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HARLINGEN EDC CONVERTS “HELP FOR SMALL BUSINESS” LOAN INTO GRANTS

HARLINGEN, TEXAS (MAY 4, 2021) – In the most recent Harlingen Economic Development Corporation Board of Directors’ meeting, the Harlingen EDC board, with great support from the City Commission, approved forgiving nearly \$500,000 in loans.

In April of 2020 the Harlingen EDC announced that \$1,000,000 in funds would be set aside for a loan program called [HELP for Small Business](#). The program would provide zero percent-interest emergency loans of up to \$10,000 to qualifying Harlingen business owners. The repayment of the loans was to be due a year after borrowing.

“We lent out \$489,000 to 52 businesses and those 52 businesses will now have an opportunity to basically get their loan forgiven if they qualify,” Raudel Garza, Harlingen EDC CEO, said in the recent meeting.

Business owners who received HELP for Small Business funding must meet specific qualifications and provide documentation of how they utilized the funds.

The borrowers will need to demonstrate that they had expenses such as:

- Payroll costs
- Rent
- Utilities
- Cost of goods sold
- Inventory

The applications for forgiveness of the loans will be evaluated in accordance with the specified guidelines and loan agreement.

“We know that our Harlingen business community is essential to the growth and success of our economy,” Eric Ziehe, Harlingen EDC Board President, said.

“Our business community has shown resiliency in the last year and we want them to continue succeeding, and to continue providing their services that make our city unique.”

The loan forgiveness was made possible due to federal funding in response to Covid-19 and the economic impact it has made.

Recipients of the loan have received the application with additional instructions and may start the application process.

This is not a new program; it is an update to the 2020 HELP for Small Business program.

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