



Chamber of Commerce  
Southern New Jersey  
*Where Business Grows*



# Good Morning

SOUTH JERSEY SERIES

**SMALL BUSINESS**

COVID-19 RESOURCE CENTER

— FEATURING —

***New Jersey's Economic  
Development Leaders***

**IN PARTNERSHIP WITH**





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# Good Morning

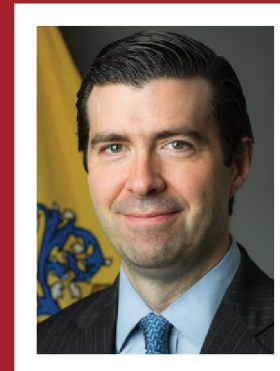
SOUTH JERSEY SERIES

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GREATER  
ATLANTIC CITY  
CHAMBER

FEATURING



**Tim Sullivan**

Chief Executive Officer  
New Jersey Economic  
Development Authority

## COVID-19

# Economic Relief Package

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NJEDA initiatives aimed at stabilizing and revitalizing local small businesses, mid-size businesses, and startups or other early-stage companies

May 13, 2020



# We have developed our economic stability approach around three core principles

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## 1. Get funding into the market as soon as possible

- ▶ Where possible, adjust existing NJEDA programs to address crisis needs
  - ▶ Utilize multiple channels / partners to maximize marketing of programs and minimize processing capacity constraints
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## 2. Leverage private, federal, and philanthropic capital where possible to scale impact

## 3. Provide a suite of compatible offerings to help address varied marketplace needs (e.g., grants, no-cost loans, low-cost loans, loans through intermediaries, technical assistance)

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# COVID-19 Economic Relief Package



## SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM



## SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM



## PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

CDFI First Loss Reserve Fund

Emergency Assistance Guarantee

Entrepreneur Support Program



## NJ TECHNICAL ASSISTANCE SUPPORT



## CREDIT FLEXIBILITY TO SUPPORT BUSINESSES



# SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM

Operating expense grants of up to \$5K  
to small businesses with 1-10 FTE  
in highly impacted industries

**NJEDA Program Size**

**\$5M**  
(initial wave)

***Launched April 3 – Funds  
Exhausted***

## **Business Eligibility**

- Industries, as determined by NAICS code:
  - Retail
  - Accommodation & Food Service
  - Arts, Entertainment, & Recreation, Repair & Maintenance; Personal & Laundry Services
  - (Eligible NAICS codes that start with 44, 45, 71, 72, 811, 812)
- Non-profit entities in the above industries are permitted to receive grant funding if they also have the following designations: 501(c)(3), 501(c)(4), and 501(c)(7)
- Must certify to negative impact of emergency
- Physical commercial location in NJ
- Must be registered to do business in New Jersey
- Department of Labor good standing
- 1-10 FTE per Company's 2019 4<sup>th</sup> Quarter NJ-WR30 filing with the Department of Labor; visit our grant award estimator to help determine your FTE:  
<https://cv.business.nj.gov>
- Must fill out and certify simplified debarment legal questionnaire



# SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM

**Up to \$100K working capital loans for up to 10 years for businesses with \$5 million or less in revenue; 0% for years 1-5; 1-3% for years 6-10.**

## NJEDA Program Size

**\$10M**  
(initial wave)

***Launched April 13<sup>th</sup> –  
Funds Exhausted***

### Business Eligibility

- \$5M or less annual revenue
- Physical commercial location in New Jersey
- At least 1 year in existence
- Must be registered to do business in New Jersey
- Minimum Global Debt service ratio of 1.0 based on the year prior to the declaration of emergency
- Tax Clearance; Department of Labor good standing
- Minimum Credit Score of 600 for at least one guarantor
- emergency (e.g., closure, reduced hours, 20% revenue drop, 20%, etc.)
- Additional conditions may apply
- Must fill out and certify simplified debarment legal questionnaire



# PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

## CDFI First Loss Reserve Fund

\$10M capital reserve fund for first-loss position, up to 50%, on CDFI loans that provide low/no-interest loans to micro and small businesses

## NJEDA Program Size

**\$10M**  
(initial wave)

### Eligibility

- Federally-certified, NJ-based CDFI
- Have the operational and financial capacity to use the guarantee effectively
- Have significant experience working with underserved business segments and in communities underserved by other banks
- Must fill out and certify simplified debarment legal questionnaire
- CDFI Loans that are guaranteed must:
  - Be to an impacted business
  - Be focused on working capital
  - Not exceed \$75,000
  - Have an interest rate of 3.75% or less
  - Not exceed a term of five years
  - Provide flexible loan structures





# PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES

## NJEDA-Approved COVID-19 CDFI Partners:





# ENCOURAGING INVESTMENT IN EMERGING COMPANIES

## NJ Entrepreneur Support Program

Provide 80% loan guarantees for working capital loans to entrepreneurs

## NJEDA Program Size

**\$5M**

(initial wave)

*Launched April 22<sup>nd</sup>*

## Eligibility

- Must be NJ-based company (registered to do business, C-suite in the State)
- Under \$5M in revenue; under 25 people
- Investors have already provided funding in the form of a convertible note, safe or equity interest.
- Investor does not need to be NJ-based
- Align with the Governor's Economic Plan
- Must fill out and certify simplified debarment legal questionnaire
- Tax Clearance; Department of Labor good standing
- Minimum of 50% of employees in NJ



# NJ TECHNICAL ASSISTANCE SUPPORT

**Support for organizations providing technical assistance to COVID-19 Impacted Small Businesses Applying for SBA Funding Programs**

**NJEDA Program Size**

**\$150K**  
(initial wave)

**This assistance includes, but is not limited to, preparing financial information, packaging application documentation, and completing and submitting the on-line or paper-based application.**

- [African American Chamber of Commerce of New Jersey \(AACCNJ\)](#)
- [New Jersey State Veterans Chamber of Commerce](#)
- [Rising Tide Capital](#)
- [Statewide Hispanic Chamber of Commerce of New Jersey \(SHCCNJ\)](#)



# CREDIT FLEXIBILITY TO SUPPORT BUSINESSES

## Ability to provide flexible terms to portfolio customers impacted by COVID 19

**Expanded delegations to provide quick cash flow relief and to facilitate business access to funding for working capital to continue operations and employment in New Jersey through:**

- Payment Moratoria
- Loan Maturity Extensions
- Subordinations
- Fee Waivers

# Businesses Served

Programs for Micro-Businesses	Programs for Small Businesses	Programs for Medium Businesses
▶ SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM	▶ SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM	▶ EMERGENCY ASSISTANCE GUARANTEE PROGRAM
▶ CDFI FIRST LOSS RESERVE FUND	▶ EMERGENCY ASSISTANCE GUARANTEE PROGRAM	▶ CREDIT FLEXIBILITY TO SUPPORT BUSINESSES
▶ EMERGENCY ASSISTANCE GUARANTEE PROGRAM	▶ NJ ENTREPRENEUR SUPPORT PROGRAM	▶ SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM
▶ NJ ENTREPRENEUR SUPPORT PROGRAM	▶ NJ TECHNICAL ASSISTANCE SUPPORT	
▶ NJ TECHNICAL ASSISTANCE SUPPORT	▶ CREDIT FLEXIBILITY TO SUPPORT BUSINESSES	
▶ CREDIT FLEXIBILITY TO SUPPORT BUSINESSES		

Visit [cv.business.nj.gov](http://cv.business.nj.gov) to see what support programs are available to help stabilize your operations and get back on a pathway to growth.

**1-800-JERSEY7**

# Our Eligibility Wizard can help you determine which programs to apply to

OFFICIAL SITE OF THE STATE OF NEW JERSEY return to nj.gov

**NEW JERSEY**  
**COVID-19 Information Hub**

Call (General COVID-19 Questions): 2-1-1 (7a-11p)  
Call (Clinical Questions): 1-800-962-1253 (24/7)  
Text NJCOVID to 898-211 to receive alerts

## Emergency Assistance Eligibility Wizard

The COVID-19 outbreak is causing extraordinary disruption for companies and non-profits across the Garden State. The NJEDA wants to make it easy for organizations to understand what support programs are available to you to help stabilize your operations and get back on a pathway to growth.

This is a beta version of the Eligibility Wizard that focuses on newly announced State Emergency Assistance Grant Program and the SBA disaster loan program. We will be updating it regularly as new federal, state, and local programs become available.

### Included programs

- State Emergency Support Programs
  - Emergency Assistance Grant Program
  - Emergency Assistance Loan Program
  - Emergency Assistance Guarantee Program
  - NJ Entrepreneur Support Program
  - Financial relief on existing NJEDA obligations
- Federal Programs
  - Federal SBA Emergency Injury Disaster Loans

### Basic Information

Is your business/non-profit registered to do business in New Jersey?

Yes  No

Is your organization for-profit or not-for-profit?

For-profit  Not-for-profit

Does your organization have an existing financial relationship with NJEDA, such as a loan or investment?

Yes  No

Has your business been in operation for one year or more?

Yes  No

## Based upon your feedback, you may be eligible for the following New Jersey programs.

**Disclaimer:** As a courtesy, the NJEDA is offering this screening tool (the "Eligibility Wizard") that lists emergency assistance programs that you may decide to consider based upon information you provide about your organization.

The Eligibility Wizard neither approves nor denies eligibility for programs, nor does it reserve any funding or a place in any application queue. It is the responsibility of your organization to fully assess your eligibility for any State or Federal assistance program. The full specifications for each State emergency assistance program are located on the COVID Business Information Hub: <https://cv.business.nj.gov>. If you have additional questions, please ask them in the chat feature of that website.

To apply for a program listed below, you need to apply through the appropriate administering agency. The administering agency will determine all eligibility requirements upon your submission of an application to that agency for the respective program.

### Financial relief on existing NJEDA obligations

**Description:** A series of steps to support existing NJEDA business customers, including a 3-month payment moratorium, waived late fees on loan repayments late fees and/or loan modification fees, and allowing collateral releases, subordinations and substitutions on business assets.

**Eligible Uses:** Support for current NJEDA business customers

**Availability:** Current NJEDA business customers. Existing NJEDA business customers should reach out to their Servicing Officer for more information.

Available at:

<https://cv.business.nj.gov>



# Loans to Support Small NJ Businesses

## Micro Business Loan

- ▶ Up to \$50,000 for working capital or equipment
- ▶ Low interest/flexible terms

### ELIGIBILITY

- ▶ For-profit registered New Jersey business
- ▶ Annual revenue less than \$1.5 million
- ▶ 10 or less full-time employees
- ▶ Start-Ups eligible (see application for details)

Please visit [NJEDA.COM/MICROBUSINESSLOAN](http://NJEDA.COM/MICROBUSINESSLOAN) for more information.

## Small Business Fund

- ▶ Small businesses: Up to \$500,000
- ▶ Not-for-profits: Up to \$500,000 with 1.0X historical debt service coverage

### ELIGIBILITY

- ▶ Must be in operation for at least one full year
- ▶ Not-for-profits for at least three full years
- ▶ Annual revenue less than \$3 million

Please visit [NJEDA.COM/SMALLBUSINESSFUND](http://NJEDA.COM/SMALLBUSINESSFUND) for more information.

## Direct Loan

- ▶ Up to \$2 million for fixed assets
- ▶ Up to \$750,000 for working capital

### ELIGIBILITY

- ▶ Create/Retain one full-time job for every \$65,000 within two years

Please visit [WWW.NJEDA.COM/DIRECTLOANS](http://WWW.NJEDA.COM/DIRECTLOANS) for more information.



**Bringing together leaders from diverse industry groups and community organizations throughout New Jersey to advise state leadership on economic matters impacted by COVID-19.**

## SUBCOMMITTEES

### **Tim Sullivan**

Chief Executive Officer  
Economic Development Authority  
*Co-Chair*

### **Zakiya Smith Ellis**

Secretary of Higher Education  
State of New Jersey  
*Co-Chair*

### **Jose Lozano**

President and CEO  
ChooseNJ  
*Co-Chair*

- ▶ Transportation & Infrastructure
- ▶ Manufacturing & Supply Chain
- ▶ Main Street
- ▶ Professional Services
- ▶ Social Services and Faith
- ▶ Tourism & Entertainment
- ▶ Health Care



# Additional Resources

## NEW JERSEY COVID-19 BUSINESS INFORMATION HUB

Search for information on COVID-19 and its impact on businesses.

## EMERGENCY ASSISTANCE ELIGIBILITY WIZARD

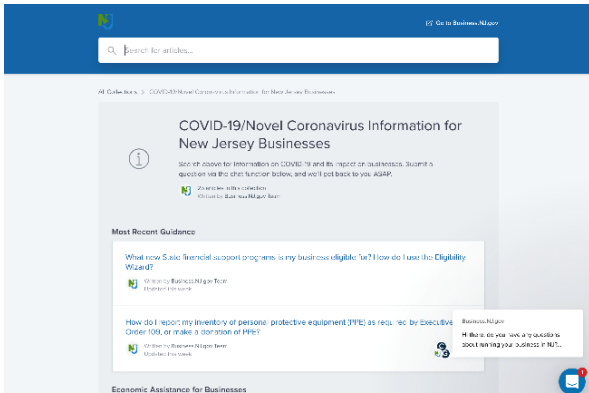
See what support programs are available to you to help stabilize your operations and get back on a pathway to growth.

## GRANT AWARD SIZE ESTIMATE CALCULATOR

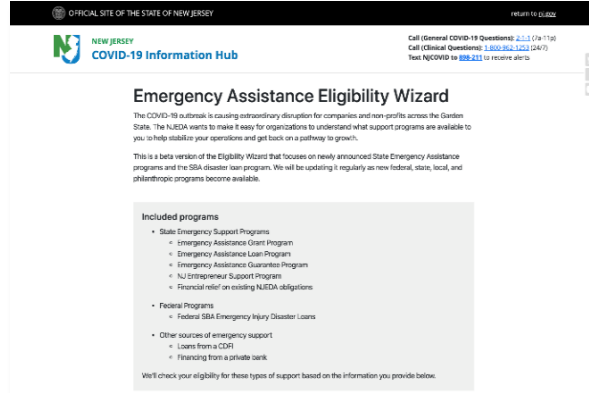
Get an early estimate of your potential grant award size based on information you submitted on your Q4 2019 NJ WR-30

## NEW JERSEY COVID-19 JOBS AND HIRING PORTAL

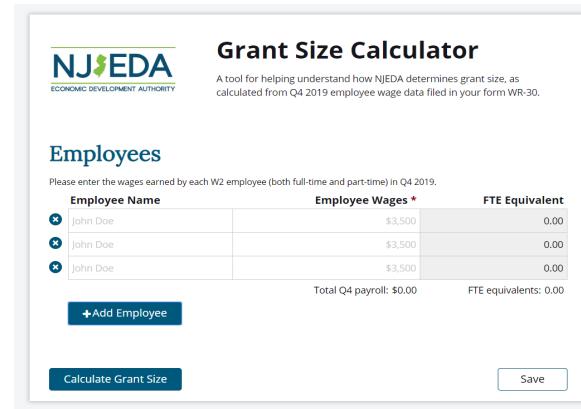
Businesses across New Jersey need thousands of workers for immediate hire. Learn more about who is hiring in your community.



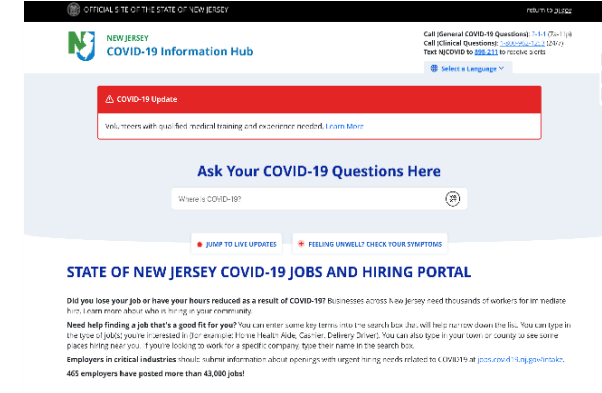
[CV.BUSINESS.NJ.GOV](https://www.nj.gov/business)



[CV.BUSINESS.NJ.GOV](https://www.nj.gov/business)



[CV.BUSINESS.NJ.GOV](https://www.nj.gov/business)



[JOBS.COVID19.NJ.GOV](https://www.nj.gov/jobs)



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**Commissioner  
Robert Asaro-Angelo**  
*New Jersey Department of Labor  
and Workforce Development*



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**Sheryl Paynter**

Lead Lender Relations  
Specialist and Lead Economic  
Development Specialist  
*U.S. Small Business Association*



U.S. Small Business  
Administration

Sheryl Paynter  
Lead Lender Relations & Lead Economic  
New Jersey District Office

# PPP OVERVIEW

***Loans are still available!***

## ***What is the Paycheck Protection Program?***

- A loan offered through participating lenders
- Find a lender at [www.sba.gov/paycheckprotection/find](http://www.sba.gov/paycheckprotection/find)
- Designed to provide a direct incentive for small businesses to keep their workers on their payroll

## ***What can the funds be used for?***

- Pay up to 8 weeks of payroll costs, including benefits.
- Funds can also be used to pay interest on mortgages, rent, and utilities

# PPP LOAN PROGRAM

## PPP Loan Terms

- Maximum loan amount is \$10 million
- Interest rate is 1%
- First payment deferred for 6 months
- Loan maturity is 2 years
- No collateral requirements
- No personal guarantees required
- No borrower or lender fees payable to SBA
- Program available through June 30, 2020

# PPP LOAN FORGIVENESS

## ***How will the PPP Loan be forgiven?***

- Fully forgiven when at least 75% of the funds are used for payroll
- Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels

## ***Who is eligible to apply for the PPP?***

- Small businesses with 500\* or fewer employees
- Non-profits, veterans' organizations, and faith-based organizations
- Sole proprietorships
- Self-employed persons
- Independent contractors

# PPP LOAN FORGIVENESS DETERMINATION

## **Borrower will owe money when loan is due if:**

- Borrower uses loan amount for anything other than payroll costs, mortgage interest, rent, and utility payments over the 8 weeks after receiving the loan
- Borrower uses less than 75% of loan amount for payroll costs
- Borrower maintains staff and payroll at less than Feb. 15, 2020 levels

## **To qualify for loan forgiveness:**

- Full-time employee headcount must be maintained
- Salaries and wages must be maintained
- Borrower has until June 30, 2020 to restore full-time employment and salary levels from any changes made between Feb. 15 and April 26



# PPP LOAN PAYROLL COSTS

## ***What counts as payroll costs?***

- Salary, wages, commissions, or tips
- Employee benefits including costs for:
  - *Vacation, parental, family, medical, or sick leave*
- Allowance for separation or dismissal
- Payments required for the provision of group health care benefits including insurance premiums
- Payment of any retirement benefit

## ***What counts as payroll costs for sole props & independent contractors?***

- Wages, commissions, income, or net earnings from self-employment

**Economic Injury Disaster Loans  
For Coronavirus/COVID-19 Related Economic Disruptions**



**U.S. Small Business  
Administration**

**No longer taking applications for non-Agricultural based  
Businesses. Not sure when / if will re-open.**

**Any Questions?**  
**Sheryl.Paynter@sba.gov**



For more information on  
SBA's emergency capital programs visit:  
[www.sba.gov/coronavirus](http://www.sba.gov/coronavirus)



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**Wayne Meyer**  
President  
*New Jersey Community Capital*



# NEW JERSEY **COMMUNITY** CAPITAL

Small Business Resource Center: Atlantic/Cape May Counties  
May 13, 2020

Wayne T. Meyer  
President

# Who We Are

As a CDFI founded in 1987, New Jersey Community Capital has a toolkit of services and products to support neighborhood revitalization and economic development and advance equity and opportunity in communities of need, including:

- Revolving loan funds and related investment products
- Real estate development/foreclosure mitigation
- Homeownership counseling and mortgage products
- Capacity building and technical assistance

NJCC is the largest community development financial institution (CDFI) certified by the U.S. Department of Treasury serving the entire State of New Jersey.



# Our Mission


To **create thriving** communities through **strategic investments** and **knowledge**.


## OUR IMPACT SINCE INCEPTION\*

 **600 MILLION**  
INVESTED IN NJ  
COMMUNITIES

 **10,550**  
HOUSING UNITS  
DEVELOPED

 **12,390+**  
JOBS CREATED,  
PRESERVED

 **19,760+**  
EDUCATION  
SEATS

 **6,340+**  
EARLY CARE  
SLOTS

 **5.7**  
~~MILLION~~ STATE  
DEVELOPED

# Garden State Relief Fund

## Purpose

- To provide flexible and quick access to low interest capital to small businesses and nonprofits negatively impacted by the COVID-19 pandemic

## Eligibility

- Eligible for businesses and nonprofits with 3 to 50 employees located in New Jersey
- Minimum DSCR: 1.00x
- Minimum Credit Score: 625
- Guaranties: Required for Owners with Greater than 20% Ownership

## Loan Amount

- \$10,000 - \$75,000

## Loan Terms

- Up to 36 months; No Fees

## Repayment

- Advances will be made no more than once/month, during the first 6 months
- Monthly payments of principal and/or interest to amortize loan during the remaining term

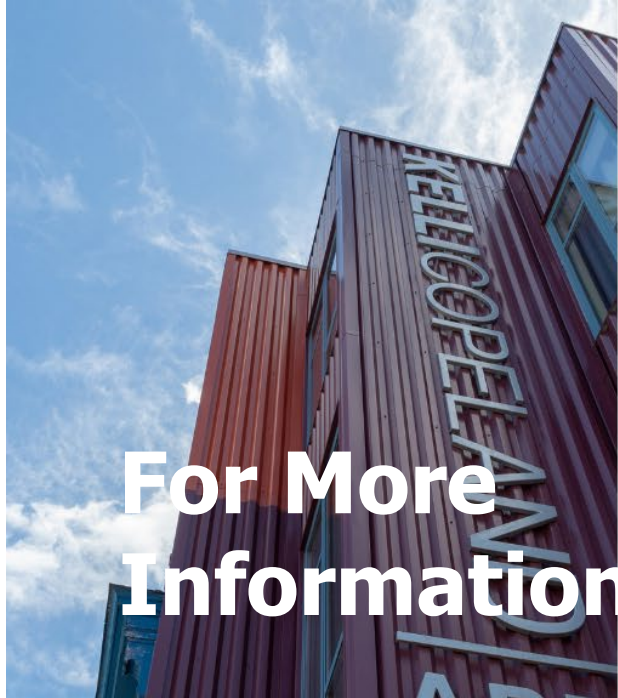
## Interest Rate

- 3%, fixed
- 0% for small businesses located in THRIVE South Jersey footprint (Gloucester, Cumberland, Salem, and Western Atlantic Counties)

## How to Apply

- Complete application form on website and return via email to [relief@njclf.com](mailto:relief@njclf.com)





**For More  
Information**



<https://www.newjerseycommunitycapital.org/initiatives/garden-state-relief-fund>



[www.newjerseycommunitycapital.org](http://www.newjerseycommunitycapital.org)



@NJCLF



/newjerseycommunitycapital



**Contact**

**Leah Apgar**  
**Managing Director, Lending**  
**lapgar@njclf.com**  
**732.640.2061**



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**Harry Stone**

President & CEO/Chief Lending  
Officer, *The Cooperative  
Business Assistance Corporation*