



## Disaster Field Operations Center East

**Release Date:** May 1, 2019

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### **SBA Offers Disaster Assistance to Small Businesses in North Carolina Affected by Gas Leak Explosion**

**WASHINGTON** – Low-interest Economic Injury Disaster Loans (EIDLs) from the U.S. Small Business Administration (SBA) are available to North Carolina small businesses, small agricultural cooperatives, small aquaculture businesses and private nonprofit organizations affected by the gas leak explosion on April 10, 2019.

Acting SBA Administrator Christopher Pilkerton made the loans available in response to a letter from Gov. Roy Cooper on April 19, 2019, requesting a disaster declaration by the SBA. The declaration covers Durham County and the adjacent counties of Chatham, Granville, Orange, Person and Wake in **North Carolina**.

“The SBA is strongly committed to providing the people of **North Carolina** with the most effective and customer-focused response possible to assist small businesses with federal Economic Injury Disaster Loans,” said Pilkerton. “Getting businesses and communities up and running after a disaster is our highest priority at SBA.”

SBA’s Customer Service Representatives will be available at the Business Recovery Center to answer questions about the disaster loan program and help individuals complete their applications.

The Center is located in the following community and is open as indicated:

#### **Durham County**

The Durham Tech Small Business Center at the Chesterfield

[701 W. Main Street](#)

Suite 203

Durham, NC 27701

Opening: Thursday, May 2, from 10 a.m. to 5 p.m.

Hours: Monday to Friday, from 8:30 a.m. to 5 p.m.

Saturday, May 4, from 10 a.m. to 1 p.m.

Closed: Sunday, May 5

Closes: Thursday, May 9 from 8:30 a.m. to 4 p.m.

“The SBA can help affected small businesses and nonprofit organizations overcome their economic losses by offering working capital loans, but the help cannot start until they submit an SBA disaster loan application to us,” said SBA’s North Carolina Acting District Director Michael Arriola.

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Eligible entities may qualify for loans up to \$2 million. The SBA offers economic injury loans to help meet working capital needs caused by the disaster. The rates on these loan are 4 percent for small businesses and 2.75 percent for nonprofit organizations with terms up to 30 years. Eligibility for these working capital loans are based on the size and type of business and its financial resources. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The loans are not intended to replace lost sales or profits. Economic Injury Disaster Loan assistance is available regardless of whether the business suffered any physical property damage.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA's secure website at [DisasterLoan.sba.gov](https://DisasterLoan.sba.gov).

Businesses and individuals may also obtain information and loan applications by calling the SBA's Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the deaf and hard-of-hearing), or by emailing [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov). Loan applications can also be downloaded at [www.sba.gov](http://www.sba.gov). Completed applications should be returned to the center or mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

The deadline to return economic injury applications is **Jan. 30, 2020**.

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***About the U.S. Small Business Administration***

*The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [www.sba.gov](http://www.sba.gov).*



U.S. Small Business  
Administration

## U.S. SMALL BUSINESS ADMINISTRATION FACT SHEET – ECONOMIC INJURY DISASTER LOANS

### NORTH CAROLINA Declaration 15943

(Disaster: NC-00109)

### Incident: GAS LEAK EXPLOSION

occurring: April 10, 2019

in Durham County, North Carolina and the contiguous North Carolina counties of: **Chatham, Granville, Orange, Person and Wake**

**Application Filing Deadline: January 30, 2020**

#### Disaster Loan Assistance Available:

Economic Injury Disaster Loans (EIDLs) – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.

#### Credit Requirements:

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay the loan.
- Collateral – Collateral is required for all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but SBA will require the borrower to pledge collateral that is available.

#### Interest Rates:

The interest rate is determined by formulas set by law and is fixed for the life of the loan. The maximum interest rate for this program is 4 percent.

#### Loan Terms:

The law authorizes loan terms up to a maximum of 30 years. SBA will determine an appropriate installment payment based on the financial condition of each borrower, which in turn will determine the loan term.

#### Loan Amount Limit:

The law limits EIDLs to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.

#### Loan Eligibility Restrictions:

Noncompliance – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain required flood insurance and/or hazard insurance on previous SBA loans.

**Note:** Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

#### Refinancing:

Economic injury disaster loans cannot be used to refinance long term debts.

#### Insurance Requirements:

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) the maximum insurance available.

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) for more information on SBA disaster assistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.