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Gov. Bryan Ok's Controversial, \$13 Million 'Boutique' Hotel Planned by Developer Who Faced 10 Years in Prison for Helping Defraud V.I. Government

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Rendering of proposed hotel By. V.I. LEGISLATURE

Pleading guilty in a scheme to rig competitive bids and defraud the government of the Virgin Islands apparently is not a deal-breaker when you come to the table with big, splashy hotel plans and a promise to spend millions of dollars in economic development.

Gov. Albert Bryan and the Senate gave the green light for a developer who pled guilty to his part in a bid-rigging scam to move forward with plans for a \$13 million "boutique" hotel in Estate

Bakkerøe on St. Thomas. Deep in the list of 13 bills acted on by Mr. Bryan last week was Bill No. 33-0259, which quietly grants Isolara Morningstar LLC, a Virgin Islands company, zoning approval to turn a 15-room rental house shattered by hurricanes Irma and Maria into an “upscale,” 32-room hotel in the picturesque hills of Bakkerøe on the south side of St. Thomas.

The Consortium recently reviewed a dozen corporations, zoning and other public records regarding the Isolara Morningstar development. Among other things, we found real estate developer Paul Sabers guides the proposed multimillion-dollar project. Mr. Sabers, along with Jonathan K. Sabers, are identified in various documents as the managing members and organizers of Isolara Morningstar LLC and MMS LLC, a second V.I. company involved in redeveloping the combined one-acre parcel.

In 2015, Virgin Islands Department of Justice [charged Paul Sabers and three other men](#) with conspiracy, embezzlement, grand larceny and other crimes related to a scheme to manipulate public auctions of tax delinquent properties. Two years later, Mr. Sabers pleaded guilty to reduced civil charges, and paid a \$500,000 fine imposed under the Criminally Influenced and Corrupt Organizations (CICO) statute. He received a suspended jail sentence of 90 days, supervised probation for a year and 100 hours of community service. As part of the plea agreement, Mr. Sabers also agreed to refrain from “personally participating or associating with any real estate agent, broker or other person for purposes of participating in any property auction” conducted by the V.I. government.

The Isolara Morningstar project, if completed, would be among the first new hotels on St. Thomas in recent years. The use variance approved by V.I. officials allows two parcels in Estate Bakkerøe to be used for the hotel, a restaurant and pool bar. According to the company’s lobbyist, former Sen. Roosevelt David, the hotel will bring dozens of jobs and an economic shot-in-the-arm to St. Thomas.

But nearby Bakkerøa residents are not pleased with the notion of another hotel, restaurant, pool, bar and, possibly, an in-house laundry in the neighborhood that already hosts the Frenchman’s Reef and new sister resort, Noni Beach. Both resorts are expected to open in 2020.

In October, 27 property owners in the immediate vicinity of the Isolara Morningstar land voiced opposition, in person or in writing, at the Department of Planning and Natural Resources hearing on the rezoning request. Opponents to the project said the hotel would devalue nearby homes by bringing trash, health and safety concerns, late-night traffic and bars, and a permanent change to the character of the tight-knit community.

Wilbur K. Callender, a 34-year-resident of Bakkerøe, claimed the property had been used as a multi-unit rental, despite the property’s low-density R1 Zoning. In a letter to Senate President Novelle Francis, Mr. Callender said rezoning the property for a 30-room hotel would be a “slap to the face of Bakkerøe homeowners, and Virgin Islanders in general.”