



## [VIEDA seeks to help local small-to-medium-size businesses with federal post-disaster relief loan program](#)

Submitted by Semele George on Fri, 02/05/2016 - 10:16am

**CHARLOTTE AMALIE, St. Thomas, U.S. Virgin Islands** – February 4, 2016 - Continued efforts are being made by the Virgin Islands Economic Development Authority (VIEDA) to encourage small-to-medium-size businesses that have been affected by Tropical Storms Otto and Tomas to take advantage of its Post-Disaster Relief Revolving Loan Program. This program is funded by the Economic Development Administration through the U.S. Department of Commerce to be administered by the Economic Development Bank, an entity of the VIEDA.

This Post-Disaster Relief Revolving Loan Program was created for small-to-medium-size businesses affected by Tropical Storms Otto and Tomas in 2010. This includes businesses and dislocated workers that desire to re-establish, expand, or open their own business to hire or retain skilled workers. This federal disaster relief project is for small-to-mid-size businesses with 500 employees, or less, that are in the commercial, manufacturing, retail, construction and business service industries in the U.S. Virgin Islands.

“We are encouraging eligible businesses that have experienced challenges following natural disasters such as Tropical Storms Tomas and Otto,” said VIEDA Acting Chief Executive Officer Wayne L. Biggs, Jr. “This program is designed to help ensure that these small-to-midsize businesses have an opportunity to secure financing that can assist them in moving forward with their business operations,” added Acting CEO Biggs, Jr.

Under this program, the maximum loan amount is \$75,000 with a maximum interest rate of 12 percent and a maximum repayment term of 15 years. These loans can be used to purchase equipment, machinery, inventory and supplies, for leasehold improvements and for working capital. Some restrictions apply on the use of funds.

In May 2013, the VIEDA applied for and was awarded a \$2 million grant from the U.S. Economic Development Administration (U.S. EDA) to support the creation of the VIEDA's Post-Disaster Revolving Loan Fund to help small and medium-sized enterprises. The VIEDA is also matching \$409,638, in compliance with the agreement, for a project cost of more than \$2.4 million.

In 2010, the U.S. Virgin Islands suffered severe damage from Tropical Storm Otto and Tropical Storm Tomas. In that year, President Barack Obama signed the disaster declaration for the U.S. Virgin Islands after the impact on the Territory by both storms that occurred in October and November respectively.

The U.S. Small Business Administration (SBA) reports that according to the Institute for Business and Home Safety, an estimated 25 percent of small and medium-sized businesses hit by a storm do not reopen after a major storm.

For more information, please contact the Economic Development Bank at 340-714-1700 on St. Thomas or 340-773-6499 on St. Croix.

###

VIEDA is an equal opportunity provider, employer and lender

**Source URL (modified on 02/05/2016 - 10:16am):** <http://mai.vivote.gov/resources/media/pressreleases/vieda-seeks-help-local-small-medium-size-businesses-federal-post>