

Stronger NJ Business Grant Program FAQ

1. Q. What is the Stronger NJ Business Grant program?

A. The Stronger NJ Business Grant program offers both grants and forgivable loans for the purposes of facilitating recovery and funding the unmet operational and capital needs of eligible small businesses and non-profits impacted by Superstorm Sandy.

2. Q. What are the eligibility requirements for the Stronger NJ Business Grant program?

A. Under the Stronger NJ Business Grant program, entities must meet **ALL** of the following eligibility criteria:

- The entity must have been in existence on the date of Superstorm Sandy (10/29/12).
- The entity must have at least one impacted location within the State of New Jersey.
- The entity must have sustained at least \$5,000 in physical damages from Superstorm Sandy, which may include damage to non-perishable/ non-consumable inventory and damage to real property.
- The entity must be considered a “small business” as defined by the U.S. Small Business Administration (SBA), and have more than \$25,000 but less than \$5 million in gross operating revenues.
- The entity must have applied to and received a declination or approval for an SBA disaster loan if the SBA disaster loan program has not lapsed (as of April 2013, the SBA deadline for Physical Damage loans is May 1, 2013 and the SBA deadline for Economic Injury loans is July 31, 2013). Specifically, if an entity seeks a grant through the NJEDA for expenses that may be covered under the SBA’s Economic Injury disaster loan program, such as expenses relating to working capital for salaries, the applicant must apply to the SBA for an Economic Injury disaster loan before the applicant can submit an application to NJEDA for working capital-related funds. This would be required even if the SBA Physical Damage disaster loan program has lapsed. While entities that applied to SBA but have not received a final decision on the SBA application will be able to prepare an application to Stronger NJ Business Grant program, that application cannot be submitted until a final determination on the SBA application is rendered.
- The entity is not seeking to receive funds from the Stronger NJ Business Grant program that would duplicate funding already received, or known to be forthcoming, from other sources such as private insurance, FEMA or SBA that are for the same purpose. Funds received from private loans, lines of credit or other assets are not relevant to this eligibility criterion.
- The entity or the owner, if a sole proprietorship, must have less than \$1 million in liquid assets (cash or cash equivalents in the entity’s accounts).

- The entity must not be debarred by HUD or the State of New Jersey for certain legal matters.
- The entity must be up to date on all tax filings with State of New Jersey.
- The entity must be registered to do business in New Jersey and in good standing.
- The entity must be registered with Dun and Bradstreet and have received a DUNS #.

Please visit the Stronger NJ Business programs' website at <http://application.njeda.com/StrongerNJBusiness> for more details on eligibility. If you still have questions or need further guidance, please call 1(855) Sandy-BZ or 1(855) 726-3929. A formal determination of eligibility only can occur if you apply.

3. Q. What applicants are not eligible for the Stronger NJ Business Grant program because of federal regulations?

- A. Per HUD regulations, the following types of applicants would not be eligible for federal funds through the Stronger NJ Business Grant program:
- Home-based businesses, which are considered any entities that do not have a separate entrance for commercial customers, i.e., it requires commercial customers to enter the residential portion of the property in order to conduct business. However, bed and breakfast establishments are not considered home-based businesses. Additionally, damaged homes that contain businesses or non-profits, which are not eligible for assistance under this program, may be eligible to receive funding under residential programs.
 - Privately-owned recreational facilities that serve a predominantly higher-income clientele, where the recreational benefit to users or members clearly outweighs employment or other benefits to low- and moderate-income persons. Examples may include private golf courses, private country clubs, and private yacht clubs.
 - Casinos and gambling facilities.
 - Entities located in a Coastal Barrier Resource Area (CBRA).

This list is intended to be comprehensive, but may not be exhaustive.

4. Q. Is the Stronger NJ Business Grant program funded by federal monies received by the State of New Jersey for Superstorm Sandy recovery?

- A. Yes. Of the approximately \$1.8 billion New Jersey has received to date through the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) program, the State has allocated \$460 million to support economic recovery and revitalization programs. Of that amount, \$260 million will fund the Stronger NJ Business Grant program.

5. Q. Is there a cap on how much assistance an individual can receive under the Stronger NJ Business Grant program?

The Stronger NJ Business Grant program is targeted to assist businesses and eligible non-profits, not individuals (unless the business is a sole proprietorship). If a business has a single location or is part of a group of businesses with separate

incorporations for each location, each impacted location may receive up to \$50,000 to meet its needs for working capital and/or construction. If an entity has multiple impacted locations in New Jersey incorporated under a single federal tax identification or employer identification (EIN) number, it may use one application to seek funds for all incorporated, impacted locations, and may receive up to \$50,000 per impacted location, but no more than \$250,000 in the aggregate. Non-profits are eligible to receive up to \$50,000 per impacted location, but may only use funding for construction. (Non-profits are prohibited from using grant funds for working capital.)

Notably, if the Stronger NJ Business Grant program funds for which the entity is eligible do not cover the entirety of the entity's need, it will be asked to show how unfunded needs will be addressed in order to ensure that the business can recover before it can receive funding through the Stronger NJ Business Grant program.

6. Q. What is the difference between a federal tax identification number and an employer identification number?

A. An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number, and is used to identify an entity.

7. Q. If I own multiple businesses with individual federal tax identification numbers, can I apply for more than one grant?

A. You may apply for each entity with an individual federal tax identification or EIN number by creating separate accounts and applications for each entity within the on-line application. However, multiple businesses with separate EIN numbers that share ownership and that are co-located at the same physical location, may only submit one application collectively. Some entities also may have multiple eligible locations under a single federal tax identification or EIN number. If you need assistance, please contact a Business Advisor at 1(855) Sandy-BZ or 1(855)726-3929.

8. Q. What is a DUNS number?

A. A DUNS number is an individual identification number assigned to registered entities by Dun and Bradstreet. All entities must register with Dun and Bradstreet in order to receive federal funds. To register, visit <http://fedgov.dnb.com/webform>.

9. Q. What is a NAICS code?

A. An entity must have a NAICS (North American Industry Classification System) code or number associated with its primary business activity type. Please use the following link for assistance in determining your NAICS code: <http://www.census.gov/eos/www/naics/>. In the "2012 NAICS Search" box on the left side of that page, enter a keyword that describes your kind of business. A list of primary business activities containing that keyword and the corresponding NAICS codes will appear. Choose the one that most closely corresponds to your primary business activity, or refine your search to obtain other choices.

10. Q. Why will this program provide forgivable loans as well as grants, and not just grants?

- A. The Stronger NJ Business Grant program offers both products to facilitate recovery. Grants will likely be awarded for working capital and inventory requests, while forgivable loans will likely be awarded for construction, fixtures, furnishings, equipment, and machinery requests. The reason for separate products primarily relates to insurance coverage requirements. In addition to other reviews and regulations, HUD requires entities that receive physical damage-related funding to purchase National Flood Insurance Program (NFIP) coverage if the project is within the flood plain on FEMA's FIRM maps. Entities receiving grants for physical damage-related activities are required to carry in perpetuity NFIP coverage for the cost of the entire project, even if property ownership changes hands. However, entities that receive loans for physical damage-related activities only are required to carry NFIP coverage for the amount and term of the loan, which in this case is one (1) year.

11. Q. Can non-profit entities apply for a Stronger NJ Business Grant?

- A. Per HUD regulations, the only non-profit entities eligible for the Stronger NJ Business Grant program are those involved in commercial or industrial activities, or that have facilities, which provide a public service that furthers economic development. These eligible non-profits may only apply for construction funds. Religious-affiliated non-profits, such as churches, may utilize the funding **only** for renovation or new construction of portions of the impacted physical structure with non-sectarian uses.

12. Q. For what kinds of expenses will the Stronger NJ Business Grant program provide assistance?

- A. Eligible expenses for which the Stronger NJ Business Grant program may provide assistance include working capital (operating expenses), inventory, equipment, machinery, fixtures, furnishings, and prospective construction. If an applicant seeks multiple types of funding, according to program policy, working capital and inventory expenses will be prioritized.

13. Q. What kinds of HUD regulations will I encounter if I seek funding to address physical damages?

- A. **Per HUD regulations, you will need to stop construction activities immediately upon applying for construction-related expenses.** Applicants should also note that for grant monies sought to address physical damage, including equipment, furnishings, fixtures, machinery, and construction, the State generally cannot disseminate funds without additional reviews, environmental clearances, and proof of National Flood Insurance Program coverage if within a flood plain. These required steps can cause significant delays in the distribution of grant monies.

14. Q. Can I be reimbursed for previously completed rehabilitation work?

- A. HUD regulations applicable to businesses and non-profits do not allow for construction-related expenses to be reimbursed for past work, because federal

environmental review requirements will not have been satisfied before the work was undertaken. If you seek funds to complete a construction project that has already started, you will need to stop all work while your application is being considered. Grant funds only will be eligible for prospective expenses.

15. Q. My business is not located along the shore; can I still apply?

- A. Yes. If you satisfy the eligibility requirements for the Stronger NJ Business Grant program, you should apply. Notably, per HUD requirements, 80% of all CDBG-DR funds from this first tranche of funding must be used to benefit the nine most impacted counties as determined by HUD, which are Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, and Union. Therefore, priority will be given to applicants with impacted locations in these counties.

16. Q. What if my needs exceed the total amount of funding for which my business is eligible?

- A. If a gap in capital needs exceeds the total amount for which an entity is eligible under the Stronger NJ Business Grant program, the applicant will be asked to show additional sources of funding that will cover the difference. The intent of this requirement is to ensure project completion is feasible before disseminating funding under the Stronger NJ Business Grant program.

Additional funding may be available through the NJEDA's Stronger NJ Business Loan program, which will offer direct loans to small businesses utilizing CDBG-DR funds. Currently, the State expects the Stronger NJ Business Loan program to launch in June, 2013. Furthermore, the New Jersey Business Action Center, which can be contacted at 1(866) 534-7789, is a resource for information on other programs that may address your business needs.

17. Q. If I am applying for working capital support, what information do I need to include in my application?

- A. The application will prompt you to fill out a worksheet of revenue and expenses for the year beginning on either the date of the Superstorm (10/29/12) or January 1, 2013. You will also need to include copies of invoices and/or receipts for rent or mortgage payments, inventory, marketing expenses, utility bills, workforce training expenses, and payroll and fringe benefits records, as well as copies of insurance policies and payments, tax returns, and other documentation of operating expenses. To avoid a duplication of benefits, you will also need to provide information on other sources of funds you have sought for recovery. Your Business Advisor, who will be appointed to you upon submission of your Stronger NJ Business Grant program application, will communicate with you if any other documentation is needed for your application.

18. Q. If I am applying for a future construction or rehabilitation grant, what information do I need to include in my application?

- A. The application will prompt you to fill out a worksheet of revenue and expenses for the year beginning on either the date of the Superstorm (10/29/12) or January 1, 2013. You will also need to include registered contractor estimates. Other documents may be required to comply with federal environmental and labor regulations. To avoid a duplication of benefits, you will also need to provide information on other sources of funds you have sought for recovery. Your Business Advisor will communicate with you if any other documentation is needed for your application. Please be advised that a lengthy environmental review may be required by HUD, depending on the amount and type of funding requested. **Due to HUD requirements, you will need to stop construction and installation activities immediately upon applying for any labor or installation-related expenses.** These projects will likely be awarded as forgivable loans and will require the applicant to purchase National Flood Insurance Program (NFIP) coverage for the amount and term of the loan, if the project is within a flood plain.

19. Q. If I am applying for an equipment, machinery, fixtures, or furnishings grant, what information do I need to include in my application?

- A. The application will prompt you to fill out a worksheet of revenue and expenses for the year beginning on the date of the Superstorm (10/29/12) or January 1, 2013. You will also need to include receipts, merchant quotes, comparables, and/or invoices for replaced items. To avoid a duplication of benefits, you will also need to provide information on other sources of funds you have sought for recovery. Your Business Advisor will communicate with you if any other documentation is needed for your application. Please be advised that a lengthy environmental review may be required by HUD. **Due to HUD requirements, you will need to stop construction and installation activities immediately upon applying for any labor or installation-related expenses.** These projects will likely be awarded as forgivable loans and will require the applicant to purchase National Flood Insurance Program coverage for the amount and term of the loan, if the project is within a flood plain, before a final determination on eligibility can be made.

20. Q. How long will it take for my grant application to be reviewed?

- A. The NJEDA's goal is to help as many small businesses recover as quickly as possible. Each application will likely involve a different mix of funding requests, and certain types of funding expenses will take longer to review than others due to federal regulatory requirements. If you have provided all required documentation with the application, the NJEDA will work with you to keep you updated on the status of your application. The processing and disbursement of funds pursuant to applications seeking funds for working capital or inventory are expected to take a

few weeks in order to ensure that funds are properly disbursed only to eligible applicants. An application for physical damage-related expenses is expected to take longer due to federally required environmental reviews and other requirements.

21. Q. Will I be notified if more information is required?

- A. After the NJEDA receives your Stronger NJ Business Grant application, a Business Advisor will contact you (at the address provided in your application) if any additional information is needed.

22. Q. May I get an extension in order to obtain information required for my application?

- A. Please consult the application website and try to have all documents ready before you begin your application. All documentation must be received by the NJEDA within sixty (60) days of submitting the application on-line. Please contact a Business Advisor at 1(855) Sandy-BZ or 1(855) 726-3929, if you have any questions or need assistance. An extension of a maximum of ten (10) days is possible in certain cases, after which time your application, if still incomplete, will be closed and no longer considered for funding. You would need to re-open your application in order to submit your application.

23. Q. If I do not have a particular document required to support my application, can I provide the information sought in some other manner?

- A. Please work with your Business Advisor to assemble sufficient documentation for application requirements.

24. Q. Will my application be declined if any of the paperwork is missing?

- A. An application cannot be considered complete until all required documentation is received. The Stronger NJ Business Grant program is funded with federal CDBG-DR funds and awards are subject to federal requirements. Subject to an approved 10-day extension, an application will be closed and no longer considered for funding if all required documentation has not been provided within sixty (60) days of submitting the application. If you do not have the documentation required, please work with your Business Advisor to see if alternative forms of information may satisfy application requirements.

25. Q. Can the information that I have already submitted on the SBA application be used for my Stronger NJ Business Grant program application, or do I have to provide that information?

- A. Since both the NJEDA's Stronger NJ Business Grant program and the SBA program utilize federal funds and are subject to federal regulations, you may notice duplication between the two applications. Per HUD requirements, the NJEDA cannot accept your SBA application in lieu of the application to the Stronger NJ Business Grant program. However, to the extent you compiled documentation and information in support of your SBA application that is also required to be considered for the Stronger NJ Business Grant program, completing your Stronger NJ Business Grant program application should be a quicker and easier process. Furthermore, a copy of your SBA application, if available, must be submitted in connection with your Stronger NJ Business Grant program application. Of course, this only applies to those that filed, or that will file, an SBA application before the SBA loan programs lapse. If a business seeks a grant relating to economic injuries or working capital after the Physical Damage loan application period closes, it still must apply for the Economic Injury disaster loan unless that SBA program has lapsed as well.

26. Q. If my SBA loan application was declined, am I eligible to apply to the Stronger NJ Business Grant program?

- A. In order to comply with federal requirements that prohibit an entity from receiving benefits for a duplicative purpose, filing an SBA application and receiving a final determination on that application (approval or denial) is a prerequisite to submitting an application for the Stronger NJ Business Grant program, until the SBA loan program applicable to the purpose of funding sought by the applicant lapses. For example, if an entity seeks a grant through the NJEDA for expenses that may be addressed through an SBA Economic Injury Disaster Loan, such as expenses relating to working capital for salaries, the applicant must apply to the SBA for an Economic Injury Disaster Loan before the applicant can submit an application to NJEDA for working capital-related funds. This would be required even if the SBA Physical Damage Disaster Loan program has lapsed.

Even after the applicable SBA disaster loan program deadline lapses, a prospective applicant to the NJEDA program that had applied to SBA for a loan before the SBA program lapsed must await a final determination from SBA on its application before it can submit an application to NJEDA. Notably, if an entity applied for an SBA Physical Damage Disaster Loan, it may have also been automatically considered for an SBA Economic Injury Disaster Loan. Please reference your SBA application materials and determination letter. Additionally, per federal requirements, if the applicant has been approved for an SBA loan, the approved amount must be

accounted for when ensuring that Stronger NJ Business Grant program funds are not provided in a manner that would duplicate benefits available to the entity for that purpose.

27. Q. If my insurance claim has not yet been closed, am I eligible to apply to the Stronger NJ Business Grant program?

- A. All insurance claims due to storm-related damages must be closed prior to submitting an application for the Stronger NJ Business Grant program. Additionally, per federal requirements, if the applicant has been approved for any insurance payouts, that must be accounted for when ensuring that Stronger NJ Business Grant program funds are not provided in a manner that would duplicate benefits.

28. Q. If I received money from SBA, am I eligible to apply for the Stronger NJ Business Grant program?

- A. Perhaps. Per federal requirements, CDBG-DR funds (which are used to fund the Stronger NJ Business Grant program) must be used only to satisfy “unmet needs.” This means that if an entity’s total need has been satisfied through other funding sources like private insurance, FEMA or SBA (this does not include private loans, lines of credit, or other similar sources), the entity cannot receive CDBG-DR funds. If an entity still has an “unmet need” after accounting for all monies received from other sources and otherwise satisfies eligibility requirements, it may receive funds up to \$50,000 through the Stronger NJ Business Grant program. To provide an example, if an entity with one impacted location has a total need of \$100,000 and received \$50,000 from insurance, \$30,000 from SBA and nothing from FEMA, the entity’s “unmet need” would be \$20,000. If the entity met all other eligibility requirements, it could receive \$20,000 through the Stronger NJ Business Grant program.

29. Q. Is there a filing deadline?

- A. The deadline for the Stronger NJ Business Grant program is October 31, 2013. However, the NJEDA is dedicated to awarding funds and helping business owners recover as soon as possible. Applications are accepted on a rolling and first-completed, first-reviewed basis.

30. Q. If I have questions about filing the application, how can I contact the NJEDA?

- A. If you have not yet submitted your application and have questions, start by visiting the NJEDA’s website, <http://application.njeda.com/StrongerNJBusiness>, for a program overview and information about filing requirements. If you have additional questions, a customer service representative or Business Advisor can be reached

at StrongerNJBusiness@njeda.com, or at these telephone numbers: 1(855) Sandy-BZ or 1(855)726-3929.

31. Q. When is the call center open?

- A. The call center will be open from 8 a.m. to 8 p.m. Monday through Friday and 9 a.m. to 4 p.m. on Saturdays, depending on demand. Calls received on Sunday should be returned by the following Monday.

32. Q. How long will it take to complete an application?

- A. The length of time it will take to complete an application depends on the type of funding sought and whether the applicant has the required documents and information readily available. The NJEDA has tried to set forth an application that is easy to complete, while still complying with federal regulations. For additional assistance, please call 1(855) Sandy-BZ or 1(855) 726-3929, or email StrongerNJBusiness@njeda.com.

33. Q. Can I save my application and finish it later?

- A. Yes. There is a save button on the bottom right hand corner of every page of the application. Just make certain to press "save" before exiting the page.

34. Q. Are applications available in Spanish?

- A. Yes. A link to the Spanish-language application is available at <http://application.njeda.com/StrongerNJBusiness> Grant. If you need assistance in Spanish, please call 1 (855) Sandy-BZ or 1(855) 726-3929, or email StrongerNJBusiness@njeda.com.

35. Q. How can I apply if I speak a language other than English or Spanish?

- A. If you need assistance with your application and speak a language other than English or Spanish, please call 1 (855) Sandy-BZ or 1(855) 726-3929, or email StrongerNJBusiness@njeda.com. The NJEDA will arrange for someone to interpret the application for you and help you through the process.

36. Q. How quickly will I know if my application is approved?

- A. The approval process differs depending on the type of funding requested. For example, an application for working capital would likely be processed faster than an application for construction expenses because HUD has more onerous environmental review requirements that add time to processing for physical damage-related applications. Moreover, the approval process will also depend on how long it takes for the NJEDA to receive all your required paperwork.

37. Q. How soon after approval will I receive the grant?

- A. The grant or forgivable loan is delivered as a reimbursement for costs incurred. If you have applied for working capital or inventory funds for which you have receipts and other required documentation, these funds will be available for reimbursement soon after grant approval. Per HUD requirements, construction costs incurred prior to application cannot be reimbursed; only construction costs incurred and approved after completion of federally required environmental reviews can be reimbursed. If the amount eligible for reimbursement at the time of approval does not yet equal the amount for which the application was approved, additional reimbursement requests can be made following a twice-monthly schedule, and will require proof of payment (and a construction inspection as appropriate).

38. Q. How long do I have to request the full amount of the funding for which I have been approved?

- A. An entity will have twelve (12) months to request reimbursements from the date of grant award. The application requires a twelve-month projection of revenue and expenses. Forgivable loans will be awarded with a term of the same time period (i.e., one (1) year). Additionally, due to HUD requirements on how funds must be spent, an entity may be reimbursed no later than twenty-four (24) months from the date that HUD approved the State's Action Plan (April 29, 2013).

39. Q. Will I receive a check?

- A. The NJEDA's preferred method of reimbursement will be direct deposit via an Automated Clearinghouse (ACH) form to a company's corporate account. Certain cases, such as construction, may require one or two-party checks to be cut. This can be discussed between you and your Business Advisor before receiving a grant award.

40. Q. Is the grant part of my taxable income?

- A. Please consult with a tax professional for guidance on this matter.

41. Q. How will I be notified if my application is declined?

- A. During the application, you will be asked for your preferred method of communication (e-mail or U.S. mail). A notice of determination regarding your application will be sent to you. Certain forms of communication may be sent via certified U.S. mail as required by law. If you have any questions please call or email your individual Business Advisor.

42. Q. If my application is declined am I able to re-apply? If so, when?

- A. If your application was declined because the NJEDA did not receive all the documentation required in the timeframe set forth, you may reapply again by contacting your Business Advisor and re-submitting your application. If you have been declined for other eligibility reasons, you may appeal the decision. Please call the New Jersey Business Action Center at 1(866) 534-7789 for more information on other programs that may be more appropriate for your business needs.

43. Q. Is there an appeal process?

- A. Yes. For more information on the appeal process, please contact your Business Advisor.

44. Q. Will it be possible to be declined for a grant under the Stronger NJ Business Grant program, but approved for a loan under the NJEDA's forthcoming Stronger NJ Business Loan program?

- A. Yes. The purpose of the Stronger NJ Business Grant Program is to help businesses and eligible non-profits impacted by Superstorm Sandy recover by funding unmet needs and expenses. The Stronger NJ Business Loan program may be used for business expansion beyond basic recovery needs. If an entity has already addressed its recovery needs and wishes to expand, that use of funds would be more likely to come from the Stronger NJ Business Loan program.

45. Q. If my Stronger NJ Business Grant program application is declined, are there any other programs that I could apply to for help?

- A. Perhaps. We encourage you to call the New Jersey Business Action Center at 1(866) 534-7789 or visit the State of New Jersey Business Portal at <http://www.state.nj.us/njbusiness/bac/> for more information on other programs that may address your business needs.

46. Q. If I own a private yacht club that was flooded during Superstorm Sandy, can I apply for a grant?

- A. Likely not. HUD regulations preclude funding entities that require private memberships and do not provide a sufficient public benefit, which includes but is not limited to jobs and other benefits for low to moderate income populations. Examples of ineligible use of funds may include private golf courses, private country clubs, and yacht clubs.

47. Q. I am a member of a fisheries co-operative. We are organized as a non-profit organization and sustained damage to our processing facility. Can we apply for a grant?

A. Perhaps. HUD regulations allow for non-profits engaged in industrial or commercial activities to apply for construction-related funding. However, operating expenses, including working capital needs, such as salaries and expenses are not eligible.

48. Q. My membership-based non-profit owns a building, which is primarily used for the organization's day-to-day business, but is occasionally rented for special events. Is the organization eligible for a grant through this program?

A. Perhaps, though non-profit entities may only be eligible for construction-related funding. Notably, HUD regulations prohibit funding for businesses or non-profits that require private memberships and do not provide a sufficient public benefit, which includes but is not limited to jobs and other benefits for low to moderate income populations. Under this program, only non-profits involved in commercial or industrial activities, or that have facilities, which provide a public service that furthers economic development. Religious-affiliated non-profits, such as churches, may utilize the funding **only** for renovation or new construction of portions of the impacted physical structure with non-sectarian uses. The limitations may exclude your entity from the Stronger NJ Business Grant program.

49. Q. My business needs \$50,000 in working capital expenses and \$50,000 in construction expenses. Which should I apply for?

A. The choice of what type of funding for which to apply is the entity's decision. If an applicant applies to the Stronger NJ Business Grant program for multiples types of expenses for an amount beyond the \$50,000 limit per location, the program's policy prioritizes funding an application's working capital expenses before construction expenses. Considering that HUD regulations on construction-related projects are more onerous for the applicant and may delay application processing and approval, the purpose of this policy is to expedite the eligible release of funds for business recovery and encourage economic development in the most impacted areas of the State.

50. Q. I file my New Jersey State taxes every year. How do I document that I am up-to-date and have received "tax clearance" from the State?

A. The New Jersey State Treasury has automated the tax clearance process with an on-line system, free of charge for applicants to the NJEDA's Stronger NJ Business Grant program. Please visit www.nj.gov/njbusiness/ and click "learn more about Premier Business Services" to create an account. A pdf-print out of your tax status from this website should be uploaded to your application as documentation. If you have any questions with your tax status, please contact the New Jersey State Treasury hotline at 1(609) 292-6400.

51. Q. I own a Bed and Breakfast at the Jersey Shore, which is also my home. Am I eligible for the Stronger NJ Business Grant program?

A. While federal regulations require that home-based entities generally be excluded from receiving monies through business programs funded with CDBG-DR funds, exceptions to this rule include the following examples: a home-based business with a separate business-entrance and a Bed and Breakfast establishment, where the owner resides on the property.

52. Q. If I purchased a business that was damaged by Superstorm Sandy after the date of the storm, can I apply for assistance for that business?

A. Yes. Any business, regardless of change in ownership, which was registered in New Jersey and in existence on the date of the storm (10/29/12), may apply, subject to all other eligibility criteria.

53. Q. I am the sole owner of a Limited Liability Company (LLC). Am I considered a sole-proprietor?

A. No, a sole proprietor is someone who owns an *unincorporated* business by himself or herself.

54. Q. My family owns three seasonal rental units under an LLC with a tax identification number; is our company eligible to apply for assistance?

A. Yes. If a registered, formally-structured company with its own federal tax identification (EIN) number owns two or more rental units used for weekly or seasonal rentals, and if the company owned those impacted units on the date of the Superstorm (10/29/12), then the company would be eligible to apply for assistance, provided that it satisfies all other eligibility criteria. Businesses that own a single rental unit and privately owned rental units that are available for lease throughout the calendar year may be eligible for assistance under the Department of Community Affairs' (DCA) CDBG-DR programs. For more information, please contact DCA at 1(855) Sandy-HM.

55. Q. If my business was in a flood zone and it did not have flood insurance, does that preclude me from receiving funds through the Stronger NJ Business Grant program?

A. Not necessarily. If the property where the entity is located was impacted by a prior disaster (i.e., a disaster other than Superstorm Sandy) in which the owner at that time received federal funds for recovery on the condition that the owner carry flood insurance in perpetuity or for a period of time that has not expired, HUD requires that the property had to have been covered by a National Flood Insurance Program as of the date of Superstorm Sandy (10/29/2012) to be eligible for CDBG-DR funds. This requirement applies even if there has been a change in ownership. However, if no such requirement is applicable to a property, then a lack of flood insurance coverage as of the date of Superstorm Sandy would not preclude eligibility for the Stronger NJ Business Grant program.

56. Q. What are the eligibility requirements for the loans?

- A. The eligibility requirements for the Stronger NJ Business Loan program (for direct loans up to \$5 million) are in the process of being developed by the NJEDA. It is expected that this program will launch in June 2013.

57. Q. When will the loan program begin accepting applications?

- A. It is expected that the Stronger NJ Business Loan program application will be available in June 2013.

58. Q. What are the details of the loan program?

- A. Details of the Stronger NJ Business Loan program have not been announced. To learn more, please visit <http://application.njeda.com/StrongerNJBusiness> to sign up for updates on Superstorm Sandy-related funding opportunities.