

**CDBG-DR ACTION PLAN  
SUBSTANTIAL AMENDMENT**

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**PUBLIC  
HEARING**

**Virtual | June 15, 2023**

**St. John | June 16, 2023**





# Purpose Of Today's Public Hearing

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## **Giving Community members the opportunity to:**

- **Learn** of VIHFA's plan to reallocate the remaining CDBG-DR funding.
- **Understand** how and why reallocation or change in designated beneficiaries recommendations are made.
- **Ask** questions and provide input regarding the proposed reallocation and/or change in designated beneficiaries.

## **At the end of this presentation:**

- Formal comments will be accepted here at the hearing or in writing. Written comments can be sent to the following address:
  - Email: [media@vihfa.gov](mailto:media@vihfa.gov)
  - Please label your comments: **CDBG-DR Action Plan Amendment (4)**



# BACKGROUND

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- The Department of Housing and Urban Development (HUD) has allocated **\$1,075,489,884** in Community Development Block Grant – Disaster Recovery (**CDBG-DR**) funds to support the Virgin Islands recovery from Hurricanes Irma and Maria.
- VIHFA administers these funds in the territory.
- The Action Plan can be found on our website at: [CDBG-DR Action Plan - Virgin Islands Housing Finance Authority \(vihfa.gov\)](https://vihfa.gov/CDBG-DR-Action-Plan-Virgin-Islands-Housing-Finance-Authority)

# CDBG-DR Funds

\$1,075,489,884 allocation by HUD

These funds can be used for five (5) categories of activities that directly respond to impacts from **Hurricanes Irma & Maria**.

**Housing**

Public Services  
& Special  
Needs Housing

Infrastructure

Economic  
Revitalization

Planning  
& Grant  
Administration



# Notes:

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## **Recovery Programs**

### Housing:

Assistance for homeowners and tenants of rental properties to achieve permanent sustainable housing solutions.

The programs support rehabilitation and reconstruction for homeowners and renters while making funding available for new construction of affordable and project-based subsidized housing.

### Public Service and Special Needs Housing:

Public Services are activities undertaken to provide services to “at risk” populations counseling, and other related services for senior citizens and others. Fund rehabilitation and/or reconstruction of publicly owned facilities or buildings owned by non-profits or agencies that serve the public or the vulnerable populations to include persons with special needs.



# Notes:

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## Infrastructure:

Addresses unmet needs related to damage from the storms; loss of critical services due to damaged public infrastructure.

The program supports the hardening of public facilities and networks, such as wastewater, portable water systems, solid waste, telecommunications, and public roads. When the Territory's infrastructure is made more resilient, critical services will be stabilized in the event of future disasters, creating a safer and more secure environment.

## Economic Revitalization:

Addresses unmet needs in the local workforce, showcase the territory to the world, stabilize and support our infrastructure with improvements to our ports that will generate long standing economic growth for the Territory.



# Why Is Reallocation Necessary?

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>3% of the total disaster recovery allocations or change in designated beneficiaries.

The 4<sup>th</sup> Substantial Amendment highlights the following three (3) factors:

1. Subject to HUD approval, the Office of Disaster Recovery (ODR) is named as a subrecipient managing Disaster Recovery (DR) projects
  - ODR will oversee CDBG-DR projects: execution and completion.
  - VIHFA shall retain grant oversight.
2. Addressing the remaining unmet need
3. The ability to expend funds within the remaining time allotted for the US Virgin Islands CDBG-DR grant cycle  
*(September 2026)*



# PROPOSED BUDGET



Programs	Substantial Amendment #3	Change in Allocation	Substantial Amendment #4 Revised Allocation	Percent of Total Allocation
Housing	\$ 483,133,756	\$ 15,355,926	\$ 498,489,682	46.35%
Public Services & Special Needs Housing*	\$ 17,379,800	\$ (3,970,309)	\$ 13,409,491	1.25%
Infrastructure	\$ 476,201,834	\$ (41,591,594)	\$ 434,610,240	40.41%
Economic Revitalization	\$ 27,000,000	\$ 30,205,977	\$ 57,205,977	5.32%
<b>Subtotal</b>	<b>\$ 1,003,715,390</b>		<b>\$ 1,003,715,390</b>	<b>93.33%</b>
Planning	\$ 18,000,000		\$ 18,000,000	1.67%
Administration	\$ 53,774,494	\$ -	\$ 53,774,494	5.00%
<b>TOTAL</b>	<b>\$ 1,075,489,884</b>	<b>\$ -</b>	<b>\$ 1,075,489,884</b>	<b>100.00%</b>

\* Note: Public Facilities retitled as Special Needs Housing  
Eligible projects selected via Notice of Funding Availability (NOFA)



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Envision – HRRP & RRRP

Estate Fortuna (Wild Pineapple)

Mount Pleasant

Queen Louise

Own A Lot Build A Home

Donoe Redevelopment

Ross Taarnenberg (Mix-Use)

Walter IM Hodge

D Hamilton Jackson/Piggy Gerard

Kronegade Inn

Ross Taarnenberg Emergency Housing

Housing Development or Rehabilitation  
(TBD)

Liberty Place

Meeting The Needs Of Our Community  
(MTOC)

Project Promise

Sister Emma House

Ten Thousand Helpers

St. Croix Foundation

Salvation Army VI

Caribbean Centers for Boys and Girls

Catholic Charities – Bethlehem Shelter

Catholic Charities – Rita Schuster Shelter

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# PROJECT LISTING



# PROJECT LISTING

## CON'T ...

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Non-Federal Cost Share

Street Initiative

Anguilla Landfill Partial Closure and Expansion

Convenience Centers and Transfer Station

Generation Projects – Randolph Harley Power Plant

Skills for Today

Building Professional Workforce Development

Charlotte Amalie Harbor Port Dredging

Neighborhood Revitalization

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# HOUSING





# HOUSING

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Allocation increased \$15,355,926 for housing programs in this Amendment:

- Finalize repairs to storm-damaged housing and increase inventory of affordable single family and rental housing.
- Increased cost of construction due to labor and material. For eligible applicants pay costs for optional temporary relocation and storage.  
*Program cap (construction costs) remains at \$350/unit - HRRP and \$150/unit - RRRP.*
- Currently 363 units of new or rehabilitated rental housing are under development, with all but 40 restricted to tenants at 80% or less of Area Median Income.



# HOUSING

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Removal of two (2) New Housing Infrastructure Construction (NHIC) developments and one (1) Public & Affordable Housing Development (PAHD) Rehabilitation project.

Funding remained in Housing and was allocated accordingly:

- Allocation of **\$46,130,853** to fund PAHD, shovel ready projects.
- Queen Louise project allocation was increased.
- Two phase construction single family unit development of 20 homes at Estate Fortuna (Wild Pineapple) on St. Thomas.
  - Phase 1 - construction of 12 homes
  - Phase 2 - construction of 8 homes including infrastructure



## LOW-MODERATE INCOME BENEFIT

With the changes in allocations, the grants' Low-Moderate Income benefit remains at 70%.

Based on need, two programs **will extend benefits** to households between 81% and 120% of Area Median Income.

- New Housing Infrastructure Construction Program:
  - Option 1 – remains at 80% AMI
  - Option 2 – extends to 120% AMI
  - Own a Lot – Build A Home Program
- EnVIsion Homeowner Repair and Reconstruction Program



# FY 2023 INCOME LIMITS

Income Limits	1-Person	2-Person	3-Person	4-Person	5-Person	6-Person	7-Person	8-Person
30 Percent	\$22,050	\$25,200	\$28,350	\$31,450	\$34,000	\$36,500	\$39,000	\$41,550
50 Percent	\$36,750	\$42,000	\$47,250	\$52,450	\$56,650	\$60,850	\$65,050	\$69,250
80 Percent	\$58,750	\$67,150	\$75,550	\$83,900	\$90,650	\$97,350	\$104,050	\$110,750
100 Percent	\$73,450	\$83,950	\$94,450	\$104,900	\$113,300	\$121,700	\$130,100	\$138,500
120 Percent	\$88,150	\$100,750	\$113,350	\$125,900	\$136,000	\$146,050	\$156,150	\$166,200

*VIHFA continues to track LMI expenditures to ensure 70% LMI benefit requirement is met or exceeded.*



## PUBLIC SERVICE & SPECIAL NEEDS HOUSING

Special Needs Housing focus is repairs/replacements of damaged facilities that provide services to “at risk” populations – *i.e., children, the elderly, homeless persons, persons with disabilities, including victims of domestic violence.*

**\$11,003,738** is allocated and committed to eligible projects for Special Needs Housing.

**\$2,405,753** has been allocated for Public Services.

Funding provides:

- service to “at risk” populations to assist with recovery from the impacts of Hurricanes Irma and Maria.
- supplemental support to territorial agencies that will directly accelerate the speed of recovery.

Notice of Funding Availability (NOFA) was issued, six (6) applicants received notification of eligibility and award for Special Needs Housing and three (3) for Public Services.





# INFRASTRUCTURE

## Funded Projects:

- **Virgin Islands(VI)Waste Management Authority**  
Six Convenience Centers & 1 Transfer Station  
Anguilla Landfill Phased Closure
- **VI Water and Power Authority**  
Slope Stabilization  
Randolph Harley - New Generation
- **Office of the Lieutenant Governor**  
Street Addressing Initiative





# NON-FEDERAL COST SHARE

(Cost Share: FEMA 90% | Local (HUD) 10%)

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Designed to assist state agencies, public entities, local non-profit organizations, and other eligible applicants by leveraging CDBG-DR funds with FEMA Public Assistance (FEMA PA) provided to the Virgin Islands to maximize, facilitate and ensure recovery.

DR funds are limited to covering the non-federal cost share match portion related to FEMA PA eligible project worksheets (PWs).

\$30,000,000 funding for Non-Federal Cost Share allocated back to the Program.



# ECONOMIC REVITALIZATION

Funding for Economic Revitalization Program increased with the recategorization of Port Dredging Project (Charlotte Amalie Harbor) and Building Professional Workforce projects.

Neighborhood Revitalization Program funding remains the same. NOFA was issued and project submission were due in May 2023, the Program provides funding for:

- Grants and technical assistance to small businesses and microenterprises.
- Grants to improve facades, landscaping and amenities in commercial areas.



# PLANNING & ADMINISTRATION

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There was **no change** to the allocation for planning activities. **\$2,716,850** Planning Funds will be utilized for the SAI Project.

The administrative allocation remains at the maximum 5% of the total grant.



# ENGAGEMENT SCHEDULE

MAYIFRI

19

**Substantial Amendment  
Posted to USVI – CDBG-DR  
website**

JUNEIFRI

16

**2<sup>nd</sup> Public Hearing**

Date: Friday, June 16, 2023  
Time: 5:30pm  
Location: St. John, USVI

MAYIMON

22

**Public Comment Period Open**

JUNEIWED

21

**Public Comment Period  
Closed**

JUNEITHURS

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**1<sup>st</sup> Public Hearing**

Date: Thursday, June 15, 2023  
Time: 5:30pm  
Location: Virtual

JUNEIMON

26

**Substantial Amendment #4  
Submitted to HUD**



# PUBLIC COMMENTS

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People who wish to provide public comments at one of the hearings will each be given three minutes to speak.

Those wishing to speak are encouraged to provide a written copy of their comments to VIHFA staff.

All written comments can be submitted by:

- Email: [media@vihfa.gov](mailto:media@vihfa.gov)
  - Please label your comments: ***CDBG-DR Action Plan Amendment (4)***
  - For additional information, please visit VIHFA's website at: <https://cdbgdrr.vihfa.gov/contracts/action-plan/>

# Thank You!

