

NJEDA ANNOUNCES NEW INITIATIVES TO SUPPORT BUSINESSES IMPACTED BY COVID-19

More information about the programs will be available here: <https://cv.business.nj.gov>.

The suite of new initiatives includes:

- * Small Business Emergency Assistance Grant Program – A \$5 million program that will provide grants up to \$5,000 to small businesses in retail, arts, entertainment, recreation, accommodation, food service, and other services – such as repair, maintenance, personal, and laundry services – to stabilize their operations and reduce the need for layoffs or furloughs.

- * Small Business Emergency Assistance Loan Program – A \$10 million program that will provide working capital loans of up to \$100,000 to businesses with less than \$5 million in revenues. Loans made through the program will have ten-year terms with zero percent for the first five years, then resetting to the EDA's prevailing floor rate (capped at 3.00%) for the remaining five years.

- * Community Development Finance Institution (CDFI) Emergency Loan Loss Reserve Fund – A \$10 million capital reserve fund to take a first loss position on CDFI loans that provide low interest working capital to micro businesses. This will allow CDFIs to withstand loan defaults due to the outbreak, which will allow them to provide more loans at lower interest rates to microbusinesses affected by the outbreak.

- * CDFI Emergency Assistance Grant Program – A \$1.25 million program that will provide grants of up to \$250,000 to CDFIs to scale operations or reduce interest rates for the duration of the outbreak.

- * NJ Entrepreneur Support Program – A \$5 million program that will encourage continued capital flows to new companies, often in the innovation economy, and temporarily support a shaky market by providing 80 percent loan guarantees for working capital loans to entrepreneurs.

- * Small Business Emergency Assistance Guarantee Program – A \$10 million program that will provide 50 percent guarantees on working capital loans and waive fees on loans made through institutions participating in the NJEDA's existing Premier Lender or Premier CDFI programs.

- * Emergency Technical Assistance Program – A \$150,000 program that will support technical assistance to New Jersey-based companies applying for assistance through the U.S. Small Business Administration. The organizations contracted will be paid based on SBA application submissions supported by the technical assistance they provide.