**Small Business Liquor License Grant (SBLLG)**

**Product Specifications**

**September 2024**

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| **Funding Source** | Utilization of Main Street Recovery Fund as follows:   * $10,000,000 to capitalize this pilot product. * 5% of funding or up to $500,000 to be used by NJEDA to cover administrative expenses. * 40% of the program pool or $4 million will be reserved for applicant businesses located in eligible NJ Opportunity Zone census tracts. This funding will be set aside for 2 years from the date the application is made available to the public. Any portion of the reserve that is not used by that date will be made available to all applicants. |
| **Program Expiration** | Applications will be accepted and reviewed on a rolling basis (first-come, first-served as applications are completed) for 3 years or until funds are  exhausted. |
| **Program Purpose/Objective** | Small Business Liquor License Grant (SBLLG) pilot product supports the purchase of an Inactive Plenary Retail Consumption Liquor License by a small business. Assisting with the purchase of an inactive plenary retail consumption liquor license supports the growth and success of New Jersey's small service businesses. This product aligns with legislation P.L. 2023, c.290 regarding inactive plenary retail consumption liquor licenses and allows NJ small businesses the opportunity to purchase one. This grant will reimburse a NJ small business up to 50% of the cost of the inactive license, not to exceed $100,000. This grant is for businesses that are open and operating to expand service offerings to customers. |
| **Eligible Applicants** | * Must own and possess a previously inactive Plenary Retail Consumption Liquor License at time of application and have a purchase date within 12 months prior to application. NJ Division of Alcoholic Beverage Control (ABC) determines if the license was previously inactive. * Applicants that have transferred the license between entities with common ownership are not eligible. * Applicant or other related entities must be in compliance with ABC statute and regulations and status will be determined by ABC. * Applicant business must rent or own and operate from a NJ based commercial facility and own the liquor license, or, in the alternative, a separate holding company may own the liquor license for applicant’s exclusive use. A real estate holding company is ineligible for this grant. * Landlords and real estate holding entities are not eligible. Grant is only for occupying small business owners. * Applicant must be open and operating for at least 12 months prior to application and must provide the most recent federal tax filing required to be filed for their business showing sales per gross receipts. * Non-profit and for-profit entities that meet SBA’s definition of small business based on NAICS industry classification at time of application. NAICS code on most recent tax filing will be used to make eligibility determination. * Applicants must provide a current Tax Clearance Certificate from the NJ Division of Taxation prior to receiving NJEDA approval. * Applicant entity is required to provide a WR30 reflecting employment for the quarter prior to their application date. * Business must be in compliance with NJ Division of Alcoholic Beverage Control ABC Act, statute and regulations prior to approval (NJSA 33:1-1 et seq; NJAC 13:2-1.1 et seq) and must remain in compliance for the 5-year NJEDA compliance period. * Applicants must be in substantial good standing prior to approval with the NJ Department of Labor, and NJ Department of Environmental Protection, with all decisions of substantial good standing at the discretion of those entities. * Applicant or other related entities must be in good standing with the ABC Act and status will be determined by ABC. * Applicant must not be in default with any other EDA or State assistance and certify to same. * Applicant must either own a New Jersey Inactive Plenary Retail Consumption Liquor License at time of application or, if applicant does not own the license, it must be owned by a holding company that is the co-applicant for the grant. * Only the purchase of an New Jersey Inactive Plenary Retail Consumption Liquor License is eligible; no other costs associated with that purchase are eligible. * Applicants are eligible to receive a Small Business Lease Grant, Small Business Improvement Grant and a Small Business Liquor License Grant for the same location. * Applicants are limited to one award per EIN. Applicants operating from multiple locations under a single EIN would be limited to one application for the life of the program. * This product applies only to purchases of inactive Class C Plenary Retail Consumption Licenses. All other liquor licenses, including but not limited to special licenses for shopping malls and strip malls issued pursuant to NJSA 33:1-12.18 (6)(a) and licenses issued for breweries, distilleries, winemakers, cideries, meaderies, club facilities, sporting facilities, concessionaires, hotels/motels, blenders, brokers or those related to warehousing, distribution, transportation or wholesale are not eligible. |
| **Local Approvals** | * Applicant must obtain and is responsible for all applicable local approvals. |
| **Grant Amounts/Uses** | * Grant proceeds can be used towards working capital only and may not be used for construction, equipment, or contracts of labor. * Awards will be 50% of the cost of a Plenary Retail Consumption Liquor License only. * Grant amount not to exceed $100,000. |
| **Grant Agreement Terms** | * Business entity may not sell or cease to operate for the duration of the 5-year compliance period. * If the grantee ceases to operate to the satisfaction of the 5-year compliance period, repayment of all or a portion of the grant will be necessary. * If a sale of the property occurs prior to satisfaction of the 5-year compliance period, repayment of all or a portion of the grant will be necessary. Repayment of the grant will be prorated based on the years of compliance, with 20% reductions for each full year the applicant is compliant with the terms of the grant. * In case of an applicant default, if the default remains outstanding and uncured; Applicants may cure a default by restoring its good standing under the grant agreement and satisfying the remaining compliance period or by repaying all or a prorated amount of the grant, based on the years of compliance, at the sole discretion of the NJEDA. * Applicant will certify annually, beginning 12 months after the execution of their grant agreement and for the term of grant agreement, that the applicant and/or co-applicant identified in the application is operating at the licensed premises as defined by the ABC Act and the license is compliant. |
| **Fees** | $500 fee is due at time of approval. |
| **Funding Disbursement** | Grant amount to be fully disbursed after execution of grant agreement. |

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| **Exclusions and Additional Requirements** | * Applicant must agree at time of application and for the compliance period to the minimum wage requirements and to provide most recently filed WR-30, payroll information, or equivalent documentation to verify business owner is paying wages to all employees of at least $15/hour or 120% of the minimum wage rate (whichever is higher). Regularly tipped employees are not required to be paid $15/hour but must be paid at least 120% of the minimum wage rate. This would be required for the term of the grant agreement per section 5 of P.L. 1966, c. 113 (N.J.S.A. 34:11-56a4) if applicant has employees. * Applicant must remain in the location for at least 5 years after execution of the grant agreement. * Landlords and real estate holding entities are not eligible; grant is only for occupying and operating small business owners. * Businesses that are engaged in the following are not eligible for   funding directly from the Authority or through grants and loans to eligible microbusiness lenders: 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 sale; sales by transient merchants, Christmas tree sales or other outdoor storage; or any activity constituting a nuisance. |
| **Application Process** | * Applications will be reviewed on a rolling basis, based on the availability of funding, until all funds are fully committed.   Applicants must provide a completed application which includes but is not limited to:   * The name of the applicant; * The contact information of the applicant; * The organizational type of the applicant; * The principal products and services and North American Industry Classification System number; * The New Jersey tax identification number; * The Federal tax identification number; * The most recent three Federal tax returns required; * The total number of full-time and part-time employees of the applicant, in New Jersey at the time of application, and three months prior to the submission of the application; * The comprehensive list of the applicant's locations in New Jersey and the function performed at each location; * A completed legal questionnaire disclosing all relevant legal matters in accordance with the Authority debarment and disqualification rules at N.J.A.C. 19:30-2; * Submission of a tax clearance certificate, pursuant to P.L. 2007, c. 101; * WR 30, payroll reports, or equivalent documentation for the quarter preceding submission of application; * A certification under the penalty of perjury from the applicant, or an authorized agent of the applicant, that the information provided in the application is true; and * Any other necessary and relevant information as determined by the Authority for any product or for a specific application. Which may include:   + A copy of the new license   + Municipal resolution approving license * The Authority will confirm with the New Jersey Division of Alcoholic Beverage Control, New Jersey Department of Labor and Workforce Development, Department of Environmental Protection, and the Department of the Treasury that the applicant is in compliance by being in substantial good standing with the statutes, rules, and other enforceable standards of the respective department, or, if a compliance issue exists, the eligible business has entered into an agreement with the respective department that includes a practical corrective action plan, as applicable.   While the Authority anticipates that most applications will provide a complete set of required information needed to evaluate the application, staff will follow up with applicants if additional information and/or documentation is needed.  Delegation of authority to the Chief Executive Officer to approve non-discretionary eligible applications for the Small Business Liquor License Grant (SBLLG).  Entities whose applications are denied will have the right to appeal. Appeals must be filed within the timeframe set in the declination letter (which must be at least 10 business days). Appropriate staff will review the applications, the appeals, and any other relevant documents or information. The Hearing Officer will recommend a final administrative decision. For final appeal decisions on non-discretionary reasons, delegated authority is requested. |