

Grantee: Virgin Islands

Grant: B-18-DP-78-0002

July 1, 2024 thru September 30, 2024 Performance

<b>Grant Number:</b> B-18-DP-78-0002	<b>Obligation Date:</b>	<b>Award Date:</b>
<b>Grantee Name:</b> Virgin Islands	<b>Contract End Date:</b> 04/25/2035	<b>Review by HUD:</b> Reviewed and Approved
<b>Grant Award Amount:</b> \$774,188,000.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> No QPR Contact Found
<b>LOCCS Authorized Amount:</b> \$774,188,000.00	<b>Estimated PI/RL Funds:</b> \$0.00	
<b>Total Budget:</b> \$774,188,000.00		

Disasters:

Declaration Number

FEMA-4340-VI  
FEMA-4335-VI

Narratives

Mitigation Needs Assessment:

Although the Territory has long been exceptionally vulnerable to natural hazards such as hurricanes and tropical storms, the Islands’ readiness and resilience were tested during the 2017 hurricane season. This Mitigation Needs Assessment arises from the unprecedented damage and lasting impacts of Hurricanes Irma and Maria. The impacts from these storms continue to be felt to this day both in the Virgin Islands and other islands in those hurricanes’ path. In 2018 the total damage to the Territory from both storms was estimated to be \$10.8 billion, including \$6.9 billion in damage to infrastructure, \$2.3 billion in damage to housing, and \$1.5 billion in economic damage. The US Virgin Islands’ recovery from these devastating storm events continues to the present day. The intention of the Mitigation Needs Assessment and Mitigation Action Plan is to reduce vulnerability and mitigate damages and losses to future hazard events by looking at the impact of prior events, including hurricanes. The Mitigation Needs Assessment focused on 7 major community lifelines: Safety and Security; Communications, Food, Water, and Shelter; Transportation; Health and Medical; Hazardous Materials (Management); and Energy (Power and Fuel).

Safety and Security

The vulnerability assessment of the 2019 THMP indicates that many residential and commercial properties in the Territory are vulnerable to hurricane winds, in part because of how close most buildings are to the coast and the nature of the winds the storms generate (USVI Hurricane Recovery and Resilience Task Force, 2018). On St. John, only one-third of both residential and commercial structures are considered vulnerable, almost all of which are classified as moderate or low consequence. On St. Thomas, the percentage of exposed buildings represents a majority, though also at moderate or low consequence. On St. Croix, just over half of commercial buildings and less than half of residential buildings are exposed, all of which are considered at moderate or low exposure. Lifeline vulnerabilities to hurricane winds are variable across the islands, with lifelines on St. John at considerably less risk than that of St. Croix and St. Thomas. On those islands, lifeline facilities with pre-code structural components represent the most significant vulnerability. These facilities comprise Safety and Security lifelines.

Food, Water, Shelter

Food, water, and shelter lifelines provide basic needs such as housing, the commercial food supply chain and programs, and water systems. These lifelines are critical for sustaining life prior to, during, and following storm events. In the US Virgin Islands, these facilities include wastewater facilities, potable water facilities, desalinization facilities, shelters, and some residential buildings. Shelter facilities were stressed and damaged during and following the hurricanes as residents stayed at the shelters due to damages to homes. WAPA water facilities were damaged and impacts to the food supply chain resulted in delays to residents receiving food.

Water- Drought would have disparate impacts throughout the Territory. Although cisterns are common for USVI residents, the territory experiences a dry season that typically lasts from January to April. There is often a shorter dry season in June and July. Only one quarter to under a half of residents in the Territory are connected to the Territory’s public water system that the Water and Power Authority (WAPA) operates, which means that many residents rely heavily on collected rainfall for water. Droughts can lead to empty cisterns, requiring residents to purchase water for essential daily use. The LMI population in the Territory would be more adversely affected by the need to purchase water to fill empty cisterns. For the many residents who are not also connected to WAPA water, purchasing water in periods of drought is part of providing food, water, and shelter. Given the economic stress that the COVID-19 pandemic has already caused within the Territory, having a reliable and inexpensive water source is a key priority that impacts day-to-day life and potentially even health as well, given the necessity of good water to healthy individuals.

Shelter- Housing is a key component to be considered for residents of the Territory, as this is the primary means of shelter for residents when hurricanes and floods occur, with housing a key component for HUD in establishing the Community Development Block Grant program. In the Territory, limited housing options continues to be a source of concern for many residents, especially those considered LMI. The 2015 Housing Demand Study commissioned by VIHFA determined that there was already a 5,000-unit shortage of affordable housing in the Territory before the dual hurricane disasters in 2017, both for purchase and rent. As shown within that study, the Territory’s housing market severely limits options for LMI individuals, as approximately 6% of the homes sold could be designated as affordable for them.

Health/Medical

Health and medical lifelines include facilities that comprise the medical supply chain, perform public health services, fatality management, patient movement, and medical care. This includes home care, pharmacies, and raw materials needed to produce medicine. Impacts to medical facilities were profound during the hurricanes of 2017, necessitating the evacuation of 800 patients from the Territory to facilities in Puerto Rico and the American mainland. Medical facilities in the Territory also suffer from workforce shortages, inadequate funding, and infrastructure limitations (USVI Hurricane Recovery and Resilience Task Force, 2018).

Earthquakes- Most lifeline facilities to include energy and medical facilities across the islands have high exposure to earthquakes. St. Thomas, where there is a wider breadth of exposure, has the highest percentage of lifelines with a higher exposure, followed closely by St. John. This earthquake exposure risk puts the Territory’s already vulnerable and limited infrastructure at further risk.

Energy

Energy lifelines power the US Virgin Islands and include facilities that produce and distribute electric power, with two separate electricity grids managed by the Water and Power Authority (WAPA). The residential sector consumes over one-third of WAPA’s electricity, and just under one-third is consumed by large power users that each use more than 25 kilowatts (U.S. Energy Information Administration, 2020). Primary WAPA generating facilities include the Harley Generating Station near Charlotte Amalie on St. Thomas and the generating facility at Estate Richmond near Christiansted on St. Croix.

Communications

Communications lifelines include communications infrastructure such as data centers and cell towers, in addition to LMR networks, payment-processing systems, 911/emergency dispatch facilities, and emergency alert systems. The 2017 hurricanes substantially damaged cellular, landline, and radio based telecommunications systems. Following the storms, cell phone availability decreased by between 80 to 90 percent for several weeks. The loss of cell phone coverage disrupted communications among residents as well as to responding agencies. St. John was noted to have been hard-hit, with landline and public safety radio communications destroyed between Coral Bay and Cruz Bay. Following the storm, amateur radio resources were used to relay information.

Transportation

Transportation lifelines facilitate the movement of people and goods throughout the

Islands. Following the 2017 hurricanes, seaports in the Territory did not open for three weeks and both major airports remained closed for approximately two weeks as well (USVI Hurricane Recovery and Resilience Task Force, 2018). As relatively remote landmasses, the Islands rely on imports for many goods. The Islands’ port facilities are particularly important for this reason, as well as due to their connection to the regional economy. Throughout the islands, ferry terminals, airports, and heliports connect the Islands to each other and to the global economy.

An exposure analysis shows that storm surge impacts from a SLOSH scenario would likely impact waterfront Transportation lifelines, especially as sea levels rise, given prior flood data and its current elevation. In addition to impacting critical facilities impacted by future sea level rise, on St. Croix five terminals at the Limetree Bay Refinery on St. Croix, the WAPA power facility, and the St. Patrick Catholic School would be impacted. On St. Thomas, two additional schools, the Police Headquarters, and liquefied petroleum gas facilities are expected to be inundated under this scenario.

Flooding- Although the USVI Flood Insurance Study maps flood zones for both inland and coastal areas, the 2019 THMP notes that the principal flooding cause is stormwater run-off. The runoff flooding can exceed delineated flood zones on flood insurance rate maps or may not be mapped at all. According to the FEMA Mitigation Assessment Team Report issued in the wake of Hurricanes Irma and Maria, flood damage from the Hurricanes was predominantly caused by localized ponding and runoff. Over the years, encroachments into historic flood zone have displaced flood water to unanticipated locations. Increased development, undersized culverts, impervious surface installation following development, combined sewer systems for stormwater and wastewater, insufficient preventative maintenance of sewer infrastructure, improper engineering design for drainage of constructed surfaces, inadequate use of green infrastructure, and functionally obsolete stormwater management infrastructure contribute to the pervasiveness of runoff and riverine flooding in the Territory. Exposure to flooding varies throughout the Virgin Islands , but flood risk impacts the residents on all three major islands in the Territory. Approximately 20% of the Islands’ residents of St. Croix and St. Thomas are in the Special Flood Hazard Area. There is significant flood exposure for the US Virgin Islands’ lifelines. The Islands’ energy lifelines are particularly exposed owing to vulnerabilities to refinery operations on St. Croix. Transportation lifelines are exposed to flooding owing to their waterfront locations. On St. Croix, Health, and Medical lifelines such as the VA Clinic and Nesbitt Clinic are also exposed, alongside various Safety and Security lifelines such as police substations and educational facilities. The Ann E. Abramson Marine Facility is also exposed, in addition to the Anguilla Wastewater Treatment Facility. On St. John, various marine facilities, the deCastro Clinic, and VIERS Eco Education facility are in the Special Flood Hazard Area. Coastal flooding will be exposed to sea level rise (such as waterfront Transportation lifelines) in the future.

On St. Thomas, marina facilities, the Airport, WAPA Power Plant, and various schools and police stations are also within the Special Flood Hazard Area. Excepting the seaports, in most cases the impacted lifelines are in riverine or inland flood zones. Additionally, sea level rise flooding will eventually impact a subset of lifelines in the Special Flood Hazard Area or regulatory floodplain in the territory.

**Proposed Use of Funds:**

The MIT funds represent a unique and significant opportunity for the Territory to carry out strategic and high impact activities to minimize, mitigate, or eliminate risks and reduce losses from future disaster. The Territory is focused on implementing data-informed investments through high-impact projects that will reduce risks, suffering, and hardship attributable to natural disasters, with particular attention to repetitive loss of property, critical infrastructure, and economic hardening in the Territory. The Territory proposed use of funds includes activities to:

- Infrastructure and Public Facilities with programs such as Community Resilience and Public Facilities ; and Resilient Critical and Natural Infrastructure.
- Economic Resilience and Revitalization with programs such as Commercial Hardening and Financing; and Small Business Mitigation.
- Housing with programs such as Multifamily Housing; VIHFA New Home Construction (Home Ownership); Homeless Housing Initiative; Innovative Resilient Housing.
- Public Services

As well as planning and administrative activities.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$49,337,260.00	\$194,337,260.00
Total Budget	\$49,337,260.00	\$194,337,260.00
Total Obligated	\$49,337,260.00	\$194,337,260.00

Total Funds Drawdown	\$145,000,000.00	\$145,000,000.00
Program Funds Drawdown	\$145,000,000.00	\$145,000,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

### Funds Expended

Overall	This Period	To Date
V.I. Housing Finance Authority (VIHFA)	\$ 0.00	\$ 0.00
Virgin Islands Water and Power Authority (WAPA)	\$ 0.00	\$ 0.00

## Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	50.00%	.00%	.00%
Overall Benefit Amount	\$362,425,370.00	\$ .00	\$ .00
Limit on Public Services	\$116,128,200.00	\$ .00	\$ .00
Limit on Admin/Planning	\$154,837,600.00	\$49,337,260.00	\$ .00
Limit on Admin	\$38,709,400.00	\$38,709,400.00	\$ .00
Most Impacted and Distressed	\$774,188,000.00	\$145,000,000.00	\$ .00

## Overall Progress Narrative:

The MIT team has increased their activities in getting their projects launched. For infrastructure we are currently working and providing application technical assistance for Veteran's Drive Road Expansion project. We are in communication with Waste Management for planning of closing both landfills in St. Thomas and St. Croix. Conversation with University of the Virgin Islands regarding construction of a multipurpose facility that will be used for sheltering after a disaster is ongoing. In Housing, we have submitted a substantial amendment to our action plan to expand eligibility on multifamily properties as well as public services. Prospective applicants that we are working alongside and providing technical assistance to includes: Jackson Development Corporation and the Benoit Group- both multifamily properties in the St.Thomas/St. John district. A Single Family Policy is in draft phase with additions being added and team reviews. Economic resilience and revitalization has received over 80 applicants are in the stages of application review. Public Services has finalized their policies and program design has been finalized. During this quarter we also onboarded a Director of Infrastructure- this position will be responsible for all infrastructure projects.

## Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
Admin_001, Administration	\$0.00	\$38,709,400.00	\$0.00
ER_001-CHF, Commercial Hardening & Financing Program	\$0.00	\$12,988,935.00	\$0.00
ER_002-SBM, Small Business Mitigation	\$0.00	\$7,863,935.00	\$0.00
ER_003-ERIP, Entrepreneurship Resilience and Innovation	\$0.00	\$9,008,935.00	\$0.00
ER_004-WDMP, Workforce Development Mitigation	\$0.00	\$9,008,935.00	\$0.00
H_001-MFH, Resilient Multifamily Housing	\$0.00	\$109,000,000.00	\$0.00
H_002-NHC, Single Family Resilient New Home	\$0.00	\$63,900,000.00	\$0.00
H_003-HHI, Homeless Housing Initiative	\$0.00	\$24,380,000.00	\$0.00
H_004-IRH, Innovative Resilient Housing	\$0.00	\$5,300,000.00	\$0.00

IF_001_CRPF, Community Resilience & Public Facilities	\$0.00	\$100,000,000.00	\$0.00
IF_002-RCNI, Resilient Critical & Natural Infrastructure	\$145,000,000.00	\$368,000,000.00	\$145,000,000.00
Planning_001, Planning	\$0.00	\$10,627,860.00	\$0.00
PS_001_PubSer, Public Services	\$0.00	\$15,400,000.00	\$0.00

## Activities

Project # /

Admin\_001 / Administration

Grantee Activity Number: MIT-Admin-VIHFA

Activity Title: Admin-VIHFA

<b>Activity Type:</b>	<b>Activity Status:</b>
Administration	Under Way
<b>Project Number:</b>	<b>Project Title:</b>
Admin_001	Administration
<b>Projected Start Date:</b>	<b>Projected End Date:</b>
04/25/2023	04/25/2035
<b>Benefit Type:</b>	<b>Completed Activity Actual End Date:</b>
N/A	
<b>National Objective:</b>	<b>Responsible Organization:</b>
NA	V.I. Housing Finance Authority (VIHFA)

Overall	Jul 1 thru Sep 30, 2024	To Date
<b>Total Projected Budget from All Sources</b>	\$38,709,400.00	\$38,709,400.00
<b>Total Budget</b>	\$38,709,400.00	\$38,709,400.00
<b>Total Obligated</b>	\$38,709,400.00	\$38,709,400.00
<b>Total Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$0.00
V.I. Housing Finance Authority (VIHFA)	\$0.00	\$0.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

**Activity Description:**

Program administration entails activities related to the overall administration and execution of CDBG-MIT. Eligible program administration costs include, but are not limited to costs associated with staffing and general management oversight and coordination.

**Location Description:**

**Activity Progress Narrative:**

**Accomplishments Performance Measures**

**No Accomplishments Performance Measures**

**Beneficiaries Performance Measures**

No Beneficiaries Performance Measures found.

**Activity Locations**

No Activity Locations found.

**Other Funding Sources**

No Other Funding Sources Found

**Other Funding Sources Budgeted - Detail**

No Other Match Funding Sources Found

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**Activity Supporting Documents:** None

**Project # / IF\_002-RCNI / Resilient Critical & Natural Infrastructure**

Grantee Activity Number: DRM-I-PIAP-001

Activity Title: Propane Infrastructure Acquisition Project

<b>Activity Type:</b>	<b>Activity Status:</b>
MIT - Buyout of Properties	Under Way
<b>Project Number:</b>	<b>Project Title:</b>
IF_002-RCNI	Resilient Critical & Natural Infrastructure
<b>Projected Start Date:</b>	<b>Projected End Date:</b>
12/03/2023	04/30/2024
<b>Benefit Type:</b>	<b>Completed Activity Actual End Date:</b>
Area ( Census )	
<b>National Objective:</b>	<b>Responsible Organization:</b>
Urgent Need Mitigation	Virgin Islands Water and Power Authority (WAPA)

Overall	Jul 1 thru Sep 30, 2024	To Date
Total Projected Budget from All Sources	\$0.00	\$145,000,000.00
Total Budget	\$0.00	\$145,000,000.00
Total Obligated	\$0.00	\$145,000,000.00
Total Funds Drawdown	\$145,000,000.00	\$145,000,000.00
Program Funds Drawdown	\$145,000,000.00	\$145,000,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Virgin Islands Water and Power Authority (WAPA)	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The activity entails the acquisition of the existing propane supply infrastructure on both St. Thomas and St. Croix. There will be no updates, changes, or modifications to the existing site, land, structures, or facilities. Additionally, there will be no changes to the intended use of the existing site, land, structures, or facilities. The use of the infrastructure will not change.

Location Description:

The location is the entire Territory. Structures are on St. Thomas and St. Croix

Activity Progress Narrative:

The acquisition is complete. To efficiently monitor the long term maintenance and effectiveness of the structure the team has updated the key performance indicators and is currently amending the Subrecipient Agreement with new measures included.

Accomplishments Performance Measures

No Accomplishments Performance Measures



**Beneficiaries Performance Measures**

No Beneficiaries Performance Measures found.

**Activity Locations**

No Activity Locations found.

**Other Funding Sources**

No Other Funding Sources Found

**Other Funding Sources Budgeted - Detail**

No Other Match Funding Sources Found

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Activity Supporting Documents: None

**Project # / Planning\_001 / Planning**

Grantee Activity Number: MIT-Planning-VIHFA

Activity Title: MIT-Planning

<b>Activity Type:</b>	<b>Activity Status:</b>
MIT - Planning and Capacity Building	Under Way
<b>Project Number:</b>	<b>Project Title:</b>
Planning_001	Planning
<b>Projected Start Date:</b>	<b>Projected End Date:</b>
04/25/2023	04/23/2035
<b>Benefit Type:</b>	<b>Completed Activity Actual End Date:</b>
N/A	
<b>National Objective:</b>	<b>Responsible Organization:</b>
NA	V.I. Housing Finance Authority (VIHFA)

Overall	Jul 1 thru Sep 30, 2024	To Date
<b>Total Projected Budget from All Sources</b>	\$10,627,860.00	\$10,627,860.00
<b>Total Budget</b>	\$10,627,860.00	\$10,627,860.00
<b>Total Obligated</b>	\$10,627,860.00	\$10,627,860.00
<b>Total Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$0.00
V.I. Housing Finance Authority (VIHFA)	\$0.00	\$0.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

**Activity Description:**

Planning funds will be used for activities such as Action Plan development, public outreach, and coordination, and VIHFA understands that planning studies may be beneficial to identify solutions to disaster risks and promote sound mitigation practices across the Territory. Studies may include, but are not limited to, climate change, flood control, earthquake mitigation, waste management, drainage improvements, resilient housing solutions, homelessness, surge protection, economic development and sustainability, infrastructure improvement, engineering studies or other efforts to mitigate risks and future damages and establish plans for comprehensive recovery and emergency planning efforts.

**Location Description:**

**Activity Progress Narrative:**

Nothing to report.

**Accomplishments Performance Measures**

**No Accomplishments Performance Measures**

**Beneficiaries Performance Measures**

**No Beneficiaries Performance Measures found.**

**Activity Locations**

**No Activity Locations found.**

**Other Funding Sources**

No Other Funding Sources Found

**Other Funding Sources Budgeted - Detail**

**No Other Match Funding Sources Found**

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**Activity Supporting Documents:** None