



| Committee on Housing, Transportation, and Telecommunications

Legislature USVI

March 9, 2023 · 4.4 hours · gov

Source recording	https://youtu.be/7jZgYhyRalk
Status	This is a working transcript produced by machine from a recording of a public proceeding. It is a finding aid, not an official record of the Legislature.
Transcribed by	VI Update, using OpenAI Whisper large-v3-turbo, run locally. Not reviewed by a person.
Reliability	Automatic transcription, UNVERIFIED. Verify every quotation against the recording before relying on it. Speech recognition splits spoken digits and wraps figures mid-number, so a dollar amount, a vote count or a bill number can be wrong in a way that reads as correct. Speakers are not identified: automatic speaker labelling was measured unusable and removed.
Public record	The underlying proceeding is a public record of the Legislature of the Virgin Islands. 3 V.I.C. § 881(a) defines public records to include all records and documents of or belonging to this Territory or any branch of government, or any "department, board, council or committee of any branch of government" · which names legislative committees by category. § 881(b) gives every citizen the right to examine and copy such records, and the news media the right to publish them. (The open-meetings chapter, 1 V.I.C. § 254, does NOT reach the Legislature: § 253(b) expressly excludes it and its Standing and Special Committees. § 881 does, and it is § 881 that confers the right to copy and publish.) The Legislature broadcast this proceeding publicly itself. The source recording is not ours, is not hosted here, and remains with its publisher at the link above.
Rights	To what we added · the transcription, its arrangement and its description · we assert nothing. A verbatim transcript is mechanical rather than authored, so there is likely nothing in it to own; to the extent any copyright is nonetheless found to subsist, it is dedicated to the public domain under CC0 1.0. Please copy it, quote it, index it, train on it, republish it, mirror it, sell it. Redistribution is the point: a public record with one copy is one fire from gone. No permission is needed, and none is ours to grant or withhold.

- 0:00:00 This is a production of the U.S. Department of Health and Human Services. This is a production of U.S. Department of Health and Human Services. We'll be right back. We'll be right back. We'll be right back. We'll be right back. Thank you. Thank you. We'll be right back. Thank you. Thank you. Thank you. Thank you. We'll be right back. We'll be right back. Thank you. Thank you. We'll be right back. Thank you. We'll be right back. We'll be right back. We'll be right back. Thank you. Thank you. Thank you. We'll be right back. We'll be right back. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. We'll be right back. We'll be right back. You can't get it, you can't beat it Thank you. We'll be right back. Thank you. good evening good evening the committee on housing transportation and telecommunication
- 0:20:42 it's out of recess and back on the record good evening to my colleagues viewing listening audiences central staff good evening to all especially the people of the virgin islands i want to begin by thanking each and every one of you for being here tonight we would rather be spending time with our families loved ones at home but the matters surrounding affordable housing and housing stability are far too more important to delay as such i must also thank the honorable diane capehart chairman of the committee on rules and judiciary for being gracious enough to allow me to share this day on the calendar with her it is this type of cooperation and leadership that will help us move forward in our territory working together for a brighter future. Also before we go any further I must take a moment to remind everyone that just as March is VI History Month and Woman History Month, it has also become for all intents and purposes Aaliyah Baston month in a NCAA as we approach March Madness and her attempt to repeat as NCAA women's basketball champion with the South Carolina Gamecocks. Aaliyah, we in the Virgin Islands legislature and the entire Virgin Islands community lift you up in our prayers and in our hearts and we wish you Godspeed in your continued journey of excellence. Tonight we will
- 0:22:33 To conclude the business of the agenda we began on February 27th in hearing from key stakeholders in the areas of housing stability, the residential housing market, and affordable housing in the Virgin Islands, meeting the needs of our

community, or MTOC, formerly known as the Methodist Outreach and Training Center, the Division of Banking, Insurance, Financial Regulation and the Virgin Islands Housing Finance Authority have all submitted testimony which have been distributed and we look forward to a robust and productive discussion tonight as we seek to go beyond identifying problems and focus on finding solutions to ease the plight of our people. With this being said, I urge everyone here to call upon their powers of concentration in finding ways to be thorough but brief as we try to respect the work-life balance of our testifiers and legislative staff, none of whom earn overtime for their work and presence here tonight.

0:23:51 Madam Clerk, do we have any items of correspondence to be written to the record before we begin? No, Mr. Chairman. Very well. Again, good evening to all. Can you please do a quorum call for me, please, before I proceed? Senator Maurice James. Senator Maurice James, present. Senator Angel L. Boquez, Jr. Senator Boquez, Jr., present. Senator Sanjuel Carrion. Senator Sanjuel Carrion, present. Senator Duane M. DeGraff. Here.

0:24:30 Senator Duane M. DeGraff, present. Senator Ray Fonseca. Here. Senator Ray Fonseca, present. Senator Carla J. Joseph. Present. Senator Carla J. Joseph, present. Senator Marvin A. Blyden. Present. Senator Marvin A. Blyden, present. mr chairman we have seven present thank you madam clerk we do have a quorum so we will proceed um and of course i see our testifiers are already in the well so what i will do um is start from my left please state your name for the record and uh what department you work for and opposition susette richards legal counsel office of the lieutenant governor division of Banking, Insurance and Financial Regulation.

0:25:16 Thank you. Next. Good evening. Attorney Glendina Matthew, Acting Director, Division of Banking, Insurance and Financial Regulation, Office Lieutenant Governor. Thank you. Good evening. Dana Clendenin, Interim Executive Director and Chief Disaster Recovery Officer for the Virgin Islands Housing Finance Authority. Thank you. Good evening. Valle Shelfer, Chief Financial Officer, Virgin Islands Housing Finance Authority. Good evening. Good evening, Dr. Stephanie Berry, Chief Operating Officer, Virgin Islands Housing Finance Authority. Thank you very well.

0:25:50 What we will do, we will begin with testimony from Lieutenant Governor's Office and then via EHFA. And then lastly, we will have testimony to be written to the record. You may proceed, Ms. Matthews. Good evening, Committee Chairman Honorable Marvin A. Blyden and Honorable Members of the 35th Legislature of the Virgin Islands. Committee on Housing, Transportation and Telecommunications, other senators present today as well as the viewing and listening audience. I am Attorney Glendina Matthew, Interim Director of the Division of Banking, Insurance and Financial Regulations within the Office of Lieutenant Governor. I most respectfully appear before you today in response to your invitation to provide updates on the residential, market financing and the newly established VI SLICE program. I note that the Economic Development Authority, the entity that is responsible for administering the program, has already appeared before you and provided testimony regarding the specific requirements of the program and how it will be implemented. However, we do recognize that the banks doing business in the territory will play an integral role in the success of the program as they will be providing referrals to the economic development authority of persons who may qualify for the program. For this reason, the division now appears before you to provide an update regarding the status of the banks and their readiness to play their role in the VI SLICE program.

0:27:31 I am accompanied by Attorney Suzette Richards, the Division Legal Counsel, and Ms. Cheryl Charleswell, Interim Assistant Director and Chief Examiner Insurance by Virtually. Authority of the Division to regulate the banking and mortgage industries. As stated above, the division appears before this legislative body because of its regulatory authority over the banking industry in the territory and the role that the banks will play in the VI SLICE program. I begin my testimony by citing the applicable statutory provisions governing the regulation of the banking industry in the territory. Section 61A of Title IX VI Code provides in pertinent part that all banks and to the extent of and with respect to business done at any branches established in the United States Virgin Islands, all foreign banks doing business in the United States Virgin Islands shall be regulated and supervised by the Banking Board. However, pursuant to Section 2 of Title IX VI Code, this authority to regulate and supervise does not extend to national banks section 62a of title 9 vi code authorizes the banking board to inspect and supervise entities engaged in the business of banking in the territory as provided in title 9 vi code this section further authorizes the banking board either personally or through some competent person or persons appointed or approved by it to visit and examine these entities section 35b of title 3 vi code grants to the division the general authority and jurisdiction to regulate and supervise banks in the territory subject to

0:29:28 title 9 of the vi code thereby enabling the division to function as the administrative and enforcement arm of the banking board please note that the authority to license and regulate banks doing business in the territory extends beyond the division. These banks, namely Bank of Popular de Puerto Rico, First Bank Virgin Islands, Merchant Commercial Bank, Oriental Bank and a Division of United Fidelity Bank of St. Croix are all licensed and regulated on the federal level by at least one of the following regulators.

- 0:30:09 of Currency , Federal Deposit Insurance Corporation , Federal Reserve System , or Office of Triff Supervision . Please also note that in addition to its authority to regulate banks, Section 35B of Title IX VI Code also grants the Division General Authority to license and regulate mortgage lenders. A mortgage Mortgage lender is an entity that offers and underwrites home loans but is not required to have a physical presence in the state or territory where it conducts business. There are currently 36 mortgage lenders and 61 mortgage branches doing business in the territory. Update on factors affecting home ownership. At the onset I must state that home ownership in the Virgin Islands is being affected by by several external factors, supply and demand, market prices of homes, inflation, insurance and construction costs. Interest rates have a direct effect on these factors.
- 0:31:22 On June 21, 2022, I came before members of the 34th Legislature Committee on Economic Development and Agriculture to discuss the division's operations, capital projects and initiative regarding banking testimony was provided about global economic trends and how it has resulted in rising interest rates at the time of my testimony the board of governors of the federal reserve system during after federal reserve system the central bank and monetary authority of the united states increased interest rates by 75 base point 0.75 percentage points This was a third increase in year 22 and totaled about 1.5 percentage points.
- 0:32:11 Since then, the Federal Reserve System approved five additional rate increases, raising the interest rate to 4.7 percentage points. Higher interest rates are the Federal Reserve System's approach to lowering inflation and moderating economic activity. higher interest rate pushes businesses and consumers to cut back on spending with a reduction of economic activity the Federal Reserve System reduces the supply of money in circulation which tends to lower inflation you may ask what is inflation and how does inflation affect Virgin Islanders inflation in simple terms is an increase in the level of prices and goods and services that household purchase which can be translated to the decline of purchasing power over time. This means it costs more to purchase essential goods and services such as food, gas, housing, vehicles, insurance and health care etc.
- 0:33:19 over a period of time. Ultimately high interest rate coupled with increasing market values and reconstruction costs for homes, a limited housing supply or shortage of affordable housing in the market and the rising insurance costs have all contributed to a decline in the number of persons attaining home ownership. This is a global issue affecting not only the United States and its territories but has affected many countries across the world. As I discussed in my June 2022 testimony, at least 45 countries raised interest rates in 2022. The increase in interest rate by the Federal Reserve System and other countries, as I stated before, is an attempt to slow the amount of money circulating through the economy and drive down aggregate demand, meaning slow down the rate of growth.
- 0:34:19 I must note that like other service industries, the business of insurance, which is also regulated by this division, is also being negatively impacted by inflation. Insurers and insurance industry leaders continue to meet with us to discuss the hardening of the insurance market due to reinsurance constraints and capacity and the demand for higher rates. Unfortunately, at present, inflation is not the only issue the insurance industry is faced with. Climate change and the increasing frequency and severity of natural catastrophes have also proven to be a challenge as reinsurers are forced to pay out on insurance claim at a higher level.
- 0:35:10 As a result, many reinsurers are demanding higher premium from insurers and their respective insureds to increase profit margin gained from engaging in insurance business. In an effort to keep rates at a reasonable cost, we continue to meet with affected industry stakeholders to discuss possible solutions to offset the impact on Virgin Islands consumers. Further, prior to approving any rate increases, a due diligence review is conducted by an examiner to ensure insurers have an actuarial basis for a rate request and it is supported by actual and credible loss and expense statistics in accordance with section 53A of title 22 VI code. The division, however, understands there must be a delicate balance to ensure there continues to be capacity in the insurance market for Virgin Islanders, meaning that due consideration must be given to the fact that we are a territory of the United States and as such are a part of the free enterprise system in which insurers and any other business entity can choose to abstain from doing business in the territory because it is not profitable for them to do so.
- 0:36:38 Status of banks in the implementation of the VI SLICE Home Ownership Program. We believe that the VI SLICE Home Ownership Program will be a welcome benefit to persons who meet the required qualifications and are in need of financial assistance for whether the home purchase with rehabilitation, new home construction, down payment and closing cost assistance, and secondary financing assistance. In performing its duties and obligations as a regulator of the bank doing business in the territory, the Division has made contact with the banks to determine their readiness to carry out the role they will play in the administration of the program. We are pleased to inform you that we are advised by President Valdemar Collins of Merchant Commercial Bank that on March 3rd, the bank fully executed a memorandum of agreement with EDA and that Merchant Commercial Bank Lenders Portal should be turned on shortly. Further, the other

banks doing business in the Territory continue to express their commitment and our interest in this program and continue to collaborate with the EDA to finalize and fully execute MOAs that are amenable to all parties. Chairman Blyden, members of the 35th legislature of the Virgin Islands, Committee on Housing, Transportation and Telecommunication, other senators present today and the listening and viewing audience. I would like to thank you for reconvening the hearing on this important topic as there was a miscommunication regarding the earlier hearing with the initial invitation for the february 27 hearing being sent to the former director and the second invitation being sent to an old email need of which i received and upon becoming aware of the hearing there was not sufficient opportunity to prepare a meaningful

0:38:41 testimony i must also express my appreciation to the division's hard-working staff the staff continue to carry out our dual mandate of regulating the banking sector in the territory and protecting the interests of virgin islands residents this concludes the division's testimony we are prepared to respond to any questions you may have thank you for your testimony attorney Matthew and before I proceed I would like to recognize non-community members and and Novell E Francis our president Senator Diane Capehart and Senator Milton E Potter thank you for being here so it's to this most important hearing and most importantly our majority leader Senator Kenny Gittins thank you sir and before I go to HFA attorney Matthew I'm requesting a copy of the 36 mortgage lenders and a 61 mortgage branches doing business in the territory for me and my colleagues to look over okay thank you so much will do senator thank you director Clendenin you may proceed with your testimony thank you good evening Senator Marvin Blyden, Chair of the Committee on Telecommunications, Housing, and Infrastructure, Committee members, other senators present, and the listening and viewing audience. I am Dana Clendenin, and I serve as the Interim Executive Director and Chief Disaster Recovery Officer of the Virgin Islands Housing Finance Authority.

0:40:28 Accompanying me today are Chief Financial Officer Valdez Shelford, Chief Operating Officer Dr. Stephanie Berry, finance manager, Judy Ann Frederick, director of programs, Anne Hanley, director of housing, Jamili Perez, director of policy, procedures, and regulatory service, Alana Lavenire, chief engineer, Rupert Pell, rental properties manager, Nicole Johnson, director of planning and construction, John Green, and economic revitalization, senior program manager, Mr. Donnie Dorsett. Please indulge me as I take a minute to express to the VIHFA team my continued appreciation for their commitment to the work and to the people of the territory as we continue to refine our processes to meet the challenges that impact the success of the programs, capacity, cost restrictions, and regulations among them. It must be noted that in the past year our federal partners at the U.S.

0:41:32 department of housing and urban development and our local partners here in the territory have also been supportive of our efforts resulting in the approval of our fourth substantial amendment which includes changes to our action plan that increases the cap for the reconstruction relocation reimbursement and covers flood insurance for up to two years for homeowners living in documented floodplains with the approval we also issued in late february a notice of funding availability for our neighborhood revitalization program which not only focuses on revamping our historic towns but also buildings within neighborhood areas serving low to moderate income individuals such as community centers or churches which are often used as shelters for for our transient population as we move closer toward the application process we scheduled two public hearings one held earlier today and the second set for march 16th at 5 30 pm to share more about the rules regulations and criteria i encourage all in our community who are interested to register log on and apply we hope to present more opportunities like these in the future as we bring more recovery projects online housing understanding the critical need for for housing in the territory, we could not be more focused on bringing into construction existing projects while also understanding what the challenges are and how to fix them. We have hired a new chief operating officer, Dr. Stephanie Berry, who's restructuring the homeownership and planning and construction divisions. At the agricultural fair, we launched a recent homeownership survey which looks at the needs of our population through the lens of not only affordability, but also what is practical for our community. The time of sprawling homes may be gone. Instead, and along the lines of our governor's vision

0:43:38 for construction, we are looking at the possibilities for more multi-family residences, condos, townhomes, and mixed-use buildings. This survey is ongoing, and for those considering home ownership, we encourage you to visit our social media pages and scan the QR code on the printed pinned post to access the questions or visit our website at vihfa.gov. Subsequently, the authority will be soliciting proposals from qualified consultants or firms to provide a comprehensive housing demand study for the territory that will provide community leaders and stakeholders with a basis for formulating community-specific housing priorities and provide foundation data to assist in developing policy alternatives and intervention strategies.

0:44:32 In adhering to the vision and mission of the authority, we must have an in-depth understanding of the conditions and needs of the local housing market and how these conditions and needs impact the creation and availability of affordable housing. The last documentation on local housing demand study was prepared in 2015 and was conducted utilizing

existing data, including the U.S. Census. The Virgin Islands has experienced a vast shift in population in the eight years since the last study was conducted. As a result, the housing market and housing demands have changed. It is therefore essential for the HFA to obtain updated information to assist in formulating plans for the development of affordable housing for residents of the U.S. Virgin Islands. In addition, we would like to ensure that affordable housing projects are distributed fairly and equitably across the territory. This will only come about due to the well-supported analysis, a concrete database, and accurate projections for the next five years. Within VIHFA's portfolio, we are aggressively pursuing the following affordable housing projects. The Ross Mixed-Use Project on St. Thomas, site for the project is located on the corner of Alton Adams Sr. Drive and William G. Lewis Lane. It is proposed a three story building consisting of commercial bays on the two lower floors and residential units on the third floor. The residential units on the third floor will comprise of two bedroom units sized at 864 square feet and four one bedroom units sized at 576 square feet. A contractor has been selected and we are awaiting board approval.

0:46:25 We anticipate a groundbreaking in April of 2023. The anticipated project cost is a little over \$13.5 million. Fortuna, Wild Pineapple and Mount Pleasant. affordable housing initiatives being developed to provide units to first-time home buyers throughout the territory. There will be the construction of 12 homes on Estee Fortuna's site on St. Thomas along with six at Estate Mount Pleasant on St. Croix.

0:46:55 The program issued a notice of funding availability on October 17, 2022 to request proposal from qualified developers to construct homes in Estee Fortuna. No responses were received for this project. As a result, the scope of work and application was amended. We anticipate the advertisement for solicitation for a contractor by the third quarter of 2023 for the construction of 18 homes combined. The program will develop and issue requests for proposals from qualified developers to construct homes at Whispering Hills Solitude Estate Fortuna Phase 2 in the fourth quarter of 2023 whispering hills and solitude will each have 20 new single family residential homes while fortuna phase two will have eight additional homes infrastructure included queen louise revitalization is affordable homeownership initiative will construct 32 units six townhomes 26 condominium apartments on the island of saint thomas upon execution of the agreement for funding, solicitation for a contractor will be advertised.

0:48:10 Construction is anticipated to begin during the fourth quarter of 2023. Own a Lot Build a Home. The Virgin Islands Housing Finance Authority, CDBGDR's Own a Lot Build a Home program is a territorial lending initiative designed for first-time home buyers. will provide a 20-year 0% forgivable mortgage for constructing a new single-family dwelling. This program targets moderate-income eligible clients whose household incomes are based on 120% area median income for CDBGDR housing programs. VIHFA is finalizing a memorandum of understanding with lending institutions in anticipation of the program's launch in April.

0:48:56 The funding available for this program is \$12.5 million. Emergency housing. Emergency housing on St. Thomas Estate-Tannenberg will consist of the construction of 11 units and infrastructure. Estate-Tannenberg was transferred from the former Department of Housing, Parks and Recreation to HFA in 2007, however, 22B Estate-Tannenberg was not included as this parcel was overlooked during the 07 transfer. As such HFA is waiting for a response from the current property owner, the VI Housing Authority, regarding transferring the property to HFA to construct emergency housing. Funding consideration for this project is \$4.3 million.

0:49:43 The Kronegada Inn will renovate 18 emergency housing units in Christiansted St. Croix. execution of an agreement for the funding, solicitation for a contractor will be advertised. Renovations are anticipated to begin in the third quarter of 2023. Funding consideration for this project is \$2.6 million. Public housing. With limited housing available, we recognize the challenges of our partner agencies and organizations that support those who are homeless and in need of emergency, transitional and our supportive housing. Therefore, we are assessing HFA's current emergency housing stock, including Charlotte and Stable and Apartments in St. Thomas and Anna's Hope Profit and Campo Rico on St. Croix. We continue to work with our partners at the VI Housing Authority under Dunu Redevelopment and Stony Ground, which will add additional units across the territory. The recent groundbreaking of the Walter I. M. Hodge Pavilion on St. Croix is another prime example of our collaboration where funds from our CDBGDR program and low income housing tax credits were used.

0:50:57 The tax credit allocation for the U.S. Virgin Islands for fiscal year 21 is a little over \$3 million. The 22 small state minimum allocation is about \$2.9 million. The structure guarantees that states with low populations get a more significant award when calculated per capita. States then allocate these credits to developers based on state-created qualified allocation plans. These plans must prioritize projects that serve very low-income households and provide affordable housing for more extended periods. Envision tomorrow.

- 0:51:35 Building capacity has also historically been a challenge, so we are actively seeking to expand our contractor pool. we issued a request for proposal seven houses under the envision tomorrow program and use that as an opportunity to reach out to housing finance authorities on the mainland and within our region with whom we can partner in response to our calls we are currently collaborating with sister agencies in florida connecticut california and alabama all of whom have had disaster recovery programs and understand our specific regulations and need, and have agreed to make our RFPs available to their mailing and distribution lists. We anticipate soliciting proposals for seven additional homes by mid-month. Additional highlights include we've hired a new Director of Housing, Ms. Jamili Perez, who in collaboration with our Chief Engineer, Mr. Rupert Rell, are focused solely on the Envision program. Increased communication with our Envision clients who at the very minimum need constant information on the status of their repairs. Through our communications team we have interviewed clients within the program, those whose repairs have been completed and those still awaiting completion about their experience, concerns and program shortfalls. We've seen an increase in emails and inquiries and are further streamlining our responses so that up updates can be provided proactively. Through the citizen complaint process we can quickly identify and respond to emergencies and unclog bottlenecks that have undoubtedly been frustrating for our homeowners. I encourage any client seeking updates on the status of their Envision applications We're logging a complaint to call 340-715-5902 to speak with a VIHFA representative Monday through Friday 8 to 5 or email cdbginformation at vihfa.gov. The citizen complaint line is set up with an active voicemail system as well where a
- 0:53:56 message can be left and will be returned within 24 hours. While written complaints are preferred, residents can also make an in-person complaint via our interview process. This is particularly helpful for residents with disabilities or other special circumstances. For those interested, visit cdbgdr.vihfa.gov for details. citizen advisory committee held its first meeting on january 26 2023 during the meeting the members received an overview of the cdbg dr program reviewed the current list of projects underway in the territory discussed the envision program and received an overview of the mitigation action plan supporting home ownership opportunities the goal of this committee is to serve as a liaison between the community and citizens in the Territory and the VIHFA's Development Block Grant disaster recovery and mitigation programs, and of course to provide input and recommendations on our projects. We are still seeking two members from the nonprofit community to join the committee.
- 0:55:12 community non-profit members should contact Alana Lavener at alavener at vihfa.gov or Mr. Rick Grant at rgrant at vihfa.gov. Our next meeting will take place in April on St. Croix. Information and recording from our first meeting are available on VIHFA's website. In terms of the numbers, we have now completed 25 homes. In construction are 15 homes, there are 7 in solicitation, while pending drawings total 90 and pending permits total 59.
- 0:55:52 These numbers also do not reflect all the improvements the program has made during the last quarter of 2022 and the start of 2023. Process improvements, system implementations and necessary staff augmentations were made to propel the program forward and provide much needed support to the community. By the end of June 2023, the program is projected to mobilize 80 homes and should have 200 homes mobilized before the end of the year. To accomplish this, the program will publish at least one large solicitation for 50 homes in addition to the 160 homes currently assigned to persons services. Similarly, we continue to offer our traditional programs, including the first-time homebuyer program, homebuyer education, and counseling. Homebuyer education and counseling. Fundamental to VIHFA are homebuyer education and counseling services.
- 0:56:52 The authority offers a six-week virtual homebuyer education class via the Zoom platform. Topics include, but are not limited to, homeownership readiness, managing your money, understanding credit and obtaining a mortgage loan for the fiscal year 2022 125 participants completed the program with 78 participants from the st thomas st john district and 47 from st croix in addition to the virtual platform the authority also offers an online self-paced class option through eHome America. Since the inception of the eHome America program, 426 clients have registered with 321 receiving certificates, 203 from St. Croix and 118 in the St. Thomas St. John District.
- 0:57:46 The Housing Counseling Program offers personalized counseling services to an individual or family. Counseling focuses on overcoming budget and credit challenges. The duration of counselling is based on the individual or family's needs. Upon completion of housing counselling participants will be able to apply some financial principles, develop a process of overcoming financial indebtedness, identify and modify ineffective money management behaviours and develop successful strategies for achieving their financial goals.
- 0:58:23 For the fiscal year 2022, there were 243 clients counseled, with 132 from the St. Croix District and 111 from the St. Thomas St. John District. The authority continues to provide pre- and post-purchase and foreclosure prevention counseling. Prior to closing, clients receive counselling to ensure that they are aware of all the tools and resources available if financial assistance is required post-purchase. Clients also receive information on budgeting to ensure that

household finances include the new loan payment. Through partnership, workshops, and other public outreach activities, VIHFA also provides the community with critical information to become financially literate, offering tips for paying off student loan debt, managing credit cards, or budgeting for a home ownership. VI SLICE program.

- 0:59:29 VI SLICE is a home ownership assistance program through the Economic Development Authority was created to help provide eligible moderate income families with up to \$200,000 in GAP financing to either buy a home, rehabilitate a home if required, construct a house on land that is owned or purchased, or paid towards down payment and or closing costs. VIHFA's role in the program is to provide homebuyer education certificates to individuals wanting to obtain financing under the program. To facilitate this requirement eHome America is the platform where the clients would enroll to complete the training. Through VIHFA's First Time Home Buyer Program and VISLICE we have seen a 59% increase in the registrations with an average of 18 individuals receiving their certificates.
- 1:00:27 Emergency Rental Assistance, also known as ERAP, was created under the Federal CARES Act ERAP I and expanded by American Rescue Plan Act ERAP II to assist income-qualified households impacted financially by COVID-19 to pay rent and utilities dating as early as March 2020. Under this program, the authority has paid more than \$7.9 million in direct and indirect assistance to more than 1,191 households territory-wide. This was paid across both grants.
- 1:01:03 The deadline for ERAP I has passed, while ERAP II has a deadline of September 30, 2025. The widespread financial strain brought by the global pandemic, these funds offer critical assistance to those burdened with outstanding rental and utility obligation. The authority contracted Plexus Group LLC in May 2022 to provide case management services for eRAP and to develop an electronic portal for applications of middle and dashboards to track grant disbursement performance. The contract has ended. The IHFA is now the owner of Projexis software used to process eRAP applications, dashboards and data for reporting. As we reassessed our programs, we've hired an administrator to manage all COVID-related grants and additional eRAP staff to assist with reviewing and processing application. The Homeowner Assistance Fund, Homeowner Assistance Fund was created under the American Rescue Plan Act of 2021 to mitigate financial hardships associated with the coronavirus pandemic by providing funds to prevent mortgage delinquencies, defaults, and foreclosures among homeowners experiencing financial difficulty due to COVID-19 through qualified expenses related to mortgages and housing. The territory was awarded a little over \$8.5 million. OMB selected the Virgin Islands Housing Finance Authority to administer the HAF program on behalf of the Territory to receive the allocation of funds.
- 1:02:43 The Territory developed and submitted to the Department of Treasury an action plan which describes the needs of homeowners in the jurisdiction design of the proposed program to be implemented using HAF funds and program goals. Pursuant to the regulations, homeowner households with incomes up to 150% of area medium income are eligible. However, the regulations further require that at least 60% of HAF dollars must assist homeowner households with income at or below 100% AMI. Once implemented, the HAF program will assist homeowners in mitigating financial hardship by eliminating or reducing their mortgage loan areas and thus their housing vulnerability and help their lenders recoup outstanding payments. A solicitation for case management contractor was published in August 2022. The vetting and contract negotiations have been completed. It is anticipated the program will begin accepting application within 45 days.
- 1:03:50 The entity selected will assist the authority with the program's case management, including application portal design and administration, application document, quality check and creating and maintaining dashboard. Based on the Territories HAF Action Plan, the authority anticipates assisting 325 homeowners through various programs established under the HAF. These include mortgage payment assistance, principal reduction, foreclosure prevention and delinquent property tax assistance. The deadline for use of funds is September 30th, 2025. CDBG-CV and ESG-CV. Under the CARES Act, jurisdictions were awarded supplemental community development block grant funds to prevent, prepare and respond to the coronavirus pandemic. These allocations are called CDBG-CV to distinguish them from the regular annual CDBG allocation.
- 1:04:50 The territory was awarded \$2.8 million over three rounds of allocations. An application cycle was conducted to identify projects to be funded under CDBG-CV. Ads soliciting proposals were published in the local newspapers of General Circulation print and electronic and posted on HFA's website. 19 applications totaling \$4.24 million were received. A public hearing to present the proposals was held in July 2022. Team vetted all submissions and approved six applications totaling a little over \$1 million in funding.
- 1:05:33 The second solicitation was completed in October 2022. 10 applications were received. The citizen participation and vetting process have been completed and award selections are being finalized. CDBG-CV drawdowns to date total \$57.7 million. The deadline to use CDBG-CV funds is September 2026. Funding allocation for ESG-CV program total \$1.65 million.

- 1:06:04 amount allocations are based on formula determined by hud which recently released new guidance extending the grant deadline to september 30th 2023 over 835 000 has been spent to date esgcv funds may be used to prevent prepare for and respond to covet 19 crisis specifically for persons who are homeless or receiving homeless assistance or to expand homeless assistance homeless prevention activities to mitigate the impacts a total of six organizations were funded for nine projects implementing various activities ranging from emergency shelter homelessness prevention rapid housing street outreach hmis data management and program administration expenses additional eligible activities include vaccine incentive portable bathroom showers and laundry services organizations continue to carry out the funded activities additional expenditures will occur as they submit cash requests 100 of the esgcv funds are obligated cdbg mit i would be remiss if i did not provide a quick update on the cdbg mitigation funds since we last appear before you we have increased our efforts and diligently work to prepare for the disbursement of the funds and the programs administration while we did initially submit our application in June of 2022 we received feedback from HUD in January of 23 requesting additional information of which was provided we are currently awaiting final approval and grant agreements in anticipation of the funding we have developed an application portal for pending mitigation funds unlike CDBGDR which which was 100% standard paper-based application process. Mitigation's application and administration process
- 1:08:09 is 100% online, automated, and user-friendly. In addition, the application program will allow us concurrent program approvals and real-time visibility for funding sources by program, recipient, and funding year. Senators, this concludes my testimony, But before I end, I thank the entire VIHFA team who has worked tirelessly to continue the mission of the authority. Thank you also to HFA's board, directors for its guidance. My staff and I remain available to answer questions.
- 1:08:49 Thank you, Executive Director Clendenin. the last hearing that we had the mentalist training and outreach center was not present and tonight they're also not available so we're going to have it their correspondence that we received read into the record by madam clerk please proceed correspondence from irma chase executive director meeting the needs of the community good day honorable senator marvin Blighton, Chairman of the 35th Legislature Committee on Housing, Transportation and Telecommunications, Committee members, all members of the 35th Legislature, and a viewing and listening audience. I am Irma Chase, Executive Director of the Methodist Training and Outreach Center, DBA, Meeting the Needs of the Community. We are a 501c3 nonprofit organization providing service to the community since 2001. Before I get into my testimony, I must share for the record that MTOC is not affiliated with the Methodist Church. The MTOC's name came from the founding members and past board members of the organization being members of the Methodist Church. In an effort to acknowledge our identity, the current board members of the organization voted to change the name in 2019 to meeting the needs of the community. The fight to end homelessness is a community effort and will always be a constant uphill battle. It will take the entire community, including the Governor, Department of Human Services, Public Safety, Senators, Public-Private Sector, Behavioral Health, and Community Stakeholders to share interests, to collaborate, to find a solution to this problem. Each homeless case is unique. The common denominator is the hardship that comes with being homeless, and it highlights
- 1:10:54 the lack of resources within the community. The circumstances of homelessness could vary from mental issue, bad decisions, drug abuse, the economic hardship to name a few. The staff of MTOC knows this too well as our office is located at the center of the Market Square on St. Thomas and Times Square on St. Croix, places frequented by the homeless population. MTOC provides housing for women, men, and families through our programs, supported services for veterans and families, SFVF, housing opportunities for persons living with HIV, AIDS, HOPWA, transitional housing for women and men, and permanent housing through our single room occupancy. We are committed to assisting the clients in obtaining a safe, clean space to call home.
- 1:11:52 During the 2020-2021 year, a total of 36 veterans and their families were served through the SSVF program, 28 families for the HOPWA program, 5 for transitional housing, and 8 for the single room occupancy. To ensure all the needs of each client are met, we provide extensive care management, counseling, transportation to appointments, referrals, and weekly check-ins. The agency's mailbox and telephone numbers are used as a point of contact for many of the homeless, not only enrolled clients of our program. We continue to provide hot meals every third Thursday of the month through our monthly hot meals program. We provide over 12,000 meals and through the various programs we've assisted over 620 families homeless management information system the homeless management information system hmis is managed by mtoc under the virgin islands continuum of care on homelessness coc and a collaborative applicant the virgin islands housing finance authority the hmis system is designed to collect data to assist address and crit the critical problems of homelessness within the territory through a coordinated community-based process of identifying needs and building a system of housing and service to address these needs point in time the 2022 point in time was conducted on january 27 and january 28 2023 and the data is currently being compiled and uploaded for distribution. Only two agencies participated in the 2022 Point in Time on St. Thomas meeting the needs of the community and Catholic Charities who were the lead agencies for this event. The HMIS system is the host for all

- 1:13:56 HUD federal programs in the territory where all agencies are required to utilize a system for reporting to the collaborative agencies agency the virgin islands housing finance authority coronavirus pandemic during the pandemic mtoc experienced an uptake and intake in intakes and assessment due to families experiencing hardship due to layoffs we were able to assist the clients through covid funding through community foundation vi veterans clients needing assistance were served through the COVID-funded funding received through the Supportive Services for Veterans Family Program. Our offices on both districts serves as an intake center for the Emergency Rental Assistance Program, ERAP, managed by the Virgin Islands Housing Finance Authority where we have proceeded process over 242 families and continue to do so. We were able to expand our outreach assistance by providing PPE provide shelter to persons needing to quarantine and to homeless and less fortunate in the community. MTOC partnered with the Department of Health to provide monthly outreach providing COVID testing providing COVID vaccines and HIV testing to the market in the market square community. As a community we can do better in providing better service and assistance to both the homeless and mentally ill. The missing pieces are far more than the programs we currently have.
- 1:15:32 More effort and funding are necessary to get the homeless off the streets and refer to the services that they need. These services include general health care, mental health care, counseling, general hygiene, a place to take a bath and get out of the elements are all necessary components that should be available for the homeless. MTOC participated in a recent walkthrough in January of the downtown area of the Market Square and the Lower Savant area, organized in conjunction with the public safety and unveiled an in-depth view of the homeless population that seems to have shifted since the Irma Maria hurricanes. Help us to help the community.
- 1:16:22 help us to bring regulations to one area at a time mtoc has the vision the template to a great program and most importantly a willing capable staff to conduct this mission we need your help to meet the community's needs on the journey to provide programs that will help us to reach the goal of providing services that will meet the the unmet needs of our housing program within the territory mtoc proposes to create a day shelter providing hot meals showers and clothing during the day and provide emergency shelter for the homeless and or at risk individual that will be the first in the st thomas and st john district this program will allow us to provide seven emergency beds to a lacking inventory these funds are being sought through Virgin Islands Housing Finance Authority CDBGDR. MTOC has submitted to the VIHA for funding through the Department of Human Services to assist in the operation of the day shelter program.
- 1:17:33 The approval of this grant in whole or part will aid in fulfilling the need to operate a program that is well desired for our community upcoming our mission is to meet the needs of our community through service while bridging the gap to a community and population in need bridging the gap to an area that has gone unmet due to the loss of vi care and hope inc mtoc has partnered with the Department of Health as a sub-grantee in the first in the fight against HIV and bringing to an end to the pandemic. We once again realize that it is not only left to the Department of Health but all stakeholders in the community. The following caption notes are also submitted for your information and guidance. Gaps in services. The biggest gap in service is housing. There is absolutely nowhere to accommodate the needs of the qualifying population. Showers and toilet access will fill a necessary void among the population as well.
- 1:18:46 Medical and mental health resources are also a good need. While drug use is prevalent among the population, many suffer from medical, mental health issues unaddressed for many years. MTOC can speak to the population within the Market Square area where they congregate loiter in the historical bungalow on a daily basis. The bungalow was once the place where local vendors sold their homegrown products. This area is washed each Friday morning in hopes of it remaining clean for the vendors on Saturday. By the end of day, slash overnight, the area is unsightly once again.
- 1:19:29 The Market Square clientele consists of both alcohol, drug abusers, and medical mental health issues. We provide them with toiletries, food, water, and clothing. MTOC assists in some manner approximately 75 additional people of the area's population with the unfunded services that we provide. This does not include the clients already enrolled in a federally funded program HOPWA slash SSV slash transitional HMIS programs. Many of our walk-in clientele request housing more than ever since the hurricane Irma Maria and the COVID pandemic which caused many to be without jobs. Others come for the use of telephone services, food due to hunger, toiletries or hygiene, a drink of water or the use of our address in order to receive mail due to the homeless situation. Grants provide the service within without consideration to a venue to provide said service the majority of the clients are without transportation and oftentimes the area where we can house them are not within walking distance priority needs most programs are income based and require veteran HIV AIDS or homeless status verification is is also required photo id birth certificate social security card and proof of income oftentimes our clientele has no identification for verification without a valid id they cannot request a new social security number birth certificate or driver's license the stigma
- 1:21:27 of confidentiality issue also prevents the clients from applying for program Unmet needs. Emergency shelter is our biggest concern. People need an assistance going through a transfer waiting on housing, vouchers, domestic violence, fire

damaged homes or family landlord evictions. Lack of accessible health and mental health services. Adequate counseling. None of the grants provided room for acquisition or rentals. A grant for the purchase of portable showers and toilets were recently turned down due to the lack of a venue it did not provide finding or approval for purchase or rental of a building local housing market the local market is currently serving a b and b clients and the fmr is no longer effective the biggest hotels have remained closed since 2017 hurricanes Irma and Maria and most recently the COVID pandemic. Our programs are HUD regulated and must work within the current FMR. The damage the damaging areas over the years of renting to section 8 families leaves a very thin market for our clientele as well. Affordable rentals are limited and those that are available are very restrictive and located on the outskirts where there are no bus lines or public transportations in the area challenges barriers are as follows transportation limited or non-existent lack of affordable renting housing unit substandard housing all of the above are challenges the clients frequently encounter on the road to success Data collection. All information collected for each client is uploaded to the HMIS system at MTOC. This is a requirement for all agencies involved in homelessness assistance and supported services.

- 1:23:39 All applications including relevant pertinent information needed are uploaded. Suggestions. Provide medical, mental health assistance, including counseling. Provide a safe house for overnight and day service. Provide an outlet for distributing donated clothing, toiletries, water and food distribution even if it's limited. A one-stop shop will be an ideal concept for the territory. consideration must be given to how it operates, the pros and cons of operating and sustaining such an operation. DOH, DHS, PS must all be involved and of one accord. Provide an emergency division to assist persons who have no form of identification to complete application when attempting to qualify for a program. All agencies should make a conscious effort to utilize the HMIS system in order for the territory to provide statistics when necessary. Greater funding can be provided once the data is there to substantiate the need. Update and expand confidentiality procedures to avoid unintentional disclosure. Many of our clients in the program come from abroad. They are sold on coming to the islands due to all year sunny weather. Many of them are very familiar with the programs and take advantage because they know their rights. This is very prevalent among the veterans.
- 1:25:23 It is my hope that the above information provides you with an insight on our programs and the needs of the homeless, less fortunate community. Lastly, I would like to publicly thank my staff for their diligence and challenging work during the COVID-19 pandemic, putting themselves at risk to help the homeless community as well as our board of directors, members, and volunteers. To you, Honorable Senator Blyton, I thank you for allowing me to submit this written testimony.
- 1:25:57 Mr. Chairman, that concludes the testimony of Irma Chase, Executive Director, meeting the needs of the community. Thank you so much, Madam Clerk, and I know folks may be wondering why I had to read into the record. It's data drives policy, as you heard, and we need the data, and there are challenges in terms of the data and us collecting the data and importing them. Hence, we do not receive enough funding in terms of the numbers, et cetera. So that is why I had a hearing on the 27th and wrapping up today with all of the stakeholders in terms of housing and home ownership opportunities to do some housekeeping um we're gonna do start with our eight minute round um which we'll start with senator carla joseph then senator angel bouquez senator maurice james senator ray fonseca senator potter senator carrion Senator DeGraff, then Senator Gittins, Senator Francis, Jr., and Senator Kipar, and then I will wrap it up.
- 1:27:05 I'm happy that most of my colleagues are here because it shows their concern in terms of housing and housing opportunities. It is clear, based on all of the testimonies thus far, that we do have a housing crisis. and it's it's very important that we show urgency that we be creative that we think outside the box and that's why before I begin with a line of questioning I would like to honestly thank Dr. Berry I know you just came on board but I appreciate your responses at the time you have taken every time we have called you to actually listen to the concerns of our constituents and responding positively. I really want to put it on the record because we need that from everyone.
- 1:28:00 Also Miss Nicole Johnson, I know you just started also. Excuse me? I just want to put it on the record and say that I look forward to having further in-depth discussion with you because we have many issues with some of those tax credit properties, especially Grandview. So I look forward to meeting with you in short order to see what we can do to assist those individuals. And finally, before I go to the first senator, I spoke to, thinking outside of the box, and I know in the past I met with and spoke to former Director Griffith and former COO Richardson in respect to HFA, seeing how they can create a bonding program to assist with many of the different programs you have, because we don't have much time. 2025 and 2026 is right around the corner. And we have so many, and the best, builders in the territory. I know many of them personally. We have excellent carpenters, who do carpentry all day, 24-7.
- 1:29:01 Roofers, who are expert roofers. Folks who do tiling, plumbing, electricians. Let's create a bonding program within the agency where we can streamline processes and put them on different programs because we do not have enough contractors here. We do not need to go to these Connecticut, California, Alabama, no. They can't touch us when it comes

to building. But we have to be creative and see how we can empower our people to streamline processes because they want to work but they don't have the bonding capacity. If we can create a program in-house and put five licensed individuals in a house who want to do the roof, want to do the carpentry, plumbing, electrical, I mean, it's going to make it so easy for us to move the needle with these homes that need different programs. You have several programs, and I'm sure you don't have to even advertise. Once you mention that, you'll have an overflow of individuals coming forward with legal local licenses that don't have the bonding capacity, but they are skilled and they can do the work with eyes closed all day, every day. That's what they do. That's all they do.

1:30:15 They specialize in one area, but we can bring them in the pool to help us. I said, we got to be creative. We have to be creative because time is not on our side, and we need to do every or anything necessary not to sell back another dime, in my opinion, and to assure that we can house our people, because this is an opportunity of a lifetime. I don't know when we're going to have this again in my lifetime. And I will do everything in my power to assure that I can assist in whichever way I can. So I look forward to having those discussions moving forward. I want to thank you guys for your testimonies. Okay?

1:30:48 Senator Joseph, you're recognized for your eight minutes. Thank you so kindly, Mr. Chairman. A pleasant good evening to everyone. I will get right at it. I wanted to ask the interim director for the Division of Banking and Insurance a question in your testimony on page 4 regarding the insurance industry. Has the division looked into performing an analysis to determine whether our homeowners' current insurance is underinsured, whether our insurers are actually, the homeowners are actually getting the market value for their properties when they insure it? Because I remember after the storms, many, numerous of our homeowners were underinsured. Has that been something that you have undertaken we haven't done a study but we have been meeting with all of the insurance companies periodically very often and what we within that discussion we were always trying to find out whether or not that persons who are seeking coverage are actually getting their replacement cost value before before you move forward I'm sorry please state your name for the record because the stenographer is remote. Thank you so much.

1:32:19 Acting Director Glendina Matthew. We do realize though there is an issue in regards to the rates that are being used. There seem to be a wide range of rates being used by different contractors, so that is something we are working to have some discussion, more discussion about, because that we understand is okay so I'm hoping that it will go from discussion and into some kind of tangible system where you actually have data to show that our people because you know the the storms and as well as the earthquake god forbid is practically there for us and it's a very small community and we definitely need to be a bit more focused and data driven and to do an analysis and in-depth because at the end of the day these insurers insurance company the the virgin islands government our people is going to really be carrying the bag for if any of those insurance company go bankrupt or what have you and then we have to rely once again on FEMA and then the whole cycle of what we have endured for the past six years is going to continue so definitely we want to try to move as aggressive as we possibly can to find out whether our homeowners are getting the required insurance coverage to cover their full replacement of their home and if it's being offered thank you so much for your response uh attorney Matthews now I will shift uh to the virgin islands housing finance authority uh and I wanted to again thank you and your

1:34:12 hard-working team at the virgin islands housing finance authority and also you know congratulate you on selecting Dr Stephanie Berry she was my supervisor once upon a time at the housing authority so I've worked with her she is very stern but she has a heart a good heart and that's what I look at with any human being I look at their heart I try to now let's go quickly to this I looked at your interview and I did a really good comparative quick comparative analysis between your your testimony you presented this evening with one that you presented on July 26th of 2022 concerning the ERAP program specifically. You stated in this presentation that the ERAP had a deadline of 2026, but now I'm noting that you're saying the ERAP II, I'm specifically talking about the ERAP II, it has a deadline of September 30th of 2025, and I needed to also find out, so why is it ending earlier than you had testified in 2022 about?

1:35:41 Can you delineate on that, expound on that for us? CFO Shelford will respond. Mr. Chairman? Dana Clendenin, Interim Executive Director, Chief Disaster Recovery Officer, CFO Shelford will respond. The name, the name I speak into the mic, Chief Financial Officer, Virgin Islands Housing Finance Authority. Okay, why is the ERAP program ending earlier? The deadline. Here in this testimony, September 30th, 2025 is the deadline for the ERAP 2 deadline. However, the Housing Finance Authority under the same interim director, and I have it right here, and every senator could look at it if they choose, indicated that it was going to end in September 2026. And there was flexible times with it, associated with it. Two minutes. You see that?

1:36:53 It could have been a misprint. It should have been in 2025. It's 2025. And what is the amount that has been allocated for the ERAP? It's not in your testimony here but I remember seeing an amount here in the the files that we have for the ERAP2. What what is the amount? ERAP2 was like 18.3 million but they only um gave us 85 percent. 18.3 million? Yes

so we got end up getting like 14 million. And why did they only why did they reduce the amount? Well, they didn't reduce it. We can still get all of it, but it's based upon a certain period, how much we spend. So they just, based I guess on the experiences with ERAP1, they didn't give all of the funding at once and then have to. Okay, so they based it on your past performance, correct? Yes. And because of your past performance didn't demonstrate a big need, they reduce the amount that you're getting for the second one is that the case they're not reducing the amount we're getting they're giving you a short they're not giving you the 100 percent at once okay they gave 85 percent now in our first performance uh-huh we did spend what they gave us they did recoup money from everybody so they gave too much money and they realized that when they they went back and everybody, the territories, the states, they couldn't spend all the money that was allocated to them.

1:38:35 So they took it back from all areas and gave it, say, in New York they could spend more money than the Virgin Islands. They take some from us and they reallocated the money, some from Alabama, some from other places. So that's what actually happened with the first go-round with ERAP I. Okay, thank you so much for that explanation. Mr. Chairman. You can wrap up very quickly. Okay, thank you kindly. I have a whole bunch of questions here as you can anticipate. Wrap up, wrap up, wrap up, please. So, yes, sir.

1:39:10 I wanted to talk about this emergency housing. Where is it located for the estate Tarenburg? But let me just shift. What is happening with the Warren E. Brown facility? and that development. Thank you so much, Senator Giordi. I'll respond on my time. Thank you so much. Arnie Brown is in the St. Thomas District. I have Mr. John Green here that can speak.

1:39:44 We don't have any immediate plans to develop that property. It is there. It's within our portfolio. But in terms of what we're actively, aggressively pursuing right now, isn't more any problem. Thank you so much. Let me ask a follow-up question to the Senator's question in respect to the ERAP-1 funds. And of course, I know that they did recoup funds from most states and territories. But in our fairness, would you say we could have spent much more of those ERAP-1 funds during that period of time frame? Would you say we could have spent more funds with different programs that were allowed at that time? You can speak into the mic.

1:40:34 I can't say that, Senator. But I would respectfully agree to disagree, 100%. But nonetheless, we move forward. Attorney Matthews, let me ask you quickly, before I go to Senator Bulkheads, in respect to the stamp tag collections, what is the average sale price of a residence in St. Thomas St. John District, St. John and St. Coy, would you know that information? I don't know that information, but we can always get that from the Recorder Deeds Office. Please. And also, how many homes were sold in the Virgin Islands till last year? And how many homes were sold before the hurricanes?

1:41:18 I would also like you to know that information. Okay? Okay, thank you. Thank you so much. Senator Bulquist, we recognize for your eight minutes. Thank you, Mr. Chair, and good evening. Mr. Chair, good evening, colleagues. Good evening to the listening and viewing audience, and good evening. I listened to the testimonies, and I did not hear the island of St. John mentioned, but we'll leave it there. And in the spirit of dialogue and debate and discussion, we sometimes have disagreement.

1:41:56 And I don't want anyone to take it personal because we are actually depending on you. And it seems like we're having a revolving door discussion sometimes in this situation. we really need to try to work on solving this housing crisis from transitional housing emergency housing temporary housing co-op housing public housing single-family homes mixed family homes multifamily homes it's it's a very cumbersome situation and I understand what you have been tasked with but since these storms we have had an influx of finance for the first time in a very long time in order to get most of these things done so I'm gonna start at the heart of the matter for at least for me and when it comes to the Envision program I want to know what the status of the grant funding is there in the Envision program is there an expiration date what's going on with that Dana Clendenin, Interim Executive Director, Chief Disaster Recovery Officer. The Envision program, the funding is there. The grant does not expire until 2026. If needed, we can also write to HUD and ask for an extension of the grant, but it doesn't expire until 2026.

1:43:24 Okay, and there are efforts to try to extend it, of course. Well, we want to be able first, of course, to demonstrate that we can get more homes into construction and go down that path even prior to asking for an extension. The goal really is to get the homes done long before 2026. Okay, and what's the status of the MOU concerning the lumber that's being stored? MOU with? Was there an MOU concerning where the storage of the lumber would be held? I know that they're stored in St. Thomas, St. John District and St. Croix. Are you paying to store the lumber? We are. Okay, and who are you paying to store it?

1:44:08 The Bovoni Business Centre is on St. Thomas. Okay, on St. Croix there is no fee associated? No. Okay, and currently how many homes since 2018 have you been able to repair under the envision program in its totality yes we've done 25 homes and we did not it's important to make clear on the record money wasn't received in the territory in 2018 we didn't

receive the funds until sometime after 29 late 20 or mid to late 2019 so I just want to put that on the record very well and in the testimony I saw that COO Berry is currently restructuring the home ownership and construction divisions could you share with us what your vision is in that process and how is that going sure and dr. Berry of course will follow up. What we needed again is a shift in that area. We understand the housing crisis and what's required and of course we believe just knowing the background of Dr. Berry she was certainly the right person for it. If you could just tell them some of the things we are looking at in terms of aggressively putting those projects that that have been on the books into construction?

1:45:45 Dr. Stephanie Berry, COO, Housing Finance Authority. So some of the things that we're looking at is what I would term the low-hanging fruit. We're looking at our projects that are going through the DR process that already have some level of infrastructure, meaning that they're in close proximity to tie-in of utilities. What's realistic for us and what we need to spend a little bit more time on. We're also improving our processes within the oversight divisions because we recognize that there are some areas that we need to develop in terms of strengthening our outreach as well as being able to work internally amongst the respective divisions more collaboratively and cooperatively as well. So that's some of the things that we're doing to try and improve our process.

1:46:35 Okay, thank you for that CEO, Berry. And in your testimony, you mentioned the CDBG MIT funds, but there was no total associated with that. Do you know how much it's going to be? Could you let us know what that total is? We anticipate \$774 million. \$774 million. And there's no timeline as to when that would be appropriated as yet? We've been in conversation with HUD as recent as Monday this week. And again, we will meet with them next week, but we anticipate this month the release of funds. Okay, thank you. And let's shift gears over to the Neighborhood Revitalization Program. I think that's a wonderful program. I'd really like to see it get off its feet.

1:47:21 Have you already designated which neighborhoods on which islands you're looking at? And I have Mr. Danny Dorsett, the revitalization manager, who he will speak to it. We are looking at the downtown areas on all three islands, St. Thomas, St. John, and St. Croix, Cruz Bay, Coral Bay. I'm looking at those as well. So, Mr. Dorsett, if you could please respond. Good evening.

1:47:48 Donnie Dorsett, Economic Revitalization, Program Manager of VIHFA. For Neighborhood Revitalization, as stated by Ms. Clinton, we are looking at all three islands. we met with stakeholders on all three islands and we're looking at how we're going to implement both the building facade and street enhancement program and the small business technical assistance throughout all three islands well i'm looking forward to see how that process goes and mr chair thank you for the time thank you so much senator bookers senator excuse me i'm sorry if I can on your time just remind the public that we do have a public hearing scheduled for March 16th senator um you're welcome we had one earlier today as well that discusses in detail the program thank you for that reminder point of inquiry senator I would like to know where the hearing will take place and how much funding is available for this neighborhood revitalization Program. Donnie Dorsett, Economic Revitalization Program Manager. Senator, the hearings are being done virtual. We can send you information. The amount of money that is allocated is \$12.6 million. Thank you so much. Can you share the link? Yes, we can do that. We'll do that. Can you share it publicly on the mic? I'll get back to you. We can. Definitely Let me ask Director, my former colleague spoke to the materials, the lumber, but he didn't give a price. How much are we paying for that storage in St. Thomas?

1:49:42 Senator, let me get that to you. Okay. Very well. COO, Dr. Berry, let me give you two scenarios. I received two calls today, whether I would meet with you, of course, if I got it earlier. The one said that she is very concerned because she signed a contract June 22nd, 2021. Of course, they had a stop order and everything. what strategy do you have to assist those individuals because she said she just received a new letter but there's no time frame just saying that we do have the application and we are working on whatever but there's no concrete information for how she's going to move forward and she she she's been very frustrated so what strategy do you have for those type of challenges at the agency and also another senior lady called me she has two apartments to put on program that's been sitting there and she showed me the documentation stated she cannot have any contractor work on that because she already signed a document with with um hfa so how do you plan to move forward with those type of situation um when it comes to completing those damaged homes here in the territory senator i'm hearing two things i'm hearing home ownership and i think i'm hearing also um So, let's address· Correct.

1:51:02 Okay. Correct. So, you could address the first and then· She's strategizing, so I wanted to see what the strategy looks like. Right. So, with·she'll tell you the strategy as its core HFA and what we're doing with homeownerships, such as applicants as that, and then I will have Ms. Hanley on, Ms. Perez, address the envision because that has to be handled a little bit differently. Please. That's important.

- 1:51:28 COO, Housing Finance Authority, not knowing the circumstances surrounding this particular concern, one of the strategies that we are doing is we're going through the entire mortgage ready list and reconnecting with our individuals because it's been some time for some of them. So you will receive calls like this, that's part of our strategy, reconnecting with those who are mortgage ready or who have concerns and trying to see how we can best deal with the concerns, but also make sure that we keep the momentum going for mortgage-ready individuals to remain mortgage-ready. So it's increasing the communication and resolution of those concerns that we can address immediate, and then taking a closer look at how we can address those that may take some time, and who we need to bring to the table to make sure that those concerns are addressed. So that's just some of the strategic.
- 1:52:20 But for those that, like I said, already signed contracts, the home that destroyed, really don't have the place to stay in the interim because I know you guys have just started also address those issues what what does that look like for those individuals so that would be so with our fourth substantial amendment we were able to offer relocation assistance so of course you'd have to qualify and it of course income-based this time we could speak to that but if we have any clients that need the assistance we urge them to reach out to to us we've relocated and paid storage for a number of individuals already and we're happy to do so as long as the individuals qualify. Are we still having any challenges with calls coming in because I'm still hearing some of that. In terms of reaching the staff? Yes. Not that I'm aware we shouldn't be but if you have specifics I'm happy to listen. Okay I will send you those two individuals of situation. Senator Maurice James, you are recognized for your eight minutes.
- 1:53:32 Thank you, Mr. Chairman. Good evening, Virgin Islands, and everyone present here tonight. I have so many questions. So I will start with Envision Tomorrow, only because I have a friend who gave you, I think, \$46,000 in like three years, the last four years, and there's no house. And you're probably earning interest on her money. But before you answer me, I'm going to say this, and I share the same sentiments as my colleague, the chair, and that is that the scarcest resource in the world is time. Time is the scarcest. You don't have time to lose. We don't. And so you have to act now. And when I look at the testimony I see words like will, continue, anticipate, and we're celebrating Virgin Islands History Month and last month was black history month and so we're both and it would be embarrassing to us as a people if we send money back and I heard a governor recently say that two things people have to work in this territory and he also said that when we need help we should ask for help so if the administration needs help we need to know that because at some point people are going to ask this legislature why we were silent and I'm not going to be silent so the first question is where is
- 1:55:22 the \$46,000 you're gaining interest on it I believe but then she's not getting any interest on it so you've deprived her of that and before I even let you answer on that I'm going to say this too about the Envision program because this one really has me. The Envision program completed 25 homes and yet our people, the home buyers of the Virgin Islands, 446 of them went on Zoom and completed their part. 243 of them went on a house in counseling and completed their part. Okay so we need to be we need to be creative so please let me know first of all why is she waiting so long for a house and 2019 2019 early 2020 is when you receive the money so what's going on please help help me help her absolutely I'll do my best in terms of the escrow at the beginning of the program a number of individuals had what we call a duplication of benefits and with the duplication of benefits they were required to to give that duplication we put it in an account, a non-interest-bearing account. And that just goes to speak to some of the very self-restricting policies we had earlier in the program. What we've done since that time is changed our policies where we are saying to those folks, hey, you can come and get your money because some of them may be able to make repairs from that same funds.
- 1:57:22 We've offered that as well. You can come and get your money, or you could leave it as is. You could put it in a bank account. We have a policy surrounding that. And we have actually returned a number of funds to folks. So it is an escrow, yes. It's non-interest-bearing. We've redesigned our policies around it. I think largely the challenge with the entire program on the onset was a lot of it was the restricting policies and just being um trying to choose my words uh understanding really what was required to get it done we've hired um construction firms that in the past should have helped us to be a little further it didn't work and because too we don't want to lose i don't want to lose my time because i i yeah and we we i just want a house built in castlebrook because a trailer is there and every hurricane season i am concerned that that trailer is going to disappear and then this is homelessness we're talking about next um and i i want to move on i i i don't feel satisfied about the answer you have 90 homes pending drawings why can't DPNR expedite those those the well you have 59 pending permits 90 pending drawings is there a drying that that's done individually for each home or can't you just provide like no and again that's some of the things we had to bring to
- 1:59:11 hud these are not cookie cutter homes everything is so every home is unique and of course a lot of these homes let me interrupt you they're unique because of the the person wanting a unique home no it's just the way they were built how it's um so you may be like we have one their home was built on the land uh they had like a wooden house on a land that was really almost like clay we've We've had to have that place survey, position, figure out how we have to move the house

away from where they had it to reconstruct a whole new home. A lot of this isn't just go in rehab, put in a window. It's total construction that requires a drawing. And I'm happy to have Mr. Pell, our in-house construction expert, who we've brought on to help us manage the engineers we have so that we're able to push these projects faster and further okay i'm going to say this i have a um when i was in my prior life as a real estate attorney i had a client who was a home builder a woman by the way this is women's history month and she has been able in a time in the last three years that i have been in private practice probably built more homes than you guys so we need to start to tap it tap into uh in the time that you've built homes let me just put it that way um i need to move on because i think my time is running out and i have so many questions so let me go to this one regarding the the the forthcoming 774 million dollars in funds how will you ensure that these funds will be invested for their maximum benefit so i'd like you to share your current pipeline of potential projects so back When they started the process, there were a number of public hearings, et cetera, that came up with a project list that ranged anywhere from Veterans Drive to new home ownership opportunities, behavioral health facilities. And with the 774, in conjunction with ODR, Office of the Governor, we sort of tried to narrow those projects down to bring us to the 770-74.

2:01:29 for, and what we're doing now so that when that comes online, we're really ready. Learning lessons from the past, again, to have our applications ready to go. Once the money is released, we can start the process. I'd like to wrap up. Can you provide us with the potential projects? Sure. I just have one more question quickly. HAF program it needs to start while you're not starting and you have once implemented it is anticipated. More people are suffering mortgage delinquencies, defaults, foreclosures so you're they need help now and I would like everybody in here to feel the urgency of the home crisis that we're facing so that's too long for me as is us um the it unfortunately we did have to get approvals it did have to go back to treasury we had to send it out a bid i think at least two times so but we're in that process now we had a board meeting recently that will come online quick shortly haf okay i'm gonna i have to give somebody else a chance so thank you mr chairman thank you um Senator James, we're going to have a second round. Before I go to your point of information, Senator K-Pod. Okay, go ahead with your point of information first, and then I'll inquire.

2:02:57 Thank you, Mr. Chair, for your indulgence. I just wanted to do a follow-up. I know I'm last on the list, but for the Envision Tomorrow, you mentioned that you're getting contractors, expanding your contractors. have you hired additional staff to manage this program that you've never had before? Yes, so, and if anybody's listening is interested in a career VIHFA, please visit our website. But yes, we are always recruiting. It never comes down. And again, as we continue to assess, we recruit.

2:03:36 That's how Mr. Pell was recruited. Ms. Perez was recruited. and particularly them to give InVision the focus it needs. Ms. Hanley, great director of program, but she was spread too thin. So the program wasn't getting the attention it needed. So we needed a director of housing. We needed Mr. Pell, who was the expert to tell us to help with the contractors and the engineering firm. We've augmented the staff. We've hired another engineering firm, Grant Engineering, who has been really, really great with us. So for those, we are more confident that you will see those 59 projects when we get them out.

2:04:23 And it's not all DPNR because DPNR is a great resource to us. Some of us as homeowners were waiting on as well. Thank you. Thank you, Mr. Chair. Thank you for your point of increase on our K-Pod. Director Clay didn't. Briefly, my co-chair asked in respect to what was going on in the agency, can you speak briefly to what are you doing to streamline processes and also I'll have Mr. Pell speak briefly to what he's doing to also assure that streamlining processes when it comes to the engineers, et cetera. So you can talk briefly real quick and then I'll have him put something on the record also.

2:05:02 Sure. Specific, I'll do the whole department. It's why we reassess, right? I'm looking at the persons, first of all, the people we have employed. Are they in the right spaces and places? They may not be. How do I get them in the places so that they are more effective? When we looked at, I was asked, what do you need for homeownership, planning and services? when the CEO position was vacant. I said, I need an implementer. The projects are there. We don't need an ideator. We don't need ideas. We have the projects. Dr. Berry came. She's an implementer. What do I need to make Envision go? We needed an engineer. We are not the engineers. We don't do construction every day. Hired Mr. Pell. The focus isn't there. Somebody has to look at Envision itself. That's Ms. Perrell. How are we spending the money? How am I paying my contractors? I had to hire Ms. Frederick, who is awesome as what she does. These policies, they're too restricting. Some of it, HUD didn't even tell us we had to do. We just did ourselves for whatever reason.

2:06:09 I had to hire Ms. Laveniere so that she's able to move it. Ms. Johnson, passionate about emergency housing. Thank you for the comments you gave her earlier. She is responsive. That's what she does. So it's about assessing them, their getting in, knowing what they need, and they change the policies. Do you want to add to that, Pell? Be free. Good evening. Rupert Pell, Chief Engineer, Housing and Finance Authority. Some of the things that we are doing to streamline the processes, so far I have been on board six months and there have been a lot of changes. Mostly when I came on first, Ms.

Hanley, I said, Ms. Hanley, we need to stop and just assess everything and see where we and her response was no time is not on our side we need to keep moving and work as we move so that's where the challenges were and um contracting contractors we're trying to change that narrative because we have great contractors here on island but some are saying i'm not applying to hfa projects because you don't pay on time so with ms perez and ms fredericks we are changing processes to pay on time. And these are the type of focuses that we're making, changing in contracts, changing policies to make sure that they're more streamlined, that we're not strangling ourselves with our own policies. Thank you for that, Director Clendidon. Quickly, before I go to Senator Fonseca, you spoke to 26 homes alone done thus far. What's the timeline, say for the next 50 homes? I wonder about our seniors, because many of these individuals are seniors. So please let us know exactly what the plan so what timeline for the next 50 homes and what the plan for our seniors so the 59 homes we they are having permit we anticipate those in the next month or so into construction those 59 homes what we're doing is prioritizing our our seniors our folks in escrow like we have a priority list and what we're doing as the engineers are finished with either drawings or designs we're putting those right out to bid so we're not holding um anything so that's just some

2:08:17 of what we're doing to try to push the projects out i appreciate that senator fonsaca you recognize for your eight minutes yes uh pleasant good evening to all my fellow virgin islanders and um thank you much mr chairman um you know um one of my distinguished colleagues uh just mentioned that she is not going to be silent well you know i i gonna speak in local language uh me gonna be silent neither now that's not grammatically correct but i know the people can understand me You know, particularly, I want to go to the presentation on the banking.

2:09:07 It was mentioned that there was not sufficient opportunity to prepare meaningful testimony. And that's page six of the testimony of Attorney Glendina Machu. You know, the legislature has had to reconvene this hearing. We've been in sessions all day. The whole legislative staff, you know, we're operating on St. Croix. I'm here on St. Thomas. There's a lot of legislative employees here. You know, the legislature, we also operate on a budget. So that's why, you know, it's very important that you be here to provide the testimony because this is costing the government of the Virgin Islands a lot of funds to get this testimony.

2:09:58 Okay, so Ms. Mathieu, the Home Mortgage Disclosure Act, HMDA, it was enacted by Congress in 1975. It requires financial institutions to maintain, report, and publicly disclose loan-level information about mortgages. this data helps show whether lenders are serving the housing needs of their community and very important they give public officials informations that help them make decisions and policies and they shed light on lending patterns that could be discriminatory um one quick question a yes or no do you provide this information that's required of by the hmda act and where can i get it if you do we would have that information in our office that the banking institutions are required yes thank you very much i don't want to use my time i ask you for yes or no please okay good so it says now it gives information so that public officials can make decisions particularly and shed light and lending patterns that could be discriminatory because you know one of my areas that i want to understand is for example if you have a green person and you have a blue person i want to know if the green persons are getting more loans than the blue persons because that could be discriminatory in addition to that i would like to know if the green persons homes and businesses and properties are being appraised higher than the blue persons Because, you know, if the blue person house is appraised at \$100,000 and the green is appraised at \$150,000, you know, the green person have \$50,000 more access to credit. Okay, so let's discuss risk-based lending terms. Can the Virgin Islands petition the Federal Reserve to mandate that all U.S. banks accept VI properties as collateral for mortgage loan?

2:12:14 Yes or no? Can we petition the Federal Reserve to do that? We can. Thank you. Can the VI petition the Federal Reserve to also mandate that internet loans such as Quicken Loans, LendingTree.com, etc., include the Virgin Islanders in the lending? yes or no can we petition the federal reserve to mandate that internet lenders such as quicken loans e-loans lendingtree.com you know you go on the site the vi is not listed they only have the states can we petition the federal reserve to mandate that they include the virgin islands yes no you don't know i don't know okay thank you so you know we live in a majority black community so um do you believe that our loan portfolios are less are more risky or less risky than the general loan portfolio on on in the states because the reason why i'm asking that i want to get to the question of whether or not you support the banks giving more construction loans and land loans do you support the bank giving more construction loans and land loans because you know a land loan for example versus a car loan um you know once you drive the car off the lot the car depreciates but land appreciates and you know that's very important a land loan for virgin islanders to get in the door to begin to become homeowners do you support um more land loans and construction loans yes okay good um so can you give me a scenario where the virgin islands banks banking industry can start to give more land loans and more construction loans give me

- 2:14:14 a scenario of what we need to get that accomplished well i can say um we have been uh having banking board meetings where one of the items that are generally on the agenda is in fact the need for banks to offer construction loans to the territory residents. So that has been a continued discussion between the members of the banking board as well as the banks.
- 2:14:41 And I just want to indicate we have a banking board meeting coming up on April 19th and 20th. So those are the issues we continue to address. uh okay send me an invite i want to attend a meeting um quickly um was time called mr chairman i didn't hear she was talking at the time please please continue no okay yes thank you mr chair okay so miss uh miss dania clendenin um you know this is not a critique right but on page three underhousing you spoke of existing projects um you know that's a taboo so i suggest you use existing developments uh instead something but we don't use those two words together so many virgin islanders are struggling financially mainly because they have not been taught much about you know um budgeting etc etc and you know i'm very impressed uh with your financial home bias program you know it's vital for the community to get back on the feet but i want to go here um i went on your website and you have the snyder regional medical center rfp that's 005 as closed and i wanted to know what is the status of that is there a new dsr damage survey report dsr for the new for a new slider regional medical replacement and what's the projected amount senator um thank you for the question it's dana clendenin interim executive sorry miss clennon no worries interim executive director um i'm not specifically sure as to that rfp on our website I just want to be 100% certain we're talking about VIHFA and not Office of Disaster Recovery, perhaps?
- 2:16:42 No, I just wanted to know if you could give me a status on that RFP because it says it's closed. So I assume that that's out for bid. Also, the same thing would be for the Charlotte Amalia High School. I understand that a bid is out and I wanted to get an update. but one quick question can you give me the total approved funding to date and the total expended for administration and professional services and the total expended for hard costs home improvement and materials do you have those numbers before you and senator your time has been called so I'll let her respond on my time thank you so much for your line of question. Thank you Mr. Chay.
- 2:17:23 If you're speaking about the disaster recovery program, I don't have all those numbers in front of me, but I'm happy to... Senator, I'm sorry, that's ODR, not HFA. That's ODR. That's why I'm saying if it's disaster recovery, I'm happy to provide it. No, no, Mr. Chair, one more, please. No, I was talking about, because, you know, I've been looking where the senators have been questioning you going way back, and you said that you was going to build 1,000 homes by 2025. And we know we're close to that right now. So I wanted to know what has been expended. I'm talking about the Envision program Sir, certainly Do you have my director of Finance miss Judy Fedrick who could provide the numbers for the Envision program in terms of expenditures Can she be very well while we're waiting for that? Director, I'll go to Attorney Mathews, let me ask you in terms of your division, have you carried out an analysis of interest rates charged on residential mortgages on properties in a VA compared to other jurisdictions?
- 2:18:43 Our interest rates are set by law as well as the federal home loan, so it would be the interest rate based on, at least for the 30-year interest rate, it would be based on the 1.5 plus whatever the mortgage home rate is. Okay, very well. Point of inquiry, Senator Francis, and then we'll go to the response from HFA. Thank you very much, Mr. Chairman. I wanted to go back quickly to the Envision program and just to really, if we could really bring some sense of response to those people that continue to be challenged by this issue. I've heard from you, Ms. Clinton, that you have ramped up in terms of capacity in your staff. You have addressed the engineer issue. You have addressed the issue with the policies and finances and stuff.
- 2:19:35 But how are we dealing with the operational issue of really impacting those people as being affected by the housing crisis that we're in and awaiting construction? construction i'm talking about miss joseph down in calcohune i'm talking about miss maynard and princess i'm talking about the hedges and um queen's quarters you know we have done a good job in terms of wrapping up but what can we say to them this evening to reassure them that in fact that we're 90 days away from the next hurricane season you know how are we going to really give them some some assurance or people are slipping into hopelessness and you know it really pains my heart just just sitting here because I know that you're doing everything possible to move the needle but those individuals are called my office quite often and call all of us you know we need to be able to offer them something before we get too late because they are watching you know I mean as to some timeline by which they could see some resolution and I'm Unfortunately, I don't know where everybody you mentioned is specifically in the process.
- 2:20:53 But we, in the year that I'm here, it's exactly what I'm doing so that we can get to them. If we don't have the internal capacity to even begin to make the shift, whether it's policies and processes, et cetera, we could hardly ever get to them. So we've done that internally now. With the focus on it, this team under Envision, solely Envision, they have their mandate, their marching orders. They could tell you how I am with them and getting this done. We are coming. We are

working.

- 2 : 21 : 28 It's still some hoops we have to jump through, but we are well on our way. Never before we had 59 pending permits. We didn't have another 90 just ready to issue some drawings. we are and it's not satisfactory to the public I get it because the storms happened some time ago we've had the funding since 2019 but you haven't had this team give us the opportunity to get it done thank you we're gonna increase in our Joseph thank you so much how much time do you need before we call you back with this team that's what I want to know because we are talking a long number of years how much time do you need for us to see the progress six months okay thank you thank you please state your name for the record and proceed with the response to the questionnaire from Dr. St. Thomas St. John district please please pull the mic and speak into the mic don't be afraid of the mic Good evening, Judy Ann Fedrick, CDBGDR Finance Director. For Envision Program for Construction and Management and Environmental Services, we have spent thus far over the program life \$9.3 million relative to construction management and environmental services. 9 million out of how much? How much do you have available?
- 2 : 23 : 00 you spent nine minutes how much do you have available currently in our funding um for envision we currently have available um over 226 million dollars in our third substantial amendment we made changes to increase our funding budget for home ownership especially envision so let's put some context to that as well please so when we're talking 195 200 million it's not just for homes we have to pay the contractors out of it we have to pay we have activity delivery cost that comes out of it and also everything associated with the program comes out of that funding so it's not just that it's all available again as we talked about in a third substantial amendment recognizing that hey two hundred and fifty thousand dollars wasn't putting a dent into what homeowners need because the damages are so extensive is why we raise the cap to 350 as well so how much have actually been spent on construction on homes versus administrative costs etc can you speak in the mic our administrative costs for construction costs that was the 9.3 million mentioned and you're inquiring as to the administrative costs within the Envision program for manage case management services in that amount we're looking at eight million dollars eight million dollars for administrative costs 9.3 construction hence the reason why I stated we need to have all hands on deck need to be creative we need to think out of the box and have this in time flies around I mean, we don't have much time and it's critical, critical, critical that we really,
- 2 : 24 : 57 really, really find a way to be extremely creative and move the needle, but point of inquiry or information. It's on? Point? Okay. I have this question that follows up really on what my colleague Hanson Thomas was asking when he asked for the amount invested in actual projects versus administrative costs. So you're saying tonight that \$8 million was spent for administrative costs and \$9 million for the actual projects. That is correct. Let me give something. Is there at well I'm still trying to process that but is there an administrative cap on the use of these funds when we say administrative costs within the envision program we have case management services our overall administrative cost for the program is different so for envision administrative costs would be our activity delivery cost our construction management costs our case management costs overall for the program administration itself, that's where we have the administrative cost for all managing and facilitating the entire program. So, Senator, if I may, on your time, when we think on the Envision program, it started back in 2019 or so. You've had since two construction firms, engineering firms to help us. We've had Horn at the time and other services that goes into This eight million eight million dollars. It's not like one firm got eight million dollars It's just how it's spread since the beginning of the program and including before I go to Senator Potter the 9.3
- 2 : 26 : 47 covers how many homes? The 9.3 million dollars have done how many homes? The 20. We've just completed the 25 homes. Wow Wow Including to the chair, if I may? Please, of course, because that's kind of extensive to me. It's inclusive in construction management. It's inclusive of any environmental services, design, planning, and also the activity delivery cost of internal staff towards the program area. It's all inclusive.
- 2 : 27 : 23 With that being said, the \$220-plus million we have, do we? How many dollars do we have for this program? Do you believe that's going to be enough based on the amount of homes that's in a program based on the 26 homes and the \$9.3 million have an analysis been done? Do you believe that's enough money or enough funding to cover the cost based on what you have seen thus far? I believe because we are restructuring and because our construction managers are paying closer attention to just some of what we're seeing in terms of change orders and expectations and deliverables yeah I believe because we we have what is it 400 or so maybe less a little less that we absolutely are trying to get to based on eligibility with this funding as time goes on if it's not sufficient we'll look within the program and see where we could shift more monies to the um to the project thank you for that senator you recognize for your eight minutes thank you very much thank you very much mr chair good evening to all the testifiers here before us today just one question came to my mind during the course of our discussions this evening and i don't know if you have the the answer to it um interim director clinton and just regarding have we ever done a study to ascertain what our territories housing unit needs are what

we have a number so the last study again was done in 2015 so next week I'm issuing that procurement that I talked about in the speech to do the housing demand study so we could have a really good estimation as to what is exactly out there the population what are they looking for what how do we meet the needs of the territory so yes we're on that path okay I mean I really see just to be

2 : 29 : 23 objectively still an objective analysis of what's happening here I really see the housing finance authority trying to respond to the concerns I honestly see that. I mean, I appreciate the strategic hires that you made, Mr. Pell here on the right. You've hired strategically Dr. Berry, who I think will definitely be an asset to the organization. So, you know, I see you not wanting to come here every so often and not bring good news. You know, I think we want the same thing, that is to have a successful recovery process so you know I'm tempted to I don't want it to be a battle between testifiers and senators because I think you really we want the same thing just a matter of finding a pathway to get there You know, and I see an effort to make some changes, an acknowledgement of things that were or have not been going, you know, smoothly. This is really a case of false impression for us, the magnitude of this recovery.

2 : 30 : 54 So we're sort of going through this process for the first time together, making mistakes, adjusting and moving forward. But there is a sense of urgency because we're still dealing with federally imposed timelines, you know. So I just want when you come to the Senate that you're able to come here and feel as though, not that I'm here battling, but we're in this together trying to find a workable solution. So I just, you know, felt the need to say that. Thank you.

2 : 31 : 26 With regards to the CDBG mitigation funds that you briefly mentioned, Director Clendenin, you mentioned that you diligently worked to prepare for the disbursement of funds and the program's administration and that you submitted your application and received feedback from HUD in January of this year requesting additional information which you provided so I was wondering if you could specifically share with us what some of those specific requests of HUD you know what was some of those specific requests and its policies and procedures was policies and procedures a part of that and have you fulfilled that request absolutely and if I could ask asked Director Lavinere to come because she was instrumental as well, also a new strategic hire policies as well because when we get monitored and audited, they're looking at our policies. And we had a number of findings as well, so somebody had to go back and change it, make sure it's done. So I want her to tell you what else they were looking at, our ability to do the program. One of the things they said, hey, you don't have enough staff. And I said to HUD, I hear you, but I'm not interested in quantity. I'm interested in quality. So no, I'm not going to have the right staff. The number you're looking for, I need to have the right people in the right places. So those are some of the things they were asking for. If I, go ahead, put your name on the record and tell them.

2 : 33 : 06 Okay. Hello. My name is Alana Lavigneur, Director of Policy, Procedure, Regulatory Services. So for the CDBG MIT, one of the things that they came back and they were asking us for was some of our updated policies that included some much more of the HUD requirements and much more to discuss as to how we were actually going to implement and run the program. We also went ahead and updated our implementation plan to make it much more streamlined and much more aligned with what we're going to do in our day-to-day activities. Another thing was our staffing capacity. We went ahead and we performed another capacity assessment of our staffing to look at not just bodies, but the skill set of what we would need to run the CDBG-MID programs. So we went ahead, we updated all those, we updated the implementation plan, we updated our policies and procedures, and we performed a capacity assessment, and we submitted those to HUD. What sort of timeframe are you expecting to hear back from HUD with regards to them giving you the green light to proceed?

2 : 34 : 10 So we actually had that conversation earlier this week, and their goal is sometime this month into next month okay thank you very much I'm excited about the neighborhood revitalization program which focuses I believe on revamping the historic towns as well as buildings but I was particularly interested in the neighborhood piece of it because initially I just thought it was you know the historic buildings but how does that work I mean are you talking about neighborhoods like Tutu and Smith Bay and Bordeaux and Savant that they would have the opportunities to build back um you know buildings in their in their areas yeah particularly Savant because it's in that commercial area as well and it's geared towards that hole because we're talking economic revitalization so we are looking at that downtown area but I do want Mr um Dorsett to go ahead and answer the question indeed Donnie Dorsett economic revitalization so in terms of residential What we were looking at is if you have a community center or a building that serves low to moderate or let's just say abbreviated LMI individuals, those individuals who apply or homeowner associations, they may be eligible to do the façade program once they're serving individuals who meet the LMI criteria.

2 : 35 : 35 Okay. And are we doing enough to advertise this program? are people aware of it and you said you had a public hearing public hearing today what was it turned out like are we doing enough so for our initial public hearing that we did virtually we had approximately 37 individuals we are advertising through social media and other forms of communication the next

one is march 16th but what we also are going to do is we're meeting with the chambers we're going to meet with various organizations within all three islands just as we did prior to getting the neighborhood revitalization launched okay miss matthew attorney matthew i know you mentioned that i believe the one bank val collins at marchands Bank. We were pleased that they, I think, have executed a memorandum of agreement or understanding with regards to the SLICE program. In your view, why aren't we seeing many more of the local banks at the stage that Merchant Bank is at? Is there something that we're not aware of?

2:36:52 The other banks, in my communication with both the banking institutions as well as EDA, it's just a matter of getting certain languages in the moa that both parties will be amenable to time so it's just a matter that getting the contracts and the moa is signed okay thank you very much for your responses thank you very much mr mr chair for the time thank you so much senator potter so you do not anticipate um they're not signing anticipate them coming online in a in short order correct and for the cdbg made funds and the update um the waterline extension um program uh was that was that included i could check the um project listing and advice i believe it was very that's critical their wapa projects in terms of homeownership but also moving forward with cost and construction and construction loans. So that's critical.

2:37:55 Senator Cadillac. Senator Cadillac, point of inquiry, Senator Joseph. Thank you so much, Mr. Chairman. I just wanted to follow up with your question regarding the HUD CDBG MIT funds. I heard that you said you're anticipating approval for the release of the funds late this month, early next month. How much of the funds are going to be released? Did HUD give you an indication in your discussions with them? They have not.

2:38:28 Thank you kindly. Thank you, Senator Joseph. Senator Carrion, you're recognized for your eight minutes. Thank you, Mr. Chair, and good evening to everyone. I want to go directly into some of my questions. to follow back with the neighborhood revitalization program um in regards to that so that we have established rollout date donnie dorset economic revitalization vihfa applications are going to be due may 8th our start date we're looking at is late summer 2023 okay all right um Did you have the information as to where they can link for the hearing or are you still trying to get that?

2:39:13 They can go to our website because it's a Zoom link to give you all the characters now. Oh, okay. Right. So, if you could go to our website at CDBGDRVIHFA, VIHFA.gov, the link is there, you will see. It shows up there. Yes. Okay. Well, that's good enough. Thank you. to the survey director said there is a survey that it's ongoing when is the reporting or the finding will be available and I will let the CEO of Dr.

2:39:48 Berry respond sorry so many names respond to that we've just extended the survey to capture information for our st. Jonians as well we started just a launch soft launch at the ag fair so we're anticipating maybe in the next six months because we want to make sure that we have an opportunity to really have the survey circulate and get the largest bang for our buck in terms of how we collect the data so probably the next six months or so so okay we'll be ongoing for six months and hopefully at the end of those six months we should have a report back as what were your findings that's what we're looking at okay Would you be able to share that to this committee through the chair? Through the IED to the chair, I definitely will. Thank you.

2:40:34 Also in your testimony, Director, you mentioned about the authority will be soliciting proposal for qualified consultants and firms for the comprehensive housing demand study for the territory. When? That goes out next week. Actually, Monday or Tuesday it will be posted. Okay. Also, you mentioned that the last one we had, I guess it was the last survey documentation that we had regarding to the housing demand was prepared in 2015. Can you provide a copy of the 2015 through the chair to this committee?

2:41:14 Absolutely. And with regards to your affordable housing initiative, you mentioned Fortuna and also Mount Pleasant. For Mount Pleasant, this is for first-time home buyers, and in Mount Pleasant, you said that you'll be constructing six houses. Why only six? Do you only have six lots available? So I just was curious to find out the number. Yes. Six lots available.

2:41:45 Only six lots. Any other affordable housing initiative for St. Croix? Let me have, do you have it? Okay. We're anticipating doing a build in solitude as well. But as I stated earlier, we really want to look at the low hanging fruit and what we have with existing infrastructure first and then move on to viable sites. Okay.

2:42:13 I'm sorry, Dr. Stephanie Berry, COO, Housing Finance Authority. So currently in the pipeline we only have six homes that will be built for St. Croix in regards to affordable housing. Is that a fair? No. Okay. Not in the pipeline, but that's what we're looking at immediately. We want to get some immediate relief. This is plans on the books now. Application is there at DR that we could push out right at this time. All right.

2:42:42 So we would like to see some more for St. Croix because we have a, like you've been hearing your warehousing issue here in Territory. Now, the Own a Lot Build a Home program that is scheduled to launch in April. The marketing initiative for that? Have you started to promote it? Is it being marketed? So actually this month, you'll see a lot more promotions with the Own a Lot Build a Home. Has it begun? No. No. Has not begun. Okay. It's launching in April, so

next week, tomorrow?

- 2:43:17 Right, we just wanted to finalize a lot of our MOUs with the bank, we didn't want to start and not have that as an issue with the bank, so we anticipate that back and we'll be doing some social media as early as next week, this week, this week. Good, good, and is that based on credit scores? What are some of the requirements? I'm going to now let you talk to Ms. Anne Hanley, Director of Programs, who could speak more about the program. Good evening, Anne Hanley, Director of Programs. What is needed for individuals to participate in the program is deed for the property, your blueprints, your plans, resident of the Virgin Island for the last three years, completion VIHFA homeowner education course and you must be pre-qualified to the lending institution.
- 2:44:17 Okay. So the pre-qualification of course has to do with the credit scores have been established. And a minimum credit score of 620. 620. All right. Um, with regards to emergency housing, uh, estate profit in Campo Rico. Two minutes. Status on that, you have some areas that need repairs are you going to build some additional emergency housing there are some areas that some were demolished in campo rico area we have great needs that you know and again i stated in the testimony we're addressing or assessing a lot of that but i do want dr barry to go ahead and speak to what her team is doing dr stephanie berry ceo housing finance authority um we just started the renovations at Campo Rico so you should you ever happen to pass by you'll see them already started it's been about three weeks now after that project is complete we anticipate that we will focus on the other emergency housing which would be profit as well also as provided in the testimony by the IED we're planning to have some emergency housing at Kronigata in we're gonna be turning those units so that's some additional inventory that we're gonna to bring online and we are looking at some other possibilities since you mentioned that in the testimony says upon execution of an agreement for funding can you please elaborate and explain what do you mean by that statement it's okay I'm sorry could you repeat that section for the chronic aid in and the testimony you state that upon execution of an agreement of for the funding disaster recovery application is currently being reviewed once we get agreement for funding then we will mobilize. Okay so you're waiting on that.
- 2:46:08 Okay and there was a property also on St. Thomas that was left out in the transfer from housing parks and recreation and you said you're still waiting for that property to be transferred over. What's the conversation and status with that? So with our partners at Housing Authority who we work very collaboratively and hand-in-hand so we recently as we were doing this application for Tonnenberg we realized we thought we always owned the property but we didn't so they are just doing the survey now and once we're finished with that we will see about either exchanging at no cost or very little cost. Thank you and then just wrapping up if I may Mr. Chair in regards to the vision program I was throwing out some numbers here base and what your CFO shared with us. And you said approximately \$9 million in construction, about \$8 million in administrative costs, 425 homes. We're talking about approximately \$360,000 per house for construction and approximately \$320,000 in administrative costs per house. And how many more do we have? What's the total amount of homes that you're expecting to be built under the envision program um again we're looking at about is it four four hundred four hundred i'm sorry speaking to the mic there is 528 total eligible projects 528 and at the current rate that we have 25 um what's the time frame that you are expecting to build all 500 and 500 and what 25 25 um so we're looking again at those priority we anticipate or
- 2:48:05 we're hopeful we endeavor to do the projects before the grants in at 2026 that is not possible by 2026 we can extend the grant for enough another two years i believe and try to complete the remainder of the homes providing um funding is available all right thank you very much mr chair for the time and your leniency thank you for the work that you're doing thank you thank you senator carrion um director clinton um my colleague just spoke to um the 11 homes and the land i think in dispute the land belongs to um sports park recreation no it belongs to virgin islands housing finance authority but when that little parcel of land i think it's 22b that parcel of land somehow didn't transfer over it might have been an error overlooked so it wasn't transferred back in 07 so when we because we have to have certain information because dr funds are going to be used in the digging in the title search etc we are more notified that um we did not own that parcel of land. It surprises me in respect to our situation and our crisis especially emergency housing etc and only 11 homes we plan on building. What other plans do you have to address that area when it comes to emergency housing? We also have the Stableland and Charlotte projects that we will be addressing but as Dr. Berry spoke to in the beginning if we could just get to the low-hanging fruits try to knock that out we'll get to the other projects as well very well son of the graph are you still there you recognize for your eight minutes you recognize for your eight minutes uh thank you mr chair uh good evening everyone good evening uh attorney matthews the moa that is done between the banks and um slice program is it the same
- 2:50:06 MOA or the similar type MOA that is done with VIHFA housing finance? I'm not sure the MOA that you're referring to when it comes to VI housing finance, but MOA, no Senator, it'll be separate. This is Clenden and interim executive director HFA. It's a different MOA. Okay. But the MOA that I'm speaking of is the one between the banks as well as eda

in regards to the implementation of the uh slice program the vi slice program right the the slice programs for home ownership vihfa ownership the same banks we have different moas for them so i you know i'm just asking them to look into these there to see if you know the banks are making criteria different because of which program it is so if that's an issue i think that's what we need to start at one point also now um do you want me to respond to that senator or yes yes please just um just bear in mind because they're different programs they're different requirements um for all the programs we have under hfa a lot of um hud required um information we have to have that vi slice may not require so hence the different um mous because it's different programs no i i agree with you 100 and if that's the case then disregard but i think we need to look at what the similarities are and and differences are because of the bottom line is home ownership and we're trying to assist with that so if we could get together and just look

2:51:52 at that to make sure whatever hot as in fine but the slice program don't have you know we just want to make sure um now for your stable and um emergency housing uh are they inhabited inhabited right now they are occupied okay how many are there now three three okay and um now for the queen louise homes um up the hill that that that community was taken down because of uh asbestos correct no renovation renovation so the entire property has been demolished and that's where we're going to construct the 30 plus um homes okay because i i was informed that the issue was uh one of the issues was um an abatement of asbestos do you have any documentation to show if that was done or is that a total fallacy what you say sure i'm just being told by the director of planning and construction mr john green that actually an abatement was done and there if we could provide it through the chair okay fine that would be fine uh thank you very much for that now um the definitely i would like to find out about the neighborhood revitalization program in these i'm sure you have targeted neighborhoods and uh we have an abundance of abandoned properties in the territory are we looking at any of those abandoned properties trying to get in contact with some of the homeowners and see if they are interested in

2:53:44 these programs so um mr danny dorsett will speak again that's why we're encouraging all everybody to come out to the public um hearing on march 16 at 5 30 it's via zoom on our website vihfa.gov to get as much information if you're interested see if you qualify and how to apply go ahead mr dorsett donnie dorsett economic revitalization program manager senator with respect to those people who may like to apply to be a part of the neighborhood revitalization building facade what we at economic revitalization has done is that we partnered with eda's enterprise zone because we've had a number of discussion of abandoned properties that are within the charlotte the molly area and we've also been looking at that at christian said and frederick said but please note that those individuals that apply for the program they must be owners or at least have lease rentals but as stated earlier we are working with enterprise zone to identify who the owners are or if we could assist them okay again you can check also through the lieutenant governor's office as to who these properties belong to and let's try to get in contact with some of these people directly because uh x amount of people are going to come out to some of these town hall meetings regardless so i mean if we could do some direct contacting with them and you know try to make something out of that now for um director clinton what is the length of time given to build a home i'm gonna have my um are you talking reek i'm gonna have my Director of Chief Engineer, Pell Respond, and I presume, and correct me if I'm wrong,

2:55:39 we're talking about the rebuilds for the Envision programs, or we're... Yes? I'm talking about all the programs that you have for building homes. We're talking about building a lot of homes in the territory. You know, we have a limited time because of the funding issue or time frames, but what is the length of time actually given to build one house? so i'll let mr pell respond to the envision what we're finding the timeline is there and then i'll have mr john green respond to new housing uh construction thank you good evening rupert pell chief engineer on the envision program the majority of the homes are reconstruction or rehabilitation so it's not full construction from scratch in many cases on average we take about 60 to 90 days depending on the severity of the damages in the home a roof replacement in some cases and we do have some total reconstruction we the total reconstruction is probably be about um 10 to 12 months for those completion and then mr mr green new construction good evening my name is john green director of planning construction um the homes that we have slated um in the different areas speaking simply of like mount pleasant well with the six homes those should be completed within 24 months for the six homes or for one home at a time they're they'll we expect them to be all built or three at at least three at a time but they will be done within 24 months I was also wondering, in terms of taking things into consideration, can homes where water

2:57:34 is provided by water in the areas be constructed without cisterns and probably cost less for those homes? Mr. Planning, construction, yes, that is correct. The current code states that if you're within 50 feet of a waterline, you do not actually have to have a cistern. Okay, great. And finally, let me wrap up, Mr. Chair. Please proceed.

2:58:03 Yes. Director Clinton, you recently taken over Housing Finance Authority. And could you say more or less what have you done in your timeframe or what are your projections AND GETTING SOME OF THESE THINGS DONE YEAR

2023 TOTAL. I WOULD START BY 21. THANKS FOR THE QUESTION, SENATOR. AND A LOT OF IT YOU'VE HEARD I THINK ONE OF THE THINGS COMING IN WAS JUST ASSESSING THE VARIOUS PROGRAMS, LOOKING AT STAFFING. STAFFING WAS CRUCIAL OR IS CRUCIAL RATHER TO THE SUCCESS OF ALL THESE PROGRAMS AND THE SKILLSET THEY BRING.

2:58:48 So that's one of the things we looked at. We did independent studies of some of the programs to understand what the missing links were, where we found in that study that we needed a director of housing as well. So we implemented things like that. We, so many things. We also looked at the finance, how are we paying our contractors, so we've streamlined that process a bit better. Actually I was on a call a few months ago and a gentleman remarked, hey he was getting his payment in less than 30 days and the standard has always been 45 plus or more. So we're just making ways to get the programs moving and getting the staff to understand simply what you've said here today we are out of time it is new mr pell is here six months there's some even less it is um new for us but we're starting from way behind and just getting them all of us on the same page so that we understand the priority and the urgency all right thank you thank you thank you for the time Mr. Chair. Thank you, Senator DeGraff, and thank you for your responses. It is important to build vital trust, whereas some of those contractors that were stated did not want to work for the agency because they say in terms of the payment on time, so I think that's important to bring vital trust and advertise it. Senator Gettin to recognize for your eight minutes. Thank you, Mr. Chair, and good evening to all.

3:00:33 Interim Director Clendenin, that little oomph you had earlier, that's the fire in the belly that we need. That's what we want. While you were delivering the testimony, I was sitting here and just wondering, where is the sense of urgency? But as you started to speak to each one of your leaders here today, I could tell that something will finally start to happen. This Envision program tomorrow, whatever it's named, I was wondering what vision we have. Because this Envision tomorrow, we need vision today.

3:01:18 this has been far too long for our people and it is indeed frustrating the revitalization the neighborhood revitalization program you spoke of on page two you stated that you've scheduled two public hearings one held today and the second being held march 16th i keep hearing about zoom zoom zoom y'all zooming away leaving people because ain't everybody have internet access. Where are these hearings being held, these public hearings being held, so that the people who are in need of this program can actually get to participate in these hearings?

3:02:02 So right now, they are scheduled on Zoom. However, we are not opposed to doing an in-person hearing. The applications aren't due until May 8th, So we have ample opportunity beyond the 16th to do another in all districts and on all islands. So I'm going to be looking forward to that, these in-person hearings. Understood.

3:02:28 And you've answered one of my questions with regards to the applications, but restate that again regarding the applications. You said they won't be due until when? May 8th, 2023. So they're actually available at this time? Which is why, yes, so the applications are available, but we want people to attend the public hearing so you understand what the project is, get more details and see if you qualify. So your communications division or whatever needs to get out there and get on the ball, get on every radio station, every TV station. We have legit TV here, the government access channel. We need to get the word out.

3:03:08 Yes, Mr. Dorsett and members of his team will be making those rounds. do you believe we need to modify any laws restricting the redevelopment of our historic towns so let me have mr dorsett who is intimately involved and he can and i just want the quick answer because i i want to finish these today i sat here and i took some notes and i want to at least ask these. Donnie Doerr said economic revitalization. The short answer to that is no.

3:03:44 Okay, we'll have a conversation. Are there any assistance or programs for persons who are not first-time homeowners no now how do you treat individuals who may have received rights uh in a home through probate or a deed uh transfer are these individuals treated as first-time home buyers they have a legal interest so they're not first-time home buyers You can't have a legal interest in property or something.

3:04:23 So how do you treat these individuals? Would they be eligible for your program? They're not first-time homebuyers per se. So they didn't purchase the land. But they inherited. Slow down for me. Slow down for me. Because how fair can this be that my name end up on a deed or on a property that I may not have asked for, may not have ever lived in, but it was granted to me by a family member. Now, I see a piece of property or a house that I want to purchase that I am interested in, and now because I was granted this deed or probate gift, now I am not eligible.

3:05:16 Do you think that that is fair? Well, I think that that is fair. I don't know that it matters if I think it's fair as to what some of the programs rules and regulations. I would like to know because there's people in this barrel. So is it fair or is it something that we can look at so that we can assist these individuals? We can. And the ISLICE may be a program that can assist if you have legal interest in other Thank you. And you outlined several projects, but I want to know if we're

constructing these homes as hardened structures completed with hurricane shutters.

- 3:06:02 We have to construct them so that they are able to withstand enough if another storm is to happen. It's part of our mandate with HUD. Complete with hurricane shutters? certain shutters but we would put hurricane resistant windows who could tell me if shutters in the um if you're not certain in the two minutes we got two minutes no who could tell me this john green um director of planning construction if you're speaking of the new homes yes the new homes will have um impact resistant glass and some homes will have shutters and some will have shutters yes depends upon the designs that we receive we are doing requests for proposals so we cannot totally determine whether the contractor is going to build with impact resistant or with shutters all right page six you spoke to public housing you spoke to assessing housing finance authorities current emergency stock and you mentioned Campo Rico and St. Croix among other areas have any of you sitting here to the table visited any of these emergency stock areas yes at the sites yes there's a school bus shanty in Campo Rico that comes with that emergency housing stock do you know the condition of this shanty this staff does the staff does what is being done to address this with our children being getting wet there on rainy days how soon can we address even the shanty to ensure that our children going to school doesn't get wet that's That's simple than building a house, so somebody, please.
- 3:08:08 Dr. Berry will respond. We don't want to hear public works, public works, no. It's part of the housing, the emergency housing staff. We just spoke about transferring VA housing authority, emergency housing staff to you guys. So why am I hearing public works on one end? Dr. Berry will respond. Thank you. Dr. Berry. I'm familiar with the shanty, And what we'll be doing is doing an assessment to see what, if anything, we can do from an HAP standpoint to assist with the bus shanty. Because I've been there recently, so I'm aware of the way it looks.
- 3:08:45 I'll be calling you, and I'm pretty sure that you'll answer your phone. I'm not going to even go there that I've been texting and calling. I can't get a return call, and I'm upset about that. But I'll wrap up. I didn't even get to the lieutenant governor's office. But again, the Envision Tomorrow program, you spoke about your communication team conducting interviews of clients in the program and the completion of some 25 homes and another 15 homes under construction. Where were these 25 homes constructed and where is the other 15 that's currently out under construction by district it's across the territory i could get you the specifics by district okay thank you uh mr chair i'll be here with you until the end so the second round i will go to uh banking and insurance thank you thank you so much senator kittin senator francis i'll be here too senator francis you're recognized for your eight minutes thank you thank you very much mr chair it's been a long day and i'm happy that we're having this discussion this evening um before i go to vihfa i wanted to ask um and say to the lieutenant governor's office i'm truly looking forward to the vi slice being a successful program program. We have a number of programs there and we have some challenges. Have you been able to make any inroads in terms of the issue of timely appraisals? I know that we are having some issues with titling and as well as surveys. Have we been able to make any inroads on that because that also hampers or delay being able to get our construction loan and mortgage we have not been able to have a resolution to that however we do realize
- 3:10:49 is a problem and we are in discussions with the other entities as to how we can get more more appraisals in the territory that will help facilitate the need that the Virgin Island residents have very well you know we have also had some discussion with uvi in regards to that but still some time out um so we need to really ramp up on that discussion you mentioned about the 36 banks and lenders is that available information available on your website it isn't but i can provide that yeah okay no problem let me move on to HFA. Good evening. Good evening, sir. In the hat seat again. Always. So I am pleased to see that the VIHFA have really ramped up in terms of capacity. That has been a discussion for quite some time now and I'm hoping that we can move into implementation and actionable actions, you know, moving forward. When you hear about STEP, ERAP, Envision, Emergency Rental Assistance, VI Slice Program, Home Assistance Fund, CDBG, CV, ESG, CDBG, MIT, you know, I really think that it's time for us to start to deliver for our people. There ain't no stranger to us. We were at three or six degrees of separation. Those are our people. And I truly believe that, you know, I don't know about anyone else, we can't hide. These are the same folks we're meeting in the post office, in the grocery stores, and stuff like that. They're truly hurting. Every time it rains, it pours inside of their house.
- 3:12:35 So we really got to make some effort to address that. The Krongadaan discussion has been around for too long, Dr. Berry. What are we doing to really resolve that? I think for the last four or five years, we've been talking about Krongarayan. When are we going to be able to get that online? Dr. Stephanie Berry, COO for Housing Finance Authority. As soon as we get the funding approved, we will be in a better position to pull the trigger. We're anticipating that it will take, what is it, 18 to 24 months to turn the units? um so we're looking at q3 of this year to start the solicitation process roughly q3 of this year very well um we we really need some emergency shelters as well um you know that is an issue we're having a lot of people and believe it or not you know we hear about individuals are sleeping in their vehicles functional employees government employees in some instances are sleeping in a vehicle sleeping in tents at the beaches and stuff like that we

really need some place for for them to lay ahead can you give us an update on the litigation against armand cooperation no senator cannot why not we ain't taking action against them some other millions of dollars that the miss Paris spoke about then they pocket some place we're not taking any litigations against those individuals at this time we don't have any litigation against those individuals somebody's lying to us then i'll go back and pull the transcript but i know that there was some testimony given to us that in fact there was some litigation levied against arm and cooperation coming here under the disguise

3:14:31 of assisting with our programs and take our money and gone to be continued we need to really discuss that okay in respect to improving and I'm really addressing our housing stocks I I'm happy to hear about the revitalization programs and I know that you're talking about within the towns but I think that we're missing a serious opportunity going into some of the other neighborhoods as well we have a number of abandoned homes of individuals post the hurricane as well as the pandemic that just closed up doors and left the island um i think we need to do a very good marketing campaign perhaps designates one of your um individuals to really knock on doors or go by and identify those addresses and start to make some some contacts with those individuals and see if we can't immediately those things only need a little bit of repairs here and there people just just left them and um i think that that's that's something that we could definitely look at are you on task mr daniel said what's some of that work he's the best one mr dawson what's your thought about that i mean when you go through this neighborhood mahogany welcome and some of these areas you just see homes there that that i mean on the surface they look pretty good i'm sure that there might be some minor damages or something but you know i believe that we could get those things up and running within 90 days 180 days if necessary um you know any thoughts on that donnie dorsett economic revitalization i agree with you senator however this program isn't designed for those homes but i'm sure we could you know do some research and see how best we could look at that um that's the best answer i could give you right now we have to research

3:16:23 gather information look at the data and then see if it's possible yeah let's let's take a look at that maybe we could divert some of the money um to really address i believe that that will give us a quick fix on to some of the problem we're experiencing with the homes i must find then have we revisited the idea of perhaps um you know some of the funding for the envision program is just going ahead and giving these people an earmark the 250 000 or whatever that number is is it still 250 or that went up a little bit it went up to 350. the 350. we'll just just give them the money to repair the whole with some plan of course and a drawdown similar to what the banks do and in phases um completion phases and then move on but you believe that we could be able to get ourselves out of this rut um most sooner if we earmark a portion of that money um as a hybrid to whatever is being done with the envision program to to be able to get them to be responsible for those repairs to their homes actually i can go back and look at that i know when i first started i had the same thought like give them the money let them do it um but when we did some more research in other places disaster recovery the program failed miserably and they ended up with this same format that we're using now however i'm happy to go back and revisit it and then what becomes the concern is the environmental piece um it's not just go and construct the home if we don't do the environmental checks and balances and there are two tiers a tier one and a tier two and if we don't clear those hurdles we could never release the funds so it would have to go back and take some restructuring to do it the way you um are suggesting i'll just suggest and again ask that you look at it um fundamentally i think 25 is really too low and we still have a whole bunch of individuals in the wait and if we could create a hybrid

3:18:15 and be able to meet this halfway i think it'll work for all of us okay thank you very much for your time thank you for the hard work that you continue to do out there and good luck thank you thank you mr chair thank you so much for your line of questioning point of inquiry thank you mr chair i neglected to ask whether or not the rules and regulations developed by the Housing Finance Authority, were they approved by the banking industry? Senator, I need some clarity, please. When you say the...

3:18:51 You developed some rules and regs for this program with regards to the loans? Was it the... The Own A Lot Build A Home program? Either one, either that or the Slice. so slice is administered by eda not housing finance authority our only obligation there is to offer them the classes the project here the own a lot build a home where if you have a lot we'll give you a forgivable mortgage no we did not we did do some work with i'll let Anne Hanley speak. She's mouthing to me.

3:19:35 Anne Hanley, Director of Programs. You could pull it up. Pull over the mic, please. We did create, with the banks, a memorandum of understanding. The banks, but the Lieutenant Governor's Office is... No, not with the Lieutenant Governor's Office, specifically with... No, with the banking industry, the banks. No. You have not? No. MR. Okay. Thank you. MR. Thank you, Senator Kitins. Senator Maurice-Yane's point of inquiry? MS.

3:20:03 Yeah. I want to follow up on what my colleague said about offering the idea of the drawdowns and ask you, can you, do you have the latitude to design your own programs? And so then a program, as was suggested, is a good program. wondering if if you have that latitude to actually create programs to spend some of this money we we do however it

because if it wasn't written into the action plan we would have to go back to HUD and say this is a new program now we want to go down this way get some approval from them but even before we get to HUD we'll have to show that it is a viable option and again in their experience the guidance we got from them the program has failed in other states It's not that it would fail here, I don't know.

3:20:55 But I just asked my director, Ms. Lavinier of Policy, to inquire if maybe we could do a pilot program, but it still would require us doing some amendments to our action plan. Just a quick follow-up to that. My other colleague talked about contractors, carpenters, masonrys, masons earlier, and I think you need to impress upon the people of the contiguous United States that in the VI and in Caribbean islands we have over time built our own homes and it's a different place and different workers, different skills and people who are willing to help one another. So I would suggest that you impress upon them that we can create innovative programs here in the VA just just a suggestion following up on what was said earlier absolutely thank thank you sir for that um director Clinton I know earlier it was mentioned um that we paid I believe 9.3 million for administrative fees and our mind was paid I believe like over 8 million so they they use the bulk of those funding then for the work week received we need to file a case period we did not get much of anything from them so I think we need to move forward with a case against those individuals um let me do my line of question and I'm not gonna take the eight minutes I'm gonna take a few minutes five question I'm gonna ask and I'm gonna go to the second round um let me ask you first of all in terms of your testimony starting on page Page 4, you mentioned the mixed-use project in St. Thomas, and you stated that you anticipate

3:22:52 ground-breaking in April of this year, and the project is going to cost \$13.6 million. What's the timeframe for the project once it has begun? Do you have any timeframe in line? 24 months. One year? Okay, very well. Two years. Two years. I'm sorry, how much months? 24 months. I apologize. two years okay secondly um wild pineapple I was at that groundbreaking when will this project begin I believe we're sending out solicitation in the third quarter we tried before but we weren't successful with any contractors are bitter so we're doing this again how did we advertise that though i found that to be strange how same way we do our social media our website we just didn't get the responses so we went back to retool it to be able to submit it out again you go on local stations yes we do Oh not to be strange. Okay my next question is on page five. Own a lot, build a home.

3:24:10 Let me ask you with a 12.5 million dollars from the CDBGDR funds this program actually deals with only getting the lot from you or does it include individuals who have a lot because as you know here in the territory many of us are land rich cash poor no it's specifically for those who own lots it doesn't matter where the they own a lot so it's for those that have lots we'll help you build a home how are we advertising this program because we have a lot of people that qualify for this program so at the end of the week again we'll begin um you'll see some um advertisements as well uh newspapers electronic um we'll do some radio rounds as well okay very well Michelle Motel, is there anything going on with that?

3:24:59 No. No? I will follow up with you with that. Okay. And finally, the first-time homebuyers program, the one that this body did before all the other programs came online, how many individuals have actually been approved for that program? For the First Time Home Buyers Program, I believe maybe one or so has been approved. Wow. Right.

3:25:33 So when I started earlier in, Senator Gittin said I was passionate. I talked about we have the ideas, we didn't need an ideator, we need an implementer. So as Dr. Berry really, really has dug her heels in, we will see more of this project out there. I have no other words.

3:26:02 The reason why we in the 34th Legislature moved forward with that program is because the amount of individuals that came to us all of the senators on a daily basis in terms of opportunities and them leaving the territory because there were no there were no opportunities here for them to stay here as i always say home ownership is the most important investment anyone can make in so many ways and that's why we moved forward safely with our program and one individual So what's the plan in terms of streamlining that program, and what number can you say you would hope to have by the end of 2023?

3:26:54 It's hard to say a number by the end of 2023. What I'd like to see by end of 2023, and again, under the direction of Dr. Berry, is certainly more information about it, more advertising about it, and really aggressively getting those folks. Because maybe not everybody may qualify under the other programs, but because we have it here. So I don't have a number, but I want more of a population. And what does the coordination look like with all of these different programs, because some may qualify for this one but not that one, so how are you getting those information, how are you bringing those different programs together to find out exactly how best can we help our people moving forward because there's a lot going on in that space and time is not our friend. So what are we doing to assure that we capture as much and help as much individual as possible they don't qualify for this program send them here or send them there without sending them home how is that working on on what does that look like so on the onset of that program we all met we met with the banks eda hfa a number of other entities to talk about our programs etc again a lot of our programs hfa is geared towards

that low uh to moderate uh population where this program is moderate now with the four million dollars we do have we have a lot of similarities in the programs but they're still marked differences continue continue mark differences and I want to explore on that because one of the main

3:28:42 reason why also we did that because we did I want to look like the other programs the federal guidelines because many individuals here in terms of the income even though they say they don't qualify for the other federal programs they basically don't have any money you see what i'm saying and that's why we did a program also so what are we doing to at least adjust you know or tweak that program to help more local individuals because remember now others can qualify for the other federal program but most don't qualify because of their income right so how what are we doing to help those individuals do the who we targeted targeted what are we doing to help those individuals specifically moving forward with that program because it's not a federal program we are the one that do the rules and regulations so we need to tweak that and I'm going to be speaking with you Dr. Berry so we can do that to help those individuals specifically the rest can leave it on a program we can't qualify okay so I look forward to those changes also thank you so much I wrap up I'm done um we're gonna take a five minutes break so you guys can do what you gotta do right quick and then we're gonna wrap up with the next three minutes round so i can get you guys home okay thank you the committee's done and reset for five minutes.

3:30:20 We'll be right back. Thank you. We're back on the record from recess. [3 such phrases repeated 23 times · standby audio before the proceeding, transcribed by the recogniser as speech]

3:41:50 Colleagues, we had a very good first round, and we're going to do a quick second round, three minutes. I'm going to give everyone three minutes to ask whatever burning question they have. Senator Joseph, you are recognized for your three minutes. Thank you so much, Mr. Chairman. Mr. Chairman, I know we've been here for a long time. I'll try to be as quick as possible. I want to switch the conversation to public housing. We had a conversation with Public Housing on February 27th regarding about eight projects that they have in the pipeline to be delivered. They had mentioned they're looking at about \$224 million in tax credit equity. Have they made any applications to the Housing Finance Authority for those tax credits? Yes, I believe some of the projects were actually given. amount that i don't have off can you please supply that and which projects they have made those uh there's other entities i am aware that are also interested in the tax credit do we have sufficient tax credit right now i know you mentioned on page six you have uh for 2022 we have 2.9 million in tax credit uh any remaining amount from fiscal year 2021 which was 3.2 we have tax credit remaining for any of those years or any years prior years we do have some yes the amount i don't have before me thank you kindly i have to be succinct i'm so sorry to be abrupt uh kindly supply through the chair to the chairman the tax years that you have LIHTC and tax exemption funding still available. And so that our listening audience knows, Madam Timekeeper, just tell me when is one

3:43:52 minute left. We need to get a really good understanding of what and the process for the tax exemption program, because I know of a series of developers who are interested in that program to address our crisis that we are in, in the Virgin Islands, in providing, thank you, low and moderate income housing. Can you tell us the process for them to receive these tax exemptions? It starts with an application.

3:44:26 That's part of the process, as well as we review that. we enter into a agreement a developer agreement with them i know if you if we can i'd like mr um green to speak a little more about it kindly proceed mr chairman the green mics please green director of planning and construction um yes as um director clinton and had mentioned there's an application process is the application online um no it's not why not it's there's a there's a it's called the affordable housing development program and part of the program we the housing finance authority has a set of guidelines so it's a dependent it depends on what type of project that you would like to do you um have to you come in and then there's a procedures that you go through so the information okay thank you thank you so much uh mr chairman i just want to make clear these are public funds and publicly funded programs all of those applications similar to your home ownership application should be enlightened those procedures so that human beings who are interested in helping us meeting this housing crisis know the process and they are not there shooting blanks all over the place okay we are in a crisis for housing there's no reason that any of that documentation shouldn't be online and so that the public the developers know what the game is about and the rules thank you kindly mr chairman for the leniency thank you senator and i do concur with your statement Senator Poulkes, you are recognized for your three minutes. Thank you, Mr. Chair. I want to live in your house.

3:46:26 I want to live in your house. I think that's the cry of the people right now because it's so hard to find housing in the Virgin Islands. And we sometimes have to go live with our family and friends in order to make it in the Virgin Islands. So we have a very big task ahead of us in trying to provide more housing here in the Virgin Islands. And I want to ask, concerning the housing demand study, what is the strategy and when will that be executed? When will we be seeing that housing demand study?

- 3:47:00 So, it goes into solicitation next week. The timeline, depending on the scope, and I'm sorry I don't have all the details in my head, but I'm looking for a pretty quick turnaround. So before the end of the year, hopefully we'll have the housing demands. I think that data is going to be very, very important in moving forward for us in the area of housing. I want to ask, I know that concerning ERAP, you had brought on a company by the name of Plexus. Correct.
- 3:47:33 Could you tell us what the status of Plexus is currently in the ERAP program? Sure. As stated in the testimony, the contract with Plexus has ended. Okay, is there no, was it abruptly ended in a court case or something of that nature or is just... No, it was not. Okay, very well. Concerning the Queen Louise revitalization, are there any tenants in that area? No, the entire project was a demolition.
- 3:48:04 That's a demolition project. Okay, and how long do you think that's going to take timeline-wise? I believe about 24 months. 24 months. Okay, and timelines for Dunu Redevelopment, Croyville Preservation, and Stony Ground, do you have timelines for those? Through the Housing Authority, Ms. Hanley, could you provide if you have timelines for those? Dunu, you know Dunu was at a pause. And how many units in each, please?
- 3:48:33 Director of Programs for the DUNU project, that is an 84-unit development. For Walter M. Hodge, it's a rehabilitation. Stony Ground would be a rehabilitation as well, and Croyville was a rehabilitation as well. And how many units in each respective project?
- 3:49:09 I don't have the units for Croyville, and I would have to get you the units for Stony Ground. To the Chair, if we could request that information, please. And concerning emergency housing, I'm not sure if this question was asked already. Mr. Chair, can I just wrap up? Thank you, Mr. Chair. Proceed. 22B Estate, Tarnenburg? Tarnenburg.
- 3:49:36 Tarnenburg. What are the alternative sites in the event you're not able to acquire that property? We will acquire that property. You will? You're confident? Absolutely. Okay, okay. All right. Is there any contingency plan? No? You will? No, we will. Okay, okay. All right. Noted. Thank you, Mr. Chair, for the time. Thank you, Senator Boquez. Senator Maurice James, you are recognized for your three minutes. Thank you, Mr. Chairman. I wanted to mention to Attorney Matthew, because a few paragraphs of your testimony focused on interest rates, which we can't control.
- 3:50:22 But at the same time, I wanted to point out to you that the highest mortgage rate on record came in 1981, and in that year, it was a whopping 16.63%. People were still buying our homes. I don't want that to be a factor in going forward, or else we would never give anybody a house if we wait for the interest rate to drop. And when I purchased my first home, the interest rate was high, but two years later, I was able to refinance. And, you know, I noticed that you had a few paragraphs that said that, focused on that, and I just wanted to say that that should not be an obstacle because even later in 1994, it was 8.38%.
- 3:51:04 So moving forward, we need to adjust or adapt to the changes that will come our way and try to work around it. I don't know if, are you saying that because the high interest rate, then the homeowner can't afford the home. Because then shouldn't we adjust on the other side then or change? I think my intent, Glendina Mathieu, my intent was that in addition to the interest rate, that is one factor. And then you have the factor of the high costs of home, the construction costs, the insurance costs. All of those costs in general is what creates the issue.
- 3:51:47 Okay, thank you. I also wanted to find out, have we done a survey of, for example, homes that are available in St. Croix, St. Thomas for sale? Are we somehow communicating with realtors to find out what's available and whether or not to help our homeowners, the homebuyers, I should say? And also, not only the realtors, but also the contractors. Just in terms of, I'm thinking of programs in my mind. My mind has now, you know, sparked with maybe innovative programs we can come up with. Sure, that's something we could go back and work into, but not directly, no. So the home buyer goes out and finds the contractor, finds the realtor to assist them?
- 3:52:43 They purchase or they find a home, they go out, find a home, and then they come. to us for and one last question on page 8 where you talk about mobilizing by the end of June 2023 you should have two and then you should have 80 mobilized and 200 mobilized by the end of the year did that include the previous paragraph very where you talked about how many were completed in construction do they correlate those two paragraphs so they won't always correlate because as I said before as the engineering firm gives us back the whether it's drawings or plans or inspections etc we're looking to group those and send those out right away so it won't always correlate this 80 homes plus the 160 we know we've already given persons they have the contract to do 160 homes so some of their homes are still going through permitting process so the numbers are always a little weird just because of how we're trying to prioritize and attack as many as we can while still giving the local contractors the opportunity to bid if it's a smaller bid seven homes ten homes twelve homes okay all right thank you very much I appreciate it and I want to say that I am a little heartened by some of the well I don't know all of them, but I know some of them, the people you have now hired and brought on board, and I'm hoping to see a change before my chairman here calls you back.

- 3:54:23 Thank you. Thank you. Thank you so much, Senator Maurice James, Senator Fonseca, Rick Fonseca, are you recognized for your three minutes? Yes, pleasant. Good evening to the listening audience. I'm so impressed with the testimony that um has been presented uh to us this evening um you know and I ought to court congratulate both attorney Clandina Machu Clandina Machu and also um Miss Dana Clendenin on all the work you're doing uh you can see that you are very busy and there's a lot going on you know you got the Ross Mix use for Tuna Mount Pleasant you know the housing development Queen Louise and of course the Envision program which um you know we can see there's been um a little obstacles but I think you guys are doing um pretty well so far um Miss Machu I wanted to um just follow up on one thing we had said that I had asked you about can the VI petition the federal reserve to mandate that Virgin Islands uh properties will use of collateral for your loan and you said you was in favor of that yes yes okay well um if we can accomplish one thing what would prevent you from starting that process to going ahead and actually petitioning the federal reserve of the United States so that Virgin Islands can use their property to get a loan from any bank is there any obstacles that would prevent that from happening the only obstacle that I can see is whether or not uh the federal reserve is a proper entity that you're
- 3:56:16 petitioning um it seems to me that it may involve other federal agencies um besides the federal reserve um entity yes well you know that's good and that's a step in the right direction I'm sure um the legislature and my colleagues we would join you on anything that we can do because you know it would be so nice if you can take your land from St. Thomas and go to a bank anywhere in the United States and actually um you know be considered for a loan it would help us and it would also bring in more players um into the field one other thing that I wanted to um particularly ask you is um do you also support um more land loans and more home construction loans for our residents in the territory yes as I indicated before yes we definitely um encourage additional as much capital in terms of more loans being offered whether land or construction loans and as I indicated um that has been a topic that we've discussed at many of our banking board meetings with the banks making sure that persons in our community have access to that type of loans oh that's so nice remember I asked you to invite me to that banking board meeting so I can um stand and support you in your endeavors. Mr. Chairman, thank you very much for your time.
- 3:57:51 Colleagues, a pleasant good evening. Thank you so much, Senator Fonseca. Senator Carriot, you're working now for your three minutes. Thank you, Mr. Chair. Director Clendenin, And you stated that in regards to your ERAP program, I mean, in your test time, when you speak about hiring an administrator and additional staff, how many additional staff have you hired? We've hired actually somebody to administer the program. And then thus far, we've hired about three or so individuals to help support. Okay.
- 3:58:34 And we are in phase two, right? ERAP two? Correct. the line is 2025 um how many applicants do we still have pending that we haven't released payments for uh CFO chauffeur can respond and while I just want to be clear because it is Iraq too a lot of the applicants we've seen have already received funding in Iraq one so So this is usually second-round funding. And I also have some question in regards to the Home Owner Assistance Fund, the HAF.
- 3:59:15 You could ask that question. Yeah, well, she looks about that. The rollout for this program, when will it be implemented? So we just got the board approval to move forward, so we anticipate, I anticipate a roll out, if not later this month, early April. Okay. And your testimony states, you selected a case management contractor. Can you, for the record, state who that is? TSG. TSG. What's the amount of that contract? I think it's \$800,000 maybe? Yes.
- 3:59:53 \$800,000. And from the amount that was awarded, which is \$8 million, \$8.5 million, what's the percentage then? Is there a cap for admin? Yes. Ten percent. Ten percent of that? All right. You have other... Yeah, with the ERAP II, we have about 300 applicants still going through. Some are, yeah, because some would get there. You have up to 18 months. Okay. And some people, ERAP 1 has already been closed out, and ERAP 2, we have some people that might need three more months, a couple more months.
- 4:00:33 Because I think if I recall correctly, when Housing Authority was before us, they said they still have some funding that they're waiting from you guys, and they haven't started an evicting process because they're waiting on that, but they will start soon so what's the conversation with so we've been with both them and some of the other um uh communities we've been paying or getting them the funding um director Graham and I have a really good relationship so before any evictions um start of course we will intervene we're also using the funds to work with the um legal services so that they're able to Because that would increase our people, our homeless community, and we really don't want that to happen.
- 4:01:20 As long as they qualify, it won't happen. Okay, okay, so we've got to make sure that they receive those payments. Just in closing, Mr. Chair, the contractor for case management, will they also be dealing, handling the marketing for that program, HAF? Yes, it's part of the scope, yes. Okay, thank you very much. Thank you, Mr. Chair. Thank you, Senator Carrion. thank you Mr. Jeff uh director if you've been answered in your testimony you mentioned that um with Envision program you did collaboration with sister agencies Florida Connecticut California Alabama um what what actually did you do with those states so we were asking not just those states but um the communication teams also reached look um to we

looked at the cayman islands we looked at somewhere south as well just to be able to be part of their mailing list to their contractors etc anywhere we could get the word out about the opportunities here in the territory for for repairing these homes okay with your director of housing uh uh ms perez and uh miss the engineer chief of engineer mr pelt you have as a bullet increased communication with our Envision clients who at very minimum need constant information and the status of their repairs. Has that been done? Yes, the communication team has been

4:03:06 communicating as well as we still have our vendor, Horn, who does communication with them, the clients as well. How many clients actually have they spoken to? i could get you that number senator okay fine um and through the citizens complaint process we can quickly and then defend respond to emergencies and unclog bottlenecks how many complaints have we had that were addressed um my director policy miss lavener will respond i'm the Director of Policy, Procedure and Regulatory Service. To date we have received an officially nine official complaints. Nine official complaints and what is the outcome of them, were they all addressed to what extent?

4:04:03 So some of them have been addressed, some of them we are still currently working with those applicants. We are still monitoring their cases and helping them come to a resolution. them have to do with documentation and some of them have to do with their homes that are still in the construction phase okay and um what has been the timeline for those complaints when they came in to when they have been addressed or what are still outstanding what type of timeline are we talking about so our attendees yeah alana venier director of policy procedure and regulatory service our timeline to respond back to those clients when they first sent us a complaint we reach back out to them within 24 hours and we speak to them to get more background information on what the information what what the complaint is once we do that we then reach out to our departments and they have within 12 days to get back with us so that we can respond to them within 15 days if it is not fully resolved we still stay with them and we work between the applicant and our departments to come to some sort of resolution and or keep them updated as we work through their case so finally i can wrap up mr chair proceed okay so um i think it's a director perez so once the process they come to you if it's not resolved within x amount of days then what is done after what is did it go straight to director clendenin or is it the what is the exact process so within 15 days if we if it is not resolved we will or and or they do not agree with the resolution it may be escalated to director clandon what we do do is we continue to work with our applicants to come to some sort of resolution it may be something where they need to be relocated and so we will work with them to identify some place to relocate them as they're being relocated we will identify additional services in the community to make sure that they have things where there's you know meals on wheels or whatnot but we maintain contact with those applicants to make sure that we

4:06:10 are cut we are we are cut we are continually trying to find that resolution we're continually making sure that we're working with the different departments to basically identify a timeline so that we can give them realistic expectations as to whether when their homes are going to be built and or any information that they need if it's a documentation that's still needed we are still talking with them and telling them what's needed with the documentation working with departments and helping them get that documentation and or reviewing that documentation thank you thank you for the time mr chair thank you so much senator digraf senator giddings you're recognized for your three minutes three Thank you, Mr. Chair.

4:06:53 Let me go back to this \$800,000 contract. You stated that it was vetted and contract negotiations have been completed. Who did the vetting for this? It's a team. A team does the vetting of the contracts, an evaluation team. Team from where? Property and procurement?

4:07:21 No, within the Virgin Islands Housing Finance Authority. So you did it within. Do you have that process? Yes. Okay. Can you submit that process through the chair, please? Absolutely. Attorney Matthew? Good evening. How are you doing? Fine. Good. Are there any banks outside the territory that offers mortgage loans here in the U.S. Virgin Islands? Yes.

4:07:55 And are there any local or federal laws governing the sale of mortgages to other lending institutions? Yes. They are? Who are some of those banks that offers mortgage loans outside the U.S. Virgin Islands? And when you said banks, you mean mortgage lenders? Yes. Well, Flakstar, they're a national bank, and there are other lenders. Schaefer is one of them.

4:08:35 There's a list. So those 36 that I refer to, all of them are lenders that are licensed. Through the chair, can you submit that to the committee chair as well? So I'll provide the names as well as contact information for the entities. And I'm going to close out, let me come back to Ms. Clendenin and her team. So the Camp Rico Emergency Housing, that property that was transferred from VA Housing Authority was two properties. One there's I think two buildings still up and the other side the buildings were demolished. Are you looking to construct in the area where it was demolished and also looking to rehab or rebuild where the existing two buildings are dr stephanie berry coo housing finance authority we're focusing on the rehab to turn those units fairly quickly and then we'll look at any adjacent property that we may own and how quickly we can get those reconstructed how many apartments are we talking about in the with the two buildings existing that are rehabbing time i don't have that figure of um number off the top of my head senator but i'll make that available through

the id to the committee okay now if we started the rehabbing there or no yes we have you have yes so the buildings are vacant yes they are i mean every unit i'm not sure if any every unit but i can double check just to make sure okay thank you i'd like to get the uh report on that project as well 16 16 units 16 units total there yes so that's eight in each building yes and you're not sure if they're vacant 50% is vacant okay so one building at a time thank you thank you mr. chair and I'll be contacting you as well thank you thank you and the team I do feel a little energized tonight listening to the responses so I'm an accountant this team to know that have that vision to move us forward thank you thank you so much

4:11:00 director let me ask my question quickly the home ownership assistance fund and contract for the 800 plus thousand hours did it have to go through RFP process yes or it did okay very well and they also asking respect to the fund The territory developed and submitted to the Department of Treasury an action plan which describes the needs of homeowners in the territory. What did that plan reveal in terms of the needs?

4:11:40 CFO Shelford could speak to the plan that was submitted. So we'll go through and see how many, I'm sorry, CFOs, Ballet Sheffield, I was in finance authority. So what they submitted was a plan that would show the needs. It would also outline what the director did and the assistant director, what they did, they would reach out to the banks to see who might be in foreclosure. So they got statistics to submit with the action plan say okay we have these issues this is what we're going to do with the money 50% would go say to someone that's going to might be foreclosure some of the funds would be used for rent um mortgage arrearage and things like that so those are the things that you submit to the action plan talk to the banks you get the statute submitted and then they would ask questions about you know how you would serve the people what's your plan what's your process so those things going with the action plan very well um if you can submit a copy of the plan too i can um this year second share with my colleagues i'll appreciate that well i believe um i will also be sending you a list of other questions that some of my colleagues had um but i want to be respectful of your time it's 9 30. um but nonetheless i appreciate um both the Lieutenant Governor's Office and AHFA for being here, and I thank you for taking the time to share that information with us. I think we had a very robust meeting. We gathered some very important information. I believe we shared some solutions and some ideas that I believe can work once we put our minds through it, anything is possible. So I look forward to continue collaboration I look forward to more and creative advertisement marketing strategies

4:13:45 and I look forward to seeing the continued upward movement and trend of turning some of these um homes and putting our fellow Virgin Islanders back in a safe loving environment I'm going to give you 30 seconds to make a closing statement before we wrap up I'm going to start with um attorney Matthews good evening to the 35th legislature I want to thank you for having us um being able to present to the people of the territory I want to also thank again my staff um the persons on St. Croix as well as the persons and St. Thomas who keep our office functioning and trying to adhere to our purpose. Thank you.

4:14:38 Thank you. Director Clendenin. I just really want to say thank you to the team, the team before you. It's incredible the work they do and have to do and the expectation and the mandates. I really want to say thank you to the team before you and of course all the other men and women at the Housing Finance Authority that makes it possible. Thank you. And I want to put on the record that I believe based on testimonies and based on the responses you're finally going in the right direction.

4:15:13 I applaud you for that. I'm going to give you a do when you deserve it. When you don't, I'm going to basically do what I got to do also. So I look forward, like I say, my colleague and I look forward to working with you to really see how we can move the needle forward. It's very important and put some urgency in what we do moving forward. The Committee on Housing, Transportation and Telecommunication is hereby adjourned. We'll be right back. We'll be right back. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you. Thank you.

People named in this transcript

SUSPECTED, and a finding aid only. Names were matched by machine against the spellings used across all 426 of our transcripts, and the title is the one used in the room. Being named here is NOT evidence that a person attended or spoke - only that the name was said. Speech recognition mishears names, so a spelling may be wrong even where no alternative is offered.

20x **Dr. Stephanie Berry**
heard in this transcript as: Berry

7x **Senator Carla Joseph**
the surname alone also matches: Clifford Joseph; Karla J. Joseph
heard in this transcript as: Carla J. Joseph, Joseph

- 7x **Senator Marise C. James**
the surname alone also matches: Javan James; Giovanni James Sr
heard in this transcript as: James, Maurice James
- 7x **Senator Marvin Blyden**
heard in this transcript as: Blyden, Blyton, Honorable Marvin A. Blyden, Marvin A. Blyden
- 6x **Senator Ray Fonseca**
heard in this transcript as: Fonseca
- 6x **Senator Samuel Carrion**
heard in this transcript as: Carrion, Carriot, Sanjuel Carrion
- 5x **Senator Dwayne DeGraff**
heard in this transcript as: DeGraff, Duane M. DeGraff
- 4x **Senator Angel L. Bolques, Jr.**
heard in this transcript as: Angel L. Bolques Jr., Angel L. Boquez Jr., Boquez, Boquez Jr.
- 4x **Senator Kenneth L. Gittens**
heard in this transcript as: Gittin, Gittins, Kenny Gittins
- 3x **Senator Novelle Francis**
heard in this transcript as: Francis, Francis Jr.
- 2x **Senator Angel L. Bullquist Jr**
heard in this transcript as: Bulquist
- 2x **Senator Diane T. Capeheart**
heard in this transcript as: Diane Capehart
- 2x **Senator Milton E. Potter**
heard in this transcript as: Potter