

UNITED STATES VIRGIN ISLANDS HOUSING FINANCE AUTHORITY

TOURISM MARKETING AND INDUSTRY SUPPORT PROGRAM POLICIES

VERSION: 1.0

June 6, 2019

Prepared by:

Virgin Islands Housing Finance Authority – CDBG-DR Division



The policies stated in this manual are current as of June 6, 2019. This Manual represents the current version of the Virgin Islands Housing Finance Authority's (VIHFA) policies which shall provide general guidance for the operation of the Tourism Marketing and Industry Support Program. All manuals will be reviewed periodically and will be updated. Therefore, you are strongly urged to visit our website www.vihfa.gov/disaster-recovery to ensure that you have the latest version.


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| SUBJECT: Tourism Marketing and Industry Support Program | |
| Version Number | 1.0 |
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| APPROVAL:  Antoinette Fleming, Director | |

Table 1: Tourism Industry Support Program Version Control

| VERSION NUMBER | DATE REVISED | DESCRIPTION |
|--------------------------|-------------------------|---|
| VERSION 1 (DRAFT) | 04/04/2019 | Tourism Industry Support Policies |
| VERSION 1 (DRAFT) | 4/5/2019 | Crosscutting requirements removed for separate Appendix |
| VERSION 1 | 6/6/2019 | No substantive changes, approved by CDBG-DR Director |

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1.1 Version History

Version Policy

Version history is tracked in the table above, with notes regarding version changes. The dates of each publication are also tracked in this table. The first version of this document is 1.0.

Substantive changes within this document that reflect a policy change will result in the issuance of a new version 2.0, an increase in the primary version number. Future policy changes will result in additional revision and the issuance of a new primary version number.

Non-substantive changes such as minor wording and editing, or clarification of existing policy, that do not affect the interpretation or applicability of the policy will be included in minor version updates denoted by a sequential number increase behind the primary version number. Such changes would result in a version number such as 2.1, 2.2, etc.

Policy Change Control Board

Policy review and changes for the Tourism Industry Support Program Policy are considered through a change control process. When policy clarifications, additions, or deletions are needed to more precisely define the rules by which the Program will operate, Program staff will submit a Policy Change Request Form or a Request for Decision Form for internal review by the Policy Change Control Board (PCCB). Within the PCCB, two members will separately perform a review to verify that all relevant information and any supporting documentation are included in the request. Upon PCCB concurrence by these two members that the request raises a policy issue, rather than a process issue, the Policy Change Request Form or Request for Decision is forwarded to *VIHFA* for review. The requests are compiled and brought before the entire PCCB for a final policy change determination.

The PCCB is composed of the Chief Operating Officer, the Economic Revitalization Program Senior Manager, CDBG-DR Director, Special Counsel for Disaster Recovery, along with other *VIHFA* staff members representing *VIHFA* leadership, legal, and policy specialists. At least one Subject Matter Expert working in a particular policy area or task area that will be affected by the PCCB decision will be invited to assist in policy evaluation, if necessary.

The PCCB meets regularly to consider all pending requests that have been submitted via the previously described process. The PCCB meets bi-weekly or as frequently as is necessary to consider policy decisions critical to moving the Program forward timely. The schedule for PCCB meetings is expected to move to a lower frequency as the Program matures.

1.2 Agency Acronyms

FEMA – Federal Emergency Management Agency

HUD – Department of Housing and Urban Development

SBA – Small Business Administration

USVI – United States Virgin Islands

VIHFA – Virgin Islands Housing Finance Authority

1.3 Definitions

Action Plan: The plan to guide the spending of a *HUD* CDBG-DR grant award to address unmet housing economic, and infrastructure needs after a disaster.

Allocation: 1) Amount of a grant award that has been determined for a particular grantee. 2) Amount of funding attributed to a program.

Community Development Block Grant – Disaster Recovery (CDBG-DR): Assistance from HUD to help the Territory recover from presidentially declared disasters, especially in low-income areas, subject to availability of supplemental appropriations.

Cross-cutting regulations: Regulations outside of CDBG-DR regulations that apply to CDBG-DR programs. These include regulations pertaining to financial management, procurement, environmental, labor, acquisition, relocation, fair housing, and non-discrimination.

Davis Bacon and Related Acts (DBRA): Federal law requiring payment of local prevailing wages as determined by the Department of Tourism on public works projects. It applies to contractors and subcontractors performing work on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair of public buildings or public works.

Duplication of Benefits (DOB): A duplication of benefit is the receipt of funding from multiple sources for the same purpose. The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern or other entity from receiving financial assistance from CDBG Disaster Recovery funding with respect to any part of the loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other sources. It is an amount determined by the program that may result in the reduction of an award value.

Eligible Activity: Activities eligible to be assisted under the CDBG program. All CDBG-DR grantees must: (1) use CDBG funds only for activities that fall under an authorized category of basic eligibility; (2) properly classify the activity; and (3) provide adequate documentation as required by the category it selects for each such activity.

Environmental Review Record (ERR): The document resulting from required environmental review which includes a description of activities, evaluation of environmental impact, documentation of compliance with applicable environmental regulations, and an environmental determination.

Grantee: HUD grantees receive funding from HUD to support HUD's mission to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD grantees include state and local governments, non-profit and for-profit organizations, public housing authorities, and tribal entities.

Gross Domestic Product (GDP): Monetary value of all final goods and services produced in a time period.

Implementing Partner (Partner): Territorial agencies that are provided CDBG-DR funds by a grantee for their use in carrying out agreed-upon, eligible activities through an SRA with VIHFA.

Low- and Moderate-Income (LMI): A household is considered to be of low or moderate income if the household income (including income derived from assets) is at or below 80 percent of an area's median income. All income is based on the Area Median Income limits set annually by HUD for each parish or metropolitan statistical area.

National Environmental Policy Act (NEPA): Establishes a broad national framework for protecting the environment. NEPA's basic policy is to assure that all branches of government give proper consideration to the environment prior to undertaking any major federal action that could significantly affect the environment.

National Objective: The authorizing statute of the CDBG program requires that each activity funded, except for program administration and planning activities, must meet one of three national objectives. The three national objectives are: 1) Benefit to low- and moderate-income (LMI) persons; 2) Aid in the prevention or elimination of slums or blight; and 3) Meet a need having a particular urgency (referred to as urgent need). An activity that does not meet a national objective is subject to recapture.

Request for Release of Funds (RROF): An environmental review term for a process used by Responsible Entities (the state) when requesting the release of funds and the authority to use such funds for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and states. The approval of the RROF is required before environmental clearance may be provided to a recipient of CDBG-DR funds.

Section 3: A provision of the Housing and Urban Development (HUD) Act of 1968 that requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.

Section 504: A provision of the Rehabilitation Act of 1973 which provides that no qualified individual with a disability should, only by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Subrecipient: Non-profits and limited for-profits that are provided CDBG-DR funds by VIHFA for their use in carrying out agreed-upon, eligible activities through a Subrecipient Agreement with VIHFA.

Tranche: A segment of the total HUD grant award that is allocated based on specific requirements and expectations through a Federal Register Notice and supplemental HUD guidance.

2.0 INTRODUCTION

As a result of the 2017 hurricanes, Irma and Maria, the U.S. Virgin Islands received an allocation of Community Development Block Grant Disaster Recovery (CDBG-DR) funds which will be administered by the Virgin Islands Housing Finance Authority (VIHFA).

Tourism remains by far the largest contributor to employment and *GDP*, with estimates ranging between 30% in direct economic impact and 80% in indirect impacts, and most small businesses and workers in the Territory are directly or indirectly dependent on tourism. Many of these individuals are of low or moderate income and lost their home as well as their job; making it even more critical to find ways to allow them to regain both economic stability and secure housing.

As a result, revitalizing tourism is critical to job creation and expanding economic opportunities for small businesses throughout the Territory. In addition to maximizing the potential of local residents to secure jobs and contracts in the recovery efforts, the Territory will focus on ways to diversify the economy as a way to make the U.S. Virgin Islands more resilient to future economic shocks.

The Territory has allocated \$10,000,000 from Tranche 1 and 2 to the Tourism Industry Support Program. This program seeks to sustain and increase tourism revenue for the U.S. Virgin Islands by addressing public perception of post-disaster conditions and revitalizing neighborhoods with significant tourist visits as well as investing in the workers and small business owners that support the industry.

This policy document explains the structure of this program, requirements for submittal of a scope and budget form, and supporting documentation for program eligibility determination and funding requests.

The program will focus on the implementation of the two components of the Tourism Industry Support Program – Marketing and Business and Entrepreneurial Support.

3.0 TOURISM MARKETING & INDUSTRY SUPPORT PROGRAM OVERVIEW

Tourism is a critical industry to the Territory. Efforts to revitalize tourism in the U.S. Virgin Islands face a critical short-term challenge: overcoming the perception that the Territory's leisure and hospitality industry are closed for business following the 2017 hurricanes. National press coverage of the devastation caused by Irma and Maria is likely to have influenced public perception of the islands. Studies of tourist areas that have suffered widely-publicized natural disasters indicate that misperceptions of damage can continue to affect demand as long as two years after the event. The impact of the public's perception on travel demand for the U.S. Virgin Islands should not be underestimated, as perceptions of safety and stability have become a key decision-making factor for tourists.

The lingering effects of the perception that the U.S. Virgin Islands is closed for business will delay the positive returns on various programs designed to boost the tourism industry. More importantly, it will exacerbate economic losses for small businesses and low- and medium-income households that depend on tourism for their livelihoods and their recovery.

The U.S. Virgin Islands Department of Tourism will administer a multi-pronged strategy to support small businesses and entrepreneurs in the tourism industry as well as establish a robust campaign to showcase the U.S. Virgin Islands vast tourist assets as they come back online. Business and Entrepreneurial Support will support businesses specific to the tourism industry.

3.1 Method of Distribution

Eligible Activity: Technical Assistance (HCDA Section 105(a)(19)); Assistance to for-profit business (HCDA Section 105(a)(17)); Micro Enterprise Assistance(HCDA Section 105(a)(22); Marketing - waiver request approved.

Low- and Moderate-Income Projection: 20%; A portion of funds, for Business and Entrepreneurial Support, will benefit low- and moderate-income persons.

Estimated Start and End Dates: Quarter 2, 2019 through Quarter 4, 2021.

National Objective: Low- and Moderate-Income Jobs; Low- and Moderate-Income Limited Clientele; Low- and Moderate-Income Area Benefit; Urgent Need.

Geographic Area(s) Served: Territory-wide.

Administering Entity: V.I. Department of Tourism

Eligibility Criteria:

Marketing Initiatives

- The projected use of funds for national marketing and outreach efforts will be focused as follows: event and festival planning and sponsorship in impacted areas within the Territory; advertising creation; niche marketing; and media placement (social media/ television/ radio/ digital and out-of-home advertising) in targeted markets.

Business and Entrepreneurial Support Initiatives

- Funds for small business and entrepreneurial technical assistance and workforce training must support the stabilization and enhancement of tourism-related businesses. Eligible businesses are those that:
 - Provide goods or services that support the tourism industry AND
 - Qualify as Section 3 businesses OR
 - Employ one or more workers that would qualify as Section 3 workers

Program Allocation: \$10,000,000 (\$5,000,000 (initial allocation), including \$4,000,000 to Tourism Marketing; \$1,000,000 to Tourism Business and Entrepreneurial Support); \$5,000,000 (second allocation) to Tourism Marketing

Maximum Award: Awards will be based on cost estimates and a cost reasonableness analysis.

3.1 Roles and Responsibilities

3.1.1 VIHFA

VIHFA administers the grant funds for the Tourism Program through the CDBG-DR Division. Division staff are responsible for ensuring projects comply with all applicable federal and Territorial regulations, including but not limited to, Pub. L. 115-56, Pub. L. 115-123, NEPA, HCDA, and Territorial procurement regulations where applicable, and align with the CDBG-DR Action Plan. Division staff provide technical assistance to Implementing Partners to meet these requirements as needed. VIHFA's responsibilities include:

- Determine sufficient capacity and payment procedures for Implementing Partners
- Determine project eligibility and mechanisms to comply with crosscutting requirements
- Disburse funds in accordance with VIHFA Financial Policies
- Complete desk, onsite, and formal monitoring of the project
- Prepare and maintain documentation of activities and compliance with requirements for monitoring and audits.

3.1.2 Implementing Partner

The Implementing Partner under the Tourism Program refers to the entity managing and executing the project activities. Implementing Partners can request funds from the Tourism Program by submitting the Initial Scope and Budget Form to VIHFA (Appendix B). The Implementing Partner's responsibilities include:

- Meet the requirements of VIHFA Capacity Assessments and grant conditions
- Manage all aspects of design and construction
- Responsibly manage project funds
- Coordinate activities with other federal and Territorial agencies
- Implement crosscutting requirements
- Report back to VIHFA monthly basis
- Prepare and maintain documentation of activities and compliance with requirements for monitoring and audits.

3.2 Marketing Initiatives

The U.S. Virgin Islands has allocated \$9,000,000 to support a tourism marketing campaign. To ensure maximal efficacy and impact, marketing initiatives will target specific travel and tourism niches in which the U.S. Virgin Islands are known to be competitive, especially among U.S. mainland residents. The niches identified by the Department of Tourism include sports and adventure, MICE (meetings, incentives, conferences, and exhibitions), romance market (destination weddings, honeymoons, and vow renewals), and yachting. The marketing campaign and product development technical assistance will be designed under the direction of the Department of Tourism.

The components of the Tourism Industry Support Program Marketing Initiatives will include:

- Branding
- Marketing – public relations, advertising, social media

- Public relations – media relations, paid broadcast and niche events
- Purpose travel – voluntourism to support recovery efforts
- Film – marketing, training, scouts, film trade events
- Familiarization activities – “fam tours” for travel industry trade associations and others who are in a position to influence travel
- Visitor experience

3.2.2 Business and Entrepreneurial Support Initiatives

The U.S. Virgin Islands will initially allocate \$1,000,000 to business and entrepreneurial support that will include activities such as building technical capacity and workforce development specific to management positions in the tourism industry, ongoing training for public and private frontline associates, educational seminars for small hotel owners, and enterprise development through a “Made in the Virgin Islands” initiative to support local artisans and producers.

3.2.2.1 “Made in the Virgin Islands” Product Development Program

The Department of Tourism recognizes that tourism industry relies on the strength of its businesses and entrepreneurs. The Department has been involved in supporting the efforts of small businesses and entrepreneurs that support the tourism sector through a “Made in the Virgin Islands” product development program. Now more than ever, this effort to support small businesses and entrepreneurs in the development of products that tap into the local culture is critical. This program will fund the delivery of technical assistance to artisans, hoteliers, restaurateurs, retailers and other small businesses, to help them to increase their business acumen as they recover from the storms and to help strengthen their business models. Many of these small firms are owned by and employ low- to-moderate-income individuals.

The technical assistance components of the “Made in the Virgin Islands” product development program will include the following and additional training as determined needed:

- Product development
- Product marketing
- Assistance with how to get to market
- Coordination with cruise ship and flight arrivals
- Business incubation

3.1.2.2 Potential Program Components

While the program does not currently envision direct financial support to individual businesses, information will be collected on the businesses that participate in the technical assistance program. Some potential program components are defined below. Additional program components may be delivered under this program.

A. Taxi and Tour Operator License and Badge Certification Program

The Department of Tourism has partnered with the University of the Virgin Islands and the VI Taxicab Commission to implement a new Taxi and Tour Operator License and Badge Certification program for USVI taxi operators. The first phase will provide certification for new taxi license applicants while the second phase will provide continuing education certification for existing licensed operators. The certification program will be geared towards providing taxi operators with

the skills needed to enhance the visitor experience and ensure repeat business. The curriculum's modular structured courses include, but is not limited to, business branding, accounting, history, and culture.

B. USVI NICE Quality Assurance Standards Program

The Department of Tourism has partnered with the U.S. Economic Development Administration (EDA) to provide a new Notable, Innovative, Cultural, Excellent Quality Assurance Standards Program (USVI NICE) for small hotels. Hotels applying for certification are required to meet Inspection Guidelines that will improve property appearance, safety, and customer service. The Hotel and Restaurant Associations on all three islands will be consulted with and engaged in this endeavor.

The goals of the USVI NICE Quality Assurance Standards Program include:

- Ensure USVI small hotels have specific goals and objectives to guide daily operations.
- Ensure USVI small hotels and bed & breakfast guests receive consistent quality service.
- Provide guidelines to participating properties for meeting the needs and expectations of guests.
- Provide a secure environment and a quality standard that hotel guests can rely on when choosing a bed and breakfast in the USVI.
- Provide a unique and memorable Virgin Island guest experience.
- Promote green conservation among smaller properties in the accommodation sector
- Engage small properties in using information technology for efficiency and to gain competitive advantage.
- Ensure sustainable systems are in place for smooth continuity of business operations.

3.3 Program Implementation

3.3.1 General Program Oversight

VIHFA will oversee all activities and expenditures in connection with the CDBG-DR funds and will ensure that the Tourism Industry Support Program meets all requirements, including: the disaster threshold, activity eligibility, national objective, fair housing, labor standards, Section 3, nondiscrimination, environmental regulations, and procurement regulations.

VIHFA has created a Monitoring Manual in accordance with CDBG-DR requirements so that each activity funded will meet the disaster threshold and one of HUD's three national objectives, with emphasis on eligible activities achieving the primary national objective of benefiting low- and moderate-income persons.

All activities must comply with any applicable federal laws and regulations and effectively meet their stated goals.

3.3.2 Program Implementation

Activities funded under the Tourism Industry Support Program will be implemented by the U.S. Virgin Islands Department of Tourism. As the Implementing Partner, the Department of Tourism is responsible for administering the activities in accordance with all CDBG-DR, federal, and

Territorial requirements. Additional personnel and contractors may be hired to aid in the administration of, and to carry out, the activity.

To initiate the Subrecipient Agreement (SRA) between the Department of Tourism and VIHFA, the Department of Tourism will submit an initial scope and budget form to VIHFA that includes, but is not limited to, the following information:

- Detailed description of the proposed activity;
- Information pertaining to CDBG-DR eligibility;
- Estimated costs of the activity;
- Implementation time schedule;
- Duplication of benefits analysis; and
- Proposed metrics to demonstrate the impact of CDBG-DR expenditures on the tourism sector of the economy.
- Capacity Assessment

VIHFA will review and approve the initial scope and budget form. As part of the review process VIHFA will evaluate proposed costs to determine that all costs are necessary and reasonable and that the activity can be carried out in a timely manner in accordance with requirements of the Appropriations Act (Public Law 115-56) and the Budget Bill of 2018 (Pub. L. 115-123). Upon approval of the initial scope and budget form, the Department of Tourism and VIHFA will execute an SRA and the Department of Tourism will be authorized to proceed with implementation of the approved activities.

3.3.2.1 Marketing Initiatives

Department of Tourism will develop a comprehensive marketing campaign to re-establish that the Virgin Islands is open for business following the 2017 hurricanes. The Department of Tourism will procure a firm to assist in development of the campaign.

3.3.2.2 Business and Entrepreneurial Support Initiative

The Department of Tourism will partner with University of the Virgin Island and the VI Taxicab Commission to solicit and procure training providers to implement a new Taxi and Tour Operator License and Badge Certification program for USVI taxi operators.

The Department of Tourism will partner with the US Economic Development Administration (EDA) to solicit and procure eligible entities to provide training and technical assistance to a variety of small businesses across the Territory.

4.0 CDBG-DR PROGRAM REQUIREMENTS

The Territory will ensure that each activity which receives funding under the Tourism Industry Support Program complies with the waiver requirements included in Federal Register Notice FR-6109-N-01.

- 42 U.S.C. 5305(a) is waived to make eligible use of CDBG-DR funds (currently capped at \$5,000,000) for assistance to promote the Territory in general or specific components of the islands;

- No elected officials shall appear in tourism marketing materials financed with CDBG-DR funds;
- Oversight of procurement activities to ensure compliance with applicable procurement requirements;
- Waiver expires two years after first draw of CDB G-DR funds; and
- Development of metrics to demonstrate the impact of CDBG-DR expenditures on the impact of CDBG-DR expenditures on the tourism sector of the economy.

4.1 Tie to the Disaster

All activities funded with CDBG-DR in the Tourism Industry Support Program: Business and Entrepreneurial Support must in some way respond to a direct or indirect impact of one of the following federally-declared disasters:

- Hurricane Irma (DR-4335)
- Hurricane Maria (DR-4340)

U.S. Virgin Island's economy was heavily damaged by the storms, based on analysis of aggregated lost wages, lost government tax revenue, and damage to commercial property. As detailed in the Action Plan, the combination of these indicators reflects approximately \$1.57 billion in economic damages from the two storms.

Tourism-specific workforce opportunities will contribute to comprehensive strengthening of the economy by providing family-sustaining wages and new skills targeted for positions in one of the Territory's most critical sectors. Local firms will have a more reliable, workforce-ready pool of employees to invest in new and growing business opportunities. The most recent cruise passenger arrival statistics highlights the extent of the problem: during the eight-month period of fiscal year 2018, cruise passengers were 850,193 compared to 1,266,802 cruise passengers who came in 2017, representing a decline of 33%.

The drop in cruise passengers are expected to continue for the remainder of fiscal year 2018, due to the summer season and scheduled cruise calls to St. Croix ended in May 2018. Therefore, and enhanced tourism-specific workforce coupled with a tourism perception change is vital is to the recovery of the Territory.

4.1.1 Measuring Impact

To quantify the impact of the Program, the Department of Tourism and the Bureau of Economic Research will collect annual statistics and will measure jobs created or retained due to tourism activity in the Territory. Post-disaster analytics to measure the return of pre-storm rates of tourism activity to the most impacted areas will include:

- Number of tourist and visitors coming to the islands Tourism-related revenues Tourism-related jobs retained or created Number of tourism-related businesses retained or created Stabilization or increase in tourism revenues
- Stabilization or increase in tourism-related employment
- Stabilization or increase in tourism-related revenues

The program will be evaluated using the same data sources on the basis of which the Territory has estimated the impact of the storms on tourism and the economy at large, including the U.S. Virgin Islands Department of Tourism, the U.S. Virgin Islands Bureau of Economic Research, the Virgin Islands Hotel and Tourism Association, and the World Travel and Tourism Council. VIHFA and DOT will be working closely with BER to develop the data measurements.

4.2 Duplication of Benefits

The Tourism Programs will include a duplication of benefits (DOB) review as part of the scope and budget review and award calculation process. The requirements of the Robert T. Stafford Act (Stafford Act), as amended, prohibit any person, business concern, or other entity from receiving federal funds for any part of such loss for which they have already received financial assistance under any other program, private insurance, charitable assistance, or any other source.

4.2.1 Preventing Duplication

VIDOT must complete DOB calculations as part of both the Initial Scope and Budget, as well as the Detailed Scope and Budget Form, with assistance from CDBG-DR Division staff. Both forms request information about all other sources of funding the agency must be aware of that may impact the DOB. For all CDBG-DR programs, agencies must provide documentation of these sources but VIHFA will also verify these funding sources with other federal partners. This process will be supported by technical assistance (TA) from Program staff. Also included in these forms is the standard calculation method used by Program staff to determine if a federal funding duplication is present.

VIHFA is ultimately responsible for ensuring that project participants comply with all federal laws and regulations.

VIDOT is responsible for verifying there is no duplication of resources, such as charitable or public grants pertaining to small business technical assistance training. Additionally, CDBG-DR funds may not be used to supplant local resources used for Tourism Programs.

Program participants and employees will be required during the application process to certify they are not receiving additional funding, such as charitable contributions, scholarships, or other sources of financial assistance for workforce training.

Department of Tourism reviews reported DOB and makes appropriate deductions. VIHFA maintains records in accordance with Federal grants requirements and assures that the agency has accurately completed DOB reviews and made deductions as appropriate. Project DOB information must be maintained by the Department of Tourism and reported to VIHFA throughout the life of the project. Reporting should occur at any point that such information becomes available, including:

- During scoping process development, pre-award, and approval;
- During the grant period of performance;
- During closeout; and
- After grant closeout, if duplicative funds are received at a later date.

4.2.2 Recapture

The Department of Tourism may be required to repay all, or a portion of the funds received. The reasons for recapture include but are not limited to the following:

- An Implementing Partner or subrecipient is determined to have provided false or misleading information to the Program;
- An Implementing Partner or subrecipient withdraws from the program prior to completion of the activity;
- An Implementing Partner or subrecipient does not complete the project or program identified in their approved grant as outlined in their approved scope and budget form
- An Implementing Partner or subrecipient fails to meet a national objective of the program;
- An Implementing Partner or subrecipient is found to have used program funds for an ineligible activity and/or;
- An Implementing Partner or subrecipient does not report the receipt of additional insurance, SBA, FEMA, non-profit assistance and/or any other duplication of benefits received after award.

VIHFA will develop a detailed recapture policy for the overall CDBG-DR program. The policy, once developed, will be referenced in an update to this manual.

5.0 OUTREACH AND ADVERTISING

The Territory and VIHFA are committed to affirmatively furthering equal opportunities through established affirmative marketing and outreach activities. VIHFA Citizen Participation Plan includes the agency's overarching affirmative marketing and outreach policies and activities for consolidated planning, much of which will also be required for program outreach. The applicable constituency groups that will be targeted for outreach and advertising of training opportunities include but are not limited to:

- Persons who do not speak English – i.e., Limited English Proficiency
- Persons with HIV/AIDS and HIV/AIDS service providers
- Homeless persons and homeless service providers
- Public housing residents and the Housing Authority
- Community Development Corporations and residents served
- Mental Health service agencies/organizations and clients
- Alcohol and Drug Agencies/Organizations and clients
- Department of Health and Department of Human Services
- Civic organizations
- Faith-based organizations
- Persons with disabilities and service providers for persons with disabilities
- Economic Development/Job Creation Agencies and Community Businesses
- Private Housing Developers/Banks/Fair Housing Advocacy Groups/CRA Advocacy Groups
- Low- and moderate-income residents, particularly those living in areas where funds are proposed to be used or where access to information on programs provides a benefit to these residents.
- Residents of assisted housing, including recipients of tenant-based rental assistance

For the Business Support Initiative, VIDOT is tasked with developing and implementing an outreach plan to ensure that outreach and communications efforts reach eligible survivors from all racial, ethnic, national origin, religious, familial status, the disabled, “special needs,” and gender groups and that they are given the opportunity to receive training and access employment opportunities created by the program.

Because the Business Support Initiative design prioritizes LMI participants and employees, it is critical that the outreach activities reach the LMI community. Outreach activities may include door-to-door canvassing and special efforts to communicate with hard to reach constituency groups. Marketing will be conducted through widely available media outlets and tasks may include:

- Advertisement in local media outlets, including newspapers and broadcast media, that provide unique access for persons who are considered members of a protected class under the Fair Housing Act.
- Including flyers in partner government agency offices, community centers, and coordination with public and/or non-profit organizations and advocacy groups
- Use of social media when appropriate

Measures will be taken to make the trainings accessible to persons who are considered members of a protected class under the Fair Housing Act by holding whenever possible, classroom-based training in buildings that are compliant with the Americans with Disabilities Act (ADA), providing sign language assistance when requested, and providing special assistance for those who are visually impaired when requested. Translation services will be available for all community meetings as well as advisory services.

Business Support Initiative marketing materials and ads will be presented in English and Spanish and when relevant to a complimentary course or training, in French Creole, the prevailing languages in the Territory in accordance with Title VI of the Civil Rights Act of 1964, including persons with disabilities.

APPENDIX

- 1. Appendix A: Crosscutting Requirements and Process Overview**
- 2. Appendix B: Capacity Assessment and Initial Scope and Budget Form**
- 3. Appendix C: HUD Rider**

