

# GASTON RECOVERS

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Small Business Bridge Loan Program

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APRIL 28, 2020 BOARD MEETING



# THE BIG PICTURE

## **The Goal: Help Small Businesses in Gaston County Impacted by COVID-19 Successfully Survive the Ongoing Financial and Economic Hardships**

- \$500,000 = Entire appropriation
- Loans ≠ Grants
- \$5,000 = Maximum loan amount
- Would help roughly 100 businesses
- Administering the loans in-house
- Easy-to-use online application

# LEGAL AUTHORITY

## N.C. Gen. Stat. §158-7.1

- Local, economic development statute
- County appropriation (including loans) must increase one of following:
  - population
  - taxable property
  - agricultural industries
  - employment
  - industrial output
  - business prospects of the county
- Public hearing required
- Cannot compete with private banks

# **LOAN TERMS**

- **3 years to repay**
- **3% interest per year**
- **Automatic one-year deferment of payments**
- **Interest still accrues during the deferment period**
- **Unsecured loan**

# **ELIGIBILITY**

## **Main Criteria**

- **Complete online application**
- **Have no more than 50 employees**
- **No corporate or chain applicants**
- **Business must be located in Gaston County prior to March 10, 2020**
- **Must be in compliance with all applicable laws**
- **No tax delinquencies in last 7 years**
- **Suffered business hardship due to COVID-19 state of emergency**

# APPLICATION PROCESS

## APPLICANT COMPLETES ONLINE APPLICATION

The Gaston Recovers loan application can be found at [www.gastonrecovers.com](http://www.gastonrecovers.com)

## APPLICATION REVIEWED BY STAFF FOR COMPLETENESS

Staff ensures each app is complete before passing it on to the selection committee for review

## SELECTION COMM. REVIEWS & VOTES ON APPLICATION

Five-member volunteer review committee meets regularly to review and vote on each application

FINANCE DEPARTMENT ISSUES  
PHYSICAL CHECK TO EACH AWARDEE

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*Questions?*

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