

# NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS FOR TIERED PROJECTS AND PROGRAMS

April 16, 2025

Virgin Islands Housing Finance Authority  
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## FINDING OF NO SIGNIFICANT IMPACT

The Virgin Islands Housing Finance Authority has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at Virgin Islands Housing Finance Authority at, 3202 Demarara Plaza Suite 200 St. Thomas, VI 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer of Community Development Block Grant-Disaster Recovery Program or by email to [environmental@vihfa.gov](mailto:environmental@vihfa.gov). The ERR can be accessed online at the following website <https://cdbgdr.vihfa.gov/>. The ERR may also be examined or copied weekdays 8A.M to 5 P.M.

## REQUEST FOR RELEASE OF FUNDS

On or after May 1, 2025, the Virgin Islands Housing Finance Authority will submit a request to the U.S Department of Housing and Urban Development (HUD) for the release of Community Development Block Grant - Disaster Recovery funds under Title 1 of the Housing and Community Development of the Act of 1974, (PL93-383), as amended, to undertake the following project:

**Tier I Broad Review Project/Program Title:** Community Electrical Innovation Program

**Purpose:** The Virgin Islands experiences a plethora of power outages within a calendar year. These outages can last from one (1) hour to over 24 hours. Critical operations are often shut down due to lack of renewable energy sources and in turn, residents are unable to get the necessary services they require. The purpose of the proposed project is to provide solar panels to small businesses, educational institutions and community-based organizations.

**Location:** Territory-wide across the U.S. Virgin Islands (USVI), including St. Croix, St. Thomas, and St. John. Specific site addresses will be evaluated during Tier II site-specific reviews.

**Project/Program Description:** Through the Community Electrical Innovation Program, solar panels will be installed on the roofs of each building; their associated battery pack will be placed either on interior or exterior building walls. The battery pack will store excess energy from the solar panels making this the most effective and efficient method of renewable energy. Natural disasters often lead to power outages in the Virgin Islands, followed by overcast weather. In these moments, battery packs act as an additional source of energy. Altogether, this program creates

better energy resiliency conditions for the territory falling in line with national and global energy standards.

Distributed solar and associated battery energy storage systems represent one of the most innovative mechanisms to bolster energy resilience across the territory. Eligible and approved CBOs, small businesses, and educational institutions in the Community Innovation program will be provided with the funding needed to design and deploy onsite renewable energy resources that can function during frequent and sustained utility outages. These systems will ensure continuity of operations during outages and reduce dependency on fossil fuels.

**Tier II site specific reviews will be completed for those laws and authorities not addressed in the Tier I broad review for each address under this program when addresses become known.**

**Level of Environmental Review Citation:** Proposed projects under the Community Electrical Innovation Program are classified as an Environmental Assessment (EA) under HUD regulations at 24 CFR Part 58.36. Although the activities primarily involve minor rehabilitation - such as the installation of rooftop solar panels and battery storage systems on existing structures - because these are new additions and the scope involves evaluating potential impacts not fully resolved at the broad level, the program requires an Environmental Assessment to ensure compliance with applicable laws and authorities.

**Tier II Site Specific Review: The site specific reviews will cover the following laws and authorities not addressed in the Tier I broad review:**

- Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990
- Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994
- Contamination and Toxic Substances (24 CFR Part 50.3(i) & 58.5(i)(2))
- Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55
- National Historic Preservation Act of 1966, particularly Sections 106 and 110 (36 CFR Part 800)

Each of these factors requires a site-specific review once addresses are confirmed. VIHFA will ensure proper mapping, agency consultation (e.g., DPNR for CBRS and floodplain, SHPO for historic sites), and mitigation where necessary to ensure full environmental compliance under HUD's environmental review standards.

**Mitigation Measures/Conditions/Permits (if any):** Each Tier II site-specific review will include coordination with the Department of Planning and Natural Resources (DPNR), and State Historic Preservation Office (SHPO), as applicable. Site-specific evaluations will assess rooftop suitability, airport proximity, noise levels, floodplain boundaries, historic resources, contamination risk, and wildlife habitats.

All necessary permits, consultations, or mitigation actions identified during the Tier II review - such as flood insurance requirements, environmental testing, or noise attenuation - will be implemented prior to installation and documented in the Environmental Review Record (ERR).

Law, Authority, or Factor	Mitigation Measure
Coastal Barrier Resources	Site-specific analysis relevant to this compliance factor must be concluded before VIHFA can say whether the proposed program activities would have a significant environmental impact on individual sites. Proposed program activities requested within a CBRS unit, however, will be deemed ineligible for the Community Electrical Innovation Program as the use of federal funds is prohibited in a CBRS unit. Project eligibility will be determined during the Tier II Site-Specific Review.
Flood Insurance	Site-specific analysis relevant to this compliance factor must be concluded before VIHFA can say whether the proposed program activities would have a significant environmental impact on individual sites. If the site is in the 100-year floodplain, as determined by the FEMA Flood Insurance Rate Map (FIRM), and the total project cost is greater than or equal to \$10,000, the applicant will be required to purchase and maintain flood insurance as required by the National Flood Insurance Program (NFIP).
Contamination & Toxic Substances	Site-specific analysis relevant to this compliance factor must be concluded before VIHFA can say whether the proposed program activities would have a significant environmental impact on individual sites. Generally, however, if a site has lead, the EPA’s Renovation, Repair, and Painting (RRP) Program rules, regulations, and protocols will be followed. If asbestos is present at a site, proper disposal protocols will be followed in accordance with Operations & Maintenance (O&M) guidelines and OSHA regulations. If mold is identified, the VIHFA Environmental Team will consult with DPNR to ensure compliance with local remediation requirements.
Floodplain Management	Site-specific analysis relevant to this compliance factor must be concluded because HUD states that all HUD-assisted projects that are in a 100-year floodplain and are critical actions located in the 500-year floodplain require compliance determination.
Historic Preservation	Site-specific analysis relevant to this compliance factor must be concluded before VIHFA can say whether the proposed program activities would have a significant environmental impact on individual sites. Generally, however, if a selected site is within the historic district or if a selected is listed on the National Register, the Department of Planning and Natural Resources’ State Historic Preservation Officer will be contacted to identify mitigation measures.

**Estimated Project Cost:** The total HUD funding & estimated project cost is \$10,000,000.00, fully funded by HUD through the Community Development Block Grant - Disaster Recovery (CDBG-DR) Program under Grant Number P-17-VI-78-HIM1. This includes \$9,795,000 for program implementation and \$205,000 previously allocated for program planning activities such as developing guidelines, ensuring compliance with national objectives, issuing the RFQ for installers, and vetting applicants. **Note:** The previous allocation did not require a Public Notice according to 24 CFR Part 58.

Grant Number	HUD Program	Funding Amount	
P-17-VI-78-HIM1	CDBG-DR	\$9,795,000.00	Allocated
P-17-VI-78-HIM1	CDBG-DR	\$205,000.00	Obligated
<b>P-17-VI-78-HIM1</b>	<b>CDBG-DR</b>	<b>\$10,000,000.00</b>	<b>Total Project Amount</b>

The activity/activities proposed are categorized as an environmental assessment under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act (NEPA) requirements per 24 CFR Part 58.35(a)(3)(i). An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at the Virgin Islands Housing Finance Authority, 3202 Demarara Plaza, Suite 200, St. Thomas, VI 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer, or via email at [environmental@vihfa.gov](mailto:environmental@vihfa.gov) and may be examined or copied weekdays 8:00 A.M. to 5:00 P.M.

### PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the Virgin Islands Housing Finance Authority, 3202 Demarara Plaza, Suite 200, St. Thomas, VI 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer, or via email at [environmental@vihfa.gov](mailto:environmental@vihfa.gov). All comments received by May 1, 2025, will be considered by the Virgin Islands Housing Finance Authority prior to authorizing submission of a request for release of funds.

### ENVIRONMENTAL CERTIFICATION

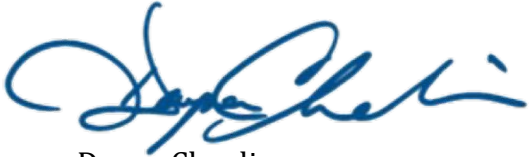
The Virgin Islands Housing Finance Authority certifies to HUD that Ms. Dayna Clendinen, in her capacity as Chief Operating Officer and Chief Disaster Recovery Officer, consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD’s approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Virgin Islands Housing Finance Authority to use HUD program funds.

### OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of funds and the Virgin Islands Housing Finance Authority’s certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the Virgin Islands Housing Finance Authority; (b) the Virgin Islands Housing Finance Authority has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting

pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD at U.S. Department of Housing and Urban Development at HUD Caribbean Area Office, Region VI, 235 Federico Costa Street, Suite 200, Parque Las Américas I Building, San Juan, Puerto Rico, 00918. Potential objectors should contact HUD to verify the actual last day of the objection period.

Sincerely,



Dayna Clendinen  
Chief Operating Officer and Chief Disaster Recovery Officer  
Virgin Islands Housing Finance Authority  
*AC*