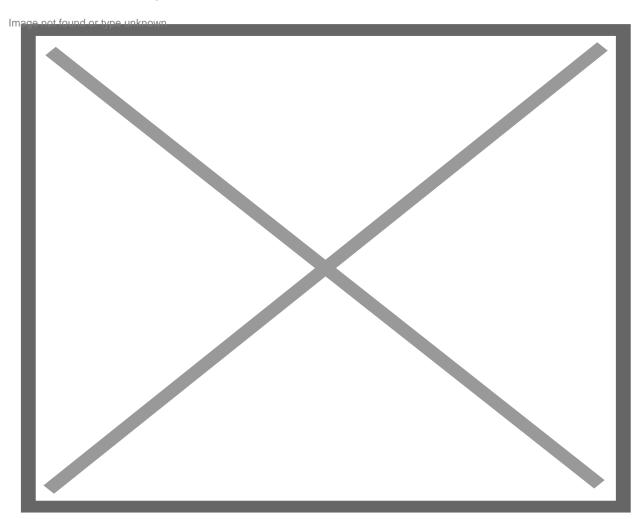
Only 7 Homes Out of 1,000 Applications Under Construction in V.I.H.F.A.'s 1-Year-Old 'EnVision Tomorrow' Program

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Senators voiced dissatisfaction to V.I. Housing Finance Authority officials during a Committee on Finance budget hearing Wednesday. Among the frustrations is the authority's EnVision Tomorrow program, which was announced <u>a year ago</u> but to date has seen only seven homes under construction even as applications pile up and the program's expiration date of 2025 places its successful execution in doubt. And the seven homes being worked on, V.I.F.H.A. revealed, were all on St. Croix.

The EnVIsion Tomorrow program was designed to assist homeowners and landlords whose properties were heavily damaged by the 2017 hurricanes.

Asked by Senator Donna Frett-Gregory to explain why construction had started only on St. Croix, V.I.H.F.A. Director Darryl Griffith said the disposal of debris in St. Thomas posed a problem.

"The challenge was [the] Waste Management [Authority]. We had to work with them to get a place to be able to place the debris. We finally worked that out because they weren't allowing for construction debris to go into the landfill," Mr. Griffith said.

Senator Janelle Sarauw said slow progress on the program affects the territory's economy.

"You don't have people working, you don't have contractors working, which means a lack of corporate income tax and a lack of gross receipts. The economy has to move and a vital part of it moving is V.I.H.F.A.," Ms. Sarauw said.

Ms. Frett-Gregory asked that based on the available funding to the V.I.H.F.A., how many residents does the authority plan on serving with the program. Mr. Griffith estimated close to 1,000 residents.

The program expires in 2025 and along with the 7 homes under construction on St. Croix, V.I.H.F.A. plans to commence work on 38 of some 90 approved applications by the end of September. V.I.H.F.A. has \$150 million to fund the EnVision program.

Ms. Frett-Gregory sought clarity on how the authority plans on completing work on 1,000 homes between now and 2025. "I'm asking this question because you should have an obligation period and a liquidation period, and the last thing we want to hear is that you are in your liquidation period still trying to obligate."

Mr. Griffith admitted to the committee that the authority is behind schedule with the program. Nonetheless, he said, "In respect to all of our projects that we are working on, starting with the EnVIsion program, we are committed to move that forward and we are committed to rebuilding the homes and lives of Virgin Islanders." He said the funds are already obligated and available. "The next step is to put together all the architectural plans then walking the owners through the duplication of benefits."

As mentioned in V.I.H.F.A.'s testimony to the Senate, there are over 400 applicants in the program who have received funds from either FEMA, the Small Business Administration, or their private insurance. Unless V.I.F.H.A. can show that the residents don't have duplication of benefits, work cannot commence on their properties.

Some residents have complained that they have yet to receive a call from the authority regarding their status in the program. David Martin, V.I.H.F.A.'s chief disaster recovery officer, said there are some bottlenecks that may cause additional delays, including the duplication of benefits issue that many applicants get stuck in.

Ms. Frett-Gregory, dissatisfied with the responses, demanded accountability from the authority on the program and sought reassurance that the authority would not find itself in a similar situation as the shambled STEP Program, which has left many contractors facing ruin after performing 2017 hurricane-related work for which they have yet to get paid.

"Based on the discussions that we're having today, it sounds as if we're heading down that same road," Ms. Frett-Gregory said.

V.I.H.F.A. in May submitted \$336 million in STEP program invoices to FEMA for projects completed on April 15, 2019 — one year and four month ago. Mr. Griffith in May said it took a while to reconcile the invoices because of the scope of the project, which was roughly \$800 million. Another reason was quality control of the invoices, Mr. Griffith said.

V.I.H.F.A. sought \$20,621,289 for its FY 2021 budget which is a 40 percent increase year-over-year. The budget includes projected revenues of \$18.3 million — expected to come from home sales, leases, mortgages and various federal programs — and supplemental funding from the government of \$2 million.

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