

The Virgin Islands Consortium

Housing Authority Plans Territory-Wide Public Housing Demolition, Relocation And Rebuild Over Next Several Years

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The Virgin Islands housing development's entire portfolio is set to undergo a major overhaul over the course of the next several years. Robert Graham, executive director of the Virgin Islands Housing Authority (V.I.H.A.), said he and his team recently met with Governor Albert Bryan along with the governor's territorial director of disaster recovery, Adrienne Williams-Octalien, to review the Bryan administration's understanding of V.I.H.A.'s portfolio repositioning plan. The plan outlines demolition, relocation, and rebuilding of various housing units across the territory.

V.I.H.A currently owns and manages a portfolio of approximately 3,000 public housing units that are outdated and in need of major capital improvements that predate Hurricanes Irma and Maria, which struck the U.S.V.I. in 2017. The authority estimates the total cost to be approximately \$830 million and hopes to finance it by using \$330 million from Low Income Housing Tax Credits (L.I.H.T.C.); equity from private investors; \$121 million from the Federal Emergency Management Agency (F.E.M.A.); \$301 million from the Community Development Block Grant - Disaster Recovery (C.D.B.G.-D.R.); and \$77 million from other sources that include deferred developer fees and soft loans.

Mr. Graham was adamant that now is the time to act; now is the time to garner support of the territory's leaders to approve funding for this large-scale project. "With the influx of funding being funneled into the territory, housing has one chance to act now. I have been meeting with our legislators two to three at a time to educate them on the benefits of the plan, so we [V.I.H.A.] can get their full support," the director said. "It is possible to make a difference with the funding from L.I.H.T.C., F.E.M.A., C.D.B.G.-D.R., and any other source we can identify."

Initiated key activities

V.I.H.A. said it has already completed or initiated several key activities to prepare to implement the repositioning strategy. They are as follows:

- Completed relocation of approximately 300 residents at Estate Tutu Hi-Rise Apartments in St. Thomas.
- Obtained HUD approval for demolition of Estate Tutu Hi-Rise Apartments and engaged contractor to begin demolition of the first phase.
- Began comprehensive rehabilitation of approximately 200 vacant units at Williams Delight Villas and Walter I.M. Hodge Pavilion on St. Croix.
- Completed procurement of two developer teams to allow concurrent development activities on St. Thomas and St. Croix.
- Completed and submitted demolition applications for an additional five non-viable, distressed public housing properties.
- Updated physical needs assessments for each VIHA property, post-hurricanes.
- Completed financial analyses to identify funding and leveraging alternatives for redevelopment of each site.

[The Consortium reported last month](#) that V.I.H.A. officials met with the governor and the objective was to reassure him that they were in sync with the territory's housing priority goals. "The most important take-away from the meeting is that the governor supports us moving forward with phase 1 replacement of Tutu Hi-Rise in St. Thomas and John F. Kennedy in St. Croix," Mr. Graham said. Housing has preliminary designs for both phases. Mr. Graham and the governor also discussed the location of single units in the territory, and the option to build replacement single units at Oswald Harris and Lucinda Millin Homes in St. Thomas. The governor also supports the John F. Kennedy housing community's phase 1 replacement plan and discussed moving V.I.H.A.'s portfolio reposition strategy regarding JFK forward, according to Mr. Graham.

Housing redevelopment schedule (Pre-development, new construction, and rehab)

As reported by V.I.H.A., there are five phases of the asset repositioning strategy to implement redevelopment of its properties, and they are as follows:

Phase I

Pre-development work began this year at deChabert Sr., deChabert Family, John F. Kennedy Senior, and John F. Kennedy Family in St. Croix, and Oswald Harris and Donoe Family in St. Thomas. (The Consortium is seeking clarification regarding the "Sr. " and "Family" titles added to the communities)

New construction is set to begin in 2020 at the deChabert Sr., deChabert Family, John F. Kennedy Senior, and John F. Kennedy Family in St. Croix, and Oswald Harris and Donoe Family in St. Thomas

Complete rehab has already begun at Safarali and Williams Delight in St. Croix and is scheduled for completion in 2020.

Phase II

Pre-development work is slated to tentatively begin in 2020 at Lucinda Millin, New Tutu Senior & New Tutu Family, Wilford E. Pedro, and the Knolls at Contant in St. Thomas

New construction is set to begin at Lucinda Millin, New Tutu Senior & New Tutu Family, Wilford E. Pedro in 2021

Complete rehab begins at the Knolls at Contant in 2021

Phase III

Pre-development work is slated to tentatively begin in 2021 at Mount Pleasant, Ralph de Chabert I, Aureo Diaz Heights, and Marley addition in St. Croix, and Oswald Harris, Nicasio Nico, Estate Bonvoni Apartments in St. Thomas

New construction is set to begin in 2022 at Ralph D. Chabert I in St. Croix and Paul M. Pearson, and Nicasio Nico in St. Thomas

Complete rehab begins in 2022 at Mount Pleasant, Aureo Diaz Heights, and Marley addition in St. Croix, and Paul M. Pearson, and Estate Bonvoni Apartments in St. Thomas

Phase IV

Pre-development work is slated to tentatively begin in 2022 at Candido R. Guadalupe in St. Croix, and Michael J. Kirwan, Bergs / addition in St. Thomas

New construction is set to begin at Candido R. Guadalupe in St. Croix, and Michael J. Kirwan, Bergs / addition, and Gerard and Joseph James in St. Thomas in 2023

Complete rehab begins at Gerard and Joseph James in 2023

Phase V

Pre-development work is slated to tentatively begin at Ludvig E. Harrigan in St. Croix in 2023

Pre-development work is slated to tentatively begin at Tutu Replacement III in St. Thomas in 2024

Pre-development work is slated to tentatively begin at Hamilton Jackson II in St. Croix in 2025

Pre-development work is slated to tentatively begin at Hamilton Jackson II in St. Croix in 2026

New construction is set to begin at Ludvig E. Harrigan in St. Croix in 2024

New construction is set to begin at Tutu Replacement III in St. Thomas in 2025

New construction is set to begin at Hamilton Jackson I in St. Croix in 2026

New construction is set to begin at Hamilton Jackson II in St. Croix in 2027

V.I.H.A. board has approved resident relocation plans for Tutu High-Rise which facilitated successful relocation of 284 households. This model plan will be used for JFK and all future relocation. Most residents will be relocated to newly constructed affordable housing units.

V.I.H.A.'s repositioning summary

HUD currently provides subsidy for V.I.H.A.'s 3,012 units through the public housing (Section 9) platform. Federal funding for public housing has been relatively inconsistent from year to year and is typically lower than what HUD may provide under the Rental Assistance Demonstration (RAD) or Project Based Voucher (PBV) subsidy platforms. V.I.H.A.'s portfolio repositioning strategy includes demolition of non-viable properties (approximately 50 percent of current units) and construction of new units, while transitioning approximately 85 percent of V.I.H.A.'s public housing units to a RAD or PBV subsidy platform.

To achieve this outcome, V.I.H.A. would demolish 1,555 units of non-viable public housing and build 1555 new affordable housing units. With these 3,012 new units combined with 2,000 voucher authorizations, V.I.H.A. would increase its capacity to serve approximately 5,000 families.

[Rent vouchers](#) pay the owner the difference between 30 percent of family income and the gross rent for the unit. To learn more, visit the [U.S. Department of Housing and Urban Development's website](#).

Feature Image: Bonne Esperance, St. Croix. (Ernice Gilbert, VIC)