

The Virgin Islands Consortium

Coronavirus Brings Tourism in the USVI to its Knees

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WICO Dock on February 27, 2020. The coronavirus threat was growing at the time, however things rapidly changed in the weeks that followed. By. ERNICE GILBERT/ VI CONSORTIUM

ST. THOMAS — Shocked by rapid changes caused by the virulent coronavirus, Bolongo Bay Beach Resort, which Caribbean Journal magazine calls St. Thomas's signature hotel, is winding down operations for the time being.

"We have begun informing future guests arriving through April 12th of the need to postpone trips to Bolongo Bay," said Managing Director Richard Doumeng, in a post to the Medium.Com blog site. "For those already here, we are advising them to book earlier flights home while availability and prices are still so favorable. Every airline and Tour

Operator has suspended their cancellation charges and change fees. We want you to decide when to return home, while the decision is still yours to make."

The family-owned Bolongo Bay hotel also houses Iggies Oasis, the south shore's popular bar and restaurant. It is unclear what the change in operations will mean for dozens of employees, but an extended shut-down to tourists won't be good.

Not so long ago, Bolongo Bay was off-line for tourists because of a different sort of disaster. Hurricanes Irma and Maria slammed the dozens of guest rooms and the Iggies bar and restaurant. Bolongo hosted hurricane relief workers for months after the storms, but hotel, restaurant and other support jobs suffered.

"There are no good answers here," Mr. Doumeng said. "Like all safety precautions, implementation can also lead to the appearance of over-reaction. As in the case of an approaching hurricane, you've got to take potentially disruptive action when the sun is shining and the breeze is mild."

Mafolie Hotel and Restaurant

No changes have been implemented at Mafolie Hotel and Restaurant, according to management staff contacted by phone on Tuesday afternoon. The hotel and restaurant remained open as management monitors the fast-changing circumstances. The Consortium was told that no cancellation would be charged to travelers who opted to cancel plans.

The Ritz Carlton

According to Ritz Carlton front desk staff, there have been no changes in hotel operations, as of Tuesday afternoon.

Margaritaville Vacation Club of St. Thomas: No New Guests After March 20th

Wyndham's sprawling Margaritaville in Smith Bay will accept no new reservations from March 20th until further notice, according to local resort staff.

St. Croix

The story is similar on St. Croix, where as of Tuesday the Buccaneer Hotel — the island's most renowned — had dropped to 40 percent occupancy, according to a D.O.T. official. At least one hotel on the island saw hotel occupancy plummet to 10 percent.

The steep declines are likely to cause closures and layoffs, if historic data is to be factored. According to the Wall Street Journal, Marriott International Inc., the world's largest hotel company with nearly 1.4 million rooms world-wide, said it is starting to furlough what it expects will be tens of thousands of employees as it ramps up hotel closings across the globe.

The coronavirus, which as of early Wednesday had killed 7,954 people and infected almost 200,000, according to John Hopkins University, has brought tourism activity on St. Thomas, St. Croix and St. John — and indeed much of the world — to a halt, with governments across the board scrambling to arrest the pandemic before it causes more

harm than it is already expected to exact.

On the U.S. mainland, the Trump administration, the Federal Reserve and politicians on Capitol Hill raced to inject the economy with stimulus packages aimed at cushioning the financial impact Americans and businesses both small and great are sustaining. To support Americans, Mr. Trump backed a \$1 trillion stimulus package that includes sending checks worth \$1,000 to Americans. Mr. Trump on Tuesday met with hotel and travel industry executives, who made their case for financial aid that would include direct cash payments of \$250 billion. U.S. air carriers are also in talks with the Trump administration to secure an additional \$50 billion in aid, according to WSJ.

Back in the USVI, whose tourism product banks heavily on the cruise industry, the new reality's punishing impact was on full display at the WICO and Crown Bay facilities in St. Thomas. The two docks, busy with activity mere weeks ago, look like ghost towns as cruise ships have placed a 30-day hold, for the least, on operations.

In March and April alone, a total of 92 ship calls with a capacity of more than 275,000 passengers were scheduled to pass through St. Thomas, with an occasional ship calling on St. Croix.

Dept. of Tourism Commissioner Joseph Boschulte on Monday during the Bryan administration's press conference on the coronavirus, gave details about the steep drop in tourism activity — from diminishing inbound airlift to drastically lower hotel occupancy.

"We've actually, yesterday and today, have seen the turn in hotel occupancy," the Tourism commissioner said Monday. "Before we were holding very strong with few cancellations. The timeshares were almost at 100 percent. Hotels were between 50 and 60 percent occupancy. This week and moving forward we're seeing them down to 30 percent. And we're seeing the flights that were coming in Friday and Saturday were full, shifted Sunday, and now today coming in with over 100 seats open."

He added, "What we are seeing is that the airlift out of the territory is high."