



MAYOR CHRIS BOLLWAGE

CITY OF ELIZABETH PRESS RELEASE



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EDC WINS \$25 MILLION FEDERAL TAX AWARD TO STIMULATE ECONOMIC DEVELOPMENT

Award brings EDC's federal tax credit support to \$35 million

ELIZABETH, NJ—The U.S. Department of Treasury has awarded the Elizabeth Development Company a \$25 million New Market Tax Credit allocation for 2007 after a highly-competitive process that ultimately lauded the EDC for its revitalization strategies.

The \$25 million federal New Market Tax Credit is the second award received by the EDC; last year the non-profit economic development agency won a \$10 million tax credit after another highly-competitive application process.

"This \$25 million tax credit will help the EDC and the City further expand its efforts to make Elizabeth a destination city—a great place to live, to work and to raise a family," Mayor Chris Bollwage said. "I congratulate the EDC on the award, and I look forward to seeing the tax credits put to work in our neighborhoods."

The \$25 million tax credit allocation for Elizabeth enables the EDC to provide targeted, low-interest lending to qualified development projects that bring substantial new retail, new revenue and new job opportunities to the City.

"These are the types of programs that result in real economic opportunities for City residents," said William O'Dea, deputy director of the EDC. "They help support projects, developments and the creation of new jobs for our City residents and for the region."

Applications for interested businesses and investors will be available through the EDC office at 288 North Broad Street. To qualify for assistance, projects must be a minimum of \$3 million

and involve retain and commercial development that will generate reduced sales tax revenue to the Elizabeth UEZ program.

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"Combined with the opportunities available through our UEZ and its diverse and attractive financing programs, these initiatives continue to be a major catalyst behind Elizabeth's economic success," Mayor Bollwage said.

The EDC was the only New Jersey recipient in the fifth round of the federal tax credit program that will invest its tax credit allocation solely in Union County and, in this case, specifically in Elizabeth. The \$25 million in tax credits could generate more than \$250 million in new business investments in Elizabeth and create hundreds of new job opportunities for city residents.

The federal tax credit program is an economic development tool designed by the federal government to help stimulate new development in the nation's urban and rural areas. The program provides a 39% tax credit over seven years to investors who invest in projects that help redevelopment urban centers such as Elizabeth.

Businesses interested in taking advantage of the tax credit program should contact Carlos Sanchez of the EDC at csanchez@edcnj.org or by calling 908-289-0262, ext. 218.

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