

NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

May 9, 2025

Virgin Islands Housing Finance Authority
3202 Demarara Plaza, Suite 200
St. Thomas, VI 00802-6447
(340)777-4HFA (4432)

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the Virgin Islands Housing Finance Authority.

REQUEST FOR RELEASE OF FUNDS

On or about May 26, 2025, the Virgin Islands Housing Finance Authority will submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of Community Development Block Grant - Mitigation funds under Title 1 of the Housing and Community Development of the Act of 1974 (PL93-383), as amended, to undertake a project known as Royale Systems, LLC under the Economic Resilience and Revitalization Program.

Purpose: Royale Systems serves as the premier multi-tenant telecommunications tower for numerous island networks such as VIYA and Liberty Communications USVI and first responders. During and after the 2017 storms, Flag Hill was the only tower site that remained operational. With CDBG-MIT funds, Royale Systems wishes to conduct a backup power project and an overall 'hardening' project that ensures they remain operational and available for Virgin Islanders during critical times. A hardened communication network would allow for faster system response and recovery, mitigating disruption to essential public services and, ultimately, protect lives, businesses, and communities. Additionally, the installation of storm windows and culverts will mitigate the likelihood of damage to the facility on the site and reduce flood damage. Lastly, the addition of generators (and one fuel tank) and solar panels to the property site will ensure continued operations for not just Royale Systems but also other on-island businesses, organizations, and people that rely on the site for their own needs.

Location: Flag Hill, Parcel No. 16-1 Estate Thomas, St. Thomas, USVI

Project Description: Royale Systems plans to purchase and install two (2) 100-Kw power diesel generators (100,000 and 30,000 gallons, respectively) (including the generators' associated exhaust stacks and electrical equipment) and house them in the existing colocation building. The applicant will also purchase and install one (1) double-walled, diked cylindrical aboveground fuel storage tank (5,000 gallons; 21 feet in length x 10 ft in width x 12 feet in height are the dimensions of the tank). This tank will be in the northwest corner of the colocation building. The tank will supply fuel to run the two (2) generators that will power the site during emergency periods, such as a hurricane and electrical grid outages. There is an existing slab, however it is too small thus the slab will be expanded to accommodate the newly purchased tank. The final slab will be 30L x 15W x 1H; the tank will be welded to the concrete pad foundation. This concrete pad will be attached to the building. The applicant will also build a retaining wall on the northwestern side of the building with provisions for spill containment and drain management; this will serve as dike containment for the tank. An additional concrete slab will be built on the south side of the property. However, this concrete slab will remain vacant following its construction. Royale Systems will leave the space open for its tenants who wish to purchase and install their own generator system on the property.

Rehabilitation efforts will also include installing UPS systems, automatic transfer switches, power transformers, switchgear, distribution panels, communication cabling, control hardware, and building management system programming. Royale Systems will also install a 20-Kw roof-mount solar photovoltaic (PV) system. Most of the solar panels will be installed in one of two locations: on the ground on the south side of the property and on the roof of the colocation building/tenant building. A small amount of the panels will also be installed on the roof of the guard/security house at the property entrance. Royale Systems will also strengthen their existing colocation building that houses equipment (including new generators) by installing roll-down hurricane-resistant doors and windows, security lighting, and cameras. Cameras will be strategically placed throughout the property including on the guard house at the entrance of the property and on the tower. Lastly, the applicant will construct culverts to control stormwater drainage.

Estimated Project Cost: The total HUD funding & estimated project cost is \$2,247,796.95, fully funded by HUD through the Community Development Block Grant – Mitigation (CDBG-MIT) Program under Grant Number B-18-DP-78-0002.

Grant Number	Project Name	HUD Program	Funding Amount
B-18-DP-78-0002	Royale Systems	VIHFA-CDBG-MIT	\$2,247,796.95

Level of Environmental Review: Proposed project activities under Royale Systems, LLC are classified as an Environmental Assessment (EA) under HUD regulations at 24 CFR Part 58.36. While the scope consists of rehabilitation efforts, the construction of two concrete slabs to house the one aboveground fuel storage tank and a future generator and a surrounding retaining wall for spill containment and drainage management is ‘new construction’. Additionally, the installation of a portion of their requested solar panels on the ground and the construction of culverts to manage storm and water flow includes ground disturbance. Altogether, this project scope expands the capacity of Royale Systems by more than 20%. Thus, the level of Environmental Review is an Environmental Assessment.

FINDING OF NO SIGNIFICANT IMPACT

The Virgin Islands Housing Finance Authority has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at the Virgin Islands Housing Finance Authority at 3202 Demerara Plaza Suite 200, St. Thomas, VI, 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer of Community Development Block Grant-Disaster Recovery Program or by email request at environmental@vihfa.gov. The ERR can also be accessed online at the following website <https://cdbgdr.vihfa.gov/cdbg-mitigation/> and may be examined or copied weekdays 8 A.M to 5 P.M.

Royale Systems must comply with the following mitigation measures to ensure they remain in good standing with HUD and VIHFA’s environmental regulations.

Law, Authority, or Factor	Mitigation Measure
Explosive and Flammable Hazards 24 CFR Part 51 Subpart C	According to HUD's Acceptable Separation Distance Electronic Assessment Tool, the acceptable separation distance for thermal radiation for people (ASDPNPD) is 102.67 ft. and the acceptable separation distance for thermal radiation for buildings (ASDBNPD) is 16.89 ft. In other words, the tank must be placed 102.67 ft. away from places where people congregate outside and 16.89 ft. away from buildings.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the Virgin Islands Housing Finance Authority, 3202 Demarara Plaza, Suite 200, St. Thomas, VI, 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer, or via email at environmental@vihfa.gov. All comments received by May 26, 2025 will be considered by the Virgin Islands Housing Finance Authority prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

ENVIRONMENTAL CERTIFICATION

The Virgin Islands Housing Finance Authority certifies to HUD that Ms. Dayna Clendinen in her capacity as Chief Operating Officer and Chief Disaster Recovery Officer consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Virgin Islands Housing Finance Authority to use HUD program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of fund sand the Virgin Islands Housing Finance Authority's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the Virgin Islands Housing Finance Authority; (b) the Virgin Islands Housing Finance Authority has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD at U.S. Department of Housing and Urban Development at HUD Caribbean Area Office, Region VI, 235 Federico Costa Street, Suite 200, Parque Las Américas I Building, San Juan, Puerto Rico, 00918. Potential objectors should contact HUD/State to verify the actual last day of the objection period.

Sincerely,



Dayna Clendinen

Chief Operating Officer and Chief Disaster Recovery Officer
Virgin Islands Housing Finance Authority