

GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES

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DEPARTMENT OF PLANNING AND NATURAL RESOURCES

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Office of the Commissioner

March 16, 2024

Milton E. Potter Chair Committee on Disaster Recovery, Infrastructure and Planning 35th Legislature of the United States Virgin Islands

Re: Update on DPNR Disaster Recovery Programs, Initiatives, and Projects

Good day Senator Potter, other members of the 35th Legislature's Committee on Disaster Recovery, Infrastructure and Planning, non-committee members and legislative staff present, and members of the viewing and listening public, my name is Jean-Pierre L. Oriol, Commissioner for the Department of Planning & Natural Resources (DPNR). Thank you for the opportunity to present testimony on the Department's programs, initiatives and projects related to our recovery from the 2017 storms and the worldwide COVID-19 pandemic. Whether it is a direct assistance program, infrastructure repair, mitigation project or coordination initiative, DPNR is involved in several aspects of the recovery effort for the territory.

DIRECT ASSISTANCE PROGRAMS

DPNR is responsible for the implementation of five (5) direct assistance programs - The Hurricane Fisheries Disaster Relief Program, the VI Historic Recovery Program, the Fisheries CARES Act I and II Stimulus programs, and the VI Council of the Arts CARES Act Stimulus Program. Below we discuss progress with each program.

<u>VI COUNCIL OF THE ARTS CARES ACT STIMULUS PROGRAM</u> – VICA applied for and received \$411,900 from the National Endowment of the Arts (NEA) to provide stimulus funds to artists throughout the territory. The program was run in two phases and provided a maximum of \$50,400 to individuals and \$361,900 to arts organizations. To date \$411,900 (100%) has been disbursed to the artists in the territory.

<u>FISHERIES CARES ACT I AND II STIMULUS PROGRAM</u> – DPNR-Division of Fish and Wildlife (DFW) applied for and received ~\$3.96M from the National Oceanic and Atmospheric Administration (NOAA) to provide stimulus funds to the commercial, recreational, charter-for-hire and fisher-related businesses in the VI. Eligible applicants were required by the federal government to demonstrate a minimum of 35% loss of revenue between March 2020-June 2020 (CARES 1.0) and July 2020 – December 2020 (CARES 2.0) for qualification for direct assistance. DPNR partnered with the USVI Economic Development Authority (EDA) to administer the program. The media campaign providing information on the program went live on May 9, 2022 and the application period closed on July 7, 2022. The Department

received 37 applications overall, of which only seven (7) applicants qualified for CARES 1.0 and three (3) qualified for CARES 2.0 pursuant to the terms of eligibility required by NOAA. With a significant amount of funding remaining unspent, DPNR submitted a request to reprogram the funds towards the purchase and dispersal of safety and personal protective gear for fishers (CARES 1.0) and for the rehabilitation of the Frederiksted Fish Market as a distribution center (CARES 2.0); both requests were approved by NOAA. All safety ad personal protective gear have been distributed in both districts, and the Frederiksted Fish Market is currently in the design phase. We anticipate construction beginning in June 2024 and being completed by September 2024.

FISHERIES RELIEF DISASTER RECOVERY PROGRAM – The Hurricane Fisheries Disaster Relief Program was launched in June 2020 and as of February 28, 2024, we processed 438 applications and disbursed \$6,094,896 in direct assistance to commercial fishers. A final Phase 3 of the program where an installment of \$5,000 or additional funds related to documented losses is nearing completion. In addition, the Department used disaster recovery funds of \$145,683 to procure vessel emergency kits for commercial fishers affected by the hurricanes and disbursed those kits in 2023. We approached the hurricane disaster in the fishery by both providing assistance to fishers and improving the habitats where they fish. The plan to install artificial reefs to create nursery and foraging fish habitat destroyed during the 2017 hurricanes has been executed in conjunction with the University of the Virgin Islands and The Nature Conservancy. We anticipate installation of an artificial coral reef habitat to be completed by the end of 2024 by UVI in the St. Thomas/St. John District, while The Nature Conservancy added resiliency to its coral growth facility with redundant energy systems and outplanting of corals at sites across the St. Croix District.

<u>VI HISTORIC RECOVERY PROGRAM</u> – The VI Historic Recovery Program was launched in November 2020 and the eligibility phase of the program closed on March 31, 2021. DPNR received 223 applications and 105 were deemed ineligible. Of the 128 eligible applications received, 106 applicants were advanced to the Phase II applications, which were then evaluated and scored by our external panel. 65 projects were selected for funding review and are now being processed out. The total breakdown is 56 construction repair projects; and 9 nominations for potential listing on the National Register of Historic Places. To date, for the construction projects, 15 historic buildings have been completed, representing approximately \$2M in repairs; 10 projects are actively in construction, 10 are under review by the National Park Service for final approval, and 21 are being prepared for submissions to the NPS by the end of this month.

One major issue encountered with this recovery program is the National Park Service (NPS) maintains that their grants are solely on a reimbursement basis. So technically this is not a direct assistance program. For example, if the Department issues an award of \$100,000, the awardee must spend \$100,000 upfront. Then once the repairs are completed, the awardee must provide the receipts paid to the contractor, as well as submit photos of completed repairs to the recovery staff who then must submit these documents back to the National Park Service for final approval before the Department can drawdown the funds to reimburse the awardees. Unfortunately, many of the awardees are not in a financial position to spend the money up front, so the department has been working on securing financial partners who can provide the gap financing needed to assist many of the Subgrantees. After several months of having meetings with local non-profits and other financial institutions, I am very pleased to report that the Historic Recovery Program has partnered with the Office of Disaster Recovery (ODR) to assist with the gap financing for the Subgrantees to begin and or complete

their repairs. We are finalizing a partnership with another local agency to streamline certain recovery services and hope to have an announcement very soon regarding this partnership.

INFRASTRUCTURE REPAIR PROGRAMS

FEMA PROJECT WORKSHEETS

Provided to you as supplemental documentation is a complete listing of all DPNR Project Worksheets (PWs). All are currently obligated; two are currently in construction, with the others in various phases of action. For the purposes of this discussion, we focus on the major projects

STT District

- **Charles W. Turnbull Library (PW #1174)**: The project was obligated by FEMA on January 19, 2021. The design documents were completed in October 2021 and bid documents were completed in December 2021; the project was advertised for bid almost immediately in January 2022. The lowest bid received exceeded the allotted budget by \$1M, thus the solicitation was cancelled. The revised SOW and bid package went for public solicitation in May 2022; bids were received in June 2022 and again the lowest responsive bidder was almost \$1M over the FEMA award amount. DPNR was able to secure funding through the American Rescue Plan Act (ARPA) as the library is a community facility and a contract was executed in June 2023. The Notice to Proceed was executed in August 2023 and the facility is currently under construction. We anticipate the renovation will be completed by September 2024.
- **The Enid M. Baa Library (PW #1239)**: The project was obligated by FEMA on September 9, 2021. Following the completion of the design package, the project was put out to bid twice, both times coming in significantly over budget. DPNR was able to secure additional funding and the contract was executed on February 20, 2024. The Notice to Proceed is effective March 19, 2024 and the renovation should be completed in one year.
- Fort Christian Museum (PW #1036): This project was obligated by FEMA on June 30, 2020 for architectural and engineering services only, for the preparation of a detailed scope of work. DPNR submitted a detailed SOW to FEMA for review and approval on February 9, 2023. Although we have responded to all requests for information, we have not yet received approval of the SOW and cost estimate for the project.

STX District

- **Brugal Facility (PW #0759)**: The project was obligated by FEMA on January 19, 2021. The Department intends to secure the facility and is developing the scope for an alternate project to submit for use of the funds.
- Fort Frederik (PW #1073): The project was obligated by FEMA on January 19, 2021. The Task Order for A&E services has been executed and the design plans are about 60% completed. The funding will be used to do a major renovation of the facility, similar to the renovation of Fort Christian seven years ago.
- **STX Public Libraries (PW #0765)**: The project was obligated by FEMA on April 14, 2021. Scopes of work for both the Florence Williams and Athalie Petersen libraries were developed and the bids for repairs to each of the facilities were solicited in July

2021. Repairs to the Florence Williams Library are completed and we will be having a ribbon-cutting ceremony on March 20, 2024. We anticipate the re-opening of the facility to the public on April 8, 2024.

The Petersen Library is under contract and currently under construction. We are presently in the process of approving a change order for some additional items not part of the original scope of work. We anticipate the completion of the project in early 2025.

STJ District

- **Sprauve Library (PW #0955)**: This project was obligated by FEMA on April 18, 2020. A contract for the repairs was executed in November 2021 and the project commenced on February 8, 2022. This project has been completed and a ribbon-cutting ceremony was held in April 2023. The library is currently open to patrons.
- **STJ Office Building (PW #0436)**: This project was obligated by FEMA on November 20, 2020. The project was contracted in April 2023 and the Notice to Proceed was issued in July 2023. Construction is on-going and we expect to be completed in July/August 2024.

MITIGATION PROJECTS

The Department is the recipient of four (4) different awards relating to our response to the 2017 Storms and our resilience to future events. These awards include the following: \$4.2M Award from NOAA's Marine Debris Program; \$7.3M Award from FEMA Hazard Mitigation for Code Enforcement; \$960k Award from FEMA Flood Mitigation for the updating of Flood Regulations; and \$800k from FEMA Hazard Mitigation for the completion of stormwater management plans across the territory.

NOAA Marine Debris Award (\$4.2M)

This award contains three tasks – 1. Removal of the derelict vessels in Krum Bay, St. Thomas, 2. Removal of derelict vessels across the territory not mitigated by the US Coast Guard as part of their mission assignment in 2018, and 3. Promoting community clean-ups to remove non-vessel debris that remained following the storms of 2017.

Task 1. <u>Krum Bay Barge Removal</u> – DPNR has executed a contract in the amount of \$2.9M for the removal of the derelict barges in Krum Bay. The project has been completed with the scrap metal collected sailing out of the Territory on February 10, 2024. Some vessel debris still remains in the area, and DPNR will continue to seek funding to remove this debris; however, the nearly 30-year old blight in this area has finally been removed.

Task 2. <u>Derelict Vessel Removal</u> – DPNR executed two contracts, one for the STT/STJ district, one for the STX district, for the removal of derelict vessels and large-scale marine debris throughout the territory. Funding in the amount of \$638,900 was used to remove 30 vessels and large-scale debris such as engines, refrigerators, washing machines, etc. in the STT/STJ district; funding in the amount of \$186,900 was used to remove 12 derelict vessels and other large-scale debris in the STX district. Both projects have been completed.

Task 3. <u>Community Clean-up Events</u> – DPNR is making available to citizens/citizen groups sub-awards up to \$100k for the removal of non-vessel marine debris. In addition to typical household trash, this would include removal of appliances, construction debris, etc. that

remain in our coastal areas. Thus far, DPNR has awarded \$145,242 in sub-grant awards for community clean-ups. We have \sim \$55k remaining to distribute, which we anticipate will be disbursed in bulk in anticipation of Coastweeks in September 2022.

FEMA CODE ENFORCEMENT GRANT (\$7.3M)

This award was provided to the Department to respond to the rebuilding that would be taking place throughout the territory following the storms of 2017. It provided for the hiring of additional staff, which constitutes a mix of inspectors, plan reviewers and mid-level managers, the purchase of eight (8) vehicles, the purchase of tablets for our inspectors as we transition to an electronic permitting system, and some operating expenses for the implementation of the award. In addition to the items listed above, this award also funded updates to the Building Code, including those passed by the 34th Legislature under Act No. 8444 and those moved forward positively under Bill No. 35-0172.

FEMA FLOOD MITIGATION GRANT (\$960k)

This award was provided to the Department to update territorial laws and rules and regulations regarding flood hazard areas, bringing them more in line with the National Flood Insurance Program (NFIP) administered by FEMA. DPNR executed a contract for professional services for the revision to the territorial flood regulations in early 2020 and completed the revisions in January 2021. The revised regulations were signed into law by then Acting Governor Roach on February 17, 2021.

DPNR has requested and received a two-year extension on this award in order to fund some additional policy changes, create several index maps, and implement some on-the-ground flood mitigation projects. These projects are currently underway.

TERRITORIAL WATERSHED PLANS (\$800k)

In 2019 DPNR submitted an application to FEMA's Hazard Mitigation Program to develop watershed plans for eight major watersheds across the territory with the goal of reducing repetitive loss as a result of floods. DPNR was awarded \$800k to implement this project and contracted with a consulting firm specializing in the development of watershed plans. In February 2022 DPNR held townhall meetings seeking comment on the preliminary findings. The project has been completed with the plans for the first eight (8) watersheds released in September 2022. Towards the end of the original goal, we added a ninth project for a watershed plan for the Dorothea/Hull Bay watershed. This project was also completed as of September 2023.

The goal of this project is to complete the plans as soon as possible and provide the recommendations listed to the Department of Public Works (DPW) as the implement design of the different roadway systems as part of the recovery, installing the required infrastructure that will minimize susceptibility to floods. Thus far, this collaboration has been working well, as we are seeing some of the recommendations from the watershed plans being implemented in the design.

MERCURIO LANDSLIDE ACQUISITION (\$765k)

On April 25, 2022 DPNR received a FEMA HMGP award for the acquisition of Parcel No. 6-3-111 Estate Carolina, St. John. The parcel is occupied by a home that was severely compromised by Hurricanes Irma and Maria. The goal of the project is to acquire the property from the owner, remove the existing structure and have the lot serve as a drainage/green space parcel to assist the Department of Public Works in the management of stormwater coming off Centerline Road. Appraisals for the property have been completed and an offer for purchase has been made to the homeowner. In addition, we initiated the bid process for the design of the stormwater control system to be implemented on the property. We are awaiting the confirmation of the landowner on the sale of the property before executing a contract for the design.

COORDINATION INITIATIVES

As DPNR is tasked with the permitting of the various infrastructure projects taking place across the Territory, my staff is involved in a number of scheduled coordination meetings with several agencies to ensure National Environmental Policy Act (NEPA) concerns are properly addressed pursuant to award conditions, as well as for the timely processing of applications. We have developed an electronic review platform for the review of NEPA concurrence letters; we have streamlined the review for demolition and construction projects; we are involved in planning and construction meetings with the VI Housing Authority and the Juan F. Luis Hospital; we have coordinated a procedure with the VI Housing Finance Authority for the submission, review and payment of EnVision Tomorrow applications; and we are providing on-site consultation to agencies for VI State Historic Preservation Office (SHPO), just to name a few. We are working closely with our sister agencies, as well as the Office of Disaster Recovery, who coordinates many of the meetings to ensure a streamlined process.

This concludes my update as to the status of DPNR Disaster Recovery related projects and initiatives. I would like to thank Deputy Commissioner Athneil "Bobby" Thomas for his efforts managing all our infrastructure projects; I would also like to thank my other Senior Management Team members and staff who have placed an emphasis on disaster recovery projects. I would also like to thank the ODR, DPW and DPP teams for their assistance in navigating through the many processes so that we can complete our projects. Thank you for the opportunity to present this testimony and I am here to answer any questions that you may have at this time.