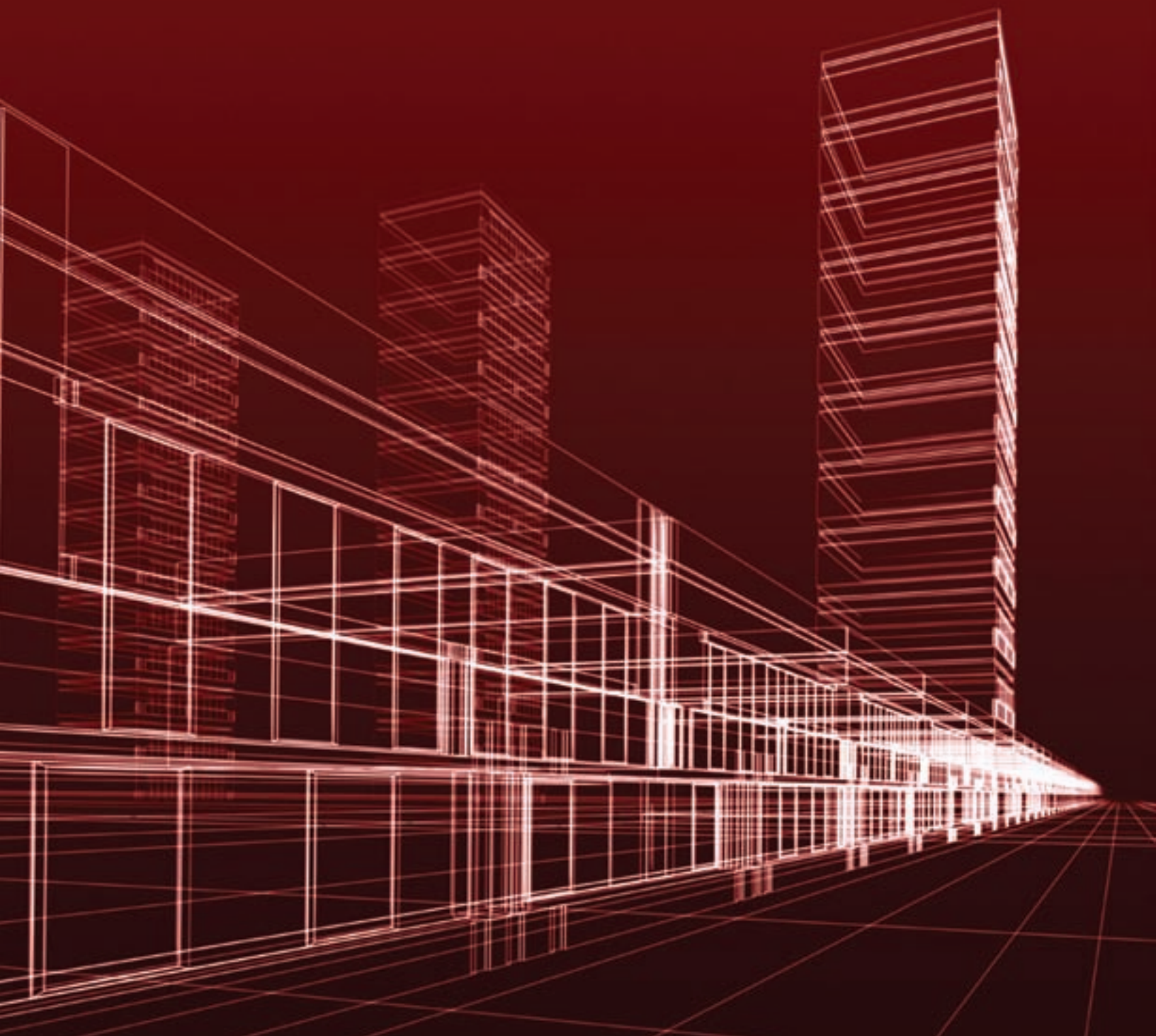


Investing To Make A Difference.



New Jersey
Redevelopment
Authority
2007 Annual Report



Mission Statement

To provide a unique approach to revitalization efforts in New Jersey's cities. To develop programs and resources to improve the quality of life by creating value in urban communities.

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Cover photo: NJRA's investments have a positive impact on urban communities throughout the state.

A Message From Governor Jon S. Corzine

Dear Friends,

My administration is working cooperatively to grow the Garden State economy by stimulating economic investment and creating jobs, especially in our urban communities,

As the state's urban-focused financing authority, the New Jersey Redevelopment Authority (NJRA) is taking a comprehensive, holistic approach to urban revitalization. Not only does NJRA provide its partners with the technical and financial tools they need to invest in their communities; the Agency teaches its clients to make *smarter decisions* about redevelopment. At project completion, there is an improved quality of life for the first-time home buyer, for the school-aged child walking into a new school, or for a senior moving into a new independent living unit.



NJRA's mission is more than just bricks and mortar. It is about creating a sense of place for all of our state's hardworking residents. Working together - with input from agencies such as the New Jersey Redevelopment Authority - we will continue to make strategic investments in the state's urban areas and contribute to the greater future of New Jersey.

Sincerely,

A handwritten signature in black ink, which appears to be "Jon Corzine".

Jon S. Corzine
Governor

Greetings from Commissioner Joseph V. Doria, Jr.



Dear Friends:

As a former urban mayor, I am aware of the many obstacles that cities face when taking on redevelopment. Municipalities must have a full understanding of “the redevelopment process” in order to carry out sustainable development within New Jersey’s communities.

The New Jersey Redevelopment Authority, a member of the DCA family, is a valuable partner in this process. The invaluable resources that NJRA offers have resulted in projects that have made a tremendous impact in cities and communities throughout the state.

In addition to the financial resources it provides, NJRA provides an immeasurable amount of technical assistance. The Redevelopment Training Institute is a key tool offering comprehensive training classes on major redevelopment topics. To date, RTI has graduated over 300 students, fostering partnerships that will result in upcoming redevelopment projects.

I would like to thank Executive Director Leslie A. Anderson and her staff for their extraordinary commitment to investing in urban New Jersey. I anticipate the continued progress NJRA will make into the future.

Sincerely,

A handwritten signature in black ink that reads "Joseph V. Doria, Jr." The signature is written in a cursive, flowing style.

Joseph V. Doria, Jr.
DCA Commissioner
Chair

A Message from Executive Director Leslie A. Anderson



Dear Friends:

The New Jersey Redevelopment Authority (NJRA) continues to pursue its mission to provide a unique approach to revitalization efforts in New Jersey's cities by developing programs and services to improve the quality of life in urban communities. Over the past year, NJRA worked with numerous organizations committing to invest more than \$9 million, leveraging more than \$266 billion in total development costs. These investments speak volumes.

Who do we impact? Not only are we a resource to developers, nonprofit organizations, government officials and community development organizations who carry out redevelopment projects, but we indirectly touch the people who benefit from the project once it is completed. These are low- and moderate-income families, preschool children, neighborhood residents, seniors and disabled citizens that make up the fabric of a community.

Although redevelopment is a lengthy process and can take years, it makes me proud to eventually attend a ribbon cutting and see the smiles on the faces of all those involved. It also makes me proud when someone approaches me to thank the New Jersey Redevelopment Authority and that without our involvement the project would not have been feasible. This is how I know our investments make a difference.

As you will read, our success is evidenced in this annual report. We look forward to further investment and educating our partners in redevelopment.

With regards,

A handwritten signature in black ink that reads "Leslie A. Anderson".

Leslie A. Anderson
Executive Director

Investing To Make A Difference

The New Jersey Redevelopment Authority (NJRA) had a solid year of accomplishment in 2007. This year’s Annual Report builds on a successful track record of improving the quality of life in urban communities through creative investments.

At NJRA, we truly believe that effective redevelopment, where smart growth principles are applied, increases economic growth and restores opportunities within the community. Working together with municipalities, developers and other community-based organizations, NJRA makes a concerted effort to ensure that redevelopment takes place, but at the same time remains sensitive to the many needs of a neighborhood and the residents that live there.

This year captures investments that will have a positive effect on the community both economically and socially. It is our commitment to cities that translates into investments that make a difference and make a long-term positive impact for future generations to come.



Above: Early care, education, youth development and residential and school-based programs are the core of CACNJ’s mission.
Right: CACNJ will consolidate its programming into its new home, Feigenspan Mansion.



Investments That Make A Difference = Community Programs And Services

Community Agencies Corporation of NJ (CACNJ) recognizes the importance of the lives of children and families of the greater Newark community. This collective of nonprofit agencies works to strengthen the lives of children and families in need. Early care and education, youth development, and residential and school-based programs are at the core of its mission.

NJRA, recognizing the value of these services committed financing for pre-development expenses for the renovation of CACNJ’s new headquarters. The former Feigenspan Mansion, a historical landmark that is on both the state and national historic registers, will become CACNJ’s new headquarters. This site will be transformed into a learning campus offering classroom space for preschool children, after school programming, career training and a neighborhood meeting space.

Union County boasts an increased number of opportunities for its residents. One area, Elizabeth Avenue, located in the city of Elizabeth, is recognized as a model of downtown revitalization. The improved “look and feel” of this community can be attributed to the Elizabeth Avenue



Above: NJRA funds will assist with bringing a One-Stop Career Center to the city of Elizabeth.
Below: The Jefferson Art Walk Project will contribute to a more livable and sustainable community in the city of Orange.

Partnership, which is responsible for the improved streetscapes, revamped storefronts and exciting events that take place.

This area will soon offer the services a One Stop Career Center run by the NJ Department of Labor. NJRA funds will assist Raphael Salermo, a developer and real estate investor, with predevelopment funds to acquire and expand a building to house the future One Stop. Residents of Elizabeth and surrounding communities will have access to services in the areas of training, referral services, vocational counseling, disability-related services and employment assistance for veterans and low-income seniors. Predevelopment planning and other soft costs that include architectural, engineering and legal costs during the predevelopment period will be covered with NJRA funds.



Investments That Make A Difference = Walkable Neighborhoods

In Orange, the goals of a long-term redevelopment planning process are finally being met. In response to Central Valley’s Redevelopment Plan, Harvard Development Associates (HDA), a partnership between Housing and Neighborhood Development Services, Inc., (HANDS), Applied Development Company and The Alpert Group, LLC, will develop the Jefferson Art Walk Project.

NJUSA funds will cover costs for the acquisition of the former Harvard Printing Company complex, which will anchor one end of the Jefferson Art Walk project. The complex will be converted into artist live/work spaces, condominiums, parking, as well as neighborhood shopping and other commercial uses. A pedestrian-bicycle path and public greenway will also run besides the Rahway River, which will be reopened and realigned to compliment the walkway. Visitors to the Central Valley neighborhood will be able to view and buy artwork of artists that occupy the ground level of the new facility. The opposite end of the walkway, occupied by the former F. Berg Hat Factory, is being renovated into a mixed-use facility with both residential and community art space.

To soon grace the city of New Brunswick will be the Gateway Easton Redevelopment Project. NJRA recognizes the value this project will bring lending to an area that is walkable, including new housing and commercial development and diverse university-related activities. With financial assistance



from NJRA, New Brunswick Development Corporation will develop an innovative mixed-use facility in the Easton Somerset Redevelopment Area.

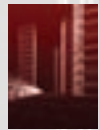
New residential units, a university bookstore, destination restaurants and shops and much needed parking will contribute to the overall revitalization of the city. This project has been designed to maintain the historic settings of St. Peter's Roman Catholic Church and the nearby original historic Old Queen's campus of Rutgers.

NJUSA funds will provide a portion of both the acquisition and predevelopment financing for the property. The 16-story "Gateway" will be the tallest building in the city of New Brunswick.



Above: The Gateway Eason Redevelopment Project is a major economic catalyst for the continued redevelopment efforts in the city of New Brunswick.

Below: Winslow Meadows, located in Winslow Township's Lehigh Manor Redevelopment Area, will offer quality housing for seniors.



Investments That Make A Difference = Diversified Housing Choices

All communities should offer a diversity of housing choices and income levels to create a foundation for economic vitality. This ensures a delicate balance of housing and commercial resources that further stimulate neighborhood investment.

NJRA knows the value of quality housing stock in urban neighborhoods. While NJRA does not directly finance housing projects, it does assist with the predevelopment and acquisition of land associated with residential development. With assistance through New Jersey Predevelopment Fund (NJ PDF), the Christ Care Unit Missionary Baptist Church (CCUCDC), a nonprofit development company, will soon bring moderately affordable independent senior housing to Winslow Township. The first phase of the Winslow Meadows project will contribute to the overall revitalization of the city.

The 91-unit senior apartment complex and 100 family town homes, located in the Lehigh Manor Redevelopment Area, will be constructed over three phases. NJ PDF will cover expenses associated with predevelopment. The facility, which is green homes compliant, will include enclosed walkways,



connected with a clubhouse, offering programs, activities and an outdoor pool. CCUCDC currently operates an existing 93-unit senior apartment complex, while adjacent to the project site, will become a part of the new larger campus.

NJRA financing will also contribute to the revitalization of Newark's North Ward Redevelopment Area through the Harmony Square project. A loan through the New Jersey Urban Site Acquisition Program (NJUSA) will provide funding for the acquisition of nine vacant and underutilized properties to allow M&M Development, LLC to develop 66 affordable housing units in the North Ward.

This community, which offers amenities such as schools, churches, small groceries, a post office and restaurants, is a prime location to offer additional housing opportunities, increase real estate property taxes and jobs for local residents.



Above: M&M Development, LLC will develop affordable housing units built on nine vacant and underutilized sites throughout Newark.

Below: The Straight Street Redevelopment Project will continue the housing and neighborhood stabilization efforts that are underway in the city of Paterson.

Whether housing or commercial development, the redevelopment process can be a lengthy one, thus providing obstacles that can slow down a project. NJRA is able to remedy these situations with the ability to fast track projects through its NJUSA program. Understanding the importance of housing and neighborhood stabilization, NJRA partnered with NJACORN Housing Corporation, a nonprofit community development corporation that provides affordable housing and social services to low and moderate-income families and individuals in New Jersey. NJACORN will undertake the Straight Street Apartments Redevelopment project located in the heart of the city's 4th Ward Redevelopment Area in Paterson. NJACORN was designated by the city in response to a need to have more nonprofits produce low and moderate housing opportunities for the Paterson community.

NJRA financing will allow NJACORN to gain site control of the under-utilized property in a timely manner. This converted five-story building, formerly occupied by a paper manufacturing plant, will offer 50 residential units. This project is a major catalyst for housing stabilization Paterson's 4th Ward Redevelopment Area.

Financial and Technical Resources



Financial Resources

NJRA partners with community-based organizations, municipalities, developers and businesses to leverage its resources for redevelopment projects in 69 eligible municipalities throughout New Jersey.

NJRA provides customized financing to invest in urban economic development initiatives in addition to providing valuable technical assistance.



Above: NJRA provides the critical resources needed for redevelopment in New Jersey.

New Jersey Redevelopment Investment Fund (RIF)

Direct Loans, Real Estate Equity, Loan Guarantees

NJRA manages this flexible investment fund that provides debt and equity financing for business and real estate ventures. Through the RIF Program, NJRA is able to offer direct loans, real estate equity, loan guarantees and other forms of credit enhancements.

NJ Urban Site Acquisition Program (NJUSA)

Acquisition, Site Preparation, Planning Loans

The NJUSA Program is a revolving loan fund that facilitates the acquisition, site preparation and redevelopment of properties, which are components of an urban redevelopment plan.

NJUSA provides financing for site acquisition expenses including costs customarily associated with acquiring title to property, planning and pre-development expenses, site assembly and redevelopment of properties.

NJ Predevelopment Fund (NJPDF)

Predevelopment

The NJRA has identified a need for predevelopment funding to facilitate community economic development in our state's urban areas. The New Jersey Pre-Development Fund has been created to specifically address these economic development needs. NJRA PDF increases the availability of funding for community economic development projects within the NJRA's eligible municipalities.



Above: NJRA has committed to invest in creative redevelopment projects that make a significant impact on urban neighborhoods throughout the state.

NJPDF provides funding to cover various predevelopment activities, including feasibility studies, architectural costs, environmental and engineering studies, legal and other related soft costs for development to occur.

Issuance of Bonds

Land & Building Acquisition, New Construction, Equipment, Machinery Purchase

NJRA issues bonds at attractive interest rates to a broad range of qualified businesses and nonprofit organizations. NJRA has the ability to issue \$100 million in both taxable and tax-exempt bonds to stimulate revitalization in New Jersey's urban areas. Tax-exempt bond financing can be used for land and building acquisition, new construction or expansion or purchase of new equipment and machinery. Certain 501(C)(3) nonprofit entities and manufacturers can apply.

Working In Newark's Neighborhoods (WINN)

Predevelopment, Site Preparation, Acquisition, Demolition, Permanent Financing, Loan Guarantees, Construction Financing

WINN, a subsidiary corporation of NJRA, is charged with the investment of \$10 million for redevelopment efforts in the City of Newark's neighborhoods. The \$10 million revolving loan program focuses on redevelopment efforts in the City of Newark's neighborhoods. Funds from WINN can be used for commercial and mixed-use projects directly related to comprehensive redevelopment initiatives including: pre-development, site preparation, acquisition, demolition, permanent financing, loan guarantees and construction financing.



Above: Executive Director, Leslie A. Anderson, presents a certificate of completion for NJRA RTI.



Below: NJRA RTI provides knowledge on the redevelopment process in New Jersey.



Technical Assistance

NJRA Redevelopment Training Institute

NJRA has a staff of professionals who are committed to providing technical assistance to its clients. These services include strategic neighborhood planning, plan implementation, project development and financial modeling. NJRA also coordinates the efforts of local communities in obtaining technical and financial resources offered by other units of State government. Additionally, NJRA uses its network of financial institutions, corporations, developers, utilities and foundations to establish meaningful public-private partnerships serving eligible municipalities.

NJRA educates and improves the existing dialogue between community-based organizations and municipalities through the Redevelopment Training Institute

(NJRA RTI). NJRA RTI offers intensive intermediate training modules that focus on the redevelopment of New Jersey's communities. These courses are designed to provide nonprofit and for-profit developers, professional consultants, entrepreneurs and city/county staff with a body of knowledge of the redevelopment and real estate development process. The goal of NJRA RTI is to provide classroom instruction resulting in enhanced knowledge of New Jersey's redevelopment process and project financing. Courses offered are: Redevelopment Planning Process, Real Estate Development and Finance.

In addition to its regular offering of redevelopment training courses, the Redevelopment Training Institute offers

a host of one-day workshops. These workshops cover both key topics and specialized issues surrounding redevelopment issues. Each session is interactive and focuses on real life experiences and best practices.

"If I had not taken the RTI training, there is no way I could have learned so much about New Jersey's redevelopment process. If I ever become successful at working on projects in the urban areas, NJRA will be entitled to much of the credit."

Penelope A. Giber
Senior Environmental
Project Manager
DW Smith Associates,
LLC - Greengengineering

"The Institute is just one more example of how NJRA is truly geared toward assisting municipalities to make projects happen through meaningful partnerships."

Kim Warker, PhD
Planning Director
City of Millville



Year In Review

- Committed to invest more than \$9 million, leveraging more than \$266 million in total project costs.
- Approved more than \$8.3 million to access site control of property and carry out other acquisition-related costs.
- Allocated more than \$750,000 to cover various predevelopment activities including feasibility studies, architectural costs, environmental and engineering studies, legal and other related soft costs for development to occur.
- Provided financing, which will result in over 700 projected units of market-rate, moderate and affordable housing.
- Invested in more than 137,000 square feet of commercial space.
- Graduated over 300 students from the Redevelopment Training Institute in its first year of operation.



Top: Affordable housing is a key element in urban communities.

Middle: An affordable housing unit to be developed in Newark by M & M Development, LLC.

Bottom: Children at CACNJ's Friendly Fuld Neighborhood Centers, Inc., in Newark.

2007 NJRA Investments

Project Name	Financing Type	Municipality	NJRA Support	Total Development Costs
JRP Investments, LLC <i>JRP North Walnut Redevelopment Project</i>	NJUSA	East Orange	\$350,000	\$800,000
Raphael Salermo <i>9 Reid Street</i>	NJUSA	Elizabeth	\$652,725	\$4,426,750
Johnston Station, LLC <i>Johnston Station Redevelopment Project</i>	NJRA PDF	Jersey City	\$250,000	\$19,400,000
New Brunswick Development Corporation <i>Gateway Easton Redevelopment Project</i>	NJUSA	New Brunswick	\$1,900,000	\$129,739,333
Community Agencies Corporation of NJ <i>Feigenspan Mansion</i>	NJRA PDF	Newark	\$250,000	\$2,500,000
M&M Development, LLC <i>Restored Homes</i>	NJUSA	Newark	\$720,000	\$8,961,000
Harvard Development Associates, LLC <i>Jefferson Art Walk Project</i>	NJUSA	Orange	\$2,000,000	\$32,090,000
Scott/Groves Development, LLC <i>Reock Commons II</i>	NJUSA	Orange	\$720,000	\$3,576,046
NJ ACORN Housing Corporation, Inc. <i>Straight St. Apartments</i>	NJUSA	Paterson	\$1,250,000	\$15,100,000
Barclay Street, LLC <i>Barclay St. Redevelopment Project</i>	NJUSA	Perth Amboy	\$375,000	\$2,100,000
Keystone Enterprise, LLC <i>Dawn to Dusk Project</i>	RIF	Plainfield	\$313,000	\$811,320
Christ Care Unit Missionary Baptist Church CDC <i>Winslow Meadows</i>	NJPDF	Winslow Township	\$250,000	\$47,200,000
			TOTAL NJRA INVESTMENTS \$9,030,725	TOTAL DEVELOPMENT COSTS \$266,704,449

*These investments represent financing committed by New Jersey Redevelopment Authority (NJRA) from January 1 to December 31, 2007.

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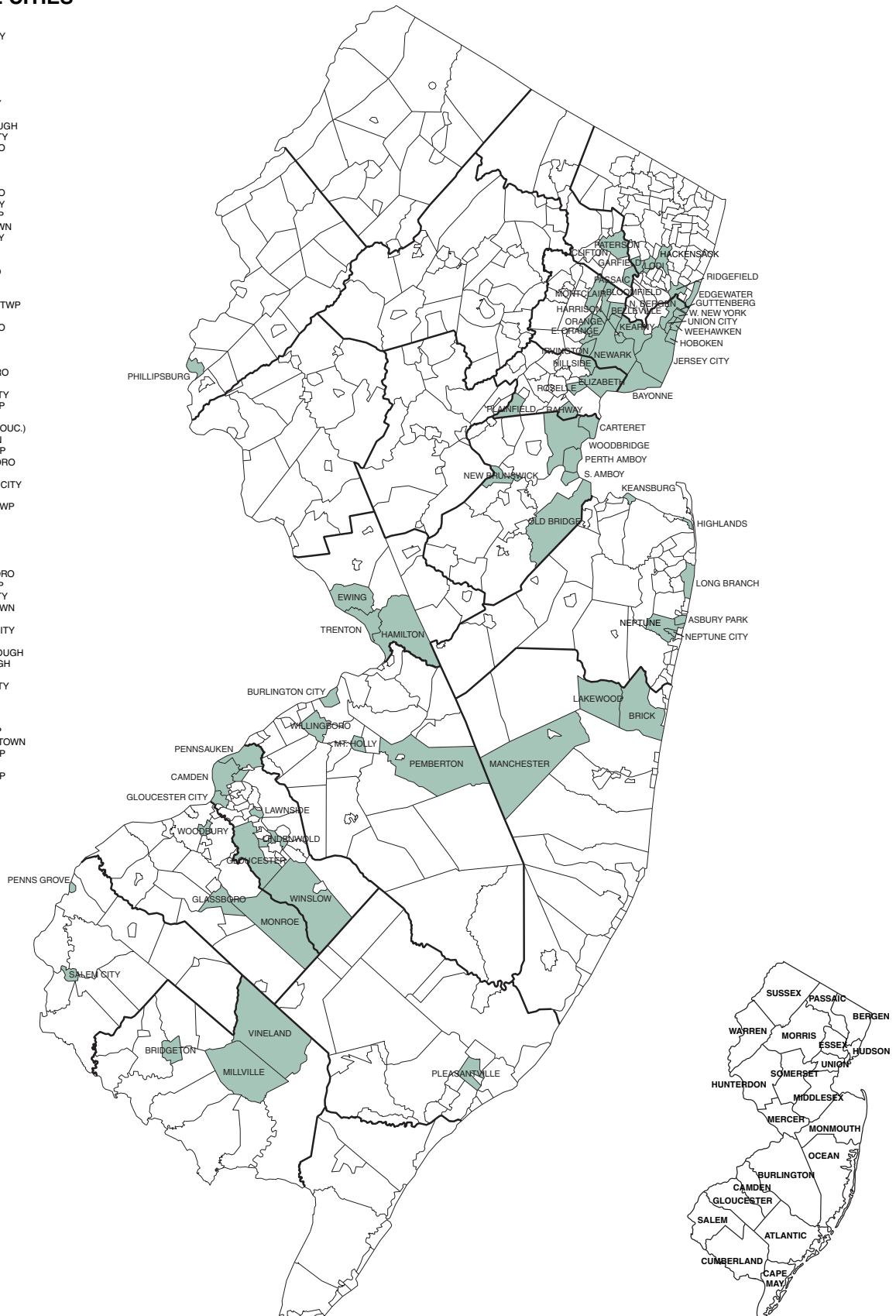
RIF: Redevelopment Investment Fund

NJUSA: New Jersey Urban Site Acquisition Program

NJRA PDF: NJRA Predevelopment Fund

NEW JERSEY REDEVELOPMENT AUTHORITY ELIGIBLE CITIES

ASBURY PARK CITY
 BAYONNE CITY
 BELLEVILLE TWP
 BLOOMFIELD TWP
 BRICK TWP
 BRIDGETON CITY
 BURLINGTON CITY
 CAMDEN CITY
 CARTERET BOROUGH
 EAST ORANGE CITY
 EDGEWATER BORO
 ELIZABETH CITY
 EWING TWP
 GARFIELD CITY
 GLASSBORO BORO
 GLOUCESTER CITY
 GLOUCESTER TWP
 GUTTENBERG TOWN
 HACKENSACK CITY
 HAMILTON TWP
 HARRISON TOWN
 HIGHLANDS BORO
 HILLSIDE TWP
 HOBOKEN CITY
 IRVINGTON TOWN TWP
 JERSEY CITY
 KEANSBURG BORO
 KEARNY TOWN
 LAKEWOOD TWP
 LAWSIDE BORO
 LINDENWOLD BORO
 LODI BORO
 LONG BRANCH CITY
 MANCHESTER TWP
 MILLVILLE CITY
 MONROE TWP (GLOUC.)
 MONTCLAIR TOWN
 MOUNT HOLLY TWP
 NEPTUNE CITY BORO
 NEPTUNE TWP
 NEW BRUNSWICK CITY
 NEWARK CITY
 NORTH BERGEN TWP
 OLD BRIDGE TWP
 ORANGE CITY
 PASSAIC CITY
 PATERSON CITY
 PEMBERTON TWP
 PENNS GROVE BORO
 PENNSAUKEN TWP
 PERTH AMBOY CITY
 PHILLIPSBURG TOWN
 PLAINFIELD CITY
 PLEASANTVILLE CITY
 RAHWAY CITY
 RIDGEFIELD BOROUGH
 ROSELLE BOROUGH
 SALEM CITY
 SOUTH AMBOY CITY
 TRENTON CITY
 UNION CITY
 VINELAND CITY
 WEEHAWKEN TWP
 WEST NEW YORK TOWN
 WILLINGBORO TWP
 WINSLOW TWP
 WOODBRIDGE TWP
 WOODBURY CITY



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Gerson Martinez
Programs & Services Coordinator

Enid Taylor
Executive Assistant to the Executive Director

Diana Albarran
Marketing & Communications Assistant

Jacqueline Rivera
Administrative Analyst

Marge Creely
Administrative Analyst

For More Information, Contact:

New Jersey Redevelopment Authority

150 West State Street, Second Floor

P.O. Box 790

Trenton, NJ 08625

Phone: (609) 292-3739

Fax: (609) 292-6070

Web site: www.njra.us

E-mail: njra@njra.state.nj.us