

U.S. Virgin Islands Economic Development Authority



Webinar: How to Apply for the Paycheck Protection Program with the Economic Development Bank

Moderator: Cusa Holloway, Incubator Program Manager

June 24, 2020

10:00am (Atlantic Standard Time)



A photograph of a yellow building facade with white columns and green shutters. The image is used as a background for a welcome message. The text is overlaid on a semi-transparent white box.

Welcome

Wayne Biggs, Jr.
Acting Chief Executive Officer/ Chief
Operating Officer

Agenda

- 
- Credible Sources for COVID-19 Updates in the USVI
 - Small Business Administration Updates
 - VI Small Business Development Center Assistance
 - PPP Online Application Portal with the Economic Development Bank

Credible Sources for COVID-19 Resources

- Virgin Islands Department of Health – <https://www.covid19usvi.com/> or Text COVID19USVI to 88877 or call 340-713-6200 or 340-776-1519
- VI Territorial Emergency Management Agency: www.vitema.vi.gov
- Office of the Governor of the USVI:
www.facebook.com/GovernmentHouseUSVI
- Center for Disease Control & Prevention (CDC): www.cdc.gov
- World Health Organization (WHO): www.who.int

Speakers



Wayne Huddleston

Senior Area Manager
Small Business Administration



Ted Gutierrez

State Director
VI Small Business Development
Center (VI SBDC)



Monique Samuel

Acting Director of Lending
VI Economic Development
Authority (VIEDA)





U.S. Small Business
Administration

Coronavirus (COVID-19) Relief & Funding Options

**Puerto Rico & U.S. Virgin Islands
District Office**

Coronavirus Disaster Funding Options

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>

Paycheck Protection Program

- **Available through June 30, 2020**
- Eligible to businesses that have been operating since at least February 15, 2020
- Loan Amount: Up to \$10 million (*fixed formula: average annual payroll / 12 x 2.5*)
- Loan payments:
 - Deferred for 10 months
 - Repayment term: up to 5 years
- Interest rate: 1%
- Designated Uses and **pre-requisites for forgiveness:**
- Designed as direct incentive for small businesses to keep their workers on the payroll, even if businesses partially operational.
- No collateral or personal guarantees required.
- <https://www.sba.gov/document/support--faq-lenders-borrower>

Economic Injury Disaster Loan

- **Available to all small businesses through December 26, 2020**
- Eligible to businesses showing evidence of operation prior to February 1, 2020
- Loan Amount Up to \$150,000 (*determined by SBA after reviewing business' payroll and expenses*)
- Loan payments: Deferred for 12 months
- Repayment term: up to 30 years
- Interest rate: 3.75% - businesses. 2.75% - nonprofits
- Advances up to \$10k: **Advance doesn't need to be repaid.**
- Loans under \$25k, no collateral. Over \$25k, must pledge available collateral.
- Applicants can have an existing SBA Disaster Loan and still qualify for an EIDL for this disaster, but the loans cannot be consolidated.

PPP Updates as at 06/17/2020

Maturity Date:	<p>For loans made before June 5, 2020: 2 years</p> <ul style="list-style-type: none"> • However, borrowers & lenders may <u>mutually</u> agree to extend the maturity of loans made before June 5, 2020 to 5 years. <p>For loans made after June 5, 2020: 5 years</p>
Deferral Period:	10 months
Loan Forgiveness Covered Period:	<p>24-week period beginning on the date your PPP loan was disbursed</p> <ul style="list-style-type: none"> • However, if loan was made before June 5, 2020, you may elect to have your loan forgiveness covered period the 8-week covered period
Loan Forgiveness:	<p>% proceeds that must be used for payroll costs reduced from 75 to 60.</p> <p>% proceeds that may be used for other expenses (rent, utilities, mortgage interest) increased from 25 to 40.</p>
Full forgiveness:	<p>PPP Loan can be forgiven in whole or in part up to full principal amount + any accrued interest if borrower uses <u>ALL of loan proceeds over the loan forgiveness period</u> for:</p> <p>At least 60% on total amount of payroll costs:</p> <ul style="list-style-type: none"> • Employee and compensation levels maintained, or, if not, applicable safe harbor applies <p>Not more than 40% of loan proceeds on non-payroll costs: (all pre-existing before 02-15-2020)</p>
Eligibility	<ul style="list-style-type: none"> • For non-financial felonies, eligibility look-back period reduced from 5 years to 1 year. • for felonies involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance, look-back period remains 5 years

By the Numbers

Covid Loan Participation in the US Virgin Islands

Nationwide Paycheck Protection Program PPP Numbers: *as at June 20, 2020*

Almost 4.6 million PPP loans approved valued at \$515 billion

USVI (PPP): *as at June 20, 2020*

- 1,620 approved loans for \$120.3 million
- \$128.3 Billion in PPP funding remaining
- Accessible to June 30, 2020 or until funds run out
- Average loan size nationwide is about \$112,000.

Nationwide Economic Injury Disaster Loan (EIDL) Numbers: *as at June 21, 2020*

1.7 million EIDL loans approved for \$113.3 billion

USVI (EIDL): *as at June 19, 2020*

- 1251 Advances disbursed valued at \$4.6 million
- 933 loans approved for \$56.9 million



Coronavirus Information Resources

For detailed information on SBA programs to assist businesses impacted by coronavirus:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>

For formal guidance from the US Treasury:

<https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>

For Federal resources for US Small Businesses:

<https://www.covid-sb.org/>

For local technical assistance for individual USVI businesses:

www.visbdc.org

For information on all federal programs:

www.usa.gov/coronavirus

USVI Local Assistance



SBA Puerto Rico & U.S. Virgin Islands
District Office <https://www.sba.gov/pr>

U.S. Virgin Islands – (340) 473-7945
Puerto Rico – (787) 766-5002 / 5003
https://twitter.com/SBA_PuertoRico



Wayne Huddleston
Senior Area Manager – U.S.
Virgin Islands
Puerto Rico & U.S. Virgin
Islands District Office
**U.S. Small Business
Administration**
(787) 523-7120
Cell (340) 473-7945
wayne.huddleston@sba.gov



Lisa Chamely-Aqui
Outreach & Marketing
Specialist – U.S. Virgin Islands
Puerto Rico & U.S. Virgin
Islands District Office
**U.S. Small Business
Administration**
(787) 523-7120
Lisa.Chamely-Aqui@sba.gov



Helping Businesses Grow & Succeed

Virgin Islands Small Business Development Center
<http://www.visbdc.org>

Consulting, Workshops & Technical Assistance.
Currently accepting virtual appointments.

St. Thomas/St. John

8000 Nisky Center, Suite 720
St. Thomas VI 00802
(340) 693-1694

St. Croix

6300 Estate Peters Rest #4
Christiansted, St. Croix VI 00820
(340) 692-4294

info@visbdc.org

VI Small Business Development Center



Ted Gutierrez

State Director

info@visbdc.org



History and Impact in the US Virgin Islands

- 1985
- Federally funded/locally funded
- UVI host institution
- Local partners
 - UVI, SBA, VIEDA, UVI R&T Park, DLCA, Lt Governors Office, Chambers of Commerce, Congresswoman Plaskett's office

- 5 years 2014-2019
 - \$39,243,000.00
 - 79 Businesses
 - 788 Jobs
 - 781 Clients
 - 4,810 Hours of counseling
 - 290 Training events



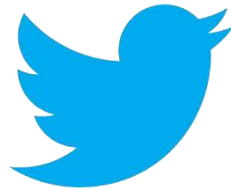
St Thomas/ St John 340-693-1694

St Croix 340-692-4294

www.visbdc.org



Facebook.com/visbdc



@visbdc



U.S. Small Business
Administration

1-800-659-2955

www.sba.gov/coronavirus



PAYCHECK PROTECTION PROGRAM FLEXIBILITY ACT OF 2020

Presented by The Economic Development Bank for
the United States Virgin Islands

a subsidiary entity of the

Virgin Islands Economic Development Authority





Economic Development Bank (EDB) Overview



The Government Development Bank (GDB) and Small Business Development Agency (SBDA) provides technical support, business counseling and guidance to small businesses in USVI. In May 2014, The Economic Development Bank for the United States Virgin Islands (EDB) was enacted by law to assume the functions of these two entities.



The EDB provides loans to existing and start-up businesses thereby creating and maintaining jobs in the territory and is responsible for the credit administration of its loan portfolio.



Paycheck Protection Program (PPP)

On June 5, 2020, the Paycheck Protection Program Flexibility Act (PPFPA) was signed into law, which made several enhancements to the original Paycheck Protection Program (PPP). The new law amends provisions of the CARES Act specifically related to forgiveness of the loans under the PPP.



Paycheck Protection Program (PPP)

Online Application Portal
Visit: www.usvieda.org



Thank you to the SBA and VISBDC for participating in this webinar!

We Support Small Business!

Q&A

For more information contact: info@usvieda.org

St. Croix: (340) 773-6499 or St. Thomas: (340) 714-1700

The recording & slide deck will be available at: www.usvieda.org/webinars



@usvieda



@usvi_edu