



## Weslaco Small Business Recovery Assistance Loan/Grant Program

### Program Summary

In response to the adverse economic impacts of the COVID-19 pandemic, the Economic Development Corporation of Weslaco (EDC) has developed a second round of COVID-19 ***Weslaco Small Business Recovery Assistance Loan/Grant Program*** to provide assistance to Weslaco-based businesses suffering from financial impacts related to the COVID-19 (coronavirus) pandemic.

The loan/grant is available to all non-home-based retail and small businesses with 0-10 employees located in the City of Weslaco **that have not been awarded a previous grant issued by the EDC of Weslaco in May, 2020**; however, **priority will be given to non-essential businesses with 0-5 employees.**

The purpose of this program is to provide funds to assist with operating expenses, for existing operational, small business enterprises within the City of Weslaco, including, but not limited to payroll, mortgage, rent, utilities, etc. The Weslaco EDC will provide a loan/grant to a small business up to a maximum of \$5,000.

If the loan/grant is not forgiven as hereinafter provided, all loans/grants will mature by August 1, 2021. Interest on a loan/grant that is not forgiven shall accrue at the rate of 5% per annum. A promissory note must be executed between the parties. **The entire amount of the loan/grant can be forgiven if the funds are used only for items listed under subtitle "USE OF FUNDS." in the Loan Application.**

The loans/grants are being awarded at the sole and absolute discretion of the EDC Board of Directors, so an award to a qualifying business is not guaranteed in accordance with criteria established by the EDC Board of Directors. Recipients of a loan/grant shall have one (1) year from the date of funding to show proof that loan/grant funds were used to pay for items specified on pages 4 and 5 of the Loan Application. If the receipt cannot provide sufficient proof that the funds from the loan/grant have been used in accordance with the terms of the loan/grant, the funds provided under the loan/grant will no longer be considered a grant and installments of principal and interest will begin August 1, 2021, with principal and interest for three years.

## ELIGIBILITY AND CONSIDERATION

In order to qualify for a loan/grant under this program, the applicant must meet all of the following criteria:

- Applicant business was required/mandated to close as a “Non-essential,” business and remained closed until authorized to re-open by orders issued by state and local authorities.
- Applicant businesses must have 0-10 or fewer full-time employees. **(Priority will be given to 5 or less and non-filed PPE/EIDL) 25 applicants totaling \$125,000.00**
- The Applicant business must be:
  - be located in the corporate limits of the City of Weslaco;
  - be located in a commercial setting (i.e., a shopping center, a professional plaza, or an office complex) **(home-based businesses will not be considered)**;
  - have a Certificate of Occupancy or other suitable documentation evidencing the applicant’s authorization by the City of Weslaco to conduct business at its location.
- Applicant business must be current and in good standing with the City of Weslaco with regard to the payment of:
  - Sales and use taxes, *if applicable*; and
  - Property taxes, *if applicable*
- Applicant must be engaged in a business that is legal under city and state law; and
- Applicant must have been in business in the City of Weslaco on or before February 1, 2020.

## SUBMISSION OF APPLICATION

Please submit the following application and supporting documentation to the Weslaco Economic Development Corporation. Applications will be accepted during the period beginning **August 10, 2020 and ending August 21, 2020**, (the “Application Acceptance Period”) preferably by email [weslacoedc@gmail.com](mailto:weslacoedc@gmail.com) and/or in person by appointment please call (956) 969-0838 to set one up **275 S. Kansas Ave. STE A**, Weslaco, Texas.

Our lobby will be closed, but for applications delivered in person, there is a mail box in the foyer at the entrance of our front door that can be available from 8:00 am to 5:00 pm during the Application Acceptance Period. Applicants will be notified that their application has been received.

Applications will first be reviewed for eligibility based on the criteria set above. In the event that the Weslaco EDC receives more than 25 requests for funding which exceeds the total funding approved by the EDC Board of Directors, approved applications that meet all of the criteria listed above will be entered in a lottery selection process at [www.random.org](http://www.random.org). The Weslaco EDC’s lottery selection process is the sole and final authority in determining which applicants will receive funding.

Funding will take place the last week of August 31<sup>st</sup> 2020 and applicants selected by the lottery process and awarded a Weslaco EDC loan/grant will be required to sign a contract outlining stipulations listed in the application before being issued a check.

*DISCLAIMER: The loan/grants described above are not guaranteed and are subject to the eligibility of the applicant and the availability of funds for the above-described program. The Weslaco EDC does not provide any tax or legal advice as to whether applying for and receiving relief funds affects any other grants or federal and state COVID-19 relief funds.*

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## APPLICATION

Please complete the application and answer every question shown below. The Weslaco EDC requests that each business enter a response in EACH of the required fields below.

### CONTACT INFORMATION

First/Last Name of person completing this application: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Business Type: \_\_\_\_\_

Address of Business: \_\_\_\_\_

Email Address: \_\_\_\_\_ Phone Number: \_\_\_\_\_

### BUSINESS OWNERSHIP

Tax ID #: \_\_\_\_\_

Entity Name: \_\_\_\_\_

Name of business owner (if different from above): \_\_\_\_\_

Number of years in business: \_\_\_\_\_

### BUSINESSES THAT ARE INELIGIBLE TO APPLY

- Businesses that are restricted to patrons above the age of 18 (e.g. bars, smoke shops, and sexually oriented businesses and other similar businesses);
- Finance Institutions;
- Businesses owned by the members of the Board of Directors of the Weslaco EDC; or
- Businesses owned by employees or Weslaco elected officials of the City of Weslaco.
- Businesses already awarded months prior.

### PERSONNEL

How many total employees were employed at your business on February 1, 2020?

Full-time Employees #: \_\_\_\_\_ Part-time # employees: \_\_\_\_\_

Does your business have furloughed employees who are receiving unemployment benefits?

Yes \_\_\_\_\_ No \_\_\_\_\_

Is your business operated as a sole proprietorship?

Yes \_\_\_\_\_ No \_\_\_\_\_

## USE OF FUNDS

How will your business use the loan funds? *Please check all that apply.*

_____	Rent/mortgage payment. List specific amount.	\$ _____
_____	Purchases supplies to offer alternative business access (i.e. for online sales, etc.)	\$ _____
_____	Employee support (salaries, insurance, paid leave)	\$ _____
_____	Utilities (i.e. electricity, water, phone, internet, etc.)	\$ _____
_____	Expenses associated with increased material costs from suppliers.	\$ _____
_____	Purchase of COVID-19 supplies for business protection/cleaning.	\$ _____
	<b>Total Amount</b>	\$ _____

**Total loan amount requested from Weslaco EDC:** \$ \_\_\_\_\_  
(amount shown above may not exceed \$5,000)

**You must attach cancelled checks, payroll reports and/or bank statements to substantiate the amount shown above.**

*Business owners may request less and/or only what is needed if receipts cannot be produced to show proof of payment on the list above, under **USE OF FUNDS**. The Economic Development Corporation of Weslaco is the sole and final authority in determining eligibility and amount of funding and utilizing a lottery selection process for fairness and transparency.*

Have you applied for any of the following Federal programs that are currently available?

\_\_\_\_\_ Paycheck Protection Program (PPP)

\_\_\_\_\_ Economic Injury Disaster Loan (EIDL)

If not, why?

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## ACKNOWLEDEMENTS/SIGNATURES

Please check each statement acknowledging that you have read and affirm the information you have submitted within this application is true and accurate to the best of your knowledge. **USE YOUR INITIALS IN THE BLANK.**

\_\_\_\_\_ My business has 0-10 full time (or full time equivalent) employees.

\_\_\_\_\_ I affirm that my business has experienced or is projected to experience a decline in employment between February 1, 2020 and August 31, 2020. (including sole proprietors.)

\_\_\_\_\_ The Tax ID and Entity Name of my business shown above, are true and accurate.

\_\_\_\_\_ My business is located in the incorporated city limits of Weslaco, in a commercial setting with a Certificate of Occupancy issued by the City of Weslaco.

\_\_\_\_\_ By signing this document, I am attesting that I am the majority owner of the business applying for this loan.

\_\_\_\_\_ I will provide a copy of the Texas Workforce Commission Quarterly Wage Report for 4<sup>th</sup> quarter of 2019.

\_\_\_\_\_ I affirm this business is in good standing with the City of Weslaco with respect to taxes, fees, utility payments, or other financial obligations.

All loans/grants will mature by August 1, 2021, at 5% interest. A promissory note must be executed between the parties. **The loan can be forgiven 100% if used only for items listed under the section titled "USE OF FUNDS."**

Business Legal Name \_\_\_\_\_

Written: \_\_\_\_\_  
Legal Representative

\_\_\_\_\_  
Title

Signed: \_\_\_\_\_  
Legal Representative

\_\_\_\_\_  
Title

Signed as Individual: \_\_\_\_\_

Date \_\_\_\_\_

## DOCUMENTS TO BE ATTACHED

Summary of documents that must be provided at time of application. Please attach in order and/or clearly label the document:

1. Receipt or cancelled check of most recent lease/mortgage payment.
2. Receipt or cancelled check of most recent utility payment (water, electric, phone, gas, etc.).
3. Receipt or cancelled check for salary payments made to furloughed employees, *if applicable*.
4. Receipts for expenses associated with increased material costs from suppliers or alternate suppliers.
5. Receipts for the purchase of COVID-19 supplies for business protection/cleaning.
6. Receipts for purchases supplies to offer alternative business access (i.e. curbside pickup, delivery, website upgrades for online sales, etc.)
7. Copy of Texas Workforce Commission Quarterly Wage Report for 4<sup>th</sup> Quarter, 2019

*We are requesting supporting documentation at this time and reserve the right to request and receive any such back-up documentation within 24 hours' notice by the EDC of Weslaco. Please make sure you maintain your business records and receipts to support your answers to the application.*

## Directions for Submitting the Weslaco Small Business Recovery Assistance Loan/Grant Application

1. Save the completed application as [BUSINESS NAME] Weslaco EDC Loan Application
2. Submit the completed application and ALL documents to:

**Email:** [weslacoedc@gmail.com](mailto:weslacoedc@gmail.com) OR

**Deliver to:** 275 S. Kansas Ave. STE A. Weslaco, Texas 78596 and drop in the mail box in the foyer of the building between the hours of 8:00 am to 5:00 pm during the weeks of **August 10<sup>th</sup> through August 21<sup>st</sup> 2020**.

**No applications will be accepted after 5:00 pm, August 21, 2020. Either delivered or emailed.**

**The EDC of Weslaco prefers that business:**

- **print the application**
- **hand write answers and responses into the application**
- **scan the application and all related documents and email the completed the file to:**  
[weslacoedc@gmail.com](mailto:weslacoedc@gmail.com).