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## **HELP for Small Business Now Available; Committee to Decide First Round of Loan Recipients**

**HARLINGEN, TEXAS (May 8, 2020)** – The Harlingen Economic Development Corporation announced [Harlingen’s Emergency Loan Program \(HELP\) for Small Business](#) last month in response to the economic impact that Harlingen small businesses were experiencing.

The loan program officially opened to applicants on Friday, May 1. As applications began to come in, Raudel Garza, Harlingen EDC CEO, and HEDC staff have been available to answer questions and guide applicants through the process.

“There are business owners who are struggling right now, and they need assistance right now because they’re two months behind on rent, or need to pay suppliers, or a multitude of other factors” he said.

“HELP will give those qualifying business owners in our community the ability to get their business back on track.”

### **Loan Recipients to be announced soon**

The HELP for Small Business committee will begin reviewing and approving qualified business owners this week and Garza said that recipients could be notified as soon as this Friday, May 15.

The five-member committee has met several times via video conferencing and phone calls. They have carefully discussed and organized their plan of action, knowing that the need in the community is great.

“Decisions on how businesses are being selected are based on needs and we are also urging applicants to submit all the required documentation in order to be eligible for loan approval,” Garza added.

There have been more than 50 applicants and the committee will be reviewing the completed applications.

The loan will be awarded in up to five-round process with the initial \$200,000 being given to 20 or more applicants depending on the needs or other factors.

### **So, how does it work?**

The loan application is not much different than other similar loans. Once on the HELP for Small Business [page](#), applicants can review the filing requirements, documents, and other guidelines and must include all required documentation in order to submit a completed application.

To qualify for a HELP loan of up to \$10,000, a Harlingen business application must meet the following:

1. Have applied for an EIDL (Economic Injury Disaster Loan) with the Small Business Administration (SBA), or
2. Have applied for a PPP (Paycheck Protection Program) loan through a local lender; and
3. Has not taken the loan or has not received funding, or
4. If the applicant did take an EIDL or PPP loan, then the applicant must substantiate the need for more funding in an explanation in the narrative section of the application, or
5. The applicant must show some other hardship.

The applicant must also:

- Show a loss of revenues greater than 25% during this crisis period versus last year,
  - or if it is a new business, show a loss of revenues greater than 25% versus the previous 6-month average of monthly sales, or
- Provide evidence of extreme hardship, and
- Have 25 or fewer full-time equivalent\* employees working in Harlingen as of March 1, 2020, and
- Commit to staying in Harlingen throughout the term of the loan

### **How do business owners calculate FTEs?**

As it applies to HELP, Full-Time Equivalent (FTEs) are defined as 1,664-hours worked per year or 32-hours worked per week, per position or job. Part-time employees or positions can be combined to equal one FTE.

To qualify for HELP, businesses with 25 or fewer employees should not exceed 41,600-hours worked per year for all employees combined. If the applicant uses FTEs for this eligibility requirement, the applicant **MUST** provide sufficient documentation to show how the number of employees was calculated, which could include payroll records, F941, and TWC reports.

**Here's the formula to help determine total combined FTEs:**

*Total annual employee hours worked/1,664 = Number of FTEs*

*Example: 41,600/1,664 = 25 FTEs*

The application can be found [here](#) and business owners applying must submit all the correct documents in order to be considered for HELP.