

Good morning,

Please see the message below from NJEDA CEO Tim Sullivan and press release and one-pager attached on *New Initiatives to Support Businesses Impacted by COVID-19* approved by the NJEDA Board today, March 26, 2020. If you have any questions or need additional information, please contact me at your convenience. Thank you for your attention.

The outbreak of the novel coronavirus COVID-19 has dramatically shifted New Jersey's and the world's economic outlook. We are in uncharted territory and are taking unprecedented actions under Governor Murphy's leadership to "flatten the curve" and better manage the disease's spread.

The outlook ahead is uncertain. What we do know, with certainty, is that the economic impact on New Jersey is already significant. New unemployment claims have skyrocketed and businesses are reporting significant reductions in sales.

As a fellow New Jersey leader, I know you are doing everything in your power to protect the residents, businesses, and workers you represent. The NJEDA is here to help with a package of initiatives aimed at stabilizing and revitalizing small- and medium-sized enterprises that are most vulnerable to sudden systemic shocks. Taken together, this package of initiatives will make more than \$100 million of State and private financial support available to small and midsize enterprises. Our approach centers on six strategies to accomplish these goals:

1. An \$5 million emergency grant program to provide near-term cash to the smallest and most vulnerable businesses;
2. A \$10 million zero-interest loan program to help small- and medium-sized enterprises weather this downturn;
3. Support for private-sector lenders (with a particular focus on community-based lenders) to enable more liquidity in the New Jersey marketplace via:
 - a. A \$10 million first-loss guarantee pool for Community Development Finance Organizations (CDFIs),
 - b. \$1.25 million in direct operating support scaling of CDFI operations,
 - c. A \$10 million investment in expansion and enhancements of existing NJEDA guarantee programs through our Premier Lender Program (PLP) banks and CDFI partners;
4. \$5 million to support entrepreneurs and other early-stage firms that cannot access traditional-banking resources;
5. Flexibility for participants in existing NJEDA loan programs to enable short-term deferral of payments for companies experiencing COVID-related hardships;

6. \$150,000 set aside for technical support and other marketplace information via:
 - a. Direct support for chambers of commerce and other business groups to support small businesses in seeking NJEDA, SBA, and other financial support (contracted under delegated authority),
 - b. An online jobs portal (in partnership with the NJ DOL) to connect jobseekers and companies hiring to support expanded operations during this emergency,
 - c. An online portal regularly updated to provide answers to businesses' "frequently asked questions."

The novel coronavirus presents unprecedented challenges for New Jersey residents, businesses, and communities, but with creativity, compassion, and teamwork we will overcome this outbreak.

Please help us spread the word about these programs which could be the difference between small businesses shutting down and laying off workers or making it through to rebuild after the crisis passes.

For more on these programs and other COVID-19/Novel Coronavirus Information for New Jersey Businesses, visit <https://faq.business.nj.gov/en/collections/2198378-covid-19-novel-coronavirus-information-for-new-jersey-businesses>. Our team is available to answer any questions you may have. Thank you for your partnership as we weather this trying time.



Best,

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Sincerely,

Rebecca Schwartz

Senior Aide to the Governor

Office of Governor Philip D. Murphy

State of New Jersey

Rebecca.Schwartz@nj.gov

