

Economic Development Bank of the U.S. Virgin Islands
Public Hearing of Thursday, March 16, 2023
Summary

During the Economic Development Bank for the U.S. Virgin Islands (“EDB”) Public Hearing on Thursday, March 16, 2023, the Governing Board heard from staff regarding one (1) loan application, and voted as follows:

Regular Session:

Action Item:

1. El Sol Bar and Restaurant, Inc. dba El Sol Bar and Restaurant – New Application

El Sol Bar and Restaurant, Inc. dba El Sol Bar and Restaurant (“El Sol”) is located on the island of St. Croix. El Sol seeks to move from its current location that is leased to a location currently under contract to purchase. El Sol plans to purchase the land (currently under contract) and construct a 3,000 sq. ft. single-story steel-framed commercial building with adequate parking at the new property for its business relocation in Estate Peter’s Rest, Christiansted. Equipment, furniture & fixtures, materials & supplies, and inventory will not be purchased from the loan proceeds. It is anticipated that this project cost approximately \$671,500 and will retain 10 full-time jobs and potentially create two (2) additional full-time jobs. First Bank has requested \$323,250 guaranty from the SSBCI Loan Guarantee Support Program to support El Sol’s loan request.

The Board voted (5 – 0) to:

- Approve \$323,250 or 50% Loan Guarantee Support from the State Small Business Credit Initiative 2.0 Program (SSBCI) to First Bank on behalf of El Sol Bar and Restaurant, Inc. subject to the following conditions:
 - Satisfactory background check from the USVIEDA legal department;
 - A formal appraisal by a bank approved licensed appraiser;
 - Title insurance policy, in form and substance satisfactory to both the Participating Lender and Guarantor (VIEDA) and must be issued by an insurer;
 - Unlimited personal guarantee of Gabriel Laurencin, Sr.;
 - Business license for this operation must be corrected to include the corporation and not the trade name only;
 - Builder’s Risk insurance during the construction term;
 - Contractor and Engineer must present adequate liability insurance to cover the cost of the project and/or as requested by the Participating Lender’s policy criteria;
 - Hazard insurance coverage, including flood, if required, covering the property, business assets, business interruption, and workman’s compensation insurance coverage following the completion of the construction; and
 - All vacancies and employment opportunities must be listed with the Virgin Islands Department of Labor.

2. Buddha on the Fly, LLC dba Barefoot Buddha II – New Application

Buddha on the Fly, LLC dba Barefoot Buddha II (“Barefoot Buddha”) is located on the island of St. Thomas. Barefoot Buddha seeks to open second location at Cyril E. King Airport in St. Thomas. Barefoot Buddha plans to reconfigure an area in the departure lounge to accommodate a food and souvenir-vending facility. It will conduct business from the departure lounge at the airport providing, among other amenities, an ADA compliant service counters. The operations will conform to all health and safety measures ensuring adequate refrigeration, heating equipment and storage. Barefoot Buddha will utilize produce from the local farmers in the preparation of its offerings as practicable. Contracts with several members of the local farming community and producers of table sauces jams and jellies, already exist relative to the existing operation at Havensight and will be extended to the airport operation. Packaging of the offerings will display ingredients for the information of persons with allergies and other food sensitivities and dietary restrictions. It is anticipated that this project cost approximately \$325,000 and will create four (4) new full-time and three (3) part-time jobs First Bank has requested \$125,000 guaranty from the SSBCI Loan Guarantee Support Program to support Barefoot Buddha’s loan request.

The Board voted (4 – 1 – 1) to:

- Approve \$125,000.00 or 50% Loan Guarantee Support from the State Small Business Credit Initiative 2.0 Program (SSBCI) to First Bank on behalf of Buddha on the Fly, LLC subject to the following conditions:
 - Satisfactory background check from the USVIEDA legal department;
 - Fully executed lease with the Virgin Islands Port Authority;
 - Submission of current business license for this operation along with all other corporate documentation;
 - Evidence of current guarantor documentation i.e. personal financial information along with TransUnion reports;
 - Evidence of comprehensive insurance policies naming the Participating Lender – First Bank as loss payee and covering business assets (including hurricane insurance coverage, flood insurance coverage, if necessary), and workman’s compensation insurance coverage; and
 - All vacancies and employment opportunities must be listed with the Virgin Islands Department of Labor.