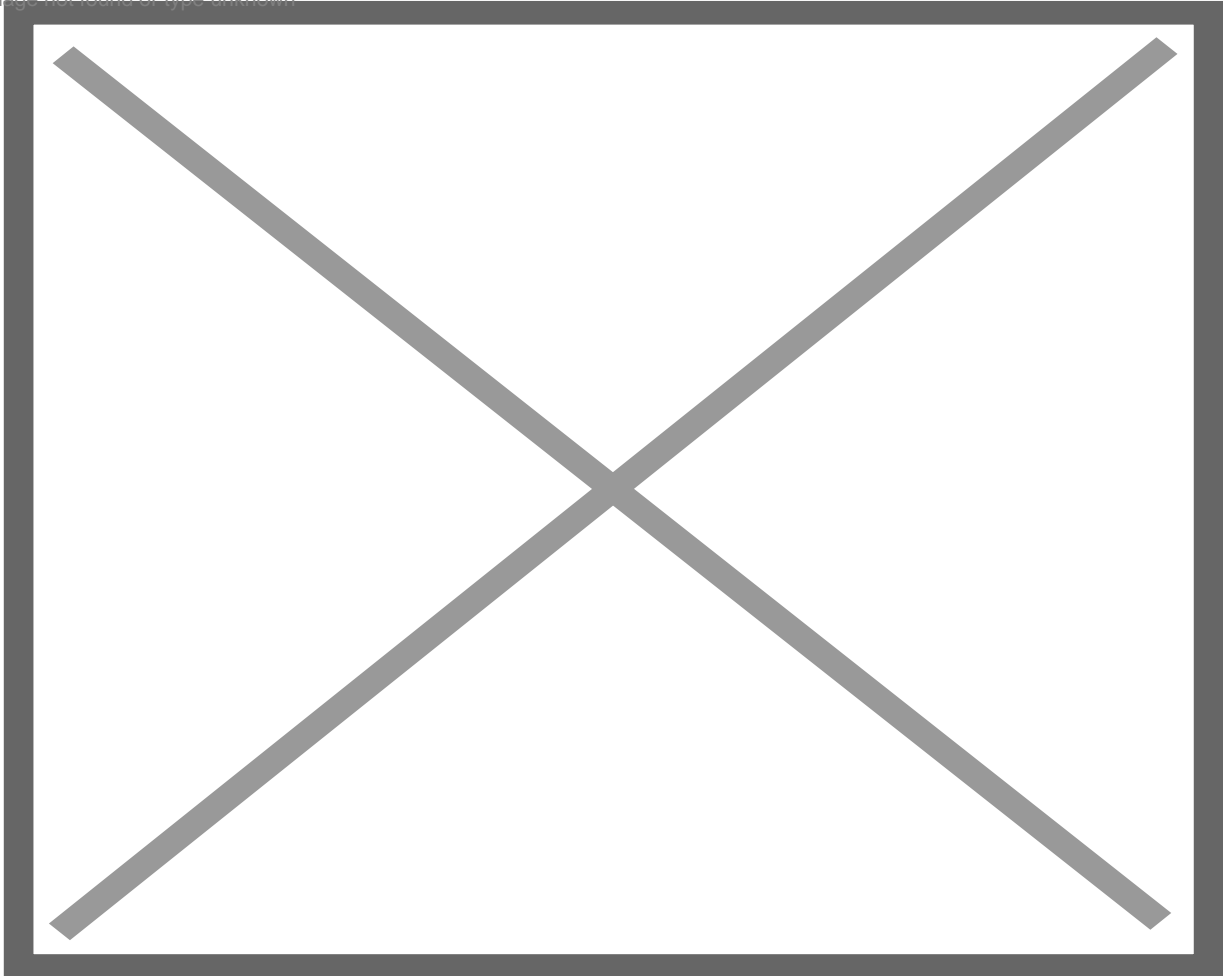


How NOT to Spend Seventeen Million Dollars

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The West Indian Company Dock in St. Thomas. By. V.I. CONSORTIUM

The V.I. Consortium recently [reported](#) that the Virgin Islands Public Finance Authority had miraculously “discovered” a surplus of \$17 million in gross receipts tax revenues in the coffers of the PFA. Governor Bryan immediately instructed the PFA to allocate that money for dredging Charlotte Amalie Harbor to allow the berthing of the new Oasis class of mega cruise ships.

I can think of many ways to spend \$17 million to improve the lives of Virgin Islanders, but dredging of the St. Thomas harbor is not one of them.

We could allocate one million dollars to each of the seventeen most in-need public schools in the territory to pay for classroom supplies, emergency safety repairs and other critical educational needs.

We could expedite the construction of a permanent healthcare facility on St. John, as opposed to the modular units which have been in use since 2017.

We could provide funding for a vocational training school on St. Thomas or St. Croix to provide worthwhile alternatives to a university education for our young adults. Culinary arts, mechanical skills, construction trades are all in demand across the territory.

We could fund the construction and staffing of Virgin Islands History and Culture museums on each of our islands to help reinforce the limited teaching of Virgin Islands history in our public school curriculum.

We could finally construct the Paul E. Joseph Stadium and convert that mud hole into something useful for the people of St. Croix.

Each of those ideas would be a worthwhile expenditure of public funds.

Cruise ship tourism, on the other hand, is a failing business model. The Oasis class ships are self-contained floating resorts carrying over 5,000 passengers. Recent studies have shown that the average cruise passenger spends around \$165 in the USVI. Even if the dredging allowed for 20 new Oasis class arrivals per year, this new cruise traffic would generate only a little over \$800,000 in gross receipts tax revenues per year and around \$600,000 in per-passenger port fees.

Spending \$17 million on a project that will not be paid back for over ten years, and which has a lifespan of less than ten years, is clearly a very, very poor business decision.

Needless to say many of the most outspoken voices in the St. Thomas business community are strongly in favor of dredging the harbor, building a new long wharf, and doing everything conceivable to bring in more cruisers every year. That traffic flows straight to their bottom line.

But as for the PEOPLE of the Virgin Islands, this is the worst way to spend seventeen million dollars that I can imagine. Priorities, priorities, priorities.

Submitted on Tues. July 19, 2022 by: David Silverman, Coral Bay, St. John