

Hurricane Ike Disaster Program FAQ

1. To be in compliance with CDBG regulations, you must adhere to the Low to Moderate Income guideline.
2. Definition of Low to Moderate Income:
(You must meet **one** of the following to be eligible for a forgivable loan.)
 - A business with 5 or less employees in which the owner is one of the employees. (An owner can not be the only employee in this group)
 - A business that has an employee living within the LMI designated area.
 - A business located within the LMI designated area.
 - An employee whose annual salary is \$30,000 or below.
 - An employee whose 4 member household total income is equal to or less than 80 percent of the area median family income figure of \$54,300. Wage is \$43,440 or less.
3. Please be advised you will need to prove you met and maintained the LMI status at time of the loan, 1 year after the loan and the 2 year commitment.
4. Contract workers are considered an employee if the position is at least 2 year term. Example: Hiring someone to put a roof on your building would not be considered an employee since the job would be completed in weeks.
5. Beauty Salon owners who lease or rent booths to other beauticians may consider them contract employees for the purpose of this application.
6. Children employed by parents business may be considered in the LMI employee count if all government regulations have been met.
7. Multiple owner businesses: Majority owner will be responsible for qualifying for the forgivable loan and adhering to the guidelines and regulations.
8. Individual credit reports (not business) are to be submitted. Please include the full report. You can obtain a free credit report at www.freecreditreport.com .
9. Deadline to submit completed application with **all pertinent documents** is January 8, 2010. Only applications received by cutoff date will be considered for round one funding.
10. Grant requests will be reviewed late January and recipients will be notified by phone.
11. Denied applications will receive a letter of explanation.