

**PUBLIC HEARING
FOR
THE CONSOLIDATED PLAN
PROPOSED SUBSTANTIAL AMENDMENT
COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) PROGRAM**

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THURSDAY, JANUARY 9, 2025, AT 6:00 PM VIA ZOOM



Eugene Jones, Jr.

Executive Director

Virgin Islands Housing Finance Authority

PURPOSE OF HEARING

Between 2005 to 2021, the U.S. Department of Housing and Urban Development (“HUD”) approved various Consolidated Plan submitted by the Territory for housing, homelessness, and community development for program years 2005-2024. The Consolidated Plan document describes the priority housing and community development needs and long-term strategies for addressing the identified needs. Each year, the Territory prepares an Annual Action Plan which describes the activities to be undertaken during the current program year to implement the identified strategies. A substantial amendment is required for any change of 25% or greater in the amount of funds reserved for a particular project, or any change in the purpose, scope, or intended beneficiaries of a project, or any proposed addition of a new project/activity not previously described in an Annual Action Plan.

The following HUD programs are covered by the Plan: Community Development Block Grant (CDBG), the Emergency Solutions Grant (ESG), the Home Investment Partnerships Program (HOME), and the Housing Trust Fund (HTF).

CDBG program regulations require timely expenditure of grant monies; thus, the VIHFA has established policies to ensure that grant funds can be re-programmed via Substantial Amendment as needed to ensure ongoing program compliance. This Substantial Amendment includes activities from plan years between 2008 to 2021, as described in the table shown on the following page.

In accordance with the Citizen Participation Plan, the Territory is required to seek public input relative to any proposed substantial amendments to the Consolidated Plan.

Upon completion of the citizen participation process, the proposed Substantial Amendment will be transmitted to the Department of Housing and Urban Development (“HUD”) for approval.

SUBSTANTIAL AMENDMENT ACTIVITIES PLAN YEARS BETWEEN 2008 to 2021

CDBG Project/Activity	Funding Allocation Year	Current Funding Allocation	Proposed Budget Amendment	Amended Funding Allocation
STT/STJ District				
Hearts in Services Transitional Housing	2008	\$1,200,735.82	-\$164,575.84	\$1,036,159.98
Engineers for Tomorrow Outreach STEM Saturdays Program	2019	\$20,000.00	-\$20,000.00	\$0.00
St. Thomas Caribbean Center for Boys & Girls After-school	2019	\$25,000.00	-\$25,000.00	\$0.00
STJCF Outreach Services & Support Program	2020	\$35,230.00	-\$35,230.00	\$0.00
STJCF Outreach Services & Support Program	2021	\$40,000.00	-\$40,000.00	\$0.00
CCVI Shelter Renovation (Bethlehem House)	2017	\$2,460,251.50	\$284,805.84	\$2,745,057.34
FRC Transitional Housing Rehabilitation, Phase II	2012	\$776,000.00	-\$40,316.57	\$735,683.43
St. John Rescue Acquisition	2014	\$1,107,000.00	-\$75,221.17	\$1,031,778.83
St. Andrews Seek & Serve After-school Program	2018	\$25,000.00	-\$13,622.04	\$11,377.96
Pistrackle Theater Scholarship	2019	\$16,800.00	-\$16,800.00	\$0.00
ST. John Community Foundation Outreach Services & Support Program	2019	\$32,450.00	-\$7,176.19	\$25,273.81
Savan Housing Rehabilitation Project	Funds in local CDBG Account	\$31,485.00	-\$31,485.00	\$0.00
Savan Playground and Park Improvements	2016	\$254,823.19	\$184,620.97	\$439,444.16
STX District				
Nurturing Minds Summer Camp Program	2018	\$18,752.00	-\$145.71	\$18,606.29
Mon Bijou HOA Land Acquisition & Community Center	2011	\$10,000.00	-\$147.01	\$9,852.99
WCSCX East Street Crisis Center Transitional Housing	2012	\$1,427,186.60	-\$18,753.20	\$1,408,433.40
Women With Focus After-school Program	2018	\$5,000.00	-\$5,000.00	\$0.00
Bethlehem Village & Profit Hills Community Center	2017	\$368,909.00	-\$87,885.00	\$281,024.00
CHANT Building Arts Institute	2019	\$15,000.00	-\$15,000.00	\$0.00
Nurturing Minds Summer Camp Program	2020	\$20,000.00	-\$20,000.00	\$0.00
Civil Air Patrol Building Acquisition & Rehabilitation	2015	\$953,875.02	\$146,930.92	\$1,100,805.94

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The Community Development Block Grant (CDBG) is a HUD formula-allocation grant, which has as its primary objective the development of viable urban communities by providing decent housing, suitable living environment, and expanded economic opportunities. Each funded project must meet at least one national objective as follows: prevention or elimination of slums and blight; address an urgent need; primary benefit to persons of low and moderate income. Benefit to low/mod¹ income persons is where either (1) at least 51% of the area residents are low-income or (2) the activity benefits a population general presumed to be low-income or (3) housing is created that will be restricted to occupancy by low-income households or (4) jobs are created/retained and at least 51% of the jobs will be held by or available to low/mod income residents.

CDBG monies are typically sub-granted to other government agencies and non-profit organizations.

¹ The definition of low/mod under the CDBG Program coincides with the definition of low-income under the HOME Program – i.e., a household/family having income \leq 80% of the area median income as per Section 8 limits.

CDBG GRANT APPLICATION & PROJECT SELECTION PROCESS

Solicitation of Project Proposals from interested groups, individuals, agencies, etc.		
Evaluation of Applications & Preliminary Project Review by CDBG Program Staff		
<i>CDBG First Public Hearing St. Thomas</i>	<i>CDBG First Public Hearing St. John</i>	<i>CDBG First Public Hearing St. Croix</i>
Recommendation of Projects for Funding		
VIHFA Governing Board Review & Approval		
<i>CDBG Second Public Hearing St. Thomas</i>	<i>CDBG Second Public Hearing St. John</i>	<i>CDBG Second Public Hearing St. Croix</i>
Submission of Annual Action Plan to the Department of Housing & Urban Development		
Approval of Action Plan by HUD		
Execution of Grant Agreements between HUD and the Territory of the V.I.		
Execution of Sub-recipient Agreements between CDBG and Sub-grantee Entities		
Review of request for program change & determination if Substantial Amendment required		
<i>Public Hearing re: Substantial Amendment</i>		

SOURCE OF FUNDS CDBG SUBSTANTIAL AMENDMENT

BUDGET AUTHORITY: The Community Development Block Grant allocations from 2008 through 2021 and the proposed re-allocation for the respective years are shown in the table below. A total of seventeen (17) projects that have been funded under these grants have been either unable to expend the funds allocated or have returned their balance to the CDBG Program. The Authority’s CDBG staff has identified these projects for re-programming.

Fiscal Years	Funding Allocation	2024 Substantial Amendment Re-programing Amount
2008	\$ 1,810,614.00	-\$164,575.84
2009	\$ 1,758,348.00	\$ -
2010	\$ 1,877,526.00	\$ -
2011	\$ 1,872,506.00	-\$147.01
2012	\$ 1,889,657.00	-\$59,069.77
2013	\$ 1,983,482.00	\$ -
2014	\$ 1,975,369.44	-\$75,221.17
2015	\$ 1,781,959.65	\$146,930.92
2016	\$ 1,948,732.00	\$153,135.97
2017	\$ 1,813,891.37	\$196,920.84
2018	\$ 1,984,382.00	-\$18,767.75
2019	\$ 1,983,317.00	-\$83,976.19
2020	\$ 1,981,825.00	-\$55,230.00
2021	\$ 1,989,268.00	-\$40,000.00

JUSTIFICATION FOR REPROGRAMMING:

St. Thomas/ St. John District:

Five organizations, the **St. Andrews Seek & Serve, Inc; St. John Rescue, Inc.; Family Resource Center, Inc.; Engineers for Tomorrow Outreach, Inc.; and Caribbean Centers for Boys & Girls of the Virgin Islands, Inc.** have voluntarily relinquished their unexpended grant balances via official correspondence submitted by the duly authorized representative of the respective organization upon close-out of their project or have decided not to undertake their project.

Five projects, **Pistarckle Theater Scholarship; Hearts in Services Transitional Housing Rehabilitation, Phase III; STJCF Outreach Services & Support Programs GY2019, GY2020, and GY2021**, are recommended for reprogramming due to project being stalled and unlikely to expend funds by the impending deadline.

St. Croix District:

Two organizations, **Women Coalition of St. Croix, Inc.** and **Women with Focus, Inc.** have voluntarily relinquished their unexpended grants via official correspondence submitted by the duly authorized representative of the organization after determining that the grant conditions could not be met.

Five projects, **Bethlehem Village & Profit Hills Community Center; CHANT Building Arts Institute; Mon Bijou HOA Land Acquisition & Community Center; Nurturing Minds Summer Camp Programs GY 2018 and GY 2020**, are recommended for reprogramming due to project being stalled and unlikely to expend funds by the impending deadline or failure to meet grant conditions.

From these projects, the Authority is proposing to re-program the total sum of \$616,357.73. These funds will serve as the funding source for the substantial amendments proposed herein.

CDBG proposes to allocate amounts from the re-programmed funds to the following projects:

SOURCE PROJECT	AVAILABLE FOR PROGRAMMING (Per Board Resolution)	Amount to CCVI Shelter (Bethlehem House) Renovation (STT)	Amount to SAVAN Playground & Park Improvement (STT)	Amount to Civil Air Patrol Building Acquisition & Rehabilitation (STX)
St. Andrews Sunny Saints After-school Program	\$ 13,622.04		\$ 13,622.04	
St. John Rescue, Phase II	\$ 75,221.17		\$ 75,221.17	
FRC Transitional Housing Rehabilitation, Phase II	\$ 40,316.57		\$ 40,316.57	
Pistrackle Theater Scholarship	\$ 16,800.00		\$ 16,800.00	
Engineers for Tomorrow Outreach STEM Saturday	\$ 20,000.00	\$ 20,000.00		
St. Thomas Caribbean Center for Boys & Girls After-school	\$ 25,000.00	\$ 25,000.00		
Hearts in Services Transitional Housing Rehabilitation, Phase III	\$ 164,575.84	\$ 164,575.84		
STJCF Outreach Services & Support Program	\$ 7,176.19		\$ 7,176.19	
STJCF Outreach Services & Support Program	\$ 35,230.00	\$ 35,230.00		
STJCF Outreach Services & Support Program	\$ 40,000.00	\$ 40,000.00		
Savan Housing & Rehabilitation Project	\$ 31,485.00		\$ 31,485.00	
STT/STJ DISTRICT SUBTOTAL	\$ 469,426.81	\$ 284,805.84	\$ 184,620.97	
<i>STX District</i>				
Nurturing Minds Summer Camp Program	\$ 145.71			\$ 145.71
Mon Bijou HOA Land Acquisition & Community Center	\$ 147.01			\$ 147.01
Women With Focus After-school Program	\$ 5,000.00			\$ 5,000.00
Bethlehem Village & Profit Hills Community Center	\$ 87,885.00			\$ 87,885.00
WCSCX East Street Crisis Center Transitional Housing	\$ 18,753.20			\$ 18,753.20
CHANT Building Arts Institute	\$ 15,000.00			\$ 15,000.00
Nurturing Minds Summer Camp Program	\$ 20,000.00			\$ 20,000.00
STX DISTRICT SUBTOTAL	\$ 146,930.92			\$ 146,930.92
TOTAL TO BE RE-PROGRAMMED	\$ 616,357.73	\$ 284,805.84	\$ 184,620.97	\$ 146,930.92

**SYNOPSIS OF COMMUNITY DEVELOPMENT BLOCK
GRANT PROJECTS SELECTED TO BE AWARDED
REPROGRAMMED FUNDS**

PROJECTS TO BE INCLUDED UNDER THE PROPOSED SUBSTANTIAL AMENDMENT

St. Thomas/St. John Construction, Rehabilitation and Acquisition Projects

1 NAME OF PROJECT: CCVI Shelter (STT Bethlehem House) Reconstruction
PROJECT SPONSOR: Catholic Charities of the Virgin Islands, Inc.

DESCRIPTION OF PROJECT: Catholic Charities of the Virgin Islands Inc. (CCVI) is requesting funds for the construction of a new Bethlehem House Shelter to be located at #24 & 25 Hospital Ground, St. Thomas. The proposed activity will selectively demolish and rehabilitate an existing structure and construct a new 2-story building in order to expand the number of shelter beds provided by the sub-recipient on St. Thomas. The project previously received an allocation of CDBG funds for the development of architectural plans and the commencement of construction. The allocation of re-programmed funds will ensure the timely completion commencement of construction of the first phase of the project.

NUMBER OF PERSONS PROJECT WILL SERVE: Homeless population of St. Thomas

NATIONAL OBJECTIVE: Provision of employment or other benefits primarily to persons of low and moderate income.

PRESENT CDBG AWARD: \$2,460,251.50

RECOMMENDED AWARD REPROGRAMMED FUNDS: \$ 284,805.84

GRAND TOTAL OF CDBG FUNDS: \$2,745,057.34

JUSTIFICATION: The request for funding is being recommended for favorable approval because the sub-recipient, Catholic Charities of the Virgin Islands, Inc. has satisfactorily demonstrated that the funds are necessary to timely commencement of construction of the first phase of the project. The project previously received an allocation of CDBG funds for the development of architectural plans and the commencement of construction.

2 NAME OF PROJECT: Savan Playground/Playpark Rehabilitation
PROJECT SPONSOR: Virgin Islands Housing Finance Authority

DESCRIPTION OF PROJECT: The Virgin Islands Housing Finance Authority is requesting additional funds to continue the rehabilitation of the playground which is located adjacent to the Jane E. Tuitt Elementary School in the historic Savan neighborhood. The project which is underway previously received an allocation of CDBG funds for the development of architectural plans and the completion of the first phase of the rehabilitation. Local funds and FEMA funds also supplemented the CDBG funds. The allocation of re-programmed funds will be used to continue the project through to final completion.

NUMBER OF PERSONS PROJECT WILL SERVE: The Savan neighborhood and its surrounding communities.

NATIONAL OBJECTIVE: Provision of employment or other benefits primarily to persons of low and moderate income.

PRESENT CDBG AWARD: \$ 358,823.19*
***includes program income funds = \$104,000**

RECOMMENDED AWARD REPROGRAMMED FUNDS: \$ 184,620.97

GRAND TOTAL OF CDBG FUNDS: \$ 543,444.16

JUSTIFICATION: The request for reprogrammed funding is being recommended for favorable approval because the sub-recipient, Virgin Islands Housing Finance Authority, has satisfactorily demonstrated that the funds are necessary to continue the project through to final completion.

>>>End of St. Thomas/St. John Projects<<<

St. Croix Construction, Rehabilitation and Acquisition Projects

3 NAME OF PROJECT: Civil Air Patrol Headquarters Construction
PROJECT SPONSOR: Group 8 CAP, Inc.

DESCRIPTION OF PROJECT: Group 8 CAP, Inc., requested additional funds for the construction of a new facility at Estate Mint, St. Croix to be used as the headquarters of the Civil Air Patrol Group 11. Previous allocations of CDBG funds were used for the development of architectural plans and the commencement of construction – which is 75% completed. The allocation of re-programmed funds will ensure that sufficient funds are available for the final completion of the project.

NUMBER OF PERSONS PROJECT WILL SERVE: 75 Low-to-moderate income youths, ages 14-18.

NATIONAL OBJECTIVE: Provision of employment or other benefits primarily to persons of low and moderate income.

PRESENT CDBG AWARD: \$ 953,875.02

RECOMMENDED AWARD REPROGRAMMED FUNDS: \$ 146,930.92

GRAND TOTAL OF CDBG FUNDS: \$ 1,100,805.95

JUSTIFICATION: The request for supplemental funding is being recommended for favorable approval because the sub-recipient, Group 8 CAP, Inc., has satisfactorily demonstrated that the funds are necessary to ensure that sufficient funds are available for the completion of the project.

>>>End of St. Croix Project<<<