

The Virgin Islands Consortium

St. Thomas Abattoir Project Stalled by HUD Funding Suspension; Livestock Transport to St. Croix No Longer Available

VIDA says the St. Thomas abattoir project was in environmental review for roughly \$2 million when the HUD suspension halted access to VIHFA funding. With St. Croix transport ended, Sen. Marvin Blyden plans an appropriation to close the full funding gap.

Government / **Published On August 12, 2026 05:46 AM /**

Nelcia Charlemagne **August 12, 2026**



The V.I. Department of Agriculture is pursuing two alternate funding sources for a St. Thomas abattoir after a proposed project seeking approximately \$2 million through the CDBG Mitigation Grant Program was caught in the Housing Finance Authority's federal

funding suspension, leaving livestock farmers without a local slaughter facility.

Agriculture Commissioner Louis Petersen told the Committee on Budget, Appropriations and Finance last Friday that VIDA has “exhausted many efforts” to secure an abattoir for St. Thomas and that he is “painfully aware of the impact of the absence of an abattoir facility.”

The department had worked with engineers from the Department of Public Works to develop a project proposal and submitted it to the V.I. Housing Finance Authority in pursuit of approximately \$2 million through the CDBG Mitigation Grant Program.

That proposal had reached the environmental phase of the evaluation process when the U.S. Department of Housing and Urban Development [suspended funding to the territory through VIHFA.](#)

The suspension has placed VIDA among government entities at risk of losing access to financial resources that were expected to flow through the housing authority.

Petersen said VIDA remains “very hopeful that this situation will be short-lived and resolved in the best interest of the Territory.”

Given the uncertainty, however, he said the department is “applying for funding from two alternate sources.”

Livestock Transport to St. Croix No Longer Available

In the absence of a St. Thomas abattoir, VIDA had facilitated transportation of livestock from St. Thomas to St. Croix for slaughter.

That service is no longer available.

Committee Chairman Sen. Novelle Francis said he was “a little bit disappointed with the St. Thomas Abattoir.”

VIDA initially planned to purchase a mobile abattoir, but Petersen said “the funds never became available.”

A consulting team subsequently recommended rehabilitating the existing St. Thomas facility instead of purchasing a mobile unit.

VIDA eventually received \$740,000 toward the rehabilitation project, substantially less than the approximately \$2 million it had requested.

Francis warned that the continued absence of a slaughter facility could develop into a broader problem. “My fear is that we are finding ourselves in a crisis situation,” Sen. Francis stated.

He raised concerns about the potential health consequences of animals being slaughtered in unsuitable environments. “I don't want us to get to that extreme where we're starting to impact our restaurant and those places are selling food,” he said.

Blyden Plans Legislative Funding Effort

With no indication of whether the VIHFA funding will become available, Sen. Marvin Blyden told Petersen that he intends to pursue funding legislatively.

Blyden reminded the commissioner of his previous commitment to seek an appropriation that would close the funding gap.

He described the lack of an abattoir as an “emergency in our district.”

“We need to do something immediately...I did do an amendment, and I will be bringing it at the next session, to get the rest of those funds to assure that we can move forward,” he said.

If successful, the appropriation would address one of VIDA’s most pressing challenges, though Petersen outlined several other areas during the hearing where the department is seeking additional resources.

VIDA Budget Totals \$16.63 Million

VIDA has an approved local funding pool of \$5,830,880.

When non-appropriated funds, federal funding and other grants are included, the department’s overall budget totals \$16,629,427.38.

Beyond those resources, Petersen outlined additional funding needs involving the department’s agricultural conference, office space and other projects.

VIDA plans to host the second Virgin Islands Agricultural Caribbean Conference.

Based on its experience hosting the conference, the department said costs “far exceeds” the currently allotted \$50,000 and is requesting another \$50,000 for the event.

Additional Money Sought for Office Space

Petersen also addressed the “unavailability of adequate office space.”

On St. Croix, the lack of matching funds had “hampered” VIDA’s ability to construct a new administrative building.

The department has since identified funding with assistance from the Office of Disaster Recovery and the Office of Management and Budget.

On St. Thomas, VIDA is considering renovating its property in Estate Bonne Esperance.

The department is working with the USDA Wildlife Service to repair the site, but Petersen said “an additional \$75,000 is needed to satisfy VIDA’s contribution to the joint project.”

Inner Brass Island Acquisition Advances

Petersen also reported progress toward VIDA’s proposed acquisition of 91 acres on Inner Brass Island.

An offer has been made and accepted by the property owners, according to the commissioner.

VIDA hopes the pending acquisition will eventually allow the land to become part of the U.S. Virgin Islands Territorial Park System.

© Viconsortium 2026