
New Jersey Economic Development Authority

1979 Annual Report

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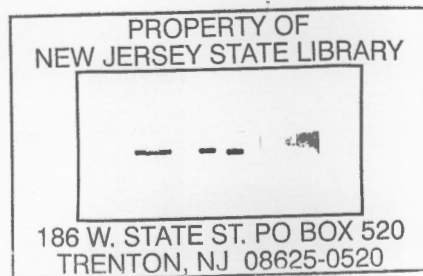
To The Governor And Members Of The Legislature:



Brendan Byrne
Governor



John J. Horn
Chairman



I am pleased to submit the 1979 Annual Report of the New Jersey Economic Development Authority.

New Jersey moved aggressively and on many fronts during the 1970's to foster sound, job-producing private investment. The establishment of the Authority in 1974 was a most significant step in this direction. The agency's performance has been remarkable.

As we enter a new decade, the members and staff of the Authority renew our commitment to service and achievement for New Jersey.

Sincerely,

John J. Horn
Chairman

February 28, 1980

The Year At A Glance

	1979	1978	Cumulative Totals 1974-1979
Amount of Financing	\$573,261,975	\$264,233,450	\$1,121,239,425
Number of Projects	408	250	915
Total Investment Stimulated by Financings (estimated)	\$724,022,000	\$419,863,000	\$1,581,603,000
Permanent Jobs to be Created by Financings (estimated)	19,100	11,900	41,200
Construction Jobs to be Created by Financings (estimated) ...	9,900	4,800	19,900

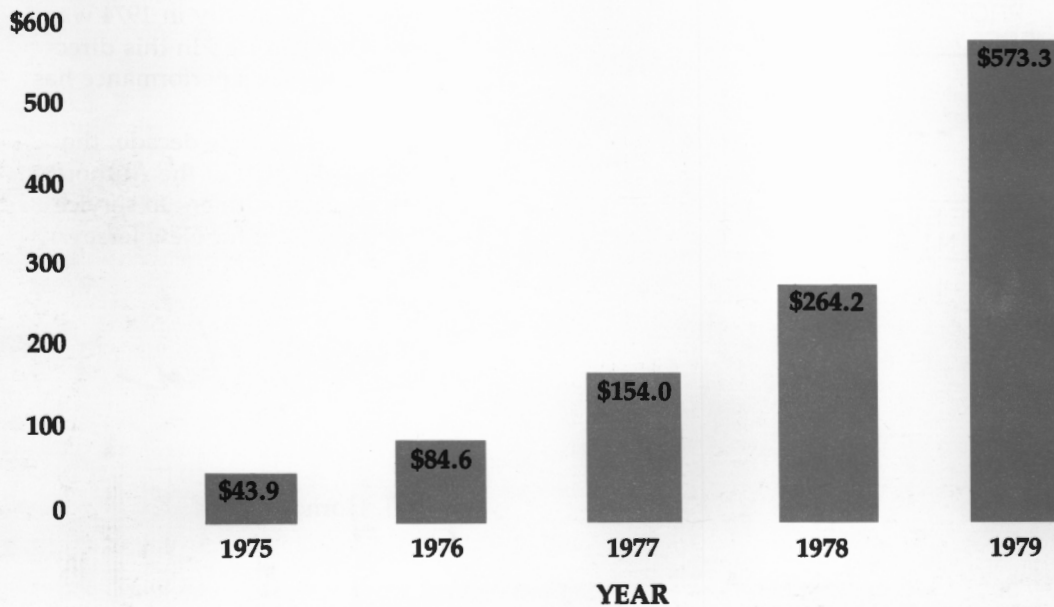
NOTE:

Figures refer to projects closed and settled during the applicable period, and include revenue bond financings, loan guarantees, and direct loans. Prior year figures have been adjusted to reflect actual (rather than projected) jobs created, and to account for inactive projects.

New Jersey Economic Development Authority

**Amount of Financing
1975 — 1979**

Millions of
Dollars

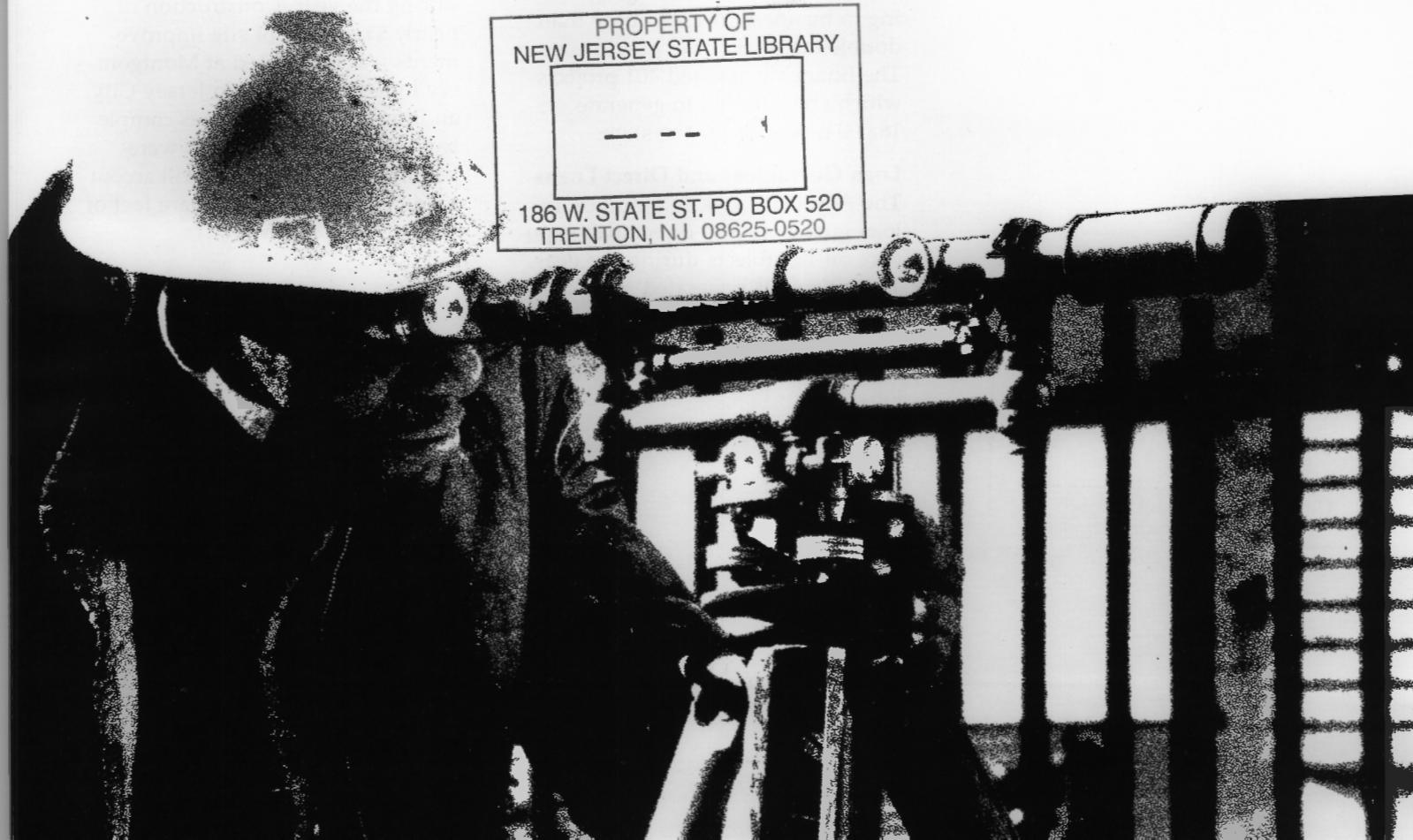
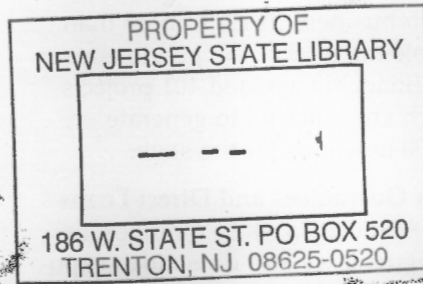
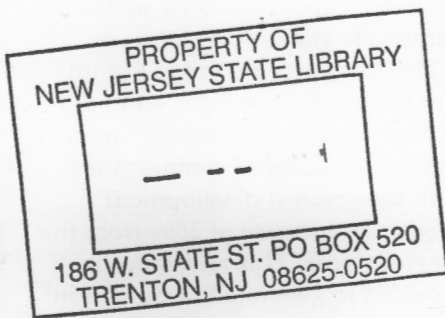


The New Jersey Economic Development Authority

The Authority is a governmental agency designed to arrange low-cost project financing, credit guarantees, real estate services, and technical assistance to businesses in New Jersey. The objectives of the Authority are to maintain and expand job opportunities, and to enlarge the tax base of state and local governments in New Jersey. The Authority is governed by a seven-member board consisting of the New Jersey Commissioner of Labor and Industry, who serves as Chairman; the Commissioner of Community Affairs; the

Commissioner of Environmental Protection; the State Treasurer; and three additional members appointed by the Governor and approved by the New Jersey Senate.

To accomplish its objectives, the Authority is empowered to issue tax-exempt industrial development bonds, and to provide funds from its bond issues to finance eligible projects. The Authority also may guarantee loans, provide direct loans, acquire, redevelop and sell land and other property, and conduct studies related to its legislative mandate to stimulate employment and investment in New Jersey. The Authority cannot obligate the credit of the State of New Jersey.



Message From The Executive Director



The Authority marked its fifth anniversary of service to New Jersey in 1979. The year was one of sizable accomplishment.

Revenue Bond Financing

The Authority provided \$569,793,775 of low-interest revenue bond financing to business in 1979, more than double the total of the previous year. The financing assisted 401 projects which are expected to generate 18,000 new jobs for the state.

Loan Guarantees and Direct Loans

The Authority took \$6.6 million in loan guarantee and direct loan exposure on 16 projects during the year. These projects generated more than \$30 million of institutional lending, \$44 million of private investment, and will create or maintain 1,500 jobs.

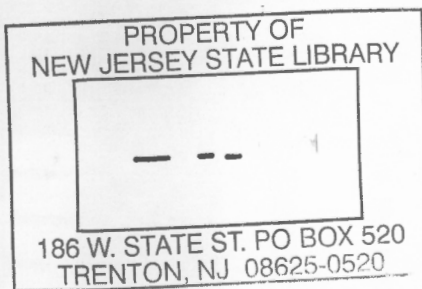
Financial Assistance to Central City Projects

During 1979 the Authority placed sharp eligibility restrictions on its business loan programs, to direct a greater portion of its activity to New Jersey communities with high unemployment, low income, and inadequate tax rates. This targeting plan has already had an impact on the direction of Authority assistance within the state.

The Authority provided \$58 million in financial assistance to projects in New Jersey's "urban aid" municipalities (considered communities with the greatest development needs), an increase of 36% from the previous year. This assistance is expected to generate \$74 million in private investment and 3,400 new jobs in these communities.

Urban Real Estate Development

The Authority expanded its activity as a developer of urban real estate during the year. Construction of nearly \$1 million of site improvements was completed at Montgomery Industrial Center in Jersey City, an industrial building was completed, and marketing efforts were begun. This 32-acre site will accommodate up to 650,000 square feet of new industrial space.



Ground was broken for construction of a second Authority project, New Point Industrial Center in Elizabeth, and agreements were signed for construction and occupancy of two new industrial buildings there. This 30-acre development will result in construction of more than a half million square feet of new industrial space.

The Authority's investment in these first two projects is expected to generate more than \$20 million of private investment and 1,000 jobs during the next five years.

By year-end, municipal agreements and financing arrangements were nearly concluded for a third Authority project, the Trenton Marine Terminal in Trenton. Construction of approximately \$2 million of site improvements is scheduled to begin in 1980.

Trade Adjustment Assistance

The Authority received a second-year grant from the U.S. Economic Development Administration to assist New Jersey businesses whose sales and employment have been reduced by foreign imports. During 1979, 42 firms in New Jersey were certified for federal Trade Act assistance (compared with 6 in 1978) and 18 firms received free or low-cost business recovery assistance from private management consultants through the program. Six firms damaged by imports received a total

of \$8.5 million in federal loans or loan guarantees to finance recovery plans. Approximately 2,500 jobs are associated with the firms receiving various types of Trade Act assistance.

Operating Results

Revenues from financing fees and federal grants were sufficient to pay all operating expenses. For the fifth year, the Authority's administrative operations have not required appropriations from the state treasury.

The Authority staff expanded by 50% during the year to a level of 65 by year-end. The Authority moved to new offices in Trenton, and leased additional space in anticipation of future growth.

The significant increase in Authority activity in 1979 was matched by a substantial improvement in New Jersey's economy. More than 115,000 new jobs were created statewide during 1979. Total employment reached a record 3,300,000 and the state's unemployment rate dropped from 7.2% in 1978 to 6.9% in 1979. New Jersey has achieved a remarkable recovery from the last recession. As recently as 1976, the state's unemployment rate exceeded 11%, the highest of any state in the nation that year.

The year ahead promises to be a period of scarce and expensive credit, continued inflation, and a downturn in business activity. The attendant economic stress on businesses, their employees, and our communities may be severe, although not unfamiliar. The Authority's programs of low-interest financing, credit guarantees, real estate development, and other business assistance should play an important role in helping to cope with these difficulties.

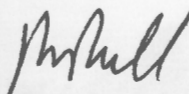
Five Years of Service

During the period 1974-1979, the Authority provided more than a billion dollars of incentive financing to the state's business community. A billion and a half dollars in private investment and more than 40,000 permanent jobs have been associated with these transactions.

The capacity of the agency to serve the state has been broadened considerably during the period. The primary objective of the Authority's enabling legislation in 1974 was to provide a facility for tax-exempt revenue bond financing. Subsequent amendments to the statute and appropriations permitted the Authority to launch programs of business development loan guarantees for fixed asset and working capital financing, direct loans, and urban real estate development initiated and managed by the agency.

Through these efforts, we have attempted to brighten the business outlook and image of New Jersey among investors worldwide. We have sought to provide tangible evidence that responsible growth remains an official public priority in New Jersey.

The members and staff of the Authority look forward to the new opportunities and challenges of the 1980's.



Robert S. Powell, Jr.
Executive Director

February 28, 1980

Tax-Exempt Revenue Bond Financing

The Authority issued tax-exempt industrial revenue bonds during 1979 in an aggregate principal amount of \$569,793,775 to provide low interest financing for 401 projects. The 1979 revenue bond total was more than double the level of the previous year.

Approximately 18,000 permanent jobs and 9,000 construction jobs are associated with the 1979 revenue bond projects.

The chart beginning on page 14 provides a detailed breakdown of 1979 projects. Here are some highlights.

New Jersey Firms

A large majority of the financings assisted existing New Jersey businesses undertake programs of expansion. Most of these firms were small — with fewer than 100 employees — and the Authority's assistance to such firms typically did not exceed \$1 million per project.

Foreign Investment

The Authority has helped New Jersey maintain a leading position as a home for foreign investors. During 1979, the Authority provided \$38 million in incentive financing to 19 different foreign investment groups for the construction or expansion of facilities that will lead to nearly a thousand new jobs.

A \$1 million loan assisted the Lapp Wire and Cable Company of West Germany to establish a new manufacturing facility in Fairfield. This transaction received significant assistance from the foreign investment mission to West Germany led by Governor Byrne in April 1979.

Paco Packaging, Inc. of Great Britain has constructed a new manufacturing facility in Lakewood with the assistance of an \$800,000 Authority financing. Another British firm, Doulton and Company, Inc. has constructed a new distribution and office complex in Franklin with the assistance of a \$1.9 million Authority loan.

Sunkyong International Inc. of Japan has established a new office and distribution center in Moonachie with the help of an Authority financing, and another Japanese firm, Toshiba America, Inc. (East Meadow Corporation) has constructed new headquarters and distribution facilities in Wayne with the assistance of a \$5.2 million Authority financing.

Several Swiss firms have constructed or expanded facilities in New Jersey with assistance from the Authority, including Werner & Pfleiderer Corporation in Ramsey, The Nestle Co., Inc. in Freehold, and Bobst, Inc. in Roseland.

Targeting Authority Assistance

The Authority established new eligibility criteria during 1979 to direct a greater proportion of its financing assistance to projects located in communities with high unemployment and low income.



The new criteria are contained in a regulation entitled "Targeting Authority Assistance" and are effective for all projects approved after July 1, 1979.

The targeting plan generally restricts Authority assistance to projects located in 117 municipalities which are characterized by high unemployment, low personal income, and a substandard tax base. The list of eligible locations includes most of the state's larger urban communities, as well as a number of older suburban areas and rural communities in need of development. Approximately one-third of the state's population resides in these targeted municipalities.

The targeting plan provides that, unless a project is located in one of the 117 designated communities, or unless a project is covered under the "exemption" provision of the plan, the project is not eligible for Authority assistance.

Certain types of projects are exempt from the locational restrictions, because of the regional and statewide benefits of such projects. Such projects include the acquisition, construction, or expansion of industrial and manufacturing facilities; wholesale trade facilities; and office buildings with a minimum of 20,000 square feet.

Most commercial and retail projects are no longer eligible for Authority assistance unless they are located in a designated municipality. Similarly, recreational projects (such as tennis and racquetball facilities), and small office buildings are excluded.

This far-reaching plan, adopted after months of public hearing and debate, is intended to provide a stronger financial inducement to investors to locate facilities in communities where the needs for employment and tax rates are the greatest. The plan also is intended to assist in allocating scarce tax-exempt credit to those projects which carry the highest and best public benefits to the state.

Revisions in Bond Counsel Policy

During 1979 the Authority adopted policies to increase the number of New Jersey law firms which represent the Authority as bond counsel, and to increase competition in the bond counsel field. The policies are also expected to result in a moderation of bond counsel fees paid by borrowers on Authority transactions.

Previously, the Authority had engaged dozens of out-of-state law firms to provide advice on revenue bond transactions. Early in 1979, the Authority, in cooperation with the state Attorney General, reviewed the qualifications of scores of law firms in New Jersey and in other states,

and selected from this group ten firms to represent the agency in its revenue bond transactions. Eight of the ten firms are based in New Jersey. Previously, only one New Jersey-based firm had represented the agency.

Each of the ten firms received strong recommendations from leading financial institutions. In addition, each of the ten firms possesses depth and significant professional experience in key areas of law relating to Authority work such as taxation, securities, real estate, and corporate finance.

Prevailing Wages and Affirmative Action

During 1979 the Authority adopted a regulation requiring payment of prevailing wages on construction work undertaken on projects receiving Authority assistance. The requirement applies to all projects approved after September 1, 1979.

The Authority also adopted a policy establishing certain minority hiring goals on construction work undertaken in connection with projects receiving assistance. The effective date and other details of this policy are expected to be established early in 1980.

How Tax-Exempt Bond Financing Works

The Authority is empowered to issue bonds to raise funds for the financing of industrial and commercial projects which provide employment and tax revenues for the state. Subject to the terms and conditions of the Internal Revenue Code, the interest income earned on these industrial development bonds is exempt from federal taxation. State law also exempts the interest income from most New Jersey taxes.

A company seeking such financing submits an application to the Authority for determination of legal eligibility and compliance with

Authority policies and objectives. When the applicant, working with the Authority's staff, has identified a lender willing to participate in the financing, the Authority issues its bonds to the lender, and thereby borrows the funds needed to pay for the project. The Authority then loans the bond proceeds to the company.

The company makes the principal and interest payments on the bonds. The lender (bondholder) purchases the bonds with the understanding that neither the state nor the Authority guarantees payment of the bonds. (The Authority has a guarantee program, but it is used selectively.) The bonds are secured by a loan agreement with the company plus a mortgage on the assets of the project.

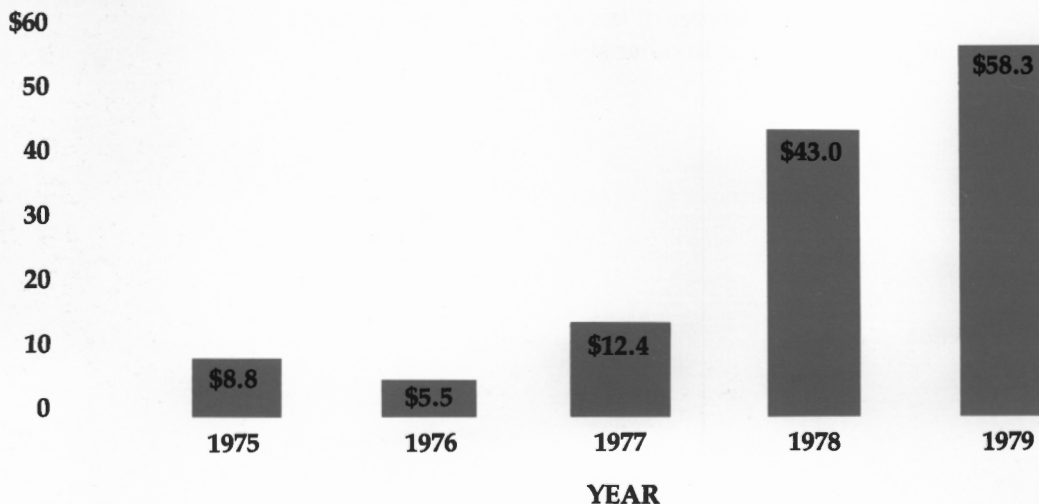
Because the bonds are tax-exempt, the lender (bond purchaser) can reduce the interest rate on the financing, and still obtain an attractive, after-tax return on the loan. Tax-exempt interest rates are usually 65%-75% of conventional, taxable interest rates.

The savings can make the difference between an attractive and unattractive investment. A \$1 million, 20-year conventional mortgage with an 12% interest rate requires payments over the life of the mortgage of approximately \$2,616,400. The same financing with tax-exempt interest rate of 9% requires total payments of approximately \$2,143,300, or a savings of \$473,100.

New Jersey Economic Development Authority

Financial Assistance to Projects in "Urban Aid" Cities 1975-1979

Millions of
Dollars



Loan Guarantees And Direct Loans

The Authority guaranteed portions of 15 loans and made 2 direct loans during 1979. These projects involved an Authority exposure of \$6,612,450 on financings totaling \$30,378,000.

Approximately \$44 million of private investment and 1,500 jobs will be stimulated by these projects. Approximately half of the Authority's loan guarantee and direct loan assistance was directed to projects located in "urban aid" municipalities.

At December 31, 1979, the Authority had an aggregate loan guarantee exposure of \$14,729,160 and had direct loan receivables totaling \$16,312,262. This assistance has sparked more than \$200 million of private investment in New Jersey, and approximately 4,500 jobs.

At December 31, 1979, the Authority's fund balances which secure loan guarantees had an aggregate balance of \$18,394,307. The Authority limits exposure of the reserve funds to a maximum of three times fund balances. Through December 31, 1979, the Authority has incurred losses, or established reserves in anticipation of losses, in connection with its loan guarantee

exposure, totaling \$466,805. This amount represents approximately 3% of the aggregate loan guarantee exposure taken as of that date.

During 1979, the Authority made payments totaling \$135,000 on one defaulted project in accordance with its guarantee agreements. The Authority has significant collateral securing its exposure in this project. The Authority management believes the default will have no material impact on loan guarantee funds. One other loan partially guaranteed by the Authority defaulted in 1979, involving Authority exposure of \$540,000. The Authority is exercising its rights to liquidate project collateral, and has established an allowance for loss of \$290,000 in connection with this project.

Here are examples of projects which were made possible in 1979 by the Authority's loan guarantee and direct loan programs.

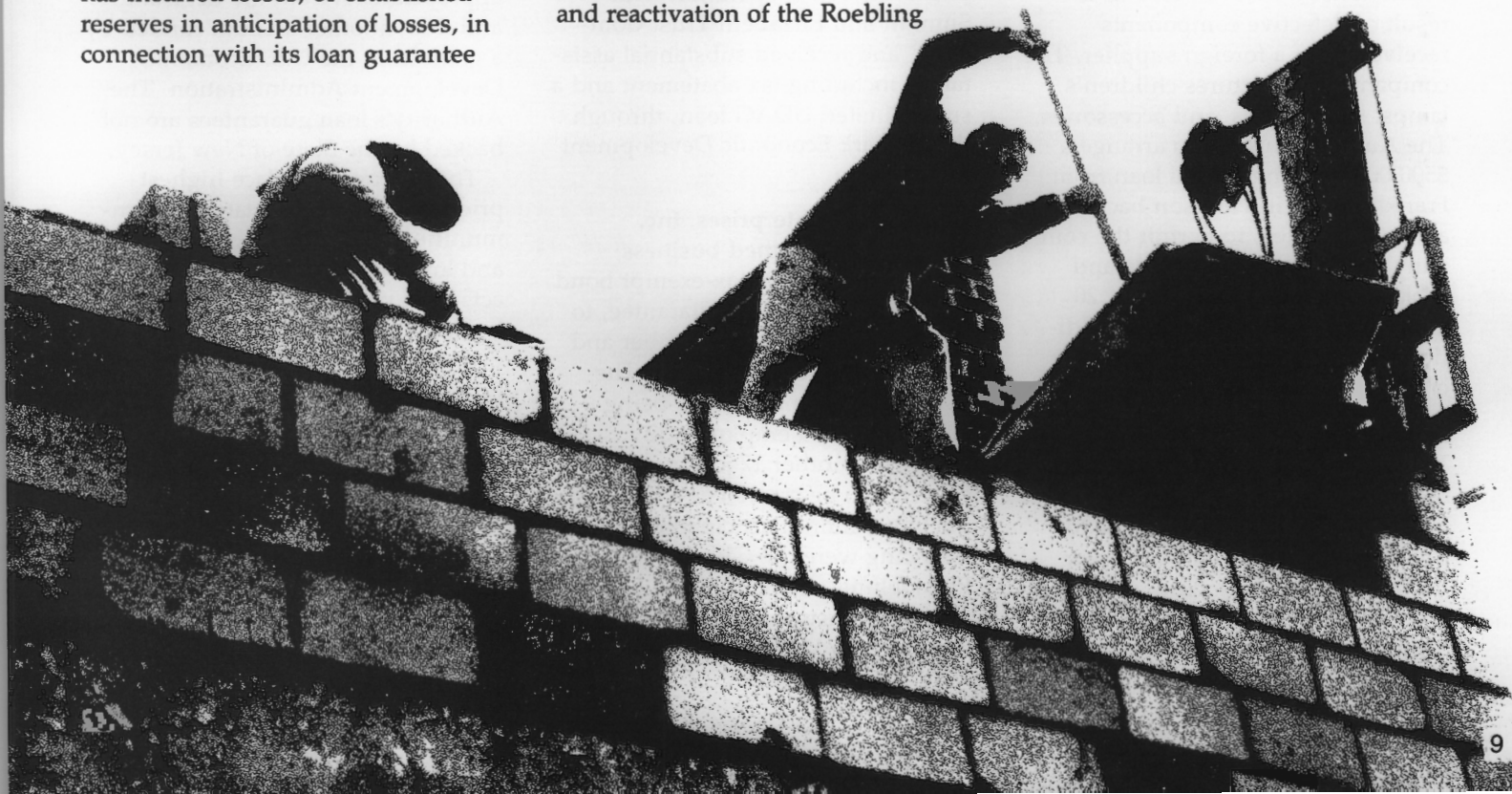
John A. Roebing Steel Corp.

The Authority helped to organize financing totaling \$17 million to assist this new firm in the purchase and reactivation of the Roebing

Steel works in Florence Township (Burlington County). The project loans, from Marine Midland Bank of Buffalo, New York, were used to acquire the 350-acre industrial complex and nearly one million square feet of industrial space and equipment on the site. The Authority guaranteed \$1,500,000 of the financing, and assisted the company in obtaining additional loan guarantees of \$13,950,000 from the U. S. Economic Development Administration. More than 300 new jobs are expected to be created as a result of the financing.

RAR Development Corp.

The Authority assisted this investment group in obtaining \$4.5 million of tax-exempt bond financing to acquire and rehabilitate approximately one million square feet of industrial buildings on a 40-acre site in Newark formerly occupied by P. Ballentine and Sons Brewery. The Authority agreed to guarantee \$1 million of the project financing, provided by Fidelity Union Trust Com-



pany of Newark. Another \$1 million of subordinated financing was provided by the Newark Economic Development Corporation utilizing a UDAG grant from the U.S. Department of Housing and Urban Development. Approximately 600 jobs are expected to be created as a result of the financing.

Rylco Rubber Products Inc.

The Authority guaranteed 75% of a \$509,000 loan to this new corporation from Broad Street National Bank of Trenton for the purpose of acquiring equipment and establishing a new rubber manufacturing company in Hamilton (Mercer County). The Authority also guaranteed 50% of a \$300,000 working capital loan to the firm from the bank. The new business will be conducted in a portion of an industrial complex formerly used by an unrelated company which went out of business. The new business is expected to provide 38 jobs.

Herbert Kam Co., Inc.

This Paterson firm suffered substantial inventory losses in 1978 as a result of defective components received from a foreign supplier. The company manufactures children's lamps, lampshades, and accessories. The Authority helped to arrange a \$500,000 working capital loan from Franklin Bank in Paterson backed by a 50% guarantee, to permit the company to consolidate its debts and replace inventory. As a result, 20 jobs were maintained and an additional 43 jobs are expected to be created within two years.

New Brunswick Bindery

The Authority provided a \$250,000 tax-exempt bond financing backed by a 75% repayment guarantee to this new business located in New Brunswick. The financing, undertaken in cooperation with Peoples National Bank of Central Jersey, enabled the company to purchase

equipment to be used in the operation of an automated book, pamphlet, and leaflet binding business. Twenty-one jobs will be created.

Alexander & Sawyer, Inc.

This firm received a \$125,000 direct loan from the Authority to purchase new equipment and provide additional working capital. The company is located in Newark and fabricates sheet metal. The firm had performed poorly under former owners in prior years. The financing has enabled the company and its new management to continue operations, which employ 33 people, and to expand employment in the coming years.

Synfax Manufacturing Co.

The Authority guaranteed 30% of a \$950,000 tax-exempt bond financing to this firm for the purpose of constructing a new manufacturing facility in Newark. The firm manufactures chemicals and toner for the photocopy industry, and will move from Belleville to Newark, bringing 30 jobs to the site and creating 15 more. The financing was undertaken in cooperation with Summit and Elizabeth Trust Company, and received substantial assistance, including tax abatement and a subordinated UDAG loan, through the Newark Economic Development Corporation.

Camdelphia Enterprises, Inc.

This minority-owned business received a \$350,000 tax-exempt bond financing with a 21% guarantee, to purchase and expand a lumber and millwork facility in Camden. The business was in danger of being liquidated, and employed 32 workers. Another 17 jobs are expected to be created as a result of the transaction. Participating in the financing were the Girard Bank of Philadelphia, the U.S. Small Business Administration, and the Greater Philadelphia Venture Capital Corp.

Loan Guarantee and Direct Loan Programs

The Authority is empowered to guarantee loans and bond issues and to make direct loans to assist in the financing of eligible job development projects. Such assistance is available for fixed asset financing and for working capital. The terms of Authority participation are tailored to meet the needs of a particular transaction. Loan guarantees typically range from 30% to 90% of a financing, and direct loans usually cannot exceed \$250,000 per project.

Authority loan guarantees are secured by and payable from cash and securities held in several restricted accounts. These accounts have been funded from time to time with appropriations from the Legislature, and from grants received from the U.S. Economic Development Administration. Direct loans are made from an account funded with appropriations from the Legislature, and from another account funded by a grant from the U.S. Economic Development Administration. The Authority's loan guarantees are not backed by the State of New Jersey.

These programs place highest priority on projects located in communities with high unemployment and low income, job-intensive projects, and projects involving new businesses. The Authority also must determine that there is a reasonable prospect of repayment of a direct or guaranteed loan.

1979 Loan Guarantees and Direct Loans

Company	Project Location	Total Project Costs*	Loan Amount*	NJEDA Guarantee*	NJEDA Direct Loan*	New or Maintained Jobs	Description
Alexander & Sawyer, Inc.	Newark (Essex)	\$ 125,000	\$ 125,000		\$ 125,000	7	Manufacturing
Camdelphia Enterprises, Inc. ...	Camden (Camden)	884,000	350,000	\$ 75,000		17	Commercial
Clement Pappas & Co., Inc. ...	Lawrence (Cumberland)	900,000	400,000	360,000		30	Manufacturing
The Geismar Shop, Inc.	Hoboken (Hudson)	160,000	144,000	43,200		120	Commercial
Jeanne Greenberg	Princeton (Mercer)	1,301,750	1,200,000	360,000		41	Office
Insul-Coustic Corporation ...	Sayreville (Middlesex)	1,650,000	1,300,000	390,000		40	Manufacturing
Herbert Kam Co., Inc.	Paterson (Passaic)	500,000	500,000	250,000		43	Manufacturing
L & G Associates	Eatontown (Monmouth)	550,000	550,000	165,000		40	Manufacturing
Lan Pac Mills, Ltd.	Metuchen (Middlesex)	700,000	700,000	300,000	200,000	44	Manufacturing
New Brunswick Bindery	New Brunswick ... (Middlesex)	250,000	250,000	187,500		21	Manufacturing
RAR Development Corp.	Newark (Essex)	5,800,000	4,500,000	1,000,000		600	Manufacturing
John A. Roebling Steel Corp. ...	Florence (Burlington)	27,163,945	17,000,000	1,500,000		346	Manufacturing
Rylco Rubber Products, Inc. ...	Hamilton (Mercer)	809,000	809,000	531,750		38	Manufacturing
Synfax Manufacturing Co.	Newark (Essex)	1,480,000	950,000	285,000		15	Manufacturing
Wildwood Clam Co., Inc.	Wildwood (Cape May)	600,000	600,000	540,000		25	Manufacturing
York Luggage Corporation ...	West Amwell (Hunterdon)	1,175,000	1,000,000	300,000		157	Manufacturing
1979 (16 Projects)	Totals	\$ 44,048,695	\$30,378,000	\$ 6,287,450	\$ 325,000	1,584	
1978 (11 Projects)	Totals	112,942,000	18,927,742	4,174,217	374,744	1,047	
1977 (6 Projects)	Totals	5,557,000	4,092,256	1,280,518	49,242	479	
1976 (4 Projects)	Totals	53,960,000	17,974,489	2,344,684	12,434,800	1,396	
Cumulative Totals		\$216,507,695	\$71,372,487	\$14,086,869	\$13,183,786	4,506	

*Figures for years 1976-78 have been adjusted to reflect principal payments made through 12/31/79, and thus indicate loan balances and Authority exposure at that date. Figures also have been adjusted for inactive or terminated projects. The cumulative total guarantee exposure does not include \$935,052 in guarantee exposure transferred to the Authority in 1978 from the N.J. Urban Loan Authority. The cumulative total direct loan receivables do not include \$3,128,476 in receivables transferred to the Authority in 1978 from the N.J. Urban Loan Authority and Area Redevelopment Authority.

Urban Real Estate Development

The Authority made considerable progress in 1979 in its program of real estate development in urban areas. The program involves the acquisition and improvement by the Authority of land in core-city areas, and the marketing of these sites to businesses as locations for new facilities. The program is designed to retain and attract industry in areas of high unemployment, by offering modern, secure, and well-designed business parks on competitive financial terms.

Montgomery Industrial Center

By year-end, the Authority had completed construction work on most of the site improvements to this 32-acre development in Jersey City. Montgomery Industrial Center represents an investment of approximately \$2 million by the Authority and the U.S. Economic Development Administration. The project provides business with large building lots often found in suburban business parks, but with practical conveniences and accessibility of an in-town location. The development includes new utility and sewer lines which run under a new internal road constructed within the project. The Authority has provided a common security system and is installing extensive landscaping throughout the Center.

A new 60,000 square foot industrial building was constructed at the Center by a private developer, and at year-end, negotiations for the rental

of the building to a substantial tenant were nearing completion.

New Point Industrial Center

In September, 1979, the Authority broke ground for construction of a second development, New Point Industrial Center in Elizabeth. Improvements at this 30-acre site were nearly completed by year-end. The project represents an investment of approximately \$2 million by the Authority and the U.S. Economic Development Administration.

By December, 1979, land purchase agreements had been executed with two industrial firms who are expected to construct a total of approximately 100,000 square feet of new facilities beginning in 1980. Marketing efforts for the project will be accelerated in 1980, and are expected to lead to the construction of some 600,000 square feet of industrial space.

These first two real estate developments were made possible in part by an appropriation of \$3 million to the Authority by the Legislature. These funds constitute a revolving development account. As land is sold at the

first two projects, the proceeds may be used for Authority investment in similar projects in other areas. The Authority's investment in these two projects is expected to generate more than \$20 million of private investment during the next five years.

During 1979, the Authority completed preliminary financing and municipal agreements for the redevelopment of a 27-acre site in Trenton known as the Trenton Marine Terminal. The Authority expects to begin construction of nearly \$2 million worth of site improvements at the project in 1980, to provide a mixed-use development encompassing commercial and industrial facilities, as well as public recreational use. The site lies along the Delaware River.

During the year, the Authority's real estate group began feasibility studies on several other urban real estate developments in close cooperation with municipal officials. These studies will guide the agency's capital spending during 1980 and beyond as additional funds become available.

NEW POINT INDUSTRIAL CENTER

SITES NOW AVAILABLE
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Developed by the
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
TRENTON, NEW JERSEY
BRENDAN T. BYRNE ■ Governor
JOHN J. HORN ■ Chairman

In conjunction with the
CITY OF ELIZABETH
DEPARTMENT OF COMMUNITY DEVELOPMENT
THOMAS G. DUNN ■ Mayor
ROBERT G. GRIFFITH ■ City Council President
WILLIAM W. HART, JR. ■ Director

and the
U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

Trade Adjustment Assistance Center

The Authority expanded its efforts during 1979 to provide financial aid to New Jersey firms damaged by import competition. The U.S. Economic Development Administration awarded the Authority a second-year grant to continue the Trade Adjustment Assistance Center (TAAC). The purpose of TAAC is to assist firms in becoming certified for U.S. Trade Act benefits, and to administer a program of free or low-cost management consulting services to such

firms to promote their business recovery. TAAC also helps firms obtain low-interest loans and loan guarantees from the U.S. Economic Development Administration to finance recovery operations.

During calendar 1979, 42 New Jersey firms were certified for Trade Act assistance (compared with only 6 the previous year) and 18 firms received management consulting assistance in the preparation of detailed business recovery plans. Six firms received

federal loans or loan guarantees through the program, totaling \$8.5 million.

The firms receiving these various types of assistance are located in 13 counties throughout the state and employ over 2,500 workers, so the program has had an important economic impact. The assistance has been concentrated in the apparel, leather goods, and electronic components industries.

Research and Policy Planning

Two years ago the Authority assembled a small team of policy analysts and research specialists to provide the agency with the capacity to engage in long-range planning, to conduct research on specific economic development problems, and to assist in preparing applications for federal funding of new programs. During 1979, the research staff made significant contributions in each of these areas.

The research group prepared and supervised implementation of the new eligibility criteria noted earlier,

for targeting Authority loan assistance to distressed communities.

A comprehensive report on the development of the state's commercial fishing industry was prepared and released to the public. Research was undertaken on federal economic development policies, including the multi-billion dollar reauthorization of the U.S. Economic Development Administration. This analysis was provided through New Jersey's Washington, D.C. office to our congressional delegation, and assisted our representatives in evaluating

the impact of federal policies on New Jersey.

The research group helped to prepare a manual for urban economic development in cooperation with a task force sponsored by the "Make New Jersey Work Roundtable" whose membership includes more than 100 organizations throughout the state representing labor, government, business, and education. The manual will serve as a guide for municipal officials interested in organizing their communities for development.

New Jersey Economic Development Authority

1979 Projects

Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
Atlantic County						
Delaware Valley Galvanizing Co., Inc.	Folsom	M	42	0	\$ 500,000	\$ 500,000
Leavy & Leavy	Egg Harbor	O-D	10	21	900,000	932,000
Lenlar Co.	Egg Harbor	D	10	72	2,500,000	2,965,000
William C. Rowland, Jr.	Pleasantville	C	22	15	460,000	866,000
Laurence J. Silvi, Sr., et al.	Pleasantville	M-O	30	9	800,000	800,000
South Jersey Distributors, Inc.	Egg Harbor	O-D	11	32	800,000	1,350,000
SUBTOTAL			125	149	\$ 5,960,000	\$ 7,413,000
Bergen County						
The Austin Co.	Fair Lawn	M	232	6	\$ 7,000,000	\$ 7,045,699
Automation Industries, Inc.	Northvale	M-O	29	21	940,000	940,000
Brancasons	East Rutherford	D	5	33	1,400,000	1,650,000
Brown Realty, Inc.	Oakland	D-O	10	12	1,000,000	1,000,000
Carla Development Corp. t/a Kings Court, Inc.	Lyndhurst	C	87	72	2,500,000	3,373,100
Certech, Inc.	Wood-Ridge	M	150	5	325,000	381,150
Comcast Cablevision Corp.	Lyndhurst	C	33	9	4,000,000	4,000,000
Robert J. Conklin & Sonia J. Conklin	Franklin Lakes	D-O	25	20	525,000	690,000
Salvatore & Roselle Costa	Northvale	D-O	50	50	1,550,000	2,040,000
Cranston Associates	Oradell	O	980	225	7,900,000	8,500,000
Cucchiara Associates	Norwood	D	10	10	260,000	377,000
Curtiss-Wright Corp.	Wood-Ridge	D	7	30	1,000,000	1,016,700
Dellridge Associates	Paramus	C	8	11	476,500	476,500
Robert & Saul Dessau	Moonachie	M-D	40	0	1,330,000	1,500,000
Edro Associates	Northvale	M	130	5	1,196,457	1,912,450
Engineering Laboratories, Inc.	Oakland	M	5	0	265,000	265,000
Richard Engel	Englewood	M-D	80	6	1,050,000	1,664,000
The Equilink Corp.	East Rutherford	M	48	6	2,250,000	2,250,000
Florasynth, Inc.	Teterboro	M	135	85	800,000	3,600,000
Fort Lee Racquetball & Health Club	Fort Lee	C	17	33	1,000,000	1,672,000
Goldman Realty Associates	Hasbrouck Heights & Teterboro	M	15	80	5,600,000	6,237,162
Green Street Associates	South Hackensack	M	20	0	642,591	662,591
H.C.J. Associates	Carlstadt	M	0	0	775,000	815,000
Hausmann Industries, Inc.	Northvale	M	17	14	450,000	450,000
Henlyn Realty Corp.	Rutherford	D	20	0	2,000,000	2,000,000
William F. Howard & Edward K. Matthews	Northvale	M	5	0	580,000	792,900
Huyler Realty Associates	Hackensack	O	24	27	665,000	1,079,200
International Confectionery Co.	Northvale	M	46	0	750,000	1,131,000
J.D. Urban Renewal Corp.	Lodi	C	43	54	1,687,500	2,570,000
Joyce Food Products, Inc.	Elmwood Park	M	50	0	1,100,000	1,115,000
Isadore Karten & Julia Karten	Carlstadt	D	8	0	600,000	1,197,000
Kissler Urban Renewal Association	Englewood	M	10	37	1,300,000	1,653,000
Samuel J. Mann	River Edge	M	17	6	590,000	750,000
MCARED of N.J., Inc.	Lodi	C	159	87	3,750,000	4,000,000
Froman Simon Mehl & Etta Mehl	Rutherford	O	32	6	350,000	431,350
Monsey Products Co.	East Rutherford	M	16	0	600,000	626,000
MPO Videotronics, Inc.	East Rutherford	D-O	90	3	1,450,000	1,800,000
National Assoc. of Printers & Lithographers	Teaneck	O	25	0	445,000	617,000
Nolanco, Inc.	Norwood	M-D	21	18	700,000	1,028,849
Denis B. & Mary E. O'Donnell	Edgewater	M-D	37	23	675,000	851,089
Pamb Associates	Saddle Brook	M	0	54	2,050,000	2,050,000
Pezzolla Realty Co.	Lyndhurst	C	23	16	650,000	650,000
Power/Mate Corp.	Hackensack	M	50	9	337,000	337,500
Purofied Down Products Corp.	Ridgefield	M	280	15	7,500,000	8,000,000
Ramsey Controls, Inc.	Mahwah	M	55	20	1,000,000	1,540,428
Peter J. Regna	Ramsey	M	13	15	1,200,000	1,600,000
Rolls-Royce Motors, Inc.	Lyndhurst	D	4	90	2,560,000	3,000,000
Oswald Schicker Realty Co., Inc.	Paramus	M	7	15	575,000	609,101
Abraham J. Shapiro & Robert Falus	South Hackensack	D	40	0	825,000	1,125,000
Sixteenth Street Co.	Carlstadt	D	200	109	4,050,000	4,724,000

Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
Sterling Regal, Inc.	Carlstadt	M	25	6	1,025,000	1,025,000
Sun Chemical Corp.	East Rutherford	M	28	45	1,000,000	2,480,000
Sun Chemical Corp.	Teterboro	M	10	100	3,000,000	3,317,000
Sunkyong Int'l, Inc.	Moonachie	D-O	57	51	1,100,000	1,706,000
Taklon, A Partnership	Hackensack	O	15	12	315,000	419,500
Thermo Electric Co., Inc.	Saddle Brook	M	15	6	1,150,000	1,320,000
Truck Terminal Realty Co.	Carlstadt	D	5	2	975,000	975,000
Stuart Uram	Wood-Ridge	M	0	0	575,000	585,850
Elaine Von Voros	Oakland	M-D	20	21	757,000	902,000
Wamm Associates	Carlstadt	M	102	2	950,000	1,000,000
Donald J. Ward <i>et al.</i>	Ridgewood	C	34	18	630,000	827,000
Josiah Wedgwood & Sons, Inc. of America	Lyndhurst	D	63	100	3,750,000	4,460,550
Werner & Pfleiderer Corp.	Ramsey	M	35	112	3,700,000	4,000,000
SUBTOTAL			3,817	1,812	\$101,152,048	\$120,814,669
Burlington County						
Avanti Knitting Mills, Inc.	Mt. Holly	M	48	0	\$ 515,000	\$ 515,000
Beral Realty Co.	Moorestown	M	42	12	525,000	590,000
Joseph J. Bott, III & Marie V. Bott	Mt. Laurel	D	8	9	425,000	448,000
Calmar Enterprises Inc.	Evesham	D	8	6	300,000	350,000
Clark Transfer, Inc.	Delanco	D	6	0	200,000	221,000
Color Graphics, Inc.	Delran	M	33	0	1,000,000	1,027,935
Computer Sciences Corp.	Moorestown	O	50	0	2,700,000	2,800,000
Joseph & Doris Distasio	Evesham	C	0	0	100,000	193,900
Eastern Lift Truck Co., Inc.	Maple Shade	D	18	0	317,000	450,000
Jansak Co. — Paul J. Janke & James A. Saks	Willingboro	O	9	6	275,000	375,000
Michael Macaluso	Willingboro	M	67	9	250,000	347,785
Moorestown Gardens, Inc.	Mt. Laurel	M-D	4	12	450,000	468,260
Rentex Services Corp.	Mt. Laurel	O	50	12	650,000	650,000
John A. Roebing Steel Corp.	Florence	M	346	0	1,500,000	27,163,945
S&S Realty Co., a N.J. General Partnership	Mt. Laurel	O	39	9	320,000	335,000
Thomson Lamination Co., Inc.	Maple Shade	M	8	1	378,412	378,412
Thomdike Ltd. Partnership	Evesham	O	100	30	1,515,000	1,539,500
Vanco, Inc.	Mansfield	M	148	60	2,775,000	3,337,647
Alvin H. White & Charles Carite t/a A.C. Enterprises	Mt. Laurel	P	10	0	394,000	394,000
Alvin H. White & Charles Carite t/a A.C. Realty	Mt. Laurel	P	0	5	362,000	372,000
Thomas R. Whitesell t/a Whitesell Enterprises	Moorestown	D	8	31	1,050,000	1,300,000
SUBTOTAL			1,002	202	\$ 16,001,412	\$ 43,257,384
Camden County						
Robert M. Alper & Lee Maimon	Cherry Hill	O	50	26	\$ 800,000	\$ 1,200,000
Amor Realty	Camden	M	14	0	80,000	100,000
B.P.U.M. Restaurants II, Inc.	Camden	C	38	6	150,000	525,500
Barry Chocolate, Inc.	Pennsauken	M	0	0	1,000,000	1,000,000
Steven Bloom	Pennsauken	O-D	65	17	775,000	858,000
Bellmawr Properties	Bellmawr	M	52	0	715,000	715,000
Brooklawn Property Group	Brooklawn	C	150	66	3,150,000	3,200,000
Camdelphia Enterprises, Inc.	Camden	C	17	0	350,000	884,000
Certain-Teed Corp.	Winslow	P	0	0	1,750,000	1,750,000
William Cohen & Sons, Inc. t/a Quality Foods Co.	Camden	M-D	9	15	480,000	480,000
Davis Enterprises	Cherry Hill	O-D	40	30	1,000,000	1,389,000
Delaware Valley Machinery Moving, Inc.	Camden	D	7	0	50,000	81,500
EBC Corporation	Pennsauken	M	60	2	742,000	825,000
Fairway Products, Inc.	Camden	C	4	3	160,000	200,000
Graphic Controls Corp.	Cherry Hill	M	60	0	2,339,000	2,339,000

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Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
Inter-Boro Savings & Loan Association	Cherry Hill	C	35	97	3,500,000	4,759,200
Jacobs & Lowenstein	Gloucester	D	8	27	1,100,000	1,100,000
Michael Kardon, et. al.	Runnemede	C	35	0	700,000	741,000
Jack Kellmer, et. al.	Cherry Hill	C	42	29	1,000,000	1,005,000
Magee Pontiac, Inc.	Gloucester	C	31	18	1,200,000	1,200,000
Monsanto Co.	Camden	P	56	12	2,650,000	2,750,500
Mrs. Smith Pie Co.	Winslow	M	57	39	2,000,000	2,200,000
New Jersey Processing Co., Inc.	Camden	M	30	0	700,000	1,000,000
Herbert Pasker	Gloucester	M-O	28	0	177,500	211,500
Pennsauken Property Group	Pennsauken	C	150	36	3,050,000	3,300,000
Pine Run Associates	Gloucester	D	4	0	450,000	456,000
Ponzio's Kingsway Diner, Inc.	Cherry Hill	C	46	3	1,400,000	1,424,970
Quadra Graphics	Pennsauken	M	13	0	410,000	511,000
R.H. Realty Management, Inc.	Pennsauken	M-D	39	3	1,750,000	1,878,000
Howard Clinton Ris	Pennsauken	D	10	27	1,200,000	1,200,000
Keith Riston & Barbara H/W	Gloucester	M	10	0	450,000	457,750
Schaevitz Engineering	Pennsauken	M	135	21	3,500,000	3,500,000
Scomar Corp.	Voorhees	C	32	10	350,000	420,000
Kenneth & Roberta Shimm	Cherry Hill	C	32	18	500,000	1,094,750
Station House Office Associates	Collingswood	O	20	4	3,200,000	3,399,000
Three R's	Pennsauken	D-O	5	0	385,000	534,500
Zubanos Associates	Cherry Hill	C	60	21	1,100,000	1,455,000
SUBTOTAL			1,444	530	\$ 44,313,500	\$ 50,145,170
Cape May County						
Cape May Associates	Lower	C	74	52	\$ 1,500,000	\$ 1,731,000
Southern Jersey Airways, Inc.	Middle	C	20	0	1,650,000	2,050,000
Wildwood Clam Co., Inc.	Wildwood	M	25	0	540,000	600,000
Wine 'n Stuff	Wildwood	C	5	10	600,000	2,050,000
SUBTOTAL			124	62	\$ 4,290,000	\$ 6,431,000
Cumberland County						
John R. Gentile & Joseph A. Gentile	Vineland	C	30	6	\$ 325,000	\$ 325,000
Clement Pappas & Co., Inc.	Lawrence	M	30	0	360,000	900,000
Stor-Rite, Inc.	Vineland	D	25	54	1,800,000	1,910,000
Wheaton Industries	Millville	O	30	36	1,000,000	2,010,000
Whitehead Brothers Co.	Maurice River	D	13	12	2,600,000	3,500,000
SUBTOTAL			128	108	\$ 6,085,000	\$ 8,645,000
Essex County						
Abe Silverstein Associates	Millburn	O	30	39	\$ 1,280,000	\$ 2,278,550
Alexander & Sawyer, Inc.	Newark	M	7	0	125,000	125,000
Alling Street Partners	Newark	O-C	9	150	1,200,000	2,454,167
Associated Mechanical Devices, Inc.	Irvington	M	30	0	300,000	400,000
Berliss Bearing Co.	Livingston	M	22	24	1,100,000	1,187,500
Bobst, Inc.	Roseland	D-O	11	30	2,100,000	2,100,000
D. Jay Products, Inc.	Newark	M	52	0	222,000	222,000
Fairfield Development Inc.	Fairfield	O-D	7	15	800,000	800,000
Edwin L. Herbert & Dorothy Herbert	West Caldwell	M	21	14	500,000	782,000
Hunter Douglas Machinery Corp.	Fairfield	M	13	0	479,000	479,000
Ironbound Plaza						
Urban Renewal Association	Newark	C	110	69	2,300,000	2,900,000
Kings of Bergen, Inc.	Verona	C	35	30	1,150,000	1,230,000
Oskar Lapp	Fairfield	M-D	17	39	1,000,000	1,487,600
Lawrence Packaging Supply Corp.	Newark	M	35	80	1,100,000	1,150,000
Livingston Fidelity						
Development Associates	Livingston	C	46	30	1,300,000	2,750,000
Maersk Container Service Co., Inc.	Newark	C	45	80	2,800,000	3,500,000
Merrimac Industries, Inc.	West Caldwell	M	150	18	1,000,000	1,000,000
Murry's Steaks of New Jersey, Inc.	East Orange & Irvington	C	10	0	170,000	171,000
National Fuel Oil, Inc.	Newark	M	19	3	750,000	750,000
Newark Printing Co., Inc.	Newark	M	8	0	705,000	798,450
Pan Atlantic Shipping Ltd.	Irvington	D	28	1	325,000	437,650
Peerless Photo Products, Inc.	West Caldwell	M	117	36	4,715,000	4,715,000

Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
Anthony Petaccio	Belleville	M-O	10	3	212,000	242,500
Polarome Manufacturing Co., Inc.	Newark	M	17	6	1,000,000	1,000,000
Pollution Control Industries, Inc.	West Caldwell	M	16	12	500,000	500,000
Proll Molding Co., Inc.	Bloomfield	M	39	0	400,000	477,000
RAR Development Corporation, Inc.	Newark	M	600	33	4,500,000	5,800,000
Ramfair Associates	Fairfield	M-D	10	16	600,000	833,000
Richards & Robbins Industrial Park #1, a Ltd. Partnership	Fairfield	M-D	24	30	2,550,000	3,350,000
Romax Associates	Newark	C	13	3	300,000	452,000
Martin P. Ronsen/Louis A. Couderc	Fairfield	C	10	12	390,000	641,000
S.A.S Associates	Fairfield	M	9	0	430,000	592,000
M. James Schaeffer & Phillip J. Scholtz t/a CIC Realty Co.	Fairfield	M	16	9	400,000	618,800
Selecto-Flash, Inc.	West Orange	M	40	9	490,000	1,867,000
Robert S. Solomon, et al.	Newark	C	4	6	225,000	954,500
Stacor Corp.	Newark	M	90	18	450,000	997,000
Suenest Realty	Irvington	M	0	0	200,000	200,000
Synfax Urban Renewal Corp.	Newark	M	15	33	1,350,000	1,480,000
Technical Data Processing Associates	East Orange	C	5	0	286,000	286,000
V-M Industries, Inc.	Newark	M	34	6	500,000	534,500
Maurice M. Weill	Millburn	C	80	69	1,000,000	2,677,000
Wilberton Associates	Cedar Grove	M	23	87	2,600,000	3,526,000
Windsor Manufacturing Co., Inc.	Orange	M	54	6	436,000	436,000
SUBTOTAL			1,931	1,016	\$ 44,240,000	\$ 59,182,217
Gloucester County						
American Stores Realty Corp.	Washington	C	116	78	\$ 3,325,000	\$ 3,656,470
Bridgeport Partnership	Logan	M	14	6	600,000	646,000
Farrell-Harper	Logan	M	26	0	367,000	367,000
ICI Americas, Inc.	West Deptford	O	34	44	3,600,000	6,100,000
Line Investment Limited	West Deptford	D	15	250	190,525	190,525
Mid-Atlantic Park, Inc.	West Deptford	M-D	30	36	1,040,000	1,400,000
Mortgage Corp. of America	Deptford	C	150	66	2,400,000	2,750,000
Sharptown Associates	Logan	O	6	21	690,000	877,275
Shieldalloy Corp.	Newfield	M	15	9	2,000,000	2,000,000
Thomasma-Streeter Associates	Deptford	C	60	33	1,640,000	1,640,000
Wilkins Industrial Park	Mantua	D	22	12	395,000	395,000
Williamstown Associates	Monroe	C	78	51	1,900,000	2,482,000
SUBTOTAL			566	606	\$ 18,147,525	\$ 22,504,270
Hudson County						
Block Drug Corp.	Jersey City	M	65	42	\$ 2,600,000	\$ 2,600,000
The Geismar Shop, Inc.	Hoboken	C	120	0	43,200	160,000
Global Terminal & Container Services, Inc.	Bayonne, Jersey City	D	62	30	2,672,800	2,672,800
Goldies Auto Electric	Kearny	D-C	22	0	350,000	470,000
Sanford Gordon and Sidney Strauss	Jersey City	M	0	0	250,000	250,000
Harrison Plaza Shopping Center Associates	Harrison	C	55	54	2,500,000	2,923,649
Jacobus Realty Co.	North Bergen	D	58	5	800,000	833,500
Lenal Properties	Jersey City	D	102	2	2,000,000	2,000,000
Murry's Steaks of New Jersey, Inc.	Jersey City	C	10	0	170,000	171,000
Richard A. Otto	Bayonne	C-O	31	10	270,000	400,000
Pantlin & Chananie Development Corp.	Kearny	C	150	70	3,950,000	4,000,000
Patco Leasing Inc.	Jersey City	D	22	3	600,000	768,000
Pfaff Tool & Manufacturing Co., Inc.	Kearny	D	30	20	830,000	830,000
Secaucus Road Partnership	Secaucus	D	150	30	1,375,000	1,725,000
Spiegel Trucking, Inc.	Harrison	D	40	8	350,000	1,188,000
Stella Tuttle - Sam Tuttle	Kearny	D	15	0	775,000	775,000
Toys "R" Us, Inc.	Jersey City	C	55	36	950,000	1,320,000
Harvey Vogel	Harrison	O	10	4	250,000	256,250
SUBTOTAL			997	314	\$ 20,736,000	\$ 23,343,199
Hunterdon County						
Denise T. Durling	Readington	O	25	10	\$ 1,000,000	\$ 1,000,000

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Project Name	Location	Project Type*	New or		Authority Loan Amount	Total Project Cost
			Maintained Jobs	Construction Jobs		
Jugtown Industrial Park Associates	Bethlehem	M	8	9	375,000	375,000
KOH-I-NOOR Rapidograph, Inc.	Bloomsbury	M	35	21	825,000	1,434,864
Melville Corp.	Clinton	D	70	240	9,000,000	9,000,000
York Luggage Corp.	West Amwell	M	157	28	1,000,000	1,175,000
SUBTOTAL			295	308	\$ 12,200,000	\$ 12,984,864
Mercer County						
Bedford Jersey Corporation	Lawrence	M-D	100	10	\$ 1,500,000	\$ 1,500,000
Clover Square Associates	Hamilton	C	75	78	3,375,000	3,500,000
Commodities Corp.	Princeton	O	66	87	2,200,000	3,209,345
Daniel R. & Suzanne K. Goldenson	West Windsor	O	0	0	400,000	400,000
Jeanne Greenberg	Princeton	O	41	25	1,200,000	1,301,750
Homasote Company	Ewing	M	58	50	4,000,000	5,300,000
Hopewell Valley Racquetball Club, Inc.	Hopewell	C	14	20	925,000	969,500
John S. & Jean D. Oliano	Ewing	M	20	16	915,000	915,000
James A. & Marie S. Roberts	Ewing	D-O	5	16	575,000	630,000
Rylco Rubber Products, Inc.	Hamilton	M	38	0	659,000	809,000
Strawbridge & Clothier	Hamilton	C	54	83	3,836,000	3,836,840
South Gold Co.	Hamilton	M	27	33	925,000	1,252,750
South Gold Co.	Hamilton	M	52	0	550,000	826,750
Transamerica Delaval, Inc.	Lawrence	M	10	37	1,750,000	1,750,000
SUBTOTAL			560	455	\$ 22,810,000	\$ 26,200,935
Middlesex County						
A & D Express, Inc.	South Brunswick	D	19	0	\$ 710,000	\$ 710,000
American Metal Moulding Co.	Edison	M	23	3	1,000,000	1,000,000
Anderson, Dunston & Helene, Inc.	Edison	D	7	0	35,000	35,000
Arthur Kill Industrial Park	Perth Amboy	M	500	37	1,000,000	1,290,000
Berger Industries, Inc.	Edison	M	27	30	3,500,000	3,700,000
Brooklyn Quilting Co., Inc.	Perth Amboy	M	82	0	285,000	285,000
Neuberne H. Brown & Catherine W. Brown	Perth Amboy	M	40	26	995,000	1,107,000
Continental Corrugated Container Corp.	Dunellen	M	144	8	900,000	1,350,000
The Crown Enterprises, Inc.	North Brunswick	D	12	30	1,500,000	1,500,000
E.D.C. Building	East Brunswick	M	2	13	500,000	583,000
Fiberplastics, Inc. t/a Handi-Kup	Metuchen	M	0	0	1,000,000	1,000,000
Robert George & Betty Geissler	Edison	M-O	30	6	350,000	469,900
H & F Warehousing & Distribution Corp.	East Brunswick	D	13	50	1,500,000	1,717,500
Hamamatsu Corp.	Middlesex	M	10	12	775,000	775,000
Highview Circle Associates	Woodbridge	O	30	48	1,500,000	1,960,000
Highview Edison Investments	Edison	M-D	40	69	1,980,000	2,616,000
Hunt Brothers Leasing	Metuchen	M	125	5	2,100,000	2,100,000
The Institute of Electrical & Electronics Engineers, Inc.	Piscataway	D	56	20	800,000	838,000
Insul-Coustic Corp.	Sayreville	M	40	4	1,300,000	1,650,000
Lan-Pac Mills Ltd.	Metuchen	M	44	0	500,000	700,000
Lesser Industries	South Plainfield	M-D	17	0	250,000	381,950
Janice Levin, Trivant Enterprises	North Brunswick	O	120	84	1,775,000	3,250,000
Linpro Piscataway Industrial I Limited	Piscataway	M	50	69	2,900,000	3,426,972
Salvatore T. & Irene March	South Plainfield	M-D	12	12	500,000	543,000
Nunzio & Anne Mariano	Sayreville	C	205	75	2,100,000	3,795,400
Reuben & Rose Mattus	Woodbridge	M-D	96	15	750,000	1,045,000
Morris/Englehard Drive Partnership	Monroe	D-O	100	63	2,500,000	3,000,000
Jack Mula & Frank Gumina, Jr. t/a Marsan	East Brunswick	D	7	0	1,200,000	1,480,400
New Brunswick Bindery Service	New Brunswick	M	21	0	250,000	250,000
New Brunswick Development Corporation	New Brunswick	O	15	0	150,000	150,000
New York Pencil Co., Inc.	Perth Amboy	M	0	0	200,000	200,000
Edgar & Nina Otto	South Plainfield	M	25	3	412,000	526,500

Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
PBF Associates, a partnership	Middlesex	D	5	13	425,000	600,000
PQ Corporation	Woodbridge	M	27	4	2,400,000	2,400,000
Pardee Capital Co.	Edison	D	25	32	975,000	1,404,750
Pobe Associates	Woodbridge	O	7	30	870,000	1,200,000
Polymer Services, Inc.	East Brunswick	M	81	45	2,250,000	2,333,000
Possumtown Realty Associates	Piscataway	M	63	0	1,000,000	1,355,000
RCA American Communications, Inc.	Plainsboro	O	50	129	4,700,000	5,500,000
Refac Electronics Corp.	South Brunswick	M	50	0	700,000	780,000
Russell H. Richardson	South Brunswick	O	0	0	400,000	400,000
John Ross & Bella Ross H/W	New Brunswick	M	25	6	500,000	549,900
Russell Stanley Corp.	Woodbridge	M	10	16	1,000,000	1,113,763
The Sabin Robbins Paper Co.	Edison	D	11	52	1,300,000	1,451,500
Ilva Saronno, Inc.	Edison, Woodbridge	D	40	0	4,400,000	4,745,000
Seligman & Latz, Inc.	Edison	D	43	1	400,000	450,000
William Sitar Realty Co.	Monroe	C	42	12	400,000	552,000
Todsco Realty Co., Inc.	Edison	C	15	3	1,300,000	1,758,500
Torsiello Brothers, Inc.	Edison	D	20	9	250,000	310,000
D.J. Williams, Inc.						
t/a The Doran Co.	East Brunswick	M	88	1	1,200,000	1,218,000
SUBTOTAL			2,514	1,035	\$ 59,687,000	\$ 71,557,035
Monmouth County						
A.P.Z. Realty Co.	Colts Neck	C	35	5	\$ 500,000	\$ 920,000
Carlson Industries, Inc.	Howell	M	18	11	475,000	512,000
Crown Beer Distributors, Inc.	Wall	O-D	25	75	2,500,000	2,681,528
L&G Associates	Eatontown	C	30	0	1,300,000	1,791,364
L&G Associates	Eatontown	M	40	10	550,000	550,000
Marlboro Industrial Park	Marlboro	M-D	11	45	1,500,000	1,515,000
Norman A. Mirne & Elanor Mirne	Ocean	O	30	9	325,000	331,200
Monmouth Cablevision Associates	Wall	C	35	15	2,850,000	3,350,000
The Nestle Co., Inc.	Freehold	M	11	30	1,000,000	1,017,000
Park Avenue Partnership	Englishtown	D	14	1	160,000	207,900
Park Chevrolet, Inc.	Neptune	C	16	7	325,000	325,000
Peerless Tube Company	Freehold	M	20	24	2,200,000	2,200,000
Red Bank Investment, Ltd.	Red Bank	C	15	10	330,000	494,000
Carmen J. Ricci & Jennie Cicalese						
t/a Ric Cic Company	Long Branch	C	50	24	800,000	2,355,000
Ro-Sher Associates	Tinton Falls	M	44	21	2,000,000	2,562,500
SWS Associates	Keyport	C	8	12	350,000	550,000
Harold Schachter & David Schachter						
t/a Haldave Associates	Ocean	O	32	8	325,000	376,500
Howard M. & Frances A. Schoor						
t/a Showplace Farms	Millstone	C	66	12	500,000	1,273,500
Chris & Ann Summerton	Manalapan	C	30	15	500,000	575,125
Triangle Building Supplies & Lumber	Englishtown	D	0	0	223,520	288,590
Zager, Fuchs, Lechstein & Kauff Realty Partnership	Red Bank	O	14	10	300,000	417,500
SUBTOTAL			544	344	\$ 19,013,520	\$ 24,293,707
Morris County						
Baker Industries, Inc.	Parsippany/Troy Hills	O	35	81	\$ 3,500,000	\$ 4,076,000
Central Morris Associates	Morristown	O	6	0	450,000	566,750
Cranberry Realty Co.	Parsippany/Troy Hills	M-D	98	50	3,300,000	3,300,000
Julia R. & Ralph J. DelCoro	Florham Park	M-D	5	6	275,000	350,000
Dynapac Manufacturing, Inc.	Mount Olive	M-O	40	27	2,000,000	2,500,000
Eric Richard, Inc.	East Hanover	C	54	100	3,100,000	4,242,365
Greitzer, Inc.	Riverdale	M	15	12	665,000	781,000
Hanover Associates	Florham Park	O	175	63	2,400,000	2,755,000
Jofra Realty Corp.	Parsippany/Troy Hills	D	25	34	1,650,000	1,890,000
K & G Corp.	Pequannock	M-D	18	9	325,000	481,550
Morris Center Associates	Morristown	C	110	63	250,000	2,862,000
National Steel Service Center, Inc.	Parsippany/Troy Hills	O	40	45	1,500,000	2,107,645
Quaker Ten Associates	Randolph	C	43	12	450,000	692,000
Ridgedale Avenue Partnership	Florham Park	O	32	18	500,000	740,000

New Jersey Economic Development Authority

1979 Projects

Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
Schoolhouse Plaza Ltd.	Randolph	C-O	40	28	515,000	1,125,000
Ungerer & Co.	Lincoln Park	M	49	6	1,500,000	1,500,000
SUBTOTAL			785	554	\$ 22,380,000	\$ 29,969,310
Ocean County						
Joseph A. Citta & Lillian R. Citta	Dover	O-C	60	33	\$ 886,000	\$ 1,513,800
Country Manor Nursing Home, Inc.	Dover	C	49	66	2,400,000	2,400,000
Cross River Associates	Lakewood	C	33	18	600,000	816,915
Dan-D, Inc.	Dover	C	37	45	1,500,000	1,670,000
Gusmer Corp.	Lakewood	M-O	17	40	1,500,000	1,560,000
Paco Packaging, Inc.	Lakewood	M	150	78	800,000	800,000
Perlmart of Route 9, Inc.	Dover	C	37	0	1,000,000	1,000,000
Point 88 Realty Co., Inc.	Point Pleasant	C	46	25	980,000	980,500
Hersz Tajfel, Inc.	Lakewood	C	7	12	375,000	526,000
Toms River Skateboard Park, Inc.	Dover	C	13	13	338,000	693,125
Whiting Shopping Center, Inc.	Manchester	C	78	35	4,150,000	5,341,000
SUBTOTAL			527	365	\$ 14,529,000	\$ 17,301,340
Passaic County						
American Cyanamid Company	Wayne	O	240	91	\$ 1,000,000	\$ 3,518,000
Arkad Associates	Totowa	C	36	45	1,850,000	1,883,000
Automatic Data Processing, Inc.	Clifton	C	56	12	1,000,000	1,075,000
B.H.D. and Company	Paterson	D	10	9	500,000	500,000
Ballet Makers, Inc.	Totowa	M	25	4	500,000	500,000
Boris Kroll Jacquard Looms, Inc.	Paterson	M	33	30	2,500,000	3,230,000
Michael A. Brady	Clifton	M	22	4	380,000	500,000
CLD Real Estate Co., Inc.	Passaic	M	50	0	500,000	950,000
City Motor Sales Co., Inc.	Passaic	C	14	5	400,000	400,000
DJOK Real Estate	Paterson	D	5	0	450,000	625,000
Delawanna Associates, a New Jersey General Partnership	Clifton	D	13	6	318,750	450,900
Diamond Productions, Inc.	Wayne	M	31	17	973,000	973,000
Dragoco, Inc.	Totowa	M	20	30	1,600,000	1,638,750
East Meadow Corporation	Wayne	D	151	102	5,200,000	7,000,000
Fisher-Stevens, Inc.	Totowa	M	58	92	4,000,000	4,018,000
G.A.F. Corp.	Wayne	M	3	12	1,000,000	1,280,000
G & D Associates	Clifton	M	60	20	1,350,000	1,600,000
Gilt Edge Folding Boxes, Inc.	Passaic	M	20	2	500,000	635,000
Arnold H. Goodman	Paterson	M	25	27	1,000,000	1,075,000
The Great Atlantic & Pacific Tea Co., Inc.	Paterson	C	40	60	1,725,000	2,600,000
Harmon Colors Corporation	Haledon	M	18	24	1,000,000	2,000,000
Harmon Colors Corporation	Haledon	P	0	3	1,200,000	1,210,000
Hartz Mountain — Clifton	Clifton	D	15	2	1,750,000	2,115,000
I.P. Container Corp.	Paterson	M	42	12	800,000	961,000
Herbert Kam Co., t/a KAMCO	Paterson	M	43	0	250,000	500,000
Harold L. Kaplan, et al.	Totowa	M	20	30	700,000	800,000
Keystone Camera Corp.	Clifton	M-D	50	0	800,000	1,137,000
Krystinel Corp.	Paterson	M	135	0	650,000	650,000
Stanley M. Levine t/a Levine Ind.	Paterson	M	24	3	575,000	575,000
Melran Associates	Totowa	M	6	19	615,000	706,150
North Jersey Press, Inc.	Clifton	M	15	4	410,000	410,000
Pilot Metal Fabricators, Inc.	Wayne	M	24	19	800,000	892,000
Sun Chemical Corp.	Paterson	M	15	25	3,065,000	3,065,000
1033 Clifton Avenue Corp.	Clifton	O	136	48	1,500,000	2,000,000
Wayne Associates	Wayne	D	4	2	1,500,000	1,585,000
SUBTOTAL			1,459	759	\$ 42,361,750	\$ 53,057,800
Salem County						
Ganes Chemical, Inc.	Pennsville	M	18	30	\$ 2,200,000	\$ 2,203,000
SUBTOTAL			18	30	\$ 2,200,000	\$ 2,203,000
Somerset County						
Applied Data Research, Inc.	Montgomery	O	36	87	\$ 1,000,000	\$ 3,694,250
American Cyanamid Company	Bridgewater	M	3	1	1,000,000	1,000,000

Project Name	Location	Project Type*	New or Maintained Jobs	Construction Jobs	Authority Loan Amount	Total Project Cost
Doulton & Co., Inc. Franklin Associates c/o Harold Wachtel	Franklin	D-O	13	48	1,900,000	2,785,855
Greenbrook Venture, Ltd.	Franklin	C	62	83	2,550,000	4,289,000
Hall's Warehouse Corp.	Green Brook	C	52	30	650,000	914,600
Hilltop Supermarket, Inc.	Bridgewater	D	15	54	2,500,000	3,282,900
O'Connor's Colonial Farms, Inc.	Franklin	C	145	0	1,200,000	1,200,000
Oticon Corp.	Franklin	C	50	15	750,000	825,000
	Franklin	O	25	30	1,100,000	1,239,000
SUBTOTAL			401	348	\$ 12,650,000	\$ 19,230,605
Sussex County						
Aerosystems Technology Corp.	Franklin	M-O	95	12	\$ 350,000	\$ 600,000
Ames Rubber Corp.	Hamburg, Wantage	M	84	42	2,000,000	2,000,000
Kenneth D. Martin	Newton	M	108	30	900,000	1,168,000
SUBTOTAL			287	84	\$ 3,250,000	\$ 3,768,000
Union County						
American Lohmann Corp.	Hillside	M	50	0	\$ 3,000,000	\$ 4,522,000
Anderson, Dunston & Helene, Inc.	Linden	C	11	8	450,720	450,720
Arekan Inc.	Kenilworth	O	50	10	350,000	515,000
Atlantic Metal Products, Inc.	Hillside	M	200	0	1,000,000	1,225,000
Bilkay's Express Co.	Elizabeth	D	45	40	1,250,000	1,473,650
Block Drug Corp.	Kenilworth	M	9	30	1,400,000	1,400,000
Edward & Elise Denholtz, et al.	Union	M-D	25	20	650,000	693,000
Stephen J. Dunston - William B. Helene	Linden	D-C	18	0	415,000	460,000
Eleven Commerce Drive Associates	Cranford	O	344	240	5,100,000	8,380,000
Elisons Corp.	Elizabeth	C	20	25	525,000	935,000
Ermarca, Inc.	Kenilworth	C	15	10	600,000	695,000
514 Centennial Avenue Corp., et al.	Union	D	50	21	1,100,000	2,210,000
Industrial Truck Body Corp.	Elizabeth	M	10	10	500,000	510,500
Keene Corporation	Union	M	60	27	1,000,000	1,350,000
Linway Realty Co.	Linden	M	10	3	412,500	568,125
M B S Partnership	Linden	D	4	0	350,000	403,000
Martindale - Hubble, Inc.	New Providence	O	40	100	2,500,000	4,458,000
Robert Z. Olesky - Morris H. Gillet	Garwood	M	12	3	400,000	415,000
1027 Realty Co.	Elizabeth	M	60	10	450,000	615,000
Randee Capital Co.	Union	D-O	48	3	990,000	1,265,500
Edward John Rondinelli	Clark	O	156	63	1,775,000	2,386,000
Saffer Simon, Inc.	Union	D-O	7	6	400,000	496,000
Samuel Associates	Union	D	16	6	1,100,000	1,170,000
Singer Shop-Rite Supermarkets	Hillside	C	50	9	435,000	500,000
Suenest Realty Company	Hillside	M	60	15	500,000	638,000
Tuscan Dairy Farms, Inc. 219-223 South Broad St.	Union	M-D	39	36	2,800,000	3,377,148
Medical Arts Group & Partnership	Elizabeth	O	17	14	475,000	630,750
SUBTOTAL			1,426	709	\$ 29,928,220	\$ 41,742,393
Warren County						
Bowers, Schumann & Welch	Washington	O	6	7	\$ 300,000	\$ 429,000
J.M.S. Associates	Blairstown	C	40	21	632,000	1,042,961
Food Lane Easton SS, Inc.	Phillipsburg	C	40	2	775,000	775,000
SUBTOTAL			86	30	\$ 1,707,000	\$ 2,246,961
Other						
Acme Markets Inc.	Various	C	115	54	\$ 7,000,000	\$ 7,000,000
Elizabethtown Water Company	Various	D	5	20	10,500,000	10,500,000
Middlesex Water Co.	Various	D-O	10	76	9,500,000	10,230,000
Public Service Electric & Gas Co.	Various	P	0	0	42,620,000	50,000,000
SUBTOTAL			130	150	\$ 69,620,000	\$ 77,730,000
GRAND TOTAL	408 Projects		19,166	9,970	\$573,261,975	\$724,021,859

*Key to Symbols:

M = manufacturing facility D = distribution facility O = office facility C = commercial or retail facility P = pollution control equipment

New Jersey Economic Development Authority

Balance Sheet December 31, 1979 and 1978

	OPERATING FUND		GUARANTEE FUND	
	1979	1978	1979	1978
ASSETS				
Cash and investments [Note 3]	\$2,798,282	\$1,407,527	\$17,088,096	\$15,226,238
Receivables:				
Notes receivable [Note 2 (b) 3 & Note 4] ..				
Accrued interest receivable		3,762	526,159	270,389
U.S. Economic Development				
Administration	47,591	39,757		
Other	321,389	124,253	135,000	
	368,980	167,772	661,159	270,389
Less allowance for doubtful notes and interest receivable				
	368,980	167,772	661,159	270,389
Land and improvements held for resale [Note 2 (e)]				
Fixed assets - net [Note 2 (f)]	442,339	91,855		
	\$3,609,601	\$1,667,154	\$17,749,255	\$15,496,627
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities ..	\$ 295,482	\$ 180,472		
Allowance for guarantee losses [Note 5 (b)]			\$ 290,000	
Payable to State of New Jersey [Note 2 (b) 3]:				
Loan				
Interest				
	295,482	180,472	290,000	
Commitments and contingencies [Note 5 & Note 6]				
Fund balances	3,314,119	1,486,682	17,459,255	\$15,496,627
	\$3,609,601	\$1,667,154	\$17,749,255	\$15,496,627

See accompanying notes.

LOAN FUND		INDUSTRIAL PARK FUND		COMBINED TOTALS	
1979	1978	1979	1978	1979	1978
\$ 4,062,269	\$ 3,284,975	\$1,535,997	\$3,034,598	\$25,484,644	\$22,953,338
16,312,262	17,571,287			16,312,262	17,571,287
299,623	512,091	25,137	19,854	850,919	806,096
		253,805		301,396	39,757
		55,809	1,583	512,198	125,836
16,611,885	18,083,378	334,751	21,437	17,976,775	18,542,976
1,389,835	2,499,804			1,389,835	2,499,804
15,222,050	15,583,574	334,751	21,437	16,586,940	16,043,172
		3,072,936	1,156,379	3,072,936	1,156,379
				442,339	91,855
<u>\$19,284,319</u>	<u>\$18,868,549</u>	<u>\$4,943,684</u>	<u>\$4,212,414</u>	<u>\$45,586,859</u>	<u>\$40,244,744</u>
		\$ 417,697	\$ 41,926	\$ 713,179	\$ 222,398
\$ 530,451	\$ 797,844			820,451	797,844
1,500,000	1,500,000			1,500,000	1,500,000
248,609	207,086			248,609	207,086
2,279,060	2,504,930	417,697	41,926	3,282,239	2,727,328
17,005,259	16,363,619	4,525,987	4,170,488	42,304,620	37,517,416
<u>\$19,284,319</u>	<u>\$18,868,549</u>	<u>\$4,943,684</u>	<u>\$4,212,414</u>	<u>\$45,586,859</u>	<u>\$40,244,744</u>

PROPERTY OF
NEW JERSEY STATE LIBRARY

186 W. STATE ST. PO BOX 520
TRENTON, NJ 08625-0520

New Jersey Economic Development Authority

Statement of Revenues, Expenses and Changes in Fund Balances Years Ended December 31, 1979 and 1978

	OPERATING FUND		GUARANTEE FUND	
	1979	1978	1979	1978
REVENUES				
Bond and guarantee fees	\$3,117,812	\$1,604,564		
Interest income	154,856	70,587	\$ 1,669,295	\$ 1,043,520
Grants	342,141	39,757	583,333	
	<u>3,614,809</u>	<u>1,714,908</u>	<u>2,252,628</u>	<u>1,043,520</u>
 EXPENSES				
Salaries and benefits	1,182,255	676,090		
General and administrative	605,117	251,033		
Feasibility studies				
Provision for uncollectible notes and interest receivable and guarantee losses ...			290,000	176,805
Application of grant revenue [Note 2 (b) 4 & Note 2 (e)]				
Interest				
	<u>1,787,372</u>	<u>927,123</u>	<u>290,000</u>	<u>176,805</u>
 Excess of revenues over expenses	 1,827,437	 787,785	 1,962,628	 866,715
Appropriations - State of New Jersey				3,000,000
Fund balances assumed - April 24, 1978 [Note 2 (b) 3]:				
Urban Loan Authority				
Area Redevelopment Authority				
	<u>1,827,437</u>	<u>787,785</u>	<u>1,962,628</u>	<u>3,866,715</u>
Fund balances - beginning of year	<u>1,486,682</u>	<u>698,897</u>	<u>15,496,627</u>	<u>11,629,912</u>
Fund balances - end of year	<u>\$3,314,119</u>	<u>\$1,486,682</u>	<u>\$17,459,255</u>	<u>\$15,496,627</u>

See accompanying notes.

<u>LOAN FUND</u>		<u>INDUSTRIAL PARK FUND</u>		<u>COMBINED TOTALS</u>	
<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>
				\$ 3,117,812	\$ 1,604,564
\$ 695,163	\$ 495,624	\$ 208,798	\$ 234,744	2,728,112	1,844,475
		1,174,062		2,099,536	39,757
<u>695,163</u>	<u>495,624</u>	<u>1,382,860</u>	<u>234,744</u>	<u>7,945,460</u>	<u>3,488,796</u>
				1,182,255	676,090
		47,402		652,519	251,033
		34,959	54,881	34,959	54,881
11,999	134,242			301,999	311,047
		945,000		945,000	
<u>41,524</u>	<u>30,432</u>			<u>41,524</u>	<u>30,432</u>
<u>53,523</u>	<u>164,674</u>	<u>1,027,361</u>	<u>54,881</u>	<u>3,158,256</u>	<u>1,323,483</u>
641,640	330,950	355,499	179,863	4,787,204	2,165,313
			3,000,000		6,000,000
	2,592,067				2,592,067
	<u>229,300</u>				<u>229,300</u>
641,640	3,152,317	355,499	3,179,863	4,787,204	10,986,680
<u>16,363,619</u>	<u>13,211,302</u>	<u>4,170,488</u>	<u>990,625</u>	<u>37,517,416</u>	<u>26,530,736</u>
<u>\$17,005,259</u>	<u>\$16,363,619</u>	<u>\$4,525,987</u>	<u>\$4,170,488</u>	<u>\$42,304,620</u>	<u>\$37,517,416</u>

New Jersey Economic Development Authority

Statement of Changes in Financial Position Years Ended December 31, 1979 and 1978

	OPERATING FUND		GUARANTEE FUND	
	1979	1978	1979	1978
SOURCES OF FUNDS				
Excess of revenues over expenses	\$1,827,437	\$ 787,785	\$ 1,962,628	\$ 866,715
Add (deduct) items not requiring cash:				
Interest receivable and accrued liabilities and other - net	(56,340)	(38,034)	(255,770)	(115,955)
Provision for uncollectible notes and interest receivable and guarantee losses			290,000	176,805
Application of grant revenue [Note 2 (b) 4 & Note 2 (e)]				
Cash provided from operations	1,771,097	749,751	1,996,858	927,565
Appropriations - State of New Jersey				3,000,000
Transfer from Urban Loan and Area Redevelopment Authorities				
Collection of notes receivable				
Realized from collateral				119,098
	<u>1,771,097</u>	<u>749,751</u>	<u>1,996,858</u>	<u>4,046,663</u>
USES OF FUNDS				
Guarantee payments			135,000	345,903
New loans				
Purchase of land and improvements held for resale				
Purchase of fixed assets	380,342	94,772		
	<u>380,342</u>	<u>94,772</u>	<u>135,000</u>	<u>345,903</u>
Increase (decrease) in cash and investments .	1,390,755	654,979	1,861,858	3,700,760
Cash and investments - beginning of year ...	1,407,527	752,548	15,226,238	11,525,478
Cash and investments - end of year	<u>\$2,798,282</u>	<u>\$1,407,527</u>	<u>\$17,088,096</u>	<u>\$15,226,238</u>

See accompanying notes.

<u>LOAN FUND</u>		<u>INDUSTRIAL PARK FUND</u>		<u>COMBINED TOTALS</u>	
<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>
\$ 641,640	\$ 330,950	\$ 355,499	\$ 179,863	\$ 4,787,204	\$ 2,165,313
(6,917)	(95,460)	62,457	37,431	(256,570)	(212,018)
11,999	134,242			301,999	311,047
		945,000		945,000	
646,722	369,732	1,362,956	217,294	5,777,633	2,264,342
			3,000,000		6,000,000
	3,076,063				3,076,063
699,924	124,215			699,924	124,215
18,000				18,000	119,098
<u>1,364,646</u>	<u>3,570,010</u>	<u>1,362,956</u>	<u>3,217,294</u>	<u>6,495,557</u>	<u>11,583,718</u>
251,173				386,173	345,903
336,179	380,000			336,179	380,000
		2,861,557	1,156,379	2,861,557	1,156,379
				380,342	94,772
<u>587,352</u>	<u>380,000</u>	<u>2,861,557</u>	<u>1,156,379</u>	<u>3,964,251</u>	<u>1,977,054</u>
777,294	3,190,010	(1,498,601)	2,060,915	2,531,306	9,606,664
3,284,975	94,965	3,034,598	973,683	22,953,338	13,346,674
<u>\$4,062,269</u>	<u>\$3,284,975</u>	<u>\$1,535,997</u>	<u>\$3,034,598</u>	<u>\$25,484,644</u>	<u>\$22,953,338</u>

Notes to Financial Statements December 31, 1979 and 1978

1. Nature of the Authority

The New Jersey Economic Development Authority ("Authority") is a public body corporate and politic constituting an instrumentality of the State of New Jersey ("State"). The Authority was established by Chapter 80, P.L. 1974 ("Act") on August 7, 1974, primarily to provide long-term, low-interest financing to private firms and companies for the purpose of maintaining and expanding employment opportunities in the State. The Authority is empowered to issue tax-exempt industrial development bonds to accomplish its objectives and to provide funds raised from its bond issues to such firms and companies for eligible projects as defined in the enabling Act. The Authority is also authorized to guarantee loans, to make direct loans, to enter into contracts, to buy and sell land, buildings and other property, and to conduct studies related to its legislative mandate to stimulate employment and investment in New Jersey. The Act prohibits the Authority from obligating the credit of the State in any manner.

2. Summary of significant accounting policies

(a) Basis of accounting and presentation

The accompanying financial statements have been prepared under the accrual method of accounting. The accounts are maintained in accordance with the principles of fund accounting and separate accounts are maintained for each major fund. All financial transactions have been recorded and reported by fund group.

The combined totals are for presentation purposes only and do not indicate that the combined assets are available for use in any manner other than provided for in the various legislative bills and grant agreements.

(b) Nature of funds

The various fund groups of the Authority are defined as follows:

(1) Operating Fund

The operating fund is used to record the administrative and other general financial transactions of the Authority. Administrative expenses are not allocated to other funds.

In September 1978, the Authority was awarded a technical assistance grant from the U.S. Economic Development Administration ("USEDA") under Title III of the Public Works and Economic Development Act of 1965 as amended and supplemented, for the purpose of establishing a Trade Adjustment Assistance Center ("TAAC"). Through outreach programs, the TAAC provides technical assistance to trade-impacted and potentially trade-impacted firms within the State. In September 1979, the technical assistance grant was extended to August 31, 1980. In accordance with the grant agreement, the Authority will be reimbursed for allowable expenditures up to a maximum of \$1,435,372.

TAAC expenditures incurred during 1979 and 1978 were \$342,141 and \$39,757 respectively.

(2) Guarantee Fund

During 1975 and 1978, the New Jersey Legislature appropriated \$10,000,000 and \$3,000,000 respectively to the Authority, for the establishment of a guarantee fund with a provision that at least 50% of the dollar amount of outstanding loan and bond guarantees provided by the Authority be for projects located in municipalities receiving assistance pursuant to the provisions of Chapter 64, P.L. 1971.

The Authority utilizes the \$10,000,000 appropriation to secure guarantees, generally up to 30% with a maximum of \$1,000,000, of loans and bonds issued for the purchase of real and personal depreciable property (Fixed Asset account) and the \$3,000,000 appropriation for guarantees, generally up to 50% with a maximum of \$300,000, of working capital loans (Working Capital account).

The Authority was awarded a \$2,658,000 grant in 1978 from the USED A under Title IX of the Public Works and Economic Development Act of 1965 as amended and supplemented for the purpose of business development loan guarantees for projects in distressed municipalities (Title IX account). The Authority receives funds through a letter of credit as loan guarantees are made. The letter of credit is irrevocable to the extent the Authority has obligated funds in accordance with the grant agreement. During 1979, the Authority recorded revenue of \$583,333 related to this grant.

At December 31, 1979 and 1978, the fund balance was composed of the following:

	1979	1978
Fixed Asset account	\$13,656,076	\$12,348,403
Working Capital account	3,354,666	3,148,224
Title IX account	448,513	
	<u>\$17,459,255</u>	<u>\$15,496,627</u>

Under one guarantee agreement, the Authority is required to purchase and pledge certificates of deposit increasing up to 50% of the loan balance outstanding. The amount of certificates of deposit in the guarantee fund (Fixed Asset account) which were pledged at December 31, 1979 was \$1,470,000.

(3) Loan Fund

The revolving loan account was established in 1976 to account for a \$13,000,000 grant received from the USED A under Title IX of the Public Works and Economic Development Act of 1965 as amended and supplemented. The initial grant was loaned to the Okonite Company Employee Stock Ownership Trust

("ESOT") and repayments of principal and interest are available for subsequent loans to finance eligible projects as defined in the enabling Act. Failure of the Authority to utilize the funds in the manner prescribed in the grant agreement with the USEDA may result in the funds being returned to the USEDA.

The \$12,434,800 balance of the loan at December 31, 1979 bears interest at a rate of 1% to 5% and is repayable in equal semi-annual installments through June 30, 2001. As of December 31, 1979 the Authority has made second generation loans from this account totaling \$350,000.

On February 23, 1978, the Governor, pursuant to the Executive Reorganization Act, Chapter 203, P.L. 1969, submitted a plan of reorganization to the New Jersey Legislature of the New Jersey Urban Loan Authority ("ULA") and the New Jersey Area Redevelopment Authority ("ARA"). This plan became effective April 24, 1978, and abolished the ULA and ARA and transferred all of the assets and direct and contingent liabilities of the ULA and ARA, as well as their respective functions, powers and duties to the Authority. The Authority, pursuant to the State Agency Transfer Act, Chapter 375 P.L. 1971, is required to continue the functions of the ULA and ARA in accordance with the original enabling legislation of the ULA and ARA.

The ULA was established pursuant to the Business Incentive Loan Act, Chapter 202, P.L. 1969, as amended, to provide loans, loan guarantees of 90% of the total loan, and technical assistance to businesses located in qualified loan areas (as defined). Loans made or guaranteed by the ULA may not exceed \$250,000 to any one applicant and may not have a repayment period exceeding 10 years.

The ULA was established with an original appropriation from the State of \$2,000,000 and received additional appropriations totaling \$2,912,000. These appropriations are not repayable to the State.

The ARA was established pursuant to the New Jersey Redevelopment Assistance Act, Chapter 204, P.L. 1962, as amended and supplemented to assist local New Jersey area redevelopment agencies in establishing redevelopment projects within the State, to obtain federal financial assistance and to provide financial assistance as prescribed under the enabling Act. Under provisions of the enabling Act, the ARA may not finance more than 5% of a qualified project.

The ARA was established with an original appropriation of \$500,000 from the State and received additional appropriations totaling \$1,216,000. Appropriations of \$1,500,000 are repayable to the State during the period 1992 to 2003, of which \$1,000,000 is interest bearing. The weighted average

interest rate for loans payable to the State is 6.1%.

At December 31, 1979 and 1978, the fund balance was composed of the following:

	<u>1979</u>	<u>1978</u>
Federal Grant		
Revolving Loan		
account	\$13,555,240	\$13,352,049
Urban Loan account	3,098,646	2,727,032
Area Redevelopment		
account	<u>351,373</u>	<u>284,538</u>
	<u>\$17,005,259</u>	<u>\$16,363,619</u>

(4) Industrial Park Fund

During 1977, the New Jersey Legislature appropriated \$1,000,000 to the Authority for the purpose of paying for costs related to industrial park feasibility studies.

During 1978, the Authority received an additional \$3,000,000 appropriation from the State for the purpose of purchasing and developing industrial sites in the State, with a provision that the first three projects approved be located in the municipalities receiving assistance pursuant to Chapter 64, P.L. 1971. Thereafter, no more than 50% of these funds may be used by the Authority for projects in these municipalities.

Additional funds of \$1,167,837 available to the State from the USEDA pursuant to Title I, Section 304 of the Public Works and Economic Development Act of 1965 as amended and supplemented were allocated to the Authority and are not repayable. These funds were recorded as grant revenue in 1979 and were used by the Authority to supplement the \$3,000,000 State appropriation to develop two industrial parks in Elizabeth and Jersey City.

The Authority has subdivided these sites and is marketing them to firms desiring to build in these locations. The proceeds from these sales will be used to purchase land and develop industrial parks in other eligible municipalities in the State.

(c) Revenue recognition

The Authority's primary sources of operating revenue are its bond fee, which is 1/2 of 1% of the principal amount of bonds issued up to \$10,000,000 and 1/10 of 1% of the principal amount in excess of \$10,000,000, and its guarantee fee, which is 1/2 of 1% of the amount initially guaranteed by the Authority multiplied by the number of years the guarantee is in effect. Each fee includes a non-refundable payment of \$250 which is made with the filing of the application. The non-refundable portion of the application fee is recorded as revenue when received, and the balance of the fee is recorded at the time of settlement of the loan.

Interest income is recorded as earned and grant revenue is recorded on the accrual basis when notification of approval by the issuing organization is received, or when the Authority has performed under the grant agreements.

Interest earned on amounts in the various fund accounts is used by the Authority to increase the amount of funds available for the purposes defined in the original appropriation or grant agreements.

(d) Pension and retirement plans

Employees of the Authority are covered by the Public Employees Retirement System of the State. Pension expense is accrued based on rates provided by the State, and amounted to \$44,501 and \$21,019 for 1979 and 1978 respectively.

(e) Land and improvements held for resale

Land and improvements held for resale are carried at the lower of cost or estimated net realizable value. To provide an incentive to firms to locate in the industrial parks developed by the Authority, the estimated selling price for the land and improvements does not include the total recovery of the Title I, Section 304 funds received from the USEDA (See Note 2 (b) 4). Accordingly, the carrying value of these sites at December 31, 1979 does not include \$945,000 of development expenditures.

(f) Fixed assets

Fixed assets are carried at cost less accumulated depreciation of \$32,771 and \$2,917 in 1979 and 1978 respectively, and consist of leasehold improvements, furniture and equipment, and automobiles.

The Authority uses the straight-line method of depreciation over the following useful lives:

Leasehold improvements:	5 to 20 years
Furniture and equipment	5 to 10 years

Automobiles are not depreciated since monthly payments made to the State include a charge for future replacements.

(g) Services from the State of New Jersey

The Authority utilizes various services supplied by the State and is billed for such items based on various allocation methods used by the State for similar organizations. Major services provided and billed by the State include telephone, postage, automobiles, pension and health benefits, legal services and investment counseling.

(h) Taxes

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

(i) Reclassification of 1978 balances

Certain 1978 balances have been reclassified to conform with current year presentation.

3. Investments

The Authority purchases short-term certificates of deposit, U.S. Treasury obligations and prime commercial paper based on the recommendations of the New Jersey Department of the Treasury, Division of Investment.

4. Notes receivable (Loan Fund)

Notes receivable consist of installment notes due from companies who qualify for the various loan programs of the Authority, and are generally collateralized by the assets of the companies and/or personal assets and guarantees of the principals of the companies which receive Authority assistance. The notes bear interest at varying rates and mature at various times through 2001.

5. Commitments and contingencies

(a) Industrial development bonds

For the years ended December 31, 1979 and 1978, \$569,793,775 and \$261,408,450 aggregate principal amount of Authority bonds have been issued respectively. As set forth in such bonds and in the various agreements and documents related to their authorization and issuance, the principal of, premium, if any, and interest on each such bond issued in 1979 and 1978 are payable solely from the revenues and other monies derived from the sale or other disposition of the project financed by such bond, any other revenues from the project, or other monies which may be pledged with respect to such issue. All such bonds are special obligations of the Authority and do not constitute obligations against the general credit of the Authority, and are not in any way a debt or liability of the State.

(b) Loan and bond guarantees.

The Authority has a special binding obligation regarding all guarantees to the extent that funds are available in the guarantee accounts specified in the guarantee agreements, generally ranging from five to ten years. Guarantees are not obligations against the general credit of the Authority, and are not in any way a debt or liability of the State. The guarantee agreements restrict the Authority from approving any loan or bond guarantee if at the time of approval available guarantee funds are less than one-third the aggregate amount of outstanding guarantees. Principal payments on loans guaranteed by the Authority reduce the Authority's guarantee.

At December 31, 1979, guarantees and guarantee commitments were as follows:

	GUARANTEE FUND			LOAN FUND
	Fixed Asset account	Working Capital account	Title IX account	Urban Loan account
Guarantees (closed)	\$11,136,358	\$1,518,288	\$1,139,462	\$935,052
Committed (not closed)	1,050,000	15,000	562,500	
Allowance For Guarantee Losses		(128,760)	(161,240)	(530,451)
	<u>\$12,186,358</u>	<u>\$1,404,528</u>	<u>\$1,540,722</u>	<u>\$404,601</u>

At December 31, 1979, two projects partially guaranteed under the Authority's guarantee programs were in default. In one project (Fixed Asset account) the Authority exercised its option to cure the default and made payments in the amount of \$135,000 to the bondholder. In September 1979, the company filed for protection under Chapter XI of the bankruptcy laws. Accordingly, the Authority is awaiting formal notification of this default and must pay the remainder of the guarantee, \$365,000, within 90 days of this notice. The Authority has significant collateral in connection with this project and in the opinion of the management of the Authority there will be no material impact on the financial statements as a result of the payment of the guarantee.

In the other project, formal demand for payment has been made under the guarantee agreement and the Authority paid \$540,000 (\$240,000 Working Capital account and \$300,000 Title IX account) in January 1980. The Authority is exercising its collateral rights under the guarantee agreement, and provided \$290,000 in 1979 for

payments from the guarantee fund in excess of anticipated recovery.

Several projects guaranteed under the Urban Loan Program are in default and the Authority expects to receive formal demand for payment. The estimated losses arising from these projects were provided for in previous years.

(c) Direct loans

At December 31, 1979, the Authority had direct loan commitments outstanding but not closed in the loan fund as follows:

Federal Grant Revolving Loan account	\$250,000
Urban Loan account	100,000
	<u>\$350,000</u>

(d) Leases

The Authority has entered into two leases for office space which expire in 1983 and 1998. Rent expense amounted to \$161,672 in 1979 and \$38,812 in 1978. The aggregate minimum rental commitments under these leases are \$3,073,222. Payments amount to \$173,572 for the years 1980 through 1982, \$165,662 in 1983 and \$160,012 in 1984. Rental income from two subleases which expire in 1981 and 1982 amounted to \$19,417 in 1979. Aggregate minimum rentals from subleases are \$62,361.

6. Litigation

The Authority is involved in several pending lawsuits which in the opinion of the management of the Authority and the Attorney General of the State will not have a material effect on the accompanying financial statements.

7. Subsequent events

During the period January 1, 1980 through January 31, 1980, the Authority approved \$150,000 of guarantee commitments (Fixed Asset account) and closed \$112,500 of previously committed guarantees (Title IX account).

Auditor's Report

ARTHUR YOUNG & COMPANY

NEWARK, NEW JERSEY

Members of the Authority
New Jersey Economic Development Authority
Trenton, New Jersey

We have examined the accompanying balance sheets of the New Jersey Economic Development Authority at December 31, 1979 and 1978 and the related statements of revenues, expenses and changes in fund balances and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the statements mentioned above present fairly the financial position of the New Jersey Economic Development Authority at December 31, 1979 and 1978 and the results of operations and changes in fund balances and financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis during the period.

Arthur Young & Company

February 1, 1980

New Jersey Economic Development Authority

Members

John J. Horn
Chairman
Commissioner of Labor & Industry

Clifford A. Goldman
Vice Chairman

Joseph A. LeFante

Jerry Fitzgerald English

Charles H. Marciante

Aldrage B. Cooper, Jr.

Olive S. Cram

Executive Staff

Robert S. Powell, Jr.
Executive Director

Anthony M. Cuccia
Deputy Director

John F. Walsh
Director of Finance

Frank T. Mancini, Jr.
Director of Project Development

Samuel D. Calaby
Director of Research

Gerald J. Novak
Director of Real Estate

Michael Brown
Director of Trade Adjustment Assistance Center

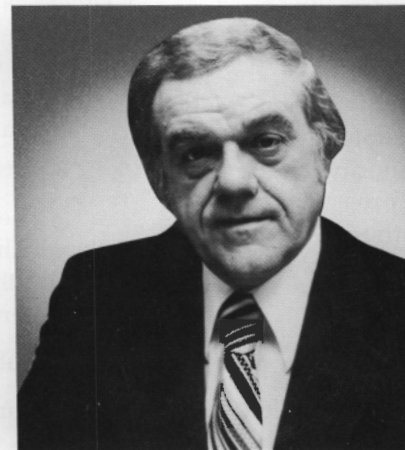
Richard L. Timmons
Manager of Budget & Accounting



John J. Horn
Chairman
Commissioner of Labor & Industry



Clifford A. Goldman
Vice Chairman
State Treasurer



Joseph A. LeFante
Commissioner of Community Affairs



Jerry Fitzgerald English
Commissioner of Environmental Protection



Charles H. Marciante
President AFL-CIO



Aldrage B. Cooper, Jr.
Manager, Public Affairs
Johnson & Johnson



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



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