



HOUSTON-GALVESTON AREA COUNCIL

3555 Timmons Lane, Suite 120
Houston, TX 77027
h-gac.com | @HouGalvAreaCog

FOR IMMEDIATE RELEASE

May 4, 2020

H-GAC, HARRIS COUNTY ANNOUNCE FIRST GROUP OF SMALL BUSINESSES APPROVED FOR COVID-19 FORGIVABLE LOAN

West Houston-Area Hair Studio Among First to Receive Funds

HOUSTON, TX – The Houston-Galveston Area Council (H-GAC) announced today that the first group of small businesses that applied for the Harris County COVID-19 Forgivable Loan Program have been approved to receive funds. The first set of cash distributions have been made, and more are rapidly on the way.

The \$10 million-backed loan program is the result of a partnership between Harris County and H-GAC. H-GAC's local development corporation is administrating the underwriting and review process by an assigned loan committee. Thirteen loans were approved to receive funds by the committee last week. Two of those 13 businesses have already completed the closing process with more expected to close this week.

Nakeitha Ross, owner of 360 Degrees Hair Studio in west Houston near Gulfton, was one of the first two businesses to complete the closing process and receive funds. The salon owner, who has been in business since 2003, says she received word that the loan committee had approved her application on Thursday evening.

"I was super excited when I found out my application had been approved," Ross said. "I shared the news with my husband. He's been in the hospital for kidney disease. It would've been great news no matter what, but that week, it was the news I needed to hear."

Ross was among the more than 7,000 area small businesses that applied for the forgivable loan program when it first launched on April 9. In the 28 hours between when the program launched and when applications stopped being accepted, the requests totaled more than \$150 million.

Ross says she found out about the loan program through her fellow entrepreneurs. She described the underwriting and review process as thorough, requiring lots of documentation, but relatively swift. Ross also said she's applied for financial aid through other programs, including those provided by the Small Business Association. So far, she's only received funding from the Harris County forgivable loan program.

"I'm glad that this program exists to keep small businesses like myself surviving and thriving through these types of crises," Ross said. "Thank you for giving small businesses a chance."

The Harris County COVID-19 Forgivable Loan Program offers loans of up to \$25,000 each with zero percent interest for a five-year term to help small businesses in Harris County stay open and maintain operating expenses. After five years, as long as the business remains in good standing, the loan will be forgiven. Underwriters with the Houston-Galveston Area Local Development Corporation are working directly with applicants to ensure all the required documentation is submitted and to expedite review. The loan committee is reviewing applications twice a week.

"We're moving as quickly as possible to navigate the applicants through the underwriting and review process, and to

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get funds distributed to these businesses that are in dire need,” said Omar Fortune, program manager of the Houston-Galveston Area Local Development Corporation.

Ross says the funds she received from the loan program will be used to cover the lease on her hair studio and towards electricity bills. She says that even though it’s a difficult time for small businesses, she’s optimistic that things will improve.

“It won’t be business as usual for a while, not until we have a cure. But I’m very optimistic. I know that there’s hope,” said Ross. “It’s good to know I have the funds I need for my business to help pay the rent and the largest expenses. This will help to hold me over until things gradually go back to normal.”

For more information about the loan program, visit www.harriscountyloan.com For more information about the Houston-Galveston Local Development Corporation, visit HGALDC.com.

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