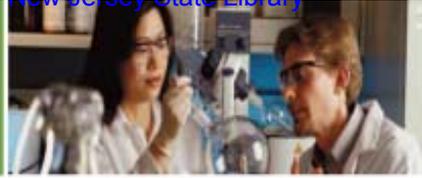
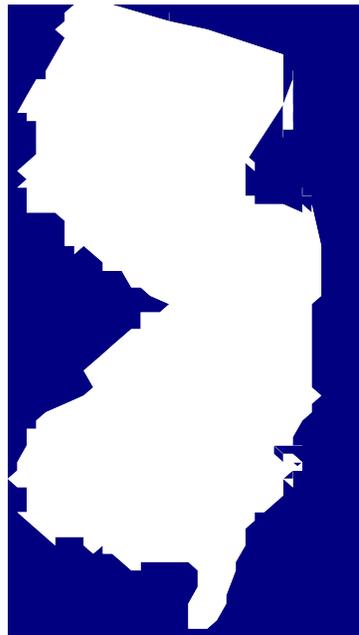


The company we keep,  
keeps getting better.



# New Jersey Economic Development Authority



## Annual Report 2009



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## EDA 2009 Results

EDA Results 2009*	
<i>Projects Assisted</i>	<b>408</b>
<i>Total Assistance</i>	<b>\$670 Million</b>
<i>Public/Private Investments</i>	<b>\$1.65 Billion</b>
<i>Estimated New Permanent Jobs</i>	<b>9,578</b>
<i>Estimated Construction Jobs</i>	<b>14,343</b>

EDA Results 1974-2009	
<i>Projects Assisted</i>	<b>10,403</b>
<i>Total Assistance</i>	<b>\$20.3 Billion</b>
<i>Public/Private Investments</i>	<b>\$43.0 Billion</b>
<i>Estimated New Permanent Jobs</i>	<b>304,657</b>
<i>Estimated Construction Jobs</i>	<b>314,286</b>

Edison Innovation Fund 2009	
<i>Projects Assisted</i>	<b>124</b>
<i>Total Assistance</i>	<b>\$120.5 Million</b>
<i>Public/Private Investments</i>	<b>\$331.4 Million</b>
<i>Estimated New Permanent Jobs</i>	<b>2,396</b>

Urban Assistance 2009	
<i>Projects Assisted</i>	<b>212</b>
<i>Total Assistance</i>	<b>\$200.0 Million</b>
<i>Public/Private Investments</i>	<b>\$388.8 Million</b>
<i>Estimated New Permanent Jobs</i>	<b>4,071</b>

Core Activity 2009	
<i>Projects Assisted</i>	<b>163</b>
<i>Total Assistance</i>	<b>\$349.2 Million</b>
<i>Public/Private Investments</i>	<b>\$918.2 Million</b>
<i>Estimated New Permanent Jobs</i>	<b>3,249</b>

\*Note: Because of the overlap between Edison and Urban funds, EDA Results 2009 will not equal the sum of the Edison, Urban and Core charts.

### EDA Mission

The mission of the New Jersey Economic Development Authority (EDA) is to strengthen New Jersey's economy by retaining and growing businesses through financial assistance, by renewing communities, and by promoting the State's strategic advantages to attract domestic and international businesses.

### EDA Strategy

The EDA creates public/private partnerships to bridge financing gaps and to increase access to capital by the State's business community with an emphasis on small and mid-size businesses and not-for-profit organizations. It supports entrepreneurial development through training and mentoring programs. It undertakes real estate development projects important to the State's economic growth that will create new jobs and business opportunities and support community development and revitalization.

## Supporting New Jersey's Economic Growth

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The New Jersey Economic Development Authority's (EDA's) work to attract and retain businesses were particularly critical to the State during the difficult economic climate that gripped our nation in 2009. In support of these efforts and the State's broad initiatives to boost business, advance technology and the life sciences, and invest in its communities, the EDA provided more than \$670 million in financing assistance, business incentives and tax credits to over 400 companies, not-for-profit organizations and municipalities in 2009. That figure surpassed by almost 22 percent the \$551.5 million reported in the EDA's 2008 Annual Report and brought the Authority's cumulative assistance totals to over \$20 billion since it was established in 1974.

This support served as a catalyst for more than \$1.65 billion in new public/private investments in New Jersey that are expected to result in the creation of nearly 9,600 new, permanent jobs and over 14,300 construction jobs. It also helped to ensure the retention of more than 18,000 existing jobs in the State.

The EDA maintained a strong focus on aiding small and mid-size businesses and those business sectors critical to the State's economy, such as technology, biotechnology and pharmaceutical companies, and manufacturers. More specifically, EDA funding support for the manufacturing industry climbed to more than \$75.4 million in 2009 from \$63.6 million in 2008. Perhaps more significant was the increase in job creation tied to the manufacturing businesses taking advantage of EDA-managed resources – 1,585 new jobs in 2009 compared with 584 jobs in the previous year. Other lending segments that realized substantial increased lending activity in 2009 over 2008 were direct investments in technology and life sciences companies, which increased from \$6.7 million to almost \$8.8 million, and guarantees provided under the New Jersey Business Growth Fund partnership with PNC Bank, which rose to \$10.1 million from \$6.7 million.

About \$200 million in EDA funding was directed toward projects in New Jersey's urban communities, more than 80 percent of which was targeted for the larger urban municipalities of Atlantic City, Camden, Elizabeth, Jersey City, Newark, New Brunswick, Paterson and Trenton. More than \$120 million in EDA-administered

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**EDA funding support for the manufacturing industry climbed to more than \$75.4 million in 2009 from \$63.6 million in 2008...job creation tied to these businesses increased to 1,585 new jobs in 2009 compared with 584 jobs in 2008.**

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assistance also benefited technology and life sciences businesses.

Legislative action to stimulate the economy during the national economic downturn led to a number of innovative initiatives that had a significant impact on EDA operations and project activity during the year. All of these programs strengthened the array of financial assistance the Authority offered to encourage economic activity, particularly in New Jersey's urban areas, and helped businesses locate, expand and retain jobs in the State.

The Economic Redevelopment and Growth (ERG) Grant Program, for example, was established during the year to help municipalities targeted for growth – urban or suburban – improve their main street, business district or downtown area through comprehensive redevelopment. The ERG program provides incentive grants so developers can capture new State and local incremental taxes derived from a project to fund the gap in total project costs for which they cannot obtain other financing. EDA approval of an ERG grant was instrumental in Depository Trust and Clearing Corporation's 2009 announcement to relocate about 1,600 employees to Jersey City when its lease on New York City property runs out in early 2013.

The year also brought a restructuring to the Urban Transit Hub Tax Credit Program, which was introduced in 2007 to encourage business development, capital investment and employment in designated transit hubs. The program was amended in 2009 to expand eligibility, clarify qualifications and limit certain provisions.

Another important effort launched during the year was the New Jersey Food Access Initiative, which was designed to spur supermarket development throughout the State's urban areas to further community revitalization and job crea-

tion and improve the health and nutrition of urban citizens. This initiative was supported through an innovative public/private partnership between the EDA and The Reinvestment Fund that created the Food Access Fund with a goal of leveraging additional public and private financing. The EDA also invested in a pilot initiative specifically targeted at promoting supermarket projects in the City of Newark.

Other notable EDA accomplishments in 2009 included:

- Advancing legislatively mandated changes to broaden and improve the Technology Business Tax Certificate Transfer Program, which allows technology and biotechnology businesses to sell unused net operating losses and research and development tax credits to finance their growth and operations.
- Rolling out three new programs under a Clean Energy Solutions portfolio to encourage "green" companies to grow here and help businesses become more energy efficient.
- Assuming responsibility for a new program created by the Legislature designed to support public-private partnerships for on-campus construction projects at State and county colleges.
- Expanding the EDA's Preferred Lender Program by adding Citizens Bank, The Provident Bank and Valley National Bank as new participants and finalizing transactions with Preferred Lender banks that totaled more than \$154 million.

Additionally, on the real estate front, we completed the fit out of generic wet lab space in our Tech 3 and Tech 4 buildings at the Technology Centre of New Jersey and executed a lease agreement with Drexel University to relocate its Drexel Plasma Institute to the Waterfront Technology Center at Camden. The Drexel lease will bring this 100,000-square-foot facility, built by the EDA as a speculative project to support Camden's growing technology cluster, to 90-percent occupancy. Also in Camden, on behalf of the Department of the Treasury we began the demolition of the Riverfront State Prison. The project, involving about 190,000 square feet of space on a 16-acre site, will enable the city to pursue the redevelopment of its North Camden waterfront.

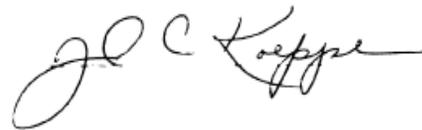
It was a busy and productive year and one in

which the EDA was challenged as never before to maintain its standing as one of the top economic development agencies in the country. The Authority's strong record of achievement has been made possible by a talented, focused and flexible staff devoted to strong financial analysis, customer service excellence, sound fiduciary responsibility, a business philosophy that enables quick adaptability to marketplace changes, and productive partnerships with public, private and community organizations statewide.

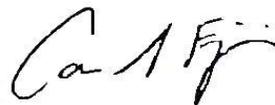
As we move ahead in 2010 with continued commitment and energy, we thank former EDA Board Chair Carl Van Horn for being instrumental in our recent success. Under Carl's leadership, we strengthened our organizational framework to ensure fiscal integrity and advanced innovative programs to effectively address the needs of our customers.

We look forward to working with Governor Chris Christie and Lieutenant Governor Kim Guadagno, who have made economic development an important element of their broad agenda. Together we can continue to build a foundation conducive to economic growth and prosperity and capitalize on the distinct advantages that make our State a destination for businesses across all industry sectors.

We invite you to review the following pages, which highlight many of the various ways the EDA was called upon to support business growth and encourage economic development. We also invite you to learn more about the resources provided by the EDA by visiting [www.njeda.com](http://www.njeda.com) or calling 1-(866) 534-7789. For general information about doing business in New Jersey, you may also visit <http://www.nj.gov/njbusiness/>.



Al Koeppe  
Chairman of the Board



Caren S. Franzini,  
Chief Executive Officer

## Encouraging Investments in Urban Communities

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The revitalization of New Jersey's cities is a major focus of the New Jersey Economic Development Authority's (EDA's) mission because it is critical to strengthening the State's economy and creating well-paying jobs. Urban areas face particular challenges in attracting investment and, in 2009, the EDA brought its resources to the market to stimulate activity in a severe economic downturn. Approximately \$200 million of the financing and business incentive dollars provided by the EDA in 2009 were directed toward stimulating investment in New Jersey's 57 Urban Aid communities.

This assistance supported the growth of businesses and not-for-profit organizations, spurred the creation of new jobs, encouraged the investigation and cleanup of brownfield sites, and promoted smart-growth development. EDA funding was responsible for stimulating more than \$388 million in total public/private investment in these communities during the year and setting the foundation for the creation of more than 4,000 permanent, full-time jobs.

EDA tax-exempt bonds, which enable borrowers to obtain long-term financing at favorable rates, proved to be the perfect solution for businesses like **EASCO Shower Doors Company** in Trenton and **Longfield Brothers, LLC** in Vineland. The EDA issued a \$1.7-million tax-exempt bond to EASCO that enabled the company to purchase machinery and equipment for a newly formed subsidiary, Mercer Glass Fab LLC, which fabricates and tempers glass for use in EASCO's glass shower enclosures and by other glass users. The 15-year bond, directly purchased by TD Bank, closed at a monthly variable interest rate of just under 2 percent. Longfield Brothers was able to expand the warehouse and distribution facility it leases to its operating company, Garden State Bulb Co., a direct importer and distributor of Dutch bulbs. A \$7-million tax-exempt bond directly purchased by Susquehanna Bank was used to add 120,000 square feet of space, including new coolers and an office area as well as related equipment, resulting in 15 new jobs. The 20-year bond closed at a fixed interest rate of 4.35 percent for the first 10 years.

Tax-exempt bonds can also be useful to not-for-profit organizations that offer valuable community services. The **Greater Brunswick Regional Charter School**, one of the first charter schools in New Jersey, borrowed \$6.55 million to renovate a building in New Brunswick so it could open its doors to more children and expand its staff by 11 employees. The 25-year bonds were directly purchased by Sun National Bank and carried an initial interest rate at closing of 4.6 percent. The charter school also borrowed \$1 million from the EDA at 5 percent fixed interest for five years so it could create 11 new classrooms, a gymnasium/multi-purpose room and additional office space.

A \$150,000 EDA loan participation in a \$450,000 TD Bank loan made at a 5-percent fixed interest rate for five years allowed the owners of the **Cavalier Restaurant and Banquet Hall** to finance renovations to their facility in Roselle. Another business, **McKella280 Inc.**, a Pennsauken-based provider of graphic design, digital imaging, printing and fulfillment services, was the first company to finalize a line of credit guarantee, closing a \$1.2-million line with Susquehanna Bank that included a \$250,000 EDA guarantee. The company also borrowed \$2 million from Susquehanna Bank with a \$500,000 EDA participation and a \$375,000 EDA guarantee of the bank's portion of the loan to refinance higher-cost debt.

**Paramount Bakeries, Inc.**, a commercial bakery in Newark primarily serving supermarket chains, was able to add 15 new positions and maintain 40 existing jobs with the help of a \$2.7-million TD Bank loan that included a \$1.25-million EDA Statewide Loan Pool for Business participation. The EDA loan, made for 10 years with a variable interest rate set at 3 percent for the first five years, was used to purchase new equipment and refurbish existing equipment, complete renovations and refinance an existing loan. "Newark has been an ideal place to grow Paramount Bakeries and this project will help ensure we continue to thrive and create more jobs in the city," said Shraga Zabludovsky, who purchased the 85-year-old

business with his wife in 1994.

Another Newark business, **Selected Arrow Enterprises**, a full-service oil company, used EDA's Small Business Fund to borrow \$300,000 for working capital purposes, including hiring six employees, purchasing furniture and creating marketing materials, in conjunction with its move to a new building in the city. The five-year loan was made at a fixed interest rate of 3 percent.

Urban businesses in Neptune, Mount Holly and Clifton were among the companies taking advantage of the EDA-PNC Bank New Jersey Business Growth Fund partnership to finance new locations. **Atlantic Cardiology, LLC**, a medical practice, borrowed \$2 million from PNC Bank with a 50-percent EDA guarantee to fund its third building, in Neptune. A 25-percent EDA guarantee in a \$765,000 PNC loan was used by family-operated **Highway Tire Distributors, Inc.** to acquire the building used by its Goodyear dealership in Mount Holly. **Placko Signs, LLC**, a manufacturer and installer of signs, borrowed \$360,000 from PNC with a \$180,000 EDA guarantee, also to purchase commercial real estate in Clifton where the business is located.

The real estate holding company for **GDB International, Inc.** of New Brunswick found the EDA-managed Local Development Financing Fund a key to its project, borrowing \$2 million over five years at 2-percent fixed interest to acquire and renovate a building and purchase equipment for its export company, which trades worldwide in plastics, paints and paper.

Along with all these funding efforts, the EDA expanded and improved its urban resources by creating and enhancing certain other programs to re-energize New Jersey cities.

**Somerset Street Urban Renewal LLC**, established by the New Brunswick Development



*In April 2009, the EDA closed a loan under the Local Development Financing Fund to help **Passaic Family Head Start, Inc.** acquire the building it had been leasing from the city since 1986. In conjunction with assistance from PNC Bank, the not-for-profit organization, which provides educational, nutrition, health and social services to low-income children and their families, was able to purchase the 15,424-square-foot building in the City of Passaic.*

Corporation in partnership with Pennrose Properties, the New Brunswick Parking Authority and Rutgers University, benefited from the modified Urban Transit Hub Tax Credit Program at the end of 2009. It was approved for a 20-percent tax credit worth approximately \$27.1 million for a project near the New Brunswick Train Station. The planned \$135.6-million development will consist of approximately 632,000 square feet and include market-rate rental apartments, for-sale residential condominiums, office and retail space, and an onsite parking structure for more than 650 vehicles.

The **New Jersey Food Access Initiative** also was introduced in 2009 to spur supermarket development throughout New Jersey's urban centers to further community revitalization, job creation and the health of urban residents. This initiative was supported through an innovative public/private partnership between the EDA and The Reinvestment Fund, which was established to meet the financing needs of supermarket operators looking to locate within

underserved areas where infrastructure costs and credit requirements are often higher and unmet by conventional financing institutions. The EDA completed a \$3-million investment through its Fund for Community Economic Development in TRF to create the Food Access Fund with a goal of leveraging additional public and private funding. The EDA also invested \$1 million in a pilot initiative specifically targeted at promoting supermarket projects in the City of Newark.

To further support economic development projects in the nine designated urban centers targeted for growth in the New Jersey Redevelopment Plan – Atlantic City, Camden, East Orange, Elizabeth, Jersey City, New Brunswick, Newark, Paterson and Trenton – the EDA made a limited partnership investment in the **New Jersey UrbanAmerica Advantage Fund** in 2009. The fund plans to invest in office, retail, mixed-use, industrial, hospitality, distribution, special-purpose and other types of commercial real estate properties to help increase local tax revenues.

The EDA also manages programs offering important resources to restore brownfield sites, many of which are located in the State's urban communities, and return them to productive use. More than 40 urban projects shared over \$16.5 million in funding through the Hazardous Discharge Site Remediation Fund in 2009. The **Rahway Redevelopment Agency**, for example, received two grants totaling more than \$1 million. One grant was associated with site investigation and remedial investigation activities on property formerly used for book binding, metal fabricating, glassware etching and fabric manufacturing that the city wants to redevelop for residential use. Another grant provided preliminary assessment, site investigation and remedial investigation funding for a former laundry facility that has been designated for future use as an amphitheater and performing arts center.

Additionally, **Cameron Bayonne Urban Renewal, LLC**, formed to acquire a 31-acre brownfield site for a new 350,000-square-foot retail center along Route 440 North in

Bayonne, closed a \$1-million Smart Growth Predevelopment Funding Program loan with the EDA in 2009. Most of the planned space has been preleased. Tenants are expected to include such well-known retailers as Lowe's, Wal-Mart, Sleepy's, New York Sports Club, Subway, Supercuts and LongHorn Steakhouse. The one-year loan was made at a fixed interest rate of 2.25 percent, with interest-only for 11 months.

More than \$8.8 million in financing and business lease and improvement incentives also were provided to 14 projects through an EDA subsidiary, the **Economic Recovery Board for Camden**, which was created under the Municipal Rehabilitation and Economic Recovery Act of 2002. Projects included a \$2.3-million soft loan under the Residential Neighborhood Improvement Fund to support infrastructure costs included in the construction of 162 rental units in the Cramer Hill section of the city and a \$1-million grant from the Demolition and Redevelopment Financing Fund to assist **Respond, Inc.** in constructing its New Worker Job Development Center, a 25,000-square-foot facility dedicated to training in culinary arts and auto technology, with state-of-the-art classrooms to serve up to 90 preschoolers.

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## Advancing the Growth of Tech and Life Sciences Companies

More than \$120 million in direct investments, business incentives, tax credits and venture fund commitments were delivered by the EDA in 2009 to spur innovation, grow new jobs and cultivate an entrepreneurial environment for technology and life sciences companies in New Jersey. A total of 124 early-stage and established businesses that plan to create almost 2,400 jobs were the beneficiaries of this support. Total public/private investment in these projects is estimated at more than \$330 million.

The assistance was provided under the Edison Innovation Fund, a State effort managed by the EDA in consultation with the New Jersey Commission on Science and Technology (CST).

The Fund offers a broad continuum of support to the technology and life sciences communities ranging from various forms of financing and incentives to modern laboratory and office space located within specially created Edison Innovation Zones located in Camden, the greater New Brunswick area and Newark.

In 2009, the EDA finalized direct, equity-like investments totaling nearly \$8.8 million with 13 companies. Technology and life sciences businesses that received the maximum \$1 million to be used as growth capital included: **Alphion Corporation**, a communications systems manufacturer in West Windsor; **Bluenog Corporation**, a software developer in Piscataway; **Evident Software, Inc.**, which provides network monitoring and diagnostics for the financial services industry out of a New Jersey Institute of Technology business incubator in Newark; **mVisum, Inc.**, a medical data communications business located at the EDA's Waterfront Technology Center at Camden, and **TimeSight Systems, Inc.**, a surveillance video storage developer in Mount Laurel. Although the EDA continues to support this sector, currently there is limited capital available for new direct Edison Innovation Fund investments.



***Chromocell Corporation** celebrated an exciting milestone in 2009 by moving from the EDA's Commercialization Center for Innovative Technologies into 15,000 square feet of space at the new Biotechnology Development Center (BDC) on the campus of the EDA's Technology Centre of New Jersey. Chromocell has grown from a three-person operation located in a single, 800-square-foot laboratory to now employing 80 researchers and support staff at the BDC.*

**Compact Power, Inc.**, a battery technology packager in Dover, took advantage of the Edison Innovation R&D Fund supplemental wraparound financing, receiving a \$100,000 direct investment from the EDA on top of the \$500,000 R&D grant it was awarded from the CST. The funding may be used for non-research and development-related costs.

Fourteen technology and life sciences businesses planning to create nearly 2,000 new jobs and invest more than \$244 million in New Jersey's economy executed Business Employment Incentive Program (BEIP) grants with the EDA during the year. Grant recipients included **ImClone Systems, Inc.** of Branchburg, a wholly owned subsidiary of Eli Lilly and Company and a developer of oncology treatments, which expects to create more than 900 new jobs, **Sun Pharmaceutical Industries, Inc.**, a specialty pharmaceuticals business with U.S. headquarters in Michigan, which plans to establish more than 315 jobs, and **Integra LifeSciences Corporation**, a regenerative medicine manufacturer in Plainsboro, which anticipates establishing more than 200 new positions. Other businesses finalizing BEIP grants in 2009 that each plan to create 150 new jobs were **inVentiv Health, Inc.** of Frank-

lin, a provider of outsourced services for life sciences-related industries, and **AustarPharma, LLC**, an Edison-based pharmaceutical business.

In conjunction with the CST and the New Jersey Division of Taxation, the EDA administers the State's Technology Business Tax Certificate Transfer Program, which enables qualified biotechnology and technology businesses to raise cash to support their growth and operations by selling unused net operating losses and research and development tax credits to unrelated profitable corporations. In 2009, 97 businesses were approved to share the \$60 million available through this program, including nine that took advantage of the \$10 million set aside for companies located in the State's Edison Innovation Zones.

Changes enacted in 2009 to enhance this tax transfer program included increasing the maximum lifetime benefit per business to \$15 million, raising the amount of net operating loss carryover that may be surrendered to a corporate business taxpayer to 80 percent, establishing net operating loss as the determining factor for eligibility, eliminating the 75-percent New Jersey employee requirement, altering the minimum employee threshold, and returning unused Innovation Zone set-aside funding to the general program pool.

On the real estate front, **Chromocell Corporation** marked a significant expansion in 2009 by moving from the EDA's Commercialization Center for Innovative Technologies (CCIT) into 15,000 square feet of space at the new Biotechnology Development Center (BDC) on the campus of the Technology Centre of New Jersey. The 26,000-square-foot BDC was created to attract emerging technology companies and make "tweener" space available to growing businesses graduating from the CCIT and other incubators throughout the State. The new space provides Chromocell with its own conference rooms, reception area and visitor lobby and also features laboratories customized to the company's workflow. The drug discovery company began as a three-person operation located in a single, 800-square-foot CCIT lab in 2003, expanding to 6,000 square feet of



*Nistica, which benefited under the Technology Business Tax Certificate Program in 2009, is a global supplier of agile optical modules that simplify, automate and make affordable the delivery of high bandwidth applications.*

CCIT space by 2007. The BDC space was designed to accommodate Chromocell's current staff of 80 and enhance its ability to expand in the near-term future.

The CCIT also became one of only 14 business incubation facilities in the world to earn the Soft Landings International Incubator designation from the National Business Incubation Association in 2009. The honor recognizes an incubator's focus on accepting non-domestic firms into its market. The CCIT currently has 25 tenants, including nine companies that it welcomed in 2009.

Additionally, the EDA embarked on plans to construct 20,000 square feet of generic wet labs on the fifth floor of the Waterfront Technology Center at Camden. Drexel University's A. J. Drexel Plasma Institute (DPI) plans to occupy about 10,500 square feet of the space in 2010. DPI is a major research initiative of Drexel University for the application of plasma science to biology and medicine.

The EDA also finalized its \$1-million limited partnership investment in the OmniCapital Fund, which was created by the OmniCapital Group, LLC to invest in next-generation communication and information technologies. There is a minimum requirement of 2:1 matching for the EDA commitment, which will triple the investment

dollars available to New Jersey companies.

New Jersey's Energy Master Plan calls for the State to reduce electricity and heating consumption by 20 percent by the year 2020 and meet 20 percent of its energy needs through Class I renewable energy involving sources such as solar, wind, photovoltaics, fuel cells, wave tidal renewably generated hydrogen, sustainable harvested biomass and methane gas from landfills.

In connection with these goals, the EDA in 2009 partnered with the Board of Public Utilities (BPU) and the Department of Environmental Protection (DEP) to launch a suite of Clean Energy Solutions programs. These programs were designed to encourage clean energy-related businesses to grow in New Jersey and to help other companies become more energy efficient. The EDA managed funding totaling \$125 million through the new programs to reduce the amount of greenhouse gases in New Jersey and foster the creation of green-collar jobs.

The Clean Energy Solutions Capital Investment (CESCI) Loan/Grant program was one of those resources. It was created to support commercial, institutional or industrial entities advancing energy-efficient end-use projects, combined heat and power or cogeneration production facilities or electric generation facilities.

Northvale-based **Hausmann Industries, Inc.** was the first company to be approved for funding under CESCI. A 50-year-old manufacturer of equipment primarily used in the healthcare industry, Hausmann finalized a \$670,000 loan to purchase a 210 kw solar electric system that is expected to reduce greenhouse gas emissions by more than 3,200 metric tons over its 25-year life.

Through another new program, the Clean Energy Manufacturing Fund (CEMF), New Jersey clean technology manufacturers were able to receive funding under two separate components—project assessment and design, and project construction and operation. A qualified



***Petra Solar**, a thriving solar panel manufacturer, was the first company to receive funding under the Clean Energy Manufacturing Fund. The company was subsequently awarded a \$200-million PSE&G contract to manufacture smart solar systems for installation on PSE&G utility poles and street light poles.*

manufacturer of Class I renewable energy or energy efficiency systems, products or technologies could qualify for a grant up to \$300,000 to assist with the manufacturing site identification and procurement, design and permits, and up to \$3 million as a zero-interest, 10-year loan to support site improvements, equipment purchases, and facility construction and completion.

**Petra Solar, Inc.** of South Plainfield received the maximum \$3.3 million under CEMF to support the purchase of equipment and machinery and the planning/design process. This project will result in a total public/private investment of more than \$7.6 million and the company expects to create 164 new jobs over the next two years. Founded in 2006, Petra Solar designs, develops and manufactures electric power and power management products focused on the solar energy and smart grid markets. The company's flagship product is the SunWave™, a utility grade AC solar module that enhances the reliability of electric distribution systems by combining distributed solar generation with Smart Grid technology.

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## Promoting New Business Growth and Expansion in New Jersey

The EDA supports a wide range of businesses, not-for-profit organizations and other entities through its core assistance programs to fuel economic growth and job creation in New Jersey. Core financing activity totals reached nearly \$350 million in 2009 with 163 projects receiving assistance, more than tripling the EDA's Strategic Plan goal. These projects are anticipated to result in total public/private investment of more than \$918 million and the creation of over 3,200 new, full-time jobs and 9,300 construction jobs throughout New Jersey.

Borrowers utilized EDA assistance to acquire, construct and renovate buildings and purchase new equipment and machinery to enhance their efficiency and competitiveness. With EDA financing, they also were able to cover day-to-day operational expenses and to refinance higher-cost debt.

Often the EDA works in partnership with banks and other financial institutions throughout New Jersey to meet customer financing needs. It issues bonds directly purchased or underwritten by financial institutions so small and mid-size businesses can grow and not-for-profit organizations can upgrade their facilities and services.

The EDA is authorized by the Internal Revenue Service to issue conduit tax-exempt private activity bonds for a variety of purposes such as capital improvements and expansions, including real estate acquisitions, new equipment and machinery, and building construction and renovations. For-profit companies like manufacturers can borrow up to \$20 million with either a fixed or variable interest rate and terms up to 20 years for real estate and 10 years for equipment. Ten of the nearly 70 manufacturing projects that the EDA assisted in 2009 took advantage of the EDA's capacity to issue tax-exempt bonds.

**East Coast Panelboard, Inc.** of Tinton Falls, an electrical component manufacturer and family-owned business, combined \$8.8 million in



***Absolutely Energized Solar Electric, Inc.**, which benefited from EDA assistance in 2009, installed one of the largest pitched roof solar electric systems in New Jersey at **Fellowship Village Retirement Community** in Basking Ridge. Fellowship received a tax-exempt bond from the EDA to support the solar panel installation, which is expected to reduce 900,000 pounds of CO<sub>2</sub> each year.*

tax-exempt bond financing issued by the EDA with \$2.25 million in EDA direct loans and a \$750,000 EDA guarantee to purchase land and a building it had been leasing as well as new metal-working machines and storage and powder coat paint systems. The bonds for the \$13.6-million project were directly purchased by Provident Bank. A 10-year, \$6.55-million bond was issued to the real estate holding company for East Coast Panelboard for building acquisition and renovation. It closed at a fixed rate of 4.39 percent. A \$2.2-million bond was issued for a 15-year term to East Coast Panelboard for the purchase of equipment and machinery. It closed at a fixed interest rate of 4.06 percent. The company is adding 23 new jobs to its 41-person staff.

**Century Packaging, Inc.** which specializes in meeting packaging needs across a wide range of industries, also made use of EDA-issued tax-exempt bonds during the year, borrowing more than \$2.5 million for new equipment purchases and building renovations for its East Brunswick facility. The bonds were issued for eight years at a fixed interest rate of 3.52 percent, with interest only for six months. They were directly

purchased by People's Capital and Leasing Corp.

Tax-exempt bonds also proved to be the right choice for several core not-for-profits. **Cape Counseling Services, Inc.**, a behavioral health organization that provides mental health and substance abuse services to more than 5,000 families annually, was one of them. It acquired, renovated and equipped a 15,600-square-foot building in Middle Township, allowing it to consolidate leased space from two other Cape May County locations, with a \$1.3-million bond directly purchased by Crest Savings Bank. The bond was issued for 20 years at a fixed interest rate of 4.25 percent for the first half of the term.

Several credit-worthy core companies operating in the State for at least one year took advantage of the EDA's Small Business Fund, which offers financing up to \$300,000 for fixed assets. **Direct Cabinet Sales, Inc.** of South Brunswick, which designs, distributes and installs kitchen cabinetry to residential, commercial and new construction markets, borrowed \$300,000 to buy equipment and machinery. **Mercy Transportation, Inc.** of Franklin Township purchased used school buses to add to its fleet with a \$208,000 loan. Both loans were made for five years at a fixed interest rate of 3 percent. Together, the two businesses plan to create nearly 60 new jobs.

Twelve core projects availed themselves of the Statewide Loan Pool for Business program, which enables the EDA to participate in bank loans by providing part of the financing. **Metro Packaging & Imaging, Inc.** a folding carton manufacturer with New Jersey facilities in Wayne, was able to acquire forklifts, gluing and paper-cutting machines and plan for the hiring of 12 additional employees with a loan of nearly \$2.2 million from Sun National Bank. The financing included a 50-percent EDA participation made at 3.16 percent fixed interest for the first five years of a 10-year term, with interest only through 2009. **Fox Rehabilitation Services, P.C.**, a provider of in-home physical, occupational and speech therapy, maintained 400 jobs and plans to add as many as 240 new positions over the next two years with its relocation to larger facilities in



*MAQUET Cardiovascular* marked a significant milestone in 2009 with its decision to consolidate its U.S. facilities in Wayne and create 350 new jobs in the State. The company also made a private investment totaling \$40 million as a result of the expansion.

Cherry Hill Township. The move became possible with a \$6.25-million TD Bank loan that included a \$1.25-million EDA Statewide Loan Pool participation. The EDA portion of the loan was fixed at 3 percent interest for five years.

As part of our effort to assist businesses during the national economic crisis, the EDA implemented two major State initiatives in 2009 created by legislation, the Main Street Business Assistance Program and InvestNJ, to ease the tightened credit market and provide new job creation and capital investment tools to New Jersey businesses. EDA has a long history of working with the banking community to provide assistance to small businesses throughout New Jersey. It was that strong partnership we called upon to develop and implement the Main Street Business Assistance Program.

Seventeen core projects were finalized under the Main Street program to help New Jersey businesses and not-for-profits cope with the effects of a national recession. Ten loan participations totaling almost \$5.4 million and seven line of credit guarantees amounting to \$925,000 were completed during the year.

A specialty food market and catering service in Mount Laurel was the first business to use the program. **Abbruzzi and Giunta's Italian Mar-**

**ket & Catering** closed a \$1.5-million loan with Cornerstone Bank that included a \$211,000 EDA participation made under the program. The market used the funding to consolidate existing financing and expand the catering operations of the business that co-owners Joe Abbruzzi and Mark Giunta purchased in 1991.

Another business found the program useful for purchasing a building. A \$300,000 EDA Main Street participation in a \$1.2-million TD Bank loan was used by **Montclair Avenue, LLC** to acquire the structure in Pompton Lakes for one of its operating companies, PCA Engineering, Inc., a provider of design, installation and testing services for corrosion protection systems. Both EDA participations were made for five years at a fixed interest rate of 5 percent.

The line of credit guarantees provided under the Main Street program were the first ever offered by the EDA. Among core businesses that benefited from EDA guarantees were **Absolutely Energized Solar Electric, Inc.** of Millstone, a solar panel provider for residential and commercial buildings, and **Savona Foods, LLC** of West Deptford, an Italian food distributor servicing restaurants in southern and central New Jersey and the greater Philadelphia metro markets. The EDA provided \$250,000 guarantees on an \$800,000 line issued by The Bank for Absolutely Energized Solar Electric and a \$750,000 line approved by TD Bank for Savona Foods.

More than 1,350 applications were also received for grants under InvestNJ for job creation and capital investments. Funding for both programs has been halted in 2010 in accordance with Governor Chris Christie's efforts to curtail State spending to balance the New Jersey budget.

**MAQUET Cardiovascular LLC** and **The MLB Network, LLC** were two of the 10 core projects expecting to create over 2,000 new jobs that executed Business Employment Incentive Program grants in 2009. MAQUET moved new product lines to Wayne, signing a grant agreement worth an estimated \$3.9 million over 10 years based on its plans to create 350 new jobs. The BEIP grant was also a material factor in MLB's decision to establish new headquarters and more than 200 jobs in Secaucus. MLB's launch in 2009 was the largest network debut in cable history, reaching 50 million homes. Its 10-year grant was

estimated at more than \$8 million.

The Business Retention and Relocation Assistance Grant (BRRAG) program, which provides grants of corporate business tax credits to companies that are relocating within New Jersey and retaining jobs, was instrumental in keeping **Global Aerospace, Inc.** operating in the State in 2009. When this major provider of aviation insurance was considering a move out of State due to cost pressures facing the industry, a BRRAG worth an estimated \$185,000 was an important incentive in the company's decision to relocate its administrative, operations, finance and human resources staffs to Madison from Short Hills and maintain 154 jobs in New Jersey.

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## EDA Board Members

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### Chairman

#### **Al Koeppe**

President and CEO  
Newark Alliance

### EDA Vice Chairman

#### **Joseph A. McNamara**

Director  
Laborers Employers Cooperation and  
Education Trust

### Ex Officio Members

#### **Thomas B. Considine**

Acting Commissioner  
Department of Banking & Insurance  
**Richard Poliner** (Designee)

#### **Bob Martin**

Acting Commissioner  
Department of Environmental Protection

#### **Ray Cantor** (Designee)

#### **Andrew P. Sidamon-Eristoff**

Acting State Treasurer  
Department of the Treasury

#### **James Kelly** (Designee)

#### **Harold J. Wirths**

Acting Commissioner  
Department of Labor & Workforce  
Development

#### **Joseph Latoof** (Designee)

#### **Gerald Zaro**

Chief  
Governor's Office of Economic Growth

### Public Members

#### **Kevin Brown**

NJ District Area Director  
Service Employee International Union  
CLC

#### **Timothy L Carden**

Partner  
Public Private Strategy Group

#### **Thomas J. Manning**

Business Manager  
Steamfitters, Pipefitters and  
Apprentices Local Union No. 475

#### **Randal D. Pinkett**

Chairman and CEO  
BCT Partners

#### **Steven D. Plofker, Esq.**

Real Estate Developer,  
Investor and Attorney

#### **Charles H. Sarlo, Esq.**

Vice President and General Counsel  
DMR Architects

#### **Richard Tolson**

Director  
Bricklayers and Allied Craftworkers of NJ

### Alternate Public Member

#### **Raymond Burke**

President  
Burke Motor Group

#### **Elliot M. Kosoffsky**

Frank A. Greek & Son, Inc.

### Nonvoting Member

#### **Rodney Sadler**

Economic Recovery Board for  
Camden

**EDA Executive Team**

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**Caren S. Franzini**  
Chief Executive Officer

**Maureen M. Hassett**  
Senior Vice President  
Governance and Public Information

**Timothy J. Lizura**  
Senior Vice President  
Business Development

**Cynthia G. Osofsky**  
Senior Vice President  
Customer Solutions

**Kathleen E. Stucy**  
Senior Vice President  
Operations

**Anne Kurzenberger**  
Chief Talent & Learning Officer

**Tom Murphy**  
Chief Information Officer

**Greg Ritz, CPA**  
Chief Financial Officer

## Certifications Pursuant To E.O. 37

March 29, 2010

In accordance with Executive Order No. 37, the New Jersey Economic Development Authority's 2009 Annual Report also serves as the comprehensive report of the Authority's operations. This report highlights the significant action of the Authority for the year, including the degree of success the EDA had in promoting the State's economic growth strategies and other policies.

The report of independent auditors, Mercadien, P.C., dated March 22, 2010, is attached and completes the EDA's requirements concerning the preparation of a comprehensive report required by Executive Order No. 37.

I, Caren Franzini, certify that during 2009, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures and internal controls.

I further certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the authority for the year in question.



Caren S. Franzini  
Chief Executive Officer

I, Greg Ritz, certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the authority for the year in question.



Greg Ritz, CPA  
Chief Financial Officer

**NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY**  
Financial Statements and Additional Information on  
Federal Grant Programs in Accordance  
with OMB Circular A-133

December 31, 2009 and 2008

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

Financial Statements and Additional Information on  
Federal Grant Programs in Accordance  
with OMB Circular A-133

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## **I. Financial Section**

## INDEPENDENT AUDITORS' REPORT

Members of the Authority  
New Jersey Economic Development Authority

We have audited the accompanying basic financial statements of New Jersey Economic Development Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Jersey Economic Development Authority as of December 31, 2009 and 2008, and the respective changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

- AN INDEPENDENTLY OWNED MEMBER OF THE RSM MCGGLADREY NETWORK
- AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
- NEW JERSEY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
- NEW YORK SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
- PENNSYLVANIA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
- AICPA'S PRIVATE COMPANIES PRACTICE SECTION
- AICPA'S CENTER FOR AUDIT QUALITY
- REGISTERED WITH THE PCAOB

INDEPENDENT AUDITORS' REPORT (CONTINUED)

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2010, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis ("MD&A") on pages 3 through 11 is not a required part of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and State of New Jersey's OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Mercader, P.C.*  
*Certified Public Accountants*  
March 22, 2010

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**Management's Discussion and Analysis**  
**Years Ended December 31, 2009 and 2008**

This section of the New Jersey Economic Development Authority's ("Authority" or "NJEDA") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal years ended on December 31, 2009 and 2008. Please read it in conjunction with the Authority's financial statements and accompanying notes.

**2009 FINANCIAL HIGHLIGHTS**

- The Authority's total net assets decreased \$26.6 million (or 3.6%).
- Current liabilities decreased \$3.1 million (or 11.9%).
- Bonds payable-gross decreased \$10.4 million (or 12.8%) due to scheduled debt service payments.
- Capital assets-net decreased \$3.6 million (or 3.0%) primarily due to the sale of MSNBC production equipment and offset by the completed tenant fit-out for the Authority's Tech III and Tech IV leasehold improvements at the Technology Centre of New Jersey.

**2008 FINANCIAL HIGHLIGHTS**

- The Authority's total net assets decreased \$14.8 million (or 2.0%).
- Current liabilities decreased \$14.5 million (or 35.5%).
- Bonds payable-gross decreased \$32.7 million (or 28.6%) due to scheduled debt service payments.
- Capital assets-net decreased \$20.8 million (or 15.1%) primarily due to the sale of Barnes & Noble land, building and equipment, MSNBC production equipment and offset by ongoing construction in progress for Tech IV at the Technology Centre of New Jersey.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual financial report consists of two parts: *Management's Discussion and Analysis* (this section) and the *basic financial statements*. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short- and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to a private business engaged in such activities as real estate development, investment banking, commercial lending, construction management and consultation. While detailed sub-fund information is not presented, separate accounts are maintained for each program or project to control and manage money for particular purposes or to demonstrate that the Authority is properly using specific appropriations, grants and bond proceeds.

## FINANCIAL ANALYSIS OF THE AUTHORITY

**Net Assets.** The following table summarizes the changes in Net Assets for the years ended December 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>	<u>2007</u>	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Other Assets	\$716,519,427	\$753,693,388	\$798,191,189	(4.9)%	(5.6)%
Capital Assets, net	<u>113,833,398</u>	<u>117,409,324</u>	<u>138,220,607</u>	(3.0)%	(15.1)%
Total Assets	<u>830,352,825</u>	<u>871,102,712</u>	<u>936,411,796</u>	(4.7)%	(7.0)%
Long Term Debt	82,689,576	92,006,687	120,771,886	(10.1)%	(23.8)%
Other Liabilities	<u>43,335,850</u>	<u>48,192,168</u>	<u>69,892,751</u>	(10.1)%	(31.0)%
Total Liabilities	<u>126,025,426</u>	<u>140,198,855</u>	<u>190,664,637</u>	(10.1)%	(26.5)%
Net Assets:					
Invested in Capital Assets, Net of Related Debt	52,623,398	58,654,324	54,010,607	(10.3)%	8.6%
Restricted for School Loan Program	25,686,302	31,239,841	38,459,932	(17.8)%	(18.8)%
Unrestricted	<u>626,017,699</u>	<u>641,009,692</u>	<u>653,276,620</u>	(2.3)%	(1.9)%
Total Net Assets	<u>\$704,327,399</u>	<u>\$730,903,857</u>	<u>\$745,747,159</u>	(3.6)%	(2.0)%

During 2009, the Authority's combined net assets decreased \$26.6 million (or 3.6%) due to:

\$33.3	Million	PUST grant award payments and loan disbursements
\$21.5	Million	HDSRF program disbursements
\$11.3	Million	Municipal Economic Recovery Initiative grant award payments
\$4.9	Million	School Loan Program repayments returned to the State
(\$4.6)	Million	Business Assistance, Marketing and International Trade transferred from the State
(\$25.0)	Million	Main Street Business Assistance program transferred from the State
(\$28.4)	Million	Clean Energy Solutions Capital Investment transferred from the State
\$13.6	Million	Other Program Payments and Payments to/from the State

During 2008, the Authority's combined net assets decreased \$14.8 million (or 2.0%) due to:

(\$16.4)	Million	BEIP appropriations received in support of grant award payments
\$19.8	Million	PUST grant award payments and loan disbursements
\$5.1	Million	HDSRF program disbursements
\$20.1	Million	Municipal Economic Recovery Initiative grant award payments
\$6.9	Million	School Loan Program repayments returned to the State
(\$5.0)	Million	Business Assistance, Marketing and International Trade transferred from the State
(\$15.7)	Million	Other Program Payments and Payments to/from the State

**Operating Activities.** The Authority charges financing fees that may include an application fee, commitment fee, closing fee and a document execution fee. The Authority also charges an agency fee for the administration of financial programs for various government agencies; a program service fee for the administration of Authority programs that are service-provider based, rather than based on the exchange of assets such as the commercial lending program; and a real estate development fee for real estate activities undertaken on behalf of governmental entities and commercial enterprises. Interest income on investments, notes and intergovernmental obligations is recognized as earned. Grant revenue is earned when the Authority has complied with the terms and conditions of the grant agreements. The Authority also earns income from operating leases and interest income on lease revenue from capital lease financings. Late fees are charged to borrowers delinquent in their monthly loan payments. All forms of revenue accrue to the benefit of the program for which the underlying source of funds are utilized. The Authority considers all activity, except for the sale of capital assets and interest earned from investments, to be operating activities.

The following table summarizes the changes in operating and nonoperating activities between fiscal year 2009 and 2008:

	<u>2009</u>	<u>2008</u>	<u>2007</u>	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
<b>Operating Revenues</b>					
Financing Fees	\$4,242,026	\$3,504,883	\$3,080,786	21.0%	13.8%
Interest Income-Notes	7,095,531	7,222,905	6,936,927	(1.8)%	4.1%
Interest Income-Intergovernmental	420,572	522,998	618,345	(19.6)%	(15.4)%
Lease Revenue	12,208,242	18,599,425	17,889,952	(34.4)%	4.0%
Other	<u>6,931,051</u>	<u>5,552,071</u>	<u>8,844,328</u>	24.8%	(37.2)%
Total Operating Revenues	<u>30,897,422</u>	<u>35,402,282</u>	<u>37,370,338</u>	(12.7)%	(5.3)%
<b>Operating Expenses</b>					
Administrative Expenses	25,677,921	21,708,790	16,827,612	18.3%	29.0%
Interest Expense	3,468,690	4,467,024	6,850,482	(22.3)%	(34.8)%
Depreciation	8,684,083	10,062,085	11,489,306	(13.7)%	(12.4)%
Loss Provisions-Net	5,942,290	11,500,774	4,898,638	48.3%	134.8%
Other	<u>7,967,816</u>	<u>8,123,759</u>	<u>7,428,524</u>	(1.9)%	9.4%
Total Operating Expenses	<u>51,740,800</u>	<u>55,862,432</u>	<u>47,494,562</u>	(7.4)%	17.6%
Operating Loss	<u>(20,843,378)</u>	<u>(20,460,150)</u>	<u>(10,124,224)</u>	1.9%	102.1%

**Nonoperating Revenues and  
(Expenses)**

Interest Income-investments	9,104,441	16,221,076	28,742,994	(43.9)%	(43.6)%
State Appropriations and Program Payments-Net	(12,489,446)	(21,967,067)	(83,698,819)	(43.1)%	(73.8)%
Other (Expense)/Revenue	<u>(2,348,075)</u>	<u>11,362,839</u>	<u>3,239,772</u>	(120.7)%	250.7%
Total Nonoperating, Net	<u>(5,733,080)</u>	<u>5,616,848</u>	<u>(51,716,053)</u>	(202.1)%	(110.9)%
Change in Net Assets	(26,576,458)	(14,843,302)	(61,840,277)	79.0%	(76.0)%
Beginning Net Assets	<u>730,903,857</u>	<u>745,747,159</u>	<u>807,587,436</u>		
Ending Net Assets	<u>\$704,327,399</u>	<u>\$730,903,857</u>	<u>\$745,747,159</u>		

**Operating Revenues**

During 2009, the Authority's operating revenues were materially impacted by the following:

- Financing fees increased by \$0.7 million.
- Lease revenue decreased by \$6.4 million.
- Program services revenue increased by \$1.6 million.
- Loss Recoveries decreased by \$0.1 million.

During 2008, the Authority's operating revenues were materially impacted by the following:

- Financing fees increased by \$0.4 million.
- Lease revenue increased by \$0.7 million.
- Program services revenue decreased by \$0.4 million.
- Loss Recoveries decreased by \$1.4 million.
- Distributions received decreased by \$0.3 million from Edison IV Venture Fund.

**Operating Expenses**

In 2009, operating expenses decreased due primarily to a decline in Loss Provisions-Net in the current year, related to the Authority's investment in certain Venture Capital Funds.

In 2008, operating expenses increased in part due to the passing of Senate bill, No. 1980 which abolished the New Jersey Commerce Commission and transferred its primary function, powers and duties to the Division of Business Assistance, Marketing and International Trade within the Authority. This increase was offset by an Appropriation from the State for the Division and a decrease in Interest expense.

### **Nonoperating Revenues**

In 2009, Interest Income from investments decreased \$7.1 million compared to a decrease of \$12.5 million in 2008. The prior year also included a gain on sale of assets by \$6.4 million, primarily due to Barnes & Noble and MSNBC production equipment sold.

### **Allowance for Credit Losses**

The Authority has aligned its allowance policy to that practiced in the financial services industry. Allowances for doubtful notes and guarantee payments are determined in accordance with guidelines established by the Office of the Comptroller of the Currency. The Authority accounts for its potential loss exposure through the use of risk ratings. These specifically assigned risk ratings are updated to account for changes in financial condition of the borrower or guarantor, delinquent payment history, loan covenant violations, and changing economic conditions.

The assigned risk rating classifications are consistent with the ratings used by the Office of the Comptroller of the Currency. Each risk rating is assigned a specific loss factor in accordance with the severity of the classification. Each month an analysis is prepared using the current loan balances, existing exposure on guarantees, and the assigned risk rating to determine the adequacy of the reserve. Any adjustments needed to adequately provide for potential credit losses are reported as a Loss Provision.

The following table summarizes the Loan Allowance activity for the end of the period from December 31, 2007 through December 31, 2009:

**December 31, 2007**

Allowance for loan losses	\$16,196,326	
Accrued guarantee losses	<u>5,384,511</u>	
<b>Total allowance</b>		21,580,837

2008 Provision for credit losses-net	7,283,585	
2008 Write-offs	<u>(2,590,167)</u>	<u>4,693,418</u>

**December 31, 2008**

Allowance for loan losses	22,876,101	
Accrued guarantee losses	<u>3,398,154</u>	
<b>Total allowance</b>		26,274,255

2009 Provision for credit losses-net	6,515,563	
2009 Write-offs	<u>(3,149,502)</u>	<u>3,366,061</u>

**December 31, 2009**

Allowance for loan losses	26,593,381	
Accrued guarantee losses	<u>3,046,935</u>	
<b>Total allowance</b>		<u>\$29,640,316</u>

The Authority's write-down and Loan Loss Reserve policies closely align with the reporting requirements of the banking industry. When management determines that the probability of collection is less than 50% of the remaining balance, it is the policy to assign a Loss rating to the account. For an account rated as Loss, a loss provision is recognized for the entire loan balance.

Loans are written-off against the Loss Allowance when it is determined that the probability of collection is remote. The recognition of a loss does not automatically release the borrower from the obligation to pay the debt. Should the borrower, guarantors, or collateral position improve in the future, any and all steps necessary to preserve the right to collect these obligations will be taken.

Aggregate gross loan and guarantee exposure at December 31, 2009, was \$267,158,644, of which \$225,079,416 or 84.2% is for loans and \$42,079,228 for issued loan guarantees. The Authority maintains total Loss Allowance of \$29,640,316 or 11.1% of total exposure to cover potential losses in the loan and guaranty portfolio.

Total credit losses for the year ended December 31, 2009, were \$3,149,502 or 1.2% of the loan and guaranty portfolio. Total credit losses for the year ended December 31, 2008, were \$2,731,545 or 1.1% of the loan and guaranty portfolio.

The 2009 Loss Provisions – Net, of \$5.9 million, are related to the following detailed information:

\$6,472,000	Loan and Guarantee Program activity
(\$2,000)	Authority's share in the New Jersey Tech Council Venture Capital Fund
(\$113,000)	Authority's share in the Edison Venture Capital Funds
(\$800,000)	Authority's share in the Garden State Life Sciences Venture Fund
\$500,000	Authority's share in Nistica
(\$149,000)	Authority's share in Archive

The 2008 Loss Provisions – Net, of \$11.5 million, are related to the following detailed information:

\$7,263,000	Loan and Guarantee Program activity
\$17,000	Sale of equipment to MSNBC
\$1,235,000	Authority's share in the New Jersey Tech Council Venture Capital Fund
\$128,000	Authority's share in the Edison Venture Capital Fund
\$2,867,000	Authority's share in the Garden State Life Sciences Venture Fund

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The Authority independently, or in cooperation with a private or governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for the municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities. For the majority of these leases, future minimum lease rental payments are equal to the debt service payments related to the bonds or notes issued for the applicable property.

The following table summarizes the change in other Capital Assets-Net between fiscal year 2009 and 2008:

	<u>2009</u>	<u>2008</u>	<u>2007</u>	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Land	\$21,253,466	\$21,248,262	\$23,873,206	0.0%	(11.0)%
Construction in Progress	<u>285,986</u>	<u>5,412,464</u>	<u>450</u>	(94.7)%	
Total Nondepreciable Capital Assets	<u>21,539,452</u>	<u>26,660,726</u>	<u>23,873,656</u>		
Building	97,364,839	97,364,839	121,007,001	0.0%	(19.5)%
Leasehold Improvements	32,732,932	21,918,368	22,223,883	49.3%	(1.4)%
Equipment	<u>22,462,990</u>	<u>25,042,893</u>	<u>38,166,827</u>	(10.3)%	(34.4)%
Total Depreciable Capital Assets	152,560,761	144,326,100	181,397,711		
Less Accumulated Depreciation	<u>(60,266,815)</u>	<u>(53,577,502)</u>	<u>(67,050,760)</u>	12.5%	(20.1)%
Capital Assets-Net	<u>\$113,833,398</u>	<u>\$117,409,324</u>	<u>\$138,220,607</u>	(3.0)%	(15.1)%

The change in Leasehold Improvements in the current year resulted from the completion of tenant fit-out for the Authority's Tech III and Tech IV buildings. In the prior year, the sale of Barnes & Noble land, building and equipment was offset by the increase in Construction in Progress for ongoing work on Tech IV at the Technology Centre of New Jersey. Additionally, the purchase and sale of production equipment to MSNBC fluctuates each year.

More detailed information about the Authority's capital assets is presented in the Notes to the financial statements.

**Capital Debt.** At year end, the Authority had \$90,555,000 of gross bond and note principal outstanding; a net decrease of 10.7%, due to the paydown of scheduled debt. More detailed information about the Authority's capital debt is presented in the Notes to the financial statements.

The following table summarizes the changes in capital debt between fiscal year 2009 and 2008:

	<u>2009</u>	<u>2008</u>	<u>2007</u>	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Bonds Payable - Gross	\$71,145,000	\$81,560,000	\$114,245,000	(12.8)%	(28.6)%
Notes Payable	<u>19,410,000</u>	<u>19,830,000</u>	<u>20,160,000</u>	(2.1)%	(1.6)%
Total Bonds and Notes Payable	<u>\$90,555,000</u>	<u>\$101,390,000</u>	<u>\$134,405,000</u>	(10.7)%	(24.6)%

### **CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide New Jersey citizens, and our customers, clients, investors and creditors, with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional information, contact the Office of Public Affairs, NJEDA, P.O. Box 990, Trenton, NJ 08625-0990, or visit our web site at: [www.njeda.com](http://www.njeda.com).

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2009	2008
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$173,126,440	\$218,633,450
Investments	65,957,748	77,861,100
Receivables		
Notes	17,232,726	16,880,109
Accrued interest on notes	478,095	787,540
Accrued interest on investments	2,216,858	2,981,524
Intergovernmental	2,137,492	2,137,500
Leases	100,000	100,000
Other receivables	8,232,029	1,330,499
Total receivables	30,397,200	24,217,172
Prepays and deferred costs	549,050	551,109
Total current assets	270,030,438	321,262,831
<b>Noncurrent assets</b>		
Investments	253,007,031	249,126,408
Receivables		
Notes	168,205,671	142,190,454
Notes-restricted	39,641,019	50,310,910
Accrued interest on notes	3,319,438	2,864,195
Accrued interest on notes-restricted	129,839	162,299
Total notes receivables	211,295,967	195,527,858
Allowance for doubtful notes and guarantees	(26,593,381)	(22,876,101)
Net notes receivable	184,702,586	172,651,757
Intergovernmental restricted Unamortized discount	2,531,949 (523,552)	4,741,664 (944,123)
Net intergovernmental receivables	2,008,397	3,797,541
Leases-restricted Unamortized discount	7,806,869 (1,142,033)	7,906,869 (1,244,630)
Net leases receivable	6,664,836	6,662,239
Total receivables	193,375,819	183,111,537
Prepays and deferred costs	106,139	192,612
Nondepreciable capital assets	21,539,452	26,660,726
Depreciable capital assets, net	92,293,946	90,748,598
Total capital assets, net	113,833,398	117,409,324
Total noncurrent assets	560,322,387	549,839,881
<b>Total assets</b>	<b>\$830,352,825</b>	<b>\$871,102,712</b>

See accompanying notes.

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
CONSOLIDATED BALANCE SHEETS**

	<b>December 31,</b>	
	<b>2009</b>	<b>2008</b>
<b>Liabilities and net assets</b>		
<b>Current liabilities</b>		
Accrued liabilities	\$7,456,298	\$3,028,397
Deferred lease revenues	1,741,740	1,527,679
Deposits	4,518,957	9,408,736
OPEB obligation	0	324,201
Bonds payable	7,955,000	9,815,000
Notes payable	450,000	420,000
Accrued interest payable	791,544	1,493,865
Total current liabilities	22,913,539	26,017,878
<b>Noncurrent liabilities</b>		
Bonds payable-net	63,729,576	72,596,687
Notes payable	18,960,000	19,410,000
Deferred lease revenues	16,334,642	17,388,490
Accrued guarantee losses	3,046,935	3,398,154
Other	1,040,734	1,387,646
Total noncurrent liabilities	103,111,887	114,180,977
<b>Total liabilities</b>	126,025,426	140,198,855
<b>Net assets</b>		
Invested in capital assets, net of related debt	52,623,398	58,654,324
Restricted for school loan program	25,686,302	31,239,841
Unrestricted	626,017,699	641,009,692
<b>Total net assets</b>	704,327,399	730,903,857
<b>Total liabilities and net assets</b>	\$830,352,825	\$871,102,712

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**

	<b>Years ended December 31,</b>	
	<b>2009</b>	<b>2008</b>
<b>Operating revenues</b>		
Financing fees	\$4,242,026	\$3,504,883
Interest income-intergovernmental obligations	420,572	522,998
Interest income-notes	7,095,531	7,222,905
Total interest income	<u>7,516,103</u>	<u>7,745,903</u>
Financing lease revenue	102,597	102,558
Operating lease revenue	12,105,645	18,496,867
Agency fees	1,373,554	1,069,383
Program services	4,619,649	2,996,288
Real estate development	765,037	1,167,470
Other	172,811	318,930
Total other revenues	<u>19,139,293</u>	<u>24,151,496</u>
Total operating revenue	<u>30,897,422</u>	<u>35,402,282</u>
<b>Operating expenses</b>		
Salaries and benefits	21,769,366	17,908,389
General and administrative	3,908,555	3,800,401
Interest	3,468,690	4,467,024
Program costs	7,967,816	8,123,759
Depreciation	8,684,083	10,062,085
Loss provisions-net	5,942,290	11,500,774
Total operating expenses	<u>51,740,800</u>	<u>55,862,432</u>
<b>Operating loss</b>	<u>(20,843,378)</u>	<u>(20,460,150)</u>
<b>Nonoperating revenues and expenses</b>		
Interest income-investments	9,104,441	16,221,076
Unrealized (loss)/gain in investment securities	(2,348,075)	4,905,607
Gain on sale of assets-net	0	6,457,232
State appropriations-net	79,184,831	207,939,119
Program payments	(91,674,277)	(229,906,186)
<b>Nonoperating (expenses)/revenue, net</b>	<u>(5,733,080)</u>	<u>5,616,848</u>
<b>Change in net assets</b>	<u>(26,576,458)</u>	<u>(14,843,302)</u>
<b>Net assets - beginning of year</b>	<u>730,903,857</u>	<u>745,747,159</u>
<b>Net assets - end of year</b>	<u>\$704,327,399</u>	<u>\$730,903,857</u>

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Years ended December 31,	
	2009	2008
<b>Cash flows from operating activities</b>		
Financing fees	\$4,013,332	\$3,576,873
Interest from notes	9,272,064	8,936,803
Lease rents	11,222,069	18,143,038
Agency fees	1,273,854	1,070,683
Program services	4,554,206	3,324,352
Real estate development	801,560	1,135,102
General and administrative expenses paid	(25,541,723)	(25,581,741)
Program costs paid	(7,278,771)	(8,760,079)
Collection of notes receivable	27,236,253	29,644,027
Guarantee payments recovered	0	(2,905,350)
Loan disbursements	(44,698,859)	(33,262,806)
Deposits received	5,492,095	8,675,925
Deposits released	(10,399,422)	(6,809,085)
Net cash used in operating activities	<u>(24,053,342)</u>	<u>(2,812,258)</u>
<b>Cash flows from capital and related financing activities:</b>		
Payment of bonds and notes payable	(3,130,000)	(27,040,000)
Interest paid on bonds and notes payable	(3,008,995)	(3,622,049)
Purchase of capital assets	(5,796,980)	(6,369,157)
Sale of assets	585,133	22,870,871
Net cash used in capital and related financing activities	<u>(11,350,842)</u>	<u>(14,160,335)</u>
<b>Cash flows from noncapital financing activities:</b>		
Program funding received	2,209,723	2,161,112
Deposits received	55	1,295
Redemption and refunding of bonds payable	(9,060,000)	(7,230,000)
Interest paid on revenue bonds	(3,730,264)	(3,616,368)
Obligations paid	(346,911)	(1,229,862)
Issuance and servicing costs paid	(597,901)	(561,334)
Appropriations received	200,602,475	205,259,021
Payments to State of New Jersey	(4,887,936)	(6,867,844)
Program payments	(210,555,780)	(224,014,911)
Net cash used in noncapital financing activities	<u>(26,366,539)</u>	<u>(36,098,891)</u>
<b>Cash flows from investing activities</b>		
Interest from investments	9,876,908	15,475,101
Capital investments	(340,711)	(2,724,922)
Investments - purchases	(91,331,312)	(44,668,621)
- redemptions	98,058,828	68,930,755
Net cash provided by investing activities	<u>16,263,713</u>	<u>37,012,313</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(45,507,010)</b>	<b>(16,059,171)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>218,633,450</b>	<b>234,692,621</b>
<b>Cash and cash equivalents - end of year</b>	<b><u>\$173,126,440</u></b>	<b><u>\$218,633,450</u></b>

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)**

	<b>Years ended December 31,</b>	
	<b>2009</b>	<b>2008</b>
<b>Reconciliation of operating loss to net cash used in operating activities</b>		
Operating loss	(\$20,843,378)	(\$20,460,150)
Adjustments to reconcile operating loss to net cash used in operating activities		
Loss provisions	5,942,290	11,500,774
Depreciation	8,684,083	10,062,085
Amortization of discounts, premiums, deferred loss	(523,169)	(625,556)
Cash provided by nonoperating activities	8,692,161	8,999,750
Change in assets and liabilities		
Notes receivable	(17,460,481)	(3,619,856)
Guarantee payments receivable	0	(2,905,350)
Accrued interest receivable-notes	105,762	(333,040)
Lease payments receivable	100,000	40,682
Other receivables	(429,473)	810,578
Prepays and deferred costs	157,012	430,600
Capital investments	(148,389)	(154,975)
Notes payable	(1,355,000)	(1,255,000)
Accrued liabilities	(51,495)	(5,527,735)
Deferred lease revenues	(839,788)	(749,857)
Accrued interest payable	(1,201,687)	(723,378)
Deposits	(4,881,790)	1,698,170
<b>Net cash used in operating activities</b>	<b><u>(\$24,053,342)</u></b>	<b><u>(\$2,812,258)</u></b>
<b>Noncash investing activities</b>		
Unrealized (loss)/gain in investment securities	<u>(\$2,348,075)</u>	<u>\$4,905,607</u>

**New Jersey Economic Development Authority  
Notes to Financial Statements  
December 31, 2009 and 2008**

**Note 1: Nature of the Authority**

The New Jersey Economic Development Authority ("Authority") is a public body corporate and politic, constituting an instrumentality and component unit of the State of New Jersey ("State"). The Authority was established by Chapter 80, P.L. 1974 ("Act") on August 7, 1974, as amended and supplemented, primarily to provide financial assistance to companies for the purpose of maintaining and expanding employment opportunities in the State and increasing tax rates in underserved communities. The Act prohibits the Authority from obligating the credit of the State in any manner.

The Authority primarily offers the following products and services:

**(a) Bond Financing**

The Authority issues tax-exempt private activity bonds and taxable bonds. The proceeds from these single issue or composite series bonds are used to provide long-term, below-market interest loans to eligible entities, which include certain 501(c)(3) nonprofit organizations, manufacturers, exempt public facilities, solid waste facilities, and local, county, and State governmental agencies for real estate acquisition, equipment, machinery, building construction and renovations. All such bonds are special conduit debt obligations of the Authority, are payable solely from the revenues pledged with respect to the issue, and do not constitute an obligation against the general credit of the Authority.

**(b) Loans/Guarantees/Investments and Tax Incentives**

The Authority directly provides loans and loan guarantees to commercial enterprises and other nonprofits for various purposes to include: the acquisition of fixed assets; building construction and renovation; financing for working capital; technological development; and infrastructure improvements. The Authority also may provide financial assistance in the form of convertible debt, and take an equity position in technology and life sciences companies through warrant options. In addition to lending and investing its own financial resources, the Authority also administers several business growth programs supported through State appropriation/allocation, including tax credits for film industry and digital media projects, the technology business tax certificate transfer program, and job growth incentive grants. Other State mandated programs include loans/grants to support hazardous discharge site remediation and petroleum underground storage tank remediation.

**(c) Real Estate Development**

The Authority independently, or in cooperation with a private or another governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities.

**Component Units**

Pursuant to Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements include the accounts of the Authority and the Camden County Urban Renewal Limited Partnership (“CCURLP”), a blended component unit. CCURLP is a real estate joint venture which provides services for the exclusive benefit of the Authority. All intercompany transactions and balances are eliminated.

The Authority’s financial statements do not include the accounts of the New Jersey Community Development Entity (“NJCDE”), a component unit. NJCDE is a legal entity whose primary mission is to provide investment capital for low-income communities, on behalf of the Authority, through the allocation of federal New Markets Tax Credits. The Authority does not deem the operations of the NJCDE to be significant to the operations of the Authority. As of December 31, 2009 and 2008, total assets were \$3,529,244 and \$3,332,213, respectively.

**Related Party Transactions**

The Authority has contracted with several other State entities to administer certain loan programs on their behalf for a fee. In order for the Authority to effectively administer the programs, the Authority has custody of the cash accounts for each program. The cash in these accounts, however, is not an asset of the Authority and, accordingly, the balances in these accounts have not been included in the Authority’s consolidated balance sheets. The cash balances total \$91,027,869 and \$32,992,024 at December 31, 2009 and 2008, respectively. The following is a summary of the programs that the Authority manages on behalf of other State entities:

<u>Entity</u>	<u>Program</u>	<u>2009</u>	<u>2008</u>
Dept. of Treasury	Local Development Financing Fund	\$19,518,804	\$16,264,127
Board of Public Utilities	BPU Clean Energy Program	24,579,727	16,177,826
Dept. of Environmental Protection	DEP Recycling Loan Fund	1	10,861
Dept. of Human Services	DHS Child Care Facilities Fund	0	539,210
Dept. of Treasury	Invest New Jersey	46,929,337	0
		<u>\$91,027,869</u>	<u>\$32,992,024</u>

## **Note 2: Summary of Significant Accounting Policies**

### **(a) Basis of Accounting and Presentation**

The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. While detailed sub-fund information is not presented, separate accounts are maintained for each program and include certain funds that are legally designated as to use. Administrative expenses are allocated to the various programs.

In its accounting and financial reporting, the Authority follows the pronouncements of the Governmental Accounting Standards Board ("GASB") and other entities that promulgate accounting principles according to a hierarchy of sources of accounting principles. Per GASB Statement 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, priority is established as to which source of accounting principles to utilize in determining proper accounting treatment. The hierarchy is as follows: GASB Statements and Interpretations; GASB Technical Bulletins; American Institute of Certified Public Accountants ("AICPA") Industry Audit and Accounting Guides and AICPA Statements of Position, if applicable, and cleared by GASB; AICPA Practice Bulletins, if applicable, and cleared by GASB; Implementation Guides published by the GASB; AICPA pronouncements that are not specifically applicable to state and governmental entities; Financial Accounting Standards Board ("FASB") Statements and Interpretations; and Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure (issued on or before November 30, 1989). The Authority follows the hierarchy in determining accounting treatment.

### **(b) Revenue Recognition**

The Authority charges various program financing fees that may include an application fee, commitment fee, closing fee and a document execution fee. The Authority also charges a fee for the administration of financial programs for various government agencies and for certain real estate development and management activities. Fees are recognized when earned. Grant revenue is recognized when the Authority has complied with the terms and conditions of the grant agreements. The Authority recognizes interest income by amortizing the discount on intergovernmental obligations and lease revenue by amortizing the discount on capital lease financings. Operating lease revenue is recognized pursuant to the terms of the lease. The Authority considers all activity, except for the sale of capital assets and interest earned from investments, to be operating activities.

When available, it is the Authority's policy to first use restricted resources for completion of specific projects.

**(c) Cash Equivalents**

Cash equivalents are highly liquid debt instruments with original maturities of three months or less and participations in the State of New Jersey Cash Management Fund ("NJCMF"). The NJCMF is managed by the State's Division of Investment under the Department of the Treasury. All investments must fall within the guidelines set forth by the Regulations of the State Investment Council. The Division of Investment is permitted to invest in a variety of securities to include obligations of the U.S. Government and certain of its agencies, certificates of deposit, commercial paper, repurchase agreements, bankers' acceptances and loan participation notes. Investment guidelines provide that all investments in the NJCMF should mature or are to be redeemed within one year, except that up to 25% of the NJCMF may be invested in eligible securities which mature within 25 months; provided, however, that the average maturity of all investments in the NJCMF shall not exceed one year. Cash equivalents are stated at fair value.

**(d) Investments**

All investments, except for investment agreements, are stated at fair value. The Authority also invests in various types of joint ventures and uses the equity method to account for its investment when it exercises significant control or influence in the venture. Under the equity method, the investment is shown as a single amount on the balance sheet and the Authority's proportionate share of income or loss is recognized currently, rather than through dividends or disposal.

**(e) Amortization of Discounts and Premiums**

Interest on capital appreciation bonds is accreted using the interest method over the term of the bonds; for other discounts, the bonds outstanding method is used.

**(f) Guarantees Receivable**

Payments made by the Authority under its various guarantee programs are reported as Guarantees Receivable. These receivables are expected to be recovered either from the lender, as the lender continues to service the loan, or from the liquidation of the underlying collateral. Recoveries increase Worth [see Note 11].

**(g) Allowance for Doubtful Notes and Accrued Guarantee Losses**

Allowances for doubtful notes and accrued guarantee losses are determined in accordance with guidelines established by the Office of Comptroller of Currency. These guidelines include classifications based on routine portfolio reviews of various factors that impact collectability.

**(h) Operating and Non-Operating Revenues and Expenses**

The Authority defines operating revenues and expenses as relating to activities resulting from providing bond financing, direct lending and real estate development to commercial businesses, certain not-for-profit entities, and to local, county and State governmental entities. Non-operating revenues and expenses include income earned on the investment of funds, proceeds from the sale of certain assets and State appropriations.

**(i) Taxes**

The Authority is exempt from all Federal and State income taxes and real estate taxes.

**(j) Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**(k) Capitalization Policy**

Unless material, it is the Authority's policy to expense all expenditures of an administrative nature. Administrative expenditures typically include expenses directly incurred to support staff operations, such as automobiles, information technology hardware and software, office furniture and equipment.

With the exception of immaterial tenant fit-out costs of retail space that is sublet from the State of New Jersey, the Authority capitalizes all expenditures related to the acquisition of land, construction and renovation of buildings, and procurement of certain production equipment intended for sale or lease to its clients.

**(l) Depreciation Policy**

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the following estimated economic useful lives of the assets:

Building	20 years
Building Improvements	20 years
Leasehold Improvements	term of the lease
Tenant Fit-Out	term of the lease
Production Equipment	4 to 15 years
Vehicles	expensed
IT Hardware/Software	expensed
Furniture and Equipment	expensed

**(m) Reclassification of 2008 Balances**

Certain 2008 balances have been reclassified to conform with current year presentation.

**Note 3: Cash, Cash Equivalents and Investments**

**(a) Cash and Cash Equivalents**

Operating cash is held in the form of Negotiable Order of Withdrawal (“NOW”) accounts, money market accounts, and certificates of deposit. At December 31, 2009, the carrying amount of the Authority’s deposits was \$42,324,580 and the bank balance was \$50,097,825. Of the bank balance, \$1,250,000 was insured with Federal Deposit Insurance.

Pursuant to GASB Statement No. 40 “Deposit and Investment Risk Disclosures” (“GASB 40”), the Authority’s NOW accounts, as well as money market accounts and certificates of deposit, are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the NJEDA would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities are not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution’s trust department or agent but not in the government (NJEDA) name. At December 31, 2009, all of the Authority’s deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk.

Cash deposits at December 31, 2009 and 2008, are as follows:

<u>Deposit Type</u>	<u>Deposits</u>	
	<u>2009</u>	<u>2008</u>
NOW Accounts	\$26,253,580	\$32,411,818
Money Market Accounts	10,071,000	9,978,578
Certificates of Deposit	<u>6,000,000</u>	<u>14,237,671</u>
<b>Total Deposits</b>	<u>\$42,324,580</u>	<u>\$56,628,067</u>

**(b) Investments**

Pursuant to the Act, the funds of the Authority may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the Authority may approve. Accordingly, the Authority directly purchases permitted securities and enters into interest-earning investment contracts.

As of December 31, 2009 and 2008, respectively the total investment is \$266,457,816 and \$275,648,173. The Portfolio is comprised of short to medium term bonds and is managed by a financial institution, for the Authority, per a schedule of permitted investments. These investments include obligations guaranteed by the U.S. Government, Government Sponsored Enterprises, Money Market Funds, Mortgage Backed Pass-Throughs rated AAA by Standard & Poors or Moody's, and Repurchase Agreements. The Portfolio is managed with the investment objectives of: preserving capital, maintaining liquidity, achieving superior yields, and providing consistent returns over time. In order to limit interest rate risk, investments are laddered, with maturities ranging from several months to a maximum of four years.

Investment of bond proceeds are made in accordance with the Authority's various bond resolutions. The bond resolutions generally permit the investment of funds held by the trustee in the following: (a) obligations of, or guaranteed by, the State or the U.S. Government; (b) repurchase agreements secured by obligations noted in (a) above; (c) interest-bearing deposits, in any bank or trust company, insured or secured by a pledge of obligations noted in (a) above; (d) NJCMF; (e) shares of an open-end diversified investment company which invests in obligations with maturities of less than one year of, or guaranteed by, the U.S. Government or Government Agencies; (f) non-participating guaranteed investment contracts.

The Authority is the managing member of the Technology Centre of New Jersey, L.L.C., a real estate joint venture formed in 1999 to spur the growth of high tech industries in the State. The Centre is situated on a 50 acre site and comprised of infrastructure improvements and buildings. As the managing member, the Authority earns an administrative fee based on 5% of gross rents received from the operation of the Centre. At December 31, 2009 and 2008, the value of the Authority's investment in the Centre is \$14,655,777 and \$14,948,405, respectively. On behalf of the venture, the Authority prepares an annual report, a copy of which may be obtained by contacting the Authority.

The Authority is also a limited partner in various venture funds formed with the primary purpose of providing venture capital to exceptionally talented entrepreneurs dedicated to the application of proprietary technologies or unique services in emerging markets and whose companies are in the expansion stage. At December 31, 2009 and 2008, the aggregate value of the Authority's investment in these funds is \$16,280,657 and \$14,584,019, respectively. As a limited partner, the Authority receives financial reports from the managing partner of the funds, copies of which may be obtained by contacting the Authority.

### **(c) Fair Value Disclosures**

#### *Fair Value Measurements*

The Authority follows the Fair Value Measurements Topic of the FASB Accounting Standards Codification, which provides a framework for measuring fair value under accounting principles generally accepted in the United States of America.

As defined in the Fair Value Measurement Topic of the FASB Accounting Standards Codification, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Authority uses the stock market index approach. Based on this approach, the Authority often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Authority utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques the Authority is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 — Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 — Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 — Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

### *Investments*

The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

*Fair Value on a Recurring Basis*

The table below presents the balances of investments measured at fair value on the balance sheets as of December 31, 2009 and 2008:

	<u>December 31, 2009</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Available for sale securities	\$418,431,354	\$418,431,354	\$0	\$0
Other assets	<u>31,335,285</u>	<u>0</u>	<u>0</u>	<u>31,335,285</u>
Total	<u>\$449,766,639</u>	<u>\$418,431,354</u>	<u>\$0</u>	<u>\$31,335,285</u>

	<u>December 31, 2008</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Available for sale securities	\$458,710,466	\$458,710,466	\$0	\$0
Other assets	<u>30,282,424</u>	<u>0</u>	<u>0</u>	<u>30,282,424</u>
Total	<u>\$488,992,890</u>	<u>\$458,710,466</u>	<u>\$0</u>	<u>\$30,282,424</u>

In accordance with the Fair Value Measurements Topic of the FASB Accounting Standards Codification, the following is a reconciliation of changes in the fair value measurements of investments using significant unobservable inputs (Level 3):

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$30,282,424	\$31,133,800
Total realized and unrealized gains and losses included in change in net assets*	730,059	(2,168,679)
Purchases, issuances and settlements	428,983	3,111,417
Transfers in and/or out of Level 3	<u>(106,181)</u>	<u>(1,794,114)</u>
Balance, end of year	<u>\$31,335,285</u>	<u>\$30,282,424</u>

\*These items are included in changes in net assets as operating expenses, loss provisions-net, as follows:

Total realized and unrealized gains and losses included in changes in net assets	<u>\$730,059</u>	<u>(\$2,168,679)</u>
Changes in realized and unrealized gains and losses relating to assets still held at end of year	<u>\$543,630</u>	<u>(\$4,076,301)</u>

At December 31, 2009 and 2008, the Authority held other equity investments of \$398,851 and \$750,000, respectively. The investments are held in the form of stock. Value is based on analysis of companies' prospects in conjunction with valuations of comparable companies.

In order to maintain adequate liquidity, significant NJEDA funds are invested in the NJCMF, which typically earns returns that mirror short term interest rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At December 31, 2009 and 2008 the NJEDA balance is \$136,801,860 and \$168,005,382, respectively.

### **Custodial Credit Risk**

Pursuant to GASB 40, the Authority's investments are profiled to determine if they are exposed to Custodial Credit Risk. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government (NJEDA), and are held by either: the counterparty (institution that pledges collateral to government or that buys/sells investments for government) or the counterparty's trust department or agent but not in the name of the government. Investment pools such as the NJCMF and open ended mutual funds including Mutual Bond Funds are deemed not to have custodial credit risk. As of December 31, 2009, \$271,298,500 in NJEDA investments, comprised of \$78,954,240 in U.S. Treasuries, \$163,135,963 in U.S. Agencies, and \$29,208,297 in Corporates, were not registered in the name of the NJEDA and were held by the counterparty.

### **Concentration of Credit Risk**

The NJEDA places no limit on the amount the Authority may invest in any one issuer. At December 31, 2009, more than 5 percent of NJEDA investments are in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corp (FHLMC), and Federal National Mortgage Association (FNMA). These investments are 13.70% (\$61,598,569); 6.82% (\$30,652,353); 6.35% (\$28,559,979); and 9.41% (\$42,325,062), respectively, of the Authority's total investments. These four investments are included in the U.S. Government Agency category of investments. Investments issued by or guaranteed by the U.S. Government, mutual fund investments, and pooled investments are exempt from this requirement.

### **Credit Risk**

The Authority does not have an investment policy regarding the management of Credit Risk, as outlined above. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. All investments in Mutual Bond Funds and U.S. Agencies are rated AAA by Moody's and AAA by Standard & Poors ("S&P"). Corporates were rated AAA (\$21,639,224), AA+ (\$2,948,158), and A (\$4,620,915) by S&P. The NJCMF is not rated.

**Interest Rate Risk**

The Authority does not have a policy to limit interest rate risk, however, its practice is to hold investments to maturity.

As of December 31, 2009 and 2008, the NJEDA had the following investments and maturities:

<b>Investment Type</b>	<b>Fair Value as of 12/31/09</b>	<b>Investments Less than 1 Year</b>	<b>Maturities 1-5 Years</b>	<b>Fair Value as of 12/31/08</b>
<b>Debt Securities:</b>				
U.S. Treasuries	\$78,954,240	\$13,800,741	\$65,153,499	\$75,921,975
U.S. Agencies	163,135,963	27,438,826	135,697,137	185,128,901
Corporate	29,208,297	8,387,187	20,821,110	13,006,338
Mutual Bond Funds	10,330,994	10,330,994		16,647,870
Certificate of deposit	6,000,000	6,000,000		6,000,000
NJ Cash Management Fund	<u>130,801,860</u>	<u>130,801,860</u>		<u>162,005,382</u>
<b>Subtotal, Total Debt Securities</b>	<b><u>418,431,354</u></b>	<b><u>\$196,759,608</u></b>	<b><u>\$221,671,746</u></b>	<b><u>458,710,466</u></b>
<b>Non Debt Securities</b>				
Investment in Technology Center Joint Venture	14,655,777			14,948,405
Venture Fund Investments	16,280,657			14,584,019
Other Equity Investments	<u>398,851</u>			<u>750,000</u>
<b>Subtotal</b>	<b>449,766,639</b>			<b>488,992,890</b>
Less amounts reported as Cash Equivalents	<u>(130,801,860)</u>			<u>(162,005,382)</u>
<b>Total Investments</b>	<b><u>\$318,964,779</u></b>			<b><u>\$326,987,508</u></b>

**Note 4: Notes Receivable**

Notes Receivable consist of the following:	<u>2009</u>	<u>2008</u>
Economic Development Fund ("EDF") loan and guarantee programs; interest ranging up to 8%; maximum term 10 years	\$46,464,017	\$55,774,953
Economic Recovery Fund ("ERF") loan and guarantee programs; interest ranging up to 8%; maximum term of 9 years	125,478,536	90,663,082
Hazardous Discharge Site Remediation ("HDSR") loan program; interest ranging up to 5.5%; maximum term of 9 years	5,754,387	5,542,268
Public School Facilities ("PSF") loan program; interest ranging from 1.5% to 5.288%; maximum term of 4 years	43,818,937	54,315,634
Municipal Economic Recovery Initiative ("MERI") loan program; interest ranging up to 3%; maximum term of 21 years	<u>3,563,539</u>	<u>3,085,536</u>
	<b><u>\$225,079,416</u></b>	<b><u>\$209,381,473</u></b>

Aggregate Notes Receivable activity for the year ended December 31, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Loan Disbursements</u>	<u>Loan Receipts</u>	<u>Write-offs, Adjustments, Restructures- Net</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
EDF/ERF	\$146,438,035	\$43,095,818	(\$14,473,763)	(\$3,117,537)	\$171,942,553	\$12,164,975
HDSR	5,542,268	1,000,040	(785,796)	(2,125)	5,754,387	731,722
PSF	54,315,634	0	(10,496,697)	0	43,818,937	10,669,891
MERI	<u>3,085,536</u>	<u>603,000</u>	<u>(124,997)</u>	<u>0</u>	<u>3,563,539</u>	<u>158,111</u>
	<u>\$209,381,473</u>	<u>\$44,698,858</u>	<u>(\$25,881,253)</u>	<u>(\$3,119,662)</u>	<u>\$225,079,416</u>	<u>\$ 23,724,699</u>

Of the amount's due within one year, as noted above, \$7,547,861 due to the Public School Facilities Program ("PSF") is categorized as restricted since it cannot be used to pay other current liabilities.

**Note 5: Intergovernmental Receivables**

The Authority has various Agreements with the State and State entities relating to the issuance of Bonds. Pursuant to the underlying legislation and resolution, the bond proceeds finance various Authority programs and projects. Pursuant to the terms of the Agreements, the debt service on these bonds is payable solely from scheduled amounts receivable.

The Series 1996 Port bonds are secured solely by loan payments originally scheduled to be made to the Port Authority by various utilities authorities. The Port Authority has assigned the right to receive such loan payments to the Authority.

At December 31, 2009 and 2008, Intergovernmental Receivables are comprised of the following:

	<u>2009</u>	<u>2008</u>
NJ Port District Utilities Authorities Contract	\$4,669,441	\$6,879,164
Unamortized Discount	<u>(523,552)</u>	<u>(944,123)</u>
Total Net Intergovernmental Receivable	<u>\$4,145,889</u>	<u>\$5,935,041</u>

Aggregate gross receipts from intergovernmental receivables due through 2014 and thereafter are as follows:

2010	\$2,137,492
2011	904,167
2012	693,056
2013	693,057
2014	120,833
2015	<u>120,836</u>
	<u>\$4,669,441</u>

Intergovernmental Receivable activity for the year ended December 31, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Receivable Within One Year</u>
Gross Receivable	\$6,879,164	(\$2,209,723)	\$4,669,441	<u>\$2,137,492</u>
Discount	<u>(944,123)</u>	<u>420,571</u>	<u>(523,552)</u>	
Net Receivable	<u>\$5,935,041</u>	<u>(\$1,789,152)</u>	<u>\$4,145,889</u>	

## Note 6: Leases

### (a) Leases Receivable

The Authority has various financing leases relating to the issuance of Bonds and Notes Payable. Bond and Note proceeds finance specific projects. The financing leases provide for basic rental payments, by the tenant to the Authority, in an amount at least equal to the amount of debt service on the Bonds and Notes. In the event of default by the tenant to make rental payments, the Authority generally has recourse, including, but not limited to, taking possession and selling or subletting the leased premises and property.

The outstanding leases are as follows:

<u>Lease Description</u>	<u>2009</u>	<u>2008</u>
NY Daily News, through 7/30/21	\$7,906,869	\$8,006,869
Unamortized Discount	<u>(1,142,033)</u>	<u>(1,244,630)</u>
Aggregate Lease Payments Receivable-Net	<u>\$6,764,836</u>	<u>\$6,762,239</u>

Aggregate gross lease receipts due through 2014 and thereafter are as follows:

2010	\$100,000
2011	100,000
2012	100,000
2013	100,000
2014	100,000
2015-2019	500,000
2020-2021	<u>6,906,869</u>
	<u>\$7,906,869</u>

Lease payments receivable activity for the year ended December 31, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Receivable Within One Year</u>
Gross Receivable	\$8,006,869	(\$100,000)	\$7,906,869	<u>\$100,000</u>
Discount	<u>(1,244,630)</u>	<u>102,597</u>	<u>(1,142,033)</u>	
Net Receivable	<u>\$6,762,239</u>	<u>\$2,597</u>	<u>\$6,764,836</u>	

**(b) Operating Leases**

**(i) Authority as Lessor**

At December 31, 2009, capital assets with a gross carrying value of \$161,797,352 and accumulated depreciation of \$55,409,732 are leased to commercial enterprises. These leases generally provide the tenant with renewal and purchase options. Aggregate minimum lease receipts are expected as follows:

2010	\$9,781,199
2011	8,485,757
2012	8,209,921
2013	6,774,798
2014	6,269,517
2015-2019	20,757,159
2020-2024	6,323,420
2025-2029	2,254,771
2030-2034	745,000
2035-2036	<u>310,000</u>
	<u>\$69,911,542</u>

**(ii) Authority as Lessee**

The Authority leases commercial property, buildings, office space and parking. The leased premises are either sublet to commercial enterprises or utilized by Authority staff. Aggregate rental expense for the current year on commercial property amounted to \$577,473; and for property used by the Authority, rental expense amounted to \$365,138. Aggregate future lease obligations are as follows:

2010	\$775,785
2011	767,830
2012	739,719
2013	750,129
2014	760,186
2015-2019	2,406,750
2020-2024	1,092,550
2025-2029	1,236,000
2030-2034	1,307,000
2035-2039	956,300
2040-2044	646,300
2045-2049	743,250
2050-2054	<u>743,250</u>
	<u>\$12,925,049</u>

**Note 7: Capital Assets**

Capital asset activity for the years ended December 31, 2009 and 2008, was as follows:

	<b>December 31, 2007</b>	<b>Additions</b>	<b>Reductions</b>	<b>Adjustments to Reserve</b>	<b>December 31, 2008</b>
Capital assets not being depreciated:					
Land	\$23,873,206	\$0	(\$2,624,944)	\$0	\$21,248,262
Construction in progress	450	5,412,014	0	0	5,412,464
Capital assets being depreciated:					
Building	121,007,001	0	(23,642,162)	0	97,364,839
Leasehold improvements	22,223,883	0	(305,515)	0	21,918,368
Production equipment	<u>38,166,827</u>	<u>575,197</u>	<u>(13,936,995)</u>	<u>237,864</u>	<u>25,042,893</u>
Capital assets-gross	<u>205,271,367</u>	<u>5,987,211</u>	<u>(40,509,616)</u>	<u>237,864</u>	<u>170,986,826</u>
Less: accumulated depreciation	<u>67,050,760</u>	<u>10,062,085</u>	<u>(23,535,343)</u>	<u>0</u>	<u>53,577,502</u>
Capital assets-net	<u>\$138,220,607</u>	<u>(\$4,074,874)</u>	<u>(\$16,974,273)</u>	<u>\$237,864</u>	<u>\$117,409,324</u>
	<b>December 31, 2008</b>	<b>Additions</b>	<b>Reductions</b>	<b>Adjustments to Reserve</b>	<b>December 31, 2009</b>
Capital assets not being depreciated:					
Land	\$21,248,262	\$5,204	\$0	\$0	\$21,253,466
Construction in progress	5,412,464	5,688,086	(10,814,564)	0	285,986
Capital assets being depreciated:					
Building	97,364,839	0	0	0	97,364,839
Leasehold improvements	21,918,368	10,814,564	0	0	32,732,932
Production equipment	<u>25,042,893</u>	<u>0</u>	<u>(2,659,694)</u>	<u>79,791</u>	<u>22,462,990</u>
Capital assets-gross	<u>170,986,826</u>	<u>16,507,854</u>	<u>(13,474,258)</u>	<u>79,791</u>	<u>174,100,213</u>
Less: accumulated depreciation	<u>53,577,502</u>	<u>8,684,083</u>	<u>(1,994,770)</u>	<u>0</u>	<u>60,266,815</u>
Capital assets-net	<u>\$117,409,324</u>	<u>\$7,823,771</u>	<u>(\$11,479,488)</u>	<u>\$79,791</u>	<u>\$113,833,398</u>

In 2009, the Authority completed tenant fit-out of its Tech III and Tech IV buildings, located in North Brunswick. This work was necessary to provide suitable space for new tenants, and will enable the Authority to assist more businesses in the State.

In the second quarter of 2009 the Authority commenced the design of wet laboratory tenant improvements for the fifth floor of the Waterfront Technology Center at Camden. The cost of this construction is approximately \$5,120,000. The space will be leased at \$295,000 per year, initially for a period of ten years.

**Note 8: Bonds Payable**

The bonds reported in the following table have been issued in order to fund commercial loans, loans to school districts, commercial real estate development and capital construction. The Bonds are secured by lease rental payments, loan repayments and the underlying assets pledged pursuant to the Bond resolutions. In the event of default by the tenant to make rental payments, the Authority generally has recourse, including, but not limited to, taking possession and selling or subletting the leased premises and property.

The Series 1996 Port bonds are secured solely by loan payments originally scheduled to be made to the Port Authority by various utilities authorities. The Port Authority has assigned the right to receive such loan payments to the Authority.

The outstanding issues are as follows:

	<u>2009</u>	<u>2008</u>
<b>\$46,815,000 NJEDA Revenue Bonds</b> (Public Schools Small Project Loan Program), 2004 Series, interest ranging from 3% to 5%; due 8/15/10 through 8/15/13. Series 1993 was refunded on 3/15/04.	<b>\$17,700,000</b>	\$21,715,000
<b>\$43,000,000 Variable Rate Lease Revenue Bonds</b> , 2003 Series A and B, (Camden Center Urban Renewal Limited Partnership Project); adjustable rate, due annually through 3/15/18	<b>36,800,000</b>	38,155,000
<b>\$167,500,000 NJEDA Taxable Economic Development Bonds MSNBC/CNBC Project</b> , 1997 Series A and B, adjustable rate, due through 10/1/21	<b>11,000,000</b>	14,600,000
<b>\$18,355,000 NJEDA Taxable Revenue Bonds, North Jersey Port District Utilities Authorities Loan Securitization Program ("Port")</b> , Series 1996, interest ranging from 7.05% to 7.25%; due 2/15/10 through 2/15/12	<b><u>5,645,000</u></b>	<u>7,090,000</u>
Subtotal	<b>71,145,000</b>	81,560,000
Unamortized premium	<b><u>539,576</u></b>	<u>851,687</u>
	<b><u>\$71,684,576</u></b>	<u>\$82,411,687</u>

At December 31, 2009, the carrying amount of all aggregate bonds payable approximates fair market value. Aggregate debt service requirements of bonds payable through 2014 and thereafter are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$7,955,000	\$2,068,058	\$10,023,058
2011	6,875,000	1,722,838	8,597,838
2012	7,900,000	1,339,281	9,239,281
2013	6,010,000	2,283,792	8,293,792
2014	1,475,000	1,971,338	3,446,338
2015-2019	31,230,000	6,990,828	38,220,828
2020-2021	<u>9,700,000</u>	<u>67,900</u>	<u>9,767,900</u>
	<u>\$71,145,000</u>	<u>\$16,444,035</u>	<u>\$87,589,035</u>

Bonds payable activity for the years ended December 31, 2009 and 2008, was as follows:

	<u>December 31, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>December 31, 2008</u>	<u>Amounts Due Within One Year</u>
Bonds Payable-gross	\$114,245,000	\$0	(\$32,685,000)	\$81,560,000	<u>\$9,815,000</u>
Unamortized premium	<u>1,264,609</u>	<u>0</u>	<u>(412,922)</u>	<u>851,687</u>	
Total Bonds Payable-net	<u>\$115,509,609</u>	<u>\$0</u>	<u>(\$33,097,922)</u>	<u>\$82,411,687</u>	
					<u>Amounts Due Within One Year</u>
	<u>December 31, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>December 31, 2009</u>	
Bonds Payable-gross	\$81,560,000	\$0	(\$10,415,000)	\$71,145,000	<u>\$7,955,000</u>
Unamortized premium	<u>851,687</u>	<u>0</u>	<u>(312,111)</u>	<u>539,576</u>	
Total Bonds Payable-net	<u>\$82,411,687</u>	<u>\$0</u>	<u>(\$10,727,111)</u>	<u>\$71,684,576</u>	

Pursuant to GASB issued statement, "Disclosure of Conduit Debt Obligations" (GASBI-2), there is no requirement to record conduit debt that is simultaneously recorded by the entity that is responsible for its payment. The State of New Jersey records this debt on its financial statements. It is the Authority's opinion that by not reporting the State backed conduit debt and Agency type transactions on its financial statements a more accurate assessment of its financial position and operations exists.

**Note 9: Notes Payable**

Generally, Notes Payable are special obligations of the Authority payable solely from loan payments, lease rental payments and other revenues, funds and other assets pledged under the notes and do not constitute obligations against the general credit of the Authority. Note proceeds are used to fund specific programs and projects and are not co-mingled with other Authority funds.

The outstanding notes are as follows:	<u>2009</u>	<u>2008</u>
Community Development Investments, LLC; interest at 5%; principal & interest due monthly through 4/12/14 with final payment due at maturity on 5/12/14	<b>\$2,000,000</b>	\$2,000,000
City of Camden, NJ; interest at 6%; principal & interest due monthly through maturity on 2/5/16	<b>4,000,000</b>	4,000,000
Jersey Central Power & Light; interest at 3%; interest only due monthly through 11/12/20; principal due at maturity on 11/12/20	<b>1,000,000</b>	1,000,000
Public Service New Millennium Economic Development Fund, LLC; interest at 2%; interest only due monthly through 11/7/20; principal due at maturity on 11/7/20	<b>5,000,000</b>	5,000,000
Waterfront Technology Center Construction Loan; variable interest; principal and interest due monthly over 60 month period, through maturity on 1/31/12	<b><u>7,410,000</u></b>	<u>7,830,000</u>
	<b><u>\$19,410,000</u></b>	<b><u>\$19,830,000</u></b>

At December 31, 2009, the carrying value of all notes payable approximates fair market value. Aggregate debt service requirements of notes payable through 2014 and thereafter are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$450,000	\$859,040	\$1,309,040
2011	1,337,876	527,055	1,864,931
2012	7,563,125	405,607	7,968,732
2013	1,144,852	333,350	1,478,202
2014	1,210,125	268,076	1,478,201
2015-2019	1,704,022	761,676	2,465,698
2020	<u>6,000,000</u>	<u>112,722</u>	<u>6,112,722</u>
Total	<u>\$19,410,000</u>	<u>\$3,267,526</u>	<u>\$22,677,526</u>

Notes payable activity for the years ended December 31, 2009 and 2008 was as follows:

<u>December 31, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>December 31, 2008</u>	<u>Amounts Due Within One Year</u>
<u>\$20,160,000</u>	<u>\$0</u>	<u>(\$330,000)</u>	<u>\$19,830,000</u>	<u>\$420,000</u>
 <u>December 31, 2008</u>	 <u>Additions</u>	 <u>Reductions</u>	 <u>December 31, 2009</u>	 <u>Amounts Due Within One Year</u>
<u>\$19,830,000</u>	<u>\$0</u>	<u>(\$420,000)</u>	<u>\$19,410,000</u>	<u>\$450,000</u>

**Note 10: Net Assets**

The Authority's Net Assets are categorized as follows:

- Invested in capital assets, net of related debt
- Restricted
- Unrestricted

Invested in Capital Assets, Net of Related Debt includes capital assets net of accumulated depreciation used in the Authority's operations as well as capital assets that result from the Authority's real estate development and operating lease activities. Restricted assets include net assets that have been restricted in use in accordance with State law, such as the Public School Facilities loan program, noted in Note 4. Unrestricted assets include all net assets not included above. The changes in Net Assets during 2009 and 2008 are as follows:

	<u>Invested in Capital Assets Net of Debt</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Totals</u>
Net Assets December 31, 2007	\$54,010,607	\$38,459,932	\$653,276,620	\$745,747,159
Change in net assets	<u>4,643,717</u>	<u>(7,220,091)</u>	<u>(12,266,928)</u>	<u>(14,843,302)</u>
Net Assets December 31, 2008	58,654,324	31,239,841	641,009,692	730,903,857
Change in net assets	<u>(6,030,926)</u>	<u>(5,553,539)</u>	<u>(14,991,993)</u>	<u>(26,576,458)</u>
Net Assets December 31, 2009	<u>\$52,623,398</u>	<u>\$25,686,302</u>	<u>\$626,017,699</u>	<u>\$704,327,399</u>

**Note 11: Commitments and Contingencies**

**(a) Loan and Bond Guarantee Programs**

The Authority has a special binding obligation regarding all guarantees to the extent that funds are available in the guarantee accounts as specified in the guarantee agreements. Guarantees are not, in any way, a debt or liability of the State.

**(1) Economic Recovery Fund**

The guarantee agreements restrict the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt to Worth ratio is greater than 5 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the guarantee program account. Principal payments on guaranteed loans and bonds reduce the Authority's exposure. At December 31, 2009, Debt was \$17,423,938 and Worth was \$100,659,971, with a ratio of 0.17 to 1.

## **(2) Economic Growth Composite Bond Program**

The Guarantee Agreement relating to Economic Growth Composite Bonds requires the Authority to establish, in trust, a Cash Collateral Account. This obligation to deliver funds to the trustee is a general obligation of the Authority.

To the extent guarantee payments of principal on the bonds cannot be recovered through collateral liquidation, loan restructure, etc., the Authority's aggregate composite exposure is permanently reduced. At December 31, 2009, aggregate exposure and the cash collateral balance are both \$347,025.

## **(3) New Jersey Business Growth Fund**

The Authority guarantees between 25% and 50% of specific, low-interest loans to New Jersey companies, made by one of its preferred lenders, with a maximum aggregate exposure to the Authority not to exceed \$10 million and, at no time will the Authority pay more than \$10 million, net, of guarantee demands. At December 31, 2009, aggregate exposure and related worth within the Business Growth Fund account are both \$10,000,000.

### **(b) Loan Program Commitments and Project Financings**

At December 31, 2009, the Authority has \$35,801,403 of loan commitments not yet closed or disbursed and \$103,441,715 of project financing commitments.

### **(c) New Markets Tax Credit Program**

On December 28, 2005, the Authority loaned \$31,000,000 to a limited liability company, to facilitate their investment in a certified community development entity whose primary mission is to provide loan capital for commercial projects in low-income areas throughout New Jersey. The limited liability company also received an equity investment from a private corporation. The limited liability company then invested the combined proceeds in the community development entity, which was awarded an allocation in Federal tax credits under the New Markets Tax Credit Program.

During 2007, the Authority made two additional New Markets commitments. On September 24, 2007, the Authority facilitated a transaction in which \$3,500,000 in credits were allocated (no Authority funds were utilized). On September 26, 2007, the Authority loaned \$20,296,000 to another limited liability company with terms similar to the first transaction.

During 2008, the Authority closed three additional New Markets commitments. A total of \$37,000,000 in credits were allocated (no Authority funds were utilized).

In 2009, one New Markets commitment was closed. A total of \$12,419,151 in credits were allocated (no Authority funds were utilized).

As part of the seven agreements, the private corporate investors will claim the Federal tax credits in exchange for their investments. Claiming these credits carries the risk of recapture, whereby an event occurs that would negate the credit taken, causing it to be returned with interest. Based on the agreements between the Authority and the respective limited liability companies, the Authority will provide a guaranty to the private corporate investors against adverse consequences caused by a recapture event. As of December 31, 2009, the aggregate exposure to the Authority for all of the seven transactions described above is \$47,328,509. The Authority has determined the likelihood of paying on the guaranty, at this time, is remote.

#### **Note 12: Litigation**

The Authority is involved in several lawsuits that, in the opinion of the management of the Authority, will not have a material effect on the accompanying financial statements.

#### **Note 13: Employee Benefits**

##### **(a) Public Employees Retirement System of New Jersey ("PERS")**

The Authority's employees participate in the PERS, a cost sharing multiple-employer defined benefit plan administered by the State. The Authority's contribution is based upon an actuarial computation performed by the PERS. Pursuant to the Pension Security Legislation Act of 1997, the issuance of bonds permitted the pension benefit obligation to be fully funded from 1998 to 2004. Beginning in 2005, the Authority was assessed a portion of its normal contribution, which increased each year until 2009, when 100% of the normal contribution was assessed, and for each year thereafter. For the years ending December 31, 2009 and 2008, the Authority was assessed \$743,700 and \$549,444, or 100% and 80% of its normal contribution, respectively. Employees of the Authority are required to participate in the PERS and contribute 5% of their annual compensation. The payroll for employees covered by PERS for the years ending December 31, 2009 and 2008 was \$15,474,849 and \$11,114,716, respectively.

The general formula for annual retirement benefits is the final average salary divided by 55, times the employee's years of service. Pension benefits fully vest upon reaching 10 years of credited service. Members are eligible for retirement at age 60 with no minimum years of service required. Members who have 25 years or more of credited service may select early retirement without penalty at or after age 55 and receive full retirement benefits. The PERS also provides death and disability benefits. All benefits are established by State statute.

The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for the PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

**(b) Postemployment Health Care and Insurance Benefits**

The Authority sponsors a single employer postemployment benefits plan that provides benefits in accordance with State statute, through the State Health Benefits Bureau, to its retirees having 25 years or more of service in the PERS and are at least 47 years of age or to employees approved for disability retirement. Health benefits and prescription benefits provided by the plan are at no cost to the retiree. Upon turning 65 years of age, a retiree must utilize Medicare as their primary coverage, with State Health Benefits providing supplemental coverage. In addition, life insurance is provided at no cost to the Authority and the retiree in an amount equal to 3/16 of their average salary during the final 12 months of active employment.

Pursuant to GASB Statement No. 45 ("GASB 45"), *Accounting & Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Authority obtained an actuarially determined calculation for this obligation, and has established and funded a trustee administered account to meet it.

The Authority's annual other postemployment benefits ("OPEB") cost for the plan is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. This represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year, and to amortize any unfunded actuarial accrued liability (UAAL) or excess over a period not to exceed 30 years. The Authority elected to amortize the UAAL over one year in 2006. The Authority's annual OPEB cost for the years ended December 31, 2009 and 2008, and the related information for the Plan are as follows (dollar amounts in thousands):

	<u>2009</u>	<u>2008</u>
Annual required contribution (ARC)	\$3,666	\$633
Contributions made	<u>3,990</u>	<u>4,528</u>
(Increase) in net OPEB obligation	(324)	(3,895)
Net OPEB Obligation - beginning of year	<u>324</u>	<u>4,219</u>
Net OPEB Obligation - end of year	<u>\$0</u>	<u>\$324</u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for fiscal years 2009, 2008 and 2007 are as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/09	\$3,666	100.0%	\$0
12/31/08	\$633	100.0%	\$324
12/31/07	\$634	100.0%	\$4,219

As of December 31, 2009, the actuarial accrued liability for benefits was \$16,298,519, none of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$13,212,564, and the ratio of unfunded actuarial accrued liability to the covered payroll was 0%.

To fund its OPEB obligation, the Authority has set aside monies (plan assets) in a bank account administered by a Trustee. As of December 31, 2009, the balance was \$17,101,900 and interest earnings on the account were \$91,573 in 2009. The plan assets are valued at fair value.

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrence of future events, such as employment, mortality, and healthcare costs. Amounts determined regarding the funded status of the plan and the annual required contributions of the Authority are subject to continual revision as actual results are compared with past expectations and new estimates are made regarding the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the January 1, 2009, actuarial valuation the projected unit credit actuarial cost method was used. In this method benefits are attributed from date of hire to the date of decrement. In the actuarial assumptions the investment return on plan assets was projected at an annual rate of 4%. The healthcare cost trend assumed in the actuarial valuation includes an initial annual healthcare cost trend rate of 9% annually, decreasing by 1% per year to an ultimate rate of 5% effective 2013 and thereafter. Both rates include a 4% inflation assumption.

**Required Supplemental Information**

*Funding Status and Funding Progress.* The funding status of the plan as of December 31, 2009, (based on 1/1/09 valuation date), and the preceding actuarial valuation date of 1/1/06, are as follows:

	<u>2009</u>	<u>2006</u>
Actuarial accrued liability (AAL)	\$16,298,519	\$12,656,316
Actuarial value of plan assets	<u>17,101,900</u>	<u>                    </u>
Unfunded actuarial accrued (asset)/liability (UAAL)	<u>(\$803,381)</u>	<u>\$12,656,316</u>
Funded ratio (actuarial value of plan assets/AAL)	104.9%	0%
Covered payroll (active plan members)	\$13,212,564	\$8,596,556
UAAL as a percentage of covered payroll	0%	147.2%

**Note 14: Compensated Absences**

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Authority recorded current liabilities in the amount of \$753,567 and \$713,250 as of December 31, 2009 and 2008, respectively. The liability as of the balance sheet date is the value of employee accrued vacation time and vested estimated sick leave benefits that are probable of payment to employees upon retirement. The vested sick leave benefit to retirees for unused accumulated sick leave is calculated at the lesser of ½ the value of earned time or \$15,000. The payment of sick leave benefits, prior to retirement, is dependent on the occurrence of sickness as defined by Authority policy; therefore, such non-vested benefits are not accrued.

**Subsequent Events**

On January 20, 2010, the Authority purchased a surface parking lot, located at the intersection of Barnes and Bank Streets, in Trenton, New Jersey, for the sum of \$2,080,239. The lot, which consists of 180 parking spaces is used by Authority employees during normal business hours, and was previously leased by the Authority for the same purpose.

Management has evaluated subsequent events that occurred after the balance sheet date but before March 22, 2010, the date the financial statements were available to be issued. No items other than the matter above were determined by management to require disclosure.

## **II. Government Auditing Standards Section**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Members of the Authority  
New Jersey Economic Development Authority

We have audited the financial statements of New Jersey Economic Development Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the year ended December 31, 2009, and have issued our report thereon dated March 22, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

Internal Control Over Financial Reporting (Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Members of the Authority, management, others within the Authority, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Mercader, PC*  
*Certified Public Accountants*

March 22, 2010

### **III. OMB Circular A-133 Section**

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED DECEMBER 31, 2009

Federal Grant No. (award)	Federal Program	CFDA	Grant Period		Grant		Expenditures		Total Cumulative	
			FROM	TO	Federal Share	Grantee Share	Federal Share	Grantee Share	Expenditures to December 31, 2009	Expenditures to December 31, 2009
*01-19-01468	Economic Development Administration Public Works and Economic Development Act of 1965, Title IX (OKONITE RLP)	11.300	5/26/76	Indefinite	\$ 13,000,000	\$ -	\$ 2,218,314	\$ -	\$ 59,605,149	(1) \$ -
01-19-01825	Economic Development Administration Public Works and Economic Development Act of 1965, Title IX (TITLE IX RLP)	11.300	9/29/78	Indefinite	2,658,500	5,300,000	-	-	11,467,050	(2) 22,879,135
01-19-01825-01	Economic Development Administration Public Works and Economic Development Act of 1965, Title IX (NYSR&WRXR RLP)	11.300	9/29/81	Indefinite	2,500,000	-	-	-	5,437,417	(3) -
01-19-02464-01	Economic Development Administration Public Works and Economic Development Act of 1965, Title IX (HYCL RLP)	11.300	11/30/83	Indefinite	3,000,000	1,000,000	45,000	15,000	9,130,259	(4) 3,043,420
DE-EE0000258	United States Department of Energy American Recovery and Reinvestment Act (ARRA) of 2009, Subrecipient Under NJ Board of Public Utilities	81.041	8/25/09	4/30/12	15,000,000	-	-	-	-	-
01-01-08448	Economic Development Administration Public Works Grant Camden Technology Campus Construction	11.300	9/15/09	3/21/12	1,500,000	1,500,000	-	-	-	-
	Total				\$ 37,658,500	\$ 7,800,000	\$ 2,263,314	\$ 15,000	\$ 85,639,875	\$ 25,922,555

(1) After the initial award of \$13,000,000, subsequent loans were reprogrammed from the initial award in the amount of \$46,605,149, of which \$2,218,314 was reprogrammed during 2009.  
 (2) Guarantee payment and loans from the initial award were \$1,290,140 and \$1,368,360, respectively. After the initial award, subsequent guarantee payments were reprogrammed to the initial award in the amount of \$14,795,218, of which no funds were reprogrammed for guarantee payments during 2009; loans reprogrammed from the initial award were \$16,892,467; none of which were reprogrammed during 2009.  
 (3) After the initial award of \$2,500,000, subsequent loans were reprogrammed from the initial award in the amount of \$2,937,417; none of which was reprogrammed during 2009.  
 (4) After the initial award of \$4,000,000 (\$3,000,000 federal and state, respectively), subsequent loans were reprogrammed from the initial award in the amount of \$8,173,679, of which \$60,000 was reprogrammed during 2009.

\*Denotes major program.

New Jersey Economic Development Authority

Schedule of Findings and Questioned Costs

Year Ended December 31, 2009

**Section I – Summary of Auditors’ Results**

*Financial Statements*

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ yes      X   no
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      X   none reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

*Federal Awards*

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_ yes      X   no
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      X   none reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

\_\_\_\_\_ yes      X   no

Identification of major programs:

<i>CFDA Number</i>	<i>Name of Federal Program</i>
11.300	Grants for Public Works and Economic Development Act of 1965

Dollar threshold used to distinguish between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

  X   yes    \_\_\_\_\_ no

**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

New Jersey Economic Development Authority

Notes to Schedule of Expenditures of Federal Awards

Year Ended December 31, 2009

**1. Organization and Basis of Presentation**

**Organization**

The New Jersey Economic Development Authority (the "Authority"), a component unit of the State of New Jersey, is the recipient of various federal grant funds from the United States Department of Commerce. Except for the Federal Grants revolving loan account, all grant and program cash funds are commingled with the Authority's other funds, although each grant is accounted for separately within the Authority's financial records.

**Basis of Accounting**

The Authority's federal grants are presented on the accrual basis of accounting.

**Grantee Contributions**

Grantee contributions are required for certain grants, which provide technical assistance to trade-impacted firms within the state. The grantee share is provided from the firm's share of cost of technical assistance and from in-kind payroll costs attributable to administration of the grant.

**Cumulative Expenditures per Federal Financial Reports**

Cumulative expenditures, as reported on the accompanying schedule of federal awards, reflect the sum of all expenditures reported to the grant funding agency from the inception of the grant to December 31, 2009.

**2. Contingencies**

Each of the grantor agencies reserves the right to conduct additional audits of the Authority's grant programs for economy, efficiency and program results. However, Authority management does not believe such audits would result in material amounts of disallowed costs.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
FEDERAL OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR  
LETTER 04-04

Members of the Authority  
New Jersey Economic Development Authority

Compliance

We have audited the compliance of New Jersey Economic Development Authority (the "Authority") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 2009. The Authority's major federal program is identified in the "Summary of Auditors' Results" section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and State of New Jersey Circular Letter 04-04-OMB ("Circular Letter 04-04-OMB"). Those standards, OMB Circular A-133 and Circular Letter 04-04-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Authority's compliance with those requirements.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH FEDERAL OMB CIRCULAR A-133  
AND NEW JERSEY OMB CIRCULAR LETTER 04-04 (CONTINUED)

Compliance (Continued)

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2009.

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Members of the Authority, management, others within the Authority, and federal awarding agencies, and is not intended to be and should not be used by anyone other than those specified parties.

*Amoracion, P.C.*  
*Certified Public Accountants*

March 22, 2010

ATLANTIC COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
1602 New Road, LLC	Northfield City	SV	5	\$104,000	BGF	\$524,425
AC Beach Normandy Ventures LLC	Atlantic City	CM	0	\$3,000,000	DIR	\$0
ACLS Pleasantville, Inc.	Pleasantville City	CM	45	\$575,414	DIR	\$1,150,828
William Gregory	Egg Harbor Township	SR	0	\$3,187	HAZ	\$13,247
Township of Buena Vista (Millmay Garage)	Buena Vista Township	SR	0	\$74,895	HSM	\$87,235
G Boys Excavating Inc.	Hammonton Township	CT	4	\$175,000	MSL	\$710,875
2 South Main, LLC	Pleasantville City	SV	0	\$828,168	MST	\$1,120,993
AC Beach Normandy Ventures LLC	Atlantic City	CM	502	\$4,200,000	NMT	\$120,083,350
Comar, Inc.	Buena Borough	MF	2	\$7,000,000	SAB	\$7,436,511
G Boys Excavating Inc.	Hammonton Township	CT	0	\$140,000	SLP	\$0
<b>10 projects</b>			<b>558</b>	<b>\$16,100,664</b>		<b>\$131,127,464</b>

BERGEN COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Eight O'Clock Coffee Company	Montvale Borough	MF	32	\$680,240	BEP	\$1,530,000
Jaguar Land Rover North America, LLC	Mahwah Township	CM	65	\$1,732,981	BEP	\$1,650,000
Nephros, Inc.	River Edge Borough	RD	14	\$700,000	BEP	\$149,000
Sempraе Laboratories, Inc.	Saddle Brook Township	TC	10	\$220,100	BEP	\$9,500,000
Interfashion Cosmetics Corp.	Teterboro Borough	MF	20	\$250,000	BGF	\$507,500
J&W Group Realty Corp., Interfashion Cosmetics Corp, and Pantina Cosmetics, Inc.	Teterboro Borough	MF	20	\$375,000	BGF	\$1,511,125
Lemco Realty Limited Liability Company and Industrial Machine Corp.	Edgewater Borough	MF	0	\$175,000	BGF	\$1,006,200
Naftali Millinery LLC	Teaneck Township	MF	6	\$187,500	BGF	\$783,937
Naftali Millinery LLC	Teaneck Township	MF	6	\$28,800	BGF	\$130,470
SAV Eatery LLC	Lodi Borough	SV	10	\$196,000	DIR	\$244,100
Wyckoff Cleaners, Inc.	Wyckoff Township	SR	0	\$23,903	HAZ	\$98,500
Borough of Closter (Super Value, Inc.)	Closter Borough	SR	0	\$6,600	HSM	\$7,100
Borough of Northvale (Deluxe Dry Cleaners)	Northvale Borough	SR	0	\$399,300	HSM	\$399,800
Borough of Northvale (Former Tect/Danzig Site)	Northvale Borough	SR	0	\$25,349	HSM	\$25,849
City of Hackensack (Odyssey Body Works)	Hackensack	SR	0	\$82,192	HSM	\$82,692
29 Ash Realty LLC	Ridgefield Park Village	MF	0	\$1,000,000	MST	\$6,043,000
Bylada Foods, LLC	Moonachie Borough	MF	3	\$114,750	MST	\$545,000
SWIFT ELECTRICAL SUPPLY CO., INC	Teterboro Borough	DS	0	\$750,000	MST	\$758,500
Star Soap/Star Candle/Prayer Candle Co., LLC	Ridgefield Park Village	MF	0	\$500,000	MST	\$5,725,000
4 Over, Inc.	Moonachie Borough	MF	50	\$3,049,790	SAB	\$4,079,970
ADJ Realty New Jersey, LLC	Teterboro Borough	MF	55	\$3,250,000	SAB	\$6,960,000
Arc of Bergen and Passaic Counties, Inc., The	Single County - Multi City	NP	6	\$1,480,000	SAB	\$3,184,000
Moriah School of Englewood, The	Englewood City	NP	2	\$5,500,000	SAB	\$5,510,000
Tribeca Oven, Inc.	Carlstadt Borough	MF	20	\$6,000,000	SAB	\$6,487,500
1 Raritan Road Realty LLC	Oakland Borough	SV	15	\$750,000	SLP	\$6,251,250
2 Bergen Turnpike LLC	Ridgefield Park Village	DS	75	\$950,000	SLP	\$4,216,500
Aiello Realty Holding, LLC	Garfield City	MF	5	\$759,500	SLP	\$2,178,800
Sempraе Laboratories, Inc.	Saddle Brook Township	TC	9	\$1,000,000	TEC	\$9,500,000
X-Factor Communications, LLC	South Hackensack Township	TC	93	\$500,000	TEC	\$505,000
<b>29 projects</b>			<b>516</b>	<b>\$30,687,005</b>		<b>\$79,570,793</b>

BURLINGTON COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
TD Bank, National Association	Mount Laurel Township	OF	250	\$2,587,812	BEP	\$15,000,000
AJP Properties LLC and J&A Party Rentals Inc	Mount Holly Township	SV	7	\$306,000	BGF	\$630,600
Highway Tire Distributors, Inc., and Tire Girl Limited Liability Corporation	Mount Holly Township	SV	7	\$191,250	BGF	\$850,000
Neta Scientific Properties Limited Liability company	Hainesport Township	WS	6	\$139,150	BGF	\$755,000
SWS Tire & Auto Services, LLC and FPS Properties,L	Southampton Township	RT	6	\$146,250	BGF	\$654,906
Watt Electric, Inc.	Southampton Township	CT	2	\$27,250	BGF	\$137,000
City of Burlington (Aqua Lane Redevelopment Area)	Burlington City	SR	0	\$64,625	HSM	\$123,875
Township of Mount Holly (Former Holly Chemical)	Mount Holly Township	SR	0	\$84,406	HSM	\$84,906
Township of Mount Holly (Frm. Regal Custom Fixtures)	Mount Holly Township	SR	0	\$41,117	HSM	\$41,617
Township of Southampton (Former Stokes Cannery)	Southampton Township	SR	0	\$120,114	HSM	\$120,614
3211 Route 38 LLC	Mount Laurel Township	RT	0	\$211,000	MST	\$1,547,250
GlobalPrint Systems, Inc.	Evesham Township	TC	12	\$446,000	TEC	\$712,000
TimeSight Systems, Inc.	Mount Laurel Township	TC	58	\$1,000,000	TEC	\$1,010,000
<b>13 projects</b>			<b>348</b>	<b>\$5,364,974</b>		<b>\$21,667,768</b>

CAMDEN COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
1401 West Chapel LLC and Metro Public Adustment, Inc.	Cherry Hill Township	SV	24	\$85,000	BGF	\$428,950
American Biker Image Inc. and Keystone Enterprises	Berlin Township	RT	5	\$233,750	BGF	\$557,669
Bright Lights USA, Inc.	Barrington Borough	MF	0	\$77,000	BGF	\$345,650
Deli On the Go Realty, LLC and Deli on the Go, Inc	Cherry Hill Township	WS	5	\$137,500	BGF	\$555,263
Ellis Real Estate Holdings LLC	Gloucester City	SV	4	\$95,570	BGF	\$386,494
Fibbiano Associates, LLC	Berlin Township	DS	15	\$281,250	BGF	\$1,258,281
Kashius Anthony Limited Liability Company	Brooklawn Borough	WS	3	\$88,750	BGF	\$364,169
Koch Financial Group, LLC	Collingswood Borough	SV	4	\$200,000	BGF	\$426,825
Michael Guggino & Guggino Associates LLC	Cherry Hill Township	SV	2	\$56,750	BGF	\$230,200
Noonan Industries LLC	Berlin Township	RT	3	\$29,000	BGF	\$146,975
Noonan Industries LLC	Berlin Township	DS	4	\$73,000	BGF	\$345,500
Pedano and Trost LLC and Aures and Galey HVAC Services Corporation	Berlin Township	SV	3	\$53,000	BGF	\$215,150
Severino Pasta Manufacturing Company Inc.	Haddon Township	MF	2	\$50,000	BGF	\$203,075
VSI Properties, LLC and Vacuum Sales, Inc.	Lindenwold Borough	RT	2	\$68,750	BGF	\$278,544
Cooperative Business Assistance Corporation	Camden	NP	30	\$500,000	CED	\$503,000
Old Pike Investments LLC	Winslow Township	MF	0	\$510,000	DIR	\$1,230,000
808 Market Street Associates, LLC	Camden	CM	4	\$20,000	ERB	\$43,500
ABR Consultants, LLC	Camden	SV	7	\$24,172	ERB	\$109,040
Camden Redevelopment Agency (North Camden Infrastructure)	Camden	IN	0	\$110,000	ERB	\$110,000
Camden Redevelopment Agency (River Road Affordable Housing)	Camden	NP	5	\$2,300,140	ERB	\$34,908,832

CAMDEN COUNTY (cont.)						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Fair Share Northgate II Associates, LP or designee (Northgate II, Camden)	Camden	HS	0	\$631,725	ERB	\$0
Fair Share Northgate II Associates, LP or designee (Northgate II, Camden)	Camden	HS	0	\$603,000	ERB	\$2,440,000
JAE Enterprises, Inc.	Camden	SV	16	\$36,009	ERB	\$360,594
Logan Enterprises, LLC d/b/a Rita's Water Ice	Camden	RT	2	\$27,460	ERB	\$362,472
Loida Development Center, LLC	Camden	DC	4	\$39,000	ERB	\$156,000
Market Fair Urban Renewal Associates, L.P.	Camden	HS	1	\$3,000,000	ERB	\$4,500,000
Pride Tempered Glass Products, LLC	Camden	MF	9	\$116,000	ERB	\$116,017
Respond, Inc.	Camden	NP	20	\$1,000,000	ERB	\$2,376,795
River Hayes Urban Renewal Associates I, L.P.	Camden	IN	0	\$900,000	ERB	\$18,572,978
Standard Merchandising Co.	Camden	MF	0	\$20,000	ERB	\$80,889
Petrol Pump, LLC	Gloucester City	SV	2	\$140,000	GTE	\$359,437
Borough of Bellmawr (Bellmawr Landfill)	Bellmawr Borough	SR	0	\$1,821,700	HSM	\$2,067,262
Borough of Bellmawr (Bellmawr Landfill)	Bellmawr Borough	SR	0	\$1,965,330	HSM	\$2,620,940
Borough of Bellmawr (Bellmawr Landfill)	Bellmawr Borough	SR	0	\$1,135,291	HSM	\$1,514,221
Camden Redevelopment Agency (Former RCA Building 8)	Camden	SR	0	\$47,660	HSM	\$48,160
Camden Redevelopment Agency (Former RCA Building 8)	Camden	SR	0	\$1,886,431	HSM	\$2,341,806
Camden Redevelopment Agency (Sycamore Street Housing)	Camden	SR	0	\$186,753	HSM	\$357,028
City of Gloucester (Gloucester Titanium Site)	Gloucester Township	SR	0	\$434,025	HSM	\$477,928
Township of Haddon (Dy-Dee Wash Site)	Haddon Township	SR	0	\$24,839	HSM	\$25,339
Township of Haddon (Lahn Property)	Haddon Township	SR	0	\$158,129	HSM	\$158,629
Township of Haddon (Spadea Property)	Haddon Township	SR	0	\$88,092	HSM	\$88,592
Township of Voorhees (Cherry Hill Equipment Corp.)	Voorhees Township	SR	0	\$31,683	HSM	\$32,183
McKella 2-8-0 Inc, Digital Color Image, Inc and Citation Graphics	Pennsauken Township	MF	10	\$250,000	MSL	\$1,201,750
Boys & Girls Club of Camden County	Camden	NP	6	\$2,200,000	SAB	\$2,240,350
9255 Commerce LLC	Pennsauken Township	MF	5	\$1,050,000	SLP	\$2,101,825
Aries Realty Associates, LLC	Berlin Township	MF	1	\$350,000	SLP	\$882,500
CorFish Creative LLC	Collingswood Borough	RT	8	\$173,000	SLP	\$452,500
CorFish Creative LLC	Collingswood Borough	RT	0	\$27,000	SLP	\$0
Destination Imagination, Inc.	Cherry Hill Township	NP	11	\$495,000	SLP	\$994,000
FRS Carnegie Plaza, L.L.C.	Cherry Hill Township	SV	240	\$1,250,000	SLP	\$6,660,000
McKella 2-8-0 Inc, Digital Color Image, Inc and Citation Graphics	Pennsauken Township	MF	0	\$875,000	SLP	\$2,010,625
Biopicon Corporation	Camden	TC	11	\$200,000	TEC	\$450,000
mVisum, Inc.	Camden	TC	20	\$1,000,000	TEC	\$1,010,000
<b>53 projects</b>			<b>366</b>	<b>\$22,163,127</b>		<b>\$57,060,820</b>

CAPE MAY COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
CMQV, LLC and Cape May Victorian Inns, Inc.	Cape May City	SV	10	\$500,000	BGF	\$2,013,750
Chibar Investments, LLC	Cape May City	SV	4	\$185,000	BGF	\$376,450
G&J Solutions, Inc. and 419 Madison, LLC	Woodbine Borough	MF	7	\$165,953	BGF	\$686,000
Nobioc Limited Liability Company	Ocean City City	SV	5	\$225,000	BGF	\$456,000
SPE Labrusciano LLC	West Cape May Borough	SV	7	\$151,000	BGF	\$609,025
Carol Walerski	Cape May Point Borough	SR	0	\$6,592	HAZ	\$26,868
Borough of Woodbine (Woodbine Hat Company)	Woodbine Borough	SR	0	\$39,433	HSM	\$39,933
Cape Counseling Services, Inc.	Middle Township	NP	3	\$1,300,000	SAB	\$1,949,500
<b>8 projects</b>			<b>36</b>	<b>\$2,572,978</b>		<b>\$6,157,526</b>

CUMBERLAND COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Tri-County Community Action Partnership (Prop. Southeast Gateway Plaza)	Bridgeton City	SR	0	\$112,710	HAZ	\$113,210
City of Vineland (Blackwater Industrial Park)	Vineland City	SR	0	\$63,222	HSM	\$63,722
City of Vineland (Cedarwood Drive Landfill)	Vineland City	SR	0	\$2,000	HSM	\$2,500
City of Vineland (Landis Theater/Mori Building)	Vineland City	SR	0	\$20,633	HSM	\$21,133
City of Vineland (U-Pull It/Recyclers, Inc.)	Vineland City	SR	0	\$115,023	HSM	\$124,083
City of Vineland (West Oak Road Site)	Vineland City	SR	0	\$68,967	HSM	\$69,467
NDS Technologies Inc.	Vineland City	MF	5	\$150,000	MSL	\$302,575
Landis Marketplace Urban Renewal, LLC	Vineland City	CM	50	\$5,619,151	NMT	\$0
Longfield Brothers L.L.C.	Vineland City	EX	15	\$7,000,000	SAB	\$7,400,000
1301 Forest Grove LLC	Vineland City	SV	10	\$700,000	SLP	\$1,618,250
<b>10 projects</b>			<b>80</b>	<b>\$13,851,706</b>		<b>\$9,714,940</b>

ESSEX COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
CGC Genetics, Inc.	Newark	RD	15	\$102,713	BEP	\$100,000
ITT Space Systems, LLC	Bloomfield Township	MF	175	\$3,190,554	BEP	\$2,000,000
The Reinvestment Fund	Newark	NP	50	\$1,000,000	CED	\$1,010,500
SELECTED ARROW ENTERPRISES INC	Newark	SV	6	\$300,000	DIR	\$303,300
Estate of Michelle Maturro	Bloomfield Township	SR	0	\$10,358	HAZ	\$41,931
City of Newark (1700 McCarter Highway)	Newark	SR	0	\$54,973	HSM	\$55,473
City of Newark (501 and 503 Central Avenue)	Newark	SR	0	\$35,382	HSM	\$35,882
City of Newark (Downworld, Inc.)	Newark	SR	0	\$77,392	HSM	\$77,892
City of Newark (Former Duralac Facility)	Newark	SR	0	\$79,585	HSM	\$80,085
City of Newark (Former Stacor Corporation)	Newark	SR	0	\$88,316	HSM	\$88,816
City of Newark (Frm. Synfax Manufacturing)	Newark	SR	0	\$31,909	HSM	\$32,409
City of Newark (Internatl Metallurgical Svcs)	Newark	SR	0	\$158,187	HSM	\$158,687
West Ward Civic Cultural Educational Development A Association	Newark	NP	0	\$500,000	LDF	\$0
Fulcrum Facilities Services, LLC	Livingston Township	SV	5	\$125,000	MSL	\$254,875

ESSEX COUNTY (cont.)						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Scandia Packaging Machinery	Fairfield Borough	MF	0	\$200,000	MSL	\$803,325
NSA Central Avenue, LLC	Newark	NP	27	\$16,480,000	SAB	\$28,013,026
ABC Sign Factory, LLC and DCI Signs and Awnings, Inc.	Newark	MF	0	\$258,000	SLP	\$1,105,000
Arlington Machine and Tool Company	Fairfield Borough	MF	20	\$153,962	SLP	\$463,135
Paramount Bakeries Inc. and Shraga Zabłudovsky and Linda Kiesel	Newark	MF	15	\$1,250,000	SLP	\$2,730,000
Evident Software Inc.	Newark	TC	21	\$1,000,000	TEC	\$2,200,000
The Talk Market, Inc.	Newark	TC	20	\$750,000	TEC	\$751,875
Urovalve, Inc.	Newark	TC	15	\$100,000	TEC	\$2,400,000
<b>22 projects</b>			<b>369</b>	<b>\$25,946,331</b>		<b>\$42,706,211</b>

GLOUCESTER COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
F-2 Delsea Drive, LLC	Deptford Township	SV	3	\$60,000	BGF	\$243,325
Firepower EVR, Inc. and Robert Mortka	West Deptford Township	SV	2	\$78,750	BGF	\$318,794
Heaton, Joseph Sr. and Thermal Chek Inc.	Westville Borough	MF	6	\$141,635	BGF	\$583,437
Heritage Real Estate, LLC	Deptford Township	SV	3	\$61,250	BGF	\$249,313
MAGS Holding	Woolwich Township	SV	4	\$87,500	BGF	\$551,313
R & R Investments LLC and R Filderman and Sons d/b/a R & R Associates	Westville Borough	WS	3	\$60,625	BGF	\$245,841
Scoots Properties, LLC and Property Damage Restora dba SERVPRO	Westville Borough	SV	7	\$300,000	BGF	\$615,400
Shultes Inc. and A.C.S. & Sons, Inc.	West Deptford Township	SV	15	\$250,000	BGF	\$1,008,075
Chelten House Products, Inc.	Logan Township	MF	20	\$1,250,000	DIR	\$2,764,015
Borough of Glassboro (Former Glassboro Landfill)	Glassboro Borough	SR	0	\$69,381	HSM	\$69,881
Township of Mantua (4 various sites)	Single County - Multi City	SR	0	\$55,000	HSM	\$55,500
Imtek, LLC and Imtek of Illinois, Inc.	Logan Township	MF	6	\$150,000	MSL	\$306,000
Savona Foods LLC	West Deptford Township	SV	15	\$250,000	MSL	\$753,075
Imtek, LLC and Imtek of Illinois, Inc.	Logan Township	MF	0	\$131,250	MST	\$0
Maryville, Inc.	Monroe Township	NP	7	\$1,975,000	SAB	\$2,000,000
MCB, LLC	Woolwich Township	MF	30	\$1,250,000	SLP	\$4,200,000
<b>16 projects</b>			<b>121</b>	<b>\$6,170,391</b>		<b>\$13,963,969</b>

HUDSON COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
AAF-McQuay Inc.	Jersey City	MF	40	\$1,945,500	BEP	\$5,500,000
ACE American Insurance Company and affiliates	Jersey City	CM	336	\$9,706,284	BEP	\$15,000,000
Arch Insurance Group Inc.	Jersey City	CM	280	\$9,596,755	BEP	\$12,800,000
Charter Atlantic Corp.	Jersey City	SV	30	\$424,440	BEP	\$1,360,000
Depository Trust & Clearing Corp. & affiliates	Jersey City	CM	1600	\$74,624,000	BEP	\$45,000,000
Ernst & Young U.S. LLP	Secaucus	CM	270	\$5,942,700	BEP	\$7,000,000
LaFrieda Wholesale Meats, Inc	North Bergen Township	WS	100	\$568,610	BEP	\$18,000,000
The MLB Network, LLC, The MLB Network, Inc. and Major League Baseball Properties, Inc.	Secaucus	CM	201	\$8,048,929	BEP	\$54,100,000
Pathways to Independence, Incorporated	Kearny Town	NP	5	\$250,000	CED	\$1,105,450

HUDSON COUNTY (cont.)						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Hoboken Children's Academy II, LLC	Hoboken	DC	14	\$230,000	DIR	\$232,600
Harrison Redevelopment Agency (Spiegel Trucking, Inc.)	Harrison Town	SR	0	\$1,827,296	HSM	\$2,381,522
Jersey City Redevelopment Agency (Turnpike Dump #5)	Jersey City	SR	0	\$4,337,346	HSM	\$8,178,185
Jersey City Redevelopment Agency (Turnpike Dump #5)	Jersey City	SR	0	\$199,650	HSM	\$200,150
Jersey City Redevelopment Agency (Turnpike Dump #5)	Jersey City	SR	0	\$864,422	HSM	\$1,153,063
Cameron Bayonne Urban Renewal, LLC	Bayonne	RT	0	\$1,000,000	SGP	\$0
<b>15 projects</b>			<b>2876</b>	<b>\$119,565,932</b>		<b>\$172,010,970</b>

HUNTERDON COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Dey Pharma, L.P., Mylan Inc. and Affiliates	Bernards Township	OF	83	\$1,088,479	BEP	\$600,000
BGA Properties, LLC and Magna-Power Electronics,	Flemington Borough	MF	25	\$1,000,000	BGF	\$2,026,250
Crown Veterinary Specialists, LLC	Lebanon Borough	SV	30	\$300,000	DIR	\$3,737,375
RHB Acquisition LLC	Lambertville City	MF	2	\$250,000	DIR	\$252,800
<b>4 projects</b>			<b>140</b>	<b>\$2,638,479</b>		<b>\$6,616,425</b>

MERCER COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Princeton Fulfillment Solutions, LLC	Ewing Township	SV	550	\$1,078,000	BEP	\$2,200,000
Princeton Power Systems, Inc.	West Windsor Township	PC	40	\$435,000	BEP	\$3,800,000
MSG Financial Group Inc. and US Taxes, Inc.	Hamilton Township	SV	0	\$38,000	BGF	\$154,000
The Reinvestment Fund	Trenton	NP	200	\$3,000,000	CED	\$3,030,500
833 Cass Street, LLC	Trenton	SV	0	\$65,275	DIR	\$66,275
JMAC PROPERTIES LIMITED LIABILITY COMPANY	Hamilton Township	MF	4	\$175,000	DIR	\$260,950
LMT-Mercer Group, Inc.	Lawrence Township	MF	25	\$1,250,000	DIR	\$4,180,000
City of Trenton (Canal Plaza)	Trenton	SR	0	\$481,246	HSM	\$661,463
City of Trenton (Greenway Sites)	Trenton	SR	0	\$1,350,589	HSM	\$1,733,646
City of Trenton (MLK School/Jefferson School)	Trenton	SR	0	\$1,747,371	HSM	\$2,277,377
Township of West Windsor (West Windsor Twp. Muni G (West Windsor Twp Compost Fac.)	West Windsor Township	SR	0	\$59,484	HSM	\$59,984
Township of West Windsor (West Windsor Twp. Muni G (West Windsor Twp. Muni Garage)	West Windsor Township	SR	0	\$4,075	HSM	\$4,575
EASCO Shower Doors Company	Trenton	MF	6	\$1,700,000	SAB	\$2,215,000
Alphion Corporation	West Windsor Township	TC	20	\$1,000,000	TEC	\$1,010,000
Princeton Power Systems, Inc.	West Windsor Township	TC	25	\$750,000	TEC	\$2,750,000
<b>15 projects</b>			<b>870</b>	<b>\$13,134,040</b>		<b>\$24,403,770</b>

MIDDLESEX COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
AustarPharma, LLC	Edison Township	MF	150	\$1,037,250	BEP	\$1,750,000
Direct Cabinet Sales, Inc.	South Brunswick Township	MF	27	\$67,108	BEP	\$682,880

MIDDLESEX COUNTY (cont.)						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Eva Tees Inc.	Piscataway	WS	57	\$153,900	BEP	\$17,973,000
Integra LifeSciences Corporation	Plainsboro Township	TC	201	\$5,161,579	BEP	\$4,655,000
Mayab Happy Tacos, Inc.	Perth Amboy City	MF	45	\$189,000	BEP	\$2,925,000
Sun Pharmaceutical Industries, Inc.	Cranbury Township	TC	318	\$2,382,217	BEP	\$4,093,400
420 Perth Amboy Properties, LLC	Perth Amboy City	RH	10	\$750,000	CED	\$2,357,500
Direct Cabinet Sales Inc.	South Brunswick Township	MF	27	\$287,304	DIR	\$323,174
HHP Enterprises, LLC	Metuchen Borough	SV	10	\$200,000	DIR	\$400,000
ONB Holding Group Limited Liability Company	Piscataway	MF	0	\$1,250,000	DIR	\$0
Borough of Carteret (Carteret Discount Auto Parts)	Carteret Borough	SR	0	\$81,258	HSM	\$81,758
Borough of Carteret (Carteret Waterfront Develop)	Carteret Borough	SR	0	\$292,351	HSM	\$292,851
County of Middlesex (Former Red's Marina)	Highland Park Borough	SR	0	\$64,035	HSM	\$64,535
County of Middlesex (Former Red's Marina)	Highland Park Borough	SR	0	\$98,707	HSM	\$129,118
Sayreville Economic Redevelopment Agency (Former National Lead)	Sayreville Borough	SR	0	\$3,757,897	HSM	\$4,897,153
South Amboy Redevelopment Agency (Conrail Property)	South Amboy City	SR	0	\$215,677	HSM	\$216,177
South Amboy Redevelopment Agency (Spectreserve Property)	South Amboy City	SR	0	\$96,371	HSM	\$96,871
South Amboy Redevelopment Agency (W.A.S. Terminals, Inc.)	South Amboy City	SR	0	\$673,860	HSM	\$674,360
449 Blair Road Associates, LLC & Perth Amboy Tire, .	Woodbridge Township	MF	0	\$450,000	LDF	\$0
BMB PROPERTIES AND MANAGEMENT, LLC	New Brunswick City	TP	40	\$2,000,000	LDF	\$6,063,131
Jewish Renaissance Medical Center, Inc.	Perth Amboy City	SV	37	\$2,000,000	LDF	\$14,068,445
APCO Petroleum Corporation	South Brunswick Township	RT	22	\$1,000,000	MST	\$11,112,000
Greater Brunswick Charter School	New Brunswick City	NP	0	\$1,000,000	MST	\$0
Century Packaging, Inc.	East Brunswick Township	MF	7	\$2,535,000	SAB	\$2,645,000
Greater Brunswick Regional Charter School or related entity	New Brunswick City	NP	11	\$6,550,000	SAB	\$7,864,855
ONB Holding Group Limited Liability Company	Piscataway	MF	40	\$4,739,000	SAB	\$7,060,000
Parkway-Kew Corporation	North Brunswick Township	MF	10	\$300,000	SLP	\$1,811,000
Bluenog Corporation	Piscataway	TC	62	\$1,000,000	TEC	\$5,000,000
Aurobindo Pharma U.S.A., Inc.	South Brunswick Township	MF	50	\$534,721	BEP	\$15,820,000
<b>29 projects</b>			<b>1124</b>	<b>\$38,867,235</b>		<b>\$113,057,208</b>

MONMOUTH COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
600 River Road, LLC	Rumson Borough	SV	4	\$62,500	BGF	\$653,000
Atlantic Cardiology LLC and Atlantic Cardiac Realty LLC	Neptune Township	OF	20	\$1,000,000	BGF	\$2,226,750
Atlantic Pediatric Dentistry, P.C and Safari Comm	Little Silver Borough	SV	4	\$68,750	BGF	\$358,544
Breast Imaging & Biopsy Specialists, LLC	West Long Branch Borough	SV	2	\$59,338	BGF	\$396,797
Colmen Realty, LLC	Holmdel Township	SV	9	\$113,250	BGF	\$457,081

MONMOUTH COUNTY (cont.)						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
JSN Corlies Real Estate, L.L.C.	Neptune Township	SV	6	\$78,750	BGF	\$364,850
MSG Financial Group Inc. and US Taxes, Inc.	Howell Township	SV	2	\$26,750	BGF	\$107,000
Silpit Industries, LLC and ACB Receivables Management, Inc.	Asbury Park City	SV	10	\$111,825	BGF	\$451,921
Thomas A. Iliadis & Freehold Grill Inc.	Freehold Township	SV	8	\$110,000	BGF	\$444,575
East Coast Panelboard, Inc.	Tinton Falls Borough	MF	0	\$1,000,000	DIR	\$0
SWP Real Estate, LLC	Tinton Falls Borough	MF	0	\$1,250,000	DIR	\$0
City Works West Lake, LLC (West Lake Avenue BDA)	Neptune Township	SR	0	\$48,106	HAZ	\$48,606
McConnell Realty Co	Atlantic Highlands Borough	SR	0	\$26,460	HAZ	\$99,125
Patricia A. Wolfer	Upper Freehold Township	SR	0	\$7,689	HAZ	\$30,956
Union Laboratories	Marlboro Township	SR	0	\$58,116	HAZ	\$5,783
Borough of Neptune City (East Coast Ice Company)	Neptune City Borough	SR	0	\$571,978	HSM	\$572,478
Township of Aberdeen (Frm. Matawan Boro Water Facil.)	Aberdeen Township	SR	0	\$60,874	HSM	\$61,374
Township of Aberdeen (South River Metal Products)	Aberdeen Township	SR	0	\$402,259	HSM	\$402,759
Township of Neptune (Shark River Municipal Marina)	Neptune Township	SR	0	\$44,883	HSM	\$45,383
Absolutely Energized Solar Electric, Inc.	Millstone Township	SV	7	\$250,000	MSL	\$803,000
East Coast Panelboard, Inc.	Tinton Falls Borough	MF	23	\$2,220,486	SAB	\$3,220,486
SWP Real Estate, LLC	Tinton Falls Borough	MF	0	\$6,550,000	SAB	\$10,391,200
<b>22 projects</b>			<b>95</b>	<b>\$14,122,014</b>		<b>\$21,141,668</b>

MORRIS COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Bausch & Lomb Incorporated	Madison Borough	TC	70	\$3,500,000	BEP	\$1,000,000
Five Middlebury Associates, LLC	Randolph Township	MF	0	\$700,000	DIR	\$0
Compact Power Inc.	Dover	TC	4	\$100,000	ERD	\$600,000
G & N Partnership	Roxbury Township	SR	0	\$204,399	HAZ	\$206,943
Zigmund Sulewski	Denville Township	SR	0	\$49,333	HAZ	\$197,832
Town of Boonton (Former Jersey Plating Co.)	Boonton Town	SR	0	\$128,772	HSM	\$129,272
Township of Hanover (Layton Property)	Hanover Township	SR	0	\$39,947	HSM	\$40,447
Five Middlebury Associates, LLC	Randolph Township	MF	25	\$2,800,000	SAB	\$4,760,000
<b>8 projects</b>			<b>99</b>	<b>\$7,522,451</b>		<b>\$6,934,494</b>

VARIOUS						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Family Service of Burlington County, New Jersey	Statewide	NP	10	\$2,871,232	SAB	\$3,497,000
United Water New Jersey Inc.	Statewide	EX	4	\$65,000,000	SAB	\$106,050,640
<b>2 projects</b>			<b>14</b>	<b>\$67,871,232</b>		<b>\$109,547,640</b>

OCEAN COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Greener Corporation	Beachwood Borough	MF	0	\$91,575	BGF	\$411,039
JA Cissel Manufacturing Co. Inc.	Lakewood Township	MF	1	\$133,200	BGF	\$300,580
MSG Financial Group Inc. and US Taxes, Inc.	Lakewood Township	SV	5	\$65,000	BGF	\$262,000
P.A.B. Inc. and The Boat House Restaurant, Inc.	Beach Haven Borough	SV	5	\$191,250	BGF	\$387,500

OCEAN COUNTY (cont.)						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Steven J. Pollack	Beachwood Borough	SV	4	\$101,000	BGF	\$408,350
Borough of Pine Beach (Former Admiral Farragut)	Pine Beach Borough	SR	0	\$64,303	HSM	\$64,803
Borough of Pine Beach (Frm Admiral Farragut Academy)	Pine Beach Borough	SR	0	\$39,930	HSM	\$40,430
Township of Plumsted (6 Main Street)	Plumsted Township	SR	0	\$10,153	HSM	\$10,653
Green Acres Manor, Inc., et al Flexabar Corporation, Flexdel Corporation, Flexabar- Aquatech Corporation and Rianda, Inc.	Dover Township	NH	0	\$1,000,000	MST	\$14,067,825
	Lakewood Township	MF	2	\$154,000	SLP	\$660,000
<b>10 projects</b>			<b>17</b>	<b>\$1,850,411</b>		<b>\$16,613,180</b>

PASSAIC COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Maquet Cardiovascular LLC and Maquet Cardiovascula Maquet Cardiovascular US Sales, LLC	Wayne Township	MF	350	\$3,901,625	BEP	\$45,075,000
Placko Signs, LLC and 681 Van Houten, LLC	Clifton City	MF	1	\$180,000	BGF	\$406,325
61-65 Passaic Properties, LLC	Passaic City	RH	10	\$750,000	CED	\$2,017,500
ILS GRAND LLC	Paterson	SV	25	\$615,000	DIR	\$1,693,900
Charles Capaci and Elois Capaci	Bloomingtondale Borough	SR	0	\$6,261	HAZ	\$25,543
Jewish Community Federation of Greater Clifton	Clifton City	SR	0	\$253,593	HAZ	\$484,632
City of Paterson (36-40 Straight Street)	Paterson	SR	0	\$36,109	HSM	\$36,609
City of Paterson (Apollo Dye House)	Paterson	SR	0	\$705,018	HSM	\$705,518
City of Paterson (Columbia Textile Mill)	Paterson	SR	0	\$90,938	HSM	\$91,438
City of Paterson (River Walk)	Paterson	SR	0	\$575,723	HSM	\$576,223
Passaic Family Head Start, Inc.	Passaic City	NP	4	\$250,000	LDF	\$915,000
Metro Packaging & Imaging, Inc. & Metro Imaging West, Inc.	Wayne Township	MF	0	\$350,000	MST	\$2,401,250
Montclair Avenue, LLC	Pompton Lakes Borough	SV	4	\$300,000	MST	\$1,456,000
Metro Packaging & Imaging, Inc. & Metro Imaging West, Inc.	Wayne Township	MF	12	\$1,084,000	SLP	\$2,269,250
Prestige Hospitality Services, LLC, and Prestige First Avenue Cleaning Corp, and 81 Saxon Avenue Corp, and Prestige 223 East LLC and SE 86 Holding Co.	Paterson	SV	50	\$375,000	SLP	\$751,825
<b>15 projects</b>			<b>456</b>	<b>\$9,473,267</b>		<b>\$58,906,013</b>

SALEM COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
City of Salem (Tri County Oil)	Salem City	SR	0	\$178,152	HSM	\$178,652
Township of Carney's Point (A. Clemente Asphalt Plant)	Carneys Point Township	SR	0	\$24,092	HSM	\$24,592
<b>2 projects</b>			<b>0</b>	<b>\$202,244</b>		<b>\$203,244</b>

SOMERSET COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Axcan Pharma US, Inc.	Bridgewater Township	TC	26	\$579,072	BEP	\$1,323,000
ImClone Systems Incorporated and ImClone Systems C ImClone Systems Corporation	Branchburg Township	TC	907	\$32,363,676	BEP	\$191,571,469
Regeneron Pharmaceuticals, Inc.	Bridgewater Township	TC	20	\$471,219	BEP	\$291,000
inVentiv Health, Inc. and Subsidiaries	Franklin Township	TC	150	\$3,478,650	BEP	\$9,450,000
Mercy Transportation, Inc.	Franklin Township	TP	30	\$207,900	DIR	\$233,454
Borough of Somerville (Somerville Landfill)	Somerville Borough	SR	0	\$2,138,292	HSM	\$2,352,622
Township of Franklin (Onka Property)	Franklin Township	SR	0	\$75,802	HSM	\$76,302
Township of Montgomery (North Princeton Development)	Montgomery Township	SR	0	\$1,517,521	HSM	\$1,518,021
Duke Farms Foundation	Hillsborough Township	NP	5	\$55,000,000	SAB	\$60,000,000
Corporate Services Support Corp	Franklin Township	SV	10	\$106,000,000	SFF	\$398,487,828
<b>10 projects</b>			<b>1148</b>	<b>\$201,832,132</b>		<b>\$665,303,696</b>

SUSSEX COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Hosea Holdings II, L.L.C. and Schneider & Marquard Inc.	Newton Town	MF	18	\$500,000	BGF	\$1,414,325
<b>1 project</b>			<b>18</b>	<b>\$500,000</b>		<b>\$1,414,325</b>

UNION COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
IPC Systems, Inc. & IPC Networks Services, Inc.	Berkeley Heights Township	TC	55	\$1,275,450	BEP	\$612,000
CarpetCycle, LLC	Elizabeth	RC	11	\$300,000	DIR	\$376,000
The Lofts at Garwood II, LLC	Garwood Borough	SR	0	\$40,270	HAZ	\$150,596
City of Linden (Linden Airport - Parcel C)	Linden City	SR	0	\$239,226	HSM	\$239,726
City of Linden (United Lacquer)	Linden City	SR	0	\$29,095	HSM	\$29,595
Hillside Township (6-8 Hoffman Place)	Hillside Township	SR	0	\$12,625	HSM	\$13,125
Rahway Redevelopment Agency (Elizabeth Avenue Site)	Rahway City	SR	0	\$507,621	HSM	\$508,121
Rahway Redevelopment Agency (Hamilton Laundry Site)	Rahway City	SR	0	\$544,137	HSM	\$544,637
Township of Cranford (Riverfront Redevelopment Area)	Cranford Township	SR	0	\$8,470	HSM	\$8,970
Duran & Pandos	Mountainside Borough	SV	2	\$75,000	MSL	\$153,325
Cavalier Properties LLC and Amikle Restaurant, Inc	Roselle Borough	SV	6	\$150,000	MST	\$601,750
Superior Powder Coating, Inc.	Elizabeth	MF	26	\$250,000	SLP	\$501,250
<b>12 projects</b>			<b>100</b>	<b>\$3,431,894</b>		<b>\$3,739,095</b>

WARREN COUNTY						
Project Name	Municipality	Proj Type	Est New Jobs	Financing Amt	Program Type	Total Proj Cost
Linde, Inc., Linde North America, Inc., Linde Ener Energy Services, Inc. and Affiliates	Greenwich Township	MF	166	\$1,139,175	BEP	\$3,000,000
845 Frelinghuysen LLC and James Alexander Corp.	Blairstown Township	MF	0	\$458,826	BGF	\$1,893,912
ALL COUNTIES						
<b>308 projects</b>			<b>18990</b>	<b>\$1,214,328,647</b>		<b>\$3,171,263,467</b>

**Technology Business Tax Certificate Transfer Program**  
**2009 List of Approved Sellers**

Company	Municipality	County
Advanced Cerametrics, Inc.	Lambertville	Hunterdon
	North	
Advaxis, Inc.	Brunswick	Middlesex
Aegerion Pharmaceuticals	Bridgewater	Somerset
Aereon Corporation	Princeton	Mercer
	North	
Aestus Therapeutics	Brunswick	Middlesex
Agile Therapeutics	Princeton	Mercer
Agilence	Camden	Camden
Akers Biosciences, Inc.	Thorofare	Gloucester
Alfacell Corporation	Somerset	Somerset
Alpion Corporation	Princeton	Mercer
American Beryllia	Haskell	Passaic
Angel Medical Systems	Shrewsbury	Monmouth
Antenna Software, Inc.	Jersey City	Hudson
Arno Therapeutics, Inc.	Parsippany	Morris
Avance Connections	Marlton	Burlington
Bigstring Corporation	Red Bank	Monmouth
Bioarray Solutions	Warren	Somerset
Bluenog Corporation	Piscataway	Middlesex
Cape Systems, Inc.	South Plainfield	Middlesex
Celator Pharmaceuticals	Princeton	Mercer
Chromis Fiberoptics	Waren	Somerset
Circuit.com, Inc.	Whippany	Morris
ClassLink, Inc.	Weehawken	Hudson
Columbia Laboratories	Livingston	Essex
Common Ground Recycling	Montague	Sussex
Connote Technologies	New Brunswick	Middlesex
Conolog Corporation	Somerville	Somerset
Corente, Inc.	East Brunswick	Middlesex
Critical-Links, Inc.	Fairfield	Essex
Cybershift	Parsippany	Morris
	Monmouth	
Cytosorbents, Inc.	Junction	Middlesex
Deltronic Crystal, Inc.	Dover	Morris
Eagle Pharmaceuticals	Woodcliff Lake	Bergen
Elusys Therapeutics, Inc.	Pine Brook	Morris
Enpiron Inc.	Bridgewater	Somerset
EPV Solar, Inc.	Robbinsville	Mercer
EversTV	Ft. Lee	Bergen
	Monmouth	
Exsar Corporation	Junction	Middlesex
Factor Systems, Inc.	Jamesburg	Middlesex
	Berkeley	
Genta, Inc.	Heights	Union
Healthcare Providers Direct	Stone Harbor	Cape May
Ikano Therapeutics	Saddle Brook	Bergen
Immunogenetics (IGI), Inc.	Buena	Atlantic
Immunomedics, Inc.	Morris Plains	Morris
Innovation Engineering, Inc.	Mount Laurel	Burlington
IntegriChain, Inc.	Princeton	Mercer
INTRRA, Inc.	Parsippany	Morris
Inventa Technologies, Inc.	Mount Laurel	Burlington
IVIVI Technologies, Inc.	Montvale	Bergen
iVoice Technology	Matawan	Monmouth
	Berkeley	
Kirusa, Inc.	Heights	Union
Knite, Inc.	Princeton	Mercer
Laser Energetics	Trenton	Mercer
Lux Biosciences, Inc.	Jersey City	Hudson
Majesco Entertainment	Edison	Middlesex

**Technology Business Tax Certificate Transfer Program  
2009 List of Approved Sellers (cont.)**

Company	Municipality	County
Met Technology	Princeton	Mercer
Milestone Scientific	Livingston	Essex
Multiplex Inc.	South Plainfield	Middlesex
myLeaderboard, Inc.	Camden	Camden
netForensics, Inc.	Edison	Middlesex
New Jersey Microsystems	Newark	Essex
NexMed Inc.	East Windsor	Mercer
Nistica, Inc.	Bridgewater	Somerset
Nofire Technologies, Inc.	Upper Saddle River	Bergen
NovaDel Pharma, Inc.	Flemington	Hunterdon
Pacifichealth Laboratories	Matawan	Monmouth
Palatin Technologies, Inc.	Cranbury	Middlesex
PD-LD, Inc.	Pennington	Mercer
Pharmos Corporation	Iselin	Middlesex
Princeton eCom Corporation	Princeton	Mercer
Princeton Lightwave	Cranbury	Middlesex
Princeton Optronics	Mercerville	Mercer
Prolong Pharmaceuticals	Monmouth Junction	Middlesex
Pure Energy Corporation	Paramus	Bergen
Redpoint Bio, Inc.	Ewing	Mercer
Reldata, Inc.	Parsippany	Morris
Replication Medical	Cranbury	Middlesex
Scivanta Medical Corp.	Spring Lake	Monmouth
Semprae Laboratories	Saddle Brook	Bergen
SightLogix Inc	Princeton	Mercer
Signum, Biosciences, Inc.	Monmouth Junction	Middlesex
Skyzone Entertainment	North Bergen	Hudson
Songbird Hearing, Inc.	New Brunswick	Middlesex
StrikeForce Technologies, Inc.	Edison	Middlesex
Synthemed, Inc.	Iselin	Middlesex
Tetragenex Pharmaceuticals I	Park Ridge	Bergen
Tobira Therapeutics	Princeton	Mercer
Transave, Inc.	Monmouth Junction	Middlesex
Tymac Controls	Montague	Sussex
TYRX Pharma, Inc.	Monmouth Junction	Middlesex
UDC, Inc.	Ewing	Mercer
Unigene Laboratories, Inc.	Fairfield	Essex
VaxInnate, Inc.	Cranbury	Middlesex
Vidyo, Inc.	Hackensack	Bergen
Vonage Holdings Corporation	Holmdel	Monmouth
Vyteris, Inc.	Fair Lawn	Bergen
WellGen, Inc.	North Brunswick	Middlesex
Xtellus	Morris Plains	Morris
<b>Total</b>	<b>\$60,000,000</b>	

Project Key			
CM	Commercial	OF	Office
CT	Construction Trade	PC	Pollution Control
DC	Day Care	RC	Recycling
DS	Distribution	RD	Research and Development
EX	Exempt Public Facility	RH	Residential Health Care
HS	Housing	RT	Retail
IN	Infrastructure	SR	Site Remediation
MF	Manufacturing	SV	Services
NH	Nursing Home	TC	Technology
NP	Not for Profit	TP	Transportation
		WS	Wholesale

Program Key			
BEP	Business Employment Incentive Program	LDF	Local Development Financing Fund
BGF	NJ Business Growth Fund	MSL	Main Street Assistance Line
CED	Fund for Community Economic Development	MST	Main Street Assistance Term
DIR	Direct Loan	NMT	New Markets Tax Credit Program
ERB	Economic Recovery Board for Camden	SGP	Smart Growth Predevelopment Funding
ERD	Edison R&D Wraparound	SFF	Structured Financing Program
GTE	Guarantee	SAB	Stand Alone Bond
HAZ	Hazardous Discharge Site Remediation Fund - Commercial	SLP	Statewide Loan Pool for Businesses
HSM	Hazardous Discharge Site Remediation Fund - Municipal	TEC	Edison Direct Investment