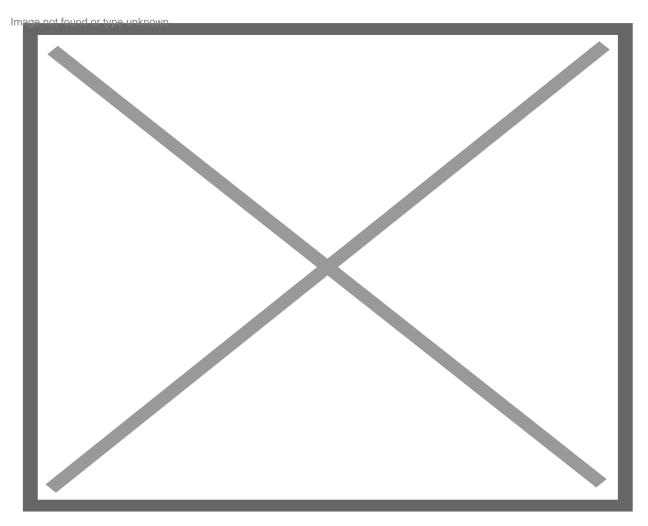
Virgin Islanders in Need of Rental Assistance Frustrated by Long Wait; Authority Blames Employee Shortage, Burdensome Process

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The V.I. Housing Finance Authority is tasked with distributing tens of millions of dollars to Virgin Islanders in need of rental assistance through the Emergency Rental Assistance Program (ERAP), but <u>eight months after launching the program</u>, only 100 out of 627 applicants have received aid, or 15.95 percent of total applications received.

According to V.I.H.F.A. Director Darryl Griffith, who spoke Wednesday during a Senate hearing in the Committee on Housing, Transportation and Telecommunications, severe staffing issues have bottlenecked the authority's efforts, as well as an overall painstaking process to implement the program.

"Some notable challenges with the implementation of ERAP have been that the program is new," Mr. Griffith said as lawmakers spoke of calls from constituents frustrated by the program's snail's pace. He said there is a "learning curve" as the U.S. Treasury continues to update guidance.

"We have discovered that many applicants' situations are not clear cut. This may require further contacts in order to gain a clearer understanding of the applicant's situation and to determine what is needed in order to satisfy eligibility," Mr. Griffith stated.

The territory received \$39 million for the program, however to date only \$789,702 in assistance has been issued. On average, a client receives \$7897.03 in assistance, according to Mr. Griffith. The funds can also be used to pay utilities, and Mr. Griffith told lawmakers that V.I.H.F.A. has collaborated with the V.I. Water and Power Authority to provide relief to ERAP applicants. One fruit of the endeavor is WAPA's commitment not to disconnect ERAP customers, Mr. Griffith said. Applicants can qualify by proving loss of income or unemployment as a result of the Covid-19 pandemic, among other criteria.

The Housing Finance Authority has also spent \$200,000 on media advertising. Mr. Griffith told Senator Kurt Vialet that those funds included "everything to get the program off the ground, in terms of creating the website, putting the software in place for the intake — all of those things account for the \$200,000." Mr. Vialet asked Mr. Griffith to breakdown the costs more clearly: "It's the website, it's the advertising, it's the billboards, it's the entire process," he responded. Mr. Griffith said The Strategy Group is assisting the authority with marketing. The V.I.H.F.A. testifiers could not immediately provide the amount of TSG's contract to execute the marketing. Asked who built the website, Mr. Griffith said he could not recall and said he would ask a "teammate" for that information. Asked if this teammate was present to provide the information, the testifiers said they would seek out the details and provide it before the hearing's conclusion. It was later revealed that the website buildout was contracted to TSG, however it was not part of a new contract, but rather an existing \$2.1 million agreement with the company that also included marketing.

Mr. Griffith said 5 percent of the \$39 million, or \$1.95 million has been set aside for advertising. "You have to advertise and setup the website to do all those things before one dollar is given to a customer, because that's the only way you can inform them that you have the services available," he said.

A major problem with administering the program is staff shortage. The problem is compounded by the V.I.H.F.A.'s inability to hire more workers — a problem the executive director said is acute in the St. Thomas-St. John District, which has seen the plurality of applications as the district is dominated by hospitality sector employees affected by Covid-induced closures.

Mr. Vialet pointed out that V.I.H.F.A. included only \$53,791 as staff costs. Asked how the program is being administered with such low staff costs, Mr. Griffith said, "Because we don't have enough staff, sir. We need more people." V.I.H.F.A. has separate "intake" groups whose role include helping to secure more applications. Costs for the intake groups to date totaled \$263,000.

Of the 627 applications, 100 have received funding, 70 are in final review and are expected to be paid to clients within the next two weeks, 221 are in process awaiting more information from tenants, and 133 are awaiting information from landlords, according to the authority.

Mr. Griffith said the deadline for expenditure of the first-round funds is September 30, 2022, and the deadline for the second round is September 30, 2025.

The program can cover up to 12 months of rental assistance and utilities owed, and benefits can go as far back as March 2020. The program also allows for up to three months of rent payments in the future for persons who may still need assistance, and the maximum amount of assistance that can be paid is 18 months.

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