



TESTIMONY

Committee of the Whole

Presented by:

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Executive Director

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Good morning, Honorable Senate President Milton E. Potter, members of the Committee of the Whole, and members of the listening and viewing audience. I am Eugene E. Jones Jr., Executive Director of the Virgin Islands Housing Finance Authority.

As requested, the Authority appears before you today to provide clarity regarding the status of all funds awarded, appropriated, received, obligated, and expended in connection with the Virgin Islands Water and Power Authority.

Following the 2017 storms, the Authority received the Community Development Block Grant - Disaster Recovery, Mitigation and Electrical Grid grants.

CDBG - Disaster Recovery

In 2023, the Office of Disaster Recovery assumed programmatic oversight of the Disaster Recovery grant, as a Subrecipient, and as such will speak to the status of those projects.

CDBG - Mitigation and Electrical Grid

The CDBG – Mitigation and Electrical Grid grant funds, administered by VIHFA, are intended to support activities that increase long-term resilience to natural hazards and reduce risks to life, property, and economic stability, particularly in areas impacted by federally declared disasters. Of the \$774.1M in MIT funds, \$145M was awarded to WAPA and fully expended for the acquisition of the VITOL infrastructure. Of the \$67M in Electrical Grid funds, WAPA applied and was approved for \$35.7M for the rebuilding and installation of Feeders 11 & 12, Distribution Automated Devices, Transformer Replacements, and Battery Energy Storage System (BESS). These projects are currently in the environmental stage awaiting consultations from our partnering agencies – the

Department of Planning and Natural Resources and the Virgin Islands Port Authority – and testing.

Once the consultations and testing results are received, VIHFA is poised to engage in a HUD required seven-day public notice period. Following the public notice period, HUD has a 15-day approval processing period that culminates in VIHFA's receipt of an Authority to Use Grant Funds (AUGF) which is HUD's formal approval documentation that would allow WAPA to begin project implementation.

In conclusion, as of this testimony, there are no payments pending VIHFA's approval on behalf of WAPA and or related vendors. The Authority remains firmly committed to advancing all eligible projects with efficiency, accountability, and adherence to HUD regulations.

Thank you.