

Emergency Board Minutes
September 13, 2011, Called for 1:00 pm

Pursuant to notice, the Emergency Board met in the Governor's Conference Room on the 5th Floor of the Pavilion Building, 109 State Street, Montpelier, Vermont on Friday, September 13, 2011 at 1:08 pm.

Members present: Governor Peter Shumlin, Chair; Senator Ann Cummings, Senator Jane Kitchel, Representative Martha Heath, Representative Janet Ancel.

The items on the agenda were as follows:

Item 1: Hurricane Irene Emergency Flood Assistance Loan Program

Governor Shumlin described the pace of recovery and FEMA assistance following the damage of Hurricane Irene to the state, and the need to authorize use of the Emergency Relief and Assistance Fund (ERAF) for an emergency flood assistance loan program, administered by the Vermont Economic Development Authority (VEDA).

Following discussion, Representative Cummings made the following motion, seconded by Representative Heath:

Motion is made, under the authority of 20 V.S.A. Sec. 45(b), to expend an additional \$800,000 from the Emergency Relief and Assistance Fund (ERAF), to augment the \$600,000 which was previously authorized for Spring flood assistance and will now be used for this Hurricane Irene emergency flood assistance loan program, to be administered by the Vermont Economic Development Authority (VEDA), for commercial businesses, farms and not-for-profit organizations that sustained flood-related damage due to Hurricane Irene.

Eligibility, purposes, interest rates and terms, and loan amounts are as specified on the summary "Hurricane Irene Assistance Loan Program for Commercial Businesses and Farms" document made part of this motion by reference.

VEDA shall provide an accounting of its expenditures pursuant to this authorization to the Commissioner of Finance and Management, with a copy to the Emergency Board.

This motion was passed unanimously.

Item 2: Transfer funds from General Fund appropriation to Corrections to the Emergency Relief and Assistance Fund (ERAF)

Governor Shumlin presented the motion to transfer \$5.8 Million to the Emergency relief and Assistance Fund (ERAF) from the General Fund appropriation to Corrections, and that replenishment of that General Fund is to be requested in the fiscal year 2012 Budget Adjustment.

After discussion, Representative Heath made the following motion, seconded by Representative Ancel:

Motion is made, under the authority of 32 V.S.A. Sec. 133, to transfer to the Emergency Relief and Assistance Fund (ERAF) \$5.8 Million (of which \$5 Million is for FEMA

match, and \$800,000 is for the VEDA Hurricane Irene loan program) from the General Fund appropriation to Corrections – Correctional Services in 2011 Act 63 Sec. B.338. The Emergency Board further expresses its intent that the Administration request replenishment of the Corrections appropriation in the fiscal year 2012 Budget Adjustment.

The motion was passed unanimously.

The meeting adjourned at 1:18 p.m.

A true record,

ATTEST:



Alexandra MacLean
Secretary of Civil and Military Affairs

cc: Board Members
State Treasurer
State Auditor of Accounts
Other interested parties



VERMONT ECONOMIC DEVELOPMENT AUTHORITY

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HURRICANE IRENE ASSISTANCE LOAN PROGRAM FOR COMMERCIAL BUSINESSES AND FARMS

Up to \$10 Million is available through VEDA's Hurricane Irene Assistance Loan Program to assist Vermont businesses and farms in their efforts to recover from direct physical damage caused by flooding related to Hurricane Irene.

Eligibility & Loan Purposes

Borrowers eligible to participate include all types of businesses and farms that sustained **flood related damage**, including but not limited to damage to or loss of inventory, equipment, business premises, working capital, crops, animals, feed or other supplies. Not-for-profit organizations are also eligible. Residences, apartment houses and mobile home parks are not eligible.

Interest Rates/Terms

The interest rate in this program will be 1% for the first two years with no payments required during the first year. At the beginning of the third year, the rate will adjust for commercial businesses to the VEDA Small Business Loan Program variable index, and for farm loans to the Vermont Agricultural Credit Corporation Prime Rate. Loans will be amortized based on how the loan funds will be used. *(VEDA will secure the loan with a security interest in business or farm, real and/or personal property and the personal guarantees of the owners. Loan applicants must demonstrate repayment ability.)*

Loan Amounts

The maximum loan amount is \$100,000.

How do I apply?

Applications for financing may be obtained via phone at (802) 828-5627, at VEDA's offices in Montpelier or may be downloaded and/or completed on-line at www.veda.org.

Applications will be reviewed and loans approved on a first come-first served basis until available funds are exhausted.

Please contact VEDA at (802) 828-5627 or info@veda.org for more information.