



Presenting
Vineland, New Jersey's
Revolving Loan Fund Program
"The Fund for Economic
Development"



Presentation to:
The Council of Development Finance Agency's
2008 Annual Showcase



Factors that Make The Vineland RLF Program Unique

- Born of Limited Resources
 - The Vineland Program got its start with capitalization of just \$350,000!
- Mission
 - Stimulate investment in commercial and industrial properties
 - Employment Opportunities
 - Stimulate Business Activity
 - Increase Real Estate Ratables
- Visionary Leadership
 - At critical points in the history of the program, Vineland officials avoided the easy choices in favor of the long-term growth of the program

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Factors that Make The Vineland RLF Program Unique

A Catalyst for Turning Municipal Distress into New Opportunity.

- The millions in new investments and thousands of jobs spawned by the fund have helped lift Vineland out of municipal distress.
 - Total Jobs Created – 16,000
 - 14,117 Full-Time Jobs
 - 2,626 Part-Time Jobs
 - Unemployment Rate went from **16% to 6.2%**
 - Funds Leveraged:
 - Public \$117 million
 - Private: \$264 million
 - Stabilized the local purpose real estate tax
 - 400 Businesses assisted



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Factors that Make The Vineland RLF Program Unique

An Innovative Collaboration of Municipal, State and Federal Partners and Resources.

- Partners and lenders have shown creativity and flexibility in their use of the program.
 - 12 Local and National Lending Institutions
 - 8 Public – Government Agencies
 - New Jersey Economic Development Authority
 - Cumberland Empowerment Zone
 - U.S. Small Business Administration
 - Camden County Business Assistance Corporation
 - Cumberland County Business Assistance Corporation
 - New Jersey Redevelopment Authority
 - New Jersey Community Capital
 - U.S. Economic Development Administration

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Factors that Make The Vineland RLF Program Unique

A Strong Management Structure.

- Professional Team
 - Total of 80 years experience in all phases of commercial banking
 - Loan Underwriting
 - Business Development
 - Loan Workouts
 - Total of 35 years experience in marketing



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Factors that Make the Vineland RLF Program Unique

Innovative Programs Tailored to all Phases of Development.

- Save Vineland Jobs and Businesses Loan Program
- Micro Enterprise Loan Program for Small Business & Start-Ups
- Working Capital Loans
- Vineland Redevelopment Area Loans
- Loans designed for business attraction and retention
- “20 Year” Fixed Rate
- VDID Loan Program for Façade Improvement - “Operation Facelift.”
- Loan Default Avoidance Initiative
- Line of Credit Initiative - \$25 Million

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Factors that Make The Vineland RLF Program Unique

- Eligible Use of Funds.
 - Acquisition of Real Estate
 - Construction or expansion of existing facility
 - Rehabilitation or improvements, including leasehold improvements
 - Acquisition of machinery and equipment
- Funding Requirements.
 - Borrower's Equity
 - Collateral
 - Debt Service Ratio – Minimum of 1.20x
 - Repayment Guarantees
 - Payment upon disposition, transfer, prepayments and sale of secured property

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A Brief History Of The Program

- “The Fund for Economic Development” got its start over 20 years ago with a \$350,000 grant from the U.S. Department of Housing & Urban Development’s UDAG Program;
- The tremendous growth in the fund is credited to the decisions made at the time Vineland was designated a New Jersey Urban Enterprise Zone.

“Instead of using the UEZ funds for many of the short term operational needs of the City, local officials used a large portion of the money to capitalize the loan program. This has paid huge dividends for Vineland”

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Program Criteria

The Program works well because:

- Staff **speaks the language** of the business community and are accessible to all development interests;
- Applications are **Fast Tracked**. Review period is 30-45 days;
- **Partnerships** with local banks help define credit worthiness of application;
- **Money is recycled** and relent as second and third generation loans;
- The Fund provides leadership for “**Green Design**” and other cutting edge technologies;
- The Fund has provided **niche market lending** to help with façade improvements, infrastructure construction and other projects that help create a good business environment

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Success Stories

The following is just a sampling of the hundreds of Fund Sponsored projects that demonstrate innovative outcomes, creative partnerships, and significant impacts on the community. They are presented for consideration in selecting Vineland as the Very Best Revolving Loan Fund in the Nation.

- **Frank Guaracini Transportation/Retail Center**

The Metro Area's Only Mixed Use Transportation Center

- **South Jersey Regional Hospital**

New Jersey's Newest State of the Art Medical Facility

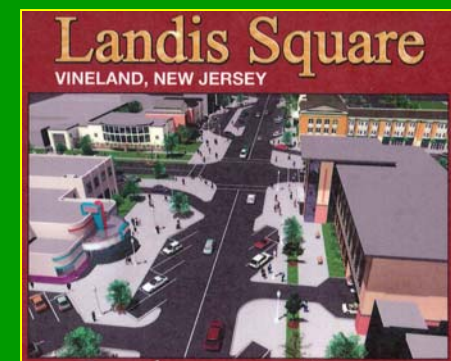
- **Seren IPS, Inc.**

A New and Innovative Manufacturer of Radio Frequency Equipment

- **Landis Square Development**

The City's Largest and Most Complex Downtown Mixed Use Project

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Success Stories (con't)

- **Bridor USA, Inc.**
A French Baking Company that brings a new International Focus to the City
- **Cumberland Mall**
An Initiative that Turned a Stagnant Shopping Center into a Major, Regional Mall
- **Omni Baking Company**
A Success Story that builds on the City's food processing heritage
- **Vineland Adult Education Center**
A Public Project that Marries Adult Education and Training to New Economic Opportunities
- **4D's LLC – The Delsea Drive-In**



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The Fund Today... And Tomorrow

- The “Fund for Economic Development” has been a tremendous catalyst for growth but City officials feel its best days are yet to come.
- *“We live in a rapidly changing world,”* says Jim Lelli, The Fund’s Administrator. *“Having access to capital and other resources that can attract new business and help diversify your economy is essential.”*
- City officials see “The Fund” as a proactive tool for shaping the City’s Future and Building New Economies that will attract:
 - Pharmaceutical Industries
 - BioTech Firms
 - Medical Technologies
 - Green Industries
 - And other cutting-edge companies to Vineland that will help the City sustain and diversify its economy and continue on a path of economic growth.

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So why is “The Fund for Economic Development” worthy of recognition as *THE BEST RLF IN THE NATION?*

- City maximized opportunities
- Recognized Leader in NJ and Nationally
- Many Successful Collaborative Partnerships
- Stellar Management
- The Fund has been used to promote multiple phases of the development process.

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THANK YOU!

- For the honor of being a finalist
- For the chance to be a part of this successful Showcase
- For the hospitality of one of America's Great Cities!



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