

COVID-19

Economic Relief Package

NJEDA initiatives aimed at stabilizing and revitalizing local small businesses, mid-size businesses, and startups or other early-stage companies

April 6, 2020



We have developed our economic stability approach around three core principles

1. Get funding into the market as soon as possible

- ▶ Where possible, adjust existing NJEDA programs to address crisis needs
 - ▶ Utilize multiple channels / partners to maximize marketing of programs and minimize processing capacity constraints
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2. Leverage private, federal, and philanthropic capital where possible to scale impact

3. Provide a suite of compatible offerings to help address varied marketplace needs (e.g., grants, no-cost loans, low-cost loans, loans through intermediaries, technical assistance)

COVID-19 Economic Relief Package



SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM



SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM



PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

CDFI First Loss Reserve Fund

Emergency Assistance Guarantee

Entrepreneur Support Program



NJ TECHNICAL ASSISTANCE SUPPORT



CREDIT FLEXIBILITY TO SUPPORT BUSINESSES



SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM

Operating expense grants of up to \$5K
to small businesses with 1-10 FTE
in highly impacted industries

NJEDA Program Size

\$5M
(initial wave)

***Launched April 4 – Funds
Exhausted***

Business Eligibility

- Industries, as determined by NAICS code:
 - Retail
 - Accommodation & Food Service
 - Arts, Entertainment, & Recreation, Repair & Maintenance; Personal & Laundry Services
 - (Eligible NAICS codes that start with 44, 45, 71, 72, 811, 812)
- Non-profit entities in the above industries are permitted to receive grant funding if they also have the following designations: 501(c)(3), 501(c)(4), and 501(c)(7)
- Must certify to negative impact of emergency
- Physical commercial location in NJ
- Must be registered to do business in New Jersey
- Department of Labor good standing
- 1-10 FTE per Company's 2019 4th Quarter NJ-WR30 filing with the Department of Labor; visit our grant award estimator to help determine your FTE: <https://cv.business.nj.gov>
- Must fill out and certify simplified debarment legal questionnaire



SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM

Up to \$100K working capital loans for up to 10 years for businesses with \$5 million or less in revenue; 0% for years 1-5; 1-3% for years 6-10.

NJEDA Program Size

\$10M

(initial wave)

***Scheduled to Launch
April 13th***

Business Eligibility

- \$5M or less annual revenue
- Physical commercial location in New Jersey
- At least 1 year in existence
- Must be registered to do business in New Jersey
- Minimum Global Debt service ratio of 1.0 based on the year prior to the declaration of emergency
- Tax Clearance; Department of Labor good standing
- Minimum Credit Score of 600 for at least one guarantor
- Must show negative impact of emergency (e.g., closure, reduced hours, 20% revenue drop, 20%, etc.)
- Additional conditions may apply
- Must fill out and certify simplified debarment legal questionnaire



PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

CDFI First Loss Reserve Fund

\$10M capital reserve fund for first-loss position, up to 50%, on CDFI loans that provide low/no-interest loans to micro and small businesses

NJEDA Program Size

\$10M
(initial wave)

Eligibility

- Federally-certified, NJ-based CDFI
- Have the operational and financial capacity to use the guarantee effectively
- Have significant experience working with underserved business segments and in communities underserved by other banks
- Must fill out and certify simplified debarment legal questionnaire
- CDFI Loans that are guaranteed must:
 - Be to an impacted business
 - Be focused on working capital
 - Not exceed \$75,000
 - Have an interest rate of 3.75% or less
 - Not exceed a term of five years
 - Provide flexible loan structures



PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

Emergency Assistance Guarantee

\$100,000 Maximum guarantee, 50% guarantee of working capital loans, take first loss position; no fees

NJEDA Program Size

\$10M
(initial wave)

Business Eligibility

- Must work through a Premier Lender bank or Premier CDFI
- \$5M or less in revenue
- Physical commercial location in NJ
- At least 1 year in existence
- All industries eligible
- Must show negative impact of emergency (e.g., closure, reduced hours, 20% revenue drop, supply chain disruption, etc.)
- Must fill out and certify simplified debarment legal questionnaire
- Tax Clearance; Department of Labor good standing
- Non-profits are eligible



PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

NJ Entrepreneur Support Program

Provide 80% loan guarantees for working capital loans to start-up entrepreneurs

NJEDA Program Size

\$5M

(initial wave)

Eligibility

- Must be NJ-based start-up company (registered to do business, C-suite in the State)
- Under \$5M in revenue; under 25 people
- Investors have already provided funding in the form of a convertible note, safe or equity interest.
- Investor does not need to be NJ-based
- Align with the Governor's Economic Plan
- Must fill out and certify simplified debarment legal questionnaire
- Tax Clearance; Department of Labor good standing
- Minimum of 50% of employees in NJ



NJ TECHNICAL ASSISTANCE SUPPORT

Support for organizations providing technical assistance to COVID-19 Impacted Small Businesses Applying for SBA Funding Programs

NJEDA Program Size

\$150K
(initial wave)

This assistance includes, but is not limited to, preparing financial information, packaging application documentation, and completing and submitting the on-line or paper-based application.

- [African American Chamber of Commerce of New Jersey \(AACCNJ\)](#)
- [New Jersey State Veterans Chamber of Commerce](#)
- [Rising Tide Capital](#)
- [Statewide Hispanic Chamber of Commerce of New Jersey \(SHCCNJ\)](#)



CREDIT FLEXIBILITY TO SUPPORT BUSINESSES

Ability to provide flexible terms to portfolio customers impacted by COVID 19

Expanded delegations to provide quick cash flow relief and to facilitate business access to funding for working capital to continue operations and employment in New Jersey through:

- Payment Moratoria
- Loan Maturity Extensions
- Subordinations
- Fee Waivers

Businesses Served

Programs for Micro-Businesses	Programs for Small Businesses	Programs for Medium Businesses
▶ SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM	▶ SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM	▶ EMERGENCY ASSISTANCE GUARANTEE PROGRAM
▶ CDFI FIRST LOSS RESERVE FUND	▶ EMERGENCY ASSISTANCE GUARANTEE PROGRAM	▶ CREDIT FLEXIBILITY TO SUPPORT BUSINESSES
▶ EMERGENCY ASSISTANCE GUARANTEE PROGRAM	▶ NJ ENTREPRENEUR SUPPORT PROGRAM	▶ SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM
▶ NJ ENTREPRENEUR SUPPORT PROGRAM	▶ NJ TECHNICAL ASSISTANCE SUPPORT	
▶ NJ TECHNICAL ASSISTANCE SUPPORT	▶ CREDIT FLEXIBILITY TO SUPPORT BUSINESSES	
▶ CREDIT FLEXIBILITY TO SUPPORT BUSINESSES		

Visit cv.business.nj.gov to see what support programs are available to help stabilize your operations and get back on a pathway to growth.

1-800-JERSEY7

Our Eligibility Wizard can help you determine which programs to apply to

OFFICIAL SITE OF THE STATE OF NEW JERSEY return to nj.gov

NEW JERSEY
COVID-19 Information Hub

Call (General COVID-19 Questions): [201-962-1253](tel:201-962-1253) (7a-11p)
Call (Clinical Questions): [1-800-962-1253](tel:1-800-962-1253) (24/7)
Text NJCOVID to [898-211](tel:898-211) to receive alerts

Emergency Assistance Eligibility Wizard

The COVID-19 outbreak is causing extraordinary disruption for companies and non-profits across the Garden State. The NJEDA wants to make it easy for organizations to understand what support programs are available to you to help stabilize your operations and get back on a pathway to growth.

This is a beta version of the Eligibility Wizard that focuses on newly announced State Emergency Assistance programs and the SBA disaster loan program. We will be updating it regularly as new federal, state, local, and philanthropic programs become available.

Included programs

- State Emergency Support Programs
 - Emergency Assistance Grant Program
 - Emergency Assistance Loan Program
 - Emergency Assistance Guarantee Program
 - NJ Entrepreneur Support Program
 - Financial relief on existing NJEDA obligations
- Federal Programs
 - Federal SBA Emergency Injury Disaster Loans

Basic Information

Is your business/non-profit registered to do business in New Jersey?

Yes No

Is your organization for-profit or not-for-profit?

For-profit Not-for-profit

Does your organization have an existing financial relationship with NJEDA, such as a loan?

Yes No

Has your business been in operation for one year or more?

Yes No

Based upon your feedback, you may be eligible for the following New Jersey programs.

Disclaimer: As a courtesy, the NJEDA is offering this screening tool (the "Eligibility Wizard") that lists emergency assistance programs that you may decide to consider based upon information you provide about your organization.

The Eligibility Wizard neither approves nor denies eligibility for programs, nor does it reserve any funding or a place in any application queue. It is the responsibility of your organization to fully assess your eligibility for any State or Federal assistance program. The full specifications for each State emergency assistance program are located on the COVID Business Information Hub: <https://cv.business.nj.gov>. If you have additional questions, please ask them in the chat feature of that website.

To apply for a program listed below, you need to apply through the appropriate administering agency. The administering agency will determine all eligibility requirements upon your submission of an application to that agency for the respective program.

Financial relief on existing NJEDA obligations

Description: A series of steps to support existing NJEDA business customers, including a 3-month payment moratorium, waived late fees on loan repayments late fees and/or loan modification fees, and allowing collateral releases, subordinations and substitutions on business assets.

Eligible Uses: Support for current NJEDA business customers

Availability: Current NJEDA business customers. Existing NJEDA business customers should reach out to their Servicing Officer for more information.

Available at:
<https://cv.business.nj.gov>

NEW JERSEY COVID-19 BUSINESS INFORMATION HUB

Search for information on COVID-19 and its impact on businesses.

EMERGENCY ASSISTANCE ELIGIBILITY WIZARD

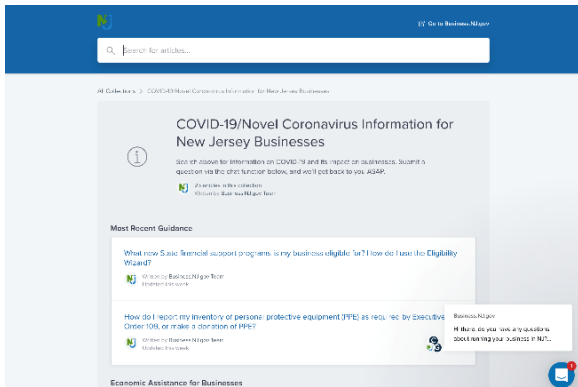
See what support programs are available to you to help stabilize your operations and get back on a pathway to growth.

GRANT AWARD SIZE ESTIMATE CALCULATOR

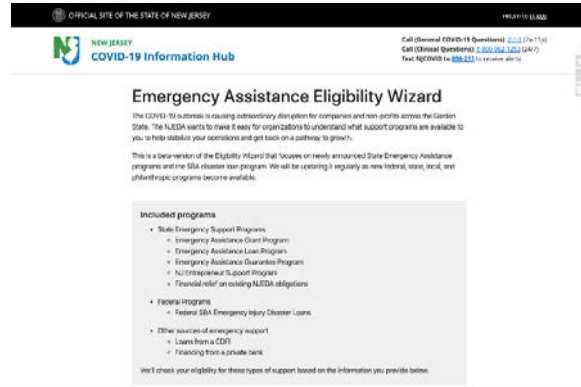
Get an early estimate of your potential grant award size based on information you submitted on your Q4 2019 NJ WR-30

NEW JERSEY COVID-19 JOBS AND HIRING PORTAL

Businesses across New Jersey need thousands of workers for immediate hire. Learn more about who is hiring in your community.



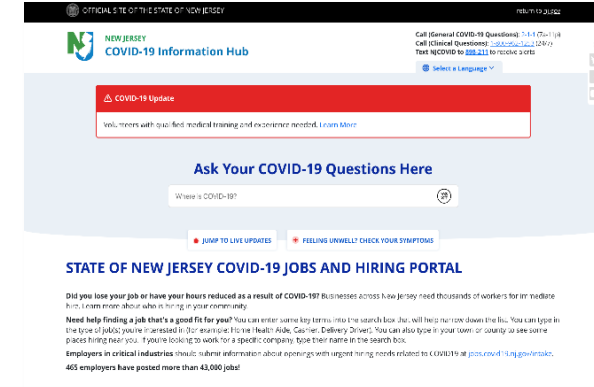
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