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# People Are Sleeping on Beaches and Landlords are Deferring Mortgages as Rental Assistance Program Limp Along, Francis Says

Coronavirus / **Published On January 13, 2022 07:15 AM /**

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Senator Novelle Francis on Wednesday had some pointed words for officials of the V.I. Housing Finance Authority, which is responsible for administering the Emergency Rental Assistance Program (ERAP). The veteran lawmaker blasted V.I.H.F.A. for its failure to move the program expeditiously while Virgin Islands tenants and landlords alike face great suffering.

“It is a travesty because 75 percent or the lion's share of those individuals still have not received their money,” he said. “Hearing that 600 have already qualified and only 159 have received checks, it is critical that we take night and make day and make sure that we try to ramp up the payments to those landlords.” Mr. Francis told the committee he has learned that there are people sleeping on beaches and in abandoned houses, and that landlords have been deferring payments on

mortgages.

The territory received \$39 million for the program, however as of November 2021 only \$789,702 in assistance had been issued. On average, a client receives \$7897.03 in assistance, according to V.I.H.F.A. Executive Director Darryl Griffith. The funds can also be used to pay utilities, and Mr. Griffith recently 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.

On Wednesday, Mr. Griffith explained, as he's done in past hearings, that the slow payment process was not unique to the Virgin Islands. "Unfortunately, the problem that we are facing in the Virgin Islands is mimicked throughout the entire United States in which the payments are going out across the U.S. slower than what the Treasury intended," he said.

"This is why the Treasury came out with a second round of funding to reduce the enormous amount of funding that they placed on the first leg of the funding so that we can have an increase across the United States and in the Virgin Islands," he said.

In November, Mr. Griffith said a major problem with administering the program has been 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 was 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.

Elsewhere during the hearing, Jenifer O'Neal, director of the V.I. Office of Management and Budget was mainly in the hot seat as she faced questions and provided answers to committee members who were seeking clarity about the status of the \$547 million in ARPA funding. Other officials of the various government arms also provided answers and a better understanding on the status of projects within their entities.

Ms. O'Neale provided an overview and a [detailed update](#) on the proposed plan submitted to the federal government for funding under ARPA. Before disbursement, all funds will be subjected to the rules and regulations of the federal government.

Ms. O'Neale also disclosed that during the last 18 months the local government was faced with the task of balancing the safety of all Virgin Islands while maintaining a safe, stable, and functioning economy during the Covid-19 pandemic.

"While the GVI has succeeded in keeping the economy afloat, there can be no mistake that many industries in the Virgin Islands suffered as a result, especially those in the tourism industry who suffered immensely as ports, stores, and hotels were severely limited in their operations," she said while sharing the status of employment in the early days of the pandemic.

"Additionally, the territory saw its highest unemployment rate of 15.5 percent in May 2020 as a result of business closures and layoffs. As the world adapts to a new normal and shifts its public health approach to mitigating the impact of Covid-19 through increased vaccination, conversations have also shifted to recovery from the pandemic," she told the committee.

Thus far the territory has been allocated a total of \$746.3 million through territorial and direct recipient grants, and has received \$615.6 million. Relative to the funds provided to the territory through the coronavirus state and global fiscal recovery fund as established by the American Rescue Plan Act of 2021, the USVI has been allocated \$547 million, and is in receipt of \$531.2

million.

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