The Virgin Islands Consortium

Tenants Of Havensight Mall In St. Thomas Threatened With Eviction Notices

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The West Indian Co., better known as WICO, sent letters to some tenants seeking owed rent, and threatening eviction for those who fail to comply.

"There have been many times tenants were delinquent in rent a few times, and they were never enforcing their lease rules, and now I believe they are starting to enforce the lease rules," Havensight Merchants Association President Ram Mirpuri said.

According to WICO President and Chief Executive Officer Joseph Boschulte, notices recently went out to less than 25 percent of the mall's 60 tenants. "We haven't done anything that's outside the lease," he said.

WICO owned the Havensight Mall until 1993, when it was sold to the Government Employees Retirement System (GERS). WICO has continued to manage the mall since its sale under a contract that's renewed every five years.

The contract has been expired for over four years, but GERS and WICO, two government-owned agencies, cannot agree on the terms of the new contract, so while negotiations are ongoing, WICO has continued to manage the property on a month-to-month contract.

"We have a responsibility to the owner, GERS, to continue to collect revenues that the system expects," Boschulte said. "We empathize, but we also recognize that we have our own responsibility for our contract with GERS."

Boschulte said he would not comment on the letter or lease because the matter was private.

Virgin Islands Economy

While the Virgin Islands economy continues to slowly recover, businesses across the territory have struggled to keep their doors open, and over the years GERS has reduced tenants' rent during the slow summer months.

This year, however, there has been no reduction to date.

On Tuesday, it was announced that the territory's Gross Domestic Product had dropped by 5.4 percent from $4.14 billion in 2012 billion to $3.79 in 2013. The drop was blamed on the closure of the Hovensa refinery and a decrease in consumer spending.

The Gross Domestic Product of any nation, sometimes called the Gross Territorial Product in the Virgin Islands, is the value of goods and services that an economy produces at any give time.

When determining GDP, economists look at various factors, including imports, exports, consumption, government spending, taxes, and corporate and personal income levels.

Havensight businesses have suffered even more in recent times as road construction continued, but now that the job is complete and more ships are expected in St. Thomas than previously projected, Boschulte expects business to improve for tenants of the mall.