COVID-19 PROGRAMS REPORT 2020
The New Jersey Economic Development Authority (NJEDA) has provided more than $230 million in COVID-19 relief to nearly 55,000 businesses since March 2020.

Throughout the COVID-19 pandemic, the administration of Governor Phil Murphy has focused on not only addressing the public health crisis the virus has caused but also providing economic support to the thousands of businesses and workers who have been impacted by the pandemic. The NJEDA has been central to the Murphy Administration’s efforts to provide economic support to these businesses, acting quickly to stand up new programs. The NJEDA’s ongoing work will help many more businesses overcome the challenges they face today and make a strong recovery.

The NJEDA’s suite of COVID-19 relief programs provides a variety of resources for businesses of all sizes, including grants for small businesses, low-interest loans, support for private-sector lenders and CDFIs, and funding for entrepreneurs.

To ensure equitable distribution of funds, during Phases 2 and 3 of the program, the NJEDA engaged the services of several leading marketing agencies to coordinate strategic outreach to minority-, women-, and LGBTQ-owned businesses and all underserved communities. This resulted in one-quarter of Phase 2 grants and one-third of Phase 3 grants being approved for minority and/or woman-owned businesses.
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The NJEDA’s largest COVID-19 program is the Small Business Emergency Assistance Grant Program, which provides grants to small businesses impacted by the pandemic.

More than 42,817 businesses have been supported with grants totaling more than $211 million through the three phases of the Small Business Emergency Assistance Grant Program.
NJ RISE received a $10,000 grant in Phase 2 and a second $10,000 grant during Phase 3. The organization served 976 families in its distribution of groceries and supplies since the start of the pandemic.
Phase 1

Phase 1, which launched in April with $5 million in NJEDA funds, provided grants of up to $5,000 to small business and non-profit organizations. $5 million in CARES Act funds was later added to fulfill a total of $10 million in grants during Phase 1.

Confections of a Rock Star is a rock-and-roll-themed cake shop in Asbury Park. Kimmee Masi and her partner Lisa received a grant from the NJEDA that has helped them to pay their bills and stay in business.

3,385 businesses were approved for grants totaling more than $11 million
A combination of NJEDA grants and loans helped keep Hackensack-based Musically Yours up and running. The business has been a premier provider of DJ and lighting equipment since 1973.
Maurice Hallett, owner of 1911 Smoke House in Trenton, secured an NJEDA grant that allowed him to pay bills, and offer flexible hours to employees and discounts to customers. Known for its BBQ menu, 1911 Smoke House is a favorite Trenton lunch and meeting spot.
First Tee Jersey Shore has provided programs to more than 600 kids at its Point Pleasant location in 2020 with the support of an NJEDA grant.
Phase 2

Phase 2, launched in June with **$45 million** in CARES Act funds, expanded eligibility to include home-based businesses and sole proprietorships, and provided grants of up to **$10,000**.

To ensure equitable distribution of funds, during Phase 2 of the program the NJEDA set aside one-third of the funding for qualified businesses located in one of the 715 Census tracts that were eligible to be selected as a New Jersey Opportunity Zone. This targeting helped to ensure minority- and women-owned businesses that were hardest hit by the pandemic’s economic impact were able to get the support they need.

19,054 businesses were approved for grants totaling more than **$55 million**
Breakdown of approved applications

- **24%** minority-owned businesses
- **26%** woman-owned businesses
- **2%** veteran-owned businesses
- **.5%** disabled-owned businesses

**32%** were for businesses in one of the state's 715 Opportunity Zone-eligible census tracts.
Phase 3, launched in November, further expanded eligibility to any business or nonprofit located in New Jersey with 50 or fewer employees and further increased the amount of funding businesses could receive. To ensure funds flow to businesses that need them most, the NJEDA targeted Phase 3 grants to restaurants, micro-businesses, and businesses in census tracts that were eligible to be designated as Opportunity Zones.

In October, the NJEDA launched Phase 3 of the Small Business Emergency Assistance Grant Program with $70 million in CARES Act funds. In early November, Governor Murphy committed an additional $60 million in CARES Act funds to the program to ensure all eligible applicants receive funding. To date, 20,378 businesses have been approved for grants totaling more than $145 million.
20,378 businesses were approved for grants totaling more than $145 million

Breakdown of approved applications

- 32% minority-owned businesses
- 33% woman-owned businesses
- 1% veteran-owned businesses
- 2% disabled-owned businesses
- 8% LatinX-owned businesses

16% were for businesses in one of the state's 715 Opportunity Zone-eligible census tracts.

NUMBER OF AWARDS BY SIZE

- $1,000: 10530
- $2,000: 1942
- $3,000: 1394
- $4,000: 1013
- $5,000: 770
- $6,000: 555
- $7,000: 439
- $8,000: 379
- $9,000: 264
- $10,000: 1623

Average Award Size: $2,884
Median Award Size: $1,000
A grant from the NJEDA has helped the Statewide Hispanic Chamber of Commerce of NJ help businesses apply for the support they need to get them through the pandemic.

In addition to reserving one-third of funding for this phase to businesses in Opportunity Zone-eligible census tracts, during Phases 2 and 3 of the COVID grant program, NJEDA’s outreach efforts were supported by several leading marketing agencies to coordinate strategic outreach to minority-, women-, and LGBTQ-owned businesses and all under-served communities. The firms included Tara Dowdell Group, Medina=Citi, Brand Enchanting Media, 360 Marketing and PR, and The Setroc Group, in partnership with Park Circle Technologies. They were selected to support these outreach efforts based on their established connections to...
diverse communities across the state. All six firms are minority-, woman-, or veteran-owned, and each have strong, established connections to diverse communities across New Jersey. Two of the five firms have bi-lingual (Spanish) staff, that leveraged their abilities for the grant campaign. Outreach for the PPE Access Program was also supported by several of these firms, and Tara Dowdell Group, Medina=Citi, and 360 Marketing and PR will assist with outreach for Phase 3 of the Small Business Emergency Assistance Loan Program.

A grant from the NJEDA helped Trenton-based Camp Fire NJ continue to provide social, emotional, and overall mental well-being programs to kids throughout the COVID-19 outbreak.
The Small Business Emergency Assistance Loan Program, which was funded with $10 million in NJEDA funds, provides low-interest working capital loans of up to $100,000 to businesses with less than $5 million in revenues.

151 businesses have been approved for loans worth a combined total of almost $11 million through the Emergency Assistance Loan Program. Phase 2 of the program, which will be funded with a grant received from the United States Economic Development Administration’s (USEDA’s) Coronavirus Aid, Relief, and Economic Security (CARES) Act appropriation, will launch February 10, 2021.

Breakdown of approved loans:

- **19%** minority-owned businesses
- **29%** woman-owned businesses
- **1%** veteran-owned businesses
A low-interest loan from the NJEDA enabled the Atlantic City Arts Foundation to continue championing the arts in Atlantic City throughout the pandemic.

A $5,000 Phase 3 grant helped to keep Westrick Music Academy, which serves more than 400 students through choir and music education classes alive.
Partnerships with Community Development Financial Institutions

The Authority has also partnered with six New Jersey-based Community Development Financial Institutions (CDFIs). The partnership enables these lenders to increase their capacity and participate in more loans, at flexible terms, and lower interest rates. CDFIs support the New Jersey business community in various ways, including lending to smaller CDFIs to help them offer loan products within their communities, and supporting cities and counties with their lending efforts. To be federally designated as a CDFI, a financial institution must certify that at least 60 percent of its financing activities are targeted to low- and moderate-income (LMI) populations or underserved communities. Non-profit CDFI lenders are distinguished from other financial institutions by their community development mission and flexibility to determine the best use of limited government and private resources in their community. The participating CDFIs are Cooperative Business Assistance Corporation, Greater Newark Enterprise Corporation, New Jersey Community Capital, Regional Business Assistance Corporation, UCEDC, and First Bergen Federal Credit Union.

Sustain and Serve

In addition to the targeted support for restaurants included in Phase 3 of the Emergency Assistance Grant Program, the NJEDA recently announced Sustain and Serve NJ, a $2 million grant program that will provide funding to organizations to purchase meals from restaurants that have been negatively impacted by the COVID-19 pandemic and distribute the meals at no cost to New Jersey residents. Applications for Sustain and Serve opened on December 16th and closed on January 8th.
The NJEDA has also supported early-stage innovation economy businesses, which are facing their own unique set of COVID-19-related challenges. The New Jersey Entrepreneur Support Program is a $5 million program that created a guarantee to support repayment of an investor loan advanced for working capital purposes and is designed to encourage investors to support businesses within their portfolios. It provides an NJEDA guarantee of up to 80 percent for an eligible new loan or convertible note by a qualified investor into a New Jersey qualified business, not to exceed a $200,000 guarantee per company. To date, this program has supported investments in 13 companies with more than $2 million in guarantees.
To help businesses purchase the PPE they need to keep employees and customers safe, the NJEDA launched the NJ Small and Micro Business PPE Access Program. The program offers a 10 percent discount on a curated selection of PPE products to all New Jersey businesses through NJEDA-approved “Designated Vendors,” including Boxed, Office Depot, and Staples. The program also allowed businesses with 100 or fewer full-time equivalent employees (FTEs) to apply for vouchers that provide total discounts of nearly 70 percent on purchases made through certain Designated Vendors. By using an innovative public-private partnership structure, the NJEDA and participating Designated Vendors were able to streamline the application and discount approval process to facilitate simple and speedy program sign-up and benefit distribution process for applicants. The additional discounts expired in December 2020, but the 10 percent discounts are available through March 31, 2021.

8,973 businesses were approved for $8 million in discounts totalling nearly $8 million.
The NJEDA’s Small and Micro Business PPE Access Program enabled Bernard Davidson, owner of A Whole New World Academy in Hoboken purchase equipment for sanitizing toys at a nearly 70 percent discount.

For 60 years, the Youth Development Clinic of Newark has served the City of Newark’s children and families. With the onset of remote learning, YDC had to quickly move to telehealth services, and a loan from the NJEDA helped them through the transition.
In addition to financial support, the NJEDA has also provided a variety of technical assistance programs for businesses struggling to adjust to new health and safety guidelines. The Authority partnered with the African American Chamber of Commerce of New Jersey (AACCNJ), the Statewide Hispanic Chamber of Commerce of New Jersey (SHCCNJ), the New Jersey State Veterans Chamber of Commerce, and Rising Tide Capital to provide technical assistance for 447 businesses applying for federal Small Business Administration support.
Voorhees-based MAPay – the brainchild of tech entrepreneur Michael Dershem – created a COVID-19 Digital Entry Assessment Form. The NJEDA’s Entrepreneurial Support Program helped them to retain staff and build out additional technologies to help fight the pandemic.

Business Consulting

Since then, the Authority has rolled out a number of other initiatives to help businesses adjust to doing business safely during the pandemic, including free business consulting for micro- businesses in Opportunity Zones.

E-Commerce Technical Assistance

Training on ecommerce solutions for retail businesses and restaurants. 57 businesses have received support from these programs.
Carella's Chocolates & Gifts received an NJEDA grant that helped the business, which has been located in Hamilton Township for 48 years, cover expenses during the pandemic. Carella's also received support from the E-Commerce Technical Assistance Program, which helped the business expand its online business.

Woman-owned SunRay Scientific, which offers custom engineered electronic solutions, was able to close $230,000 in investments, supported by $184,000 in guarantees from the NJEDA's Entrepreneur Support Program.
Looking to the future, the NJEDA plans to continue exploring new ways to address the challenges business owners and employees face as a result of the COVID-19 pandemic and will announce additional programs and funding opportunities as they become available. Comprehensive information about the NJEDA’s COVID-19 response is available at covid19.business.nj.gov.

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<tr>
<th>Assistance</th>
<th># of Businesses</th>
<th>Amount Approved</th>
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<tbody>
<tr>
<td>Phase 1 Grants</td>
<td>3,385</td>
<td>$10,993,000</td>
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<tr>
<td>Phase 2 Grants</td>
<td>19,054</td>
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<td>Phase 3</td>
<td>20,378</td>
<td>$145,169,000</td>
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<tr>
<td>ESP</td>
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<td>$2,036,000</td>
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<td>CDFI Loans</td>
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<td>COVID Loans</td>
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<td>SBA TA</td>
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<td>E-Commerce TA</td>
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<td>Business Consulting</td>
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<tr>
<td>PPE Access</td>
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<td><strong>Totals</strong></td>
<td><strong>52,783</strong></td>
<td><strong>$238,899,729</strong></td>
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