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St. Croix Is “Dying Slowly,” Vialet Says, Calls for Airport, Hotel and Manufacturing Push

Vialet says St. Croix can rebound if leaders invest in the airport, attract hotels and manufacturers, restore stronger airlift and use recovery dollars more strategically, but warns the island cannot keep accepting limited development and excuses.

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An aerial view of the historic down of Christiansted, St. Croix. By. GETTY IMAGES.

Senator Kurt Vialet says St. Croix is falling further behind St. Thomas economically and needs a far more aggressive development strategy centered on airport investment, hotel growth, airlift recruitment, manufacturing and stronger executive leadership.

During a Monday night interview with V.I. Consortium, Mr. Vialet said the difference in commercial activity between the two islands is visible and troubling. He described St. Croix as an island that has been repeatedly asked to accept less investment, less urgency and smaller development plans while St. Thomas continues to receive larger-scale attention.

“The island dying slowly,” Mr. Vialet said of St. Croix, while discussing why he chose to seek reelection to the Senate rather than enter the 2026 gubernatorial race.

Asked to elaborate, Mr. Vialet said the economic contrast between St. Croix and St. Thomas is stark for anyone who travels between the islands. He said St. Croix needs leaders willing to challenge development decisions that leave the island with smaller projects and fewer opportunities.

“You could see a stark difference in terms of just economic activity,” he said.

Mr. Vialet said one of the clearest examples is the territory’s airport redevelopment planning [under the V.I. Port Authority's P3 effort](#). He said St. Croix cannot continue accepting proposals that dedicate far more money and ambition to the St. Thomas airport while offering St. Croix only basic improvements.

He said arguments that St. Croix has fewer flights should not be used as a reason to limit investment. Instead, he argued, airport development should be used as a tool to attract more flights and strengthen the island’s tourism economy.

“How do you change that?” Mr. Vialet asked. “Why can’t we really put some money into the airport, so that we can say, well, now we can attract flights?”

Mr. Vialet said St. Croix has too often been held back by explanations for why development cannot happen, rather than by leaders pushing to make it happen. He said senators from St. Croix must insist that any major territory-wide project include a stronger investment plan for the island.

“For too long there has been every excuse not to develop St. Croix,” he said.

The senator also pointed to hotel development as a critical part of the island’s recovery. He referenced legislation he sponsored to adjust the Hotel Development Act specifically for St. Croix, saying the goal was to attract major hotel investment by offering incentives tied to meaningful redevelopment, added room capacity and substantial private investment.

Mr. Vialet said that legislation is now tied to activity surrounding Carambola Beach Resort, where he said a major five-star hotel chain with reach in Europe and Canada is [pursuing a project](#). He said the company has expressed interest in revitalizing the property, refurbishing rooms, adding rooms, and bringing amenities such as pools, spas and restaurants.

He said the natural landscape surrounding Carambola gives St. Croix an advantage that cannot easily be replicated elsewhere.

“They said exactly that, that other areas, other destinations, other hotel properties that they purchase, they gotta do a lot to enhance it, but looking at Carambola, the landscape, and the hills, the natural environment, you can’t buy that any place,” Mr. Vialet said.

If the project is completed, he said, it could become a high-end hotel destination and potentially encourage additional investment on St. Croix.

“I expect it to be a top-notch hotel destination with a top-notch name brand that hopefully will bring other projects to St. Croix,” he said.

But Mr. Vialet argued that the territory should not rely on tourism alone. He said St. Croix and the wider Virgin Islands should be pursuing manufacturing, pharmaceutical production and other industries that could benefit from the territory’s status as American soil while still allowing the government to offer tax incentives.

He said global economic shifts and the national focus on products made in America should have already prompted Government House to send down new economic development packages.

“My recommendation was, find a niche market, find a market that you want us to expand,” Mr. Vialet said. “I said pharmaceutical because we did it before.”

He pointed to the territory’s past experience with pharmaceutical companies, watch factories and other businesses that once provided meaningful employment. He said the government should be meeting with major players in targeted industries and explaining the tax benefits of operating in the Virgin Islands while producing goods on American soil.

“What are we doing to get some of the manufacturing back to the Virgin Islands?” he asked.

Mr. Vialet also criticized the current use of the former Diageo warehouses, saying they should be repurposed for economic activity rather than being held by the Department of Education. He suggested the properties could be used as a refurbishment center serving both the Virgin Islands and the wider Caribbean.

“To me, that’s a waste of time,” he said of the current arrangement. “They don’t need to be owned by the Department of Education, they need to be repurposed.”

The senator said the executive branch must take the lead in marketing the Virgin Islands and pursuing investment opportunities, while the Senate can support that work through legislation. He said the territory already has a number of laws and incentives that can support growth, but those tools must be acted upon.

“We have a lot of legislation, but they got to act on it,” he said.

Mr. Vialet also said the territory needs a clearer strategy for air capacity, particularly after the loss of Spirit Airlines. He said St. Croix remains too dependent on limited daily service, with American Airlines being the only carrier offering consistent daily flights. He said the territory should be working to bring back cost-effective carriers, naming Frontier as one possible option for reentering the St. Thomas and St. Croix markets.

“There’s a lot that needs to be there,” he said. “We need a clear position from the Department of Tourism in reference to that air capacity.”

Mr. Vialet questioned whether the territory made the best use of hundreds of millions in federal COVID relief funds, saying more of those dollars should have been directed toward long-term transformation. He noted that \$100 million went to WAPA, yet residents have not seen meaningful relief in their electric bills.

“Why don’t we see a reduction?” he asked, saying the utility and administration should provide clearer numbers on savings from solar generation, debt repayment and when ratepayers can expect

relief.

For St. Croix, Mr. Vialet said the larger issue is that development decisions must become more deliberate, more ambitious and more equitable. He said airport investment, hotel growth, manufacturing recruitment, airlift expansion and better use of federal resources are all part of a broader strategy that must be pursued if the island is to reverse its current trajectory.

He said the next governor will need to work closely with the Senate, but also must actively market the territory and move beyond passive conversations about development.

“The discussion is going to be had with whoever is a new governor to say you have cooperation within the Senate,” Mr. Vialet said. “But we need you to go out and we need you to market the Virgin Islands.”

Mr. Vialet said his decision to remain in the Senate is directly tied to that effort. He argued that St. Croix needs experienced lawmakers at the table who are willing to challenge limited plans, push for parity and demand development that can change the island’s economy.

“That’s one of the main reasons why I ran back for the Senate,” he said. “I’ve been pushing for St. Croix for a long period of time, and I gotta continue to push.”

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