

**FIVE-YEAR CONSOLIDATED PLAN
FOR
THE U.S. VIRGIN ISLANDS**

A Long-Range Housing and
Community Development Plan
2010-2014

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ABBREVIATIONS AND SYMBOLS UTILIZED IN THE CONSOLIDATED PLAN

AAF	Annual Adjustment Factor
ACC	Annual Contributions Contract
AIDS	Acquired Immunodeficiency Syndrome
BR	Bedroom
CDBG	Community Development Block Grant
CFP	Code of Family Participation
CFR	Code of Federal Regulations
CHAS	Comprehensive Housing Affordability Strategy
CHDO	Community Housing Development Organization
CIAP	Comprehensive Improvement Assistance Program
CP	Consolidated Plan
CPI	Consumer Price Index
CR	Contract Rent
DATF	Data Assembly Task Force
DCDP	Division of Capital and Development Planning
DHPR	Department of Housing, Parks & Recreation
DHS	Department of Human Services
DPNR	Department of Planning and Natural Resources
DPW	Department of Public Works
DSS	Department of Social Services
EOHP	Equal Opportunity Housing Plan
ESG	Emergency Shelter Grant
FDIC	Federal Deposit Insurance Corporation
FFY	Federal Fiscal Year
FHA	Federal Housing Administration
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Governmental Accounting Office
GFC	Gross Family Contribution (Has been replaced by the term Total Tenant Payment [TTP])
GR	Gross Rent
HAP	Housing Assistance Payment
HAP Plan	Housing Assistance Plan
HCDA	Housing and Community Development Amendments of 1981
HODAG	Housing Development Action Grant
HMO	Housing Management Officer (in a HUD field Office)
HOME	Home Investment Partnerships Program
HOPE 1	HOPE for Public and Indian Housing Homeownership Program
HOPE 2	HOPE for Homeownership for Multifamily Units Program
HOPE 3	HOPE for Homeownership for Single family Homes Program
HOPE VI	HOPE for Revitalization of “Severely Distressed” Public Housing Units
HOPWA	Housing Opportunities for Persons with AIDS

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HQS	Housing Quality Standards
HUD	United States Department of Housing and Urban Development
HURRA	Housing and Urban/Rural Recovery Act of 1983
HV	Housing Voucher
IG	Inspector General
IGR	Independent Group Residence
IIP	Initial Implementation Period (for rules requiring documentation of citizenship and/or eligible alien status)
IPS	Initial Payment Standard (applies to the Housing Voucher Program)
IRS	Internal Revenue Service
LIHTC	Low Income Housing Tax Credit
MBE	Minority-Owned Business Enterprise
MFI	Median Family Income
MROP	Major Reconstruction of Obsolete Projects
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
OCD	Office of Community Development
PHA	Public Housing Authority
PMSA	Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PS	Payment Standard
QC	Quality Control
RAD	Regional (HUD) Accounting Division
RD	USDA Rural Development
RFLA	Request for Lease Approval
RFP	Request for Proposals
RROF	Request for Release of Funds (HUD Form 7015.15)
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment
VIHA	Virgin Islands Housing Authority
VIHFA	Virgin Islands Housing Finance Authority
WAPA	Water and Power Authority
WBE	Women-Owned Business Enterprise
UVI	University of the Virgin Islands
VIDOL	Virgin Islands Department of Labor

ACKNOWLEDGMENTS

The Government of the U.S. Virgin Islands would like to acknowledge the thoughtful contributions of the citizens, public officials, and the staff of Territorial agencies who participated in the public hearings and meetings held during the development of the Consolidated Plan, and the organizations and individuals who contributed information and time to help during the process of developing the Consolidated Plan.

The Government of the U.S. Virgin Islands would also like to acknowledge the on-going assistance and continued support provided by the U.S. Department of Housing and Urban Development's Caribbean Field Office. The staff of the Caribbean Field Office contributed their time, insight and technical assistance to help the Virgin Islands in this most recent effort to develop a Consolidated Plan. We would also like to extend our appreciation to John Epler and Melinda Epler of John Epler & Associates for their work in preparing the plan.

SUMMARY OF CONSOLIDATED PLAN DEVELOPMENT PROCESS

BACKGROUND

The Five Year Consolidated Plan For The Virgin Islands (2010-14) provides a description of the housing, homelessness and community development needs and strategies of the Territory. The Consolidated Plan was developed in response to the Cranston-Gonzalez National Affordable Housing Act of 1990 requirement that jurisdictions seeking formula-based community development grant funding from the U.S. Department of Housing and Urban Development (“HUD”) must first develop comprehensive housing affordability strategies for the use of the funds.

Until 2004, HUD had allowed the Territory to simply submit an annual application for funds without a Consolidated Plan. Beginning in 2005 however, HUD applied the requirement for developing a plan to the Virgin Islands (as required of the 50 states and Puerto Rico). In 2010 the Territory conducted a comprehensive needs assessment and community participation and consultation process to develop its second Consolidated Plan embodied in this document.

GRANTS AFFECTED

Formula Grant Programs Covered By The Consolidated Plan

- The Community Development Block Grant (CDBG) programs see 24 CFR part 570, subparts D and I);
- The Emergency Shelter Grants (ESG) program (see 24 CFR part 576);
- The HOME Investment Partnerships (HOME) program (see 24 CFR part 92); and
- The Housing Opportunities for Persons With AIDS (HOPWA) program (see 24 CFR part 574)

For the last several years, the Virgin Islands Government has been receiving several grants from the U.S. Department of Housing and Urban Development, among them the Community Development Block Grant and the Emergency Shelter Grant and the HOME Investment Partnership Funds. Each of these grants is administered by the Virgin Islands Housing Finance Authority.

Since 1976, the Virgin Islands Government has been receiving an annual grant amount of approximately \$2 million in Community Development Block Grants (CDBG). The CDBG grant is intended for facilities and services that primarily benefit low- and moderate-income persons. The Virgin Islands has been using its CDBG primarily for public and neighborhood facilities and for after-school programs for youth.

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The Virgin Islands Government has been annually receiving approximately \$90,000 in ESG funds since 1987. This grant is intended for the general categories of emergency shelters, transitional housing, and related services for homeless persons. The Virgin Islands has typically used this grant for rental assistance; counseling and training to prevent homelessness; maintenance and operation of emergency shelters and soup kitchens; and essential services, outreach, and counseling for persons that are homeless.

The Virgin Islands became eligible to participate in the HOME Program in 1993. In recent years, the Territory has been receiving an annual allocation of approximately \$1.3 million. The primary objective of the HOME Program is to expand the supply of safe, decent, sanitary, and affordable housing for low-income families. Funds may be used for acquisition, rehabilitation, and new construction of housing, and for tenant-based rental assistance. The funds have typically been used for housing rehabilitation assistance to homeowners and homebuyer programs to assist increasing homeownership.

As a result of the American Recovery and Reinvestment Act (Stimulus Funds), the Territory received \$775,978 in Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds. These funds have been allocated for providing rental assistance to persons at risk of becoming homeless, rapidly re-housing those who become homeless, and providing housing relocation and stabilization services.

The Territory also received approximately \$1.8 million in supplemental CDBG-Recovery funds to invest in economic development, infrastructure, and other public facilities that would employ people quickly. These funds are being used for large infrastructure projects on St. Croix and St. Thomas to support the development of affordable housing subdivisions and to redevelop publicly-owned rental housing.

A number of other HUD programs require either that the jurisdiction receiving funds have a Consolidated Plan that is approved by HUD or that the application for HUD funds contain a certification that the application is consistent with a HUD-approved Consolidated Plan. These include but are not limited to:

- The HOPE I Public Housing Homeownership (HOPE I) program;
- The HOPE II Homeownership of Multifamily Units (HOPE II) program;
- The HOPE III Homeownership of Single Family Homes (HOPE III) program;
- The Supportive Housing for the Elderly (Section 202) program;
- The Supportive Housing for Persons with Disabilities The Supportive Housing program;
- The Section 8 Moderate Rehabilitation Single Room Occupancy Housing (SRO) program;
- The Supportive Housing program;
- The Shelter Plus Care program;
- Revitalization of Severely Distress Public Housing (section 24 of the United States Housing Act of 1937);
- Hope for Youth: Youthbuild (see 24 CFR part 585).

In addition, although there is no specific requirement for consistency with an approved Consolidated Plan, HUD funding allocations for the Section 8 Certificate and Voucher Programs are to be made in a way that enables participating jurisdictions to carry out their consolidated plans.

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LEAD AGENCY DESIGNATION

HUD requires that each Consolidated Plan jurisdiction designate the responsibilities for the planning process to an agency. The Virgin Islands Government has designated the Virgin Islands Housing Finance Authority as the “Lead Agency” for developing and submitting the Consolidated Plan, Annual Action Plans, and Annual Performance Reports on progress.

For the planning process, the Lead Agency is responsible for gathering data on housing and homeless needs and to identify the barriers that exist to affordable, accessible, and fair housing. In addition, the VIHFA gathers data on community development needs and opportunities, as well as the needs of specially challenged populations, such as the homeless, elderly and HIV/AIDS populations.

VIRGIN ISLANDS CITIZEN PARTICIPATION PLAN

HUD requires the development of a Citizen Participation Plan that describes how the Virgin Islands Government shall provide for, and encourage citizen participation in, the development of the 5-year consolidated plan in general and the use of funds in particular. The Citizen Participation Plan was adopted in 2005 after having been published in draft for citizen review and comments. A copy of *The Citizen Participation Plan for the Virgin Islands Consolidated Plan* can be viewed at the VIHFA.

Main features of the Citizen Participation Plan:

- 1) Individuals, community organizations and government agencies are invited to submit proposals with respect to the clients or neighborhood that they serve.
- 2) Public hearings are held to obtain public comments on needs and to prioritize the projects that were considered for funding.
- 3) A draft Consolidated Plan is published and available for public review and comments for at least 30 days prior to its adoption.

NEEDS ASSESSMENT

The planning process included research and analysis of Census data, data available from social services agencies, and other available research. In addition, a *Housing and Community Development Needs Survey* was distributed on the three islands to obtain input from community residents and organizations regarding priorities for activities. The information derived from the surveys, the key agency consultation process discussed below, and the research analysis were used to confirm the objectives and strategies in the plan (see the section “Five Year Housing & Community Development Strategic Plan” at the end of the plan).

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CONSULTATION WITH PUBLIC AND PRIVATE AGENCIES

There was a concerted good faith effort in the design and implementation of the CP development process to consult with and involve appropriate social service agencies, community-based organizations and concerned citizens, according to the guidance provided by the Consolidated Plan regulations.

During the planning process, agencies were interviewed to obtain information on priority needs and available resources to meet needs, and were asked to provide strategic plans, performance reports, surveys, and program narratives. The survey of community development needs was sent to governmental agencies and non-profit agencies throughout the Territory. A total of 46 responses were returned.

The organizations that were consulted with and contributed to the needs assessment and strategy development process are:

- Virgin Islands Housing Authority
- Virgin Islands Housing Finance Authority
- Virgin Islands Department of Planning and Natural Resources
- Virgin Islands Department of Human Services
- Virgin Islands Economic Development Authority
- Lutheran Social Services of the Virgin Islands
- Virgin Islands Continuum of Care on Homelessness
- Catholic Charities of the Virgin Islands
- University of the Virgin Islands
- Members of the real estate industry on St. Croix and St. Thomas

THE CITIZEN PARTICIPATION PLAN

During the course of administering the Community Development Block Grant program, the Government of the Virgin Islands has continually invited citizens of the Territory to participate in the development and performance assessment of its affordable housing and community development programs and initiatives. The development of the Consolidated Plan extends that effort to involve all citizens.

The process for the development of the 2010-14 Consolidated Plan followed the steps outlined in the Virgin Islands Citizen Participation Plan, which was adopted in May 2005. The Citizen Participation Plan provides a variety of opportunities for citizens to be involved, including hearings and providing the draft plan for public comment.

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ACCESS TO MEETINGS

Meetings and public hearings on needs and the Consolidated Plan were conducted in buildings that were physically accessible. Spanish language translators and Sign language interpreters were available if needed at the public hearings to ensure full citizen participation.

Public hearings were held on each island in order for citizens in each district of the Territory to hear and comment upon the proposed Consolidated Plan. In accordance with the HUD requirement that the hearing be held at a time and place convenient to the public, each hearing was held in the early evening to allow persons working during the day to attend.

ACCESS TO INFORMATION

The public has been advised through notices in local newspapers, when and where they may access the Consolidated Plan, performance information, and other information on the programs covered by this plan.

TECHNICAL ASSISTANCE

In January 2010, potential project sponsors were invited to submit applications for 2010 CDBG funding February 12, 2010. VIHFA staff provided technical assistance to potential applicants throughout the year as well as concentrated assistance during the project application process. Orientation meetings were held on January 19 and 21 in St. Thomas and St. Croix to familiarize applicants with the application forms and how to complete them successfully. VIHFA announced the application period for submitting ESG proposals on April 27, 2010 and accepted applications through May 25.

HOME Program staff provides technical assistance to developers, homeowners, and potential homebuyers throughout the year. They manage the program with an open application period during which they receive referrals from lenders, USDA, and other VIFHA program staff. In addition, several applicants are self-referrals.

PUBLIC HEARINGS

Formal Public Hearings were held during the development of the Consolidated Plan. The locations of the Public Hearings were strategically situated throughout the Territory. Public Notices were placed in newspapers to give appropriate notice for the hearings. All of the hearings were scheduled on weekdays, during the early evening hours, and at a meeting place commonly used for public hearings in that community. All public notices informed the citizens to telephone VIHFA should they require special assistance, and the telephone number was included. Additional efforts were taken to encourage participation of non-English speaking persons and persons with disabilities.

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The dates and locations of the Public Hearings were as follows:

Hearing on needs and progress in implementing activities

- Cruz Bay, St. John April 12, 2010
- Charlotte Amalie, St. Thomas April 13, 2010
- Frederiksted, St. Croix April 16, 2010

Hearings on proposed projects

- Charlotte Amalie, St. Thomas July 9, 2010
- Frederiksted, St. Croix July 19, 2010

PUBLICATION OF THE PROPOSED CONSOLIDATED PLAN

The required Official Public Notice, summarizing the draft Consolidated Plan and informing the public of the availability of the document for review and comment, was published six times each in the Virgin Islands Daily News and the St. Croix Avis – local newspapers with Territory-wide circulation - during the period July 6-August 4, 2010. The public was also advised that the draft Plan could be viewed on the VIHFA website (www.vihfa.gov).

CITIZEN COMMENT PROVISIONS

The review and comment period for the draft Consolidated Plan began on July 7 and ended on August 9, 2010. There were _____ comments received during the comment period. **<Information on public comments to be inserted here prior to finalization of the Plan>**.

AVAILABILITY OF THE CONSOLIDATED PLAN

The draft Consolidated Plan was made available for public review and comment at public libraries and government offices throughout the U.S. Virgin Islands Territory. Each library and government office listed received a copy of the draft Consolidated Plan when the comment period began.

The libraries and agency offices where the Consolidated Plan was available for review and comment are as follows:

- LIBRARIES:
 - Charlotte Amalie, St. Thomas
 - Christiansted, St. Croix
 - Frederiksted, St. Croix
- GOVERNMENT OFFICES:

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- Governor's Office, St. Thomas
- Administrator's Office, St. John
- Virgin Islands Housing Finance Authority
 - St. Thomas Main Office
 - St. Croix District Office
- Virgin Islands Housing Authority

Upon approval of the final Consolidated Plan submitted to HUD, the libraries and government offices will receive a final document in substitution for the draft Consolidated Plan.

PROVISION FOR TIMELY RESPONSE TO COMPLAINTS/GRIEVANCES

Provisions were made to inform the general public that any complaints or grievances relative to the Consolidated Plan process or the Plan document should be communicated to the VIHFA. The adopted Citizen Participation Plan provides for written responses to all complaints and grievances to be provided within fifteen (15) days of receipt. The VIHFA response will include acknowledgement of the complaint/grievance, a discussion of whether the complainant's criticism or suggestion was accepted, and a discussion of any measures that would be taken to address the issue.

<A full summary of any complaints or grievances received and the corresponding responses to be inserted here prior to finalization of the Plan>.

POPULATION AND ECONOMY

BACKGROUND

Social and Political History

Situated mid-way at the meeting place of the Greater Antilles and Lesser Antilles, the Virgin Islands has for a long time been regarded as the hub of sea routes on the way to the rest of the world: heading north to North America and Europe; south to South America and the rest of the Lesser Antilles; east to other territories in the Caribbean, North America and Africa.

Due to its central location, the Islands have had a substantial colonial history. Several European powers held control of all or a portion of the islands at one point in time or another, as it was a base for protecting ships entering the new world. Denmark held the longest continuous control over the islands with at first partial and later complete ownership. As early as 1867, the islands of St. Thomas and St. John requested transfer to the United States. In the early 1900s the United States began to look for ways to protect the areas leading to the Panama Canal and viewed the islands, with their strategic location, as important to the defense of the Canal. 1916 a new treaty was presented and an agreement was reached: all three Danish West India Islands were purchased for \$25 million by the United States of America in 1917.

Thirty-seven years later, the United States Congress instituted the Organic Act of 1954, providing for a Virgin Islands central government, while still allowing a degree of self-government. Executive, legislative and judicial branches of government were then established in Charlotte Amalie. In 1964-65, Congress allowed for an elective governor and lieutenant governor, each appointed for four-year terms, and an elected delegate to the United States House of Representatives.

Along with these changes in political climate came changes in the economy. The islands' economies diversified, where St. John and St. Thomas mainly depended on tourism, and St. Croix mainly oil and bauxite refining. Because of a relatively easy access to the United States mainland, the Virgin Islands population experiences a significant movement of population in both directions. In addition, with opportunities for employment and the consequent improvement in the standard of living, the Virgin Islands have long been an attraction to neighboring Eastern Caribbean islands and Puerto Rico.

Geography

The United States Virgin Islands, located in the Caribbean archipelago, is split between the Lesser Antilles to the south and the Greater Antilles to the north. Surrounded by the Atlantic Ocean and the Caribbean Sea, the islands' landscapes include steep craggy cliffs and mountaintops with breathtaking views that contrast flat coral islands, white sandy beaches and small lagoons. There are landlocked harbors, unprotected bays, and rolling plains that give way to tropical rain forests.

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St. Croix has an area of 84 square miles and is the most southerly of the four main inhabited islands. St. Croix is marked by lagoons on its south coast and undulating hills that rise to the north peaking abruptly at Mt. Eagle (1,165 feet). At the coast, there are a handful of fine sand beaches and a few harbors and sheltered bays. The two urban centers of Christiansted and Frederiksted are situated in the flat lands of St. Croix.

Forty-five miles north is St. Thomas (32 square miles). The backbone of St. Thomas is a ridge of east-west hills that rise abruptly from the sea precluding areas of extensive flat land. The system of hills rises to 1,550-foot Crown Mountain Peak. Charlotte Amalie, the Territory's capital is built on a narrow coastal floodplain and reclaimed landfill that surrounds an excellent landlocked harbor.

St. John (20 square miles) lies three miles east of St. Thomas across the Pillsbury Sound. It is similar to St. Thomas in relief with steep lofty hills and narrow valleys with no extensive areas of level land. Excellent white-sand beaches occupy many of its numerous sheltered indentations. Its highest elevation is Bordeaux Mountain (1,277 feet). The major community on St. John is Cruz Bay.

Water Island (1 square mile), lying nearby within St. Thomas harbor, is the fourth inhabited island. Water Island is a hilly shelter at the entrance of the harbor.

POPULATION

Population Growth

Between 1990 and 2000, the Virgin Islands' population grew 7%, with 6% in St. Croix and St. Thomas, and 20% in St. John. St. Croix had the largest population of the islands, with 53,234 – 49% of the total Virgin Islands population. St. Thomas was similar in size, with 51,181 (47% of the total population), followed by St. John, with just 4,197 (4% of the total population).

Figure 1. – Population Trends in the Virgin Islands, 1980-2008

Location	1980	1990	2000	2008	Change 2000-2008
St. Croix	49,725	50,139	53,234	56,576	6%
St. Thomas	44,372	48,166	51,181	54,394	6%
St. John	2,472	3,504	4,197	4,461	6%
Total Population	96,569	101,809	108,612	115,431	6%

Source: US Virgin Islands Bureau of Economic Research – Office of the Governor, *US Virgin Islands Annual Economic Indicators*, 2009.

The total Virgin Islands population numbered 109,677 persons prior to Hurricane Marilyn in 1995 – a growth of nearly 7,900 persons in the five years immediately prior. Yet along with a significant decline in the economy, the population of the Virgin Islands decreased during the period 1995-2000, reversing a growth trend which had remained steady since 1980. The decrease was most

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significant in St. Thomas, with a 6% decrease in its population. St. John and St. Croix grew by 4.4% and 3.6% respectively during the same time period.¹

The Virgin Island population grew 6.3% between 2000 and 2008, to 115,431. St. Croix's population rose to 56,576, St. Thomas rose to 54,394, and St. John rose to 4,461.² The CIA estimates the total Virgin Island population to be 109,775 in July 2010, with an annual growth rate of -0.061% and a net migration rate of -5.26 per 1,000.³

Age

By the 2000 census, the median age of the population in the United States was 35.3 years, a significant jump of two plus years from the previous census. This increase is due in large part to the aging of baby boomers (those born between 1946 and 1964). The “boomers” are pushing up the percent of the population between the ages of 45 and 64 years. At the same time, however, the population 65 and older increased at a slower rate than the general population because of the relatively lower birth rates in the late 1920s and early 1930s.⁴

Figure 2. – Age of Population, 2000

Age	St. Croix	St. Thomas	St. John	Virgin Islands	US
Birth to 17 years	34%	29%	25%	32%	26%
18 to 44 years	33%	37%	39%	35%	40%
45 to 64 years	24%	25%	29%	25%	22%
65 and older	8%	7%	8%	7%	12%
Median Age	31.9	34.4	36.7	33.4	35.3

Source: US Census

In 2000, the median age of the population in St. Croix (median age 31.9) is considerably younger than St. Thomas (median age 34.4), St. John (median age 36.7). As a whole, the population of the Virgin Islands is considerably younger than the nation (35.3). However, the median age of the islands rose significantly from 1990 to 2000. St. Thomas had the greatest change, rising 5.3 years between 1990 and 2000. St. Croix and St. John also rose substantially, by 5.1 years and 4.3 years respectively. The “baby boomers” have probably contributed to the rise in the percent of the Virgin Islands’ population between 45 and 64 years. This age group rose from 19% of the total in 1990 to 25% in 2000.

While “boomers” are affecting the median age and population age distribution in general, the percent of children from birth to 17 years of age (32% in the Virgin Islands) was significantly higher than the nation (26%) in 2000.

¹ 1995 *Population and Housing Survey*, Eastern Caribbean Center, University of the Virgin Islands (funded by a federal grant).

² 2007 *United States Virgin Islands Community Survey*.

³ Central Intelligence Agency, 2010.

⁴ US Census.

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The percent of people 65 and older in the Virgin Islands (8%) also rose by 6% in the ten years before 2000. At the same time, between 1990 and 2000, the number of persons 85 years and older living in the Virgin Islands increased by 83%, compared to the overall population growth of 7%. By law this population is eligible to live in legally “age-restricted” communities, which, while meeting the housing and service demands for one segment of the population, can reduce housing choices for others.⁵

Figure 3. – Age of Population, 2007

Age	St. Croix	St. Thomas & St. John	Virgin Islands
Birth to 19 years	29%	25%	27%
20 to 44 years	27%	33%	30%
45 to 64 years	31%	29%	30%
65 and older	14%	13%	13%
Median Age	40.0	40.5	40.4

Source: 2007 United States Virgin Islands Community Survey.

Seven years after the census, the median age in the Virgin Islands rose 21% to 40.4. In St. Croix, the median age rose by 25% in those seven years, to 40.0. Similarly, the percentage of the population over 65 nearly doubled relative to the rest of the population – rising from 7% to 13% of the Virgin Islands population.⁶

Race and Ethnicity

Because of changes in the US census, a comparison of the population composition in 2000 with that in 1990 cannot be completely accurate. For the first time, the 2000 census allowed designation of two or more races. Designation of ethnicity (Hispanic) remained unchanged between 1990 and 2000, but the flexibility in choice of race may have influenced peoples’ designation of Hispanic origins in the census. Over time these changes will provide a more accurate picture of diversity in all communities. In the meantime, the changes make it difficult to assess recent trends in race and ethnicity with certainty.

The Virgin Islands is approximately as diverse as the United States, but its composition is reversed from 75% white alone in the US, to 76% black or African-American alone in the Virgin Islands. In terms of ethnicity, Hispanics make up a slightly higher percent of the population in the Virgin Islands than in the nation. Seventy-four percent of the Islands’ Hispanic population resided St. Croix in 2000. The total Hispanic population of the Virgin Islands increased by just 3% between 1990 and 2000, compared to 58% in the U.S.

⁵ NAHB Housing Facts, Figures, Trends, 2003.

⁶ 2007 United States Virgin Islands Community Survey.

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Figure 4. – Population by Race and Ethnicity, 2000

Race	Location				
	St. Croix	St. Thomas	St. John	Virgin Islands	US
White alone	12%	13%	38%	13%	75%
Black or African-American alone	73%	81%	58%	76%	12%
American Indian or Alaska Native alone	0%	0%	0%	0%	1%
Asian or Pacific Islander alone	1%	1%	1%	1%	4%
Other race alone	9%	2%	2%	6%	6%
Two or more races	4%	3%	2%	3%	2%
Ethnicity					
Hispanic (of any race)	21%	7%	5%	14%	13%

Source: US Census

Figure 2 on the following page shows the percent of non-Hispanic white population by block group, which is a relatively unambiguous way to consider the areas of the Territory with concentrations of “racial or ethnic minority populations” as defined by HUD. For purposes of meeting the HUD requirements in this Consolidated Plan, areas of minority concentration are defined as census tracts where 25% or more of the population is racial or ethnic minority. By that definition, only one block group has a disproportionate share of minority population. Since so many of the residents of the Territory are technically racial or ethnic minorities (87%), a better gauge of concentration is to determine those areas with 99% or more racial or ethnic concentration. In the Virgin Islands, 61 of the 188 census tract block groups fall into this category.

On St. Thomas, the highest concentrations of minorities are located on the north and east extremities of the island and are lowest in the hills above Charlotte Amalie. On St. John, the highest concentration is located on the eastern half of the island. Finally, St. Croix has low concentrations of minorities in the west and central portions of the island and concentrations are found largely in the north and east portions.

Figure 5. – Racial/Ethnic Minority Concentrations: St. Croix

Racial/Ethnic Minority Concentrations: St. Croix By Census Block Groups

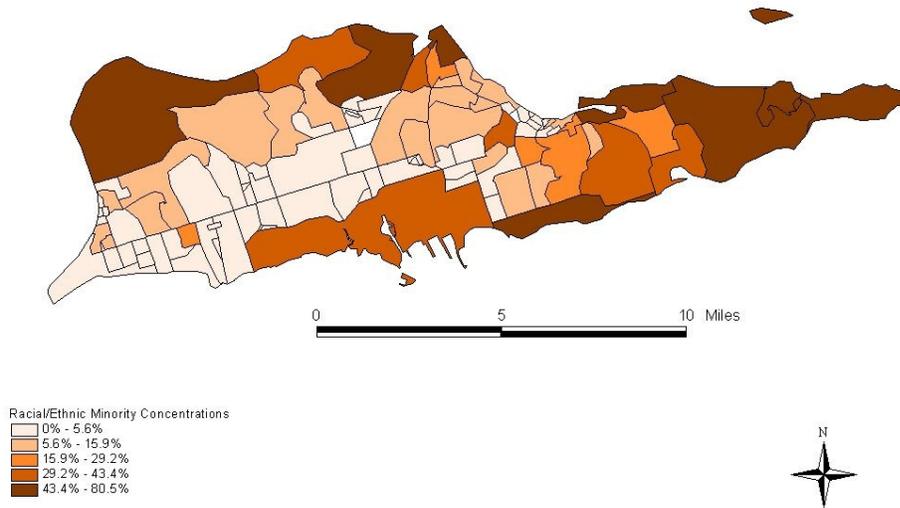


Figure 6. /Ethnic Minority Concentrations: St. Thomas/St. John
 Racial/Ethnic Minority Concentrations: St. Thomas/St John
 By Census Block Groups



Figure 7. – Population by Race, 2007

Race	Location		
	St. Croix	St. Thomas & St. John	Virgin Islands
White	5%	12%	9%
Black	72%	81%	77%
Other races	22%	6%	14%
Ethnicity			
Hispanic (of any race)	25%	12%	18%

Source: 2007 United States Virgin Islands Community Survey.

Between 2000 and 2007, the Virgin Islands Hispanic population increased from 14% to 18% of the population – increasing in both St. Croix and St. Thomas/St. John. One quarter of St. Croix’s population was Hispanic in 2007, compared to 21% in 2000.⁷

⁷ 2007 United States Virgin Islands Community Survey.

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Languages Spoken and Linguistic Isolation

The 2000 census found that 11% of the United States population was born outside the country (not US citizens at birth). Just under 5% of people in the United States were recent immigrants (had arrived between 1990 and March of 2000). In the Virgin Islands, 33% of the population was born outside the United States in 2000: 24% in St. John, 30% in St. Croix, and 37% of St. Thomas. Just 3% of the population in the territory was recent immigrants (entry from 1990 to 2000), compared to 5% in the nation. The majority of those migrating to the Virgin Islands do so because of employment: 84% of those born outside of the Virgin Islands in 2007 were either employed persons or family members of an employed person coming to the islands for employment (up from 76% in 2003). Another 10% migrated for visiting or vacationing purposes (down from 13% in 2003).⁸

Immigrants in general face significant disadvantages when entering the country or territory. Among these are weak to no English language skills, adjusting to a different role of government and the difficulties of adapting to a new culture, lifestyle, food, climate, customs – all of which can be daunting. Furthermore, recent immigrants often find their job skills incompatible with the local job market.

Whether new to the country or longer-term residents, people with limited English-language skills face barriers in accessing services and understanding important life transactions. This includes such things as comprehension of legal rights, how to qualify for and buy a home, communicating with health-care professionals, and more routine day-to-day activities. Linguistic isolation can be a critical barrier in emergencies.

Almost 30% of the population in St. Croix over 5 years of age spoke a language other than English in the home in 2000, and one-third of them spoke English “less than very well,” which implies some degree of difficulty. The predominant language category reported was “Spanish or Creole” (76% in St. Croix). In the territory as a whole, 23% of the population over 5 spoke a language other than English in the home, and 34% of those spoke English “Less than very well.”

The census identifies “linguistic isolation” as a case when no person in the household (14 years old and over) speaks only English, or speaks a non-English language and speaks English “very well.” In other words, all persons in the household 14 plus years old have at least some difficulty with English. In 2000, 2,506 people (or 2% of the population of the Virgin Islands) were considered linguistically isolated.

Households and Household Composition

The total number of households in the Virgin Islands increased by 28% between 1990 and 2000, compared to a 26% increase in the total population during the same period. Family households comprised two-thirds of the total Virgin Islands households in 2000, which was a significant decline since 1990, when they comprised 72% of all households. St. Croix had the highest number of family

⁸ 2007 United States Virgin Islands Community Survey.

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households (68%), followed by St. Thomas (64%) and St. John (58%). There was an increase in the percent of single, non-family households (up 66%) between 1990 and 2000, which is reflected in the 16% decline in household size from 3.14 to 2.64. The change was most prevalent in St. Croix, where single person households grew by 72% between the census years.

Figure 8. – Virgin Islands Households, 1990 and 2000

Type of Household	1990		2000	
	Number	%	Number	%
Non-family households	9,008	28%	14,012	34%
Single	7,390	23%	12,269	66%
Small (2-4 people)	N/A	N/A	1,738	4%
Large (5+ people)	N/A	N/A	5	<1%
Family households	23,012	72%	26,906	66%
Small (2-4 people)	N/A	N/A	21,164	52%
Large (5+ people)	N/A	N/A	5,742	14%
Total households	32,020	100%	40,918	100%
Average household size	3.14		2.64	

Source: US Census.

Household size decreased by 17% in St. Croix, 15% in St. Thomas, and 9% in St. John between 1990 and 2000. Nationally, the average household size has also been declining. Household sizes are becoming smaller for several reasons, including the trend toward smaller families in general, childless couples, single-parent households, and an increase in the number of “empty-nesters” as the baby boomers age. The average household size in the United States in 2000 was 2.59 persons per household. The Virgin Islands household size is slightly higher than the US average, (2.64 persons per household). A somewhat greater family household population would be a major factor.

Household Formation

Between 1990 and 2000, household formation increased four times as fast as population growth, as 8,898 new households were added for a 28% increase over ten years.

The aging of the Virgin Islands population is apparent in household structure by age of head of household. Declines were recorded in the number of households headed by persons under 45 years of age, despite population growth, while the largest expansion occurred among elderly households. Those households headed by persons 65 years of age and over increased by 80 percent, followed by households headed by those aged 45 to 65 years, which grew by 17 percent over the past five years.

The growth in elderly has also fueled a rise in small households as families mature to “empty nester” status without children or single spouses, particularly women, survive the death of a partner. Small households of one or two persons accounted for 65% of household growth in St. Croix over the 1990 to 2000 period, and 56% in all islands combined. Large households over 5 units, on the other hand, declined 19% during the same period.

In 2003, roughly half of the demand for housing in the Virgin Islands was for units to be occupied by one and two person households.

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Figure 9. – Household Formation by Size of Household in the Virgin Islands, 1980- 2005

Size of Household	1980	1990	1995	2000	2005
One Person	6,304	7,390	8,246	12,269	
Two Persons	6,070	7,610	9,383	11,100	
Three Persons	4,196	5,262	6,231	6,656	
Four Persons	4,062	4,697	5,577	5,146	
Five Persons	2,968	3,171	3,247	2,872	
Six + Persons	4,729	3,890	3,667	2,605	
Total Households	28,329	32,020	36,351	40,648	

Source: US Census, 1980-2000; Eastern Caribbean Center, University of the Virgin Islands, 1995 & 2005 Population and Housing Surveys

Group Quarters

One percent of the Virgin Islands population in 2000 lived in group quarters – a trend which is the same in each of the islands (all 1%). The group quarters population in the Virgin Islands is split between institutionalized (53%) and non-institutionalized (47%) quarters. However, 68% of St. Croix’s group quarters population lived in institutionalized quarters in 2000 – 51% in correctional institutions. In St. Thomas, 20% of the group quarters population lived in nursing homes in 2000, which was almost 80% of the all Virgin Island nursing home residents. Another 20% of the St. Thomas group quarters population lived in correction institutions in 2000.

ECONOMY AND EMPLOYMENT

Employment Trends

There were 48,559 persons employed in civilian jobs in 2009 – 20,881 on St. Croix and 27,678 on St. Thomas and St. John. Although it hit the Virgin Islands later than most areas of the US, the US economic recession significantly impacted the Virgin Islands in terms of tourism, trade, and investment. Job loses mounted, unemployment insurance claims rose, and construction came nearly entirely to a halt. Nearly every sector of the economy lost jobs during 2009, with the most severe losses occurring in construction, professional and business services, wholesale trade, and hospitality. Non-agricultural employment contracted by 2.3% in FY2009, resulting in a net loss of 1,069 jobs. Construction job loss was particularly significant, with a 26% decline from the previous year.⁹

⁹ US Virgin Islands 2009 Economic Review and 2010 Outlook, Bureau of Economic Research, October 2009.

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Unemployment rose from 6.0% in December 2007 (at the beginning of the recession), to 6.8% in March 2009, and 8.5% in September 2009. The Bureau of Economic Research projects the economy will continue to deteriorate in FY2010.¹⁰

If the overall US economy improves as projected in 2010, the US Virgin Islands is expected to parallel that recovery, though significantly lagging behind. Non-agricultural employment is forecast to increase just 0.5% in 2010 and 0.7% in 2011. Fiscal shortfalls are likely to continue to pose a major challenge for the USVI government well into 2011.¹¹

A total of 2,221,804 tourists visited the Virgin Islands in FY2009, down 13.1% from 2,557,847 in FY 2008. To mitigate against the negative tourism impact associated with the economic difficulties and down-turn, the US Virgin Islands Department of Tourism and Hotel Association have developed a “10 Point Plan” including a number of initiatives and a \$1.5 million advertising campaign to encourage visitors and spending. The Territory also launched a \$6 million advertising campaign to lure visitors.¹²

Employment in the manufacturing sector held steady in 2009, averaging 2,324 or 0.5 percent fiscal year-on-year increase. About 900 of these jobs were in the oil industry, another 1,000 were contractors associated with the oil industry, about 60 in the rum industry, 39 in the watch industry, and the remainder in dairy, jewelry and other light manufacturers.¹³

The Hovensa oil refinery located on St. Croix is one of the ten largest refineries in the world, with a distillation capacity of 495,000 barrels per day. It imports crude oil from around the world, but mostly from Venezuela, and exports 95% of the final refined products to the United States. The price of oil dropped significantly: at its peak in June 2008, oil was \$140/barrel, in December 2008 it declined to \$33/barrel. It rose to \$72/barrel in January 2009 and to \$72/barrel in September 2009.¹⁴

Rum produced in the Virgin Islands is also primarily exported to the US. During FY2009, a record 9,646,173 proof gallons were exported – a 21% growth rate from the year before. Cruzan VIRIL Ltd is based in St. Croix, and has changed owners three times in about as many years – in 2008, Cruzan was acquired by the largest US spirits company, Illinois-based Fortune Brands. During the next several years, that company plans to expand the facility and increase capacity by 50%. A new distillery broke ground on St. Croix in May 2009 – built by British company Diageo PLC, it will have the capacity to distill 20 million proof gallons of rum per year. The distillery will begin producing in 2011, and by 2012 it will supply all the rum used to make Captain Morgan brand products.¹⁵

¹⁰ U.S. *Virgin Islands Economic Review*, Bureau of Economic Research, April 2009; *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹¹ *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹² U.S. *Virgin Islands Economic Review*, Bureau of Economic Research, April 2009; *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹³ *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹⁴ *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹⁵ *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

Figure 10. – Number Employed by Industry, March 2010

Industry	Number Employed
Total Nonfarm	43,787
Total Private	30,920
Goods Producing	4,361
Service-Providing	39,426
Private Service Provider	26,559
Mining & Construction	2,191
Manufacturing	2,170
Trade, Transportation,	8,292
Wholesale Trade	672
Retail Trade	6,006
Clothing and Clothing	1,575
Transportation, Warehouse, Utilities	1,614
Transport & Warehouse	1,545
Information	767
Financial Activities	2,399
Finance and Insurance	1,282
Real Estate and Rental	1,117
Professional and Business	3,397
Professional, Scientific	1,192
Management of Companies	261
Administrative and Support	1,944
Educational and Health	2,447
Health Care and Social	1,469
Ambulatory Health Care	881
Leisure and Hospitality	6,901
Arts, Entertainment	896
Accommodation and Food	6,005
Accommodation	3,562
Traveler Accommodation	3,468
Food Services	2,443
Other Services	2,356
Religious, Grantmaking	587
Government	12,867
Federal Government	984
State Government	11,883
Source: USVI Department of Labor, March 2010	

Competition from countries with lower labor and input costs has resulted in a near collapse of the Virgin Islands watch industry. The industry went from a production peak of 1 million annually, to just 100,964 in 2009. In November 2008, Hampden Watch Co. on St. Croix closed, followed soon after by the closure of the Tropex Watch Company in April 2009. The industry now consists of Belair Quartz as the sole manufacturer. Despite efforts by the US Department of Commerce to

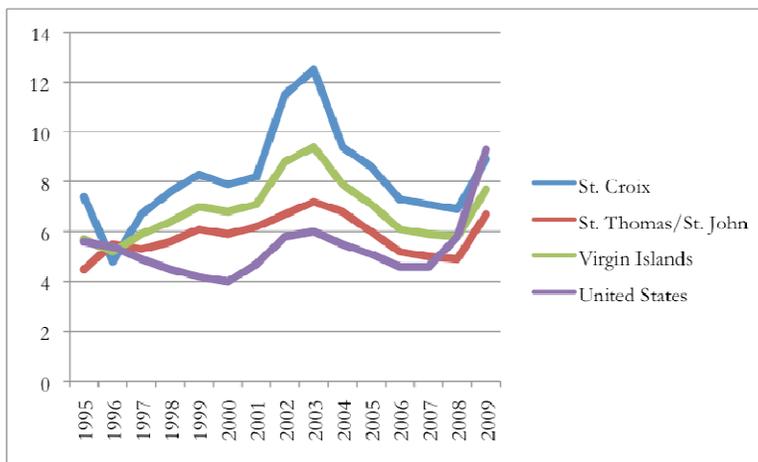
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boost the industry’s competitiveness by increasing the value of watches and entitling them to duty-free entry, there is no indication the industry will rebound in the near future.¹⁶

Retail trade jobs represented 90% of the trade sector’s total employment in FY2009, but declined slightly from 6,331 in 2008 to 6,293 in 2009. There were 751 wholesale trade jobs, down 2.6% from the year before. The number of jobs in transportation, warehouse, and utilities was slightly higher in FY2009, providing 1,624 jobs.¹⁷

Unemployment

Figure 11. – Historic Unemployment Rates, Virgin Islands, 1995-2009



Source: Virgin Islands Bureau of Labor Statistics; US Bureau of Labor Statistics

In 1996 the Virgin Islands unemployment rate dropped to about the same as that of the U.S. St. Croix dropped slightly lower than the U.S. during that time. However, since 1996, the islands’ unemployment rate skyrocketed to 9.4 in 2003, dropping substantially the following years to 6.9% in 2008. Due to the US economic recession, the unemployment rate increased again to 7.7%, and is trending upward. St. Croix’s unemployment rate more than doubled that of the nation in 2003, with 12.5%. In 2003 it had decreased to 6.9%, before rising to 8.9% in 2009.¹⁸ St. Thomas and St. John have a lower overall unemployment, peaking at 7.2% in 2003, lowering to 4.9% in 2008, and climbing to 6.7% in 2009.

¹⁶ U.S. *Virgin Islands Economic Review*, Bureau of Economic Research, April 2009; *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹⁷ *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

¹⁸ Virgin Islands Bureau of Labor Statistics, 2010.

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Figure 12. – Unemployment Rates, 1995-2009

Location	Year														
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
St. Croix	7.4	4.8	6.7	7.6	8.3	7.9	8.2	11.5	12.5	9.4	8.6	7.3	7.1	6.9	8.9
St. Thomas/St. John	4.5	5.5	5.3	5.6	6.1	5.9	6.2	6.7	7.2	6.8	6	5.2	5	4.9	6.7
Total Virgin Islands	5.7	5.2	5.9	6.4	7	6.8	7.1	8.8	9.4	7.9	7.1	6.1	5.9	5.8	7.7
United States	5.6	5.4	4.9	4.5	4.2	4	4.7	5.8	6	5.5	5.1	4.6	4.6	5.8	9.3

Source: Virgin Islands Bureau of Labor Statistics; US Bureau of Labor Statistics

Education and Workforce Development

The Virgin Islands' population has an education level that is lower than the nation. Thirty-four percent of the population of the Virgin Islands has had at least some college education, compared to 52% of the nation. St. Croix has the lowest education levels of the islands, with 43% of its population having no high school diploma. St. John has the highest education levels, with 51% of its population having at least some college education.

Figure 13. – Highest Education Levels, 2000 (Population Aged 25 Years and Older)

Highest Education Level Attained	St. Croix	St. Thomas	St. John	Virgin Islands	US
No high school diploma or equivalency	43%	37%	29%	39%	20%
High school diploma or equivalency	26%	27%	21%	26%	29%
Some college or Associate degree	16%	19%	23%	18%	27%
Bachelor's degree	9%	11%	19%	10%	16%
Master's degree or above	6%	7%	9%	6%	9%

Source: US Census.

**Figure 14. – U.S. Median Weekly Earnings
By Educational Attainment 2007**

Unemployment Rate in 2007	Education attained	Median Weekly Earnings in 2007
1.4%	Doctoral degree	\$1,497
1.3%	Professional degree	\$1,427
1.8%	Master's degree	\$1,165
2.2%	Bachelor's degree	\$987
3.0%	Associate degree	\$740
3.8%	Some college, no degree	\$683
4.4%	High-school graduate	\$604
7.1%	Less than a high school diploma	\$428

Note: Based on 2007 annual averages for persons age 25 and over. Earnings are for full-time wage and salary workers.
Source: Bureau of Labor Statistics, Population Survey, 2007.

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According to the Bureau of Labor Statistics, education levels are proportional to both unemployment rate and median weekly earnings. While the unemployment rate in the U.S. for a high school dropout was 7.3% in 2001, it was 4.2% with a high school diploma, 2.5% with a bachelor's degree, 2.1% with a master's degree, and 1.1% with a doctoral degree.¹⁹ Furthermore, for all college degrees from an associate to doctoral, earnings exceed the median wage.²⁰

Figure 15. – Virgin Islands Median Household Income by Level of Educational Attainment, 2007

Highest Education Level Attained	Median Earnings*
1st to 8th grade	\$ 13,308
9th or 10th grade	\$ 15,079
11th or 12th grade	\$ 20,934
High school graduate (or GED)	\$ 24,285
Some college, no degree	\$ 28,177
Associate degree, occupational	\$ 33,161
Associate degree, academic	\$ 29,928
Bachelor degree	\$37,820
Post-Bachelor degree	\$46,132

*Based on those 25 or more years of age who are working full-time.
Source: 2007 *Virgin Islands Community Survey*.

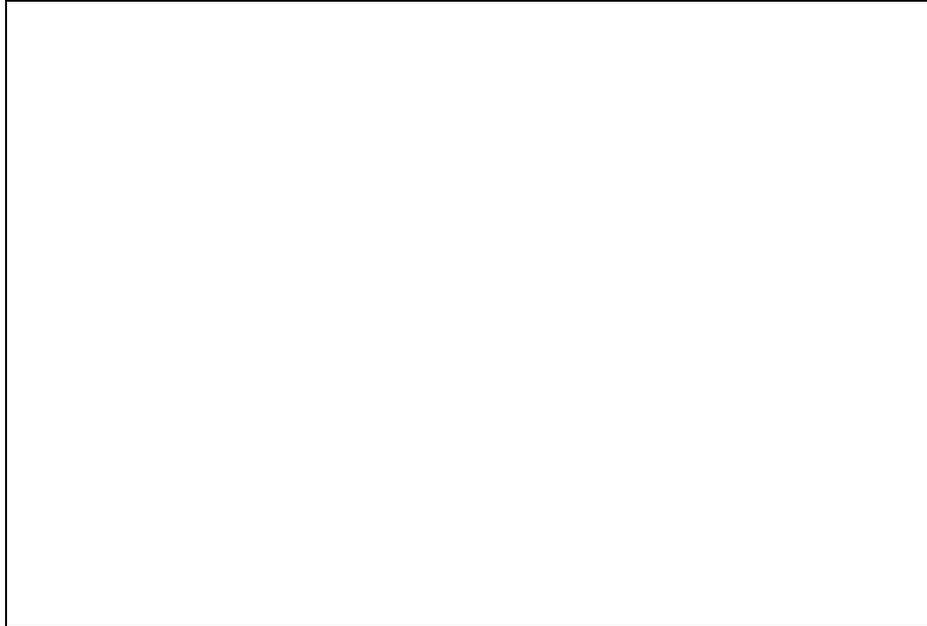
The Virgin Islands follows this same pattern. A person with a master's degree or above earned nearly double that of a high school graduate in 2007. Unfortunately the disparity between men and women's salaries remained high across education levels: in 2007, women with an education beyond a bachelor's degree earned 7% less than men at the same education level. Additionally, in all but this top educational attainment, women in the Virgin Islands earned less than the area median income.²¹

¹⁹ Bureau of Labor Statistics, 2001.

²⁰ OLMIS, *The Value of a College Degree*, 1998.

²¹ 2007 *United States Virgin Islands Community Survey*.

Figure 16. Education Levels, 2000



Household Income

The Virgin Islands’ median household income was substantially lower than the U.S. in 1999. St. Croix had the lowest income, with just \$21,401, compared with \$41,994 in the nation. Median earnings among females in the Virgin Islands were just 64% of that of the U.S, at only \$17,513.

In 2003, median household income in the Virgin Islands rose to \$30,627, up 24% since the 2000 census; however, median earnings of females increased just 2% during the same time.

Figure 17. – Household and Family Income, 1999

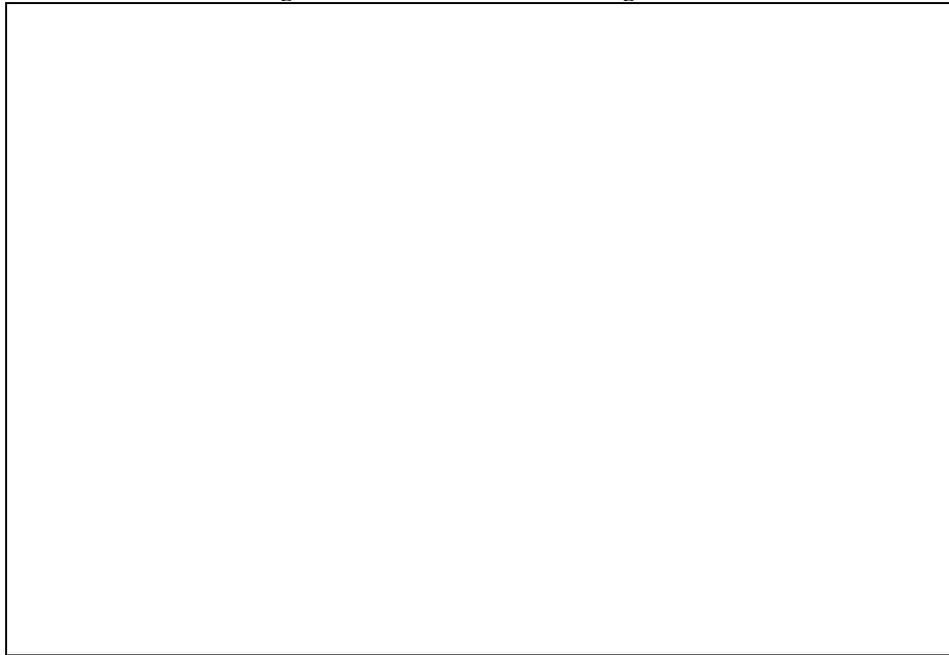
Income Measure	St. Croix	St. Thomas	St. John	Virgin Islands	US
Median household income	\$21,401	\$26,893	\$32,482	\$24,704	\$41,994
Per capita income	\$11,868	\$14,061	\$18,012	\$13,139	\$21,587
Median family income	\$24,235	\$31,724	\$39,567	\$28,553	\$50,046
Median earnings male*	\$23,314	\$21,437	\$21,386	\$22,069	\$37,057
Median earnings female*	\$17,056	\$17,911	\$18,483	\$17,513	\$27,194

*Working full-time, year-round.
Source: US Census.

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Median family income in the Virgin Islands in 1999 was higher than median household income, which is generally the case. There were fewer families than households, many including more than one wage earner. (Households include single individuals living alone.)

Figure 18. Household Income Range, 1999



In the Virgin Islands in 2000, the majority of the population (51%) made less than \$25,000 per year and just 10% were in the top income bracket, making \$75,000 or more per year. St. Croix had the lowest incomes, with 40% earning less than \$15,000 per year, and 9% earning \$75,000 or more. Thirty-one percent of St. John’s population earned over \$50,000 per year in 2000.

Figure 19. – Median Household Income Range, 2000

Income Range	Virgin Islands		St. Croix	St. Thomas	St. John
	Number	%	%	%	%
Under \$15,000	14,096	35%	40%	30%	24%
\$15,000 to \$24,999	6,382	16%	15%	16%	15%
\$25,000 to \$34,999	5,187	13%	12%	14%	14%
\$35,000 to \$49,999	5,712	14%	13%	15%	16%
\$50,000 to \$74,999	5,058	12%	11%	13%	16%
\$75,000 or more	4,213	10%	9%	11%	15%

Source: US Census.

Median income for households of any non-white householders was lower in 1999 in the Virgin Islands than the median household income for all householders. For householders who were African-American/Black, household income was \$22,462, and for the Hispanic population it was only

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\$18,226. White (alone) householders, on the other hand, had an income of \$39,782 in 2000. African-Americans in St. Croix earned just \$16,996, similar to Hispanics, who earned \$16,595.

Coupled with differences in average household size, the disparity between household incomes is considerable by island.

Figure 20. – Household and Family Income, 2007

Income Measure	St. Croix	St. Thomas and St. John	Virgin Islands
Median household income	\$ 32,741	\$ 37,767	\$ 34,983
Per capita income	\$ 16,083	\$ 17,023	\$ 16,562
Median family income	\$ 39,845	\$ 44,592	\$ 42,673
Median earnings male*	\$ 28,186	\$ 26,903	\$ 27,657
Median earnings female*	\$ 22,810	\$ 18,272	\$ 19,802

*Working full-time, year-round.

Source: 2007 Virgin Islands Community Survey.

In 2007, the Virgin Islands median household income was \$34,983 – an increase of 42% since the 2000 Census. While the median male earnings grew by 25% between the 2000 Census and 2007 Community Survey, the median female earnings grew by just 13% during the same period.²²

Population Below Poverty

Like household income, incidence of households in poverty also differs markedly between islands. Thirty-two percent of all individuals in the Virgin Islands were living in poverty in 1999, compared to 12% in the nation. In fact, the percentage of Virgin Islands residents living in poverty was drastically higher than that of the county as a whole. The island with the highest poverty rate in 2000 was St. Croix, with 39% overall. Contrary to national trends, couples, particularly those with children, had significantly lower poverty than all other categories. In St. John, only 6% of married couples with children were living in poverty. However, in St. Croix, where nearly all poverty rates were much higher than the other islands, the number of married couples with children living in poverty was double that of the U.S. (28%).

Seventy percent of Virgin Island females living alone with children were living in poverty in 2000 – more than double that of the U.S. (34%). In St. John, nearly every female living alone with children was living in poverty (92%).

Figure 21. – Percent of Population Living in Poverty, 1999

Population Group	St. Croix	St. Thomas	St. John	Virgin Islands	US
Individuals	39%	27%	19%	32%	12%
Individuals 18 or older	33%	24%	17%	28%	11%
Individuals 65 and older	34%	25%	15%	29%	10%
Families (including couples)	35%	23%	15%	28%	9%
Married couples with children <18	28%	15%	6%	21%	14%
Females alone with children <18	60%	79%	92%	70%	34%

Source: US Census.

²² 2007 Virgin Islands Community Survey.

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Figures 22 and 23, found on the next pages, shows percent of population in poverty by block group. Areas of highest concentrations of the households in poverty are located around Charlotte Amalie and the eastern end of the island on St. Thomas, the eastern end of St. John and the central and west end of St. Croix.

In 2007, the population of the Virgin Islands consisted of 114,744 residents, and 32,650 were below the poverty threshold. This translates to a poverty rate of 28%, 2% more than the rate in 2003.²³

²³ 2007 *Virgin Islands Community Survey*.

Figure 22. – Population Living in Poverty in St. Croix

Population Living in Poverty: St. Croix By Census Block Groups

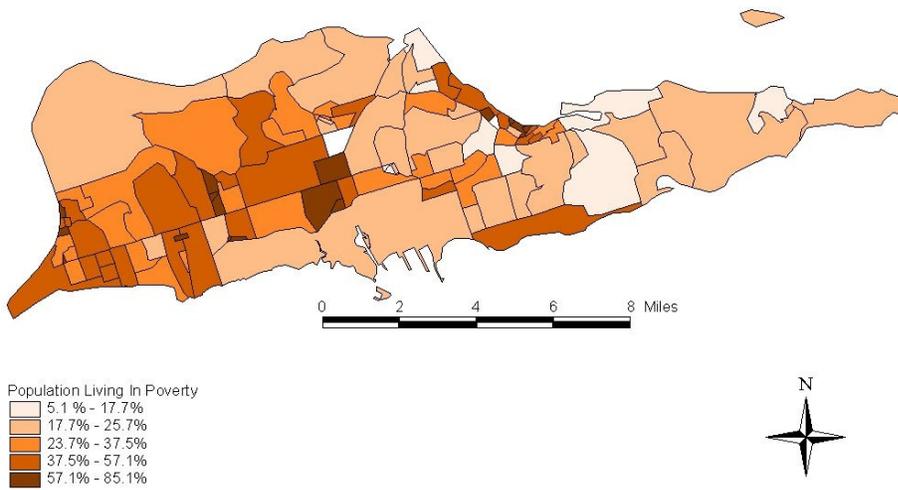
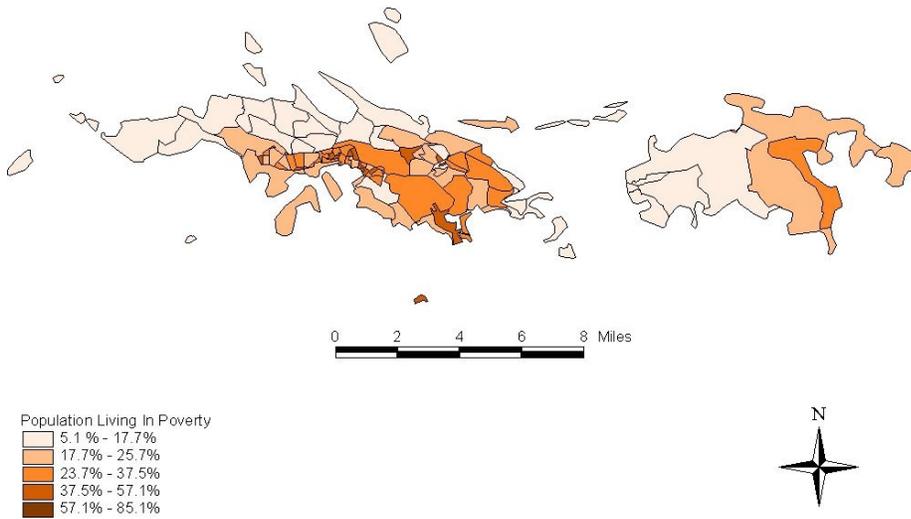


Figure 23.– Population Living in Poverty in St. Thomas/St. John

Population Living in Poverty: St. Thomas/St. John By Census Block Groups



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Low and Moderate Income Neighborhoods

For purposes of the Consolidated Plan, areas of lower-income concentration are defined as areas in which 51% or more of the households have incomes at or below 80% of HUD-defined area median income (\$23,963 in 2000). Figure 7 on the following page generally shows the block groups in which the majority of households are low- or moderate-income. There are 158 census block groups that meet the HUD qualifications for activities benefiting an area of primarily low- and moderate-income persons. A total of 65 block groups have very high concentration of low- and moderate-income households, with at least 75% of households below the area median income.

Low and moderate income neighborhoods on St. Thomas are found in most parts of the island except in the north and in small pockets in the east and the oceanfront south and east of Charlotte Amalie. On St. John only the western half of the island and two small areas in the east have populations of more than 51% low and moderate income. St. Croix has a large number of areas that are primarily low and moderate income, particularly in a band running east-west through the center of the island.

HOUSING NEEDS AND MARKET ANALYSIS

Comment [ME1]: This section will be further updated with new Housing Survey information.

HOUSING DEMAND/SUPPLY RELATIONSHIP

In general, the housing market is not producing enough new housing units relative to the number of emerging households in the Virgin Islands. As of September 2004, building permits were being approved at an annual rate of 457 for single-family units and 280 multi-family units.

In the early 1990s, approximately 20% of all households were characterized as living in inadequate housing. This percentage was increased due to damage sustained by the housing stock from the major hurricanes in 1989 and 1995. While the housing stock has recovered somewhat since that time, the effects of hurricane Marilyn in 1995 have never fully been overcome.

In the late 1990s, the Virgin Islands switched from a population living mainly in multifamily housing to a majority of the households living in single-family homes. In 2000, single-family homes accounted for 25,748 units or 51 percent of the occupied housing stock. In both St. Croix and St. John, detached single-family homes comprised roughly 60 percent of housing, while in St. Thomas single-family homes represent 38 percent of the occupied stock. This represents a major change from 1995, when single-family homes had fallen to only 32% of the housing stock. Between 1990 and 1995, the single-family houses in St. Thomas had declined by 720 occupied units to represent 32% of the housing stock. Townhouses, or attached single-family homes, numbered 2,769 units in 1995, nearly 8 percent of housing, and were 245 fewer than occupied in 1990. The losses were concentrated in St. Thomas.

A total of 23,259 households were living in apartments in 2000, representing 46% of households. Apartment complexes of 2 to 4 units per structure accounted for 13,306 units in 2000, and were located primarily in St. Thomas. Higher density developments with 5 or more units per structure were considerably fewer in number, accounting for 9,323 dwellings. Approximately 1,100 households, representing 2% of total households in the Virgin Islands, occupy mobile homes, boats, and other nontraditional forms of housing.

Figure 24. – Virgin Islands Housing Units, 2000

	St. Croix	St. Thomas	St. John	Virgin Islands
Single Family Detached	12,960	7,514	1,247	21,721
Single Family Attached	2,221	1,664	142	4,027
Apartments 2- 4 Units	3,424	9,165	717	13,306
Apartments 5-19 Units	3,829	3,827	161	7,187
Apartments 20 + Units	691	1,441	4	2,136
Mobile Home or Other	657	419	119	1,195
Total Units	23,782	24,030	2,390	50,202

Source: US Census

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Housing Adequacy

Virgin Island households are moderately sized on average, where the median number of persons per unit was 2.64 for all housing and 2.73 for owner occupied housing in 2000.

Five thousand three hundred and twenty-eight (5,328) households were living in overcrowded conditions in 2000, or 13 percent of all occupied household units with more than one person per room. (Overcrowding is typically considered a more severe condition in rental housing, where households may not have the resources to improve their housing conditions.) Three thousand eighty-nine (3,089) households, the majority of whom were renters, occupied housing that had either incomplete plumbing facilities or lacked kitchen facilities. While these numbers have dropped since the 1990s, housing adequacy remains far beyond the national figures. Many households were inadequately housed in 1995 due to conditions of overcrowding.

Households in the Virgin Islands have fewer amenities than the nation as a whole. The following table outlines differences in the adequacy of housing.

Figure 25. – Housing Adequacy, 2000

	Virgin Islands	United States
Total Housing Units	50,202	106,611,000
Median Rooms	4.1	5.3
Complete Plumbing	96.5%*	NA
Connected to public water system	45.9%	84.7%
Connected to public sewer	51.5%	75.8%

Source: 2000 Census

Housing Construction Costs

Current construction costs on St. Thomas range from \$150-\$250 per square foot. This translates into new construction development costs of \$165,000 to \$300,000 for new construction of 1,100 to 1,200 square foot homes. Costs on St. Croix tend to be on the low end of the range because of the more gentle terrain allowing easier construction while St. John construction costs are on the high end as a result of the limited buildable acreage - almost two-thirds of the island is a national park, and the cost of importing all construction and possibly construction labor from St. Thomas. Exact development costs will vary depending on parcel size and slope of the terrain.

Construction costs are in the \$160 per square foot range. The cost of construction for a 1,100-1,200 square foot unit can reach \$190,000.

Lack of Affordable Housing

Virgin Islands homeowners reported a median value of \$149,100 for their housing in 2000, with values highest on St. John at \$246,300, followed by St. Thomas at \$176,400 and St. Croix at

Comment [E2]: Section will be updated when new data from the Housing Survey is provided.

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\$129,400. The median household income of the Virgin Islands was \$24,704; the median income of homeowners was \$42,300.

Households who reported owning their house or condominium apartment free and clear numbered 7,102, while 6,901 households were meeting mortgage payments and 1,031 had additional condominium fees. The median value of monthly mortgage payments for Virgin Islanders was reported at \$935.

Affordability conditions are quite different among the 21,970 renter households of the Virgin Islands. Median rental costs of housing in 2000 ranged from a high of \$685 in St. John to a low of \$423 in St. Croix. For renter households at the midpoint of the income distribution, rental housing costs comprised 25.7 percent of annual income, considered to be an affordable expense. The median monthly rental cost of housing was \$530, or \$6,360 on an annual basis in 2000.

A total of 75% (8,562) of the 11,504 renter households with income below the 80% of area median were spending greater than 30 percent of their available income on rent in 2000. These households comprised 40 percent of all renters in the Virgin Islands. In comparison, 2,394 of the Territory's owners with incomes below 80% of median were paying 30% or more for their housing, representing a 54% rate.

The following table from a 1995 report, while somewhat dated, provides some additional comparisons.

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Figure 26. – Virgin Islands Homeowner and Renter Household Characteristics, 2005

	St. Croix	St. Thomas	St. John
Owner Occupant Households			
Number of Homeowner Households			
Median Household Income			
Median Reported Housing Value			
Mean Reported Housing Value			
Median Housing Asset to Households Income Ratio			
Median Monthly Mortgage Payment			
Annual Mortgage as % of Household Income			
Renter Households			
Number of Renter Households			
Median Household Income			
Median Reported Monthly Rent			
Annual Rent as % of Household Income			
Households with Rent >30% of Households Income			

Source: Eastern Caribbean Center, University of the Virgin Islands, 1995 Population and Housing Survey

HOUSING CONDITION

Comment [E3]: The next two sections will be updated with the new housing survey information.

Age of Units

The age of housing units is sometimes an indication of condition, depending on how well the units are maintained. Units in the Virgin Islands are relatively new – 90% were built since 1960. St. John holds the youngest housing overall, with 57% of its 2000 housing built within the past 20 years. St. Croix on average had the oldest housing, with 10% built before 1960.

Figure 27. – Age of Housing Units, 2000

Year Built	Virgin Islands		St. Croix	St. Thomas	St. John
	Number	%	%	%	%
Before 1940	1,302	3%	3%	2%	2%
1940 to 1959	3,420	7%	7%	7%	6%
1960 to 1979	25,322	50%	49%	53%	35%
1980 to 2000*	20,158	40%	41%	37%	57%
Total	50,202				

*March 2000.

Source: US Census.

The operating definition of “substandard” housing is any building in which a condition exists that endangers the life, limb, healthy, property, safety or welfare of the public or the occupants. The

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definition of “substandard” includes inadequate sanitation, structural hazards, nuisances, hazardous electrical lighting, plumbing, or mechanical equipment that is not installed in accordance with generally accepted construction practices, faulty weather protection, fire hazards, and faulty materials of construction, hazardous or unsanitary premises.

Housing that is “substandard but suitable for rehabilitation” is generally defined as a unit that is financially feasible (given the market conditions in the area) to rehabilitate into decent, safe, and sanitary housing.

HOUSING TENURE

Homeownership rates have reached new highs in the United States in recent years, as state and federal financing programs and decreasing interest rates have made housing more affordable in general. In 2001 over two-thirds (68%) of households in the U.S. owned their homes. Homeownership contributes to stability in neighborhoods. It is one of the most significant investments possible for households, and is a source of savings for important events in life, such as educating children or planning for retirement.²⁴

Tenure varies in the Virgin Islands by type of unit, type of household, household income, and other factors. As reflected in the table below, more family households live in houses they own or are buying. More single individuals rent, except for the elderly, as is shown below. Household income is certainly a factor in ability to own a home. The median household income for owner-occupied units was \$51,323, and that for renter-occupied units was nearly half that amount at \$27,362.

Figure 28. – Tenure by Household Type, Virgin Islands, 2000

Type of Household	Living in units they:	
	Owned	Rented
All households	46%	54%
Family households	51%	49%
Non-family households	36%	64%
Single individuals	37%	63%
Elderly (65+) singles	51%	49%
Average household size	2.73	2.57

Source: US Census.

Tenure by Race and Ethnicity of Householder

Tenure also varied in 2000 by race and ethnicity of the householder. As seen in Table 17, 46% of all households owned the house in which they were living at the time of the 2000 census. Owner-occupancy was higher for white (alone) householders (49% lived in housing they owned or were buying) than African-American (alone) householders (45% lived in housing they owned or were

²⁴ Joint Center for Housing Studies of Harvard University. *The State of the Nation's Housing 2002*.

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buying). Owner-occupancy also varied by ethnicity – 41% of Hispanic householders owned the home in which they were living.

There was also quite a disparity in income, which contributes substantially to the ability to purchase a home. The median household income of households headed by a white (alone) householder in 1999 was \$39,782, compared to around \$22,462 for a household headed by an African-American (alone) householder, and \$18,226 for a household headed by an Hispanic householder (could be of any race).

MARKET ANALYSIS

Housing Costs

As of the 2000 census, the median value of all owner-occupied housing in the Virgin Islands was \$149,118. St. John had the highest median value, with \$246,311, while St. Croix median value was significantly lower than the Virgin Islands average. Monthly owner costs, with and without a mortgage, are shown below along with median household gross rent as of the census.

Figure 29. – Housing Costs, 2000

Type of Cost	St. Croix	St. Thomas	St. John	Virgin Islands
Median value owner-occupied	\$129,393	\$176,354	\$246,311	\$149,118
Median monthly owner costs				
With mortgage	\$843	\$1,083	\$1,169	\$935
Without mortgage	\$173	\$203	\$244	\$183
Median gross rent	\$423	\$595	\$685	\$530

Source: US Census.

According to the Bureau of Economic Research, the Virgin Islands did not suffer as greatly as the rest of the US during the housing crisis, because the financial and real estate sectors did not engage in sub-prime lending. However, there was a drop in activity and average home prices. In 2008, the average price for homes fell 12% - from \$525,048 to \$462,678. The number of homes sold fell 26% - from 454 to 335, the lowest in ten years. The average sale price of condos declined 2%, and the number sold declined 11% between 2007 and 2008.²⁵

According to local realtors on St. Thomas, there virtually is no standard single family housing available in for under \$100,000²⁶. Buyers of housing with a sales price of between \$150,000 and \$200,000 are able to move in but often find that approximately \$50,000 in rehabilitation is needed to make the home fully functional.

²⁵ *US Virgin Islands 2009 Economic Review and 2010 Outlook*, Bureau of Economic Research, October 2009.

²⁶ Comparative housing data provided during interviews with Diane Burns, St. Croix Realtor, 2010.

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HOUSING AFFORDABILITY

The national standard used to determine when the cost of housing is affordable is when those costs equal no more than 30% of household income, including expenditures for utilities.

Escalating housing and utilities costs have forced many households to pay considerably more for housing than is affordable or even feasible. While housing costs are increasing, income is not increasing at the same rate.

Income limits for acceptance to public housing are 50% of area median family income. The 2010 income limits are shown on the chart below. There are, however, households in public housing with incomes in excess of this level. Once housed, the household remains eligible to remain in public housing even if its income increases above public housing income limits. Those households are then assessed a ceiling rent which is based on a number that reflects the cost of operating the housing unit.

The Area Median Income in St. Croix was \$31,200; in St John and St. Thomas it was \$41,800. The following are designated low-income levels and the corresponding income for a family of four in relation to the 2010 AMI.

Figure 30. – Low Income Ranges and Affordable Housing Costs, Virgin Islands, 2010

Definition	Percent of AMI	Number of People							
		1	2	3	4	5	6	7	8
St. Croix									
Extremely low income	to 30% of AMI	\$8,950	\$10,200	\$11,500	\$12,750	\$13,800	\$14,800	\$15,850	\$16,850
Very low income	to 50% of AMI	\$14,900	\$17,000	\$19,150	\$21,250	\$22,950	\$24,650	\$26,350	\$28,050
Other low income	to 80% of AMI	\$23,800	\$27,200	\$30,600	\$34,000	\$36,750	\$39,450	\$42,200	\$44,900
St. John/Thomas									
Extremely low income	to 30% of AMI	\$12,400	\$14,150	\$15,900	\$17,650	\$19,100	\$20,500	\$21,900	\$23,300
Very low income	to 50% of AMI	\$20,650	\$23,600	\$26,550	\$29,450	\$31,850	\$34,200	\$36,550	\$38,900
Other low income	to 80% of AMI	\$33,000	\$37,700	\$42,400	\$47,100	\$50,900	\$54,650	\$58,450	\$62,200

Source: US Dept HUD, FY 2010 Section 8 Income Limits

Notes: AMI for St. Croix was \$31,200 in FY2010; AMI for St. John/Thomas was \$41,800 in FY2010.

The median gross rent in 2007 was \$718 in the Virgin Islands. Owner costs without a mortgage were \$141, but monthly housing costs with a mortgage were \$1,279.²⁷ Extremely low-income households (those with incomes at or below 30% of area median income) are hard-pressed to find housing they can afford, are more likely to live in unsuitable housing or in overcrowded conditions, and are at risk of homelessness. Meeting the cost of housing leaves little for childcare, medical insurance or basic health care, adequate food, and other necessities.

²⁷ 2007 United States Virgin Islands Community Survey.

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Figure 31. – Fair Market Rents, Virgin Islands, 2010

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
St. Croix	\$577	\$601	\$729	\$911	\$1,042
St. John	\$657	\$785	\$1,010	\$1,251	\$1,308
St. Thomas	\$657	\$785	\$1,010	\$1,251	\$1,308

Source: US Dept HUD, March 2010.

The figure below demonstrates how difficult it is for the lowest income households (those living in poverty) to budget for daily expenses. This was taken from an analysis of national costs and expenditures prepared by the Catholic Campaign for Human Development.²⁸ The budget starts with an annual income of \$20,614 per year – a national figure for a household of four living in poverty in 2007. As the table shows, families living in poverty have insufficient income to meet their daily living expenses.

Figure 32. – Budgeting for Poverty in the United States, 2007

Item	Source	Amount
Annual Income (for a family of 4 living in poverty)	US Census, Current Population Survey, <i>Annual Social and Economic Supplement</i> , 2006.	\$20,614
Rent	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2007	-5,756 \$14,858
Utilities	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2007	-2,656 \$12,202
Transportation	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2007	-5,330 \$6,872
Food	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2007 (assuming food stamps for the majority)	-4,064 \$2,808
Health Care	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2007 (assumes health insurance through employer)	-2,329 \$479
Child Care	US Dept. of Agriculture, Center for Nutrition Policy and Promotion, <i>Expenditures on Children by Families</i> , April 2007 (assumes subsidy of ¾ of real cost)	-2,600 \$-2,121

Source: Catholic Campaign for Human Development, Poverty USA, 2007.

The expenditures noted above assume a substantial subsidy in the form of food stamps and child care as well as employer-paid health insurance. The list leaves out toiletries, school supplies, shoes, clothes, holiday gifts, education, life insurance, furnishings, recreation, cleaning supplies, entertainment, birthdays, and similar expenses.

²⁸ www.usccb.org/cchd, 2005.

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Affordability and Persons with Disabilities

A significant proportion of the Virgin Islands population is living with disabilities. The 2000 census found a total of 15,559 people aged 16 or older in the Virgin Islands with disabilities (see figure below). Since residents of the Territory are not eligible for SSI payments, the disabled are among the most likely populations to be unable to afford housing unless it is subsidized.

Figure 33. – Persons with Disabilities, Virgin Islands, 2000

Age	Male	Female	Total
16-20	396	368	764
21-64	5,528	5,843	11,371
65-74	735	947	1,682
75+	618	1,124	1,742
Total	7,277	8,282	15,559

Source: US Census.

Overcrowding

Figure 34. – Overcrowded Conditions, 2000

Persons per Room	Virgin Islands		St. Croix	St. Thomas	St. John	U.S.
	Number	%	%	%	%	%
1.00 or less	35,320	87%	88%	86%	85%	94%
1.01 – 1.50	3,121	8%	7%	8%	7%	3%
More than 1.50	2,207	5%	5%	6%	8%	3%

Source: US Census.

Another indication of housing problems is the extent of overcrowding. The 2000 census found 13% of the units in the Virgin Islands overcrowded as defined by the presence of more than one person per room. The indicators of overcrowding in St. John were highest, 15%, with 8% more having more than 1.5 people per room. All the islands had an overcrowded population that was substantially higher than that of the U.S.

BARRIERS TO AFFORDABLE HOUSING

OVERVIEW

In the Virgin Islands, a number of factors combine to create significant barriers to affordable housing. Due to the relatively small size of the islands and the relatively treacherous terrain in some areas, the supply of buildable land is limited. In addition, the cost of construction materials and labor is also relatively high due to limited supply. The Territory's political status as an insular area also means certain federal funding programs are not available. Finally, the fiscal condition of the Territorial government, marked by large deficits and flat revenues, virtually precludes any significant local support for housing programs.

The limited income of Virgin Islands residents also restricts affordability. Further, there is a dominant preference among Virgin Islanders for single-family dwellings. Thus, the production of affordable housing becomes a major challenge for leaders and other policy makers.

COST OF LAND/ COST OF CONSTRUCTION

The small acreage and steep terrain of the Virgin Islands translates into significant population density, limited buildable land and high acquisition costs. Combined with the dominant preference among Virgin Islanders for single-family dwellings, it is virtually certain that affordable housing development must continue to be subsidized.

The high cost of land is also a deterrent to the development of affordable housing. An analysis prepared by the Department of Planning and Natural Resources found that existing landowners frequently requested rezoning of their properties so that the available acreage could be divided among family members. Because younger persons are often excluded from home ownership due to the high price of land acquisition, this approach provides family members with the opportunity to develop and build on land already owned by members of the family.

The cost of construction is also prohibitive to the development of affordable housing. The insular nature of the islands and the absence of indigenous building products require that most construction material be imported and shipped either from the US mainland, Puerto Rico, or South or Latin America. Because the US Virgin Islands are outside of the US custom zone, imports from the mainland as well as foreign countries are subject to excise duty charges. In addition, the Territorial government imposes various tariffs on imported goods in an effort to raise revenues. Unemployment rates remain relatively low because unemployed workers are able to move and find work in the US mainland, yet there is a resulting scarcity of skilled labor for housing construction. This limited skilled work force contributes to the high cost of construction by keeping labor costs high.

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The lack of infrastructure in place makes many potential sites infeasible for moderately-priced housing. Many potential sites do not have on-site potable water. However, recent Legislative action aimed at making more properties available for development modified the requirements to allow development of new housing without the requirement of constructing a private cistern provided the area has access to potable water. This typically saves \$20,000-\$30,000 in single family home construction.

A positive note is that the Planned Area Development provisions that are currently being considered for modification include affordable housing provisions that will provide incentives to increase density. For example, the A-1, A-2, and R-1 District would allow residential density as if it were an R-2 District and the R-2 District densities would be those of the R-3 District.²⁹

HAZARD INSURANCE

In 1990, following Hurricane Hugo, the losses sustained by most insurers resulted in several companies leaving the Territory. Others that remained were forced to raise premiums to pay the escalating cost of reinsurance. Successive natural disasters have escalated hazard, windstorm and liability insurance to an annual premium level of 2.6 to 3.0% of asset replacement value. As a result, the cost of insurance coverage continues to be a major part of the total mortgage payment, typically adding \$260 per month to the payment.

LIMITED LOW-INCOME / SAVINGS FOR DOWN PAYMENT/CLOSING COSTS

Due to the low salaries and the high cost of living in the territory, the average person has limited discretionary income to save for the future. Without adequate savings for down payments and closing costs, potential purchasers cannot achieve their dream of homeownership; however, home ownership does become possible when funds from either a grant or a silent second mortgage are made available to assist homebuyers with the out-of-pocket charges associated with mortgage closing. VIHFA has provided subsidies as high as 50% percent of the cost of a new single-family home in order to make that home affordable to their target family customer.

EMERGENCY HOUSING

The Virgin Islands Government recently transferred from the VI Department of Housing, Parks & Recreation to the VIHFA 279 units of “emergency housing” that had been constructed for persons in need of emergency but temporary housing. Unfortunately, historically these units have not served the purpose of emergency housing, but rather provide permanent housing to individuals. As a

²⁹ Chapter 9 Planned Area Development, Zoning and Subdivision Code Assessment – US Virgin Islands. Center for Government Services- Rutgers University. 2010.

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result, households displaced by a disaster or other unfortunate personal circumstances must seek short-term rentals – often at rents that they can only afford for a few months, move in with others in overcrowded conditions, or face homelessness.

Some individuals are occupying these units in spite of the fact that their family income would allow them to afford housing on the open market. In some cases, the scarcity of affordable housing has contributed to the difficulty of moving these families and individuals beyond government-assisted housing. The legislation covering these units does not allow for charging rents commensurate with the cost of operating housing units and the tenants' ability to pay. The legislation that sets rent levels, makes free or below-cost utility services possible, has resulted in situations that are not reflective of the real cost of housing low- and moderate-income families.

OWNERSHIP HOUSING DEMAND

There have been no recent studies of demand for ownership units; nevertheless, it is known that there is a general, strong preference by residents for single-family housing rather than apartments. The homeownership program operated by the VIHFA has typically been in high demand. Over the years, production has been limited by the lack of subsidy dollars to buy-down the cost of home ownership, the high cost of construction, the limited buildable acreage at affordable prices, and regulatory impediments to affordable housing construction. Most recently, demand has meant that HOME Program resources are exhausted in the first six months of the program year.

MULTIFAMILY HOUSING DEVELOPMENT

Housing studies have identified a need for additional affordable rental housing units particularly on the island of St. Thomas; yet, construction and operation costs of these units continue to frustrate both private and public sector sponsors. The lack of affordable, safe, and sanitary rental housing will eventually inhibit economic growth in the area.

Demand for rental housing, especially for young, forming households, remains strong in the Virgin Islands. However, due to high rental costs relative to income, demand for subsidized housing is stronger. Recent housing demand studies commissioned by the developers of Low Income Housing Tax Credit properties provide some insight into the extent of demand for multifamily housing. A 2001 housing demand study for St. Thomas indicated a minimum of 2,901 income-appropriate renter households eligible for the LIHTC program. Another St. Thomas market study in 2002 noted a demand for 712 units of rental housing in the first year of the project (2003). A 2003 Study of the St. John market indicated a 151 unit demand.

The limited number of contractors available for housing construction has shrunk even further as a result of the recent recession. In addition, the shortage of skilled laborers, in particular on St. John makes quality construction more difficult.

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“NIMBYism” (social resistance to siting lower income housing) is a factor in housing costs as projects are delayed or stopped by legal action of neighbors or businesses which to block a development.

FINANCING HOUSING DEVELOPMENT

The Federal National Mortgage Association ("FNMA") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") are not active participants in creating housing solutions in the Territory, primarily because no private mortgage insurers are active in the Territory.

LONG-TERM COORDINATED HOUSING PLANNING

Subsidized previously managed by the Department of Housing, Parks and Recreation has been transferred to VIHFA so that currently there are two public agencies in the Virgin Islands directly involved in financing, operation and development of housing (VIHFA and VIHA). Coordination between the two agencies has increased recently and planning to cooperate in the utilization of resources has been initiated. The VIHFA, VIHA and the Territorial Government are currently collaborating to convert an existing housing project to homeownership and the VIHA is considering the sale of property to the VIHFA to develop housing.

COMMUNITY ASSETS

The United States Virgin Islands consists of four primary inhabited islands. Three of these islands (St. Thomas, St. John and Water Island) are clustered, and comprise a single geographic district. The largest island in this district (St. Thomas) is the center of the Territory's tourism industry, has a landmass of 32 square miles, and a population of 51,181. The island of St. John has a population of 4,197 and a land mass 19 square miles, two-thirds of which comprises the national park. The distances between the islands in this district vary from two (2) miles between St. Thomas and St. John to less than a mile between St. Thomas and Water Island. Transportation between the islands in the district is by inter-island ferry.

The second district comprises the largest island of St. Croix. This island has a landmass of 84 square miles, with a population of 53,234, and mainly houses the territory's manufacturing industry. This district is 40 miles from the other district – the primary inter-island transportation is commercial aircraft. Inter-island ferry service is available on a seasonal basis between the months of November and April.

HOUSING ASSISTANCE

Two public agencies in the Virgin Islands provide affordable rental and homeownership housing units for low- and moderate- income persons and families: the Virgin Islands Housing Authority (VIHA – the local Public Housing Authority and the primary provider of public housing units) and the Virgin Islands Housing Finance Authority (VIHFA – provider of rental and homeownership units).

VIHA's inventory of public housing units is 3,205; which is significantly less than the 4,484 units managed by the agency in the early 1990s and down more than 700 units since 2005. The reduction in the number of PHA units is the result of hurricane damage, demolition of aging units and units converted to homeownership.

VIHFA's rental housing resources include 648 units, including the 279 emergency housing units transferred from DHPR.

Both housing agencies maintain waiting lists that exceed their inventory of units. Each has little difficulty in keeping units filled and as a consequence there exists a huge demand for both affordable rental and homeownership units.

In summer 2010, the open VIHA waiting lists consisted of approximately 90 households seeking public housing and more than 2,500 households seeking the more popular Section 8 Housing Vouchers while the waiting list for VIHFA rental housing includes approximately 400 applicants.

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In addition, non-profit organizations have been active in providing subsidized rental housing for low- and moderate-income households, principally Catholic Charities, Lutheran Social Services of the Virgin Islands and the Methodist Outreach Training Center. The focus of these organizations, which also provide supportive services for residents, has been largely on special needs housing, including seniors, disabled persons and persons who are homeless.

Public housing managed by the Virgin Islands Housing Authority (VIHA) provides rental accommodations for eligible citizens of the Territory that meet income eligibility requirements. Applicants must be low-income at the time of eligibility determination, based on federally established income levels for certain family sizes. After initial occupancy, residents are no longer required to meet income requirements to keep the unit. However, residents are required to pay up to 30% of their gross income for rent, or pay a flat-rent or ceiling rent.

In essence, a resident can move up the income ladder and yet, given full compliance with other public housing requirements, cannot be removed from public housing solely due to increased income. Many public housing residents that could qualify to purchase have few options other than remaining in public housing due to the shortage of available and affordable single-family units for sale in the Territory.

In recent years, VIHA, in its efforts to promote resident self-sufficiency, has pursued the conversion of eligible units to homeownership for the benefit of interested residents. Communities composed of single-family units were targeted for conversion to homeownership.

Availability

There are limited affordable rental units available for low- and moderate-income families in the Virgin Islands. A number of affordable rental units have been lost as a result of hurricane damage over the past 15 years, demolition of out-dated public housing units and home ownership conversion of public housing. There are approximately 4,000 units of affordable rentals owned by the primary public agencies involved in subsidized housing.

Until recently, VIHA alone had almost 4,000 public housing units in its inventory, located in 23 projects. However, the number of units available for eligible public housing applicants has been reduced significantly over the years. Due to this declining availability of public housing units in the Territory, VIHA has been compelled to establish priorities for housing existing residents that require mandatory transfers before accepting new tenants.

The Virgin Islands Housing Finance Authority owns three rental-housing communities on the island of St. Croix. Those rental communities account for a total of 278 units that are all occupied. In 2005, VIHFA managed 369 units but planned to convert 99 units at the Profit Hills community to home ownership with the possibility of converting an additional 96 units at Bethlehem Village at a future date. The conversion has not been accomplished to date primarily due to the extremely low-income of many of the residents and its impact upon their ability to afford even minimal payments. All VIHFA rental communities benefit from project-based Section 8 subsidy so that households pay no more than 30% of their gross income for rent; households whose gross income exceeds the respective low-income limit pay the contract (ceiling) rent. The VIHFA also manages the 279 units of "emergency housing" that were transferred from DHPH and is concentrated on St. Thomas and

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St. Croix. Although the legislative mandate of is primarily emergency and temporary rental housing for the Territory, the vast majority of its units are occupied by long-term tenants. Finally, the Low Income Housing Tax Credit Program, for which VIHFA is the state allocating agency, has facilitated the development of, 1,124 housing units of rental housing for families and seniors throughout the Territory.

In addition, the Virgin Islands Housing Finance Authority bears primary responsibility for the creation of affordable home ownership in the Territory. Since inception, the VIHFA has developed or assisted approximately 950 homeowners to obtain affordable homes.

Affordability

Affordability of rental and homeownership units varies among St. Thomas, St. Croix and St. John. Rental and home ownership costs tend to be lowest on St. Croix. In St. Thomas, rental rates and homeownership costs are somewhat higher. But they are highest in St. John, primarily as a result of the limited number of rental units, the limited amount of available land, the corresponding high purchase price of land, and inherently high construction costs. Since St. Thomas and St. John are considered one district for Fair Market Rent determinations, St. Johnians find that rental rates of available units typically exceed the established Fair Market Rent.

Public Housing remains the most affordable accommodation available to residents of the Virgin Islands. Given the reduction in the number of public housing units, access to public housing is becoming more difficult - regardless of affordability.

The VIHFA-owned rental communities and several other privately owned multifamily properties on St. Croix benefit from project-based Section 8 housing assistance payments, while a number of LIHTC properties benefit from a Rural Development subsidy very similar to Section 8 assistance. VIHFA allocates tax credits, while private developers (for-profit or non-profit) develop the LIHTC housing units. By definition, the LIHTC program imposes rent limits based on a calculation of affordability (30% of the imputed household income limit for the applicable household size). In addition, some LIHTC properties also have project-based subsidy through either Section 8 or the Rural Development Section 515 Program. As a result of guidelines for these programs, the amount paid by tenants for rent is limited and the rents remain affordable to the tenants.

With respect to home ownership units, in the cost of new housing construction in the Territory is beyond the affordability of the typical low- and moderate-income household. The major factors affecting the cost of new units are: high construction costs (materials and labor), high cost of hazard insurance, and, in some cases, high land costs due to the limited availability of buildable land. The typical low- and moderate-income household requires some form of financial assistance in order to make home ownership a reality. Currently, the amount of subsidy needed for homeownership is approximately \$80,000 per home.

Adequacy

The Virgin Islands Housing Authority provides accommodations for families of different sizes. Many of its developments provide a variety of unit sizes, from one-bedroom to five-bedroom units.

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In general, most of the developments experience 90% occupancy. However, several with lower occupancy rates are in need of major repairs or demolition/replacement.

The VIHA is bound by federal regulations that require mandatory transfers for families that have outgrown the unit they were originally provided. However, families generally stay in public housing for more than one generation due to the variables discussed earlier. Families within families are created, often leading to overcrowding and subsequent mandatory transfer. These regulations affecting the internal operation of the program are in themselves barriers to the Authority's ability to match available units to family sizes of those applicants on the waiting list.

While the majority of the VIHFA inventory is new and therefore in good condition, they have an older inventory of approximately 144 units on St. Croix and an additional 135 on St. Thomas which were inherited from DHP. The majority of the units are small (efficiencies and 1-bedrooms) primarily because they were constructed as emergency housing. Many of these units are in need of major repairs or replacement.

The Low Income Housing Tax Credit Program (LIHTC) has expanded rental housing opportunities for low- and moderate-income households, the vast majority of whom are families. A total of 25 of the 27 projects provide newly-constructed housing for families. Most are 2 and 3 bedroom units.

Due to some development constraints, VIHFA's home ownership units typically consist of 3 bedroom units. To the extent that some families require larger accommodations, units developed by the VIHFA may not adequately serve their needs.

Accessibility

The Housing Authority is in compliance with the Americans with Disabilities Act. Public Housing communities throughout the Territory were converted to accommodate the physically disabled, the hearing and sight impaired. Based on a federal formula established for determining the number of units to be converted given the size of the development, VIHA and VIHFA have complied where feasible. DHP, citing the age and configuration of their units, as well as the emergency housing nature of their mission, reports that none of the units in their inventory have been retrofitted.

In the larger communities where access to development is restricted to the use of stairs, requests for waivers to accommodate the physically challenged have been submitted. Tenants with physical disabilities have been transferred to first-floor units, which are then retrofitted to accommodate needs of the resident. Most of the communities were retrofitted to accommodate hearing- or sight-impaired tenants.

The physical location of public housing units and other affordable multifamily units in the Territory is consistent with the low-income population centers. Public Housing is accessible by public transportation, pedestrian traffic or by individuals or residents that have their own means. All of the communities are provided with public services, including potable water access.

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PUBLIC HOUSING NEEDS

The main providers of public housing to residents of the U.S. Virgin Islands are the VIHA and the VIHFA. These agencies oversee approximately 4,000 public housing units in the Territory. These are generally fully occupied but the VIHA has several developments with lower occupancy rates that need major rehabilitation or demolition/replacement, are being modernized or have been modernized and are now in being re-occupied.

The VIHA administers HUD-funded programs for low-income housing in the U.S. Virgin Islands. There are currently 23 public housing communities in the Territory composed of 3,205 dwelling units. This number has been declining and continues to decline as units are demolished or modernized. Of these, nine communities consisting of 1,483 units are located on the island of St. Thomas and fourteen communities consisting of 1,722 units are located on the island of St. Croix³⁰. Currently, one project on St. Croix consisting of 60 units is unoccupied and waiting for redevelopment while another St. Croix community of 264 units is in the process of being vacated and is expected to be demolished. Plans are in process to convert additional units on St. Croix for homeownership by public housing tenants further reducing rental housing assets of the Housing Authority.

The 2010 VIHA modernization needs inventory outlines current need of \$271 million to upgrade units under its management, including the two communities which are proposed for demolition. Needed modernization includes basic modernization of the interior and exterior, deferred maintenance/repairs, painting, structural rehabilitation and improvements to make units accessible. In addition, site improvements are needed such as landscaping, sidewalks/streets and water, sewer and drainage improvements.

The need for additional public housing is critical. The conversion of public housing units to homeownership and the loss of additional units to demolition, and only limited replacements identified, make it increasingly difficult to accommodate existing residents or applicants on the waiting list. VIHA does not have the required funding to construct new developments without federal assistance, nor does it have sufficient funding to carry out a modernization program. It is clear that the Virgin Islands Housing Authority cannot meet its internal housing needs, nor can it impact the waiting list in the very near future.

The only new rental housing development underway currently is the Louis E. Brown replacement housing project which will create 100 units of 1-3 bedroom units for family occupancy with 5% of the units for disabled persons. This project, which will partially replace housing that was previously demolished, is being developed with tax credits and project based vouchers.

Because its main mission is home ownership, the VIHFA does not have any plans to expand its rental-housing inventory in the immediate future.

³⁰ VIHA Viability Summary of May 19, 2010.

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The Most Critical Public Housing Needs

(1) Funds (whether federal or local) are needed to replace units lost from the public housing inventory. Not only have 100s of public housing rental units infeasible for rehabilitation been lost to demolition without replacement, but additional units are proposed for demolition because of their deteriorated condition and obsolescence. The Housing Authority estimates that approximately 1,000 new rental units are needed.

(2) Funds for modernization of public housing units are needed immediately. Prior to 1995, VIHA had embarked on an ambitious modernization program to bring all units to Housing Quality Standards (HQS); however, that modernization effort was halted after the devastation of Hurricane Marilyn in 1995. VIHA has not been able to resume an effective modernization program since that time. It has been even more difficult to obtain assistance during the current period of Receivership. The inventory of needs includes more than \$270 million of improvements. . Among the more common needs described are for basic modernization and deferred repairs, structural rehabilitation, accessibility improvements, landscaping, paint, sidewalks and water, sewer and drainage improvements.

(3) New senior housing is needed. The Housing Authority has only 3 public housing developments available for senior citizens providing a total of 217 units. The demand, as indicated by the waiting list and the demographics of population trends, far outstrips the resources.

(4) Section 8 Vouchers are needed to deal with immediate needs and to provide a flexible source of rental assistance. According to the Housing Authority, approximately 1,500 vouchers are needed.

HOMELESS NEEDS

Homelessness has been a long-standing issue in the U.S. Virgin Islands. While persons visiting the islands find it difficult to believe that behind the world class beaches, crystal clear water, breathtaking views, natural harbor with great historical significance, duty-free shopping, and ecological magnificence are the same conditions that contribute to homelessness in their home states: changes in economic situations, possible death or prolonged illness of the principal breadwinner, domestic violence, substance abuse and physical and mental impairment.

Three other factors contribute to homelessness in the Virgin Islands: over-crowded conditions, insufficient affordable housing and hurricanes. Due to economic conditions and the inability to secure affordable housing, many families are forced into overcrowded living arrangements. Eventually these situations become intolerable, and one or more members may become homeless. Each hurricane that has affected the Virgin Islands has been followed by an increase in the number of new faces among the homeless. While the Federal Emergency Management Agency normally provides temporary relief such as emergency housing, with the passage of time, however, this assistance is discontinued and many end up on the streets.

A partial count of homeless persons was conducted in January 2010 to determine the number in shelters and transitional housing. The number of homeless persons sheltered was 92 persons, an increase of 21% over the January 2009 count. The number of single individuals sheltered

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represented 79% of all those counted; and persons in families were 21% of the total counted.

The most recent point in time count of both the sheltered and unsheltered homeless was conducted in January 2009 found 395 unsheltered – a reduction of 19% from the 2008 count³¹. Additionally, 76 persons were counted in shelters and transitional housing. However, the Continuum of Care organizers concluded that the number of unsheltered homeless in the Territory had actually been increasing and the main causes of lower numbers counted were related to the different times of the count (counts had traditionally been held in March prior to the January 2009 count) and the number of volunteers available to canvass the areas for homeless was less in 2009 than previous years.

In addition, it is generally believed that the system used for counting the unsheltered homeless is far from perfect and that there are significantly more uncounted homeless persons every year of the count. This pattern is confirmed by national reports released by HUD. Also, there are entire families squatting on government land, living in shanties or other lean-to structures that were not included in this count. Furthermore this count does not include persons living in certain local government structures intended for emergency shelters. It is estimated that at any point in time the actual number of homeless persons in the Virgin Islands stands at 800 to 1,000 persons, or nearly 1% of the population.

Most of the Virgin Island homeless population counted in 2009 was found on the island of St. Thomas (186), with St. Croix (184) and St. John (25) taking a second and third position, respectively. There are no reports of homelessness on Water Island.

The demographics of the 2009 homeless count generally mirrored the demography of the Territory. The count found that 81% were Black/African-American and 17% Hispanic compared to the overall population of the Territory at 77% and 18% respectively. Eight percent of those count referred to themselves as Veterans.

There were several factors cited by homeless persons in 2009 that contributed to their homelessness. Fifty-four percent reported substance abuse as a factor and 11% indicated mental illness was a factor. Other factors cited less frequently were domestic violence and HIV/AIDS. Although not specifically reported by the homeless population, studies have shown that poverty and the lack of affordability of housing are major factors in causing homelessness. The actual event creating the homelessness is often eviction, loss of job, illness or release from an institution.

Virgin Islands Continuum of Care Organization

Local non-profit and governmental organizations in the Virgin Islands that currently serve the homeless have joined together to form the Virgin Islands Continuum of Care for the Homeless. While the Continuum is composed of mostly non-government homeless providers, it also includes local government departments, private non-profit organizations, neighborhood groups, banks, businesses and former homeless individuals. Its primary goals are: 1) collaboration of member organizations and use of available resources in a manner that would constitute a continuum of care –

³¹ 2009 PITS Unsheltered Homeless Count Analysis, Virgin Islands Continuum of Care for the Homeless, 2009.

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from emergency shelters to transitional housing and permanent housing; 2) to determine gaps in the system on an annual basis and pursue funding to address these gaps and; 3) to develop and implement systems and strategies to end chronic homelessness. The Continuum meets monthly; the lead agency for the Continuum of Care planning process for the latest McKinney-Vento application was the Methodist Training & Outreach Center, Inc. (MOTC). The Continuum is supported by staff of the VIHFA. One of the goals the Continuum is working toward is incorporation as a non-profit organization so they can raise funds and legally administer grants.

The Continuum has four standing committees to focus on specific priorities:

- Executive Committee – Oversees the operations of the Continuum/Provides leadership.
- Strategic Planning Committee – Recommends overall strategic direction of the Continuum, monitors progress and recommends actions for implementing priorities.
- Homeless Management Information Systems Committee – Oversees the information collection and analysis for the Continuum.
- Development Assistance Committee – Oversees the preparation of the annual McKinney-Vento application and other potential sources of funding; assures financial controls are in place; solicits other sources of funding to support Continuum activities.

In light of the 40-mile ocean distance separating St. Thomas from St. Croix, district sub-committees have been formed to address each island district's homeless issues. While the alliance meets as a whole to write plans, develop methods, and strategize and prioritize projects, each district sub-committee meets individually to collect data, identify gaps, and develop programs with respect for the needs of its island/district. Each member organization is held responsible for generating and providing information regarding its facilities and services, including the number and composition of the persons it serves.

The Interagency Council for the Homeless

In 2003, the local government was invited to send 12 representatives to Miami for a three-day training program on assisting the chronically homeless and accessing mainstream programs. Following this training, the Governor of the Virgin Islands created the Interagency Council on the Homeless. The goal of this council, mostly composed of government agencies, is to develop policies, legislations, executive orders and system changes within the government for the benefit of the homeless. Specifically, the council focuses on participation and awareness of mainstream programs and other supplemental resources within the homeless community, and on ending chronic homelessness by 2012. The organization meets on a quarterly basis or more frequently at the call of the Chair.

The lead agency for the Interagency Council on the Homeless is the local Department of Human Services. Other member organizations are as follows:

- Asst. to Chief of Staff (Governor's Office)
- Department of Health - Agency Head
- Department of Human Services
- Department of Labor – Agency Head
- Department of Justice (AG) – Agency Head

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- Liaison Assistant to The Governor on Housing Issues
- Medical Assistance Director
- Mental Health/Substance Abuse Director
- Continuum of Care (CoC) Liaison
- Catholic Charities
- Chambers of Commerce – (1 representative per district)
- Housing Park & Recreation – Agency Head
- Methodist Training & Outreach Center
- Office of Veteran Affairs/Veteran's Benefits Administration
- St. Croix Mission Outreach
- Two (2) Consumers (1 representative from each district's board or 1 representative from the joint boards)

Planning to Prevent Discharges from Institutions Resulting in Homelessness

Among the responsibilities of local homeless planning organizations is to work toward the reduction of homelessness caused by unplanned releases from public institutions. The Interagency Council for the Homeless Discharge Planning Committee has taken this responsibility and has been working toward improving planning with local institutions to reduce this possibility in regard to releases from medical health care facilities, mental hospitals, jails and from foster care. The following summarizes those efforts as indicated by their most recent HUD McKinney-Vento application.³²

Medical Health Care

A protocol for discharge procedures is under development with the Interagency Council, MTOC and the two major hospitals (Juan F. Luis Hospital and the Schneider Regional Medical Center). The plan will include a housing component, case workers and patient advocates working together to assist persons who are likely to fall into homelessness.

Mental Health Hospitals

Working with the VI Commissioner of Health, the Committee is designing a protocol that would prevent a person from being discharged from an in-patient facility to an emergency shelter. Instead, the goal is to locate the person in permanent housing adequate for their needs. Case Managers will assist the person with finding housing and will work with the client and community resources to find appropriate housing and services.

Corrections

The Committee has developed a draft protocol with the Bureau of Corrections that includes conducting a needs assessment prior to release. The draft protocol calls for Case Managers to work with the inmate while still incarcerated to identify housing resources in the community. The Case Managers will advise the MOTC, as the lead agency of the Continuum, of any instances where they have been unable to find housing.

³² 2009 HUD McKinney-Vento Application, VI Continuum of Care for the Homeless, 2009.

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Foster Care

The Discharge Planning Committee, HMIS Administrator and the Commissioner of Human Services have implemented a MOU providing that a written plan of action be completed on the youth before leaving Foster Care. The plan includes, among other items, the youth's anticipated living arrangements, services to be provided by the VI Government, a schedule for meeting with case workers, and a procedure for foster care case workers to advise the MOTC of youth who do not have housing identified prior to their release.

Components of the Continuum of Care Housing and Services System

a. Prevention Component

Services In Place: Several organizations provide interim rental assistance for persons who cannot pay their rent (among them are: on St. Thomas: Human Services, Catholic Charities, Family Resource Center; and on St. Croix: Human Services, and Women's Coalition). Each program has its own system for reaching at-risk communities.

How Homeless Persons Access Services: Homeless persons may continue to access rental assistance through any one of the providers or they may do so through the central outreach agency.

b. Outreach Assistance Component

Services In Place: There are several organizations that presently provide outreach/intake to homeless persons and the general population. The homeless are referred to homeless services providers. Among the organizations that provide outreach/intake specifically for the homeless are the following:

- **St. Thomas/St. John**

Catholic Charities: emergency shelter
Family Resource Center: domestic violence counseling
Anglican Outreach: soup kitchen
Shaky Acres: drug & alcohol
Frederick Lutheran Church: soup kitchen
Salvation Army: soup kitchen

- **St. Croix**

Women's Coalition: domestic violence counseling, temporary shelter, rental assistance
Catholic Charities: soup kitchen
My Brother's Table: soup kitchen
The Village Partners in Recovery (VIPIR): substance abuse counseling; transitional shelter

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St. Croix Mission Outreach: transitional shelter
Frederiksted Baptist Church (Eagle's Nest): substance abuse counseling; temporary shelter

Each organization has its own system of providing outreach for its own program.

How Homeless Persons Access Services: Homeless persons may come to the center in person, or call for assistance, or they can make contact with any of the homeless providers.

c. Emergency Shelter Component

Shelter in Place: The 2009 inventory shows a total of 78 emergency shelter beds available (or under development), most of which are designed to serve primarily single persons. Resources are available on both St. Thomas and St. Croix.

How Homeless Persons Access Shelters: Homeless persons may contact each shelter directly or call for assistance to any agency of the government or private non-profit. Homeless persons may also access services through the outreach center.

d. Transitional Housing Component

Housing in Place: The 2009 inventory includes 73 transitional housing beds with all but 3 set aside for individuals.

How Homeless Access Existing Transitional Housing: Homeless persons may access each transitional housing individually, or they may gain access through the central outreach center or referral from emergency shelters.

e. Permanent Supportive Housing Component

Housing in Place: The 2009 inventory includes 52 beds for disabled persons needing permanent supportive housing. Virtually all are available for chronic homeless persons.

How Homeless Person Access Housing Assistance: Homeless persons may contact the outreach center directly or gain access through any of the service providers.

f. Supportive Services Component

Services in Place:

Among the providers of services for the homeless are:

- **St. Thomas:** VI Mental Health, VI Substance Abuse, VI Human Services, VI Labor Department, VI Probation Department, Women's Resource Center, Dial-A-Ride, Legal Services, Catholic Charities Soup Kitchen, Salvation Army Lunch, United Way, Private

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Counseling, Independent Living for Senior Citizens, Lutheran Social Services (elderly), ECHO (SMI), and the Police Department.

- **St. John:** Police Department, United Way, St. John Community Foundation, The Safety Zone, Connections, Myrah Keating Clinic, The Inner Light, and Dial-A-Ride.
- **St. Croix:** VI Mental Health, VI Substance Abuse, VI Humans Services, VI Probation, Woman's Coalition, VET Center, My Brother's Table, United Way, The Village, and Private Counseling.

How Homeless Persons Access/Receive Assistance: Through word of mouth or referral. Transportation is provided if necessary.

NEEDS OF SPECIAL POPULATIONS

(NOTE: THIS SECTION STILL UNDER REVISION AS OF 7/5/10)

Elderly

As of 2000, there were 13,874 senior citizens (over 60 years old) in the Territory, with 6,793 living on St. Croix (49%). Low-income seniors live in a variety of settings: in their own homes, in homes with relatives, in multi-family public housing facilities, or in federally subsidized elderly independent living apartment complexes. In addition, more than 3,500 of these seniors have at least one disability making their ability to live independently difficult at best.

Targeted Elderly Housing Capacity:

Federally subsidized independent living apartment complexes, which are restricted in whole or part to Senior Citizens, are operated on St. Thomas and St. Croix by local government, non-profit and for profit entities. The Virgin Islands has senior complexes funded by both HUD and Rural Development. These include:

Figure 35. – Elderly Housing Communities

St. Croix		St. Thomas	
Community	# Units	Community	# Units
Whim Gardens - VIHA	91	Lucinda Millin Home - VI Government	88
Joseph James Terrace – VIHA	34	Ebenezer Gardens - LSS	42
Flambouyant Gardens - LSS	56	Sunrise Cove - Pan American Investments.	22
Genip Gardens - LSS (may also house disabled adults)	20		
Sunny Isle Elderly Retirement Housing Foundation	56		
Carib Villas III	23		
Grand Princess Manor	24		

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Each of the Elderly Housing Communities consistently remains fully occupied. In addition to residing in housing communities listed above, seniors are also assisted in public housing operated by the Virgin Islands Housing Authority on St. Thomas and St. Croix.

Social Services

The availability of social services for elderly low- and moderate-income persons is limited. Social and other supportive services vary by community. Whim Gardens and Lucinda Millin Home have a high number of frail elderly tenants. Some of the private complexes such as Flamboyant Gardens also have several frail tenants. To assist these seniors in remaining independent, housing communities have had to add supportive services, usually at their own cost. Without a common funding entity or policy, these services vary widely and are limited by the resources the management is able to secure. For example, Whim and Lucinda Millin have nursing, social work, homemaker, and meal services. Flamboyant Gardens has social work, transportation, limited homemaker and nursing but no meal service. Sunny Isle Elderly has only limited social work services.

There are limited social services targeted to the elderly, primarily due to the limited availability of certain federal programs in the insular territories and the limited resources of the local government.

Differences from the States in federal funding

Several key sources of federal funding to reduce poverty among the elderly are not available in the U.S. Virgin Islands. The Virgin Islands does not receive Supplemental Security Income (SSI) and, although Medicaid is available, there is a federally imposed cap. The impact is felt most strongly by the very poorest. The Virgin Islands Government, struggling with a large deficit and flat revenues, is unable to supplement these programs. The result is a large number of very poor senior citizens receiving few services.

The Virgin Islands still uses the SSI predecessor programs including Old Age Assistance, which pays a benefit of \$120 a month, less than one quarter of the minimum SSI benefit. With the cost of living in the Virgin Islands among the highest in the country, especially the costs of housing and food, Old Age Assistance payments do not go very far.

One of the major barriers to quality, and even minimal, long-term health care services is the limitation of the Virgin Island's Medicaid program. The February 1999 report of the Medicaid Program of the USVI cited four major funding problems in the Medicaid program:

1. A cap on all federal Medicaid monies;
2. Inappropriate federal matching percentage
3. Ineligibility of territories for additional Medicaid programs (i.e.: waivers); and
4. Insufficient local funding

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The impact of the lack of Medicaid for low-income senior citizens is devastating. The Virgin Islands has an inadequate number of long term care beds, virtually no nursing home visiting services for the poor and few homemakers.

Although many mainland communities have turned to home-based services to compensate for insufficient long-term residential care options, this has not been possible for the Virgin Islands due to the lack of Medicaid funding. There are many homebound and frail seniors in the Virgin Islands who receive only minimal services. The Virgin Islands Department of Human Services (DHS) operates the major programs serving this population. Their Meals on Wheels program brings food to 174 seniors on St. Croix. DHS' homemaker program serves 158 clients on St. Croix. Many of these clients receive both services. With only enough funding for 16 homemakers, some clients are seen only one time a week and others only twice. There is a waiting list for the homemaker services.

The lack of home-based services and 24-hour care alternatives means that families and elderly housing communities must try to compensate, often with great difficulty, for high cost and uneven care. Without other options, independent living complexes have struggled to provide ever-increasing services to their frail tenants. Often these facilities are forced to retain tenants who are far past the ability to live independently. Services differ depending on how aggressive the complexes have been in seeking grants and other funding. These services range from centers with meal services and social work and nursing care to complexes with no supportive services.

The conclusion is that there is a critical need to assist seniors in remaining healthy and independent as long as possible.

Frail Elderly

Most if not all independent living complexes house frail elderly tenants. In general this is due to lack of other choices rather than by design. The Virgin Islands has far too few assisted living and nursing beds to care for our population. Thus independent living providers are continually faced with a population growing frailer and becoming sicker who have nowhere else to go to get the level of care they need.

There are two government operated assisted living/nursing home complexes and two private nursing homes. The Virgin Islands Department of Human Services operates Herbert Grigg Home on St. Croix and Queen Louise Home for the Aged on St. Thomas. These are locally funded.

Herbert Grigg Home is a 98-bed facility, which due to staffing/funding shortages, is limited to utilizing only about half of its beds. It has a current census of 40 residents with 11 persons on a waiting list. For the last year it served 42 residents. There was very little turnover and the 11-person waiting list represents a fraction of the true unmet need. Elderly housing provider staff rarely tries to refer a frail tenant to Herbert Grigg since there are so few openings and it is extremely difficult to get a client admitted there. QLHA has a current census of 27 with 34 persons on its waiting list. For the last year it served 33 residents.

There are two privately owned Nursing Homes, both on St. Thomas, the Massac Nursing Home and Sea View, which was originally built to be an 80 bed nursing facility. The VI Medical

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Assistance Program, the Virgin Islands' Medicaid State Agency, has only been able to fund up to 16 beds for low-income persons. (See above for a fuller discussion of the VI Medicaid limitations). With a limited number of persons being able to use Medicare or private pay options, Seaview reduced its nursing home to 40 beds. It converted one wing into a 16-bed facility for emotionally disturbed adolescents.

Adding all of the nursing home and assisted living operating slots totals just over 100 beds. The VI has an elderly population over 14,000. Using the yardstick of a community needing nursing home and assisted living beds for 5% of its senior population means the VI should have 700 beds. Thus, the Virgin Islands have roughly 15% of the estimated needed facilities based on the elderly population.

Severe Mental Illness

There is no reliable data on the number of individuals in the territory suffering from severe mental illness. The 2005 homeless count does provide, however some information on the need. Fifty-two percent of all homeless counted as sheltered in the count were categorized as severely mentally ill. To serve this population, there are a limited amount of homeless facilities and very limited local residential and outreach services. A significant amount of the limited available funding goes to pay off-island residential providers.

In March 2000, officials from the Federal Center for Mental Health Services' State Planning and Systems Development Branch made a two-day on-site technical assistance visit, at the request of the then Director of Mental Health. In their final report, dated May 8, 2000, they included the following comments:

- Mental health and substance abuse services in the Territory are grossly inadequate, especially for children. Only the very basic services are provided on a regular basis, and community-based supportive services are virtually non-existent. Some services once available (e.g. crisis intervention, psychosocial rehabilitation), no longer exist, due to funding shortages.
- There are severe staff shortages, compounded by significant barriers to the recruitment, selection and retention of a qualified, professionally trained work force in behavioral health.
- One Long Term Care Unit operated in St. Thomas serves consumers from all three islands.
- No functional management information system in place, thus staff providing services and administrators can only estimate the numbers of persons served.
- Clients who cannot be treated in the Virgin Islands, including forensic patients, are placed outside of the territory. It was reported that currently 17 such placements are in effect (i.e. four at St Elizabeth's Hospital in Washington, D.C., 10 in a hospital in Puerto Rico and three in a hospital in Texas) at a high cost of 1.3 million annually - approximately one-third of the annual local budget for mental health and substance abuse.

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Currently the Territory has a capacity of 32 beds for residential treatment for adults with serious mental illness. This facility, the Eldra Shultebrandt Home, provides 24 hour specialized psychiatric/behavioral treatment, social rehabilitation, educational and recreational services. It is estimated that there is a need for another 250 permanent beds for the severely mentally ill. A community rehabilitation home with a 32-bed capacity is slated to be constructed in the near future on St. Thomas. The Twenty-Sixth Legislature passed Bill No. 25-0050 (Act#6739) to rezone parcel 6A-Anna's Retreat for the construction of a thirty-two bed Long Term Care Facility adjacent to the current Eldra Shulterbrandt Facility that is a thirty-two bed facility for individuals with serious mental illness.

Persons with HIV/AIDS

HIV/AIDS has been a growing problem in the Caribbean Islands and has spilled over into the Virgin Islands. While good data on the extent of the problem is not available, the homeless count showed that over 5% of the homeless served in facilities had either HIV or AIDS. The estimated need over the next 5 years is for 50 permanent beds serving persons with HIV/AIDS.

Persons with Alcohol or Other Drug Addictions

Alcoholism and drug use is one of the more pressing problems of the Territory. One of the major issues is to meet the needs of persons who have both addictions and mental illness. Many in this group self-medicate in an attempt to function and/or to forget their issues. They are among the most difficult to serve. Many of these fall into homelessness. Fully 81% of the households served in the homeless care system are suffering from addictions. The estimated immediate need over the next five years for this population is 150 permanent beds.

Children and Adults with Physical and/or Developmental Disabilities

It is very difficult to ascertain the size of the population with physical and developmental disabilities and their total housing need. According to the 2000 census, a total of 12,773 persons between the ages of 5 to 64 years were reported as having a disability. The VIHA has several families with a disabled member living in public housing in St. Croix and St. Thomas. There are some privately managed subsidized units as well. Lutheran Social Services operates two sites in Frederiksted; Danish Gardens, a 7 unit independent living apartment complex for adults with disabilities (HUD funded), and Genip Gardens, a 20 unit complex that may house either seniors or disabled adults (RD funded), and Bougainvillea Gardens, a 14-unit independent living apartment complex for adults with disabilities. Genip has traditionally been 75% occupied by non-senior disabled adults.

Pan American Investments on St. Croix operates an additional 48 RD funded units that may be occupied by either the elderly or adults with disabilities.

Two private elderly complexes (Flamboyant Gardens and Sunny Isle Elderly Housing) have a 10% set aside of units for mobility-impaired adults over 18 years of age. This provides an additional 10-12 units for the disabled.

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Along with the independent living units, there are limited residential beds for clients who need 24 hour care. These include:

- Sister Emma Cottage (part of Queen Louise Home for Children operated by LSS) - an eight bed long-term care home for severely disabled children. Also takes respite clients.
- Seaview Adolescent Unit (part of the privately owned Seaview Nursing Home) - a 14 bed residential, rehabilitative adolescent program for emotionally disturbed youth.
- Ginger Thomas Residence (LSS) - a 12 bed group home for the long term care of severely, developmentally disabled adults.
- Adult Foster Care (DHS) - care is provided for a few adults (4 last year) in a foster home setting.
- Yellow Cedar Residence (LSS) - an 8-bed group home for the long term care of developmentally disabled adults.

Because all necessary services that are required for some clients cannot currently be provided on-island, many children and adults are placed in stateside treatment facilities. In addition to the 17-20 mentally ill clients placed off-island as described in the above section on mental illness, the VI Departments of Education and Human Services also has a number of in facilities for the severely developmentally disabled. According to the April 2000 Residential Task Force report to the Governor and the Legislature, the Department of Education has placed 9 students in 6 different institutions and the Department of Human Services has 18 youth and adults placed in one institution in Texas.

Children In Poverty

In 2007, 14,321 families, 50% of 28,783 families had related children under age 18. The median family income in the Virgin Islands was \$42,673 (\$39,845 in St. Croix, \$44,277 in St. Thomas, \$49,168 in St. John), compared to the national average of \$58,480. The per capita income for persons in households was \$16,562 in 2007, up from \$16,286 in 2006. The national rate is nearly twice that amount, at \$38,611.³³

Twenty-nine percent of families with children were living in poverty in 2007. While 42% of all Virgin Island's 27,903 children lived in families headed by single mothers, 70% all Virgin Island families with children living in poverty were headed by single mothers in 2007.³⁴

³³ Community Foundation of the Virgin Islands, *V.I. Kids Count 2009*.

³⁴ Community Foundation of the Virgin Islands, *V.I. Kids Count 2009*.

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In 2007, one-third of Virgin Island's 9,515 children were growing up in households with incomes below the poverty threshold. In St. Croix, 39% of children lived below the poverty line in 2007 – up 6% from the year before. In St. Thomas and St. John, 29% of children lived below the poverty threshold – up 3% from the year before. By comparison, the national rate is 18%, and the lowest state rate is 29%.³⁵

Lead-based Paint and Lead Hazards

The Residential Lead-Based Paint Hazard Reduction Act of 1992 seeks to identify and mitigate sources of lead in the home. A high level of lead in the blood is particularly toxic to children aged six and younger. Lead can damage the central nervous system, cause mental retardation, convulsions and sometimes death. Even low levels of lead can result in lowered intelligence, reading and learning disabilities, decreased attention span, hyperactivity and aggressive behavior.

Children who live in homes with lead-based paint can become exposed by inadvertently swallowing lead contained in household dust. This is particularly a problem when houses are remodeled using practices such as scraping or sanding of old paint. Lead-based paint is not the only culprit. Lead has also been identified in many other sources, including some vinyl blinds, pottery, lead in water pipes, lead in dust brought into the home from work sites, some hobbies (like lead solder in stained glass work), and some herbal remedies.

The Center for Disease Control and Prevention (CDC) recommends that children ages 1 and 2 be screened for lead poisoning. The CDC also recommends that children 3 to 6 years of age should be tested for lead if they have not been tested before and receive services from public assistance programs; if they live in or regularly visit a building built before 1950; if they live in or visit a home built before 1978 that is being remodeled; or if they have a brother, sister, or playmate who has had lead poisoning.

The age of the housing unit is a leading indicator of the presence of lead-hazard, along with building maintenance. Lead was banned from residential paint in 1978. The 1999 national survey found that 67% of housing built before 1940 had significant LBP hazards. This declined to 51% of houses built between 1940 and 1959, 10% of houses built between 1960 and 1977 and just 1% after that.³⁶ Based on those estimates, approximately 5,350 homes pose potential lead-based paint hazards in the Virgin Islands.

Figure 36. – Potential Lead-Based Paint (LBP) Hazards in the Virgin Islands, 2000

Date Built	Total Units	Potential Hazards	
		%	Number
Before 1940	1,302	67%	872
1940 to 1959	3,420	51%	1,744
1960 to 1979	25,322	10%	2,532
1980 to 2000	20,158	1%	202
Total	50,202		5,350

Source: US Census. Clickner, et al.

³⁵ Community Foundation of the Virgin Islands, *V.I. Kids Count 2009*.

³⁶ Clickner, R. et al. *National Survey of Lead and Allergens in Housing, Final Report, Volume 1: Analysis of Lead Hazards*. Report to Office of Lead Hazard Control, US Department of Housing and Urban Development, 2001.

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The VIHA, the Virgin Islands' largest manager of low-income housing, had an in-place plan for the management of lead-based paint. More than 80% of the communities under VIHA's management have been evaluated and abated as necessary. VIHA has pledged to have all LBP removed from its communities. As of 2010, there were 5 sites currently in need of LBP abatement. Another site is currently under rehabilitation involving the removal of asbestos. The goal is to remove all LBP hazards in Public Housing.

The VIHFA includes LBP assessment and removal for all housing that is rehabilitated. Abatement work is included in the scope of rehabilitation as needed.

The Territory's Office of Environmental Protection does not have any data on LBP in the private sector. Likewise, there are no studies available from the Department of Health providing information on lead blood levels. However, based on the age of the housing stock in the Virgin Islands, it is conceivable that there may still be significant lead-based paint hazards.

NATURAL DISASTERS MITIGATION NEEDS

The U.S. Virgin Islands are vulnerable to a number of major natural hazards with the potential for substantial loss of life and property damage. Indeed, the history of the Virgin Islands is replete with accounts of major natural disasters, including the three major hazards, hurricanes, floods and earthquakes.

Hurricanes

The U.S. Virgin Islands faces a serious threat from hurricanes and other coastal storms, and the resulting shoreline flooding and water surges. Hurricanes also bring extremely high winds that place unusual stresses on buildings and facilities. Several major and minor hurricanes have caused significant property damage in recent years.

Floods

Non-hurricane floods in the Virgin Islands have occasionally resulted in substantial damages. Heavy rains are common features of the tropical Caribbean weather patterns, especially in hurricane season from late July to late October.

Seismic Events

The islands' location near the northeastern corner of the Caribbean Plate makes them highly susceptible to seismic hazards - both earthquakes and tsunamis (seismic-induced tidal waves). Although not frequent, seismic events have resulted in major damage and loss of life in the territory, and they tend to be severe when they do occur.

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The Virgin Islands is classified as Zone Four in terms of earthquake hazard susceptibility. The filled areas, such as Charlotte Amalie, St. Thomas, and Christiansted, St. Croix are particularly vulnerable to damage from an earthquake, as these are areas where liquefaction and ground settling are likely to be greatest. High-slope areas subject to rock or landslides may also pose special hazards further. Vulnerability from these conditions is exacerbated by the fact that many houses and many other public buildings in the Virgin Islands are built on top of cisterns which are likely to rupture and cause additional damage in an extreme earthquake.

The greatest need in this area is to identify structures, which are not in compliance with the stricter, present-day building codes, and to identify funds for disaster mitigation efforts to protect public buildings and other facilities and public housing units.

PUBLIC SAFETY NEEDS

Resident safety

Figure 37. – US Virgin Islands Crime Statistics, 2009

Tips Received	392
Total Arrests	10
Cases Cleared	89
Weapons Recovered	37
Rewards Paid	\$13,932
Property Recovered	\$13,500
Drugs Seized	\$38,900
Source: Virgin Islands Police Department	

The lack of police presence due to the limited resources of the local police department has taken its toll on the community, and particularly certain housing communities where crime is commonplace. The safety of residents in public housing can also be related to the manner by which VIHA is committed to addressing safety issues in the design of its developments. Constructing buildings and subsequent communities that consider issues relative to safety in the design will enable residents to enjoy accommodations without the added measure of fear for their lives or property. Properties purchased by the Authority from private owners over the years did not incorporate safety issues into their design, nor was this component a consideration in earlier HUD-built public housing.

As a result, VIHA now has incorporated the development of designs that accommodate the safety needs of residents in its new developments.

Fair Housing Needs

Also referred to as Title VIII of the Civil Rights Act of 1968, Fair Housing has been a policy adopted by the Virgin Islands Housing Authority and the Virgin Islands Housing Finance Authority.

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Both agencies are committed to conducting self-evaluations to identify and revise any policy that discriminates against qualified individuals with disabilities. The agencies review their facilities, programs, policies and practices and make changes required to permit individuals with disabilities to participate fully with the agency's programs and activities.

Additionally, as stated earlier in this analysis, VIHA has converted a number of units in each development to meet its Section 504 requirements. The Authority has been forced to accommodate non-disabled tenants in units retrofitted for the disabled. This situation was necessary due to the devastation from several Natural Disasters that have put in disarray the Authority's control of its 504 program. Despite these issues, the Authority still remains committed to addressing the 504 needs of all its residents.

COMMUNITY DEVELOPMENT NEEDS

Since the inception of the Community Development Block Grant Program in 1976, the normal process for determining community development needs is to solicit proposals from government and community organization. Each year, the Territory receives approximately \$10 million dollars of proposals. Since the Territory's CDBG grant is usually \$2 million, it means that each year there are significant unmet needs.

In keeping with the requirements of the Consolidated Plan, the Territory has continued to use the same system for determining community development needs, i.e., soliciting proposals from government and community organizations to be considered for funding from the grant on hand. Additional steps taken to determine community development needs include:

- Distribution of a survey instrument which invited the general public to list their perception of the specific community development needs of their neighborhoods or community;
- Distribution of a survey instrument which invited the general public to rate the needs of their community or neighborhoods based on broad categories.
- Review of information drawn from staff's knowledge and experience in funding and implementing projects in the V.I.

Public and Neighborhood Facilities

Most of the proposals that have been received in consideration for funding each year have been in the category of public facility. For instance, the public and neighborhood facilities proposals that were received in consideration for funding from the 2005 CDBG totaled \$9.5 million, or about 84.6%, of all of the proposals that we received. The 5-year plans for the various government and non-government agencies reveal that their unmet public and neighborhood facility needs totaled \$122.3 million. The next few sections categorize the public and neighborhood facilities needs for the Territory.

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Neighborhood Facilities

Most of our neighborhoods especially those that are mainly low and moderate income, are without community centers from which residents can meet to discuss and find solutions to their common problems. These neighborhoods are without playgrounds and other areas from which children can engage in recreational facilities. As a result children have to play on the streets where they are at risk of being hit by motorists. Or they are forced to travel to other neighborhoods where they would be outside of parental supervision.

The Community Development Block Grant has funded community centers including playgrounds in several low to moderate-income neighborhoods. There are other communities that remain unserved by community centers.

School Facilities

Many of our public schools, which are mainly patronized by low- to moderate-income youth, are without adequate facilities. Playgrounds are either not present on the premises of the school or, the terrain of the playgrounds are either uneven or on rocky grounds.

PUBLIC SERVICE NEEDS

The Virgin Islands is probably unique in that most of its public service is carried out by non-profit or community organizations. Many of these organizations have always relied heavily on volunteers; as a result, their operation tends to be erratic. Organizations are finding it increasingly difficult to raise the adequate level of funding, and as a result, they turn to CDBG for assistance. The CDBG Program has a restriction that no more than 15% of the grant may be used for public services.

Each year, the amount of public service proposals that we have received in consideration for funding far exceeds the 15 % that is statutorily allowed for this category of projects. The sections below describe some of the most urgent public service needs for the territory.

After-school Programs

The category under which most community organizations apply for funding is after-school programs. School-age children are most commonly involved in negative behavior during the hours 3 to 6 p.m each day. This is because during this period, the children are out of school but their parents are not at home to supervise them. After-school programs are important because they provide adult supervision and can provide assistance with homework and counseling that could prevent school failure and drop-outs. In addition, there is a great need for assistance to children with disabilities. After school programs are needed throughout the Territory, not just in concentrated areas.

Swimming Programs

Though the Territory is surrounded by the ocean, many of its young people do not know how to swim. Swimming programs to teach youth the basic fundamentals of swimming and water safety are needed.

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Other Skill-training Programs

Employment and other skill-training programs are needed to provide jobs and skill training for low to moderate-income individuals.

Services and Facilities for Victims of Domestic Violence and Child-abuse

There is a high incidence of domestic violence in the Territory. Facilities and shelters are needed in order to address this problem. CDBG and ESG funds have assisted programs supporting shelter and counseling activities.

Road Repaving and Site Improvements

Periodic flooding has left a number of roads in residential neighborhoods in poor condition. The public works department does not have sufficient funding to service all of the roads in the territory on a regular basis. Roads servicing low- and moderate-income neighborhoods are among those in need of major reconstruction.

Water and Sewer

Many homes persons in the Virgin Islands depend upon cisterns constructed underneath their homes for catching and storing water for their potable water needs. The local water utility, the Virgin Islands Water and Power Authority, has as its goal the expansion of the system to as many homes as possible; however, the steep terrain makes this difficult, expensive and unprofitable for the company.

There are some concerns about health risks associated with the use of water from cisterns. At least one of the doctors at the local hospital has expressed some concern that this may be a means of contacting the E. Coli bacteria and other stomach ailments that could become cancerous. The local Environmental Protection Agency has recommended that cistern water be chlorinated on a regular interval. However it does not appear that this recommendation is adhered to by everyone.

In times of limited rainfall, many homeowners have to rely on the trucking of water.

Historic Preservation

The Territory's heritage is both valuable and expensive to maintain. There are several areas on the islands that are historic sites or districts that are in very poor and deteriorating condition. Major historic districts are found in Frederiksted, Christiansted and Charlotte Amalie. Infrastructure and private buildings are in need of restoration. Enterprise Zones are currently making progress in restoration but fund are not sufficient for an aggressive program. Other buildings spread throughout the major islands are also in need of assistance.

ECONOMIC DEVELOPMENT NEEDS

Tourism accounts for approximately 80% of United States Virgin Islands' gross domestic product and employment. More than 2.2 million persons visited the Territory in 2009. The physical, financial, communications, transportation and business service infrastructure and manpower skills developed to support the tourism industry, serve as a catalyst in attracting other economic activity. St. Croix is the center for manufacturing with such industries as a major oil refinery and aluminum plant, as well as textile, electronics, pharmaceuticals, watch assembly plants and other manufacturers that employ about 2,900 people. The agricultural sector is small, representing 1% of the GDP and consists primarily of beef and dairy but includes Senepol cattle, a hardy tropical breed developed in St. Croix. The Economic Development Authority is active in working to attract businesses to the Territory through tax incentives.

Given the high poverty rates and generally very low wage structure, there is a great need for job training and job creation for living wage jobs. The 2008-09 economic recession deepened unemployment and led to the closure of many small businesses. Support for the expansion of existing small businesses is a proven technique for adding jobs quickly.

FIVE-YEAR HOUSING & COMMUNITY DEVELOPMENT STRATEGIC PLAN

The Virgin Islands will follow a five-year strategic plan aimed at solving some of the major housing and community development needs of its low- and moderate-income residents. The following three broad goals of the U. S. Department of Housing and Urban Development provide the framework under which the objectives of the Territory will be pursued:

- Provide decent housing
- Provide a suitable living environment
- Provide economic opportunities

I. FIVE-YEAR STRATEGIC PLAN SUMMARY

A. Primary Objectives

Nine primary objectives will guide the Territory in utilizing Federal funding for housing and community development as follows:

Provide decent affordable housing.

1. Preserve and expand the stock of decent, standard, affordable rental housing for low- and moderate-income persons including homeless and other special needs populations.
2. Expand homeownership opportunities for low- and moderate-income households and promote sustainable neighborhoods through production of new and/or improved housing and homebuyer programs to support mixed income/mixed use neighborhoods.

Provide a suitable living environment

3. Support programs and activities that assist the homeless to become as self-sufficient as possible through new or improved housing and facilities in conjunction with supportive services and preventative services, with particular emphasis on assistance to chronic homeless individuals and to persons with mental illness and addiction to substances.
4. Continue to support and expand services for special needs populations including (among others) youth, the elderly, domestic violence victims, physically and mentally challenged, chronic substance abusers and persons with the AIDS virus, with particular emphasis on assistance to persons with mental illness and addiction to substances.

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5. Provide youth with opportunities for a structured environment to reinforce their education and development of positive behaviors in order to reduce juvenile delinquency and school drop-outs.
6. Assist programs that support strong, healthy families and reduce child abuse and domestic violence.
7. Expand, revitalize and preserve the community's public facilities and infrastructure that primarily serve low- and moderate-income neighborhoods or support programs assisting low- and moderate-income persons.
8. Remove potential and imminent threats to health and safety in public and private buildings and facilities.

Provide economic opportunities.

9. Support economic development activities that retain jobs or create improved job opportunities for lower income persons.

B. Guiding Principles

A number of over-riding principles will be pursued to maximize the impact of these strategies and objectives including:

1. Promote "performance based/solution based" public/private collaborations and community development organizations.
2. Promote territory-wide and neighborhood-sensitive strategic land use planning.
3. Streamline the delivery of housing and community development services and increase collaboration among housing and services agencies, with particular emphasis on assistance to persons with mental illness and addiction to substances.
4. In future planning activities, consider the development of revitalization strategies for targeting resources to the neediest low and moderate neighborhoods.
5. Expand and strengthen cooperative efforts between schools and non-profit services agencies to maximize the use of school facilities for providing after school services and to improve recreational facilities on school grounds.
6. Progress toward a system of providing "housing first" to persons who are at-risk of becoming homeless or who are homeless, and to quickly stabilize their housing while providing necessary supportive services to return them to self-sufficiency.

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C. Available Resources

The Virgin Islands will use Federal funds from the CDBG Program, the HOME Program and the ESG Program to work toward meeting the needs identified in the Needs Assessment. These funds are provided annually by HUD to the Territory through a formula which relies upon U. S. Census data emphasizing primarily population, housing condition and overcrowding and poverty. An additional HUD resource is McKinney-Vento Homeless Program grants, which may be obtained through annual national competitions. Importantly, additional funds from local government program sources, non-profit organizations, fund-raising and community foundations supplement these federal funds to increasing the impact of assisted activities.

CDBG Resources

The Territory receives an annual allocation of funds as an “entitlement” jurisdiction through a set formula. This also carries with it new responsibilities, including the need to develop a long-range Consolidated Plan along with additional reporting requirements. The CDBG funds are operated by the VIHFA. Funds available for the 2010 program year total \$1,877,526.

Based on 2010 funding levels, we anticipate receiving approximately \$9,400,000 in CDBG funds over the 2010-2014 program years (In addition, program income from repayment of housing rehabilitation loans is anticipated at approximately \$21,000 annually). These funds are targeted for low- and moderate-income persons through direct services and assistance and through support of projects that serve specific area but will also be increasingly focused on the neediest of the low and moderate income neighborhoods of our community. Funds are anticipated to be provided to each of the three main islands (St. Croix, St. Thomas and St. John).

HOME Resources

HOME funds have been provided on a formula basis for activities providing housing assistance to low-income homeowners and renters. These funds are administered by the VIHFA and are available for distribution to projects on all three major islands. HOME funds available in the 2010 program year total \$1,255,996.

Based on 2010 funding levels, we anticipate receiving approximately \$6,200,000 in HOME funds over the 2010-2014 program years (In addition, program income from loan repayments is anticipated at approximately \$118,000 annually). These funds will be primarily used to provide homeowner opportunities to new homebuyers and help existing low-income homeowners to improve their properties.

ESG Resources

Emergency Shelter Grant funds have been provided on a formula basis for activities providing prevention services, shelter and transitional housing facilities and supportive services for the homeless. The CDBG funds are operated by the VIHFA and are available for distribution to non-profit and governmental organizations for projects on all three major islands. These funds have been utilized for essential homeless services, homeless prevention activities and rehabilitation activities. A total of \$80,382 in ESG funds is available for the 2010 program year.

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Based on 2010 funding levels, we anticipate receiving approximately \$400,000 in ESG funds over the 2010-2014 program years. No program income is anticipated.

Continuum of Care Homeless Funding

Each year, the Virgin Islands Continuum of Care on Homelessness submits an application to HUD for McKinney-Vento funding through a national competition. While the amount of funds available is determined by a formula using generally the same data as the ESG Program, these funds are actually allocated only if the McKinney-Vento application scores high in the national competition. The formula generally limits the Continuum to applications totaling \$439,587, but is increased by up to 15% if the community submits a strong application for permanent supportive housing for the homeless. In 2008, the Continuum was successful in receiving \$487,891 for three projects. While the Continuum has received notification of the award of 2009 funds for the renewal of the Virgin Island's existing McKinney-Vento projects, HUD has still not made a national announcement of the results of the competition for new project proposals. It is anticipated that the Continuum of Care will submit an application in the 2010 national competition for both renewing existing projects and funding of new projects.

Based on 2008 funding awards and potential full funding under the formula, we anticipate receiving McKinney-Vento funding of approximately \$2.5 million in grants over the 2010-2014 period.

II. AFFORDABLE HOUSING OBJECTIVES

A. Affordable Housing Priorities

Provide decent affordable housing.

B. Specific Affordable Housing Objectives

- Preserve and expand the stock of affordable rental housing for low- and moderate-income persons including homeless and other special needs populations.
- Expand homeownership opportunities for low- and moderate-income households and promote sustainable neighborhoods through production of new and/or improved housing and homebuyer programs in support of mixed income/mixed use neighborhoods.

Priorities were developed considering the significant housing affordability issues of both low- and moderate-income homeowners and renters. The factors of high land costs and high site development costs were weighed with the needs for housing rehabilitation to determine priorities for increasing affordable housing.

While homeowners and potential homebuyers currently have the advantage of relatively stable and historically low mortgage interest rates, assistance to homeowners and homebuyers remains a high

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priority. In the past five years, the high initial cost of purchasing homes, the high cost of construction materials, high land costs and the on-going costs of homeownership (such as insurance), have more than tripled the amount of subsidy needed to make homeownership affordable to low- and moderate-income households. Because the cost of subsidies are so high, the homeowner/buyer programs are targeted for households at 50% of area median income and higher, with the majority to be assisted between 60% and 80% of area median.

VIHFA's experience gained from operating the HOME Program over the years has shown that prospective homeowners currently need a subsidy of approximately \$80,000 to be able to afford to purchase an adequate home. Many of the existing owner-occupied units are in poor physical condition as a result of a lack of discretionary income available to low income homeowners, and unrepaired hurricane damage due to lack of insurance (which ties back to the lack of discretionary income and high on-going costs of ownership). Another issue is the high cost of construction/renovation for owners who need accessibility modifications as they age in place.

The median gross rent of \$718 is a significant burden on or renter households who represent 52% of all households. With a median household income of \$26,869 for renters, there is little room for most renters to meet their housing costs and any emergency needs that may arise. Families falling into the lower income brackets have a greater rent burden. Therefore, the Territory has pursued strategies for increasing the supply of rental housing affordable to low- and moderate-income families through construction and rehabilitation projects under the LIHTC program.

C. How Funds Will Be Used to Achieve Housing Goals

HOME funds will be a primary source of financing to implement the housing objectives, focusing on the needs of low-income homeowners and prospective homeowners. Housing rehabilitation and purchase will be the primary method to increase the ability of low-income households to become and remain homeowners.

CDBG will be utilized to meet the most pressing housing needs of other households, particularly focusing on the needs of homeless persons. CDBG will be used to fund develop new and improve existing shelter and transitional housing facilities for the homeless. ESG funds will be used to support the operation and rehabilitation of shelters and transitional housing units.

It is assumed that the greater portion of rental housing will be undertaken via the LIHTC program, whereby private developers obtain allocations of tax credits and then syndicate the credits to generate equity financing for development of affordable rental units. Projects are approved in accordance with an approved allocation plan. VIHFA will also continue to serve as the state allocation agency for the Territory.

D. Obstacles

Housing developers will face a number of significant obstacles. Among them are:

- Limited amount of developable sites in urban areas

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- High land costs and site development costs
- Limited local funds to supplement the Federal funds in an effort to the make the housing affordable
- Low income levels relative to the high cost of housing
- Extremely high insurance costs due to the seismic and hurricane zone in which the Territory is located
- High cost of utilities and developing water retention cisterns.

E. Proposed Accomplishments (short and long) and Measurement of Performance

The proposed accomplishments to be achieved in implementing these strategies and objectives are:

- 2 new low- and moderate-income households will live in improved affordable housing within one year and 10 within five years.
- 3 low- and very low-income homeowner households will be assisted, to make improvements to extend the useful life of their properties or make them accessible, within one year and 15 within five years.
- 15 low- and very low-income households will be assisted through homebuyer assistance to become new homeowners within one year and 75 within five years.

III. HOMELESSNESS OBJECTIVES

A. Homeless Activities Priorities

The Virgin Islands Continuum of Care on Homelessness has established priorities for housing and services for the mentally ill and substance abusing homeless populations. Outreach to populations suffering from these two conditions is a high priority for the use of resources. Providing treatment, supportive services and stabilizing housing for these populations are also high priorities.

Many of the homeless with one or more of these conditions fall under the category of “chronic homeless persons”. The Continuum has adopted the HUD definition of “chronic homelessness”, i.e. disabled homeless persons who have either been homeless for a year or have had at least 4 episodes of homelessness in the past 3 years. The Continuum continued to work toward ending chronic homeless in the Islands.

Other priorities include activities aimed at preventing the potential for persons unnecessarily falling into homelessness. In addition, to meet the needs of persons who are currently homeless, key supportive services are needed to assist them toward self-sufficiency. Maintaining existing homeless housing and creating new homeless facilities will be pursued to serve as a stabilizing force as homeless persons are assisted back to independent living.

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The Continuum has recently adopted the “housing first” approach for preventing homelessness and reducing its impact once it occurs. Under this concept, persons about to fall into homelessness and persons who have actually fallen into homelessness are immediately placed in housing to stabilize their lives, while supportive services are organized to meet their individual needs. The Continuum is in the process of developing resources and systems that would implement this operational concept.

Activities to Assist Low-Income Families to Avoid Homelessness

- Public services activities funded under the CDBG Program are aimed at low- and moderate-income households, specifically at strengthening youth and families. HOME Program activities are directed at stabilizing families through housing supports. Finally, ESG Program homeless prevention activities, including rental assistance for persons at risk of homelessness are part of the community’s strategy to avoid homelessness in the Islands. The “Housing First” approach recently adopted by the Continuum of Care is aimed at preventing homelessness.

Activities to Provide Outreach to, and Assessment of, Homeless Persons

- Activities of homeless providers supported through the CDBG and ESG Programs are specifically directed at outreach, assessment and counseling of homeless persons. Additional outreach is conducted through the Continuum of Care by the Methodist Outreach and Training Center, Catholic Charities of the Virgin Islands, the St. Croix Mission, Inc., Inner Light and My Brother’s Table.

Shelter and Transitional Housing Needs to be Addressed

- The Continuum has will continue to seek funding for shelter and transitional housing. McKinney-Vento, ESG, and CDBG funds will continue to be utilized for housing and services for the homeless. We anticipate requesting one new project per year in the McKinney-Vento competition until the maximum funds allowable under HUD guidelines are reached.

Assistance to Transition to Self-sufficiency and Stable Housing

- Case management services conducted by a variety of non-profit organizations on all three islands are the vehicle for assisting persons to self-sufficiency and stable housing. The Territory’s Shelter facilities (95 beds), transitional housing facilities (85 beds) and permanent supportive housing facilities (24 beds, 15 of which serve the chronic homeless) are major stabilizing forces. In addition to services designed to assist the individual needs of the homeless households, services to help them locate permanent housing are also offered, including referral to housing authorities. Finally, a limited amount of transitional and permanent supportive housing resources are available in the Continuum to provide stable housing. The Continuum annually plans to submit an application under the McKinney-Vento Permanent Supportive Housing Program each year to expand beds for chronic homeless persons and other disabled homeless.

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B. Specific Homeless Objectives

Overall Objective

Support programs and activities assisting the homeless to become as self-sufficient as possible through new or improved housing and facilities, supportive services and preventative services, with particular emphasis on assistance to persons with mental illness and addiction to substances.

Specific Objectives

- Increase the number of shelter, transitional and permanent supportive housing beds available for the homeless in all three islands as well as assure that existing facilities are maintained.
- Prevent persons at risk of homelessness from falling into homelessness by providing services to stabilize their housing and support the growth of strong families.
- Create additional permanent beds for Chronic Homeless persons
- Ensure the Hospital & Department of Corrections have policies in place to prevent Homelessness
- Develop the resources to implement a “housing first” concept.
- Continue development and expansion of the HMIS program.

C. How Funds Will Be Used to Achieve Homeless Goals

McKinney-Vento funds were requested in 2009 and will be requested in 2010 to obtain funding for new beds for homeless disabled persons needing permanent supportive housing and to continue outreach and case management services. ESG funds will be used for outreach and prevention activities as well as essential services and maintenance of facilities. The use of remaining HPRP funds for prevention may reduce our ESG commitment to homeless prevention activities. CDBG funds will provide assistance to develop new transitional or permanent housing primarily through acquisition and rehabilitation of facilities, as well as improve existing facilities, provide outreach services, and provide other key services to assist homeless persons.

D. Obstacles

There are a number of obstacles that impede progress in meeting the many needs of homeless persons. As demonstrated by the needs assessment, the primary obstacles include a general lack of funding and a limited set of existing housing and services resources available on which to build. Only 243 beds of any kind are available to assist the homeless. Given the 395 unsheltered homeless

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persons found during the one-day count, the ability of the continuum of care to meet the on-going needs is limited. A high priority is to increase the supply of housing facilities serving the homeless and continue outreach to persons, especially those with disabilities, in the streets, parks and rural areas. Finally, collaboration among the non-profit organizations providing housing and services must be improved for better coordination of resources.

E. Proposed Accomplishments (short and long) and Measurement of Performance

The proposed accomplishments to be achieved in implementing these strategies and objectives are:

- 50 homeless persons will be provided housing or shelter in new or rehabilitated shelters, transitional facilities or permanent supportive housing within 2 years and 150 within 5 years.
- 5 homeless households or households at risk of homelessness will be provided homeless services or homeless prevention services meeting their needs within one year and 12 within five years.
- 16 homeless persons suffering from substance addiction or mental illness will have their lives stabilized through housing or services within one year and 80 within 5 years.

IV. SPECIAL NEEDS POPULATIONS OBJECTIVES

A. Priority Activities for Special Needs Populations

Among the many priorities for special needs populations are those of three specific non-homeless populations that will be a major focus of activities over the next five years.

- Our youth need support and activities to assist them to mature and to support healthy families. Juvenile delinquency, broken families and a lack of productive activity by youth in the Territory are the primary basis for this priority. Youth recreation facilities and youth services are the priority activities.
- Seriously mentally ill persons are unable to cope with the social environment due to their disability and need both housing and supportive services to stabilize their lives. The significant number of mentally ill individuals in the Territory requires a major effort to impact their needs. In addition, mentally ill are often also affected by addiction.
- Persons with substance abuse addiction are in need of services, treatment, transitional housing and, in cases where mental illness is also present, permanent housing with supportive services.

B. Specific Special Needs Objectives

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- Continue to support and expand services for special needs populations including (among others) youth, the elderly, domestic violence victims, physically and mentally challenged, chronic substance abusers and persons with the AIDS virus, with particular emphasis on assistance to persons with mental illness and addiction to substances.
- Provide youth with opportunities for a structured environment to reinforce their education and development of positive behaviors in order to reduce juvenile delinquency and school drop-outs. Provide adequate facilities for youth recreation and education.
- Assist programs that support strong, healthy families and reduce child abuse and domestic violence.

C. How Funds Will Be Used to Achieve Special Needs Goals

CDBG funds will be used to build and renovate facilities and provide critical services for these special needs populations. HPRP and ESG funds will be used to help prevent some of the special needs populations from becoming homeless and will assist those special needs populations that become homeless with services and temporary housing.

D. Obstacles

Among the obstacles that will need to be overcome are:

- The high cost of providing services for the mentally ill and substance abusing populations.
- The need for developing new housing facilities for the disabled. Housing development is costly and the development process is lengthy.
- The limited amount of funding available for public services, particularly as it affects our efforts to assist the youth. Both CDBG and HUD McKinney-Vento Programs have limitations on the amount of grant funds that can be used for services activities. Due to the fact that many of the existing non-profit groups serve only a specific or immediate geographic area, it becomes necessary to fund many smaller projects, which often duplicate programs/services with the only difference being the area served. To some extent, this taxes the program's funding and limits the overall effectiveness/impact of the program.

E. Proposed Accomplishments (short and long) and Measurement of Performance

The proposed accomplishments to be achieved in implementing these strategies and objectives are:

- 15 persons suffering from substance addiction or mental illness will have had their lives stabilized through housing or services within one year and 75 within five years.
- 2,200 youth from low and moderate-income families will benefit from improved education, healthy recreation or other services provided through after school programs and other public services programs within five years and 425 youth annually (duplicated).

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- 55 disabled youth will immediately benefit from computer education and developmental services and 275 will benefit within five years.

V. NON-HOUSING COMMUNITY DEVELOPMENT OBJECTIVES

A. Community Development Priorities

The priority non-housing needs of the Territory and amount of funds needed to meet those needs are described more fully in Table 2 B in the Appendix. Among the many priorities over the next five years will be: community development and capital improvement activities that evidence the greatest new employment or retention of low-income persons; activities promoting aesthetically pleasing, suitable and sustainable environments throughout the Territory; neighborhood-driven community development projects that integrate "green space," public service facilities, and an appreciation of the character of the neighborhoods; and partnered housing and community development activities in order to assure the sustainability of a viable urban community.

B. Specific Community Development Objectives

- Recognize the true potential viability of community-based organizations in carrying out the strategies necessary to revitalize neighborhoods. Community development corporations, faith-based institutions and human service agencies should be empowered to increasingly play significant roles in implementing Consolidated Plan strategies. At the same time, these organizations must become responsible for performance-based accountability as sub-recipients of federal funds.
- Recruit private sector partners to make meaningful contributions to the promotion of community and economic development. The Territory should be prepared to weave creative, fair, balanced neighborhood-sensitive incentives for private sector investment in such development efforts. Challenging the private sector to leverage its resources to create solutions to the funding gaps that community and economic development.
- Embrace the natural beauty and enhance the natural environment of the Virgin Islands through continuous master planning among citizens and stakeholders centered on removing slums and blight, environmental hazards.
- Expand, revitalize and preserve the community's public facilities and infrastructure serving primarily low and moderate income neighborhoods and programs assisting low and moderate income persons
- Remove potential and imminent threats to health and safety
- Support economic development activities that retain jobs or provide improved job opportunities for lower income persons
- Provide youth with opportunities for a structured environment to reinforce their education and the development of positive behaviors to reduce juvenile delinquency and school drop-outs.

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C. How Funds Will Be Used to Achieve Community Development Goals

A wide variety of activities will be conducted to achieve these goals. CDBG funds will be used for public infrastructure and public facilities needs as well as to support the continued revitalization of blighted neighborhood areas.

D. Obstacles

Among the obstacles that will need to be overcome are:

- The magnitude of the community development needs across the Territory and the limited funds available to meet them.
- The poor condition of many of the infrastructure and facilities serving communities.

E. Proposed Accomplishments (short and long) and Measurement of Performance

The proposed accomplishments to be achieved in implementing these strategies and objectives are:

- 1 community center-neighborhood facility-recreational project within 1 year and 5 community center-neighborhood facility-recreational project within 5 years
- 1 other neighborhood public facility project within 5 years
- 1 potable water project within 3 years and 2 potable water projects within 5 years
- 1 neighborhood roads project within 3 years and 2 neighborhood roads projects within 5 years
- 2 other infrastructure projects within 5 years
- 100 non-homeless low and moderate-income persons will have improved lives or opportunities as a result of other public services activities within five years and 20 annually. (duplicated count)
- 30 non-homeless low and moderate income households will have their self-sufficiency improved as a result of public services within five years and 6 annually (duplicated count).
- 60 low and moderate income persons will have retained their job or have a new job created through economic development activities within 5 years
- Remove 1 imminent threat to health and safety within five years, if needed

VI. ANTI-POVERTY STRATEGIES

Several objectives of the Consolidated Plan make up a large part of the Virgin Islands' strategies to reduce poverty. The following form the core of the anti-poverty strategy:

- Support economic development activities that retain jobs or create improved job opportunities for lower income persons.
- Support programs and activities assisting the homeless to become as self-sufficient as possible through new or improved housing and facilities, supportive services and preventative services, with particular emphasis on assistance to chronic homeless persons and to persons with mental illness and addiction to substances.
- Provide youth with opportunities for a structured environment to reinforce their education and development of positive behaviors in order to reduce juvenile delinquency and school drop-outs.
- Continue to support and expand services for special needs populations including (among others) youth, the elderly, domestic violence victims, physically and mentally challenged, chronic substance abusers and persons with the AIDS virus, with special emphasis for persons suffering from substance abuse or mental illness.
- Assist programs that support strong, healthy families and reduce child abuse and domestic violence.

In addition, increased coordination of programs and services with the Continuum of Care and the Department of Human Services will be essential to assure that activities under the Plan have a maximum impact. Families living in poverty will be assisted with their basic needs by expanding outreach to persons at risk and in crisis. To reduce the incidence of poverty, we will utilize the Continuum of Care approach to increase the self-sufficiency of persons through a variety of assistance and will utilize the CDBG program to provide key services and supports to persons in need. To the extent that Economic Recovery funds remain available, we will use those resources to prevent homelessness. Also, by focusing on youth activities and job training programs, we will be able to provide them with healthy outlets and supportive environments, assisting them to break out of generations of poverty. The extent to which these efforts will reduce poverty will be indicated through the performance measures of our plan objectives.

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VII. PUBLIC HOUSING AUTHORITY GOALS & STRATEGIES

The Virgin Islands Housing Authority (VIHA) has established goals and strategies to serve the needs of low- and moderate-income residents of the Territory. The VIHA 2005-2009 Five Year Plan included the following goals:

- Expand the supply of existing housing
- Improve the quality of assisted housing
- Increase housing choices
- Provide an improved living environment
- Ensure equal opportunity and affirmatively further fair housing
- Enhance the quality of life of assisted families
- Comply with the HUD requirements including accessibility requirements and Fair Housing
- Ensure the Housing Choice Voucher Program design, processes and policies serve to continuously improve performance, self-sufficiency, improve reporting rates, increase customer satisfaction and achieve a high performance status

The objectives under the “increased housing choices” include implementing the voucher homeownership program and continuing to implement the public housing homeownership program. A high priority of the VIHA is the involvement of residents in both resident management (through committees and representation) as well as offering opportunities for homeownership.

The activities of the Consolidated Plan are consistent with the needs and goals of public housing residents. Housing stability and opportunities for self-sufficiency are key elements of many of the strategies of the Consolidated Plan as are the goals of the VIHA. The homeownership programs of VIFHA also offer homeownership opportunities for low and moderate income households and the use of the CDBG for public services are support the needs of low and moderate income households.

The VIHA is currently considered a “troubled housing authority” and is in receivership. While the Legislature and Governor are supportive of efforts to improve the authority, they are unable to provide direct subsidies to the VIHA at this time. Methods of assisting the VIHA will be explored as the recovery of the housing authority progresses.

VIII. OVERCOMING BARRIERS TO AFFORDABLE HOUSING

The Virgin Islands government is taking a major step to reduce barriers to affordable housing through the “Assessment of Zoning and Subdivision Code of the U. S. V. I.” This will result in a major updating of the zoning and building laws and regulations. VIHFA will seek to cooperate closely with the V. I. Government to obtain land on which housing of low- and moderate-income housing units can be built. VIHFA has been provided land in the past through this method and will seek additional properties on which to develop affordable housing. Territorial government agencies will consider actions such as waivers, deferrals, and exemptions of permitting fees and utility installation costs.

IX. LEAD BASED PAINT HAZARDS

Efforts will continue to improve the detection of lead based paint hazards as well as to mitigate or remove the hazards where necessary. These efforts include:

- Coordinate public and private efforts to reduce lead-based paint hazards and protect young children. Work with key housing agencies to increase the capacity of public and non-profit agencies involved in housing rehabilitation activities to assess lead based paint hazards. Methods of sharing the costs of lead based paint hazards assessments will be explored with other agencies.
- Integrate lead hazard evaluation and reduction activities into existing housing programs. Integrate activities to identify and reduce lead hazards with all government-assisted housing rehabilitation activities.
- Promote comprehensive public health programs. Support the development of programs with capability for screening, follow-up of children identified as lead poisoned, public education and prevention.
- Provide public information and education. Clearly communicate the extent of the lead problem and the measures to be taken to reduce risk and protect health.
- Lead Paint Remediation: Work with other Territorial agencies to identify and implement effective remediation strategies.

X. INSTITUTIONAL STRUCTURE THROUGH WHICH STRATEGIES WILL BE IMPLEMENTED

Overall Structure/Gaps that will be Addressed

The institutional framework through which the housing and community development plan will be carried out includes the public sector, non-profit sector and the private sector.

The public sector plays a key role in planning, coordinating and implementing housing and community development activities. The VIHFA has the primary role for coordinating activities under the Consolidated Plan, managing the CDBG and ESG Programs, management of the HOME Program and assisting the Continuum of Care. The Virgin Islands Housing Finance Authority is responsible for the. Additional coordination efforts are underway between the VIHFA and the VIHA to improve common strategies on housing. In addition, the Territorial Government has recently provided improvements to the roads within VIHA housing developments. Coordination of the three HUD programs has improved since they were combined under VIHFA.

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VIHFA utilizes non-profit agencies to deliver many of the CDBG and ESG activities. Non-profit organizations are a critical component of the Plan. They deliver public services and operate programs and facilities for lower income and homeless persons. Gaps in the delivery system of the Continuum of Care can best be accomplished with additional funding and improved coordination among homeless providers.

The private sector plays the role of contractor for infrastructure and facilities development as well as housing construction and rehabilitation activities. VIHA works with realtors and cooperates with lenders in delivery of its homebuyer program.

Relationship to the Public Housing Authority

The Governor recommends persons to fill the office of Commissioners to the VIHA to the Legislature and the Legislature in turn appoints the Commissioners. The Commissioners are responsible for hiring the Executive Director and the Executive Director hires staff. The Housing Authority is responsible for contracting and procurement for the agency, site development, demolition and developing/implementing its comprehensive plan.

The VIHA is currently in receivership and managed by HUD. The Governor and Legislature are supportive of efforts to resolve the problems of the Housing Authority so that new relationships with the agency can be developed.

To assist low-income residents, the Territorial Government has recently provided improvements to roads within VIHA housing developments. In addition, coordination efforts are underway between the VIHFA and the VIHA to improve common strategies on housing programming.

XI. COORDINATION

VIHFA has created a full-time position to focus on improving management of the ESG Program and expanding coordination and policy development to reduce homelessness.

VIHA will take the following actions over the near future to strengthen coordination among agencies and government offices with which it works:

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XII. MONITORING OF PROGRAM ACTIVITIES

The great majority of CDBG and ESG funds are sub-granted to non-profit organizations. A major risk factor that will be used in setting monitoring priorities is the program experience (or lack thereof) of agencies and the extent to which they have had compliance issues.

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VIHFA uses the monitoring visits to determine compliance but also as an opportunity to provide technical assistance and training on program requirements. Interviews, file reviews, and project site visits are among the methods that will be used to monitor agencies and programs.

Program beneficiary documentation and progress will be two of the priorities for monitoring in the next few years. It is important to assure that the CDBG funds, in particular, are spent expeditiously. Monitoring will include a method for identifying projects that may not be progressing sufficiently, to determine if it is appropriate to consider the reprogramming of funds.

Each sub-recipient is required to execute a contract prior to the disbursement of funds; the sub-recipient contract agreement serves as the primary monitoring tool. VIHFA staff conducts a comprehensive monitoring review of each CDBG project and ESG activity annually to ensure the activities being carried out are in compliance with Federal requirements and the contract and to determine the number and type of persons benefiting, equipment usage and controls, and record-keeping.

VIHFA seeks to maintain at least three staff positions for this key function so that there is a monitor for each island district and an architect monitor serving all islands. It is the goal to visit each project on a monthly basis. In addition, each sub-recipient is required to provide a written monthly report on the status of its project. VIHFA monitoring staff reviews the progress reports and schedules monthly meetings to address any apparent problems such as slippages in the program schedule. In an effort to ensure the timely disbursement of CDBG funds, VIHFA works closely with the sub-grantees to keep projects on target. Where the sub-grantee is a local governmental agency, VIHFA pursues executive-level cooperation between the implementing agency, and the Department of Property & Procurement (and also Public Works, where the project entails construction) to streamline the procurement and contract administration process and to expedite the processing of documents. VIHFA will vigorously enforce project deadlines and will seek the cooperation of the Legislature to cancel overdue projects and re-program funds, as necessary.

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APPENDIX A: GLOSSARY OF TERMS

Acquisition Cost: The amount of cash or other valuables necessary to obtain title to property, which includes, in addition to the purchase price, such items as closing costs, mortgage origination fees, finance charges, and title insurance.

Adjusted Income: Annual Income less the following allowances, determined in accordance with HUD instructions:

- (a) \$480 for each Dependent;
- (b) \$400 for any Elderly Family;
- (c) For any Family that is not an Elderly Family but has a Person with Disabilities other than the head of household or spouse, Handicapped Assistance Expenses in excess of three percent of Annual Income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older as a result of the assistance to the Person with disabilities;
- (d) For any Elderly Family;
 - (1) That has no Handicapped Assistance Expenses, an allowance for Medical Expenses equal to the amount by which the Medical Expenses exceed three percent of Annual Income;
 - (2) That has Handicapped Assistance Expenses greater than or equal to three percent of Annual Income, an allowance for Handicapped Assistance Expenses computed in accordance with paragraph (c) of this section, plus an allowance for Medical Expenses that is equal to the Family's Medical Expenses;
 - (3) That has Handicapped Assistance Expenses that are less than three percent of Annual Income, an allowance for combined Handicapped Assistance Expenses that is equal to the amount by which the sum of these expenses exceeds three percent of Annual Income; and
- (e) Child care expenses; or in the case of families assisted by Indian housing authorities, the greater of (i) child care expenses, or (ii) excessive travel expenses, not to exceed \$25 per family per week, for employment or education related travel.

Administrative Costs: Reasonable and necessary costs, as described in OMB Circular A-87, incurred in carrying out its eligible program activities in accordance with prescribed regulations and include any cost equivalent to the costs described in 570.206 (program administration costs for the CDBG Program) and project delivery costs, such as new construction and rehabilitation counseling, preparing work specifications, loan processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities applying for or receiving HOME funds. Administrative costs do not include eligible project-related costs that are incurred by and charged to

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project owners.

Affordable Housing: Affordable housing is generally defined as housing where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

AIDS and Related Diseases: The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

Alcohol/Other Drug Addiction: A serious and persistent alcohol or other drug addiction that significantly limits a person's ability to live independently.

Amortization: Repayment of a debt by means of systematic payments of principal and/or interest over a set period.

Annual Adjustment Factor: A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.

Annual Contributions Contract (ACC): A written agreement between HUD and a HA to provide annual contributions to cover housing assistance payments and other expenses pursuant to the Act. If there is a State Agency administering the Section 8 Program, for example, there is usually an ACC between the State Agency and HUD.

Annual Income: The adjusted gross income of all income-earning household members that was reported (or would have been reported) in the previous year's federal income tax returns, minus such exemptions and deductions for medical expenses as were actually taken by the taxpayer.

Applicant: An individual, for-profit corporation, not-for-profit corporation or local governmental unit that applies for funding under the HOME Program.

Appraisal: The formulation and support of an opinion of value. Appraisals are usually required when real estate is sold, financed, condemned, taxed, insured, or partitioned. An appraisal is an estimate of value, and not a determination. The three major approaches to formulating appraisals are listed below:

- a) The Market Data Approach: The current sales prices of similar properties are compared and analyzed after necessary adjustments are made for any differences in the properties. This approach is used most frequently in evaluating residences, and is also called the "direct sales comparison approach."
- b) The Cost Approach: This approach involves an estimation of the value of the land (usually determined by the market data approach), plus the cost of replacement of any improvements to the land, minus depreciation. This approach is used primarily to estimate the value of service-type properties, such as churches and post offices.
- c) The Income Approach: This approach, frequently used to determine the value of income-producing properties such as apartment buildings, involves an estimation of value based on the capitalization of income and productivity. Often called the "income approach to value", it appraises the current worth of a property's future benefits.

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Where applicable, an appraisal reconciles information from all three approaches. The three appraisal methods serve as checks on one another to evaluate a property. In determining the weight to be given to each approach, consideration is given to such factors as the type of property involved, the appraisal's purpose, and the adequacy of the compiled data.

Appreciation: A temporary or permanent increase in the value of property.

Area Median Income: A calculation of the income that lies halfway between the lowest income and the highest income for the applicable area.

Area of Low-income Concentration: These are areas, such as census tracts, neighborhoods or counties within a regional planning district where the median income of the area does not exceed 80 percent of the median income of the Metropolitan Statistical Area or non-metropolitan Territory or where 25 percent or more of the population lives below the poverty level.

Area of Racial/Ethnic Minority Concentration: These are areas, such as census tracts, neighborhoods or counties within a regional planning district where the percentage of a particular racial or ethnic group exceeds the statewide average percentage of that group.

Assets: (See Net Family Assets.)

Assignment: The transfer of one person's (the assignor) right, title, and interest in a property to another person (the assignee).

Assisted Household or Person: For the purpose of specifying one-year goals for assisting households or persons, a household or person is assisted if, during the coming Federal fiscal year, they will benefit through one or more programs included in the jurisdiction's investment plan. A renter is benefited if the person takes occupancy of affordable housing that is newly acquired, newly rehabilitated, or newly constructed, and/or receives rental assistance. An existing homeowner is benefited during the year if the home's rehabilitation is completed. A first-time homebuyer is benefited if a home is purchased during the year. A homeless person is benefited during the year if the person becomes an occupant of transitional or permanent housing. A non-homeless person with special needs is considered as being benefited, however, only if the provision of supportive services is linked to the acquisition, rehabilitation, or new construction of a housing unit and/or the provision of rental assistance during the year. Households or persons who will benefit from more than one program activity must be counted only once. To be included in the goals, the housing unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards (see 24 CFR section 882.109).

Assisted Tenant: A tenant who pays less than the market rent as defined in the regulations. The definition includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and BMIR tenants, except those paying the 236-market rent or 120% of the BMIR rent, respectively.

Basic Rent: The actual rent necessary to cover operating and maintenance costs, including debt service and reserve fund contributions.

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Black, Not Hispanic Origin: A person having origins in any of the black racial groups of Africa, but not of Hispanic origin.

Blighted Property: A structure that is dilapidated and does not meet building codes.

Bridge Loans: See the definition for "Interim Financing"

Builder's Overhead: The general administrative costs of the builder, including, but not limited to, builder's insurance premiums, office expenses, permits, taxes, performance bonds, field personnel, small tools, etc.

Builder's Risk Insurance: Fire and extended coverage insurance to cover risks during a building's construction. Coverage increases automatically as the construction progresses, and is terminated upon completion. Builder's Risk Insurance should be replaced with permanent insurance once the building is ready for occupancy.

Building Codes: Local government codes which are established to provide and regulate minimum building and construction standards to safeguard the health, safety and welfare of the public. Building codes regulate and control the location, design, construction, quality, occupancy, and maintenance of all buildings and structures. Building codes are enforced via inspections, the issuance of building permits and certificates of occupancy, and by fines imposed for violations.

Building Permit: Written permission by a municipal government to construct a new building or other improvement to install prefabricated housing, demolish or substantially repair an existing structure. Building permits are obtained prior to the start of construction.

Carrying Charges: Costs which are incurred in connection with owning a property through the completion of its development, such as the developer's costs for property taxes and construction loan interest paid during the development phase.

Cash Flow: The amount of money netted from operating income-producing property over a set time period, after paying operating expenses and debt service, but prior to deducting depreciation and income taxes.

Certification: A written assertion, based on supporting evidence, which must be kept available for inspection by HUD, the Inspector General and the public, which assertion is deemed to be accurate for purposes of this part, unless HUD determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

Certificate of Family Participation: A Certificate issued by the HA under the Section 8 Existing Program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation.

Certificate of Occupancy: A certificate which is issued by the local government building department, as evidence that a building is prepared and fit for occupancy, and that it is free of building code violations.

Child Care Expenses: Amounts paid by the family for the care of minors under 13 years of age

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where such care is necessary to enable a family member to be employed or for an adult to further their education.

Closing: The fulfillment of a real estate transaction, when title is transferred from the seller to the buyer in exchange for the purchase price.

Code of Federal Regulations: Commonly referred to as “the regulations”. The CFR is published Federal rules which define and implement a law.

Commitment: A pledge to do something, such as a bank's promise to loan to a buyer a certain sum of money at a certain interest rate provided that certain conditions are satisfied by a certain date.

Committed: Generally means there has been a legally binding commitment of funds to a specific project to undertake specific activities.

Community Housing Development Organization: A private non-profit organization that:

- (1) Is organized under state or local laws;
- (2) Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
- (3) Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
 - (I) The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
 - (ii) The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members; and
 - (iii) The community housing development organization must be free to contract for goods and services from vendors of its own choosing;
- (4) Has a tax exemption ruling from the Internal Revenue Service under section 501(c) of the Internal Revenue Code of 1986;
- (5) Does not include a public body (including the participating jurisdiction). An organization that is State or locally chartered may qualify as a community housing development organization; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the membership of the board members may be public officials. Board members appointed by the state or local government may not appoint the remaining two-thirds of the board members;
- (6) Has standards of financial accountability that conform to Attachment F of OMB Circular No. A-110 (Rev.) "Standards for Financial Management Systems".

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- (7) Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
- (8) Maintains accountability to low-income community residents by:
- (i) Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and
 - (ii) Providing a formal process for low-income, program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;
- (9) Has a demonstrated capacity for carrying out activities assisted with HOME funds. An organization may satisfy this requirement by hiring experienced accomplished key staff members who have successfully completed similar projects, or a consultant with the same type of experience and a plan to train appropriate key staff members of the organization; and
- (10) Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community (from the date the participating jurisdiction provides HOME funds to the organization). However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least a year of serving the community.

Common Areas: Land, improvements and amenities which are for the benefit and use of all occupants, as well as the property owner, such as corridors, hallways, playgrounds and elevators.

Comparable Rent: The prevailing rent for comparable apartments in the same neighborhood or service area.

Condominium Project: A system of ownership, in which there is individual ownership of units in a project, combined with joint ownership of common areas.

Consistent with the CHAS: A determination made by the jurisdiction that a program application meets the following criterion: The Annual Plan for the fiscal year's funding indicates the jurisdiction planned to apply for the program or was willing to support an application by another entity for the program; the location of activities is consistent with the geographic areas specified in the plan; and the activities benefit a category of residents for which the jurisdiction's five year strategy shows a priority.

Consolidated Plan (or "the Plan"): The document that is submitted to HUD that serves as the

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planning document (comprehensive housing affordability strategy and community development plan) of the jurisdiction and an application for funding under any of the Community Planning and Development formula grant programs (CDBG, ESG, HOME, or HOPWA), which is prepared in accordance with the process prescribed in this part.

Consortium: An organization of geographically contiguous units of general local government that are acting as a single unit of general local government for purposes of the HOME program (see 24 CFR part 92).

Construction Contingency: A percentage of the project's total construction cost, usually a minimum of five percent, which is budgeted to pay for any unforeseen development or construction costs which may be incurred after construction begins.

Construction costs or "Hard" Costs: The costs incurred by the contractor in providing all of the labor, materials, equipment, general conditions, overhead, profit and specified construction contingency amounts for the construction of a project.

Construction Loan: A short-term loan to cover a project's construction costs, with loan proceeds disbursed periodically in installments as the work progresses.

Contiguous: Adjoining or abutting.

Contract Closing: The closing which occurs when all contract documents have been approved, or approved with conditions. The Regulatory Agreement is executed at the Contract Closing and, depending on the funding Program and the structure of the interim financing, a Construction Award Agreement, or a Mortgage and Promissory Note, may also be executed.

Contract Rent: In the Section 8 Certificate Program, Contract Rent is the total rent paid to the owner, including the tenant payment and the HAP payment from the HA.

Contractor: (Also known as "Builder" or "General Contractor") A person or corporation who contracts with an owner or developer to supply labor and materials for a specific project.

Conversion: The transformation of non-residential property into residential property. The term "public housing conversion" refers to the transformation of public housing rental units to home ownership units.

Cooperative Project: A type of project in which each tenant is a shareholder in a corporation that owns the building. As a shareholder, each tenant has the right to occupy a unit in the building.

Cost Burden: The extent to which gross housing costs, including utilities costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Cost Certification: The accounting of actual project costs as expended for all project related expenses from all project-funding sources.

Credit Ceiling or Ceiling: The annual allocation of Low-income Housing Tax Credit which the Territory receives and allocates in accordance with the State Allocation Plan so as to meet the most

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pressing state and local housing needs.

Debt Service: The amount of cash necessary to meet the periodic payments of principal and interest on an amortizing mortgage or debt.

Deed: A legal document by which a property owner (the grantor) conveys and transfers ownership interest in real property to another (the grantee).

Density: A zoning term for the number of building units per acre, or the number of persons or families per unit of land area.

Dependent: A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

Depreciation: An asset's loss in value over a period of time.

Detached/Semi-Detached: See Housing Types

Developer: A person or corporation who organizes and supervises all phases of a project, including acquisition, construction and final sale.

DHS: Department of Human Services

Disabled Person: "Disabled person" means a person who is under a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or in Section 42 U.S.C. 6001(7).

Disability: Substantial limitations of major life activities in two or more of the following areas:

1. Self-care at an appropriate developmental level
2. Receptive and expressive language
3. Learning
4. Self-direction, including behavioral controls, decision making, judgment and value systems.
5. Capacity for living in a family or family equivalent

Disabled Household: A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental or emotional impairment that: (1) is expected to be of long-continued and indefinite duration, (2) substantially impeded his or her ability to live independently, and (3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with

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the deceased member of the household at the time of his or her death.

Disbursement: Money that is paid out.

Displaced Homemaker: An individual who is an adult; has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Displaced Person: Any person displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster Relief laws.

DPNR: Department of Planning & Natural Resources

Easement: An interest which one person has in land owned by another, which entitles the holder of the interest to limited use or enjoyment of the other's land.

Economic Independence and Self-Sufficiency Programs: Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency program. In addition, PHAs may operate locally developed programs or conduct a variety of special projects designed to promote economic independence and self-sufficiency.

Elderly Household: A family whose head or spouse or whose sole member is at least 62 years of age or a disabled person as defined in this section or a handicapped person as defined in this section or may include 2 or more elderly, disabled or handicapped persons living together or 1 or more such persons living with another person who is determined to be essential to his or her care and well being.

Elderly Housing: Housing specifically designed for, and of which a majority of the dwelling units are occupied by, a family whose head or spouse is 60 years of age or older, or a single person 60 years of age or older. Such projects often provide living accommodations and space for common use by the occupants in social and recreational activities.

Elderly Person: A person who is at least 62 years of age.

Eligible Family: A family whom the HA has determined meets the criteria for occupying a public housing unit or receiving housing assistance. "Family" as defined by the HA, and approved by HUD, is listed elsewhere in the glossary.

Emergency Shelter: Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.

Environmental Assessment (EA): A concise public document (24 CFR Part 58, Subpart F) which

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provides sufficient evidence and analysis for determining whether to prepare an EIS or a Finding of No Significant Impact. An EA must include brief discussions of the need for the proposal, of alternatives (where required under NEPA), of the environmental impacts of the proposed action and alternatives, and a listing of agencies and persons consulted.

Environmental Impact: Any alteration of existing environmental conditions, or creation of a new set of environmental conditions, caused or induced in whole or in part, directly or indirectly, by a proposed project.

Environmental Impact Statement (EIS): A report that reviews the probable environmental impact of a proposed project during all phases of development. It includes a detailed description of the proposed project and the existing environmental setting, and emphasizes local and regional perspectives on the project and its impact on the environment.

Equity: The remaining interest in, or value of, a property after all liens and/or other charges on the property have been paid. In general, an owner's equity in her/his property is the amount of monetary interest he/she holds over and above the mortgage indebtedness.

Escrow: A procedure in which a disinterested third party holds money and/or documents until all terms and conditions of the escrow instructions have been satisfied, and the escrowed funds and documents are delivered and transferred.

Excess Medical Expenses: Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

Exempt Activities: An activity that is exempt from environmental review requirements under 24 CFR 58.34.

Existing Homeowner: An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.

Extremely Low-Income Family: Family whose income is between 0 and 30% of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30% of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Fair Market Rent: The rent limit published in the Federal Register for Section 8 Existing which includes utilities (except telephone) and ranges and refrigerators. It is used as a standard to obtain privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Separate FMRs are established for dwelling units of varying sizes (number of bedrooms) and types. It is used as a maximum for Gross Rent in the Certificate Program (without an exception rent.) In the Voucher Program, it is used as a cap for the Payment Standard, used in the ACC calculation of subsidy dollars, and is used to calculate the administrative fee.

For the Section 8 Certificate Program, the FMR is to be published by HUD annually in the Federal Register to be effective October 1st.

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Fair Market Value: The highest price a property would bring if offered for sale in a competitive market for a reasonable time period, with both buyer and seller being fully aware of all the property's present and future uses without being compelled to conduct the transaction.

Family: A Family consists of:

1. Two or more persons sharing residency whose income and resources are available to meet the family's needs and who are either related by blood, marriage or operation of law, or who evidenced a stable family relationship over a period of time.

An expectant mother with no other children will qualify for assistance as a family. She will be listed on the waiting list and qualifies for admission into housing unless she aborts or miscarries prior to admission. Once she is admitted as a single pregnant woman, she will be considered the remaining member of the tenant family if she aborts or miscarries.

2. Eligible singles who meet one of the following definitions (unless otherwise approved by HUD, such as for Rental Rehabilitation Program). Person must be:

62 years of age; or

Handicapped with a physical impairment which is expected to be of long continued and indefinite duration, which substantially impedes but does not prohibit his ability to live independently, and is of such nature that such ability could be improved by more suitable housing conditions; or

Disabled within the meaning of Section 223 of the Social Security Act or Section 102(b)(7) or 6001(7) of the Developmentally Disabled Act; or Displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a declared disaster or otherwise formally recognized under federal disaster relief laws. Governmental action is defined as Federal, State, or local government; or Remaining member of a tenant family.

Family Project: A project containing a majority of dwelling accommodations for families of three or more persons.

Family Self-Sufficiency (FSS) Program: A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources to provide supportive services, to enable participating families to achieve economic independence and self-sufficiency.

Feasibility Study: A study that is used by developers to analyze a proposed project in terms of probable income and expenses, and beneficial use and design.

Finding of No Significant Impact (FONSI): A document briefly presenting the reasons why an action, not otherwise categorically excluded or exempt, will not have a significant effect on the human environment and for which an Environmental Impact Statement therefore will not be prepared. The FONSI must include the environmental assessment (or summary of it) and note any

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other environmental documents related to it. If the assessment is included, the FONSI need not repeat any of the discussion in the assessment but may incorporate it by reference.

Firm Commitment: A lender's irrevocable agreement to lend a specific sum of money at a specified interest rate for a definite term, subject to certain conditions.

First Mortgage: A mortgage that is superior in right to any other mortgage on the property.

First-Time Homebuyer: An individual or family who has not owned a home during the five year period preceding the HUD-assisted purchase of a home that:

- (1) Any individual who is a displaced homemaker (as defined in this section) may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual, while a homemaker, owned a home with his or her spouse or resided in a home owned by a spouse;
- (2) Any individual who is a single parent (as defined in this section) may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual, while married, owned a home with his or her spouse or resided in a home owned by the spouse; and
- (3) An individual may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual owns or owned, as a principal residence during the five-year period before the purchase of a home with HOME assistance, a dwelling unit whose structure is:
 - (I) Not permanently affixed to a permanent foundation in accordance with local or other applicable regulations; or
 - (ii) Not in compliance with State, local, or model building codes, or other applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

For Rent: Year round housing units that are vacant and offered/available for rent. (U.S. Census definition)

For Sale: Year round housing units that are vacant and offered/available for sale only. (U.S. Census definition)

Frail Elderly: An elderly person who is unable to perform at least 3 activities of daily living (i.e., eating, dressing, bathing, grooming, and household management activities). (See 24 CFR 889.105)

Full-Time Student: A person who is carrying a subject load that is considered full time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Gap Financing: Financing which is: a) used to make up the difference between the underlying loan

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and the total required to undertake the project; or, b) used as a temporary device, until permanent financing is secured; it is sometimes called a "bridge mortgage".

General Contractor: A contractor who does not personally do all construction work on a project, but requires the use of other specialty contractors, such as electrical or plumbing contractors, whose work the general contractor superintends.

General Requirements/General Conditions: The project specific costs of the builder, including, but not limited to, temporary utilities and construction, scaffolding, on-site security, project signs, field office, on-site storage facilities, etc.

General Partner: A natural person, partnership, corporation, other person or entity in its own or any representative capacity who has been admitted to a limited partnership as a general partner in accordance with the partnership agreement.

Generic Housing: Housing that is available to the general population without restriction or, housing that is available to any low/moderate-income household without restriction is called generic housing.

Government-Sponsored Mortgage Finance Corporations: The Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Agricultural Mortgage Corporation.

Gross Family Contribution: Changed to Total Tenant Payment.

Gross Income: A project's income before deductions are made for expenses, taxes, etc.

Gross Rent: The sum of the contract rent and the utility allowance. If there is no utility allowance, contract rent equals gross rent.

Group Quarters: Facilities providing living quarters that are not classified as housing units. (U.S. Census definition). Examples include: prisons, nursing homes, dormitories, military barracks, and shelters.

Handicap Assistance: Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members which enable a family member (including the handicapped family member) to work.

Handicapped Person: A person having a physical or mental impairment which:

1. Is expected to be of long-continued and indefinite duration;
2. Substantially impedes his or her ability to live independently; and
3. Is of such a nature that such ability could be improved by more suitable housing conditions.

Hard Costs: See the definition of "Construction Costs".

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HCA: (LIHTC term). Housing Credit Agency. An Agency which is legally authorized to allocate and award tax credits to eligible projects. The Virgin Islands Housing Finance Authority is the housing credit agency for the Territory.

HCDA: The Housing and Community Development Act of 1974 (sometimes referred to as the Act).

Head of Household: The head of household is the person who assumes legal and moral responsibility for the household and is listed on the application as head.

Hispanic: A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.

HOME: The HOME Investment Partnerships Program, which is authorized by Title II of the National Affordable Housing Act.

HOME funds: Funds made available under this part through allocations and reallocations, plus all repayments, interest or other return on the investment of these funds.

Homeless Family with Children: A family composed of the following types of homeless persons: at least one parent or guardian and one child under the age of 18; a pregnant woman; or a person in the process of securing legal custody of a person under the age of 18.

Homeless Individual: A youth (17 years or younger) not accompanied by an adult (18 years or older) or an adult without children, who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or a State law), including the following:

- (1) An individual who lacks a fixed, regular, and adequate nighttime residence; and
- (2) An individual who has a primary nighttime residence that is:
 - (i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - (ii) An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - (iii) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Homeless Subpopulations: Include but are not limited to the following categories of homeless persons: severely mentally ill only, alcohol/drug addicted only, severely mentally ill and alcohol/drug addicted, fleeing domestic violence, youth, and persons with HIV/AIDS.

Homeless Youth: Unaccompanied person 17 years of age or younger who is living in situations described by terms "sheltered" or "unsheltered".

Homeownership: Ownership in fee simple title or a 99-year leasehold interest in a one- or four-unit dwelling or in a condominium unit, ownership or membership in a cooperative, or equivalent form of ownership approved by HUD. The ownership interest may be subject only to the restrictions on resale required under § 92.254(a); mortgages, deeds of trust, or other liens or instruments securing debt on the property as approved by the participating jurisdiction; or any other restrictions or

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encumbrances that do not impair the good and marketable nature of title to the ownership interest. For purposes of the insular areas, homeownership includes leases of 40 years or more.

HOPE 1: The HOPE for Public and Indian Housing Homeownership Program, which is authorized by Title IV, Subtitle A of the National Affordable Housing Act.

HOPE 2: The HOPE for Homeownership of Multi-family Units Program, which is authorized by Title IV, Subtitle B of the National Affordable Housing Act.

HOPE 3: The HOPE for Homeownership of Single Family Homes Program, which is authorized by Title IV, Subtitle C of the National Affordable Housing Act.

HOPE VI: The HOPE for Homeownership of "Severely Distressed Public Housing Properties, which is authorized by the Cranston-Gonzalez National Affordable Housing Act of 1990.

Household: One or more persons occupying a housing unit (U.S. Census definition). See also "Family".

Housing: Includes manufactured housing and housing lots. Housing does not include emergency shelters.

Housing Assistance Payment: The payment made by the HA to the owner of a unit under lease by an eligible family, as provided in the HAP Contract. The payment is the difference between the Contract Rent (Rent to Owner in the Voucher Program) and Tenant Rent

Housing Assistance Payments Contract (Contract): For Section 8 Existing, the Housing Assistance Payment on behalf of an eligible family paid by the HA. It is the difference between the Contract Rent and the Tenant Rent.

Housing Problems: Households classified as having housing problems include those that: occupy units that (1) meet the definition of Physical Defects; (2) meet the definition of overcrowded; and (3) meet the definition of cost burden greater than 30%.

Housing Strategy: A comprehensive housing affordability strategy prepared in accordance with part 91 of the Code of Federal Regulations (CFR), consisting of either a complete submission or an annual update. Approved housing strategy means a housing strategy that has been approved by HUD in accordance with/part 91.24 of the CFR.

Housing Unit: An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition)

HUD: The United States Department of Housing and Urban Development - the department of the federal government primarily responsible for housing and community development programs.

Impact fee: A fee or charge, levied by a government against a property, to cover wholly or partly the cost of providing capital improvements or public services necessitated by the construction or alteration of a residential or commercial development, or to control growth.

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Improved Land: Land that has been increased in value by the addition of on- and off-site improvements such as utilities, roads, buildings and sewers.

Improvements: Additions made to property that amount to more than repairs, and which enhance the property's value.

Income: Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

Income Rent: Rent that is based upon 30 percent of a tenant's annual income.

Income Requirements: The income necessary to pay a project's actual operating and maintenance costs, including debt service, operating and replacement reserves.

Initial Operating Deficit Reserve: A reserve to meet any shortfall in project income during the period of project rent-up (not to exceed 18 months) and may only be used to pay operating expenses, reserve for replacement payments, and debt service.

Institutions/Institutional: Group quarters for persons under care or custody. (U.S. Census definition)

Insular areas: Guam, the Northern Mariana Islands, the United States Virgin Islands, and American Samoa.

Interest Reduction Subsidies: The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and BMIR projects. Includes monthly interest reduction payments made to mortgages of Section 236 projects and front-end loan discounts paid on BMIR projects.

Interim Financing or Interim Loans: Financing provided for a limited period, to be "taken out" by permanent financing or equity.

Involuntary Displaced Person: Involuntarily displaced applicants are applicants who have or will (within no more than six months from the date of certification or verification) vacate housing as a result of:

- a. A disaster (fire, flood, etc.)
- b. Federal, state or local government action related to code enforcement, or public improvement or development
- c. Action by a housing owner that results in an applicant's having to vacate his or her unit, which is beyond an applicant's ability to control, occurs despite the applicant having met all previous conditions of occupancy, and is other than a rent increase.
- d. Actual or threatened physical violence directed against the applicant, or one or more

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members of the applicant's family, by a spouse or other member of the applicant's household or the applicant lives in a housing unit with such an individual who engages in such violence.

Jurisdiction: A state or unit of general local government.

Landlord: This term means either the owner of the property or his or her representative or the managing agent or his representative, as shall be designated by the owner.

Large Family: Family of five or more persons.

Large Related: A household of 5 or more persons that includes at least one person related to the householder by blood, marriage or adoption.

Lead-Based Paint Hazard: Any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency. (Residential Lead-Based Paint Hazard Reduction Act of 1992 definition.)

Lease: A written agreement between an owner and an eligible family for the leasing of a housing unit. The Section 8 Certificate and Voucher program have an Addendum to Lease that has mandatory language which must be incorporated into any lease the HA uses. The Addenda are different for the Certificate and Voucher Programs.

Letter of Credit: A bank's agreement or commitment, made at a customer's request, to honor a third party's demand of payment upon compliance with the conditions specified in the letter of credit.

Lien: A claim which one person has upon another person's property as security for a debt or obligation.

LIHTC: Low-income Housing Tax Credit program.

Limited Partnership: A partnership formed by two or more persons having one or more general partner and one or more limited partners.

Low-Income: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. NOTE: HUD income limits are updated annually and are available from local HUD offices (This term corresponds to low- and moderate-income households in the CDBG Program.)

Low-Income Neighborhood: A neighborhood that has at least 51 percent of its households at or below 80 percent of median income for the area.

Maintenance: The general upkeep and repair of a property.

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Management Agent: The company or individual who markets, leases, manages, and maintains the project.

Management Agreement: A contract between a project owner and the individual or company who will manage the property, which establishes the agent's obligations, compensation, scope of authority, methods of paying project expenses, etc.

Market Rent: The rent HUD authorizes the owner in multi-family housing to collect from families ineligible for assistance. For Rent Supplement, Section 202 and Section 8 units, the market rent is the same as the Contract Rent. For BMIR units, market rent varies by whether the project is a rental or cooperative.

Medical Expenses: Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. Only Elderly Households are eligible for this deduction.

Minor: A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

Minority-Owned Business Enterprise (MBE): A business enterprise which is at least 51 percent owned by one or more minority individuals, or in the case of any publicly owned business, at least 51 percent of the voting stock which is owned by one or more minority individuals, and whose management and daily operations are controlled by one or more such individuals. "Minority individuals" includes Blacks - Non Hispanic Origin, Native Americans, Hispanics, and Asians or Pacific Islanders. "Control" means exercising the power to make policy decisions.

Minority Property Owner: A minority person who owns and controls one or more dwelling units. Such a person includes Blacks - Not Hispanic Origin, Native Americans, Hispanics, and Asians or Pacific Islanders.

Moderate-income: Households whose income are between 80 and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This definition is different than that for the CDBG Program.)

Moderate Rehabilitation: A project which has a per unit total development cost of \$25,000 or less.

Monthly Adjusted Income: One-twelfth (1/12) of the Annual Income after Allowances or Adjusted Income.

Monthly income: One-twelfth (1/12) of Annual Income.

Mortgage: A legal document that is used to secure the performance of an obligation. When a mortgagee loans funds to a mortgagor, the mortgagor is required to sign a promissory note for the borrowed amount, and execute a mortgage to secure the debt. A mortgage is typically secured by real property.

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Mortgagee: The lender in a mortgage transaction who receives and holds a mortgage as security for a debt.

Mortgagor: A borrower who gives a mortgage as security for a debt.

Multifamily Dwelling: A structure that houses five or more households in separate living units.

Native American: A person having origins in any of the original peoples of the North American Continent, who maintains cultural identification through tribal affiliations or community recognition.

Negative Rent: Now called Utility Reimbursement.

Neighborhood: A geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar designation that is within the boundary but does not encompass the entire area of a unit of general local government. If the unit of general local government has a population under 25,000, the neighborhood may, but need not, encompass the entire area of a unit of general local government.

Net Family Assets: Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust.

Net Family Contribution: Former name for Tenant Rent.

NOI/EIS: Notice of Intent to prepare an Environmental Impact Statement.

NOI/RROF: Notice of Intent to Request Release of Funds.

Non-Elderly Household: A household that does not meet the definition of "Elderly Household ", as defined above.

Non-Institutional: Group quarters for persons not under care or custody. (U.S. Census definition used)

Non-profit or Not-for-Profit Corporation: A corporation incorporated under Title 13 V.I.C. Chapter 3, Section 491 et seq.

Note: A document that serves as evidence of a borrower's debt in connection with a loan. The Note sets forth the loan amount, interest rate, time and method of repayment, and the borrower's obligation to repay the loan.

Occupied Housing Unit: A housing unit that is the usual place of residence of the occupant(s).

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Offsite Costs: Costs which are incurred while developing unimproved land, but which are not connected with the onsite costs of the project's actual construction. Offsite costs include such items as sewers, streets and utilities.

Operating Expenses: Periodic expenses that are essential for a project's continuous operation and maintenance. Operating expenses may be fixed, such as property taxes and insurance, or they may be variable, such as utilities or payroll. Operating and replacement reserve contributions are operating expenses; mortgage principal, interest, and depreciation are not.

Operating Pro Forma: A projected statement which predicts a project's expected income, operating costs and net operating income for a 12-month period.

Operating Reserve: A fund into which monies are set aside at the time of initial occupancy and each month thereafter for unanticipated operation and maintenance costs.

Option: A legal agreement between parties to keep open an offer to sell, buy or lease property over a specific time period. Options allow time for the buyer to settle issues of title, zoning, financing and feasibility before making a commitment to purchase or lease the property.

Other Household: A household of one or more persons that does not meet the definition of a Small Related, Large Related or Elderly Household.

Other Income: Households whose incomes exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families.

Other Low-Income: Households whose incomes are between 51 and 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This term corresponds to moderate-income in the CDBG Program.)

Other Vacant: Vacant year round housing units that are not For Rent or For Sale. This category would include Awaiting Occupancy or Held.

Overcrowding: For purposes of describing relative housing needs, a housing unit containing more than one person per room, as defined by the U.S. Census Bureau, for which data are made available by the Census Bureau. (See 24 CFR 791.402 (b).)

Owner: A person, corporation or other entity that has legal title to property.

Owner-Occupant: An owner of a piece of real estate who occupies the property.

Participant: A family becomes a participant in the PHA's Section 8 Existing Program when there is an effective HAP Contract between the HA and the owner on behalf of the family.

Participating Jurisdiction (PJ): Means any jurisdiction (a state, unit of general local government, or Territory) that has been so designated by HUD in accordance with 24 CFR 92.105.

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Payment Standard: The amount used to calculate the housing assistance a family will receive in the PHA's Housing Voucher Program.

Performance Bond: A bond posted by a contractor that guarantees a project's completion according to contract. The bond generally provides for the insurer to either complete the project or pay damages up to the performance bond's limit should the contractor fail to complete the contract.

Permanent Financing: A long-term loan, often used to "take out" the interim lender who loaned money to finance the construction of a major project.

Person with Disabilities: A person who is determined to:

- (1) Have a physical, mental or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that the ability could be improved by more suitable housing conditions; or
- (2) Have a development disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6001); or
- (3) Be the surviving member or members of any family that had been living in an assisted unit with the deceased member of the family who had a disability at the time of his or her death.

Notwithstanding the preceding provisions of this definition, the term "person with disabilities" includes two or more persons with disabilities living together, one or more such persons living with another person who is determined to be important to their care or well-being, and the surviving member or members of any household described in the first sentence of this definition who were living in a unit assisted with HOME funds, with the deceased member of the household at the time of his/her death.

Physical Defects: A housing unit lacking complete kitchen or bathroom (U.S. Census definition). Jurisdictions may expand upon the Census definition.

Plans and Specifications: Plans are the architectural drawings pertaining to a project being considered for development, and include such items as building(s) and mechanical and electrical drawings. Specifications are written instructions to the contractor which contain all pertinent information regarding dimensions, materials, quality of work, style, fabrication, colors and finishes, which supplement the details contained in the working drawings.

Poverty Level Family: Family with an income below the poverty line, as defined by the Office of Management and Budget and revised annually.

Pre-Development Costs: Costs which are incurred in conjunction with, but prior to, the actual commencement of the project's construction, such as site option costs, site carrying charges, architectural, engineering and appraisal fees.

Present Value: The value today of payments to be made or received in the future.

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Primary Housing Activity: A means of providing or producing affordable housing - such as rental assistance, production, rehabilitation or acquisition - that will be allocated significant resources and/or pursued intensively for addressing a particular housing need. (See also, "Secondary Housing Activity".)

Principal: Any person or public or private entity that will participate in the proposed project as an applicant, owner, builder, developer, or managing agent. Architects, attorneys or other consultants who have an interest in the project, other than an "arms-length" fee arrangement for professional services, are also considered principals. All general and limited partners having a 25 percent or more interest in a partnership are considered principals. Principals of public or private corporations include the president, vice president, secretary, treasurer, and all executive officers who are directly responsible to the board of directors or equivalent governing body, as well as each director and stockholder having a ten percent or more interest in the corporation.

Private Developer: A person, firm, corporation or partnership of which less than 50 percent is controlled by a not-for-profit corporation, charitable organization or a wholly-owned subsidiary of such corporation or organization, whose business activities include residential construction or rehabilitation.

Private Financing: Funding which is provided from a private, non-governmental source, such as a banking institution.

Pro Forma: See the definition of "Operating Pro Forma".

Program Income: Repayment of investment including any repayment of HOME funds and any payment of interest or other return on the investment of HOME funds (see 24 CFR 92.503).

Progress Payments: Scheduled payments of construction funds that are disbursed as phases of the project's construction are completed, rather than in one lump sum at the beginning of construction.

Project: A site or an entire building (including a manufactured housing unit), or two or more buildings, together with the site or sites on which the building or buildings is located, that are under common ownership, management, and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking under this part. Project includes all the activities associated with the site and building. If there is more than one site associated with a project, the sites must be within a four-block area.

Project-Based (Rental) Assistance: Rental Assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.

Project Completion: All necessary title transfer requirements and construction work have been performed and the project in HUD's judgment complies with the requirements of this part (including the property standards adopted under §92.251); the final draw down has been disbursed for the project; and a Project Completion Report has been submitted and processed in the Cash and Management Information System as prescribed by HUD. For tenant-based rental assistance, the final draw down has been disbursed for the project and the final payment certification has been submitted and processed in the Cash and Management Information System as prescribed by HUD.

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Promissory Note: See "Note".

Public Assistance: Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly by Federal, state, or local governments.

Public Financing: Funds which are provided from a government source, State, local or federal.

Public Housing Agency (PHA): Any state, county, municipality or other governmental entity or public body (or its agency or instrumentality) that is authorized to engage in or assist in the development or operation of low-income housing. The term includes any Indian Housing Authority. VIHA is the local PHA for the Territory of the Virgin Islands.

Public Housing CIAP: Public Housing Comprehensive Improvement Assistance Program.

Public Housing MRDP: Public Housing Major Reconstruction of Obsolete Projects.

Purchase Price: The amount of money and/or other considerations set for the sale of the property that is to be the site(s) of the regulated project.

QAP: (LIHTC Program term). A Qualified Allocation Plan, which is prepared and issued by a Housing Credit Agency pursuant to Section 42 of the Internal Revenue Code and which establishes the criteria by which LIHTC funds will be allocated on a geographical basis.

Recertification: Sometimes called reexamination. The process of securing documentation to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

Reconstruction: The rebuilding, on the same foundation, of housing standing on a site at the time of project commitment. If the housing has no foundation, or if it is not possible to rebuild on the existing foundation, then the foundation is considered to be the same location as the housing being reconstructed. Rooms may be added outside the foundation or footprint of the housing being reconstructed, but the reconstructed housing must be substantially similar to the original housing and the number of housing units may not be decreased or increased as part of a reconstruction project. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing. Reconstruction is rehabilitation for purposes of this part.

Regulatory Agreement: The contract between a funding agency and the project owner that prescribes the terms under which the project will be owned and operated.

Regulatory Period: The period of time for which the project's Regulatory Agreement is in effect.

Rehabilitation: See definitions of "Moderate Rehabilitation" and "Substantial Rehabilitation". In general, it is the restoration of a building to its former or improved condition, as when buildings are renovated or modernized. Rehabilitation usually does not alter a structure's basic plan or style, but may include some new construction, buildings, or additions.

Remaining Member of Tenant Family: Person left in assisted housing who may or may not normally

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qualify for assistance on own circumstances (i.e., widow age 47, not disabled or handicapped).

Rent: A fixed payment made periodically by a tenant to a property owner in exchange for the possession and use of a dwelling unit.

Rental Assistance: Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.

Rental Project: A project which is owned and operated as a rental residential property, for which occupants pay rent in exchange for the right to occupy a unit in the building.

Rent Burden: The extent to which gross rent, including utility costs, exceeds 30 percent of gross income, based on data published by the U.S. Census Bureau.

Rent Control: Regulation by the State or local governments that restricts the amount that landlords can charge their tenants.

Renter: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census definition)

Renter Occupied Unit: Any occupied housing unit that is not owner occupied, including units rented for cash and those occupied without payment of cash rent.

Rent to Owner: This is called Contract Rent in the Certificate Program and Rent to Owner in the Voucher Program. It is the total amount of rent payable per month to the owner by the family and the HA for an assisted unit.

Rent-Up: The process by which a project's units are initially leased to tenants.

Replacement Cost: The current cost of replacing a building with one which has the same practical use, but which may differ from the original in size, materials, and design.

Replacement Reserve: The amount set aside at the time of initial occupancy, and each month thereafter, for the future replacement of items including, but not limited to, flooring, plumbing systems, heating systems, security systems, electrical systems, roofs, and window and door units, as approved by LHFA.

Reserve Fund: Monies set aside as a cushion for future payment of items such as taxes, insurance, deferred maintenance, and roof replacement. See definitions for Operating Reserve and Replacement Reserve.

Resident Assistant: A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or well being. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his or her income or resources towards the expenses of these individuals. (See Sections 882.109(n), 882.106(c) and 882.102 definitions in Appendix 1 of 7420.7.)

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Restricted Rent: The rent limitation for a dwelling unit for purposes of qualifying for Low-income Housing Tax Credit as defined under Section 42 of the IRS Code.

Retainage: A portion or a percentage of the construction contract which is withheld until the construction contract has been satisfactorily completed and the period for filing mechanics' liens has expired (or when the lien has been released by the contractor and subcontractor).

Return on Equity: An annual amount to be paid to the developer out of the project's earnings after all necessary operating expenses, including contributions to the reserve fund, are paid. The Return on Equity is calculated as a percentage of the developer's original financial contribution to the project.

ROF: Release of Funds.

RRAP: Rural Rental Assistance Program.

RROF: Request for Release of Funds (HUD Form 7015.15).

Rural: Cities, towns or villages with a population of less than 2,500.

RD: Rural Development Administration (formerly known as the Farmers Home Administration) ,a U.S. Department of Agriculture agency, which assist farmers, rural residents and communities through a variety of lending programs.

Rural Homelessness Grant Program: Rural Homeless Housing Assistance Program, which is authorized by Subtitle G, Title IV of the Stewart B. McKinney Homeless Assistance Act.

Secondary Housing Activity: A means of providing or producing affordable housing - such as rental assistance, production, rehabilitation or acquisition - that will receive fewer resources and less emphasis than primary housing activities for addressing a particular housing need. (See also, "Primary Housing Activity".)

Secretary: The Secretary of Housing and Urban Development.

Section 215: Section 215 of Title II of the National Affordable Housing Act. Section 215 defines "affordable" housing projects under the HOME program.

Security Deposit: A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Seed Money: Funds which a developer needs prior to the submission of an application for full project funding to determine the feasibility of the project.

Service Needs: The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and assist individuals to continue living independently.

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Setback: Zoning restrictions on the amount of space required between a property's lot and building lines.

Severe Cost Burden: The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data available from the U.S. Census Bureau.

Severe Mental Illness: A serious and persistent mental or emotional impairment that significantly limits a person's ability to live independently.

Shelter Allowance: The Department of Social Service's maximum rental allowance for persons receiving public assistance; the allowance is based on Territory of residence and family size.

Sheltered: Families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless, domestic violence shelters, residential shelters for runaway and homeless youth, and any hotel/motel/apartment voucher arrangement paid because the person is homeless. This term does not include person living doubled up or in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.

Shelter Rent: The maximum rent which can be charged for units to be occupied by persons receiving public assistance, or who have incomes at the public assistance level.

Single-Family Residence: A structure that is used as a single dwelling unit and is designed for single-family occupancy.

Single Parent: An individual who

- (1) Is unmarried or legally separated from a spouse; and
- (2) Has one or more minor children for whom the individual has custody or joint custody; or is pregnant.

Single Person: A person living alone or intending to live alone.

Single Room Occupancy (SRO) Housing: Housing consisting of single room dwelling units that is the primary residence of its occupant or occupants. The unit must contain either food preparation or sanitary facilities (and may contain both) if the project consists of new construction, conversion of non-residential space, or reconstruction. For acquisition or rehabilitation of an existing residual structure, neither food preparation nor sanitary facilities is required to be in the unit. If the units do not contain sanitary facilities, the building must contain sanitary facilities that are shared by tenants. SRO does not include facilities for students.

Site Improvements: Additions to a site, such as grading, utilities, sewers, streets and sidewalks, made when the site is developed.

Site Inspection: A visit to and review of the premises.

Small Related: A household of 2 to 4 persons that includes at least one person related to the householder by birth, marriage, or adoption.

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Smart Buildings: A "Smart Building" is a building that is both technologically advanced and sustainable, creating efficient and harmonious relationships between natural, built and social environments. As such, it is designed, equipped and constructed or renovated:

- (a) incorporating innovative and technological advanced components and systems to facilitate communications, system management, user control and adaptability to changing needs;
- (b) to be energy-efficient and water-efficient for year-round low operating costs, occupant comfort and environmental preservation;
- (c) to create a barrier-free, non-toxic, healthful, functional and aesthetically pleasing facility to promote occupant and visitor health, satisfaction and productivity;
- (d) utilizing resource-efficient materials and methods in a low-impact manner to minimize waste and ecological degradation; and
- (e) to be affordable, cost-effective and marketable.

Soft Costs: Costs, other than acquisition and construction/rehabilitation costs, which are incurred while holding unimproved property or during construction. Soft costs may include, but are not limited to, such items as carrying charges (interest, real estate taxes, and ground rents), professional service and audit fees, offering plan/prospectus costs, surveys, relocation expenses, insurance, assessments, mortgage insurance premiums, inspection, recording and filing fees, Not-for-Profit Developer's Allowance (NPDA), FNMA/GHMA fee, mortgage recording tax, and title examination costs. Soft cost may also include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; costs to process and settle the financing for a project, such as private lender origination fees, credit reports, fees for title evidence, recordation and filing of legal documents, building permits, attorneys and private appraisal fees and fees for an independent cost estimate, builders or developers fees; costs of a project audit that the participating jurisdiction may require with respect to the development of the project; costs to provide information services such as affirmative marketing and fair housing information to prospective homeowners and tenants; and costs of relocation payments and other relocation assistance for permanently and temporarily relocated individuals, families, businesses, non-profit organizations and farm operations. Eligible costs include the rental assistance payments made to provide tenant-based rental assistance for a family.

Special Needs Population: Non-homeless persons with special service needs such as frail elderly persons, persons with AIDS, persons with disabilities, and families participating in organized programs to achieve economic self-sufficiency.

Sponsor: See Applicant.

Spouse: The husband or wife of the head of the household.

SSMA: Standard Statistical Metropolitan Area

State: Any state of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

State Recipient: A public agency or non-profit organization selected by the participating jurisdiction to administer all or a portion of the participating jurisdiction's HOME program. A public agency or non-profit organization that receives HOME funds solely as a developer or owner of housing is not a sub-recipient. The participating jurisdiction's selection of a sub-recipient is not subject to the procurement procedures and requirements.

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Subcontractor: A builder/contractor who performs a specific portion of the work on a project, such as the plumbing, pursuant to an agreement with the project's developer or general contractor.

Sub-Recipient: An applicant to whom a participating jurisdiction makes a payment, grant or loan for a project pursuant to a formally executed Sub-recipient Regulatory Agreement.

Subsidized Project: A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

1. Below-market interest rates pursuant to Section 221(3)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
2. Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or
4. Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency; or
5. Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency; or
6. A Public Housing Project.

Subsidy: A grant made by a government or other entity to reduce the cost of housing to the occupant.

Substandard Condition: One or more conditions existing in a housing unit which fail to meet minimum health and safety acceptability levels as established by the Housing Quality Standards utilized in the Section 8 Program, as further defined at 24 CFR Part 882 and Chapter 5 of HUD Notice 7420.7.

Substandard Condition but not Suitable for Rehab: Dwelling units that are in such poor condition as to be neither structurally nor financially feasible for rehabilitation.

Substandard Condition but Suitable for Rehab: Dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems or maintenance work.

Substandard Unit: A housing unit which has existing one or more of the following conditions:

1. Is dilapidated

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2. Does not have operable indoor plumbing;
3. Does not have usable flush toilet in the unit for the exclusive use of the family;
4. Does not have usable bathtub or shower in unit for exclusive family use;
5. Does not have adequate, safe electrical service;
6. Does not have an adequate, safe source of heat;
7. Should, but does not, have a kitchen;
8. Has been declared unfit for habitation by a government agency.
9. Overcrowded (if the number of household members living in the housing unit exceeds the number allowed by the PHA's Housing Quality Standards).

Substantial Amendment: A major change in an approved housing strategy. It involves a change to the five-year strategy, which may be occasioned by a decision to undertake activities or programs inconsistent with that strategy.

Substantial Completion: The stage of construction when building(s) are determined based upon an inspection by a construction monitor, to be habitable and in compliance with codes, although minor items, such as landscaping, may remain to be completed.

Substantial Rehabilitation: Rehabilitation of residential property at an average cost for the project in excess of \$25,000 per dwelling unit.

Supportive Housing: Housing, including Housing Units and Group Quarters, that has a supportive environment and includes a planned service component.

Supportive Service Need in FSS Plan: The plan that PHAs administering a Family Self-Sufficiency program are required to develop to identify the services they will provide to participating families and the source of funding for those services. The supportive services may include child care; transportation; remedial education; education for completion of secondary or post secondary schooling; job training; preparation and counseling; substance abuse treatment and counseling; training in homemaking and parenting skills; money management, and household management; counseling in homeownership; job development and placement; follow-up assistance after job placement; and other appropriate services.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

Survey: The measurement of boundaries, dimensions and position of buildings on a lot, including the determination of any existing encroachments or easements.

Takeout Financing: Long-term permanent financing used to pay off a project's short-term

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construction loan. This term is used when a project's financing involves two lenders: the interim and the permanent lender. Prior to making a construction loan, an interim lender usually requires a commitment from the permanent lender to "take out" the interim lender when construction is completed, by taking over the mortgage as a permanent (long-term) investment.

Tax Credit: A dollar-for-dollar reduction in federal tax liability for investors who invest in low-income housing under the Low-Income Housing Tax Credit Program.

Technical Assistance: Assistance provided to help applicants in the design, development, ownership or management of affordable housing projects or programs.

Tenant: A person who has the temporary use and occupation of real property owned by another person.

Tenant-Based (Rental) Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. Tenant-based rental assistance under this part also includes security deposits for rental of dwelling units.

Tenant Paid Utilities: Those utilities whose costs are paid directly by the tenant.

Tenant Rent: (Formerly called Net Family Contribution) The amount payable monthly by the family as rent to the owner (including a HA as owner in Public Housing). Where all utilities (except telephone) and other essential housing services are supplied by the owner, Tenant Rent equals Total Tenant Payment. Where some of all utilities (except telephone) and other essential housing services are not supplied by the owner and the cost thereof is not included in the amount paid as rent to the owner, Tenant Rent equals Total Tenant Payment less the Utility Allowance in the Certificate Program. In the Voucher Program, Tenant Rent is Rent to Owner less HAP.

Threatened with Homelessness: A currently housed very low-income individual or family that faces the prospect of becoming homeless as a consequence of a housing problem, housing cost burden, physical or mental challenge, unemployment, release from institutionalization and/or other circumstance.

Title: Evidence of the ownership of land; or, the right to or ownership of land.

Title Insurance: A contract under which a title insurance company guarantees to indemnify the policyholder against a loss arising through the defects. Unlike most insurance policies which protect against loss from a future event, title insurance protects against loss from something that has already occurred, such as an undisclosed heir turning up to claim title.

Title Report: A preliminary report showing the current state of the property's title, including any unpaid mortgages, easements, or other recorded objections to clear title.

Total Development Cost (TDC): The sum of all eligible, necessary and reasonable construction/rehabilitation, site acquisition, and soft costs for a project, excluding working capital and replacement and operating reserve costs.

Total Housing Expense or Total Housing Cost: A household's total monthly expenditure for rent

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plus utilities.

Total Project Cost (TPC): The sum of all eligible, necessary and reasonable acquisition, construction/rehabilitation, soft costs for a project, as well as working capital and reserve fund capitalization costs, where applicable.

Total Tenant Payment (TTP): The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

Total Vacant Housing Units: Unoccupied year round housing units. (U.S. Census definition)

Track Record: A sponsor's, developer's or owner's past experience in developing the kind of project for which funds have been requested.

Transitional Housing: Housing that:

- (1) Is designed to provide housing and appropriate supportive services to persons, including (but not limited to) de-institutionalized individuals with disabilities, homeless individuals with disabilities, and homeless families with children; and
- (2) Has as its purpose facilitating the movement of individuals and families to independent living within a time period that is set by the participating jurisdiction or project owner before occupancy.

Turnkey Development Method: A method used to develop low-income housing in which the development of the project is handled by an experienced builder who at the completion of the development phase turns it over to an experienced owner to operate and manage the project (in some cases, the builder and the owner may be the same entity).

Unit: Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from 0 bedrooms (studio/efficiency) to 6 bedrooms.

Unit of General Local Government: A city, town, township, county, village, or other general purpose political subdivision of a State; the Federal States of Micronesia and Palau, the Marshall Islands, or a general purpose political subdivision thereof; a Territory or such political subdivisions recognized by HUD in accordance with §92.101; and any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive to act on behalf of the jurisdiction with regard to provisions of this part. When a county is an urban county, the urban county is the unit of general local government for purposes of the HOME Investment Partnerships Program.

Unsheltered: Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., streets, parks, alleys).

Urban: Cities, towns or villages with a population of 2,500 or more.

Utilities: Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash

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collection and sewage services. Telephone service is not included as a utility.

Utility Allowance: The HA's estimate of the average monthly utility bills (except telephone) for an energy-conscious household. This estimate considers only utilities paid directly by the tenant. If all utilities are included in the rent, there is no utility allowance. Utility allowances vary by unit type and size and are listed on the HA's Utility Allowance Schedule.

Utility Reimbursement Payment: The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

Vacancy Rate: The vacancy rate is the percentage of total units that are vacant in a particular project or area.

Vacant Awaiting Occupancy or Held: Vacant year round housing units that have been rented or sold and are currently awaiting occupancy, and vacant year round housing units that are held by owners or renters for occasional use. (U.S. Census definition)

Vacant Housing Unit: Unoccupied year-round housing units that are available or intended for occupancy at any time during the year.

Variance: Permission from government zoning authorities to construct a building or utilize a property in a way that is prohibited by the locality's zoning laws; an exception from the zoning laws.

Very Large Lower-Income Family: Prior to the change in the 1982 regulations this was described as a lower income family which included 8 or more minors.

Very Low-Income: Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low-incomes or where needed because of prevailing levels of construction costs or fair market rents. (This term corresponds to low-income households in the CDBG Program.) (For the purpose of further distinguishing needs within this category, two subgroups (0 to 30% and 31 to 50% of MFI) have been established in the CHAS tables and narratives.)

Very Low-Income Family: A Lower Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

Veteran: A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

VIHA: Virgin Islands Housing Authority (the local PHA)

VIHFA: Virgin Islands Housing Finance Authority.

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Welfare Assistance: Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments.

White, Not Hispanic Origin: A person having origins in any of the original peoples of Europe, North America, or the Middle East, but not of Hispanic origin.

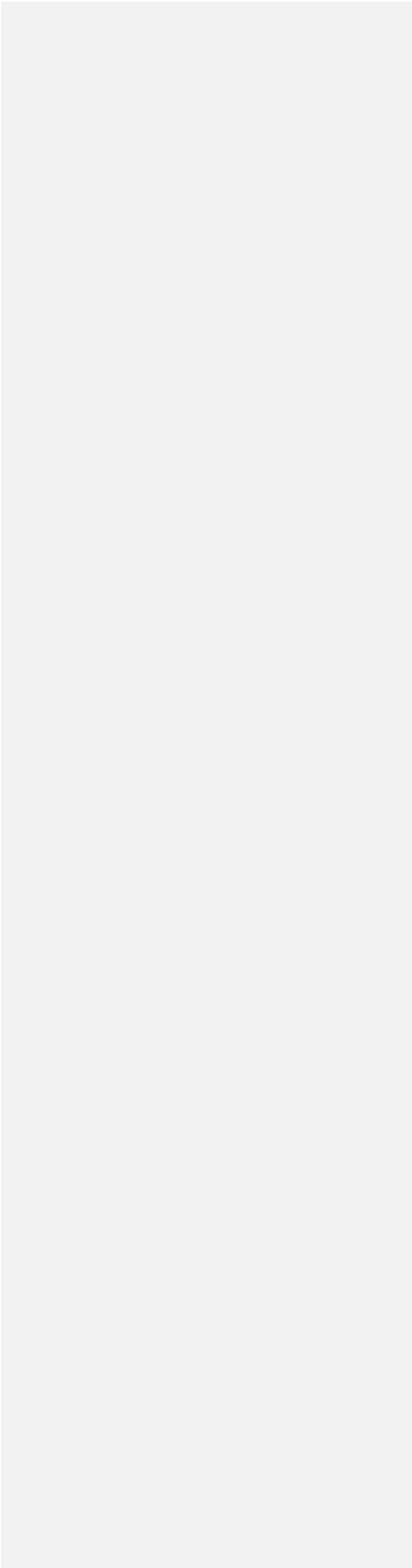
Women-Owned Business Enterprise (WBE): A business that is at least 51 percent owned by a woman or women who also control and operate it. "Control" means exercising the power to make policy decisions. "Operate" means being actively involved in the day-to-day management.

Year Round Housing Units: Occupied and vacant housing units intended for year round use. (U.S. Census definition) Housing units for seasonal or migratory use are excluded.

APPENDIX B: CERTIFICATIONS

B-1 Community Development Block Grant Certifications

B-2 HOME Certifications



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B-3 Emergency Shelter Grant Certifications

APPENDIX C: SUMMARY OF CITIZEN COMMENTS

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C-2 Notices for Citizen Comments

C-3 Citizen Participation Plan

C-4 Anti-Displacement and Relocation Plan

**APPENDIX D: GRAPHIC PRESENTATION OF THE LOCATION OF HOUSING
AND COMMUNITY DEVELOPMENT ACTIVITIES**

APPENDIX E: HUD NEEDS TABLES

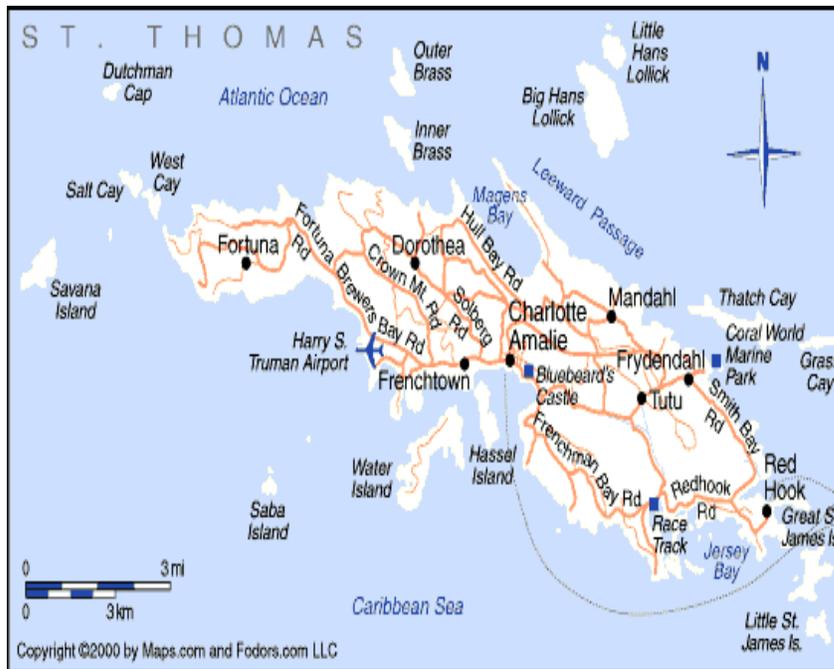
HUD Table 2B: Priority Community Development Needs

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APPENDIX F: MAPS

1. St. Thomas

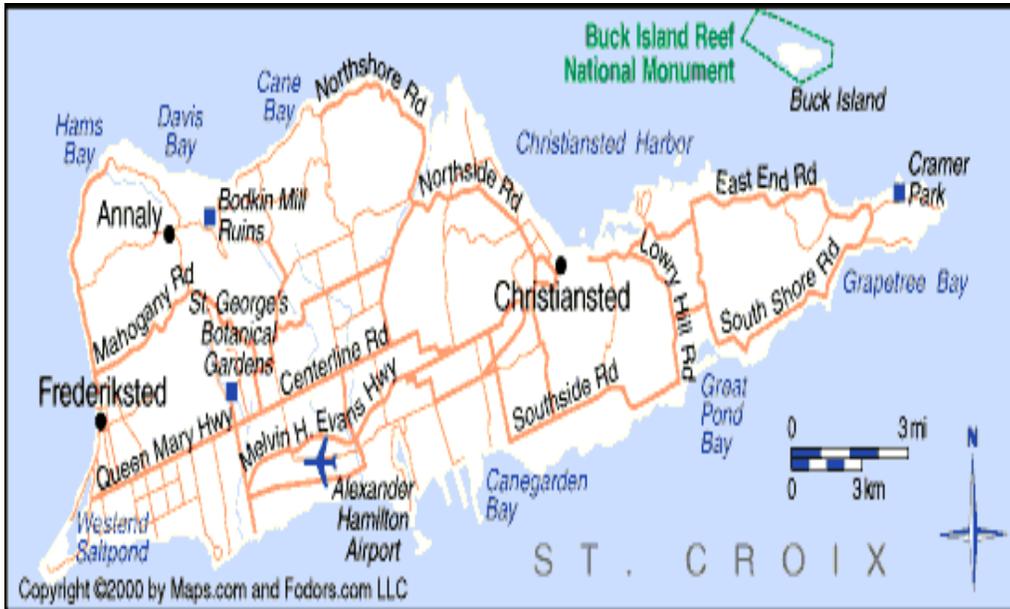
a. Key Map



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2. St. Croix

a. Key Map



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3. St. John

a. Key Map

