



**New Jersey Economic Development Authority  
Small Business Lease Grant Program  
Notice of Funding Availability**

The New Jersey Economic Development Authority (“NJEDA” or “Authority”) continues to accept applications for the Small Business Lease Grant Program (“SBLG” or “Program”).

The Program currently makes available up to **\$31,630,798.90** in grant funding to offset a portion of the cost of annual lease payments. NJEDA began accepting applications for the Small Business Lease Grant Program on October 20, 2021.

The application can be accessed at <https://www.njeda.gov/small-business-lease-grant-program/>. Applications will be reviewed on a first come, first served basis. A \$100 approval fee is required after the application has been approved and prior to execution of a grant agreement.

**Purpose**

The Small Business Lease Grant supports the growth and success of small businesses and non-profits by providing grant funding to cover a portion of lease payments for small businesses and non-profits leasing new or additional space. This grant will reimburse a small business by providing 2 grant awards of 20% of the total annual lease payment.

**Program Background and Overview**

The creation of the “Main Street Recovery Finance Program” was initially authorized by the New Jersey Economic Recovery Act of 2020 (“ERA”, Sections 82 through 88 of P.L. 2020, c. 156, (N.J.S.A. 34:1B-349 et seq.), as amended by Sections 40 through 43 of P.L. 2021 c.160). As one of the 15+ programs under the ERA, the Main Street Recovery Finance Program was initially a \$100 million small business support program to fund individual financial assistance products that share the common purpose of supporting the growth and success of small businesses in New Jersey.

On August 11, 2021, NJEDA’s Board approved the creation of the “Main Street Recovery Finance Program”, which established two initial products to support eligible small business and other applicants with facility improvements and leasing of new or additional space: the Small Business Lease Grant Program and the Small Business Improvement Grant Program. The NJEDA began accepting applications for the Small Business Lease Grant on October 20, 2021 and for the Small Business Improvement Grant on February 10, 2022. NJEDA had posted information about the Small Business Lease Grant Program on the Authority’s website on August 19, 2021, and issued a press release on September 15, 2021, advising the date that applications would open.

The Small Business Lease Grant supports the growth and success of small businesses and other eligible applicants by providing grant funding to reimburse a portion of lease payments for new or additional space by providing two payments of 20% of the total annual lease payment. The Small Business Lease Assistance Grant is an expansion of NJEDA’s former “Small Business Lease

Assistance Program”, which provided small businesses grant funding to support annual lease payments in certain targeted cities.

This grant funding provides these small businesses with liquidity, while also helping to fill space that is currently vacant or keep existing space operational spaces and preventing future vacancies.

Due to consistent public demand for this product, the NJEDA Board of Directors subsequently approved additional funding on June 12, 2024, and May 13, 2025. At the November 12, 2025 meeting, NJEDA’s Board approved additional funding for the Small Business Lease Grant Program, bringing the current total allocation of grant funding to be **\$31,630,798.90**. All Program requirements and regulations for the Program remain unchanged. (See N.J.A.C. 19:31E-1.1 et seq.).

### **Funding Source**

On August 11, 2021, the NJEDA Board initially approved the Small Business Lease Grant Program with up to \$20,000,000 in funding available for grant awards, which was funded through utilization of \$10 million of the Main Street Recovery Finance Program and with delegation to the NJEDA’s Chief Executive Officer to increase available funding to \$20 million. The Board then approved additional funding of \$6,552,500 on June 12, 2024, \$2,375,000 on May 13, 2025, and \$2,703,298.90 on November 12, 2025.

As stated above, the total allocation of funding for the Small Business Lease Grant Program is currently \$31,630,798.90. Of this \$31,630,798.90, **\$11,891,000** will be reserved for eligible applicants located in Opportunity Zone eligible census tracts. Applications will be accepted on a rolling basis until funding is exhausted. The total funding and award amount are based upon current information about funding availability. NJEDA reserves the right to increase the amount and number of awards should additional funds become available.

### **Eligibility**

To be eligible under the program, applicants must:

- Be a commercial business, non-profit, or operator of an incubator.
- Meet United States Small Business Administration’s definition of a “Small Business” – determined by employee count and the North American Industry Classification System (NAICS) code.
- Provide federal tax filings for the years required.
- Provide a WR-30 or equivalent payroll documentation for the quarter preceding submission of the application.
- Provide business formation documents.
- Provide a current, valid tax clearance certificate prior to approval.
- Provide fully executed commercial lease.
- Provide certification from the landlord showing the applicant is current on lease payments. Landlords are not eligible under this program.
- Be in good standing with Department of Labor and Department of Environmental Protection.
- Certify at time of application that they are not in default of any other NJEDA or State assistance.
- Certify that all the information and documentation that are provided to the NJEDA is true and accurate.

- Certify at time of application that the applicant will pay wages that are the greater of \$15.92/hour or 120% of the minimum wage rate for the term of the grant agreement (five years). Tipped employees are only required to be paid 120% of minimum wage rate.
- Commit to remaining in the leased space for at least five years after execution of the grant agreement.

**A lease must meet the following requirements:**

- Square footage: between 250 to 10,000 square feet. Space that is over 10,000 is still eligible however the portion that is over 10,000 square feet will not be reimbursed when calculating the grant award amount. For lease extensions, renewals, or amendments, the applicant must expand or add at least 250 square feet.
- Must include first-floor (street-level) space. Leases that include two floors are eligible but must include a first-floor (street-level) space.
- Lease payments can only include the leasing of square footage (equipment cannot be included).
- Must be a minimum 5-year lease term, not including options.
- Leases must be executed within the 12 months prior to the date of application, and after March 9, 2020.
- Must be market-rate based on commercial real-estate information.

Non-profit and for-profit businesses are eligible to apply. Applicants are eligible to apply for and receive both the NJEDA's Small Business Lease Grant and the Small Business Improvement Grant for the same location. Applicants with multiple locations are limited to one application per location.

**Applicants cannot terminate an existing lease and enter into a new lease for the same square footage in order to pursue this grant.**

After execution of the grant agreement, the receiving entity must:

- Provide annual filed WR-30, payroll information, or equivalent documentation to NJEDA for at least the 5-year term of the lease and grant agreement. This documentation must verify that grantee is paying wages to all employees of at least \$15.92/hour or 120% of the minimum wage rate (whichever is higher) for the minimum of 5 years. Regularly tipped employees are required to be paid 120% of minimum wage. **Non-compliance with these wage requirements may result in repayment of the grant to the NJEDA.**
- Remain in the leased space for at least five years after execution of the grant agreement. **Non-compliance may result in repayment of the grant to the NJEDA.**
- Provide the landlord and Grantee certification of compliance with these requirements on the NJEDA provided form.

Additional eligibility requirements may apply to ensure that the applicant is eligible. This may include, but is not limited to:

- High Tech and Business Incubator members in Not-for-Profit facilities would not be eligible for independent lease incentives (operators of incubators are eligible).
- All leases will be analyzed for market-rate pricing by NJEDA based on comparable market rates provided by third party (i.e. CoStar).
- Landlord cannot have an ownership interest in the applicant.

- Prohibited ineligible businesses, include but are not limited to,: gambling or gaming activities; the conduct or purveyance of “adult” (i.e., pornographic, lewd, prurient, obscene or otherwise similarly disreputable) activities, services, products or materials (including nude or semi-nude performances or the sale of sexual aids or devices); 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.

### **Eligible Uses**

Under the Small Business Lease Grant, funding can only be used to reimburse eligible applicants for costs associated with an annual lease payment on a minimum 5-year lease term.

**Note: Please refer to the regulations for all products of the Main Street Recovery Finance Program, including the eligibility criteria, application requirements and review process for the Small Business Improvement Grant, which are available at [N.J.A.C. 19:31E-1.1 et seq. \(Main-Street-Recovery-Finance-Program Rules 101821.pdf\)](#)**

### **Grant Amounts**

There is no minimum or maximum grant amount for this product. The grant amount is calculated to provide two payments of 20% of the total annual lease payment.

### **Application Process**

Online applications will be accepted on a first-come, first-served basis based upon the date the NJEDA receives a completed application submission.

NJEDA staff will review all applications for completeness and eligibility. Applicants with missing or incomplete documentation will receive an email notification from NJEDA to cure deficiencies or provide any needed clarifications. Applicants will be given ten (10) business days from the notification date to cure deficiencies and/or clarify any submitted documentation that may be requested. (Please note that during the cure period, NJEDA will continue to process applications in the order that they were received.) Applications that are still incomplete at the end of this 10-business day period will be administratively withdrawn.

**NJEDA will conduct due diligence by reviewing all submitted information and documentation to verify validity and applicant eligibility.**

Applicants will be notified whether they are awarded funds as soon as practicable upon completion of approvals and declinations and the completion of all possible appeals.

### **Fees**

A \$100 approval fee is required after the application has been approved and prior to execution of a grant agreement.

### **Additional Information**

Comprehensive information about the Small Business Lease Grant Program

<https://www.njeda.gov/small-business-lease-grant-program/>

### **State and Federal Requirements**

Funding for this grant is subject to State and Federal statutes including, but not limited to, the following, which may impact affiliates: N.J.S.A. 52:32-60.1, et seq., which prevents the New Jersey government entities from certain dealings with businesses engaged in prohibited activities in Belarus or Russia; Compliance with the list of “Specially Designated Nationals and Blocked Persons” promulgated by the Office of Foreign Assets Control (OFAC), <https://sanctionssearch.ofac.treas.gov/>; N.J.S.A. 24:6I-49 which provides that the following are not eligible for most State or local economic incentives (a) a person or entity issued a license to operate as a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or that employs a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and (b) a property owner, developer, or operator of a project to be used, in whole or in part, by or to benefit a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or to employ a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and N.J.S.A. 52:13D-12, et seq., which prohibits a member of the Legislature or a State officer or employee or their partners or a corporation in which they owns or controls more than 1% of the stock to undertake or execute any contract, agreement, sale, or purchase of \$25.00 or more, made, entered into, awarded or granted by any State agency, with certain limited exceptions including grant awards by the New Jersey Commission on Science, Innovation and Technology.