

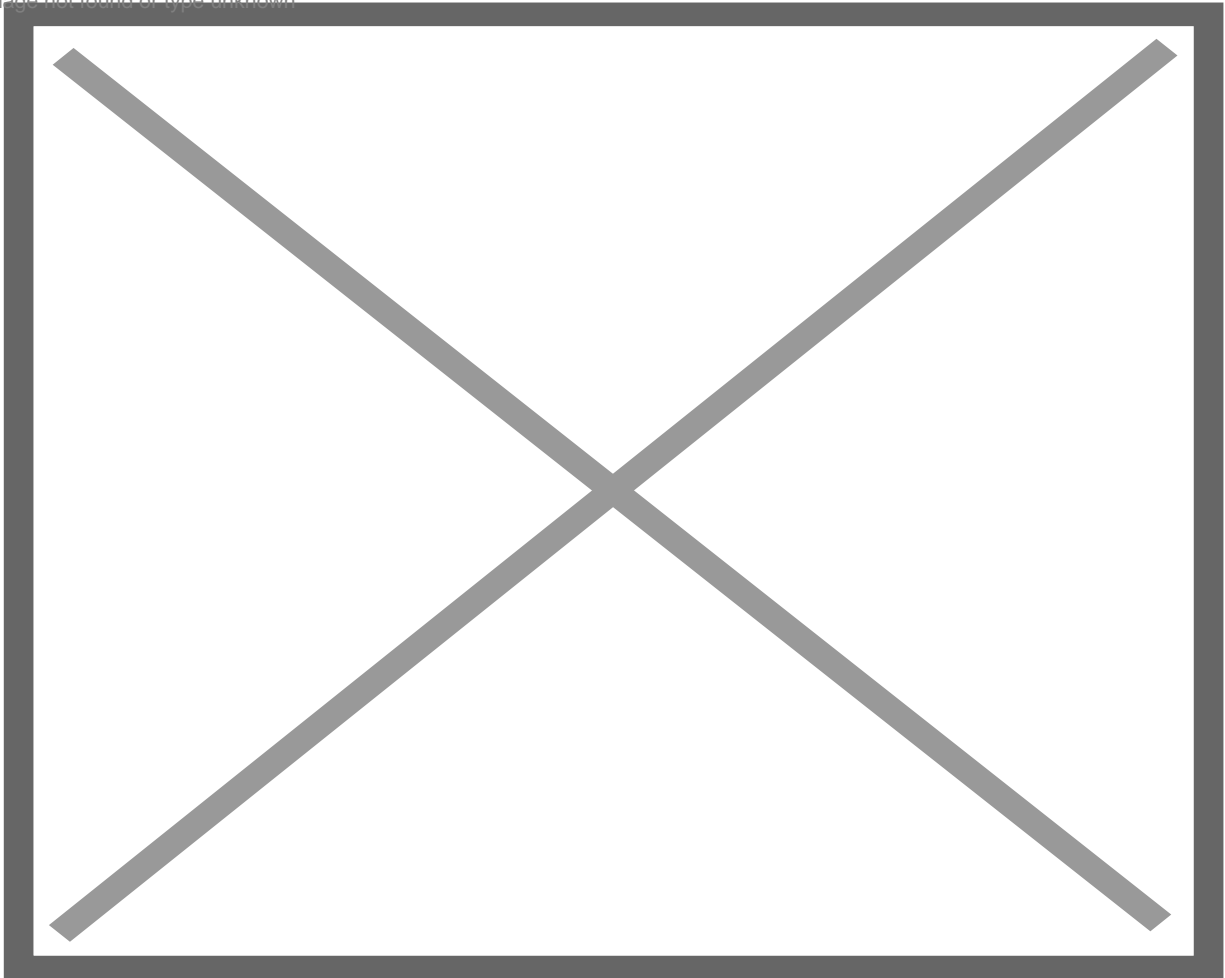
No Eminent Domain, But Displacement Fears Loom as VIHFA Plans LBJ Gardens Buyouts

With LBJ Gardens residents facing an April 28 deadline to choose a buyout or individual sale, lawmakers fear appraisal-based compensation may not be enough to buy a new home, leaving longtime owners at risk of becoming renters or homeless.

Senate / **Published On March 29, 2025 07:00 AM /**

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Senator Marise James. By. V.I. LEGISLATURE

With less than a month remaining for residents of LBJ Gardens to choose whether to be collectively bought out of their properties or make that decision on a household to household basis, lawmakers raised concerns about the potential for long-term displacement.

On March 24, representatives of the V.I. Housing Finance Authority met with residents of the community to address concerns surrounding “the safe and responsible demolition of VIHFA-owned property at 15A and 15B Penitentiary Land” - LBJ Gardens. Subsequently, the authority issued letters to residents informing them of the intention to buy them out or acquire “eligible property” within the community.

The initial buyout suggestion came from Senator Marise James in February, when VIHFA officials appeared before the Senate Committee on Disaster Recovery, Infrastructure and Planning. The agency's leadership was [reprimanded by lawmakers](#) for failing to inform residents of LBJ Gardens of planned demolition work. Dust from the premature demolition work reportedly contaminated the cisterns of several residents.

Now, “after carefully reviewing applicable regulations, the VIHFA has identified opportunities that may lead to the buyout or acquisition of eligible property,” the agency told LBJ residents in the correspondence. As VIHFA director Eugene Jones read into the record during Friday's meeting of the Senate Committee on Housing, Transportation, and Telecommunications, “the buyout requires a collective agreement of the community, and the acquisition does not.”

As Mr. Jones explained further, if residents choose the buyout option, all the properties would be demolished. However, if individual acquisitions have to be made, only those properties would be torn down. He reassured lawmakers, however, that nobody would be forced to sell. “We won't do that,” Mr. Jones responded to the idea of attempting to seize properties by eminent domain.

According to the letter, the land where their homes once stood will be “appropriately repurposed for green space or mitigation projects.” Such a move is expected to enhance “environmental and community benefits,” VIHFA said.

Several lawmakers questioned Jones on the details of this proposal, including Senator Clifford Joseph, who attended VIHFA's public meeting earlier this week. “Have you guys explored other options to include refurbishing existing structures on island to maybe relocate some of these individuals?” Senator Joseph queried. “No, we have not,” Mr. Jones replied.

Sen. James worried about the ability of residents to relocate if they agree to leave their properties. According to the VIHFA, compensation will be based on appraised value rather than market value. “If I have lived in LBJ for 30 years of my life, I have no mortgage, and you go the appraisal route, it is likely that what you are going to give me, based on my knowledge of the neighborhood, I wouldn't be able to afford a house anywhere else on this island,” said Sen. James, who has knowledge of the real estate industry. She fears that at least some residents of LBJ Gardens, therefore, may be displaced.

“We don't want to have people who are homeless. Even if they decide to sell, they can't afford to buy a house, or they become renters. That would be the worst thing that could happen to them,” Sen. James warned. “Maybe we need to, again, look at alternative ways of handling this entire process.”

“We're trying to be partners and trying to create an opportunity to move out of that area or to sell so that they can improve their quality of life issues,” Mr. Jones replied. The offer on the table, he said, was the best VIHFA could do. “That's what we're committed to doing... With the funding resources that we have, this is what we can offer, and so we're trying to work with the community.” The expected cost of the LBJ units based on either option — buyout or individual acquisitions — was not discussed at the hearing.

Residents of LBJ Gardens are expected to weigh their limited options and respond to the VIHFA by April 28. Meanwhile, the authority has signaled its intention to “conduct comprehensive water testing at your homes on April 14 and April 21 to evaluate potential environmental concerns.” The testing will screen for “total dissolved and suspended solids, lead, copper and asbestos” following the contamination of the cisterns.

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