



WRITTEN TESTIMONY
Committee on Disaster Recovery,
Infrastructure and Planning

Presented by:

Executive Director Eugene Jones Jr.
February 20, 2025

Greetings, Senator Marise C James, Chair of the Committee on Disaster Recovery, Infrastructure, and Planning; members of the Committee; other Senators present; and

the listening and viewing audience. I am Eugene Jones Jr., and I serve as the Executive Director of the Virgin Islands Housing Finance Authority (VIHFA).

Today, I appear before you accompanied by: Dayna Clendinen, the Chief Operating Officer and Chief Disaster Recovery Officer, Valdez Shelford the Chief Financial Officer, and Alanah Lavinier, Deputy Chief Disaster Recovery Officer.

As requested, I am here to provide a status update on critical projects, a review of federal disaster assistance grants, and the performance of CDBG Recovery Programs.

CDBG Mitigation Grant

To date, the Mitigation Grant has expended approximately \$179.6M. This 12-year grant totalling \$774M is set to expire in 2035.

Of this amount, \$33.9M has been expended in the housing category for the acquisition of three properties: Lovenlund 1, Bellevue Village, and Calabash Boom Apartments. These properties are intended to be converted into homeownership opportunities for qualified residents. Additionally, rehabilitation work is planned to ensure the properties comply with both the terms of the agreement and the Mitigation grant requirements.

In the infrastructure category, the VITOL Propane Supply Acquisition was completed at a cost of \$145 million. VIHFA continues to monitor the Water and Power Authority (WAPA) to ensure regulatory compliance. Another key initiative is the Veterans Drive Mitigation Improvement Project (Phase 2). VIHFA has approved an application request from the Department of Public Works, totaling \$197.4 million, with \$124.4 million funded through the CDBG-MIT grant. The project is expected to commence in the first quarter of 2025 following HUD's adoption of the environmental review.

CDBG- Electrical Grid Grant

The \$67.65 million Electrical Grid Grant funds resilience projects throughout the U.S. Virgin Islands. The Virgin Islands Housing Finance Authority (VIHFA) is currently collaborating with the Virgin Islands Energy Office (VIEO), on the Commercial Electrical Innovation Project, scheduled to launch in March 2025.

Initially, \$53 million was allocated to WAPA for the Estate Richmond Power Plant. However, due to FEMA's \$647 million Prudent Replacement Award, those funds must be redirected to alternative projects to avoid a duplication of benefits. As a result, an amendment to the action plan is required and is expected to be completed in the second quarter of 2025.

CDBG – Disaster Recovery

As you may be aware, in its fourth substantial amendment, VIHFA proposed that the V.I. Public Finance Authority's (VIPFA) Office of Disaster Recovery (ODR) be responsible for the programmatic oversight of the CDBG-DR grant. In November 2023, VIHFA entered a subrecipient agreement with ODR, and since then, we have been working collaboratively to advance all projects efficiently and in accordance with the requisite grant requirements.

As of our January reporting, HFA has spent \$315M of the \$1.1B allocated to the Grant. This includes reimbursement to the Office of Disaster Recovery totaling \$542,000 for nineteen (19) EnVIsion homeowner applicants for mobilization costs. We await the release of funds of \$1.1M from HUD, to further reimburse ODR. Also noteworthy in housing is the 169.4M disbursed for the Lovelund 2 acquisition.

Emergency Assistance Programs

CARES (CDBG-CV) – and Emergency Grant Solutions – CARES (ESG-CV)

The Authority continues to administer the 2.8M in CARES Act Funds. A public call for proposals generated nineteen applications requesting a combined \$4.24M, from which

ten projects were selected. Notable recipients include Project Promise and Community First on St. Croix, Family Resource Center and Community Action Now on St. Thomas, as well as St. John Rescue on St. John. As of February 15, 2025, the funds drawn down under the CDBG-CV amounted to \$449,538.26, and these resources are expected to be fully utilized by September 2026.

Homeowner Assistance Fund Program (HAFP):

The Virgin Islands has allocated \$8.5M in HAF funds to assist homeowners facing financial hardship due to COVID-19. Eligible homeowners can now receive up to \$65K in assistance for mortgage payments, foreclosure prevention, property taxes, insurance, and utilities. As of January 31, 2025, VIHFA has approved 160 applications, disbursing \$3.3M in assistance. Funding remains available through September 30, 2026.

Emergency Rental Assistance Program (ERAP):

The USVI has received \$23.3M through ERAP 1 and ERAP 2 grants to assist residents impacted by the pandemic. As of January 31, 2025, \$14.5M has been expended, benefiting over 2,000 applicants. VIHFA has also disbursed \$1.4M for eviction prevention services and allocated \$1.9M to expand Department of Human Services' Low-Income Water & Energy Assistance Programs. ERAP funding is available until September 30, 2025.

Conclusion:

Senators, this concludes my testimony. However, before closing, I want to take a moment to acknowledge the significant progress we have made as a team. Our accomplishments would not be possible without the dedication of the VIHFA staff, whose efforts continue to enhance our processes and drive meaningful results for the communities we serve. We appreciate your time and attention.