



Food Retail Innovation in Delivery Grant (FRIDG) Frequently Asked Questions

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I. General Program

1. **What is the New Jersey Economic Development Authority (NJEDA or the Authority)?**

The NJEDA is the State's principal agency for driving economic growth, working to carry out Governor Phil Murphy's vision for a stronger and fairer economy. The NJEDA is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and foster innovation.

2. **What is the Food Retail Innovation in Delivery Grant (FRIDG) program?**

The Food Retail Innovation in Delivery Grant, or FRIDG, is a pilot program that will provide grant funding to eligible New Jersey food retailers to purchase self-contained, temperature-controlled lockers that will be used for grocery delivery. These must be placed within an Authority-designated [Food Desert Community](#) (FDC) to expand food delivery opportunities and improve food access for FDC residents.

3. **Is this a grant or a tax credit and when do we receive a grant from the NJEDA?**

The FRIDG program is a \$2,500,000 pilot grant program to assist New Jersey retailers with accessing self-contained, temperature-controlled lockers for flexible grocery delivery and pick-up. This is **not** a tax credit.

FRIDG will provide grants sized at 30% - 50% of the cost of the eligible equipment (including installation and delivery), up to a maximum award amount of \$250,000. Approved applicants will be reimbursed based on the approved amount after the purchase, and proof of delivery and installation of the equipment are provided to NJEDA.

4. **Where are the funds coming from?**

In Fiscal Year 2022 (FY22), the Authority received funds from an appropriation of \$3,500,000 for "Food and Agriculture Innovation." FRIDG will utilize \$2,600,000 of these funds to strengthen New Jersey's progress towards food access and food security, which were deemed an economic and community development imperative. Supermarkets have been specifically designated as a vehicle to achieve those community development aims, making them a critical community development entity to achieve food access goals through this program.

5. **What is a Food Desert Community (FDC)? How do I know where they rank?**

NJEDA collaborated with the New Jersey Department of Community Affairs and Department of Agriculture to develop a comprehensive definition of Food Desert Communities, based on multiple variables related to factors limiting access to healthy food options.

Using this definition, the Authority designated 50 FDCs across the state of New Jersey in February 2022. To learn more about the New Jersey FDC designation methodology, please click [here](#).

Many of the designated FDCs are comprised of parts of one or more municipalities, rather than an entire municipality. Some municipalities contain multiple FDCs. An interactive map tool is available [here](#) displaying the boundaries of the FDCs. To see the FDC ranking, a list is available [here](#).

II. Eligibility

6. **Who is eligible to apply for FRIDG?**

The following types of entities are able to apply for FRIDG:

- Independent supermarkets (single location with a single owner)
- Independent supermarket operators (single location working with a third-party supplier or franchisor)
- Cooperative retailers (member of a cooperative with similar supermarket owners)
- Chain supermarkets (ten or more supermarkets owned by a single corporate entity)
- Mass merchandisers (large retailers which operate full-service supermarkets within its retail locations)
- Warehouse clubs (large retailers where customers can buy large quantities wholesale)

All applicants, regardless of supermarket type, must have a physical retail location in New Jersey and must be able to service and make deliveries to a locker located in an FDC, though the orders may be serviced from a non-retail location (e.g., distribution center).

All retailers must be authorized by the United States Department of Agriculture Food and Nutrition Service (USDA FNS) to accept benefits through the Supplemental Nutrition Assistance Program (SNAP) **online**. A list of USDA FNS online SNAP authorized retailers is available through USDA FNS [here](#) or through the New Jersey Department of Human Services (DHS) [here](#).

Applicants must all be in good standing with the New Jersey Division of Taxation, as evidenced by a [Tax Clearance Certificate](#), Department of Environmental Protection, and Department of Labor and Workforce Development.

7. What can FRIDG funds be used for?

FRIDG funds can **only** be used to purchase, deliver, and install self-contained, temperature-controlled lockers that allow for flexible grocery delivery and pick-up.

Lockers purchased with funding from FRIDG must meet the following minimum standards to be eligible:

- A temperature span of at least two settings
- An integrative system that sends a special code to the user once the order is delivered which is notified via text, email or app push notification
- The ability to be placed outside
- A minimum of 4 lockers which automatically open when the person inputs their code
- Modular systems so more lockers can be added as necessary
- Mechanisms to ensure food safety, freshness and contamination prevention
- Security features to prevent theft

Lockers must be placed within designated [Food Desert Communities](#), must be open and accessible to the public, and operate a minimum of 12 hours per day 7 days a week.

Installation costs that include construction contracts of \$2,000 or more are subject to Authority prevailing wage and affirmative action requirements and reporting. Third-party vendors conducting work valued at \$2,000 or more must be [Public Works Contractors](#) registered with the New Jersey Department of Labor and Workforce Development.

III. Application Process

8. How do eligible retailers apply for FRIDG?

Applications will be available online starting on Tuesday, April 25, 2023 at 10:00 AM. The application can be accessed at <https://www.njeda.com/fridg/>.

9. Is there an application fee?

Yes. A standard, non-refundable application fee of \$1,000 must be submitted to complete the application. Fees must be paid by credit card after submission of the application. NJEDA will not be able to begin review of an application until the application fee has been paid.

10. Is FRIDG funding first come, first served?

Yes. Applications will be reviewed on a rolling basis as they are received. The opportunity to apply for FRIDG will end either 18 months from the launch date, or until all funds for the program are exhausted.

There will be an initial limit of one grant award per FDC, which will go to the first completed application that meets all eligibility requirements. However, if there is still funding available after the application is closed, the Authority may approve additional applications within an already-funded FDC that were received prior to the application closing.

11. Can my company submit multiple applications?

Yes, your company can submit multiple applications as long as the proposed locker placement sites are in different FDCs. There is no limitation on how many awards can be given to a single company or retailer.

There is an initial limit of one grant award per FDC. If there is still funding available after the application is closed, the Authority may approve additional applications within an already-funded FDC that were received prior to the application closing.

12. How do I prove that I accept SNAP online?

As part of the application, all applicants will be asked to provide their seven-digit USDA FNS number and a copy of your USDA FNS SNAP license.

Upon reviewing your application, the Authority will also confirm via USDA and/or the New Jersey Department of Human Services whether your supermarket is still authorized to accept SNAP online. A list of USDA FNS online SNAP authorized retailers is available through USDA FNS [here](#) or through the New Jersey Department of Human Services (DHS) [here](#).

13. What is a Tax Clearance Certificate? How do I obtain one?

A tax clearance certificate is a document created by the New Jersey Department of the Treasury's Division of Taxation that demonstrates you are in good standing with the Division of Taxation and are registered to do business in NJ. It is a mandatory document for executing a grant agreement with the EDA. To learn more on how to acquire a tax clearance certificate please click [here](#).

NOTE: Please select the correct entity in the drop-down menu when you print your certificate, "New Jersey Economic Development Authority". Do not select just the first option.

14. How do I prove that I am in good standing with the Department of Environmental Protection and the Department of Labor and Workforce Development?

EDA will verify this information directly with the respective Departments. No additional information is needed from the applicant, but please ensure you enter the correct Employer Identification Number (EIN) in the application to prevent any slow-downs or incorrect findings during the sister agency check process.

15. What other documents are needed at the time of application?

In order to be considered complete, applications must include the following:

- USDA FNS SNAP License;

- A purchase quote, order pro forma, equipment listing, or other document from the vendor indicating the total project cost (equipment, delivery, and installation) [Note: Evidence of any signed contract, purchase order, or deposit for the purchase of the temperature-controlled locker made prior to the date of application will result in declination];
- [Landlord Certification Form](#) (if the proposed site is not directly owned by the applicant) or evidence of site ownership (e.g., deed, property tax statement or mortgage payment);
- Quotes for any construction work related to site modifications in order to install the locker at the proposed site (if applicable); and
- *Only if applying for relevant bonus*, an MOU, LOI, Letter of Support, or partnership contract or agreement with a social service community-based organization (e.g., food pantry, soup kitchen, community center, library) to locate locker on-site with the organization

16. Will I be required to identify where I will put the locker in my application?

Yes. The locker must be located within the geographic boundaries of a New Jersey [Food Desert Community](#). If the site is not owned by the applicant, the applicant must provide a [Landlord Certification Form](#) as part of their application submission. If the site is owned by the applicant, applicant must provide proof of ownership (e.g. deed, property tax statement or mortgage payment).

17. I speak a language other than English; can I receive a translated version of the FRIDG application?

For language assistance, please send your name, spoken language, and telephone number to NJEDA at languagehelp@njeda.gov to receive assistance completing the application.

18. Hablo un idioma que no es inglés; puedo recibir una versión traducida de la solicitud para FRIDG?

Para asistencia lingüística, por favor envíe su nombre, idioma preferido y número de teléfono a NJEDA a languagehelp@njeda.gov para recibir ayuda con la finalización de la solicitud.

19. What is the deadline for applications?

The opportunity to apply for FRIDG will end either 18 months from the launch date, specifically October 24, 2024, or until all funds for the program are exhausted.

20. What happens if I forgot to submit a document or submitted something wrong? Will I have a chance to fix it?

NJEDA staff will be reviewing applications for completeness and alignment with eligibility criteria as applications are received. If NJEDA staff have questions during this initial review phase, they will follow up with the applicants, who will have up to 10 business days to respond and/or submit any needed materials or documentation. This 10-day period is referred to as cure period.

Applicants failing to provide the requested documents within this 10-day period may be withdrawn for unresponsiveness to NJEDA's request(s) for additional information.

IV. Grant Awards

21. How much funding can I receive from FRIDG?

Grants will cover between 30% to 50% of the total aggregated project cost (inclusive of equipment, delivery, and installation of the locker) up to \$250,000, whichever is the lesser of the two. Grant awards start at 30% of project costs, with the ability to add stackable bonuses to increase the award (see question below "What are 'Stackable Bonuses'? How do they work?")

Grants are limited to expenses related to the initial equipment purchase, installation, and delivery; the applicant is responsible for ongoing operating and maintenance costs related to the locker.

22. What are “Stackable Bonuses?” How do they work?

Grant awards will start at 30% of total project costs, with the ability to stack on bonuses to cover more of the costs for applicants that meet additional criteria, where no grant can exceed 50% of the total project costs or \$250,000, whichever is the lesser of the two.

There are two categories of Stackable Bonuses: those that result in a 5% bonus and those that result in a 10% bonus. The maximum combined bonus that an applicant can receive is 20% (5%+5%+10%).

The 5% Stackable Bonuses include:

- a) Locker located within an FDC [ranked](#) within the top ten (10) statewide
- b) Applicant provides a Memorandum of Understanding, Letter of Support, Letter of Intent, or partnership contract or agreement with a social service organization (e.g., food pantry, soup kitchen, community center, library) to locate locker on-site with the organization in a manner that is accessible to the public in a location where community members may already access services
- c) Applicant commits to waive delivery fees for SNAP online purchases for deliveries made to the locker purchased through FRIDG (cannot be combined with the 10% Stackable Bonus below)

The 10% Stackable Bonus include:

- a) Applicant commits to waive delivery fees for all deliveries made to locker, regardless of payment type (cannot be combined with the 5% Stackable bonus in (c) above)

23. How will I be notified of my award?

Applicants will receive an email notification of their approval and funding award. This will be followed by an electronic grant agreement which the applicant will have to sign and email back to NJEDA.

24. How will grant funds be disbursed?

After approval, the Authority will make one single award disbursement via check after the applicant provides proof of equipment delivery and installation, along with any necessary permits or agreements for siting the locker in its designated location within the FDC.

25. What reporting will be required and at what frequency?

Applicants will be required to provide annual reporting updates to the Authority for three (3) years from the date of award disbursement. Those reports must contain the following information, including supporting documentation:

- Confirmation of locker location
- Number of deliveries made to locker
- Percentage of deliveries to locker that were paid using SNAP
- If a grantee receives one or more of the stackable bonuses:
 - As applicable, status of partnership with social service organization
 - As applicable, number of delivery fees waived for individuals paying with SNAP
 - As applicable, number of delivery fees waived for all payment types

26. What if I do not uphold my end of the agreement?

If within three (3) years of award disbursement, the retailer (a) ceases grocery delivery to the locker, (b) moves the locker outside of an NJEDA-designated FDC, or (c) is no longer authorized to accept SNAP online, the Authority may impose a scaled recapture of the award.

A similar scale will be applied if the retailer opted to receive additional funding through one or more of the bonuses and continues to make grocery deliveries to the locker within the FDC and maintains eligibility to accept SNAP online but is in default of their bonus obligation(s).

The recapture would operate as follows:

Defaults on obligations within:	Recapture Percentage of the Face Value
1 year of award disbursement	100%
2 years of award disbursement	60%
3 years of award disbursement	30%

V. Purchasing Equipment

27. **What are the minimum standards that the self-contained, temperature-controlled locker must meet to be eligible for funding through FRIDG?**

Self-contained, temperature-controlled lockers purchased with funding from FRIDG must meet the following minimum standards to be eligible:

- A temperature span of at least two settings
- An integrative system that sends a special code to the user once the order is delivered which is notified via text, email or app push notification
- The ability to be placed outside
- A minimum of 4 lockers which automatically open when the person inputs their code
- Modular systems so more lockers can be added as necessary
- Mechanisms to ensure food safety, freshness and contamination prevention
- Security features to prevent theft

28. **Where do I buy a self-contained, temperature-controlled locker? Is there a list of approved vendors?**

There are multiple retailers that sell self-contained, temperature-controlled lockers. NJEDA does not provide a list of approved vendors. As long as the locker meets the minimum standards detailed above, it may be acceptable for the FRIDG program.

Note: Any purchased equipment prior to applying for FRIDGE will make that specific piece of equipment ineligible for reimbursement. You may purchase other equipment prior to applying for FRIDGE but it will not be covered under the grant program.

29. **How long do I have to purchase the equipment after I've been notified of my award?**

Awarded applicants will have up to 12 months from the date of grant execution for the delivery and installation of the equipment, with the option for up to two 6-month extensions at the request of the grantee and at the discretion of the Authority.

VI. Installing Equipment

30. **Does the locker have to be located near one of my physical locations?**

The locker does not need to be near one of the supermarket's retail locations and orders may be fulfilled by a distribution center. However, the applicant must be able to provide delivery and maintenance services to the locker. Lockers must be located within the geographic boundaries of the [FDC](#) identified in their application.

31. **Does FRIDG cover installation costs?**

Yes. FRIDG covers a proportion of total project costs, which includes installation of the locker. Installation costs may include but are not limited to repaving surfaces, electrical wiring, or internet installation.

32. Is the installation of the equipment subject to Prevailing Wage requirements?

Installation work that includes construction contracts of \$2,000 or more is subject to Authority prevailing wage and affirmative action requirements and reporting. Third-party vendors conducting work valued at \$2,000 or more must be Public Works Contractors registered with the New Jersey Department of Labor and Workforce Development.

To learn more about prevailing wage and affirmative action requirements click [here](#).

To learn more about Public Works Contractors and see a list of registered Public Works Contractors, click [here](#).

33. What if I need to move my locker after it is installed?

If you decide to move the locker due to unforeseen circumstances outside your control within the first three years following award disbursement, you must notify the Authority **prior** to moving the locker and you must identify a new location within the same FDC. The Authority must review and approve the plan prior to the locker being moved. Moving the locker outside the FDC, or failure to seek approval from the Authority for a move within the FDC, may result in recapture of grant funds.

VII. Using Equipment

34. Can all types of customers use the food lockers?

Yes. All customers are eligible to use the food lockers, i.e. ones that pay via credit card, SNAP and WIC, as long as the supermarket's online infrastructure is set up to receive their payment types.

35. Can the supermarket charge for bags? Can the bags be returned?

The Authority recommends following the protocols the retailer already has in place when it comes to bags and online orders.

A bag return bin may be set up at the locker if the retailer deems it to be necessary.

36. Does the locker need to be monitored by an onsite employee?

The locker does not need to be monitored by an onsite employee. It is at the discretion of the individual retailer to decide that an employee is needed for daily operation.

37. How does my equipment work if there is a power outage?

Ongoing maintenance of the locker is the responsibility of the retailer. Many lockers have systems in place in which the supermarket will be notified if the locker is not working properly, e.g. doors are not opening, temperature is inaccurate, etc. Please consult the vendor for more information.

VIII. Other Questions

38. Who do I contact for additional questions?

Potential applicants may reach out to CustomerCare@njeda.com, call (844) 965-1125, or use the Customer Care chat feature found on the NJEDA website. Additional questions, comments, and inquiries can also be directed to FoodDesertRelief@njeda.com.

39. Will there be any information sessions or webinars for FRIDG?

An informational webinar will be held on Friday, April 21, 2023 at 2:00 PM on Zoom and will be recorded. The webinar recording and slides will be posted following the webinar. Links to register and the recording can be found at <https://www.njeda.com/fridg/>.