



# VIRGIN ISLANDS HOUSING FINANCE AUTHORITY

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## NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS FOR TIERED OWN A LOT BUILD A HOME PROGRAM

**Date of Publication:** March 29, 2023

On or after April 7, 2023, the Virgin Islands Housing Finance Authority (VIHFA) will submit a request to the U.S. Department of Housing and Urban Development (HUD) San Juan Field Office for the release of Community Development Block Grant – Disaster Recovery (CDBG-DR) funds under Title 1 of the Housing and Community Development Act of 1974, (PL93-383), as amended, to undertake the following project:

**Program:** Own a Lot, Build a Home

**Purpose:** Hurricanes Irma and Maria caused significant damage to both owner-occupied and rental stock, depleting the already-limited housing stock and driving up prices beyond affordable levels. Almost half of all renters in the Territory were cost-burdened, paying more than 30% of their income on rent prior to the storms. Due to the limited affordable rental stock, renters are most often paying more than the costs of a mortgage for homes of a similar size. Further, individuals displaced after the storm by damage to their accommodations frequently turned to information housing scenarios, most commonly causing overcrowding in existing single-family homes. The Own a Lot, Build a Home Program offers funding to support first-time homeowners with the construction of a single-family home on their existing property. The program's objective is to increase the homeownership rates that support long-term viability across the Territory for low-to-moderate income and urgent-need households. Therefore, providing an affordable alternative to renting by creating new homeowner stock, thus, alleviating some of the pressure on the rental market post-storms.

**Location:** Tiered Environmental Reviews were prepared for each island for the purpose of the Own a Lot, Build a Home Program. Tiered reviews were completed for St. Croix, St. Thomas, and St. John in the US. Virgin Islands.

**Description:** The Own a Lot, Build a Home Program is designed to assist first-time homeowners with the construction of their first home. Eligible activities under this program include the installation of infrastructure, grading, installation of utilities, land preparation, and the construction of homes in mixed-income communities. The total HUD allocation for this program is \$12.5M, and the program cap is \$250,000. The program anticipates assisting approximately 200 applicants. Tier II Site-Specific Reviews will be completed for laws and authorities not addressed in the

Tier I Broad Review for each address under this program when addressed become known.

**Level of Environmental Review Citation:** Categorically Excluded per 24 CFR 58.35(a)(4)(ii)

**Tier II Site-Specific Review:** The Tier II Site-Specific Review will cover the following laws and authorities not addressed in the Tier I Broad Review: 24 CFR Part 51 Subpart D, Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501], Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a], Coastal Zone Management Act, sections 307(c) & (d), 24 CFR Part 50.3(i) & 58.5(i)(2), Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402, 24 CFR Part 51 Subpart C, Executive Order 11988, particularly section 2(a); 24 CFR Part 55, National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800, Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B, Executive Order 11990, particularly sections 2 and 5.

**Mitigation Measures/Conditions Permits:** During the Tier II Site-Specific Review, maps and a site inspection will be utilized initially to identify regulations that may require further consultation or testing. Consultation with the Department of Planning and Natural Resources, DOI-US Fish and Wildlife Services, HUD Office of Environment and Energy, and the Environmental Protection Agency will be conducted to identify potential concerns and identify mitigation measures to address those concerns. Testing and additional contracted services will be utilized as a part of the Tier II Site-Specific Review to advise consultations with the parties listed above.

**Estimated Project Cost:** The total HUD funding being requested is \$14,375,000. The program cap for each applicant is \$250,000, and the total award will not exceed the total of the gap financing and closing cost necessary to make the home affordable, based on underwriting standards. The Program anticipates approximately \$12,500,000 in mortgages through the local banks.

The activities proposed are categorically excluded under HUD regulation 24 CFR Part 58 from National Environmental Policy Act requirements per 24 CFR 58.35(a)(4)(ii). An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at the VIHFA office in St. Croix 100 Lagoon Complex, Suite 4, Frederiksted, or in St. Thomas, 3202 Demarara Plaza, Suite 200. The ERR can also be made available to the public review either electronically or by U.S. mail. Please submit your request to U.S. mail to VIHFA at 3202 Demarara Plaza, Suite 200, St. Thomas, VI 00802-6647, Attention Ms. Dayna Clendinen, Interim Executive Director/Chief Disaster Recovery Officer or by email to [environmental@vihfa.gov](mailto:environmental@vihfa.gov). The ERR can also be accessed online at the following website, [www.cdbgdr.vihfa.gov](http://www.cdbgdr.vihfa.gov).

## PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the VIHFA at, 3202 Demarara Plaza, Suite 200, St. Thomas, VI 00802-6447, Attention Ms. Dayna Clendinen Interim Executive Director/Chief Disaster Recovery Office, or via email to [environmental@vihfa.gov](mailto:environmental@vihfa.gov), or online at [www.cdbgdr.vihfa.gov](http://www.cdbgdr.vihfa.gov). All comments received by April 7, 2023, will be considered by VIHFA prior to authorizing the submission of a Request for Release of Funds.

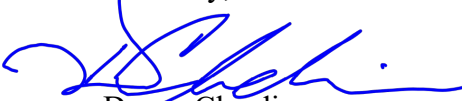
## ENVIRONMENTAL CERTIFICATION

VIHFA certifies to HUD that Ms. Dayna Clendinen, in her capacity as the Interim Executive Director/Chief Disaster Recovery Officer, consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of this certification satisfies its responsibilities under NEPA and related laws and authorities and allows VIHFA to use HUD program funds.

## OBJECTIVE TO RELEASE OF FUNDS

HUD will accept objections to its release of funds and the VIHFA's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of VIHFA; (b) VIHFA has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR Part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD at HUD Caribbean Office, Region VI, 235 Federico Costa Street, Suite 200, Parque Las Americas I Building, San Juan, Puerto Rico, 00918. Due to the ongoing pandemic, comments and objects may be submitted via email to [CPD\\_COVID\\_19OEE-SJU@hud.gov](mailto:CPD_COVID_19OEE-SJU@hud.gov). Potential objects should contact HUD to verify the actual last day of the object period.

Sincerely,



Dayna Clendinen

Certifying Officer

Interim Executive Director/Chief Disaster Recovery Officer

Virgin Islands Housing Finance Authority

