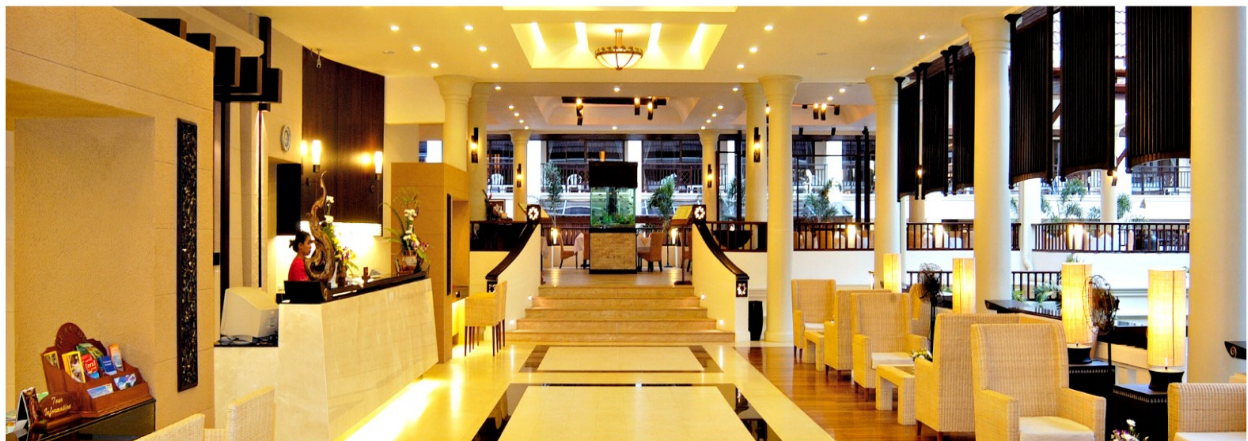


# The Virgin Islands Consortium

## Senate Will Soon Take Up Bill To Appropriate Funds For St. Croix Four-Star Hotel Development, But Funding Source May Be Different

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ST. THOMAS -- Moments after The Consortium [ran a story](#) in which Governor Kenneth Mapp said St. Croix senators were stalling progress on his administration's efforts to build a four-star hotel on St. Croix, Senate President Neville James told The Consortium that a hearing date would soon be set.

"The bill will be introduced in the near future in the Committee of Finance," Mr. James told this publication on Sunday. The Senate president said the bill's last authorship holder, Senator Marvin Blyden, had released it so the measure could be reintroduced for

the purpose of securing the \$1 million funding that Mr. Mapp said would be needed to “to develop, identify a brand and identify financing to build a full service luxury resort on St. Croix.” The \$1 million -- taken from the government’s Insurance Guaranty Fund, which exists to cover Virgin Islanders against insurance companies that fail -- was previously appropriated to fund HOVENSA litigation. But that case settled and the funds were never expended.

Mr. James said the governor’s concern of the prolonged time it’s taking to get the measure to the floor was legitimate, but he said the process takes time because the Senate’s legal counsel must comb through the bill to make sure that it keeps within the Constitution. He said many times the Senate has had to correct errors found in measures sent by Government House.

But Mr. James said he and other senators failed to understand why the governor simply could not use monies from what’s remaining of the [ArcLight/Government of the Virgin Islands agreement](#) that saw \$220 million being wired to the general fund. He said those monies could easily be used, and it would also keep the governor in control of the conversation surrounding the four-star hotel, as senators would not be able to take any partial credit for its development if it were to come to fruition.

To that end, Mr. James said the governor is overreaching.

"The governor seems to be looking for more control of the government’s finances than he already has," Mr. James said. "The bill will be heard, but we may well change the funding source." He said the Senate may simply decide that the governor should use general fund monies.

[Earlier this month](#), Mr. Mapp explained why the funds are needed, but he never hinted that he could use general fund finances to commence the effort.

“Those resources are needed so that the transaction team can begin its work to structure a project, develop a brand partner, develop initial schematics and locations for the island of St. Croix, and to go out to the market to bid for a brand partner — meaning a Hyatt, a Hilton, a Starwood, a Marriott — whoever the transaction team determines would be the best player for this project, and to begin the process to determine the source of the financing, that then allows me to submit to the Legislature for their consideration a completed package that can begin the construction and development,” Mr. Mapp said.

Mr. Mapp announced the four-star hotel project for St. Croix [during his 2016 State of the Territory Address](#). In February, the governor [revealed](#) what he dubbed a “transaction team” whose job is to identify partners to bring the governor’s vision to fruition. Mr. Mapp said experts have concluded that a first class resort affiliated with an internationally known brand, is what’s needed to attract the flights and commerce necessary to truly develop the big island’s tourism industry.

The team includes Dept. of Tourism Commissioner Beverly Nicholson-Doty, Attorney Joel Holt, Government House Chief Counsel Emile Henderson, Finance Commissioner Valdemier Collens, Chief Economist Dr. Simon Jones-Hendrickson and St. Croix hoteliers Mr. Jack Pickle and Elizabeth Armstrong, the latter being an owner of the upscale Buccaneer Hotel here.

“I have asked the PFA [Public Finance Authority] to have the destination study updated,” Mr. Mapp said [during his 2016 SOTA](#), referring to a study held to locate an area on St. Croix best suited for the resort. “It is my administration’s objective to send to this body before year’s end a development project for the construction and operation of a branded hotel facility of at least 4-stars and not less than 250 rooms for the island of St. Croix. In the coming days, I will announce a project team of persons from the public and private sectors who will assist the administration on putting together a transaction deal with a major brand for this facility.”

The governor reiterated this intention in the transmittal letter to Mr. James.

“Building an upper upscale hotel of at least 250 rooms and the ancillary facilities will create hundreds of new jobs, drive construction activity and generate a synergy for other private sector tourism related investment on the island. The stark reality is; St. Croix needs the rooms,” he said.

During the annual Chamber of Commerce Meeting held on this island in February, the governor said that the territory could expect a growing number of visitors as the national economy improves and American travelers have an increased desire to stay within the security of the United States. Adding a major resort on St. Croix, he argued, would bolster the island’s appeal.

“Now is the time to make sure our infrastructure is in place so we are able to attract new visitors to our shores,” he said.