



## MEMORANDUM

TO: Members of the Authority

FROM: Larry Hanover, Senior Public Information Manager

DATE: April 26, 2010

SUBJECT: New Jersey Schools Development Authority (SDA)  
April Progress Report

**Bond Sale Approved:**

On April 15, Governor Chris Christie announced that schools construction projects in school districts across New Jersey will soon begin to receive funding for projects following approval for the sale of \$500 million in new bonds by the Board of Directors for the New Jersey Economic Development Authority.

The New Jersey Schools Development Authority (SDA) will use proceeds from the bonds toward school facilities projects in SDA Districts and continue the SDA grant program for Regular Operating Districts (RODs). These state-funded ROD grants represent at least 40 percent of costs for projects, addressing health and safety issues, student overcrowding and other critical needs. Local districts fund the remainder.

“It is important for these school projects to move forward with state financial support,” said Governor Christie. “My administration is committed to providing exemplary educational facilities for our students in all school districts across New Jersey. The sale of these bonds is a fiscally responsible way to continue to address the school-construction needs of New Jersey’s public schools.”

Added Marc D. Larkins, the SDA Chief Executive Officer: “Today’s action by the EDA Board will allow the SDA to continue its core mission of building and improving educational facilities. We are committed to ensuring the efficient use of tax dollars toward these projects, which will create much needed jobs and assist school districts in need during this difficult financial period.”

The state’s bond sale will include taxable Build America Bonds, receiving a federal subsidy equal to 35 percent of interest payments.

The funding will be applied toward the SDA's project portfolio. The Authority currently has 1,004 ongoing grant projects in the RODs, 50 projects in SDA districts in various developmental phases, 12 projects already under construction and 134 emergent projects addressing health-and-safety issues across the state.

In 2009, projects managed by the SDA were estimated to have created 5,940 jobs, sustaining an additional 2,460 on an average monthly basis.

### **SDA/NJSBDC Initiative Launched:**

On March 30, the SDA and New Jersey Small Business Development Centers (NJSBDC) announced the 2010 Contractor Business Development Project aimed at providing business management technical assistance that would enable more small, minority- and women-owned contracting businesses to bid on school construction projects in the state.

The program is being launched to increase the participation of small, minority- and women-owned business enterprises (SMWBE) in government construction contracts.

Program participants will be instructed on how to market their companies so they can be included in bids by prime contractors on SDA construction projects, as well as other government and private-sector projects.

The first of a two-class session will be held on April 29 at Rutgers University-Newark.

### **Upcoming Event:**

- **April 29: Speech to subcontractors/subcontractors:** CEO Marc Larkins will speak at the New Jersey Subcontractors Association and National Electrical Contractors Association Joint Meeting on the direction of the SDA and existing projects. The dinner will be at the Hilton Woodbridge-Metropark.

### **Contractor Procurement:**

A construction bid was advertised on April 22 for an emergent project at East Orange's Hart Middle School. Bids are due May 13.

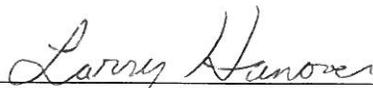
### **Construction Update:**

Since inception, the school construction program has completed 621 projects in SDA Districts. In addition to 54 new schools, it has opened 45 extensive additions, renovations and/or rehabilitations; six demonstration projects and more than 500 other projects.

Also, it has completed 24 projects in Regular Operating Districts: six new schools and 18 extensive additions, renovations and/or rehabilitations.

**Construction Contracts:**

As of April 23, 2010, the Authority has entered into construction contracts totaling \$3,726,469,877 since the 2001 inception of the school construction program.

  
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Larry Hanover