

The Virgin Islands Consortium

Contractors to See Payday as FEMA Approves \$418 Million in STEP Program Invoices; Release is Win for Bryan Administration

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The Federal Emergency Management Agency in a recent letter to the V.I. Housing Finance Authority determined that nearly \$418.5 million in invoices received under PW273 for the Sheltering & Temporary Essential Power (STEP) program, known locally as the Emergency Home Repairs Virgin Islands (EHRVI) program were eligible for payment.

FEMA's decision represents a victory for the Bryan administration and the Office of Disaster Recovery. Following years of stalled payments to contractors after work was

performed, lawsuits were filed by the contractors, some of whom [even placed liens](#) on homes they had worked on as part of the STEP program because of nonpayment. Governor Albert Bryan and Darryl Griffith, V.I.H.F.A. executive director, on numerous occasions have responded to concerns about the delay in payment with assurances that all was being done to rectify the issues. Mr. Bryan has even criticized his predecessor for the program, stating that former Governor Kenneth Mapp left [a "diabolical mess" behind](#).

U.S. Senator John Kennedy [had planned a congressional investigation](#) whose aim was to learn why full payment had yet to be realized by contractors, many of whom were from Louisiana, the state Mr. Kennedy represents.

Mr. Bryan lauded the efforts of all disaster recovery partners for the recent milestone, said V.I.H.F.A. "Our administration continues to work in close coordination with FEMA on this matter, and it is welcomed news that we are one step closer to making whole the many local and stateside contractors whose work helped to get Virgin Islanders back in their homes after the storms. This announcement is another example of our administration's management of the recovery effort and our federal partners' commitment to supporting those efforts," Mr. Bryan said.

According to V.I.H.F.A., FEMA requested additional documentation and time to complete the review of the remaining \$111.8 million in invoices billed to PW273, which covers contractor soft costs associated with housing, travel, administration, and oversight activities. FEMA committed to a deadline of July 31, 2021 to complete its review, according to the release. The total value PW273 is \$530.3M.

"I am overjoyed that \$418.5 million is authorized to pay both local and stateside contractors. I am equally confident that the Authority will be able to provide any needed supporting documentation to close out the STEP program that successfully completed temporary repairs on 6,517 homes and permanent roof repairs on 1,516 homes," said V.I.H.F.A. Director Daryl Griffith.

The V.I.H.F.A. said it will submit the requested information to FEMA so it can honor its July 31 deadline of reviewing all invoices.

Under the STEP program, payments are made under two FEMA project worksheets: PW100 which covers direct construction-related costs and the soft costs, under PW273, the authority said.

"The Office of Disaster Recovery continues to support the VIHFA in its efforts to ensure the full reimbursement of all eligible EHRVI/STEP costs and thanks FEMA for fulfilling their commitment to making a determination on soft costs," stated O.D.R. Director Adrienne L. Williams-Octalien. "The Territory awaits the findings on the outstanding balances and remains steadfast in its obligation to satisfy all reasonable payments to contractors."

The total cost for the STEP program is approximately \$781 million.

