



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

COMMUNITY PLANNING AND DEVELOPMENT

Ms. Dayna Clendinen
Chief Disaster Recovery Officer
Virgin Islands Housing Finance Authority
3202 Demarara Plaza
Frenchtown Plaza, Suite 200
St. Thomas, VI 00802-6447

Dear Ms. Clendinen:

The Department is approving the United States Virgin Islands Electrical Power System Enhancements and Improvements Action Plan – First Substantial Action Plan Amendment (APA) for the Community Development Block Grant Disaster Recovery (CDBG-DR) funds appropriated by the Further Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2018 (Public Law 115-123), to address unmet needs from disasters that occurred in 2017. On June 22, 2021, the Department announced in the *Federal Register* Vol. 86 No. 117, 86 FR 32681, that USVI would receive \$67,653,000.00 for its electrical power system enhancements and improvements. This allocation is administered under grant number B-18-DE-78-0001.

On June 11, 2025, the Virgin Islands Housing and Finance Authority submitted its First Substantial APA addressing all *Federal Register Notice* requirements for approval. This APA revises the PR1 Program from project activities at the Estate Richmond Power Plant on St. Croix to Territory-wide initiatives for grid resiliency, adjusts the grant allocations budget to reflect the current unmet needs reducing the PR1 Program from 78% to 52.9%, and increases the allocation to PR2 from 10% to 32.1%. This APA creates a subcategory in PR2 in recognition of the expanding activity scopes to reflect the need in the direct community innovation applications.

The amendment also included adjustments and defines the activity delivery costs percentages to address the increase in programmatic costs, restoring the allowable percentage for planning and administration to address the increased costs in these areas.

CDBG-DR PROPOSED ACTIVITY	Allocation A/P BUDGET	Amended Allocation	% of Budget
Energy Program			
PR1 Grid Resiliency	\$53,000,000	\$35,788,437	52.9%
PR2 Community Innovations Application Program			32.1%
Energy Vulnerable	\$10,000,00	\$19,010,493	
Solarized HUBS	\$0	\$2,706,120	
Administrative Budget	\$3,382,650	\$3,382,650	5%
Planning Budget	\$1,270,350	\$6,765,300	10%
TOTAL	\$67,653,000	\$67,653,000	100%

The Department encourages VIHFA to include performance measures for the next reporting period in the DRGR system for all activities, including the ones that will be implemented utilizing alternative requirements to meet a National Objective 8 V.A.8.c.

Please note that the Department's approvals of action plans and APAs means that the plan and amendments are substantially complete but do not constitute an approval of the grantee's implementation of the activities described in the plan. Grantees are responsible for ensuring that all grant funds are used in accordance with all program requirements. HUD uses monitoring to enforce compliance in the implementation of activities.

The Department remains committed to assisting the USVI in its efforts to address its recovery needs and looks forward to working with you and your staff in partnership to achieve this goal. If you have any questions regarding the information in this letter, please contact Mrs. Maria del Carmen Figueroa Correa, Community Planning and Development Specialist, Office of Disaster Recovery at (787) 774-5902, or by email at mariadelcarmen.figueroa@hud.gov.

Sincerely,

William L. Bedford
Director, Grants Management Division
Office of Disaster Recovery