



**Opening Statement
Assembly Budget Committee**

May 3, 2017

Chairman Schaer, members of the Budget Committee...the New Jersey Economic Development Authority (EDA) appreciates the opportunity to testify today. Along with our President and Chief Operating Officer Tim Lizura, who is here with me, we are pleased to provide you with a brief update related to our efforts over the last year to grow New Jersey's economy.

From financing and technical assistance programs for small businesses and not-for-profits, to mentoring and investment resources for technology and life sciences start-ups, to job creation and community investment spurred by the Economic Opportunity Act, the impact of programs administered by the EDA was evident in many facets of the State's economy in 2016.

Notably, activity and interest related to the Economic Opportunity Act continues to be strong. Projects approved to date hold the promise of 92,000 new and retained job opportunities and private investment of \$7.8 billion in New Jersey's economy.

In particular, we are happy to report that we have seen increased corporate interest in Garden State Growth Zones.

In Trenton, Central Jersey CML is planning to establish a new baking facility that will supply Dunkin' Donuts throughout the Central Jersey and Bucks County, Pa. regions. The company expects to purchase the former Trentonian office building on Perry Street and ultimately create more than 170 new jobs in the City. Global technology company Maestro Technologies also just announced its plans to relocate to a new headquarters on West State Street, creating over 140 new jobs.

In Paterson, the EDA had approved two companies under Grow NJ as of this time last year; today, there are eight companies considering an expansion or investment in the City, all in the manufacturing industry. From aerospace components to bakery ingredients, these small manufacturers expect to occupy

over 680,000 square feet of new or renovated space in Paterson and create more than 300 new jobs.

Passaic City also benefitted, with Patella Woodworking marking the official grand opening of its new 89,000-square-foot headquarters and manufacturing facility last February. The company, which relocated from New York, expects to create 70 new jobs.

Atlantic City appears to be on an upward trajectory, with a recent report indicating that redevelopment may be gaining momentum. With the \$210 million Island Campus project breaking ground last month and the Polercoaster attraction now officially moving forward, the expected influx of Stockton University students, South Jersey Gas employees and new visitors will help pave the way for additional non-casino development and investment in the years ahead.

Camden continues to illustrate why it has become a national example of a city on the rise. With a comprehensive economic development strategy in place, Camden has been met with increasing corporate interest, propelled by the Economic Opportunity Act. A report issued by the United States Bureau of Labor Statistics last month shows that Camden had the nation's highest percent employment increases over the past year.

Contributing to that remarkable growth will be Holtec International. The company's decision to locate its Technology Campus in Camden represents the largest single investment of private capital in the City's history. Holtec began moving employees into its new headquarters last month, and expects its manufacturing facility will commence production in July. Per its Grow award, the company expects to have approximately 400 employees on site following the opening of the campus; however, Holtec believes it will employ an estimated 2,000 within the first five years of operation.

To capitalize on the economic momentum that Garden State Growth Zones are experiencing because of the Economic Opportunity Act, we introduced a new program in February aimed at supporting small businesses in these cities.

The Business Lease Incentive and Business Improvement Incentive programs are now available to support the growth of retail and services in Garden State Growth Zones by providing grants to street level new and expanding businesses. The combination of lease incentives and opportunities to improve appearance and functionality of facilities will help to attract and retain small businesses in these areas and serve to complement the private investment that is being driven by the Economic Opportunity Act.

This new program adds to an existing product portfolio that has enabled us to assist entrepreneurs, small businesses, large companies, developers and municipalities.

We would be remiss if we didn't mention the historic milestone that our Fort Monmouth Economic Revitalization Authority (FMERA) team achieved in November when it closed on \$33 million in financing from the Monmouth County Improvement Authority to purchase the balance of Fort Monmouth from the U.S. Army. FMERA now has possession of the entire 1,100+-acre property and a clear path to complete its redevelopment plan in the next 10 years, create an estimated 10,000 jobs and realize a build-out valued at over \$1.5 billion.

As we move forward in 2017, we remain committed to stimulating community investment and expanding employment opportunities for residents across New Jersey.

Thank you for the opportunity to testify today. I am happy to answer any questions you may have.