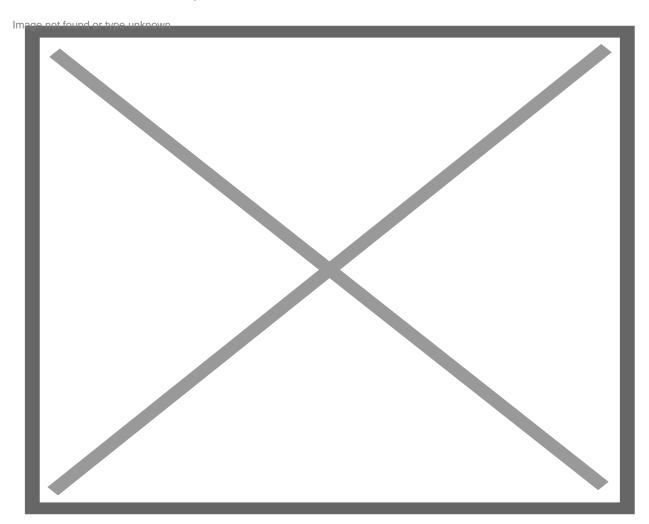
Port Authority Sets in Motion 140-Room Hotel Development Near St. Croix Airport

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A Best Western Premier Hotel in Jacksonville, Florida. By. BEST WESTERN

ST. CROIX — The V.I. Port Authority Governing Board on Wednesday voted to authorize VIPA Executive Director Carlton Dowe to commence negotiations for a hotel across the Henry E. Rohlsen Airport, just southwest of it, representing another big action from the Port Authority as it continues to move forward with major projects amid a pandemic.

The Consortium learned of the potential development on Oct. 7. The lead on this latest effort is Port Authority Assistant Director and Director of Engineering, Damian Cartwright. The hotel, once built, would consist of 120 to 140 rooms and would be conveniently located on a 10-acre lot across from the airport, said Mr. Dowe. The lot is part of a VIPA-owned 400-acre property that

has looked attractive to potential investors for decades, yet shunned because of its nearness to the Anguilla Landfill.

But with the Anguilla landfill <u>scheduled to permanently shutdown</u>, the land's prime location — literally a stone's throw away from the airport — has become attractive enough to entice Global Solutions, LLC, to start negotiations with VIPA to build the hotel, which will be a Best Western Premier-branded outfit.

According to Mr. Dowe, Global Solutions first reached out to Governor Bryan, who then directed the company to the Port Authority. From there, Mr. Cartwright, VIPA's property department, along with the authority's legal team took the lead on securing an agreement in principle.

The agreement in principle gives Global Solutions three years to have substantial construction work done on the project, or have it completed altogether. If Global Solutions fails to meet the clause, the land reverts back to the Port Authority. The authority will also receive a percentage of profits, similar to an agreement VIPA has with Emerald Beach Resort in St. Thomas. Mr. Dowe said Global Solutions is expected to spend a minimum of \$15 million to build the facility, though total cost is expected to be more.

The hotel would increase room capacity on St. Croix by up to 20 percent. Mr. Dowe said it would also be a hotel utilized by pilots and other travel industry professionals, and would encourage inter-island travel for a variety of activities. The hotel would also create over 200 jobs, with 80 percent of employees being local individuals.

The hotel would be a much-needed boost for St. Croix, which has lagged behind in hotel occupancy compared to sister island St. Thomas. "It continues to be the chicken or the egg. As we talk about more airlift to St. Croix, the first thing people ask is where folks will stay, and hotel rooms continue to be the problem. Now, the whole world could see that there's some movement on that front," Mr. Dowe said.

Creating a potential new hub for commerce

With the 10-acre lot set aside for the hotel sitting on over 400 acres of land, Mr. Dowe said the opportunity is ripe for further development activity — potentially creating a new hub for commerce on the island that could attract a range of businesses: restaurant chains, boutiques, entertainment and Starbucks, perhaps.

"If you could get a hotel to come in that area, then definitely more business could be attracted," he said.

The 8-1 vote in favor of moving forward (only board member Lee Steiner voted against the authorization to negotiate) paves the way for Mr. Dowe to negotiate with Global Solutions.

The approval to move forward with negotiations is not a contract that sets in motion actual development. Before any such action, VIPA executives along with Global Solutions, would have to present a more detailed plan to the Governing Board that would assure safeguards for the authority.

The Port Authority made a lot of concessions to secure the deal, Mr. Dowe said. "A major hotel hasn't been built in the territory in over 20 years. And what I said to the board is we're going to have to try to take this opportunity and see what comes of it." Mr. Dowe pointed to the stellar Marriott Resort in St. Kitts, which has become a major attraction for the island. "The land that the

Marriott was built on, the St. Kitt's government literally gave it to them. So we're saying that we've got to step out the box," he said.

The land across the Henry E. Rohlsen Airport has been sitting unused for more than 50 years, Mr. Dowe said. "No real movement, just talk. We're hoping this will be the impetus" for further development on St. Croix.

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