

**TESTIMONY OF  
EDWARD E. THOMAS, CHAIRMAN  
UVI RESEARCH AND TECHNOLOGY PARK**

**BEFORE THE  
COMMITTEE ON ECONOMIC DEVELOPMENT, AGRICULTURE AND  
PLANNING  
31<sup>ST</sup> LEGISLATURE OF THE VIRGIN ISLANDS**

**EARLE B. OTTLEY LEGISLATIVE HALL  
ST. THOMAS, U.S. VIRGIN ISLANDS**

Good afternoon Senator Millin-Young, Chair and other members of this Committee on Economic Development, Agriculture and Planning. I thank you for the invitation to speak about the affairs of the UVI Research and Technology Park, hereinafter referred to as "The Park", headquartered on the island of St. Croix. Appearing with me today is Dr. Gillian Marcelle, the Executive Director of the Park and together we will attempt to answer all of your questions at the end of our spoken testimony.

As Chair of the Board, I will speak to the composition of the Board, its governance mandate, and its overall state of affairs. The Executive Director will focus her presentation on the day-to-day operations, strategies, goals and objectives.

As you are aware, the Park was created by Act No. 6502 on February 21, 2002 and its provisions are set forth in the Virgin Islands Code as Chapters 34 and 43 of Title 17. The composition of the Board, as outlined in its By Laws, consists of the Chairman of the Board of Trustees of the University, the President of the University, two persons selected from among the Trustees by the Board of Trustees, and three members of the community selected by the Governor. (As an aside, the first three community members appointed by then Governor Charles W. Turnbull were Liston Abbott; Kathleen Dyer; and Roger Dewey, who served until 2013.) The members of the Park Board selected from among the Trustees must be Trustees of the University of the Virgin Islands at the time of their appointment to the Board but are not required to be Trustees of the University as a condition of continued service on the Board; provided however, that such continued service may not exceed six months beyond the date that the member's service on the Board of Trustees has ended. The Board has four (4) standing committees (Executive; Real Estate Administration; Finance and Audit, and Operations) which provide for the general direction of the Park. The Officers of the Park are: Edward E. Thomas, Chair; Dr. Adrian Gardner, Vice Chair; President David Hall, Secretary; and UVI Vice President for Administration and Finance/CFO Shirley Lake-King as Treasurer.

Act 6502 mandated that the Park, among other things, would:

- a. Contribute to the formation of a technology community which will enhance the economic development and broaden the economic base of the USVI.

- b. Provide an environment that will encompass commercial facilities that serve the needs of the Knowledge-Based Businesses in the Park, and
- c. Promote scientific research and development in affiliation with and related to the research and development activities of UVI to enhance UVI's mission of teaching, research and public service, and provide for the financial support of UVI under such terms and conditions as prescribed by the UVI Board of Trustees.

The terms and conditions prescribed by the UVI Board of Trustees are contained in a document called Guiding Principles established by mutual agreement between the Park and UVI on October 12, 2002. The Guiding Principles define the relationship between the Park and UVI, the use of certain assets, and standards for governance, management and tenant selection and approval.

With these principles in place, the Park Board hired David Zumwalt as the Executive Director in 2005 and opened for business in 2008. The operations proceeded smoothly and the Park was growing in sphere, influence and tenants until 2013 when the former Governor and his Attorney General challenged the Park's ability to grant tax benefits to "virtual" tenants even though the Park had no physical building. The 64 West Building on the Albert A. Sheen campus on St. Croix was constructed subsequently and dedicated on May 31, 2013. After much debate, eleven members of the 30<sup>th</sup> Legislature voted on June 17, 2014 to override the Governor's veto of the "Malone amendment" which clarified the law as it governs the operation of the Park. The Park was back in business but suffered financially for the two year period as it was unable to generate any significant business.

David Zumwalt signaled his desire to terminate his employment with the Park and did so effective December 31, 2014. With sufficient notice, we started a timely search, advertising both locally and nationally and in January of 2015 Dr. Marcelle was employed as the new Executive Director.

The first year of her stewardship of the Park has gone very well. With businesses entering the Park again and sound fiscal management, we were able to close the fiscal year ended September 30, 2015 with an operational surplus of \$431,853.00, that being from \$2,048,225 in commercial revenues less associated expenditures of \$1,616,372. The Park has some structural debts including some legacy debts to the University. I have asked the Vice Chair of the Board, Adrian Gardner to put a plan together to address these debts this year.

Madam Chair, I have attempted to give you a macro overview of the Park. The Executive Director, with your permission, will continue with our presentation. Thank you.