

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications
December 8, 2021

Funding Source	\$2,000,000 as listed in the Fiscal Year 2022 Appropriations Act and deposited into the Economic Recovery Fund
Program Purpose	Seed funding for an innovative music and technology festival based in New Jersey that will position State as a premier location for innovation and arts creatives, entrepreneurs, and researchers to live, work, and play
Eligible Applicants	<p>Any public or private entity, including all 501(c) non-profit organizations, that can demonstrate as applicable:</p> <ul style="list-style-type: none">• Registered for business in New Jersey or holding a valid NJ Charitable Registration,• Demonstrated experience organizing and executing at least one (1) event with an attendance of 5,000 or more in the last 7 years,• Applicants may add a strategic partner or partners whose experience, knowledge, skills and ability may provide an advantage in the production, management, and/or marketing of the festival.• Strategic partners are distinct from contractors in that they will not be contracted for specific services, but instead will partner with the grant recipient to plan the festival and oversee spending of grant funds received.• Strategic partnership must be recognized by a memorandum of understanding or a written agreement between the partner and the applicant and be included in the application.• Strategic partner or partners' prior experience will be considered for the purposes of awarding the grant. <p>Grant applications must also demonstrate, as part of the grant application, the following <u>requirements</u> are met by applicants:</p> <ul style="list-style-type: none">• Legal registration to do business in New Jersey, as evidenced by a NJ Business Registration Certificate• Good standing with the Department of Labor, with all decisions of good standing at the discretion of the Commissioner of the Department of Labor• Check against the Federal System for Award Management (SAM) to ensure entity is not debarred.• Satisfaction of the requirement by the New Jersey Division of Taxation with regard to taxes, which may be through a tax clearance certification or verification from the Division of Taxation that the restaurant is in good standing and does not have tax debts due to the State

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

Eligible Uses	<p>Grant funding can only be used for costs associated with a New Jersey Arts and Innovation Festival that are projected to be after the date of grant execution. These costs include:</p> <p>Booking costs:</p> <p>Funds required to secure contracts for the time and performance of individuals or groups who are identified by the grantee as major performers, presenters, or speakers at the proposed event or</p> <p>Funds required to secure contracts for use of a specific venue or venues, in a New Jersey municipality, where speaking events, arts, and/ innovation presentations, or artistic performance or support services will be held as part of the NJ Arts and Innovation Festival</p> <p>Operating costs:</p> <p>Contract fees, contract payments, venue and/or equipment deposits, inventory, supplies, salaries, costs related to professional services, costs related to governmental fees, utilities payments, and other customary costs related to operations.</p> <p>Normal and Customary costs:</p> <p>Costs associated with the production and management of the festival that may not be traditionally associated with operating costs.</p>
Application Process and Board Approval	<p>Applications must include the following:</p> <ol style="list-style-type: none">1. Project Title2. Past Project Details-a narrative that describes the previous work on festival (s) or event(s) held after January 1, 2014 that applicant entity has produced and/or managed with the following information. :<ul style="list-style-type: none">• Name of Event or Festival• Dates of Event or Festival• Location of Festival (Municipality and State/ Major Venues)• Final Festival Attendance Totals• Description of Elements.<ul style="list-style-type: none">-Live music performances or other live performances-Panel discussions

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

- Keynote speakers of national significance
- Live tech demonstrations
- Trade show

3. Vision Statement:

The Vision Statement that must include the following points:

- Narrative detailing how proposed festival will:
 - promote New Jersey as a destination for artists and creative businesses.
 - promote New Jersey as a destination for innovation economy businesses
 - promote New Jersey as a destination for tourism.
 - aligns Align with New Jersey's vision for stronger, fairer economic growth.
- Proposed dates and locations
- Proposed performers/speakers
- Proposed plan for advertising/promotion
- Proposed plan for partnering with host municipality/municipalities to provide free or subsidized tickets to residents of the host municipality/municipalities
- Proposed security and transportation plan
- Strategic Partner or Partners, as needed
- Proposed key contractors, as needed

4. Fundraising Plan

- demonstrates plan to cover any costs not covered by the \$2 million must include, at minimum: projected monthly income flows from:
- key festival operations such as ticket sales, sponsorships, promotional fees
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 - other projected operational revenue streams
 - non-operating streams such as debt financing and lines of credit.

5. Proposed Budget

- costs necessary to execute on the submitted Vision Statement. Costs detailed in the budget should include, which include, but are not limited to, labor costs, contract/technical services and support costs, and material costs.

6. COVID-19 Safety Plan

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

-outlines practices that will be in place to align event operations with best public health practices and all relevant executive orders, laws, and other guidelines applicable at the time of application.

7. Diversity and Inclusion Plan
-strategies related to hiring of minority persons and women across all staff, presenters, and performers involved in the proposed event.
8. Valid New Jersey Business Registration Certificate or Valid New Jersey Charities Registration

Proposals will be evaluated by a cross-Authority Evaluation Committee whose voting members will be composed of Authority staff. Subject matter experts from other departments and authorities of State Government may be consulted to advise on scoring but will not score proposals.

Proposals will be evaluated and scored on each of the criteria below

1. Past Experience (maximum 55 points). An application that does not include this section will be automatically disqualified and considered ineligible regardless of other materials provided.
 - a. Number of events since 1/1/2014 with attendance of 5,000 or more (4 points per event; maximum 20).
 - b. Number of events since 1/1/2014 with attendance of 1,000 or more that took place in New Jersey (2 points per event; maximum 10)
 - c. Elements of event(s). Element must be featured in at least one event the applicant organized. (5 points per element; maximum 25)
 - i. Live music
 - ii. Keynote speaker(s)
 - iii. Tech demonstrations
 - iv. Trade show(s)
 - v. Panel discussions
2. Vision Statement (up to 4 points each; maximum 20 points). An application that does not include this section will be automatically disqualified and considered ineligible regardless of other materials provided.

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

- a. Demonstrates effective plan to promote New Jersey as a destination for artists and creative businesses.
 - b. Demonstrates effective plan to promote New Jersey as a destination for innovation economy businesses and investors.
 - c. Demonstrates effective plan to attract tourists from throughout New Jersey and neighboring states.
 - d. Includes outreach plan that will generate local and national publicity.
 - e. Aligns with New Jersey’s vision for stronger, fairer economic growth.
3. Fundraising Plan (10 points)- plan to raise all funds necessary to cover any budget items in excess of \$2,000,000. An application that does not include this section will be automatically disqualified and considered ineligible regardless of other materials provided.
4. Includes plan to coordinate with host municipality or municipalities to provide free or subsidized tickets to residents of host municipality or municipalities (5 points).
5. Includes COVID-19 safety plan in compliance with all relevant executive orders, laws, and other guidelines applicable at the time of application (5 points).
6. Includes diversity and inclusion plan that sets forth strategies the applicant will implement related to hiring of minority persons and women across all staff, presenters, and performers (5 points)
- 7.

Applications must also include:

- Signed letter of agreement that the entity assumes all liability for the event and will indemnify, defend, and hold harmless EDA for any action during the Arts and Innovation Festival.
- Proof of ability to obtain appropriate insurance coverage as recommended by EDA’s insurance broker in the form of a substantially similar insurance policy for an event the applicant has previously organized.

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

	<ul style="list-style-type: none">• Strategic Partnership Memoranda of Understanding or Agreement (if relevant). <p>For the purposes of this grant and to be considered for award of this grant, an application must achieve or exceed:</p> <ul style="list-style-type: none">• Overall score of fifty (50); with 100 being the highest rating• Applications that fail to include questions 2, 3, 4, 5, and 6 will be automatically disqualified and considered ineligible regardless of other materials provided
Grant Amount	One (1) grant totaling \$2,000,000
Funding Disbursement	<p>Funding will be disbursed as follows:</p> <ol style="list-style-type: none">1) First Tranche – \$500,000 disbursed, post execution, within seven days of the receipt and approval of a spending plan for the initial disbursement of \$500,000. The spending plan must identify major cost centers and spending targets related to booking costs; operational costs; and any normal and customary costs associated with the planning, production, and management of the festival.<ol style="list-style-type: none">a. Booking costs are described as:<ol style="list-style-type: none">i. Funds required to secure contracts for the time and performance of individuals or groups who are identified by the grantee as major performers, presenters, or speakers at the proposed event.ii. Funds required to secure contracts for use of a specific venue or venues, in a New Jersey municipality, where speaking events, arts, and/ innovation presentations, or artistic performance or support services will be held as part of the NJ Arts and Innovation Festivalb. Operating costs may include but is not limited to:<ol style="list-style-type: none">i. Contract fees, contract payments, venue and/or equipment deposits, inventory, supplies, salaries, costs related to professional services, costs related to governmental fees,

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

utilities payments, and other customary costs related to operations.

- c. Normal and Customary costs are costs associated with the production and management of the festival that may not be traditionally associated with operating costs.

- 2) Second Tranche – Remaining funds up to a total of \$1,500,000 to be disbursed in increments of no less than \$100,000 and no greater than \$500,000 for reimbursement of booking costs, operating costs, and normal and customary costs incurred in the production of the festival not covered by the initial disbursement.

- a. The first disbursement of funds in the second tranche must be accompanied by an updated fundraising plan showing projected ticket sales, promotional financing, fees receivable, and any anticipated operating or non-operating revenue based on the confirmation of performers, presenters, speakers, or venues, on a monthly basis for the period leading to the event.

- 3) All Second Tranche Disbursement requests must be accompanied by:
- a. Summary of expenses to be funded with this disbursement.
- b. Summary of funds expended to date.

Prior to receiving any Second Tranche disbursements, the grantee must submit a report detailing how the First Disbursement was spent and an updated budget for the remaining grant funds available.

In order to receive second tranche disbursements, the grantee must submit a disbursement request that includes:

- Summary of expenses to be funded with this disbursement.
- Summary of funds expended to date.
- Full and complete copies of invoices, bills, and/or contracts for the production of the festival not covered by the initial disbursement. Invoices,

NJ Arts and Innovation Festival Challenge Grant:

Program Specifications

December 8, 2021

	bills, and/or contracts must identify the date of issuance, the date of the delivery of the good or service, a summary of the type of good or service, itemized total of quantity and cost of the good or service, total costs of the good or services purchased, and the individual or company from whom the good or service was purchased.
Fees	As listed in N.J.A.C. § 19:30-6.1, a non-refundable fee of \$1,000 shall accompany every application.