

NJEDA ANNOUNCES LAUNCH DATES FOR \$85 MILLION PHASE 4 OF THE SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM

Phase 4 provides short-term, immediate payroll and working capital support to NJ small and medium businesses and non-profits

TRENTON, N.J. (April 14, 2021) – The New Jersey Economic Development Authority (NJEDA) today announced Phase 4 of the Authority’s Small Business Emergency Assistance Grant Program, adding \$85 million in funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Phase 4 will provide short-term operating support to a broad group of New Jersey small and medium sized businesses and non-profits that have been negatively impacted during the declared state of emergency. More information is available [here](#).

Interested business owners will need to pre-register [here](#) to access the application. Pre-registration will begin on Monday, April 19, 2021 at 9:00 a.m. and will close on April 29, 2021 at 5:00 p.m. The application will be available via a phased approach following the end of the pre-registration period, as detailed below. Applicants must complete the full application to be considered for grant funding.

In line with Governor Murphy’s commitment to a stronger, fairer recovery, Phase 4 funding will be allocated to support the most adversely affected businesses, including restaurants, micro-businesses, and child care providers, as well as other small businesses. To ensure grants reach businesses in the hardest hit communities, including communities of color, one-third of funding will be targeted to businesses with a primary business location within the 715 census tracts designated as eligible to be selected as an Opportunity Zone.

“The economic impact this pandemic has wreaked in New Jersey is still being felt one year after it started, and it has disproportionately affected woman- and minority-owned businesses. The \$85 million in additional funds committed to Phase 4 of the Small Business Emergency Assistance Grant Program will directly and expeditiously help these businesses stabilize their operations and minimize potential furlough or layoffs,” said NJEDA Chief Executive Officer Tim Sullivan. “Businesses that are still struggling cannot wait for assistance and we are working uninterruptedly at the NJEDA to ensure that our

communities don't just survive the pandemic, but emerge from it stronger, fairer, and ready to rebuild."

The Small Business Emergency Assistance Grant Program was created to provide funding as efficiently and quickly as possible to small and medium-sized businesses that needed payroll and working capital support as a result of adverse economic impacts following the March 9, 2020 declaration of a State of Emergency and a Public Health Emergency. Since the launch of Phase 1 of the program on April 6, 2020, the Authority has approved nearly 44,000 grant applications representing over \$214 million in total grant funding awarded through Phases 1 – 3. The program has evolved with each phase to offer expanded eligibility and award amounts.

Phase 4 funds aim to reimburse lost revenue as result of the business interruption caused by the pandemic between March 1, 2020 and the date of the grant agreement, providing the necessary resources to any eligible business that has been temporarily shut down, has been required to reduce hours, has had at least a 20 percent drop in revenue, has been materially impacted by employees who cannot work due to the outbreak, or has a supply chain that has materially been disrupted and therefore slowed firm-level production during the pandemic.

Phase 4 once again increases the amount of funding available to businesses. Grant awards will be calculated based on the number of full-time equivalent employees (FTEs) businesses employ. Micro-businesses with five or fewer FTEs and sole proprietorships will receive up to \$10,000; businesses with six to 25 FTEs will receive up to \$15,000; and businesses with 26 to 50 FTEs will receive up to \$20,000. A grant size estimator is available [here](#).

To maximize the funding businesses can receive in Phase 4, grant awards will be based on the peak FTE count from a business's past eight quarters of WR-30 filings. Businesses must use funds from the Grant Program for reimbursement of lost revenue as a result of business interruption caused by the pandemic. Businesses may not use grant funds for capital expenses.

The \$85,000,000 in funds available through Phase 4 will be allocated as follows:

- Restaurants: \$35 million of funding to support businesses classified as "Food Services and Drinking Places" under NAICS code 722, given the disproportionate impact these businesses have experienced due to the pandemic, including caps on on-location dining and unusual costs they incurred to adapt their business models for safe operations.
- Child Care Providers: \$10 million of funding to support businesses classified as "Child Day Care Services" under NAICS code 624410, given the disproportionate impact these businesses have experienced due to the pandemic, including caps

on capacity numbers and unusual costs they incurred to adapt their business models for safe operations.

- Micro-businesses: \$25 million of funding to support businesses that have had 5 or fewer FTEs in each of their past eight quarters of WR-30 filings (including businesses with no FTEs), given the unique financial vulnerability experienced because of the pandemic by micro-businesses, which typically have lower financial reserves.
- Other small businesses (6-50 FTE): The remaining \$15 million of funding will support businesses that are not eligible under the micro-business category.

Applications will become available on a rolling basis following the pre-registration period (April 19, 2021, 9:00 a.m. to April 29, 2021, 5:00 p.m.) Pre-registered applicants will need to return to <https://programs.njeda.com/en-US/> to complete an application based on the following schedule:

- Businesses that did not apply for, or were not approved for Phase 3 funding – 9:00 a.m. on May 3, 2021
- Restaurants and child care providers – 9:00 a.m. on May 5, 2021
- Micro businesses (five or fewer FTEs) – 9:00 a.m. on May 10, 2021
- All other small businesses, excluding restaurants, micro businesses, and child care providers – 9:00 a.m. on May 12, 2021

Applications for each category will be open for a period of one week and will be accepted on a first-come, first-served basis, based upon the date and time the Authority receives a completed application submission.

The NJEDA is partnering with three leading marketing agencies to coordinate strategic outreach to targeted communities. [Tara Dowdell Group](#), [Medina=Citi](#), and [360 Marketing and PR](#) were selected to support these outreach efforts based on their established connections to diverse communities across the state. All three firms are minority- and/or woman-owned.

The NJEDA is providing the online pre-registration and application in English and Spanish and offering applicants access to interpretation services to support speakers of ten additional languages – Arabic, Chinese (Mandarin and Cantonese), Gujarati, Hindi, Italian, Korean, Polish, Portuguese, and Tagalog.

In addition to the Small Business Emergency Assistance Grant Program, the NJEDA administers a variety of technical assistance and low-cost financing programs for small and mid-sized businesses impacted by COVID-19. Businesses and nonprofits can use the [Eligibility Wizard](#) to identify which emergency assistance programs they may want to consider for their business's specific needs. More information about these programs and other State support is available at <https://business.nj.gov/covid> or call 844-965-1125.

About the New Jersey Economic Development Authority

The New Jersey Economic Development Authority (NJEDA) serves as the State's principal agency for driving economic growth. The NJEDA is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and provide pathways to a stronger and fairer economy. Through partnerships with a diverse range of stakeholders, the NJEDA creates and implements initiatives to enhance the economic vitality and quality of life in the State and strengthen New Jersey's long-term economic competitiveness.

To learn more about NJEDA resources for businesses call NJEDA Customer Care at 609-858-6767 or visit <https://www.njeda.com> and follow @NewJerseyEDA on [Facebook](#), [Twitter](#), [Instagram](#), and [LinkedIn](#).