

NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

May 21, 2026

Virgin Islands Housing Finance Authority

3202 Demarara Plaza, Suite 200

St. Thomas, VI, 00802-6477

(340)777-4HFA(4432)

On or about May 28, 2026 the Virgin Islands Housing Finance Authority will submit a request to the HUD for the release of Community Development Block Grant – Disaster Recovery (Electrical Grid) funds under Title 1 of the Housing and Community Development Act of 1974, (PL93-383), as amended, to undertake the following project:

Program/Project Title: Electrical Power System Improvement/Transformer Replacement Project

Project Description: The Transformer Replacement Project aims to improve the transmission and distribution of electrical power, support equitable infrastructure investment, and strengthen grid resilience in the U.S. Virgin Islands. This project was created by the Virgin Islands Water and Power Authority (VIWAPA) to dramatically eliminate extended power outages through the replacement of transformers across the territory; transformers across the territory are currently rotting and are in poor condition. The current trends indicate a growing use of electricity for cooking, laundry, cistern pumps, and cooling of homes across the territory. VIWAPA is proposing to replace 244 pole mounted transformers that are older than 20 years across the territory. The proposed project will facilitate the timely and proactive removal of rotting and non-Completely Self Protected (CSP) transformers and will eliminate the inconveniences caused by unplanned power outages. This process will be executed over a two-to-three-year timeframe. The replacements will be prioritized by transformer conditions; all transformers with a rotten case will be replaced first, followed by the condition and so forth. The deployment of new CSP transformers will aid in satisfying customer needs by ensuring adequate protection from faults, lighting surges, and corrosion. Such protection will extend the life of the transformers and increase system reliability across the territory.

Location: Territory Wide – St. Thomas, St. Croix, St. John

Estimated Project Cost: The total HUD funding and estimated project cost is \$3,000,000, fully funded by HUD through the Community Development Block Grant Disaster Recovery (CDBG-DR) – Electrical Power Systems Improvement (CDBG-EGRID) Program under Grant Number B-18-DE-78-0001.

Grant Number	HUD Program	Funding Amount
B-17-DM-78-0001	CDBG-EG	\$3,000,000

Law, Authority, or Factor	Mitigation Measure
Airport Hazards	- VIHFA, at the earliest available opportunity, will provide VIPA with a confirmed list of all locations to

24 CFR Part 51 Subpart D	<p>be replaced prior to construction and installation works begin so VIPA can review and verify no impact on either airport's RPZ,</p> <ul style="list-style-type: none"> - WAPA will adhere to all governmental requirements for construction works near airports, including but not limited to the filing of Form 7460-1 Notice of Proposed Construction or Alteration, prior to any construction works, as necessary - WAPA will not commence construction activities without the necessary approvals from the Federal Aviation Administration, through the approval of Form 7460-1 Notice of Proposed Construction or Alteration and all other subsequent information requests, as deemed applicable
Division of Coastal Zone Management	Disposal of old transformers must be done by obtaining a Hazardous Waste Permit from the Virgin Islands Waste Management Authority (VIWMA).
Permitting	WAPA is required to obtain all necessary permits to implement the project where applicable.

The activities proposed are categorically excluded 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, 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. 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. All comments received by May 28, 2026, 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 Program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of fund and the Virgin Islands Housing Finance Authority 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