

## APPENDIX

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## **CARTERET UEZ BUSINESS SUCCESS STORIES – FY2010 BUDGET**

Carteret currently has eighty businesses participating in the New Jersey Urban Enterprise Zone Program. The following is an overview of success information on several of our largest businesses in the UEZ Program.

**ShopRite of Carteret, Inc. (UEZ File # 7803)** is located at 801 Roosevelt Avenue, just one block from the NJTPKE Interchange 12. ShopRite, a supermarket, has been a participant of the UEZ Program since March 10, 1995, from the start of the Carteret UEZ Program. They were last recertified on February 26, 2010. Originally, ShopRite began their business in 1954 at 160 Washington Avenue, now the site of our Rite Aid store. Mr. Leonard Sitar, the company president and partner of JLJ Associates, also a UEZ Program participant, built his current ShopRite in 1979 in what had been a run down shopping center. A multi-million dollar investment, the Shop-Rite store, along with the other stores in its center, is patronized daily by hundreds of satisfied shoppers. ShopRite has never received Zone Assistance Funds. As a UEZ Program participant since 1995, ShopRite collects NJ state sales tax at a reduced rate, providing savings to their shoppers. Their collected sales tax is then deposited into Carteret's UEZ Project Funds. ShopRite is located on one of the two main streets included in the ongoing streetscape project. The streetscape improvement project has revitalized this shopping center area. ShopRite's current number of full-time employees is 60, part-time 81, a total of 141 employees. Their capital investment total since 1995 is \$6,000,000. Their projected capital investment for the next program year is \$250,000.

**P.C. Richard & Son LLC (UEZ File#28150)** is located at 8 Germak Drive, near the intersection of Minue Street and Roosevelt Avenue, fronting the NJ Turnpike in West Carteret. P.C. Richard is the developer designated for the West Carteret Minue Street Retail Redevelopment Area Phase 1. Designated by the Borough Council as the redeveloper, P.C. Richard will acquire property and convert it to retail, office and warehouse space for P.C. Richard, and a family-owned and operated retailer of appliances, electronics and computers. P.C. Richard will lease the existing 280,000sq. ft. building on Germak Drive from the current owner for a period of 4 years, after which it will purchase the property. It will renovate the building and add just less than 50,000 square feet of space and will use the expanded building for warehousing appliances, and electronics and computer equipment sold at P.C. Richard retail outlets. Additional purchase of an existing building on Minue Street from CRP Properties will add 64,000 sq.ft. will serve as a future retail store. Demolition of a portion of the CRP building (20,000 sq. ft.) is planned, along with a conversion of that space to parking. An addition of 20,000 sq. ft. to the existing building will be constructed to connect to the Germak Drive building. Approximately 31,000 sq. ft. of this building will be used for office and additional warehouse space, and 33,000 sq. ft. will be used for retail space, which will front the NJ Turnpike and is expected to generate between 10 and 20 million dollars in sales annually. P.C. Richard has agreed to make a development fee payment to the Borough in the amount of \$250,000; agreed to utilize union labor on all aspects of the project, and pay wages consistent with those required by the Prevailing Wage Act; agreed to participate in local job fairs in the Borough and to advertise locally for all job openings. The project cost is \$100 million dollars in private reinvestments with \$15 million in construction. Carteret will have an added ratable and add a retailer destination to the inventory of commercial properties. P.C. Richard was last certified 6/26/2009 with 75 employees in the warehouse and office facilities. They have invested \$24,823,820 and additional planned investments for the retail center during 2010. Carteret UEZ has a new retail partner to stimulate new retail investment in Carteret's redevelopment areas.

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**A. Duie Pyle, Inc. (UEZ File # 12636)** is located at 5000 Industrial Road, near the intersection of Industrial Road and Roosevelt Avenue. A. Duie Pyle, Inc., a large trucking company, expanded to Carteret the summer of 1997. Their headquarters is in West Chester, Pa. When they became certified in the Program on August 1, 1997, their full-time employee count was 48. Their current number of full-time employees is 246, part-time 56, a total of 302 employees. They were last recertified on July 21, 2005. A. Duie Pyle is a large, growing corporation. They have not received Zone Assistance Funds. They have invested \$6,371,597 in capital improvements since 1997. No projected investments have been reported for the upcoming year. Attached is a brief biographic on the company.

**White Rose Food (UEZ File # 7798)**, is located at 380 Middlesex Avenue, near the intersection of Industrial Road and Roosevelt Avenue. They expanded to Carteret in December 1994 from their headquarters in Somerset, NJ. When they received certification on March 10, 1995, their full-time employee count was 330. Their current full-time employee count is 550 employees. They were last recertified on February 26, 2010. White Rose Food, Carteret's largest employer, is a wholesale distributor of food and related products. They have never received Zone Assistance Funds. The business has reported \$17 million in capital investments since 1995. They have projected \$1.7 million dollar capital investments for the upcoming year.

**Rose Trucking Corporation (UEZ File # 7804)** is located at 380 Middlesex Avenue, near the intersection of Industrial Road and Roosevelt Avenue. They expanded to Carteret in December 1994 from their headquarters in Somerset, NJ. They received certification on March 10, 1995, and were last recertified on February 26, 2010. Their current full-time employee count is 110. This is a trucking and transportation business. They have never received Zone Assistance Funds. Rose Trucking has reported \$7 million dollars in capital investments since 1995. They have no projected capital investments for the upcoming year.

**Burger Express of Roosevelt Avenue LLC (UEZ File #28249)** represents a Carteret eatery "institution", affected by the NJ Turnpike \$130 million dollar improvements to Exit 12 – Carteret/Rahway, relocated to a new 2.5 million dollar location and facility on Roosevelt Avenue. Opened in 1973, this popular restaurant was affected by widening of Roosevelt Avenue and a range of streetscape amenities has opened in December 2008 and has 30 employees. The new location, located in the Washington Avenue Mixed Use Redevelopment Area, was approved after board review of plans that raised 5 abandoned or underutilized properties. The new location features 22 off street parking spaces and seating for 96 patrons. New design features include an enhanced exhaust system as well as a refrigerated garbage disposal unit, both of which will mitigate cooking and waste odors for neighboring properties. It will also host an enhanced drive-thought proving access for more cars than the previous restaurant. **Chick's Holiday Time, Inc. (UEZ File# 27168)** was first certified 9/14/2007, the developer for the project. Since the \$2.4 million dollar construction investment, Burger Express of Roosevelt Ave LLC has invested \$262,154 in capital investments in Carteret and projects an Additional \$275,000 additional for 2010.

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**Kinder Morgan Liquids Terminals, LLC (UEZ File #18722)** located along the Rahway River and the Arthur Kill on Terminal Road, a chemical/petroleum company, formerly GATX operating in Carteret since 1933. Currently operating with 165 employees, the largest number since the Kinder Morgan Liquids Terminals, LLC acquisition in 2001, Kinder Morgan has recently entered into a \$30.2 million redevelopment agreement with the Borough of Carteret. The AFLCIO and Kinder Morgan agreed through this agreement to reutilize 14 Acres of “Brownfield’s” in the Borough’s Industrial Avenue light industrial district (Kinder Morgan Redevelopment Area). Adjacent to Kinder Morgan’s existing facilities, the project will make use of property formerly used for truck maintenance calling for additional blending and storage or units, and allowing for 1,035,000 million gallons of biodiesel storage and processing. Ultimately the project will provide new connects to SUN, Colonial and Buckeye regional pipelines. The agreement will offer many benefits to both the town and Kinder Morgan with the Borough earning \$30.2 million over the 30 years of the agreement alone. Union labor in this agreement for capital improvements provide 100% of the non-specialized construction labor involved with this project will come from New Jersey unions. In addition to the 250 private-sector jobs that will be created upon the facility’s completion. Kinder Morgan, the Borough’s most substantial taxpayer, for its history of involvement in local improvements has become a partner in the HAZMAT Agreement Association, which provide \$300,000 per year in specialized training and equipment to Carteret’s emergency service departments. For over 80 years Kinder Moran has strengthened our commercial backbone in Carteret and sustained private sector jobs, while contributing the extra mile in recognizing its obligation to Borough residents from quality of life enhancement to improvement to public safety – Kinder Morgan has been a true friend to Carteret, and a partner in its continuing growth. Kinder Morgan’s total capital investment since 2001 is in excess of \$137 million dollars and their projection for 2010 is in excess of \$33 million. Kinder Morgan last certified 12/25/09 in the UEZ Program.

**Nu World Corporation (UEZ File #12446)** located in West Carteret, adjacent to the Federal Blvd. Redevelopment Area, participating in the UEZ Program since 1997 has expanded their employee base from 149 employees to their current employee level of 260 and a total of \$14 million capital investments with a projected investment for 2010 of \$950,000. They are anticipating additional growth and expansion in 2010. Nu World produces botanical and medicinal cosmetic design and packaging manufacturing.

**Porky Products, Inc (UEZ File 17048)**, located at 400 Port Carteret Drive, Port Carteret, this farm product warehousing and wholesale distributor of food products started the operation with 166 full time jobs and currently hosts 212 full time positions. Starting in 2007 they invested over \$4 million in capital improvements in Carteret.

## **CARTERET UEZ BUSINESS SUCCESS STORIES – FY2010 BUDGET**

### **Carteret UEZ Benchmarks**

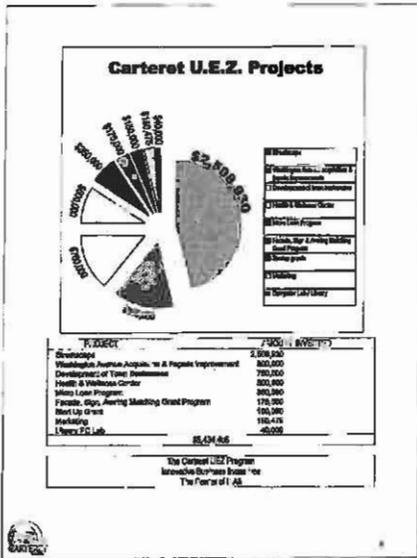
Carteret UEZ Investments and employment statistics reflect that Carteret is the leader of all UEZ's with one hundred or less certified businesses when it comes to employment. With a total of 2,697 full time jobs and an additional 258 part time jobs, Carteret is the UEZ leader with small UEZ towns (100 or less UEZ certified businesses) and job creation. This benchmark number has been sustained throughout Carteret's UEZ designation, starting in 1997 to the present. Redevelopment area designation and new business recruitment initiatives are anticipated to grow the job creation investments for future years. In addition, Carteret investments are ranked 7<sup>th</sup> highest of all the 37 zone cities with \$858,349,778 in total revenue invested since the program inception in 1984, with Carteret's UEZ designation commencing March 1997. Top ranked for revenue investments Jersey City, Newark, Elizabeth, Vineland, Camden, Millville and Carteret, ranking 6<sup>th</sup> in investments with all these cities having substantially larger base populations and total number of certified UEZ businesses. Carteret anticipates higher future projections emanating from new investment in the Carteret UEZ Redevelopment Areas during 2010 and 2011. Carteret's UEZ designation extension approved in February 2010 is anticipated to promote new investments for the planned ferry transportation center in the Waterfront Redevelopment Area on the Arthur Kill, which will serve as an economic development catalyst for revitalization of Carteret's urban Brownfield areas – converting former manufacturing facilities into productive new smart growth, sustainable manufacturing/industrial and mixed use center. Carteret's unique location, northern Middlesex County, 15 nautical miles from New York City, proximity to New Jersey Portfield's Area and growth potential for new smart growth investments in our twelve redevelopment areas have been successful with the tax benefit tools provided through the NJ Urban Enterprise Program designation. Carteret is the *Center of it All* and fast becoming a premier and sustainable business destination.

### **Carteret UEZ Projects**

Carteret Small Business Programs, funded through the UEZ and Carteret Business Partnership, Inc. represents one of Carteret's premier marketing tools to attract, retain and grow business investment in Carteret UEZ central business districts and redevelopment areas. Evaluation of the Carteret UEZ Small Business Programs measures the impact of UEZ investment dollars show for every \$1 UEZ grant, loan, or matching grant, a total of \$55 in private capital investments. Cumulatively, UEZ total investments in Small Business Matching Grant Program for Facades, Signs/Awnings has invested \$128,588 of UEZ Project funds, which have leveraged a total of \$99,181 from Carteret Business Partnership, Inc. and \$2,321,975 in private-sector capital investments tied to the UEZ Matching Grant Program. A total Carteret capital investments of \$2.5 million were implemented through UEZ funded Small Business Programs. Additional leveraging of private sector funding comes from the UEZ Loan Program and the UEZ Start-Up Grant Programs, which are components of SID Loan, Marketing Assistance and CDBG Start-Up Grant funding resources that comprise the Carteret Small Business Programs

All Carteret UEZ projects have been Economic Development initiatives since the designation of Carteret is a UEZ in 1997. A chart of Carteret UEZ Projects is displayed in this summary report.

# CARTERET UEZ BUSINESS SUCCESS STORIES – FY2010 BUDGET



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### Carteret UEZ Small Business Programs

Carteret strives to attract new investment in our UEZ central business district and redevelopment areas to promote a consistency of place – for work, residential living and recreation. Through public/private partnerships Carteret Small Business Programs have been created to provide incentives for pre-qualified new and expansion business projects. The Director of Carteret Urban Enterprise (CUEZ), Carteret Business Partnership, Inc. (CBPI), Community Development (CDD) Programs work cooperatively to fund, promote and expand business improvement projects through site visits, technical and design grants for business startup and expansion activities. Program incentives include 100% upon the availability of funds for businesses in commercial properties within UEZ Central Business District. Carteret Small Business Programs work closely with Social One Bank, Carteret, the Union County Economic Development Corporation (UCEDC), SBA and SCORE.

Since the inception Carteret UEZ Board has authorized over 40 direct project Micro-Loans with a \$50,000 loan maximum for a total of \$100,000 for UEZ central businesses. Additionally, matching grants for pre-qualified start-ups, startups, start-up investments, and small business start-up design grants through the Carteret UEZ Small Business Partnership portfolio of \$675,000. A total of \$280,000 in UEZ loans are revolving micro-loans based on a 3% interest rate with a maximum term of 12 months.

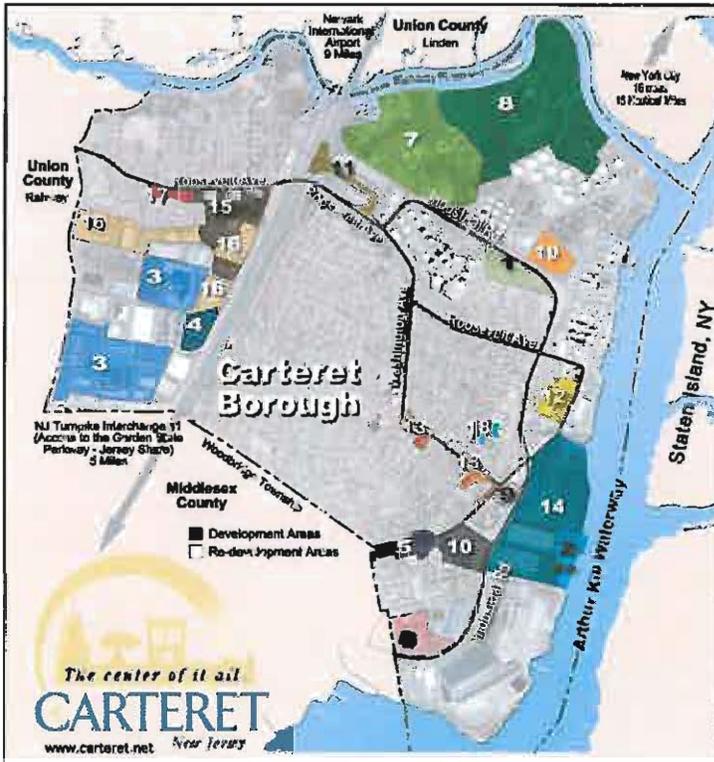
Micro-loans provide Carteret UEZ with "Seed Capital" funding for future economic development activities.

Carteret UEZ Small Business Program investments during 2009 leveraged \$903,000 in investment by P.C. Richard & Sons, including completion of a warehouse and 78 new employees and a June 2010 Retail Super Store. A total of \$50 million in retail construction was added to the Carteret market in 2009.



**CARTERET UEZ BUSINESS SUCCESS STORIES – FY2010 BUDGET**

**Economic Development & Redevelopment Map**



**Development & Redevelopment Areas**

- 1 Central Station - 288 Garden Spaces Apartments & Fitness Center/Outdoor Pool/Broad Station Drive
- 2 Waterfront Redevelopment Area - Carteret Municipal Waterfront Park - Pier, Boat Ramp, Miniature Golf, Park, Future Municipal Marina
- 3 Federal Boulevard Redevelopment Area - Phase I (Mixed-Use Project)
- 4 Federal Boulevard Redevelopment Area - Phase II (Commercial & Mixed Use) Verizon Business Network Center, 40,000 Square Feet, 100,000 sq. ft. Leasing
- 5 Lower Township Redevelopment Area - Kaplan at Carteret (Gateway & Central Mixed Use Project) Lower Redevelopment Area - Streetscape Improvements
- 6 Industrial Park Redevelopment Area - Phase I (1.1 million SF Logistics/Trade Center)
- 7 Driveway Landfill Redevelopment Area - Phase I - Port 12 (1.1 million SF Logistics/Trade Center)
- 8 Driveway Landfill Redevelopment Area - Phase II
- 9 Mendham Terrace (180 Luxury Apartments/Reserve Area)
- 10 Sycamore Avenue Residential Redevelopment Area (Luxury Style Residential and Neighborhood Commercial)
- 11 NJ Turnpike - Interchange 12 (\$120 million investment in access improvements)
- 12 Roosevelt Ave Light Industrial Redevelopment Area - Central Township RALID (Light Industrial and ancillary commercial/office uses)
- 13 Washington Avenue Redevelopment Area (Mixed-Use Infill project with neighborhood retail and family residential)
- 14 Waterfront Redevelopment Area - Central Landings (3,000 luxury town homes & condominiums/commercial office & retail)
- 15 West Carteret Marine Street Retail - Phase I - A.J. Richard & Sons, Inc. (400,000 sq. ft. retail warehouse, office space)
- 16 West Carteret Marine Street - Phase II Mixed Use Life Style Center
- 17 West Carteret Commercial Redevelopment Area - Seth Realty (Neighborhood Retail/Mixed Use)
- 18 Cooke Avenue Redevelopment Area - Haskin & Walters Capital & Redevelopment
- 19 Kinder Morgan Redevelopment Area - Kinder Morgan Storage Facility

Prepared by K. R. Shaw, UEZ Coordinator – May 2010