

ANNUAL REPORT 2021



NJEDA
ECONOMIC DEVELOPMENT AUTHORITY



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LETTER FROM THE CHAIRMAN

The struggles of the COVID-19 pandemic continued throughout 2021, as the NJEDA team and workers all over the state navigated the many realities of working and learning from home. The pandemic continued to shock and exhaust us in ways that will impact New Jersey and its economy for many years to come. Throughout the year, however, as our economy transitioned from pandemic to endemic, the focus of the NJEDA's efforts gradually shifted from emergency relief to strengthening New Jersey's businesses and communities, and building a more resilient economy.

It has been an honor to work with Governor Phil Murphy, NJEDA Chief Executive Officer Tim Sullivan, members of the NJEDA Board, and the phenomenal team at the Authority to provide critical relief to New Jersey's workers and business owners. Simultaneously, we have developed programs that will not only help the state's economy emerge from the pandemic poised for growth but will also ensure greater resiliency for New Jersey businesses and workers when faced with future catastrophic events. Through it all, I have been amazed every day with the competence, compassion, and commitment to New Jerseyans that NJEDA staff has shown.

As a result of the NJEDA's COVID-19 recovery programs, I have seen countless examples of the unparalleled strength of New Jersey's business owners and the workers they employ. And through programs created under Governor Murphy's Economic Recovery Act of 2020 (ERA), that same spirit of tenacity and hope for a better future for New Jerseyans from all backgrounds and areas abounds.

This Annual Report recaps the NJEDA's continued work in 2021 to help businesses and communities turn the corner from some of the darkest months of the COVID-19 pandemic toward a time of greater stability and renewed growth. It also showcases how, during an exceptionally busy and challenging time, the NJEDA managed to make significant headway toward standing up a robust suite of solutions created by the ERA to ensure businesses are durable enough to ride out inevitable highs and lows, and keep their staff employed and their families safe. Progress toward the stronger, fairer recovery Governor Murphy envisions is steadily accelerating. This progress comes in the form of projects that will cultivate our offshore wind industry, nurture our innovation ecosystem, facilitate the use of clean energy technology, and drive new resources to communities that have struggled with access to capital.

Simultaneously, the NJEDA has continued to make significant progress in its efforts to be best in class as a steward of fiscal resources, strengthening a culture of compliance and ensuring that all programs and initiatives are rigorously implemented and reviewed.

It's not likely we'll ever see a year quite like 2021 again, and we can also be sure the future holds its share of unexpected challenges. The world will likely never be exactly as it was pre-COVID-19, but I have every confidence that New Jerseyans, with characteristic kindness, generosity, and determination, will achieve Governor Murphy's vision for a fairer, more equitable New Jersey economy.

KEVIN A. QUINN
Chairman, NJEDA Board of Directors





LETTER FROM THE CEO



2021 was a transformative year for both the NJEDA and the entire Garden State. While we all breathed a collective sigh of relief when the COVID-19 vaccines provided a turning point, the human and economic devastation caused by the pandemic will not soon be forgotten. Throughout the pandemic, and now, NJEDA staff continue to work tirelessly to support New Jersey's main streets and small businesses most impacted by COVID-19 by processing thousands of grants and loans, and by administering programs that not only support our state's economic recovery but ensure greater resiliency and future growth for our communities, small businesses, and strategic sectors.

While COVID-19 is not fully in the rearview mirror, we have shifted out of an emergency response posture enough to enable a shift toward advancing programs designed to build the long-term resiliency of the state's economy. Many of these programs were created under the Economic Recovery Act of 2020 (ERA), signed by Governor Phil Murphy in January of 2021. Thanks largely to this united effort by Governor Murphy, the New Jersey Legislature and elected officials, this package of programs demonstrate that our state's economic recovery from COVID-19 is underway.

This annual report provides a look back at pandemic recovery efforts and the advancement of programs created under the ERA, as well as other strategic initiatives, throughout 2021. This includes critically important projects and programs that will pave the way for inclusive, equitable, long-term economic growth, such as the New Jersey Wind Port and other clean energy-focused initiatives, the Main Street Recovery Program to help build the resilience of small businesses and nonprofits, and new programs to drive investment into New Jersey's innovation ecosystem.

Since Governor Murphy tasked the NJEDA with leading the state's economic recovery from the COVID-19 pandemic, the team has assessed the ongoing needs of the business community and responded with agility and a sense of urgency. Since March of 2020, the NJEDA has provided more than \$1 billion in economic assistance to ensure that New Jersey's small businesses keep their lights on, and doors open, and that our communities have the support necessary to thrive for years to come.

One of these programs, Sustain & Serve NJ, had awarded more than \$34 million to 31 organizations across the state as of December 2021, resulting in the purchase of nearly 3.3 million meals from more than 400 participating restaurants since the program launched in December 2020. Additionally, we launched the Community Stage Relief Grant Program, which provided much needed financial support for creative businesses most impacted by the pandemic. NJEDA's programs are being developed with a particular focus on women- and minority-owned businesses and businesses in historically underserved communities, with both serving as a testament to Governor Murphy's commitment to building a stronger, fairer economy.

While all of our COVID-19 relief programs were critically important to the businesses that received support, our Small Business Emergency Assistance Grant Program stands out as having an especially positive impact. Over four phases of this program, we have awarded nearly \$600 million to a broad swath of businesses that may not have been able to remain solvent through the pandemic without this support.

COVID-19 resources were a top priority in 2021, but NJEDA staff also focused heavily on tools for a strong and equitable recovery, with a specific focus on developing new funding sources for underbanked communities. Our Board approved the expansion of the Micro Business Loan Program and continued to support Small Business Bonding Readiness Assistance Program in partnership with the African American Chamber of Commerce of New Jersey and the Statewide Hispanic Chamber of Commerce of New Jersey.

We created new products to help main street businesses and nonprofits rebuild, including the Small Business Lease Grant and the Small Business Improvement Grant. The first approvals under the Small Business Lease Grant were made during the latter part of 2021, and to date, more than more than 1,100 grants totaling over \$27 million in support under the two programs has been approved.

The pandemic also laid bare some significant existing disparities in issues impacting the economic security of New Jerseyans. This includes issues such as child care, infant and maternal health, and food insecurity. The NJEDA continues to develop programs to address these issues, including a rigorous process for gathering public input on the nature and availability of resources. First to launch were the Food Security Planning Grant Program and the Child Care Facilities Improvement Program, both of which started accepting applications this fall.

2021 also saw tangible progress in the effort to establish New Jersey as a hub for offshore wind. In September, Governor Murphy led a groundbreaking at the New Jersey Wind Port in Lower Alloways Creek, Salem County, and progress continues toward nation's first purpose-built, greenfield offshore wind port that will bring billions of dollars and tens of thousands of jobs to New Jersey. Headway was also made on several offshore wind-related workforce development initiatives to ensure equitable access to the job opportunities this new industry creates. This growing sector will play an important role in driving economic growth and job creation across the state as our recovery from the pandemic continues.

Since 2020, New Jersey businesses and workers have faced some of the most extraordinary challenges any of us will ever see. Under the Governor's leadership, New Jersey is on course for a robust recovery that provides family-sustaining opportunities for all New Jerseyans. I am incredibly proud of the NJEDA team's commitment to serving New Jersey throughout the pandemic, as represented here in this annual report.

2021 was a heart-rending year, with ongoing loss of life and lingering challenges for businesses. I am grateful to all of NJEDA's employees, Board members, partners, and other stakeholders that continue to help to advance a strong, equitable, and inclusive economic recovery.

TIM SULLIVAN
NJEDA Chief Executive Officer





2021 NJEDA ACTIVITY

Below is a summary of activity in calendar year 2021, reflecting:

■ NON-INCENTIVES ACTIVITY - Defined as financing projects that have closed, as well as other assistance that has been provided through non-incentive programs.

2021 Non-Incentives activity includes the following programs:

- 21st Century Redevelopment Program
- CDFI Loan to Lender Program
- CSIT Clean Tech Seed Grant
- CSIT SBIR/STTR Grant Program
- CSIT Clean Tech R&D Voucher
- Direct Loan
- Hazardous Discharge Site Remediation Fund
- Hurricane Ida/Henri Business Assistance Grant
- Main Street Small Business Lease Grant
- Micro Business Loan Program
- Micro Lender Support Grant Program
- NJ Ignite
- NJ ZIP
- Tax Exempt Bond Financing
- Small Business Lease Assistance Program
- Small Business Bonding Readiness Assistance Program
- Energy Resilience Bank
- Premier Lender Program
- Petroleum Underground Storage Tank Program



■ INCENTIVES ACTIVITY - Incentive projects (primarily involving tax credits) that have been approved in calendar year 2021 and are pending certification. For Film Tax Credit Program specifically, this represents a preliminary approval of tax credits only, as any approved project must certify completion of the project and any associated job creation/retention and/or capital investment before tax credits are issued. For information on projects that have received an issuance of tax credits in CY2021, please see the 2021 Incentives Issuance Report available as an appendix to this report.

2021 Incentives activity includes the following programs:

- Film Tax Credit Program – Projects Approved in CY2021
- Digital Media Tax Credit Program – Projects Approved in CY2021
- Emerge – Projects Approved in CY2021
- Economic Redevelopment and Growth (ERG) Program
- Angel Investor Tax Credit – Angel Investments Approved for Tax Credits
- Technology Business Tax Certificate Transfer (NOL) Program – Companies Approved to sell Net-Operating Losses

■ COVID-19 BUSINESS SUPPORT ACTIVITY -

Projects that have closed in 2021 under programs the NJEDA has established specifically to provide financial assistance to businesses impacted by the COVID-19 pandemic.

2021 COVID-19 Business Support activity includes the following programs:

- NJ Community Stage Grant Program
- Small Business Emergency Assistance Grant Program (Phase 2)
- Small Business Emergency Assistance Grant Program (Phase 3)
- Small Business Emergency Assistance Grant Program (Phase 4)
- Small Business Emergency Assistance Loan Program (Phase 1)
- Small Business Emergency Assistance Loan Program (Phase 2)
- Sustain & Serve NJ
- PPE Access Program



CY 2021 Non-Incentives Activity

Projects / Companies Assisted	1,307
NJEDA Assistance	\$84,474,644
Estimated Public/Private Investment	\$100,728,413
Estimated New Jobs	191

CY 2021 Incentives Activity

Projects / Companies Assisted	625
NJEDA Assistance \$	444,358,619
Estimated Public/Private Investment	\$1,042,165,411
Estimated New Jobs	2,284

** Some of the programs captured under CY2021 Incentives Activity (Film Tax Credit, Digital Media Tax Credit, Angel Investor Tax Credit, and NOL Program) do not include a job creation requirement, as these incentives are based upon either capital investment made in New Jersey, or net-operating losses incurred in New Jersey. Therefore, estimated new jobs are not tracked for these programs as they are not relevant data points to the assistance being provided, and the estimated new jobs figures are only applicable to programs where a job creation requirement exists.*

CY 2021 COVID-19 Business Support Activity

Projects / Companies Assisted	48,456
NJEDA Assistance	\$ 437,485,908

** COVID-19 business support programs were intended to provide support short-term, immediate assistance to enable New Jersey businesses impacted by COVID-19 to sustain operations. Businesses receiving this funding were not required or expected to create new jobs or make new capital investment with this funding. Therefore, estimated new jobs and estimated public/private investment was not tracked for these programs, as they were not relevant data points to the assistance being provided.*

A detailed list of these projects can be found on the EDA Project List (see addendum). In addition to the summary listed above and corresponding project list, additional information is available as appendices to this report. This includes incentive projects that have that have certified completion and received an issuance of tax credits or reimbursements in calendar year 2021, as well as additional programmatic annual activity reports that are statutorily required of the Authority.





ECONOMIC RECOVERY ACT OF 2020

In addition to supporting the recovery and long-term resilience of the state's small business community, the ERA also addresses many other important facets of the state's economy to maximize economic growth and ensure equity and inclusiveness.

Programs outlined in the Act include tax credits to incentivize job creation and capital investment to bolster New Jersey's communities, as well as tools to support and strengthen New Jersey's innovation economy. It also offers resources to revitalize brownfields and preserve historic properties, as well as support for new supermarkets and healthy food retailers in food desert communities, the expansion of tax credits for film and digital media, and financial resources for small businesses, including those impacted by the COVID-19 pandemic.



Governor Murphy signed the ERA outside of NJEDA-supported Carella's Chocolates and Gifts in Hamilton in January 2021.



“Supporting small businesses is the centerpiece of Governor Murphy's plan for a stronger, fairer recovery from the COVID-19 pandemic. The Main Street Recovery Program will build on the NJEDA's successful COVID-19 relief programs to provide new resources tailored specifically to help business owners recover from the impacts of the pandemic and prepare for long-term success.”

– NJEDA Chief Executive Officer TIM SULLIVAN

■ MAIN STREET RECOVERY PROGRAM

Funded at \$100 million, the Main Street Recovery Program is a small business support program comprised of multiple financial assistance products aimed at supporting the growth and success of small businesses in New Jersey. In line with Governor Murphy's commitment to a stronger, fairer recovery from the COVID-19 pandemic, 40 percent of all Main Street Recovery Program funds are reserved for businesses located in census tracts that were eligible to be designated as Opportunity Zones. Providing dedicated funding for businesses located in these census tracts helps to ensure equitable access to resources for communities and entrepreneurs that have historically struggled to connect with capital.

In August 2021, the NJEDA Board approved program rules for the creation of two grant products funded by the Main Street Recovery Program, the Small Business Lease Assistance Grant and the Small Business Improvement Grant.



Applications opened in October 2021 for the \$10 million Small Business Lease Assistance Grant, which provides grants to businesses entering new or amended leases with at least five-year terms that include at least 250 square feet of street-level space. This grant funding offsets a portion of annual lease payments for two years. By the end of 2021, more than 730 applications for the Lease Grant had been received, and the first approvals were processed in December.

The NJEDA opened applications in the spring of 2022 for its \$15 million Small Business Improvement Grant, designed to provide grants of up to \$50,000 to reimburse eligible businesses for a portion of costs associated with improvements and/or the purchase or installation of furniture, fixtures, and equipment.

Another component of the Main Street Recovery Program, the \$20 million Main Street Micro Business Loan, was approved by the Board in November 2021 and funding through the Main Street Recovery Fund. It provides financing of up to \$50,000 to eligible micro businesses in New Jersey with ten or fewer full-time employees and no greater than \$1.5 million in annual revenues that can be used to cover future eligible operating expenses. The Main Street Micro Business Loan is the successor to the Micro Business Loan Program, which was established by the NJEDA in 2019. Applications for the program launched in October 2022.



“Our new location in Berkeley Heights will be a center of excellence for technology and product innovation, allowing us to access a deep and diverse bench of financial and banking technology talent while bringing our people together to best serve our clients. We look forward to deepening our roots and growing our presence in the state.”

– Fiserv President and Chief Executive Officer FRANK BISIGNANO

■ ENCOURAGING COMPANIES TO LOCATE AND GROW IN NEW JERSEY

The ERA also created the Emerge program, designed with the intent to drive economic development in New Jersey. It will do this by making tax credits available to projects that invest private capital into the state and create good-paying jobs, with a focus on the State's priority sectors. Applications for the program opened in May 2021, and the NJEDA's Board made the first two approvals under the program in September 2021 – for Fiserv and Party City Holding, Inc.

Fiserv, which is investing more than \$105 million to improve and relocate to a mostly vacant office building in Union County, was approved by the Board for a tax credit award of \$109.2 million over seven years with a 313 percent net positive benefit to the state. The company is expected to create 1,927 new jobs and retain 1,063 existing jobs at risk of being located outside the state.



■ SUPPORTING EQUITABLE AND INCLUSIVE DEVELOPMENT

In addition to creating opportunities for companies looking to invest in New Jersey, the ERA extended and established resources to help bridge financing gaps for developers. On June 1, 2021, the NJEDA reopened applications for the residential component of the Economic Redevelopment and Growth (ERG) Program. The Authority first announced the extension of the program, enabled by \$50 million in tax credits designated in the Economic Recovery Act of 2020, in March. The ERG program, which was originally created to address project financing gaps in development projects, had previously stopped accepting new applications in June 2019. The ERA also included an additional \$100 million for commercial ERG projects.

The new phase of the ERG program is being administered based on pre-existing ERG regulations and statutes, as amended by the ERA, which added new prevailing-wage and minimum-wage requirements.

Governor Murphy and the Legislature acted to reopen ERG applications under the ERA to enable the movement of much-needed shovel-ready housing projects forward, while new programs created by the ERA, such as the Aspire program, are being developed.

Under the ERA, residential ERG projects can receive tax credits of up to 30 percent of total eligible project costs. Projects in five cities — Atlantic City, Camden, Paterson, Passaic, and Trenton — can receive tax credits of up to 40 percent of eligible project costs.

In December, the NJEDA Board approved an application for a project in Paterson involving the purchase and renovation of Hamilton Square, a 68-unit mill-style, two building apartment community located in the Great Falls Historic District. Co-applicants Hamilton Square Urban Renewal LLC and Soldier On Veterans Village VII, LLC (SOVV) intend to purchase and renovate the property, which consists of a three-story brick historic building built in 1814 and a four-story brick building built in 1997. SOVV is a subsidiary of Soldier On Inc., a Massachusetts-based nonprofit committed to ending veteran homelessness.

The project includes a mix of seven one-bedroom units, 54 two-bedroom units, seven three-bedroom units, and parking spaces for tenants. Seven units on the property will be converted to full Americans with Disabilities Act (ADA) compliance as part of the planned rehabilitation. The project was approved for tax credits of 37.57 percent of eligible project costs of \$16.8 million, not to exceed \$6.3 million.



“Reaching the homeless Veteran population is an enormously difficult task, but a crucial one. Our dedicated Veterans Service Officers and the two existing state-run Veterans Havens do incredible work every day toward the goal of ensuring all New Jersey Veterans can access the benefits they have earned. The tremendous efforts of Governor Murphy, the Legislature, the NJEDA, private and public organizations together, affirm steadfast support for those who have served and sacrificed for our great state and nation.”

– New Jersey Department of Military and Veterans Affairs Commissioner Brigadier General LISA J. HOU, D.O.

At its February meeting, the NJEDA's Board approved ERG tax credits for the redevelopment of Hinchliffe Stadium in Paterson. This project represents the final approval under the pre-ERA phase of the ERG program. The redevelopment of the historic stadium, which has been vacant for decades, will include a museum honoring the site's history as a Negro League baseball stadium, a 7,800-seat stadium and recreational center for the Paterson community, affordable housing for seniors, a restaurant and event space, and a parking garage.



“The resurrection of Hinchliffe Stadium is not just about an historic ballpark, but about uplifting a neighborhood in a city that is making strides toward its own revitalization. While it has been tragic to see Hinchliffe fall into disrepair over these many years, today we imagine a new Hinchliffe that will not only look back at the sacrifice and endurance of such players as Paterson’s own Larry Doby, but will one day provide an opportunity for future boys and girls who can be inspired by its very existence toward their own unique greatness. This ERG award will nurture the future of Hinchliffe Stadium, and its surrounding neighborhood, so that together they will once again become a vibrant part of Paterson, a sorely needed recreational asset for its young people, and a source of renewal for the entire city for many years to come.”

- Senator NELLIE POU



In May, the NJEDA and the New Jersey Housing and Mortgage Finance Agency announced their approvals of support for a project at the historic Argus Mill site in the Great Falls Historic District of Paterson. The Argus Ellison Development project is creating 74 housing units and associated parking for residents. A minimum of 40 percent of the units in this mixed-income development will average 60 percent or less of area median income. Most of the apartments on site will be supported by housing vouchers from the Paterson Housing Authority. The project also includes program space for Grandparents Relatives Care Resource Center, a Paterson-based nonprofit that provides family services, and office space for Winn Residential, the project's property manager.

At its final meeting of the year in December, the NJEDA Board approved rules for the Aspire program, a place-based economic development program created under the ERA that supports mixed use, transit-oriented development by providing tax credits to commercial and residential real estate development projects that have financing gaps.

The amount of tax credits a project is eligible to receive is a percentage of the project's eligible costs, subject to a cap that is determined by the project's location, other financing available, and other aspects of the project. Most projects are eligible for tax credits up to \$42 million, but projects that meet specific criteria may receive tax credits up to \$60 million. Projects that qualify as "transformative projects" may receive tax credits up to \$350 million.

Among other project requirements and similar to the Emerge program, Aspire rules include requirements to ensure that communities where projects are located participate in - and benefit from - the economic growth the project generates. As part of the application for projects, applicants must provide a letter of support from the governing body of the municipality or municipalities in which the project is located. Additionally, projects with an eligible project cost equaling or exceeding \$10 million must also enter into a Community Benefits Agreement with the Authority and municipality or county in which the project is located.

Also, at the NJEDA's December meeting, the Board announced three awards under the Government Restricted Municipality (GRM) Planning Grants Program. The cities of Atlantic City, Paterson and Trenton, which are the only entities identified as GRM municipalities in the ERA, will each receive a grant of \$250,000 under Phase One of this two-phase program.

The funds awarded to each city will support the creation of detailed, long-term, and action-oriented strategic plans that synthesize existing plans from both the municipality and stakeholders and identify technical capacity gaps that have held projects back from completion. These projects are considered to have significant potential to provide sustainable and resilient benefits for community members and business stakeholders.

“We are extremely excited about the Argus development project and are profoundly grateful for the state’s assistance in achieving equitable housing and quality infill development. Grandparents raising grandchildren is a growing portion of our city, so we are very supportive of filling this niche need, while also serving as a beacon for other communities to serve their citizens in creative ways.”

- Paterson Mayor ANDRE SAYEGH



■ COMPLEMENTARY RESOURCES FOR DEVELOPMENT

Several non-ERA NJEDA initiatives focused on driving equitable and inclusive development, particularly in areas suffering from decades of disinvestment, were advanced this year. While not specifically ERA programs, they share the ERA's goal of encouraging investment in and a thoughtful approach to redevelopment that will lead to thriving communities and better quality of life for all New Jerseyans.

The Brownfield Redevelopment Incentive will provide tax credits to support brownfields remediation projects and the Brownfields Loan Program makes low-interest loans of up to \$5 million available to brownfield redevelopment projects for all aspects of revitalization, including assessment, investigation, and demolition.

Historically, remediation has been a major barrier to successful brownfield redevelopment projects because of the lack of funding sources available to support site assessment, planning, and cleanup. The Brownfield Redevelopment Incentive and Brownfields Loan Program aim to address this challenge by filling in these funding gaps.

An additional brownfields resource was announced in December 2021, when the Board approved the creation of the Brownfields Impact Fund. The Fund makes low-interest loans of up to \$350,000 available to for-profit organizations and will make grants of up to \$350,000 available to nonprofit organizations and units of local governments. Grants may be combined with low-interest loans to help facilitate the redevelopment of brownfields by addressing funding gaps to make the remediation phase of the project financially viable.



“Brownfield remediation and redevelopment is good for the environment and good for the community. Not only do we advance environmental justice but we improve neighborhoods and reinvent hazardous places into sites for economic development and job creation. Legislation like the New Jersey Economic Recovery Act fosters innovative opportunities for us to reinvent our spaces to benefit all of our residents in all of our communities around the state.”

- Senator M. TERESA RUIZ



Under another program focused on returning dormant assets to productive use, eight communities were approved at the NJEDA's September Board meeting for grants totaling \$400,000 to help them create plans to redevelop, repurpose, or regreen stranded assets, such as vacant and underutilized retail or office complexes, that have a major impact on local economic conditions. Each awardee will receive a \$50,000 grant through the NJEDA's 21st Century Redevelopment Program.

The 21st Century Redevelopment Program was created in October 2018 as a response to the growing number of stranded assets in NJ communities and their impact on their hosts. Business, demographic, and economic trends resulted in several closures and long-term vacancies of large suburban office complexes and shopping malls. These closures impacted New Jersey communities in many ways, including loss of business traffic, decreased employment, and reductions in property rates. In response to subsequent stakeholder feedback, eligibility criteria were adjusted in 2019 to make more properties eligible while ensuring that vacant and underutilized office and retail complexes of significant scope and scale remain prioritized. The NJEDA paused the program in April 2020 as a result of the emergency COVID prevention measures and reopened applications in May 2021.

The eight approved communities were Atlantic City, Jersey City, Millville, Passaic County, Pemberton Township, Borough of Raritan, White Township, and Willingboro Township.

“COVID-19 ushered in a brand-new approach to the way we utilize space within our communities and downtowns. The creative ideas that our awardees have for reinvigorating their stranded assets are reflective of this new mindset and each one aligns with Governor Murphy's goal of emerging from the pandemic in a fair and equitable manner.”

- NJEDA Chief Executive Officer
TIM SULLIVAN



INNOVATION ECONOMY

“We’re very encouraged to see the VC community invest in New Jersey startups on a scale we haven’t seen in decades. It’s well known that New Jersey is the birthplace of innovation, but investors are clearly showing that our state is the future of innovation as well.”

– Governor PHIL MURPHY

The Murphy Administration’s commitment to bolstering the innovation economy and emerging as a national leader in innovation saw significant milestones in 2021.

In 2021, New Jersey surged into the Top 10 states for venture capital dollars invested. According to PitchBook, 219 innovative companies in New Jersey secured \$5.5 billion of investment in 2021, up from \$1.7 billion in 154 companies in 2020. This represents a significant uplift for New Jersey relative to 2017, when the state saw a total of \$818 million invested in 143 companies. In this latest ranking, New Jersey jumped three spots from where it stood at #12 in 2020, and seven spots from #16 in 2013. During 2021, the NJEDA closed on two new fund commitments to New Jersey based venture firms from the Authority’s Venture Fund Program, catalyzing a total of \$25 million into innovative New Jersey-based companies over the next four years. The investments went into Edison Partners X and Newark Venture Partners II.

NEW JERSEY - TOP 10 STATE FOR VENTURE CAPITAL DOLLARS INVESTED

219

innovative companies

\$5.5 billion

of investment in 2021

\$818 million

invested in 143 companies

In September 2021, Governor Murphy announced plans for the NJEDA and Princeton-based venture capital firm SOSV to form a new entity - HAX LLC - to bring SOSV’s acclaimed HAX hard tech startup development program to Newark. He also announced that SOSV will establish the U.S. headquarters of its HAX program at the Newark site. HAX provides complete support for emerging companies, including a \$250,000 initial investment in each participating company, 180 days of hands-on collaboration, and a global founder community for early-stage founders building hard tech startup. SOSV selected Newark through a competitive search that compared locations across the country. The NJEDA is investing \$25 million into the new entity, while SOSV has committed to invest \$25 million in 100 New Jersey startups companies participating in its program, where the companies will in turn create a combined minimum of 2,500 new, high-paying jobs and capital investment.

Investors continued to benefit from the State’s Angel Investor Tax Credit Program, through which an investor can receive a refundable tax credit equal to a percentage of their qualified investment made in a New Jersey early-stage company. The program was expanded thanks to legislative actions taken in 2019 and the ERA. These include increasing the annual amount of tax credits from \$25 million to \$35 million, increasing the amount of tax credits available per qualified investment into a technology business from 10 percent to 20 percent, adding a five-percent bonus credit for qualified investments made in a New Jersey certified minority-or women-owned technology business or a technology business that is located in a qualified Opportunity Zone or New Markets Tax Credit Census Tract, and expanding the definition of a qualified investment to include investment commitments made into qualified venture funds. During 2021, the NJEDA approved 559 Angel Investor Tax Credit applications, representing the injection of nearly \$107 million into New Jersey’s innovation economy.

Another popular program that was expanded through the ERA is the Net Operating Loss (NOL) Program, which enables companies that have yet to reach profitability sell their net operating losses and unused research and development (R&D) tax credits for cash. The ERA increased the program’s annual cap from \$60 million to \$75 million. It also increased the lifetime cap for an individual applicant from \$15 million to \$20 million. Finally, the existing first allocation of benefits for companies located in innovation zones was expanded to include companies located in opportunities zones as well as companies certified as a woman- or minority-owned in order to provide increased support underserved communities. Thirty-two (32) early-stage companies were approved to share a combined \$55.5 million in funding through the 2021 NOL Program.

In addition to funding resources, the NJEDA also offers emerging New Jersey companies access to real estate, as well as mentorship opportunities.

Strategically located in the heart of the State’s research corridor between Rutgers and Princeton universities, the New Jersey Bioscience Center is a 50-acre, five-building research park in North Brunswick owned and operated by NJEDA. The park consists of approximately 300,000 square feet of lab and office space.

The New Jersey Bioscience Center includes several levels of real estate products to support life science companies at all different stages of development. The first offering for new biotechnology businesses is the Incubator at North Brunswick

“Thanks to the NOL Program’s increased lifetime cap this year, we were able to secure more funding than we would have under the program’s previous parameters. This non-dilutive capital will be instrumental to the advancement of our efforts to develop first-in-class therapies. We are grateful for the NJEDA’s continued support of the New Jersey biotech community through resources such as the NOL Program.”

– Caladrius Biosciences President and
Chief Executive Officer
DAVID J. MAZZO, Ph.D.

- a 48,000 square foot facility with 27 wet labs and access to shared equipment and business support services. The Incubator has been in existence for 20 years and boasts a roster of graduates that are significant job creators in the state. The Incubator includes both small and large labs, as well as offices and offers discounted first-year rent for university spinouts. Additionally, it provides tenant companies with educational programs and a host of supporting resources, including help to identify funding sources and access to small business development resources, networking opportunities, and administrative support. During 2021, two new tenants moved to the Incubator and two graduated into larger spaces within New Jersey.





Next door to the Incubator, the Step-Out Labs at North Brunswick provides a life sciences workplace environment for post-incubation and rapidly-growing biopharmaceutical companies, including businesses graduating out of the Incubator.

Both the Step-Out Labs and the Incubator are within the New Jersey Bioscience Center research park, which has over \$70 million invested in facilities and improvements.

To help provide entrepreneurs with access to mentorship, the NJEDA continues to welcome accelerators throughout

the country into its NJ Accelerate program. The program, which launched in late 2020, is designed to grow New Jersey's innovation ecosystem by promoting greater participation by the state's entrepreneurs in qualified accelerator programs throughout the United States. It also incentivizes graduate companies from approved accelerators to consider locating in New Jersey, as well as to showcase the talent in the state's accelerators on a national stage. In 2021, the NJEDA approved the University City Science Center's Launch Lane (UCSC), Venture Well's Aspire Program, and Cleantech Open Northeast for participation in NJ Accelerate.

"New Jersey is home to thousands of scientists and entrepreneurs working to develop life-saving and life-enhancing technologies. We are excited to invite them into our programs to support their efforts to commercialize their products as a result of our participation in NJ Accelerate."

- CHRISTINA TAMER, Director of Programs - Early-Stage Innovation & Venture Development at VentureWell



"Golden Seeds has a proven track record of successfully investing in, and creating opportunities for, women-led startups nationwide and we have experienced first-hand the impact that this angel investor network has on our state's female entrepreneurs. Our flourishing New Jersey chapter continues to open doors and provide opportunities for women-led companies throughout the state. Establishing a Golden Seeds chapter in New Jersey has been vital in building our innovation ecosystem and driving sustainable, economic growth that will continue to thrive after the pandemic."

- First Lady TAMMY MURPHY

2021 marked the first full year of the New Jersey Chapter of Golden Seeds. Golden Seeds is a national angel investment firm dedicated to pursuing positive investment returns through the empowerment of women entrepreneurs. The NJEDA, in partnership with First Lady Tammy Murphy, launched the New Jersey Chapter in early 2020 to address – and correct – the underrepresentation of women and women-led startups in angel and venture capital investing. A Forbes 2021 article noted that underfunding women entrepreneurs excludes at least \$3 trillion from the global economy. It also added that one recent Harvard Business Review study suggested funding women entrepreneurs could add as much as \$5 trillion to the global gross domestic product.

In line with Governor Murphy's goal of creating equity and inclusion within the investment community and leveling the

playing field for female entrepreneurs, the Golden Seeds – New Jersey Chapter hosts monthly office hours, during which female entrepreneurs meet one-on-one with seasoned investors to discuss possible funding opportunities. The chapter also holds several networking events throughout the year for entrepreneurs within New Jersey's innovation ecosystem.

As of December 31, 2021, over 100 entrepreneurs had participated in office hours since February 2020 and the chapter had grown to more than 35 members. New Jersey office hours attracted entrepreneurs from all geographic areas of the state as well as innovators from Indiana, Illinois, Florida, Massachusetts, Maryland, New York, Pennsylvania, and Virginia.



"Access to capital has always been one of the greatest barriers to success for female founders, and under Governor Murphy's leadership, New Jersey is focused on removing that impediment." "By connecting female founders directly with experienced investors who can offer feedback and guidance and the potential for funding, we are arming them with the tools they need to best position their early-stage companies for growth."

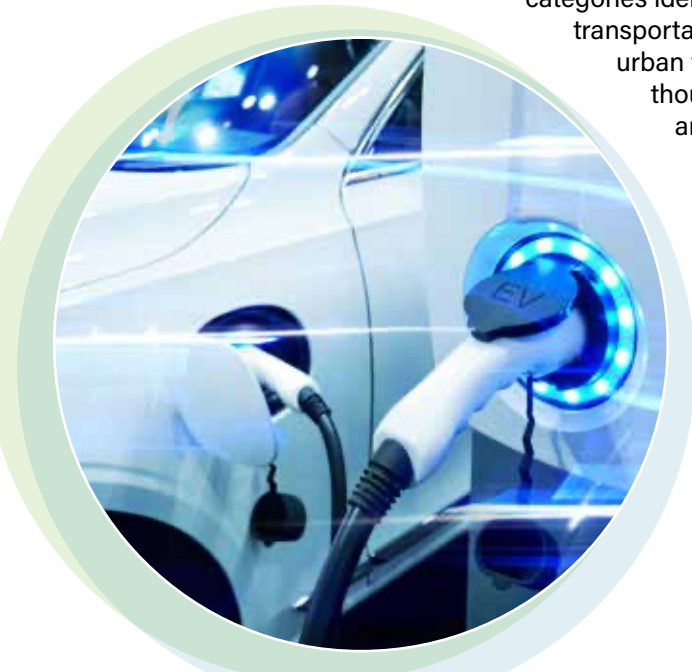
- NJEDA Chief Economic Transformation Officer KATHLEEN COVIELLO



■ CLEAN ENERGY

The NJEDA's support for Governor Murphy's ambitious goal of making New Jersey 100 percent clean energy by 2050 took an important step forward in 2021 with the launch of the highly popular New Jersey Zero-Emission Incentive Program (NJ ZIP). NJ ZIP began as a \$15 million pilot program to provide vouchers for up to \$100,000 to businesses and institutional organizations in the greater Newark and Camden areas to support the purchase of new, zero emission medium and heavy-duty vehicles (MHDVs) such as pickup trucks, vans, busses, and box trucks. Due to its success, the program expanded twice in 2021 and offered the vouchers to entities in the greater New Brunswick and greater Shore areas. By the end of 2021, a total of \$44.25 million was allocated to the program, and the NJEDA had received 186 applications and approved 26 applications for 26 entities to support the purchase of 114 vehicles.

NJ ZIP is the first NJEDA initiative in New Jersey's holistic, Regional Greenhouse Gas Initiative (RGGI)-funded effort to support the deployment of zero emission MHDVs. RGGI is a multi-state "cap-and-trade" program regulating carbon dioxide emissions. The State is implementing plans to deploy RGGI funds within four initiative categories identified in the RGGI Strategic Funding Plan: catalyzing clean, equitable transportation; promoting blue carbon in coastal habitats; enhancing forests and urban forests; and creating a New Jersey Green Fund. This Plan reflects the thoughtful public input that was collected through four public workshops and one webinar held during November and December of 2019.



“Getting more zero-emission vehicles on the roads is a key step in New Jersey's response to climate change and improving health outcomes in our overburdened communities – and just makes good economic sense for our small businesses. We are excited to see such a robust and diverse response to our pilot program, and are thrilled that the funding announced today will allow us to bring NJ ZIP to more communities within our state, making strides toward Governor Murphy's vision for a stronger and fairer – and greener – New Jersey.”

- NJEDA Chief Executive Officer TIM SULLIVAN

■ OFFSHORE WIND

Offshore wind (OSW) is a rapidly expanding global industry that Governor Phil Murphy has prioritized as a target sector for driving long-term, sustainable economic growth in New Jersey. As a central component of his administration's Energy Master Plan to achieve 100 percent clean energy by 2050, Governor Murphy recently increased the state's goal for production of OSW energy from 7,500 megawatts (MW) by 2035 to 11,000 MW by 2040, and has taken a comprehensive approach to establishing New Jersey as a global hub of OSW.

In 2021, the NJEDA spearheaded several initiatives to grow the OSW industry in the state. The most noteworthy being the groundbreaking for Phase 1 of the New Jersey Wind Port, a first-of-its-kind offshore wind manufacturing and marshalling facility located in Lower Alloways Creek, Salem County. The Wind Port will provide a location for essential staging, assembly, and manufacturing activities related to offshore wind projects on the East Coast. The Wind Port has the potential to create up to 1,500 manufacturing, assembly, and operations jobs and drive billions of dollars in economic growth.

From the time the NJ Wind Port was first announced, the NJEDA wanted to ensure that a project of this magnitude had aligned goals to ensure that we engage the state's diverse population through inclusive access to contracting and workforce opportunities. In 2020, NJEDA commissioned



a special Disparity Study for the Wind Port project, conducted by Rutgers University. This led to the commitment to specific construction contracting targets for small, minority-, women-, and veteran-owned businesses and targets for minorities and female workers at the site. To support NJEDA's efforts, the Authority also formed the Diversity and Local Engagement Committee, which includes public officials, chambers of commerce, educational institutions, clergy, and others to provide input on how we can maximize opportunities to achieve project goals.



NJEDA staff joined Governor Murphy, legislators, and public and private industry leaders in September 2021 to break ground on the New Jersey Wind Port. It is the nation's first purpose-built offshore wind marshalling port and promises to position New Jersey as a hub for the U.S. offshore wind industry.

“The interest we are seeing in the New Jersey Wind Port demonstrates that we do not have to choose between addressing climate change and creating jobs. Through this project and Governor Murphy's other efforts to combat climate change, we can drive economic growth, strengthen our workforce, and create family sustaining jobs for all New Jerseyans who want to be involved in the green economy.”

- JANE COHEN, Executive Director, Office of Climate Action and the Green Economy

Additionally, New Jersey's first offshore wind manufacturing facility, the Paulsboro Marine Terminal, broke ground in April. EEW American Offshore Structures (EEW), a leading manufacturer of offshore wind monopile foundations, is investing \$250 million in this state-of-the-art monopile manufacturing facility, which will supply the 1,100 MW Ocean Wind farm being developed by Ørsted and PSEG off the coast of southern New Jersey. The facility is a key asset for the state, and in addition to supplying Ocean Wind, will serve the rapidly progressing U.S. offshore wind industry for years to come.

Further efforts advanced by the NJEDA in 2021 to establish New Jersey as a hub for offshore wind were focused on developing a pipeline of talent to support the state's OSW initiatives and ensure New Jerseyans are well-positioned to benefit from these family-sustaining career opportunities. These efforts included entering a Memorandum of

Understanding (MOU) with Gloucester County Institute of Technology (GCIT) to support the expansion of GCIT's welding and painting programs; establishing an Offshore Wind Tax Credit Program to enable global offshore wind companies to make the decision to locate, invest, hire, and most importantly, build a local supply chain in New Jersey; awarding the NJ Wind Turbine Tech Training Challenge to Rowan College of South Jersey (RCSJ) to develop an industry-recognized wind turbine technician training program that will support the offshore wind industry and workforce in New Jersey; and awarding the New Jersey Offshore Wind Safety Training Challenge to Cape Community College (Atlantic Cape) to establish an industry-recognized Global Wind Organization (GWO) safety training program and facility to prepare New Jersey workers for jobs in the growing offshore wind industry.

“Offshore wind will create thousands of good-paying, permanent jobs. A critical step toward ensuring the state's future success in this industry is strengthening our investment in workforce training and education today. As one of our key apprenticeship partners, RCSJ's plans are an exciting step forward that will equip our workforce with the skills and knowledge they need to fill these family sustaining positions.”

- ROBERT ASARO-ANGELO, Department of Labor Commissioner

Through the MOU with the GCIT, the NJEDA provided up to \$75,000 for programs that prepare students and workers for jobs in heavy steel offshore wind component manufacturing. The Offshore Wind Tax Credit Program is a \$350 million program that provides tax credits, often up to 40-60 percent of the qualified capital investments made by a business in a qualified wind energy facility that will be employing at least 150 new, full-time employees. RCSJ received a grant of \$819,019 to develop an industry-recognized wind turbine technician training program that will ensure New Jersey students and workers have access to the training they need to work in offshore wind. Moreover, the GWO safety training program and facility will create new opportunities for New Jerseyans to gain access to the critical training, education, and skills required to compete for jobs in offshore wind.

Offshore Wind is a once-in-a-generation opportunity that will drive New Jersey's clean energy economy for future generations. This booming industry will open doors for thousands of New Jerseyans looking to reap the benefits from these investments, moving us closer to Governor Murphy's vision for a stronger, fairer New Jersey and cementing New Jersey's position as the capital of American offshore wind.

■ NEW JERSEY FILM & DIGITAL MEDIA TAX CREDIT PROGRAM

The New Jersey Film and Digital Media Tax Credit is a program meant to attract production companies to film and create digital media content in New Jersey and to encourage the development of large-scale studios in the state.

First signed into law by Governor Murphy in July 2018 and later expanded, the program provides up to \$330 million in annual tax credits based upon a percentage of film or digital media costs incurred in the state. The increase in film and digital media productions helps to strengthen the State's economy by attracting film, television, and digital media production, as well as the associated economic benefit that is generated through these productions, such as permanent job creation, decent living wages, increased tourism activity and spending, infrastructure and community investment in production facilities, and support for local small businesses and vendors.

The program provides tax credits of up to 35 percent of eligible costs for film and digital media productions. Early in 2022, the program's two percent diversity bonus was amended to allow for an additional two percent to encourage hiring of women and minorities in all areas of production of

films, specifically local on-screen talent as well as production crew and staff, entry level positions, management positions and talent-related positions. In 2021 alone, 20 projects were approved through the New Jersey Film and Digital Media Tax Credit for a total of \$71.6 million in tax credits, contributing more than \$500 million to the state's economy. That's the highest single-year revenue reported to date. Some of these high-profile projects approved for tax credits in New Jersey in 2021 included NBC's TV series "Lincoln," the movies "Clerks 3" and "Jules," and New Jersey native Queen Latifah's CBS series "The Equalizer."

The New Jersey Film and Digital Media Tax Credit program has made New Jersey a national film and television production hub and continues to pave the way for our state to reinforce its legacy as a premier destination for leading film and television productions. These productions benefit all residents by creating job opportunities for people from diverse backgrounds, and injecting millions of dollars into local businesses. This translates into long-term economic benefits for New Jersey and improved quality-of-life for all New Jerseyans.

“It is so exciting to see the film industry thrive once again in New Jersey. Major film and television productions are investing in New Jersey's economy, the creative local workers they hire, and the communities where they choose to tell their stories. We cannot wait to see more of the Garden State on camera in the coming years.”

- TAHESHA WAY, New Jersey Secretary of State



SMALL BUSINESS ECONOMIC RECOVERY

When the COVID-19 pandemic hit in March of 2020, the Governor made clear that it was first and foremost a public health crisis, but the economic impact of the pandemic was nearly as devastating, especially to the state's small business community. While the availability of the COVID-19 vaccine was encouraging news in early 2021, the economic effects of the pandemic continued to be felt all year long. Throughout the year, the NJEDA gradually shifted its focus from supporting the post-pandemic recovery of small businesses to creating the resources and programs necessary in order to help small business owners build long term economic resilience and be better prepared for future economic disturbances.

In addition to being the heartbeat of New Jersey's iconic cities, quaint downtowns, and family-friendly suburbs, small businesses are the state's largest creator of jobs, and generate economic activity that sustains our state's economy.

For these reasons, they are a crucial focus of Governor Murphy's plan for a stronger, fairer New Jersey economy.

Throughout 2021, NJEDA-administered COVID-19 programs continued to provide relief to small businesses. Steps taken by the NJEDA in 2021 included the expansion of grant and loan programs for small businesses, and implementation of innovative and creative approaches to address residual impacts of the pandemic felt by industries such as restaurants and the arts. Both launched in 2021, the well-recognized Sustain & Serve NJ grant program partners local nonprofits and restaurants and the Community Stage Relief Grant Program provides relief for performing arts venues and production companies. By the end of 2021, NJEDA's responsive and myriad programs resulted in the approval of more than 92,000 grants, loans, loan guarantees, and technical support awards totaling more than \$666 million.

"Minority- and women-owned businesses were impacted particularly hard by the pandemic. COVID-19 exacerbated the existing challenges faced by businesses owned by people of color, and ensuring an equitable and successful recovery is imperative to the economic future of all New Jersey families."

- NJEDA's Chief Diversity and Inclusion Officer MICHELLE BODDEN

Within weeks of Governor Murphy declaring a public health emergency in March 2020, the NJEDA created a series of loan and grant programs to help small businesses keep their doors open and their employees paid. The vast majority of these awards were funded with federal Coronavirus Aid, Relief, and Economic Security (CARES) Act appropriations. Spanning four phases over 2020 and 2021, the Small Business Emergency Assistance Grant Program provided more than 77,700 grants totaling over \$589 million to small businesses. Other support included more than \$14.3 million in loans to over 213 businesses, discounts of nearly \$11.1 million for 13,000 businesses purchasing Personal Protective Equipment (PPE) through NJEDA approved vendors. The NJEDA also provided funding to Community Development Financial Institutions (CDFIs), which in turn, provided 409 low-interest loans totaling \$9.2 million to small businesses, largely minority- and woman-owned businesses in underbanked communities.



Another enormously impactful program to come out of the COVID-19 pandemic was Sustain & Serve NJ. Repeatedly hailed as a "home-run" by Governor Murphy, Sustain & Serve NJ offers a creative approach to supporting both restaurants affected by the pandemic and those who struggle with food insecurity. Through Sustain & Serve NJ, the NJEDA provides grants to entities statewide to purchase meals for local restaurants and provide them free of charge to New Jerseyans facing food insecurity. During 2021, the NJEDA awarded a total of \$35 million to 32 organizations through two rounds of funding, supporting the purchase of nearly three million meals from over 400 restaurants in all 21 counties. Additional information about Sustain & Serve NJ can be found within the Economic Security section of this annual report.



“New Jersey’s eclectic arts and cultural scene is an essential element of its economic success and Governor Murphy is committed to supporting performing arts businesses that were hit hard by the economic effects of COVID-19. The Community Stage Relief Grant Program will ensure our communities remain vibrant places to live, work, and play by providing the funds performing arts venues and other businesses involved in live performances need to recover and reopen safely in the aftermath of the pandemic.”

- NJEDA Chief Executive Officer TIM SULLIVAN



Live performance venues and companies that produce live events were another sector that took a particularly hard hit during the pandemic. To help them overcome their losses, the NJEDA launched applications for the New Jersey Community Stage Relief Grant Program in August 2021. The program provided grants of up to \$300,000 to businesses involved in the promotion and production of live events. Qualified businesses were eligible for grants of up to 30 percent of their decline in operating revenue from 2019 to 2020. To ensure grants reached businesses in the hardest hit communities, including communities of color, one-third of the funding available through the Community Stage Relief Grant Program was targeted to businesses with a primary business location in a census tract that was designated as eligible to be selected as an Opportunity Zone. More than \$5.1 million was awarded to 38 entities through the program. A separate grant program administered by the New Jersey State Council on the Arts was created to provide COVID-19 relief to nonprofit arts venues.

In the midst of the ongoing pandemic, parts of the state were unexpectedly hit by tropical storms Henri and Ida late in the summer of 2021. Just days after President Joe Biden announced the availability of federal funding for businesses impacted by Hurricane Ida, the NJEDA announced the approval of the Henri/Ida Business Assistance Grant Program at a special meeting of its Board. The \$10.5 million program offered grants of \$1,000 to \$5,000 for businesses and non-profits that suffered physical damage from the effects of recent tropical storms Henri and Ida.



NJEDA Chief Executive Officer Tim Sullivan speaks at Governor Phil Murphy's press conference announcing \$10 million in financial relief for small businesses impacted by Hurricane Ida.



This program provided short-term, immediate rent/mortgage reimbursement support to New Jersey businesses and non-profits with up to 50 full-time equivalent employees that suffered physical damage from Tropical Storm Henri on August 22nd and 23rd, or from Tropical Storm Ida on September 1st, 2nd and 3rd, 2021. Grants totaling \$3.5 million have been approved for 1,016 businesses through the program.

The NJEDA also partnered with the African American Chamber of Commerce of New Jersey and the Statewide Hispanic Chamber of Commerce of New Jersey to help guide businesses that sustained storm damage through the process of seeking federal financial assistance through the Small Business Administration's (SBA's) Non-COVID Economic Injury Disaster Loan (EIDL) Program and/or Business Physical Disaster Loan Program.



■ TECHNICAL ASSISTANCE

In addition to programs providing direct financial support, the NJEDA developed several inventive approaches to helping businesses overcome their challenges. Many businesses reliant on in-person sales were faced with a daunting transition to doing business online when faced with declining sales due to the pandemic. To support their efforts, the NJEDA employed the services of three marketing firms -- Hudson Integrated, Positive Solutions, and Suasion Communications Group -- to help businesses that normally depend on foot traffic and face-to-face transactions identify and implement the website and ecommerce capabilities they need to stay in business while complying with current health guidelines and changing customer preferences. Through this program, more than 60 New Jersey businesses pivoted to expand their online capabilities, which has helped them continue to serve their customers throughout the pandemic. In addition to resources created under the ERA, existing NJEDA programs continued to help small businesses throughout the state grow.

Another resource, the Small Business Bonding Readiness Program, helps small business owners compete for city, county, and state contracts and expand their portfolios of projects, which in turn helps them grow their businesses. The Program was created in 2018 in partnership with the African American Chamber of Commerce of New Jersey (AACCNJ).

In July 2021, the NJEDA and the AACCNJ announced that 23 participants had fully completed the class work that kicked off earlier in the year. This round of participants completed the program with ten small businesses qualifying for surety bonding, which totaled more than \$11.5 million at that time.

As of the end of 2021, 91 small-, minority-, and women-owned businesses had participated in the Small Business Bonding Readiness Assistance Program and 46 of them had qualified for over \$33 million in surety bonds. The State budget for Fiscal Year 2022 included \$500,000 for the Small Business Bonding Readiness Program, doubling what was allocated in prior years.



■ ADDITIONAL SOURCES OF FUNDING FOR SMALL BUSINESSES

The NJEDA announced in 2021 that ten lenders were selected to receive grants through the Micro Lender Support Grant Program. This \$2 million pilot program provides grants to CDFIs, Minority Depository Institutions (MDIs), and other organizations that lend to New Jersey small and micro businesses to support the costs associated with scaling up their operations and offering direct assistance to more New Jersey-based businesses.

The following organizations were selected to receive grants

through the Micro Lender Support Grant Program:

- **Union County Economic Development Corporation (UCEDC)**
- **Cooperative Business Assistance Corporation (CBAC)**
- **Elizabeth Development Company of NJ**
- **Grameen America Inc**
- **Pursuit**
- **NJ Community Capital**
- **Reinvestment Fund**
- **1st Bergen Federal Credit Union**
- **Greater Newark Enterprises Corporation (GNEC)**
- **Lakewood Development Corporation**

The ten grant recipients will each receive a \$200,000 grant. These funds will be used to support operating expenses associated with servicing micro and small businesses, such as hiring additional staff or opening new offices, and the buying down of interest rates of loans offered to small and micro businesses.

The NJEDA continuously works independently and through partnerships to assess the challenges and needs of small businesses when it comes to accessing capital. Early in 2021, the NJEDA entered a Memorandum of Understanding (MOU) with the Federal Reserve Bank of Philadelphia to create a Research in Action Lab on the topic of minority-owned small businesses.

Research in Action Labs are part of the Economic Growth and Mobility Project, an initiative of the Federal Reserve Bank of Philadelphia dedicated to promoting equal access to economic opportunity for all.

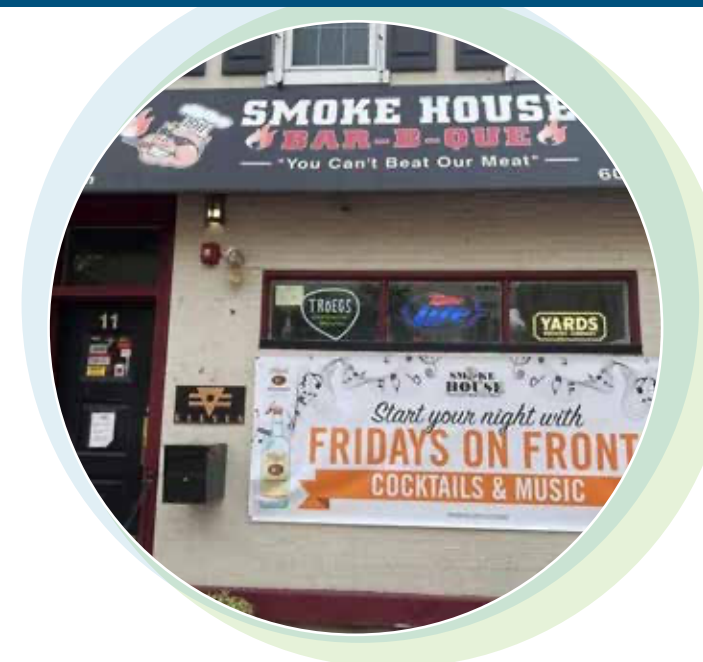


“Supporting small businesses is central to Governor Phil Murphy’s vision for a stronger, fairer recovery from COVID-19. Throughout the pandemic, lenders that specifically support micro businesses have been crucial to helping the most at-risk small businesses keep the lights on, but the ongoing challenges of the pandemic have strained these organizations. The Micro Lender Support Grant Program awards announced today will provide much needed resources to help CDFIs and other lenders continue supporting micro and small businesses that need help while increasing their capacity to serve even more businesses in need.”

- NJEDA Chief Executive Officer TIM SULLIVAN

“The New Jersey Economic Development Authority interacts with small businesses every day and addresses economic inequities head on. The Philadelphia Fed is excited to partner with the NJEDA who will provide valuable insight into the challenges businesses are facing in their local communities throughout this partnership.”

- ASHLEY PUTNAM, Director of the Economic Growth and Mobility Project at the Federal Reserve Bank of Philadelphia



A Research in Action Lab moves research into action on a specific issue of poverty and economic mobility impacting a community. The goal of this Research in Action Lab is to explore innovative solutions through cross-sector partnerships. This includes convening stakeholders across sectors to address systemic issues of economic inequality related to minority-owned small businesses, piloting and innovating solutions, and affecting systemic change.

The NJEDA and the Federal Reserve Bank of Philadelphia began collaborating in the fall of 2020, when the NJEDA helped to promote the Federal Reserve’s Small Business Credit Survey, an annual survey of small businesses in the United States that aims to provide advocates and policymakers with insights they can use to address small businesses’ needs. The NJEDA worked with the Reserve Banks to drive responses from underrepresented businesses with a particular focus on learning more about minority- and women-owned firms. Through its promotion of the survey, the NJEDA was able to drive more than 2,300 responses from New Jersey small business owners

“Supporting minority-owned businesses is vital to achieving a strong and equitable recovery from the COVID-19 pandemic. Partnering with the Philadelphia Fed to gain insights into the unique challenges these businesses are facing during the pandemic and expect to face during recovery will help us to craft programs that address their needs and open the door to long-term success.”

- NJEDA Chief Community Development Officer TAI COOPER





ECONOMIC SECURITY

In alignment with Governor Murphy's commitment to building a stronger and fairer New Jersey, the NJEDA's Economic Security team focuses on developing and implementing programs and initiatives to enhance community wellbeing and economic opportunity for all New Jerseyans. In 2021, the team focused on combating food insecurity, tackling racial disparities in maternal and infant health outcomes, and bolstering the state's vital child care sector.

The Sustain & Serve NJ program was one of the most impactful programs to come out of the COVID-19 pandemic and offers a creative approach to supporting both restaurants impacted by the pandemic and those who struggle with food insecurity. Sustain & Serve NJ started as a \$2 million pilot program to provide grants to organizations to buy meals from COVID-impacted restaurants and distribute them for free to New Jerseyans facing hunger. The NJEDA began accepting applications for Phase 1 in December 2020. By the end of 2021, the program had awarded \$35 million to 32 organizations through two rounds of funding. In the program's first year, the grants supported the purchase and distribution of nearly three million meals from 413 different restaurants throughout all 21 New Jersey counties. Governor Murphy has repeatedly hailed Sustain & Serve NJ as a "home run" for the enormous impact it had in combatting food insecurity while enabling restaurants to keep their doors opened and their employees paid.

In late 2021, the NJEDA announced it was opening applications for a third round of Sustain & Serve NJ funding. That round resulted in the awarding of an additional \$17.5 million to 30 nonprofit organizations in mid-2022. By spring 2023, NJEDA anticipates Sustain & Serve NJ will have supported the purchase of more than five million meals.



"Feedback from organizations and restaurant owners participating in Sustain & Serve NJ has been overwhelmingly positive, and we are incredibly grateful for Governor Murphy's support of a third phase of the program. The meals provided through Sustain & Serve NJ not only offer basic sustenance for families in need, but also provide dignity and are responsive to the needs of New Jersey's diverse communities. We are thrilled to expand a program that embodies Governor Murphy's commitment to advancing a stronger and fairer state for all New Jerseyans."

- TARA COLTON, NJEDA Executive Vice President for Economic Security



"The structure of Sustain & Serve NJ is smart and proactive in terms of the dual benefits it provides. In addition to helping restaurants keep their lights on and their workers employed, the program provides an opportunity for them to make a positive difference for their communities."

- NJ Restaurant and Hospitality Association, President and Chief Executive Officer DANA LANCELLOTTI

The Economic Security team spent much of 2021 laying the foundation for programs and initiatives that launched in 2022. The NJEDA issued several Requests for Information (RFIs) to seek input from the community to help shape much-needed programs to strengthen the economic security of the state.

The Food Desert Relief Act was a critical part of the ERA legislation signed by Governor Murphy in early 2021. The Act directs the NJEDA to address the food security needs of communities across New Jersey by providing up to \$240 million over six years in tax credits, grants, loans, and/or technical assistance to increase access to nutritious foods and develop new approaches to alleviate food deserts.

In March 2021, the NJEDA issued an RFI seeking insight into food security challenges faced by communities across the Garden State, including specific obstacles and disparities within communities that are considered "food deserts." The information gathered from this RFI helped inform the creation of a New Jersey-specific definition of food deserts and offered potential solutions to increase the accessibility and affordability of healthy, nutritious foods for all New Jersey residents. The RFI received nearly three dozen responses. Incorporating community feedback, the NJEDA approved a final list of 50 Food Desert Communities in early 2022 and opened applications for a Food Security Planning Grant Program later in the year.



In furtherance of First Lady Tammy Murphy’s Nurture NJ initiative’s Maternal and Infant Health Strategic Plan, the NJEDA is developing a first-of-its-kind Maternal and Infant Health Innovation Center in Trenton. The Center will support health care access to New Jersey expectant and new parents and babies, advance the growth and development of the perinatal workforce, and serve as a hub for maternal and infant health policy and innovation focused on eliminating racial disparities in maternal and infant health outcomes that will benefit the City of Trenton, the State, and the entire country. Nurture NJ is a statewide, multi-agency campaign committed to both reducing maternal and infant mortality and morbidity and ensuring equitable care among women and children of all races and ethnicities, making New Jersey the safest and most equitable place in the nation to deliver and raise a baby. The proposed Center is a key element of the Nurture NJ Strategic Plan, unveiled by the First Lady in January 2021. In April 2021, NJEDA issued an RFI to inform the establishment of the Center. The RFI received over 50 responses. Based on these responses, in 2022 NJEDA partnered with the John S. Watson Institute for Urban Policy and Research at Kean University for ongoing community engagement efforts related to the establishment of the Center.

Legislation signed by Governor Murphy in the summer of 2021 appropriated \$100 million in American Rescue Plan funds to the Department of Community Affairs to support the child care sector. \$54.5 million of that funding was provided to the NJEDA to help child care providers make improvements to their facilities and receive the technical assistance they need to survive and thrive. The NJEDA launched Phase 1 of the Child Care Facilities Improvement Program in late 2022.

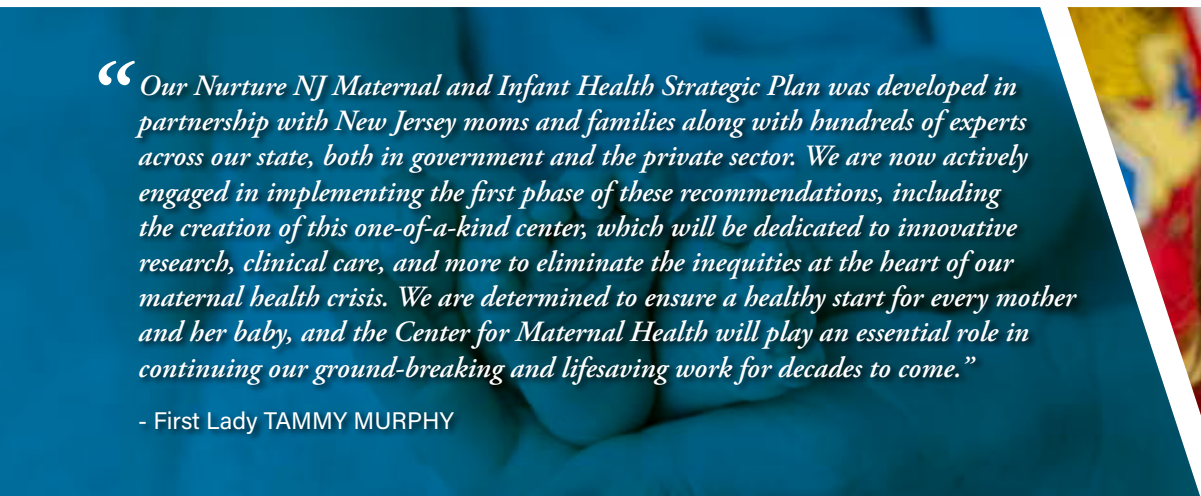


“The NJ Child Care Facilities Improvement Program will allow child care providers to leverage public resources to upgrade and improve, and to create and sustain safe, nurturing environments intended to help develop young minds. This investment in state-of-the-art child care programs will encourage healthy growth and development for New Jersey’s children, and will strengthen the child care options available to working families. This is a welcome inclusion in efforts to support families and children in New Jersey to thrive.”

– New Jersey Department of Children and Families Commissioner
CHRISTINE NORBUT BEYER

NJEDA’S COMMITMENT TO STEWARDSHIP AND TRANSPARENCY

The NJEDA remains committed to serving as an effective, responsible steward of taxpayer resources and continues to improve its internal controls. Additionally, in 2021, the NJEDA utilized the services of an Integrity Oversight Monitor to oversee its COVID programs. It also procured the services of a Compliance Auditor to conduct periodic, systematic audits of our programs for compliance with applicable laws, regulations, codes, orders, procedures, advisory opinions and rulings. The NJEDA contracted with an independent, external compliance auditor, who began work mid-2021.



“Our Nurture NJ Maternal and Infant Health Strategic Plan was developed in partnership with New Jersey moms and families along with hundreds of experts across our state, both in government and the private sector. We are now actively engaged in implementing the first phase of these recommendations, including the creation of this one-of-a-kind center, which will be dedicated to innovative research, clinical care, and more to eliminate the inequities at the heart of our maternal health crisis. We are determined to ensure a healthy start for every mother and her baby, and the Center for Maternal Health will play an essential role in continuing our ground-breaking and lifesaving work for decades to come.”

– First Lady TAMMY MURPHY

The COVID-19 pandemic laid bare the essential role the child care sector plays in New Jersey’s economy. Building on the Murphy Administration’s comprehensive strategy to support the state’s child care sector and the crucial role of child care to the state’s long-term economic recovery, the NJEDA issued an RFI in late 2020 seeking insights and ideas on ways to build the business capacity and sustainability of child care providers in New Jersey. In February 2021, the NJEDA received 34 responses to that RFI to inform NJEDA’s support for the child care sector.





NJEDA EXECUTIVE TEAM



Tim Sullivan
Chief Executive Officer



Christine Baker
Chief Legal and
Administrative Officer



Michelle Bodden
Chief Diversity and
Inclusion Officer



Bruce Ciallella
Chief Operations and
Compliance Officer



Fred Cole
Senior Vice President,
Business Support



Tara Colton
Executive Vice President –
Economic Security



Tai Cooper
Chief Community
Development Officer



Emma Corrado
Chief of Staff



Kathleen Coviello
Chief Economic
Transformation Officer



Lori Matheus
Senior Vice President,
Portfolio Operations



Jorge Santos
Chief Real Estate
Development Officer



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Partner, Genki Advisory LLC

Charles H. Sarlo, Esq.

Vice Chairman
Private sector title:
Law Office / Partner and
General Counsel, DMR Architects

Phillip B. Alagia

Essex County Chief of Staff

Virginia S. Bauer

Chief Executive Officer, GTBM Inc.

Fred. B. Dumont

Business Manager, Heat & Frost Insulators
and Asbestos Workers Local 89

Massiel Medina Ferrara

Planning Director, County of Hudson

Aisha Glover

VP, Urban Innovation, Audible

Marcia Marley

President, BlueWaveNJ and Succeed2gether

ALTERNATE PUBLIC MEMBERS

Rosemari Hicks

CEO, CoWork Street

Robert Shimko

Business Manager, Local 400, International
Brotherhood of Electrical Workers

EX OFFICIO MEMBERS

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Commissioner - NJ Department of Labor
& Workforce Development

Marlene Caride

Commissioner - NJ Department of
Banking & Insurance

Shawn LaTourette

Commissioner - NJ Dept of
Environmental Protection

Elizabeth Maher Muoio

State Treasurer, NJ Department of
the Treasury

Noreen Giblin

Executive Branch Designee