



# Annual Progress Report

September 2021

Office of Disaster Recovery



Office of Disaster Recovery

2021



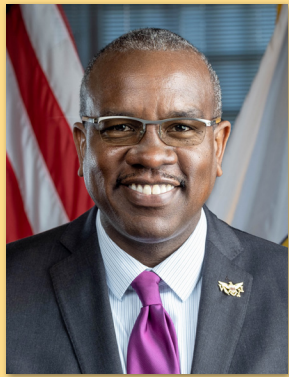
# Annual Progress Report

September 2021



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**Albert A. Bryan Jr.**  
*9th Governor of the United States Virgin Islands*

During the last year, our administration, led by the Office of Disaster Recovery, has made significant progress in moving forward the recovery projects related to infrastructure, facilities, roads, and programs and initiatives to prepare Virgin Islanders to capitalize on those recovery-related jobs and business opportunities.

This past year has seen a burst of activity, with more than 220 of the 1500 total recovery projects currently underway despite lags in the federal process and delays brought by the COVID-19 pandemic. Beyond that, we have 275 different projects scheduled for construction or planned for completion in 2021 and 2022.

- To date, we have seen the completion of the modernization of the Ralph Wheatley Skills Center, which is now the Charlotte Amalie Skills Center.

- The renovation of Gladys Abraham Elementary School is scheduled to be completed in January 2022.

- We have received federal approval for replacing the Myrah Keating Clinic on St. John and the Charlotte Kimelman Cancer Center on St. Thomas.

- Construction has begun on our new modern schools with the almost completed demolition of Arthur A. Richards Junior High School and the demolition of Evelyn Williams Elementary



School. These projects are paving the way for constructing the Territory's first new school, the Arthur A. Richards Pre-K through 8th Grade, set to begin in January 2022.

- The repair and restoration of the heavily traveled Mafolie Road on St. Thomas has been finished, and the repair and restoration of Gallows Bay Road on St. Croix have begun.

Our administration is laser-focused on the push to capitalize on this once-in-a-century opportunity to build a better, more resilient Virgin Islands, and as we enter year five of the hurricane recovery, Virgin Islanders can expect to see the start of even more recovery projects as we continue to move these projects along the phases to completion.

Understanding the road to recovery is long, I thank you for your patience as we continue together on the road to recovery and for entrusting the Bryan-Roach administration to get the job done.

Albert Bryan Jr.  
Governor  
U.S. VIRGIN ISLANDS



**Adrienne L. Williams-Octalien**

Director, Office of Disaster Recovery

I appreciate you joining The Office of Disaster Recovery in our review of our key initiatives, challenges and accomplishments experienced from August 2020 to September 2021.

As we focus on the “Recovery Ahead” this year’s annual report adds a broader perspective giving readers a snapshot of funds received and expended in support of the Territory’s response to the COVID-19 pandemic, as well as our advancement towards rebuilding a more robust infrastructure utilizing federal funds from our recovery partners, FEMA, FHWA, HUD and other recovery grantors.

Our commitment and focus have remained the same since we stepped into this audacious role in 2019 of “building back better.” It is our aim to make sure that the Territory has access to the maximum amount of funds available so that we have ample financial resources necessary for the restoration of our Schools, Housing, Health & Hospitals facilities, Roads and Utility management systems. To date, the Territory has received 72% or \$5.7 billion of the anticipated \$8 billion in federal funds. Timely expenditures and adequate procurement of those funds continue to be a vital component of our operation as all federal mandates must be met to ensure compliance.

Year four brought the Territory and the world a new set of unforeseen trials, reminding us that



disasters can take more forms than one. In March of 2020, whilst still in the midst of managing our recovery efforts from the storms of 2017, the Territory was thrust into a global pandemic. Since then, our office has strived to navigate these uncharted waters in the best way possible, continuing the pursuit of our mission to build a legacy of resilience here in the Virgin Islands.

The fifth year of recovery in the Virgin Islands is the most promising one to date. With many of our critical facilities in progress or projected to have hammers swinging in FY 2022, the near future is bright, and our Virgin Islands should be excited about the road to recovery that lays ahead. The opportunity we have before us continues to be an unprecedented blessing, one that this office and the government do not take lightly.

The Office of Disaster Recovery remains steadfast in its mission to navigate the Territory through the long road to recovery. This path has its obstacles with similar challenges experienced by other states and territories, but the people of the Virgin Islands can rest assured that you have our team’s continued commitment to see this endeavor all the way through. Our vision remains the same and we thank every member of our community for their overwhelming support and for entrusting us with the responsibility of “Building a Legacy of Resilience.”

Sincerely,

**Adrienne L. Williams-Octalien**  
Director



# Executive Summary 2020-2021

Like the rest of the nation, the U.S. Virgin Islands continues to struggle with a wide variety of impacts related to the COVID-19 crisis. As Year 4 of the recovery ended, there were FEMA delays associated with the processing of eligible recovery funding. By this time, the Territory expected FEMA to have completed processing the financing for all major projects; however, there are still more than 200 pending, including for most schools, healthcare facilities and roads.

Nevertheless, the Territory has continued to make progress with nearly \$1 billion of new federal funding obligated in the past year, bringing the total amount to date across all federal programs to nearly \$5 billion.

## Major Accomplishments in Year 4

### Major Healthcare Replacement Facilities Approved

Although the grant awards have not been finalized, FEMA did approve the replacement of two key components of the Schneider Regional Medical Center system: the Charlotte Kimelman Cancer Institute (St. Thomas) and the Myrah Keating Smith Community Health Center (St. John). In addition, the Territory's Hospital Redevelopment Team awarded design contracts for all new hospital projects and design work has commenced.

Reopening of the Eryle Alric Rohlsen Veterans Affairs Building, St. Croix



### New School Designs Completed

The Virgin Islands Department of Education completed preliminary designs for five new campuses: Arthur Richards PreK-8 (St. Croix), Charlotte Amalie High School (St. Thomas), Central High School (St. Croix), Bertha Boschulte PreK-8 (St. Thomas) and Julius Sprauve K-12 (St. John). Bids for Final Design & Construction of the new Arthur Richards PreK-8 have been received, and the award is pending FEMA funding obligation. In addition, the old Arthur Richards Junior High School has been completely demolished.

### Road Projects Progressing

Although many of the local roads damaged by the hurricanes are still in FEMA's appeal process, bids for repair and the Water Island Ferry Dock, part of DPW's Water Island Watershed Project, are in motion.

- Reconstruction of all the local roads approved by FEMA so far have been received and construction is expected to begin in late 2021. Similarly, Eastern Federal Lands, a division of the Federal Highway Administration, continues to make progress on the major design/build road projects funded directly by the FHWA.
- Additionally, design is underway for two HUD CDBG-DR-funded major roadway reconstruction projects Northside Road (St. Croix) and the Donoe Bypass (St. Thomas).

### Public Buildings & Facilities Moving Forward

Numerous buildings across the Territory are now in design and nearing the construction phase, including parks, libraries, industrial parks, office buildings and other public facilities. Notably, repairs on Government House on St. Thomas are concluding later this year, the design was completed and construction will begin



Water Island Ferry Dock part of DPW's Water Island Watershed

shortly on the Vincent Mason Pool on St. Croix. The VI Bureau of Corrections will issue a Request for Proposals for design and construction of a new 200-inmate jail on St. Thomas by October 2021. When completed, it is expected to resolve decades-long challenges in meeting federal requirements for providing suitable correctional facilities in the Territory.

### Utilities

WAPA continued with its ongoing program to install 8,500 hurricane-resistant composite poles across the Territory as well as progress on other key initiatives to make the Territory's power grid more resilient, including adding new generation capacity and undergrounding lines in critical areas. Furthermore, more than three years after Congress appropriated \$67 million of CDBG-DR funds specifically for the USVI electric grid, HUD made

the funds available to the Territory, subject to the approval of an Action Plan to be submitted by VIHFA. Additionally, FEMA has continued to signal that it may be willing to approve the Prudent Replacement of significant portions of the Territory's wastewater and water systems; however, the decision has yet to be finalized.

### Housing

Although the Emergency Home Repairs VI (EHRVI, a.k.a. STEP) program concluded in April 2019 after successfully completing approximately 8,000 home repairs and permanent code-compliant roof installations, FEMA has continued to question the eligibility of costs resulting in years-long delays in paying contractors.

Fortunately, by August 2021, FEMA agreed to most of the costs bringing the total federal



State-of-the-Art Operating Room, JFL North

commitment to this program to \$651,626,144. For those homes too badly damaged to be repaired by EHRVI, VIHFA is continuing to make progress on repairing and reconstructing homes under the HUD CDBG-DR funded EnVision Tomorrow program, which will ultimately assist several hundred homeowners.

### Economic Recovery

The VI Department of Planning & Natural Resources (DPNR) has provided more than \$5 million in economic assistance grants to approximately 300 fishers to help offset losses due to the 2017 hurricanes. Additionally, in March 2021, the VI Economic Development Authority (EDA) completed Vision 2040, a long-term economic recovery, revitalization and resilience plan for the Territory.

**As recovery now moves into the beginning of Year 5, the Territory has the following overarching objectives, all of which are discussed in more detail throughout this report:**

1. Finalize agreements with FEMA on the damages, facilities eligible for replacement, scopes of work and cost estimates on all remaining eligible projects.
2. Complete all Emergency Work Projects, including JFL Hospital North and other temporary facilities required until new facilities can be constructed.
3. Resolve all outstanding policy issues, especially those relating to special provisions of the Bipartisan Budget Act of 2018 (BBA), which are intended to maximize recovery assistance and resilience across the Territory.
4. Sign all pending Section 428 Fixed Cost Offers as soon as the remaining 150+ are provided by FEMA.
5. Resolve the appeals on more than \$100 million of roadway projects determined ineligible by FEMA.
6. Steadily move more major recovery projects into the design phase as funding is obligated and initiate construction on the first wave of high priority projects across all sectors.
7. Demonstrate substantive progress on HUD-funded housing repair and reconstruction projects, including those for public and affordable housing.
8. Continue building back more resilient critical infrastructure, especially in the electric grid.
9. Obtain a waiver of the 10% Local Match on the FEMA Public Assistance program in order to free up several hundred million dollars of HUD CDBG-DR for other key recovery projects.  
million of outstanding Community Disaster Loans.



# 2021 Annual Progress Report

## Office Of Disaster Recovery

The Virgin Islands Office of Disaster Recovery (ODR) has served as the center of coordination for federal recovery funds across all governmental departments, semi-autonomous agencies and private non-profit entities since its inauguration in 2019.

ODR's primary responsibility is to get projects funded and ensure they are executed expeditiously in accordance with all regulatory requirements. As we advance to safeguard our mission, capacity building has remained integral to the continued growth and success of our operations. The ODR staff includes operational oversight over the Public Assistance (PA) and Hazard Mitigation Programs (HMGP). Effective since June 17, 2019, Executive Order 487-2019 has allowed for the streamlining of efforts and increased alignment in our resolve to build back our beautiful Virgin Islands.

The Public Assistance team directly manages the funds received from the PA Grant program and consists of twenty employees, while the Hazard Mitigation team manages the funds received from the Hazard Mitigation Grant Program with a total of twelve employees. ODR's core staff consists of sixteen members supporting the compliance, financial and portfolio management mandates of the Territory's disaster recovery initiatives.

Overall, ODR oversees all federal disaster assistance funding programs for the Territory. In addition to the Public Assistance Grant Program (PA) and the Hazard Mitigation Grant Program (HMGP), oversight also includes the Community Development Block Grant – Disaster Recovery program (CDBG-DR) and Mitigation program (CDBG-MIT), Federal Highway Administration – Emergency Relief program (FHWA-ER), other federal grantors as well as COVID -19 Emergency Relief Funds.



### KEY INITIATIVES

The Office of Disaster Recovery's accomplishments this past year exhibits continuous commitment to the core values and initiatives vital to our mission.

As the recovery presses forward, our office has continued to ensure the compliant approval and expenditure of federal recovery dollars and fulfilling the agency's main goals.

- Get Access to Recovery Funds
- Spend those Funds
- Spend those Funds Correctly

#### Get Access to Recovery Funds

In order for the Territory to gain access to the federal funds, project or grant applications must be submitted to federal funders along with supporting documentation to substantiate any requests that are made. "Get the funds," or maximizing the amount of recovery funds received in the Virgin Islands, is the first component of ODR's three areas of focus. Working with federal and local partners to ensure that all available funding is allocated is of the utmost importance and a critical priority for the Office of Disaster Recovery.

As of August 31, 2021, an additional \$1.08 billion has been obligated over the past year across all four major federally funded programs.

- The Public Assistance Grant Program has received \$3.26 billion of the anticipated \$5 billion.
- The Hazard Mitigation Grant Program has received \$99.12 million of the \$475 million that the Territory is expected to receive.
- The Department of Transportation's FHWA-ER program received \$60.26 million of the \$68 million allocated to the Territory to repair damages to roads and bridges.
- The HUD CDBG-DR program, administered by the VIHFA, has received \$242.7 million in Tranche 1, and \$779 million in Tranche 2 of the \$1.9 billion expected to be received from the program.
- In August 2021, HUD approved the territory's Community Development Block Grant – Mitigation (CDBG-MIT) Action Plan, giving the Virgin Islands through VIHFA the authorization to spend \$774 million (Tranche Four) for disaster mitigation and planning efforts that minimize or eliminate risks and reduce losses from future disasters.
- The final Federal Register notice for electrical power systems, Tranche 5 has been issued and a separate action plan will be developed for \$67 million in additional funds in the coming months.

# Office Of Disaster Recovery

There is also an estimated \$158 million of other disaster recovery funds that have been made available to the Territory and awarded to local agencies to include the Department of Planning and Natural Resources, Department of Health, the Department of Education and the VI Port Authority. To date, \$5.85 billion of the anticipated \$8 billion has been allocated to the Territory with \$4.65 billion obligated and \$2.19 billion expended.

There are 62 projects that are currently obligated from other disaster recovery funding. In totality, 212 of these projects are in progress at various stages and 166 are construction type projects that are shovel ready- indicating that these projects have begun or are ready to begin within a short period of time. 669 projects funded by other sources have been completed.

The Hazard Mitigation Program has identified 90 projects to date. A total of 50 projects have been obligated and 40 are pending obligation. CDBG-DR has a total of 38 projects identified in Tranches 1 and 2, thus far. Of this amount, nine projects have been issued Notices to Proceed. FHWA- ER has funded a total of 95 projects that have been obligated to date.

The Territory's Public Assistance program manages 1,500 projects of which 1,329 has been obligated for a total amount of \$3.2 billion. In order to move the remaining projects through FEMA queues we must work collaboratively to address all projects waiting for fixed cost offers or Damage, Descriptions and Dimensions (DDD's). Due to the Territory's successful approval and submission of industry standards in 2020 each project in the priority areas of Health and Hospitals, School, Roads and Utilities will be built to the highest industry standards incorporating industry-leading design and infrastructure elements elevating the Territory's standard of excellence across all sectors.

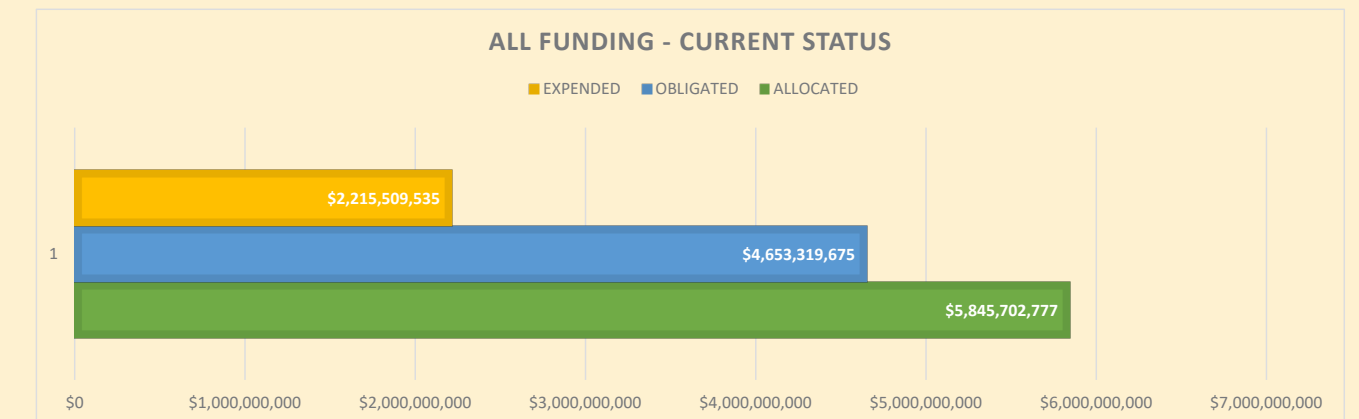
To capitalize on the advantages offered through the BBA projects the Territory utilize the Specialized Lane of Section 428 of the Stafford Act. In December 2020, the deadline to accept Fixed-Cost Offers (FCO) for projects formulated under Public Assistance Alternative Procedures (PAAP) - Section 428 was extended through December 31, 2021 and included the delivery of a Program Development Plan (PDP) by February 26, 2021.

A total of 150+ fixed cost offers are under review by FEMA for delivery to the Territory by December 31, 2021. As of the end of June 2021, the Territory has received sixteen FCOs increasing the total received to date to sixty-five.



## V.I. Office of Disaster Recovery All Funds Executive Dashboard As of August 30, 2021

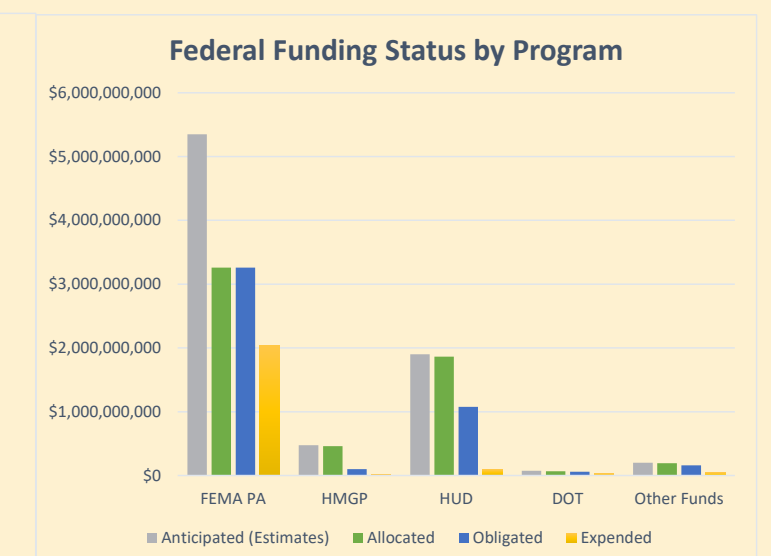
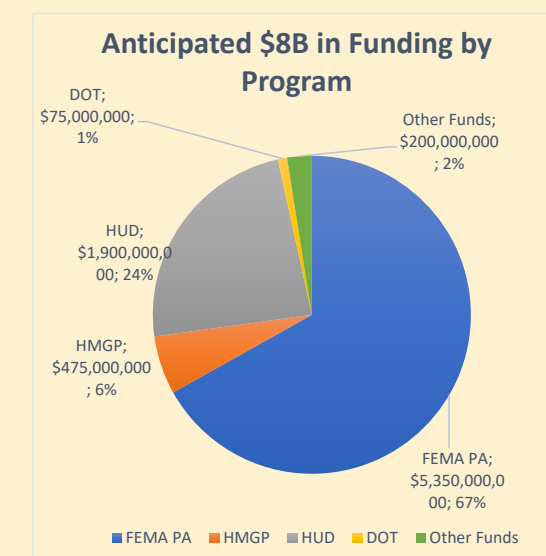
|                            | ANTICIPATED (ESTIMATES) | ALLOCATED              | OBLIGATED              | EXPENDED               |
|----------------------------|-------------------------|------------------------|------------------------|------------------------|
| <b>ALL FUNDING SOURCES</b> | <b>\$8,000,000,000</b>  | <b>\$5,845,702,777</b> | <b>\$4,653,319,675</b> | <b>\$2,215,509,535</b> |



### FEDERAL DISASTER ASSISTANCE GRANTS

#### FEDERAL DISASTER ASSISTANCE GRANTS SUMMARY

| Funding Sources | Anticipated (Estimates) | Allocated              | Obligated              | Expended               |
|-----------------|-------------------------|------------------------|------------------------|------------------------|
| FEMA PA         | \$5,350,000,000         | \$3,260,332,579        | \$3,260,332,579        | \$2,032,077,030        |
| HMGP            | \$475,000,000           | \$461,878,749          | \$99,118,383           | \$11,532,484           |
| HUD             | \$1,900,000,000         | \$1,863,742,000        | \$1,075,489,884        | \$97,078,498           |
| DOT             | \$75,000,000            | \$68,042,910           | \$60,264,380           | \$28,936,084           |
| Other Funds     | \$200,000,000           | \$191,706,538          | \$158,114,448          | \$45,885,439           |
| <b>TOTAL</b>    | <b>\$8,000,000,000</b>  | <b>\$5,845,702,777</b> | <b>\$4,653,319,675</b> | <b>\$2,215,509,535</b> |
|                 |                         | <b>73%</b>             | <b>58%</b>             | <b>28%</b>             |

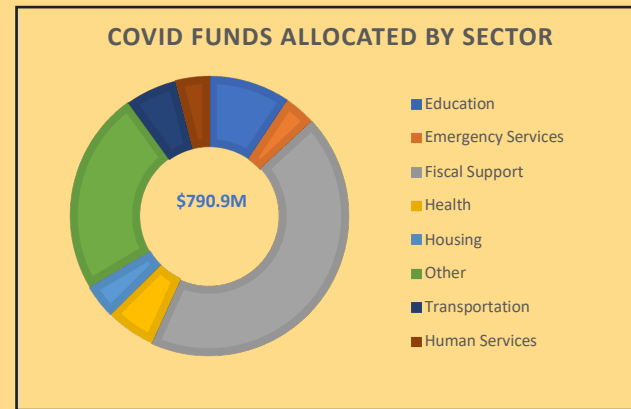




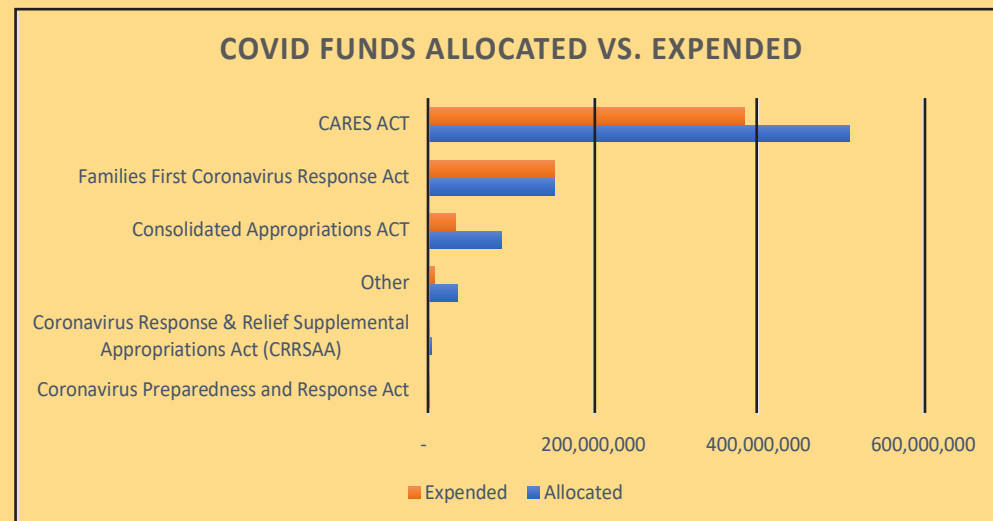
## COVID-19

Spring of 2020 brought the onset of a global pandemic that severely impacted communities and changed the very fabric of our existence. To mitigate the deteriorating health and economic conditions across America several steps were taken by the federal government to provide support and relief. As an early action, on March 13, 2020, President Trump issued an emergency declaration under the Stafford Act in response to the COVID-19 Pandemic, allowing for FEMA Public Assistance funds to be made available. To date, \$24 million has been allocated to the territory through FEMA Public Assistance, of which \$12 million has been expended.

| Sectors            | Obligated Funds     |
|--------------------|---------------------|
| Health & Hospitals | \$22,343,001        |
| Other              | \$1,345,560         |
| Emergency Services | \$685,222           |
| Transportation     | \$140,357           |
| Fiscal Support     | \$49,144            |
| Utilities          | \$33,064            |
| Human Services     | \$30,879            |
| <b>Grand Total</b> | <b>\$24,627,226</b> |



Additionally, to support the Territory's response to the global pandemic, funding has been allocated to the Territory through various acts such as: The American Rescue Plan Act, CARES Act, Consolidated Appropriations ACT, Coronavirus Preparedness and Response Act, Coronavirus Response & Relief Supplemental Appropriations Act, Families First Coronavirus Response Act. These funds have provided support to the territory across various sectors. To date over \$790M has been allocated of which \$575.2 Million has been expended to date across the various funding sources.



# Office Of Disaster Recovery

## Spend The Funds

Efforts at the Office of Disaster Recovery are heavily influenced by key stakeholder agencies within the Virgin Islands Government. The Department of Public Works, the Government's architect of record, plays an essential role as its required to validate the scope of work and design of all capital projects. This change in volume has caused an unprecedented increase in their workload, directly impacting their overall ability to operate at optimal levels and realistically fulfill their duties with an adequate number of resources.



An RFP for Architectural & Engineering services was developed by ODR to identify potential contractors who could supplement and fortify the Territory's project design and scoping needs. The solicitation secured A&E contracts with three firms: Springline Architects, LLC, Jaredian Design Group and the DLR Group.

To date, SOW Development services have been used for over forty plus projects across multiple agencies.

These agencies include the Department of Sports Parks and Recreation, Finance, VI Fire Services, Office of Management & Budget, VITEMA, Department of Finance, Department of Health, Office of the Lieutenant Governor, VI Economic Development Authority, Department of Planning & Natural Resources, Department of Public Works and Department of Education.

### Shovel Ready Projects FY 2022

For FY 2022, the Office of Disaster Recovery is expecting more than 134 shovel-ready projects. Shovel-ready projects are those that are either in the design, solicitation construction or construction phases. Project costs exceed \$1 billion for this category of projects. Out of the 134, 75 of them are shovel-ready priority projects, 15 are in design, 32 are in solicitation for construction and 28 are in construction. Because many of these projects have a project duration of three to four years the dollar value will have a positive impact generating revenue not just for FY 2022 but for several years to come.



# Office Of Disaster Recovery

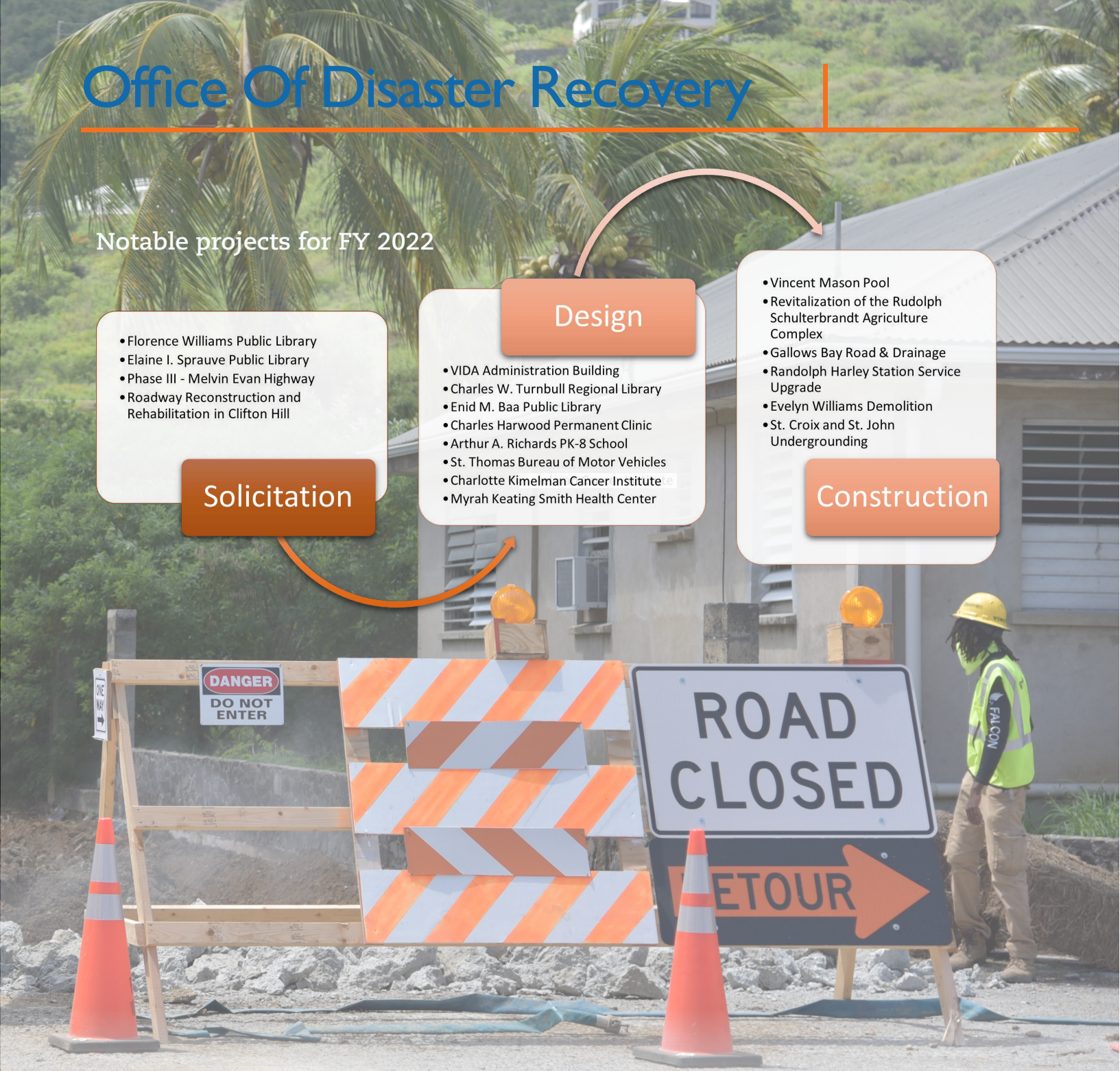
## Notable projects for FY 2022



- Solicitation**
- Florence Williams Public Library
  - Elaine I. Sprauve Public Library
  - Phase III - Melvin Evan Highway
  - Roadway Reconstruction and Rehabilitation in Clifton Hill

- Design**
- VIDA Administration Building
  - Charles W. Turnbull Regional Library
  - Enid M. Baa Public Library
  - Charles Harwood Permanent Clinic
  - Arthur A. Richards PK-8 School
  - St. Thomas Bureau of Motor Vehicles
  - Charlotte Kimelman Cancer Institute
  - Myrah Keating Smith Health Center

- Construction**
- Vincent Mason Pool
  - Revitalization of the Rudolph Schulterbrandt Agriculture Complex
  - Gallows Bay Road & Drainage
  - Randolph Harley Station Service Upgrade
  - Evelyn Williams Demolition
  - St. Croix and St. John Undergrounding



### Priority Projects

Procuring contracts, obtaining permits, and drawing funds are critical steps to successfully launching federally funded projects. Constant communication and collaboration are required to mitigate against setbacks that can severely influence and ultimately impede a project's progress. ODR organizes monthly meetings with all Departments highlighting the status of priority projects and their next steps, so adjustments are made to facilitate continuous advancement across all disaster recovery initiatives.

Governor Bryan identified five priority areas and projects that are critical to the Territory's Recovery. The priorities were established based on the projects that affected the largest percentage of the community and the criticality of the services in the areas of Health & Hospitals, Schools, Housing, Utilities and Roads.



## Top Priority Areas

# Health & Human Services

Restoration of healthcare facilities to prevailing industry standards remains among the top priorities for the Territory.

FEMA continues to assess replacement evaluations for Roy L. Schneider Hospital and Queen Louise Home for the Aged, both of which are expected in the fourth quarter of 2021. Queen Louise is currently being appraised for Prudent Replacement, with FEMA's decision expected by October 2021.

FEMA and the Territory worked collaboratively over eight months to identify and develop the damage description and dimensions (DDD) document that was presented to the hospital for approval and signed on August 30, 2020. However, in November 2020, FEMA revised the signed DDD with the hospital or Territory, removing 15 system-wide damages that would significantly reduce the scope and eventual funding.

The decision by FEMA to reverse its decision on the eligibility of system-wide damages for the Roy L. Schneider Hospital has led to significant obstacles to the progress of this project.



JFL Team meets with FLAD Associates to design the new hospital.

To date, the Territory continues to request a resolution from FEMA to this continuing reversal of agreed-upon damages so that the funding process can proceed toward obligation.

### Accomplishments:

Despite the obstacles, some significant milestones have been achieved:

1. FEMA had previously approved full replacement of the Juan F. Luis Hospital and DOH Harwood Clinic on St. Croix, and in the past year, **replacements have also been approved** for the Charlotte Kimelman Cancer Institute on St. Thomas and the Myrah Keating Smith Community Health Center on St. John.

2. In order to facilitate the development of a fully integrated hospital system and to ensure consistent standards, the Territory-wide Hospital Redevelopment Team (HRT) was established to oversee all design and construction processes for restoring the storm-damaged hospitals. In the past year, **the HRT has awarded design contracts** for the Roy L. Schneider Hospital, the Charlotte Kimelman Cancer Institute, the Myrah Keating Smith Community Health Center and the Governor Juan F. Luis Hospital.

a. Juan F. Luis Hospital awarded a contract for architectural services for the design of the new Juan F. Luis Hospital to FLAD Associates. The Hospital Redevelopment Team reviewed preliminary drawings in August 2021.

b. The Charlotte Kimelman design contract was awarded to EYP Architecture and Engineering, currently under contract pending final BBA scope for design.

c. The Myrah Keating Smith design contract was awarded to the Smith Group, with the executed contract currently pending.

d. USVI Department of Health awarded a contract for architectural services for the design of the new Charles Harwood Medical Center to FLAD Associates, who is currently in the design phase.

## Top Priority Areas Health & Human Services

3. The Queen Louise Home for the Aged requires temporary repairs to the existing facility to maintain operations for the next several years. In June of 2021, FEMA agreed to pay for \$730,868 of **temporary repairs, which will commence later this year** as soon as the funds are obligated.

4. DOH received approval for the rehabilitation of existing buildings until a permanent clinic can be constructed. The 7,712 SF four-story Knud Hansen Tower and 16,987 SF in ten adjacent support buildings in the John S. Moorehead Complex in Hospital Ground, St. Thomas, will be built out for a total of 24,699 SF of interim space.

5. After having been severely damaged by the 2017 hurricanes, a temporary Governor Juan F. Luis Hospital known locally as “JFL North” remains under construction. Although completion of the facility has been delayed due to a variety of issues, including site conditions and COVID-19, **JFL North is slated to be fully operational in mid-2022**, and this 110-bed temporary hospital is expected to serve the needs of St. Croix during the 5-7 years anticipated for construction of the new permanent hospital.

### Department of Human Services

The Richmond Senior Center located in Christiansted on the island of St. Croix sustained extensive roof damages during Hurricanes Irma and Maria in 2017. Although temporary repairs were made to the roof, permanent roof repairs, as well as internal and external repairs, were deemed necessary. DHS has moved forward with the solicitation of the much-needed repairs to the Richmond Senior Center and construction is anticipated to begin in November 2021.

DHS continues to work to build resilience into all of its facilities. In August 2021, a solicitation was released for the construction of an enclosure for an existing generator at the Mars Hill Headstart location on St. Croix. The project is projected to begin in October 2021. The Generator Enclosure

| HEALTHCARE FACILITY                                   | STATUS   | ESTIMATED AMOUNT   |
|---|--|--|
| JFL Hospital (STX)                                    | Prudent Replacement Approved                               | <b>\$1,063,922,785</b><br><small>Pending final revisions</small> |
| GHMC Charles Harwood Clinic (STX)                     | Prudent Replacement Approved for the Main Clinic and Annex | <b>\$187M</b>  |
| RLSH Roy Lester Schneider Hospital (STT)              | DDD pending reconciliation                                 | <b>\$0.00M</b>   |
| Myrah Keating Smith Community Healthcare Center (STJ) | Replacement Approved per FEMA 50% Rule                     | <b>\$63,754,634</b>  |
| CKCI Charlotte Kimelman Cancer Institute (STT)        | Prudent Replacement Approved                               | <b>\$37,448,340</b>  |
| Morris F. de Castro Clinic (STJ)                      | Under FEMA Review  | <b>\$1,410,771</b>   |
| Knud Hansen WIC Building Rebuild (STT)                | In Solicitation  | <b>\$3,737,027.00</b>  |
| Frederiksted WIC Building Repairs (STX)               | In Design  | <b>\$631,000.00</b>  |
| Mental Health Building Demolition (STT)               | In Design  | <b>\$1,837,783.07</b>  |



Project was funded by the Hazard Mitigation Grant Program (HMGP), which has funded other projects for DHS, such as the Sugar Estate Head Start Generator project and mitigation measures at several other DHS locations, Estate Diamond Complex, Anna’s Hope, Richmond, Mars Hill, Concordia and Marley Head Start. HMGP was approved over \$2 million to strengthen DHS facilities, ensuring that their structures can withstand future weather events.

### Sheltering Projects

Additionally, the St. Dunstan’s Saferoom Project will provide the St. Croix community with shelter for 177 occupants and includes the hardening of several buildings, the purchase of sanitation equipment, a mechanical ventilation system and a generator. The contract for A&E services is in the final stages of the award process

In an effort to provide safe, comfortable, and updated shelter options in ideal locations on the island of St Croix, the Alexander Theater was evaluated and chosen to be retrofitted as a shelter to aid in the reduction of risk and to prevent the loss of life during future natural disasters. The project is currently in the solicitation phase for architecture and engineering services. Design work is slated to begin in October 2021.



## Top Priority Areas Housing

### Virgin Islands Housing Authority

The Virgin Islands Housing Authority (VIHA) continues to focus its redevelopment portfolio and strategies for replacing 1500 aging housing units throughout the Territory.

The VIHA held a ribbon cutting for St. John's first completed major recovery project, the George Simmons Terrace Community Center in Estate Adrian, in December 2020. Contracted at an estimated \$603K, the seven-month renovation included a new roof, new ceilings and sheetrock, hurricane windows and doors, new lights and ceiling fans, air conditioning and insulation it didn't have before, as well as a space for a planned computer facility, new bath and shower, and handicapped-accessible kitchen.

The Walter I.M. Hodge Pavilion Revitalization Project, funded at \$78.6 million with a combination of FEMA Public Assistance, FEMA Hazard Mitigation Grant Program and Low-Income Housing Tax Credits will completely rehabilitate 248 units in the low-income housing community. MDG Design and Construction is slated to begin working on site by January 2022. The two-year revitalization project will assist families displaced by the 2017 hurricanes and low income families being relocated due to other redevelopment initiatives.

The Donoe Redevelopment Project, funded at \$57.4 million through HUD Community Development Block Grant-Disaster Recovery, Low-Income Housing Tax Credits, and Hunt Capital Partners is an 84-unit affordable rental community on St. Thomas. In January 2021, VIHA held a symbolic ground-breaking of the new apartment community – the first of three phases– that will replace and



Roof repairs at Paul M. Pearson Gardens, July 2021

completely reinvent the Tutu High Rise and Donoe public housing that was irreparably damaged by Hurricanes Irma and Maria. Former residents of Tutu and Donoe will be given the first opportunity to occupy the new apartments when completed. Construction on the Donoe Redevelopment Project continues to progress and is slated to be completed in December 2022.

The comprehensive demolition of the Ludvig Harrigan site and buildings began in August 2021. The Contractor J. Benton Construction is contracted to demolish seventy residential units, nine buildings and one community center from the development. With thirty-five percent of the project completed, the contractor is on track to complete the demolition by December 2021.

While the Authority continues to focus on the redevelopment of housing units throughout the Territory, completing roofing and other repairs also remains a priority. Although FEMA Public Assistance funds of \$10.78 million were not obligated until May 2021, VIHA began roof repairs to Kirwan Terrace in January 2020 for Buildings 8, 12, 17, 18. The vendor completed the repairs ahead of schedule in August 2021. The additional roof repairs on buildings 7, 9, 10, 19, and 22 are slated to be completed by January 2022.

FEMA Public Assistance obligated \$3.56 million for The Knolls at Contant in June 2021. Since January 2021, VIHA has been completing identified roof repairs for residents that are scheduled to be complete by the end of November 2021.

FEMA Public Assistance has obligated \$662K for repairs to the Paul M. Pearson Gardens and Community Center. As of July 2021, VIHA began roof repairs to building 25 & the Community Center at Paul M. Gardens that are anticipated to be completed the end of December 2021.

VIHA received \$7.6 million of FEMA Public Assistance funds in August 2021 for Marley Homes & Additions. During the same month, roofing and guttering repairs began on Buildings 5-7, 10-14, and 16 with completion projected by September 2021.



Estate Donoe Groundbreaking, January 2021

# Top Priority Areas Housing

## Virgin Islands Housing Finance Authority

### STEP/ Emergency Home Repair VI

The Territory continues to make payments to contractors via Public Assistance Funding for the Sheltering and Temporary Essential Power (STEP) Pilot Program. Since September 2021, the STEP Program has paid out \$217.5 million for construction costs and \$385 million for management/soft costs associated with the project.

The program concluded construction on April 15, 2019. Phase I completed temporary repairs for 6,560 homeowners allowing residents to safely shelter in place. Phase 2 provided permanent roof repairs to 1,648 homeowners in accordance with the Territory's 2019 Stronger

Home Guide developed by the Department of Planning and Natural Resources.

### New Housing and Infrastructure (Homeownership)

This program will provide the opportunity for first time homebuyers to secure a home in communities being built by VIHFA and identified in the Authority's three-year affordable Housing plan. The program will align with the existing first-time homebuyer program administered by the Authority. Mount Pleasant and Solitude are the communities pegged on St. Croix and in the St. Thomas/St. John District, Fortuna, and Estate Donoe (Whispering Hills).

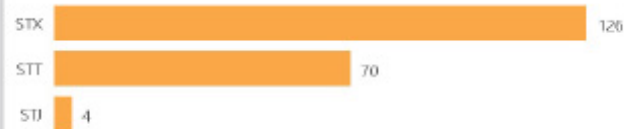
## ENVISION TOMORROW by the NUMBERS

| Total Cases | Eligible Cases | STX Cases | STT Cases | STJ Cases | Low/Mod | Urgent Need | N/A | Grants Signed | No DOB | DOB | DOB Review | Cleared Environmental |
|-------------|----------------|-----------|-----------|-----------|---------|-------------|-----|---------------|--------|-----|------------|-----------------------|
| 2050        | 633            | 379       | 237       | 17        | 518     | 43          | 72  | 107           | 463    | 168 | 2          | 120                   |

### Eligible Cases



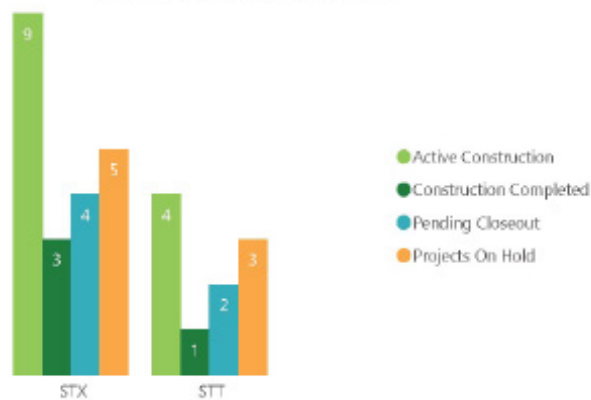
### Envision 200



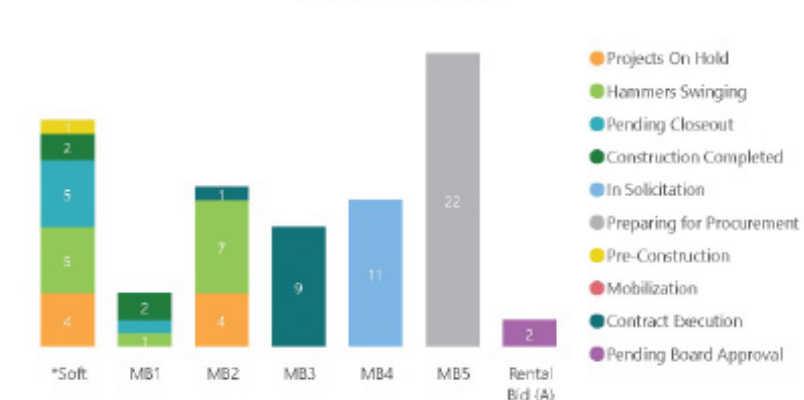
### Homes Returned to Pre-Existing or Liveable Conditions

10

### Construction Status by Island



### Mini Bid Assignments



## On The Drawing Board



### Mt. Pleasant Development

The development of 7 new single-family homes on St. Croix.

**Status:** Application approved  
**Proposed Funding:** \$1.6 million

### Fortuna Development

The development of 56 new single-family homes on St. Thomas.

**Status:** Application development stage  
**Proposed Funding:** \$19.4 million

### Estate Solitude Development

The development of 20 new single-family homes on St. Croix.

**Status:** Application development stage  
**Proposed Funding:** \$5.8 million

### D. Hamilton Jackson & Alphonso Piggy Gerard

The project is proposed to rehab 136 units on St. Croix.

**Status:** Application development stage  
**Proposed Funding:** \$6 million

### Wilfred Pedro Phase 1

The project proposes the new construction of 123 units on St. Croix.

**Status:** Application development stage  
**Proposed Funding:** \$10 million



Completion of Magens Junction Phase 2, August 2021

## In Construction

### Magens Junction 2 (STT)

Magens Junction is a \$3.5 million development that includes the construction of sixty new construction low-income tax credit rental apartments that are contained in a nine-story building with ground floor amenity space. The unit mix includes 30 one bedroom one bath apartments and 30 two-bedroom two bath apartments. The development is financed with Low Income Housing Tax Credit equity, developer's equity, and CDBG-DR funding.

To date, twenty tenants are currently leased up and occupying the building. It is anticipated that a grand opening will occur during the last quarter of 2021.



# 2021 Annual Progress Report

## Top Priority Areas

# Roads and Transportation

### Virgin Islands Department of Public Works

The Virgin Islands Department of Public Works (DPW) serves as a primary driver of the Territory's recovery. In addition to its role as the engineer on record for the Virgin Islands, DPW is responsible for planning, constructing, and maintaining public roads, highways, storm drainage, buildings and transportation systems.

Via FEMA Public Assistance, DPW began its third year of recovery developing and completing construction Scopes of Work for repairs to the roadways on Water Island, Botany Bay, Perseverance Bay, Red Hook Bay, Jersey Bay & Smith Bay on St. Thomas and as well as Fish Bay, Coral Bay, Maho Bay & Great Cruz Bay on St. John. The projects are now pending the completion of FEMA's Environmental & Historic Preservation Review, then the contract can be executed and construction can begin.

In addition to Public Assistance, the Department of Public Works is also leveraging FEMA's Hazard Mitigation Grant Program to ensure proper drainage is incorporated into future road projects to more effectively maintain these roadways in the future. Last year, DPW began the RFP process for multiple HMGP projects, primarily on St. Thomas & St. Croix. This year, contracts were executed for the Mahogany Road Drainage Improvement Project on St. Croix, with design work starting in August 2021 and construction expected to start by September



Paving at Carlton Road, St. Croix, June 2021

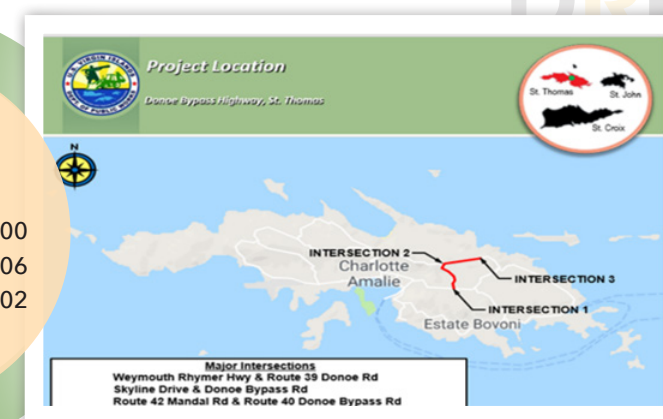
2022, as well as the Smith Bay Stormwater Project on St. Thomas, with designs expected to be complete by July 2022 with construction starting by November of the same year.

Additional projects such as the Hannah's Rest Drainage Improvement & Acquisition and the St. Thomas East End Reserve projects are pending contract execution. DPW also received funding from the CDBG-DR Program for two major road projects. The Donoe Bypass Project on St. Thomas will fund improvements as part of a coordinated, multi-agency effort to make the road more resilient, increase the ability to capture stormwater runoff, and harden the roadway in the event of future disasters. The Northside Highway Improvements Project on St. Croix will primarily involve design for modifications, repairs and replacement of existing structures, required environmental assessments and will include new sidewalks, drainage and accessibility features/ utility lines as needed. Both projects are pending contract execution with designs expected to be completed by September 2022. Construction will begin on both projects in November 2023.

### Project: Donoe Bypass on St. Thomas

**Project Amount**  
**\$9,811,308**

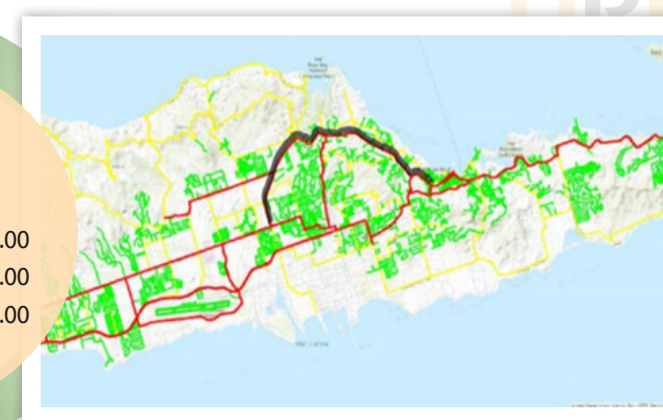
CDBG-DR: \$2,450,000  
 FEMA-MIT: \$414,706  
 CDBG-MIT: \$6,946,602



### Project: Northside Road on St. Croix

**Project Amount**  
**\$19,896,284**

CDBG-DR: \$3,673,487.00  
 FEMA-HMGP: \$305,025.00  
 CDBG-MIT: \$16,222,797.00



### FHWA-ER Projects

During the fourth year of the recovery and with the administrative support of Eastern Federal Lands-Highway Division; the Department of Public Works initiated and began construction on multiple Emergency Repair road projects during this reporting period.

The Design/Build Project for the St. Thomas/St. John District, which contains fourteen roadway sites throughout St. Thomas and five roadway sites throughout St. John, was awarded to Island Roads, Inc. in December 2020 for a total cost of \$23,543,882.

Construction has initiated on St. Thomas roadways to include Shibui, Weymoth Rhymer and Estate Dorothea and on St. John to include Bordeaux Mountain & Fish Bay Road. In addition, DPW also administered and completed repairs to the Mafolie Road Retaining Wall which suffered critical damage during and after Hurricanes Irma & Maria in the unprecedented rainfall which occurred for weeks thereafter. Four Star Construction was awarded the contract for this project which was substantially completed in March 2021.

Entering the fifth year of recovery, residents can expect to see multiple road repair projects occurring simultaneously across the Territory. Additional roadway sites associated with the St. Thomas/St. John Design Build will begin including areas along Black Point Hill, Hull Bay Road and Mandal Road in St. Thomas, and sites along Southside Road in St. John.

On St. Croix a design build project, which contains sixteen roadway sites to include areas like Midland Road Bridge and Melvin Evans Highway, was awarded to VI Paving, Inc. in November 2020 at total cost of \$10,947,806. Construction will begin in October 2021 and is expected to last 18-24 months.

Permanent Road & Traffic Signs will also continue to be installed and replaced across the Territory. This work was awarded to Custom Builders in the St. Thomas/St. John District and Celestine Construction on St. Croix and remains ongoing as additional signage and replacement needs were identified at various roadway locations.



Construction at East Airport Road on the Melvin Evans Highway

### Bureau of Motor Vehicles

During the 2017 Storms, both of BMV's main buildings on St. Croix and St. Thomas suffered critical damages. Through FEMA Public Assistance, the BMV facility on St. Thomas was deemed eligible for replacement based on the severe damages occurred and was obligated \$3.5 million with an insurance reduction of \$1.6 million, totaling the replacement value at \$5.2 million. The project is moving forward with design and is scheduled to begin demolition and construction once final plans have been determined. Construction on this new facility is expected to be

completed in June 2024. With FEMA PA funding of \$580K, design work has begun on the BMV facility on St. Croix. It is BMV's intent to locate a new site for the St. Croix facility and construct a brick-and-mortar building. Construction on this new facility is also expected to be completed in 2024.





## Top Priority Areas

# Roads and Transportation

### Virgin Islands Port Authority

The Virgin Islands Port Authority is responsible for developing, maintaining and securing the Territory's Ports of Entry and their associated facilities.

VIPA continues its ongoing rehabilitation and reconstruction of its facilities, including but not limited to the ongoing replacement of the Wilfred "Bomb" Allick Port & Transshipment Center on St. Croix and repairs to the St. John Car Barge Dock & Truck Trailer Storage Yard. To date, FEMA has provided VIPA with \$5,007,396 in federally reimbursable funds for the completion of these recovery projects on all four islands.

In addition to funding provided by FEMA, other federal agencies, including the US Economic Development Authority (USEDA) have provided support to the VIPA in an effort to make necessary improvements to both airports within the Territory following the damages wrought by the storms. On St. Croix, Phase 1 of the Henry E. Rohlsen Airport Terminal Expansion Project is funded with \$7.3 million from the USED A, with the VI Port Authority providing \$300K in matching funds. The first phase of this project, which began in August 2020 and remains ongoing, includes the expansion of the pre-clearance hold room to more than double the seating capacity while providing for additional amenities to include portable charging devices, additional television screens, more hot food concessions, shopping and restroom facilities. Phase 1 of the Henry E. Rohlsen Airport Terminal Expansion Project is set to be completed in November 2021.

On St. Thomas, Phase 1 of the Cyril E. King Terminal Expansion (CEKA) Project is funded with \$26.8 million from the U.S. Economic Development Administration (USED A) with VIPA providing \$6.8 million in matching funds. Phase 1 of the CEKA Project, which began in May 2021, includes a new transportation center. This multipurpose facility being constructed above

the airport's current existing parking lot will triple the available capacity by creating an additional 611 mixed-use parking spaces. This project is expected to be complete by August 2022.

Similar to the funding opportunities provided by FEMA Public Assistance and the USED A, VIPA has also been allocated funding via the CDBG (Community Development Block Grant) Program, which is currently administered by the Virgin Islands Housing Finance Authority. With this funding, VIPA continues the development of updated project applications for three dredging projects: Dredging at WICO & Crown Bay Docks in the St. Thomas/St. John District and Dredging in Gallows Bay for the St. Croix District. Eligibility Requirements for these applications are being reviewed and updated. Once finalized, an amended Action Plan for CDBG-MIT will be submitted to HUD for review and approval.



Construction at Henry E. Rohlsen Airport, St. Croix, May 2021



VIPA Engineer Tafari Nelson, Executive Director Carlton Dowe visits construction site at the Wilfred "Bomb" Allick Port & Transshipment Center, July 2021



# 2021 Annual Progress Report

## Top Priority Areas

# Schools

### Overall Progress:

Over the course of Year 4, progress has lagged behind expectations, due to the lack of movement on replacement requests and a standstill on project obligations.

Since authorizing the “Prudent Replacement” of Arthur Richards JHS in April of 2019, FEMA has only acted on a handful of replacement requests, approving 10 buildings on 4 campuses with a total of 50+ requests still pending. Arthur Richards PK-8 is still awaiting obligation, pending agreement of BBA eligible repair work.

Aside from the delays in processing replacement requests, school repair projects have also been rejected of all BBA-eligible repair work identified by VIDE.

### Accomplishments:

Despite the challenges VIDE has made markable strides to press forward in its mission to modernize schools throughout the Territory.

#### 1. Demolition of Arthur Richards JHS

Although the new Arthur Richards PreK-8 will be constructed on a new site, demolition of the wreckage of the old school during Year 4 was an important morale boost for the community.

#### 2. Getting Started on New School Designs

- While awaiting FEMA action on processing projects, VIDE has moved ahead with key design tasks that will significantly expedite reconstruction once the expected funding become available.
- After the release of the Educational Facility Master Plan (EFMP) on July 1, 2020, VIDE transitioned immediately into the implementation.

#### Phase with three critical follow-up tasks:

- Development of initial design documents for five campuses through a process called “Bridging Documents”
- Assessment of existing facility conditions and Code compliance
- Development of a Territory-wide integrated information technology (IT) plan.

To accelerate the recovery process, VIDE is using a proven approach of developing Bridging Documents (enhanced conceptual designs) to kick-start the multi-campus development program. This enabled design work to start and is expected to reduce the overall project duration by 6-9 months. Design plans advanced to a 30% complete level have been developed for five of the highest priority campuses, including constructability reviews and conceptual cost models to guide VIDE in early design decisions on a campus-by-campus basis.



# Top Priority Areas Schools

These campuses are:

- Charlotte Amalie High School (STT)
- Central High School (STX)
- Julius Sprauve K-12 (STJ)
- Arthur Richards PreK-8 (STX)
- Bertha C. Boschulte PreK-8 (STT)

### 3. Reconstruction Status

Several VIDE instructional campuses have commenced demolition, renovation, and new construction. Listed below are the status of these activities.



Repairs at Gladys Abraham - September 2021



## CAMPUS

## STATUS

|   |  |
|---|--|
| Wheatley Skill Center Renovations (STT) | Complete                                 |
| Arthur Richards JHS Demolition (STX)    | Demolition Complete                      |
| Gladys Abraham ES Renovations (STT)     | Under Construction                       |
| Arthur Richards PreK-8 New Build (STX)  | RFP for Design-Build Services Advertised |
| Evelyn Williams ES Demolition (STX)     | Demolition On-Going                      |
| Charlotte Amalie HS Demolition (STT)    | Demolition Starting Soon                 |



# 2021 Annual Progress Report

## Top Priority Areas

# Utilities

### The Virgin Islands Water & Power Authority

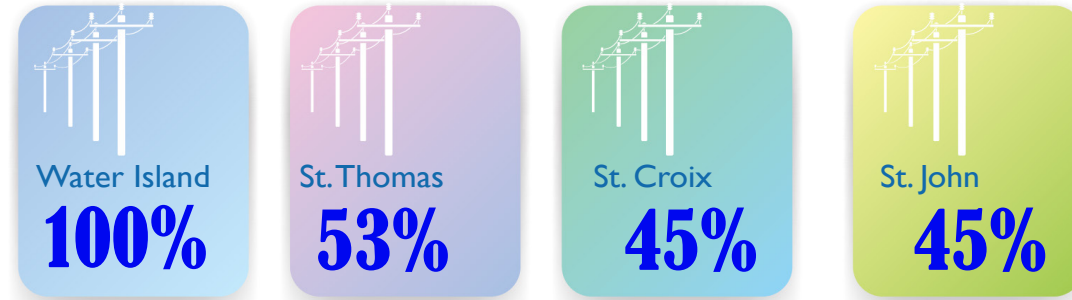
WAPA continues the implementation of its three-pronged Transformation Plan, which will position the Authority for success by maximizing eligible disaster recovery funding and operating capital to improve resiliency, increase greater renewable penetration and improve efficiency over the next three to five years.

#### Improved Resiliency

WAPA's current multi-faceted approach to revitalizing its system includes over \$742 million in repair and mitigation projects. Funded by FEMA and HUD, these projects include the installation of composite poles and emergency backup generators, increased undergrounding capacity, and the hardening of infrastructure, culminating with the goal of transitioning at least 50% of customers to underground power and the remaining above-ground connections to composite poles.

While composite pole installation was temporarily halted in 2020 pending a Cost Reasonableness Analysis and cost alignment by FEMA, the remaining work to be completed was reinitiated on all three islands in 2021. On St. Croix, approximately **45%** or 1,786 of the 4,003 expected composite poles have been installed with an anticipated completion date of March 2022. Simultaneously on St. John and

## Composite Poles Installation Percentage Chart



St. Thomas, approximately **53%** or 1,030 of the 1,960 have been installed and **45%** or 1,057 of the 2,333 have been installed respectively, with both islands having a scheduled completion date of January 2024. Installation of 200 or **100%** of Composite Poles on Water Island was also successfully completed by the Authority in 2019. Once completed, approximately 8,500 composite poles will be installed with FEMA funding, covering the roughly \$900 million investment.

In addition to composite pole work, undergrounding design and construction are underway on both St. John and St. Croix. Phase 1 Undergrounding in the historic town of Cruz Bay began in July 2021, beginning from Franks Bay to Seagrape Street and continuing up to Mongoose Junction. An archeological contract has also been executed to support the ongoing undergrounding work in an effort to preserve any anthropologic or historical findings within the area. Phase 2 & 3 of St. John Undergrounding are pending Federal Concurrence from the National Park Service for the inclusion of undergrounding circuits within the boundaries of the Virgin Islands National Park.

On St. Croix, construction contracts have been approved and executed for undergrounding work in Midland, Golden Grove and Container Port. Federal Coastal Zone Consistency Permits from FEMA Environmental and Historic Preservation (EHP) are required before moving forward with undergrounding construction. Coastal Zone Consistency was received for Cruz Bay & St. Croix's Container Port Undergrounding Projects. A construction Notice to Proceed for the latter is expected to be executed by September 2021. Engineering & Design RFPs associated with undergrounding projects for Frederiksted, St. Croix and St. Thomas are currently in development at the Authority and will be reviewed prior to being advertised.



Composite Pole Installation, Upper Contant, St. Thomas, July 2021

# Top Priority Areas Utilities

## Improved Efficiency & Generating Capacity

WAPA's long developed plan to increase its generation capacity by adding more efficient and renewable-compatible generators is well underway, with VIHFA issuing a Construction Notice to Proceed to the Authority on June 10, 2021, for the Randolph Harley New Generation & Service Expansion Project. Funded via the CDBG-DR Program by a \$95.5 million project allocation, WAPA plans to incrementally install new generators and BESS (Battery Energy Storage System) technology to produce an additional capacity of up to 36-40 megawatts for the St. Thomas/St. John district. This new generating and storage capacity will reinforce and supplement the already embattled system during peak load and storm/disaster events.

With new generators scheduled to arrive on St. Thomas in November 2021, it is imperative that WAPA has the management and staffing capacity for successful project execution. VIHFA issued a Notice to Proceed for WAPA to begin advertising an RFP for Project Management Services on August 22, 2021. Once executed, Phase 1 & 2 of the Harley Expansion Project will be on track for completion in December 2023.



Waterline Installation, Frederiksted, November 2020

created and submitted to FEMA a framework of recommended rules and justifications applicable for the prudent replacement of the potable water distribution system on St. Croix. This request is currently being evaluated by FEMA for full eligibility and has the potential to replace almost 147 miles of piping, existing water tanks and pump stations on St. Croix at a projected cost of \$680 million. If approved, prudent replacement requests will be submitted for St. Thomas and then St. John.

Simultaneously, applications for WAPA's CDBG-DR funded Waterline Extension Projects in Anna's Retreat, Smith Bay & Frydendahl are being developed and require the confirmation of LMI (Low-Moderate Income) Status for proposed connections to residences without previous access. These Waterline Extension projects total approximately \$14 million and are at VIHFA for further processing.



## WAPA Water

During the first two years of the recovery, WAPA focused heavily on making critical repairs to the water distribution network. Repair work which data shows, increased significantly when compared to available pre-storm breakage data. Following the 2017 storms, more than 900 pipe breaks have been recorded on St. Croix alone. Using this information and the flexible opportunity

provided by the Bipartisan Budget Act of 2018, WAPA developed a methodology to evaluate the potable water distribution system and all related components to FEMA-approved industry standards. In May 2021, following the development of this methodology, WAPA



St. Croix Undergrounding Groundbreaking, April 2021

Virgin Islands Waste Management Authority



Convenience Center at Mandhal, St. Thomas

Wastewater

The Virgin Islands Waste Management Authority (VIWMA) is comprised of one central landfill in each district; eight wastewater treatment plants (WWTP), 31 pump stations, force mains and the gravity collection network across the Territory. VIWMA continues to identify and address the full scope of work eligible for reimbursement through FEMA's Public Assistance Program given the difficulty in identifying damages to underground utilities. Significant levels of stormwater infiltrated the system during and after the disaster creating non-compliance issues of untreated wastewater overflow in multiple locations. As a result of these Territory-wide issues VIWMA had to complete immediate and critical repairs to make the its systems serviceable. Almost four years later, VIWMA continues to address some of the most frequent non-compliance events following 2017's Cat 5 Hurricanes Irma & Maria while also making critical repairs.

Prudent Replacement Requests for the wastewater infrastructure were submitted by the Territory for FEMA review for St. Croix, St. Thomas and St. John, along with the relevant justifications and eligibility requirements. While each system has not yet been approved for prudent replacement, regular scope and costing meetings have begun to determine a baseline methodology for repairing St. Croix's Wastewater Infrastructure – a positive step toward FEMA approval.

Solid Waste

The Waste Management Authority is also leveraging funding via CDBG-DR to improve the Territory's solid waste infrastructure. With \$7.5 million in allocated funding, the VIHFA has approved the Authority's project applications for staffed convenience centers to be placed in strategic locations throughout the Territory to help aid in the proper management of solid waste disposal. Priority Convenience Center locations have been identified for five sites: **Smith Bay-Margaritaville & Red Hook** on St. Thomas, **Susannaberg Transfer Station** on St. John and **Concordia** and **Mon Bijou** on St. Croix. The design-build RFP for the convenience centers should be released by February 2022.

In addition, project applications are also being developed for solid waste crushers and grinding machines as well as the closure of both the current Bovoni and Anguilla Sites in adherence to the mandate for their closures. The need to open a new site in Estate Pearl on St. Croix and the expansion of the Bovoni Landfill will allow for newly identified areas to be brought into compliance with the Resource Conservation & Recovery Act Subtitle D Requirements. The EPA is also supporting the completion of an Integration Plan, which will be leveraged when identifying potential project opportunities that can be financed through the CDBG-DR MIT and FEMA HMGP moving forward.

### Virgin Islands Public Broadcasting System

The Virgin Islands Public Broadcasting System – WTJX TV & WTJX FM (WTJX) is one of the main utilities and means of public sector communication – often serving as a lifeline for critical information before, during and after the Territory experiences a storm or other disaster event.

Following Hurricanes Irma & Maria, WTJX’s infrastructure necessary to broadcast across the Territory was significantly damaged – particularly its main studio, the Haypiece Hill Facility Complex and the Mountain Top Building & Ground Antenna. In an effort to reestablish VIPBS’s function while their facilities have remained compromised, a viable workspace was identified at the Al Cohen’s Mall. RFP evaluations occurred for Architectural & Engineering Services and Equipment Integration for a temporary facility. These projects are currently awaiting a formal response from FEMA before moving toward contract execution, design, and construction.

Replacement of VIPBS’ 27 Foot Ground Antenna located at its Mountain Top Building was substantially completed in July 2021, while discussions with FEMA remain ongoing for the cost of replacing the building itself. Trained on the Haypiece Hill Facility, the restored antenna awaits the restoration of services provided by VIPBS to the citizens of the Territory.

VIPBS continues to work with federal partners to fund the replacement and hardening of the Haypiece Hill Facility Complex. With FEMA having approved prudent replacement of some damages via the Bi-Partisan Budget Act, the Territory seeks to consolidate multiple buildings within the complex into a more practical design that allows for a more resilient facility.

In July 2021, VIPBS successfully awarded and contracted Springline Architects, LLC to complete the full design work on the new facility and complex and provide the damages and schematic information critical to ensuring the facility’s eligibility for replacement costing by FEMA. Designs are in progress and expected to be completed by July 2022, with construction completed by December 2024.



Construction at the Wilfred “Bomba” Allick Port and Transshipment Center, St. Croix - July 2021



VIPBS’ 27 Foot Ground Antenna located at its Mountain Top Building



## Top Priority Areas

# Public Buildings & Other Projects

## Government Houses

### St. Thomas

During the storms, Government House on St. Thomas sustained roof failure and severe damages on the third story - allowing water to permeate the entire building. This resulted in the near destruction of the structure and made it uninhabitable. The Office of the Governor awarded the construction contract to J. Benton Construction 2019, and repairs are almost complete. This project has been obligated at approximately \$2 million, which includes funding for mold remediation as well as contents. The Office of the Governor continues to work with FEMA on the obligation of this facility's permanent repair work, estimated at \$3.2 million. The anticipated completion date for St. Thomas Government House is November 2021.

The New Business, Old Business, and Legal Counsel buildings also suffered significant damages from wind and water intrusion following the 2017 Storms. Located in the historic government area within Charlotte Amalie, the repairs became critical to ensuring the Office of the Governor's ability to utilize the buildings as Territorial Government offices. Approximately \$1.4 million for these sites were obligated, which includes funding for the facilities' permanent repair work as well as mold remediation. These projects are moving forward with design and the anticipated completion date for all three facilities is August 2022.



Construction at Government House, St. Thomas, September 2021



Construction on the Battery, St. John, November 2020

### St. John

The completion of Government House on St. John, referred to as "The Battery," will restore the original historic character while providing the necessary improvements to endure future severe weather events and future usage of the space for civic engagement. The majority of the repairs to The Battery on St. John were completed in December 2020. The remaining repairs were completed in mid-Summer 2021, and a ribbon-cutting ceremony is scheduled for November 2021.

### St. Croix

Approximately \$2.1 million was obligated for Government House in Frederiksted, which sustained limited damage from wind and water intrusion, and the Christiansted Government House, which sustained extensive damages. The funds for these projects include the full scope of the storm damages to the historic structures. These projects are moving forward with design and are scheduled to begin construction once final plans have been determined. The anticipated completion date for both projects is December 2022.



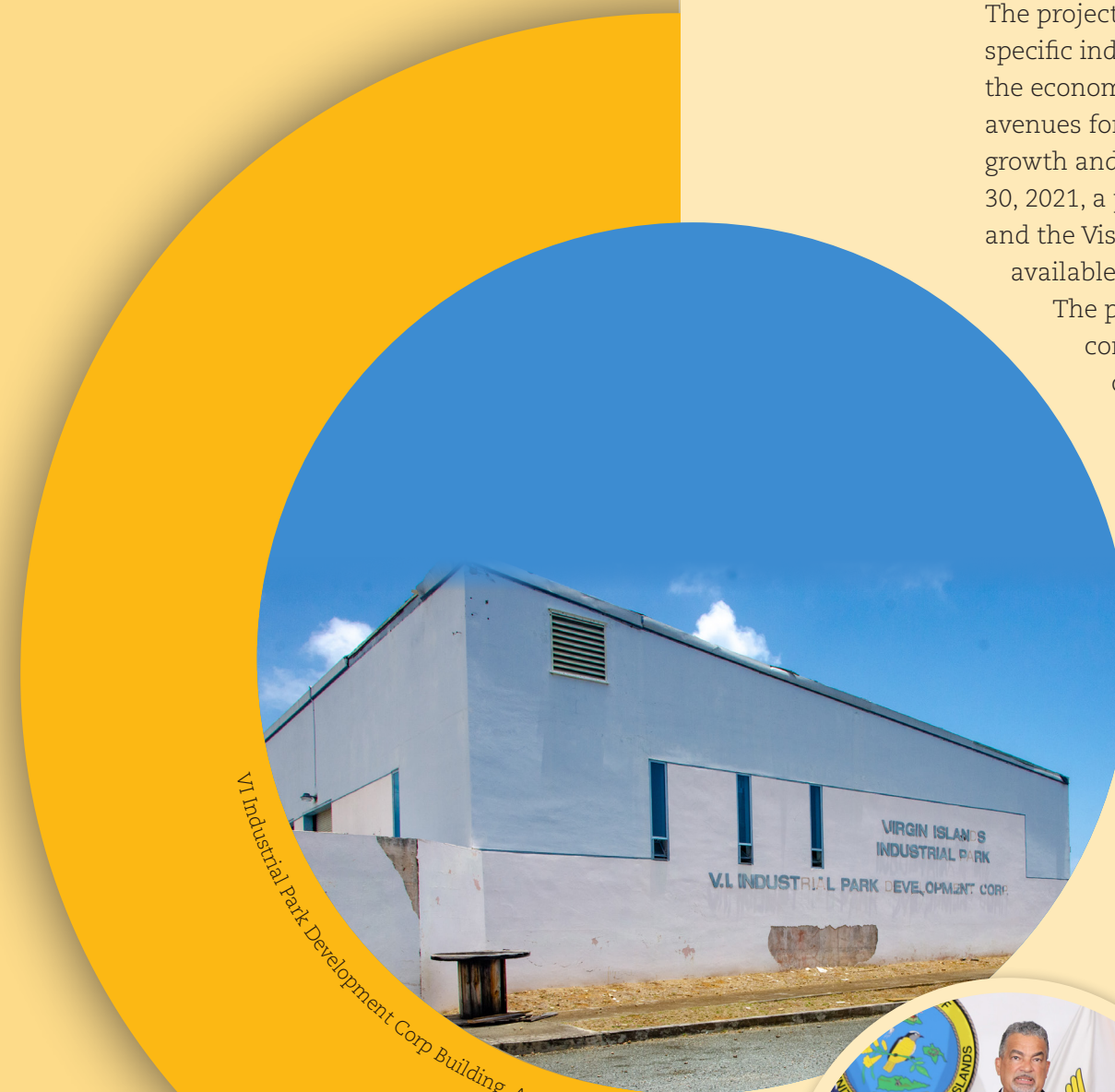
## Top Priority Areas Public Buildings and Other Projects

### Virgin Islands Economic Development Authority

The U.S. Virgin Islands Economic Development Authority (USVIEDA) suffered significant damages to its offices located in Frederiksted's historic Fleming House. Through FEMA Public Assistance, USVIEDA was obligated \$402K to renovate and restore Fleming House to its pre-disaster condition, ensuring its façade is maintained to meet historic preservation requirements. The project is moving forward with design and is scheduled to begin construction once final plans have been determined. The Frederiksted community can look forward to construction completion in 2022.

During year four, over \$18.3 million has been obligated across both FEMA Public Assistance and Hazard Mitigation Grant Programs for USVIEDA projects. Over \$8.1 million was awarded by FEMA PA in April 2021 for the demolition and replacement of the VI Industrial Park Development Corp Building, which is used to lease small business ventures. Having suffered significant damages, design work has begun for the facility and is scheduled to begin demolition and construction once the final plans have been determined. The anticipated completion date for the project is October 2023.

With FEMA PA and HMGP funding of over \$10 million, design work for the William D. Roebuck Industrial Park has begun. Restoration will begin once the final plans have been determined. Completion of both the VI Industrial Park Development Corp Building and the William D. Roebuck Industrial Park are expected by February 2024.



VI Industrial Park Development Corp Building, April 2021



Executive Director Biggs Launches Vision 2040, March 2021

USVIEDA's Vision 2040 is a 20-year long-term economic recovery and development plan intended to foster an opportunity for the USVI to become a more resilient and prosperous Territory. The project examined and targeted specific industries that may diversify the economy and determined various avenues for Territorial economic growth and job creation. On March 30, 2021, a press conference was held and the Vision 2040 Plan was made available to the general public.

The public release was done in conjunction with the Office of the Governor, USVIEDA, and the consulting firm Camoin and Associates.

### Virgin Islands Department of Tourism

The U.S. Virgin Islands Department of Tourism will establish a robust marketing campaign, showcasing the U.S. Virgin Islands and its vast tourist assets, being open for business following the aftermath of the disasters in 2017.

The \$10 million campaign funded by CDBG-DR will focus on offsetting the negative perceptions of storm-related damage within the Territory, while

reinforcing their position as one of the top sports and adventure, romance, culture & history and ecotourism destinations in the world. The Tourism Marketing project will address the need for increased tourism revenue to grow and stabilize our local tourist economy.

The Department of Housing and Urban Development (HUD) granted a one-year extension for the completion of the tourism marketing campaign project due to the impact of COVID-19 pandemic until May 2022. The tagline is "The USVI Welcomes You" DOT and Miles Partnership L.L.P are scheduled to launch the ads in Fall 2021.

### Virgin Islands Department of Labor

The Department of Labor (VIDOL) Skills for Today/On-The-Job Training and Workforce Development Program launched in June 2021. VIDOL secured the services of ICF Incorporated, LLC to train 640 individuals for a period of two years in occupations based on the current labor market. Occupations include construction, hospitality, and information technology. The ICF Incorporated, LLC contract is valued at \$9,010,085.



# Top Priority Areas Public Buildings and Other Projects

## Virgin Islands Department of Agriculture

The Virgin Islands Department of Agriculture (VIDA) suffered significant damages from Hurricanes Irma and Maria in 2017 as many agricultural buildings within the Rudolph Schulerbrandt Agriculture Complex were damaged and destroyed by wind, flying debris, and heavy rain.

A total of \$9.4 million has been obligated across both FEMA Public Assistance and Hazard Mitigation Grant Programs. Throughout 2021, construction was completed on the Food Production, Homestead, Marketing and Veterinary Buildings as well as the Abattoir Slaughterhouse on St. Croix. Construction on the Garage Building, has begun and is scheduled to be completed by October 2021.

The Administration Building on St. Croix also suffered critical damages during the 2017 Storms. Damages were so severe that FEMA determined the facility eligible for replacement at a value of \$3.3 million. VIDA's intent is to demolish the existing Administration Building and construct a two-story building in its place. This new facility will house the administration and forestry personnel. The project is moving forward with design and is scheduled to begin demolition and construction once final plans have been determined.

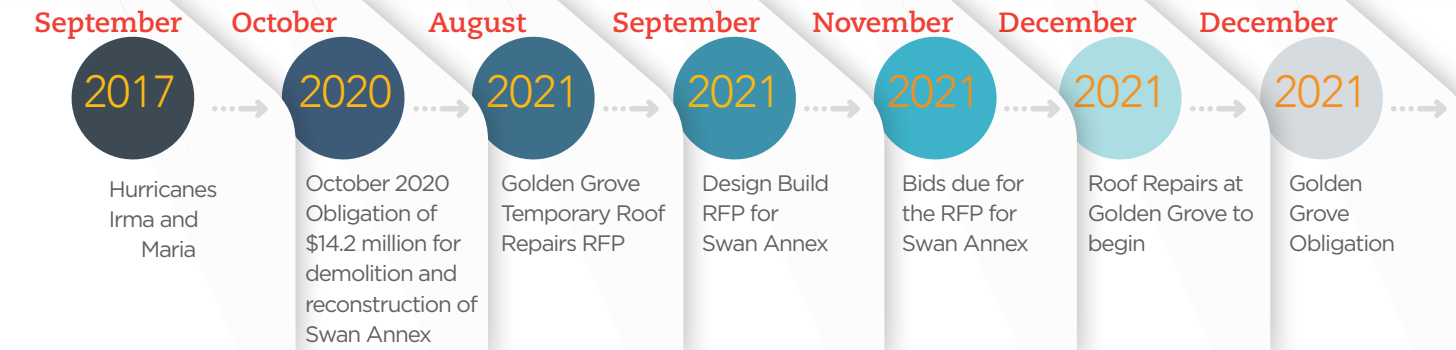
Design work has begun for refurbishments to the pen projects (pig pens, chicken coops, impound pens, etc.) on St. Croix. Final drawings and construction documents are expected for these projects by October 2021.

VIDA's recovery projects within the St. Thomas and St. John districts are also moving forward with construction and scope development. In St. Thomas, the Bungalow at the Market Square project is currently in construction, with completion expected by the end of 2021. Scope of work development for the Reservoir, Reservoir Road and Greenhouse, Fencing, and Ancillary Building projects on St. Thomas began in May 2021. Construction completion for both projects is expected by the end of 2022. Scope development for St. John's "The Center" facility, which provides horticulture services to local farmers and the public has also begun and construction is scheduled to begin once the final plans are completed.

Homestead Building Construction March 2021



## Bureau of Corrections



The Bureau of Corrections (BOC) has two critical correctional facilities in the Territory, both of which sustained substantial damages due to the storm events. The Alva A. Swan Correctional Annex on St. Thomas was damaged beyond repair. Earlier this year, \$14.2 million was obligated to fund the demolition and reconstruction of the Alva A. Swan Annex. The John A. Bell Adult Correctional Facility on St. Croix, more commonly referred to as Golden Grove, sustained damages to 28 buildings with two of the main housing buildings being damaged to the point where they are not usable; however, this facility continues to operate, due to a lack of other options and with a reduced capacity. It remains under FEMA review for agreement on the Damage, Description, and Dimensions (DDD). After numerous site inspections, FEMA continues to challenge the eligibility of damages. BOC continues to provide additional documentation based on FEMA's Request for Information (RFI) with the aim to reach an agreement on the DDDs.

Marketing Building, October 2021



Marketing Building, May 2021



# Top Priority Areas Public Buildings and Other Projects

## Department of Planning and Natural Resources

Ten divisions fall under the Department of Planning and Natural Resources (DPNR) responsible for protecting, maintaining and managing the natural and cultural resources of the Virgin Islands. As one of the Recovery's integral partners several functions are managed by the agency including permitting, environmental enforcement and protection and the Territory's historic preservation office. Having suffered significant damages to many of their facilities, repairs became critical to ensuring DPNR's ability to execute their efforts within the U.S. Virgin Islands.

Construction completion on the Environmental Enforcement building on St. Croix and the lighting at the Charles W. Turnbull Library Parking area on St. Thomas is expected by October 2021. With FEMA PA funding of over \$6.9 million, the solicitation process has begun for architectural services at the historical Fort Frederik Museum on St. Croix and Fort Christian structure on St. Thomas.

A total of \$5.7 million of FEMA PA funding has been obligated to DPNR for the restoration of four out of the five historical public libraries within the Territory.



Buddhoe Park, Frederiksted



**Florence A. Williams Public Library**  
**TARGET PHASE 2021:**  
 Contracting for Construction  
**TARGET COMPLETION:**  
 January 2023



**Athalie M. Petersen Public Library**  
**TARGET PHASE 2022:**  
 In Design  
**TARGET COMPLETION:**  
 January 2023



**Enid M. Baa Public Library**  
**TARGET PHASE 2022:**  
 In Design  
**TARGET COMPLETION:**  
 January 2023



**Elaine I. Sprauve Library & Museum**  
**TARGET PHASE 2022:**  
 Construction Solicitation  
**TARGET COMPLETION:**  
 January 2023



**Charles W. Turnbull Regional Public Library**  
**TARGET PHASE 2022:**  
 In Design  
**TARGET COMPLETION:**  
 January 2023

### The Judiciary of the U.S. Virgin Islands

The Judiciary of the U.S. Virgin Islands experienced significant levels of damage to its facilities during the 2017 Storms. A total of \$4.4 million of FEMA PA funding has been obligated to the Judiciary for their projects. During year four, the roof repair to the Alexander Farrelly Justice Center building was completed. Repairs to the facility's exterior and interior is currently underway and expected to be completed by November 2021.



Elevator repair at the Alexander Farrelly Justice Center



### Office of the Lieutenant Governor

The Office of the Lieutenant Governor (LGO) encountered major damages caused by severe wind and wind-driven rain to its historic main office building on St. Thomas and the “Sion Farm Great House” in St. Croix. FEMA PA has funded over \$1 million for the project and insurance funds will add an additional \$600 thousand, design work has begun for the reconstruction of both historical facilities. Construction should be complete in the second half of 2022.

The Office of the Lieutenant Governor’s Community Development Block Grant Disaster Recovery (CDBG-DR) project, the Street Addressing Initiative, made significant progress during year four. This project aims to provide the territory’s streets and roads with unique names and logical, sequential numbers for each property. The modern addressing system will facilitate faster 911 emergency responses and provide accurate GPS information. The project has been awarded over \$4.8 million, the application for the Street Addressing Initiative project is in its final stage of CDBG-DR approval and the project is expected to begin in October 2021.

LGO’s Benchmark Control Network Project was awarded over \$1.7 million from the Hazard Mitigation Grant Program. The purpose of the project is to display monuments throughout the Territory’s historical and important landmarks, residential areas and underdeveloped lands. The Phase I contract for A&E services is close to being executed, the vendor expects to start work by October 2021.

## Top Priority Areas Public Buildings and Other Projects

### Department of Sports, Parks, and Recreation

The Department of Sports, Parks, and Recreation (DSPR) suffered significant damages from Hurricanes Irma and Maria in 2017. DSPR continues to work diligently to restore these critical facilities.

During year four, DSPR experienced astonishing progress on its disaster recovery projects. A total of \$29.7 million has been obligated across both FEMA Public Assistance and Hazard Mitigation Grant Programs for fifty-seven of the Territory's parks & facilities projects. In the early half of 2021, construction was completed on the Omar Brown Park, Emancipation Garden Park, Franklin Roosevelt Veterans Park, Fairchild Park, Romeo Malone Center, Smith Bay Tiny Tots Playground Park, and the Clock Tower Plaza on St. Croix.

With FEMA PA funding of over \$1M, construction has already started at the Isaac Boynes Ballpark, Emile Henderson Court, Pedro Cruz Ballpark, Composite Parks, the Winston Raymo Center, Educator's Park, and the Valdemar Hill Lookout Point on St. Thomas. These projects are expected to be completed by the end of 2021.

Twelve DSPR projects valued at \$11.7 million are currently in the contracting phase with the



Air Conditioning repair at the Romeo Malone Center in Savan, St. Thomas



Redendering of Vincent F. Mason Coral Resort Park

Department of Property and Procurement (DPP). Top priority projects within this group are the Ft. Frederik Bathhouse Repair, Vincent F. Mason Coral Resort Park and Pool replacement, and Cramer's Park Pavilions and Concession Stand projects, all on St. Croix, and the St. John Community Center HMGP retrofit project. The executed contract for the Ft. Frederik Bathhouse Repair project is expected by the end of August 2021. Repairs to this facility is expected to be completed in two months.

Over \$2.5 million was awarded by FEMA PA for the Vincent F. Mason Coral Resort Park and Pool, the only public swimming pool located on the outskirts of Frederiksted town. This facility has been closed since Hurricane Maria after suffering critical damages and safety hazards from severe winds, heavy rainfall, and wave action from ocean surge. The project is moving forward through the contracting process and is scheduled to begin demolition and an eight-month construction period in October 2021.



Construction at Pedro Cruz Ballpark, Estate Profit, St. Croix, July 2021

## Top Priority Areas Public Buildings and Other Projects

With FEMA PA funding of over \$1.4 million, the Cramer's Park Pavilions and Concession Stand projects are pending contract execution. Construction on both projects is estimated to begin in January 2022.

DSPR was awarded over \$2.6 million through FEMA HMGP for the retrofit of the St. John Community Center. The new multi-purpose community center will be retrofitted for use as a shelter and safe room designed to withstand hurricane-force winds. The Architectural and Engineering contract for this project is currently being finalized and projected to be executed by the end of September 2021. Demolition and construction completion on this facility is expected to take twenty-two months.

Renovation designs to the Emile Griffith Ballpark project is completed, and the project is currently being reviewed by the Department of Public Works (DPW) before it is solicited for construction. The Emile Griffith Park is one of the most used public parks on St. Thomas, catering to a wide range of public events as well as youth and adult sports leagues. Construction on the park is expected to begin at the end of 2021, with completion by Summer 2022.

Designs for Kirwin Terrace Ballpark and Reinholdt Jackson Complex projects were completed and reviewed by DPW. Both projects are expected to be completed by Summer 2022.

With FEMA PA and HMGP funding of over \$2 million, design work has begun for the refurbishment and retrofitting at both the Estate Profit Community Center and Canegata Community Center in St. Croix, and construction is anticipated to be complete by Summer 2022.

Construction at Isaac Byrnes Ballpark on St. Croix, May 2021



Rendering Charles "Tappy" Seales Fire Station, St.

### Emergency Services

#### Virgin Islands Fire Service

The Virgin Islands Fire Service (VIFS) is managed through ten operational fire stations, four facilities on St. Thomas, four on St. Croix and two on St. John. While all ten facilities were damaged during the storms, VIFS is seeking replacement through FEMA PA for two stations on St. Thomas, one station on St. Croix, and one station on St. John. The Charles "Tappy" Seales (Grove Place) Fire Station is the first station within the Territory that received FEMA approval for hurricane wind retrofit upgrades, totaling \$4.9 million. The station is expected to be demolished and replaced as a multi-purpose facility. Through an agreement with VIPD, the facility will also include the footprint of the Weed and Seed Program. Design work began in Summer 2020 for the Charles Seales Fire Station and was completed in Summer 2021. Demolition is expected to begin by December 2021. The anticipated completion date of the newly constructed fire station is April 2024.

Design work resumed for the Emile Henderson and Herbert L. Canegata (Richmond) Fire Stations via modified obligations of over \$1.2 million through FEMA HMGP this year.

Design work for a safe room at the Herbert L. Canegata Fire Station also began in July 2021, with Phase 1 of the project being obligated at \$122K. Infrastructure updates and repairs will also be made to the Emile C. Berry Fire Station, which was awarded \$83K in mitigation funds to renovate the facility.

VIFS continues to work with FEMA to secure funds for the repairs and replacement of damaged stations and equipment across the Territory. Thus far, VIFS has secured approximately \$9.5 million from both FEMA Public Assistance and Hazard Mitigation for the repairs, retrofits and replacement of damaged stations and equipment. In August 2021, scope development for the Junior Firefighter building on St. Croix and the Omar Brown and Emile Berry Fire Stations on St. Thomas were completed. Construction on these projects is expected to be completed by Summer 2022. Until these facilities can be repaired and upgraded as agreed to, all stations have continued to remain operational in services to their respective communities.



## Top Priority Areas Public Buildings and Other Projects

### Virgin Islands Territorial Emergency Management Agency (VITEMA)

The Territory's portfolio of Emergency Operations Centers (EOC) were critically damaged, and these facilities now require extensive repair.

The Tsunami Early Warning System (TEWS) suffered catastrophic damage on all three islands. Of the 44 TEWS sites throughout the Territory, 15 were destroyed. Based on the \$1.6 million in reimbursement funding obligated by FEMA, VITEMA selected a vendor to complete the repair, replacement and upgrade of the existing infrastructure for the TEWS network. Starting March 2021, VITEMA began the implementation of the Tsunami Warning steel poles in the St. Thomas district. To date, 15 of the 19 pole installations have been completed. The remaining locations on St. Thomas are pending FEMA approval of the site relocation amendment request, which the Territory should receive by October 2021. With regards to the remaining districts, the vendor is scheduled to complete seven site implementations on St. John, one on Water Island and close out the project with seventeen on St. Croix by the end of the year.

In May 2021, the St. John EOC was obligated \$2.45 million to begin the necessary repairs to the facility.

The Territory continues to work closely with FEMA to secure the necessary funding to address the critical repairs to the St. Thomas EOC Building. While the obligation of these funds is anticipated for October 2021, VITEMA has initiated the Scope of Work (SOW) development required for the solicitation for construction services.

Jaredian Design Group began design services in September 2021 with a target completion of December 2021. Construction is anticipated to start by June 2022.

St. Croix's EOC and Emergency Command Center (ECC), which is critical to the Territory's response to future disasters, was originally approved in April 2020 with an obligation of \$22.5 million by the FEMA Hazard Mitigation Grant Program (HMGP).

Since then, VITEMA has submitted an amended project SOW to address eligibility issues identified by FEMA Region II and the Hazard Mitigation Technical Assistance Program (HMTAP) team. As of June 2021, full project approval of \$22.72 million has been received. The design phase was re-initiated in August 2021. Designs are slated to be completed by March 2022, with construction to begin shortly after.



Installation of Tsunami Warning System at Red Hook, St. Thomas



Leander Jurgen Command, St. John

### Virgin Islands Police Department

Virgin Islands Police Department's facilities across the Territory received varying but significant levels of damage. Through FEMA HMGP, VIPD was awarded \$253 thousand for the Leander Jurgen Command Hurricane Wind Retrofit Project in an effort to mitigate the risks associated with hurricane winds and wind-driven rain. Parallel to the HMGP project, the Leander Jurgen Public Assistance project was obligated in July 2021 and scope development has begun. The anticipated completion date for both projects is November 2022.

By December 2020, after several unforeseen delays, the Emergency Protective Measure projects on St. Thomas and St. John were obligated for \$9 million. These obligated funds paid officers who provided traffic and crowd control, responded to emergency calls, enforced curfews, and escorted military personnel and vehicles during the aftermath of the 2017 Storms.

The territory-wide Community Security Surveillance Camera system was heavily damaged during the storms and VIPD continues to work with FEMA to get the St. Thomas and St. John camera projects obligated. Although the St. Croix camera project is obligated, VIPD plans to solicit all three district projects together and award them to a single vendor for installation. The anticipated completion date for the territory-wide Surveillance Camera project is August 2022.

A total of \$21.4 million has been obligated to VIPD for thirty-one of the agency's forty projects. Scope development has already started on the Bassanio David Command Center, VIPD Impound Lot and the Evidence Storage Warehouse/Area 51 building on St. Thomas.

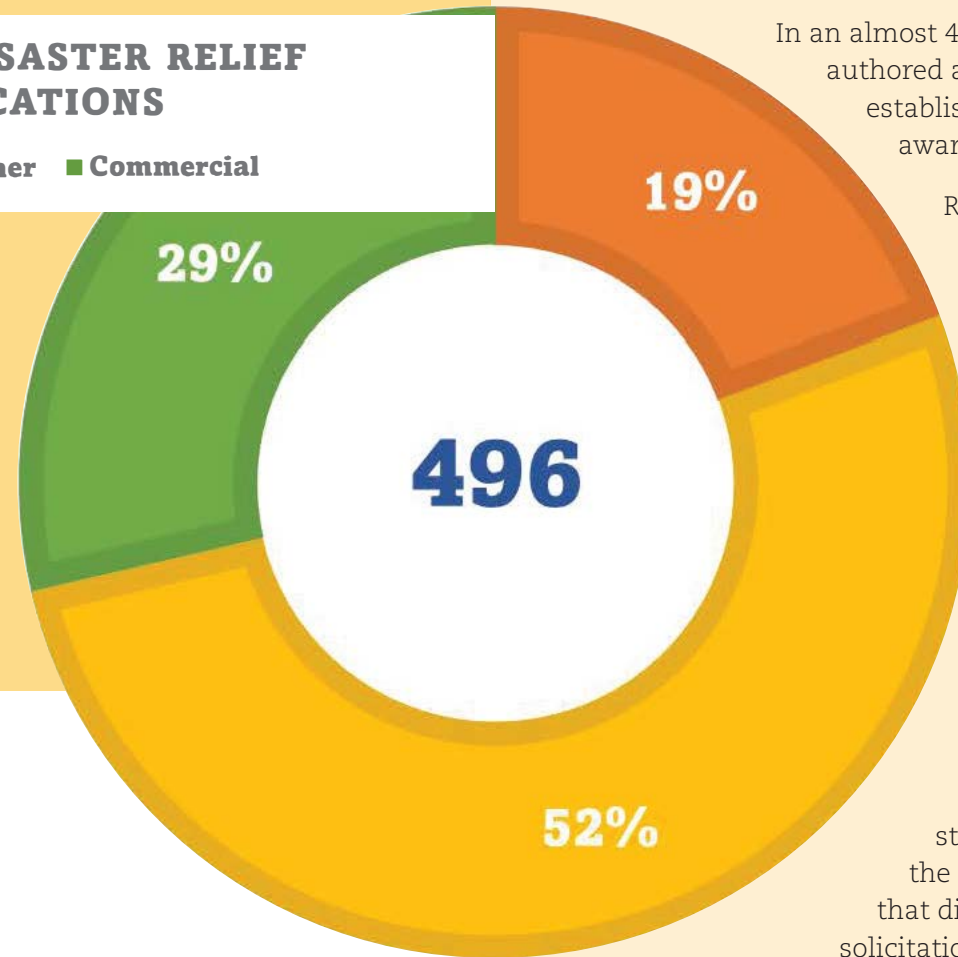
## DPNR-Fisheries Grant

The Department of Planning and Natural Resources (DPNR) was awarded the Hurricane Disaster Relief Assistance Program grant in the amount of \$10 million from the National Oceanic and Atmospheric Administration (NOAA) in 2019. To ensure that all members of the fishing community received aid, the program was divided into three parts. Phase 1, which addressed licensed fishers and helpers, Phase 2 which addresses licensed commercial fishers and Phase 3 which provides additional funding to Phase 1 recipients. With the foundation of the program set, ODR was able to hire and assign two Program Assistants whose sole responsibility was to assist fishers with the application process. The program has aided 289 applicants and distributed a total of 399 payments totaling \$5,118,275. The funding allows fishers to recoup lost wages and equipment resulting from Hurricanes Irma and Maria. It is projected that approximately \$7 million in aid will be disbursed to 300 fishers. DPNR continues to work on behalf of the fishing community to fully expend all funding prior to the grant end date of July 2023.



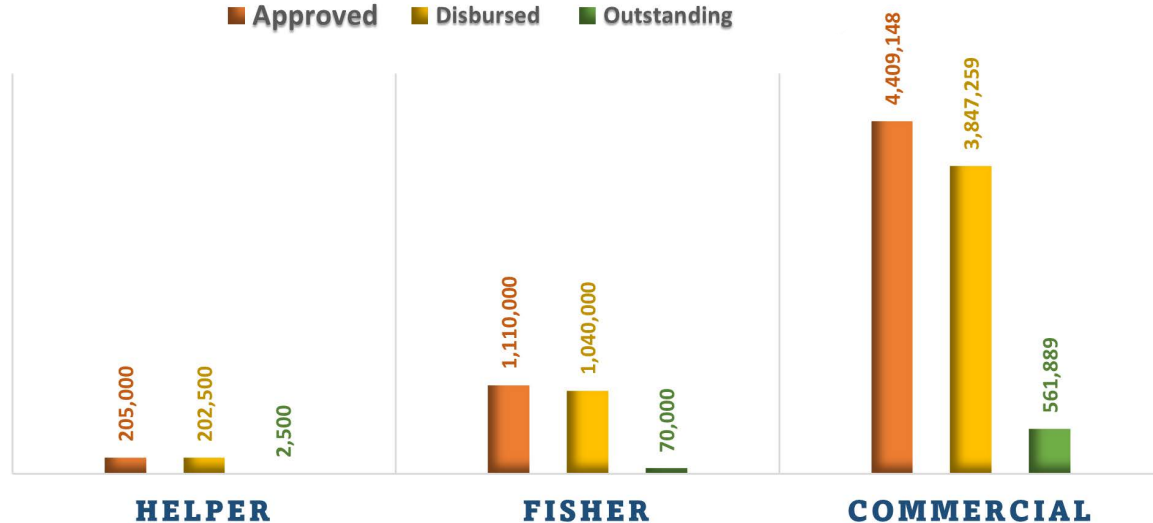
### FISHERIES DISASTER RELIEF APPLICATIONS

■ Helper ■ Fisher ■ Commercial



### Territorial Fishers Disaster Relief Disbursements

■ Approved ■ Disbursed ■ Outstanding



# Office Of Disaster Recovery Spend Correctly

## Compliance And Capacity Improvement

It is unprecedented that the Territory will be building five hospitals, rebuilding/repairing 43 schools, dozens of government buildings and 42 parks and recreational facilities. The Territory, not just ODR, must begin preparations to effectively supply what the next few years will necessitate.

In an almost 400-page research report published in November 2020, the RAND Corporation authored a recovery plan for the Virgin Islands. The report credited the Territory for the establishment of the Office of Disaster Recovery while also echoing issues we are all aware of.

RAND's findings outlined four cross-cutting capacity areas that will require continuous monitoring and various levels of strategic approaches as we progress through the years of Recovery ahead.

- Improving the fiscal capacity of the VI Government.
- Expanding the workforce to ensure that there are skilled workers to meet the wide range of employment opportunities.
- Addressing the critical need for additional housing.
- Making sure that the Territory can handle the material needs of new construction, concrete, asphalt, and the logistics to transport all the required resources.

Other remedies instituted by ODR address the areas of project management, training and staffing.

Many agencies continue to need additional support beyond their traditional staff to assist in managing their recovery projects. ODR in collaboration with the Department of Property and procurement has made great strides in ensuring that disaster recovery project solicitations and contracts are in accordance with local and federal procurement laws, which provides that funding associated with projects are correctly spent. The partnership has resulted in 43 executed contracts and the continued tracking of 28 disaster projects from solicitation through award.

Maintaining compliance standards is the third component of ODR's three areas of focus. As projects advance, key standards must be met so a project can maintain its eligibility and continue to draw down on federally obligated funds.





2020-2021 Training and Workshops

| Title                            | Date                                 | Purpose  | Audience  |
|----------------------------------|--------------------------------------|--|---|
| Odysseus Portfolio Management    | 7/28/2021;<br>8/4/2021;<br>8/12/2021 | To introduce central and semi-autonomous agencies of federal funding to the Odysseus Portfolio tool which allows agencies to monitor progress to include projects performance, payment data and resource constraints.  | Central and Semi-Autonomous GVI agencies  |
| Procurement Management Training  | 9/28-29/2021                         | To bring awareness to the procurement mandates of 2 CFR 200 sections 318-326. The training will take the sub-recipients from RFP development through contracting.  | Private Non- Profit   |
| Doing Business with the Recovery | 9/30/2021                            | Attendees learned how to participate in the application and solicitation process for projects utilizing federal funds, in addition to gaining valuable information on the following topics:<br>(1) SAM registration and renewal, (2) Bonding, (3) Bidding and Procurement Pitfalls and (4) Procurement Opportunities | All contractors and individuals interested in doing business with the Government of the Virgin Islands. |
| Management Cost Training         | 10/20/2021                           | To educate attendees on the use of Management Cost, (1) the use of Management Costs (2) eligible activities, and (3) documentation requirements.   | All subrecipients of  |
| Infrastructure Local Match       | 12/2/2021                            | To inform subrecipients of local match funding available through CDBG-DR which highlighted the type of projects eligible, the application process and documentation needed once funding is approved.   | Subrecipients of FEMA funding   |

Stakeholder Outreach

Federal Stakeholders

ODR continues to maintain relationships with federal partners from the headquarters of DOT, HUD, FEMA, Congress and DOI to create and enhance efficiencies around the use of recovery funds and ensure the successful approval of federally funded projects within the Territory.

- In January, Governor Albert Bryan Jr. and Office of Disaster Recovery Director Adrienne L. Williams-Octalien met with FEMA Region 2 Acting Regional Administrator David Maurstad and members of their leadership teams at Government House to share updates and discuss the status of the Recovery and review the Territory’s priorities.
- Governor Albert Bryan Jr. and other officials met on May 28 at Government House in Christiansted with the new FEMA Administrator Deanne Criswell. During the meeting, Governor Bryan thanked Administrator Criswell for freeing up more than \$400 million for the STEP Program to pay vendors and contractors. The status of the CLOMAR for the Paul E. Joseph Stadium was discussed, as well as the Territory’s preparedness efforts for the 2021 hurricane season and strategic plans for operating shelters in the COVID environment. Other topics included: the waiver of the Territory’s 10% match for federal funds; the various concerns regarding the Territory’s hospitals; the status of school reconstruction; and upgrading the wastewater and drinking water systems in the Territory.

Audit Tracker as of August 31

| DEPARTMENTS/AGENCIES                   | STATUS      |
|--|-------------|
| Office of Inspector General            | Completed   |
| Department of Agriculture              | Completed   |
| Government Employees Retirement System | Completed   |
| VI Taxicab Commission                  | Completed   |
| Juan F. Luis Hospital                  | Completed   |
| Office of Veteran Affairs              | Completed   |
| Department of Tourism                  | Completed   |
| University of Virgin Islands           | Completed   |
| Division of Personnel                  | Completed   |
| West Indian Company Limited            | In Progress |
| Magens Bay Authority                   | In Progress |
| Public Services Commission             | In Progress |
| VI Next Generation Network             | In Progress |



FEMA Region 2 Leadership Meeting, January 2021

As a result of collaboration with federal stakeholders, Governor Albert Bryan Jr., in partnership with the Office of Disaster Recovery, announced in February 2021 that the Federal Emergency Management Agency lifted the manual draw requirement for reimbursement of post-Hurricanes Irma and Maria.



Governor Bryan and Territorial leadership meets with newly appointed FEMA Administrator Deanne Criswell, May 2021

## USVI Silver Jackets

The USVI Silver Jackets team, led by the Office of Disaster Recovery, is an interagency flood risk management group made up of federal, state and local agencies dedicated to improving the quality of life, infrastructure and the environment by making the US Virgin Islands more resilient to natural disasters. The team consists of staff from the Department of Planning and Natural Resources, Department of Public Works, VITEMA, Federal Emergency Management Agency, University of the Virgin Islands, US Army Corps of Engineers and National Oceanic and Atmospheric Administration. This year the team welcomed representatives from the Caribbean Green Technology Center, Environmental Protection Agency, Coral Bay Community Council and United States Department of Interior.

In October 2020, the USVI Silver Jackets Team was awarded a grant to execute their first collaborative Non-structural Floodplain Management Service Project. The team settled on a four-part educational series explaining the importance of protecting and managing watersheds in the Virgin Islands. NOAA's Office for Coastal Management, in conjunction with the US Army Corp of Engineers, is spearheading the development of custom 3-D infographics representing three watersheds in the Territory, Gallows Bay, St. Croix; Harbor of Charlotte Amalie, St. Thomas; and Cruz Bay, St. John. The articles and accompanying materials will be used to develop a multimedia campaign to educate readers on how watershed management works, why it is important, which agencies are responsible and what residents can do to keep watersheds healthy in order to lessen flood risks and increase resilience. The series should be released to the public by December 2021.

## Non-Profit Stakeholders

In the ODR's continued outreach to private and non-profit organizations, two sessions of Long-Term Recovery Group and Non-Profit Organization meetings were held throughout the year to keep our partners informed of the progress and continuously evolving role of ODR. Attendees received program overviews from the Public Assistance (PA) and Hazard Mitigation Grant Programs (HMGP), HUD Community Development Block Grant-Disaster Recovery (CDBG-DR), and DOT - Federal Highway Administration-Emergency Relief (FHWA-ER) and overall recovery status updates.

Through these meetings, the ODR continues to engage the non-profit community, identify resources and align on recovery efforts ensuring a cohesive and coefficient recovery process.

## Communication and Outreach

Transparency throughout the Territory's Recovery from the 2017 hurricanes and management of the COVID-19 pandemic is critical to overcoming the ever-changing hurdles associated with disaster management in the 21st century and is consistent with the Bryan-Roach Administration's promise of transparency to the people of the US Virgin Islands.

To further connect with business owners within the community and provide key insights regarding disaster recovery, ODR partnered with USVI Economic Development Authority to conduct the Doing Business with the Recovery Workshop. Held in September 2020, the ninety-minute seminar was virtually attended by almost 100 participants and logged nearly 200 views on Facebook. The seminar addressed roadblocks that local companies face as they maneuver the federal procurement process. This was the second time the Office of Disaster Recovery hosted this workshop. The first was held in July 2019 and assisted over 200 business owners with all the information they needed to meet the basic requirements for doing business in the Territory.

## USVIODR.com

In November 2021, ODR will launch an improved version of its website -www.usviodr.com. These updates will deliver a heightened awareness of all recovery actions and accomplishments by integrating increased transparency of disaster recovery efforts and its funding activity. Visitors can now access detailed project information for all funding sources, including FHWA-ER, HMGP and CDBG-DR. In addition to allocated funds related to the 2017 hurricanes, the ODR is also tasked with managing all federal disaster aid, including those associated with the COVID-19 pandemic. You can now find those grant details and their sources under the "Funding" tab. The website will continue to be a centralized home for all recovery partners upholding its purpose as a reliable mode of communication and outreach for all things Recovery.

## Recovery in Focus

ODR, in collaboration with the Virgin Islands Housing Finance Authority and WTJX-TV Channel 12 (WTJX), wrapped up its first season of Recovery in Focus in December 2020 and marked the show's one-year anniversary in March 2021. Since the inaugural episode in March 2020, over fifteen episodes have aired, noting the progress of the Recovery across the Territory. In April 2021, the Honorable Governor Albert Bryan Jr. joined host Adrienne L. Williams-Octalien, ODR Director and co-host Daryl Griffith, VIHFA Executive Director, for an in-depth review of the status of the Recovery and his priorities for the balance of the fiscal year 2021. Future shows will include updates from the Virgin Islands Departments of Education, Agriculture, Sports, Parks and Recreation and the Virgin Islands Housing Authority.





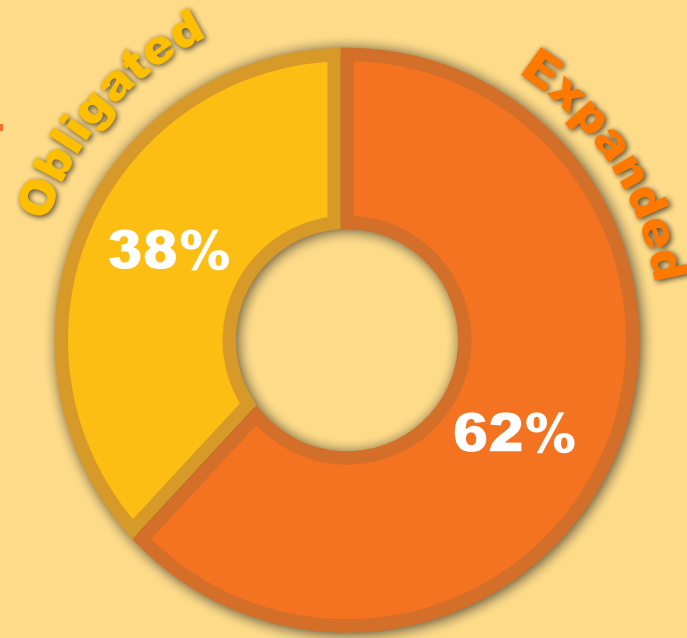
# 2021 Annual Progress Report

## Programs

### FEMA Public Assistance Program

#### 2017 Hurricanes

The FEMA Public Assistance Program is the largest provider of federal recovery dollars to the Territory. To date, the program has obligated 1329 projects of which 152 have been obligated in this calendar year. A total of 483 projects have been completed.



| FEMA PA Funding by Disaster | Obligated Amt.         | Expended Amt.          |
|-----------------------------|------------------------|------------------------|
| <b>2017 Hurricanes</b>      | <b>\$3,260,332,579</b> | <b>\$2,032,077,030</b> |
| <b>Total</b>                | <b>\$3,260,332,579</b> | <b>\$2,032,077,030</b> |

| Damage Category Codes                      | Total Projects | Obligated Projects |
|--|----------------|--------------------|
| <b>A - Debris Removal</b>                  | 133            | 120                |
| <b>B - Emergency Protective Measures</b>   | 472            | 439                |
| <b>C - Roads and Bridges</b>               | 130            | 68                 |
| <b>D - Water Control Facilities</b>        | 2              | 1                  |
| <b>E - Buildings and Equipment</b>         | 566            | 352                |
| <b>F - Utilities</b>                       | 50             | 40                 |
| <b>G - Parks Recreation Facilities and</b> | 98             | 71                 |
| <b>Z - Management Cost</b>                 | 256            | 238                |
| <b>Total</b>                               | <b>1707</b>    | <b>1329</b>        |

### COVID-PA

Additionally in April 2020, the Territory received an Emergency Declaration for Coronavirus Disease 2019 (COVID-19) to assist the Territory's response to the global pandemic. The Emergency Declaration has been obligated 39 public assistance projects of which 26 have been expended and 20 are complete.

| FEMA PA Funding by Disaster | Obligated Amt.         | Expended Amt.          |
|-----------------------------|------------------------|------------------------|
| <b>COVID (DR4513)</b>       | <b>\$28,159,906.61</b> | <b>\$17,831,773.52</b> |
| <b>Total</b>                | <b>\$28,159,906.61</b> | <b>\$17,831,773.52</b> |

| Damage Category Codes                    | Total Projects | Obligated Projects |
|--|----------------|--------------------|
| <b>B - Emergency Protective Measures</b> | 39             | 39                 |
| <b>Z - Management Cost</b>               | 1              | 0                  |
| <b>Grand Total</b>                       | <b>40</b>      | <b>39</b>          |

### FEMA-HMGP 2020-2021

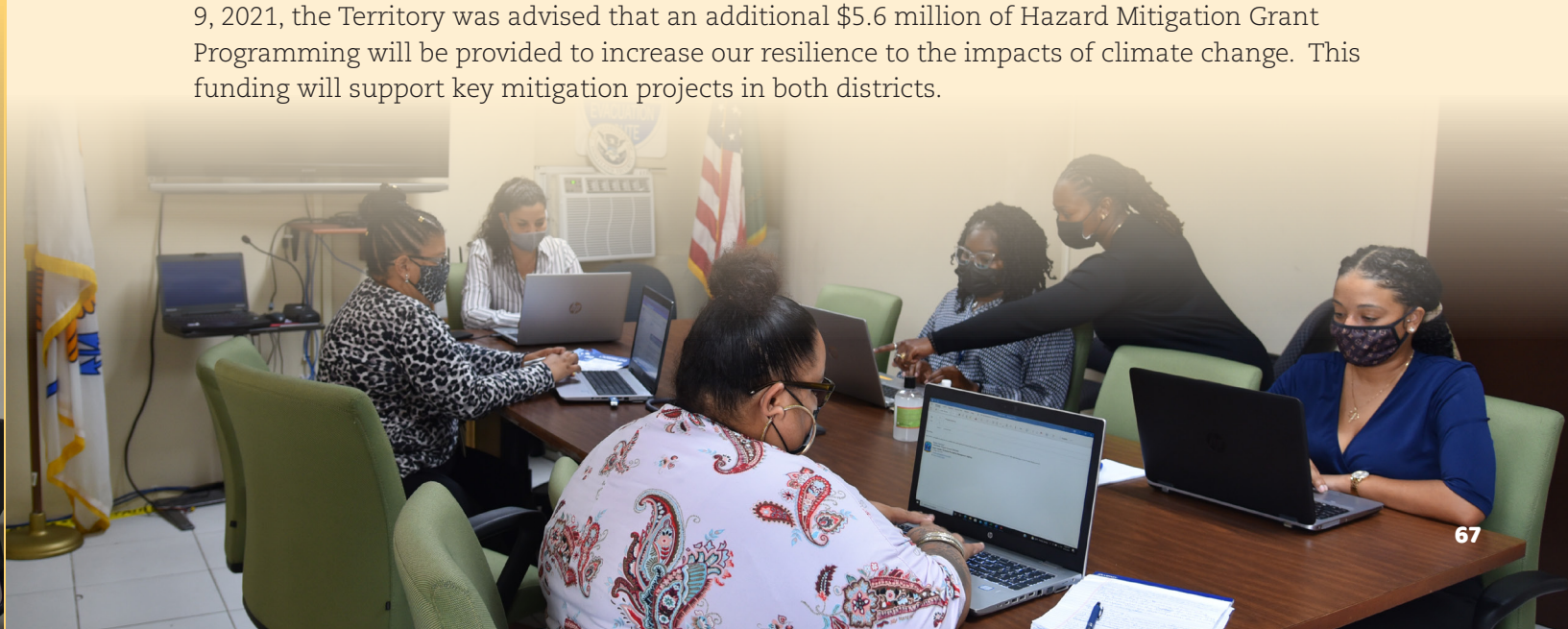
#### Program Purpose

FEMA Hazard Mitigation Grant Program (HMGP) provides funding to local governments to implement long-term hazard mitigation measures after a major disaster declaration and reduce the loss of life and property in future disasters. The program continues its efforts to build a more resilient Virgin Islands by addressing long-standing issues within the Territory's infrastructure.

HMGP projects must support risk reduction, increase resiliency, eliminate or reduce impact from future hazards, provide long-term solutions, adhere to environmental, historical, and economic policies and be technically feasible and cost-effective. This will assist the USVI in breaking the cycle of damage, reconstruction, repeated damage and result in less reliance on external financial assistance.

As a result of Hurricane Irma and Maria, approximately \$461.9 million was awarded to the Territory in 2017. FEMA waived the 25% match requirement for the Territory; thus the federal government will fully fund all projects. These funds have been made available to the Government of the Virgin Islands and private non-profit organizations for the development of mitigation projects.

The Hazard Mitigation Grant Program has a total of eighty-nine (89) obligated projects. On August 9, 2021, the Territory was advised that an additional \$5.6 million of Hazard Mitigation Grant Programming will be provided to increase our resilience to the impacts of climate change. This funding will support key mitigation projects in both districts.



# Programs

HMGP has received approval for 36 projects with a total cost of over \$151 million in the past fiscal year. These approved projects account for various mitigation activities that will minimize flooding, strengthen critical facilities, provide backup power, improve utility resiliency, retrofit residential homes and provide safe rooms in several key locations throughout the Territory.

HMGP projects under review include wind retrofits for critical facilities, acquisition projects, slope stabilization, culvert improvements and provides for additional safe room capabilities.

|                           |                                  |                                  |
|---------------------------|----------------------------------|----------------------------------|
| <b>Total Projects</b>     | <b>Total Projects 2020</b>       | <b>Total Projects 2021</b>       |
| <b>82</b>                 | <b>46</b>                        | <b>36</b>                        |
| <b>Total Obligated</b>    | <b>Obligated Amount 2020</b>     | <b>Obligated Amount 2021</b>     |
| <b>\$99,118,382</b>       | <b>\$68,834,239</b>              | <b>\$30,284,143</b>              |
| <b>Total Expended</b>     | <b>Expended Amount 2020</b>      | <b>Expended Amount 2021</b>      |
| <b>\$11,532,483</b>       | <b>\$3,908,837</b>               | <b>\$7,623,646</b>               |
| <b>Total Grant Amount</b> | <b>Approved Grant Total 2020</b> | <b>Approved Grant Total 2021</b> |
| <b>\$461,878,749</b>      | <b>\$ 135,538,138</b>            | <b>\$360,131,347</b>             |

## FHWA-ER 2020-2021

The Federal Highway Administration- Emergency Relief Program is designed to repair or reconstruct Federal-aid highways and roads on Federal lands that have suffered severe damage due to extraordinary conditions. The FHWA-ER program has approved funding to repair ninety-eight individual roadways on all three main islands.

While most of the emergency repair work necessary to normalize the flow of traffic and pedestrian safety was completed within the first two years following the storms; construction remains ongoing throughout the Territory to address critical repairs of federal-aid roads and highways.

|                     |                       |                      |
|---------------------|-----------------------|----------------------|
| <b>Allocated</b>    | <b>Obligated 2021</b> | <b>Expended 2021</b> |
| <b>\$68,042,910</b> | <b>\$60,264,380</b>   | <b>\$28,936,084</b>  |

## Community Development Block Grant Disaster Recovery

Hurricanes Irma and Maria had a devastating impact on the Territory's housing, infrastructure, and the economy. HUD's Community Development Block Grant Disaster Recovery (CDBG-DR) provides funding for unmet needs after Federal Emergency Management Agency (FEMA) funds, insurance, and other federal or private sources are accounted for, with a focus on the needs of low- and moderate-income residents and businesses.

This money is managed by the U.S. Virgin Islands Housing Finance Authority (VIHFA) and spending is prioritized in programs designed through the U.S Virgin Islands Community Development Block Grant Disaster Recovery Action Plan. This plan proposes a portfolio of programs to address unmet housing, public service, infrastructure, and economic needs.

## ALLOCATION STATUS

HUD has awarded a total of \$1.9 billion to be allocated to the Territory in now 5 tranches. Tranche 1, Tranche 2 and the Supplemental Infrastructure Appropriation, Tranche 3, must be spent within the six years of the signed grant agreement, which occurred September 27, 2018.

|                    |   |
|--------------------|---|
| <b>TRANCHE 1 :</b> | Was approved by HUD on July 10, 2018 for \$242,684,000.   |
| <b>TRANCHE 2 :</b> | Was approved by HUD on March 1, 2019 for \$779,217,000.   |
| <b>TRANCHE 3 :</b> | <b>SUPPLEMENTAL INFRASTRUCTURE APPROPRIATION:</b> A reassessment of Infrastructure unmet needs, funding is anticipated to be available in late 2020 for \$53,588,884.00. Substantial Amendment #2 was approved by HUD on November 19, 2020. |
| <b>TRANCHE 4 :</b> | <b>CDBG MITIGATION:</b> CDBG-MIT Action Plan approved by HUD on July 12, 2021 for \$774,188,000.  |
| <b>TRANCHE 5 :</b> | <b>ELECTRICAL GRID:</b> The Federal Register Notice for the fifth allocation of \$67,653,000 has been issued. An Action Plan will be developed and sent to HUD for approval.  |

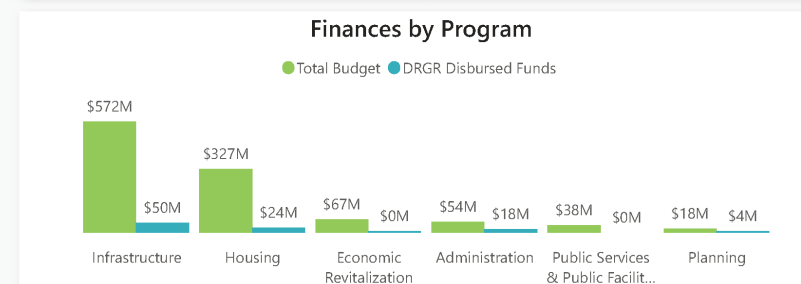
## CDBG-DR Program Finances



| Tranche   | Disaster Recovery | Electric Grid Activities | Mitigation | Unmet Infrastructure Needs |
|-----------|-------------------|--------------------------|------------|----------------------------|
| Tranche 1 | 242.7M            |                          |            |                            |
| Tranche 2 | 779.2M            |                          |            |                            |
| Tranche 3 |                   |                          |            | 53.6M                      |
| Tranche 4 |                   |                          | 774.2M     |                            |
| Tranche 5 |                   | 67.7M                    |            |                            |

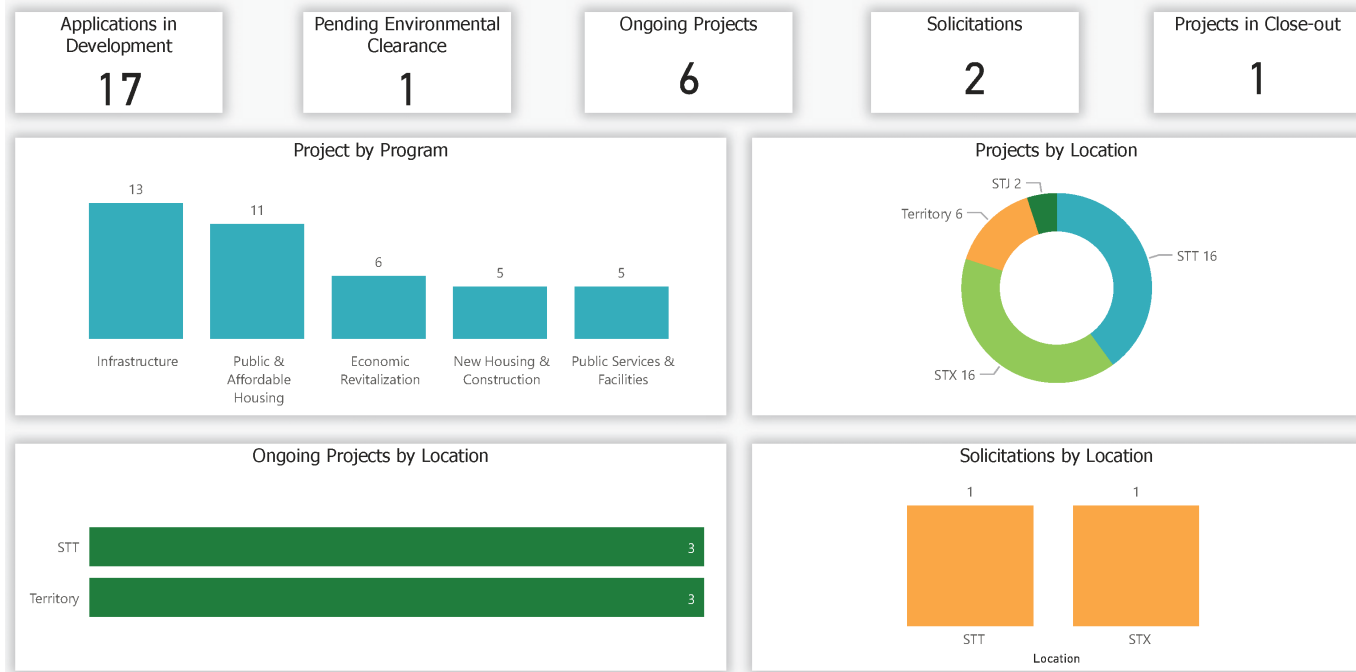
*\*Tranches 4 & 5 not included in Total Budget*

| Disbursement Breakdown                |          |                      |             |
|---------------------------------------|----------|----------------------|-------------|
| Project Name                          | Budget   | DRGR Disbursed Funds | % Disbursed |
| Randolph Harley Power Plant           | \$88.4M  | \$26.5M              | 29.9%       |
| Local Match                           | \$415.8M | \$23.9M              | 5.7%        |
| Administration                        | \$53.8M  | \$17.7M              | 32.9%       |
| Envision Tomorrow: Homeowner          | \$135.2M | \$11.0M              | 8.1%        |
| Donoe Redevelopment                   | \$29.9M  | \$8.1M               | 27.2%       |
| Planning                              | \$9.6M   | \$3.8M               | 39.9%       |
| Magens Junction II                    | \$3.8M   | \$3.3M               | 87.2%       |
| Envision Tomorrow: Rental             | \$25.0M  | \$2.1M               | 8.2%        |
| Marketing Campaign                    | \$5.8M   | \$0.3M               | 5.2%        |
| Vision 2040                           | \$0.4M   | \$0.2M               | 64.7%       |
| Skills for Today: On the Job Training | \$11.0M  | \$0.1M               | 1.3%        |
| Charlotte Amalie Dredging             | \$23.0M  | \$0.0M               | 0.2%        |
| Donoe Road                            | \$3.1M   | \$0.0M               | 0.5%        |
| Northside Highway                     | \$4.4M   | \$0.0M               | 0.3%        |



# Programs

## CDBG-DR STATS



**Funded Amount:** \$5,000,000

**Status:** Awaiting Environmental Clearance and Execution of Sub-Agreement or Memorandum of Understanding and the Issuance of the Notice to Proceed

**Project:** **Queen Louise Home for the Aged** (St. Thomas)

**Description:** The Queen Louise Home for the Aged is a new construction of a State-of-the-Art skilled nursing facility, providing 60 beds, which will include both double occupancy resident rooms and individual rooms, a courtyard, areas for therapy, and a skilled nursing program. This new construction will also include administration offices, residential, kitchen and dining and an adequate number of parking spaces. This facility will address the unmet needs in the community, providing much needed beds for residents over the age of sixty-five that require specialized care.

**Funded Amount:** \$60,000,000

**Status:** The Memorandum of Agreement is under review and the approval is pending.

**Project:** **Kingshill Department of Human Services Complex** (St. Croix)

**Description:** The scope of this project calls for the construction of a multi-purpose facility, to include 60 residential beds with skilled nursing staff, double occupancy rooms, and spaces for physical, occupational, speech, and psychological therapy. The skilled nursing facility will include a new kitchen, dining space and a controlled courtyard to accommodate residents, visitors and staff. A repair of the existing Head Start building will be covered in the project cost. Services will accommodate community members that identify as low to moderate income and provide for the lack of specialized care for the elderly in the Territory.

**Funded Amount:** \$60,000,000

**Status:** The Memorandum of Agreement is under review and the approval is pending.

**Project:** **Sister Emma Cottage** (St. Croix)

**Description:** Sister Emma Cottage is a project geared to replace the current hurricane-damaged building that exists. The group home will provide a safe, clean and comfortable living space expected to serve up to sixteen severely physically impaired children that are wards of the Government of the US Virgin Islands.

**Cost:** \$2,262,225

**Status:** Sub-agreement has been executed. Project approval to be scheduled for solicitation and selection of contractor.

**Project:** **UVI Multipurpose Complex & Community Safe Room** (St. Croix)

**Description:** The UVI Multipurpose Complex & Community Safe Room will provide approximately 800 St. Croix residents a safe place to shelter in the event of an impending hurricane or major emergency. Utilizing guidance from the American Red Cross regarding congregate shelters the facility, when constructed, will have adequate restrooms including hand-washing facilities, and locker rooms with shower facilities, all meeting the CDC recommendation for pandemic situations.



Rendering for the UVI Multipurpose Center on St. Croix

# Programs

## CDBG-MIT Program

| Activity Category                    | Project/Program                              | Project Costs        | VIHFA Project Delivery Costs | Total Allocations    | % of Total  | % LMI Projection |
|--------------------------------------|--|----------------------|------------------------------|----------------------|-------------|------------------|
| Infrastructure & Public Facilities   | Community Resilience & Public Facilities     | \$100,000,000        | \$2,500,000                  | \$102,500,000        |             |                  |
|                                      | Resilient Critical & Natural Infrastructure  | \$308,000,000        | \$7,700,000                  | \$315,700,000        |             |                  |
|                                      | <b>Total Allocation</b>                      | <b>\$408,000,000</b> | <b>\$10,200,000</b>          | <b>\$418,200,000</b> | <b>54%</b>  | <b>70%</b>       |
| Economic Resilience & Revitalization | Commercial Hardening & Financing             | \$40,000,000         | \$962,500                    | \$40,962,500         |             |                  |
|                                      | Small Business Mitigation                    | \$35,000,000         | \$787,500                    | \$35,787,500         |             |                  |
|                                      | <b>Total Allocation</b>                      | <b>\$75,000,000</b>  | <b>\$1,750,000</b>           | <b>\$76,750,000</b>  | <b>10%</b>  | <b>70%</b>       |
| Housing                              | Multifamily Housing                          | \$100,000,000        | \$2,500,000                  | \$102,500,000        |             |                  |
|                                      | VIHFA New Home Construction (Home Ownership) | \$60,000,000         | \$1,500,000                  | \$61,500,000         |             |                  |
|                                      | Homeless Housing Initiative                  | \$23,000,000         | \$575,000                    | \$23,575,000         |             |                  |
|                                      | Innovative Resilient Housing                 | \$5,000,000          | \$125,000                    | \$5,125,000          |             |                  |
|                                      | <b>Total Allocation</b>                      | <b>\$188,000,000</b> | <b>\$4,700,000</b>           | <b>\$192,700,000</b> | <b>25%</b>  | <b>80%</b>       |
| Public Services                      |  | \$15,000,000         | \$400,000                    | \$15,400,000         | 2%          | 100%             |
| Planning                             |  | \$29,750,000         | \$2,678,600                  | \$32,428,600         | 4%          | 70%              |
| Administration                       |  | \$38,709,400         | \$0                          | \$38,709,400         | 5%          |                  |
| <b>Totals</b>                        |  | <b>\$754,459,400</b> | <b>\$19,728,600</b>          | <b>\$774,188,000</b> | <b>100%</b> | <b>≥70%</b>      |

### CDBG-MIT Funds Spending Timeline

- 50% of funds expended in 6 years
- 100% of funds expended in 12 years

### CDBG-MATCH Program:

Non-Federal Share (Match) for Federal Disaster Recovery Program

The U.S. Virgin Islands (USVI) is receiving FEMA Public Assistance (PA) funds through two disasters: FEMA-4335-DR-VI for Hurricane Irma and FEMA-4340-DR-VI for Hurricane Maria. The USVI developed

the Local Match for Federal Disaster Relief Program to provide the cost share for CDBG-DR eligible projects. To maximize the leverage of CDBG-DR, the Territory will coordinate match and global match approaches to fund eligible projects. The USVI intends to use 17% of first and second tranche to meet the local match requirement for federally funded projects related to the disasters.

| Total CDBG-DR Local Match Budget | Total Funds Expended | Funds Remaining      |
|----------------------------------|----------------------|----------------------|
| <b>\$432,750,000</b>             | <b>\$21,432,083</b>  | <b>\$411,317,917</b> |



VIWAPA St. John Undergrounding - August 2021



# Challenges

## CDBG-DR FUNDS

At the beginning of the fifth year of hurricane recovery, there are several ongoing challenges remaining that continue hinder hurricane recovery, most of which are beyond the control of the Territory. Until each of these issues are resolved appropriately, the pace of recovery will continue to lag behind expectations.

Entering the fifth year of hurricane recovery, there are several ongoing challenges remaining that will continue to hinder hurricane recovery, most of which are beyond the control of the Territory. Until each of these issues are resolved appropriately, the pace of recovery will continue to be negatively affected.

### Challenge No. 1:

**Maximize Recovery Funding under the Bipartisan Budget Act of 2018**

#### a. BBA Modified 50% Rule

Congress enacted the Additional Supplemental Appropriations for Disaster Relief Act of 2019, including Section 601, which directed FEMA to include BBA-eligible damages (pre-storm damages/conditions and undamaged components) to the cost of repairs in order to increase the opportunities for obsolete and dilapidated infrastructure to qualify for replacement. This is known as the “Modified 50% Rule.”

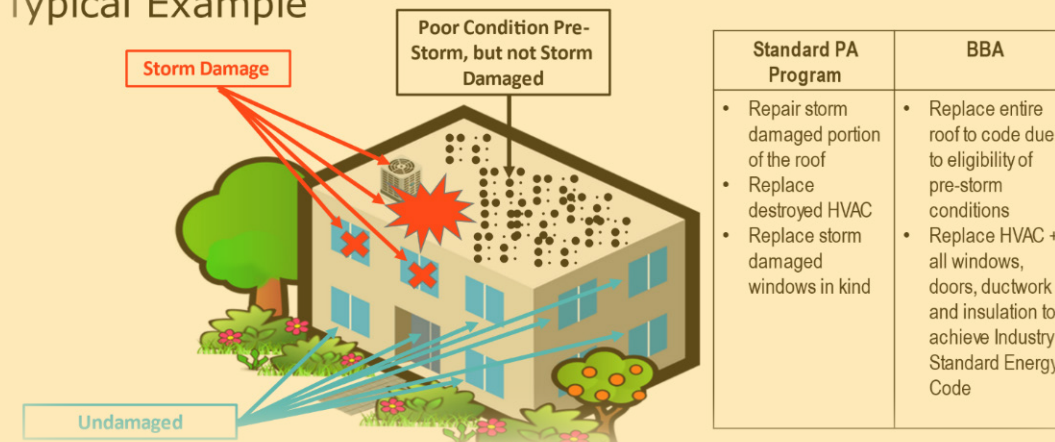
In implementing its BBA Policy, FEMA’s current interpretation of Congressional intent has made it difficult to qualify a facility for replacement using its interpretation of the Modified 50% Rule.

**Proposed Solution** – FEMA should ensure that its BBA Policy for calculating the Modified 50% Rule is consistent with the law.



Rendering of the Auditorium for Charlotte Amalie High School

## BBA Eligible Repairs Typical Example



### b. Campus Wide Prudent Replacement

FEMA has not considered “Campus-Wide” Prudent Replacement for facilities and systems - including schools and healthcare facilities – under circumstances that involve a mix of unrepairable and repairable buildings in close proximity which would make reconstruction expensive and inefficient.

**Proposed Solution** – The Territory will continue to work collaboratively with FEMA to advocate for a more forward look towards the application of Prudent Replacement.

### c. BBA-Eligible Repairs

While Congressional intent favored the replacement of obsolete infrastructure over repair, the BBA also directed FEMA to repair all eligible damages both pre- and post-disaster, to remedy pre-disaster conditions and even to replace undamaged building components to achieve industry standards.

**Proposed Solution** – The Territory will continue to advocate for FEMA to accept all pre-disaster conditions as eligible.

### Challenge No. 2:

**Underestimation of the Cost of Construction in the USVI**

In 2020, FEMA instituted a new local cost factor to apply to all Public Assistance projects, reducing the grant awards by more than 20% as compared to the previous factor which FEMA had been using since the onset of the disaster. This factor has not been adjusted despite evidence demonstrating that it underestimates the high cost of construction on

# Challenges

the islands – including according to the U.S. Department of Defense (DOD) which uses a 2021 Area Cost Factor for USVI construction 30% higher than FEMA's Future Price Forecast (FPF). This action has created a substantial amount of risk by requiring the Territory to accept capped 428 grants which may be insufficient to complete the projects.

Furthermore, FEMA has not updated its cost estimating model to reflect the most recent Building Cost Index which is intended to account for inflation related changes in construction costs over time and should be updated annually. Construction costs are estimated to have risen by more than 17%. This oversight by FEMA could cost the Territory many hundreds of millions of dollars if not corrected and will cause longer term major construction projects to have inadequate funding due to estimates not properly accounting for inflation.

**Proposed Solution** - FEMA should update their CEF model to account for the current rate of inflation.

## Challenge No. 3:

### Reversed Determination on Roads Eligibility

In the aftermath of the 2017 hurricanes, FEMA and DPW did two full rounds of site visits in 2018 and 2019 and agreed upon all eligible damages with all DDDs approved by FEMA and signed off by DPW by January 2020.

In May 2020, FEMA determined that more than 80% of the roads previously approved were ineligible, a reduction of more than \$100 million in the previously approved work. St. Croix was disproportionately impacted by this action with most of its roads deemed ineligible.

FEMA's rationale is that the roads were in bad shape prior to the storm due to lack of maintenance and therefore, the storm damages are ineligible, and in some cases did not see any difference in damages pre and post storm.

Beginning in mid-2021, FEMA began issuing Determination Letters for now ineligible roads – mostly on St. Croix as well as a few on St. Thomas – which has triggered a lengthy FEMA Appeal process which could take most of Year 5 to unfold while many of the Territory's roads continue to deteriorate.

**Proposed Solution** – The Territory will continue to advocate for FEMA to jointly identify eligible storm damaged roadways, incorporate the additional opportunity provided by FEMA's recent Flood Inundated Roads Policy and reinstate the eligibility of the roads previously agreed upon.

### Impact of FEMA Reversal on St. Croix Roads



FEB 2020  
Mutually Agreed Upon Damages

660 eligible sites  
\$135,302,811



After MAY 2020  
FEMA Reversal

83 eligible sites (87% Reduction)  
\$20,143,548





# Challenges

## Challenge No. 4:

### Delays in Processing Section 428 Fixed Costs Grant

In recent years, FEMA has emphasized the benefits of using the Public Assistance Alternative Procedures authorized under Section 428 of the Stafford Act (428s) to arrive at fixed cost agreements, i.e., project-specific caps, for most infrastructure projects impacted by disasters. While the Territory is committed to using the 428 process to the maximum extent practicable, there are also challenges to doing so, including deadlines for accepting offers.

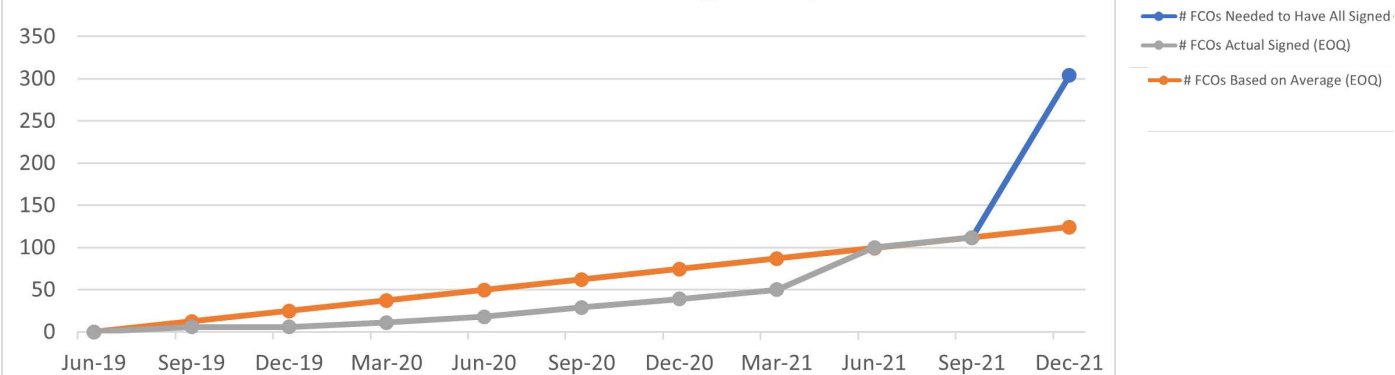
The original FEMA policy on the use of Section 428 Capped Projects in the USVI required all projects that would be written under the authorities of Section 428 to have Fixed Cost Offers (FCOs) signed by the Applicants no later than March 20, 2020. After extending this deadline in 2020, FEMA required a different approach for an extension to be granted to cover 2021. As part of the process for obtaining a time extension for FCO signoff through the end of 2021, FEMA required the Territory and its Applicants to develop and submit a Project Development Plan (PDP) by February 28th, 2021, which would serve two goals. The first goal for the submitted PDP was to ensure that the Territory and Applicants took a serious approach to estimating the time that it would take to complete project development and get FCOs signed by the Applicants. The second goal was to develop a tracking mechanism so that FEMA and the Territory could at a moment's notice determine what projects were overdue and not likely to be signed off by the new extension deadline of December 31, 2021.

Unfortunately, out of the 265 projects for which FEMA agreed to complete Fixed Cost Offers by the end of 2021 (plus another 45 Fixed Cost Offers made prior to March 2021), as of September 1st, only 112 have been provided to the Territory for signature. FEMA is significantly behind on their expected pace. Even though the delays were impacted by FEMA's processing capabilities, the Territory will very likely have to request and justify another extension.

**Proposed Solution** – The Territory will continue to advocate for FEMA to complete the processing of 428 grants for the USVI.



Cumulative 428 Fixed Cost Offers Signed by Quarter





# 2021 Annual Progress Report

## Road Ahead

The Virgin Islands economy progressively rebounded from last year’s impact of COVID-19. Over the past several months, the Territory has observed a boost in the tourism industry. With the recent news of Limetree Bay Refinery filing for bankruptcy and the threatening presence of the COVID-19 delta variant in the Territory, the Virgin Islands can potentially experience economic distress.

Recovery projects continue to play an intricate role in providing the necessary revenues to lessen the negative fallout. Last year’s actuals exceeded projections by just around \$10 million. In Fiscal Year 2022, recovery projects are forecasted to generate over \$30 million in gross receipt taxes, with a projected value of over \$606 million.

The Wheatley Skills Center project on St. Thomas under the Department of Education was recently completed, and the facility will be utilized as an annex for Charlotte Amalie High School freshmen. The Government House on St. John, better known as The Battery project, was also recently completed and all invested parties eagerly look forward to the ribbon cutting ceremony. The Government House project on St. Thomas is approaching completion. In addition to strengthening overhead lines by installing composite poles territory-wide, VIWAPA is continuing its work to underground power lines on St. Croix and St. John. Key priority projects are entering their demolition phase and will progress towards construction. The demolition of the Evelyn Williams Elementary School on St. Croix and Charlotte Amalie High School on St. Thomas, both projects under the Department of Education, are scheduled to begin. The Vincent Mason Pool, one of the priority projects for Governor Bryan under the Department of Sports, Parks and Recreation is also approaching its demolition phase. Over 275 projects are expected to join the above in the construction phase between 2021-2022. In addition, the launch of the Department of Labor’s Skills for Today workforce development project will indirectly add value to the economy with the on-the-job training and apprenticeship programs.

“The Office of Disaster Recovery understands the criticality of moving projects forward and values the team’s effort and contributions towards driving the economy,” Adrienne L. Williams-Octalien, Office of Disaster Recovery.

| FY 2021 (Q1 - Q3) |                                  |                                   |
|-------------------|----------------------------------|-----------------------------------|
| Funding Source    | GRT (Q1 – Q3)FY 2021 Projections | GRT (Q1 –Q3) FY 2021 Est. Actuals |
| PA                | \$ 13,621,811                    | \$ 29,848,070                     |
| HMGP              | \$ 374,587                       | \$ 174,284                        |
| CDBG-DR           | \$ 6,727,448                     | \$ 743,302                        |
| FHWA-ER           | \$ 337,500                       | \$ 335,685                        |
| <b>TOTAL</b>      | <b>\$ 21,061,346</b>             | <b>\$ 31,101,340</b>              |

| FY2022         |                       |                         |
|----------------|-----------------------|-------------------------|
| Funding Source | FY 2022 Projections   | GRT FY 2022 Projections |
| PA             | \$ 494,762,885        | \$ 24,738,144           |
| HMGP           | \$ 23,953,845         | \$ 1,197,692            |
| CDBG-DR        | \$ 55,260,747         | \$ 2,763,037            |
| Other Funds    | \$ 12,246,900         | \$ 612,345              |
| FHWA-ER        | \$ 16,135,000         | \$ 806,750              |
| Multiple       | \$ 3,655,556          | \$ 182,778              |
| <b>TOTAL</b>   | <b>\$ 606,014,933</b> | <b>\$ 30,300,746</b>    |



Charlotte Amalie High School Annex, Ribbon Cutting, July 2021



