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Public Finance Authority Votes to Sell or Lease Government-Owned King's Alley Hotel

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The King's Alley Hotel in Christiansted. By. KING'S ALLEY HOTEL

ST. CROIX — The V.I. Public Finance Authority during a Wednesday board meeting voted in favor of either selling or leasing the government-owned King's Alley Hotel, the boutique lodging facility in the heart of downtown Christiansted. During the meeting, "the resolution to authorize a competitive negotiation process for the sale/lease of the King's Alley Hotel and/or adjacent vacant lot of the Anchor Inn Site" was approved unanimously.

In a statement provided to the Consortium following an inquiry, P.F.A. legal counsel Kye Walker said the authority had been receiving inquiries and proposals from parties interested in purchasing King's Alley Hotel and the Anchor Inn site. "As a result, the Governing Board in 2019 obtained

appraisals for both properties and, later in 2020, engaged a hotel development company to provide a detailed Market Study and Valuation Analysis Report of both properties to guide the Board's decision as to the best use of the properties for the benefit of the People of the Virgin Islands," Ms. Walker said.

According to the attorney, after receiving information through the market study and valuation analysis report, along with the hotel's performance history as operated by the government, "the Board does not believe it is in the Government's best interest to continue to operate a hotel."

She added, "Now that [the board] has gathered useful information from both the appraisals and the market report, it is exploring the sale and/or lease of both properties and will consider proposals for both in the hopes of obtaining the best value for the Virgin Islands."

Ms. Walker said the competitive negotiation process "will involve the solicitation of proposals from entities that previously expressed an interest in either or both properties as well as neighboring hotel developers and operators, and is authorized by both the Board and the Authority's procurement policies and procedures. The final decision will be made by the Board at the conclusion of the process."

The 21-room hotel opened to the public in 2008 but was owned by the government since 2001 when the P.F.A. took control of the facility after its owners defaulted on a loan. The hotel includes a [two-bedroom suite](#), [a deluxe king suite](#), and a conference room balcony overlooking the Christiansted boardwalk. It's also a walk away from entertainment and restaurants, making it a valued property with potential for further development and utilization.

In other hotel-related news, the government of the Virgin Islands has chosen a company [for a new resort development](#) that will replace the current Hotel on the Cay and transform the pristine property into a 115-room facility to be renamed the Christiansted Harbor Resort Hotel & Marina. The resort's projected cost is \$55 million, and it is expected to be completed in 2024, with groundbreaking and hotel occupancy by July of the same year.