NJEDA
ECONOMIC DEVELOPMENT AUTHORITY

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PRESS RELEASE

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January 27, 2021 3 minute read

NJEDA ANNOUNCES $10 MILLION SECOND PHASE OF ITS SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM

Authority Will Open Program Pre-Registration on February 10, 2021

TRENTON, N.J. (January 27, 2021) – The New Jersey Economic Development Authority (NJEDA) today announced it will open pre-registration for Phase 2 of its Small Business Emergency Assistance Loan Program at 9:00 a.m. EST on Wednesday, February 10, 2021. The $10 million program expansion will support New Jersey small businesses and nonprofits impacted by the COVID-19 pandemic and will be capitalized by a United States Economic Development Administration (USEDA) Coronavirus Aid, Relief, and Economic Security (CARES) Act appropriation. Any business or entity that intends to apply for a loan must first pre-register during this pre-registration period, which will run from 9:00 a.m. EST on February 10, 2021 to 5:00 p.m. on February 22, 2021.

The second phase of the Small Business Emergency Assistant Loan Program will make up to $100,000 in low-cost financing available to eligible New Jersey small businesses and nonprofits to help with recovery and reopening efforts as a result of COVID-19. The funding can be used to pay rent or mortgage, payroll, and/or utilities. It can also be used to purchase inventory, personal protective equipment (PPE), or COVID-related inventory, furniture, fixtures, or equipment.

Program applications will be reviewed on a first-come, first served basis, with priority given to applicants that have received no greater than $10,000 in government assistance from any federal, state or local (county/municipal) assistance program.

Most eligible businesses will be able to apply for up to $100,000, but if a business was approved for a loan under Phase 1 of the Small Business Emergency Assistance Loan Program, it will be eligible under Phase 2 only for an amount that will not exceed $100,000 in the aggregate of the

two phases. To promote equity, $3.5 million of the funding will be reserved for businesses in Opportunity Zone-eligible census tracts.

Applicants MUST pre-register in order to apply for the Small Business Emergency Assistance Loan Program. Pre-registration for the Small Business Emergency Assistance Loan Program will open at 9:00 a.m. on **February 10, 2021** on the New Jersey COVID Business Information Portal and will remain open until 5:00 p.m. on **February 22, 2021**. Only entities that pre-register will then be able to access the program application beginning 9:00 a.m. **February 24, 2021**. The order in which final applications are received may affect funding availability, as referenced above.

"New Jersey businesses continue to feel the economic weight of COVID-19 as the pandemic stretches into 2021," said NJEDA Chief Executive Officer Tim Sullivan. "As we begin to see the second COVID wave plateau, we are encouraged that there is a light at the end of the tunnel representing the economic recovery we have been working toward. That recovery can only be attained by connecting small business owners with resources they need to re-emerge from the pandemic. We are grateful for the USEDA appropriation, which will enable us to reach more small businesses throughout the state."

To be eligible for financing through Phase 2 of the Small Business Emergency Assistance Loan Program, small businesses and non-profit organizations must be in existence and in operation from at least February 24, 2020, have $5 million or less in annual revenue, and have a physical commercial location in New Jersey. They also must be able to describe how they were negatively impacted by the COVID-19 outbreak. Home-based businesses and real estate holding companies are among the entities that are not eligible for financing under this program.

In line with the terms of Phase 1 of the program, Phase 2 loans will have ten-year terms with zero percent interest for the first five years, then resetting to the NJEDA's prevailing floor rate for the remaining five years, with a three percent cap.

The NJEDA initially created its Small Business Emergency Assistance Loan Program in the Spring of 2020 as part of a suite of resources for small businesses and nonprofits following Governor Murphy's signing of Executive Order 103, declaring a State of Emergency and a Public Health Emergency. The first round of funding from the program resulted in more than 150 businesses being approved for a total of more than $10.4 million.

Comprehensive information about New Jersey's coronavirus response is available at https://cv.business.nj.gov.

To read Governor Murphy's full economic plan, please visit: https://nj.gov/economicplan

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.

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July 8, 2021

Preinscripción para la Fase 2 del programa de préstamos de emergencia de la NJEDA inicia el 20 de julio

TRENTON, N.J. (8 de julio de 2021) - La Autoridad para el desarrollo económico de New Jersey (NJEDA, por sus siglas en inglés) ayer anunció que abrirá el proceso de preinscripción del Programa de préstamos de emergencia para pequeñas empresas (Fase 2)...

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PRESS RELEASE

July 7, 2021

Pre-Registration for NJEDA Emergency Assistance Loan Program Phase 2 Opens July 20

TRENTON, N.J. (July 7, 2021) - The NJEDA today announced pre-registration for the Small Business Emergency Assistance Loan Program (Phase 2) will open at 9:00 a.m. EST on Tuesday, July 20, 2021.

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PRESS RELEASE

July 7, 2021

NJEDA Releases Main Street Recovery Finance Program Preliminary Rules for Public Feedback

TRENTON, N.J. (July 7, 2021) – The NJEDA today released for public feedback a draft rule proposal for the new Main Street Recovery Finance Program, as established under the New Jersey Economic Recovery Act of 2020 (ERA).

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