The Virgin Islands Consortium

PFA Approves Contract With Consulting Firm as Sale or Lease of Kings Alley Hotel and Anchor Inn Site Draws Closer

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Kings Alley Hotel **By. KIA GRIFFITH FOR VI CONSORTIUM**

ST. CROIX — The V.I. Public Finance Authority (P.F.A.) during a Wednesday board meeting unanimously approved the ratification of a contract for professional services with Atlantic Caribbean Consulting, LLC (ACC) to assist with the solicitation and selection of a hotel developer and/ or operator for the purchase or lease of the Anchor Inn Site and the Kings Alley Hotel properties.

The agreement includes staggered payments of $47,500 with an expense cap of $2,500. The contract amount is not to exceed $50,000.

“The board has authorized a competitive negotiation process for the sale of or lease of [both properties]. The P.F.A. needed and continues to need some technical expertise with that,” said P.F.A. legal counsel Attorney Kye Walker.

Although various offers for purchase were proposed, Governor Albert Bryan agreed that a fair and transparent request for proposals is best so that “everyone has an opportunity to bid and we pick the best choice for the government,” he said.

Atlantic Caribbean Consulting was contracted by the government to provide the following services: (1) Prepare the solicitation package, (2) review proposals, (3) identify the most qualified proposals, and (4) submit proposals to the P.F.A. board. The board will then conduct interviews and make a final decision.

According to legal counsel, ACC already prepared a solicitation package that will be ready to issue this week to firms and individuals who previously expressed interest as well as nearby hotel companies and hotel developers. They will conduct two tours of the properties to individuals interested in submitting proposals.

Several feasibility studies and analyses were completed on both properties by Resort Development Company—a Florida corporation—around September 2020. Resort Development Company worked in tandem with Atlantic Caribbean Consulting— a hotel and resort development company on St. Croix— on the studies, so ACC has a working knowledge of both properties. Therefore, it was fitting for the P.F.A to request that ACC assist with the solicitation and selection process, the PFA explained.

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. According to a previously published statement by Ms. Walker, "the Board does not believe it is in the government’s best interest to continue to operate a hotel,” hence this upcoming RFP process.

The hotel includes a two-bedroom suite, a deluxe king suite, and a conference room balcony overlooking the Christiansted boardwalk. It's also within walking distance to the Caravelle Casino, live entertainment and an array of restaurants in the town area, making it a lucrative investment with potential for further development and utilization.

In other news, the board unanimously approved the Office of Disaster Recovery entering into a $72,000 a year (or $6,000 per month), two-year term lease with Blackbird Property, LLC for use of office space in a two-story building at 14A & 14C Strand Street, Frederiksted. The lease has a two-year option to renew. Currently, the ODR is sharing space with the P.F.A. and requires their own location for their 34 employees on St. Croix. Since the Legislature is no longer on the western side of the big island, many of the popular local restaurants that workers frequented for lunch like Paquito’s have since closed their doors, according to Governor Bryan. He anticipated that the ODR’s employees would add commerce to downtown Frederiksted. On St. Thomas, the ODR is also seeking office space, forcing their employees to be on a rotating schedule.