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NEWS RELEASE

For immediate release

March 7, 2018

**U.S. Virgin Islands Economic Development Authority
approves more than \$11.1 million in loan guarantees to
help local small businesses as of fiscal year 2017**

*More than \$10 million that have been committed or expended from this amount
have the potential to create, retain approximately 600 jobs in the Territory*

CHARLOTTE AMALIE, St. Thomas, U.S. Virgin Islands – March 7, 2018 – To help local small businesses through local banks in the Territory, the U.S. Virgin Islands Economic Development Authority (USVIEDA) approved 38 loan guarantee support applications in the amount of \$11.1 million through the State Small Business Credit Initiative (SSBCI). Of this amount, \$10.2 million that have been committed and/or expended have the potential of creating and/or retaining approximately 600 jobs and millions in tax revenues for the Territory from SSBCI loan guarantee activities.

The approval of these loan guarantee support applications by the USVIEDA as of the end fiscal year 2017 have helped local small businesses get access to funding to help them sustain, or grow, their business. The fiscal year for the U.S. Virgin Islands ends on September 30th. The USVIEDA has been designated by the Honorable Kenneth E. Mapp, Governor of the U.S. Virgin Islands, to administer the final disbursement of three one-third (1/3rd) increments of funding under the SSBCI Program in the U.S. Virgin Islands. Currently, loan guarantees are up to 50 percent of the total loan amount at banks in the USVI that are participating in the SSBCI Program.

In October 2011, the USVI was awarded \$13.1 million from the U.S. Department of the Treasury as a participating state under the SSBCI program that was established by the Small Business Jobs Act of 2010.

“These federal funds from the SSBCI Program were disbursed to the USVIEDA by the U.S. Department of the Treasury in three one-third (1/3rd) increments to specifically finance programs with local banks under the USVI SSBCI loan enhancement programs. These programs are the Collateral Support Program, Credit Guarantee Program, and the Payment, Surety, and Performance Bond Program,” said USVIEDA Acting Chief Executive Officer Wayne L. Biggs, Jr.



UNITED STATES VIRGIN ISLANDS
Economic Development Authority www.USVIEDA.org

USVIEDA News Release dated March 7, 2018

“U.S. Virgin Islands Economic Development Authority approves more than \$11.1 million in loan guarantees to help local small businesses as of fiscal year 2017”

Prepared by Semele A.C. George, marketing and pr specialist

The USVI State Small Business Credit Initiative (SSBCI) Program is a loan guarantee and bonding program that is designed to help create and grow small businesses, and create jobs and tax revenues for the U.S. Virgin Islands. Under the USVI’s SSBCI Program, loan guarantees enable small businesses to obtain term loans or lines-of-credit. If approved, the USVIEDA provides banks with a percentage guarantee as security for the loan or line of credit.

“The local banks that are currently participating in the SSBCI are Merchants Commercial Bank, Bank of Nova Scotia, First Bank and Banco Popular de Puerto Rico. However, we encourage small-business owners to first contact the staff at the Economic Development Bank before they apply at these banks so that they can get a good understanding about how the SSBCI Program works, how the program can help them and their business, and learn more about the program’s application process,” added Acting CEO Biggs, Jr.

Funds from this program can be used by small businesses for, but are not limited to, start-up costs, working capital, business procurement, franchise fees, equipment, inventory, construction, renovations, and tenant improvements to eligible business site. Some restrictions apply.

The State Small Business Credit Initiative is a federal loan guarantee program under the U.S. Department of the Treasury which was funded with \$1.5 billion to strengthen state programs that support private financing to small businesses and small manufacturers. The U.S. Department of the Treasury allocated funds to 47 states, territories, and the District of Columbia.

For more information on the U.S. Virgin Islands State Small Business Credit Initiative (SSBCI) Program, you may contact the Economic Development Bank on St. Thomas at 340-714-1700 or on St. Croix at 340-773-6499.

About the U.S. Virgin Islands Economic Development Authority (USVIEDA)

The U.S. Virgin Islands Economic Development Authority (USVIEDA) is a semi-autonomous governmental instrumentality [of the Government of the Virgin Islands] that was created on February 1, 2001. It is responsible for the promotion and enhancement of economic development of the United States Virgin Islands. The USVIEDA assumes, integrates and unifies the functions of these four entities: Economic Development Commission, Virgin Islands Economic Development Park Corporation, Economic Development Bank and the Enterprise Zone Commission. The USVIEDA accomplishes its mission by attracting multi-national investors to the Territory to establish or relocate their business in the U.S. Virgin Islands. It also provides financial assistance for new and existing small to medium-sized businesses in the Territory and assists V.I. residents and business owners with rehabilitating their properties located in blighted and distressed areas that were once vibrant economic centers of activity in the Territory. Learn more about the USVIEDA at www.usvieda.org.

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