

When Disaster Strikes, SBA Support Can Be a Critical Lifeline

In the 15 years since Stephanie Vitori started Cheeseburger Baby, her small Miami Beach burger joint has attained something of a cult following. Free publicity propelled by the Food Network and scores of celebrity clients – including Jay-Z, Beyonce, David Beckham, and the late Anthony Bourdain – brings tourists in by the thousands.

But in 2017, CBB, as it is known locally, was almost wiped out – literally – by one of the costliest natural disasters in U.S. history. Hurricane Irma’s 100 mph winds knocked out power for two weeks, while extensive flooding ruined inventory, air conditioning units, freezers and ventilation systems.

“It was the roughest road I’ve ever travelled,” says Vitori, who says 30% of sales evaporated overnight. “It was a zombie zone in South Beach. People were scared to come since they thought everything was destroyed.”

The legacy of the South Florida staple may have ended abruptly in the aftermath of Irma, but Vitori was able to rebuild thanks in large part to a disaster assistance loan facilitated by the U.S. Small Business Administration. In the 23 months since Irma, the Trump administration approved over \$1.7 billion in SBA disaster loan assistance to small businesses, nonprofits, homeowners and renters to repair damage or replace property not covered by insurance or other forms of assistance.

“Local institutions like Cheeseburger Baby are a big part of what makes Miami Beach such a special community,” said Mayor Dan Gelber. “Our City is proud to support our small business community and we’re glad the SBA gives them extra assistance to bounce back faster from adversity.”

“We are fortunate to work with local governments and Mayor Dan Gelber of Miami Beach to assure we cover all bases and provide assistance where it is needed. A lot of small business owners think of the SBA strictly as a loan guarantor, but when disaster strikes, the SBA actually functions like a conventional lending institution. It’s the only time the agency directly makes loans to impacted businesses and homeowners,” says Regional Administrator Ashley D. Bell. “Once a disaster is declared by the President, businesses of all sizes, nonprofits, homeowners, and renters are eligible to apply for an SBA disaster assistance loan, and we have staff on the ground in the disaster zones to assist victims through the process.”

How to Seek SBA Assistance After a Disaster Declaration



After a disaster is declared by the President, register with FEMA at disasterassistance.gov or call (800) 621-3362, TTY (800) 462-7585, or visit a Disaster Recovery Center. Locations can be found at fema.gov/drc

Businesses are automatically referred to the SBA. Most homeowners and renters will be referred to the SBA to apply for disaster loan assistance. In the event the SBA cannot help you with a loan, the SBA will typically refer you back to FEMA. You must complete the SBA application to be considered for assistance from SBA or other agencies.

SBA Disaster Assistance Loan Program. After a disaster is declared by the SBA, businesses of all sizes, nonprofits, homeowners, and renters are eligible to apply for an SBA disaster assistance loan. Loans can also be used to rebuild stronger, protecting your home or business against future damage caused by a disaster. For information visit sba.gov/disaster.

Visit a local Business Recovery Center or Disaster Loan Outreach Center, or visit disasterloan.sba.gov/ela to apply for a loan. You may call the SBA customer service at (800) 659-2955, TTY (800) 877-8339, and ask for an application package.

Information you need to get started:

- address of damaged residence or business and contact information
- insurance information, including type of insurance, policy numbers, and amount received
- household and/or business income
- description of disaster-caused damage and losses

Express Bridge Loan Pilot Program. Businesses affected by a Presidential disaster declaration are eligible to receive expedited financing through an SBA Express Lender. These funds may be used for disaster-related purposes while awaiting long-term financing through the SBA’s direct disaster loan program.

- Loan Amount: \$25,000
- Terms: up to seven years
- Guarantee: 50%

This year, El Niño and warmer-than-average temperatures in the Atlantic are likely to result in at least three major hurricanes, according to the [National Oceanic and Atmospheric Administration](#) (NOAA). With more than three months remaining in the 2019 hurricane season (May 20 - November 30), the White House and officials at the SBA are working to raise awareness of available disaster assistance resources.

Ready.gov, an inter-agency public service initiative, provides business owners and homeowners with a disaster preparedness toolkit for mitigating damage caused by unexpected natural disasters.

When disasters occur, the SBA works hand-in-hand with FEMA to support recovery efforts.

Businesses and homeowners that have applied for an SBA disaster assistance loan are eligible to receive expedited financing through the SBA's Express Bridge Loan Pilot Program. The program provides immediate assistance to impacted businesses and homeowners awaiting approval for long-term financing. Express Bridge loans up to \$25,000 with terms up to seven years are available through designated SBA Express lenders.

For Vitori, whose Miami Beach restaurant was crippled by natural disaster, the SBA's expedited bridge loan was a critical lifeline.

"FEMA referred me to the SBA, and from there, they brought me to the SBDC [Small Business Development Center] for the bridge loan in the meantime, because I was in such a panic and I was desperate," says Vitori, [emotionally recalling the experience](#). "The SBA and the SBDC helped Cheeseburger Baby by giving me the low interest amount loan to help me get back on my feet. I think I'm always going to have a lifetime relationship with them."

In recent years, processing times for SBA disaster assistance loans have been substantially reduced. The strides, say observers, reflect the agency's efforts to streamline and modernize the approval process. Three separate independent audits conducted by the SBA's Office of Inspector General found that, despite unprecedented volume, disaster applications in 2017 were generally processed well within the agency's 45-day processing goal for Hurricanes Harvey ([11-17 days](#)), Irma ([15-21 days](#)), and Maria ([27-30 days](#)).