



Harris County COVID-19 Forgivable Loan Program



FREQUENTLY ASKED QUESTIONS

1. How long does it take to get approved for a loan?

- This is an unprecedented time and demand is extremely high. We are working through loan applications as quickly as possible.

2. Once a business is approved for a loan, how long will it take for them to receive the money?

- There are a few additional steps, such as loan closing. Loan funding will take place immediately after closing. This is a relatively short process.

3. If small businesses are currently receiving loans, grants, or other forms of funding from the federal government or private lenders, can they still apply for this program?

- Yes.

4. Is the online application the only way to apply?

- No more applications are being taken at this time.

5. This loan is for small businesses only, correct? If so, what is considered a “small” business?

- For this program, we are using SBA 504 criteria to determine the size standard. Essentially, a business qualifies if it has a tangible net worth of not more than \$15 million and an average net income of \$5 million or less after federal income taxes for the preceding two years prior to application.

6. Is this loan industry specific? Can a non-profit organization apply?

- Non-profit organizations are ineligible business types for this loan.



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- 7. If you're a business outside of Harris County, what other options are available?**
 - The Houston-Galveston Area Local Development Corporation (H-GALDC) has other loan opportunities for businesses in our 13-county region and throughout Texas. Contact loans@h-gac.com or call 855-364-2516.
- 8. What is the maximum loan amount per business?**
 - For the Harris County Loan Program - \$25,000. For our other loan programs, we can go as high as \$5 million or more.
- 9. How do you determine how much money each business gets? It says the max loan amount is \$25,000, but that doesn't necessarily mean every business will get \$25,000.**
 - No, each business will have an opportunity to ask for the specific loan amount they need up to \$25,000. Ultimately, the underwriting analysis and the loan committee's recommendation will determine the amount the business is approved.
- 10. If a company like a restaurant group that has locations in Harris County and in other counties, does it still qualify for this loan?**
 - Yes, the location in Harris County is eligible. We will ask for receipts, invoices, payroll expenses and other documentation to substantiate that the costs were for the Harris County location.
- 11. How much money is available in total? What happens when that runs out?**
 - \$10 million. Once the money is fully expended, we will not be able to fund additional loan requests.
- 12. If the county does decide to increase funding for the program, what would happen next? Would there be another call for applications?**
 - We would most likely start with any applications that we have already received.
- 13. Is there a way for small businesses to check the status of their application, or do they need to wait to be contacted by H-GALDC?**
 - Yes, after businesses submit their application, they will have access to a dashboard to check the status of their application.
- 14. How are accepted businesses being contacted?**
 - We have emailed all eligible applicants to inform them of next steps, which includes gathering required documents and uploading them into their secure portal.
- 15. How are waitlisted businesses being contacted?**
 - We also emailed all waitlisted applicants to inform them that due to the overwhelming response and limited funds, we were unable to review their application at the present time.



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16. If a business was rejected for a loan application, could they still reapply under this program if they wanted to?

- Yes.

17. How will money be distributed?

- Money will be distributed via wire transfer only.

18. Once a business receives the money, how soon do they need to start paying it back?

- There is a three-month grace period and then they would begin monthly payments. The loan is forgiven at the end of the term, provided the borrower has maintained payments and other requirements

19. Who processes the loan repayments?

- Borrowers will submit payments to Harris County.

20. Could someone initially receive an acceptance to submit documentation only to then be declined? Is there a way for them to protest?

- Yes. After an in-depth review by the underwriters and our review committee, we may identify issues that will make the loan not creditworthy. They may submit additional information to reconsider or review.

21. If businesses want to ask questions about the loan program, should they only contact H-GALDC or can they contact Harris County officials too?

- Businesses may contact the Harris County Loan Program at harriscountyloan@h-gac.com. They can also reach out to their local Small Business Development Center or SCORE office for assistance gathering or preparing documents.
- For loan assistance beyond the Harris County loan, contact the H-GALDC: loans@h-gac.com or 855-364-2516, the SBA, local banks, and other lending organizations. Due to the high level of interest, responses make take up to two business days.

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