

Grantee: Virgin Islands

Grant: B-18-DE-78-0001

January 1, 2026 thru March 31, 2026 Performance

Grant Number: B-18-DE-78-0001	Obligation Date:	Award Date:
Grantee Name: Virgin Islands	Contract End Date: 06/06/2029	Review by HUD: Submitted - Await for Review
Grant Award Amount: \$67,653,000.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$67,653,000.00	Estimated PI/RL Funds: \$0.00	
Total Budget: \$67,653,000.00		

Disasters:

Declaration Number

FEMA-4340-VI

Narratives

Disaster Damage:

Hurricane Irma impacted the USVI on September 6 as a powerful windstorm that directly passed over St. Thomas and St. John, tearing roofs off many buildings while also dropping rain at unprecedented levels while the hurricane slowly crossed the Territory. On September 20, 2017, Hurricane Maria came behind with similar characteristics on a parallel path, causing considerable water damage to the many unprotected structures already without roofs in the St. Thomas and St. John district, while also still inflicting even more severe damage on St. Croix just a few days after Irma had left the area. Catastrophic hurricane rains from Maria fell on already saturated ground from the prior category 5 hurricane, which led to additional flooding and landslides, dramatically impacting already damaged infrastructure systems in the Territory. From the perspective of electric utility systems, these two storms placed considerable additional pressure on the Territory’s aging infrastructure, washed out roadways, created debris, caused mudslides, and downed most power lines in the USVI. Damage to the Territory’s infrastructure had farreaching effects, starting with how long it took for heavy equipment to get up onto the roads to begin rebuilding homes and restoring power and other essential services. Even though Hurricanes Irma and Maria arrived in the Territory more than five (5) years ago, power instability from these storms continue to hamper its economic recovery, impeding efforts to complete the Territory’s much-needed recovery cycle. Frequent blackouts occur in the USVI due to insufficient generation or instability within existing systems. Unpredictable power outages continue to be common in the Territory, even as already high electricity prices continue to rise. Energy remains the single most comprehensive and critical factor to be addressed for the Territory’s future, as systemic energy instability negatively impacts daily life in so many ways. Residents in the USVI need power to have access to water, healthcare, communication, refrigeration, fuel, cooling, and security.

Electrical Power System Recovery Needs:

Hurricanes Irma and Maria significantly damaged key elements of the electrical systems in both Puerto Rico and the U.S. Virgin Islands. At its peak 95% of the Territory was without power, with repairs taking five months before power could be restored. Most residents in the Territory had no potable water for weeks, and some for many months. In the Territory 90% of customers lost internet access due to damage from the hurricanes to telecommunications infrastructure. These effects following Hurricanes Irma and Maria are all linked to power infrastructure failures. Total needs for infrastructure improvements – to energy infrastructure, but to a broader infrastructure as well, following the hurricanes were set at \$6.93 billion, including the costs for estimated emergency recovery measures, permanent repair, and reconstruction work, as well as planned resilience and mitigation efforts. The Territory has previously identified multiple disaster-related infrastructure priorities to be addressed using available funding resources. The storms’ impact on infrastructure and its systems has affected many systems, which has informed prior project decisions and priorities addressed within previously approved CDBG Action Plans including particularly prioritizing funds to initiatives that benefit low- and moderate-income individuals and households.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$67,653,000.00
Total Budget	\$0.00	\$67,653,000.00
Total Obligated	\$0.00	\$20,147,950.00

Total Funds Drawdown	\$82,057.43	\$878,520.34
Program Funds Drawdown	\$82,057.43	\$878,520.34
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$82,057.43	\$847,449.83
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)	\$ 82,057.43	\$ 847,449.83
VI Housing Finance Authority	\$ 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	70.00%	66.94%	.00%
Overall Benefit Amount	\$40,253,535.00	\$38,494,557.00	\$.00
Limit on Public Services	\$10,147,950.00	\$.00	\$.00
Limit on Admin/Planning	\$13,530,600.00	\$10,147,950.00	\$865,300.24
Limit on Admin	\$3,382,650.00	\$3,382,650.00	\$689,263.48
Most Impacted and Distressed	\$67,653,000.00	\$57,505,050.00	\$.00

Overall Progress Narrative:

During this reporting period, the Program continued to advance multiple environmental review, policy, procurement, and interagency coordination activities, while also managing schedule impacts tied primarily to delayed responses from the Department of Planning and Natural Resources (DPNR). As a result, the expected completion date for environmental consultations shifted from the end of March 2026 to the end of April 2026. HFA Leadership has addressed these delays directly with the DPNR Commissioner, which has led to some improvement in response times, and the Program will continue to closely monitor outstanding deliverables. Across the portfolio, environmental consultations remain in progress for Feeder 11 and 12, Distribution Automated Devices, the Transformer Replacement Project, and the St. Thomas Battery Energy Storage Substation System. Several required consultations—including Endangered Species, Coastal Zone, and Historic Preservation reviews—have already been completed for certain projects, while other items such as Clean Air, Explosives and Flammable Hazards, Wetlands, Historic Preservation, and coordination with the Virgin Islands Port Authority remain pending or are anticipated for completion in April. In parallel, the Program is drafting the Subrecipient Agreement with consideration of the applicant’s organizational capacity and anticipated Key Performance Indicators to support implementation readiness. The Program also submitted its revised policy incorporating the Solarize Hubs initiative to PMO for review and concurrence on March 2, 2026, and continues to respond to CDRO regarding the required direct selection memorandum and the letter of intent for collaboration with the Virgin Islands Energy Office. Although VIEO’s prior work supports its suitability for direct selection, the Program is awaiting additional expenditures before moving forward, which has shifted the anticipated launch date for the initiative from February to May 2026. At the same time, the Program continues to align policy development, procurement planning, and interagency coordination to support timely rollout once approvals and expenditures are finalized. On the childcare bundle, VIHFA’s Environmental team completed the first Tier II review for Happy Faces on March 6, 2026, resulting in the development of a monitoring plan that identified the need to address the Clean Air compliance factor during construction. Because VIHFA’s standard practice typically requires an Authority to Construct and a Permit to Operate when Clean Air requirements apply, and because those permits are generally associated with gas-powered equipment that may not be necessary under DPNR guidance, VIEO prepared a memorandum to file clarifying local permitting expectations for renewable energy installations. This guidance is expected to support a more consistent environmental compliance approach across the remainder of the program. Following completion of the Tier II review, VIEO initiated procurement and selected a contractor, with procurement documentation forwarded to VIHFA program staff for review. Program staff and the Environmental team also conducted site inspections at five childcare bundle locations on St. Croix, bringing the total number of inspected sites to six, with the remaining three scheduled for Quarter Two. While progress continues, execution of the remaining Tier II reviews has been delayed pending consultation with an external entity, which VIHFA plans to engage during Quarter Two to determine next steps. In addition, procurement for third-party technical services needed to size the larger systems in the second bundle of project sites was initiated, and the associated RFP was reviewed and approved by VIHFA Procurement on March 24, 2026, with posting by the Department of Property and Procurement expected in April.

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
EPSI-Admin, Electrical Power System Improvements	\$63,939.82	\$3,382,650.00	\$689,263.48
EPSI-Planning, Electrical Power System Improvements:	\$4,897.51	\$6,765,300.00	\$176,036.76
PR1-GridRes, PR1-Grid Resiliency	\$0.00	\$35,788,437.00	\$0.00
PR2- Community Innovation, Community Innovations	\$13,220.10	\$21,716,613.00	\$13,220.10

Activities

Project # /	EPSI-2- Community Innovation / Electric Power Systems
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Grantee Activity Number: CIAP-672-SolHub-LMI
Activity Title: CIAP-PR2-SolarizeHub

Activity Type: Electrical power system improvements	Activity Status: Under Way
Project Number: EPSI-2- Community Innovation	Project Title: Electric Power Systems Improvement: Community
Projected Start Date: 10/01/2025	Projected End Date: 01/13/2029
Benefit Type: N/A	Completed Activity Actual End Date:
National Objective: Low/Mod	Responsible Organization: V.I. Housing Finance Authority (VIHFA)

Overall	Jan 1 thru Mar 31, 2026	To Date
Total Projected Budget from All Sources	\$0.00	\$2,706,120.00
Total Budget	\$0.00	\$2,706,120.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
V.I. Housing Finance Authority (VIHFA)	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

To address larger scaled installations on various sites in the territory. Selected sites will serve as community resilience hubs during emergencies, offering public services such as charging stations for small electrical equipment, cooling centers, and communications access, while supporting grid stability during peak demand periods. Installations must meet hurricane-rated wind load standards, use corrosion-resistant materials suited to the marine climate, and comply with all applicable USVI building and electrical codes.

Location Description:

Activity Progress Narrative:

The Program submitted the revised policy incorporating the Solarize Hubs initiative to PMO for review and concurrence on March 2, 2026.

The Program is also responding to CDRO regarding the required direct selection memorandum and the letter of intent for collaboration with the Virgin Islands Energy Office. Although VIEO's prior work positions it well for direct selection, the Program is awaiting additional expenditures before proceeding. As a result, the anticipated launch date has been adjusted from February to May 2026.

As part of this quarter's activities, the Program continues to align policy development, procurement planning, and interagency coordination to support the timely rollout of the Solarize Hubs initiative and ensure readiness once approvals and expenditures are finalized.

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

Activity Supporting Documents:	None
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Grantee Activity Number: EGR-672-Ene-Vul-UN

Activity Title: EPSI-PR2-CIAP-Energy Vulnerable

Activity Type:	Activity Status:
Electrical power system improvements	Under Way
Project Number:	Project Title:
EPSI-2- Community Innovation	Electric Power Systems Improvement: Community
Projected Start Date:	Projected End Date:
04/01/2025	08/31/2026
Benefit Type:	Completed Activity Actual End Date:
Area (Census)	
National Objective:	Responsible Organization:
Urgent Need	V.I. Housing Finance Authority (VIHFA)

Overall	Jan 1 thru Mar 31, 2026	To Date
Total Projected Budget from All Sources	\$0.00	\$19,010,493.00
Total Budget	\$0.00	\$19,010,493.00
Total Obligated	\$0.00	\$10,000,000.00
Total Funds Drawdown	\$13,220.10	\$13,220.10
Program Funds Drawdown	\$13,220.10	\$13,220.10
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$13,220.10	\$13,220.10
V.I. Housing Finance Authority (VIHFA)	\$13,220.10	\$13,220.10
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The Community Electrical Innovation Program was created to mitigate electric power supply interruptions to entities that assist vulnerable populations in low- and moderate-income areas. Specifically, this initiative targets entities that provide daycare services, afterschool programs, homeless shelters and the elderly. The Virgin Islands Energy Office is responsible for the following:

1. a) program guideline development
2. b) vetting beneficiary applications
3. c) determining beneficiary eligibility
4. d) assessing site feasibility
5. e) ensuring national objective compliance
6. f) furnishing list of eligible applicants
7. g) creating an RFQ for qualified installers
8. h) vetting installer qualifications
9. i) establishing a pool of qualified installers
10. j) furnishing list of qualified installers
11. k) project implementation and management

- 12. l) technical oversight (includes technology, system sizing, warranties, and capabilities)
- 13. m) quality assurance and control (construction management, site inspections, etc.)

As part of the project implementation, VIEO is expected to:

- Determine eligible beneficiary
- Acquire qualified installers
- Maintain competitive bidding for each individual beneficiary
- Review & approve installers proposed drawings for beneficiaries
- Project manage site and installers throughout construction period
- Monitor beneficiary system after installation is completed

Installed systems will be rooftop solar and battery on existing structures. No masonry construction is allowed as part of this program. Solar panels will be fastened to non-compromised roofs using a metal (usually aluminium) racking system with various fasteners (nuts & bolts). Systems will consist of wiring and conduits from the electrical panel to the solar panels and the battery storage system. The battery storage systems will be fastened to interior or exterior walls (depending on the most cost effective option).

Location Description:

Activity Progress Narrative:

VIHFA's Environmental team has completed the first Tier II review (Happy Faces) for the childcare bundle. The review resulted in the development of a monitoring plan, which identified the need to address the Clean Air compliance factor during the construction phase. Within VIHFA, standard practice requires an "Authority to Construct" and a "Permit to Operate" when a project must comply with the Clean Air factor. These permits are typically associated with gas powered equipment and may not be necessary according to DPNR. To clarify the applicable requirements, VIEO prepared a memo to file outlining local permitting expectations for renewable energy installations. This guidance will help establish a consistent path forward for the remainder of the program.

The Tier II for Happy Faces was executed on March 6, 2026. Following receipt of the Tier II review, VIEO initiated procurement, and a contractor has been selected. Procurement documentation was forwarded to VIHFA program staff for review. Program staff, together with the Environmental team, conducted site inspections at five childcare bundle locations on St. Croix. These visits allow for detailed documentation of existing site conditions and will further inform the environmental review process. To date, six childcare bundle sites have been inspected, with the remaining three scheduled for completion in Quarter Two. The delay in the execution of the Tier II reviews is due to pending consultation with an external entity. VIHFA will engage the entity in Quarter Two to determine next steps.

Procurement for third party services was initiated. The RFP for these services, essential for sizing the larger systems in the second bundle of project sites, was reviewed and approved by VIHFA Procurement on March 24, 2026, and is expected to be posted by the Department of Property and Procurement in April.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of buildings (non-residential)	0	0/35
# of Electrical Inspections	0	0/35

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

Activity Supporting Documents: None

Project # / EPSI-Admin / Electrical Power System Improvements



Grantee Activity Number: EPSI-Admin-VIHFA

Activity Title: EPSI-Admin

Activity Type:	Activity Status:
Administration	Under Way
Project Number:	Project Title:
EPSI-Admin	Electrical Power System Improvements
Projected Start Date:	Projected End Date:
06/06/2023	09/28/2029
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
N/A	V.I. Housing Finance Authority (VIHFA)

Overall	Jan 1 thru Mar 31, 2026	To Date
Total Projected Budget from All Sources	\$0.00	\$3,382,650.00
Total Budget	\$0.00	\$3,382,650.00
Total Obligated	\$0.00	\$3,382,650.00
Total Funds Drawdown	\$63,939.82	\$689,263.48
Program Funds Drawdown	\$63,939.82	\$689,263.48
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$63,939.82	\$658,192.97
V.I. Housing Finance Authority (VIHFA)	\$63,939.82	\$658,192.97
VI Housing Finance Authority	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

Program administration entails activities related to the overall administration and execution of the Electrical Grid Grant. Eligible program administration costs include but are not limited to costs associated with staffing and general management oversight and coordination.

Adjusted activity end date from 06.06.2023 to 09.28.2029 on 08.12.2025

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

Activity Supporting Documents: None

Project # / EPSI-Planning / Electrical Power System Improvements:

Grantee Activity Number: EPSI-Planning-VIHFA

Activity Title: EPSI-Planning

Activity Type:	Activity Status:
Planning	Under Way
Project Number:	Project Title:
EPSI-Planning	Electrical Power System Improvements: Planning
Projected Start Date:	Projected End Date:
06/06/2023	06/06/2029
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
N/A	V.I. Housing Finance Authority (VIHFA)

Overall	Jan 1 thru Mar 31, 2026	To Date
Total Projected Budget from All Sources	\$0.00	\$6,765,300.00
Total Budget	\$0.00	\$6,765,300.00
Total Obligated	\$0.00	\$6,765,300.00
Total Funds Drawdown	\$4,897.51	\$176,036.76
Program Funds Drawdown	\$4,897.51	\$176,036.76
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$4,897.51	\$176,036.76
V.I. Housing Finance Authority (VIHFA)	\$4,897.51	\$176,036.76
Most Impacted and Distressed Expended	\$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 promote the use of renewable energy and storage and to reduce emissions of greenhouse gas emitting sources by efficiency measures

Location Description:

Activity Progress Narrative:

During this month, the environmental staff working on preliminary environmental reviews as well as Tier II reviews for all of the Grid Resiliency projects as well as Tier II's for the CEIP program. The team continues to work with the subrecipients in implementation and execution of projects.

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

Activity Supporting Documents: None

Project # / PR1-GridRes / PR1-Grid Resiliency

Grantee Activity Number: EGR-674-GRES-LMI

Activity Title: Grid Resiliency

Activity Type:	Activity Status:
Electrical power system improvements	Under Way
Project Number:	Project Title:
PR1-GridRes	PR1-Grid Resiliency
Projected Start Date:	Projected End Date:
10/01/2025	12/28/2028
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
Low/Mod	Virgin Islands Water and Power Authority (WAPA)

Overall	Jan 1 thru Mar 31, 2026	To Date
Total Projected Budget from All Sources	\$0.00	\$35,788,437.00
Total Budget	\$0.00	\$35,788,437.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
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:

Project should assist in lowering the base electricity costs, improve operational efficiency, and reduce air pollution for the territory grid system. These activities will support redundancy at critical substations, the ability to isolate faults from the central location, remove vegetation hazardous, and remove and upgrade grid capacitors, and transformers in the territory.

Location Description:

Activity Progress Narrative:

The expected completion date for environmental consultations has shifted from the end of March 2026 to the end of April 2026, primarily due to slow responses from DPNR. HFA Leadership has discussed these delays with the DPNR Commissioner, resulting in some improvement in response times. HFA will continue to monitor deliverables closely. In addition, the Program is drafting the Subrecipient Agreement, taking into account the applicant's capacity as it relates to anticipated Key Performance Indicators.

Environmental Consultation Status by Project Feeder 11 and 12

- Endangered Species – 3/17/26
- Coastal Zone – 3/24/26
- Historic Preservation – 3/17/26
- Clean Air – anticipated in April

- Explosives & Flammable Hazards – anticipated in April
- Distribution Automated Devices (DAD)

- Endangered Species – 3/17/26
- Coastal Zone / Barrier – 3/24/26
- Historic Preservation – 3/17/26
- Clean Air – anticipated in April

Transformer Replacement Project

- Coastal Zone / Barrier – pending
- Endangered Species – 3/17/26
- Clean Air – anticipated in April
- Historic Preservation – pending
- Virgin Islands Port Authority (VIPA) – pending

STT BESS Substation System

All consultations anticipated in April:

- Coastal Zone -anticipated in April
- Clean Air-anticipated in April
- Explosives & Flammable Hazards-anticipated In April
- Endangered Species-anticipated in April
- Wetlands-anticipated in April
- Historic Preservation – pending

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

Activity Supporting Documents: None