

Virgin Islands Housing Finance Authority



Annual Report FY 2014



*"Unlocking the Door to
Affordable Housing"*

MISSION

The VIHFA aspires to be the premier self-reliant housing and community development agency fostering sustainable communities in the Territory.

VISION

Increase access to housing and community development opportunities by developing innovative programs and projects.

WHO WE ARE

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“VIHFA continues to lead the charge through contribution of housing and community development initiatives and will be unwavering in its commitment to Unlocking the Door to Affordable Housing.”



Adrienne L. Williams, Executive Director

Letter from the *Executive Director*

Thank you for taking the time to read the Virgin Islands Housing Finance Authority's (VIHFA) FY 2014 Annual Report. In the midst of adversity, the VIHFA continues to develop new opportunities to create first-time homeowners. This year, the VIHFA celebrated its 30th year of providing low-moderate income families with decent, safe and sanitary housing.

Continuous improvement is embedded in operational fiber of the VIHFA. As such, the VIHFA seeks to constantly improve the programs and services that are available to its clientele. In doing so, the Authority revisited its vision and mission statements to ensure its relevancy in today's times. Out of that effort a new Vision emerged to "Increase access to housing and community development opportunities by developing innovative programs and projects".

The Authority is particularly pleased to have offered 61 lots and homes in six subdivisions across the Territory and anticipates the offering of 57 additional home sites during FY 2015. Additionally, the Authority financed over \$2,283,774 in mortgage loans to provide the dream of homeownership to families in the Virgin Islands.

The contribution that affordable housing gives to creating sustainable communities must be underscored. That charge is embraced and incorporated in the small contractor's program that gives access to \$1,000,000 for local contractors and provides opportunities through affordable housing projects that brings exponential returns to the work force and the economy.

As a leader in community development, the VIHFA launched its latest initiative, the development of the Mars Hill Multi-purpose Complex on St. Croix which will undoubtedly be an economic driver for the Territory. Building a viable community is a task that calls for immense levels of coordination. The VIHFA continues to lead the charge through the contribution of housing and community development initiatives and will be unwavering in its commitment to "Unlocking the Door to Affordable Housing".

Sincerely,



Adrienne L. Williams
Executive Director

Letter from the *Board Chair*

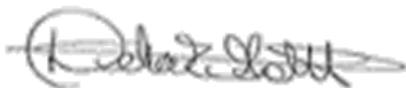
Thank for taking the time to read the Virgin Islands Housing Finance Authority's 2014 Annual Report. It is truly an honor to serve as Chairperson of the Board of Directors as the Authority celebrates 30 years of providing affordable housing to the residents of the Territory. This milestone could not be accomplished without the dedicated management and staff who have helped to preserve the vision and mission of the VIHFA as it seeks to develop and maintain sustainable communities throughout the Virgin Islands.

The VIHFA has become the leading agency that promotes housing and community development through its various programs and services. This past year, the Board of Directors worked tirelessly with the Executive Staff to ensure that this commitment did not falter. Though challenging at times due to the grim economic outlook facing the Territory, the Authority progressed forward with new initiatives and projects that fostered incorporating green technology with home construction. Policies and objectives set forth in previous years renewed the standards for excelling, thereby assuring that all available resources were utilized to ensure that maintenance, development, and growth continued despite the many challenges the Authority faced.

The Board of Directors stands firmly behind the VIHFA as it continues to progress. As the lot and homes sales increased, the Authority has seen growth throughout the Territory. The improved housing outlook has created employment opportunities through the construction of homes and community development projects have enhanced the social and economic status of many residents.

With strengthened faith and renewed bonds with our partners, we are committed as ever to ensure that the Virgin Islands Housing Finance Authority continues to “Unlocking the Door to Affordable Housing”.

Sincerely,



Debra E. Gottlieb
Chairperson



Debra Gottlieb, Board Chairperson

“With strengthened faith and renewed bonds with our partners, we are committed as ever to ensure that the Virgin Islands Housing Finance Authority continues to “Unlocking the Doors to Affordable Housing”.

VIHFA *Board of Directors*



Debra E. Gottlieb
Chairperson



Carmen M. Hedrington
Board Member



Alicia Barnes
Board Member



Calford Martin
Board Member

VIHFA *Executive Staff*



Adrienne L. Williams
Executive Director



Flavia Logie
Legal Counsel



Darin Richardson
Chief Operating Officer



Daryl Griffith
Chief Financial Officer

VIHFA *Dedicated Staff*



EXECUTIVE DIVISION

Valerie Francis

Candace Herbert

Afisha Hillocks

Tanya Industrious

HUMAN RESOURCES

Yvonne A. Christopher, PHR - Director

ACCOUNTING

Cherise Tucker - Director

Felix Berruz

Stacey Clarke

Jennifer Jones

Valdora Powell

COLLECTIONS & SERVICING

Desirey Brooks - Director

Shanika Charles

Shakema Jacobs

Patricia Ventura

FEDERAL PROGRAMS

Janine Hector - Director

Antoinette Fleming

Eraineé Acosta

Candice James

Bernadette Richards

Tamisha Thomas

HOMEOWNERSHIP

Lisa Richards - Director

Dahlia Percival

Nina Desouza

Rosalind Estrill

Condon John

Chivonne Moorhead

Risa Sasso

PLANNING & CONSTRUCTION

John Green - Director

Alan Fleming

Vancito Gumbs

Michael Moreau

Richard Borck, rbc Services

Michael Hendershot, rbc Services

VIHM - RENTALS

Yvonne Milliner - Executive Director

Devin James



Estate Nazareth

Celebrating

First-Time Home Buyers Program

To fulfill its goal of helping low-moderate income families achieve homeownership, VIHFA provides below-market rate mortgages to first-time homebuyers.

Qualifications for participating in the VIHFA's home buyer program are as follows:

- Be a first-time home owner (not owning a home in the past three years)
- Have resided in the Virgin Islands for the most recent three years
- Meet the income requirements.

Qualified applicants are placed on a waiting list which is tracked through the VIHFA's priority system. The priority system serves as a source to identify the needs of first-time home buyers and as a planning tool for future planned communities. During FY 2014, 96 new applicants were evaluated Territory-wide.

Mortgage Originations

The VIHFA administers local and federal funds to first-time home buyers that contribute to improving the living environment for all residents of the Territory. Through the **HOME, Homestead, Moderate and Veteran Mortgage Programs**, first-time home buyers who might not qualify for mortgage loans from private lending institutions in the Territory at prevailing rates and terms can qualify for more favorable rates and terms through VIHFA programs. Primary or secondary financing is available to



VIHFA has made homeownership a reality for 28 first-time home buyers during fiscal year 2014 and financed **\$2,283,774** in mortgages.

qualified buyers. Closing cost assistance is available through VITAR (VI Territorial Association of Realtors Fund) which was established in 2012 by local Realtors to provide closing cost loans to first-time home buyers up to \$5,000 at an interest rate of 2% payable over a five-year period.

As a result of the mortgages provided and homeownership opportunities made available, 28 families became homeowners this fiscal year.

A total of **\$2,283,774.00** of monies were expended this fiscal year in the following categories:

HOME	\$1,114,846.00	HOPE 3	\$ 173,150.00
Veterans	\$ 319,700.00	Moderate Inc.	\$ 145,500.00
Regular	\$ 273,878.00	VITAR	\$ 10,000.00
Homestead	\$ 246,700.00		

If it wasn't for VIHFA, my family and I would not be waking up and enjoying our new home. We truly appreciate VIHFA assistance and Mrs. Desouza who was always ready to assist with any questions or concerns that we had. **The day we received our keys was truly a joyous and happy day for my family and I.** We have a place of our own where we can enjoy and watch our children grow.

“My family and I are truly thankful and appreciative to VIHFA for all they have done”.



Moderate Income

The Moderate Income Program was established in 1967 by the Government of the Virgin Islands. This Program also allow for first-time buyers to secure financing to acquire a first home. Funding for this Program is received from the local government and is earmarked from gross receipts up to \$250,000.00. This funding is received annually by the Authority.



Veterans

The VIHFA offers a locally funded Home/Land Mortgage Program for Virgin Islands Veterans. Any veteran who has served in active military, Naval Air Service, National Guard, and Coast Guard and discharged or released under conditions other than dishonorable, may be eligible.

Eligible Veterans are entitled to various benefits:

- 25% discount on VIHFA application fee.
- 25% set-aside in all VIHFA new land and home developments.
- 10% additional discount on the established price of land sold by the Authority.
- A fixed interest rate that is 3 points below the Federal Prime Rate.
- Zero down payment required.
- Loan amounts up to \$220,000 for homes and \$50,000 for land.

Homestead

The Homestead Loan Program provides residents with mortgage assistance to purchase or build a first home or to acquire land for the purpose of building a first home.

The Program also provides funding for existing home owners to improve or repair their primary residence. Funding for this Program is disbursed from appropriations made by the Virgin Islands Legislature from surety bonds and gifts.



*Future Home of a Veteran
Hermon Hill*

Another Satisfied Client

My name is Jahshanda Samuel, the purpose of my letter is to convey my sentiments regarding my experience as a first time home owner under the Virgin Islands Housing Finance Program .

During this life changing journey it became very overwhelming and exuberating at times, and to my avail the VIHFA staff was readily available to address my concerns or direct me to the appropriate person.

At this time I would like to send my sincerest appreciation for continue professionalism, knowledge but most of all patience and understanding to every situation I brought forth. The tutelage I received during this journey has indeed helped me in making my Dream into a Reality.

Jahshanda Samuel

Building Communities

A New Neighborhood Near You...

The Housing Finance Authority home ownership program is one of many things I have experienced in my young life and will cherish forever. The experience was like no other.

*I would like to **thank everyone** at the Housing Finance Authority, Mike Carty, My parents/support group, Rural Development, and Mr. Raul Ayala **for making my dream an affordable reality.***

~Richard Allen~



The Meadows at Bonne Esperance, Mount Pleasant

The Meadows is a 66-plot subdivision located in Estate Bonne Esperance, St. Croix. There are 32 plots that have been permitted and registered. Northshore Partners has been awarded the contract to install the roads to access the next 35 plots with Phase III Survey & Engineering services awarded to Antillean Engineers in September.

Homes

ALNICO Industrial Services, Ayala Construction, Caribb Dynamics, and Santa Cruz Construction, are currently building or are in the process of starting construction in Phase I. Two contractors, Leumas Engineering and Caribb Dynamics are providing turnkey products in Phase II. Leumas Engineering is contracted to build on six lots and Caribb Dynamics on one. Leumas Engineering is responsible for constructing (4)-2 bedroom homes and (2)-3 bedroom homes. Financing for Leumas Engineering is being received through a partnership with the VI Economic Development Authority making them the first contractor to receive financing through this partnership.

Sales

Of the 18 Lots in Phase I, eleven (11) have been sold, with ten (10) owners opting to begin construction of their homes. Of the remaining 7 lots, it is anticipated that construction will begin on



additional 6 by the end of calendar year 2014. Fourteen lots are available for sale in the second phase of Bonne Esperance. To date, seven applicants have executed contracts in this phase. Current construction costs for homes in Phase I of the Bonne Esperance subdivision under the Buy-A-Lot, Build-A-Home Program is approximately \$152,000 for a 2 Bedroom; 1 and a ½ bath, and \$195,000 for a 3 Bedroom, 2 Bath home. The Authority is excited about the success of this program being offered to first-time home buyers.

Whispering Hills - St. Thomas

Whispering Hills, the Authority's flagship subdivision on St. Thomas is slated for 100 homes on 20 acres. This project was hampered by a number of delays including having to replace the original contractor due to their inability to secure financing.

The Authority entered into a new contract with GEC, LLC. to construct approximately 3,700 feet of roadway for the first phase of homes to be built. GEC, LLC as the selected general contractor, assumed responsibility for monitoring and maintaining the Storm Water Pollution Prevention Plan (SWPPP) through the use of Best Management Practices (BMP). The project completion date is now set for March 27, 2015. The roadway and home construction are being constructed simultaneously in order to move the project forward as expeditiously as possible.



Local contractor Big Lee Repairs & Tile, Inc. was awarded the contract to build the first six (6) homes in the Whispering Hills subdivision. Construction has commenced on the first two 3-Bedroom 2-Bath homes and is moving forward on schedule. These homes will comprise of 1,284 square feet each and will feature components such as solar water heaters and energy efficient lighting to assist in reducing energy cost to the homeowners. The Authority awarded an additional eight (8) homes to Rumina Construction in Phase 1 of the project which constitutes 14 units.

Estate Fortuna

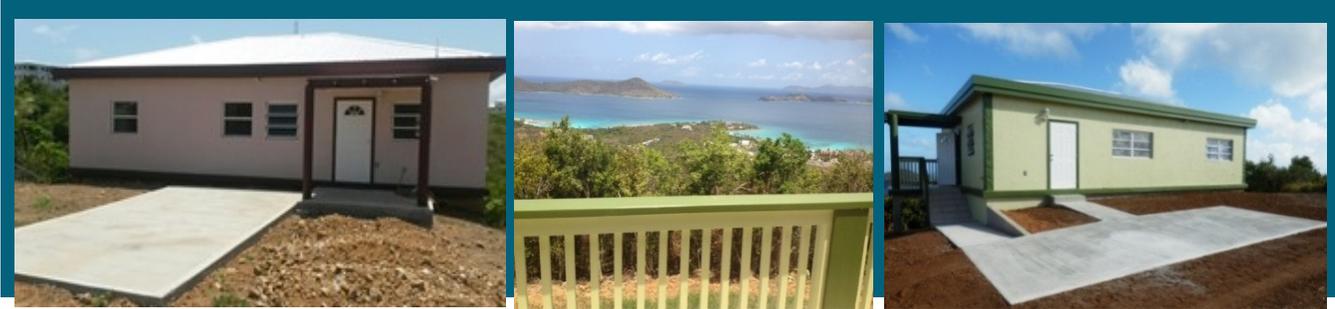
Approximately 10 acres owned by the Authority in Estate Fortuna on Parcel 5 and 4I-B Remainder, St. Thomas, have been



identified to offer 50¼ acre single family home sites to affordable housing clients. The VIHFA issued an RFP soliciting proposals from qualified and licensed businesses to perform the survey, engineering and design work at the site which will proceed the planning and approval process.

Estate Nazareth

The Nazareth Community of lots and homes is an on-going homeownership initiative of the Virgin Islands Housing Finance Authority on the island of St. Thomas. Since its inception in 1994, some 96 lots/homes have been made available to first-time home buyers. Homes available for sale in FY 2014 were built by J.U.B. King and featured 3 bedroom 2 bath units sized at approximately 1200 square feet with amazing views. During FY 2014, one closing occurred with the remaining two homes set to close during the first and second quarter of FY 2015. This community continues to provide opportunities to first-time home buyers as lots will also be made available for sale during the upcoming fiscal year.



Estate Cotton Valley

Cotton Valley, the first affordable lot sale community offered on the eastern most part of St. Croix is a scenic subdivision of half acre lots. The Authority recently received appraisals on the first 16 home sites developed in Estate Cotton Valley for sale to first-time home buyers. These lots for sale constitute the first phase of the development. There has been substantial interest from the VIHFA client pool regarding these lots for sale. The sales price for these ½ acre lots will be between \$14,959.00 and \$20,091.00 and are being offered for sale to clients of the Authority.



Estate Mount Pleasant

The VIHFA is currently developing thirteen (13) acres in Estate Mount Pleasant (West). This new development phase will yield 40 lots for sale on the Western end of the island to residents on St. Croix. This phase of the subdivision is slated for completion within the second quarter of FY15. The development of this Phase is estimated to cost the Authority approximately \$1,100,000.00.



Home Buyers Education Program (HBEP)

Home Buyers Education Program

The Home Buyers Education Program (HBEP) is an instructional guide for first-time home buyers to learn about the entire purchase process step-by-step. The HBEP involves a minimum of 18 hours of structured training to potential first-time home owners. The course is offered in modules over a nine-week period. Upon completion of the HBEP, participants have a better understanding of how to manage money, obtain a mortgage loan and shop for a home.

Participants of HBEP

Total number of participants registered for HBEP	151
Registered participants in the St. Croix District	84
Registered participants in the St. Thomas/St. John District	67
Total number of participants who completed the HBEP	115
Completed participants in the St. Croix District	61
Completed participants in the St. Thomas/St. John District	54



Participants also learn about credit, the importance of keeping a home, and managing finances. They are also encouraged to begin budgeting and create or continue savings. VIHFA turns ready applicants into new homeowners and assists in maintaining existing homeowners.

Counseling Services

The Housing Counseling Program, which offers one-on-one assistance to individuals or families, focuses on overcoming monetary and credit obstacles that may hinder homeownership goals. The Virgin Islands Housing Finance Authority provides several different types of counseling, including pre-purchase, post-purchase, and foreclosure prevention.

St. Croix	Pre-Purchase	Financial Management & Post Purchase	Foreclosure Prevention
Referrals received	5	9	11
Clients currently in counselling	20	2	12
New clients FY2014	5	-	6
Clients who completed counselling	2	-	-
Pending	-	7	-
Did not respond	-	-	7
Purchased home	2	2	-

St. Thomas	Pre-Purchase	Financial Management & Post Purchase	Foreclosure Prevention
Referrals received	16	7	7
Clients currently in counselling	25	7	3
New clients FY2014	8	-	0
Clients who completed counselling	4	7	3
Pending	-	-	1
Did not respond	-	-	-
Purchased home	-	-	-

Outreach Services

Community Education is a marketing and outreach activity designed to increase public awareness of the Authority's homeownership programs, services, and opportunities.



Persons served through Outreach Activities

St. Thomas
Persons Served - 258

St. Croix
Persons Served - 454



Turning Dreams into Reality

One Client at a Time

To Whom It May Concern:

The Housing Finance Authority's Home Ownership Certification Course is and was well worth the time, money and effort. I reluctantly took the course in 2012, not missing any class, and even going on my birthday. To my surprise not only was the course entertaining, but I learned a great deal and got acquainted with like-minded individuals in our community of St. Croix.

During and after that course I followed the advice that was given, by reducing my debts, increasing my savings and creating a budget. As a result, my credit score increased dramatically. Although the program was over, Ms. Chivonne Moorhead and Nina Desouza were still very much helpful to answer questions that I had regarding staying on track with my goal of home ownership. I made three (3) attempts at purchasing a home, and twice I was unsuccessful. On my third try (though hesitant) I contacted Ms. Moorhead in January 2014, and asked for her opinion on the bidding process. She took the time to help me weigh my options. I placed my bid, made an offer and was successful.

On April 16, 2014 I closed on what is now my first home. In addition, after purchasing the house, Michael Moreau, recommended a plumbing contractor to me. His recommendation was invaluable; this contractor not only was affordable but very helpful in advising me on what supplies would be best. I am thankful that I had such a supportive group of individuals at the Housing Finance Authority to guide me through my home ownership and now maintenance process.

With Appreciation,

Nykolé Tyson

1st Time Home Owner





Strengthening Communities Through *Community Development Block Grant*

On Friday, August 22, 2014 the VIHFA joined HUD in celebrating the 40th Anniversary of the CDBG Program. Governor John P. deJongh, Jr., issued an official proclamation declaring August 22, 2014 as “CDBG Day” throughout the Territory in recognition of the observance. The proclamation highlighted the accomplishments of the CDBG Program nationwide and provided a brief history of the local CDBG Program impact on the local community. A special banner featuring pictures of several recent CDBG-funded projects was displayed in the St. Croix and St. Thomas offices.

The Territory’s humble observance of the 40th Anniversary of CDBG also made it to the big time! On Tuesday, August 26, an e-mail titled “Our Friends in the U.S. Virgin Islands Celebrate 40 Years of CDBG” went out from HUD’s San Juan office – Community Planning & Development Division via their list serve to all its partners and stakeholders. The e-mail featured our beautiful banner along with a brief summary of the activities that were undertaken to mark the anniversary. A summary of the highlights of our observance is now included as the No. 1 feature story on HUD’s Caribbean Field Office web page. The picture accompanying the story features our beautiful CDBG 40 banner. A copy of the Governor’s proclamation declaring August 22nd as “CDBG Day” throughout the Territory is also tagged to the story via an embedded link.

A major development this year relative to the CDBG Program was the enactment of legislation – Act 7574 – in November which authorizes the CDBG-administering agency to disburse, allocate, and re-program funds without the approval of the V.I. Legislature. This legislation has

far-reaching ramifications for the administration of the CDBG Program with respect to the freedom to make grant awards and re-programming without political interference.

The CDBG staff presented and received favorable approval from the VIHFA Board of Directors to award funding for 16 projects totaling \$1,580,919.20 - 11 public service projects and 5 construction projects.

Consistent with the previous year, the CDBG Program met the timeliness threshold for expenditure of grant funds; this year, the timeliness threshold was met in early June – a full two months ahead of the deadline. The staff diligently works with Sub-recipients to provide technical assistance in commencing and completing their projects in a timely manner. On a daily basis, the staff reviews progress payments from sub-recipients and contractors, maintains records, complies with the various federal guidelines, tracks progress and charts objectives and goals.

During the period, CDBG worked on the development of a detailed policy and procedures for accomplishing the re-programming of funds. Prior to the passage of Act 7574, CDBG was required to seek legislative approval of re-programming actions. The re-programming policy formalizes the grounds for recommendation of re-programming as well as the criteria for allocation of re-programmed funds to other projects.



Federal Programs Achievements

Project Name	Description	Update	Project Cost		
			CDBG	Other	Total
Construction Projects					
Catholic Charities Transitional Housing/ Outreach Center	To provide ten transitional housing units for the homeless and relocate all their homeless services.	Phase I of the construction is expected to be completed by December 2014. Additional funding will be awarded from the 2014 funding cycle.	882,682.40		\$882,682.40
Catholic Charities Building Acquisition and Rehabilitation	To convert the existing two-story structure to be used as a soup kitchen, support and outreach center for homeless services.	To date, some interior demolition has been completed; the contractor is awaiting delivery of roofing materials to continue.	300,000.00	32,940.25 (ESG)	\$332,940.25
Council on Alcoholism and Drug Dependence St. Thomas/St. John (COAST), Inc.	To make available 10 beds for men recovering from substance abuse and alcoholism as well as counseling and office spaces.	The facility has not been placed in service due to the virtual cessation of COAST's operations. The organization is working to identify partnerships to ensure the facility is placed in service for an eligible use.	50,000.00		50,000.00
Mon Bijou Community Center Construction	To construct a community center for the residents of the Mon Bijou and operate an active after-school and summer programs from the center	The construction began on April 24, 2014 and is on schedule to be completed in February of 2015.	558,825.14		\$558,825.14
Hearts in Service Association, Inc. (HISA)	To construct a transitional housing project that will offer temporary housing for homeless individuals and families.	The construction of the first phase started in October. It consisted of the excavation and construction of (1) 2-bedroom transitional unit.	302,955.04	19,355.00 (HISA)	\$322,310.04
Arma Pavie Sport Complex	To expand an existing facility to provide additional space to undertake more outreach services and to accommodate visiting teams.	Construction started in September 15, 2013 and the project is nearing completion.	263,500.00		\$263,500.00
Virgin Islands Partners In Recovery (VIPIR)	To rehabilitate a facility to be used as transitional housing for men and women recovering from alcohol and/or substance.	The lower floor was placed in service on November 1, 2013. With the completion of Phase III, the remaining two floors will be placed in service by December 2014.	692,735.21		692,735.21
AYSO Field & Building Restoration	To restore the soccer field and rehabilitation of the club house building.	The facility has not been placed in service due to the lack of operable restrooms. Bids are now being solicited for installation of a new septic system.	115,550.00		\$115,550.00
St. Croix EDA Scrape, Paint, & Rejuvenate	Several properties received facelifts courtesy of Economic Development Authority's (EDA) Scrape, Paint, and Rejuvenate program.	47 Hospital Street	12,517.68		\$91,825.70
		48 King Street Frederiksted	9,148.12		
Public Service Projects					
Choice Basketball Academic Mentoring Program	Provides basketball instruction and SAT preparation to eighteen (18) young men ages 13-18 years on St. Croix.	In June, the program took the youth to San Juan, Puerto Rico to play a series of scrimmages with other young men 15-18 from Guaynabo City, Puerto Rico.	25,000.00		25,000.00
Family Resource Center Counselling Program	To provide victim advocate services for victims of domestic and other violent crimes.	Referrals are provided by parents and/or guardians, the court system, or the Department of Human Services to provided counseling services to about 12-15 youth monthly.	30,000.00		30,000.00

Program & Projects

C
D
B
G



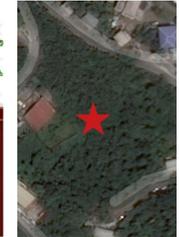
Choice Basketball Mentoring Program



EDA Scrape, Paint & Rejuvenate –Before/After



Wesley Methodist After-School Program



Hearts in Service Ground Breaking



**Community Development Block Grant
40th Anniversary Celebration with CDBG Staff**



Bordeaux Farmer's Market

Rebuilding Hope

HOME Program

The Federal HOME Program was created by the National Affordable Housing Act of 1990. The purpose of the HOME Program is to expand the supply of decent, safe, affordable housing for very-low and low-income families through the provision of grants to states and local governments. HOME is a formula allocation grant under the Department of Housing and Urban Development. The VIHFA administers the program locally.

The primary activity under the VIHFA’s Federal HOME Program is financial assistance to first-time home buyers. Eligible families can qualify for low-interest loans and grants to help purchase or build a home. The assistance may be used to “buy down” the mortgage to an affordable level. HOME funds may also be used to help finance the down payment and closing costs associated with acquiring a home. HOME Program assistance can be as gap financing in conjunction with primary financing provided by USDA Rural Development, local lending institutions, Government Employees’ Retirement System (GERS), or any of the VIHFA’s Mortgage Programs. Since 1995, the Federal HOME Program has assisted more than 500 families in the Virgin Islands to become first-time homeowners. Below is the income limits for each district.

District	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
St. Croix, VI	24,300	27,800	31,250	34,700	37,500	40,300	43,050	45,850
St. Thomas, VI	33,600	38,400	43,200	48,000	51,850	55,700	59,550	63,400

**Effective December 1, 2012*

The FY 2012 allocation of HOME funds was committed to eight single family construction projects, four of these mortgage loan closings occurred FY2014 year with construction underway. Commitment of these funds in the amount of \$632,001.48 met the September 30, 2014 deadline.



Home Investments Partnership Grant Program Funding

The Territory's award of HOME funds for FY 2014 was \$639,983; however, the amount required to be committed to projects during the current reporting period (which is actually Program Year 2013 for the purposes of the HUD programs) was \$727,845.00. The HOME grantee has a period of two years within which to commit each respective year's HOME allocation; thus, the bulk of the activities undertaken during this reporting period were commitments/expenditures of funds from the previous allocation years. In addition, the HOME Program received \$305,390.33 in program income during the current reporting period.

New Applications

A total of 21 new clients sought or were referred for assistance from the program during the reporting period. From these, a total of 12 new applications for HOME Program assistance were ultimately accepted. All of the HOME cases processed were for first-time home buyer assistance (10 homes in the St. Croix District and 2 in St. Thomas/St. John District). Activity of the program was noticeably slower than in previous years due to a slower economy, rising construction costs coupled with stagnant income.

Clients Assisted

There are a total of 35 active homeownership assistance cases. At the close of the fiscal year, there were 12 pending owner-occupied rehabilitation cases. A total of 16 clients were assisted by the HOME Program during the fiscal year.

Low Income Housing Tax Credit (LIHTC)



The LIHTC awardees for 2014 include St. Thomas Senior Housing ("Sugar Estate") Development which was awarded \$525,000.00. They also received \$2,500,000.00 of LIHTC in FY 2013 for a total project allocation of \$3,025,000.00 for the development and construction of 80 senior units. Sugar Estate is a joint venture with the Virgin Islands Housing Authority (VIHA) and Michaels Development.

The Authority also allocated \$353,624.00 in LIHTC to Sugar Mill Villas. Sugar Mills Villas also received \$745,376.00 of LIHTC in FY 2013 for a total project allocation of \$1,100,000 for the development and construction of 38 single-family units, [(34) 3-BRs and (4) 4-BRs]. Sugar Mill Villas will be located at Island Crossings behind the current St. Croix Home Depot store. Proposed tenant rents range from \$660 - \$725 for the basic LIHTC units. These rents are net of the applicable utility allowances. The developer is proposing to convert the units to home ownership at the end of the initial 15-year compliance period.

Additionally, tax credits were awarded to Jackson's Development for an affordable housing community in Estate Anna's Hope, St. Croix, VI. The Anna's Hope development proposal includes 19 newly constructed duplex homes situated on lots containing a minimum of 10,000 square feet. Ten of the duplex buildings will contain three bedroom homes and nine will contain two bedroom homes, providing a total of 38 affordable rental units.

Completed LIHTC Projects

Louis E. Brown Villas II

The second phase of LEB Villas was completed during this fiscal period. This project is being developed by the Virgin Islands Housing Authority in partnership with McCormack, Baron Salazar. The project consists of 1 multi-story building with a total of 40 apartments (1 and 2 bedroom units) for the elderly.



Amalie Terrace formerly Hospital Ground

Amalie Terrace Units was completed with financing under the federal Low Income Housing Tax Credit Program in FY 2014. The Amalie Terrace Apartments on St. Thomas developed through a partnership between the Virgin Islands Housing Management, Inc. constructed 54 new units to replace aged, dilapidated and highly dense housing stock at Hospital Ground Apartments. These 54 units came on line on December 31, 2013.



Emergency Solution Grant Program (ESG)

In preparation for the 2014 funding cycle, orientation sessions were scheduled in each district to provide technical assistance to prospective applicants. Federal Programs also developed a survey instrument which was distributed to the Continuum of Care (CoC) membership to gain their input in establishing ESG funding priorities. The deadline for the 2014 application cycle was May 9th; a total of six (6) organizations submitted applications seeking funding in various eligible categories. The applications were evaluated and rated by an evaluation committee composed of several CoC members and Bernadette Richards utilizing a rating tool that was developed last year. Ultimately, three (3) organizations were selected for award: VIPIR, St. Croix Mission Outreach, and Women's Coalition will carry out emergency shelter activities.

Federal Programs Statistical Summary

	FY 2014	FY 2013
CDBG PROGRAM		
Ongoing projects (year-end):	32	38
Public Service:	12	14
Construction:	20	24
No. of Draw Requests prepared:	164	140
CDBG funds disbursed (IDIS)	\$1,735,019.20	\$1,807,875.05
(PI)	\$0.00	\$0.00
Program Year Allocation: (based on formula allocation)	\$1,976,149.00	\$1,983,482.00
Program Income Earned:	\$12,755.11	\$13,859.61
ESG PROGRAM		
Ongoing projects (year-end):	13	13
No. of Draw Requests prepared:	62	42
ESG funds disbursed:	\$147,077.41	\$86,720.64
Program Year Allocation: (based on formula allocation)	\$141,677.00	\$116,079.00
Program Income Earned:	n/a	n/a
HOME PROGRAM		
No. of new referrals:	21	34
No. of new applications accepted:	12	22
No. of Funding Commitments executed:	7*	8*
No. of new closings:	13	7
Ongoing cases (year-end):	35	30
Home Ownership Assistance:	23	18
Owner-occupied Rehab.	12	12
No. of Draw Requests prepared:	53 Treasury	54 Treasury
HOME funds disbursed:	\$737,695.16	\$928,951.11
Treasury\$:		\$400,363.83
Program Inc\$:		\$528,587.28
Program Year Formula Allocation:	\$675,306.00	\$639,983.00
Program Income Earned:	\$305,390.33(includes escrows)	\$284,712.00
HOPE 3 PROGRAM		
Net Sales Proceeds disbursed:	\$173,150.00	\$135,000.00
Homebuyer assistance:	\$173,150.00	\$135,000.00
Other:	\$0.00	\$0.00
No. of households/projects assisted:	2	1
Program Income Earned:	\$54,473.92 (2 nd generation)	\$42,280.41
	\$3,748.50 (Original)	\$3,942.78
LOW INCOME HOUSING TAX CREDIT PROGRAM		
No. of new applications received:	1	
2014 LIHTC Allocation:	<u>\$2,635,000.00</u> (= "Small states minimum")	
2014 Tax Credit Authority:	<u>\$3,167,777.00</u> (= Allocation + Carry fwd. from CY 2013)	
LIHTC Reservations issued (2014 year-to-date):	<u>\$879,624.00</u>	
St. Thomas Senior Housing ("Sugar Estate")	\$525,000.00	
Sugar Mill Villas	\$354,624.00	

Coming Soon

Mars Hill Sports Complex

The VIHFA has been tasked with the responsibility of developing a Multi-Purpose Indoor Sports Complex on St. Croix. The Complex is to be situated on a plot of land approximately 44 acres in size at Matricular 22A Estate Mars Hill, St. Croix, USVI. The purpose of the Project is to offer the residents of St. Croix and the US Virgin Islands a state-of-the-art indoor facility for sports and entertainment with first-class accommodations and amenities. One of the goals of the Project is to attract visitors from the US mainland and abroad, both as performers, athletes, musicians, actors as well as spectators.

To date, several pre-development assessments have been completed:

- *The clearing and survey work are 100 percent completed.*
 - *The on-site Archaeological study was completed and a report was finalized and submitted to VISHPO for review and comment.*
 - *The Environmental Assessment Report is 100 percent completed.*
 - *The Soils Testing and Geo-technical contract was issued and completed.*
 - *The Sports Facilities Advisory (SFA) was selected through a competitive bid process to perform a feasibility study. The scope of work to be completed by SFA includes a comprehensive program plan, construction and start-up cost estimates, 10-year cash flow forecasts and an economic impact report. SFA's initial market study, facility tours, and a series of interviews with representatives from a wide range of organizations including the USVI Olympic Committee, FIBA, tourism, and the Virgin Islands Public Finance Authority (VIPFA) have all been completed - SFA's study will be finalized by January 29, 2015.*
-

Economic viability is a principle concern, and therefore it is expected that the various components that will ultimately comprise the project may be phased in over time, allowing some revenue generation concurrent with expense, and staging capital expenditures.

The Authority is considering three primary stages for development:

First Stage:

Cost: \$17,500,000.00

- Indoor Sports Complex

Second Stage:

Estimated Cost: \$1,975,000.00

- A dormitory-style housing facility: This housing facility will be able to accommodate travel groups and be able to house eighty (80) individuals with four (4) individuals per room.
- A dining area within the housing facility
- Walking trail with exercise stations
- Biking trail adjacent to walking trail
- Two Gazebos with outdoor restrooms
- Village style kiosks for local vendors

Third Stage:

Estimated Cost: \$2,300,000.00

Additional activities:

- Rock Climbing
- Zip Lining
- Ropes Course
- Splash Park
- Serenity Park with outdoor local sculptures surrounding architectural ruins



After the Feasibility Report is issued, the VIHFA will be poised to solicit a developer to design and build the Sports Complex. The VIPFA has been authorized by Legislative Act 7453 to issue a bond to fund the construction of the Sports Complex. The Authority is slated to receive \$17,500,000 from bond proceeds. Upon completion of the project, residents of the Territory will have an indoor facility with first class accommodations and amenities. This facility will serve as a catalyst to enhance not only the economy of St. Croix, but also the Territory.

Impacting our Communities

Housing Expo 2014



The VIHFA celebrates “Housing Month” annually with major outreach activities, one of which is our annual Housing EXPO. The 4th Annual Housing Expo was held on June 21st on St. Croix and on June 28th on St. Thomas. The theme for the EXPO; “Go Green and Build Dreams”, was inspired directly from clients of the Authority. The Housing Expo continues to grow through public/private partnerships and sponsorships.

This year’s EXPO saw a total of more than 800 attendees Territory-wide. These attendees were treated to a number of free workshops. Additionally, presentations were made by WAPA on the new propane facilities in both districts, the Virgin Islands Department of Agriculture about its Virgin Fresh Marketing Campaign, the VI Energy Office on energy conservation tips and the Department of Planning and Natural Resources on the permitting process.

There were over 40 exhibitors at each of the EXPO locations that contributed to the overall success of the event. These exhibitors also contributed to the overall excitement by offering a wide variety of door prizes ranging from hand tools to home furnishings and topped off by two lucky winners (one in each district), who took home an energy efficient washer and dryer compliments of the Virgin Islands Energy Office.



Investing in our Communities

Small Contractor Program

Loan Program

VIHFA is proud to announce its newest initiative, Small Contractor Loan Program. This Program is intended to provide support to small businesses and to spur economic growth in the area of development. The Small Contractor Programs was funded with \$1M through a partnership with Virgin Islands Economic Development Authority (VIEDA).

The Small Contractor Loan Program afford contractors with an opportunity to access lines of credit to build high-quality, affordable housing. Workshops were held in April in both districts to apprise contractors on the details of the Program and to provide an understanding as to how to gain access to financing for their projects and inform contractors on to access collateral support for their projects in conjunction with VIEDA.

The first contractor, Leroy Gordon, (a/k/a Big Lee) was approved for a line of credit which is being used to build 6 homes in Whispering Hills.



Above. - Small Contractor, Big Lee, shaking hands with CFO, Daryl Griffith on the signing of his line of credit through the small contractor loan program.



"These guys are great workers. The Program is a good way to train individuals who are willing to work with little added responsibilities to me as a foreman"

-Raymond Johannes, Foreman-

"I'm learning new things that will help me to better my career. I also like working with the older guys because they are teaching me a lot about life."



Pre-Apprenticeship Program

The VIHFA partnered with the Virgin Islands Department of Labor to implement the Pre-Apprenticeship Program for the Affordable Housing Program. Contractors/Developers receiving affordable housing tax exemption benefits are required to hire apprentices to work on their projects. Apprentices were hired at the Amalie Terrace Project, Mount Pleasant infrastructure installation, and the Lorraine Village Rehabilitation Project.

The Department of Labor assisted the Agency in the development of this initiative to provide workforce development training through the affordable housing programs. The Pre-Apprenticeship Program is designed for individuals who want to

prepare for entry level careers in the construction industry. The program provides the participant with the necessary skills to pursue a career track in Electricity, Plumbing, Masonry, Carpentry, and Heavy Equipment. Participants are tested for the appropriate career path and provided technical training in the related area. Upon placement into an apprenticeship, participants are trained by industry experts in the construction or remodeling and renovation of single-family residential buildings as well as subsidized housing projects.

Featured Contractor - Raul Ayala Construction

Luis Raul Ayala who was born and raised on St. Croix, U.S. Virgin Islands is a second generation contractor and owner of Raul Ayala Construction. He is the son of the late Thomas Ayala (Ayala Construction) who was in construction for over 50 years. Mr. Thomas Ayala built many homes for Farmers Home Administration now known as Rural Development. Today, his son Luis Raul Ayala is following in his impressive footsteps.

Working along with his father from the age of ten and learning as he went along helped him to become the contractor he is today. Following in his father footsteps, he started working, on major repairs and later building new homes with the Rural Development (USDA). Through building homes with USDA he has become successful to present day.

Mr. Ayala goes above and beyond to give his clients the best he has to offer.



Human Resources

“Our Greatest Asset”

HR Management

Number of Employees

The Virgin Islands Housing Finance Authority (VIHFA) as of September 30, 2014 has a total of 37 full-time employees:

- Twenty-One (21) in the St. Thomas/St. John District
- Fifteen (15) in the St. Croix District

This total includes two (2) employees assigned to the Virgin Islands Housing Management, Inc. - one (1) in the St. Thomas/St. John District and one (1) in the St. Croix District.

Personnel Action Changes

Personnel action changes processed during Fiscal Year 2014 are as follows:

- Retirement of Elizabeth Ulysses, Collections and Service Processor I
- Promoted Patricia Ventura to Collections and Service Processor II
- Hired Jennifer Jones as Accountant I
- Hired Maurice Greenidge, Dale Barnes and Jeffrey Jones as Temporary Laborers
- Hired Tanya Industrious as an Administrative Assistant

Summer Program/On-the-Job Training

The Department of Labor (DOL) appealed to employers of the Territory to assist them in building a skilled, productive and adaptable workforce by providing opportunities for summer employment to high school and college students by participating in their Summer Youth Work Experience Program. VIHFA answered the call and as a result, four (4) students were assigned to the Authority for summer employment; Samuel Jones on St. Thomas; and Ymaniah Richards, Yanick Toure and Dana McIntosh on St. Croix.

VIHFA was also pleased to participate in various Internship programs by providing internship opportunities to the following individuals:

- Kellie-Sheleen Chapman, a senior from the Ivanna Eudora Kean High School National Foundation Academy Internship Program.
- Jahmeshah Smith, a senior from the Charlotte Amalie High School Business Department’s On-The-Job Training Program.
- Stephanie Hackett, a participant of The Virgin Islands Housing Authority’s Family Self-Sufficiency (FSS) and Resident Opportunity and Self Sufficiency (ROSS) Service Programs.
- Jaren Harris commenced employment with VIHFA in August 2013 as a Summer Intern through the V.I. Department of Labor’s Summer Internship Program and continued as Temporary Administrative Assistant/ Receptionist until April 30, 2014.



The VIHFA Staff on both islands also volunteered in the Junior Achievement Program (JAVI). The St. Croix staff educated students on personal financing at the Arthur A. Richards Junior High School and entrepreneurship at the St. Croix Educational Complex. On St. Thomas, the staff educated students on personal financing at the Bertha C. Boschulte Middle School. These efforts were coordinated with the Director of Human Resources and Alpine Securities.



Policies and Procedures

Emergency Evacuations

Employees in both Districts participated in the Virgin Islands Territorial Emergency Management Agency (VITEMA) "2013 Great Shakeout" Earthquake Drill. On October 17, 2013, at 10:17 a.m. employees practiced in the "Drop, Cover and Hold On" emergency preparedness procedures shared in our recently created and implemented Emergency Action Plan. St. Thomas employees also used this as an opportunity to get familiar with VITEMA's designated Tsunami safe zone by traversing the tsunami route.



"Drop, Cover & Hold On"

Employee Health & Wellness Initiatives

An effective health and wellness program offers measures to support the health of employees and their families. This may include conducting health screenings and immunization clinics, providing health education materials, hosting health fairs to expose employees to vital information and offering intervention programs to help workers stop unhealthy behaviors.

Biometrics Health Screenings



CIGNA Health Coaches conducted annual Biometrics Health Screenings (glucose testing, body mass index, blood pressure and cholesterol testing) for employees who elected CIGNA medical and dental benefits on November 18, 2013 on St. Thomas and November 19, 2013 on St. Croix. Employees were encouraged to use their screening information to complete their Health Risk Assessment (HRA) on mycigna.com as our commitment to the DOP's health and wellness initiative. Administrative leave was granted on December 31, 2013 to employees who completed their Health Risk Assessment on mycigna.com. Employees also received Kmart Gift Cards as an added incentive.



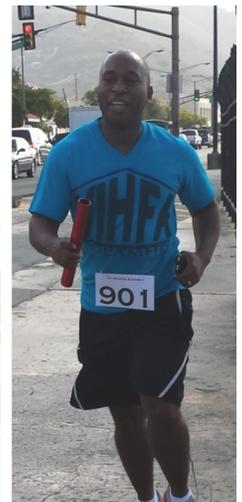
Wellness Cooking Education Series

Several employees participated in DOP's eight-week cooking education series conducted by Executive Chef Ashley Allen, Sr. on St. Thomas and Executive Chef Negust Kaza on St. Croix. Classes, which are held once per week in each District, taught employees the "basics of building a healthy delicious meal".



Battle of the Agencies

DOP in conjunction with the Department of Sports, Parks and Recreation invited all government agencies to participate in the Inaugural Battle of the Agencies on Saturday, March 22, 2014, at the Emile Griffith Ballpark on St. Thomas. Although outnumbered by some of the bigger agencies, the St. Thomas staff represented the Authority exceptionally well.



Kudos to VIHFA's dynamic St. Thomas Team: Darin Richardson, Daryl Griffith, Dahlia Daniel-Percival, Eraineé Acosta, Patricia Ventura, Stacey Clarke and Ja'Ren Harris.

10,000 Steps-A-Day

DOP continued their health and wellness initiative of encouraging employees to "Walk 10,000 Steps-A-Day" as a fun and easy way to become more physically active by voluntarily committing to walk at least 10,000 steps-a-day for 8 weeks. At the conclusion of this challenge, VIHFA ranked #7 with 1,394,346 Steps! This is a great accomplishment as only four (4) employees participated. Kudos to HFA #Team FIT!



Employee Recognition

The fundamental reason employers recognize employees is because human capital is the most valuable resource an organization has and employee recognition is the company's way of expressing its appreciation. Employees benefit from recognition as much as their employers. Employers benefit from improved morale, job satisfaction and easily measurable areas such as increased retention and reduced turnover. Employees benefit from recognition because it satisfies an intrinsic need to be appreciated and acknowledged for their work. Presentations were made on December 20, 2013 on St. Thomas and December 23, 2013 on St. Croix as the Authority's way for honoring and recognizing employees who celebrated milestones and for their years of dedicated service.

Division of the Year ***Homeownership Division***



Retirement Dinner / 15 Years of Service ***Elizabeth Ulysses***

The Authority hosted a Retirement Dinner in honor of Mrs. Elizabeth Ulysses on December 19, 2013 at the Coco Joes Restaurant at Morning Star Beach Resort. Mrs. Ulysses joined the Authority as a temporary employee and was hired full-time where she served as Receptionist, Accountant and Collections and Service Processor I. Her exemplary work performance for the past 15 years and 11 months was recognized in tribute, poem and song along with a presentation of flowers and gifts from the Authority and her fellow co-workers. Her quiet demeanor and positive attitude will be definitely missed.



2014 Employees of the Year

**Patricia Ventura (STT)
and Tamisha Thomas (STX)**

Congratulations are extended to Ms. Patricia Ventura, Collections and Service Processor II at our St. Thomas Office, and Ms. Tamisha Thomas, Associate Planner II with the Community Development Block Grant Program at our St. Croix Office, on their selection as VIHFA's 2014 Employees of the Year. Both honorees were recognized, along with other public sector employees, during the Government of the Virgin Islands Public Service Recognition Week (PSRW) held June 7-14, 2014.



Tamisha Thomas

Ms. Ventura who was recently promoted to the Collections and Servicing Division, nomination was submitted by her former supervisor for her work performance in the Accounting Division. Several activities were hosted by the Division of Personnel throughout the week to culminate with an Awards Ceremony in each District. Honorees hard work and dedication to the Agency is commendable and they were encouraged to keep up the good work. Congratulations on this distinguished recognition.



25th Annual Public Service Recognition Ceremony

Governor de Jongh, Director Hermon, Director Adrienne Williams, and Award Recipient Patricia Ventura



John P. de Jongh, Jr.
John P. de Jongh, Jr.

June 5, 2014
Frenchman's Reef & Morning Star
Marriott Beach Resort
St. Thomas, U.S. Virgin Islands

Patricia Ventura

Other Employee Recognitions



5 Years of Service (St. Thomas Honorees):

*Antoinette Fleming, Candace Herbert,
Valdora Powell, Alan Fleming, Risa Andrew-Sasso,
Patricia Ventura and Yvonne Milliner*

5 Years of Service (St. Croix Honorees):

*Rosalind Morales-Estrill, Candice James,
Bernadette Richards, Tamisha Thomas, Flavia Logie,
Chivonne Moorhead, Shakema Jacobs,
Nina Desouza, John Green and Devin James*

Team Player:

*Patricia Ventura (STT)
Candice James (STX)*

The Above and Beyond the Call of Duty:

*Patricia Ventura (STT)
Michael Moreau (STX)*

Leadership Award (2013 Housing Expo)

*Dahlia Daniel-Percival (STT)
Shakema Jacobs (STX)*



Rentals

Emergency Housing

The Virgin Islands Housing Finance Authority administers the Emergency Housing Program in the Territory and is responsible for ensuring that housing is available to victims of domestic violence and for those who are displaced due to a natural disaster, catastrophe or temporary financial hardships.

Emergency housing units are managed by the Virgin Islands Housing Management, Inc. (VIHM), a non-profit 501(c)(3) organization responsible for constructing, reconstructing, acquiring, leasing and managing rental properties and the emergency housing stock owned by the Virgin Islands Housing Finance Authority.

VIHM, Inc. currently manages four communities on St. Thomas and four on St. Croix.

St. Thomas

St. Croix

Charolette Housing Community	28	Anna’s Hope Housing Community	16
Queen Louise Housing Community	15	Campo Rico Housing Community	16
Ross Taarneberg Housing Community	24	Estate Profit Housing Community	12
Staabiland Housing Community	3	LBJ Gardens Housing Community	100



Demolition and Rehabilitation of Emergency Units

The Virgin Islands Housing Finance Authority (VIHFA) is in the last phase of its plan to redevelop the emergency housing communities in the Territory.

Each community in the VIHFA’s portfolio underwent an extensive assessment to identify the viability of each property. The VIHFA then launched an effort to rehabilitate or demolish and rebuild 208 of the 335 Emergency Housing units that were transferred to the Authority. The LBJ Gardens and the Queen Louise Apartments have been deemed to be severely distressed and in need of major repairs.

This Fiscal Year, the Authority culminated the effort to relocate families from the LBJ Gardens on St. Croix and the Queen Louise



Apartments on St. Thomas. These communities contain buildings that are in severe disrepair and constitute a hazard to tenants as a result of structural deficiencies identified during VIHFA's assessment.

During FY 2014, there were a total of 74 families to be relocated from the LBJ Gardens community. Of this total:

- 30 tenants were relocated to properties owned by the Virgin Islands Housing Authority (VIHA) and other subsidized housing;
- 39 tenants moved to units on the open market;
- 5 tenants moved to homeownership.

On St. Thomas there were a total of nine families to be relocated from the Queen Louise Apartments. Of this total:

- 3 tenants were relocated to properties owned by the Virgin Islands Housing Authority (VIHA) and other subsidized housing;
- 5 tenants moved to units on the open market;
- 1 tenants moved to homeownership.

The VIHFA is currently evaluating the highest and best use for each site.

Territory of the Virgin Islands Emergency Housing Plan

In an effort to ensure that the tangibility of an Emergency Housing Plan for the Territory of the Virgin Islands, Virgin Islands Housing Finance Authority (VIHFA) was tasked not only with the development of the document, but also that of a taskforce. The Plan outlines policies and strategies our community may employ to serve residents, retain our population, and offer hope to survivors when homes and businesses have been damaged or destroyed. By pooling local resources and expertise, and with the federal resources when granted, VIHFA would provide temporary housing and support services, as applicable, to displaced families and individuals.

To successfully pool local resources and expertise, and establish a concrete Emergency Housing Plan, VIHFA was required to engage the following governmental departments/agencies and private organizations for the composition of the taskforce:

<i>American Red Cross/ Voluntarily Organization Active in Disaster</i>	<i>Department of Sports, Parks and Recreation</i>
<i>St. Croix & St. Thomas/St. John Board of Realtors</i>	<i>Department of Tourism</i>
<i>Department of Education</i>	<i>Federal Emergency Management Agency</i>
<i>Department of Health</i>	<i>Fire Services</i>
<i>Department of Human Services</i>	<i>Police Department</i>
<i>Department of Planning and Natural Resources</i>	<i>VI Hotel and Tourism Association</i>
<i>Department of Public Works</i>	<i>VI Housing Authority</i>
	<i>VI Territorial Emergency Management Agency (FEMA)</i>
	<i>VI Waste Management</i>

In a span of 14 months, the taskforce was employed in multiple meetings and teleconferences,

which enable provision of recommendations and clarifications of duties and responsibilities as related to department's/agency's or organization's mission. This developmental stage was pertinent to allow input from all parties and to assist with the language outlined in Memorandum of Understandings (MOU) between departments/agencies or private organizations and VIHFA.

Finalization of the Emergency Housing Plan in the first quarter of this reporting fiscal year (FY) was superseded by the development of MOUs that were drafted and tailored in accordance to the functions of stakeholders. At termination of the FY 2013/14, MOUs were submitted for review for legal sufficiency, revisions were completed, and MOUs, to include cover letters, were transmitted to departments/agencies' and private organizations' head for review and the signatory process. It is pertinent to note that FEMA was excluded from this process given that the federal government involvement in the event of a disaster is governed by a presidential declaration that is requested by the Governor of the Territory.

Rental Housing

The Authority employs the assistance of a private management firms to manage 421 permanent rental housing units.

Managed by DWH Business Services

Bethlehem Village	96 Units
Profit Hills	99 Units
Frits Lawaetz Homes	60 Units
Ruby M. Rouss Homes	114 Units

Managed by Pan American Investments

Paradise Mills	52 Units
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There were a number of major maintenance projects completed this Fiscal year. At the Lagoon Complex and the Frits Lawaetz homes, the Air Conditioning and Roof Re-surfacing project was started and completed in 2014. The Management Company, DWH Services contracted with VIVALDI Industries to complete the roof work. The VIHFA assisted in the creation of an A/C relocation plan.



Ruby Rouss Housing Community

The VIHFA and DWH Services executed a contract with OTL Mechanical in the amount of \$283,717.98 to redo the Water Lines in the Community.



Collections & Servicing

Fiscal Year in Review

As the economic crisis continued through FY 2014, more homeowners found it difficult to meet their homeownership obligations. However, the Collections & Servicing Division worked diligently to monitor, collect, and service the Virgin Islands Housing Finance Authority accounts receivable ensuring the availability of funds for future borrowers and developments while offering above standard service to our customers.

The following represents the collective efforts of the Collections & Servicing Department:

VIHFA'S ACCOUNT RECEIVABLES		
FEDERAL		
CDBG	12,836.59	
Home	273,622.15	
1st Generation Hope	3,959.70	
2nd Generation Hope	55,549.79	\$ 345,968.23
MORTGAGES		
Homestead	588,094.07	
Moderate Income	119,332.06	
Regular Mortgage	416,139.83	
Veterans	286,492.49	
Write Off's	95,732.03	\$ 1,505,790.48
LAND		
Adventure Hill	650.00	
Castle Burke	4,748.93	
Hermon Hill	33,946.22	
Mariendahl	100,710.78	
Nazareth	117,627.05	
Profit	3,992.43	
Santa Maria	2,871.16	\$ 264,546.57
RENTALS		
Commercial	102,906.61	
George Simmonds	1,890.00	
183 Estate St. George	2,738.30	\$ 107,534.91
MISCELLANEOUS		
Accrued Annual Leave - Jennifer Jones	2,891.14	
A/C Maintenance	100.00	
Allotment	1,761,131.91	
Allotment - Moderate Income	250,000.00	
Application Fee	11,130.00	
Appraisal	3,275.00	

Architectural Plans	600.00	
Bid Packages- STT	6,610.00	
Compliance Monitoring	26,152.00	
Conference Room Rental	950.00	
Copies	14.73	
Credit Report	2,447.00	
Deed Revision Fee	1,050.00	
Document Preparation Fee	3,000.00	
Due VIHM (Rent)	1,820.00	
Earnest Deposit	19,346.50	
Escrows - Insurance/ taxes	12,425.16	
ESG Homeless Prevention	250.00	
Equipment Maintenance	211.64	
Flood Certification Fee	112.00	
Flood Insurance reimbursement due to DWH	174.00	
Ground Lease	10,000.00	
Government Reimbursement	22,299.24	
Home Buyers Education Fee	640.00	
Home Buyers Manual	20.00	
Housing Expo 2013	30.00	
Housing Expo 2014	29,081.14	
Inspection Fees	600.00	
Insurance Reimbursement	13,066.43	
Interest - Closing	191.84	
LIHTC	500.00	
Management Fees - VIHM	161,162.00	
Market Study Louis Brown (Reimbursement)	3,250.00	
Mars Hill Construction Management Services	4,875.00	
Multi-Purpose Complex Funding	1,000,000.00	
Office Supplies Reimbursement	559.61	
Origination Fee	1,250.00	
Payroll - Reimbursement CDBG	327,576.27	
Payroll Reimbursement - DWH	44,006.25	
Payroll- Reimbursement HOME	111,777.72	
payroll - Reimbursement VIHM	143,002.42	
Payoff Letter fee	15.00	
Photocopy Fee	1,597.02	
Postage Reimbursement - Federal Program	58.90	
Pre-Apprenticeship	507.50	
Reactivation Fee	30.00	
Recapture Fee	15,000.00	

Refund to CDBG	1,000.00	
Return Check fee	250.00	
Paradise Mills	10,517.21	
Settlement Fee	1,435,617.49	
Subordination of Mortgage	1,750.00	
Sub Grantee - Federal Cost Share	2,512.50	
Title Search Fee	1,350.00	
Training Room Rental Fee	1,460.00	
Travel Reimbursement	15,017.20	
VIHFA Staff Fundraiser	944.00	
VIHM Reimbursements Expense	1,244.92	
VIPA - Parcel No. 11 & 116 Submarine Base	350,000.00	
Vitema - Hurricane Reimbursement	4,236.00	
Warranty	3,000.00	
Water Gut Homes Loan	115,000.00	
Water Testing Fee	136.00	\$ 5,938,822.74
OVERALL COLLECTION FOR FISCAL YR 2014		\$ 8,162,662.93
CONDO ASSOCIATION DUES		
Ottley Manor Condominium Association	8,230.00	\$ 8,230.00
SERVICING AGREEMENTS		
Habitat for Humanities	9,276.84	
Vitar	4,526.77	
TOTAL COLLECTION FOR FISCAL YR 2014		\$ 13,803.61
VIRGIN ISLANDS HOUSING MANANGEMENT INC.		
Allotment	466,745.33	
Rent - St. Thomas	85,428.94	
Rent - St. Croix	40,397.89	
Bid Package	50.00	
Cleaning Deposit	100.00	
Due VIHA	5,407.30	
Reliance Housing Services - Mortgage	750.00	
Security Deposit - STX	150.00	
	TOTALS	\$ 599,029.46

Mortgage Loans Collections Comparison

	No. of Loans FY 2014	No. of Delinquent Loans FY 2014	No. of Loans FY 2013	No. of Delinquent Loans FY 2013
Homestead	96	26	96	26
Moderate Income	21	6	21	6
Regular Mortgages	63	13	63	13
Veterans	41	8	41	8
Write-Off's	31	29	n/a	

Federal Programs Loans Collections Comparison

	No. of Loans FY 2014	No. of Delinquent Loans FY 2014	No. of Loans FY 2013	No. of Delinquent Loans FY 2013
CDBG	4	0	4	1
Home Loan	190	45	191	41
Hope 3	32	4	35	5

Land Loans Collections Comparison

	No. of Loans FY 2014	No. of Delinquent Loans FY 2014	No. of Loans FY 2013	No. of Delinquent Loans FY 2013
Adventure	0	0	3	3
Castle Burke	3	3	8	8
Hermon Hill	12	1	12	0
HP&R Land	1	1	1	1
Mariendahl	22	7	34	7
Nazareth	21	3	24	6
Profit	1	1	3	3
Santa Maria	1	0	1	1

Servicing Agreements Comparison

	No. of Loans FY 2014	No. of Delinquent Loans FY 2014	No. of Loans FY 2013	No. of Delinquent Loans FY 2013
Habitat for Humanity	1	1	1	1
VITAR	5	2	5	2

Loans Closed

There were 36 loans added to our loan servicing program for this fiscal year totaling \$1,701,486.84. These loans were a mixture of local and federally funded loans. See the breakdown below for the categories and the listing attached. The Authority also received \$718,578.87 from home sales.

	No. of Loans	Total Loan Amounts
Federal Programs		
Home	14	412,647.00
Hope	2	72,000.00
Total	16	\$ 484,647.00
Local Programs		
Homestead	03	288,981.17
Moderate Income	01	125,500.00
Nazareth	01	18,689.50
Regular Mortgage	09	273,878.00
Veterans	04	499,791.17
VITAR	02	10,000.00
Total	20	\$1,216,839.84

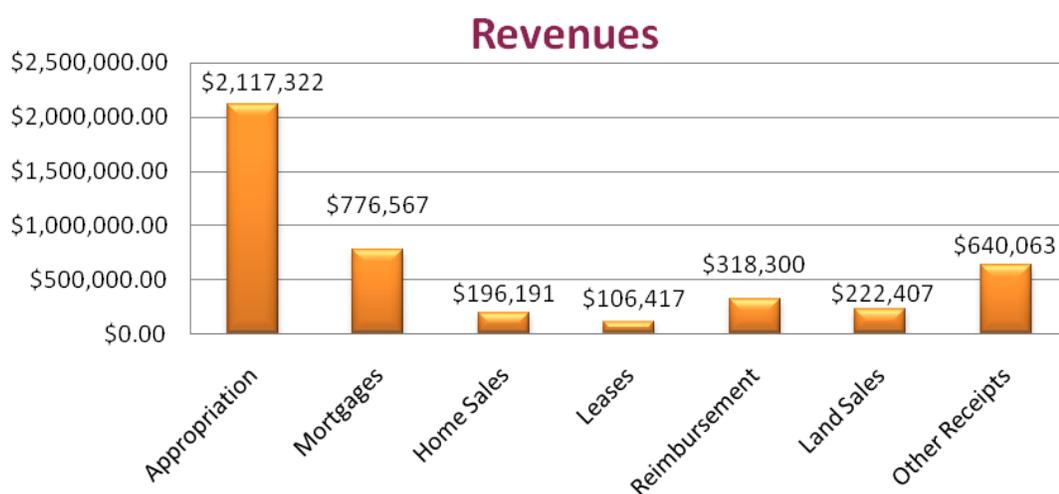
Payoffs

Category	Amount
Foreclosure Proceeds	32,100.00
Home	18,122.15
Hope	83.31
Mariendahl	13,429.67
Nazareth	4,633.24
Recapture	23,900.00
Regular Mortgage	70,743.81
Veteran	2,631.33
TOTAL	\$165,643.51

Agency's Financials

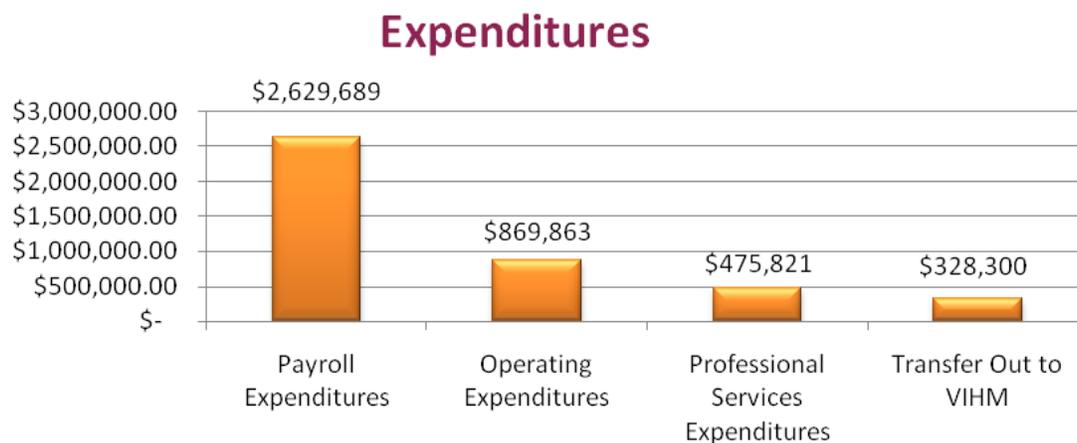
Accounting Division

The Virgin Islands Housing Finance Authority is a public corporation that is a component unit of the Government of the U.S. Virgin Islands. For Fiscal Year 2014, ending September 30, 2014, the Authority posted a surplus of \$73,594. The total revenue sources of \$4,377,268 are comprised of \$2,117,322 from Appropriations while the Authority generated \$776,567 from mortgages, \$196,191 from home sales, \$106,417 from leases, \$222,407 from land sales and \$640,063 from other receipts. Also included is a \$318,300 reimbursement from the Authority's subsidiary, the Virgin Islands Housing Management, Inc., which is responsible for managing the Authority's emergency housing properties.



Expenditures

The total expenditures for Fiscal Year 2014 were \$4,303,674, a 3% decrease from the prior year. Of the total expenditures, \$869,863 was attributed to operating costs while \$2,629,689 was payroll costs. Other expenditures included professional services totaling \$475,821 and transfer out to VIHM Inc. of \$328,300.



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