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EDA Facilitates Over \$900K in Loans for St. Croix and St. Thomas Businesses

Two small businesses receive crucial funding, poised to create 8 new jobs in the territory

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The V.I. Economic Development Authority is once again announcing the successful closing of two loans, this time under the auspices of State Small Business Credit Initiative (SSBCI) 2.0, as well as local loan programs.

According to the announcement, the Economic Development Bureau has helped the two small businesses access "critical capital for investment to spur job creation as the country recovers from the COVID-19 pandemic." The St. Croix restaurant and St. Thomas fishing supply operation that received this capital may go on to create 8 new employment opportunities in the territory, the EDA says.

SSBCI 2.0 provided over \$493,000 in loan guarantees for the two businesses, whose loans from FirstBank totaled \$910,000. "Our purpose is to support and develop our local business community," said EDA CEO Wayne Biggs Jr. "Access to SSBCI 2.0 opens a wealth of exciting opportunities for small businesses, and directly translates to job creation and sustainability for our residents."

The EDA says the success of the first round of SSBCI prompted the U.S. Department of the Treasury to issue another tranche of funds - \$57.5 million in February 2023, four times the initial sum of \$13.1 million.

Apart from loan guarantees, the initiative offers collateral support, loan participation, and payment, surety, and performance bond programs. The EDA says it's trying to augment the financial programs with technical assistance in areas such as legal, accounting, and documentation, among others that impact a business's launch and ongoing viability.

Two other small businesses are on the brink of closing over \$1.9 million in loans from FirstBank, with SSBCI 2.0 loan guarantees of over \$987,000, the EDA made known. Once completed, these transactions could result in 25 jobs being created.

Mr. Biggs noted that close collaboration with lenders in the territory is critical to the success of the initiative. "Reinvigorating our relationships with local banks is key as we participate in the second round of the SSBCI program on a significantly larger scale than we did with SSBCI 1.0," he said.