



# **TESTIMONY**

## **Committee on Housing, Transportation & Telecommunications**

### **Presented by:**

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Executive Director

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Good morning, Senator Marvin A. Blyden, Chairman of the Committee on Housing, Transportation & Telecommunications, members of the Committee, and the listening and viewing audience. I am Eugene E. Jones Jr, Executive Director at the Virgin Islands Housing Finance Authority (VIHFA).

Today I appear before you accompanied by Valdez Shelford, Chief Financial Officer, Freida Webster, Director of Homeownership, Nichole Johnson, Director of Facilities and Property Management, and Monee Francis Gardner, American Rescue Plan Grant Administrator, Rupert Pelle, Director of Planning and Construction, Jamillie Perez, Director of Housing, Donnie Dorsett, Deputy Director of Economic Revitalization and Debrah Smith, Legal Analyst.

### **Outlook for Affordable Housing and Homeownership in the Territory**

As shared during March 3, 2025, Committee of the Whole, affordable housing and homeownership—both nationally and locally—are facing significant challenges. In the territory, there is a crisis in housing availability and affordability, driven by factors beyond the Authority's control: high construction costs, rising insurance premiums, contractor shortages, workforce constraints, supply chain disruptions, increased property values, high living costs, and the lasting effects of past natural disasters.

Despite these barriers, VIHFA remains committed to expanding housing opportunities. We continue to manage programs that support affordable housing and homeownership, while pursuing partnerships with private developers and advocating for policy changes to increase the supply of affordable units.

### **Status of Home Repairs Program**

The Virgin Islands Housing Finance Authority (VIHFA) continues to work closely with the Office of Disaster Recovery (ODR) to manage and implement projects funded by CDBG-

DR grants. ODR remains the primary source for updates on all Disaster Recovery Projects, including the EnVision Home Repair Program.

As discussed during our March 25, 2028, Town Hall with St. Thomas residents, one of the major challenges in the EnVision Program has been probate-related issues. Many applicants struggled to prove legal ownership of their homes due to factors such as:

- Deceased parents with no will, Children residing in inherited homes
- Applicants passing away during the process, with or without a will
- Inability to afford legal assistance
- Lengthy probate proceedings

To address this, VIHFA launched a voluntary probate assistance program in 2021 to support low- to moderate-income applicants. Five applicants enrolled—two in St. Croix and three in St. Thomas.

However, the Superior Court on St. Croix later informed us that VIHFA lacks the authority to assist with probate. We are still awaiting a final decision from the St. Thomas Court regarding our submitted documents.

Unfortunately, probate in the territory can take three to five years or more, significantly longer than the six to eighteen months typical in other jurisdictions.

### **Status of Homeownership Programs throughout the Territory**

VIHFA's mission is to provide affordable homeownership to low-and moderate-income families; to educate potential homebuyers on ways to achieve homeownership; to provide loss mitigation counselling to homeowners so that they maintain homeownership; and to create sustainable communities.

Earlier this year, the Homeownership Division solidified its relationship with the Department of Education by offering three school-based financial literacy classes, reaching 284 students with more planned throughout the year. Specialized one-on-one sessions were also provided to Williams Delight clients seeking homeownership, resulting in five successful completions. Our standard 7-week homebuyer education course saw

27 graduates in the first session, with 40 currently enrolled and another session scheduled for July 9th. Beyond formal classes, VIHFA offers ongoing individual housing counseling, addressing everything from home selection and financing to foreclosure prevention and property disposition.

VIHFA offers a range of mortgage programs tailored to diverse needs.

- HOME Funding (HUD): Provides assistance for low-to-moderate-income households to purchase or construct homes within HUD-defined sales price limits (\$356,000 in St. Croix, \$369,000 in St. Thomas, and \$539,000 in St. John). It also offers gap financing for USDA clients, primarily as secondary financing.
- Homestead Program (Local): Offers mortgage assistance for first-time homebuyers to purchase or build homes, acquire land, or for existing homeowners to make repairs. Funding is provided as a loan, either primary or secondary.
- Veteran Loan Program (Local): Established for Virgin Islands veterans, this program provides mortgage assistance for first-time homebuyers to purchase or repair homes. Funding is provided as a loan.
- Moderate-Income Program (Local): Assists first-time homebuyers with construction, purchase, or repair of primary residences. Funding is provided as a loan or a combination of loan and grant.
- First-Time Homebuyers Moderate-Income Program (Local): Provides mortgage assistance to moderate-income first-time homebuyers. Funding is provided as a loan.

All programs funded by local funds are subject to the current acquisition limits for all moderate-income clients: in St. Croix \$524,225; in St. Thomas \$672,750.00 and in St. John \$1,114,350.

### **Status of the Emergency Housing Programs Administered by the Authority**

VIHFA oversees the management, operations, and maintenance of emergency housing communities across the territory. These units were established to provide temporary housing assistance to individuals and families who have been displaced due to natural disasters, financial hardship, or other urgent circumstances.

#### **St. Thomas Emergency Housing Portfolio**

- Staabiland Apartments: Three newly rehabilitated units (1 studio, 1 one-bedroom, 1 two-bedroom), providing modern, safe, and accessible emergency housing.
- Charlotte Apartments: Thirty units (6 efficiencies, 24 two-bedrooms), scheduled for rehabilitation with FEMA funding.
- Taarneberg Emergency Housing: Eleven units (3 one-bedrooms, 5 two-bedrooms, 3 three-bedrooms), New Construction funded by CDBG-DR.

#### **St. Croix Emergency Housing Portfolio**

- Anna's Hope Emergency Housing: Sixteen units (8 two-bedrooms, 8 three-bedrooms). Rehabilitation solicitation begins April 2025, funded by FEMA and DR.
- Campo Rico Emergency Housing: Sixteen one-bedroom units under rehabilitation; eight nearing completion with FEMA and VIHFA support.

- Profit Hills Emergency Housing: Twelve units (8 efficiencies, 4 one-bedrooms). Four units rehabilitated; further improvements planned.

## **Status of Programs to Combat Housing Instability**

### **Emergency Rental Assistance Program (ERAP)**

In January 2025, Treasury approved the release of \$5.5M, the final tranche of the territory's ERA grants, which brings the total funding received through ERA1 and ERA2 to \$23.3M. The Authority continues to administer the Emergency Rental Assistance Program (ERAP) which seeks to provide financial assistance to qualifying residents who experienced financial hardship during and due directly/indirectly to the COVID-19 pandemic. Eligible residents may qualify for up to 18 months of financial assistance which covers rental, utility, and other expenses related to housing. The authority continues to progress, committing \$17.9 million and expended over \$16.3 million to date. The impact is tangible, with over 2K applications processed and over \$11.6 million distributed in rental and utility aid. VIHFA launched its Housing Stability Program in 2023, through sub-recipient Legal Services of the Virgin Islands, committing \$1.4M to provide free legal services to all residents who are at-risk of homelessness. Additionally, VIHFA committed \$1.9M to the Department of Human Services to expand the reach of DHS's Low-Income Water & Energy Assistance Programs, to qualifying residents who meet the ERAP eligibility criteria.

We encourage residents that are experiencing financial hardship to visit our website at [erap.vihfa.gov](http://erap.vihfa.gov) and apply today, as funding for financial assistance will expire on September 30, 2025.

## **Homeowner Assistance Fund (HAFP)**

The territory has received \$8.5 million through the Homeowner Assistance Fund (HAF). This program provides critical post-pandemic support to homeowners, covering a range of housing costs such as mortgage payments, principal reduction, foreclosure prevention, property taxes, homeowners insurance, and other housing expenses. Further, VIHFA's Homeownership Division offers counseling to homeowners in financial distress. Eligible homeowners within the territory may receive up to \$65K in financial assistance. To qualify, homeowners must demonstrate financial hardship experienced after January 21, 2020, including factors like job loss, reduced income, or substantial healthcare expenses related to COVID-19. The authority has processed over 200 applications and has expended \$4.3 million to date, which includes over \$3.5M in financial aid.

The application process is accessible at [www.vihfa.gov](http://www.vihfa.gov). This financial aid is accessible until September 30, 2026.

## **Conclusion**

Senators, this concludes my prepared testimony. As I close, I want to sincerely thank the staff of VIHFA for their continued dedication and for showing up as their best selves every day.

I also wish to reiterate our commitment to the Virgin Islands community that the team at the VIHFA is working on your behalf to ensure that individuals and families have access to safe and affordable housing. I would be remiss if I did not take this opportunity

to invite the community to our Townhall scheduled for April 8, at 6 pm at the Cleone Creque Conference Room at the St. John Legislature Annex on St. John, and April 11<sup>th</sup> on St. Croix at the University of the Virgin Islands.

The team and I remain available to answer any questions. Thank you for your time and attention.