

New Jersey Economic Development Authority Annual Report 2012

Message from EDA Board Chairman Al Koeppe

As Chair of the Board of the New Jersey Economic Development Authority (EDA), 2012 was an evolutionary year as we said goodbye to longtime Chief Executive Officer (CEO) Caren Franzini and ushered in a new era of leadership under Michele Brown.

While transitions can be challenging, this change provided the EDA with an opportunity to enhance our operations and better meet the needs of our business community. Today, the EDA's executive structure involves Michele as CEO and Tim Lizura as President and Chief Operating Officer. This has enabled the sustained high performance of the Authority and allowed us to achieve new levels of success as an organization.

The accomplishments of the EDA in 2012 are a result of the strong and visionary leadership of Governor Chris Christie and his administration; a talented and dedicated staff of professionals; an informed and active business community; and, an engaged and effective Board of Directors who continue to encourage exceptionally high levels of performance throughout the Authority.

As the Board charged with overseeing the State's significant tax incentive programs, we share the Governor's and the Authority's commitment to full accountability and transparency. With the good counsel and advice of Board members, I am proud that the EDA continues to administer all of its programs with the utmost due diligence and integrity, and in strict compliance with enabling legislation.

As we look to take on additional responsibilities in the aftermath of Superstorm Sandy, I am confident that we have the people and processes in place to successfully advance our core responsibility of job creation and economic growth, as well as our new charge to support the rebuilding of our businesses and communities.

Our success as an organization is a testament to a business philosophy that facilitates quick adaptability to marketplace needs, and productive partnerships with public, private and community organizations across New Jersey. I thank the Board for its service in 2012, and congratulate the Authority on its accomplishments of the last year.



Al Koeppe
EDA Board Chair



Message from EDA CEO Michele Brown and President & COO Tim Lizura

2012 marked an extraordinary year at the EDA as we continued our work to spur economic growth in New Jersey, and acted swiftly to address the State's recovery in the aftermath of Superstorm Sandy. On behalf of the EDA, we thank the Christie Administration, the State Legislature, the EDA Board and New Jersey's business community for making 2012 a remarkable success, even in these challenging times.

It is an honor to contribute to the economic well-being of the Garden State through the creation of new jobs and investment, and a privilege to have been called upon by Governor Chris Christie to support the recovery of our businesses and communities as we rebuild New Jersey.

By all accounts, the EDA continued to successfully meet the Governor's 2012 objectives that were related to helping New Jersey communities grow and prosper. We are fairly unique in this regard due to the extensive programs and services we offer to accomplish these goals. We are committed to helping businesses of all sizes, whether Fortune 500 corporations or microenterprises; and we remain steadfast in our work to spur community investment and improve the lives of New Jerseyans across the State.

As a result of New Jersey's more favorable tax and regulatory climate, a highly effective Partnership for Action team led by Lieutenant Governor Kim Guadagno, and new programs and policies that bolstered economic activity, the EDA finalized nearly \$700 million in financing assistance, business incentives and tax credits in 2012. This assistance is leveraging over \$1.4 billion of investment in New Jersey's economy, generating more than 4,820 new, permanent jobs and 3,030 construction jobs, and retaining 10,910 Jersey jobs that were at risk of leaving the State.

Moving forward in 2013, the EDA will continue to carry out the bold agenda of the Christie Administration to spur job creation and economic development, and ensure that our storm-impacted businesses and communities are able to thrive once again. The U.S. Department of Housing and Urban Development (HUD) approved New Jersey's Community Development Block Grant (CDBG) Disaster Recovery Action Plan on April 29, 2013, which paved the way for the EDA to launch the first of our business recovery programs. The Stronger NJ Business Grant program will utilize \$260 million of the \$460 million CDBG allocation that the State set aside for the recovery of impacted businesses.

It is our pleasure to report on the EDA's hard work during 2012 in the pages that follow. To learn more about opportunities for business growth and recovery throughout New Jersey, we invite you to visit www.njeda.com or www.NewJerseyBusiness.gov.



Michele A. Brown
EDA CEO



Timothy J. Lizura
EDA President & COO

2012 Annual Report

2012 Results

EDA Results 2012	
Projects Assisted	228
Total Assistance	\$698 million
Public/Private Investment	\$1.46 billion
Estimated New Permanent Jobs	4,822
Estimated Construction Jobs	3,030
Estimated Retained "At Risk" Jobs*	10,912

**New Metric*

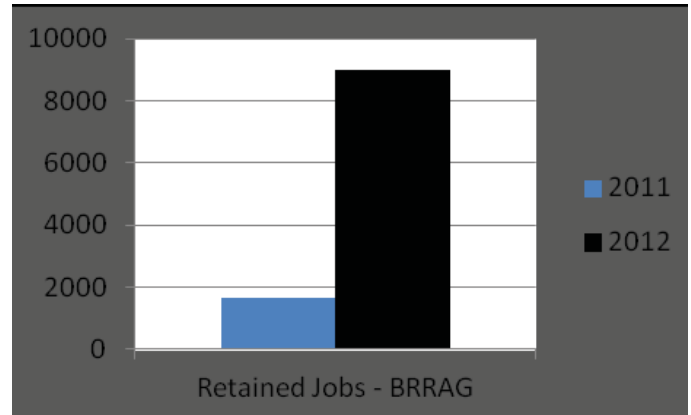
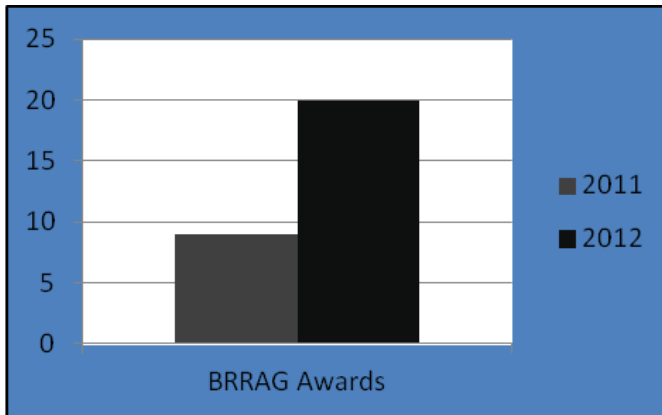
EDA Results 1974 - 2012	
Projects Assisted	11,309
Total Assistance	\$22.3 billion
Public/Private Investment	\$49.2 billion
Estimated New Permanent Jobs	327,704
Estimated Construction Jobs	335,789

EDA Mission

The New Jersey Economic Development Authority (EDA) is an independent State agency that finances small and mid-sized businesses, administers tax incentives to retain and grow jobs, revitalizes communities through redevelopment initiatives, and supports entrepreneurial development by providing access to training and mentoring programs.

2012 Highlights

Retaining Jersey Jobs



Award Winning Programs, Policies, Projects & People

New Jersey EDA
Program of the Year – Urban Transit Hub
Northeastern Economic Developers Association

New Jersey EDA
Achievement in Targeted Incentives -- Urban Transit Hub
Business Facilities Magazine

New Jersey Partnership for Action
Achievement in Reorganization of Economic Development
Business Facilities Magazine

NJTC Annual Gala Awards
CareKinesis – Growth Company of the Year
Sparta Systems – IT/Software Company of the Year
FieldView Solutions – Enviro/Energy Company of the Year

NAIOP Deal of the Year Awards
Panasonic Corporation – Economic Impact
Goya Foods – Economic Impact
Realogy Corporation – Creative Office

New Jersey Future Smart Growth Awards
Gateway Transit Village – Transit-Oriented Development Partnership

Michele Brown, CEO
NJBIZ Power 50 – Real Estate

Maureen Hassett, SVP Finance & Development
Real Estate Forum – Women of Influence

Supporting Small Business Growth and Entrepreneurial Development

In 2012, New Jersey experienced one of the most devastating storms in its history. Lives were lost, homes and businesses were destroyed, and communities in the north, south and particularly along the coast, suffered immeasurably. Emblematic of the flexibility and ingenuity that has defined the New Jersey Economic Development Authority (EDA) over its nearly 40 year history, the organization acted quickly to support the state's recovery and assist impacted businesses.

Family-owned and operated **Riggins Oil Inc.** is one of the largest New Jersey-based distributors of gasoline and diesel. Located in Vineland, the company was continuously supplying gasoline, diesel and heating oil immediately after the storm, experiencing a 75-percent increase in call volume. Riggins' focus was supplying fuel to critical infrastructure, as well as to key elements of the emergency response, including emergency generators at fire and police stations. When the company needed to extend its line of credit to support the increased workload, EDA staff contacted Riggins' commercial bank. As a result of this outreach, the company's line was extended within 12 hours, ensuring uninterrupted access to credit for the company and continuous service to the state.

To help companies access cash while awaiting insurance proceeds, the EDA relaunched the Main Street Disaster Relief Program in the aftermath of the storm. In partnership with its more than 40 Premier Lender banking partners, the EDA is able to offer guarantees of up to \$500,000 for commercial lines of credit, providing quick access to cash for businesses that are awaiting insurance proceeds.

The EDA also created a \$2 million program to boost the lending capacity of Community Development

“Governor Christie's team worked night and day with Riggins to get the gasoline and emergency generator fuel to the places that needed it most. His Administration's work to clear bureaucratic hurdles and quickly implement common sense solutions helped limit the damage and speed the recovery.”
- Riggins Oil CEO Paul Riggins

Financial Institutions (CDFIs) that are offering support to small businesses impacted by the storm. The first investment of \$500,000 helped support **New Jersey Community Capital's REBUILD New Jersey** loan fund, which was created to aid recovery for small businesses in areas most severely impacted by the storm.

Michael Sodano and Nancy Sabino received a REBUILD loan after the storm impacted the expansion of **The ShowRoom**, a movie theater in the heart of Asbury Park. The co-owners opened a single-screen theater in 2009 and were in the midst of constructing a new, three-screen venue across the street when the storm hit. The REBUILD loan helped to cover the costs associated with the construction and opening delays. The ShowRoom's new theater officially opened at the end of January.

In response to the devastation facing small businesses in the aftermath of the storm, longtime EDA partner UCEDC, a not-for-profit economic development corporation, launched a low-interest working capital loan program offering small business owners up to \$25,000 at 2-percent interest for five years. **The Storm Recovery Loan Program**, supported in part by a grant from Investors Bank, features a two-week turn-around, no collateral requirements, no pre-payment penalties, and no processing or application fees.

Supporting Small Business Growth and Entrepreneurial Development

When storm surge from Sandy drove five feet of water through **Planet Food's** commercial property in Keyport, first-floor tenant and renowned restaurant, **Drew's Bayside Bistro**, was forced to shut its doors. Building owners Patrick and Helen Norris turned to UCEDC for help with a storm recovery loan. Coupled with their own capital investment, the \$15,000 loan from UCEDC will rebuild the first floor infrastructure, replace electrical wiring, and ensure the reopening of the popular bistro.

The EDA formed a strategic partnership with UCEDC in 2008 to further the state's reach into underserved communities and provide greater access to resources for aspiring entrepreneurs and small business owners. UCEDC offers various training workshops throughout the state, including a series of courses that help develop financial and business literacy for business owners at all stages of maturation, and a comprehensive Entrepreneurial Training Initiative that walks entrepreneurs through all aspects of starting a business. Through its microloans, SBA 7(a) and 504 loans, UCEDC also offers a range of financing vehicles to address business needs at every stage of growth. In 2012, UCEDC benefitted from a \$500,000 "Loan to Lender" from the EDA to enhance the capacity of its financing programs.

Women- and Hispanic-owned **Appearance Plus Day Spa** in Metuchen received a \$15,000 microloan to support working capital needs. The full service salon and spa employs a staff of five people. A \$15,000 working capital line of credit is helping **24/7 Courier Services** maintain its operations in Mountainside. The minority-owned company, which expects to add one new employee to its existing staff of five, provides around-the-clock commercial and personal delivery services to the tri-state area. In Lanoka Harbor, woman-owned start-up **Sew What's New** is benefiting from a \$23,000 microloan to support equipment and working capital needs.



*Appearance Plus Day Spa Proprietors
Dinah & Maritza Diaz*

**In 2012, UCEDC provided loans
totaling \$580,000 to support
18 small businesses
across the state;
over 60% went to women- or
minority-owned businesses**

Supporting Small Business Growth and Entrepreneurial Development

“These borrowers could not qualify under regular banking requirements, but because of the GNEC lending activities, small businesses are opening and expanding in northern New Jersey. EDA’s loan will help ensure we are able to continue to provide that critical support.”
- Mike Wall, Executive Director, Greater Newark Enterprises Corporation

In September, the EDA closed on a \$500,000 “Loan to Lender” to support the **Greater Newark Enterprises Corporation** (GNEC), a CDFI serving the northern New Jersey community. The EDA’s loan requires a commitment of \$500,000 in additional capital, stimulating a total of \$1 million in new funding for the GNEC to provide to small businesses. Formed in 2007, the GNEC provides financial assistance and training to small businesses in a variety of areas, including financial literacy for entrepreneurs, business planning and business management across a myriad of industries. GNEC has graduated more than 150 individuals from its entrepreneurial training curriculum, and has provided approximately \$1.5 million in financing to small businesses throughout northern New Jersey. Of the loans provided, 93-percent were to minority-owned enterprises and 70-percent of those businesses were located in underserved communities.

The “Loan to Lenders” program, targeted to established CDFIs, is funded with \$3 million from New Jersey’s State Small Business Credit Initiative federal allocation, announced by Governor Chris Christie in October 2011.

In addition to leveraging partnerships with local and not-for-profit economic development organizations, the EDA’s efforts to fuel economic growth and job creation are strengthened by its strong partnership with New Jersey’s banking community.

The EDA works with its more than 40 Premier Lender banking partners to offer low-cost financing opportunities with faster turnaround through the Statewide Loan Pool Program. Eligible businesses may qualify for EDA participations or guarantees of up to 50-percent of the bank loan for fixed assets or working capital. The streamlined loan approval process involves the EDA reviewing finance applications within five days, the result of which speeds the flow of capital to growing businesses in the state. Quick turnaround time from approval to closing provides a strong incentive for borrowers, while the EDA’s exposure by participating in or guaranteeing a portion of a loan reduces the lender’s risk.

Headquartered in Lawrenceville, **LMT-Mercer Group** is the largest manufacturer of vinyl fence, deck and railing accessories in the United States and Canada. In July, the company received a \$1.7 million loan from EDA Premier Lender JP Morgan Chase that included a 50-percent EDA participation through the Statewide Loan Pool Program. The assistance is helping LMT acquire and renovate a second location in Pennington for its growing company. LMT previously received assistance from the EDA to support its 2009 expansion in Lawrenceville. At the time, LMT expected to create 25 new jobs, growing to a staff of 65. LMT has actually created 43 new jobs, exceeding their anticipated growth. The company expects to create 20 additional jobs at the new location in Pennington.

Supporting Small Business Growth and Entrepreneurial Development

The Main Street Business Assistance Program was advanced in order to help businesses in New Jersey access capital. The program provides financial support to commercial banks in New Jersey to assist in offering loans, guarantees and line of credit guarantees to small businesses and not-for-profit organizations.

Located in West Deptford, **J.L. Dobbs, Inc.** is a rental service for cranes and operators. In April, the company sought to refinance \$2 million of existing equipment loans to improve its cash flow. Premier Lender Roma Bank approved a \$1.15 million loan that was contingent on a 50-percent EDA guarantee for 24 months under the Main Street Business Assistance Program. In addition, Roma approved a \$200,000 working capital line of credit that also includes a 50-percent EDA guarantee. The company expects to maintain its staff of 14 and create one new job.

When the **Millville Rescue Squad** needed cash flow relief and working capital, the non-profit organization also turned to the Main Street Business Assistance Program. In November, Premier Lender Susquehanna Bank provided a \$2.5 million loan that included a 20-percent EDA participation, and a \$1 million line of credit that included a nine-month, 50-percent EDA guarantee. The organization, one of the largest non-profit rescue squads in southern New Jersey, provides a full spectrum of medical transportation services, local 911 EMS services, non-emergency ambulance services, mobility assistance, and specialty care transport services.

Through the New Jersey Business Growth Fund, the EDA partners exclusively with Premier Lender PNC Bank to support credit-worthy companies that are retaining or creating jobs in the state. Launched in 2004, the program offers up to a \$3 million PNC Bank loan with a 25- or 50-percent EDA guarantee. Funding can be



Millville Rescue Squad

used for machinery and equipment or real estate. The program had required that one new job be created for every \$50,000 in guarantees. Beginning in 2012, the program expanded to include job maintenance in order to assist a greater number of businesses, and in particular, those challenged by a difficult economy. Since inception, the program has supported over 300 businesses with \$150 million in bank loans and approximately \$46 million in EDA guarantees.

In 2012, **R. Fanelle & Sons** used a \$150,000 PNC Bank loan backed by a 25-percent guarantee to purchase new equipment and machinery for its scrap iron and metal yard in the City of Camden. R. Fanelle & Sons has been family-owned and operated in Camden for nearly 100 years and credits itself as the City's first scrap yard. The company employs 32 people.

Supporting Small Business Growth and Entrepreneurial Development

Through the Small Business Fund, the EDA provides below-market rate financing as either direct loans or guarantees to eligible businesses. **Doggy Care of Jersey City** received a \$281,275 direct loan from EDA, which was used in conjunction with financing from PNC Bank to purchase its facility on Luiz Marin Boulevard.

The company was recently formed to open the doggy daycare operation in Jersey City under the trade name of Club Barks. This new location represents an expansion of the Club Barks brand, and provides exposure to a high-visibility area in Jersey City. The company expects to create 17 new jobs over the next two years.

To support the Christie Administration's focus on helping New Jersey businesses expand globally, the EDA announced in May that it was partnering with Citi's Commercial Banking group to launch the New Jersey Global Growth Financing Program. The new initiative offers low-interest loans to New Jersey companies currently engaged or looking to engage in international trade. Through the program, Premier Lender Citi will provide up to \$50 million in term loans and lines of credit to New Jersey companies over the next three years. EDA will offer guarantees on individual transactions of up to 50-percent of the Citi financing, not to exceed \$1.5 million for term loans and \$500,000 for lines of credit.

As a result of EDA's guarantee, companies will benefit from interest rates that are typically lower than

“Through the New Jersey Global Growth Financing Program, Citi will capitalize on the combination of its local market experience and international expertise to help local companies grow and create jobs.”
- Robert Koar, President, Citi's Eastern Regional Commercial Banking Group

conventional pricing, as well as from more flexible loan terms. As a global banking firm with a comprehensive international market presence, New Jersey businesses will also benefit from the global expertise that Citi offers.

Through tax-exempt bond financing, the EDA supports manufacturing companies and not-for-profit organizations across the state. The EDA serves as a conduit issuer of these private activity bonds, which provide long-term financing with either a fixed or variable interest rate.

As part of her manufacturing tour in October, Lt. Governor Guadagno visited **Superior Powder Coating, Inc.** (SPCI), an Elizabeth-based metal finisher. In 2012, this longtime EDA customer received an \$827,826 tax-exempt bond to purchase new manufacturing equipment, as well as a \$750,000 direct loan for working capital and to refinance existing loans. The company expects to add 16 new positions to its existing staff of 139.

“Thanks to financial assistance from the state, we've been able to operate a successful business, provide jobs for 139 workers, most of who live in Union County, and will soon hire 16 more workers.”
- Peter G. Markey, CEO, Superior Powder Coating, Inc.

Supporting Small Business Growth and Entrepreneurial Development



Lt. Governor Guadagno tours SPCI in Elizabeth as part of her manufacturing tour

With the help of a \$19.14 million tax-exempt bond issued by the EDA in June 2012, **The Seeing Eye** is undertaking a major campus renovation project, which includes the expansion and modernization of the multi-purpose main student building, the expansion of an administrative building, and related site improvements. As part of her not-for-profit tour in December, Lt. Governor Kim Guadagno and EDA Senior Vice President of Finance and Development Maureen Hassett visited the organization to meet with CEO Jim Kutsch and tour the campus, which is in the midst of construction.

The Seeing Eye is an educational not-for-profit organization with the primary purpose of helping blind and visually impaired people achieve independence and mobility through the use of trained guide dogs. The organization boasts a staff of 171 and over 700 active volunteers who instruct an annual average of 270 students to use Seeing Eye® dogs. CEO Jim Kutsch is a graduate of The Seeing Eye program and is the proud owner of his seventh Seeing Eye® dog, Colby.



Jim Kutsch, CEO of The Seeing Eye, pictured with his Seeing Eye® dog Colby, and Chairman of the Seeing Eye Board of Trustees Lewis M. Chakrin.

Promoting Business Attraction, Expansion and Retention

“You know you’re not going to win every fight, but I think it is fair to say that in this administration, you will have a fight. If you want to come to New Jersey, we will fight to bring you here.”
- Lt. Governor Kim Guadagno

In a still challenging economy and increasingly competitive global marketplace, State incentive programs have helped to advance significant projects in New Jersey that create and retain jobs and leverage private investment in the local economy. Consistent with the statutes creating these programs, and reflective of the EDA’s commitment to protect the investment of public funds, these incentives include vigorous protections for taxpayers; one of the most critical being that no funding is provided upfront. Rather, projects must first generate new tax revenue, complete capital investments, and/or hire or retain employees to receive benefits.

Companies that have chosen to locate new facilities or expand in New Jersey have taken advantage of the Business Employment Incentive Program (BEIP), which continues to be a powerful tool to attract and encourage businesses to grow in the state. Approved businesses receive annual cash grants for up to ten years. Grant amounts are based on a percentage – up to 80-percent – of the state income taxes withheld from the employees who fill the newly created jobs. Coupled with the proactive business outreach that is the hallmark of the Christie Administration, companies are once again choosing to locate and grow in the Garden State.

In Bridgewater, **Allergan, Inc.** opened its new R&D center in September. The decision by this global, technology-driven multi-specialty healthcare company to locate its new research and development center in New Jersey will create as many as 400 high-paying jobs and inject \$12 million of private investment in the

local economy. Allergan’s headquarters are located in California, but the company looked east to expand because of the talent in the region. Thanks to personal outreach by Governor Christie and the work of the Partnership for Action, New Jersey triumphed over Pennsylvania for the new facility. Governor Christie and Choose New Jersey met with Allergan Chief Executive Officer David Pyot in California to demonstrate New Jersey’s commitment to work with the company to bring its R&D facility to the Garden State. The Business Action Center provided Allergan with advocacy services and identified potential sites for the new facility, and a BEIP executed in June proved to be the final piece in successfully attracting the company to New Jersey.

Enhanced by Governor Christie in 2011, the Business Retention and Relocation Assistant Grant (BRRAG) continued to be an effective tool in 2012 as the EDA worked to keep companies and jobs in New Jersey.

“We were spending a lot of money transplanting people from the East Coast to the West...it did come down to talent availability and dollars and cents.”
-Allergan Chief Executive Officer David Pyot

Promoting Business Attraction, Expansion and Retention

The BRRAG program involves the utilization of corporation business tax credits, or insurance premiums tax credits, awarded to businesses to encourage economic development and job creation while preserving existing jobs in New Jersey. The program now offers up to \$2,250 per year for up to six years, per job retained in the state.

With a meaningful incentive for retention, the EDA executed 20 BRRAG awards in 2012, supporting the retention of over 9,000 jobs “at risk” of leaving the State of New Jersey. In comparison, nine BRRAGs tied to 1,640 retained jobs were finalized in 2011.

In February, Governor Christie and Lt. Governor Guadagno joined The Hampshire Companies at a groundbreaking event for its new office building in Madison. **Realogy Corporation**, the parent company of real estate franchise brands including Better Homes and Gardens Real Estate, ERA and Sotheby’s International Realty, will soon be relocating its headquarters to the 270,000-square-foot, LEED-certified facility. To encourage this move and the retention of the company’s more than 950 employees, EDA executed a BRRAG with Realogy in May. The company considered relocating its operations out of state, and credits the Christie Administration and the enhanced BRRAG for its decision to remain and invest in Morris County.

A BRRAG executed in June helped encourage **Evonik Degussa Corporation** to keep its headquarters and nearly 340 employees in New Jersey. When the lease on its office space in Parsippany expired, Evonik sought



Governor Christie and Lt. Governor Guadagno at the groundbreaking of Realogy Corporation's new headquarters in Madison

out other locations in the United States, including Alabama. Rather than move out of state, the company reinvested in New Jersey by moving its headquarters to a new facility in Parsippany. The company is the North American arm of Evonik Corporation, an industrial group from Germany and one of the world leaders in specialty chemicals.

In November, EDA CEO Michele Brown attended the grand opening of **Sparta Systems Inc.'s** new headquarters in Hamilton. With its lease set to expire, the company was searching for a new facility and seriously considered a move to Pennsylvania.

“ As a global company with locations in over 100 countries, we were in a position to locate our headquarters anywhere. We were strongly considering relocating to North Carolina, but the state administration’s dedication to business development allowed us the great opportunity to stay and grow our business right here in New Jersey in a new, state-of-the art headquarters. ”

- Richard A. Smith, President and CEO, Realogy

Promoting Business Attraction, Expansion and Retention



Lt. Governor Guadagno visited Evonik's new headquarters in July to announce the new Office of International Business Development and Protocol within the New Jersey Business Action Center

“Most recently, Evonik Degussa Corporation was in the position of either moving to another state or remaining and growing in New Jersey. Our decision to stay and expand was in our company's best interest. New Jersey is taking bold steps to become more business friendly. And these efforts are working. The Garden State provides exciting opportunities for corporations to succeed and grow.”

- Tom Bates, Evonik Degussa Corporation's Regional President

With the help of BEIP and BRRAG awards, the company ultimately chose its Mercer County location, ensuring the retention of more than 80 existing Jersey jobs and the creation of 60 new, high-wage positions. Sparta is a leading provider of enterprise quality management software, with over customers, including the top 20 pharmaceutical and biotechnology companies and the top ten medical device vendors. In addition to its headquarters in New Jersey, the company has locations in Israel, the United Kingdom, and Hong Kong.

“The State's unwavering support made our decision to move to Hamilton an easy one, and we look forward to what lies ahead in our company expansion.”

- Eileen Martinson, CEO, Sparta Systems



EDA CEO Michele Brown joined Eileen Martinson, CEO of Sparta Systems, at the company's grand opening in Hamilton

Encouraging Community Investment and Growth

“Under the stewardship of Governor Chris Christie and the New Jersey Economic Development Authority, programs such as the Urban Transit Hub Tax Credit and the Economic Redevelopment and Growth Program have helped transform entire neighborhoods, created tens of thousands of jobs and prevented several major corporations from leaving the state.”

- Richard Tucker, CEO and President, Tucker Development Corporation and developer of Courtyard by Marriott in Newark

With support from the Urban Transit Hub Tax Credit (Hub), Economic Redevelopment and Growth (ERG), and Grow New Jersey Assistance (Grow NJ) programs, the Christie Administration is helping to advance transformational projects that are spurring job growth and economic expansion in communities throughout the state. Together, these programs have effectively worked to stimulate the local economy while yielding a net positive impact to New Jersey.

Unique to New Jersey, the award-winning Hub program was designed to encourage transit-centered, sustainable development in nine targeted communities that have historically suffered from disinvestment. Through the program, a developer or owner making a minimum \$50 million capital investment in a designated Urban Transit Hub may be eligible for tax credits equal to up to 100 percent of the qualified capital investment. At least 250 employees must work full-time at the project site. Projects meeting the 250 full-time job requirement with existing employees are eligible for tax credits of up to 80-percent, while projects creating 200 or more new jobs are eligible for up to 100 percent. Through the writing of this report

in early March 2013, 19 commercial and residential projects have been approved for Hub awards totaling just over \$1.02 billion. These projects represent the capital investment of more than \$2.27 billion in New Jersey's economy, and will lead to the creation of an estimated 4,900 new, permanent jobs and 10,300 construction jobs, as well as the retention of 2,935 jobs that were "at risk" of leaving the state.

ERG is another powerful redevelopment tool that provides reimbursement incentive grants so developers can utilize new state and local incremental taxes generated from a project to fund a gap in the total project cost. The program utilizes up to 75-percent of the incremental increase in certain state and local revenue sources attributed to the project to provide gap financing of up to 20-percent of the total project cost, paid out over a period of up to 20 years. Through the end of February 2013, 20 projects have been approved for ERG awards totaling approximately \$454 million. These projects are injecting an estimated \$2.7 billion of private investment in New Jersey's economy, and are expected to create 10,975 new, permanent jobs and 9,880 construction jobs.

Encouraging Community Investment and Growth

Building on the success of the HUB and ERG programs, Governor Christie signed the bill implementing Grow NJ in January 2012 to further encourage private investment and the creation and retention of New Jersey jobs. Through the program, eligible businesses can receive an annual tax credit of \$5,000 - \$8,000 for ten years for each full-time job created or retained. Grow NJ also provides for enhanced funding in return for significant capital investments that maximize economic activity. To be eligible, a business must make capital investments of at least \$20 million at a qualified facility and create or retain a minimum of 100 jobs. In the first year of its launch, Grow NJ supported 15 projects with awards totaling over \$391.5 million; this is leveraging \$877.9 million of private investment, the creation of 1,200 new, permanent jobs and 4,085 construction jobs, and the retention of 5,990 jobs that were “at risk” of leaving New Jersey.

Following the approval of its Grow NJ award, **Ascena Retail Group and Dress Barn Inc.** announced in October plans to move its existing combined corporate headquarters to a 129,000-square-foot facility in Mahwah. The leading national specialty retailer of apparel for women and “tween” girls expects to invest more than \$38.4 million and create 405 new jobs. An estimated 315 construction jobs will also be created.

Grow NJ helped to encourage **Burlington Coat Factory Warehouse Corporation** to renew its commitment to the Garden State. In June, the company announced it will remain in New Jersey and build a new \$41 million, 180,000-square-foot headquarters in Burlington County that will accommodate 120 new full-time employees, in addition to its current workforce of 626. The multi-story office building will be situated on an undeveloped 50-acre parcel of land in Florence. This project also involves the expected creation of over 285 construction jobs.

Grow New Jersey and Urban Transit Hub tax credits helped to nearly fill the 880,000-square-foot warehouse and distribution center that Prologis is building on the

site of a former Jersey City landfill. The facility, three miles from New York City and the New Jersey Turnpike, offered the location and access that both **Peapod and Imperial Bag & Paper Co.** were looking for.

Online grocery seller Peapod, a subsidiary of Ahold US Inc., was looking for a facility to support its expansion into the Metro New York market. Urban Transit Hub tax credits helped encourage the company to choose the location in Jersey City. Peapod anticipates 500 full-time employees at the new facility, which includes the addition of 380 new employees in New Jersey over five years and the retention of 90 existing transportation-related employees. Imperial Bag & Paper Company, one of the Northeast’s leading distributors of paper, packaging and janitorial supplies, currently operates out of three sites in Bayonne. To increase efficiency, the company sought to consolidate its operations and more than 360 employees into one site, and was considering Jersey City or a location in New York. A Grow NJ award was a key factor in its decision to choose Jersey City.

Both Peapod and Imperial Bag & Paper Co. signed leases in December and will essentially split 740,000 square feet of the new space Prologis is developing.

“On behalf of Burlington Coat Factory, I would like to thank Governor Christie, Lt. Governor Guadagno and the State of New Jersey for making it possible to maintain our corporate headquarters within the state. We are very excited and look forward to many more years of continued growth in New Jersey.”
-Burlington Coat Factory President and CEO Thomas Kingsbury

Encouraging Community Investment and Growth



Governor Christie attends the groundbreaking of Goya's new headquarters and distribution center in Jersey City

In September, Governor Christie was on hand to celebrate the groundbreaking of **Goya Food's** new corporate headquarters and distribution center in Jersey City. The 617,000-square-foot, \$127 million facility, which represents the largest expansion in the company's history, is expected to be completed by 2014. Goya was approved for a tax credits through the Hub program to encourage the company to remain and grow in New Jersey, preserving more than 315 at risk jobs and creating an estimated 175 new, permanent positions, as well generating 750 construction jobs. The company also credits advocacy it received from the Business Action Center as critical to its location decision.

EDA President and Chief Operating Officer Tim Lizura joined Lt. Governor Guadagno in December to celebrate the groundbreaking of **Pearson Inc.'s** new headquarters in Hoboken. The textbook publisher signed a long-term, 206,000-square-foot lease with SJP Properties, which allowed for the construction of the new, 500,000-square-foot Waterfront Corporate Center III building. Pearson had considered moving its entire workforce to New York; a HUB award helped encourage the company to remain and invest in New Jersey. Pearson will retain 900 jobs when it moves to its new headquarters in July 2014. The project is also expected to generate 600 construction jobs. The mixed-use building is the final piece of Hoboken's 26-acre waterfront master plan and the last phase of SJP's three-building office and retail development.



EDA President & COO Tim Lizura at the groundbreaking for Pearson Inc.'s new headquarters in Hoboken

Encouraging Community Investment and Growth

“ We extend our gratitude to the Governor and Lt. Governor for the State’s investment, as well as the support of the New York and New Jersey Port Authority, in our choice of this Hoboken location. Together along with our partner, SJP Properties, we are creating a green and affordable waterfront home for our world-class workforce and investing in the technology essential to Pearson’s mission to foster learning and achievement around the globe.”

-Rich Glicini, Pearson’s Senior Vice President for People and Social Responsibility

Building on the Christie Administration’s commitment to revitalizing Atlantic City, the Governor announced in July that a “Margaritaville” complex will soon be coming to the Resorts Casino Hotel. Supported by the ERG program, the project is being built on the site of the former Steeplechase Pier behind Resorts that was destroyed in a 1988 fire. The \$43.2 million project will include retail stores, a renovated gaming floor and

entry hall, a new food court and the Landshark Pier, which will feature a Landshark Bar & Grill, surf shop, and outdoor recreation area. Non-gambling attractions such as Margaritaville remain vital to Atlantic City’s revival, and this project will help to generate nearly 300 new, permanent jobs and over 200 construction jobs.

“ The Margaritaville project at Resorts is an amazing step forward for Atlantic City. Our investment coupled with the Jimmy Buffett Margaritaville brand is a huge coup for Atlantic City and I am extremely proud to say it was Resorts and the state of New Jersey that made it happen.”

- Morris Bailey, owner of Resorts Casino Hotel



Construction has commenced for the new Landshark Bar and Grill, which will soon become part of the new “Margaritaville” complex of Resorts Casino Hotel.

Encouraging Community Investment and Growth

Spotlight: Newark

The Christie Administration's economic development policy has focused largely on revitalizing urban communities and nowhere is that more evident than in the City of Newark. Through the use of EDA-administered tax credits, a host of transformational projects are either under construction or have already been completed.

At its grand opening in September, Tucker Development's \$35 million **Courtyard by Marriott** became the first new hotel in Newark's downtown in over four decades. Adjacent to the Prudential Center, the 150-room hotel includes 14,000 square feet of street-level retail; in November, it was announced that Joe's Crab Shack would occupy nearly 5,400 square feet of the retail space. The project generated an estimated 175 construction jobs and over 50 new permanent jobs. Notably, Newark residents accounted for more than 30-percent of the construction workers, and as of December 2012, Newark residents accounted for roughly 50-percent of the permanent hires. The ERG-supported project also received financing through the EDA's issuance of a Redevelopment Area Bond that pledges new incremental taxes to support the project.

Around the corner from the Marriott, the restoration of the National State Bank Building is underway and will soon reemerge as **Hotel Indigo**, featuring 110 rooms, 6,000 square feet of space for a restaurant and 3,000 square feet of rooftop space.



The new Courtyard by Marriott in downtown Newark

The property was originally envisioned as residential rental units; however, after reviewing the City's Master Plan, the Hanini Group determined that a hotel in the area was more in line with Newark's vision of a 24/7 downtown. A market study concluded that the City could absorb the rooms created by both this and the Marriott project. Hotel Indigo is expected to create 171 construction jobs and 65 new permanent jobs. In August, the EDA closed on an ERG to support the \$29.6 million project.

Encouraging Community Investment and Growth

Spotlight: Newark

In November, EDA was on hand to celebrate the opening of the **RockPlaza Lofts**, which is part of a \$38 million project Fidelco Group is developing along Market Street in Newark. Supported by the ERG program, the mixed-use, multi-building development also includes the Syracuse, New York-based Dinosaur BBQ, which opened to much fanfare in May. RockPlaza Lofts consists of seven historic properties that have been rehabilitated and retrofitted for residential, retail and commercial opportunities.

The multi-property redevelopment is helping to bring a new mix of rental apartments, retail, galleries and restaurants to Newark's downtown, only steps away from Newark Penn Station. The full redevelopment is expected to create 140 permanent new jobs. The project also will create an estimated 80 construction jobs.



Located above the popular Dinosaur Bar-B-Que, RockPlaza Lofts held its grand opening event in November

“Without any one component, but especially without those tax credits, this project would not be. These projects hinge on dollars, and these tax credits go to fill the gaps and make the difference.”
- RBH Group President Ron Beit, developer of Teachers Village

Teachers Village

Spanning five blocks in Newark's downtown district, **RBH Group's Teachers Village** celebrated its groundbreaking in February. The 425,000-square-foot, mixed-use development will consist of residential units, pre-marketed to Newark's teachers; three charter schools and a daycare facility; and, 65,000 square feet of retail. The first phase of a larger development, Teachers Village will result in an estimated 450 construction jobs and 460 new permanent jobs.

Of the complex sources used to advance the project, the EDA approved both ERG and HUB awards, as well as providing financing through the issuance of a Redevelopment Area Bond. Other financing included loans from the City of Newark and Brick City Development Corporation, New Markets Tax Credits, and Community Development Block Grants.

Encouraging Community Investment and Growth

Spotlight: Newark

To continue New Jersey's record of excellence in education and ensure that every child has access to a quality education, the EDA has issued tax-exempt and taxable bonds, including Qualified School Construction Bonds (QSCBs) and Qualified Zone Academy Bonds (QZABs), to support the construction, expansion or enhancement of charter schools in the state.

In 2012, the EDA issued a \$17.46 million QZAB and a \$14.63 million QSCB to help TEAM Academy Charter Schools acquire a former public school building in Newark, and make renovations, for a combined 120,000-square-foot new elementary and middle school. TEAM Academy, a network of charter schools in Newark, currently serves over 1,800 students in grades K-2 and 5-12 in the City.

In December, the EDA finalized a \$7.8 million QZAB to help finance the planned renovation of several of North Star Academy's campuses. North Star Academy Charter School of Newark is a network of nine public charter schools serving over 2,200 students in grades K-12 across six campuses.

The financing will be used for a variety of purposes, including upgrades to classroom space, improvements to infrastructure, new roofs, safety upgrades, plumbing and bathroom upgrades, and the purchase of new furniture and fixtures.

In 2010, the State Treasurer authorized the allocation of \$35 million in QSCBs to the EDA to support charter school projects. The funding was fully exhausted and helped to create over 269,000-square-feet of new space, providing new or expanded educational opportunities to 3,760 students in Newark, Camden and Plainfield. In February 2013, it was announced that the EDA would receive another allocation of \$125 million, which it will jointly administer with the New Jersey Department of Education to support additional charter school projects.

Since Governor Christie took office in 2010, 46 charter schools have earned state approval and 25 new schools have opened, including nine in the City of Newark.

“We must be able to fulfill our obligation to provide parents and their children with educational alternatives that include expanding high quality charter schools... by giving parents the power of choice, we are ensuring that students will have the opportunities they deserve for a bright and successful future.”

- Governor Chris Christie

Encouraging Community Investment and Growth

Fort Monmouth Economic Revitalization Authority

On August 17, 2010, Governor Christie signed into law the "Fort Monmouth Economic Revitalization Authority Act," which created the Fort Monmouth Economic Revitalization Authority (FMERA) to provide investment, continuity and economic growth to the communities impacted by the federal government's decision to close Fort Monmouth. Staffed by EDA, FMERA replaced the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) and is charged with advancing that entity's plan for reuse and redevelopment of the 1,126 acres of real estate that span parts of Eatontown, Oceanport and Tinton Falls.

2012 was an exciting year for FMERA as its staff and Board worked to accelerate redevelopment.

Seven years after the post was selected for closure by the Base Realignment and Closure Commission, the State took an historic step forward in May with the signing of a Memorandum of Agreement (MOA) transferring the Fort Monmouth property from the U.S. Army to FMERA. The Lt. Governor, FMERA Board Chairman James V. Gorman and Paul Cramer, Acting Deputy Assistant Secretary of the U.S. Army, participated in a signing ceremony held in Gibbs Hall. FMERA also took steps in 2012 to renovate the former

Fort Library in Oceanport into its new offices. Expected to be completed in the spring of 2013, all business and public meetings will be held at the new location.

In June, the FMERA Board approved Cushman & Wakefield/Continental Realty as the primary broker of the former Fort Monmouth property in June. Cushman & Wakefield provide master broker services to market, sell and lease the property to increase awareness of the Fort's opportunities, maximize value, and stimulate investment and job creation.

After substantial work in 2012, the State reached another significant milestone in early 2013 when the first sale of property was finalized between FMERA and **CommVault**, one of the world's fastest growing data storage companies. The global technology leader plans to undertake a three-phase project on the 55-acre "Parcel E" site in Tinton Falls. CommVault will make a substantial investment to complete Phase I, which involves the construction of an approximately 275,000-square-foot facility to serve as its worldwide corporate headquarters. Once the three phases of the project are completed, CommVault could create a total of up to 1,500 new jobs in the State.

“ CommVault is a world-class company with an outstanding management team whose dedication and perseverance proved invaluable as we advanced the first sale of property at the Fort. Today is a truly momentous day for the region and for all of us involved in the redevelopment process as we have achieved three key goals: job retention and creation, reinvestment and establishing an anchor that will undoubtedly enhance our ability to attract additional businesses and investors. ”

-FMERA Board Chairman James V. Gorman.

Fort Monmouth Economic Revitalization Authority

Led by Chairman Gorman, FMERA Board members include EDA Chairman Alfred Koeppe, Governor's Authorities Unit Director Regina Egea, Monmouth County Freeholder Lillian Burry, Eatontown Mayor Gerald Tarantolo, Oceanport Mayor Michael Mahon, Tinton Falls Mayor Michael Skudera, New Jersey Department of Community Affairs Commissioner Richard E. Constable III, Department of Environmental Protection Commissioner Bob Martin, New Jersey Department of Labor & Workforce Development Commissioner Harold Wirths, New Jersey Department of Transportation Commissioner James Simpson, and Public Members Dr. Robert Lucky and Robert Ades.

As FMERA moves forward in advancing the redevelopment plan, it remains committed to four central goals:

1. Job Creation
2. Re-Investment of Sale Proceeds within the Fort's footprint
3. Ensure Army Resolves Environmental Issues
4. Satisfied Stakeholders



FMERA expects to move to its new offices at the former Fort Library in Summer 2013

Growing New Jersey's Ecosystem of Innovation

“ LivinSport plans to relocate to the NJIT Enterprise Development Center. We want to be part of this growing techcommunity in New Jersey and contribute toward that. ”
- *LivinSport Founder and TechLaunch graduate*
Jason Webley

From real estate to financing programs, the EDA offers a continuum of assistance to support the growth of New Jersey's technology, life sciences and cleantech sectors.

As part of this effort, and in support of the Christie Administration's policy objectives, the EDA began to focus on two key areas in 2012: encouraging industry clusters in designated areas; and, strengthening collaboration between higher education and industry.

To drive the commercialization of innovative technology within the State and further strengthen collaboration with higher education, the EDA partnered with industry pioneer Mario Casabona to create New Jersey's first Technology Accelerator at Montclair State University. **TechLaunch**, which graduated its inaugural class in November, provided a select group of ten emerging Portfolio Companies early seed-stage funding, mentorship, key services and exposure to qualified investors through a 12-week program, which ended in a "Demo Day."

Nearly all of the ten graduates have indicated that they will be remaining in New Jersey as they seek to grow their businesses. **LivinSport**, which created a social media platform for athletes that connect college recruits, coaches and fans, plans to relocate to the New Jersey Institute of Technology's Enterprise Development Center in Newark; **CodeSquare**, which offers offline-to-online mobile solutions for businesses, calls Jersey City home; and event-based photo sharing service company **Photoflow** is planning to build its future on the Jersey Shore.

In November, the Christie Administration announced that 65 companies were approved to share the \$60 million allocation available through the State's Technology Business Tax Certificate Transfer Program in Fiscal Year 2013. Administered by the EDA, this competitive program enables technology and biotechnology companies to sell New Jersey tax losses and/or research and development tax credits to raise cash to finance their growth and operations. Since the program was established in 1999, 480 businesses have been approved for awards totaling \$710 million.

Each of the 65 applicants approved this year will receive, on average, an estimated \$920,000, which is 15-percent more than last year and over double the Fiscal Year 2011 average.

Companies that benefited include Jersey City-based **Antenna Software, Inc.**, a wireless software company specializing in solutions for mobile enterprise; **Akers Biosciences, Inc.** of Thorofare, a company that develops, manufactures, and supplies rapid, point of care screening and testing products; Morristown-based **Pacira Pharmaceuticals**, a pharmaceutical company focusing on clinical and commercial development of new products for the management of post-surgical pain; and **Ocean Power Technologies**, a wave energy technology company headquartered in Pennington.

Growing New Jersey's Ecosystem of Innovation

“ We are greatly appreciative of the NJEDA's decision to approve our application in this year's program. We were fortunate to work with Public Service Enterprise Group (PSEG) for the sale of our NOLs and research and development tax credits under the program. We are grateful to both the state of New Jersey and PSEG for their continued support of technology companies like OPT. This Program makes an important contribution to our on-going technology development activities in New Jersey. ”

- Brian M. Posner, Chief Financial Officer, Ocean Power Technologies

The EDA helps increase available capital for emerging technology companies by investing as a limited partner in venture capital firms that invest in New Jersey-based companies. In 2012, EDA invested a total of \$7 million in three venture funds. Funds in which the EDA invest in demonstrate an ability to leverage the Authority's investment with other investment dollars at a minimum ratio of 3:1. Gains resulting from these investments are utilized to offer new funding opportunities to support New Jersey businesses.

In March, EDA approved an investment of \$3 million in **Osage Venture Partners II** and a \$2 million investment in **NextStage Capital II**. The EDA's limited partnership investments were funded with \$5 million from New Jersey's State Small Business Credit Initiative federal allocation.

Osage Venture Partners III, part of the Osage Ventures family of funds, will target enterprise technology companies, including providers of general business software, cloud computing, healthcare information and infrastructure management software. Osage established an office in Branchburg to manage the fund. NextStage Capital II, part of the NextStage Capital family of funds, will focus on early stage, business-to-business, information technology companies, including providers of internet media, communication software, security software and IT infrastructure technology. NextStage expects to lease space in the Rutgers-



Ocean Power Technologies has successfully operated an autonomous PowerBuoy® off New Jersey, which it designed and manufactured under the US Navy's Littoral Expeditionary Autonomous PowerBuoy (LEAP) program for coastal security and maritime surveillance

Camden Business Incubator at the EDA's Waterfront Technology Center at Camden.

These investments followed the January investment of \$2 million in New Jersey-based **Edison Venture Fund VII**, which targets financial, healthcare information, interactive marketing and enterprise 2.0 technology

Growing New Jersey's Ecosystem of Innovation

“ “ We're deeply honored to receive support from a funding source named for Thomas Edison that encourages growth by innovative companies in New Jersey. We fully intend to flourish here and we are deeply committed to showing the NJEDA's decision-makers that they made the right choice in investing in Phone.com. ” ”

- Phone.com President and CEO Ari Rabban

companies. Bedminster-based **Premier Healthcare Exchange (PHX), Inc.**, a leading provider of healthcare cost management services, was the first New Jersey company to receive an investment from this fund.

To date, EDA's investment of \$39 million in venture capital funds has spurred \$850 million of private investment in New Jersey's innovation ecosystem.

Created in 2011 to enhance support of early stage companies that have attracted funds through venture capital investors, the Edison Innovation Venture Capital Growth Fund provides a subordinated convertible note of up to \$1.5 million to help company's directly fund uses such as hiring key staff, product marketing and sales.

In October 2012, **CareKinesis, Inc.** became the first company to receive assistance under the Edison Innovation VC Growth Fund, closing on a \$500,000 loan for growth capital. The company is a provider of personalized medication management and customized medication distribution for elderly and other at-risk individuals. In 2012, the New Jersey Technology Council named the Moorestown business its Growth Company of the Year, citing its revenue, job growth and market share. The company, which plans to create 40 new jobs and maintain its staff of 50, also was named one of New Jersey's 50 Fastest Growing Companies by *NJBIZ*.

Phone.com, a tenant at NJIT's Enterprise Development Center, was approved for a \$600,000 loan through the Edison VC Growth Fund. The Newark-based business is a next-generation, cloud-based phone company focused on the needs of small business and

entrepreneurs. Phone.com, which expects to add 18 new employees to its staff of six, was recently recognized by *INC500* as one of the fastest growing telecom companies in the United States.

With successful graduates like Amicus Therapeutics, GENEWIZ, and Chromocell Corporation, which today boast over 100 employees each, the Commercialization Center for Innovation Technologies (CCIT) continues to be New Jersey's leading life sciences incubator. In 2012, CCIT welcomed six new tenants, including a new subsidiary of **Shionogi Inc.**, the U.S.-based group company of Shionogi & Co., Ltd., a leading Japanese pharmaceutical company. Shionogi's products in development seek to help patients with a variety of diseases and conditions, including male sexual health, pediatric conditions, women's health, HIV, pain and diabetes.

“ “ This was a good way to get our foot in the water with reasonable costs, not only from an equipment point of view but also from an outfitting point of view. It's an economic way to get things started, and have room for expansion. ” ”

- Dan Sherer, the Shionogi scientist charged with opening the new lab for drug development at CCIT

Growing New Jersey's Ecosystem of Innovation

In January, CCIT was awarded its third consecutive Soft Landings International Incubator designation by the National Business Incubation Association, which recognizes incubators that are especially capable of helping nondomestic companies enter the domestic market with translation services, cutting through red tape, accessing capital, domestic market research, and other programs. CCIT is part of the EDA's larger Technology Centre of New Jersey complex, which sits on more than 50 acres in the research and development corridor between Rutgers and Princeton Universities.



The Technology Centre of New Jersey located in North Brunswick, which includes CCIT

With the support of a BEIP executed in February, **Watson Pharmaceuticals** is establishing a new, 32,000-square-foot Global R&D Technology Center on the Tech Centre campus, which will employ approximately 50 scientists, chemists, engineers and support staff. The company is investing an initial \$4.5 million to retrofit 19,000 square feet for product development and analytical laboratories. Watson joins prestigious companies such as Merial Limited and the Rutgers Technology Center III.

Launched in 2011 as a program of the EDA and the New Jersey Board of Public Utilities, the Edison Innovation Green Growth Fund (EIGGF) offers loans of up to \$2 million to Class I renewable energy or energy efficient clean technology companies that are

seeking funding to grow and support their technology business. In August, **FieldView Solutions** became the first company to receive financing through the new program. FieldView, an industry-leading provider of data center infrastructure management, received a \$1 million growth capital loan to advance its energy efficient products in New Jersey. The company expects to create 14 new jobs as a result of the EIGGF award.

“ Our platform is specifically designed to help companies realize significant cost savings by optimizing their energy consumption. EIGGF is a terrific program, one that not only promotes energy efficiency but also has a real impact on job creation. We are honored the State of New Jersey chose to award us this funding. ”
- Fred Dirla, Chief Executive Officer, FieldView Solutions



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Growing New Jersey's Ecosystem of Innovation

“ This award will help Fluitec Wind develop world-class software, monitoring, and engineering facilities here in New Jersey. Our choice to expand here is a result of the Christie Administration's pro-economic growth policies and long-term commitment to clean energy. We thank Lt. Governor Guadagno and the Partnership for Action team for their continued support. ”
- Frank Magnotti, Fluitec Chief Executive Officer

In further support of the Christie Administration's Energy Master Plan goals, the EDA and BPU approved over \$11 million in funding in December to support six combined heat and power (CHP) projects for some of New Jersey's largest energy users, including medical centers, manufacturers and hospitals. The funding was made available through the Large Scale CHP-Fuel Cells Program, a competitive grant program launched in April to serve commercial, institutional and industrial customers in New Jersey.

Nestle USA, Inc. received \$3 million to support the purchase and installation of a 7.96 megawatt (MW) combustion turbine engine at its Freehold-based manufacturing facility. Southeastern New Jersey's largest nonprofit healthcare system – **AtlantiCare Regional Medical Center** – received \$580,800 to support the purchase and installation of a 1.1 MW natural gas-fired reciprocating engine system.

Bristol Myers Squibb, a global bio-pharmaceutical company, received just over \$1.9 million to support the installation of two natural gas-fired systems aggregating 4.11 MWs each. In January 2013, EDA and BPU announced the second iteration of the Large Scale CHP-Fuel Cell Program, to be administered as a rolling grant program.

2012 marked a history-making year for higher education and innovation in New Jersey, and the EDA looks forward to leveraging these advancements to fuel job growth and economic development in 2013.

EDA Board Members

Chairman

Al Koeppe

President and CEO
Newark Alliance

Vice Chairman

Joseph A. McNamara

Director
Laborers - Employers Cooperation and Education
Trust & Health & Safety

Ex Officio Members

Ken Kobylowski

Commissioner
New Jersey Department of Banking & Insurance

Bob Martin

Commissioner
New Jersey Department of Environmental
Protection

Matthew P. McDermott

Governor's Designee
Appointments Director, Office of Governor Christie

Andrew P. Sidamon-Eristoff

State Treasurer
New Jersey Department of the Treasury

Harold J. Wirths

Commissioner
New Jersey Department of Labor & Workforce
Development

Public Members

Laurence M. Downes

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New Jersey Resources

Brian M. Nelson, Esq.

Partner
Archer & Greiner PC

Marjorie Perry

President and Chief Executive Officer
MZM Construction & Management, Inc.

Charles H. Sarlo, Esq.

Law Office/Vice President and General Counsel
DMR Architects

Richard Tolson

Director
Bricklayers and Allied Craftworkers of NJ

Jerrold I. Langer

(appointed 4/2013)

Chief Commercial Officer
Langer Transport Corporation

Alternate Public Members

Raymond M. Burke, III

President
Burke Motor Group

Elliot M. Kosoffsky

Chief Operating Officer
F. Greek Development

Harold Imperatore

Proprietor
The Bernards Inn

Nonvoting Member

Rodney Sadler

Camden Economic Recovery Board

EDA Executive Team



(Left to Right)

Seated:

Michele A. Brown, *Chief Executive Officer*
Timothy J. Lizura, *President & Chief Operating Officer*

Standing:

Gregory Ritz, *Chief Financial Officer*
Maureen Hassett, *Senior Vice President, Finance & Development*
Frederick J. Cole, *Senior Vice President, Operations*

Certifications Pursuant to E.O. 37

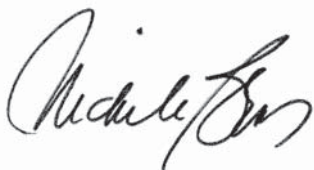
March 15, 2013

In accordance with Executive Order No. 37, the New Jersey Economic Development Authority's 2012 Annual Report also serves as the comprehensive report of the Authority's operations. This report highlights the significant action of the Authority for the year, including the degree of success the EDA had in promoting the State's economic growth strategies and other policies.

The report of independent auditors, Ernst & Young, dated March 18, 2013, is attached and completes the EDA's requirements concerning the preparation of a comprehensive report required by Executive Order No. 37.

I, Michele A. Brown, certify that during 2012, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures and internal controls.

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



Michele A. Brown
Chief Executive Officer

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



Greg Ritz, CPA
Chief Financial Officer