Gaston County Launches Loan Program for Small Businesses

GASTON COUNTY, N.C. – As small businesses continue to suffer mightily during the Stay at Home order, Gaston County is announcing a new program, aimed at providing aid when its needed the most.

The Small Business Bridge Loan program will launch on Wednesday, April 29th after approval from the Board of Commissioners at its April 28th meeting. The plan calls for $500,000 in loans to be made available to Gaston County businesses with 50 or fewer employees. Small businesses will be able to submit their application online at GastonRecover.com.

Each loan will be up to $5,000 each, in an effort to serve as many Gaston County small businesses as possible. The loans will be spread over 3 years at a low interest rate, with payments deferred for the first 12 months as business owners try to keep things going during conditions unseen for generations.

“We continue to look at ways how we can do our part to keep Gaston County together,” Board Chairman Tracy Philbeck said. “As a small businessman myself, I understand what these folks are going through right now, and want to do everything in our power to support them. They are the backbone of our community.”

Small business owners discussed the difficulties they’ve faced with continued rent payments while many have seen a significant reduction in sales or have had to close altogether due to the restrictions put in place by the Stay at Home order.

“Bills are still coming in,” said Mona Fore, owner of Mona’s Boutique and Gifts in McAdenville. Fore has had to close her storefront location to customers and is relying strictly on online sales right now to keep her business afloat. “It feels like we’re working twice as hard for half the amount of sales that we normally would get.”

Jim Morasso, who owns Webb Custom Kitchen in Gastonia, closed the restaurant temporarily. One of the things he said that has kept him up at night, was figuring out how to take care of his servers, bartenders and other staff.

Gaston County Small Business Bridge Loans

OVERVIEW

The Gaston County Board of Commissioners is pleased to authorize $500,000 in small business bridge loans to help locally-owned small businesses in Gaston County make it through the financial hardship brought about by COVID-19. Loans to eligible small businesses will be awarded in amounts up to $5,000 to help cover operating expenses until state or federal assistance is available or until the COVID-19 economic crisis passes.

PROCESS

Applications will be reviewed weekly by a five-member panel of volunteer business, faith, and community leaders. The loans will be issued via direct payment from the County to successful applicants on a first-come, first-served basis. The terms of the loans will be 36 months, with interest accruing at 3% per year and will be unsecured. Payments to Gaston County will be deferred for the first 12 months, but interest will accrue during the deferral period. All loan agreements and terms will be documented by a promissory note as per the county attorney.

ELIGIBILITY

- Applicant must complete the online application and submit all required documentation
- Applicant must operate a business with 50 or fewer employees
- Applicant cannot operate a corporate or chain store
- Applicant’s business must be located within Gaston County prior to March 10, 2020
- Applicant’s business must be in compliance with all state and local laws, zoning, and business regulations
- Applicant must apply for any applicable city-issued business loans, where available, prior to being considered for a Gaston County Small Business Bridge Loan
- Applicant must not have any tax delinquencies within the past 7 years