NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

October 8, 2025

Virgin Islands Housing Finance Authority
3202 Demarara Plaza, Suite 200
St. Thomas, VI 00802-6447
(340)-777-4432

On or about October 16, 2025, the Virgin Islands Housing Finance Authority (VIHFA) will submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of Community Development Block Grant - Mitigation funds under Title 1 of the Housing and Community Development of the Act of 1974 (PL93-383), as amended, to undertake a project known as Bellevue Village Apartments and Calabash Boom Apartments under the Resilient Multifamily Housing (RMH) Program.

Purpose: Bellevue Village Apartments and Calabash Boom Apartments will provide long-term affordable homeownership for low-moderate income (LMI) families, thereby increasing community stability and providing permanent affordability for families including first responders and critical workforce.

Location:

> **Bellevue Village Apartments:** Parcel No. 9 Remainder, Estate Bellevue, No. 12A Cruz Bay Quarter, St. John, US Virgin Islands
> **Calabash Boom Apartments:** Parcel No. 1 Remainder, Estate Calabash Boom, Nos. 9 & 10 Coral Bay Quarter, St. John, US Virgin Islands

Project Description:

Original Scope: Bellevue Village Apartments and Calabash Boom Apartments will be acquired by Jackson Development Company with the intent to provide affordable homeownership opportunities for LMI residents (conversion from rental properties to homeowner properties). Both properties have a "No Displacement Policy," ensuring residents are not removed from their homes after the property conversion or during the exterior-only rehabilitation process. If a resident does not wish to, or is unable to, purchase their residence, they will have the right to remain as a tenant and continue to rent at the then current Low-Income Housing Tax Credit (LIHTC) allowable rent.

Bellevue Village Apartments' land area is 25.56 acres or 1,113,393 square feet. On site, there are 36, two-story buildings that each contain 2 dwelling units. In total, there are 72 units on the property. Calabash Boom Apartments' land area is 7.81 acres or 340,204 square feet. There are 48 dwelling units on the property or 8 buildings.

At the two sites, Jackson Development Company will conduct exterior repairs to the entirety of each complex. There will be no ground disturbance. Project scope activities include retrofitting roofs, implementing storm shutters, adding alternative energy sources, and improving wastewater and potable water systems. Roof inspections and retrofitting will be completed for each of the 36 duplex buildings at Bellevue Village and 8 buildings at Calabash Boom. It will

include examination of all roof attachments and retrofitting or replacing as needed to ensure the integrity of the roof and its ability to withstand hurricane strength winds and rainfall. Retrofitting could include any of the following: replacement of corrugated metal roofing, reattachment of roofing, painting and/or coating roofs, adding additional fasteners, or any other typical roof repairs for pitched hip roofs.

Both properties will add alternative energy sources, specifically a generator, to increase resiliency and self-dependency. To provide power to all homes and common areas in the event of a water and/or power outage, each generator will be connected to the property's existing power grid which has underground electrical service. The generator will be a prime power Tier 4F generator packaged product suitable for continuous operation. Each generator will be placed on an already existing concrete slab; there is no new construction or ground disturbance. Additional alternative energy solutions to work in tandem with the generator will be considered. As for improving existing potable water and wastewater systems, potable water is provided to Calabash Boom residents by a Reverse Osmosis (R/O) water treatment plant. Wastewater is treated by an onsite Wastewater Treatment Plant (WWTP). Both systems will be upgraded to provide resiliency and longevity. Upgrades will include replacing existing aboveground pipes. There will be no ground disturbance.

Expanded Scope: Since the filing of the initial CEST Environmental Review in December 2024 (based on the scope detailed above), Jackson Development Company (JDC) has since expanded their CDBG-MIT scope activities to also include termite remediation and limited asphalt road repairs at their Bellevue Village Apartments site. Thus, the Virgin Islands Housing Finance Authority (VIHFA) files this re-evaluation to document and environmentally analyze the expanded scope. The termite remediation at Bellevue (Appendix A) is limited to one unit (Unit 29). This Unit was found to be infested with termites and thus must now be treated. Any building damages in the unit related to the termite infestation will also be repaired under this expanded scope. JDC's expanded scope also includes plans to conduct limited roadway repairs (Appendix B). Specifically, JDC plans to infill areas with limited potholes with new asphalt. For areas with multiple potholes, JDC proposes milling the upper 1½ layer of the road and replacing it with a new layer. Overall, Bellevue's site does not have any major areas of asphalt failure. Therefore, no major asphalt repairs will be necessary.

Estimated Project Cost: The total project cost is $62,035,353.00. HUD's funding contribution to the total project cost is $27,798,987.00 via the Community Development Block Grant – Mitigation (CDBG-MIT) Program under Grant Number B-18-DP-78-0002.

Grant Number	Project Name	HUD Program	Funding Amount
B-18-DP-78-0002	Bellevue Village Apartments and Calabash Boom Apartments	VIHFA-CDBG-MIT	$27,798,987.00

Level of Environmental Review: The activities proposed are categorically excluded subject to 24 CFR Part 58.5 under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act (NEPA) requirements. An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at the Virgin Islands Housing Finance Authority at 3202 Demerara Plaza Suite 200, St. Thomas, VI, 00802-6447, Attention Ms. Dayna

Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer or by email request at environmental@vihfa.gov and may be examined or copied weekdays 8A.M to 5P.M.

Law, Authority, or Factor	**Mitigation Measure**
Coastal Zone Management - Coastal Zone Management Act, sections 307(c) & (d)	Construction best management practices should be installed and followed.
Contamination & Toxic Substances - 24 CFR Part 50.3(i) & 58.5(i)(2)	To address the termite infestation in Unit 29, the unit will be remediated (and damage caused by the termites will be repaired) to restore the unit to its original state.
Endangered Species - Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	According to DPNR, there are four endangered plant species that may be impacted by the updated scope's proposed project work: 1. St. Thomas Prickly ash (zanthoxylum thomasianum), 2. Marron bacora, 3. St. Thomas lidflower (calyptranthes thomasiana), and 4. Wheeler's Peperomia DPNR posited that the proposed project "May Affect" these four plant species. To protect these plant species, DPNR recommends the following mitigation measures: • Project must stay within the perimeter of the project site in order to not impact any endangered species. • Please contact the Department of Fish & Wildlife at DPNR if any endangered plants are encountered on site. VIHFA encourages the subrecipient to use US Fish & Wildlife's online Species registry for information regarding these species: Species | U.S. Fish & Wildlife Service.
Historic Preservation - National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	According to DPNR, no design features are necessary to minimize any potential impact on historic or cultural resources. Of note, however, the site does contain a historic burial area that must not be impacted by the repair work. If any discoveries (such as artifacts, etc.) are made while work is underway, Jackson Development Company must report said discoveries. The developer is advised that this burial area must be

	protected.

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. All comments received by October 15, 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 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

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