

VIHA Redevelopment & Repositioning Plan

FEMA Proposed Utilization Plan

Friday, August 6, 2021



INTRODUCTION: The Virgin Islands Housing Authority (VIHA) has put together a comprehensive redevelopment plan that addresses the unmet housing needs in the Territory and also meets all three components of the “National Objective”: a) benefit low and moderate-income persons; b) aid in the prevention or elimination of slums or blight (obsolete public housing); and c) meet a need having a particular urgency, that is the prevention of further damage to hurricane-impacted public housing. VIHA has formulated a 10-year Affordable Housing Revitalization Plan that will transform the entire approximately 3,000-units, functionally obsolete public housing inventory into an affordable housing inventory that will mitigate the risk of further deterioration of 50-year-old multi-family homes against future devastating hurricanes and other natural disasters.

VIHA’s 10-year Affordable Housing Revitalization Plan (Redevelopment and Risk Mitigation Plan) will cost approximately \$1.023 billion to build at least 1,500 new units while substantially hardening and modernizing the other 1,500 units. The 1,500 new units will be constructed on both districts in twenty-two (22) projects. VIHA is building a world-class diversified portfolio of desirable housing complexes. Our goal is to mitigate the risk of damages to housing by creating hurricane resistant, sustainable housing with energy efficient systems to maintain energy independence from the grid. In this process, VIHA will enhance its new construction with energy producing microgrids, water conservation systems, hardened solar arrays through smaller developments integrated with the surrounding communities.

Over the course of the next ten (10) years, VIHA’s role is to facilitate the design, development and management of state-of-the-art affordable housing and mixed-use facilities throughout the entire territory that exceed expectations and traditional benchmarks. To accomplish this ambitious redevelopment program, VIHA has identified several key funding sources to drive this change. The key funding sources are: CDBG-DR, LIHTC and FEMA funds. This transformation is planned to occur in five (5) phases.

The 5-phase redevelopment plan is predicated on the priority of funding sources. To build approximately 1,500 new units and 1,500 hardened units, it is projected to cost \$1.026 billion: LIHTC, \$392M; FEMA, \$205M; CDBG-DR, \$292M; and VIHA and Other, \$137M, funds. This plan is a constantly changing strategy based on several factors that realistically changes from day-to-day as those of us in the real estate and development world are familiar with. Through this public-private partnership, these combined funds will build 517-units of new, more resilient affordable housing and comprehensively modernize 518-units of public housing. With current funds, the redevelopment plan will provide 1,035-units of housing.



PORTFOLIO REPOSITIONING & FINANCING PLANS (Millions)

FIVE-PHASE IMPLEMENTATION PLAN

Development Name	Developer	UNITS	ACC Units	RAD	PBV	RAD/SEC 18 BLEND OR INCOME AVERAGING	4% or 9% Credits	Planned/Actual Submission Date to VIHA for	Total Dev Costs	EQUITY	FEMA	CDBG-DR	OTHER	VIHA Capital Funds	Total Sources	Development Period
PHASE I																
Donoe Family (Tutu Phase 1)	Pennrose	84	0	0	84	0	9%	9/9/2019	\$57.4	\$26.4	\$0.0	\$29.0	\$2.0	\$0.0	\$57.4	2019-2021
Walter I.M. Hodge Pavilion	MDG	248	0	248	0	0	9%	11/16/2020	\$103.4	\$27.4	\$53.0	\$9.5	\$13.5	\$0.0	\$103.4	2021-2023
Tranche I - Total (Phase I)		332	0	248	84	0			\$160.8	\$53.8	\$53.0	\$38.5	\$15.5	\$0.0	\$160.8	
PHASE I - TOTAL		332	0	248	84	0			\$160.8	\$53.8	\$53.0	\$38.5	\$15.5	\$0.0	\$160.8	
PHASE II																
D. Hamilton Jackson I and Alphonso "Piggy" Gerard (Basin Triangle)	MDG	136	0	136	0	0	4%	6/1/2021	\$44.3	\$16.2	\$7.4	\$16.1	\$15.6		\$55.3	2021-2023
W.Pedro (Phase 1 - Stony Ground)	TRG	98	0	98	0	0	4%	6/1/2021	\$57.1	\$21.3	\$0.0	\$15.4	\$4.3	\$0.0	\$41.0	2021-2023
Tranche II - Total (Phase II)		234	0	234	0	0	NA		\$101.4	\$37.5	\$7.4	\$31.5	\$19.9	\$0.0	\$96.3	
PHASE II - TOTAL		234	0	234	0	0	NA		\$101.4	\$37.5	\$7.4	\$31.5	\$19.9	\$0.0	\$96.3	
Tranche I & II TOTALS (\$70M - CDBG-DR)		566	0	482	84	0			\$262.2	\$91.3	\$60.4	\$70.0	\$35.4	\$0.0	\$257.1	
PHASE III																
Bovoni Apartments	Pennrose	366	0	366	0	0	4%	3/1/2022	\$39.2	\$12.3	\$0.0	\$22.7	\$4.2	\$0.0	\$39.2	2022-2025
W.Pedro (Phase 1 - Stony Ground)	TRG	0	0	0	0	0	4%	6/1/2021	\$0.4	\$0.0	\$0.0	\$16.5	\$0.0	\$0.0	\$16.5	2021-2023
Williams Delight Villas	MDG	100	100	0	0	0	NA	6/1/2021	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	2021-2022
Marley Homes/Marley Homes Additions	TRG	118	0	94	0	24	4%	1/3/2023	\$61.5	\$26.2	\$20.0	\$9.6	\$5.7	\$0.0	\$61.5	2023-2025
Tutu (Family -Senior)(North)	Pennrose	92	0	0	92	0	4%	7/1/2021	\$48.7	\$21.4	\$36.9	\$0.0	\$2.7	\$ -	\$61.0	2021- 2024
JFK (On Site)	MDG	100	0	100	0	0	4%	1/1/2022	\$53.0	\$27.0	\$12.9	\$0.0	\$13.1	\$0.0	\$53.0	2021-2022
Mount Pleasant & Joseph James	TRG	80	0	78	0	2	9%	7/1/2022	\$47.6	\$26.1	\$1.1	\$9.9	\$5.4	\$0.0	\$42.5	2022- 2024
Central Office	Pennrose	0	0	0	0	0	NA		\$17.0	\$0.0	\$7.0	\$0.0	\$0.0	\$10.0	\$17.0	
JFK (Stony Ground Phase 2)	TRG	100	0	100	0	0	9%	3/1/2022	\$61.1	\$24.1	\$34.5	\$0.0	\$2.5	\$0.0	\$61.1	2022-2024
Tranche III - Total (Phase III)		956	100	738	92	26	NA		\$339.5	\$137.1	\$112.4	\$58.7	\$33.6	\$10.0	\$351.8	
PHASE III -TOTAL		956	100	738	92	26	NA		\$339.5	\$137.1	\$112.4	\$58.7	\$33.6	\$10.0	\$351.8	
PHASE IV																
Tutu (South)	Pennrose	62	0	0	62	0	4%	3/1/2022	\$32.9	\$10.0	\$10.0	\$12.9	\$5.0	\$0.0	\$37.9	2022-2023
Paul M. Pearson	Pennrose	80	0	0	80	0	9%	6/1/2022	\$37.4	\$13.9	\$5.2	\$18.4	\$5.1	\$0.0	\$42.6	2023 - 2024
Tranche III (Phase IV) Subtotal		142	0	0	142	0	NA		\$70.3	\$23.9	\$15.2	\$31.3	\$10.1	\$0.0	\$80.5	
Tranche III TOTAL (\$90M = CDBG-DR)		1,098	100	738	234	26	NA		\$409.8	\$161.0	\$127.6	\$90.0	\$43.7	\$10.0	\$432.3	
			Red Text =	RAD												

RVSD: July 27, 2021

PROJECT #1: Walter I. M. Hodge Pavilion Redevelopment Alternate Project

This is an existing public housing community for many VIHA residents, including those that were displaced after Hurricanes Irma and Maria, as well as the prior demolished public housing site Ralph deChabert Place public housing community. Walter I. M. Hodge Pavilion is located at #194A, 194AA, 194AB & 194C Estate Two Brothers (Smithfield & Hesselberg), Frederiksted (GPS: 64°53'54.27" W, 18°20'28.17"N). The community is situated on a 14.15 acre lot, and currently contains 250 residential units within 20 buildings with a mix of one, two, three and four-bedrooms, as well as an additional community center/site office building. The site suffered wind and wind-driven rain related damage in prior hurricanes rendering many existing units to be held offline. Upon completion of the planned phased rehabilitation, with short-term tenant relocation (anticipated to be 60 days) during

construction, the site will provide 248 like-new more resilient energy-efficient units with all building components having been replaced, including roofs, windows/doors, bathrooms, kitchens, electric, plumbing, flooring and paint. Two (2) of the existing units will be converted to accommodate a new senior center. There will also be new site beautification measures, which will include vastly improved community spaces including a renovated community center, featuring a computer room, library and kitchen, landscaping, re-designed pedestrian walkways, seating areas and recreational facilities (including areas for gardening, seating and passive recreation), as well as parking throughout. The renovated apartments will provide much needed affordable housing to both the existing Hodge community and other low-income households displaced by the Hurricanes. The project will be converted from public housing to project-based housing assistance payments through HUD’s RAD program and financed with 9% low-income housing tax credits, with rents to be subsidized through project based rental assistance administered by HUD’s Office of Housing. Existing Walter I. M. Hodge Pavilion residents and applicants on the low-income public housing waiting list will occupy this completed redevelopment project.

FUNDING SOURCES: The Walter I. M. Hodge Pavilion Redevelopment is a LIHTC project that will be restricted to family households earning 60% of the AMI, or less. The project sources include: FEMA 428 and 404, CDBG-DR, and tax credit equity. The development budget totals \$103.4M. The construction contract totals approximately \$61M.

- **FEMA 428:** This source of funding requires FEMA Approval of Alternate Project Requests to FEMA Project Worksheets (PW)#01202/Grants Manager (GM)#76186, PW#01183/GM#133754, PW#01189/GM#75516, PW#01186/GM#84672, and PW#01237/GM#82356. The combination of these funds will provide the \$29,000,000.00 in FEMA 428 funding to be used for the construction costs for the Walter I. M. Hodge Pavilion.

	Project #	Project Description	Category	Projected Obligation Amount	Obligated Amount	Project Worksheet (PW) (90% Cost Share)
ST. CROIX	84672	Aureo Diaz Permanent Building Repairs	E	\$ -	\$ 3,803,627.33	\$ 3,423,264.60
	82356	Candido Guadalupe Permanent Repairs	E	\$ -	\$ 2,569,625.65	\$ 2,312,663.09
	76186	Walter IM Hodge Permanent Building Repairs	E	\$ -	\$ 8,560,011.01	\$ 7,704,009.91
	75516	Wilford Pedro Permanent Bldg Repairs	E	\$ -	\$ 6,539,782.02	\$ 5,885,803.82
	133754	Harrigan Permanent Bldg Repairs	E		\$ 8,277,422.94	\$ 7,449,680.65
TOTAL FEMA 428 FUNDING					\$ 29,750,468.95	\$ 26,775,422.06

VIHA is aware that any future changes to the PW will require an EHP compliance review compliance with Federal Environmental and Historic Preservation (EHP) Laws and Executive Orders; and the final scope of work will require resubmission for evaluation and approval by the Recipient and FEMA prior to initiation of any work. All documents to support this Alternate Project Request has been uploaded to Grants Portal.

- FEMA 404:** On June 10, 2021, FEMA approved for a Phase I engineering assessment and design study. Phase I funding is authorized in an amount of \$1,153,317.63 which includes \$43,357.81 for Sub-Recipient Management Costs. The subgrant application is identified by FEMA as project number 4340-0044, titled “VIHA Walter I.M. Hodge Pavilion Community Wind Retrofit (STX)”. Phase I funding in the amount of \$1,153,317.63, which includes \$43,357.81 for Sub-Recipient Management Cost has been authorized. This approval is contingent upon the fulfillment of all conditions identified by FEMA. Upon the timely completion of the Phase I deliverables, FEMA will consider additional funding in the amount not-to-exceed \$24,059,955.70 for the Phase II construction portion of this project, which includes \$882,108.92 for Sub-Recipient Management Costs. The maximum total cost for both phases of this project is \$25,213,273.33, representing 100% of the total project cost, including Sub-Recipient Management Costs.



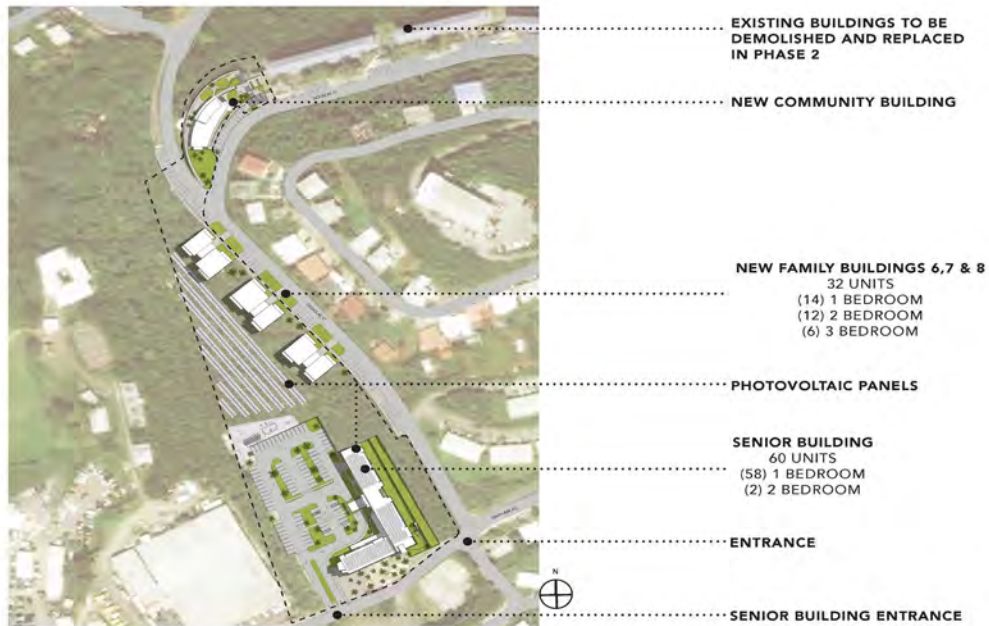
PROJECT #2: Demolition and Replacement of Estate Tutu Apartments - Buildings 10, 11, 12, 14 and 22 Alternate Project

On January 30, 2020, FEMA obligated GM#70477 for a total project cost of \$76,915,357.00, with a federal cost share cost of \$69,223,821.30. The costs are associated with the demolition and replacement of the Estate Tutu Apartment Buildings 10, 11, 12, 14, and 22. This project was written and obligated as a Section 428 PAAP Permanent Work Project.

Project #	Project Description	Category	Obligated Permanent Work (Cat E, Z)
70477	Tutu Buildings 10, 11, 12, 14, 22	E	\$ 79,915,357.00

To date, the demolition of the 5 buildings is contracted and is projected for completion by September 30, 2021, at a cost of approximately \$3,121,000.00. The completion of the demolition paves the road for VIHA to continue into the next task for replacement of the 5 buildings. In doing so, VIHA’s Development Team has finalized a master plan and design concepts for the former Estate Tutu Hi-Rise Apartments public housing site that previously included 304 public housing units, a community building and the VIHA executive offices (also known as the COCC). The team creatively master planned the community into 3 Phases of Redevelopment. Phase I is approximately 92 total residential apartments, which include 32 family apartments, a community center and a outdoor community park, to be constructed in the same building footprint locations of all 5 buildings approved for demolition: and 60 senior apartments in a multi-story elevator building including a community center and other amenities at the site location of the existing VIHA COCC building.

SITE PLAN - TUTU NORTH PHASE 1



WRT | VIHA Estate Tutu Master Plan

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FUNDING SOURCES: The Estate Tutu Development Phase II is a project that will be restricted to family households earning 60% of the AMI, or less. The project sources include FEMA 428 combined with tax credit equity (4% LIHTC – tax exempt bonds). The projected development budget totals \$61M. The estimated construction cost totals approximately \$40M.

- FEMA 428:** This source of funding requires FEMA Approval of an Alternate Project Request to Project Worksheet GM#70477. FEMA’s approval of this request would allow the partial utilization of the FEMA 428 funding of \$36,962,332.00 to be used for the construction costs of the Estate Tutu Redevelopment Phase II.

	Project #	Project Description	Category	Obligated Permanent Work (Cat E, Z)	Project Worksheet (PW) (90% Cost Share)	Project Worksheet (PW) (10% Cost Share)
ST. THOMAS	70477	Tutu Buildings 10, 11, 12, 14, 22	E	\$ 79,915,357.00		
		Less Insurance Proceeds		\$ (3,000,000.00)		
		SubTotal		\$ 76,915,357.00	\$ 69,223,821.30	\$ 7,691,535.70
		Demolition of Bldgs 10, 11, 12, 14 & 22		\$ (3,121,000.00)		
		SubTotal		\$ 73,794,357.00		
		Replacement of Buildings 10, 11, 12 & 22 (Tutu Redevel - Phase II)		\$ (36,962,332.00)		
		Balance Remaining		\$ 36,832,025.00		
	70478	Tutu Buildings 4, 5, 7, 8, 19, 20 & 21	E	\$ 1,103,998.00	\$ 993,598.20	\$ 110,399.80
	70479	Tutu Buildings 13, 15, 16, 17 & 18	E	\$ 3,896,446.85	\$ 3,506,802.17	\$ 389,644.69
		Balance Remaining (Tutu Redevel - Phase III)		\$ 46,832,914.70		
	TOTAL FEMA 428 FUNDING		\$ 84,915,801.85	\$ 73,724,221.67	\$ 8,191,580.19	

VIHA is aware that any changes to the PW requires an EHP compliance review for compliance with Federal Environmental and Historic Preservation (EHP) Laws and Executive Orders; and the final scope of work will require submission to FEMA for evaluation and approval by VIHA and FEMA prior to initiation of any work.

PROJECT #3: Demolition of Estate Tutu Apartments - Buildings 4, 5, 7, 8, 13, 15, 16, 17, 18, 19, 20, 21; along with the Community Center/Office Building and the COCC Alternate Project

FEMA’s approval of GM #70478, 70479 and 82593 were prepared to document disaster damages to these eligible facilities, develop the scopes of work to return the facility to its pre-disaster design, function, and capacity, and agree upon a fixed cost estimate. allows VIHA to complete repair work to restore the interiors and exteriors of 208 units at 12 building locations to pre-disaster condition. The obligation of these funds includes the removal/replacement of interior wall materials; electrical components; exterior repairs; and roofing materials. Debris and potentially hazardous waste shall be removed and disposed of in accordance with all applicable federal and state laws and local compliance requirements. As documented in FEMA’s environmental review, these projects have been reviewed by EHP; however, since it is being processed as a 428 cost estimate, the scopes of work may not accurately depict all future actions. These project worksheets were obligated as Section 428 PAAP Permanent Work projects. As stipulated in the Section 428 Guide, the subrecipient may use funds in its fixed cost subaward toward an Alternate Project. VIHA does not plan to restore the buildings to their pre-disaster design, capacity, or function. Instead, VIHA plans to apply all the obligated funds of these projects toward the redevelopment of the Estate Tutu Redevelopment Phases II and III on the existing Tutu North and Tutu South sites.

	Project #	Project Description	Category	Obligated Permanent Work (Cat E, Z)
ST. THOMAS	70478	Tutu Buildings 4, 5, 7, 8, 19, 20 & 21	E	\$ 1,103,998.00
	70479	Tutu Buildings 13, 15, 16, 17 & 18	E	\$ 3,896,446.85
	82593	COCC and Tutu Comm. Ctr Bldg Repairs	E	\$ 7,080,593.51
				\$ 12,081,038.36

However, in doing so, and consistent with VIHA’s Redevelopment and Repositioning Plan, it is more prudent to first move forward with the demolition of all existing buildings and legally dispose of off-site all man-made site and buildings components, roof and wall structures, finishes, windows, doors, concrete porches, enclosures, mechanical, electrical, plumbing systems, foundations walls, footings, floors slabs, stairwells, sidewalks, stoops, LP storage corrals below and behind buildings, retaining walls, cloth line poles, play areas, steps and deteriorated underground utility lines. After removal of all buildings materials the plan is to re-grade topsoil, provided fill and seed, public streets to remain. As such, funding for the demolition will be obtained from a non-FEMA source. No FEMA Public Assistance money is currently planned to be used for any demolition of the existing buildings at Estate Tutu Hi-Rise Apartments (North & South).

Demolition of the 14 buildings:

Tutu North:

- Demolition of Building 19
- Demolition of Building 20
- Demolition of Building 21
- Demolition of Building 13
- Demolition of Building 15
- Demolition of Building 16
- Demolition of Building 17
- Demolition of Building 18

Tutu South:

- Demolition of Building 4
- Demolition of Building 5
- Demolition of Building 7
- Demolition of Building 8
- Demolition of CC/Office
- Demolition of COCC Bldgs



Estate Tutu Master Plan



The final design and specifications for Estate Tutu Redevelopment Phase III is still under development. Please see the conceptual Master Plan below.

- **FEMA 428:** This source of funding requires FEMA Approval of an Alternate Project Request to Project Worksheet GM#70477. FEMA’s approval of this request would allow the partial utilization of the FEMA 428 funding of a final amount not determined as yet to be used for the construction costs of the Estate Tutu Redevelopment Phase III. See balance as described in **PROJECT #2** above of available FEMA 428 funds to be allocated once final cost estimates and leveraging projections are completed.



MASTER PLAN

- PHASE 2 - TUTU NORTH
FAMILY BUILDINGS 1 THROUGH 5
- PHASE 1 - TUTU NORTH
FAMILY BUILDINGS 6, 7, & 8
COMMUNITY BUILDING
SENIOR HOUSING
- PHASE 3 - TUTU SOUTH
FAMILY BUILDINGS 1 THROUGH 8
COMMUNITY BUILDING

LEGEND

- Estate Tutu Phase 1 Boundary
- Estate Tutu Phase 2 Boundary
- Estate Tutu Phase 3 Boundary
- 100-Year-Floodplain
- Low-Rise Buildings
- Senior Building
- Solar Fields

1" = 400 FEET

0' 200' 400' 800'

PROJECT #4: Rehabilitation of D. Hamilton Jackson Terrace and Alphonso “Piggy” Gerard Complex Alternate Project

The Hamilton/Piggy Rehabilitation Project (funded through CDBG-DR, FEMA 428 and 4% LIHTC) will consist of the interior and exterior rehabilitation of 136 existing vacant and occupied family apartments, the community center/management offices, as well as the exterior rehabilitation of the 27 residential buildings and one (1) community center/property office building, including new recreation amenities, site beautification and resiliency measures that address storm drainage, wind/rain mitigation of the sites and site accessibility.

The rehabilitation of the apartments includes interior rehabilitation and abatements work, to include new plumbing and electrical wiring, new energy-efficient kitchen and bathroom fixtures, new floor tiles and painting, new kitchen cabinets, and smoke detector upgrades; also some units will have non-friable asbestos abatement, lead-based paint encapsulation and mold abatement completed as identified in the apartments from environmental assessments that are currently being commissioned.

There will be exterior rehabilitation of all buildings and site improvements throughout the project. Along with new roofs on each building and planned solar photovoltaic (PV) arrays, there will also be additional resilience features incorporated into the project. New hurricane-wind resistant windows and entry doors will be installed. There will also be new site improvements, which will include landscaping (incorporating improved drainage to include some flood mitigation), seating areas and recreational facilities, as well as better defined parking throughout.

The project will also include vastly improved community spaces including a renovated community center/property office building. In transforming the project, residents will benefit from active and safe spaces to support healthy lifestyles, as well as added programming to connect residents to jobs and job training, and improved housing stability.

Hamilton/Piggy will participate in HUD’s Rental Assistance Demonstration (“RAD”) Program. Under RAD, the project will be removed from Section 9 (public housing) and receive funding through a project-based section 8 agreement, which will improve the property's operational capacity.

The Project is projected to start upon approvals by HUD, FEMA, the Virgin Islands Housing Finance Authority (VIHFA) and closing of the construction financing, anticipated in February/March 2022. The rehabilitation of Hamilton/Piggy is estimated to take 24 months to complete.

FUNDING SOURCES: The Hamilton/Piggy Rehabilitation Project is a LIHTC project that will be restricted to family households earning 60% of the AMI, or less. The project sources include: FEMA 428, CDBG-DR, and tax credit equity. The development budget totals \$55.3M. The construction contract totals approximately \$26M.

- FEMA 428:** This source of funding requires FEMA Approval of Alternate Project Requests to FEMA Project Worksheets GM#83539 and GM#82379. The combination of these funds will provide the \$7,449,569.39 in FEMA 428 funding to be used for the construction costs for the Hamilton/Piggy Rehabilitation Project.

	Project #	Project Description	Category	Projected Obligation Amount	Obligated Amount	Project Worksheet (PW) (90% Cost Share)
ST. CROIX	83539	D Hamilton Jackson Permanent Repairs	E	\$ -	\$ 6,135,404.58	\$ 5,521,864.12
	82379	Alphonso Gerard Permanent Repairs	E	\$ -	\$ 1,314,164.81	\$ 1,182,748.33
	TOTAL FEMA 428 FUNDING				\$ 7,449,569.39	\$ 6,704,612.45

VIHA is aware that any future changes to the PW will require an EHP compliance review compliance with Federal Environmental and Historic Preservation (EHP) Laws and Executive Orders; and the final scope of work will require resubmission for evaluation and approval by the Recipient and FEMA prior to initiation of any work. All documents to support this Alternate Project Request has been uploaded to Grants Portal.