



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** May 13, 2025

**RE:** Revisions to the Route 80 Business Assistance Grant Program

### **Summary**

The Members are asked to approve revisions to the pilot Route 80 Business Assistance Grant Program (“Program”) approved on April 9, 2025, to:

1. Expand eligibility by removing a requirement that the grant recipient be located in Morris County.
2. Allocate up to \$500,000 in additional funding from the Economic Recovery Fund (“ERF”), bringing total ERF funding for the program to \$5,500,000.

All other aspects of the Program remain unchanged.

### **Background**

On March 8, 2025, Governor Murphy issued Executive Order 383 declaring a state of emergency following geophysical hazards created along eastbound Interstate 80 (I-80) in Morris County, New Jersey due to sinkholes, resulting in the temporary closure of a portion of the roadway.

In response to this emergency and the associated impact to small and medium sized businesses in the area, the Members approved up to \$5,000,000 to fund the Route 80 Business Assistance Grant Program on April 9, 2025. The New Jersey Economic Development Authority (NJEDA) subsequently launched the Program on April 22, 2025 to provide short-term financial support for small and medium New Jersey businesses (SMEs) in affected areas. The sinkholes, which first appeared in December 2024 and have continued into April 2025, have led to extensive closures of I-80, particularly in Morris County. These closures have significantly impacted local commerce, with businesses experiencing decreased revenue due to reduced customer access and disrupted supply chains.

The Program revisions being presented for the Members’ approval allow for the inclusion of businesses within 5 miles of the Route 80 closures, regardless of county. This revision will support businesses that were negatively impacted but not eligible based on the April 2025 criteria, which required businesses to be located in Morris County. While the Governor’s state of emergency was specific to Morris County, businesses located outside Morris County but within the 5-mile radius sustained an equal level of negative financial impact.

### **Amended Program Details**

The pilot Route 80 Grant Program is tailored as a support measure to SMEs impacted by the closure of Route 80 due to sinkholes. The updated Program will provide grants from \$1,000 up to \$15,000 to New Jersey-based SMEs that have suffered a negative financial impact as a result of the Route 80 closures and are located within 5 miles of the closures, regardless of the county where the business is located.

To fund this Program, staff requests an additional ERF funding of up to \$500,000. Staff estimates this amount will be sufficient to cover non-Morris County businesses that are newly eligible for the grant if the expanded eligibility requirement is approved by the Members.

#### *Expanded Eligibility*

With the Members' approval, eligibility requirements will be expanded to include SMEs with a physical commercial location within five miles of Exit 34 on Route 80 in New Jersey (e.g., an office, a physical point of sales, a warehouse, manufacturing facility, etc.) regardless of county location.

All other aspects of the Program remain the same as approved by the Members on April 9, 2025. Updated Program Specifications are attached for the Members' reference in Exhibit A.

#### *Application Process*

The Authority will open applications for businesses situated within a 5-mile radius of exit 34 on Route 80 in New Jersey, based on their zip code. The funding is allocated on a first-come, first-served basis, determined by the submission date of each application.

### **Recommendation**

The Members are asked to approve revisions to the pilot Route 80 Business Assistance Grant Program ("Program") approved on April 9, 2025, to:

1. Expand eligibility by removing a requirement that the grant recipient be located in Morris County.
2. Allocate up to \$500,000 in additional funding from the Economic Recovery Fund, bringing total ERF funding for the program to \$5,500,000.



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Tim Sullivan  
Chief Executive Officer

Attachments:

Exhibit A – Route 80 Business Assistance Grant Program Specifications

**Route 80 Business Assistance Grant Program  
Amended Program Specifications – May 2025**

<b>Funding Source</b>	<p>Up to \$5,500,000 million – Economic Recovery Fund</p> <p>Up to \$15 million to be added with delegated authority if necessary.</p>
<b>Program Purpose</b>	<p>To provide short-term, immediate working capital support to New Jersey small and medium sized enterprises (businesses and non-profits) (“SMEs” or “businesses”) that that have suffered a negative financial impact as a result of the Route 80 closures due to sinkholes.</p>
<b>Eligible Applicants</b>	<p>Applicants must be a SMEs with no more than 50 Full Time Equivalent employees (FTEs).</p> <p>Applicants must certify to a negative financial impact of greater than \$1,000 for 1<sup>st</sup> quarter of 2025.</p> <p>The SME must have sustained business interruption at their commercial location as a result of the Route 80 closures due to sinkholes.</p> <p>Initial Application Process:</p> <p>Phase 1: SMEs within 5 miles of Route 80 exit 34  Phase 2 (subject to funding availability): SMEs within 10 miles of Route 80 exit 34  Phase 3 (subject to funding availability): SMEs greater than 10 miles, but within Morris County</p> <p><b>Application Reopening Process:</b></p> <p><u>SME’s within 5 miles of Route 80 Exit 34</u></p> <p>The SME must have a physical commercial location in New Jersey (e.g., an office, a physical point of sales, a warehouse, manufacturing facility, etc.). Home-based businesses are NOT eligible for this Program. Landlords are also NOT eligible for this Program.</p>

**Route 80 Business Assistance Grant Program  
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**Eligible Applicants:  
(continued)**

SME must be registered to do business in the State of New Jersey at the time of application, as evidenced by a valid Business Registration Certificate, if required. If the SME is not recognized by the Division of Taxation, then the SME must provide proof of registration with the State prior to December 1, 2024 and a valid Business Registration Certificate (BRC). The SME will have 7 calendar days from initial notification from the Authority to satisfy that requirement. No grant agreement will be executed without a current registration status from the Division of Taxation or a valid BRC, if applicable.

Prohibited businesses include, but are not limited to: gambling or gaming activities; the conduct or purveyance of “adult” activities, services, products or materials; any auction or bankruptcy or fire or “lost-our-lease” or “going-out-of-business” or similar sales; sales by transient merchants, Christmas tree sales or other outdoor storage; any activity constituting a nuisance; or any illegal purposes.

To determine the number of FTEs for the purpose of calculating eligibility, the Authority will utilize the 4<sup>th</sup> Quarter 2024 New Jersey WR-30 filings with the NJ Department of Labor (DOL). Implied FTE calculations will be rounded to the nearest FTE (e.g., 2.49 FTE would be counted as 2 FTE for the program, whereas 2.50 FTE would be counted as 3 FTE). While the calculation of FTEs is based on weeks worked and wages as reported on the WR-30 filing.

CEO/equivalent officer of the SME must self-certify that the firm:

- Was in operation on December 1, 2024; and

Has sustained a negative financial impact as a result of the Route 80 closures due to sinkholes.

The SME must have tax clearance, which will be confirmed with the New Jersey Department of Taxation or through the submission of a tax clearance certificate prior to the SME being approved.

Entities can submit only one application per EIN. Accordingly,

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<p><b>Eligible Applicants: (continued)</b></p>	<p>businesses with multiple locations but only one EIN will be limited to one application.</p> <p>The applicant must also be in good standing with the New Jersey Department of Labor and Workforce Development (LWD) at the time of application, as determined in the sole discretion of LWD.</p> <p>Additional eligibility requirements will apply to ensure that federal funds, if available, can be used for this program or to reimburse the Authority for use of its funds for this program. This may include, but is not limited to:</p> <ul style="list-style-type: none"> <li>• applicants must acknowledge and agree to the requirement that grant proceeds be can only be used for eligible uses as defined below,</li> <li>• applicant is not on the SAM.gov exclusion list,</li> <li>• a restriction on duplication of benefits that could exclude potential applicants that have already received financial assistance, and</li> <li>• a requirement that the applicant demonstrate that it has had business interruption as a result of the Route 80 closures.</li> </ul>
<p><b>Eligible Uses</b></p>	<p>Grant funding to be used to pay for working capital expenses. If the grant amount set forth below is greater than the negative financial impact, taking into account other funds received for the same purpose, the amount of the award will be capped at the lesser amount.</p> <p>As this grant is solely for working capital expenses, funding cannot be used for any other purpose, including, but not limited to, capital expenses, such as remediation or construction.</p>
<p><b>Grant Amounts</b></p>	<p>The minimum grant amount is \$1,000 with a maximum award set forth below, which is capped at the lesser of applicant’s financial need or FTE count.</p> <p>Maximum Award Amount</p> <ul style="list-style-type: none"> <li>• 0-5 FTEs: \$5,000</li> <li>• 6-20 FTEs: \$10,000</li> </ul>

<b>Route 80 Business Assistance Grant Program Amended Program Specifications – May 2025</b>	
	<ul style="list-style-type: none"> <li>• 21-50 FTEs: \$15,000</li> </ul>
<b>Application Process</b>	Online application. Applications will be accepted on a first-come, first-served basis, based upon the date in which the Authority receives a completed application submission.
<b>Funding Disbursement</b>	Funding to be fully disbursed as quickly as possible upon closing of grant agreement.
<b>Fees</b>	Due to financial hardship experienced from the sinkholes, the Authority will collect no fees from the applicant for this program.
<b>Appeals</b>	Businesses whose applications are denied will have the right to appeal. An appeal must be filed within the timeframe set in the declination letter (which must be at least 3 days but no longer than 10 days). The Managing Director of Legal Affairs will designate a Hearing Officer who will review the application, the appeal, and any other relevant documents or information. The Hearing Officer will prepare a recommendation that must be approved, and a final administrative decision will be issued by staff in accordance with delegated authority.