NJEDA

New Jersey Economic Development Authority

1986 Annual Report

New Jersey Economic Development Authority

The New Jersey Economic Development Authority is an independent agency of the State of New Jersey created to retain and expand job opportunities and enlarge the tax base of the State and its local governments.

To carry out its mandate, the Authority issues tax-exempt industrial development bonds (IDBs) to enable New Jersey businesses to secure low-cost financing for capital expenditures; makes direct loans and loan guarantees for business retention, expansion and modernization; operates an urban industrial parks development program in high unemployment areas of the State; arranges technical and financial assistance to help manufacturing firms combat foreign competition; and conducts research related to its legislative mandate.

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

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The 1986 Record

- **The Largest Single Issuer of Small Issue Industrial Development Bonds in the Country:**
  - $479 million in IDBs issued to assist 179 projects representing 6,200 new jobs for New Jersey and an estimated $266 million in local tax ratables
- **A Recognized Industrial Real Estate Developer:**
  - Recipient of the 1986 Outstanding Land Development Award presented by the N.J. Chapter, American Planning Association, for successful development of the Seaport Industrial Center in Elizabeth
- **The State's Financing Arm for Business Development and Expansion:**
  - Almost $20 million in loans and loan guarantees provided through Authority funds and other program sources for 67 business projects, leading to 2,500 new and retained jobs and $45.4 million in private investment
- **A Resource for Manufacturing Companies Battling Foreign Competition:**
  - Technical consulting assistance arranged to help 20 companies increase sales and employment and expand their markets

Financial Highlights

	1986	1985	Cumulative Totals 1974-1986
Investments			
Amount of Authority Financings	$ 485,759,078	$1,068,927,627	$6,951,264,712
Number of Projects	218	489	4,079
Total Investments Stimulated by Financings	$ 558,008,181	$1,276,439,259	$8,869,306,233
Jobs Created			
Permanent Jobs to be Created by Financings	6,600	13,800	120,000
Construction Jobs to be Created by Financings (estimated)	7,900	18,200	110,200

Permanent job figures for projects closed during the years 1974-1984 have been adjusted to reflect jobs actually created by those projects. The job figures for 1985 and 1986 projects are estimates.

A copy of the 1986 financial statements is available upon request from the Authority's Office of Public Affairs, CN-990, Trenton, N.J. 08625

Thomas H. Kean
Governor

Borden R. Putnam
Chairman

To the Governor and Members of the Legislature

It is with great pleasure that I submit the 1986 Annual Report of the New Jersey Economic Development Authority.

1986 was a year of great challenge for the Authority due to the adverse impact of pending and approved federal legislation on its highly successful industrial development bond program. The Authority's impressive history, however, clearly demonstrates its strong ability to turn challenges into program opportunities. It is already hard at work scrutinizing financing alternatives to the tax-exempt incentives which have become severely limited.

I am confident that the Authority will continue to make a major contribution to the State's economy as it develops new initiatives to encourage business expansion and job creation in New Jersey communities.

BR Putnam

Borden R. Putnam
Chairman

March 18, 1987

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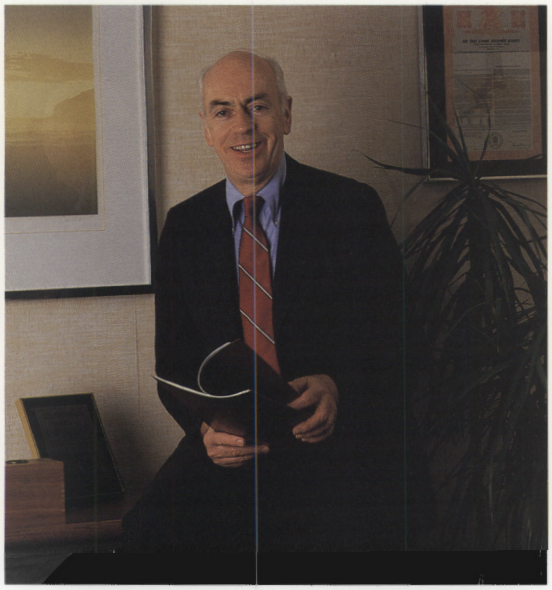

Message from the Executive Director

Upon enactment of the Tax Equity and Fiscal Responsibility Act of 1982, economic development practitioners were told, "cheer up - things could always be worse." So we cheered up and, sure enough, things got worse - thanks to the Deficit Reduction Act of 1984! We were then told that now that the other shoe had dropped we could go about our business of providing necessary incentive financing without fear of further immediate restrictions. Less than two years passed before yet another shoe dropped. Why must bad news shoe droppers always send centipedes as messengers? Furthermore, the most recent shoe to drop is a size 14, and very wide!

As has become our bi-annual custom, we are presenting the latest round of federally mandated industrial development bond (IDB) restrictions in summary form on page 3. They do not make for encouraging reading to those who recognize the benefits that IDB financing has brought to the State of New Jersey. And, these benefits for 1986 were substantial indeed, even though the Authority operated throughout the year under the storm clouds of pending tax reform. As it turned out, such operating conditions were as difficult as those ultimately imposed by enactment of the Act itself.

Although proposed, and final, restrictions severely hampered the Authority's ability to match the billion dollar years of assistance rendered in each of the two previous years, 1986 was still a successful year in which notable achievements were recorded in all programs. Furthermore, we are still pleased with our 1986 totals of almost $480 million of IDBs issued, resulting in the creation of 6,200 permanent jobs and 7,800 construction jobs. The $548 million in related private investment resulted in an estimated $266 million of new ratables for the communities in which the projects are located. With almost $7 billion issued to date for approximately 4,000 projects, the New Jersey Economic Development Authority remains the largest and most active issuer of IDBs in the United States.

It is increasingly clear that restrictions placed on the IDB program will offer further challenges and opportunities to the Authority. Therefore, it is encouraging to report that the Authority's aggressive efforts to diversify and expand its many other forms of assistance continue to record impressive results. For example, its direct loan and loan guarantee programs each now exceed $30 million. Meanwhile, two other state programs for which the Authority performs contractual services have loans and/or commitments outstanding of $21 million and $2.5 million, respectively. These are the Local Development Financing Fund, administered by the New Jersey Department of Commerce and Economic Development, and the Recycling Loan Fund, administered by the New Jersey Department of Environmental Protection. Finally, the SBA 504 program, administered by the Authority through the Corporation for Business Assistance in New

Jersey, now has loans and commitments outstanding of nearly $3 million.

The combined total of these loans/commitments currently approaches $100 million in State/Authority resources. While this amount may seem meager compared with the Authority's total IDBs outstanding, it is important to remember that IDBs represent private funding sources while the other programs described represent direct assistance from the State's and/or the Authority's own resources. This, obviously, is the role that the Authority must continue to assume as New Jersey seeks to create jobs, increase ratables and expand its economy in an environment of diminishing assistance from the federal government. In effect, the Authority has been, and will continue to be, acting the role of investment banker for the State of New Jersey in arranging assistance for private businesses seeking state supported financing.

It is encouraging, therefore, to note that at the present time various proposals to enhance the Authority's effectiveness are being considered by the State's Administration and/or Legislature. For example, new and different funding programs to aid agriculture, fishing and exporting are under current discussion, as is a program to assist in venture capital financing. While it is impossible to predict the future disposition of any of these proposals, or even if they will ever come to fruition, it is gratifying to note that the Authority is designated as the key arranger of any financing that is contemplated. This recognition can only be attributed to the Authority's past record of success in its endeavors.

In addition to new direct funding programs the Authority continues to search for alternate methods for assisting those applicants which are having trouble finding funding for qualified IDB projects, or are no longer eligible for this program. Thus, taxable bond alternatives, composite issues, and new forms of credit enhancement are all under active consideration by the Authority.

Another singularly important area of which the Authority is particularly proud is its record of achievement in developing urban industrial parks. This was highlighted in 1986 by the selection of the Authority's Seaport Industrial Center in Elizabeth as the recipient of the 1986 Annual Planning Award presented by the N.J. Chapter of the American Planning Association for Outstanding Land Development. The Seaport center was recognized as a project that through the use of creative design techniques and concepts significantly improved the quality of New Jersey's built environment.

Operating through its Division of Real Estate Development, the Authority has now successfully completed the development of industrial parks in Elizabeth (2), Jersey City (2), and Newark (2). Its park in Trenton is now 84% completed and it has recently agreed to be a participant in the redevelopment of the Camden waterfront, where Campbell Soup will locate its world headquarters and

Highlights Of the Tax Reform Act of 1986 As It Affects Industrial Development Bonds:

- As of January 1, 1987, nonmanufacturing projects are ineligible for tax-exempt financing. These include retail/commercial projects, nursing homes, office facilities and warehousing and distribution projects.
- Certain other projects also have become ineligible for tax-exempt financing if they are privately owned and operated: sports facilities, i.e., arenas, stadiums, etc.; convention and trade show facilities; parking facilities; alcohol and steam generating facilities; hydroelectric generating facilities; air and water pollution control facilities; and industrial parks.
- Manufacturing, and certain farming projects, are eligible for tax-exempt financing until December 31, 1989. Certain nonprofit educational and health facilities also are eligible for such financings.
- Projects eligible for tax-exempt financing are subject to a drastically reduced volume cap. The statewide volume limit for New Jersey for 1987 is $75 per person, which is approximately $570 million. This drops to $50 per person beginning January 1, 1988.
- The volume cap must be shared by single and multi-family housing, publicly owned and operated mass commuting facilities, energy production, student loans, manufacturing and farming projects, privately owned and operated solid waste disposal facilities, water and sewage disposal facilities, qualified redevelopment projects, hazardous waste disposal facilities, facilities for local furnishing of electricity or gas, and local district heating and cooling facilities.
- Financial institutions can no longer deduct the cost of borrowing to purchase tax-exempt bonds.
- Tax-exempt interest earned on private activity bonds issued after August 7, 1986 is subject to the alternative minimum tax calculation for both individuals and corporations.
- Bond-financed property receives less generous depreciation treatment than conventionally financed property.

the State of New Jersey will build a new aquarium. Several other prospective sites are currently under active consideration. The Authority sees increasing demand for its role as a developer of urban industrial property and looks forward to continuing its recent string of successful developments.

As usual, the achievements of the Authority relate directly to the dedication and commitment of its members and staff. This has been particularly true during the very difficult year just passed. We note especially the active participation and many contributions of public member Nancy Becker who left the Authority in June 1986 to accept a position which would have made it impossible for her to continue as a member of the Authority. We are especially pleased that her successor, Peter Gold, Esq. already shows the same degree of involvement and ability to contribute to the betterment of the Authority. Mr. Gold is a prominent labor lawyer from Camden County. We also welcome Wanda Webster Stansbury, a management consultant in Trenton, who replaces David Zendell, Esq. as an alternate public member.

On the staff level, the Authority's management team was enhanced by the appointment of Joseph F. Cirafici as Acting Director of the N.J. Trade Adjustment Assistance Center, and Richard A. Font as Assistant Director of the Authority's Finance Division. Both of these individuals have served the Authority well for some time now and each brought to the Authority considerable experience in their areas of expertise.

The balance of the dialogue in this report describes in further detail how the State's economy and needs have shifted during the past few years. You will note further how the Authority has anticipated and responded to these changes. It is our intention to continue to anticipate the State's needs and adjust, as needed, to satisfy its demands. Fortunately, we presently have the resources, the dedicated personnel and the will to do so.

James J. Hughes, Jr.
Executive Director

March 18, 1987

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New Jersey Economic Development Authority: A Catalyst for New Jersey's Changing, Expanding Economy

New Jersey's economic fabric has undergone a major transformation in recent years. Not long ago New Jersey was regarded as a state dominated by aging smokestack industries with a declining manufacturing base and high unemployment. New Jersey, however, pulled itself out of its economic doldrums and today boasts a robust, diverse and growing economy.

Fueling the turnaround has been New Jersey's emergence as a leader in high technology and the expansion of its services industry. Drawing upon its inherent assets, the State has a major campaign to attract young, emerging industries which will sustain and enhance its economy.

It also has been careful not to neglect its traditional industries and has sought to help them adapt and prosper in an increasingly complex and competitive marketplace. The State has developed special incentives to foster private investment in older urban areas. With these elements at work, New Jersey has evolved into a state rich in business diversity.

It is within this context of economic change that the N. J. Economic Development Authority has continued to play a prominent role in the State's growth and redevelopment strategies. Using specific projects as a backdrop, the Authority's 1986 annual report focuses on some ways in which the Authority emulates the changes in New Jersey.

This presentation is not an exhaustive exploration of the State's economic configuration but an attempt to provide some insight into how the Authority's broad powers, programs and policies have enabled it to accelerate the State's economic rebound and enhance its changing character.

Bolstering a Changing Economy

New Jersey has garnered much attention from the high technology explosion taking place within its borders. Its vigorous efforts to attract high tech companies to the State are reaping tangible results. A leader in the number of high tech companies it hosts, New Jersey ranks fifth among states in the percentage of its work force employed in high technology industries.

Just recently, **Fujinon, Inc.,** a Japanese-based company, elected to move its Westchester, New York operations to Wayne, New Jersey. Fujinon is typical of the kind of companies that the State is eager to attract. Its products represent the latest advances in the optical-electronics field. For example, it is one of three companies that manufacture an electronic video endoscope that enables doctors to videotape different medical screening procedures and make a more accurate and complete diagnosis.

The company, which also has facilities in California, Texas and Florida, had outgrown the space it was leasing in New York. It searched extensively before locating a suitable 2.82-acre site in Wayne which allows for future expansion. Using a $2 million tax-exempt bond issued by the Authority, Fujinon purchased the property and built a 24,000-square-foot facility to accommodate its corporate headquarters and a major warehouse for its products. The lower-cost financing made possible through the Authority's bond was a major factor in convincing company officials that the move was feasible.

As an aside, Fujinon's move further punctuates New Jersey's growing stature as a desirable location for foreign companies. More than 1,000 foreign companies now have facilities in New Jersey, accounting for 4% of the State's work force. Since 1975, the Authority has arranged more than $626 million in incentive financing for about 170 foreign firms wishing to locate and expand in New Jersey. These companies represent employment opportunities for almost 7,500 people.

Fujinon's new facilities represent 60 additional jobs in the Wayne area. Although the Wayne operations entail no manufacturing, Fujinon does repair products there, requiring employees primarily with technical skills.

This gear measuring device secured with Authority tax-exempt financing enables Eastern Gear Corporation to more accurately test the precision of products manufactured at its Paterson plant.

High Tech Boosts Manufacturing Industry

New Jersey's growing leadership in the high technology field offers promise for an important sector of the State's economy that has faced trying times in recent years: the manufacturing industry.

Statistics show that new manufacturing jobs are replacing the old ones, but for the most part, they are not in the traditional smokestack industries that have been associated with New Jersey's past. Indications are that New Jersey's manufacturing recovery lies in the areas of high tech and research and development. A 1985 study found that 23% of New Jersey's manufacturing employment is high tech.

Fujinon, Inc. employees familiarize themselves with the capabilities of the company's electronic video endoscope which enables doctors to diagnose medical problems more effectively. The endoscopes are routinely serviced and repaired at the company's Wayne headquarters. The Japanese-based company constructed the facility and a major warehouse using Authority-arranged financing.

Eastern Gear Corporation is typical of the manufacturing companies likely to become more dominant in the future. Located in an industrial section of Paterson, this precision gear manufacturer recently expanded its operations with the help of a $1,017,500 industrial development bond from the Authority. Selling its gears for various defense-related and industrial uses, the company prides itself on producing a high quality product at a competitive price. Realizing it must remain in the forefront of advances in technologies to produce the best possible products on a competitive basis, it used the Authority's low-cost financing program to purchase state-of-the-art grinding machinery and measuring equipment. According to the company, one of the largest problems it has had operating in New Jersey has been high labor rates compared to that of its competitors in the southern states. The new equipment it has acquired will enable Eastern Gear to lower its overall costs of manufacturing and retain its operations in New Jersey.

In addition to allowing the company to more accurately test its products and reduce its operating costs, the equipment has increased its work scope so Eastern can bid on larger and more diverse jobs with the potential to greatly increase the firm's overall size in the near future.

The immediate result of Eastern Gear's investment in New Jersey is the retention of 54 primarily technical and skilled jobs and the creation of six skilled job opportunities over the next two years.

Industrial Development Bond (IDB) Financings 1986 Highlights

- $479 million in IDBs issued to assist 179 business projects, with NJEDA continuing as the largest single issuer of such financings in the country
  - Approximately 6,200 permanent jobs and 7,800 construction jobs projected from those financings and $548 million in private investment stimulated
  - $25.7 million in bonds issued for 5 projects bringing $6.5 million in federal Urban Development Action Grants to New Jersey and resulting in more than 730 jobs
  - $42.2 million in bonds issued for 27 projects in Urban Enterprise Zones stimulating $57.2 million in private investment and resulting in more than 1,400 jobs
- Since 1975, about $6.9 billion in IDBs issued for almost 3,900 projects leading to more than $8.5 billion in private investment, 110,000 permanent jobs and approximately $4.2 billion in tax ratables

Ampower Technology, Inc. in Totowa also recognizes the importance of being at the cutting edge of technological advances. Founded in 1971 to service, calibrate and repair electronic equipment, Ampower expanded into the manufacture of photo-electronic sensing devices such as those used in elevators and with computers. Unfortunately, Ampower began experiencing stiff competition from the Japanese who are producing similar products at one third of the cost. To counter the pressure of this foreign competition, Ampower developed a prototype for a three dimensional imaging projection system for use in medical procedures and with computer devices. This new product design is an advancement from the two dimensional system which consists of flat images such as those seen on a television screen. Ampower has completed the engineering plan for its product with the help of the Authority's Trade Adjustment Assistance Center. It assisted Ampower in securing $14,000 in federal funds to cover 75% of the cost of employing a consulting engineering firm to help complete its product design.

New Manufacturing Opportunities From a Growing Service Industry

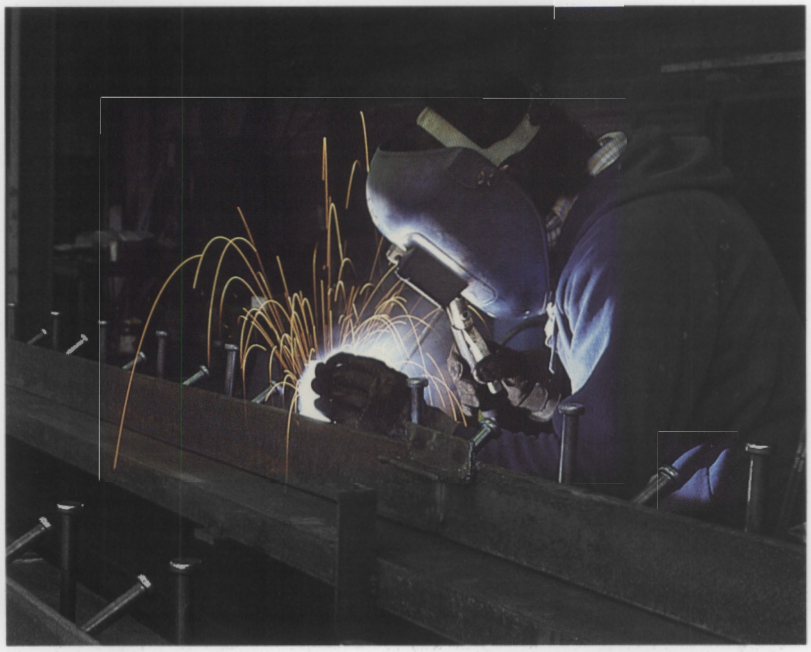
Without question, New Jersey is shifting from a goods producing economy to a service oriented one. New manufacturing opportunities, however, are emerging from the burgeoning service sector just as they have from the high tech field.

For example, **Stylex, Inc.,** an office and computer furniture manufacturer in business in Delanco since the mid '50s, has seen a tremendous increase in the demand for office furniture. Anxious to take advantage of new market opportunities, the company decided to increase its plant size by about 50% and purchase equipment that would help modernize some of its operations. Its real estate holding company, John Bruce Investment Co., secured a $2 million tax-exempt bond from the Authority to finance the $2.5 million expansion project. In addition to adding 48,000 square feet of manufacturing space, the company purchased equipment, tools and dies to produce a new line of modular computer furniture and modernize its vertical files production.

Within two years, the new facility will be used to produce systems furniture, such as free standing panels and modular work surfaces. To achieve the high level of production expected from the new facility, the company is adding a new conveyorized high capacity finishing system. The company expects the modifications to more than double the plant capabilities, enable it to turn out the products more quickly and efficiently and create opportunities for new product line development and future expansion. The company also expects to increase its present work force by about 25%. It plans to hire 50 more employees over the next two years.

This Stylex, Inc. employee works out of the new addition to the company's Delanco facility made possible through Authority tax-exempt financing. With the increased space and the installation of new equipment to make its operations more efficient, this manufacturer of office and computer furniture expects to hire 50 more employees over the next two years.

To meet the growing demands of the construction industry, Central Metals, Inc., a steel and miscellaneous metal fabricator in Camden, needed to expand its operations. This welder is now working in a new addition made possible through an Authority bond and a LDFF loan.



Also benefitting from the boom in service type activities are two related companies which fabricate and install steel and other metals for the construction industry.

1054 Associates, a general partnership, secured $340,000 in Authority bond financing to consolidate the operations of its related operating companies. It used the financing to acquire land in Camden, renovate an 8,400-square-foot vacant building, construct a 10,000-square-foot addition to an existing building and purchase equipment. This has enabled **Central Metals, Inc.,** a steel and miscellaneous metal fabricator, to expand its activities at the site while **Roma Steel Erection, Inc.,** a structural steel installation company, relocated its operations from Philadelphia.

These companies have commercial, industrial and residential projects in New Jersey, Pennsylvania and Delaware. The expanded facilities are enabling them to operate more efficiently and will permit them to handle other metals such as aluminum and brass.

This project is noteworthy also because it represents the replacement of some lost manufacturing opportunities in an urban area. As the State has been making the transition from a goods producing economy to a service based one, most areas of New Jersey have benefitted to some extent. Unfortunately, the urban areas, which traditionally have relied on manufacturing for their employment base have not shared equally in the economic recovery. Consequently, the challenge of revitalizing the cities has remained high on the agenda as the State maps out its economic development strategies.

Trade Adjustment Assistance Center 1986 Highlights

- TAAC operations were suspended in January 1986 due to federal funding uncertainties and resumed in August 1986. Since then:
  - Worked with 50 manufacturers in efforts to counter impact of import competition
  - Submitted three Petitions for Certification to federal government. Including petitions pending at start of year, 12 firms were certified eligible to apply for U.S. Trade Act Assistance
  - Submitted six Adjustment Proposals, of which three were accepted during the year and three were pending at year end
  - Arranged for over $400,000 in consulting assistance affecting 20 firms
- Since 1978, worked with over 450 businesses, helping 252 become certified for technical assistance, and helping more than 190 companies obtain some $3.75 million in technical consulting assistance

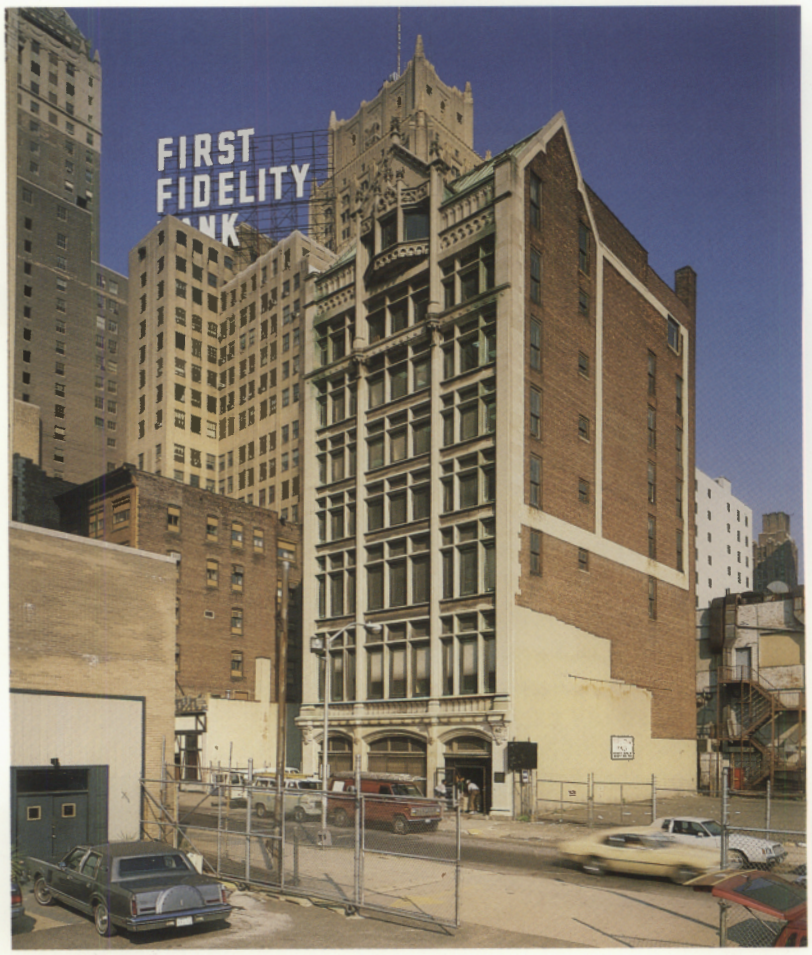
Revitalizing the Cities

Governor Kean emphasized urban revitalization in his 1986 State of the State message: "If New Jersey is to be the economic dynamo of America, the cities must share in the growth and prosperity. It will take two ingredients, investment by the public and private sectors and a willingness to try new ideas."

Innovative Programs Spur Urban Redevelopment

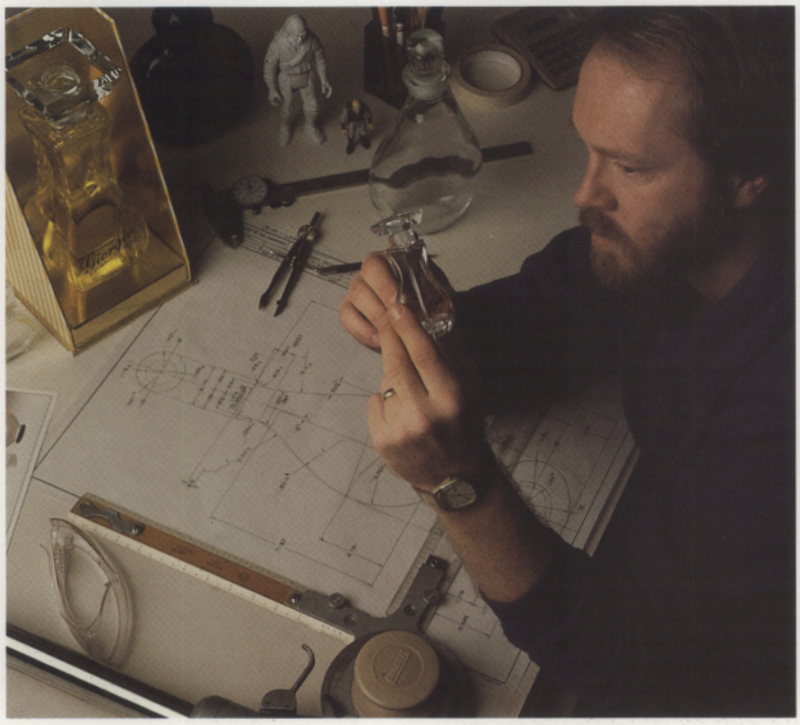
It is this kind of thinking which has led the Administration and the State Legislature to adopt fresh, innovative approaches to help the cities share in New Jersey's recent economic bounty. Whenever possible, the Authority attempts to support and enhance the impact of these initiatives. Therefore, the Authority has been giving priority treatment to any business which approaches the Authority for assistance for a project associated with some type of city, state or federal government program.

Urban renewal in the City of Newark continues as developers pump new life into many of the municipality's older structures. Using an Authority bond, Sandstone Associates, Inc. is contributing to this revival with the conversion of a 73-year old building into modern office space.



Kristen Distributing Company, a wholesale beer distributor, recently constructed this building in the Authority's Seaport Industrial Center in Elizabeth using Authority tax-exempt financing and Local Development Financing Fund monies.

Paul Gibson, a product engineer for Brosse U.S.A., Inc., which designs perfume bottles, finds the Cumberland Technology Enterprise Center in Millville an ideal setting for his design work. Although the company is based in New York, the space and services offered by the business incubator facility are well suited for Gibson's work needs. The Authority arranged the low-cost financing for the center which is located in a state-designated Urban Enterprise Zone.



1054 Associates is a perfect example of how a business can secure an attractive package of financing incentives made possible through public policies designed to encourage private investment in the cities.

It coupled the low-cost financing from the Authority bond with a $160,000 loan from the State's Local Development Financing Fund (LDFF). This program, for which the Authority performs credit and service functions under an agreement with the N.J. Department of Commerce and Economic Development, enabled 1054 Associates to borrow funds at 4% interest for 10 years. Additionally, the Camden facilities are located in a state-designated Urban Enterprise Zone, which entitles resident businesses to certain tax exemptions and credits.

Building a Diversified Urban Economic Base

These kinds of financing incentives are also helping urban centers diversify their economic base. For example, the **Cumberland Technology Enterprise Center, Inc.,** a business incubator facility, has been constructed in Cumberland County in the Millville enterprise zone operated jointly with the City of Vineland.

Cumberland County has one of the highest unemployment rates in the State due to the contraction of the glass

Authority Targeting in 1986

Locational targeting objectives of the Authority held up remarkably well in 1986 considering the adverse provisions of federal tax legislation. The detrimental effects of pending and approved federal legislation could have tilted the Authority's financial assistance away from New Jersey's Urban Aid and targeted municipalities. However, during 1986, the Authority applied even stricter locational targeting rules than in prior years. Accordingly, overall results are quite satisfactory despite the effects of the Tax Reform Act of 1986 (TRA).

Significant restrictions were imposed on IDBs during all of 1986 by pending tax legislation which turned into reality in October 1986. Cognizant of the proposed legislation, the Authority continued throughout 1986 to prioritize projects based on the method it had adopted in late 1985. This method was used to cope with the effects of pending and prior tax legislation. Under this priority system, project approval preference was given as follows:

A. Those projects in which other forms of government assistance are committed to or conditionally committed to the project, e.g., UDAG, LDFF, Authority direct loan and guarantees, Authority industrial parks, etc.
   Those projects that are targeted, both in regards to economic sector and geographic location.
B. Those projects which are targeted in regards to geographic location.
C. Those projects which are targeted in regards to economic sector.
D. All other projects.

Locationally targeted projects as a percentage of the total closed in 1986 rose to 63%, as against 59% in 1985. However, the dollar volume percentage of locationally targeted projects decreased slightly to 54% in 1986, from 56% in 1985. This may be due to some larger projects seeking to complete financings before the end of the year when they would become ineligible for such assistance.

The Authority's targeting by economic sector also was affected by the tax legislation. In the overall 1986 program, the percentage of industrial projects decreased in dollar volume to 63% from 66% in 1985. Also, the number of industrial projects decreased in percentage to 67%, down from 72% in 1985. The clear reason for these decreases was the rush to market during the latter half of 1986 of non-industrial projects that would no longer be eligible after December 31, 1986 due to provisions of TRA.

Due entirely to decreased volume imposed by TRA, estimated new permanent jobs associated with Authority projects located in targeted municipalities dropped from 8,200 in 1985 to approximately 4,100 in 1986.

Urban Industrial Parks 1986 Highlights

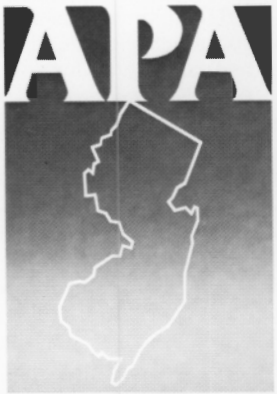
- Seaport Industrial Center completed with all public improvements dedicated to City of Elizabeth; eight new businesses located in center, yielding $37 million in private investment and a projected 1,530 permanent jobs and $600,000 in annual local tax revenues; N.J. Chapter of American Planning Assn. honored Seaport project with Outstanding Land Development Award

- Improvements completed at Airport Industrial Center in Newark and construction begun on approximately 160,000 square feet of industrial space; when fully developed, an estimated 800 jobs will be located at the site

- Approximately 25 acres of land assembled in Caven Point section of Jersey City for sale to private company for further development; expected to create at least 200,000 square feet of industrial space and 200 permanent job opportunities

- Since 1977, investment of approximately $35 million of public funds initiated and generated $137 million in private investment and almost 4,500 permanent jobs in 7 urban industrial sites, with Authority dollars recaptured for new redevelopment activities

The Authority's Seaport Industrial Center is the 1986 recipient of this award for Outstanding Land Development presented by the N.J. Chapter of the American Planning Association.



New Jersey Chapter American Planning Association

1986 Outstanding Land Development Award
Seaport Industrial Center

and food processing industries and plant closings in the area. Millville's employment base also has been impacted by this decline. Opened in 1986, the Cumberland Technology Center is billed as a "total environment designed to foster the success and growth of small businesses." The developer, **Galetto Realty,** had secured an $800,000 Authority bond in 1985 to purchase 7.5 acres and construct the 30,000-square-foot facility for lease to industrial and office tenants. The center is based on the concept that small, young businesses have limited resources with which to develop their products or services and therefore need space and basic office services at a low cost.

Urban rebuilding is also gaining momentum in the northern section of New Jersey. In downtown Newark, a 73-year old, early Victorian style vacated building has gotten a facelift and is being converted into modern office space for lease. Without financing incentives, the rehabilitation would not have gone forward, according to Cecil Sanders, Jr., president of **Sandstone Associates, Inc.,** which is developing the project in Newark's Urban Enterprise Zone. Sanders explains that the project involved a "gut rehab," which is almost as expensive as erecting a new structure. Despite comparable costs, an existing building in Newark does not command rents as high as a newly constructed building. Project costs therefore had to be reduced to permit the lower rents needed to attract tenants. This was accomplished with the help of a $789,000 tax-exempt Authority bond, a $200,000 LDFF loan and the cost savings associated with being located in an urban enterprise zone.

A similar situation confronted a real estate holding company which wanted to develop an office building on vacant land in Hoboken along the Hudson River waterfront. With New Jersey's expanding economy particularly in areas of services, finance, trade and communications, the developers believe that there is a growing demand for modern office space by expanding businesses based in northern New Jersey and by newly-formed business ventures. Their financial analysis showed, however, that conventional interest rates for financing the $10.5 million project would result in higher rental charges than the market would accept. To help make this speculative venture a financially sound investment, the developers secured a $10 million tax-exempt industrial development bond through the Authority resulting in an approximate 3% interest cost savings over the life of the financing. The Authority gave the project priority treatment because it included a $537,500 federal Urban Development Action Grant awarded through the city.

Seaport Industrial Center: A Symbol of Economic Progress

In addition to supporting the State's initiatives to regenerate urban centers, the Authority has taken steps to make its own programs more responsive to urban needs.

The Hudson River waterfront area is considered by many to be prime underdeveloped real estate. One Hoboken developer who agrees, secured an Authority bond and a federal Urban Development Action Grant awarded through the city to build this modern office building along the waterfront (Sylvia G. Baker, Gerald H. Baker, et al. project).

Seaport Industrial Center in Elizabeth, for example, represents a successful adaptation of the Authority's Urban Industrial Parks Program. With this center, the Authority has expanded its role of land developer to encompass the recycling of existing industrial buildings. Acquiring the 106-acre outmoded sewing machine factory from the Singer Company, the Authority has produced a modern day, thriving industrial complex, resulting in about $37 million in private investment, thousands of jobs and millions of dollars of new tax ratables for the City of Elizabeth.

The Authority worked closely with the city in developing plans for the center. As a result of such discussions, it gave special consideration to companies already established in Elizabeth that needed room for expansion. The Authority also targeted businesses which would employ blue collar workers that had been most affected by the closing of the Singer plant. Several hundred formerly unemployed residents now hold new permanent full-time positions at the center as a result of referrals by the city. The Seaport center has become a catalyst for the residential, industrial and commercial renaissance of the neighborhood.

The Seaport project also has received the acclaim of the New Jersey Chapter of the American Planning Association. The chapter honored Seaport with its 1986 award for Outstanding Land Development, recognizing it as a project that, through creative design techniques and concepts, significantly improved the quality of New Jersey's "built" environment.

Review and Compliance Activities 1986 Highlights

- Reviewed and approved almost 1,500 changes to closed Authority projects relating to such issues as ownership, project use, financing provisions and collateral
- Compiled employment reports that indicated 99,600 jobs have actually been created at Authority-assisted projects, 42% in the manufacturing field. Including '85 and '86 job projections, 120,000 new jobs have been made available through Authority assistance
- Reported employment of 815 disadvantaged persons in full-time positions with Authority-assisted projects in 1986

Office of Affirmative Action 1986 Highlights

- 259 new construction related projects assigned, representing 17,580 new construction employment opportunities
- Employment of minorities on Authority-assisted construction projects surpassed state-mandated goal for third year in a row. Minorities accounted for 19.8% of the total hours worked on such projects, 3.6% more than the state goal
- 344 construction projects monitored in 1986 to insure compliance with state-mandated minority hiring goals
- Construction workers earned $62.6 million on these projects

Encouraging Economic Diversity

Incorporating businesses engaged in manufacturing, warehousing and distribution, and service activities, the Seaport center is representative of the balanced economic mix that is being encouraged in the cities and throughout the State. Recognizing that a broad business base can help insulate New Jersey's economy from the impact of downturns in the business cycle, state development efforts emphasize economic diversity.

Attracting the Film Industry

For example, North Bergen is benefitting from the State's aggressive efforts to attract the television and motion picture industry to New Jersey. On behalf of **FERCO (Film Equipment Rental Co., Inc.),** the **43rd Street Realty Co.** selected an abandoned steel plant in North Bergen for the expansion of FERCO's Manhattan-based operations. Officials of FERCO, one of the largest suppliers of production equipment to the film industry, cited a number of reasons influencing the move to New Jersey. One factor was the attractive $1,040,000 of Authority bond financing secured at 25% below the lender's prime rate.

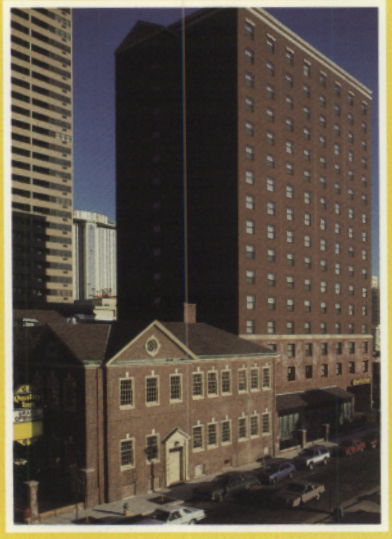
Promoting Tourism

Travel and tourism promotion also has become a more prominent part of the State's efforts to stimulate the economy. Recognizing the State's increased emphasis on tourism, in 1984 the Authority expanded its criteria for targeting program assistance to include hotel and motel projects which would provide significant benefits to the expansion of business or tourism.

Much of the impetus for the growing tourism industry has come from the advent of casino gambling in Atlantic City. The renewed business activity in this ocean resort community led one real estate partnership to develop a 194-room, 15-story hotel tower one block from the ocean. **ACQI Associates L.P.** opened the Atlantic City Quality Inn in 1986 with the help of a $10 million bond secured from the Authority in 1985 and a $1.4 million Urban Development Action Grant. Although the Authority does not assist gambling facilities, it will assist other business activities in Atlantic City. The availability of its low cost financing to this project made possible the acquisition and restoration of a 1926 Quaker meeting house and school to serve as a restaurant and meeting rooms for the hotel.

Neighboring communities also have benefitted from the increase in tourism. For example, Egg Harbor Township now is home to **Whittier Inn,** a mid-priced hotel that opened in 1986. **Wynfield ACY Associates** secured an $8.5 million Authority bond to purchase land and construct the 200-room facility which provides about 30 employment opportunities.

A former Friends meeting house and school is now part of a newly-constructed Quality Inn complex in Atlantic City. Financing for the first non-casino hotel to be built in the city since the '60s was provided through an Authority bond and a federal Urban Development Action Grant.



Harvest time is a busy time of year for the State's 9,100 farmers. It was even busier in 1986 for E. W. Bowker Company, Inc., which was able to develop 140 acres of new cranberry bogs in Pemberton with the assistance of an Authority $250,000 direct loan.

Photograph by RS Studio

Helping New Jersey's Agricultural Sector Prosper

Any discussion of the State's economy would be incomplete without reference to the agricultural industry in New Jersey. Long known as the Garden State, New Jersey today still has about 20% of its land available for farm use. Although farmers have faced difficult times nationally, New Jersey farmers have fared better. State officials cite diversity of products, nearness to market and public policies of support as reasons for New Jersey agriculture's relatively strong position compared to the national economy.

Fruit and vegetable products represent a stable and major component of the agricultural segment of New Jersey's farm economy. Optimism about New Jersey's agricultural economy led Ernie Bowker, a cranberry and blueberry farmer in Pemberton, to seek assistance from the Authority to develop 140 additional acres of cranberry bogs. His company, **E. W. Bowker Co., Inc.,** secured a $250,000 Authority direct loan for 10 years at 7% interest to purchase an irrigation system, storage freezer and refinance existing debt.

Loan and Guarantee Programs 1986 Highlights

- 35 direct loans made totaling $5.4 million, leading to the retention and creation of about 550 jobs in targeted communities and/or industries
- 10 loan guarantees provided amounting to $6.8 million to leverage $20.4 million in private funds. These financings are associated with an estimated 950 jobs in targeted communities and/or industries.
- On behalf of the Department of Commerce and Economic Development, 15 Local Development Financing Fund loans processed and closed for $6.3 million. These monies leverage $20.5 million in private funds, representing public exposure of less than $8,000 per job for almost 800 created and maintained jobs.
- 5 recycling loans closed for the Department of Environmental Protection totaling $1,165,000, which will create and maintain about 70 jobs
- 2 loans closed totaling $529,000 for the Corporation for Business Assistance in New Jersey. These borrowings are leveraged with $956,000 in private investment and are associated with 19 job opportunities

Division of Policy and Planning 1986 Highlights

- Compiled the UIR index for the Authority's targeting program and considered several alternatives for calculating indices of economic condition
- Disseminated highlights of a national study on small issue industrial development bonds to economic development officials and practitioners
- Evaluated meaning of the terms "manufacturing," "industrial," and "commercial" as a basis for operating under the IDB statutory limitations
- Considered new potential programs for the Authority, e.g., export financing
- Maintained a continuing dialogue on taxable IDBs, prioritizing of IDB allocations, executive orders, methods of industrial classification, and various New Jersey legislative proposals

Noting that it takes four years from planting for the cranberries to become marketable, Bowker explained that the Authority's financing package will enable him to realize a profit on his new cranberry crop prior to the loan coming to term. In addition, the new cranberry production will give economic value to wetlands that are not suitable for any other development.

Not surprisingly, given the State's construction boom, the largest and fastest growing sector of New Jersey's farm economy is in the area of greenhouse, sod and nursery products. The owners of **MARJAC Nursery** in Upper Pittsgrove will concur with that assessment. In business since 1982, the company already has outgrown the 10 acres it is leasing. A wholesale nursery that supplies shrubbery primarily to landscape contractors, MARJAC has expanded from 17 varieties of plants to over 100 types. With the help of a $225,000 direct loan from the Authority, MARJAC has now purchased a 68-acre parcel, is setting up a permanent state-of-the-art greenhouse and is purchasing additional equipment.

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It is apparent from the projects described that the Authority serves a wide spectrum of businesses. While the Authority continues to give special emphasis to industrial projects in economically distressed areas, it also has tried to be responsive to the changing character of the State's economy and to the national and international forces that influence business activities.

As indicated by some of the projects highlighted, the Authority has modified its policies and procedures to accommodate the specific requirements of particular businesses and industries. As 1986 drew to a close, the Authority was in the process of further refining its program guidelines for agricultural financing, businesses engaged in or seeking to get involved in export trading and for nonmanufacturing businesses which can no longer benefit from tax-exempt financing.

By the end of 1987, the Authority hopes to have expanded its programs to better serve new businesses with high growth and employment potential and to also help existing businesses and industries strengthen their competitive base.

With continued support from the Governor and Legislature, the Authority expects to remain an important financing resource for businesses and stimulus to New Jersey's expanding economy.

Whittier Inn in Egg Harbor is one of many hotels and motels being developed in the southern New Jersey area with assistance through the Authority.

Hollywood comes to New Jersey as this FERCO technician makes adjustments to one of the cameras soon to be available for rental at the company's new North Bergen facility.

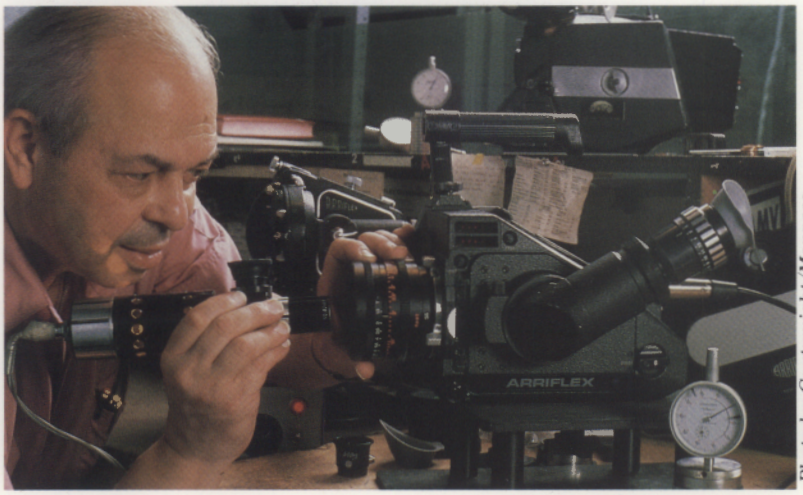

Photo by Cartwright/Moracco

More than 100 varieties of plants are carefully tended at the MARJAC Nursery in Upper Pittsgrove. The nursery is using an Authority loan to expand.

This worker is one of the 260 people employed at Slater Electric, Inc.'s new facility in the Authority's Seaport Industrial Center in Elizabeth.

1986 Closed Projects

Project Applicant	Municipality	Project Type+	Est. New Jobs	Con-struction Jobs	Authority Loan Amount	Total Project Costs
Atlantic County						
Absecon Manor Nursing Home Assoc.	Absecon	N	114	144	$ 6,700,000	$ 7,493,734
Bay Assoc.	Egg Harbor Twp.	C	22	75	3,000,000	3,033,900
Edward Gravitz	Egg Harbor City	D	16	1	50,000	155,000
South Jersey Gas Co. (#2)	Egg Harbor Twp.	C	7	17	745,000	745,000
West Atlantic City Hotel Assoc.	Egg Harbor Twp.	C	65	161	9,500,000	9,900,000
Wynfield ACY Assoc.	Egg Harbor Twp.	C	29	127	8,500,000	8,500,000
Totals — Atlantic County	**6 Projects**		**253**	**525**	**$ 28,495,000**	**$ 29,827,634**
Bergen County						
180 North Dean Assoc.	Englewood	O	13	13	$ 2,500,000	$ 2,635,000
Alford Industries, Inc. (#1)	Ridgefield Park	M	69	7	5,300,000	5,300,000
Anthony D. Kurtz	Leonia	M	131	168	5,600,000	6,760,000
Butler International, Inc. (#2)	Montvale	O	24	138	4,250,000	5,500,000
Commercial Ave. Assoc.	Carlstadt	D	15	5	1,495,000	1,793,500
Executive Plaza North	Hackensack	O	0	20	1,300,000	5,952,222*
G.E. Assoc.	Garfield	D	15	5	1,100,000	1,500,000
George Hirsch	Carlstadt	D	38	90	3,000,000	3,325,000
James J. O'Keefe, Jr.	Lyndhurst	D	4	32	4,200,000	4,672,500
Jomac Realty Co., A Corp.	Glen Rock	C	40	81	2,750,000	3,454,840
Kitty Fan Koo	Carlstadt	D	8	5	1,050,000	1,612,000
Lucien Piccard/Arnex Watch Co., Inc.	Carlstadt	D	8	4	1,100,000	1,771,215
Office Court Assoc.	Ramsey	O	0	0	4,200,000	9,775,000*
Richard B. Schwartz	South Hackensack	M	20	6	1,750,000	2,060,000
Ridgefield Assoc.	Ridgefield	D	70	16	4,700,000	4,790,000
RTC Investments	Bergenfield	D	18	4	1,400,000	1,800,000
S.P.A. Assoc.	Englewood	O	104	125	5,500,000	6,187,500
Union Avenue Assoc.	East Rutherford	D	24	23	5,900,000	5,930,000
Zenith Laboratories, Inc. (#2)	Ramsey	M	39	54	8,867,587	8,867,587
Totals — Bergen County	**19 Projects**		**640**	**796**	**$ 65,962,587**	**$ 68,500,364**
Burlington County						
Alford Industries, Inc. (#2)	Moorestown	M	30	16	$ 4,000,000	$ 4,200,000
E.W. Bowker Co., Inc.	Pemberton Twp.	A	16	0	250,000	250,000
Economy Data Products, Inc.	Mount Laurel	M	20	0	1,000,000	1,000,000
John Bruce Investment Co.	Delanco	M	50	32	2,000,000	2,500,000
Reiss Assoc.	Cinnaminson	M	16	2	900,000	900,000
Resource Equity Assoc. of Burlington City-I	Burlington City	D	60	167	4,650,000	8,725,700
Totals — Burlington County	**6 Projects**		**192**	**217**	**$ 12,800,000**	**$ 17,575,700**
Camden County						
1054 Assoc.	Camden	M	39	10	$ 340,000	$ 500,000
B. Zeitz & Sons, Inc.	Camden	M	16	1	150,000	375,000
D, G & V	Cherry Hill	C	6	66	2,500,000	3,204,782
Decorated Paper Corp.	Camden	M	8	0	360,000	372,000
East America Assoc.	Cherry Hill	C	10	48	2,600,000	2,600,000
Geriatric & Medical Services, Inc. (#4)	Voorhees	N	130	133	5,000,000	5,976,490
Holt Hauling & Warehousing System, Inc. (#2)	Gloucester City	D	0	0	8,500,000	41,509,300*
Lea H. Mogell, Robert Mogell, et al.	Gloucester Twp.	D	40	6	500,000	710,000
Modular Technology Homes, Inc. (#2)	Camden	M	0	0	200,000	350,000
Totals — Camden County	**9 Projects**		**249**	**264**	**$ 20,150,000**	**$ 14,088,272***
Cape May County						
Atlantic Prince L.P. (#2)	Lower Twp.	F	0	0	$ 250,000	$ 250,000
Atlantic Prince L.P. (#3)	Lower Twp.	F	0	0	90,000	232,950
Totals — Cape May County	**2 Projects**		**0**	**0**	**$ 340,000**	**$ 482,950**
Cumberland County						
Delta Trailers, Inc.	Bridgeton	M	191	0	$ 1,081,435	$ 4,360,235
Grocer One, Inc.	Vineland	C	6	0	600,000	669,650
HFD Realty	Vineland	T	46	44	1,350,000	1,780,000
Jeffery S. Katz & Freda R. Katz	Vineland	C	2	7	141,000	350,257
Millville Meridian L.P.	Millville	N	85	135	6,326,000	7,411,750
Minot Food Packers, Inc.	Bridgeton	M	23	0	1,232,000	1,232,000
Petersons Ltd.	Bridgeton	D	32	60	2,354,400	2,616,000
Philadelphia Venture Fund, Inc.	Bridgeton	M	68	32	1,930,000	1,930,000
Theresa Geri & Realty One Assoc.	Vineland	C	0	54	1,900,000	2,256,424
Totals — Cumberland County	**9 Projects**		**453**	**332**	**$ 16,914,835**	**$ 22,606,316**

Project Applicant	Municipality	Project Type+	Est. New Jobs	Con-struction Jobs	Authority Loan Amount	Total Project Costs
Essex County						
46 Bon Assoc., L.P.	Fairfield Twp.	O	39	136	$ 4,300,000	$ 5,493,785
87 Fairfield Road Assoc. (#2)	Fairfield Twp.	M	27	12	640,000	1,145,000
Ace Rubber Stamp Works, Inc.	Newark	M	4	1	27,000	30,000
Albert Safer & Sylvia Safer (#2)	Newark	M	0	19	1,600,000	2,536,000
Auto-Life Management Corp.	Livingston	M	0	5	910,000	910,000
Belleville Center Assoc.	Belleville	D	30	7	1,275,000	1,843,000
Brick Church Appliance, Inc.	Orange	C	20	5	675,000	825,000
Daniel Glassman & Iris Glassman	Fairfield	O	40	5	1,840,000	3,935,000
Dockside Urban Renewal Co.	Newark	M	98	255	9,000,000	9,327,000
Fine Chocolates by Stork of New York, Inc.	Irvington	M	30	8	1,600,000	2,597,500
Frye, Williams & Co., P.A.	Newark	O	14	3	140,000	175,000
Full Scale Co., Inc.	Newark	M	12	1	50,000	55,500
James & Arlene Seritella Urban Renewal Co.	Newark	D	5	0	900,000	995,000
Joseph Seickel, Sr., Joseph Seickel, Jr. et al.	Newark	M	67	11	850,000	1,506,000
Lux Home, Inc. (#2)	West Caldwell	M	9	45	1,750,000	1,750,000
Okner Parkway Assoc., L.P.	Livingston	D	30	18	2,500,000	2,800,000
Old Deerfield Fabrics, Inc. (#2)	Cedar Grove	M	9	0	1,125,000	1,125,000
Park Plaza Assoc.	Montclair	O	0	4	500,000	2,615,000*
Rene S. Gabbai (#2)	Nutley	M	18	17	585,209	625,000
Ridge Equities Co.	Newark	M	22	6	650,000	740,000
RJB Assoc., L.P.	Newark	C	80	167	6,900,000	9,860,000
S.P.S. Realty Assoc.	Newark	M	0	6	200,000	200,000
Sablosky & Valvano Co.	Newark	C	4	2	441,838	512,838
Safer Textile Processing	Newark	M	50	0	1,150,000	1,850,000
Sandstone Assoc. Inc. - Urban Renewal Corp.	Newark	O	30	26	789,000	1,189,000
Stanley Karczynski (#3)	Fairfield Twp.	D	50	124	4,500,000	4,500,000
Universal Chain Co., Inc.	Maplewood	M	20	0	270,000	300,000
Village Supermarkets, Inc. (#3)	East Orange	C	0	0	2,500,000	2,500,000
Totals — Essex County	**28 Projects**		**708**	**883**	**$ 47,668,047**	**$ 59,640,623**
Gloucester County						
Brotherston Hospital Supply Corp.	West Deptford	D	70	64	$ 3,040,000	$ 3,040,000
Continental Flavors & Fragrances, Inc.	Logan Twp.	M	22	0	800,000	1,000,000
DeClark New Jersey Partners	Logan Twp.	M	0	42	1,600,000	2,000,000
Grace Farms, Inc.	Mantua	A	10	2	250,000	338,000
Holly Shores Girl Scout Council, Inc.	Franklin Twp.	O	3	23	750,000	983,500
Meadowview Geriatrics, Inc.	Monroe Twp.	N	95	137	6,650,000	7,815,520
Totals — Gloucester County	**6 Projects**		**200**	**268**	**$ 13,090,000**	**$ 15,177,020**
Hudson County						
109 Port Jersey Urban Renewal Corp.	Jersey City	D	65	38	$ 2,000,000	$ 2,403,000
301 West Side Ave. Assoc.	Jersey City	M	19	11	810,000	1,275,000
43rd Street Realty Co.	North Bergen	S	25	7	1,040,000	1,375,250
Abraham Gerszberg & Ida Gerszberg	Jersey City	C	10	2	91,000	101,275
Bergen 74th St. Corp.	North Bergen	D	26	9	2,000,000	2,875,000
Four B's (#1)	Kearny	D	0	60	2,000,000	2,058,240
Galaxy Lighting Co., Inc.	Union City	D	4	0	40,000	40,000
Harbans L. Bhasin (#2)	North Bergen	D	12	37	1,400,000	1,670,240
Hartz Illinois III L.P.	North Bergen	D	25	157	7,500,000	8,010,618
Hudson Advertising & Engraving Co. (#2)	Jersey City	M	15	1	54,000	120,000
Kenric Equipment Assoc., Ltd.	Weehawken	T	24	0	7,178,148	7,500,000
Levy's, Inc.	West New York	C	4	0	450,000	500,000
Louis A. Carlascio, Jr.	Jersey City	M	3	3	60,000	96,000
Paulette Fashion Industries, Inc.	Weehawken	M	0	0	125,000	140,000
Pavey Envelope & Tag Corp. (#2)	Jersey City	M	1	0	1,000,000	1,000,000
Sylvia G. Baker, Gerald H. Baker, et al.	Hoboken	O	116	265	10,000,000	10,525,000
Totals — Hudson County	**16 Projects**		**349**	**590**	**$ 35,748,148**	**$ 39,689,623**
Hunterdon County						
Bramco Partnership	Readington	M	0	66	$ 2,000,000	$ 3,500,000
C.B.S. Holding Co.	Readington	D	6	20	1,150,000	1,350,500
Totals — Hunterdon County	**2 Projects**		**6**	**86**	**$ 3,150,000**	**$ 4,850,500**
Mercer County						
Conair Corp. (#2)	East Windsor Twp.	D	49	231	$ 9,600,000	$ 9,600,000
Davidson's Supermarkets, Inc.	Hamilton Twp.	C	33	54	3,000,000	3,880,000
Edward F. Grant Co., Inc.	Ewing	CT	20	4	300,000	500,000
Goldberger, Moore & Novick, Trenton, Inc.	Trenton	O	50	120	9,500,000	9,500,000
Mercer County Chamber of Commerce	Trenton	O	5	5	250,000	250,000
Mitzen Farm Assoc.	Hamilton Twp.	O	20	163	4,680,000	5,560,500
Rongold Assoc., L.P.	Trenton	C	79	42	1,500,000	2,520,000
Rylco Rubber Products, Inc. (#2)	Hamilton Twp.	M	0	0	292,806	390,408
State Street Investors L.P.	Trenton	O	26	24	5,400,000	6,782,000
Trenton Convalescent Center Urban Renewal Assoc.	Trenton	N	0	27	900,000	9,695,476*
Trenton Marine Terminal Sales & Leasing Corp.	Trenton	C	27	0	30,000	30,650
Volwieder & Co. VI L.P. (#2)	Hamilton Twp.	O	40	63	2,600,000	2,600,000
Totals — Mercer County	**12 Projects**		**349**	**733**	**$ 38,052,806**	**$ 42,513,558**

Project Applicant	Municipality	Project Type+	Est. New Jobs	Construction Jobs	Authority Loan Amount	Total Project Costs
Middlesex County						
1330 Livingston Assoc.	North Brunswick	D	0	2	$ 350,000	$ 2,480,500*
536 Fayette Co.	Perth Amboy	D	26	17	4,100,000	5,000,000
865 Centennial Avenue Assoc., L.P.	Piscataway	D	25	24	4,250,000	4,250,000
Benjamin S. Margulies & Susan Margulies	South Plainfield	D	12	3	900,000	1,105,000
Brach/Jersey Avenue Assoc.	New Brunswick	M	146	225	8,000,000	9,800,000
Bradco Realty Corp. (#2)	Woodbridge	D	28	8	1,184,000	1,490,000
C & Y Development Co.	Woodbridge	O	2	21	800,000	928,697
Campus 130 Assoc.	South Brunswick	D	31	90	3,250,000	3,850,500
CON-LUX Coatings, Inc.	Edison Twp.	M	6	23	750,000	804,200
DAC Realty Corp.	Woodbridge	M	102	7	1,900,000	2,480,000
Edison Equities	Edison Twp.	D	36	147	5,455,230	6,235,308
Ethel Realty Co.	Edison Twp.	D	10	81	3,500,000	3,527,500
Frank Criscola & Margery Criscola	South Plainfield	D	10	28	900,000	1,078,500
Graham Container Corp.	South Brunswick	M	97	0	6,847,233	7,000,000
Harold Abrams, Herbert Zimmerman & Steven Bussel	Edison Twp.	M	10	4	874,000	1,040,000
Harold Kay (#2)	East Brunswick	D	23	42	1,375,000	1,725,000
Imperia Foods, Inc.	South Plainfield	M	27	0	250,000	283,000
Jemmsons Properties Co.	Woodbridge	D	31	252	8,500,000	8,750,960
Prospect Plains Assoc.	Monroe Twp.	D	40	79	2,100,000	2,825,000
R. Realty Co.	Edison Twp.	D	41	126	7,000,000	7,030,000
Raritan Building Assoc., L.P.	Edison Twp.	D	75	14	3,500,000	3,900,000
Robert J. Shein & Minda Shein	Cranbury	D	4	21	800,000	854,500
Ruddy Assoc.	Piscataway	D	3	0	1,050,000	1,340,665
Seymour Franks General Woodworking, Inc.	Woodbridge	M	33	66	2,300,000	3,500,000
Tello Enterprises, Inc.	New Brunswick	C	110	62	4,950,000	6,312,985
The Restoration Partnership, L.P.	Perth Amboy	O	16	35	1,200,000	1,608,485
USA Resources, Inc.	Woodbridge	T	45	43	3,400,000	3,400,000
William A. Schwartz (#2)	East Brunswick	M	38	12	2,000,000	2,054,533
Totals — Middlesex County	**28 Projects**		**1,027**	**1,432**	**$ 81,485,463**	**$ 92,224,833**
Monmouth County						
63 Woodhull Assoc.	Freehold	O	10	13	$ 1,300,000	$ 1,456,500
Health Care Properties (#1)	Middletown	N	0	8	4,130,000	4,630,000
I & K Realty Co.	Red Bank	O	7	3	228,242	325,000
Michael Koretsky & Martin Borell	Manalapan	D	8	7	1,250,000	1,430,000
Totals — Monmouth County	**4 Projects**		**25**	**31**	**$ 6,908,242**	**$ 7,841,500**
Morris County						
Apollo Assoc., Ltd. (#2)	Hanover	M	20	16	$ 889,000	$ 1,280,000
Emery Assoc., Ltd.	Randolph Twp.	M	46	3	1,050,000	1,550,000
F. P. Duffy, Inc.	Lincoln Park	D	4	36	1,000,000	1,358,000
GSA Building Assoc., L.P.	Parsippany/Troy Hills	D	60	60	4,200,000	5,350,000
Health Care Properties (#4)	Chatham	N	0	9	4,245,000	4,745,000
Totals — Morris County	**5 Projects**		**130**	**124**	**$ 11,384,000**	**$ 14,283,000**
Ocean County						
E. M. & M. Inc.	Lakewood	C	7	3	$ 103,500	$ 115,000
Green Acres Manor, Inc.	Dover Twp.	N	100	134	7,500,000	7,895,298
Jessie R. Pike & Son-Assoc., Inc.	Lakewood	D	4	6	200,000	309,000
Leisure Center Assoc.	Lakewood	C	46	54	1,900,000	2,502,000
Statewide Bancorp	Lakewood	O	22	99	3,500,000	3,931,712
Tri-County Wholesale Building Supply, Inc.	Lakewood	D	7	0	400,000	400,000
Totals — Ocean County	**6 Projects**		**186**	**296**	**$ 13,603,500**	**$ 15,153,010**
Passaic County						
751 East 132nd St. Corp.	Paterson	M	27	7	$ 230,000	$ 464,000
Abbott Sales, Inc.	Paterson	M	14	6	250,000	751,900
Al & John, Inc.	Paterson	M	0	0	250,000	316,396
Angelo C. Cioppa & Perina Cioppa	Paterson	M	6	0	126,000	140,000
Astra Products, Inc.	Paterson	M	4	0	250,000	250,000
Big M, Inc.	Totowa	D	15	126	5,500,000	5,500,000
Chick's Lemon Ice & Ice Cream, Inc.	Paterson	M	0	0	150,000	150,000
CMF/Colonial Inc.	Paterson	M	18	3	475,000	535,000
D.M.B. Supply Co., Inc.	Passaic	D	17	0	250,000	250,000
Dralem Assoc.	Passaic	M	0	105	3,500,000	3,608,000
East Meadow Corp. (#2)	Wayne	D	28	69	2,675,000	2,675,000
Eastern Gear Corp.	Paterson	M	6	0	1,017,500	1,017,500
Four Star Reproductions, Inc.	Paterson	M	7	0	52,800	135,000
Fujinon, Inc.	Wayne	D	61	52	2,000,000	2,390,000
Garden State Flooring Co.	Paterson	CT	37	4	856,000	1,316,300
Jean Ribbon Mills, Inc. (#2)	Passaic	M	10	0	368,000	460,000
Keystone Video Corp.	Clifton	M	192	15	5,000,000	10,000,000
Lawrence Levinson (#2)	West Paterson	M	21	75	3,535,000	3,535,000
LCS Industries, Inc. (#2)	Clifton	S	40	0	1,500,000	1,500,000
Mario Giammichele	Paterson	C	4	2	30,000	69,350
Melard Manufacturing Corp.	Passaic	M	88	0	1,000,000	1,260,000
Melvin Siegel (#2)	Passaic	M	0	11	308,000	385,000

Project Applicant	Municipality	Project Type+	Est. New Jobs	Con-struction Jobs	Authority Loan Amount	Total Project Costs
Passaic County continued						
Naluco, Inc.	Paterson	M	25	4	$ 1,000,000	$ 1,460,800
One Loretto Ave. Realty Assoc., Ltd.	Hawthorne	M	20	17	2,700,000	4,575,000
PAN Realty Assoc.	Paterson	O	15	10	250,000	317,500
Paterson Renaissance Partners	Paterson	C	175	157	5,000,000	7,188,818
Paul Agrusti & Josephine Agrusti	Paterson	O	15	28	650,000	1,020,000
Pine Park Assoc., Inc.	Wayne	D	21	84	1,500,000	3,400,000
Polaris Plating, Inc. (#2)	Paterson	M	6	0	250,000	325,000
Precision Sample Co., Inc.	Paterson	M	35	1	75,000	200,130
Rebco Realty Co.	Paterson	M	16	7	2,200,000	2,200,000
Thermwell Products Co., Inc. (#2)	Paterson	M	15	0	945,450	949,084
Vanguard Plastics, Inc.	Paterson	M	20	0	500,000	800,000
Vanguard Realty Assoc., L. P.	Paterson	M	0	6	1,300,000	1,840,000
***Totals — Passaic* County**	**34 Projects**		**958**	**789**	**$ 45,693,750**	**$ 60,984,778**
Salem County						
Ganes Chemicals, Inc. (#2)	Pennsville	M	18	46	$ 5,100,000	$ 5,100,000
MARJAC Nursery	Upper Pittsgrove	A	5	2	225,000	250,000
***Totals — Salem* County**	**2 Projects**		**23**	**48**	**$ 5,325,000**	**$ 5,350,000**
Somerset County						
County Line Assoc.	Branchburg Twp.	D	23	82	$ 2,800,000	$ 3,509,000
Davidson Avenue Assoc., Ltd.	Franklin Twp.	M	0	7	1,128,400	2,800,000*
Health Care Properties (#2)	Franklin Twp.	N	5	11	4,585,000	5,125,000
Nash Group, A Partnership	Branchburg Twp.	D	20	0	3,300,000	3,936,600
Tourbranch Assoc.	Branchburg Twp.	M	50	117	3,600,000	4,600,000
Zeus Scientific, Inc.	Branchburg Twp.	M	0	0	1,200,000	1,225,000
***Totals — Somerset* County**	**6 Projects**		**98**	**217**	**$ 16,613,400**	**$ 18,620,600**
Union County						
A & A Urban Renewal	Elizabeth	M	45	72	$ 2,600,000	$ 3,077,500
Arko Paper Products Co., Inc. (#2)	Plainfield	M	26	13	326,800	546,800
BJS Assoc.	Roselle	M	20	5	1,100,000	1,121,550
Etal Assoc.	Elizabeth	CT	14	2	615,000	745,000
Jack Shalhon	Elizabeth	D	205	21	1,400,000	3,300,000
Jamco	Elizabeth	C	17	5	1,285,000	1,612,500
Jorita Manufacturing Co., Inc.	Springfield	M	7	0	250,000	1,121,000
Joseph A. Campanella Jr. & Paul R. DeBellis	Elizabeth	C	0	8	250,000	267,000
Kingsley/ATF Type Corp.	Elizabeth	M	32	0	250,000	351,750
Laminated Paperboard Corp.	Linden	M	10	0	125,000	300,000
Linn Assoc.	Linden	M	17	12	3,050,000	3,730,000
Maher Terminals, Inc. (#12)	Elizabeth	D	2	0	1,925,000	1,925,000
Marvin S. Bankoff	Hillside	M	13	2	352,500	478,000
Pride Urban Renewal Corp.	Elizabeth	M	300	22	3,000,000	3,500,000
SBA Industrial Real Estate Development Co.	Elizabeth	M	14	4	300,000	625,000
Stahuber Assoc., L.P.	Union	D	10	60	3,400,000	3,469,000
Thomas Drexler & Deborah Drexler	Plainfield	C	12	3	120,000	145,000
***Totals — Union* County**	**17 Projects**		**744**	**229**	**$ 20,349,300**	**$ 26,315,100**
Warren County						
Geriatric & Medical Services, Inc. (#6)	Phillipsburg	N	0	45	$ 2,025,000	$ 2,282,800
Totals — Warren County	**1 Project**		**0**	**45**	**$ 2,025,000**	**$ 2,282,800**
Statewide Totals	**218 Projects**		**6,590**	**7,905**	**$485,759,078**	**$558,008,181**

+Key to Symbols:
A - Agriculture
C - Commercial
CT - Construction Trade
D - Distribution
F - Fishing
M - Manufacturing
N - Nursing Home
O - Office
S - Service
T - Transportation

* Certain project costs for this financing are not included in county totals or statewide total since these costs were counted in a previous Authority annual report.

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186 W. STATE ST. PO BOX 520
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1986 Closed Direct Loans and Loan Guarantees +

Project Applicant	Location	Project Cost	Loan Amount	NJEDA Guarantee	NJEDA Direct Loan	New and/or Maintained Jobs	Bus. Type
751 E. 132nd Street Corp.	Paterson	$ 464,000			$ 230,000	27	M
Abbott Sales, Inc.	Paterson	751,900			250,000	85	M
Abraham Gerszberg & Ida Gerszberg	Jersey City	101,275			91,000	10	C
Ace Rubber Stamp Works, Inc.	Newark	30,000			27,000	4	M
Al & John, Inc.	Paterson	316,396			250,000	0	M
Angelo C. Cioppa & Perina Cioppa	Paterson	140,000			126,000	6	M
Astra Products, Inc.	Paterson	250,000			250,000	4	M
Atlantic Prince Ltd. (#2)	Lower Twp.	250,000			250,000	0	F
Atlantic Prince Ltd. (#3)	Lower Twp.	232,950	$ 232,950	$ 90,000		0	F
B. Zeitz & Sons, Inc.	Cherry Hill	375,000			150,000	16	M
Chick's Lemon Ice & Ice Cream Inc.	Paterson	150,000			150,000	0	M
D.M.B. Supply Co., Inc.	Passaic	250,000			250,000	17	D
Delta Trailers, Inc.	Bridgeton	4,360,235	1,081,435	973,292		191	M
E.M. & M. Inc.	Lakewood	115,000			103,500	7	C
E.W. Bowker Co., Inc.	Pemberton	250,000			250,000	16	A
Edward Gravitz	Egg Harbor City	155,000			50,000	48	D
Four Star Reproductions, Inc.	Paterson	135,000			52,800	7	M
Frye, Williams & Co., P.A.	Newark	175,000			140,000	14	O
Full Scale Co., Inc.	Newark	55,500			50,000	15	M
Galaxy Lighting, Inc.	Union City	40,000			40,000	4	D
Grace Farms, Inc.	Mantua	338,000			250,000	10	A
Hudson Advertising & Engraving Co., Inc. (#2)	Jersey City	120,000			54,000	15	M
Imperia Foods, Inc.	South Plainfield	283,000			250,000	27	M
Jack Shalhon	Elizabeth	3,300,000	1,400,000	700,000		205	D
Jeffery S. Katz & Freda R. Katz	Vineland	350,257			141,000	2	C
Jorita Manufacturing Co., Inc.	Springfield	1,121,000			250,000	41	M
Kingsley/ATF Type Corp.	Elizabeth	351,750			250,000	50	M
Laminated Paperboard Corp.	Linden	300,000			125,000	10	M
Levy's Inc.	West New York	500,000	500,000	450,000		14	C
Louis A. Carlascio, Jr.	Jersey City	96,000			60,000	3	M
Mario Giammichele	Paterson	69,350			30,000	4	C
MARJAC Nursery	Upper Pittsgrove	250,000			225,000	5	A
Modular Technology Homes, Inc. (#2)	Camden	350,000			200,000	0	M
PAN Realty Assoc.	Paterson	317,500			250,000	15	O
Paterson Renaissance Ptrs.	Paterson	7,188,818	5,000,000	1,000,000		175	C
Paulette Fashion Industries, Inc.	Weehawken	140,000			125,000	0	M
Petersons Ltd.	Bridgeton	2,616,000	2,354,400	1,000,000		32	D
Polaris Plating, Inc. (#2)	Paterson	325,000			250,000	6	M
Precision Sample Co., Inc.	Paterson	200,130			75,000	35	M
Pride Urban Renewal Corp.	Elizabeth	3,500,000	3,000,000	1,000,000		300	M
Rylco Rubber Products, Inc. (#2)	Hamilton Twp.	390,408	390,408	292,806		0	M
The Restoration Partnership, L.P.	Perth Amboy	1,608,485	1,200,000	1,000,000		16	O
Thomas Drexler & Deborah Drexler	Plainfield	145,000			120,000	12	C
Trenton Marine Terminal Sales & Leasing Corp.	Trenton	30,650			30,000	27	C
Universal Chain Co., Inc.	Maplewood	300,000	300,000	270,000		20	M
1986 Totals: 45 Projects		**$ 32,788,604**	**$ 15,459,193**	**$ 6,776,098**	**$ 5,395,300**	**1,495**	
1976-1986 Cumulative Totals: 294 Projects		**$441,462,394**	**$130,542,204**	**$58,747,557**	**$41,779,700**	**14,415**	

The 1976-1986 cumulative totals do not include guarantee exposure and direct loans receivable transferred to the Authority in 1978 from the N. J. Urban Loan and Area Redevelopment Authorities.

+ These financings are included in the 1986 Closed Projects listing but are presented in greater detail on this chart.

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Eugene J. Bukowski, Director of Finance
John F. Walsh, Deputy Director
John Hickman, Affirmative Action Administrator
Gerald J. Novak, Director of Real Estate Development

Missing from photo is **Joseph F. Cirafici,** Acting Director of Trade Adjustment Assistance Center

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Christina Hindley, Review and Compliance Administrator
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