

Virgin Islands Housing Authority
Independent Agency

HOUSING PRESENTATION

36th Legislature of the Virgin Islands

**Committee on Housing, Transportation,
and Telecommunications**



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Executive Director

Introduction

Good morning, Honorable Chairman, Vice Chair, Senators, and distinguished members of this body.

It is both a privilege and a responsibility to appear before you today on behalf of the Virgin Islands Housing Authority (VIHA). I come before you not only as Executive Director, but as a steward of an agency that serves thousands of Virgin Islanders—families, seniors, veterans, and young people—whose lives are directly shaped by the decisions we make and the resources we manage. This testimony provides a comprehensive update on the Authority's operations, and challenges over the past year. We will review our progress in modernizing aging infrastructure, advancing landmark redevelopment projects, expanding affordable housing opportunities through the Housing Choice Voucher Program, and supporting families on the path to homeownership through initiatives like the Williams Delight Homeownership Program. We will also address the challenges we continue to face, including rising construction and insurance costs, evolving federal requirements, and the need for sustainable long-term funding strategies.

Our mission remains clear and unwavering: to rejuvenate and enhance the physical and social conditions of our housing communities, while expanding access to safe, decent, and affordable housing across the Territory. But our mission is about more than buildings—it is about people. It is about ensuring that children can grow up in safe and healthy homes, that seniors can age with dignity, and that working families can focus on building better futures because they have the stability of affordable housing. We recognize that this work cannot be done in isolation. It requires close collaboration with this Legislature, the Governor's administration, our federal partners at HUD and FEMA, private developers, and most importantly, the residents we serve. Together, we are not simply maintaining housing units, we are rebuilding communities, restoring trust, and creating pathways to self-sufficiency.

With this perspective in mind, I welcome the opportunity to share the Authority's progress and to reaffirm our commitment to the people of the Virgin Islands.

Financial Status

The Virgin Islands Housing Authority continues to demonstrate solid financial performance and accountability in managing federal and territorial resources.

- HUD PHAS Last Financial Score: VIHA received a 22 out of 25 on the financial component of HUD's Public Housing Assessment System (PHAS). This score reflects sound fiscal management, timely reporting, and effective internal controls. A score of 22 places the Authority in a strong position, signaling to HUD that VIHA is operating with fiscal integrity and stability.
- Anticipated No Findings: Based on our strengthened internal audit processes, improved compliance monitoring, and ongoing coordination with HUD, we anticipate no findings in this year's reviews.

This expectation reflects the commitment of our Finance Department, led by Chief Financial Officer Cecile Tonge-Fahie, to maintain transparency, accuracy, and accountability.

- Long-Term Planning: Beyond compliance, VIHA is focused on cash reserve strategies, investment diversification within HUD parameters, and layered financing models to support redevelopment. These steps position us to withstand external pressures such as rising insurance costs and shifting federal funding requirements.

In short, VIHA's financial performance is not only meeting HUD's rigorous standards but also laying the groundwork for sustainable growth, redevelopment, and long-term resilience.

Asset Management

In Fiscal Year 2025, VIHA's Asset Management Division demonstrated measurable progress in stabilizing operations, improving property conditions, and strengthening compliance with HUD standards.

- Portfolio Oversight: VIHA successfully managed 22 developments across 12 Asset Management Properties (AMPs), encompassing more than 2,000 public housing units across the Territory.
- Occupancy & Leasing: Occupancy rates improved through targeted unit-turnover efforts, enhanced applicant screening, and better coordination with the centralized waiting list. The district-wide waiting list remains active, with 483 households seeking public housing opportunities as of the latest Board report.
- Maintenance & Work Order Completion: The Division emphasized timely corrective repairs. Average work-order completion times decreased, reflecting increased contractor support and improved scheduling by maintenance supervisors.
- Resident Health & Safety: Asset Management worked closely with the Modernization Department to address life, health, and safety deficiencies in preparation for HUD's NSPIRE inspections, focusing on sewer line replacements, spalling concrete repairs, relocation of smoke detectors, replacement of GFCI outlets and covers, window screen replacements and cabinetry upgrades.

Operational and Maintenance Updates

For Fiscal Year 2026, VIHA has established forward-looking goals that build on the progress achieved in FY 2025. A central objective is to elevate our performance metrics and achieve Standard Performer status under HUD guidelines.

To this end, the Modernization Department has made efforts to address longstanding deficiencies across our portfolio.

Current initiatives include:

- Infrastructure Rehabilitation: Systematic replacement of aged and broken water and sewer lines, both interior and exterior.

- In St. Thomas, we have completed tasks at Oswald Harris Court, Bovoni, and Kirwan Terrace.
- In St. Croix, we have completed tasks at Aureo Diaz and Candido Guadalupe.
- Life, Health, and Safety Repairs: Remediation of unit deficiencies in preparation for HUD's upcoming NSPIRE inspections, focusing on spalling concrete and cabinetry replacements.
 - NSPIRE scores and sites completed thus far for 6 sites average 71% way ahead of last year

Supplemental Support: Contractors were engaged alongside VIHA maintenance teams to expedite long-awaited interior repairs. The scope of work includes spalling concrete, cabinet repairs/replacements, extensive visual/physical repairs (doors, screens), replacement and relocation of smoke detectors, electrical outlets, switches and light fixtures. These contractors will continue making these interior repairs to units based on their contractual obligation and scheduling for the next two years.

These efforts represent a critical step toward ensuring that all residents live in housing that is functional, safe, and dignified. They reflect not only our obligation to comply with HUD standards, but our deeper responsibility to protect the health and well-being of families, seniors, and children who call our communities home. A repaired roof means a family is safe from leaks and mold; a replaced sewer line prevents public health hazards; a new kitchen cabinet gives dignity and usability to daily living. By addressing these basic needs proactively, VIHA is laying the foundation for stronger communities, reducing emergency repair costs, and restoring trust between residents and the Authority. These improvements are more than physical fixes, they are investments in quality of life, stability, and the long-term resilience of our housing portfolio.

— Cabinetry has been replaced (e.g., Oswald Harris Court – ongoing); >100 doors slated for replacement; note prior delays due to back orders.

Community Rehabilitation and Redevelopment

The Authority's Portfolio Repositioning Strategy remains the foundation of our efforts. As we continue to **REFRESH** our strategic approach to the maintenance and rebuilding of our infrastructure, it is clear that all our public housing communities await much-needed attention and revitalization.

With completion of the Walter I.M. Hodge Revitalization Project and groundbreaking at the D. Hamilton Jackson site, we are moving aggressively to restore and renew communities across both islands led by Chief Operating Officer Lydia Pelle.

Key redevelopment highlights include:

- FEMA-Funded Capital Improvements (\$100–\$150M) for roofs, doors, windows, and exterior upgrades. Approximately \$100–\$150 million in FEMA obligated funding is targeted to improve the physical building envelope at the following communities: Estate Bovoni Apartments, Oswald Harris Court, Paul M. Pearson Gardens, H.H. Bergs Home & Additions, Lucinda Millin Home, Michael J. Kirwan Terrace, Knolls at Contant, Joseph E. James Terrace, Mount Pleasant, Marley Homes & Additions, and the partial redevelopment of John F. Kennedy Terrace through FEMA's 428 Program guidelines.

Please note: The replacement of roofs at Lucinda Millin Home and Bovoni—bids have been received, and we expect award recommendations to be issued within the next 30 days.

— Next sites prepared for bid solicitations: Bergs Homes, Wilford Pedro, Kirwan Terrace, Williams Delight (about 15 homes at WD).

The rehabilitation of roofs, doors, windows, and exterior wall painting are in the planning stage for Aureo Diaz Heights and Candido Guadalupe Terrace using funding from the U. S. Department of Housing and Urban Development's Capital Fund Program.

Major Redevelopment Projects include:

- D. Hamilton Jackson: 106-unit rehabilitation under LIHTC. Groundbreaking was in March 2025. Building 1 completed (8 units); relocations underway; there is a total of 14 buildings in all. This project is projected to be completed in December 2026.
- Estate Donoe (Tutu High-Rise Replacement – Phase I): 84 rental units, 13% complete; financing closed May 30, 2025. The contractor is continuing construction of the partially constructed Buildings 1–7 and the Community Center; footings begun for Building 8; site prepping to start construction of Buildings 9–14.
- Tutu North Senior: 60-unit senior project, projected close December 2025. New construction is planned; VIHA, along with its developer partner Pennrose, is re-bidding the project a second time to ensure the best possible construction cost.
- Alphonso "Piggy" Gerard: Planned rehabilitation of 18 units; the Virgin Islands Housing Authority will self-develop this property, with an expected financial closing date in November 2026.

CDBG-MIT Applications for the revitalization of Alphonso "Piggy" Gerard and the partial demolition and redevelopment of John F. Kennedy Terrace are in the predevelopment phase. The development of a replacement for the Wilford Pedro Home (aka Whim Gardens community) is awaiting a new property location once the Ralph deChabert land swap is finalized. Our development team is already working to ensure that we maximize all available funding sources to help reduce the per-unit cost for these projects, including the use of tax-exempt bonds.

These development initiatives will allow for new housing units at the former sites of the Ludvig Harrigan Court, Nicasio Nico Apartments, and the Ralph deChabert Place Land Swap parcels. We are hoping we can achieve a funding model that works for all our redevelopments; however, the continuous cost increase for property insurance per unit is creating a challenge. Nonetheless, VIHA remains committed to increasing the Faircloth limit and expanding the supply of low-income housing.

To support these revitalization and development projects, several actionable goals have been delineated:

- Continuing collaboration with the Virgin Islands Housing Finance Authority (VIHFA) for use of CDBG-DR, CDBG-MIT, and LIHTC. This collaboration aims to preserve and create affordable rental units and explore viable homeownership opportunities.
- Continue enhancing maintenance operations across all active public housing sites to ensure safety and functionality.
- Rolling out marketing and other visual enhancements to improve curb appeal and community atmosphere across housing sites.

Continuing to implement the Bright Path initiative model effectively across communities.

Housing Choice Voucher

The Housing Choice Voucher Program continues to serve as a cornerstone of VIHA's efforts to expand affordable housing opportunities beyond the boundaries of our traditional public housing portfolio. In 2025, the program demonstrated significant achievements in both utilization and compliance.

- Families Served: As of August 31, 2025, the HCV Program supported 1,343 families, with a 64% utilization rate. Utilization has decreased since earlier this year which is typical due to attrition.
- Program Excellence: Under the leadership of Ms. Akala Anthony, Director of the HCV Program, VIHA achieved a perfect 140 out of 140 score on HUD's Section Eight Management Assessment Program (SEMAP). This High Performer designation is rarely achieved nationally and places VIHA among the top-performing agencies in the United States.
- Landlord Engagement: Recognizing that landlord participation is vital to the program's success, VIHA has expanded outreach through quarterly landlord forums, updated payment systems, and improved customer service. These steps have attracted new property owners to the program and retained long-term partners.
- Participant Support: VIHA continues to provide counseling to voucher holders on budgeting, housing search, and landlord-tenant responsibilities, ensuring participants can successfully maintain their tenancy.
- Project-Based Vouchers (PBVs): VIHA is strategically deploying PBVs to support redevelopment projects such as Estate Donoe and Tutu North Senior, ensuring long-term affordability and providing stable subsidy streams that support financing and construction viability.

Compliance and Risk Management: Internal audits, quality control checks, and HUD-required reporting are being met consistently. As a result, we anticipate no findings in HUD's upcoming reviews of the program.

Outlook for 2026: Building on this momentum, VIHA aims to increase HCV utilization further, expand PBV commitments to redevelopment projects, and continue strengthening landlord participation, ensuring that families not only secure housing but thrive in stable, affordable communities.

Williams Delight Homeownership Conversion

One of the most significant milestones in advancing self-sufficiency has been the Williams Delight Homeownership Project under HUD's 5H Program:

- Sixty-four (64) residents have become homeowners of the 300 constructed homes at this site.
- All of the first 20 families have purchased their homes, three (3) of which we are still finalizing some repairs and installations.
- Of the 75 families remaining to purchase their homes, 38 families have made down payments to purchase their homes; and the remaining 37 residents still have the opportunity to purchase a home as well.
- VIHA will continue to partner with the VIHFA to host in-person homeownership classes for those families with extenuating circumstances.

Immense gratitude for the intervention of Senator Marise James and Governor Albert Bryan, for allocating \$300,000 of ARPA funds to be used for financial assistance in the amount of \$15,000 per household towards the purchase of their home. We are looking forward for this opportunity to continue for the remaining families for the purchase of their homes.

Comprehensively, the remaining structures that are structurally unsound will be demolished and the lots re-subdivided for sale. We expect sales of these homes will continue through 2025 and 2026.

Funding and Federal Policy Impacts

Federal changes—including HUD program adjustments, FEMA policy shifts, and insurance market dynamics impact VIHA's ability to execute projects on schedule and within budget. We are maximizing resources by coordinating with HUD, FEMA, VIHFA, and private partners to safeguard affordability and long-term viability.

Acknowledgment of Questions Submitted Through the Chair

We acknowledge receipt of the questions transmitted through your office following the March 28, 2025 hearing. In the spirit of transparency and accountability, today's testimony is organized specifically to provide responses to those questions, which I will address one by one below.

Question 1: What is the status of the waiting list for your Asset Management Division?

Answer: VIHA manages 22 developments across 12 AMPs. The Public Housing Waiting List currently has 483 applicants: 250 in St. Thomas and 233 in St. Croix.

Question 2: HCV Program utilization figures.

Answer: As of August 31, 2025, VIHA supported 1343 families with a 64% utilization rate. While this figure reflects a slight decrease from earlier in the year, it is important to note that fluctuations in utilization are often influenced by market conditions, landlord participation, and the availability of affordable rental units across the Territory. Our HCV team continues to work diligently to strengthen the program. Although utilization is at 64% as of the end of August, VIHA's proactive strategies are designed to increase this rate in the coming months, ensuring that more families can access safe, stable housing through the program.

Question 3: When will VIHA assume full control of public housing management?

Answer: VIHA already exercises direct operational control over all public housing developments, with the exception of LEB Phase I and II combined is 79 units. These limited exceptions remain under third-party management at present. In addition, VIHA is currently evaluating the acquisition of three additional properties that we do not yet manage. This process is intended to bring those assets fully under VIHA's oversight, ensuring consistent standards of maintenance, compliance, and service delivery across the entire portfolio.

Question 4: Properties and schedules for garbage collection.

Answer: VIHA coordinates waste collection across its Asset Management Properties (AMPs) in close collaboration with the Virgin Islands Waste Management Authority (VIWMA). On the island of St. Thomas, there are currently no issues with trash collection, and service has been consistent.

However, in St. Croix, VIHA has had to intervene to ensure continuity of service. Due to VIWMA's inability to meet its financial obligations to its contracted vendor, the agency was unable to provide regular trash removal at several public housing sites. To prevent residents from being subjected to unsanitary conditions or overflowing dumpsters, VIHA entered into a temporary agreement with VIWMA to assist with trash collection for several months. As of today, we are awaiting VIWMA's resumption of full responsibility for these services, which includes the resolution of outstanding back payments to their vendor. Throughout this period, VIHA's foremost priority has been to safeguard

the health, safety, and quality of life of our residents by ensuring uninterrupted waste removal. Six sites affected in St. Croix include:

- AMP 22 – John F. Kennedy Terrace
- AMP 21 – Alphonso Gerard
- AMP 23 – Aureo Diaz
- AMP 23 – Candido Guadalupe
- AMP 24 – Marley Homes
- AMP 24 – Marley Homes A

Question 5: What taxes are required of development and management companies?

Answer: Under the Virgin Islands Affordable Housing Program, Title 29, Chapter 16, Sections 930 which pertains to the acquisition, construction, rehabilitation, financing and tax incentives available for the production of affordable rental and owner-occupied housing under the Government's Low and Moderate Income Affordable Housing Program, developers and contractors are granted a Certificate which entitles them to 100% exemption of gross receipts taxes, 100% exemption of excise taxes on building materials, articles, supplies, goods, merchandise, and tools manufactured or brought into the U.S. Virgin Islands for the production of affordable housing, exemption of all customs duties in excess of a one percent (1 %) handling charge and 100% exemption of the income taxes for the term of the applicable Affordable Housing Development Agreement (typically 3 years).

Question 6: Section 3 Program participation and youth data.

Answer: Currently, no participants are enrolled in VIHA's Section 3 Program. The program is being realigned with HUD guidelines and will relaunch in Q4 2025 under the RWE Department. However, the major construction projects tracked that 67.14% of the 534,693.70 total job hours were worked by Section 3 hires on the Walter IM Hodge Revitalization Project, and so far, 75.51% of the 11,095.00 total job hours were worked by Section 3 hires on the D. Hamilton Revitalization Project. These projects require 25% or more of all labor hours worked by Section 3 workers.

Youth data in VIHA public housing communities as of August 1, 2025

Community Profile Report - August 1, 2025					
DEVELOPMENT NAME	St. Croix		DEVELOPMENT NAME	St. Thomas	
	Resident Profile			Resident Profile	
	18 and under Minor			18 and under Minor	
	Total	%		Total	%
A. Gerard Complex	17	40%	Oswald Harris Court	207	33%
John F Kennedy Terrace	60	37%	Estate Bovoni	334	45%
Joseph E. James	0	0%	Paul M. Pearson Gardens	65	31%
Aureo Diaz Heights	126	48%	H. H. Bergs Addition	26	39%
Mount Pleasant	8	15%	Lucinda Millin	0	0%
Candido Guadalupe Terrace	143	58%	H. H. Bergs Homes	31	33%
Marley Homes	35	43%	Michael J. Kirwan Terrace	131	41%
Marley Addition	0	0%	The Knolls at Contant	89	38%
Wilford Pedro Homes	0	0%	ALL VIABLE STT	883	37%
			William's Delight Villas	52	30%
LEB I	90	52%	All Marginal Viable STX	531	35%
LEB II	0	0%	ALL VIABLE & Marginal STX	330	22%
ALL VIABLE STX	479	36%	Grand Total	1414	36%

Question 8: Contractors for Williams Delight rehabilitation.

Answer: The following contractors currently work on the Williams Delight Homeownership repairs.

- JV Painting & Maintenance
- EMJ Enterprises
- H&L Construction
- Pryceless Construction
- Total Builders
- Armery Industries

The eligibility requirements and qualifications for contractors to qualify to participate in VIHA projects are listed below:

VIHA's Vendor Application Package includes the following:

- **Organization Information** (Company Name, Company Address, Phone/Fax Numbers, Website, and Email Addresses)
- **Authorized Representative Information** (Name, Title, Office/Mobile/Fax Numbers, Email Address)
- **Organization Business Structure** (Corporation, Individual / Sole Proprietor, Non-Profit Organization, Partnership, Other, along with an executed W-9 Request for Taxpayer Identification Number and Certification form and copy of the Firm's active business license)
- **Diverse Business Structure** (Small, Minority, Women-Owned Business and/or Section 3 Concern (Contractor self-certifies to their business structure))
- **Goods/Services List** – The contractor identifies the goods and services they provide.
- **Remit Information** (Billing/Payment Information If Different from Organization Information)
- **Automatic Clearing House (ACH) Agreement Form** (*Suggestion - I would not ask for this until a quote or contract is awarded. We don't want the responsibility of housing someone's banking information in our system, and we never do business with them.*)

Upon release of VIHA procurement opportunities (Request for Quotes, Request for Proposals, Invitation for Bids) that are within the firm's scope of services/goods, VIHA will notify each firm with the opportunity to compete with similar firms.

NOTE: Each procurement opportunity may ask for additional contractor information (e.g., bonding, years of experience), dependent upon the services and goods being solicited.

It is the policy of VIHA to solicit qualified contractors and ensure they are afforded the maximum opportunity to participate in our contracting and procurement program. Contractors must be registered with VIHA in order to do business with VIHA.

Contractor rosters are maintained by VIHA's Procurement Department.

Question 9: Families in demolition units.

Answer: The John F. Kennedy Terrace site currently houses 42 families whose apartments will be demolished. These families are located within the "WAPA propane blast-zone"; but are currently being relocated to other public housing sites as suitable units become available. Upon final HUD demolition approval, these families will be subject to relocation options under a formal relocation program.

Question 10: Williams Delight down payment grants.

Answer: 38 families have made down payments. Their information will be verified and transmitted to the Governor's Office for grant issuance by Q4 2025.

Closing

Mr. Chairman, Committee Members, and distinguished Senators—VIHA's mission remains clear: to strengthen communities through safe, affordable housing while empowering residents toward stability, resilience, and long-term self-sufficiency. Our work is not simply about building and maintaining housing units, it is about restoring dignity, expanding opportunity, and creating pathways for Virgin Islanders to thrive. Every repaired roof, every redeveloped community, every family supported through a voucher or a homeownership initiative represents a step toward a stronger Virgin Islands.

We recognize that none of this progress is possible without the oversight, support, and partnership of this body. Your leadership, together with our collaboration with the Governor's administration, HUD, FEMA, private developers, and most importantly our residents, makes it possible to transform housing into a foundation for opportunity.

On behalf of the entire VIHA Board of Commissioners, leadership team and our dedicated staff, I thank you for the opportunity to provide this testimony and reaffirm our unwavering commitment to the families, seniors, and young people we serve. We look forward to continuing this important work in partnership with you.

My team and I stand ready to answer any questions you may have.