

Virgin Islands Housing Authority
Semi-Autonomous Agency

TESTIMONY

36th Legislature of the Virgin Islands
Committee on Housing, Transportation, and
Telecommunications



Dwayne Alexander, CPM
Executive Director

Virgin Islands Housing Authority's Testimony

Committee on Housing, Transportation, and Telecommunications

February 11, 2026

Introductions

Good Afternoon, Honorable Senator Marvin A. Blyden, Chairman of the Committee on Housing, Transportation, and Telecommunications; Vice-Chair Clifford A. Joseph; and Committee Members: Senators Dwayne M. DeGraff, Ray Fonseca, Marise C. James, and Carla J. Joseph. Good afternoon to the other distinguished Senators present, legislative staff, the citizens of the U. S. Virgin Islands, the dedicated employees of the Virgin Islands Housing Authority, and all members of the public in attendance and listening.

My name is Dwayne Alexander, and I am privileged to serve as Executive Director of the Virgin Islands Housing Authority (VIHA). I am accompanied today by our executive leadership team: Mrs. Lydia Pelle, Chief Operating Officer; Mrs. Cecile Tonge-Fahie, Chief Financial Officer; Mrs. Akala Anthony, Director of the Housing Choice Voucher Program; Ms. Chasity Jackson, Director of Asset Management; Ms. Ingram Brown, Director of Human Resources; Mrs. Emmanuella Perez-Cassius, Director of Resident Wellness and Empowerment. Together, this team is responsible for ensuring fiscal accountability, regulatory compliance, operational continuity, and the long-term sustainability of public housing across the Territory.

It is both an honor and a solemn responsibility to appear before this Committee on behalf of the Virgin Islands Housing Authority and our 172 public servants who carry out this mission daily. Their professionalism, discipline, and unwavering service, particularly throughout one of the most challenging periods in recent history, reflect the strength and resilience of this institution.

Over the past year, VIHA operated under unprecedented uncertainty, including what has been one of the longest federal government shutdowns in many years, if not in history. This prolonged disruption created real risk for housing authorities nationwide, particularly in areas dependent on federal funding streams and program continuity. Throughout this period, VIHA maintained uninterrupted operations, protected critical housing services, exercised prudent financial stewardship, and remained fully prepared to respond to any operational or funding disruptions. At no point did we allow uncertainty to compromise our mission or the stability of the residents we serve.

I appear before you not only as an administrator, but as a fiduciary of public resources and a steward of an agency entrusted with the wellbeing of thousands of families of Virgin Islanders, including seniors, veterans, and working households whose housing security depends on effective governance and sound policy. Today's testimony provides a comprehensive overview of VIHA's operational performance, strategic initiatives, fiscal management, and the challenges confronting the Authority over the past year.

We will outline our progress in rehabilitating aging public housing stock, advancing major redevelopment projects, expanding affordable housing access through the Housing Choice Voucher Program, and promoting economic mobility through homeownership initiatives such

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as the Williams Delight Homeownership Program. We will also candidly address pressures impacting the housing sector, including escalating construction costs, rising insurance premiums, evolving federal regulatory requirements, and the growing need for long-term sustainable funding solutions.

The mission of VIHA remains firm: to preserve and expand access to safe, decent, and affordable housing while strengthening the social and economic fabric of our communities. However, this mission cannot be achieved by any single entity alone. It requires continued legislative partnership, sound public policy, intergovernmental collaboration, and strategic investment.

We value this Legislature's oversight, engagement, and support, and we look forward to continuing our collaborative efforts to modernize our housing infrastructure, improve service delivery, and ensure that every public dollar entrusted to VIHA is managed with transparency, efficiency, and accountability. Together, we are not merely maintaining housing units, we are stabilizing communities, safeguarding vulnerable populations, and building stronger and more resilient Virgin Islands.

Overview

The Virgin Islands Housing Authority (VIHA) administers one of the Territory's largest public asset portfolios, currently overseeing twenty-two (22) public housing developments across twelve (12) Asset Management Properties (AMPs), totaling 2,426 residential units that house thousands of Virgin Islanders. Through strategic repositioning, demolition of obsolete stock, and redevelopment aligned with modern federal standards, VIHA's inventory is expected to stabilize at approximately 2,000 modernized units designed for long-term sustainability, resilience, and efficiency.

VIHA's capital program functions not only as a housing delivery system, but as a major economic investment platform for the Territory. Federal housing funds are consistently leveraged with private financing, tax credit equity, disaster recovery resources, and territorial contributions multiplying the impact of every public dollar invested. In practical terms, VIHA routinely transforms each dollar of direct subsidy into several dollars of total development investment, injecting significant external capital into the Virgin Islands economy while minimizing strain on local government resources.

At the same time, VIHA's modernization strategy produces measurable long-term cost savings. By replacing distressed, high-maintenance housing with modern, energy-efficient developments, the Authority is reducing emergency repairs, lowering utility costs, extending asset lifespans, and stabilizing operating budgets. Based on comparable public housing redevelopment benchmarks, modernized properties typically generate:

- 20%–40% reductions in annual maintenance costs

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- 15%–30% decreases in utility and energy expenditures
- Significant declines in vacancy-related revenue loss
- Extended capital replacement cycles of 20–30 years

Over the life of redeveloped assets, these efficiencies translate into millions of dollars in avoided operating and capital costs that can be reinvested into additional housing, resident services, and community improvements.

Further, all new VIHA developments are designed as disaster resilient infrastructure, incorporating hurricane-rated construction standards, improved drainage, hardened utilities, and modern building systems. These investments significantly reduce post-storm repair expenses, insurance exposure, resident displacement, and long-term public liability. In disaster prone jurisdictions, resilient construction has been shown to reduce recovery costs by 25%–50% following major storm events preserving public investment and accelerating community recovery.

Together, these strategies position VIHA not simply as a housing provider, but as a steward of public infrastructure, economic development catalyst, and long-term fiscal stabilizer for the Territory.

Housing Revitalization and Redevelopment Projects

1. Walter I.M. Hodge (WIMH) Revitalization

The Walter I.M. Hodge Revitalization represents one of VIHA's most comprehensive rehabilitation efforts to date, encompassing twenty (20) residential buildings and a newly enhanced Community Center/Office/Maintenance facility. This project has significantly improved living conditions, building systems, and site infrastructure while preserving affordable housing for current residents.

As of the close of Fiscal Year 2025, WIMH maintained a strong occupancy rate of 93.95% percent demonstrating both the demand for quality affordable housing and the success of the revitalization in restoring community stability, safety, and habitability.

In 2025, VIHA received **three prestigious national awards**, reflecting meaningful external validation of the Authority's revitalization strategy and its commitment to high-quality, resilient affordable housing. These recognitions are not ceremonial; they represent peer-reviewed, nationally competitive distinctions awarded by leading housing and finance organizations across the United States.

- 2025 Rural Community Impact Development of Distinction awarded by the Novogradac Journal of Tax Credits for excellence in community centered affordable housing redevelopment for the Walter I.M. Hodge Pavilion.

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- 2025 Affordable Housing Award of Merit presented by the National Association of Housing and Redevelopment Officials (NAHRO), recognizing VIHA's innovative revitalization efforts and positive community impact.
- 2025 Affordable Housing Tax Credit Coalition (AHTCC) Charles L. Edson Tax Credit Excellence Award (Edson Award), Resilient and Healthy Housing.

2. Estate Donoe Redevelopment (Tutu Phase I)

The Donoe Redevelopment represents one of the Virgin Islands Housing Authority's most significant recovery and reinvestment initiatives. The project is progressing on schedule and is entering a critical transition phase from construction to resident re-occupancy.

The first residential building at Donoe is expected to begin lease up in August, and VIHA has already launched an aggressive outreach campaign to reconnect with all former residents who retain the Right-to-Return. This effort includes direct contact, public notices, and coordinated communication to ensure eligible families are informed, prepared, and positioned for re-occupancy as units come online.

There have been no extensions to the contract completion date. The anticipated substantial completion date remains June 9, 2027. Construction is planned to be delivered in phases to allow for earlier occupancy. The current goal is to turn over Buildings 1 through 7, along with the community clubhouse, in late 2026, with the remaining buildings scheduled for completion in 2027.

Strategic Importance

The phased turnover strategy allows VIHA to begin restoring housing opportunities well before final project completion, supporting earlier lease-up, accelerating Right-to-Return fulfillment, and stabilizing families displaced for an extended period. Combined with strong project controls and adherence to the original schedule, the Donoe redevelopment reflects improved capital oversight, disciplined execution, and strengthened internal capacity.

As Donoe transitions from construction to occupancy, it stands as a cornerstone of VIHA's broader recovery demonstrating the Authority's ability to deliver complex redevelopment projects while maintaining transparency, accountability, and a resident-centered approach.

3. Tutu North Senior Redevelopment (Tutu Phase II)

Tutu Phase II focuses on expanding safe and accessible housing for seniors, a rapidly growing population in the Virgin Islands. The project will replace the former VIHA Central Office site in Anna's Retreat with a new five-story residential building containing sixty (60) fully accessible units designed specifically to support aging in place.

The former Central Office structure has been demolished, and the VIHA Board of Commissioners has approved the construction contract with J. Benton Construction. Financial

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closing is targeted for the second quarter of this year, with full project completion anticipated by June 2028.

This redevelopment reflects VIHA's commitment to dignity, accessibility, and long-term housing security for elderly residents.

4. D. Hamilton Jackson Terrace and Alphonso Gerard Place Revitalization

The comprehensive rehabilitation of D. Hamilton Jackson Terrace officially closed on January 24, 2025, with a ceremonial groundbreaking held on March 14, 2025. This project will rehabilitate 106 residential units while converting 4 units into community service spaces to support resident programs, social services, and onsite engagement. D. Hamilton Jackson (DHJ) Rehabilitation Project 9% LIHTC: is approximately 73% completed; and the 4% LIHTC: is approximately 44% complete as of January 2026. This project is ahead of schedule we expect all buildings to be completed by September and 100% leased by December 2026.

5. Williams Delight Revitalization and Homeownership Transition

Williams Delight represents a landmark shift in public housing policy within the Territory, transitioning residents from rental assistance into homeownership through HUD's Section 5(h) Homeownership Program.

To date, fifty-eight (58) families have successfully become homeowners, with an additional forty-two (42) households actively in the closing process. This initiative promotes economic mobility, wealth building, and long-term community stability.

Further strengthening this effort, VIHA was awarded \$500,000 in American Rescue Plan Act (ARPA) funds through the Government of the Virgin Islands Office of Management and Budget. These funds provided \$15,000 in down payment and purchase assistance to twenty (20) homeowners, significantly reducing financial barriers to ownership. Thirteen (13) families are qualified to receive funding from the remaining \$200,000.00 of the \$500,000.00 awarded.

6. New Senior Housing on St. Croix

The previously named Stoney Ground Revitalization Project is a multi-phase new construction initiative designed specifically to support seniors aging in place. While the location of the project is planned to be shifted to another location contingent on the satisfactory execution of a land-swap agreement between HUD and the Territory; the development is planned to integrate onsite supportive services in partnership with the Department of Human Services and community based nonprofit organizations, creating a holistic housing and wellness model.

Phase I includes ninety-eight (98) residential units across four buildings and will serve as replacement housing for residents of the Wilford Pedro Home (Whim Gardens community).

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7. Tutu North Redevelopment Phase III and Lucinda Millin Revitalization

These projects remain under active evaluation pending further analysis of construction costs, financing structures, and funding availability.

From Crisis to Recovery: Public Housing Current Context

Public Housing Inventory & Occupancy

The Virgin Islands Housing Authority's (VIHA) public housing portfolio consists of twenty-two (22) developments organized into twelve (12) Asset Management Properties (AMPs), totaling 2,426 units across the Territory: 1,165 units on St. Thomas and 1,261 units on St. Croix.

As of December 31, 2025, portfolio occupancy reached 91.02% reflecting continued stabilization and recovery following years of hurricane-related damage and disaster-driven unit loss. Occupancy is no longer constrained by applicant demand, but by the pace of unit restoration and rehabilitation.

As of December 2025, 554 households remain active on the public housing waiting list, confirming strong community need and demonstrating that lease-up activity is governed solely by unit readiness.

Vacant Unit Recovery Pipeline

As of December 31, 2025, VIHA has more than 400 units actively in the recovery pipeline,

- Undergoing maintenance led turn rehabilitation
- Undergoing capital rehabilitation and repositioning

This dual-track rehabilitation strategy allows VIHA to accelerate lower-cost unit turnarounds while simultaneously addressing severely deteriorated units requiring full modernization.

Upon completion and steady lease up, these units are projected to raise effective portfolio occupancy by the end of Fiscal Year 2026, representing a strategic effort to recover available housing stock.

Physical Condition & NSPIRE Performance (Public Housing)

VIHA has fully transitioned to HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE) for Public Housing, which places heightened emphasis on resident health, safety, and habitability.

As of December 2025:

- Average portfolio NSPIRE score: 70.0% up from 53.0%
- 100% of scheduled NSPIRE inspections completed across both districts

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- Multiple St. Croix communities achieved strong scores ranging from 78 to 87
- Targeted remediation is underway at lower scoring properties

Development	Property Name	2025 Inspection Data						2024 Inspection Data
		2025 Inspection Date	Inspection Stage	Total Number of Buildings	Total Number of Units	Inspection Completed Date	2025 Final Scores	
VQ001000024	Walter I.M. Hodge Pavilion (Marley)	6/16/2025	Completed	30	94	6/17/2025	66	69
VQ001000026	Louis E. Brown Redevelopment	6/18/2025	Completed	15	77	6/19/2025	79	*
VQ001000027	Louis E. Brown Redevelopment II	6/20/2025	Completed	1	10	6/19/2025	79	*
VQ001000025	Williams Delight Villas	7/14/2025	Completed	288	365	7/15/2025	78	75
VQ001000014	Paul M Pearson Gardens	7/14/2025	Completed	54	279	7/15/2025	77	52
VQ001000015	Michael J. Kirwan Terrace	7/16/2025	Completed	35	222	7/17/2025	63	48
VQ001000023	Louis E. Brown Villas	7/17/2025	Completed	32	234	7/17/2025	58	73
VQ001000022	John F. Kennedy Terrace	8/12/2025	Completed	53	234	8/12/2025	66	0
VQ001000021	Ralph Dechabert Place	8/14/2025	Completed	29	136	8/14/2025	87	69
VQ001000013	Estate Bovoni Apartments	9/9/2025	Completed	9	366	9/9/2025	52	48
VQ001000011	Oswald E. Harris Court	9/11/2025	Completed	47	298	9/11/2025	68	47
Total Average Score							70%	53%

Note: * = Exempt from inspection

Corrective actions are tracked and enforced through a closed-loop system that includes:

- Quarterly in-house inspections aligned with NSPIRE standards
- Corrective Action Plans directly mapped to deficiency categories
- Strategic outsourcing for specialized and high-impact repair trades

This approach ensures deficiencies are identified, prioritized, corrected, and verified with accountability.

Maintenance Operations & Work Order Performance

Maintenance Operations continued to stabilize significantly throughout 2025, reflecting improved staffing alignment, scheduling controls, and performance oversight.

VIHA manages public housing maintenance operations with a clear focus on resident health and safety, strong prioritization, and active supervisory oversight. Emergency and life-threatening work orders are addressed immediately, while routine, non-emergency work orders are completed well within HUD accepted standards.

2025 Maintenance Performance Highlights

- More than 14,173 routine work orders completed
- 444 emergency work orders closed
- 100% of emergency work orders resolved within 24 hours, in full compliance with HUD requirements
- Average routine work order completion time: 8.1 days, significantly outperforming HUD's accepted benchmark of 30 days or less

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While work order volume remains elevated due to aging infrastructure and deferred maintenance, all requests are actively tracked, prioritized, and reviewed by supervisory staff to prevent escalation into health or safety concerns.

This sustained level of production and responsiveness reflects VIHA's transition from reactive maintenance to a proactive, performance-driven operating model that protects residents and preserves public housing assets.

PHAS Maintenance Performance Turnaround

In 2025, all Asset Management Properties (AMPs) in both districts received projected PHAS ratings of "A" for both:

- Emergency Work Order completion
- Non-Emergency Work Order Completion

This represents a dramatic operational turnaround from the prior year, when:

- Eight (8) properties received projected "F" ratings for Non-Emergency Work Orders
- Two (2) properties received "F" ratings for Emergency Work Orders

This improvement reflects the successful implementation of performance tracking, accountability measures, clearer prioritization protocols, enhanced supervision, and data-driven maintenance management.

Tenant Accounts Receivable (TARs) & Rent Collection

As of December 31, 2025:

- Total Tenant Accounts Receivable (TARs): \$1.11 million, reflecting a \$25,143 month-over-month reduction
- Portfolio rent collection rate: 94%
- St. Thomas/St. John: 96%
- St. Croix: 89%

While receivables remain elevated due to legacy arrears accumulated over multiple disaster-impacted years, VIHA has implemented layered mitigation strategies, including:

- Structured repayment agreements
- Rent abatements tied to rehabilitation timelines
- Enforcement actions where appropriate
- Expanded digital payment platforms to improve accessibility and compliance

These measures are stabilizing cash flow while maintaining fairness and resident engagement.

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From Crisis to Recovery:

Public Housing Recovery, Stabilization, and Operational Transformation

Over the past several years, VIHA has undertaken one of the most comprehensive operational recovery efforts in its history. At the outset of this administration, the Authority's foundational systems of property management, maintenance, compliance, and asset oversight were significantly compromised. Core business processes were fragmented, deferred maintenance had accumulated across the portfolio, performance metrics were declining, and internal accountability structures had eroded.

These systemic challenges resulted in VIHA being designated a troubled agency under federal oversight frameworks, a status that reflected years of compounding operational deficiencies rather than isolated issues. At that time, occupancy levels were unstable, work order backlogs were unmanageable, inspection scores were deteriorating, and resident service delivery was inconsistent.

Rather than treating this designation as a limitation, VIHA leadership approached it as a mandate for comprehensive reform.

Over the last two years, the Authority has focused on its operational foundation from the ground up redirecting management processes, reestablishing performance accountability, modernizing maintenance operations, implementing data driven performance monitoring, and aligning agency efforts around service excellence. A new component of this transformation will be VIHA's transition to a paperless operating environment, replacing fragmented manual processes with integrated digital systems that improve efficiency, transparency, and real-time decision-making.

As part of these system upgrades, VIHA is deploying advanced operational platforms that will provide real time dashboards tracking all maintenance activity across the portfolio including work order volume, response times, completion rates, preventive maintenance schedules, and asset performance trends. These tools will allow leadership to proactively manage resources, identify emerging issues, strengthen accountability, and continuously improve service delivery.

Through disciplined execution and sustained oversight, VIHA has moved rapidly from instability to stabilization and now into measurable operational recovery.

While formal removal from "troubled" status remains subject to HUD's administrative processes, VIHA's current performance indicators reflect what we believe to be an effective operational exit from that designation within just two years, an achievement that typically requires significantly longer timeframes for housing authorities nationwide.

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As part of VIHA's comprehensive recovery and agency-wide professionalization initiative, the Authority recently completed leadership and management training through the Institute of Real Estate Management (IREM), an internationally recognized institution that has set the standard for property management education and ethical practice since 1933. This premier program widely regarded as the gold standard across the real estate and affordable housing industry was completed by all Property Managers, Assistant Managers, and key supervisory personnel throughout the public housing portfolio.

The training emphasized modern asset management, financial stewardship, regulatory compliance, resident relations, and operational excellence, with a strong focus on professional ethics, accountability, and sound decision-making. Through this comprehensive course, VIHA has significantly strengthened its property management skills, which enhances internal controls, improved regulatory performance, and install nationally recognized best practices into daily operations.

Building on this momentum, VIHA is further advancing workforce excellence by enrolling all Maintenance Supervisors in specialized professional training through the National Association of Housing and Redevelopment Officials, including completion of the Certified Maintenance Manager program. This nationally recognized certification strengthens preventive maintenance systems, capital asset preservation, safety protocols, regulatory compliance, and workforce supervision, all core drivers of long-term housing performance and cost control.

Simultaneously, VIHA's property management leadership team is actively pursuing the Accredited Residential Manager (ARM) professional designation through the Institute of Real Estate Management, reinforcing mastery of industry best practices in residential operations, financial controls, risk management, and ethical governance.

Together, these coordinated investments in human capital, combined with VIHA's modernization of digital systems and real-time performance oversight, represent a fundamental shift from reactive housing administration to proactive, performance-driven operations. They directly support VIHA's rapid recovery from troubled status, reduce operational risk, improve asset longevity, enhance resident service delivery, and position the Authority for sustained excellence and accountability well into the future.

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Housing Choice Voucher Program

The Housing Choice Voucher (HCV) Program (formerly known as Section 8) remains one of the Virgin Islands Housing Authority's most critical tools for addressing housing instability among very low-income families, seniors, veterans, and persons with disabilities. This federally funded program enables eligible households to secure decent, safe, and sanitary housing within the private rental market while paying an affordable portion of their income toward rent, with the balance subsidized through federal assistance.

With an annual operating budget of approximately \$14 million, the program currently serves 2,092 families across the territory. As of December 31, 2025, 1,301 households are actively receiving assistance, representing a utilization rate of 62 percent. While market conditions have constrained full leasing activity, VIHA anticipates achieving full budget utilization by the end of the fiscal year as leasing efforts intensify and housing placements continue. Demand for assistance remains extraordinarily high, reflecting both the ongoing affordable housing shortage and the rising cost of living within the Virgin Islands.

The program operates within an increasingly competitive private rental environment. Escalating rental prices, a shrinking supply of long-term rental units, and the rapid expansion of short-term vacation rentals, including Airbnb-style properties, have placed significant pressure on affordability and landlord participation. These market forces directly impact the Authority's ability to place families, sustain leasing levels, and absorb rent increases within available federal funding.

VIHA administers both tenant-based vouchers, which allow families to select housing in the open market, and project-based vouchers, which are attached to specific affordable housing developments. As of December 31, 2025, the tenant-based waiting list includes 4,137 applicants, while project-based waiting lists across six developments total 3,830 applicants. Despite long waiting times and market challenges, VIHA has intentionally kept both waiting lists open to ensure ongoing access and equity for families seeking assistance.

Looking ahead to fiscal year 2026, VIHA is implementing targeted strategies to enhance program efficiency, expand housing opportunities, and strengthen landlord engagement. Through a collaborative partnership with the University of the Virgin Islands, the Authority is leveraging student talent and digital innovation to modernize outreach efforts, expand program visibility, and attract new landlords to the voucher program. These initiatives include digital marketing campaigns, data-driven landlord recruitment strategies, and community education efforts designed to demystify program participation and highlight the benefits of working with VIHA.

In parallel, VIHA is actively cultivating partnerships with government agencies, nonprofit organizations, developers, and private sector stakeholders to increase the supply of voucher-eligible housing. These collaborations aim to diversify available housing stock, support mixed-

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income development, and create long-term affordability solutions that can withstand market volatility.

During fiscal year 2025, the HCV Program experienced a substantial increase in landlord rent increase requests, many exceeding 30 percent of existing contract rents. These requests reflect broader market inflation and property cost pressures but far exceed what current federal funding allocations can sustainably support. In response, VIHA has been required to negotiate reductions in requested increases where possible or, in some cases, assist families in relocating to units within approved payment standards. These pressures underscore the growing affordability gap and the critical importance of ongoing funding flexibility and housing supply expansion.

Major Program Components

Mainstream Vouchers

The Mainstream Voucher Program is designed to assist non-elderly individuals with disabilities by providing access to stable, affordable housing within the community. Since its launch in January 2021, VIHA has received seventy-five (75) vouchers under this initiative. As of December 31, 2025, nineteen (19) families are housed, with an additional ten (10) placements targeted during the current fiscal year. Although nearly 1,900 applicants were notified of eligibility opportunities, only a small subset qualified and secured housing, highlighting the acute shortage of accessible units within the private rental market.

Foster Youth to Independence (FYI)

The FYI program supports young adults transitioning out of foster care who are at high risk of homelessness by providing tenant-based rental assistance coupled with supportive services. Since its implementation in FY 2021, VIHA has administered twenty-four (24) vouchers under this initiative. As of December 31, 2025, four families are receiving assistance, with three youth successfully housed. Program expansion remains dependent on consistent referrals and interagency coordination with the Virgin Islands Department of Human Services to identify and support eligible participants.

Emergency Housing Vouchers (EHV)

The Emergency Housing Voucher Program was created to rapidly house individuals and families experiencing homelessness or fleeing domestic violence, sexual assault, trafficking, or stalking. As of December 31, 2025, thirteen (13) families have been housed under this initiative. Rising rental costs have significantly increased per-unit subsidy requirements, placing pressure on available funding. The U.S. Department of Housing and Urban Development has projected that EHV funding may not be sufficient to sustain the program through most of calendar year 2026 and has encouraged PHAs to transition eligible households into the traditional HCV program.

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To prevent displacement and housing instability, VIHA implemented a waiting list preference effective January 1, 2026, allowing EHV households to transition seamlessly into tenant-based HCV assistance where eligible. This Administrative Plan amendment ensures continuity of housing support and protects families from returning to homelessness. All EHV participants have been formally notified of this transition process.

Single Room Occupancy (SRO) Program

Through a partnership with Meeting the Needs of Our Community, the SRO program provides targeted assistance for individuals and families requiring supportive housing environments. The program currently administers eight vouchers, with five families housed as of December 31, 2025.

Veterans Affairs Supportive Housing (VASH)

The VASH program combines housing vouchers with supportive services for homeless veterans through coordination between HUD and the Department of Veterans Affairs. As of December 31, 2025, seven veteran families are housed within the territory. Continued success is closely tied to consistent VA referrals and supportive service coordination.

Ongoing Market Pressures and Operational Enhancements

The Housing Choice Voucher Program continues to operate under substantial market stress driven by:

- Rapidly escalating private rental prices
- Competition for short-term vacation rental platforms
- Limited landlord participation in certain geographic areas

In response, VIHA is intensifying landlord recruitment efforts, simplifying leasing processes, enhancing customer service, and modernizing operational systems. The Authority is also preparing for full implementation of HOTMA and NSPIRE-V regulatory frameworks to strengthen compliance, improve inspection standards, and enhance program transparency while streamlining participant experience.

Resident Wellness & Empowerment

Over the past three years, the Virgin Islands Housing Authority (VIHA) has implemented the Bright Path Initiative as the central framework guiding all resident services and community stabilization efforts. Bright Path represents a deliberate shift away from reactive crisis management toward a holistic, long-term model focused on housing stability, economic mobility, and family self-sufficiency. The initiative is built on the understanding that housing alone is not enough to achieve lasting stability that sustainable outcomes require coordinated access to employment, utilities, food security, healthcare, financial literacy, and supportive services.

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Bright Path functions as an integrated service delivery model that aligns housing operations with workforce development, social services, and community partnerships. Rather than addressing emergencies in isolation, the initiative identifies root causes of instability and intervenes early to prevent lease noncompliance, evictions, and family displacement. The progress achieved in 2025 reflects the continued execution and maturation of this long-term strategy, demonstrating measurable improvements in resident stability, employment outcomes, and community engagement.

A foundational element of the Bright Path Initiative is VIHA's comprehensive household assessment system. Through structured intake reviews and ongoing case management, families are categorized as vulnerable, moderately stable, or stable based on income consistency, employment status, health factors, and support needs. This data driven framework enables VIHA to proactively deploy resources where risk is highest, preventing crises before they escalate into housing loss.

Through coordinated partnerships with social service providers, residents identified as vulnerable receive targeted assistance that includes utility payment support to prevent service shutoffs, essential appliance replacement to maintain habitable living conditions, emergency rental stabilization resources, and connections to food and healthcare programs. These early interventions directly reduce lease violations, minimize eviction filings, improve unit conditions, and protect the Authority's housing assets while allowing families to remain housed and regain stability.

Once immediate stabilization is achieved, Bright Path shifts households toward economic mobility and long-term independence. Workforce development is a central pillar of this effort, and in 2025 VIHA intentionally aligned redevelopment activity with resident employment opportunities through its Section 3 Program. This approach ensures that public investment not only improves housing stock but also creates direct economic benefit within the community's undergoing revitalization.

As a result of this intentional alignment:

- 68 residents secured employment
- 95 residents completed workforce training programs
- Approximately \$2.1 million was invested in Section 3-certified local businesses
- 12 local businesses expanded capacity through redevelopment contracts
- 67 percent of job hours at the Walter I.M. Hodge Revitalization Project were performed by Section 3 workers

These outcomes demonstrate that when redevelopment is paired with structured workforce policy, housing investment becomes a powerful engine for local economic growth, skills development, and community wealth building.

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The Family Self-Sufficiency (FSS) Program remains a cornerstone of the Bright Path framework, providing intensive, long-term case management designed to help families increase earned income, reduce reliance on subsidies, and build financial stability. By the fourth quarter of 2025, the program supported 35 active participants and delivered 174 individualized coaching and case management sessions during that quarter alone reflecting a high-touch service model focused on accountability and goal achievement.

Eighteen (18) new participants enrolled during the year, exceeding annual targets, and thirteen residents secured employment, reinforcing the effectiveness of sustained engagement and structured planning. The FSS Program continues to serve as a pipeline for residents transitioning from crisis stabilization into economic independence.

Resident leadership and shared governance have also expanded dramatically under Bright Path. Resident Councils are now active in approximately 80 percent of VIHA communities, strengthening communication, increasing resident participation, and fostering collective accountability for community conditions. These councils play a direct role in shaping community programming, addressing neighborhood concerns, and strengthening collaboration between residents and management.

Resident voice has further been institutionalized within agency governance. Resident Commissioners now serve as Chair and Vice Chair of the VIHA Board of Commissioners, reflecting a historic commitment to inclusive leadership and ensuring that policy decisions directly incorporate resident perspectives and experience.

Section 3 Program: Transforming Investment into Opportunity

VIHA's Section 3 Program has become a central driver of economic mobility within redevelopment efforts. The program is intentionally designed to convert federal capital investments into local opportunity by prioritizing resident hiring, workforce training, and small business participation.

Rather than treating Section 3 as a compliance obligation, VIHA has elevated it into a strategic economic development tool building local talent pipelines, strengthening neighborhood businesses, and ensuring revitalization dollars circulate within the Virgin Islands economy.

This model demonstrates that housing revitalization can simultaneously improve physical infrastructure and deliver generational economic opportunity.

Expanded Community Partnerships

Strategic partnerships continue to multiply Bright Path's impact and extend services without duplicating limited public resources. In 2025, key collaborations included:

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- Workforce training and job placement through the Equus Workforce Solutions Program
- Financial literacy and homeownership preparedness workshops in partnership with FirstBank, the Internal Revenue Bureau, and the Virgin Islands Housing Finance Authority
- Establishment of VIHA's first on-site Mental Health Center in the Marley and Marley Additions community through collaboration with Greater Changes

These partnerships strengthen resident outcomes, improve service accessibility, and maximize impact despite constrained public funding.

Funding Challenges and the Need for Legislative Support

While Bright Path has produced measurable gains in stability, employment, and community engagement, progress remains fragile due to instability in federal funding streams. The Resident Wellness & Empowerment Department relies heavily on competitive grant programs that lack long-term predictability. In late 2025, housing authorities nationwide including VIHA experienced unexpected funding holds, delays, and program cancellations affecting core resident service and workforce initiatives.

This volatility disrupts staffing continuity, limits program scaling, and places essential stabilization services at risk as redevelopment activity and compliance demands increase.

For these reasons, VIHA respectfully seeks dedicated legislative funding to ensure the sustainability and expansion of resident wellness and economic mobility services. Stable funding would allow the Authority to:

- Expand household stabilization assessments and early intervention capacity
- Strengthen utility, appliance, and emergency assistance partnerships
- Scale workforce training and FSS programming
- Invest in data systems to track outcomes and ensure transparency
- Protect approximately 1,900 public housing families from preventable instability

The Bright Path Initiative has proven that when housing assistance is paired with coordinated services, early intervention, workforce alignment, and resident leadership, families stabilize, compliance improves, and economic mobility becomes achievable. Public housing transforms from a last-resort safety net into a platform for opportunity, growth, and long-term independence.

With sustained legislative investment, VIHA is prepared to build on this momentum, deepen outcomes, and ensure that public housing across the Virgin Islands serves not as a stopping point but as a launchpad for family stability, workforce success, and community prosperity.

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Financial Information

The Virgin Islands Housing Authority's management is responsible for establishing and maintaining a proper internal control structure to safeguard its assets and ensure accounting data is accurately presented in conformity with Generally Accepted Accounting Principles (GAAP). Each year an independent auditor audits the agency. VIHA's audited financial statements for the year ended December 31, 2024, found no instances of material weaknesses of internal control but received a qualified opinion because the audited actuarial report for the pension plans of and for the year ended September 2024 was not available at the time of the audit.

To date, VIHA has not received its fiscal year 2024 Financial Assessment Subsystem (FASS) score from the U. S. Housing and Urban Development's Real Estate Assessment Center (REAC).

Operating Activities

VIHA receives its operating revenues to support its operating expenditures primarily from dwelling rent, operating subsidies, and grants provided through the U.S. Department of Housing and Urban Development (HUD). The Authority's four (4) major programs are the Asset Management Projects, referred to as AMPs, the Housing Choice Voucher Program (HCVP), the Central Office Cost Center (COCC), and the Capital Fund Program (CFP).

The Authority's long-term fiscal condition continues to improve, yet it is important to note that without its effort to streamline its operations, and with anticipated financial support from the Government of the Virgin Islands, the agency will be able to provide a better quality of life for its residents.

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Table 1.1 below shows VIHA's authorized funding from HUD, the totals disbursed to date, and the amounts available to be drawn down from HUD's Electronic Line of Credit Control System (eLOCCS).

AUTHORIZED FEDERAL FUNDS					
As of January 26, 2026					
	Funding Description	Funds Usage Date	Authorized/Projected	Disbursed/Expended	Unexpended
1	Public Housing Operating Subsidy	FY 2026	\$19,953,882	\$5,048,917	\$14,904,965
2	Capital Fund Grant 2025	FY 2026	\$11,302,036	\$3,390,611	\$7,911,425
3	Capital Fund Grant 2024	FY 2025	\$11,305,884	\$7,428,904	\$3,876,980
4	Capital Fund Grant 2023	FY 2024	\$10,922,543	\$8,261,641	\$2,660,902
5	Housing Choice Voucher Program	FY 2026	\$17,549,000	\$1,404,471	\$16,144,529
6	Administrative Fees	FY 2026	\$1,920,000	\$104,080	\$1,815,920
7	Emergency Housing Vouchers	FY 2022	\$653,430	\$409,824	\$243,606
8	Foster Youth To Independence	FY 2022	\$154,650	\$138,663	\$15,987
9	Mainstream Vouchers	FY 2026	\$168,000	\$21,000	\$147,000
10	Single Room Occupancy	FY 2026	\$60,232	\$2,861	\$57,371
11	Resident Opportunity & Family Self Sufficiency	FY 2025	\$98,883	\$85,850	\$13,033
12	Bright Path Holistic Wellness	FY 2024	\$900,000	\$99,891	\$800,109
Total Federal Funds			\$74,988,540	\$26,396,713	\$48,591,827

Public Housing Program – Asset Management Projects (AMPs)

HUD provides operating subsidies to VIHA for the operation and management of its Asset Management Projects. For fiscal year 2026, the Authority projects to receive \$20,512,476. For fiscal year 2025 VIHA received \$20,630,335. For the period ending January 2026, VIHA received \$1,454,049 to manage its twelve (12) Asset Management Projects (AMPs).

Based on dwelling rent billed as of December 2025, VIHA projects current fiscal year rental income of approximately \$5.4 million. The increase in the occupancy rate at the communities has increased the Authority's aged accounts receivable, which are primarily residents past due rents and/or unreported income. The total aged receivables at period ending December 2025 were \$1.1 million, or approximately 20% of total revenues billed. The agency's strategy to reduce this balance is to contact delinquent tenants to enter into repayment agreements, provide direct support through the Resident Wellness and Empowerment (RWE) department, and if none of the mentioned strategies are effective, file a forcible entry and detainer case with the court.

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Housing Choice Voucher Program (HCVP)

VIHA administers the Housing Choice Voucher Program (HCVP) with federal funds received from HUD. The housing subsidy, commonly referred to as Housing Assistance Payments (HAP), is paid to the landlord directly by VIHA on behalf of the participating eligible family. The family then pays the difference between the rent charged by the landlord and the amount subsidized by the program, equaling about 30% of the family's income.

Of its 2,167 Tenant-Based Rental Assistance (TBRA) vouchers, for fiscal year 2025, the Authority expended \$17.6 million on Housing Assistance Payments (HAP) for approximately 1,426 families to lease private homes. Conversely, the PHA received \$17.5 million of HAP funds. The average monthly HAP payments increased from \$966 in 2024 to \$1,089 in 2025, an 11 percent increase.

In addition to the tenant-based vouchers, the Housing Choice Program manages five special purpose vouchers, the Foster Youth to Independence, Mainstream Vouchers, Emergency Housing Vouchers, Single Room Occupancy, and the Veterans Affairs and Support Housing (VASH) with an authorized total funding disbursements in fiscal year 2025 of approximately \$383 thousand. The VASH vouchers are included in the Housing Choice Voucher Program HAP.

To facilitate and manage the Housing Choice Voucher Program, the Authority earns Administrative Fees from HUD based on the total number of units leased. VIHA projects to receive approximately \$1.9 million for the current fiscal year 2026; the same amount earned in fiscal year 2025.

Central Office Cost Center (COCC)

The Central Office Cost Center (COCC) is responsible for the management and overall accountability of the Authority. The COCC earns management fees from the Asset Management Projects (AMPs), the Housing Choice Voucher Program, the Capital Fund grants, and other programs. For FY 2025 the Authority earned \$2.8 million in management and bookkeeping fees. In FY 2026, the COCC projected a balance budget of \$4.8 million for both revenue and expenses.

Capital Fund Programs (CFP)

HUD provides Capital Fund grants annually to the Authority for the development, financing, and modernization of VIHA's public housing developments and for management improvements. VIHA has 24 months from the obligation start date to obligate a minimum of 90% of the authorized amount of each Capital Fund grant and 48 months to expend 100% of each grant.

Each year VIHA receives approximately \$11 million in Capital Fund grants. For fiscal year 2026, HUD authorized and has made available to VIHA \$11,302,036 compared to \$11,305,884 in

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2025, a slight decrease of \$3,848. For fiscal years 2024 through 2026, HUD authorized a total of \$33,530,493, and disbursed \$19,081,156, with the remaining funds to be drawn of \$14,449,307.

Human Capital Strategy Overview

Strategic Focus: In our strategic shift towards rectifying the impacts of natural disasters, focusing on our long-standing maintenance challenges, and addressing the backlog of our aging portfolio, we are committed to enhancing our internal capabilities. This entails a deliberate move away from reliance on external consultants and contractors, redirecting our focus towards developing our core competency in property management. Achieving excellence in this domain necessitates a well-trained, knowledgeable workforce, equipped with the necessary skills and tools to drive our mission forward.

Training and Development: We have intensified focus on staff training and development. Each department has a detailed training plan, featuring monthly goals tailored to enhance staff proficiency and performance. Moreover, our recruitment strategy transcends traditional job postings. We aim to forge strong partnerships with local educational institutions such as the University of the Virgin Islands, actively participate in job fairs, and host open houses. These initiatives are designed to engage directly with prospective candidates, providing them with a comprehensive overview of the career opportunities available at VIHA.

In conclusion, our initiative-taking approach to employee development and engagement is anticipated to significantly enhance our service delivery standards while cultivating a more cohesive, motivated, and efficient workforce. By implementing these initiatives, we are laying the groundwork for sustainable improvements that will yield a stronger and more resilient future for both our employees and the residents we serve.

The Virgin Islands Housing Authority (VIHA) is unwavering in its commitment to realizing its vision of fostering sustainable communities where families can thrive economically. We are dedicated to improving lives and strengthening communities through the provision of quality, safe, and affordable housing. This commitment not only supports the well-being of our residents but also contributes to the overall vitality and resilience of the communities we serve. Together, we are building a brighter future for all.

Closing

In closing, the Virgin Islands Housing Authority has decisively moved beyond crisis management. We are no longer reacting to problems after they occur, we are anticipating risk, performance in real time, and executing a disciplined recovery strategy built on accountability, transparency, and results.

In just a brief period, VIHA has stabilized operations that had deteriorated over many years, restored professional standards across management and maintenance, modernized systems,

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strengthened resident services, and aligned public investment with workforce opportunity. The progress achieved in 2025 is not incremental, it represents a fundamental transformation in how public housing is managed in the Virgin Islands.

While challenges remain, particularly with aging properties, escalating construction costs, and capital funding limitations, VIHA now has the structure, leadership, data, and strategic direction necessary to confront these pressures head on. We enter 2026 positioned not simply to comply with federal requirements, but to deliver sustained improvements in housing quality, financial stewardship, resident stability, and community outcomes.

This recovery is real. It is measurable. And it is accelerating.

With continued legislative partnership and other government and community investment, VIHA will not only preserve affordable housing we will strengthen neighborhoods, protect public assets, expand economic opportunity, and ensure that public housing serves as a foundation for stability and upward mobility for thousands of Virgin Islands' families.

The Virgin Islands Housing Authority stands ready to move from recovery into excellence. Thank you for your leadership, your oversight, and your commitment to the people we serve.

I welcome your questions.