

Triple R Loan Program Status Summary

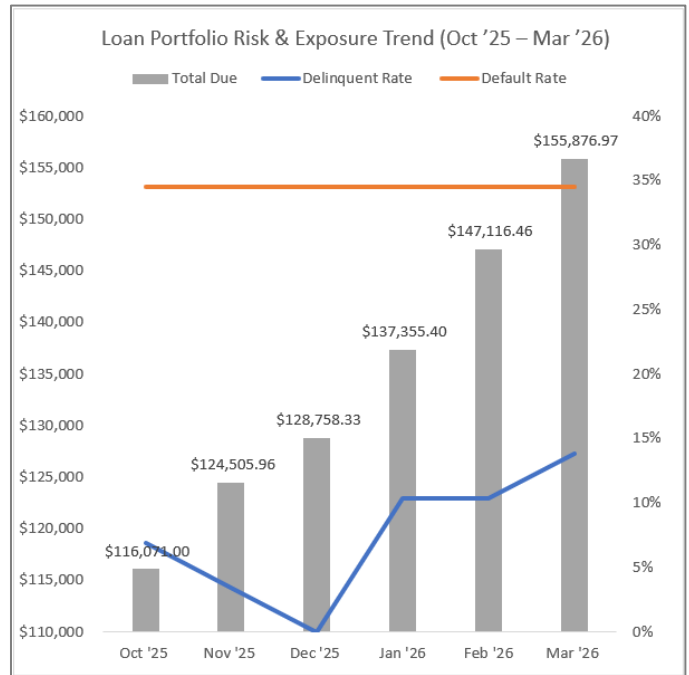
The Houston-Galveston Area Council (H-GAC) administered the Regional Revolving Loan Program (Triple R Loan Program) on behalf of the County to support small businesses impacted by COVID-19.

The program provided \$420,000 in grants and \$1,298,000 in microloans to 29 businesses, with loan maturities extending through 2028.

Program Snapshot

The Triple R Loan Program portfolio shows generally stable performance with some recent signs of increased risk. From October to December 2025, delinquency improved, decreasing from 6.9% to 0%, indicating more loans were in current status. However, through March 2026, delinquency rose to 13.8%, indicating a shift that may require closer monitoring. Default rates remained unchanged at 34.5% throughout the periods, suggesting that while no additional loans have moved into default, existing defaulted loans continue to present ongoing risk.

Financially, the total amount of past due has steadily increased month after month, rising from \$116,071 in October 2025 to \$155,876.97 in March 2026. This upward trend is driven by increases in both past due balances and accrued late fees, reflecting growing repayment pressure within the portfolio.



As of March 2026, the total remaining balance owed across all loans is \$832,267.67, with \$467,236.60 tied to delinquent and defaulted loans. This indicates that a significant portion of the portfolio remains at elevated risk.

Administrative Snapshot

As of March 2026, administrative costs totaled \$243,465.65 (13%), funded through original allocations and interest earnings. Approximately \$465,732.33 remains available for lending under the program contract.

Conclusion

While the portfolio improved in late 2025, latest trends suggest the need for continued monitoring as delinquency rises. The County may repurpose remaining funds without penalty and can request annual returns through an administrative agreement with H-GAC. Additionally, the County is not required to continue issuing new loans and may pause or stop the program at any time.

Under ARPA revenue replacement provisions, the County may use remaining funds to support general government services, including homelessness prevention, public health programs, small business support, infrastructure, and general operations. This funding provides flexibility to address community needs without additional COVID-19 specific restrictions.