

DISCOVER THE OPPORTUNITIES IN SALEM COUNTY

Salem County Improvement Authority
www.SCIANJ.com ♦ 856-279-2182



ABOUT THE AUTHORITY

We Are Focused On The Needs Of Our Business Community

The Salem County Improvement Authority oversees economic development within the County.

In order to meet the goal of creating jobs and new tax ratables, the SCIA is focused on the following economic development initiatives:

- ◆ Developing a Skilled Workforce
- ◆ Business Retention
- ◆ Business Growth and Expansion
- ◆ Redevelopment of Existing Commercial and Industrial Sites
- ◆ Attracting New Business
- ◆ Support of the County's Tourism Initiative and Agribusiness Programs

The Authority markets Salem County to prospective businesses and industry, responds to requests for information regarding sites and buildings, and assists companies in finding suitable locations. Whether you're starting a new business, looking to expand, or need help navigating the permitting and regulatory channels of government, we can help. Management and staff have an extensive knowledge of the region, and provide customers with accelerated market access, and access to local decision makers for both new businesses and companies already established in the market. The Authority can also help identify appropriate local partners to support your project, and provide project management assistance to your business development team.

Mission Statement

The mission of the Salem County Improvement Authority (SCIA) is to provide for the orderly planning, development, and redevelopment of lands and buildings; provide public facilities for environmentally responsible disposal and recycling of solid wastes and materials; to provide public facilities and equipment; to provide bond financing for capital development projects; to encourage industrial and commercial development, and increase employment opportunities all in an effort to improve the quality of life for residents of Salem County.



Salem County

Discover The Opportunities for your business!

Located in the heart of the Northeast corridor, one of the premier markets and manufacturing centers in the world, Salem County offers both an affordable business environment and an excellent quality of life. Here you will find affordable land and property with strong infrastructure, a competitive regulatory climate, unspoiled small towns, recreational opportunities for the family, and picturesque vistas.

The area is served by an excellent Interstate Highway System which is connected to the Delaware Memorial Bridge. New Jersey Routes 40, 45, 49, 55, 56, 77, and 130 cross the County and offer easy access to the New Jersey Turnpike, and Interstates 95 and 295. These arteries link Salem County to major markets along the East coast including Baltimore, Washington D.C., Wilmington, Philadelphia, and New York City.

Salem County has a well-established network of business support services and resources including customized workforce education and training programs designed to fit an employers specific needs. The Salem County Improvement Authority can provide assistance to companies applying for customized training grants available through the New Jersey Department of Labor.

Salem County offers two premier business parks; the 284-acre Gateway Business Park at Exit 7, I-295 in Oldmans Township; and the 71-acre Salem Business Center at Exit 4, I-295 in Carneys Point. Customers will find everything from ready-made space to build-to-suit lots. Additionally, Salem County offers attractive state and local business incentives.

Salem County offers easy access to the NJ Turnpike and Interstates 95 and 295.



The County has an efficient North/South and East/West freight railway system providing competitive rail service to destinations across North America via the CSX railroad. The County owns approximately 18 miles of short line railroad which provides freight service to area manufacturers. The track, which runs from Swedesboro in Gloucester County to the Port of Salem, is currently undergoing a multi-million dollar upgrade that will improve efficiency and capacity, as well as provide opportunities for new growth in the region.

International markets are accessible via large cargo ships through the Port of Salem and other area facilities operated by the South Jersey Port Corporation (SJPC). They specialize in handling break-bulk and bulk cargo, offering customers short and long-term covered or open storage options, inventory control, and logistic services. The SJPC also operates a Foreign Trade Zone at the Port of Salem which provides significant business and financial advantages as goods can be imported and stored duty and quota free.



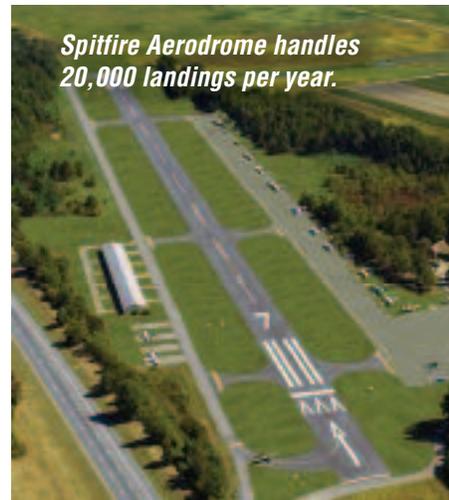
Salem County Fast Facts

Land Area.....	338 square miles
Population.....	66,342
Labor Force.....	31,772
Housing Units.....	27,602
Median Household Income.....	\$61,204
Median Residential Property Value.....	\$196,000
School Enrollment.....	18,486

Spitfire Aerodrome

Operates a 48-acre airport serving single-engine and small twin engine aircraft and helicopters. The facility, which handles nearly 20,000 landings per year, is conveniently located just off of Interstate 295 in Oldmans Township across from the Gateway Business Park and just minutes from other industrial centers. Salem County is also within easy driving distance of the Philadelphia International Airport, Atlantic City Airport, and the New Castle Airport.

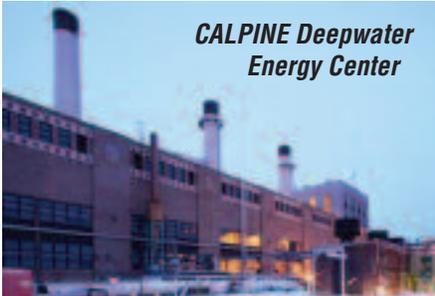
Spitfire Aerodrome handles 20,000 landings per year.



The Salem County Improvement Authority (SCIA) has broad bonding powers that can be utilized to fund a wide array of capital development projects including public facilities, non-profit facilities, renewable energy projects, tourism and recreational facilities, utility projects, airport and marine terminals, transportation projects, and educational facilities.

Through the issuance of tax-exempt bonds, local governments, school districts, non-profit organizations, developers of affordable housing, and private redevelopers can benefit from lower interest rate financing.

Additional advantages to SCIA financing opportunities include:



- ◆ No Down Payment
- ◆ Exemption From Cap Restraints
- ◆ Longer-term Useful Life
- ◆ Negotiated Bond Sales
- ◆ Flexible Repayment Schedules
- ◆ Competitive Fee Policies
- ◆ Project Management
- ◆ Rapid Approval and Closing

Conduit Bonds

The SCIA can issue Conduit Bonds on behalf of a third party. Conduit Bonds are not government debt, but are private debts secured by revenues generated by the project being financed, the credit of the conduit borrower, and/or a mortgage on the property. Repayment of the bond issued is the responsibility of the business or developer who receives the financing.

Pooled Bonding

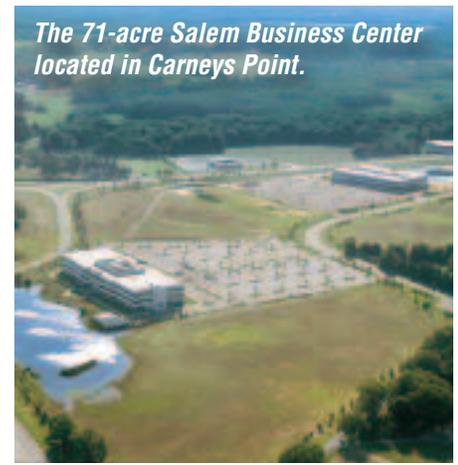
The SCIA can issue debt for smaller public projects on behalf of several County municipalities in the same bond issue. For entities that need to borrow only a small amount, pooling provides an opportunity to spread the cost of bond issuance among all borrowers. As a result, individual borrowers can realize economies of scale by obtaining financing which otherwise may be too small to attract potential investors at favorable rates.

Capital Equipment Purchase and Leasing

The Pooled Equipment Lease Program enables municipalities, school districts, and other public entities like fire districts and libraries to pool their equipment needs into a single SCIA bond sale, large enough to attract interest from bond buyers with lower interest rates than individual participants could normally receive by going to the market on their own. In addition, the Authority is able to structure the repayment schedules for the debt to accommodate each individual participant's needs. Because the equipment is obtained through a lease with the SCIA, the purchases do not diminish the borrowers debt service limits. Eligible types of equipment include, but are not limited to, police cars, fire trucks, ambulances, computer equipment, and telecommunications systems.



Local municipalities can replace aging capital equipment through the SCIA Pooled Equipment Lease Program.



The 71-acre Salem Business Center located in Carneys Point.



Salem County has a well-established network of business support services.



The SCIA can fund tourism and recreational facilities such as boat ramps, birdwatching platforms, and more.

Redevelopment Zone Financing

The SCIA can assist not-for-profit entities and eligible for-profit entities who establish themselves in locally designated Redevelopment Zones which include vacant, underutilized, or Brownfield locations.

For-profit businesses which qualify for tax-exempt bonds include those involved with the manufacturing of a product, or the addition of temporary or permanent jobs to the area. This tax-exempt status can lessen a company's debt service by thousands of dollars annually. Businesses that are not involved in manufacturing and locate in a Redevelopment Zone can qualify for low-interest taxable financing with extended repayment terms through the Salem County Improvement Authority.

Renewable Energy Program

The SCIA strives to develop a "Generation of Clean Renewable Energy Users," to provide a greener and safer future for Salem County. Through the use of state-of-the-art technologies, the SCIA can collaborate with local and County governments, school districts, public entities, and energy providers to develop a Renewable and Sustainable Energy Program that will provide a source of low-cost energy for the region and preserve natural resources.

Goya Foods also selected the Gateway Business Park.



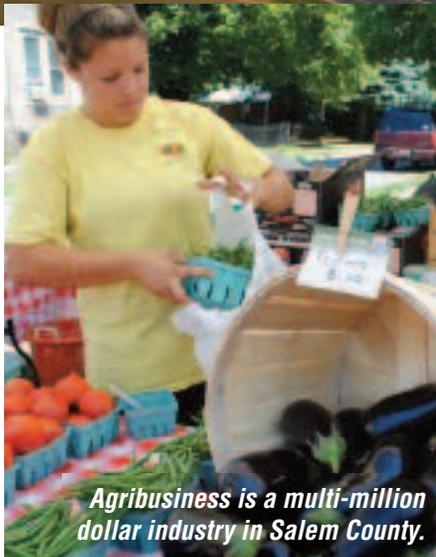
Architectural glass fabricator JE Berkowitz, LP selected the 284-acre Gateway Business Park to locate their 200,000 square foot facility.



Salem County is comprised of 15 separate municipalities each governed by their own local committee or council.

- Alloway Township
- Carneys Point Township*
- Borough of Elmer
- Elsinboro Township
- Lower Alloways Creek Township
- Mannington Township*
- Oldmans Township*
- Borough of Penns Grove*
- Pennsville Township
- Pilesgrove Township
- Pittsgrove Township*
- Quinton Township*
- City of Salem*
- Upper Pittsgrove Township
- Borough of Woodstown

*Municipalities with active redevelopment zones.



Agribusiness is a multi-million dollar industry in Salem County.

The SCIA issued bonds for the Samuel H. Jones Glass Education Center.



The Solid Waste Division is responsible for the operation of the Salem County Solid Waste Facility, as well as a number of other important programs which benefit County residents, enhance the environment, and promote recycling and clean communities opportunities.



Landfill Operations

The Salem County Solid Waste Facility (SWF) is located on Mckillip Road in Alloway Township. The SWF covers 40-acres and is part of 252-acre Authority owned site. Tipping fees at the SWF are among the lowest in the state of New Jersey. The landfill accepts approximately 700 tons of trash per day from municipalities in Salem County and from non flow-controlled jurisdictions.

The landfill has been developed in seven phases, or cells, each of which are 5.5 acres, except cell seven which is seven acres. The site has recently been permitted for a 22-acre expansion and work has commenced on construction of cell eight. Wastewater (or leachate), which results from rain passing through the active lined landfill site, is captured in a storage tank for treatment off-site. Groundwater is checked regularly by landfill staff and the New Jersey Department of Environmental Protection (NJDEP) via reports generated by nine wells which surround and monitor the landfill site. The site has an excellent environmental compliance track record and is a good steward of the environment.

Landfill Gas to Energy Project

The Landfill Gas to Energy Project was developed by AC Landfill Energy, LLC, a partnership between DCO Energy, LLC and Marina Energy, LLC. The project utilizes landfill gas created by the natural decomposition process to fuel a reciprocating engine generator that produces electric power. The initial 1.6MW unit is producing approximately 11,000,000 Kwh of electric energy which is sold to the electric wholesale market through the PJM Power Pool. The site is designed for a total installed capacity of 3.8MW. In addition, methane gas extracted from the landfill powers equipment used for the scientific glass, glass art, and industrial design programs at the Salem County Community College Samuel H. Jones Glass Education Center. These award winning projects not only protect the environment, but demonstrate the SCIA's commitment to innovation and technology development.

Recycling and Clean Communities Programs

A major goal of the Salem County Improvement Authority is to reduce the amount of material that goes into the landfill, and to protect our woodland areas and pristine waterways. Recycling education is a key in helping to reduce waste, save valuable resources, and protect natural habitats. The SCIA has formed partnerships with schools throughout Salem County to incorporate recycling programs into their daily routine and educational curriculum. The Authority also oversees a number of popular recycling and litter abatement programs including the Adopt-A-Road Program, the Clean Communities Program, Household Hazardous Waste Days, document shredding events, electronics recycling, and business and residential recycling programs.

Future Expansion

The NJDEP and other regulatory agencies have approved the Authority's application for a vertical and horizontal expansion of the landfill, which will insure additional capacity at the SWF for the next 25 years. The plan calls for the phased development of four additional 5.5 acre cells as warranted by market demand.



Methane gas collected from the landfill powers equipment at the Samuel H. Jones Glass Education Center.

Each Year Over:

- ◆ 1,500 volunteers participate in SCIA recycling and Clean Communities programs.
- ◆ 650 miles of roadways are cleaned by volunteers.
- ◆ 35,000 pounds of material is collected from roadways for disposal and recycling.

These programs also return much needed revenue to County and municipal entities from State recycling taxes.

APPLICANT Please attach a history of the applicant.

Name of Applicant: _____ Date: _____
Type of Applicant: Non-Profit For-Profit Government
Address: _____
Contact Person: _____ Title: _____
Telephone: _____ Fax: _____

Check One Or More:
 Financing
 Microloan
 SCRLF
 SCBCAP
 Leasing

THE PROJECT Please provide a brief description below and attach a detailed description of the project.

COSTS Please attach a detailed Project Budget, Sources and Use of Funds chart, and a 10-year pro forma operating statement.

Total Project Cost: _____ Amount of SCIA Bonds Requested: _____

PROJECT BENEFITS TO SALEM COUNTY

Number of Permanent Jobs: _____ Number of housing units for low and moderate income families: _____ List other benefits of the project: _____
Number of Construction Jobs: _____
Duration of Construction: _____

ATTACHMENTS

- Application Fee.
- Feasibility Study.
- Project location on municipal base map.
- Site boundary map and site description.
- Site plan for the project.
- Status of local planning and zoning approvals.
- Status of state and federal development permits.
- Project construction budget certified by a licensed architect or engineer.
- Balance Sheet for applicant for the past three years.
- Profit and Loss Statement for applicant for the past three years.
- 10-Year pro-forma for the project and/or applicant.
- Evidence of ownership or option agreement on the project site.
- If applicant is a 501(c)3 non-profit corporation, attach a copy of the IRS determination letter.
- Environmental assessment.
- Bond purchaser(s) term sheet of commitment letter(s).
- Tax Returns.

CERTIFICATION OF APPLICATION

PLEASE NOTE: Eligibility for bond financing from the SCIA is determined by the information contained in this application and is further governed by the Improvement Authorities Act NJSA40:37A et seq. and applicable federal laws related to the issuance of tax-exempt bonds. Only the SCIA, by resolution of the Members, can determine project eligibility and authorize the issuance of bonds.

I, THE UNDERSIGNED, BEING DULY SWORN UPON MY OATH SAY: The information contained in this application and in all attachments submitted herewith is to the best of my knowledge true and complete. I have the authority to submit this application on behalf of the applicant. I understand that if such information is willfully false, I am subject to criminal prosecution under N.J.S.A. 2C:28-2 and that the SCIA at its sole discretion may terminate its financial assistance.

SIGNATURE: _____ NAME (PRINT): _____

TITLE: _____ DATE: _____

Sworn and Subscribed before me this _____ day of _____, 20 ____ .

Notary Public My Commission Expires: _____

The Salem County Revolving Loan Fund (SCRLF) is available to existing businesses located in Salem County and to businesses seeking to relocate to Salem County. Applications shall be reviewed and new projects selected based on the criteria outlined in the *Eligible Applicants* section. Each application must be accompanied by the required documentation before being reviewed by the Loan Board. Funding levels for the SCRLF are from \$10,000 to \$100,000.

Eligible Activities

The portion of any project funded by the Loan Board is limited to: Acquisition of land and buildings; Construction of new facilities (permanent mortgage); Rehabilitation of an existing structure; Purchase of machinery and/or equipment considered a fixed asset; Site development and improvement.

Ineligible Activities

The SCRLF is prohibited from participating in projects that are deemed speculative in nature by the Loan Board. By definition, this would include office buildings, retail centers, and other development projects with less than 75% occupancy rate.

Eligible Applicants

The SCRLF is designed as a competitive loan program with limited funds available. To be eligible, the applicant:

- ◆ Must create or maintain jobs (for each \$35,000 in assistance, one new full-time job or part-time equivalent should be created).
- ◆ Must be credit worthy as determined by the Loan Board and the participating lending institutions.
- ◆ Must have operated for at least one year prior to making the loan application.

In addition to the above, important criteria the Loan Board considers when making lending decisions include:

- ◆ Private for-profit projects with the potential for future growth and increased employment.
- ◆ Provides a service or product that positively impacts the local economy and regional image.
- ◆ Provides an increase in local tax ratables.
- ◆ How quickly the project will be implemented and other positive aspects for economic development.
- ◆ Results in multiple positive effects on the surrounding community.

Required Documentation

Applicant must provide a completed Project Description Outline which includes:

- ◆ A description of the project and a detailed statement for the use of the proceeds.
- ◆ A current Business Plan.
- ◆ A list of the five largest customers (name, address, telephone, contact person).
- ◆ A list of the five largest suppliers (name, address, telephone, contact person).

In addition, applicant must provide business financial statements and other documentation including:

- ◆ Balance Sheets for three years proceeding the year of the application, or those statements available.
- ◆ Profit and Loss statements for three years proceeding the year of the application, or those statements available.
- ◆ Most recent quarterly financial statement if fiscal statement is more than three months old.
- ◆ Schedule of short-term notes and loans payable.
- ◆ Schedule of long-term debt.

The Salem County Loan Board may also require applicants to provide:

- ◆ Appraisals on real property and/or machinery and equipment (appraisers acceptable to Loan Board).
- ◆ Certificate of Non-Compliance (ISRA) if applicable.
- ◆ Accounts receivable aging.
- ◆ Accounts payable aging.

All financial information must be prepared by a CPA acceptable to the Loan Board. Additional information may be required as determined by a Salem County Improvement Authority and/or the Loan Board.

Applicants must have available equity equal to at least 10% of the project funding requested from the SCRLF. The equity must be in the form of actual cash, equity in the real assets to be used or purchased as part of the total project (i.e. estimated land, existing building, and/or machinery and equipment value, or a combination of both). Applicants will be wholly responsible for closing costs, credit checks, and other associated financial fees.

The equity and collateral available on the fixed assets affected by the SCRLF loan must be at least equal to the project request and subsequent loan provide. The lending institution should have senior lien position with respect to security and repayment. It may be reasonable to assume that the SCRLF financing will be subordinated to the lending institution loan.

To help insure the loan position is secured and the credit risk is minimized, the County will require as appropriate:

- ◆ The completion and filing of property liens and UCC forms.
- ◆ A personal guarantee by the principals of the applicant business.
- ◆ An appraisal of assets by an independent firm (the firm shall be required to meet the standards of an appraiser as described in these policies).
- ◆ Other forms of collateral that can be easily liquidated.

Upon any refinancing sale, transfer in title, or other disposition of the property during the term of the loan, any outstanding balance shall become immediately due and payable to the County of Salem.

Any appraisal of real assets submitted as part of the SCRLF must have been completed by a licensed New Jersey real estate or equipment appraiser. The contents of the appraisal must state the basis for the appraisal, including computations, descriptive and qualifying statements with regard to the property being appraised, and a list of the qualifications for the appraiser. The need for an outside appraisal will be evaluated for each application. The Salem County Improvement Authority will evaluate the appraisal and have the authority to request the completion of a second appraisal. Also, costs associated with the appraisals are the responsibility of the borrower.

Cost estimates for construction or renovation activities must be completed and submitted as part of the application for funding. Bids and/or estimates must be signed and dated by the prospective contractor, witnessed, and shall include an attested acceptance by the borrower. The SCRLF administrators will remain a third party to contractor selection, however, they will review all cost estimates as to their appropriateness.

Participation

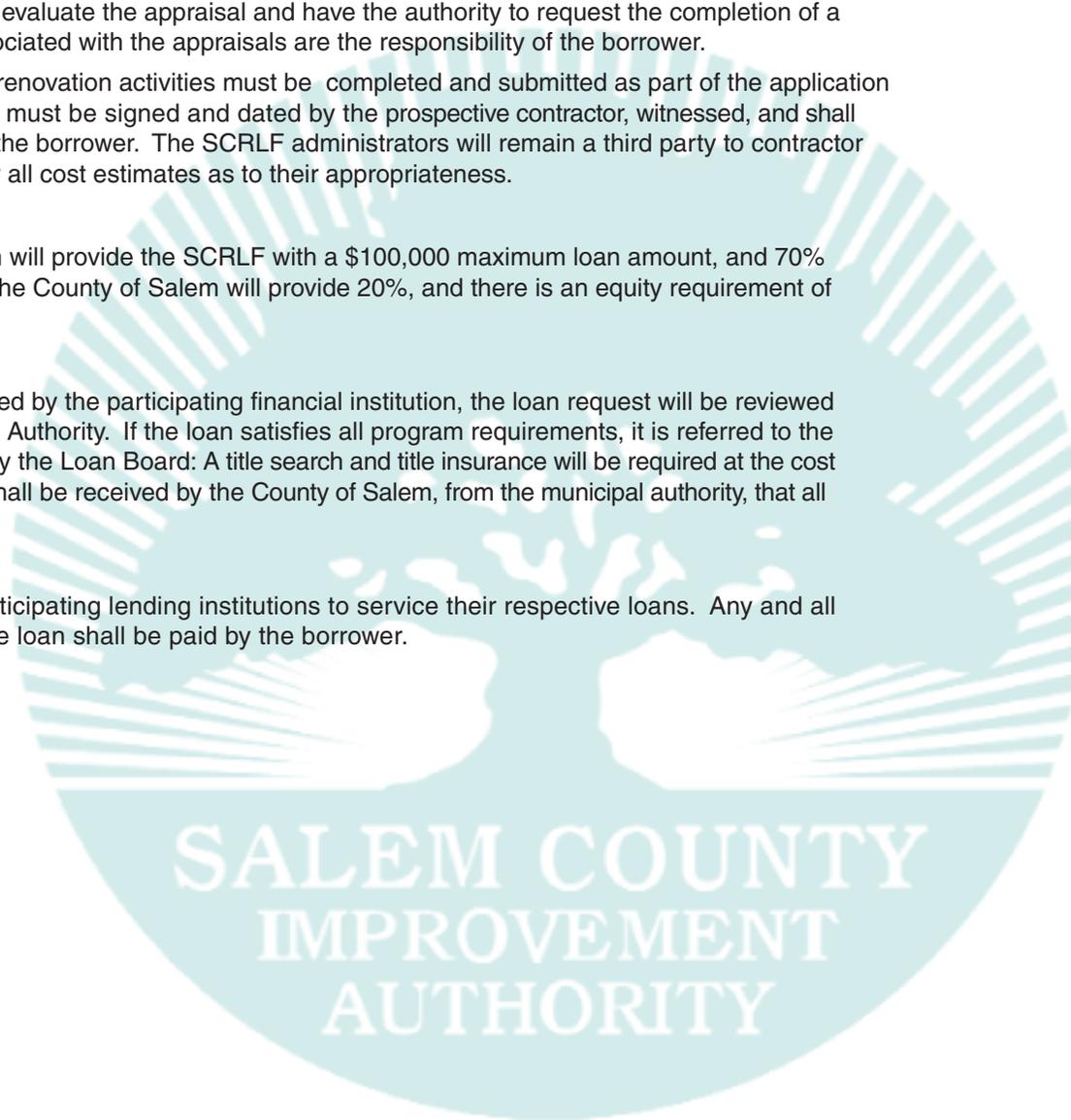
The participating lending institution will provide the SCRLF with a \$100,000 maximum loan amount, and 70% of the financing for each project. The County of Salem will provide 20%, and there is an equity requirement of 10% on the part of the borrower.

Review Procedure

Once the loan application is received by the participating financial institution, the loan request will be reviewed by the Salem County Improvement Authority. If the loan satisfies all program requirements, it is referred to the SCRLF Loan Board. If approved by the Loan Board: A title search and title insurance will be required at the cost of the applicant; and certification shall be received by the County of Salem, from the municipal authority, that all taxes are current.

Loan Servicing Agent

The SCRLF will designate the participating lending institutions to service their respective loans. Any and all servicing costs associated with the loan shall be paid by the borrower.



SALEM COUNTY
IMPROVEMENT
AUTHORITY

Salem County Business Capital Assistance Program

The Salem County Business Capital Assistance Program (SCBCAP) is available to *businesses currently located in Salem County*, in an amount not to exceed \$35,000.

Eligible Activities

The SCBCAP is only available for:

- ◆ Debt reduction/refinance or short term working capital i.e. to pay suppliers.
- ◆ Purchase of inventory.
- ◆ Payment of operating expenses.
- ◆ Emergency equipment replacement.

Ineligible Activities

The SCBCAP cannot be used for refinancing delinquent bank loans or delinquent State and Federal taxes.

Eligible Applicants

Funds through the SCBCAP will be available to private, viable, for-profit businesses located in Salem County that have the ability to show profitability in one of the past three years and be able to project sufficient cash flow to meet current and future loan payments. Eligible businesses would be otherwise profitable entities that are experiencing hardship with meeting operating costs and or making debt payments. This hardship may be a result of reduced revenue due to economic factors outside of the control of the business, high interest loans with restrictive terms, increased costs, and tightened supplier terms. There must be likelihood that this financial assistance will provide the necessary means to sustain the business through challenging economic times. Businesses which are severely delinquent on their current obligations or are not viable would not be eligible for this program. Assistance through the SCBCAP is available to a Salem County business *one time only*.

Required Documentation

Applicants seeking an SCBCAP loan must provide:

- ◆ A detailed statement for the use of the proceeds.
- ◆ A current Business Plan.
- ◆ A list of the five largest customers (name, address, telephone, contact person).
- ◆ A list of the five largest suppliers (name, address, telephone, contact person).

In addition, applicant must provide business financial statements and other documentation including:

- ◆ Balance Sheets for three years preceding the year of the application, or those statements available.
- ◆ Profit and Loss statements for three years preceding the year of the application, or those statements available.
- ◆ Most recent quarterly financial statement if fiscal statement is more than three months old.
- ◆ Schedule of short-term notes and loans payable.
- ◆ Schedule of long-term debt.

The Salem County Loan Board may also require applicants to provide:

- ◆ Appraisals on real property and/or machinery and equipment (appraisers acceptable to Loan Board).
- ◆ Certificate of Non-Compliance (ISRA) if applicable.
- ◆ Accounts receivable aging.
- ◆ Accounts payable aging.

Salem County Business Capital Assistance Program

All financial information must be prepared by a CPA acceptable to the Loan Board. Additional information may be required as determined by a Salem County Improvement Authority.

Participation

The loan repayment period shall not exceed a maximum of five years for SCBCAP, and will be based on the use of funds. The basis for negotiations includes the monthly payment which the applicant can afford, and the need to match the loan terms of the useful life of the assets being financed.

Loans funded through the SCBCAP will be priced at the Federal Discount Rate at the time of approval, fixed for the term of the loan with a floor of 2%.

Review Procedure

Once the loan application is received by the participating financial institution, the loan request will be reviewed by the Salem County Improvement Authority. If the loan satisfies all program requirements, it is referred to the SCRLF Loan Board. If approved by the Loan Board: A title search and title insurance will be required at the cost of the applicant; and certification shall be received by the County of Salem, from the municipal authority, that all taxes are current.

Loan Servicing Agent

The SCRLF will designate the participating lending institution to service their respective loans. Applicants will be wholly responsible for closing costs, credit checks, and other associated financial fees.

www.SCIANJ.com



The Small Business Administration MicroLoan Program, administered by the Salem County Improvement Authority, is a cooperative business program that directly benefits start-up entrepreneurs and business owners.

Eligibility Requirements

Under the MicroLoan Program, the Small Business Administration (SBA) makes funds available to a Cooperative Business Assistance Corporation (CBAC). Any type of for-profit small business can borrow up to \$50,000 directly from the CABC, or up to \$105,000 in partnership with other lenders.

Terms Of The Loan

MicroLoans from \$1,000 to \$50,000 are available for new enterprises and existing businesses. These loans are generally for terms of three months to five years. Under this program, CBAC offers favorable interest rates.

Approved Uses Of The MicroLoan

The loans may only be used for working capital, or to purchase equipment, inventory, supplies, machinery, furniture, or fixtures.

MicroLoan Restrictions

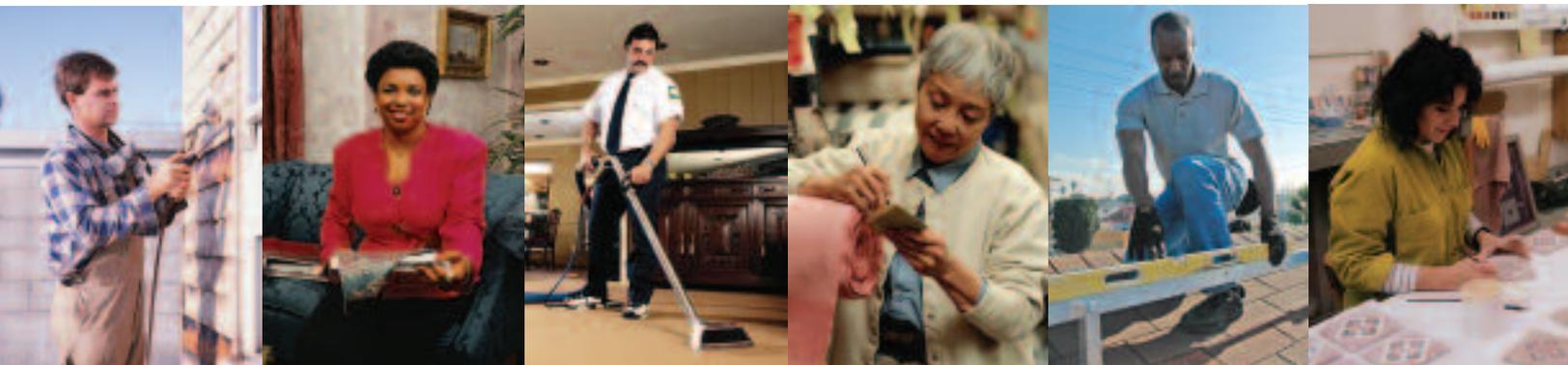
These funds may not be used to buy real estate, or provide for down payments on equipment or vehicles otherwise leased or financed by others. With limited exceptions, the funds can not be used to refinance existing debts.

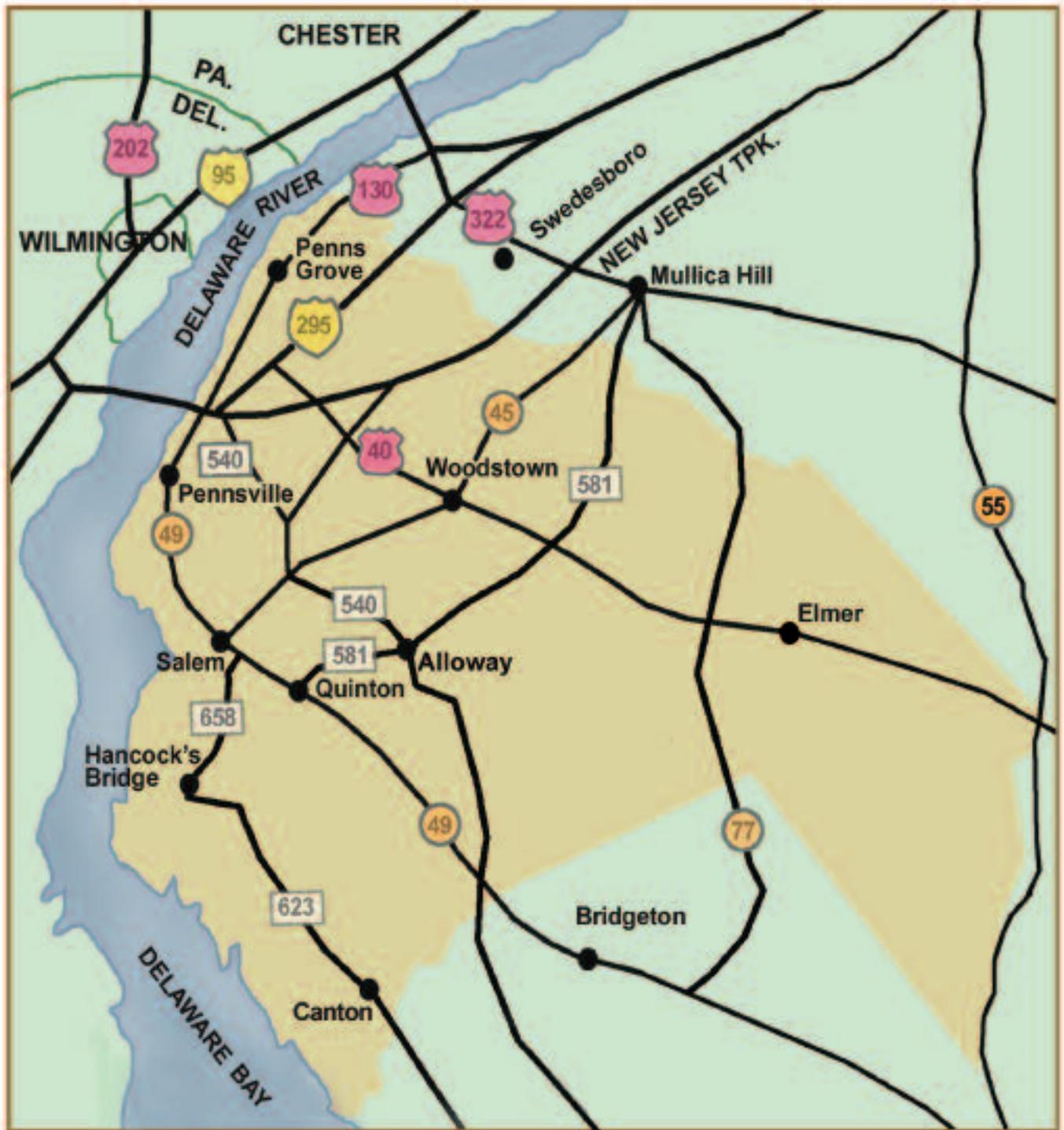
Collateral Requirements

In most cases, equipment, contracts, inventory, or other property act as partial collateral for MicroLoans. The CBAC also requires personal guaranties.

Additional Considerations

New business owners are required to complete entrepreneurial training and write a business plan. All loans are personally guaranteed by the owners, and CBAC takes the best available collateral.

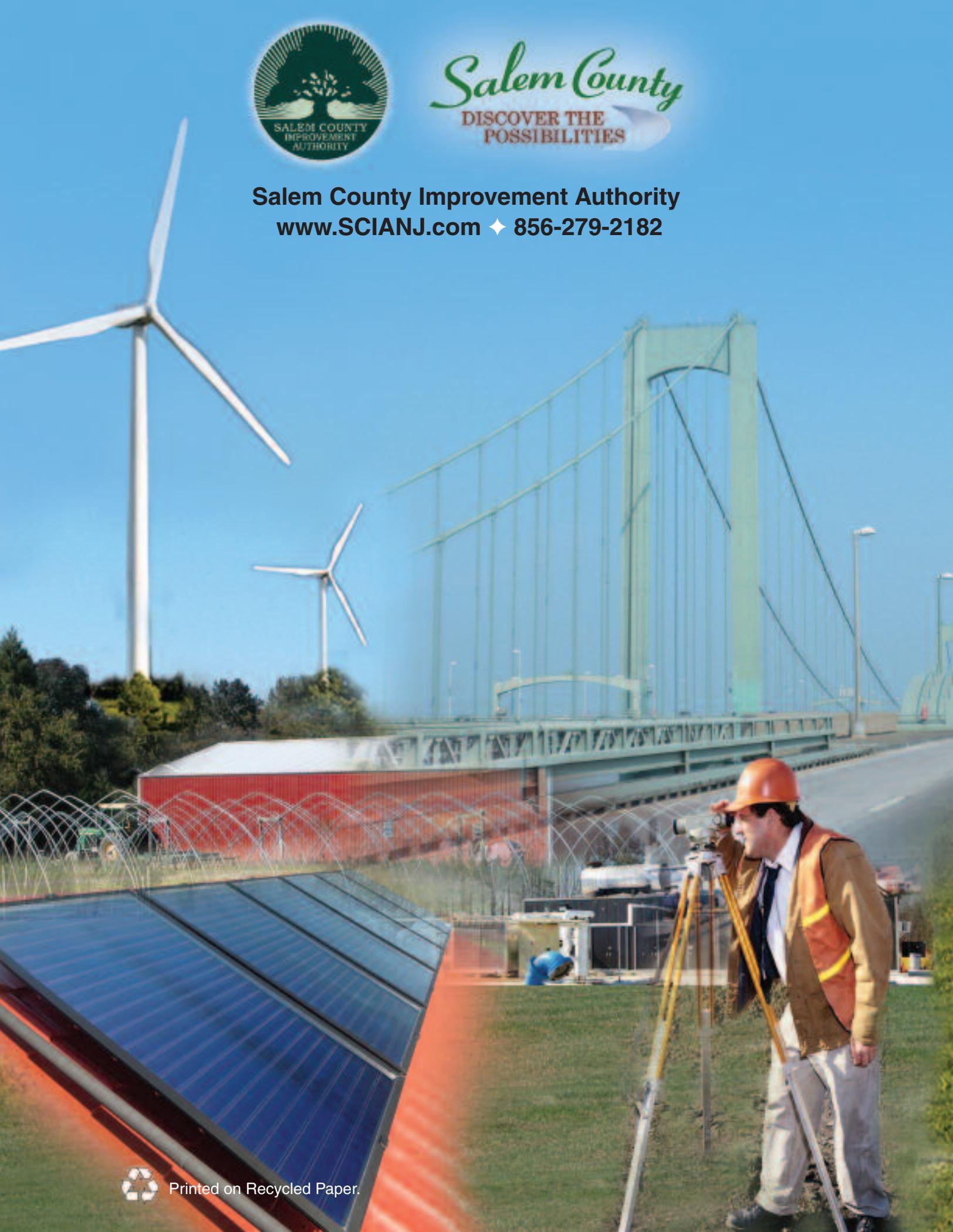






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