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# Housing Authority Breaks Ground on \$116.7 Million Rehabilitation of Walter I.M. Hodge Pavilion Housing Community

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The V.I. Housing Authority along with MDG Design + Construction on Friday held a groundbreaking ceremony for construction of the \$116.7 million rehabilitation of Walter I.M. Hodge Pavilion. By. REEMY-REEMZ PHOTOGRAPHY/VICONSORTIUM

The V.I. Housing Authority along with MDG Design + Construction on Friday held a groundbreaking ceremony for construction of the \$116.7 million rehabilitation of Walter I.M. Hodge Pavilion, a 248-unit affordable housing development in St. Croix. The U.S. Dept. of Housing and Urban Development (HUD) recently [provided \\$73 million toward the project.](#)

The project will preserve affordability for residents, modernize the development, and strengthen the site's resilience to natural disasters, said MDG. The project is the first of VIHA'S long-term plan to renovate and rebuild its affordable housing portfolio throughout the USVI, according to the release.

“The revitalization of Walter I.M. Hodge Pavilion will allow residents to remain safely and affordably in their homes, with the added piece-of-mind that their home will be safe and protected from future storms,” said Michael T. Rooney, founding principal of MDG Design + Construction. “As our first project outside of the continental US, we are grateful to all our incredible partners who share our passion and excitement for this important work and allowed us to bring our expertise and resources to St. Croix.”

Located at the corner of Centerline Road and Sandy Point Road in Frederiksted, St. Croix, and originally built in 1971, the project suffered significant damage as a result of Hurricanes Irma and Maria. Under the U.S. Department of Housing and Urban Development (HUD)'s Rental Assistance Demonstration (RAD) program, Hodge will receive critical investments to enhance operational efficiency and improve resident quality of life while retaining affordability.

Project upgrades will include new kitchen and bath fixtures and cabinets, new highly efficient plumbing and electrical systems, LED lighting, EnergyStar appliances, ceiling fans, new flooring and painting, and resiliency measures including solar PV, emergency generators, and a reestablished cistern system. Additionally, the site will receive a new senior center and recreational spaces to support residents including a new playground, gardening and planting area, redesigned walkways and seating areas, refurbished basketball courts, and a renovated community center featuring a computer room and library. Upgrades will include substantial storm hardening measures including the installation of a new façade system incorporating new hurricane-wind resistant windows and louver systems, and entry doors and storefronts.

Bright Path, a robust Resident Wellness and Empowerment Plan created by VIHA, will be implemented to provide support and services to the residents with long-term funding included in the project budget.

“We're grateful to have taken part in the financing plan for rehabilitation of the Walter I.M. Hodge Pavilion affordable housing development,” said Ben Levine, Merchants Capital Senior Vice President, Originations. “Access to high-quality and safe affordable housing continues to grow in importance in all regions of our country. Merchants Capital is thankful to the Virgin Islands Housing Authority and MDG Design + Construction for entrusting us with providing support and allowing us to help make a difference in the community.”

Financing for the project includes \$49.9 million in funding from VIHA utilizing FEMA Public Assistance Program and Hazard Mitigation Grant Programs and \$22.65 million from VIHA utilizing HUD's Community Development Block Grant-Disaster Recovery Program. The project received 9% Low Income Housing Tax Credits, which, along with the Solar Investment Tax Credit, will yield an equity investment of \$27.56 million from Goldman Sachs Bank. Additionally, Merchants Bank of Indiana is providing a construction loan in the amount of \$28.50 million.