Community, Home, Well-Being

2019 ANNUAL REPORT
Our Mission

From its founding, New Jersey Community Capital has been committed to creating thriving communities through strategic investments and knowledge. We take a comprehensive and holistic approach to neighborhood stabilization and community revitalization. We support the preservation and development of affordable homes and sustainable community development ventures that increase jobs, improve educational opportunities and strengthen neighborhoods to ensure that communities can thrive.
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Dear Friends

Constructing an Annual Report is normally a joyous process and occasion, a celebration of our work over the past year. Although this report shares stories from Fiscal Year 2019 at New Jersey Community Capital, it is difficult not to view our work through the lens of the current dual crises that have gripped our country. As I write this letter our country has experienced tremendous pain and suffered far too great a loss of life from the COVID-19 pandemic. But America has long struggled with another deep-rooted crisis—one that has cost far too many Black lives. As our nation struggles to face the long-overdue reckoning of structural racism and systemic inequity, New Jersey Community Capital reaffirms its commitment to serving communities of color and ensuring the racial equity lens we bring to our work remains unobstructed and in focus.

The work we do is rooted in providing access to opportunity for individuals and communities disproportionately impacted by racial inequity. However it is clear we have more to do to achieve social justice and equal opportunity for people and communities of color in New Jersey.

Originally, we wanted to celebrate our milestones with this report—points in our history that mark progress. But true progress is not measured merely by the number of homes we have financed or developed, the number of innovations we have brought to the community development movement or any other program at our organization. No, true progress is measured by the number of lives of people and families of color we help to make better, especially those who have long suffered from the effect of pervasive racism.

Many of our programs aim to improve the lives, livelihoods, and health of people of color, but we must reexamine and adjust all of our programs to ensure they truly meet this central objective. No longer can our field and movement be content with our current methods and tactics. We must resolve to do better to overcome structural challenges of economic fragility that lower income neighborhoods and under-represented individuals and families face.

You will read stories in this report that attempt to show how we put communities first. We have uplifted individuals and families through programs that make homeownership a reality. We have empowered social enterprises to plant roots in communities across the state. And, we have made it a priority to retain and create jobs to keep the economy strong and families even stronger.

New Jersey Community Capital’s work is guided by four distinct pillars: creating better, healthier places, increasing economic mobility for people, developing local community-driven strategies and establishing meaningful cross-sector partnerships for healthier communities.

As socially responsible community developers, lenders and partners, it is in our power to be strategic about our decisions and to ensure these choices truly serve people of color and help
As our nation struggles to face the long-overdue reckoning of structural racism and systemic inequity, New Jersey Community Capital reaffirms its commitment to serving communities of color and ensuring the racial and equity lens we bring to our work remains unobstructed and in focus.

We thank you for your support of our work, and we hope you join us in partnership as we forge ahead.

In Solidarity,

Wayne T. Meyer
PRESIDENT
Mapping Our 2019 Impact

COMMUNITY ASSET PRESERVATION CORPORATION

176 PROPERTIES ACQUIRED
233 AFFORDABLE HOUSING UNITS COMPLETED

LENDING

$25.7M FINANCING DEPLOYED
$23.8M IN NEW MARKET TAX CREDIT ALLOCATIONS
$114.5M TOTAL DEVELOPMENT COSTS

COMMUNITY STRATEGIES

28 MUNICIPALITIES SERVED
12 COUNTIES SERVED

RESTART

221 NONPERFORMING LOAN RESOLUTIONS
111 PERMANENT MORTGAGE MODIFICATIONS
$9.7M TOTAL DEBT FORGIVENESS

ADDRESS YOURSELF™

630 INDIVIDUALS COUNSELED
46 FIRST-TIME HOMEOWNERS
# Impact by the Numbers

## 2019 Impact

<table>
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<th>Category</th>
<th>Number</th>
</tr>
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<tr>
<td>People Served</td>
<td>10,042</td>
</tr>
<tr>
<td>Loans and Investments Disbursed</td>
<td>68</td>
</tr>
<tr>
<td>Deployed $</td>
<td>$49M+</td>
</tr>
<tr>
<td>Total Development Costs</td>
<td>$177M+</td>
</tr>
<tr>
<td>Housing Units Created/Preserved</td>
<td>228</td>
</tr>
<tr>
<td>Education Seats Created/Preserved</td>
<td>5,900</td>
</tr>
<tr>
<td>Child Care Seats Created/Preserved</td>
<td>810</td>
</tr>
<tr>
<td>Square Feet of Commercial/Community Space</td>
<td>536,340+</td>
</tr>
<tr>
<td>Jobs Created/Preserved</td>
<td>2,655</td>
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NJCC is proud to align our investments with the following United Nations Sustainable Development Goals to drive positive social and environmental outcomes in the communities we serve.
Cumulative Impact

Since 1987, we have invested nearly $650 million and leveraged over $1.9 billion to connect underserved communities to the capital and resources needed to grow and thrive.

90,149
People Served

1,083
Loans and Investments Disbursed

$649M+
Deployed

$1.9B+
Total Development Costs

10,558
Housing Units Created/Preserved

25,661
Education Seats Created/Preserved

7,155
Child Care Seats Created/Preserved

6.3M+
Square Feet of Commercial/Community Space

15,047
Jobs Created/Preserved

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Preserving Safe, Stable and Affordable Homes for All

A safe, stable and affordable home is a foundation for security and well-being for vulnerable communities, providing individuals and families with an opportunity to increase financial self-sufficiency and improve their quality of life. It is an integral ingredient for a strong vibrant community.
Thanks to a new partnership between Central Florida Foundation, Florida Community Loan Fund and New Jersey Community Capital, nearly 100 Florida families have been promised a brighter financial future.

When the Parramore neighborhood in west-central Orlando was built in the 1880’s by Orlando’s 14th mayor, James B. Parramore, its main objective was to racially segregate its population. Since then, much work has been done to overcome the systemic inequality that has presented financial challenges to the individuals and families who live there.

One in four Parramore residents is unemployed, while the median household income is scarcely more than $15,000. And, in Orlando, 76% of low-income households are cost-burdened, spending more than 40% of income on their rent and utilities.

Parramore residents April and James had been struggling not only financially, but with a disability that makes it hard for James to walk without a cane. Their living conditions suffered, and their home fell into disrepair.

“For a time, it was hard to have people over to our house. We weren’t proud of the way it looked or how we were living,” James says.

However, help recently came their way. In February 2019, New Jersey Community Capital, Florida Community Loan Fund and Central Florida Foundation created the Parramore Asset Stabilization Fund (PASF) to make a difference in the Parramore community. Through a shared mission and vision, they set their sights on creating safe, long-term, affordable rental homes through this initiative.

By raising $8 million in investments, including a loan from Seaside Bank, funds from the City of Orlando and equity from partner investors, PASF purchased 83 substandard scattered-site residential units across 44 properties in Parramore, with a commitment to renovate the homes and keep rents affordable. Major renovations included new roofs, kitchens, bathrooms, floorings and, in many instances, entirely new HVAC systems. A partnership with the Orlando Utilities Commission has also made energy conservation upgrades possible, which will reduce monthly utility bills for...
residents. These upgrades include attic insulations, duct repairs, efficient showerheads, low flow toilets, energy efficient lighting, window replacements and new heat pumps.

One of the homes improved through the partnership belongs to April and James, and it has changed their lives.

“This is like a dream come true,” says April. “Everything they did in here, compared with how we were living—this is just wonderful.”

PASF is committed to keeping rents affordable, and after seven to nine years, residents will be offered the option to purchase their home, a unique option that contributes to broader neighborhood stability and intergenerational wealth. Homes not purchased by the current residents will transition from PASF to the Central Florida Regional Housing Trust, ensuring long-term affordability.

$8 million
GATHERED IN PHILANTHROPIC SUPPORT

80+
AFFORDABLE RENTAL UNITS RENOVATED
Healthy Homes Build Equitable Communities

“You can’t underestimate the power of letting people stay in their homes,” says Amy Wagner, Director of Union County’s Department of Economic Development.

In Union County however, that opportunity was threatened for nearly 100 residents when a portfolio of 48-unit, scattered-site, supportive rental housing faced losing its designation as affordable housing.

The county, home to pharmaceutical giant Merck & Co., has some of New Jersey’s wealthiest residents—and some of its least fortunate.

“We have Elizabeth, New Jersey’s fourth largest city, which is surrounded by small, very affluent suburban communities,” Wagner says. “You have high-level executives of major corporations. You also have a significant homeless population.”

The supportive housing properties—located throughout the county in Cranford, Plainfield, Scotch Plains, Summit and Westfield—serve individuals and families of all ages. Some are domestic violence survivors. Others are disabled. The one thing they have in common: they are formerly homeless.

“This transitional housing serves people in all different stages of their lives,” says Wagner. “A lot are single-bedroom units, but there are also more spacious units for families. It all comes down to having someplace to call home.”

Supportive housing provides housing for people with special needs and the homeless population, combining affordable housing with essential services that help people live with stability, autonomy and dignity. Residents are often connected to intensive case management and services like health care, workforce training and child welfare.

These services were in jeopardy when the nonprofit who owned and managed the portfolio was no longer able to support the project and faced foreclosure, threatening its designation as supportive housing.

“There’s a time period that the properties had to stay affordable, and we weren’t going to make it. If
the project went under, Union County would have been responsible for paying millions back to HUD,” says Wagner. “What’s worse, the properties would have been sold at a distressed price—rented at a much higher price and the original renters would be displaced.”

That’s where NJCC’s nonprofit real estate development organization, Community Asset Preservation Corporation (CAPC), stepped in.

In September 2018, Union County officials and mortgage holder TD Bank asked CAPC to manage and eventually take ownership of the 29 properties (48 units) due to its demonstrated commitment to serving at-risk populations. As of September 2019, CAPC owned and was managing all 29 affordable homes. All units acquired by CAPC have retained their affordability status and the living conditions were stabilized and enhanced.

Wagner believes the project is in direct alignment with NJCC’s mission to create inclusive, healthy, equitable communities, staying true to its objective to serve the state’s most vulnerable residents.

“What NJCC did is keep people from becoming homeless. And from there, they can grow—children especially,” says Wagner. “Children that have lived in cars, for the first time they may be living in a home. And this partnership helped keep them in that home. There’s no price tag you can put on that.”

“It all comes down to having someplace to call home.”

AMY WAGNER
Director of Union County’s Department of Economic Development
A Fresh Start on Homeownership

When supported by the right financial tools and resources, homeownership is a powerful pathway to financial security and well-being. Whether restoring hope and keeping people in their homes through our ReStart program, or offering a first chance at homeownership for a first-time home buyer, NJCC develops new tools to create inclusive opportunities and foster community growth.
New Jersey natives Bernard and Ada Jordan moved to the town of Manchester in Ocean County shortly after getting married. There they lived for eighteen years, during which both Bernard and Ada worked full-time jobs while caring for seven children.

It was then that Bernard became unemployed when the company that he was working for closed down and relocated to Brazil. Although Ada still had her job, it was difficult to pay the bills with one income.

“After working my whole life, I had the rug pulled out from underneath me,” says Bernard. “Suddenly, I was left with no job and no paycheck.”

But it didn’t end there. Shortly after losing his job, Bernard had lung surgery that made it impossible to seek new employment for several years. Though he did finally get back on his feet, the Jordans were behind on their mortgage.

“We tried refinancing and looking at everything we could do to get our mortgage back on track,” says Ada. “We dealt with a mortgage lender for more than two years. We did everything they asked us to do, but we couldn’t get anywhere.”

After years of uncertainty and disappointment, the Jordans’ loan was purchased by New Jersey Community Capital as part of its ReStart initiative. Through ReStart, the Jordans were connected with a housing counselor at Navicore Solutions who
Together with its partners, New Jersey Community Capital has invested $364 million to acquire 2,740 nonperforming residential loans and provided third party foreclosure prevention services for another 1,712 through FY19; helping 1,455 households avoid foreclosure and offering $97 million in debt forgiveness.

helped them apply for a loan modification. The approved permanent loan modification resulted in an affordable monthly payment and included principal forgiveness that reduced their total loan-to-value ratio by 30 percentage points.

"Once we began working with our housing counselor, we were approved almost immediately, and the process couldn’t have been easier," says Bernard. "What we’d been trying to accomplish for years was resolved in about six months."

Life is different these days for the Jordans.

"We’re in such a better place financially—and we plan on staying there," says Ada.

“We’re in such a better place financially—and we plan on staying there.”

ADA JORDAN
Manchester resident
In 2019, New Jersey Community Capital partnered with Wells Fargo and NeighborWorks® America to bring the national NeighborhoodLIFT® Program to New Jersey to provide down payment assistance grants to families and individuals purchasing a home in Essex County.

Through NeighborhoodLIFT, participants are provided with a unique opportunity to build wealth and live in a safe, stable and affordable home.

Stephanie Yanes always dreamed about having her own place to call home. Born to immigrants from El Salvador, Stephanie had been working at a nonprofit and renting an apartment in Queens, New York—and a future without a roommate seemed out of reach.

“The American dream has always been instilled in me,” says Stephanie. “But I am a single woman, and I didn’t think that homeownership was a possibility on my own. I always thought I had to wait for a wedding first.”

Still, she saved for a down payment and turned her sights to New Jersey, where the cost of living was more comfortable for her.

“When I started the homebuying process, I was working with a real estate agent and a lawyer who

“I couldn’t have been a homeowner without NJCC. It was the key I needed.”

STEPHANIE YANES
NeighborhoodLIFT grant recipient
was referred to me,” Stephanie says. “I put down a deposit on a house, but it fell through when it didn’t appraise.” The lawyer held on to the deposit in escrow—but when she finally found a new home and was ready to use that money, he disappeared.

“In the end, I lost $4,000. It may not seem like a lot, but for me, it was everything,” says Stephanie.

Starting at a deficit, Stephanie wasn’t sure she’d ever be able to find her home. But she pushed ahead with the house hunting process and, after finding a house, things started to get back on track. This time, Stephanie was wiser about the mortgage process, and thought she had the best deal she could get. That’s when fate stepped in.

“The universe aligned and I set up a coffee meeting with a loan officer,” says Stephanie. “He asked me questions about my loan, my interest rate and all the details. Then he told me about a program that he thought might be a better fit.”

He was right—and, in no time, Stephanie was in talks with a lender that put her in touch with NJCC and the NeighborhoodLIFT® Program. The initiative provides eligible homebuyers with $20,000 in down payment assistance for qualified properties, and requires homebuyer education to prepare applicants for managing the financial responsibilities of homeownership.

“One thing I didn’t realize was the financial stress that comes after you close,” Stephanie says. “True responsibility starts setting in once you become a homeowner. NJCC helped me go into homeownership without having my bank account completely depleted and set me up for success.”

The process was quick and easy, and Stephanie’s long journey toward homeownership came to its successful conclusion in just six weeks.

“To me, it was a foot in the door to financial freedom,” says Stephanie. “I couldn’t have been a homeowner without NJCC. It was the key I needed.”

The NeighborhoodLIFT® Program has closed 131 Down Payment Assistance loans for low- to moderate-income home buyers since inception in December 2019, deploying more than $2.6 million. 95% of NeighborhoodLIFT beneficiaries are first-time homebuyers.
Enabling Social Enterprises

When we invest in people and place, we strengthen the greatest asset: the community. It becomes a hub for growth, connecting residents to sustainable job opportunities and equitable access to resources to build long-term generational wealth.
“The young people who we’re serving are the ones that will rebuild Bridgeton,” Melissa Helmbrecht says. “The kids who are marginalized? They’re the ones with the solutions. We invest in them because we’re counting on them.”

Melissa is part of Ventures in Advocacy, a partnership designed to help youth become healthy, happy adults and achieve self-sufficiency and independence. And in Bridgeton, it all started with a bakery.

In the City of Bridgeton, youth who age out of foster care have a 50% chance of being homeless or incarcerated within two years. Those who do successfully transition to adulthood face very low employment prospects and an even lower rate of pursuing a degree from a college or institution of higher education.

Ventures in Advocacy encompasses three youth-focused nonprofits: CASA, United Advocacy Group and Revive South Jersey. And, in Bridgeton, where many people may have seen challenge, these partners saw opportunity.
Luckily, Melissa and her colleagues are not the only ones who felt this way. One of them was Wayne Ernst, the founder of Bridgeton’s beloved Century Bakery. Ernst, who passed away in early 2020, worked alongside Ventures in Advocacy to put a succession plan into motion before his death—a plan that centered on the sale of his bakery to Ventures in Advocacy and an employment program.

To get the project started, Ventures in Advocacy looked to THRIVE South Jersey, an NJCC initiative in partnership with the Pascale Sykes Foundation to expand local and regional capacity to generate economic growth in South Jersey. NJCC financed a $335,000 mini-permanent loan to fund the acquisition of the commercial real estate and machinery and equipment for the bakery.

The Ventures in Advocacy program in Bridgeton is modeled after Homeboy Industries, an 18-month employment and re-entry program in Los Angeles that provides a variety of services to facilitate healing and growth. Ventures in Advocacy trains and employs at-risk Bridgeton youth and provides them with holistic wraparound support. Its trauma-informed approach promotes resilience in its participants through a culture of safety, empowerment and healing. While Ernst’s wife, Barb, trains the youth onsite at the bakery, participants also benefit from housing, food, counseling and life coaching support.

In the community, the benefit is three-fold.

“We’re creating employment opportunities, we’re keeping businesses in Bridgeton,” says Melissa. “And we’re utilizing social enterprise as a core strategy for economic revitalization.”

NJCC’s support was integral in bringing this program to fruition and, ultimately, leveraging the power of people and place in Bridgeton.

“We wouldn’t have been able to do the project without NJCC. We needed to work with a lender that was mission-driven that saw the big picture,” says Melissa. “NJCC didn’t just look at the equipment and appraise it—they were the only one who believed in preserving this business in the center of Bridgeton.”
In Hamilton, it seems that everyone has a connection to the old textile mill on North Johnston Avenue. Built in 1895 as a shirt mill for the Rothschild Company, it’s been a fixture in the community ever since.

But like so many industrial facilities, it took on different purposes throughout the years—until finally, it no longer served a purpose and became vacant. Enter Isles, Inc., a local Trenton-based community development and environmental organization who had a mission and long-term vision.

“Of course we wanted to capture the mill’s history and keep it alive,” says Sean Jackson, Project Manager at Isles. “But we knew it needed to be relevant to where the community is today.”

An $8 million New Markets Tax Credit allocation by NJCC and additional loan funding helped Isles complete the $14,587,000 project to redevelop the space into a mixed-use development called the Social Profit Center. The 75,000 square foot center provides affordable, below-market-rate workspaces for nonprofit, for-profit and arts organizations, as well as vocational training and light manufacturing spaces.

“Our vision was always a place for nonprofits that is designed for them, supportive of them and a long-term home for them.”

SEAN JACKSON
Project Manager at Isles

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Growing Stronger Nonprofits through Community and Innovation

TOTAL JOBS CREATED
37

NEW MARKETS TAX CREDIT ALLOCATION
$8 million

“Our vision was always a place for nonprofits that is designed for them, supportive of them and a long-term home for them,” says Sean. “And after extensive stakeholder outreach, it came as no surprise that organizations were hungry for a place like the Social Profit Center.”
The facility will offer a “virtual membership” for nonprofits that are not physically located in the building, but can participate in training and programming on the premises. There will also be space for public meetings and gatherings.

“We see the Social Profit Center as an opportunity to draw people together—including the public,” says Sean. “At Isles, we don’t just show up in a neighborhood and stay inside our own four walls. We engage all corners of the community, and we invite them into our space as well.”

Just as the Social Profit Center creates a bridge between nonprofits and the community, Jackson believes it creates a bridge between surrounding neighborhoods. Hamilton, which boasts a $72,000 median household income, borders New Jersey capital city Trenton, where the household income is half that amount.

“The challenges in Trenton get a lot of attention, but the truth is there is a make-believe line where Hamilton ends and Trenton begins. This project builds a sense of community across municipal boundaries,” says Sean.

In 2019, NJCC provided crucial loan support for major core and shell construction items, and played a critical role in crafting the final financing of the project, which created over 90 full-time jobs and approximately 17 part-time jobs during construction. When completed, the Social Profit Center is expected to create 32 full-time jobs and 5 part-time positions.

“NJCC’s expertise on NMTCs helped us with millions of dollars in funding, and its experience with local government and local community leaders helped us get the final financing package across the finish line,” says Sean. “We couldn’t have done it without them.”

For leasing inquiries, visit socialprofitcenter.org or email lease@socialprofitcenter.org.
Harnessing the Power of a Strong Community Narrative

We know that a community is only as strong as its residents. Through our Community Strategies team, we help connect local community partners and residents to effective neighborhood revitalization strategies that ensure investment, vitality and opportunity.
Preserving People and Place in New Jersey Communities

No two communities in New Jersey are the same, yet community development organizations in each work toward the same goal: maximizing the quality of life for residents.

That’s why New Jersey’s Neighborhood Revitalization Tax Credit (NRTC) program is such a valuable tool—it empowers residents and community organizations to design and implement neighborhood-specific revitalization strategies to enhance community and economic development in neighborhoods across the state.

The NRTC program provides an 80% credit against state taxes to businesses that provide funding to these resident-driven revitalization efforts. Participating businesses can designate up to $985,000 each year to nonprofit organizations with state-approved neighborhood plans to implement the revitalization strategies developed by residents and stakeholders. The neighborhoods and organizations that participate in the NRTC program are historically disinvested and are largely in under-resourced urban areas. The program has allowed these communities—many of which are partners to NJCC—to pursue and fund neighborhood beautification, arts and cultural activities, affordable housing, commercial revitalization and business support, job training, crime prevention, educational activities and youth programming.

While NRTC funding is flexible and the annual award amounts can be significant, the NRTC program is complex and competitive. During this year’s NRTC project grant application cycle, NJCC’s Community Strategies department partnered with organizations in five New Jersey neighborhoods to develop and submit successful NRTC project applications totaling $2,490,750. For three of these organizations, it was this partnership with Community Strategies that delivered their first successful NRTC application in years.

In the Southwest corner of the state, Salem residents facing a loss of industrial and retail jobs and the physical decline of their neighborhood will benefit from $600,000 in NRTC funds to support the “Let’s Get to Work” project. Led by local organization Stand Up For Salem, the project will transform the historic JCPenney building in the heart of town into a YouthBuild/Building Arts training center, and boost business district attraction and community organizing support.

Christopher Davenport, Executive Director for local nonprofit Stand Up for Salem, says the funding represents an increase in hope and growth.

“The JCPenney project is visually conspicuous—at a main traffic and pedestrian intersection in...
Salem—and the vision for project use is one that the entire community believes in,” says Chris. “It will directly help improve lives through job training and creation.”

In North Jersey, Lincoln Park is a neighborhood on the edge of the increased investment taking place in Downtown Newark. Several new developments have raised the prospect of gentrification, and existing residents are beginning to feel the effects of increased housing costs. With support from the Community Strategies team, the Lincoln Park Coast Cultural District (LPCCD) successfully applied for $375,000 in NRTC funds to expand affordable rental and homeownership housing in the neighborhood, provide arts-based programming and support small businesses and microenterprises through training. This represents LPCCD’s first successful NRTC application in at least four years, allowing the organization to further amplify its momentum toward equitable growth in the neighborhood.

“As much as we’re a nonprofit organization, we’re a movement. We’ve been a catalyst,” LPCCD Executive Director Anthony Smith says. “The complexion of our district is diverse, it’s intergenerational and it’s a spectrum of all ages and races. This project is creative place ‘keeping’—because the space is already there—to really fix the cracked ecosystem that exists in Lincoln Park. As we grow our city and have smart growth around access issues, we must make sure the growth is equitable.”

Along the banks of the Delaware River, the Parnassus neighborhood in the town of Phillipsburg is facing challenges associated with aging housing stock and a business district in need of revitalization. Thanks to application support from the Community Strategies team, local nonprofit NORWESCAP is able to address these issues with a $345,000 NRTC grant. The grant will fund housing rehabilitation, storefront improvement grants and recreational opportunities for youth and adults.

“The community has a strong identity, and together we can build on that to enhance the positivity and to move forward with a sense of community,” says Chris Michael Kirk, Ph.D., Chief Program Officer at NORWESCAP. “NJCC’S expertise is what will propel us forward—to leverage other funds and take what we’ve started from a community development perspective to the next level.”
Equitable Access to Quality Jobs

The creation of quality jobs can increase economic stability for both an individual and the greater community, catalyzing equitable growth and greater financial inclusion for low-income and underserved communities.
“The economy in this area never really came back from the recession,” sighs Jeannette Schmidt.

She’s talking about Elmer, a small town in Salem, County, New Jersey that covers a mere square mile. Jeannette and her husband, Richard, own the Elmer IGA, the town’s last remaining grocery store. While the IGA has traditionally been self-sustaining, other businesses are disappearing. The population hovers around 1,400, and one in ten residents lives below the federal poverty line. With the nearest full-service grocery store 10 miles away, the IGA is the one thing keeping Elmer from becoming a food desert.

The Elmer IGA has been a gathering place for the tight-knit farming community since before the Schmidts bought it in 1976. Customers enjoy old-fashioned, personal service. Older residents who are no longer able to make the trip to the store can call in their order and have it delivered. Even the butcher offers special cuts upon request. It helps that the community has a stake in the service—several generations of Elmer families have been employed by the store through the years.

Despite superior service, the store took a hit in sales during the recession, and then again when big box stores came into the picture in 2012. Elmer residents started traveling farther away to shop larger chains.

One crucial factor helping to secure Elmer IGA’s future is a loan facilitated through NJCC’s THRIVE South Jersey initiative. THRIVE South Jersey exists to preserve and build small businesses in South Jersey like the Elmer IGA. In doing so, THRIVE South Jersey contributes to the region’s robust agricultural industry, its strong historic and cultural heritage and its rich regional identity. NJCC partnered with The First National Bank of Elmer to provide a $900,000 mini-permanent loan.
“Simply put, this funding saved a lot of jobs,” says Richard. “Without it, we’d be looking at lay-offs and lower-quality service.”

Along with the funding, the Schmidts have been consistent in implementing innovative ways to cut costs. 65% of the electricity at Elmer IGA runs through solar power, and the store uses all LED lighting. On the operational side, the Schmidts have made it a point to cross-train employees to work in different areas of the store. They have also partnered with six other IGA stores to buy items collectively to get the best pricing.

In addition to preserving jobs, the THRIVE South Jersey loan allowed Elmer IGA to continue home deliveries and increase services in some departments. It also helped maintain the pharmacy inside the store—the last pharmacy available to the residents of Elmer.

To Richard and Jeannette, the impact is even bigger than that.

“NJCC’s support sustains our ability to fight the changing time,” said Richard. “And we’ll continue to do what we can to serve the needs of our customers and the entire Elmer community.”

In addition to preserving jobs, the THRIVE loan allows Elmer IGA to maintain the pharmacy inside the store—the last pharmacy available to residents of Elmer.

With the nearest full-service grocery store 10 miles away, the IGA is the one thing keeping Elmer from becoming a food desert.
In the Business of Community: Anchoring Innovation and Local Economic Growth

Driven by its mission to restore communities through equitable, sustainable development, Hugo Neu Corporation’s most recent undertaking is transforming a 100-year-old, 130-acre former federal shipyard on the Kearny peninsula into an environmentally sustainable hub for innovation and economic growth.

In its prime, the site was a thriving industrial center—a wartime shipyard and a workplace for 35,000 New Jersey residents—and now, the property is reemerging as a major economic force.

Kearny is a working class town nestled between Newark and Jersey City, two low-income, majority-minority cities with a significant poverty rate and an unemployment rate higher than the statewide average. And it’s now home to Kearny Point, a flexible office and light industrial urban campus that is steadily bringing back jobs by the hundreds each year.

The first building to be repurposed at Kearny Point, Building 78, had been largely vacant for decades. Now, it houses over 400 workers in over 200 businesses. A newly constructed 200,000 square foot light industrial building, known as Building 197, was completed in 2018, with NMTC support from NJCC, and now has over 500 workers. Next up was the Annex, which will add up to 500 employees to the Kearny Point campus. The site will reach 1,500 total employees with this third phase of renovation.

“Above all, we are driven by mission,” says Mike Meyer, the project’s director of development. “And part of that mission is to lower barriers of entry for individuals and small businesses that are not currently served well.”

NJCC’s support of the Annex project through a loan and $15,500,000 in New Market Tax Credit allocations has been crucial to realizing Kearny Point’s vision.

The adaptive re-use of the Annex “craneway” is designed to embrace the site’s history and provide
opportunities for businesses of the new economy. The office space provides flexible lease terms and a high level of amenities and business support services, especially to the large number of women- and minority-owned businesses, thanks to the investment of New Markets Tax Credit allocations.

“We’re a community of start-ups and businesses that are diverse and supportive,” continues Mike. “We provide an atmosphere that empowers businesses and helps them succeed.” To date 90% of the businesses at Kearny Point are small businesses and 50% of are women- or minority-owned. There are also a significant number of nonprofit organizations at Kearny Point.

Environmental sustainability is also a major factor for the project. Hugo Neu sees Kearny Point as a model for environmentally-focused economic development. The project’s master plan helps restore the natural ecology surrounding the site, cleans up environmental contamination and enhances resiliency.

“NJCC is one of the few lenders that are mission-aligned with what we’re trying to do,” says Mike. “Few other partners have the level of resources, the skill set or the complex financial structuring experience that NJCC does.”
Invest in Our Vision

Hundreds of individuals and institutions have entrusted us with their investments in order to fulfill their financial and social goals and create opportunities for underserved families and communities in New Jersey. It is the growth and consistency of these investments that has empowered us to take bold steps to change the systems that have concentrated capital in some areas of New Jersey while depriving others. To make these critical investments, we rely on mission-driven partners like you. Investments into our loan funds are tailored to provide a range in terms and interest rates to meet the goals of our investors. For more than thirty years, we have had a 100% rate of repayment for all investments we have received.
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JPMorgan Chase
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Capital One Bank
Kathryn W. & Andrew J. Catanzerio
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Episcopal Diocese of New Jersey
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Marion Jackson
JPMorgan Chase Bank, NA
Juniper Creek Partners LLC
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Aaron Malixi/Arlene Yu Malixi
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Schuyler Savings Bank
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Ilene and David Ross
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M&T Bank
National Trust Community Investment Corporation
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NJ Economic Development Authority
NJ Housing Mortgage Finance Agency
PNC Bank, N.A.
Prudential Social Investments
NeighborWorks Capital
OceanFirst Bank
Orlando Soccer
Seaside Bank
SunTrust
Synchrony Bank
TD Bank, N.A.
US Bank

NMTC FUND
Capital One Bank
JPMorgan Chase Bank
M&T Bank
PNC Bank
TD Bank, N.A.
(481 Corp)
The Goldman Sachs Group
US Bank
Wells Fargo Bank

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County of Camden
United States Department of Energy
Economic Recovery Board of Camden
New Jersey Community Capital
New Jersey Economic Development Authority

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The Reinvestment Fund
Edward W. Hazen Foundation

CDFI BOND GUARANTEE PROGRAM
Opportunity Finance Network

SUPPORTIVE HOUSING FUND LLC
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Raphael Kasen
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Accounts Payable Clerk

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Loan Servicing Processor

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Fellow, Community Strategies

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Strategic & Social Impact Analyst

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Accounts Payable Coordinator

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Allison Wingfield  
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Program Director, Economic 
Development

Shayne Woods*  
Residential Construction 
Manager, CAPC

* Denotes staff who have departed NJCC since the publication of this report.
## Statement of Financial Positions

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$30,814,661</td>
<td>$40,900,594</td>
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<tr>
<td>Invested assets</td>
<td>28,357,212</td>
<td>25,196,118</td>
</tr>
<tr>
<td>Loans receivable, net</td>
<td>83,912,381</td>
<td>77,295,472</td>
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<tr>
<td>Interest receivable</td>
<td>639,018</td>
<td>449,789</td>
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<tr>
<td>Grants receivable, net</td>
<td>2,425,147</td>
<td>1,850,072</td>
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<tr>
<td>Program-related investments</td>
<td>15,361,258</td>
<td>16,395,195</td>
</tr>
<tr>
<td>Real property held for sale</td>
<td>38,647,836</td>
<td>26,637,989</td>
</tr>
<tr>
<td>Other property and equipment, net</td>
<td>45,153,199</td>
<td>35,415,949</td>
</tr>
<tr>
<td>Other assets</td>
<td>13,297,119</td>
<td>14,068,203</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$258,607,831</td>
<td>$238,209,381</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and other payables</td>
<td>$5,811,052</td>
<td>$4,396,312</td>
</tr>
<tr>
<td>Funds held in trust</td>
<td>11,913,754</td>
<td>14,086,409</td>
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<tr>
<td>Notes payable</td>
<td>164,967,561</td>
<td>146,040,143</td>
</tr>
<tr>
<td>EQ2 investments</td>
<td>13,500,000</td>
<td>13,000,000</td>
</tr>
<tr>
<td>Net Assets</td>
<td>62,415,464</td>
<td>60,686,517</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>$258,607,831</td>
<td>$238,209,381</td>
</tr>
</tbody>
</table>
## Statement of Activities

<table>
<thead>
<tr>
<th><strong>REVENUES</strong></th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>$ 5,581,351</td>
<td>$ 4,339,544</td>
</tr>
<tr>
<td>Investment income and gains</td>
<td>790,095</td>
<td>996,670</td>
</tr>
<tr>
<td>Grants</td>
<td>6,654,566</td>
<td>5,330,211</td>
</tr>
<tr>
<td>Program income and fees</td>
<td>11,884,155</td>
<td>10,236,181</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$ 24,910,167</strong></td>
<td><strong>$ 20,902,606</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXPENSES</strong></th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td>$ 3,537,070</td>
<td>$ 2,770,799</td>
</tr>
<tr>
<td>Program services</td>
<td>16,119,030</td>
<td>13,123,903</td>
</tr>
<tr>
<td>Management and general</td>
<td>1,687,110</td>
<td>1,321,873</td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,182,010</td>
<td>834,112</td>
</tr>
<tr>
<td>Provision for loan loss</td>
<td>656,000</td>
<td>816,331</td>
</tr>
<tr>
<td>Other expenses</td>
<td>—</td>
<td>(805,183)</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$ 23,181,220</strong></td>
<td><strong>$ 18,867,018</strong></td>
</tr>
</tbody>
</table>

| **INCREASE IN NET ASSETS**    | $ 1,728,947   | $ 10,186,166  |