NJEDA
ECONOMIC DEVELOPMENT AUTHORITY

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PRESS RELEASE

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August 11, 2020

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NJEDA TO PROVIDE $15 MILLION IN NEW CARES ACT FUNDING TO BUSINESSES IN COUNTIES THAT RECEIVED NO DIRECT FEDERAL AID

Board Approves Use of $15 Million in CARES Act Funding for Grants to Small Businesses Impacted by COVID-19 Pandemic

TRENTON, N.J. (August 11, 2020) – The New Jersey Economic Development Authority (NJEDA) today announced that its Board has approved the use of $15.3 million in Coronavirus, Aid, Relief and Emergency Security (CARES) Act funding to provide grants through the Authority's Small Business Emergency Assistance Grant Program to businesses located in 12 New Jersey counties that did not receive direct allocations of CARES Act funding from the federal government. The funds will be added to the more than $100 million the NJEDA is currently administering to support COVID-19-impacted businesses.

"Helping small businesses and their employees withstand the immediate economic impact of COVID-19 and prepare for a safe and strong recovery is central to the NJEDA's pandemic response," **said NJEDA Chief Executive Officer Tim Sullivan.** "Using this additional CARES Act funding to expand our Small Business Emergency Assistance Grant Program will allow us to provide much-needed relief for business owners who have been struggling and employees whose jobs have been at risk. Focusing on counties that did not receive direct federal aid will also help to ensure resources are distributed fairly to businesses in all regions of the state."

To date, more than 11,500 businesses have been approved for grants totaling more than $36.5 million through the Small Business Emergency Assistance Grant Program. Launched in early April with $10 million of NJEDA funds, the Program initially offered grants of up to $5,000 to a narrowly targeted set of small businesses that included restaurants and in-person retail establishments. In early June, the NJEDA used $50 million in CARES Act funds to expand Phase 1 of the grant program by $5 million and launch Phase 2 of the Grant Program with $45 million.

Phase 2 expanded the Program to a significantly broader range of businesses and increased the maximum grant award to $10,000.

To ensure equitable distribution of funds, the NJEDA set aside one-third of the CARES Act funding to support qualified businesses located in one of the 715 census tracts that were eligible to be selected as a New Jersey Opportunity Zone. Targeting these census tracts will help to ensure funding goes to communities of color that have been hit particularly hard by the pandemic.

The additional $15.3 million approved for use today will go toward fulfilling eligible Phase 2 grant applications from businesses located in the 12 New Jersey counties that did not receive direct CARES Act funding allocations from the federal government: Atlantic, Burlington, Cape May, Cumberland, Gloucester, Hunterdon, Mercer, Morris, Salem, Somerset, Sussex, and Warren.

The remaining nine counties previously received their own separate allocations of CARES Act funds. Essex, Ocean and Passaic counties contributed $10 million each to the NJEDA to allocate to businesses in those three counties through Phase 2 of the Small Business Emergency Assistance Grant Program. Bergen, Camden, Essex, Hudson, Middlesex, Monmouth, Ocean, Passaic, and Union counties are spending the funds on other COVID-19 relief programs.

In addition to approving the use of the $15.3 million in new CARES Act funding to provide grants through the Small Business Emergency Assistance Grant Program, the NJEDA Board also today delegated authority to the NJEDA Chief Executive Officer to direct any other governmental funding or unrestricted gifts or grants that the Authority may accept for the Grant Program to be administered as grants to eligible businesses in the 12 counties that did not receive direct allocations of CARES Act funding.

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, and LinkedIn.

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