

The Virgin Islands Consortium

HUD Awards USVI \$9.5 Million Grant To Improve And Preserve Public Housing

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WASHINGTON -- To help public housing authorities make needed capital improvements to their properties, the U.S. Department of Housing and Urban Development (H.U.D.) today allocated \$9.5 million in annual funding to the housing authority in the U.S. Virgin Islands.

The grants announced today are provided through H.U.D.'s [*Capital Fund Program*](#), which offers annual funding to approximately 3,100 public housing authorities to build, repair,

renovate and/or modernize the public housing in their communities, according to the release. These housing authorities use the funding to complete large-scale improvements such as replacing roofs or making energy-efficient upgrades to replace old plumbing and electrical systems.

To help provide residents with decent, safe and sanitary housing and respond to the growing demand for affordable rental housing, H.U.D. uses the Rental Assistance Demonstration (RAD), a comprehensive strategy that complements the Capital Fund Program. R.A.D. offers a long-term solution to preserve and enhance the country's affordable housing stock, including leveraging public and private funding to make critically needed improvements.

Delegate to Congress Stacey Plaskett welcomed the grant. "This crucial funding will help the Virgin Islands to address disaster-related deficiencies in housing, public services, and infrastructure, as determined by local officials with citizen input," Ms. Plaskett said in a statement issued Tuesday afternoon. "This is a substantial increase due to the hurricanes and can be used to address many of the public infrastructure needs as we rebuild our islands. Successful administration will depend on how well and how quickly a comprehensive action plan can be put together and approved by H.U.D."

According to the release, for more than 75 years, the federal government has been investing billions of dollars in developing and maintaining public housing, including providing critical support through the Capital Fund grants announced today. Nonetheless, there has been a net loss of over 135,000 public housing units since fiscal year 2000, representing an average loss of approximately 9,000 units annually.

In 2011, H.U.D. released [Capital Needs in the Public Housing Program](#), a third-party independent study that estimated the capital needs in the public housing stock in the U.S. The study found the nation's 1.1 million public housing units are facing an estimated \$25.6 billion in large-scale repairs. Unlike routine maintenance, *capital needs* are extensive improvements required to make the housing decent and economically sustainable, such as replacing roofs or updating plumbing and electrical systems to increase energy efficiency.

Since Congress authorized the RAD demonstration in November of 2011, early results show it is generating significant additional capital for distressed public housing. As a result, more than 88,000 public housing units are converting to a more sustainable Section 8 financing platform, all without any additional costs to taxpayers. Public Housing Authorities and their partners have generated over \$5 billion to preserve or replace distressed units and support local jobs in their communities - all without additional federal resources.