



What to do in an Economic Slump?

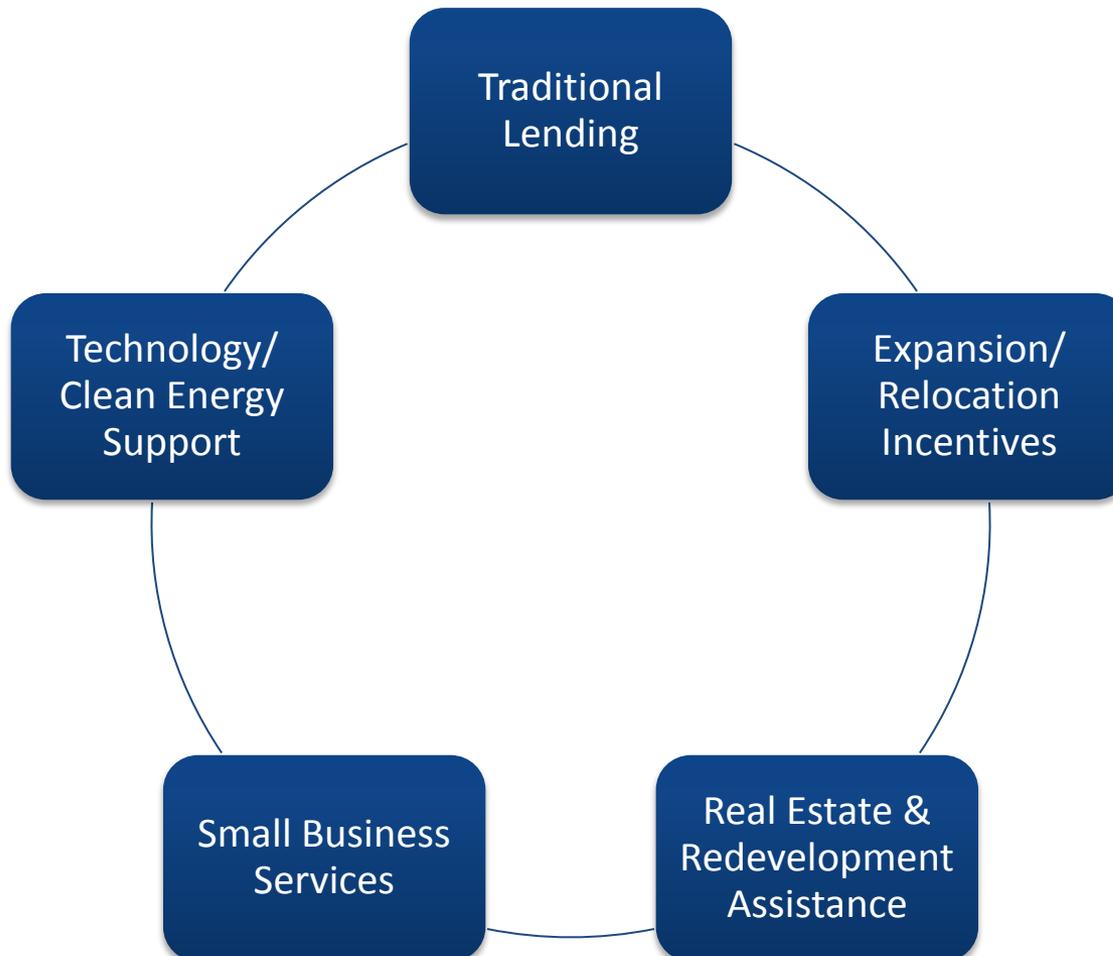
Incenting Private Investment

March 4, 2011

Partnership for Action

- Gov. Christie and Lt. Gov. Guadagno created the New Jersey Partnership for Action to serve as the “one-stop shop” for all economic development activity in New Jersey. The three elements of the Partnership include:
 - 1. Choose New Jersey** - *a privately funded, not-for-profit corporation that will help position New Jersey as a world-class leader in the competitive global marketplace, creating a prosperous and vibrant economy for the State and its citizens by effectively leveraging our diverse resource base and utilizing our reputation for innovation.*
 - 2. Business Action Center**- *reporting directly to the Lt. Gov., this team brings a customer service approach to coordination and navigation across State and local government agencies for businesses looking to remain, expand or locate in New Jersey.*
 - 3. EDA** - *serving as New Jersey’s “bank for business” to stimulate economic development and job creation.*

EDA Resources



Economic Redevelopment and Growth (ERG) Grant

If You Are: A developer with a project in Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), a center designated under the State Development and Redevelopment Plan, a pinelands regional growth area, pinelands town management area, a pinelands village, or a federal installation area established pursuant to the pinelands comprehensive management plan; a transit village (local incentive grants only), and federally owned land approved for closure by the federal Base Realignment Closing Commission...

You Can Apply For: An incentive grant up to 75% of the annual incremental State Tax and/or Local Tax revenue.

Economic Redevelopment and Growth (ERG) Grant

To Be Eligible:

- The redevelopment project must be located in a qualifying area.
- The developer must not have begun any construction at the site of the proposed project prior to submitting an application, *except*:
 - if the EDA determines that the project would not be completed otherwise; or,
 - if the project is to be undertaken in phases, a developer may apply for phases for which construction has not yet commenced.
- For any project consisting of newly-constructed residential units, then developer is required to reserve at least 20% for occupancy by low or moderate income households (as defined by statute).
- A project financing gap exists.
- The overall public assistance provided to the project will result in net benefits to the municipality where the project is located or the State.

Economic Redevelopment and Growth (ERG) Grant

Program Details

- The annual percentage amount of reimbursement will not exceed 75% of the annual incremental State revenues.
- The term of each approved state and local redevelopment incentive grant agreement may extend for up to 20 years; *however*, the combined amount of reimbursements cannot exceed 20% of the total cost of the project, exclusive of publically-owned infrastructure, and a developer seeking an incentive grant is required to make an equity participation for at least 20% of the project's total cost.
- The developer must submit satisfactory evidence of actual project costs, as certified by a certified public accountant and evidence of a permanent certificate of occupancy, prior to the first disbursement of funds under the agreement.

Revel Atlantic City



- **Revel Atlantic City** was approved for up to \$261.3 million over 20 years through the ERG Program.
- The \$2.8 billion project involves the creation of an entertainment resort on 20 acres of beachfront property in the South Inlet of Atlantic City.
- Expected to result in the creation of 5,400 construction jobs, 5,500 full-time jobs and an estimated \$3.2 billion in new tax revenue.

Shore Mall – Egg Harbor



- **Shore Mall** was approved for up to \$20.4 million over 20 years through the ERG Program.
- The \$102.7 million project involves converting the existing mall into a mixed-use, open-air shopping center and also includes significant off-site infrastructure improvements.
- Expected to result in the creation of 550 construction jobs, 829 full-time jobs.

Saker ShopRites, Inc. - Somerville



- **Saker ShopRites, Inc.** was approved for up to \$5 million over 20 years through the ERG Program. The \$28.1 million project involves the redevelopment of the former Landmark Shopping Center site between West Main Street and Veterans Memorial Drive in Somerville.
- The project will result in the development of a 70,000-square-foot supermarket; the first and only supermarket in the area since Pathmark closed in 2007. Will also lead to the creation of 116 construction jobs and 155 permanent jobs.

Midtown Commons - Neptune



- \$18.7 million redevelopment is helping to restore the commercial vitality of **West Lake Avenue** and create a town center for the surrounding neighborhood.
- State assistance included: New Markets Tax Credits; a \$2 million LDFF loan; a \$1 million EDA guarantee of a TD Bank loan; and, a \$250,000 direct loan to bridge environmental funding resources.
- The project is expected to create over 370 construction jobs and 100 new, full-time jobs.



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