

HORIZONS-DORIAN COVID-19 LOAN PROGRAM

FREQUENTLY ASKED QUESTIONS

Recognizing the economic and societal impact Covid-19 has had on the Bay Area's LGBTQ community, Horizons Foundation is offering a new way to support nonprofits. The purpose of the Horizons-Dorian Covid-19 Loan Program is to provide zero-interest loans to organizations that serve the Bay Area's LGBTQ community.

If you think your organization might benefit from a loan and meets the general criteria described here, please contact Francisco Buchting - Horizons' VP of Grants, Programs, and Communications - at loans@horizonsfoundation.org.

Q1: What can we use the funds for?

The proceeds of the loan can be used to fund operations while your organization is waiting on committed grants; help you to plan for a future fundraising or revenue-generating event; or pivot to a new program/business model due to COVID-19.

Q2: Do I need to be a Horizons Foundation grantee to apply for a loan?

No. Your organization does not have to be a current Horizons Foundation grantee to apply.

Q3: What organizations are eligible for a loan?

- You must have a strong mission focus on advocating for and/or serving the Bay Area's LGBTQ community.
- You must be a 501(c)(3) nonprofit based in and significantly serving one or more of the following counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma.
- You need to be able to show ability to repay the loan.
- Your organization needs to have been in operation for at least three years.
- Please note that if your organization has a fiscal sponsor, then the fiscal sponsor must submit the loan application.

Q4: What will Horizons consider in reviewing our application?

- Your organization's overall financial history, ability to repay, status, and prospects
- Factors include your organization's operating results in recent years
- For organizations that have lost revenue due to canceling events or ticket sales, Horizons will review your previous years' experiences.
- The organization's capacity to repay the loan
- The organization's demonstrated track record with, commitment to, and impact on the LGBTQ community.

Q5: How much can my organization borrow?

The loan amounts will vary based on the product and the organization's ability to repay Horizons Foundation. For instance, Bridge Loans will have a maximum loan amount of \$50,000. These loans must have a committed and guaranteed source of repayment, such as a grant or contract payment.

The maximum amount for Guaranteed Loans, Fundraising Event Revenue Loans, Ticketed Revenue Loans and Critical Impact Loans all have a maximum amount of \$30,000. See below for additional details about loan amounts, terms and conditions.

Q6: Do I need to have collateral for a loan?

No. Collateral is not required.

Q7: If I apply for a loan, can I still apply for a Horizons Foundation grant?

Yes. You may apply for a loan and a grant. You will not be viewed negatively if you apply for both. However, a Horizons grant should not be the source of your repayment.

Q8: How long will it take for our organization's loan to be reviewed?

- Based on the type of loan, you should know about the outcome of your loan request within 21 days or less from date that completed submission is acknowledged by Horizons.
- If your situation requires more urgent attention, please make this known to Horizons, and we will make every effort to accommodate.

Q9: Can I apply for a line of credit?

We do not provide lines of credit.

Q10: Can an individual apply for a loan?

Only 501(c)(3) organizations that support the LGBTQ community in the Bay Area may apply for a loan. Individuals may not apply for a loan.

Q11: Can a Horizons Foundation grant be used to repay the loan?

No. You should have other sources of funding to repay the Horizons Foundation loan.

Q12: What if we already have a loan?

It's ok if you have another loan. We recognize that nonprofits have debt for a variety of reasons, including building mortgages, lines of credit, etc.

Q13: Can I use these funds for a startup organization?

The loan funds may only be used by organizations with a minimum of 12 months of operations for Bridge and Guaranteed Loans and a minimum of 36 months of operations for Fundraising Events, Ticketed Revenue, and Critical Impact Loans.

Q14: What information should the Board Acknowledgement letter/email contain?

A letter or email from the organization’s board of directors needs to be uploaded as part of the application. Due to COVID-19, we will accept a PDF copy of an email from the board chair. The acknowledgement letter or email approving applying for the loan should include the following:

- name of organization
- date
- attestation from the Board Chair (or approved Board Officer i.e. Secretary) that the organization’s board has approved applying for the loan
- amount and purpose of loan
- reference Horizons Foundation as the lender
- name of signator and relation to the organization

Q15: What are the next steps?

If you think your organization may benefit from and qualify for a loan, please email Horizons Foundation at grants@horizonsfoundation.org.

See the chart below for a quick reference guide for the loan terms, conditions, and processes.

	Bridge Loan	Guaranteed Loan	Fundraising Event Loan	Ticketed Revenue Loan	Critical Impact Loan
Description	Funding to bridge federal, state, city, stimulus funding, or foundation grant	Third party and/or collateral guarantee loan	Operating loan to organizations scheduling an online or in-person fundraising event before 6/30/21	Operating loan to organizations scheduling ticketed event or season (i.e. theatre, play, concert) before 6/30/21	Operating loan to organizations that are providing community-critical response to COVID-19.
Organization eligibility	<ul style="list-style-type: none"> • SF Bay Area • LGBTQ primary constituency • 12 plus months of operation 	<ul style="list-style-type: none"> • SF Bay Area • LGBTQ primary constituency • 12 plus months of operation 	<ul style="list-style-type: none"> • SF Bay Area • LGBTQ primary constituency • 36 plus months of operation 	<ul style="list-style-type: none"> • SF Bay Area • LGBTQ primary constituency • 36 plus months of operation 	<ul style="list-style-type: none"> • SF Bay Area • LGBTQ primary constituency • 36 plus months of operation
Loan Amount	Up to 100% of guaranteed funds but no more than \$50,000	Loan cannot exceed \$30,000	Up to \$30,000 or average of the last three years’ fundraising event revenue	Up to \$30,000 or average of the last three years’ ticketed event revenue	Loans cannot exceed \$30,000

Term	Up to 6 months Repay 7 days after receipt of grant funds	Up to 6 months	Up to 6 months 100% of principal due within 14 days after fundraising event	Up to 6 months 100% of principal due within 14 days after event or season	Up to 6 months
Interest	0%	0%	0%	0%	0%
Process	1. Call with HF 2. Application 3. Loan committee reviews 4. Funding	1. Call with HF 2. Application 3. Loan committee reviews 4. Funding	1. Call with HF 2. Application 3. Loan committee reviews 4. Funding	1. Call with HF 2. Application 3. Loan committee reviews 4. Funding	1. Call with HF 2. Application 3. Loan committee reviews 4. Funding
Estimated approval time	Up to 14 days from complete submission	Up to 14 days from complete submission	Up to 21 days from complete application submission	Up to 21 days from complete application submission	Up to 21 days from complete application submission
Required Documents	<ul style="list-style-type: none"> • Application • Letter of guarantee from funder • Most recent financials • Board acknowledgment 	<ul style="list-style-type: none"> • Application • Letter of guarantee, collateral • Most recent financials • Board acknowledgment 	<ul style="list-style-type: none"> • Confirmation from venue • Proof of previous, similar, successful events in the last 3 years • Most recent financials • Board acknowledgment 	<ul style="list-style-type: none"> • Confirmed date(s) with appropriate ticketed event/season • Proof of previous, similar, successful events in the last 3 years • Most recent financials • Board acknowledgment 	<ul style="list-style-type: none"> • Demonstrate the delivery of vital COVID-19 responsive services and/or advocacy to the LGBTQ community • Most recent financials • Board acknowledgment

Please feel free to contact us if you have questions or to talk through your situation to see whether the loan fund is a good fit for your organization's needs. Please email Horizons Foundation at loans@horizonsfoundation.org.