Small Business Improvement Grant

A $45 million program that provides grants up to $50,000 to reimburse businesses for a portion of costs associated with improvements and/or the purchase or installation of furniture, fixtures, and equipment.

Program Details

The Small Business Improvement Grant provides reimbursement for costs associated with making building improvements or purchasing new furniture, fixtures, and equipment. A total of $45 million of Main Street Recovery Finance Program funding will be utilized to capitalize the Small Business Improvement Grant.

Of this $45 million, 40 percent will be reserved for businesses and nonprofits located in Opportunity Zone eligible census tracts.

Applications will be accepted on a rolling basis until funding is exhausted.

Award Size

Reimbursement of up to 50% of total project costs incurred up to $50,000. Only one award is allowed per Employer Identification Number(EIN) for the life of the program.

Eligibility

Businesses and nonprofits may be reimbursed for capital improvements, or purchase and/or installation of new furniture, fixtures, and equipment. Landlords are not eligible.

Applicants are limited to one application per federal EIN. Applicants operating from multiple locations under a single EIN would be limited to one application under the sole EIN, but may pool project costs from multiple locations into a single application.

Applicants must:

- Rent or own and operate from facility.
- Meet SBA definition of a Small Business – determined by employee count and NAICS code.
- Provide a current tax clearance certificate prior to approval.
- Be in good standing with New Jersey Department of Labor and Department of Environmental Protection.
- Certify at time of application that they are not in default of any other EDA or State assistance.
- Certify at application that they are willing to pay wages that are the greater of $15/hour or 120% of the minimum wage rate. Tipped employees are required to be paid 120% of minimum wage rate.
- Remain in the location for at least two years for grants up to $25,000, or at least four years for all other grant award amounts.

Improvement projects must meet the following eligibility requirements:

- Interior or exterior building improvements, or purchase and/or installation of furniture, fixtures, and equipment (FFE).
- Total project cost must be at least $5,000.
- Work must be complete on or after March 9, 2020, and within the 2 years prior to application date.
- Projects with total costs over $50,000 are subject to Green Building Standards for lighting and/or mechanical work.
- Projects utilizing contractors with 4 or more employees (total workforce, not specific to project) may be subject to Affirmative Action requirements.

Home-based businesses are not eligible for reimbursement for renovation or improvement projects. Applicants are responsible for all applicable local approvals (i.e. zoning and building permits). If applicant leases space, then landlord's permission to make improvements is required.

Fees

Approval Fee: $100

Payable after EDA approval and prior to execution of the grant agreement

Additional Requirements

The full statutory text of the program can be found in sections 82-88 of the Economic Recovery Act of 2020.

A Division of Taxation Tax Clearance Certificate is required. Certificates may be requested through the State of New Jersey's Premier Business Services (PBS) portal online. Under the Tax & Revenue Center, select Tax Services, then select Business Incentive Tax Clearance. If the applicant's account is in compliance with its tax obligations and no liabilities exist, the Business Incentive Tax Clearance can be printed directly through PBS.

Applicant must remain in the location for at least two years for grants up to $25,000, or at least four years for all other grant award amounts.

For more information or to ask a specific question please send an email to
smallbusinessservices@njeda.com and a team member will reach out to you.

https://www.njeda.com/small-business-improvement-grant/

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