



TOWN OF RIVERHEAD

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I want to make you aware that Governor Paterson has announced that the federal Small Business Administration (SBA) has responded affirmatively to his request and issued a physical and economic injury disaster declaration for Suffolk and Nassau counties making homeowners, renters and businesses eligible for low-interest loans for damages suffered in the severe storms that occurred March 12-30.

Following the storms that began March 12 and continued through the end of the month, Governor Paterson asked for a detailed joint assessment of the damages to homes and businesses in Suffolk County that was conducted by the Federal Emergency Management Agency (FEMA), the New York State Emergency Management Office and SBA personnel. While the State did not meet FEMA's criteria for traditional disaster assistance, the results of that assessment showed that 429 homes and 38 businesses surveyed suffered uninsured losses of 40 percent or more of their estimated pre-disaster fair market value. Thus, the region became eligible for SBA assistance.

Homeowners and renters in Suffolk and Nassau counties affected by the storms may apply for low interest physical disaster loans to pay recovery costs not covered by insurance. Renters and homeowners alike may borrow up to \$40,000 to repair or replace clothing, furniture, cars or appliances damaged or destroyed in the disaster. Homeowners may apply for up to \$200,000 to repair or replace their primary residence to its pre-disaster condition.

Low-interest economic injury SBA loans provide working capital to assist eligible small businesses recover from losses caused by a disaster or emergency such as the March storms. Small businesses impacted may be eligible for an economic injury disaster loan of up to \$2 million to meet necessary financial obligations – expenses the business would have paid if the disaster had not occurred.

Businesses of all sizes may apply for a physical disaster loan of up to \$2 million to repair or replace damaged real estate, equipment, inventory and fixtures. The loan may be increased by as much as 20 percent to protect the property against future disasters of the same type. These loans will cover uninsured or under-insured losses.

The application deadline for physical disaster loans is June 18, 2010; the deadline for filing applications for economic injury loans is January 19, 2011.