

# Business Relief RGV

## SMALL BUSINESS RELIEF LOAN PROGRAM - SUMMARY

In response to the economic hardships experienced by businesses resulting from the COVID-19 pandemic, Affordable Homes of South Texas, Inc. doing business as Business Relief RGV in collaboration with the City of McAllen is launching the Small Business Relief Loan Program. The goal is to keep businesses open and retain jobs.

**Funding Source** City of McAllen's HUD Community Development Block Grant –CV

**Funding Amounts** Up to \$25,000 per business. Minimum request is \$1,000.

**Applications Period** application information can be found at [www.businessreliefrgv.org](http://www.businessreliefrgv.org)

### Basic Eligibility

- For-profit business located in the City of McAllen with less than 50 employees
- Must be in good standing as determined by the Texas Secretary of State's office.
- Applicant(s) is/are 51% + majority owner(s) of business
- Can provide financial evidence of economic loss as a result of COVID-19
- Can provide evidence of being able to retain at least one job for at least 3 years of loan for a qualified low/moderate income household.
- Not in bankruptcy, current with all local, state and federal taxes, fees, and any other debt payments to the City of McAllen.

**Eligible costs** Basic working capital for staff salaries, leasing space, insurance, and/or utilities. Requests for inventory, supplies, furniture, software, equipment, other may also be considered.

### Basic Terms

- Funds will be disbursed by reimbursement for documented eligible project expenses
- Allow City to collect income and demographic data from business loan applicants and their employees for three years.

### Application Process

Completed application along with the following documents are required:

- Listing of all bank deposits and debt schedule
- Business entity formation documents
- Credit Report on all principals and a business credit report on the borrowing entities.
- Personal Financial statement
- Most current year personal and business tax returns
- Current and year- end financial statements
- Projected financial statements for the next 6-12 months
- Bank statements from January 2020 to current to show the decrease in revenue as a result of COVID-19.
- Conflict of interest documents
- Income documentation from applicant and employees.

### Application Review

Applications will be reviewed by staff and underwritten according to the approved guidelines. Completed applications, including all documents outlined above, are considered on a first come first served basis.

See program guidelines for more details.