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SBA Announces Disaster Loan Assistance for Non-Critical Private Non-Profits in the U.S. Virgin Islands

Non-profit organizations in the USVI affected by Tropical Storm Ernesto can apply for SBA disaster loans up to \$2 million. Though funds are currently depleted, applications will be processed for future funding

Business / **Published On October 29, 2024 03:55 PM /**

Staff Consortium **October 29, 2024**

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The U.S. Small Business Administration (SBA) announced today that eligible Private Non-Profit (PNP) organizations across the U.S. Virgin Islands, including St. Croix, St. John, St. Thomas, and Water Island, may apply for low-interest disaster loans following damages incurred from Tropical Storm Ernesto. These loans are available to PNPs that do not provide essential government services, such as food kitchens, homeless shelters, museums, libraries, community centers, schools, and colleges.

The SBA's disaster loans allow eligible PNPs to borrow up to \$2 million to repair or replace real estate, machinery, equipment, inventory, and other assets that may have been damaged or destroyed by the storm. The loans carry a 3.25% interest rate and offer repayment terms of up to 30 years, making financial recovery more manageable for affected organizations.

As of October 15, 2024, however, the SBA's Disaster Loan Program funds have been exhausted, with new loans pending Congressional re-appropriation. While no additional loans can currently be issued, the SBA continues to accept and process applications to prepare for future funding. PNP organizations are encouraged to submit applications early, as this will allow prompt disbursement once funds are replenished.

Additionally, applicants may qualify for an increase of up to 20% of their verified physical damage loan amount, specifically for mitigation efforts. Such improvements could include insulating pipes and attics, installing storm windows, and weather stripping doors and windows—measures designed to enhance the resilience of facilities against future disasters.

The SBA also offers Economic Injury Disaster Loans (EIDLs) to eligible PNPs to support working capital needs, covering essential operating expenses regardless of physical property damage. This financial assistance aims to help organizations sustain operations during periods of economic hardship triggered by disasters.

To qualify for assistance, PNP organizations are advised to first contact their county's Emergency Manager, who will gather relevant information and submit it to the Federal Emergency Management Agency (FEMA). FEMA will assess the organization's eligibility for a Public Assistance grant or determine if it should be directed to the SBA for disaster loan aid.

Further details and the online application are available on the SBA's disaster assistance webpage at [SBA.gov/disaster](https://www.sba.gov/disaster). The SBA's Customer Service Center is also available for support at (800) 659-2955 or via email at disastercustomerservice@sba.gov. For individuals who are deaf, hard of hearing, or have speech disabilities, SBA services can be accessed by dialing 7-1-1 for telecommunications relay services.