

The Virgin Islands Consortium

Mapp Sends \$1.35 Billion 2017 Budget To Senate; Includes \$300 Million For Capital Projects

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ST. THOMAS -- Beating the May 30 deadline [for a second year](#), the Mapp administration has forwarded the governor's second fiscal budget to the 31st Legislature, totaling \$1.35 billion in expenditures and debt service cost, of which \$300 million will be used, the administration says, to fund "capital projects and improvements to our infrastructure."

"The capital projects are intended to stimulate our recovering economy," said Governor Kenneth Mapp in his [transmittal letter](#) to Senate President Neville James. "The capital project budget will address a number of obligations under various consent decrees including our landfills, prisons, hospitals and police department. It will fund maintenance, repairs and restoration of a number of public schools, including the shuttered Elena

Christian Jr. High, the Evelyn Williams and Joseph Gomez Elementary Schools. The government has identified non-federal land to construct a new K-8 grade school on the island of St. John and the Governor is requesting \$32 million to construct the new school."

And he was glad to highlight what he revealed at the St. Croix 2016 UVI graduation ceremony earlier this month: [funding for a new multipurpose sports and events center](#) on the campus, as well as funding "the revitalization of the Hospital Ground Community, including the Lionel Roberts Stadium and Winston Raymo Recreation Center on St. Thomas."

"The Department of Sports, Parks and Recreation will host a community charrette in Christiansted to design improvements of the Susana Santana Ocasio Park at Altona Lagoon and Cramer's Park on the east end. We are also requesting funds for the construction of the emergency operation center for VITEMA/911 at Herman Hill and funds to construct new offices to house the Department of Justice in Estate Orange Grove," Mr. Mapp added.

The fiscal year 2017 budget is comprised of \$1.16 billion (86%+/-) of local funds, and \$193.5 million or (14%+/-) of federal grant funding, according to the administration. Mr. Mapp said the budget is about creating work for residents, as well as recognizing the nonprofit sector's importance to the fabric of the U.S. Virgin Islands.

"The budget as submitted to you today is about work. It provides additional resources to our departments and agencies so our employees can better serve our community. This budget also acknowledges the hard work and valued importance of the third sector of our community; the not-for-profit sector. This sector provides many important services and takes care of vital social responsibilities that are inappropriate for the private sector and most inefficient in the public sector," said the governor.

He recommended an increase in almost every category of contributions and grants to nonprofits, which places more emphasis and provides more support to programs and activities that nurture the territory's children. Mr. Mapp is requesting an increase in grant support for programs and intervention services to aid families in crisis; programs to target domestic violence and programs that offer help to those suffering with substance abuse.

Government House contends that the 2017 budget reaffirms to public employees that salary increases are sustainable and to taxpayers that the [timely receipt of their income tax refunds](#) are vital to the islands' economic recovery. The administration also asserts that the budget provides for a restructuring of the government's debt; to take advantage of lower interest rates; to fund new capital projects; and to reduce the territory's debt service cost by more than \$50 million each year.

"The 2017 budget as submitted to you today is about work and my administration will lead this charge," Mr. Mapp said. "We believe it is vital that we add momentum to our economic recovery." The administration believes that the capital budget will circulate monies in the economy, create jobs and produce an improved infrastructure that will attract investments in the private sector and propel growth. And it says the new budget creates 885 newly funded positions; although it was not explained how that number was determined.

The governor says the territory's economy is on an upswing, with hotel occupancy rates running on average at 75 percent on St. Croix, which is higher than the industry standard in this region, according to the administration. Government House says the Department of Tourism is capturing new and expanding air routes to the territory and to St. Croix, an upward movement, it says, is the foundation for the growth momentum in the economy.

But the governor has been having trouble in getting St. Croix senators to support the hotel project [he announced this year](#) -- to be built in the district that said senators represent.

"As governor, I am making my fourth request to the Legislature to act on my proposal to reprogram \$1 million previously earmarked for the HOVENSA litigation to develop, identify a brand and identify financing to build a full service luxury resort on St. Croix," Mr. Mapp said.

"I do not understand why I am having such difficulty with senators from the district of St. Croix in moving this project forward."

Even so, the governor said he remains committed to working with the Senate to continue building the territory in an effort to better the lives of Virgin Islanders.

"As you consider this budget for fiscal year 2017, I want you to know that I remain committed to working with the Legislature to implement vital changes to expand the economy through sound financial stability, and a sound plan for economic growth. Let us continue to pursue our joint desire of making our home and economy a marquee example, using a cohesive approach of cooperation and development. Let us forge ahead and not stand and complain, for in forging ahead we will be able to turn obstacles into opportunities for the wonderful people of the U.S. Virgin Islands," Mr. Mapp concluded.