

The Virgin Islands Consortium

RTPark Moving From Strength to Strength; Lawmakers Pleased With Budget Hearing Presentation

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UVI's RTPark building on the St. Croix Albert A. Sheen Campus.

After 21 years, RTPark is on solid footing when it comes to serving as an economic engine for the territory, according to CEO Peter Chapman when he came before the 35th Legislature's Committee on Budget, Finance and Appropriations last Thursday.

While RTPark neither requests nor receives an annual appropriation from the Legislature, Mr. Chapman pointed to this testimony as a progress update to lawmakers. He touted a projected \$250 million increase in revenue since 2017, and the elimination of a \$4 million debt. RTPark's financial success will result in a boon to the University of the Virgin

Islands (UVI), which it supports, with UVI on track to receive over \$2.7 million from RTPark this year. "This success is directly attributed to our implementation of a more aggressive and comprehensive economic development programming model," Mr. Chapman noted. RTPark's growth led to its recognition as a best-in-class economic development organization by the International Economic Development Council.

Upon questioning by Senator Novelle Francis, Mr. Chapman explained that there was no legislative guidance on the amount of money RTPark provides to UVI, explaining that the organization had to find a balance between "using that money for programs that support entrepreneurs ... and how we use those dollars for the university." He also noted that RT Park wants to avoid "cannibalizing" other critical needs, but vowed to continue the financial support provided to UVI.

RTPark is now attracting mature companies, Mr. Chapman said, highlighting examples such as FarmShelf and M1 Enterprises. "These businesses are reflective of the RT Park's increasing focus on attracting quality over quantity," said the RTPark CEO. He also highlighted the organization's entrepreneurship-building activities, including the Accelerate VI program and the USVI Idea Incubator, noting their success in growing revenue and capital.

With respect to entrepreneurial funding, Mr. Chapman provided an update on the Catalyst Fund, designed to provide financing for larger businesses and development ventures. He reported that "\$3.1 million is encumbered" and that more applications are expected to deplete the remaining funds. He emphasized the importance of these funds, saying, "This funding is critically important [...] because existing local enterprises seeking to expand have few other viable options" for securing low-cost capital."

However, Senator Marvin Blyden pointed out that only six applicants had applied for financing under the Catalyst Fund, and questioned whether RTPark was doing a good enough job in marketing the opportunity. Mr. Chapman explained that the \$5 million fund balance was not a large one in the world of capital investment, and thus could not support too many businesses. "It's a very targeted tool," he told Sen. Blyden, noting the detailed underwriting process. "We will implement a more robust marketing plan when we have more capital on hand, hopefully with the \$30 million that the governor committed several years ago."

Mr. Chapman sketched out what was next for RTPark, outlining several ongoing and future initiatives. He expressed the RT Park's willingness to collaborate with the Legislature on matters like rideshare services in the Virgin Islands, inviting the Legislature to "look to the RT Park as a resource" on the issue.

Mr. Chapman detailed the ongoing Tech Village project, a mixed-use initiative aiming to provide office and research space along with farmland and workforce housing on a 27-acre site. Tech Village, he says, is projected to create an estimated 300 new jobs on St. Croix. However, the project has been plagued with rising costs, requiring new funding to close the gap thus created. "Due to factors out of our control, project costs have increased significantly, especially over the last two years. One such factor includes the global supply chain crunch, which is placing upward pressures on the price of building materials and the overall cost of construction," he told lawmakers. A concurrent request from the VI Housing Finance Authority to increase the number of low-income housing

units in the Tech Village means that RT Park needs an additional \$29 million to ensure all project costs are met. This money, Mr. Chapman told lawmakers, has been committed by the governor from federal the Community Development Fund.

Along with providing work and housing spaces, RT Park has been working on separate, but complementary talent development initiatives, including the Virgin Islands STEM Talent Archive Program (VISTA+). The "#ComeHomeUSVI" campaign was also launched, aiming to attract skilled Virgin Islanders back to the territory.

Mr. Chapman spoke at length about efforts to bolster the territory's creative economy, highlighting a collaboration with actor-producer Tim Reid. This multi-layered partnership is focused on expanding Reid's streaming service, Legacy TV (LGC), into the Virgin Islands and building a film production training program which prepares Virgin Islanders for meaningful participation in the territory's emerging film industry. A major production complex project is slated for St. Croix, and an initiative to transform downtown Charlotte Amalie, St. Thomas, into an innovation district, is "quite comprehensive, and thus requires a separate meeting with the Legislature at the appropriate time to present all of the details," Mr. Chapman alerted lawmakers.

With an eye towards the development of future talent, RTPark is also providing STEM-based learning opportunities for school-aged youth, aiming to introduce basic coding concepts to motivate children for further STEM studies and careers. "During the summer of 2023, just this past summer, the VI STEM Kids program delivered a comprehensive curriculum in general science, engineering and computer science to students in the territory from June 25 to July 25. Over 200 students [...] engaged in a specialized week-long curriculum provided and facilitated by the VI STEM Kids team," Mr. Chapman informed lawmakers.

Chapman concluded by outlining RT Park's focus on diverse and demand-driven workforce development, targeting areas such as defense-related technologies, sustainable development, and healthcare information fields. He also signaled a shift towards systematic fundraising from philanthropy. Legislators lauded the RTPark CEO for the strong showing the organization has made in the past few years, and looked forward to more positive developments in the tech and entrepreneurial space in years to come.