

2002 ANNUAL REPORT



NEW JERSEY REDEVELOPMENT AUTHORITY

CREATIVE COMMUNITY INVESTMENTS

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Mission Statement

The New Jersey Redevelopment Authority (NJRA) functions as a comprehensive resource center that focuses on improving the quality of life by creating value in New Jersey's urban communities.

The NJRA invests financial and technical resources into redevelopment projects and plans that will create a positive impact in our eligible communities. Our primary goal is to ensure that projects are urban-focused, neighborhood-based and investment-driven.

A Message from the Governor



Thank you for your commitment to the State of New Jersey and our efforts to invest in neighborhood-based redevelopment projects.

Through partnerships with community-based organizations, developers and businesses, the New Jersey Redevelopment Authority (NJRA) successfully leverages resources to support redevelopment projects and increase economic opportunities. The NJRA makes prudent investments in community economic development projects that improve the overall quality of life in our State.

NJRA financing programs are bringing a new shopping district to Trenton's West Ward, which will enable residents to stay within their own community to shop for groceries and other goods.

In Camden, a loan from the Authority will fund improvements to restore the town square in the city's Fairview neighborhood. In addition, the NJRA is working with the City of Newark on the city's plans for an arena and has provided a loan to the United Community Corporation to acquire a building to train residents for jobs.

The work of the Authority also plays an integral role in our goal of stopping sprawl and overdevelopment while encouraging growth where it benefits our communities the most – urban centers, older suburbs and rural towns.

As we move forward to address the challenges confronting our State, we will continue to promote a thoughtful approach to statewide planning that strengthens our communities for the years to come. With the support and professionalism of the NJRA and Chairperson Susan Bass Levin, I am confident we will meet these goals and realize our shared vision for a better New Jersey.

With all good wishes,

James E. McGreevey
Governor
State of New Jersey

A Message from the Chairman



The New Jersey Redevelopment Authority (NJRA) is a comprehensive urban resource center that invests financial and technical resources into redevelopment projects and plans that will create a positive economic impact in eligible communities. This year, we have had great success in assisting cities, towns and residents to become self-sufficient.

As an integral component of Governor McGreevey's Smart Growth initiative, the NJRA, working closely with other partners throughout the Department of Community Affairs (DCA), supports redevelopment projects that make sense and that demonstrate a logical collaboration between state agencies. NJRA has and will continue to target resources and funding to enhance the quality of life for all New Jersey residents.

I am proud that NJRA continues to serve as an urban resource center to support projects throughout the state that are urban-focused, neighborhood-based and investment-driven. I am confident that we will continue to provide the critical resources that will sustain and revitalize our urban communities in the years to come.

Sincerely,

A handwritten signature in cursive script that reads "Susan Bass Levin".

Susan Bass Levin

Commissioner

Department of Community Affairs



A Message From the Executive Director



The New Jersey Redevelopment Authority understands that the programs and initiatives developed enhance existing efforts to revitalize our urban communities. We work to create investments and programs that facilitate positive change. We have attained a tremendous amount of success in project development, leveraging of resources, and hands-on technical assistance. These achievements reinforce our role as an active participant in the urban redevelopment process. We have a unique ability to partner with all levels of government, for-profit and non-profit developers, as well as, private lending institutions that is unsurpassed.

We consistently implement smart growth principles by providing technical support and financial resources to facilitate Brownfields remediation, neighborhood revitalization efforts and community economic development projects. We maintain a flexible approach that paves the way for private sector investments that transforms cities into a place of choice to live and work. Our past investments have been built on a strong foundation that underscores the importance of smart growth development of New Jersey's cities.

It is known in the development community that "economic development" is an investment not an expense. New Jersey's economic future is linked to who has the capability to translate smart growth principles into reality for our urban centers. As we move forward we will continue to improve upon our creative investments while staying committed to addressing redevelopment needs.

Sincerely,

A handwritten signature in dark ink that reads "William E. Best". The signature is fluid and cursive, with the first name "William" being larger and more prominent than the last name "Best".

William E. Best

Executive Director

New Jersey Redevelopment Authority

SMART GROWTH

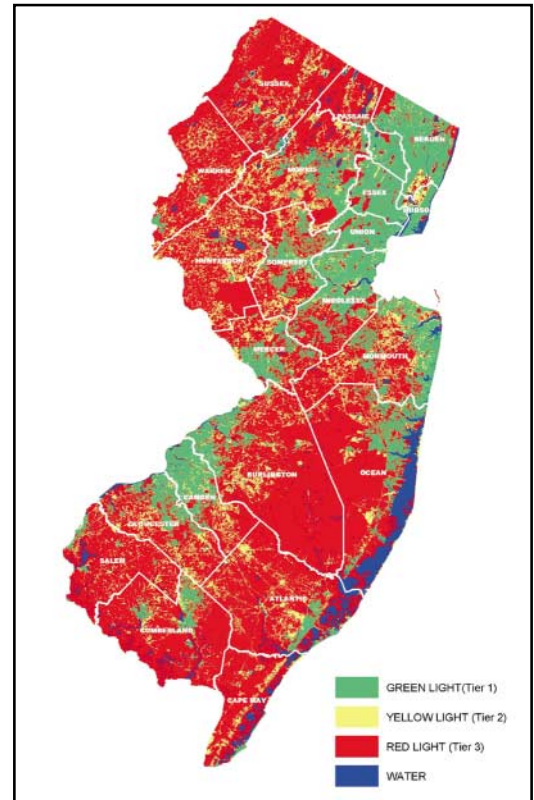
Through practical investments and creative programs, the New Jersey Redevelopment Authority (NJRA) invests in community economic development projects in New Jersey's cities and neighborhoods. In making the funding decision, we focus on identifying opportunities to promote projects that:

- are built on well-planned and well-managed growth
- preserve open space and environmental resources
- create strong neighborhoods
- sustain economic and social development

Urban centers benefit from our committed approach to make prudent investments in community development projects that are a part of a larger revitalization effort. Cities are the hub of culture and commerce; therefore, it is imperative that projects meet the goals of the present without compromising the needs of future generations.

We created a comprehensive dialogue among state, county and local levels of government, private funding sources and community stakeholders to improve the quality of life in urban centers. The projects showcased in the 2002 Annual Report demonstrate the NJRA's ability to translate smart growth principles into reality for our cities. Also, highlighted in the report is a view of the Authority's aggregate investment landscape, which utilizes the Authority's tax-exempt bond financing, direct loans, NJ Urban Site Acquisition funds and technical assistance. We further enhance these principles by ensuring that our projects also create real opportunities for people who live and work in urban communities.

The NJRA will continue to provide value to New Jersey's urban communities. The investments made, the programs developed and the initiatives undertaken by the Authority will benefit people, communities and the state.



To achieve smart growth and to improve the quality of life for all of New Jersey's citizens, Governor James E. McGreevey has launched a new, map-based initiative to achieve smart growth and to protect the state's waters and natural resources. It is called the Blueprint for Intelligent Growth (BIG) Map.

- Green shaded - Smart Growth Areas
- Yellow shaded - Growth Reserve Areas
- Red shaded - Critical Natural Resource Areas.

United Community Corporation Workforce Development Center



NJRA PARTICIPATION: \$207,000 LOAN

- Commercial Development
- Expansion of Social Capital
- Planned and Managed Growth

sustaining economic & social development

United Community Corporation was established in 1964 as a Community Action Agency to provide social services, housing and to act as an economic developer. Over the last 39 years, United Community Corporation has become one of the mainstays of the Westside Park Community in Newark.

United Community Corporation concentrates on providing a multiplicity of social, educational, recreational and economic empowerment programs to improve and stabilize the quality of life in Newark.



Building on the success of previous efforts, United Community Corporation partnered with the New Jersey Redevelopment Authority to consolidate program operations into a facility they will own. The NJRA is providing financing for the acquisition of a four-story vacant industrial building. United Community Corporation plans to renovate the building to house a new training facility for its cashier/retail, automotive repair and general building maintenance training programs, as well as, its childcare and credit counseling services.

The newly renovated facility will enable United Community Corporation to create trained motivated job seekers for businesses in the city of Newark. Additionally, through the credit counseling services, they will also develop a pool of qualified homebuyers for future housing developments.

The NJRA and United Community Corporation understand that the priority for developing our neighborhoods must be the development of plans and projects that build upon past success well into the future.

(Left page) - A manager demonstrates to her students the correct methods for operating a cash register and serving customers as part of the United Community Corporation's cashier training program at the UCC Café in Newark.

(Above) - Teacher shows a student how to paint a car as part of an automotive training course at United Community Corporation's Automotive Training facility.



Pennington Avenue Shopping Center



NJRA PARTICIPATION: \$1 MILLION LOAN

- Brownfields Remediation
- Public/Private Partnership
- Commercial Neighborhood Development

creating strong neighborhoods

Over the past several years, the city of Trenton has experienced a resurgence in various neighborhoods throughout the community. The Canal Bank's neighborhood has seen the construction of new housing and other commercial developments that have facilitated significant improvement in the quality of life for those who live and work in that area. The New Jersey Redevelopment Authority (NJRA) discovered a unique opportunity to complement these changes in an area bordering the Canal Bank's neighborhood.

Residents of Trenton's West Ward lacked the opportunity to access quality services. Those with the means were forced to drive outside of their neighborhood or the city to meet their shopping needs. Those without access to reliable means of transportation were forced to shop in establishments where quality did not meet their expectations.



The vision (above) of the Pennington Avenue Shopping Center soon will become a reality for residents of Trenton.

Community Concepts, LLC Development Company, a for-profit developer committed to commercial economic development in urban areas, was awarded the right by the City to develop city owned sites in the West Ward. Community Concepts also negotiated options to purchase adjoining properties. The NJRA financed acquisition of the land. The availability of resources, as well as technical assistance, from the Authority allowed this project to move forward on a faster track. Additionally, the Authority provided assistance through the Brownfields Redevelopment Initiative for remediation of site contaminants.

The project is near completion and 100% leased. A well-established grocery store chain, restaurants and other retail services, needed in the community, will anchor the new shopping center. Community Concepts, LLC Development Company is also forming a partnership with three non-profit organizations in Trenton. This unique partnership will afford the non-profits ownership interest in this development.

(Left page) - Mayor Douglas H. Palmer, city of Trenton, and Ted Davis, Developer, Community Concepts, LLC Development Company, discuss final plans and visit the Pennington Avenue Shopping Center in the West Ward of Trenton. This vibrant strip mall, when fully-occupied, will represent a vision long held by area residents.

Smart Growth Factors

LEADERSHIP, PLANNING, RESOURCES, IMPACT

*The commitment to community redevelopment and neighborhood revitalization evolves out of the ability to visualize the opportunities that exist in New Jersey's cities. When you connect **leadership** to community-based **planning** efforts and then link technical and financial **resources**, the result is a positive **impact** in our neighborhoods.*

The NJRA facilitates smart growth development by focusing on these concepts and then tailoring our resources to enhance the redevelopment process to make it work better. Our upfront investment of technical assistance engages other state departments and agencies, as well as, the private sector to recognize the development potential at the neighborhood level. We increase our value in the process by preserving progress to ensure the momentum is maintained and projects are brought to fruition.

The Authority's efforts in Elizabeth, Asbury Park and Newark demonstrate our commitment, capabilities and capacity to revitalize New Jersey's cities.

ELIZABETH

Elizabethport Neighborhood

The NJRA's relationship with the city of Elizabeth is focused on the targeted redevelopment efforts in the Elizabethport neighborhood. The commitment to the Elizabethport neighborhood is the heart and soul of the smart growth planning process. In partnership with the City, the Housing Authority of the city of Elizabeth (HACE) and the Elizabeth Development Company (EDC), the NJRA has collaborated to facilitate the rebirth of the area known to the community as "E'port."

The NJRA was a significant partner in the HOPE VI redevelopment project. We realized the need to allocate the dollars to jump-start the development and make new housing and economic opportunity a reality. Financing through the New Jersey Urban Site Acquisition program has resulted in:

- 143 new affordable and market rate housing units
- improved streetscapes
- dialogue among neighborhood residents
- better sense of community
- improvement in the overall quality of life in E'port



Neighborhood Revitalization Plan for the city of Elizabeth.

ASBURY PARK

S.T.A.R.S. Neighborhood Redevelopment (Strategic Target Area Rebuilding Spirit)

Simultaneous to Asbury Park's waterfront renaissance is the resurgence of the S.T.A.R.S. neighborhood. The NJRA played an integral role in this project by taking the upfront risk in partnership with the City and community-based organizations during the predevelopment phase of the project. The Authority assisted

with the development and review of the RFQ and provided the capital to acquire properties crucial to the implementation of the plan. Our objective is to ensure that neighborhood development keeps pace with the revitalization of the waterfront.



Strategic Target Area Rebuilding Spirit (S.T.A.R.S) neighborhood rendering for Asbury Park.

S.T.A.R.S. Neighborhood Redevelopment – Phase I

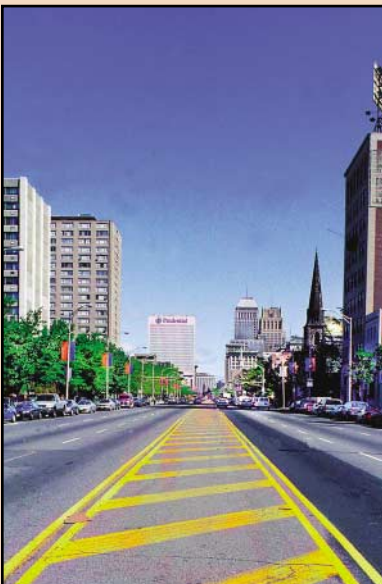
- Construction of 31 single-family detached homes
- Proposed development of a new elementary school and early childhood learning center
- Creation of green space that will serve as a gateway to the new neighborhood

NEWARK

Newark Arena

The city of Newark has perfected the formula for urban redevelopment. The New Jersey Performing Arts Center, the Bears and Eagles Riverfront Stadium and neighborhood revitalization efforts are a clear indication that smart growth is working in Newark. The next jewel in Newark's development crown is the Newark Arena. The City is negotiating with the YankeeNets to construct a new multi-purpose facility that will become home to the New Jersey Nets Basketball and New Jersey Devils Hockey teams. In addition, Newark will have the opportunity to use the facility for high school sports and entertainment events.

Critical to the success of this endeavor, is the desire of the city of Newark to assure residents that this project will benefit the entire city. To this end, the City formally requested the Authority's assistance with the development of the Arena. Citing the Authority's legislative intent to establish a coordinated approach to urban revitalization, the City is certain that the NJRA will generate partnerships, collaborations and opportunities that will result in the Arena serving as a catalyst for redevelopment that will impact the entire city.



Broad Street in the city of Newark.

350 South Broad Street



NJRA PARTICIPATION: \$400,000 LOAN

- Neighborhood Stabilization
- Public/Private Partnership
- Commercial Development

well planned... well managed growth

The Mill Hill area is one of the most prestigious and valued neighborhoods in the city of Trenton. Mill Hill is designated as both a federal and state historic district. Mill Hill is a strong and vibrant urban neighborhood, which has undergone change to strengthen its sense of community while at the same time retain its historical value. The Mill Hill area, a part of the Mercer County Improvement District, has capitalized on the success of recent developments in the surrounding area, including the Sovereign Bank Arena.

Over the years, the Mill Hill Motel, along South Broad Street, became a nuisance property. The Mercer County Improvement Authority acquired the property, demolished the building and cleared the site. The Concerned Pastors of Trenton Economic Development Corporation, a 501(c)(3) organization, has negotiated the acquisition of the property for commercial redevelopment. The Concerned Pastors of Trenton Economic Development Corporation (CPEDC) is a community development corporation comprised of 35 church organizations in the greater Trenton/Mercer County area. The CPEDC pools the collective resources of the member churches to create economic strategies to empower communities.

The NJRA provided financial assistance in order for CPEDC to purchase the Mill Hill Hotel site. The project will include the new construction of a retail/office complex in compliance with the historic requirements for the Mill Hill area. CPEDC has partnered with the Bannett Group and Legend Properties to complete the development team. Potential tenants for the site include Mercer County Community College James Kerney Campus and a Dunkin Donuts franchise. The CPEDC will also coordinate efforts with Mercer County College to seek job-training grants from the Departments of Human Services and Labor. The NJRA's investment provides for the level of site control needed by the development team to attract other financing to ensure the revitalization of this site so critical to the Mill Hill area.

Members of the Concerned Pastors of the Trenton Economic Development Corporation, who are overseeing the 350 South Broad Street project, gather to discuss its progress. When complete, the project will include a new retail/office complex. (Clockwise right): Rev. J. Stanley Justice, Rev. Willie Mae Nanton, Rev. Wayne Griffith and Rev. John Harris.



Fairview Village



NJRA PARTICIPATION: \$2 MILLION LOAN

- Historic Preservation
- Construction of Affordable Housing
- Green Space Development

preservation of open space

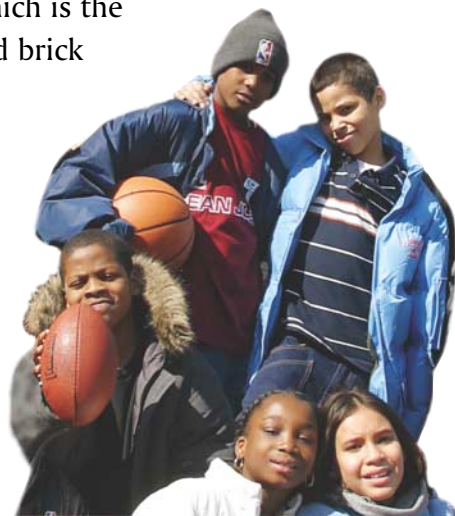
Fairview Village is one of Camden's most viable neighborhoods. Rich in architectural history, Fairview, originally called Yorkship Village, was constructed in 1919 to house workers of the New York Shipbuilding Corporation. This company built ships during World War I. The historic nature of this neighborhood, key to the economic turnaround of the city of Camden, demonstrates the hope and promise for development in this neighborhood.



The design of Fairview Village has an old world charm. Narrow winding streets and broad green boulevards always lead visitors to the heart of the community – the Town Square. The Town Square, which is the focal point of the neighborhood, compliments the design of the red brick housing graced with home style front porches with front and backyards to further enhance the feel of a neighborhood.

RPM Development received assistance from the NJRA to acquire four vacant buildings around the Town Square. The revitalization of these properties will result in new rental housing units, street level storefronts, and increased pedestrian traffic in the square.

The conceptualization and development of this project recognized the need to balance preservation with progress. The NJRA's flexible terms afforded RPM with an incentive to preserve the historic nature of the neighborhood with the future development potential.



Children are the future of any community. These Yorkship School students gather at America Road in Camden. They eagerly anticipate the redevelopment of historic Fairview Village. This development, to include new rental housing units and new storefronts, will result in a safer place for them to grow, play and prosper in a vibrant, bustling Town Square.

Neighborhood Stabilization

Ferry Station



NJRA PARTICIPATION: \$200,000 LOAN

- Neighborhood Development
- Housing Rehabilitation
- Transportation Linkages

creating strong neighborhoods

The Ferry Station Apartment Complex is in the Whitman Park neighborhood. This neighborhood of single-family and multi-family housing of mixed-incomes is heavily impacted by the stability of the



apartment complex. Ferry Station was built in 1970 on 13.4 acres of land adjacent to Whitman Park. Lourdes Hospital is also located in the vicinity of the complex.

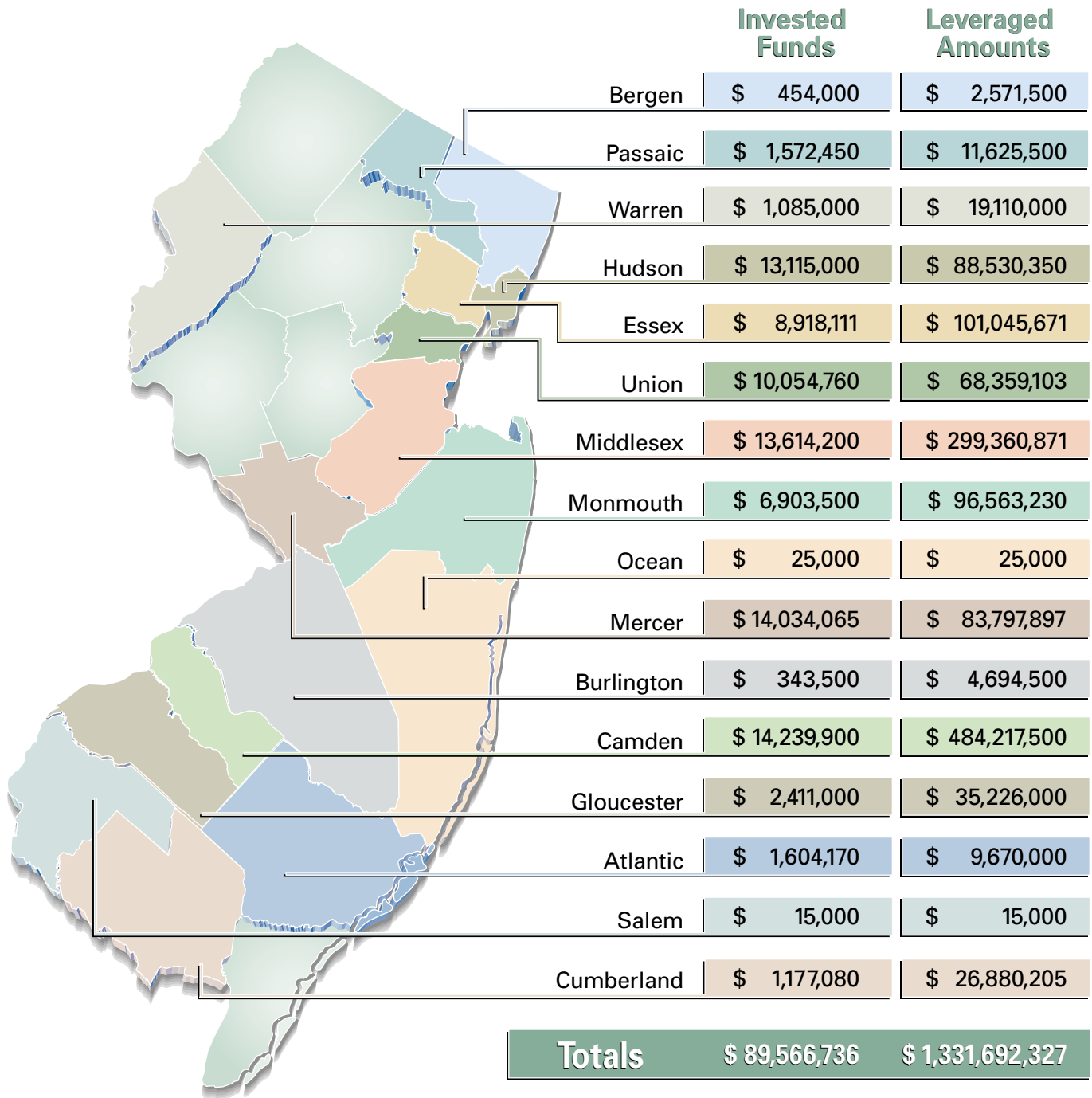
The NJRA took the upfront risk and provided the capital to jump-start the redevelopment of this complex.

The project involves the repair of fire-damaged units and moderate rehabilitation of the remaining units including, but not limited to, new windows, bathrooms, carpeting, painting and new kitchens. Tenants locating to the new complex will have access to a new community building and laundry facility.

The NJRA, in conjunction with other public investment, will halt the destabilizing influence of the Ferry Station apartments on the surrounding residential communities and provide market rate rental opportunities. The restoration of this building also entices new families to relocate to the area with the addition of the region's High Speed Rail Line that connects Camden to Philadelphia, Atlantic City and many southern New Jersey communities.

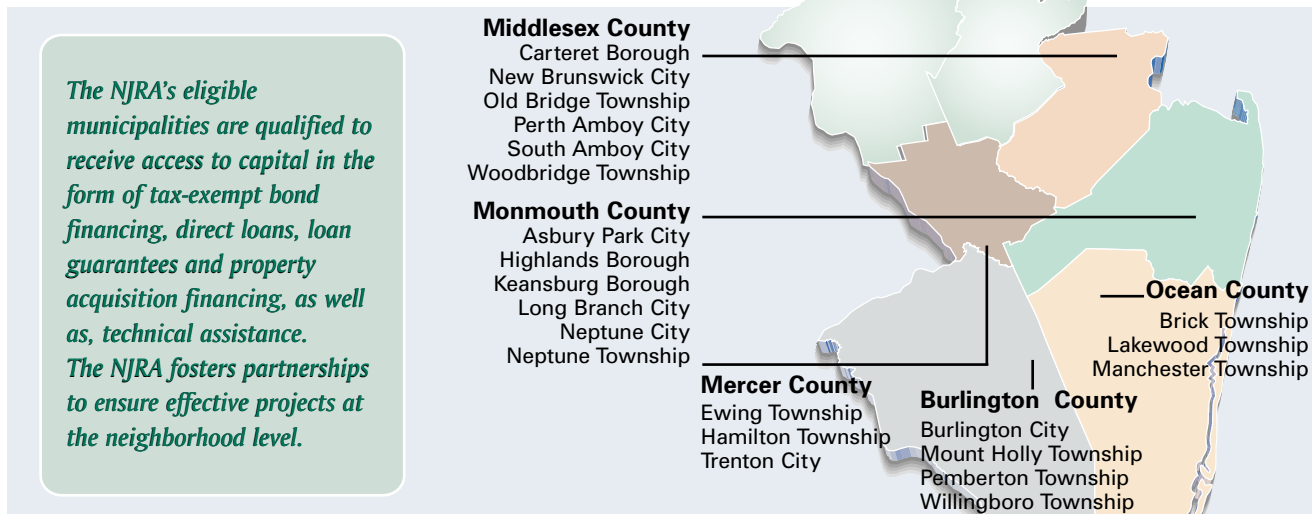
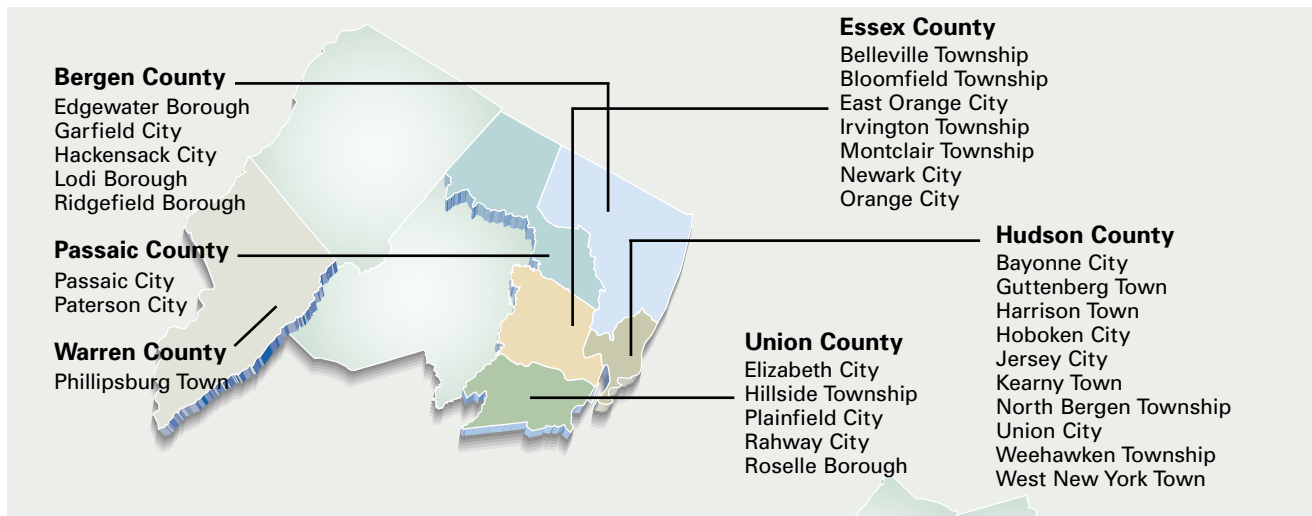
The renovation of the former Ferry Station Apartment Complex provides this couple with an affordable, modern and comfortable housing opportunity in Camden's Whitman Park neighborhood.

Smart Growth Investments

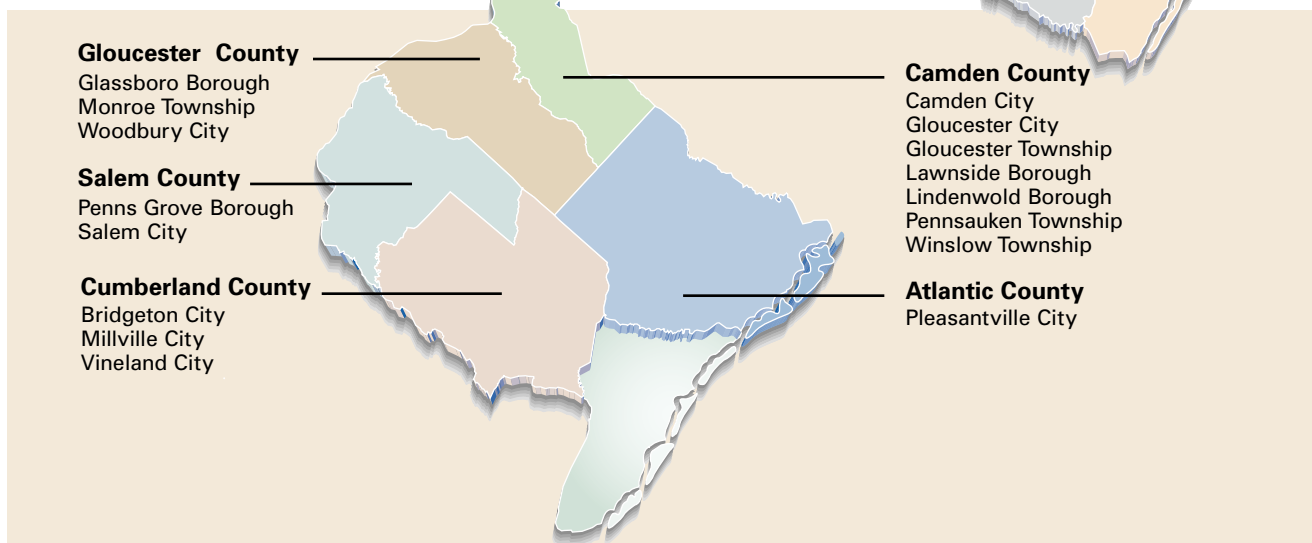


The aggregate totals in this New Jersey counties map represent the New Jersey Redevelopment Authority's committed investments in smart growth areas, from inception through December 2002.

Eligible Municipalities



The NJRA's eligible municipalities are qualified to receive access to capital in the form of tax-exempt bond financing, direct loans, loan guarantees and property acquisition financing, as well as, technical assistance. The NJRA fosters partnerships to ensure effective projects at the neighborhood level.



Board of Directors

CHAIRMAN

Susan Bass Levin
Commissioner
Department of Community Affairs



New Jersey Redevelopment Authority Board of Directors:
Chairman's Designee: Deputy Commissioner Dale Caldwell (Center, right);
Public Members and Designees: (First row, l to r): James Ballentine, NJ Dept. of Education; Harry Wyant, Jr., Mayor of Phillipsburg, NJ; Linda Holmes, NJ Dept. of Health and Senior Services; B. Harold Smick, Jr., Smick Lumber, and Freida Phillips, NJ Dept. of Human Services.

(Second row, l to r): Judith A. Shaw, NJ Dept. of Environmental Protection; Harold Nafash, Lowe's Home Companies; Marc E. Berson, The Fidelco Group; Barry E. Vankat, First Union National Bank; Joseph Latoof, NJ Dept. of Labor; William Mangan, NJ Dept. of Transportation; Peter Wint, Office of the NJ Attorney General; Angelo Valente, Partnership for a Drug Free NJ, and Carmen Armente, Office of State Treasurer.

Credits

Design and Production: Wayne Inman and Atlantic Color Limited, Inc., William A. Cradle, President and Creative Director
Major Photography: Dwight Carter, Dwight Carter Photography
Governor's Photo: Jerry Casciano, State Photographer
Ferry Station Photo: Snapshot Photo
S.T.A.R.S. Rendering: Watt Architects, Asbury Park, NJ
Elizabeth Neighborhood Revitalization Rendering: David Moss, Heyer, Gruel & Associates, PA
Newark Photo: Courtesy of Newark Office of Public Information
Blueprint for Intelligent Growth (BIG) Map: New Jersey Department of Environmental Protection
Pennington Avenue Shopping Village Rendering: The Bannett Group, LTD., Design Builders
Ferry Station Apartments Rendering: Kitchen & Associates Architectural Services, PA

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