

**U.S. VIRGIN ISLANDS
2020- 2024 CONSOLIDATED PLAN FOR
HOUSING AND COMMUNITY DEVELOPMENT**



2021- 2022 PROGRAM YEAR ACTION PLAN

Submitted by:

Virgin Islands Housing Finance Authority

SECOND YEAR ACTION PLAN

Executive Summary

AP-05 Executive Summary – 24 CFR 91.200©, 91.220(b)

Introduction

The Annual Plan describes the goals and objectives to be pursued and the projects to be funded under the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), the Home Investments Partnership Program (HOME), and the National Housing Trust Fund (HTF) during the 2021 program year to implement strategies to address identified needs.

Summarize the objectives and outcomes identified in the Plan

Priority needs and corresponding goals were established after an assessment of needs and capacity, review of relevant economic information and statistical data, discussions in the community, consideration of strategic plans of partner agencies and providers in the region, and review of available planning documents. These serve as the framework for setting actions during the five-year period covered by the Consolidated Plan.

Four priority needs were established, each a high priority:

- Affordable housing choice
- Homelessness services and facilities
- Public and community services
- Infrastructure, facilities and economic development

Four goals were established to meet the needs:

- Increase and preserve affordable housing units
- Reduce and prevent homelessness
- Provide services and community support
- Support community and economic development

Evaluation of past performance

The COVID-19 pandemic, which has gripped the Territory since March 2020, has had significant impacts on the activities of the programs which are covered under the Plan. Many service programs, particularly after-school programs were forced to suspend in-persons services; a few were able to pivot to a virtual format and are hoping to operate during the 2021-22 school year. Workplace shutdowns and supply chain issues have also disrupted or delayed construction projects. As a result of the COVID-19 pandemic, the

Territory exercised the option to defer the development of the Territory's 2020-24 Consolidated Plan until this year. The Consolidated Plan describes the housing and community development needs of the Territory and establishes priorities and strategies for using federal funds under the various programs to address the identified needs. The Annual Plan describes the goals and objectives to be pursued and the projects to be funded under the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), the Home Investments Partnership Program (HOME), and the National Housing Trust Fund (HTF) during the program year to implement strategies to address identified needs.

Summary of Citizen Participation Process and consultation process

Summary of public comments

No comments were received.

Summary of comments or views not accepted and the reasons for not accepting them

Summary

PR-05 Lead and Responsible Agencies – 91.200(B)

CDBG Administrator: Virgin Islands Housing Finance Authority

HOME Administrator: Virgin Islands Housing Finance Authority

ESG Administrator: Virgin Islands Housing Finance Authority

Narrative (optional)

The Virgin Islands Housing Finance Authority (VIHFA) has as its mission to increase to housing and community development opportunities by developing innovative programs and projects. The VIHFA's Federal Programs Division exercises direct oversight over the various Consolidated Plan programs. Federal Programs is tasked promoting, planning, implementing and administering federal grants and programs to help the Authority achieve its mission of increasing housing access across the housing continuum and supporting community development initiatives which improve the living environment for all residents of Territory.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

Introduction

The Virgin Islands Housing Finance Authority actively participates in planning efforts in the Territory, including affordable housing, housing and services for persons who are homeless and housing and services for other vulnerable populations. In addition to coordinating vital funding for services related to health, safety, housing, and support for youth, the VIHFA is represented in planning activities with representatives from key agencies from the government, nonprofit sector, and foundations. The VIHFA is an active participant in the USVI Hurricane Recovery and Resilience Taskforce which developed a comprehensive report on the 2017 hurricanes' impact, as well as produced recommendations for effective recovery and resilience. The VIHFA led the housing sector portion of the taskforce.

In addition, in its role as the lead agency for the administration of the Community Development Block Grant - Disaster Recovery (CDBG-DR), the VIHFA has been in consultation with numerous public agencies.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The Virgin Islands Housing Finance Authority actively participates in planning efforts in the Territory, including affordable housing, housing agencies for persons who are homeless and housing and services for other vulnerable populations. In addition to coordinating vital funding for projects which provide health, safety, housing, and support for youth, the VIHFA is represented in planning activities with representatives from key agencies of the government, nonprofit sector, and community foundations.

One of the ongoing efforts relative to the coordination between housing providers and health, mental health, and service agencies is the "Reaching Potentials Initiative". Although the initiative was founded by a private benefactor, VIHFA played a key role in meetings of the core group which includes housing providers (VIHFA), non-profit health providers (Frederiksted Health Care, Inc), nonprofit service agencies (Catholic Charities), and a community foundation in the capacity as a fiduciary (St. Croix Foundation). The initiative subscribes to the "Housing First" model wherein medical services and medication management as well as hygiene products are provided to homeless persons to help those persons attain sufficient stability to be housed in permanent supportive housing situations without having to be transition through the traditional housing continuum. Although the housing crisis left in the wake of the 2017 hurricanes has negatively impacted the efforts at housing placements, Frederiksted Health Care,

supported by the private benefactor and other non-profit service agencies, continues to provide the Saturday clinics for homeless persons and street outreach/case management services funded via a subgrant of Emergency Solution Grant (ESG) funds.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

As the designated Collaborative Applicant, VIHFA is an active participant in the Continuum of Care (CoC). This position helps to improve coordination between the two major homeless planning and policy development organizations - the Interagency Council on Homelessness and the Continuum of Care. A full-staff staff position at the VIHFA is responsible for implementation of the ESG Program and development of policies and procedures for homelessness and increasing services for homeless persons and those at risk of becoming homeless.

Over the past year, the VIHFA has been leading the CoC's efforts to strengthen the organization and bring it into full compliance with HUD requirements. Strengthening the organization is key to increasing the jurisdiction's overall score in the annual CoC grant competition - which will ultimately increase the funding available to the CoC for projects to address the needs of homeless persons.

A large part of the collaboration with the CoC to address the needs of homeless persons centers around implementation of the Coordinated Entry (CE) system.

The USVI CES will help people access the housing crisis system faster, by ensuring that persons with the greatest needs receive priority for the housing and homeless assistance available in the Territory of the USVI. To ensure that all systems and processes best meet the needs of the homeless, design principles for the CES include:

- Client-centered practices where every person at risk of or experiencing homelessness is treated with dignity, offered at least minimal assistance, afforded the opportunity to participate in the development and execution of their own housing plan (if applicable) and with clients offered choice during the referral process whenever possible.
- Degree of vulnerability as the primary factor in determining where the Territory's limited resources should be directed first
- Avoidance of system practices and individual project eligibility criteria which may pose barriers to housing access
- Policies and practices that respect cultural, regional, programmatic, linguistic, and philosophical differences.
- A diversity of housing options created through collaborative and inclusive planning and decision-making practices based on data analysis of local housing needs

The completion of its Coordinated Entry protocol and implementation of the CE system was delayed by the disruption of normal operations of Hurricanes Irma and Maria which devastated the Territory in September 2017. The CES sub-committee of the local Continuum of Care developed a draft protocol which draft document was provided to HUD in July 2018. HUD has since assigned Abt Associates to provide technical assistance provider to the jurisdiction. A large part of the technical assistance provided to date has been to help the CoC identify gaps in the homeless crisis response system and the steps needed to enhance the system to so that it can better address the needs of homeless persons across all cohorts. In this effort, the technical assistance provider met with homeless providers as well as other community stakeholders to explore the nature of homelessness pre- and post-storms. This process also reviewed available resources, identified the most significant system gaps, and outlined a vision for necessary homeless system improvement and expansion in the future.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

As the designated Collaborative Applicant, VIHFA is an active participant in the Continuum of Care. A full-staff staff position at the VIHFA is responsible for implementation of the ESG Program and development of policies and procedures for homelessness and increasing services for homeless persons and those at risk of becoming homeless.

ESG and CoC recipients are required to coordinate to develop performance standards for evaluating the effectiveness of ESG Program-funded activities within the jurisdiction. In recent months, VIHFA and the CoC, working closely with HUD-assigned technical assistance provider, Abt Associates, have begun to identify gaps in the homeless crisis response system and to quantify the needs in the areas of emergency shelter, transitional housing, rapid re-housing, and permanent supportive housing. This analysis helps to inform the allocation of not only ESG funds but also CDBG funds (as the Territory's ESG allocation is relatively small). The technical assistance has also highlighted the improved reporting capability and tracking via HMIS as a critical need for monitoring and improving system performance. Going forward, understanding this relationship will help inform the development of policies and procedures for the Territory's HMIS.

The CoC and VIHFA are awaiting final approval of the second phase of the technical assistance engagement. In this phase of the engagement, the TA provider will customize trainings to more fully prepare the CoC for its consultative role relative to the development of written standards for both ESG- and CoC-funded programs and policies and procedures for HMIS. The establishment of formal performance standards will enable the evaluation of the outcomes of ESG-assisted projects and activities against established performance measures.

Describe agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

Sort	Agency	Type	Plan Sections
	Catholic Charities of the VI	Services-homeless	Homeless needs-chronically homeless Homeless needs-families with children Homelessness strategy Housing
	VI Dept. Human Services	Other government-local	Homeless needs-chronically homeless Homeless needs-families with children Homelessness strategy Non-homeless special needs Non-housing community development strategy
	Methodist Training & Outreach Center, Inc.	Continuum of Care Services-homeless	Homeless needs-families with children Homeless needs-veterans Homeless strategy
	Ten Thousand Helpers of STX	Services-homeless	Homeless needs-chronically homeless Non-homeless special needs Housing
	St. Croix Mission Outreach	Services-persons with disabilities Housing	Homeless needs-chronically homeless Non-homeless special needs
	Frederiksted Health Care	Health Agency Housing Services-Homeless Services-Health	Homeless needs-chronically homeless Non-homeless special needs Non-housing community development strategy Housing
	Family Resource Center	Services-domestic violence Housing	Homeless needs-families with children Non-homeless special needs
	Women's Coalition	Services-domestic violence Housing	Homeless needs-families with children Non-homeless special needs
	My Brother's Workshop	Services-children Services-employment	Homeless needs-unaccompanied youth Non-housing community development
	DHS, Adult Protective Services	Other government-local	Non-homeless special needs Non-housing community development strategy
	UVI, East Caribbean Center	Services-education	Non-housing community development strategy Other – education & employment
	VI Housing Authority	PHA	Housing needs assessment Public housing needs Non-homeless special needs Non-housing community development strategy
	VIHFA	Other government-Local	Housing needs Assessment Homeless needs-chronically homeless Homeless needs- families with children Homeless strategy Market analysis Non-housing community development strategy

Table 1 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care		
Christiansted Community Town Plan	USVIEDA- Enterprise Zone Commission	

Table 2 – Other local / regional / federal planning efforts

Narrative (optional)

The ongoing recovery efforts in the wake of Hurricanes Irma and Maria continue to be the focus of many organizations (both governmental and nongovernmental agencies). Nonetheless, there have been extensive meetings with local agencies that provide service to the various special populations (i.e., homeless, persons with disabilities, children and youth, victims of domestic violence) as part of the extensive needs assessment gathering that informed the CDBG-DR planning. Extensive consultation and collaborations were also held with the Housing Task Force.

AP-12 Participation – 91.105, 91.200(C)

Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Resources from federal CDBG, ESG, HOME, HTF grants and CARES Act funding expected during the remaining four years of the Consolidated Plan are based on allocations during the first year, with a reasonable expectation of program and other income shown. However, allocations have been fluctuating over the past several years and, if that continues to be the case, both expected funding amounts and outcomes will be modified accordingly.

Anticipated Resources

Modify for 2021 plan projects. So this would be same table as 2020 but for the current year minus 2020 budgeted amounts.

Table 59: Expected Resources-Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Amount Available Remainder of Plan
			Annual Allocation	Program Income	Prior Year Resources	Total	
CDBG	Federal	Acquisition, Admin & planning, Economic development, Housing, Public improvements, Public services	\$1,989,268	\$0	\$2,471,323	\$4,453,148	\$5,967,804
ESG	Federal	Conversion & rehab for Transitional housing, Financial assistance, Overnight shelter, Rapid rehousing (rental assistance), Rental assistance, Services, Transitional housing	\$164,208	\$0	\$270,282	\$434,490	\$492,624
HOME	Federal	Acquisition, Homebuyer assistance, Homeowner rehab, Multifamily rental new construction, Multifamily rental rehab, New construction for ownership, TBRA	\$911,662	\$250,000	\$2,186,665	\$3,348,327	\$2,984,986
HTF	Federal	Acquisition, Admin & planning; Homebuyer assistance; Multifamily rental new construction; Multifamily rental rehab; New construction for ownership	\$366,645	\$0	\$224,158	\$590,803	\$1,099,935
CDBG-CV	Federal	Admin & planning; Overnight shelter; Rapid rehousing (rental assistance); Rental Assistance; Services; Other	\$2,824,145	\$0	\$0	\$2,824,145	\$0
ESG-CV	Federal	Admin & planning; Public services; Other	\$2,243,982	\$0	\$0	\$2,243,982	\$0

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

As an insular area, there is no requirement for the Virgin Islands to match ESG, HOME or HTF funding. The match for the CDBG program will be provided primarily by nonprofit subrecipient organizations through their own fundraising, in-kind services, and, in some cases, from sources such as United Way. Although there is no formal match requirement for the ESG program, many of the ESG subrecipients are nonprofit organizations (such as Catholic Charities, Methodist Training and Outreach, Inc., Women’s Coalition of St. Croix, and St. Croix Mission Outreach) and they also provide in-kind match as well as through staff salaries and other grants they receive.

The Territory looks to funds from other sources including local government, nonprofit organizations, fund-raising and community foundations to supplement federal grants. In addition to matches described above, resources from USDA, Housing Choice Vouchers, local Homestead Loan funds, federal Low Income Housing Tax Credits, the local Stamp Tax, and the Virgin Islands government have increased the ability to meet Territorial needs. The Territory currently benefits from CDBG-DR and FEMA funds after the 2017 hurricanes that are critical in accomplishing goals of reconstruction as well as meeting goals set out above.

The local PHA, Virgin Islands Housing Authority, has adopted the aggressive asset repositioning plan for development of a new face of public housing. VIHA's plan centers around engagement in public-private partnerships to accomplish RAD deals for the development of new communities and rehabilitation of existing properties. Some of the deals include multiple funding sources to include Low Income Housing Tax Credits, CDBG-DR and FEMA funds.

HOME Program funds for home ownership assistance are used primarily as subsidy (secondary) financing in conjunction with primary financing provided by other lenders. HOME funds are used for mortgage buy downs, closing cost assistance and filling other gaps in lending requirements. For a majority of the assisted households, USDA Rural Development's 502 Direct Lending Program (a federally funded program) provides the primary financing. Rural Development provides subsidized mortgages for very-low and low-income families. This increases the number of households VIHFA is able to assist. In other cases, on a limited basis, local government lending programs or conventional lenders provide the primary financing.

USDA Rural Development's Section 504 Repair program assists very-low income homeowners to repair their unit to remove health and safety hazards. From time to time, both the VIHFA and USDA Rural Development refer owner-occupied rehabilitation applicants to the other agency for additional financing. The collaboration between VIHFA's HOME Program and USDA Rural Development provides for the leveraging of HOME funds which enables both agencies to expand the number of households that can be assisted and the scope of repairs/improvements that can be undertaken.

New rental units can be funded using federal Low Income Housing Tax Credits and renters, including those coming from homelessness and persons with special needs, can be housed using Housing Choice Vouchers administered by the VI Housing Authority, the local PHA. Housing Choice Vouchers can also be used for home-ownership assistance, which increases the potential for collaboration with local lenders, especially the USDA Rural Development. The Territory was also awarded 20 Emergency Housing Vouchers to alleviate the risk of homelessness during the pandemic.

The Government of the Virgin Islands has made various tax exemptions available to developers of low- and moderate-income housing under an Affordable Housing Development Agreement. Also at the local level, the VIHFA is able to utilize proceeds from the Stamp Tax to subsidize housing development and/or purchase land for the Affordable Housing Program.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Use of publicly-owned resources has been beneficial in meeting needs in the past and use of those resources is anticipated in the future. Notably, the Virgin Islands Housing Finance Authority has provided house plots at below-market prices which helps make homeownership more affordable. The house plot, along with the included infrastructure, results in an average subsidy of \$25,000. The Government of the Virgin Islands likewise has transferred developable land from the central government’s inventory to the VIHFA for development of affordable housing.

Discussion

AP-20 Annual Goals and Objectives

Table 60: Goals Summary

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
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VIRGIN ISLANDS ANNUAL ACTION PLAN 2021

Increase & preserve affordable housing units	2021	2022	Affordable housing Public housing	Territory	Affordable housing choice	HTF: \$366,645 HOME: \$1,024,913 CDBG: \$170,000	Production of new rental units – 3 units; Direct financial assistance to homeowners: 8 households assisted
Reduce & prevent homelessness	2021	2022	Homeless Non-homeless special needs	Territory	Homelessness services & facilities	CDBG: \$1,195,707 ESG: \$434,490	Tenant-based rental assistance/rapid rehousing: 6 households assisted; Overnight emergency shelter, transitional housing beds added: 77 persons assisted; Homeless prevention: 15 persons assisted
Provide services & community support	2021	2022	Non-homeless special needs	Territory	Public & community services	CDBG: \$140,000	Public service activities other than low/moderate-income housing benefit: 300 persons assisted; Public service activities for low/moderate income housing benefit: -0- households assisted
Support community & economic development	2021	2022	Non-housing community development	Territory	Infrastructure, facilities & economic development	CDBG: \$85,707	Public facility or infrastructure activities other than low/moderate-income housing benefit: # of persons assisted TBD; Public facility or infrastructure activities for low/moderate income housing benefit: persons assisted TBD

Goal Descriptions

Goal name: Increase and preserve affordable housing units

Description: Utilize primarily HTF and HOME funds to increase and preserve rental and home ownership units in order to increase affordable housing choice across the Territory

Goal name: Reduce and prevent homelessness

Description: Utilize ESG and CDBG funds to expand programs, services and facilities that serve homeless persons and those at-risk.

Goal name: Provide services and community support

Description: Utilize CDBG funds for projects which deliver services and create facilities primarily benefitting low/mod income residents of the Territory.

Goal name: Support community and economic development

Goal description: CDBG funds will be utilized for projects which create public facilities

AP-35 Projects – 91.220(d)

Introduction

This annual plan describes how funds will be used over the next program year. The annual projects have been carefully selected to make progress in meeting the needs and goals established through this planning process and in developing the Consolidated Plan.

Table 61: Project Information

Project #	Project Name
	CDBG Program Administration 2021
	2021 Housing Trust Fund rental unit production
	HOME Program Administration 2021
	HOME Home Ownership Assistance Fund 2021
	Emergency Solutions Grant Project Fund 2021
	Family Resource Center Youth Counseling Program – St. Thomas/St. John
	St. John Community Foundation Outreach Services & Support program
	St. Thomas Boys & Girls After-school program
	Mon Bijou After-school program
	CCVI Shelter (Bethlehem House) Reconstruction) - St. Thomas
	CCVI Light of Christ Bethlehem House Renovation - St. Croix
	New Life Senior Resort Building Renovation
	Civil Air Patrol Building Acquisition & Rehabilitation

Table 62: Project Summary Information (AP-38)

Project name	CDBG program administration
Target area	N/A
Goals supported	Reduce & prevent homelessness Provide services & community support Support community & economic development
Needs addressed	Homelessness services & facilities Public & community services Infrastructure, facilities & economic development
Funding	CDBG: \$397,853
Description	Program administration
Location	Territory-wide
Target date	2021-2022
Indicator/outcome	N/A
Project name	2021 Housing Trust Fund rental unit production
Target area	N/A
Goals supported	Increase & preserve affordable housing units

	Needs addressed	Affordable housing choice
	Funding	HTF: \$366,645
	Description	Funds will be used in conjunction with Low Income Housing Tax Credits to create units of affordable rental housing serving ELI households. It is estimated that three (3) units will be supported.
	Location	Territory-wide
	Target date	2021-2022
	Indicator/outcome	Units of affordable housing
	Project name	HOME program administration
	Target area	N/A
	Goals supported	Increase & preserve affordable housing units
	Needs addressed	Affordable housing choice
	Funding	HOME: \$136,749
	Description	Administration
	Location	Territory-wide
	Target date	2021-22
	Indicator/outcome	N/A
	Project name	HOME ownership assistance funds 2021
	Target area	N/A
	Goals supported	Increase & preserve affordable housing units
	Needs addressed	Affordable housing choice
	Funding	HOME: \$774,913.00
	Description	Funds will be used to provide home ownership assistance to first-time homebuyers. Direct financial assistance for down payment and/or mortgage buydown. It is estimated that 8 households will be assisted.
	Location	Territory-wide
	Target date	2021-22
	Indicator/outcome	8 households assisted
	Project name	Emergency Solutions Grant project fund 2021
	Target area	N/A
	Goals supported	Reduce & prevent homelessness
	Needs addressed	Homelessness services & facilities
	Funding	ESG: \$164,208
	Description	Funds will be used to provide rapid rehousing and homeless prevention assistance, to support the operations of overnight shelters serving the homeless, for the provision of street outreach to unsheltered, and for HMIS assistance
	Location	Territory-wide
	Target date	2021-2022
	Indicator/outcome	Persons assisted
STT-13	Project name	Family Resource Center Youth Counseling Program - St. Thomas/St. John
	Target area	N/A
	Goals supported	Provide services & community support
	Needs addressed	Public & community services
	Funding	CDBG: \$40,000
	Description	Family Resource Center youth crisis intervention and counseling program for youth that display negative and/or disruptive behaviors in home, school, or community settings
	Location	St. Thomas; St. John
	Target date	2021-2022

Indicator/outcome	Public service activities other than low/moderate-income housing benefit: 100 persons assisted
Project name	St. John Community Foundation outreach services & support program
Target area	N/A
Goals supported	Reduce & prevent homelessness
Needs addressed	Homelessness services & facilities
Funding	CDBG: \$40,000
Description	Street outreach & support
Location	St. John
Target date	2021-2022
Indicator/outcome	Homeless prevention: 60 persons assisted
Project name	St. Thomas Boys & Girls After-school program
Target area	N/A
Goals supported	Provide services & community support
Needs addressed	Public & community services
Funding	CDBG: \$20,000
Description	After-school program providing homework assistance, financial management, computer skills and nutrition/physical activity
Location	St. Thomas
Target date	2021-2022
Indicator/outcome	Public service activities other than low/moderate-income housing benefit: 45 persons assisted
Project name	Mon Bijou After-school program
Target area	N/A
Goals supported	Provide services & community support
Needs addressed	Public & community services
Funding	CDBG: \$40,000
Description	After-school, summer enrichment and martial arts program for at-risk youth
Location	Mon Bijou, St. Croix
Target date	2021-2022
Indicator/outcome	Public service activities other than low/moderate-income housing benefit: 75 persons assisted
Project name	Catholic Charities of VI Bethlehem House Reconstruction
Target area	N/A
Goals supported	Reduce & prevent homelessness
Needs addressed	Homelessness services & facilities
Funding	CDBG: \$695,707
Description	Construction services for of a facility that will serve as a replacement for the Bethlehem House emergency overnight shelter
Location	St. Thomas
Target date	2021-2022
Indicator/outcome	Homeless person overnight shelter: 27 beds created
Project name	Catholic Charities of VI Light of Christ Bethlehem House Renovation
Target area	N/A
Goals supported	Reduce & prevent homelessness
Needs addressed	Homelessness services & facilities
Funding	CDBG: \$500,000
Description	Construction services for renovation of a facility that will serve as a replacement for the Bethlehem House emergency overnight shelter
Location	St. Croix
Target date	2021-2022

Indicator/outcome	Homeless person overnight shelter: 40 shelter beds created
Project name	New Life Senior Resource Building Renovation
Target area	N/A
Goals supported	Increase & preserve affordable housing units
Needs addressed	Affordable housing choice
Funding	CDBG: \$170,000
Description	Construction services for rehabilitation of several buildings at a senior living complex. The project will enhance the living conditions and safety/resilience of the facility
Location	St. Croix
Target date	2021-2022
Indicator/outcome	Units of affordable housing units created/preserved
Project name	Civil Air Patrol Building Acquisition and Rehabilitation
Target area	N/A
Goals supported	Support community and economic development
Needs addressed	Infrastructure , facilities, and economic development
Funding	CDBG: \$85,707.20
Description	Construction of a facility that will serve as the operational headquarters for Civil Air Patrol.
Location	St. Croix
Target date	2021-2022
Indicator/outcome	Persons assisted

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were established after review of the priority needs outlined in the Consolidated Plan, discussions at public hearings, and various consultations.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

There are no designated or HUD-approved geographic target areas in the Territory. Activities will take place for the benefit and opportunity of low- and moderate-income persons across all three islands appropriate to the funded program. The Territory recognizes the benefit of focusing funding to achieve maximum benefit in particular areas, if the opportunity should arise, so that neighborhoods are lifted out of poverty or business areas are revitalized to create or retain badly needed jobs and safe housing.

Rational for the priorities for allocating investments geographically

Allocations have not been invested geographically herein because there are no designated or HUD-approved geographic target areas in the Territory.

For FY 2020, ten (10) organizations submitted applications for funding for fifteen (15) ESG and ESG -CV projects proposing a range of services. A committee which includes a representative of the local Continuum of Care (CoC) on Homelessness will evaluate and rate the ESG applications utilizing a rating tool that was developed for the purpose. Awards will be made based on the scoring achieved by the applicant.

Although awards to have not been finalized, the Territory anticipates funding the various ESG activity types including rehabilitation or conversion of buildings for use as emergency shelters for the homeless; payment of certain related shelter operating expenses; payment for expenses related to the provision of essential services for persons housed in shelters; street outreach services for unsheltered, chronically homeless persons; homelessness prevention services (housing search, deposit assistance, rental assistance, case management) for persons who are at imminent risk of homelessness; and, rapid re-housing services (housing search, deposit assistance, rental assistance, case management) for persons who are literally homeless.

If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

ESG regulations include a provision whereby the jurisdiction is required to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any ESG-funded facilities, services, or other assistance. VIHFA has instituted a requirement that each organization that applies for funding under the ESG Program demonstrates that there is at least one homeless or formerly homeless individual included among the organization's Board of Directors or an advisory committee thereof. The VIHFA's Board of Directors recently adopted a resolution which provides for the inclusion of current or former consumers (i.e., homeless or formerly homeless individuals) in its development of policies and funding decisions relative to the ESG program. Implementation of the consultation is currently underway.

Describe performance standards for evaluating ESG

ESG and CoC recipients are required to coordinate to develop performance standards for evaluating the effectiveness of ESG Program-funded activities within the jurisdiction.

The proposed performance standards aim to assess the degree to which providers are succeeding in:

- Targeting those who most need assistance
- Reducing the number of unsheltered persons (i.e., persons living on the streets or other places not meant for human habitation) or persons living in emergency shelters
- Reducing program participants' housing barriers or housing stability risks

Achievement of the standards will also support improved performance of the overall homeless service system. HMIS and other pertinent data collected in the community should be used to assist with evaluating ESG- and CoC- funded activities within the context of broader system performance and also to inform subsequent grant allocations.

The proposed performance standards include applicable measures for each program type (i.e., street outreach, emergency shelter, homeless prevention/rapid re-housing). For emergency shelter proposed measures include average length of stay of less than 45 days, 50% exits with successful housing outcomes and/or 30% with exits to permanent housing, less than 30% exits to an unknown location, 60% exits with or linked to cash income and non-cash resources. For rapid re-housing, proposed measures include 80% exit to permanent housing situation; 50% or more of adult participants will have income from sources other than employment; 40% or more of adult participants will increase income from sources other than employment; 60% or more of all participants have mainstream (non-cash) benefits at exit from program; 20% or more of adult participants have employment income; 20% or more of adult participants increase employment income; less than 180 days from program entry to move into permanent housing; and, at least 85 % of the households that exited to permanent housing should not become homeless again within a year.

Housing Trust Fund (HTF) Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

HTF funds will be awarded based on applications submitted by eligible recipients and vetted by program staff.

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A"

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Please refer to attached HTF Plan.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Please refer to attached HTF Plan.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Please refer to attached HTF Plan.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Although there are no designated or HUD-approved geographic target areas defined in the Territory's Consolidated Plan, according to the evaluation criteria outlined in the HTF Plan, projects that will be located in the Territory's downtown areas will receive a score for five (5) points. A proposed project within these areas that has occupancy restrictions or preferences that favor tenants with special needs will receive five (5) bonus points.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicant Capacity has been included as one of the evaluation criteria that will be used to determine which project will be selected for HTF funding.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

A commitment of project-based assistance has been included as one of the evaluation criteria that will be used to determine which project will be selected for HTF funding. A maximum of five points will be awarded in this category. To receive points in this category, Eligible Projects shall have a commitment of project-based rental assistance for at least 66% of the units for a period of at least five years so that rents are affordable to extremely low-income households. The applicant is required to provide a commitment letter or executed Housing Assistance Payment contract as documentation of the project-based rental assistance.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

As one of the evaluation criteria that will be used to determine which project will be selected for HTF funding, five (5) points will be awarded to projects which propose to remain affordable for at least five years beyond the required 30-year affordability period. The Affordability Period requirement shall be imposed either by a deed restriction, covenant, or land use agreement restricting the property. The applicable document shall be recorded in the official records of the Recorder of Deeds.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Satisfaction of Priority Housing Needs has been included as one of the evaluation criteria that will be used to determine which projects will be selected for HTF funding. A maximum of fifteen (15) points will be awarded in this category. By assigning the highest relative priority to this factor, the Territory ensure that priority for funding is based on the merits of the application in meeting the priority housing needs established in the Consolidated Plan. To receive points in this category, the proposed project's units must be permanent units and the project may not use the SRO model. The project also cannot be age-restricted.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

A requirement for leveraging non-federal funding sources has been included as one of the evaluation criteria that will be used to determine which projects will be selected for HTF funding. A maximum of ten (10) points will be awarded in this category. To receive points in this category, the proposed project must have at least one nonfederal funding source in addition to the LIHTC equity proceeds.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. **Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. **Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.**

Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

As described in its HTF Plan, the grantee has chosen to adopt the HOME Program's maximum per-unit subsidy amounts and the limits for housing assisted with HTF funds. See HTF Allocation Plan included as an attachment.

8. **Rehabilitation Standards.** The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

See HTF Allocation Plan included as an attachment.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

See HTF Allocation Plan included as an attachment.

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

The grantee has determined its own affordable homeownership limits using the methodology described in § 93.305(a)(2) and the limits are attached.

The Territory will not utilize HTF funds for homebuyer assistance in the current Action Plan year.

11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

See HTF Allocation Plan included as an attachment.

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

The Territory does not intend to allow eligible recipients to use HTF funds for refinancing of existing debt.