

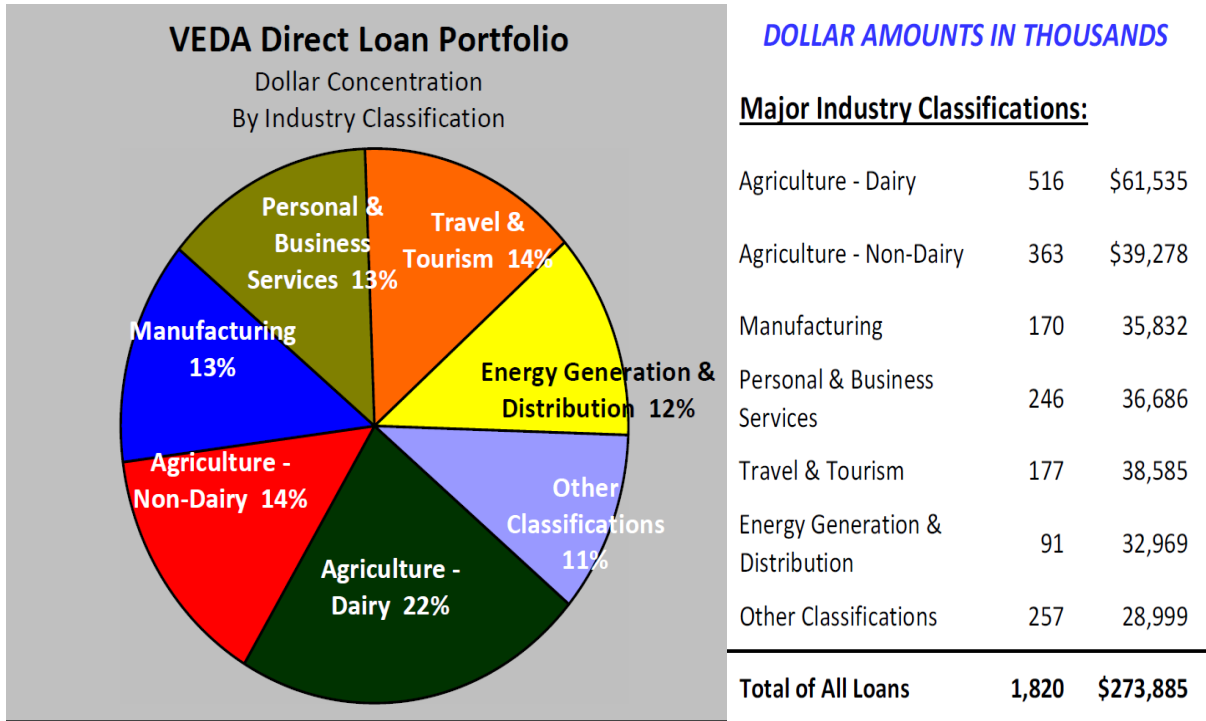


VERMONT ECONOMIC DEVELOPMENT AUTHORITY

- The Vermont Economic Development Authority (“VEDA”) was formed in 1974 as a **public instrumentality** of the State to help promote prosperity in Vermont. VEDA does this by providing financial assistance in the form of loans at favorable interest rates to eligible businesses.
- VEDA is governed by a **board of fifteen Members**, five of whom are ex-officio: State Treasurer; Secretary of Commerce and Community Development; Secretary of Agriculture Food and Markets; Commissioner of Forests, Parks and Recreation; and the Commissioner of Public Service. The remaining ten Members are Vermont citizens appointed by the Governor with advice and consent of the Senate.
- At its most recent fiscal year end of 6/30/20 VEDA reported over **\$300 million in assets** and over **\$270 million in loans**.
- VEDA’s loan programs cover agriculture, manufacturing, commercial/small business, renewable energy, entrepreneurial businesses, travel and tourism, financing for the state’s local and regional economic development corporations, and broadband expansion.
- VEDA **leverages private sector money** by participating with banks, credit unions and other financial institutions in projects as a subordinated lender.
- VEDA’s loan programs are operated from four funds: the **Vermont Jobs Funds (VJF)**, the Vermont Agricultural Credit Corporation (**VACC**), the Vermont Small Business Development Corporation (**VSBD**C), and **VT 504** Corporation.

- VEDA, through VT 504, originated over 307 SBA **Paycheck Protection Program** loans (PPP loans) last year for \$12.3 million in aggregate and is again participating in the next round of PPP funds available with the CARES Act extension.
 - The largest concentration of VEDA's PPP loans went to the agriculture sector with 97 loans totaling \$2.1 million; the second largest concentration was the accommodation and food services sector with 32 loans totaling \$1.0 million. VEDA's PPP borrowers reported aggregate jobs on their applications of 1,652 and aggregate average monthly payroll of \$4.9 million.
- VEDA also **manages several loan programs in a fiduciary capacity for the State**. At 6/30/20 VEDA was servicing over \$37 million in loans in these programs.
- **VEDA borrows from banks** to fund its lending operations.
- VEDA receives financial support from the State in the form of a pledge of **Moral Obligation (MO)** and **appropriations for specific programs**.
 - The State's **MO is used to enhance VEDA's credit** with its lenders. VEDA has \$181 million of MO authorized in statute, of which \$172.5 million was pledged and outstanding at FYE 6/30/20.
 - **State appropriations** have been used for public policy initiatives and are used for interest-rate subsidies and loan loss reserves.
 - VEDA received an appropriation of \$540,000 with the passage of H.513 (Act 79) to support loan loss reserves for the **Broadband Expansion Loan Program**.
 - To date VEDA has approved **three loans totaling \$1.7 million** in commitments under the **Broadband program**.

VEDA Portfolio Composition as of 11/30/20:



- VEDA has a staff of 43 and operates out of its main office at 53 East State Street, Montpelier and satellite offices in Middlebury, Burlington and St. Johnsbury.



VEDA's Main office: 53 East State Street, Montpelier

Additional Resources:

- VEDA website: <https://www.veda.org/>
- VEDA Statute: <https://legislature.vermont.gov/statutes/chapter/10/012>
- VEDA Annual Report: <https://www.veda.org/about-veda/annual-reports/>
- VEDA Broadband Loan Program: <https://www.veda.org/broadband-loan-program>

