UNITED STATES VIRGIN ISLANDS
Economic Development Authority

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
TESTIMONY BY WAYNE L. BIGGS, JR.
CHIEF EXECUTIVE OFFICER
FISCAL YEAR 2027 BUDGET HEARING
COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE
36th LEGISLATURE OF THE VIRGIN ISLANDS
ST. THOMAS, U.S. VIRGIN ISLANDS

Good morning, Chairman Novelle E. Francis, Jr., members of the Committee on Budget, Appropriations, and Finance, other members of the 36th Legislature, the Legislative staff, the Virgin Islands Economic Development Authority ("USVIEDA" or "the Authority") team, and the viewing and listening audience. I am Wayne Biggs, Jr., Chief Executive Officer of the Virgin Islands Economic Development Authority. With me today in the well are executive team members Dwayne A. Benjamin, Assistant Chief Executive Officer, Kelly Thompson Webbe, Chief Financial Officer, and Tracy Lynch Bhola, Esquire, General Counsel. I am also joined in the Chambers today by the following members of the USVIEDA management team: Nadine Marchena Kean, Managing Director, Enterprise Zone Commission; Monique T. Samuel, Managing Director, Economic Development Bank; Margarita Benjamin, Managing Director, Economic Development; Kirk Callwood, Associate Managing Director, Economic Development; Mark Finch, Director, Physical Plant; Celina Morris, Director, Marketing; Kali Richardson, Director, Human Resources; Sharmane Brookes, Director, State Small Business Credit Initiative Program; Joy Penn, Senior Compliance Officer; Jessica Taylor, Budget & Financial Analyst; Lorraine Lynch, Board Liaison, Lynnette Lindesay, Executive Assistant to the CEO, and K'Nisha Gumbs, Loan/Collections Officer. If necessary, they are available to respond to any inquiries you may have.

Also accompanying us today is Brandon Jackson, currently completing a rotational assignment with the USVIEDA through the Government of the Virgin Islands' GVI Fellows Program.

Introduction

Before we begin, we invite you to view a short video highlighting key accomplishments from Fiscal Year 2026, showcasing the impact of our efforts across the Territory.

As a central part of the Territory's economic development framework, USVIEDA plays a vital role in building a stronger, more resilient and competitive Virgin Islands economy. Through its programs and services, the Authority supports business development, expands access to capital and affordable commercial space, promotes community revitalization, and helps create and sustain employment opportunities across the Territory.

At the core of our mission is a commitment to improving the quality of place for all Virgin Islanders. USVIEDA carries out this mission through four (4) key divisions: the Economic Development Bank for the U.S. Virgin Islands, the Virgin Islands Economic Development Commission, the Enterprise Zone Commission, and the Economic Development Park Corporation. Working under a unified strategic framework, these divisions combine their distinct functions and expertise to strengthen the Territory's business environment and advance sustainable, long-term economic growth.

Budget Request, Financial Management, and Expenditure

For Fiscal Year 2027, USVIEDA has developed a results-driven budget guided by the theme, "Driving Sustainable Economic Growth Across the Virgin Islands." This budget is designed to sustain critical operations, strengthen program delivery, and generate measurable economic benefits throughout the Territory.

The Authority's FY 2027 Operating Budget totals $7,277,285 and reflects our continued focus on performance, accountability, and economic impact.

The budget is comprised of:

a) A General Fund appropriation of $6,613,000, representing the same level of funding provided in each fiscal year since FY 2022. This marks the sixth consecutive fiscal year that the Authority's General Fund appropriation has remained stagnant, despite increased operating costs, expanding program responsibilities, and growing demand for economic development services across the Territory; and
b) Internally generated revenue of $664,285 comprised of an annual transfer from the EDC Industrial Promotion Fund, interest income from the Micro Loan Fund (authorized for operational use), and other miscellaneous revenue.

Together, these resources support initiatives that expand access to capital, attract private sector investment, and strengthen the Territory's economic competitiveness. However, the unchanged General Fund appropriation, combined with rising operating costs and increasing program demands, has created significant budget pressure. To maintain essential operations within available resources, USVIEDA has had to hold critical positions vacant, eliminate certain positions, and defer other priorities.

Personnel Services

Personnel Services represents the largest share of the Authority's FY 2027 operating budget, with a total allocation of approximately $5,082,832, accounting for approximately 70% of total expenditure.

This funding supports 44 full-time positions, comprised of 31 classified and 13 unclassified positions, with 25 positions based on St. Thomas and 19 based on St. Croix. Recruitment remains actively underway for vacant positions that are critical to maintaining tax incentive monitoring and oversight. The Authority also supports four (4) full-time employees on St. Croix at the Economic Development Park Corporation (EDPC), as well as a grant-funded position under the State Small Business Credit Initiative Program (SSBCI). Collectively, these positions provide the operational capacity needed to administer the Authority's programs and meet its expanding responsibilities across the Territory. The Authority has also remained current with all negotiated collective bargaining increases for its employees.

Professional Services

Professional Services represent the second largest component of the Authority's FY 2027 budget, with an allocation of $562,638. This category includes outside legal counsel, audit services, compliance consulting, IT and website support, grant writing, marketing and lead generation, and transcription services. Consistent with the Authority's Global Marketing Plan, lead-generation services will help identify and engage qualified prospective investors and promote the benefits of doing business in the Territory. These services are critical to maintaining program integrity, expanding outreach, and advancing organizational goals. Each engagement is evaluated to ensure that it supports the Authority's priorities and responsible financial management.

Advertising and Promotion

For FY 2027, the Authority has allocated $456,410 to advertising and promotional activities, an investment aimed squarely at increasing visibility both locally and globally, generating qualified investor leads, and positioning the U.S. Virgin Islands as a competitive destination for business development.

This allocation will support:

- Participation in national investment missions and trade shows, strengthening our global reach and face-to-face engagement with potential investors;

- Engagement in site selector and industry conferences to promote opportunities in key sectors;
- Development of targeted investor materials and promotional videos that highlight the Territory's special economic zones, infrastructure readiness, and tax incentive programs;
- Expanded national media campaigns and digital advertising across platforms that reach corporate decision-makers, site selectors, and emerging industries; and
- Territory-wide stakeholder engagement and outreach, including targeted media and events to connect with local entrepreneurs, returning residents, and business diaspora networks.

These efforts build on the momentum of the FY 2026 marketing campaign and directly support USVIEDA's Global Investment Strategy. Our goal is clear: when businesses evaluate investment opportunities, the U.S. Virgin Islands should not simply be on the list; it should rise to the top. As we move into FY 2027, this promotional investment will serve as strategic leverage to attract capital, create jobs, and strengthen the Territory's position in regional and global markets. However, it is important to recognize that several other economic drivers directly affect residents' quality of place and the Territory's ability to attract investment. These include but are not limited to healthcare, public safety, cost of living, affordable and available housing, utilities, infrastructure, education, a skilled and talented workforce, and sound economic development policies.

FY 2026 ACCOMPLISHMENTS (October 1, 2025 – July 31, 2026)

The value of this budget is demonstrated through the results achieved with the resources entrusted to the Authority. From October 1, 2025 through July 31, 2026, USVIEDA made measurable progress in advancing economic development throughout the Territory.

Board of Directors and Governance

The USVIEDA Governing Board provided active oversight through 24 meetings, including approvals of economic development incentives and business loans supporting jobs and infrastructure development.

The Board also enhanced its competencies through professional development training at the 2025 International Economic Development Council (“IEDC ”) Annual Conference in Detroit, Michigan including participation in IEDC’s annual Economic Development Ethics Workshop.

Marketing, Promotion, and Investor Outreach

In FY 2026, USVIEDA expanded its national and international presence by prioritizing strategic promotion of both the Territory and the Authority’s economic development programs. We commenced development of new video content to highlight our programs, client success stories, and economic development priorities in alignment with Vision 2040 goals and expanded national visibility through video features on Business Traveler TV and *ViewPoint with Dennis Quaid*. We also strengthened community outreach and client success storytelling through radio, digital platforms, television features, client spotlights, and video interviews, and administered a Business Climate Survey to gather community feedback on the challenges, opportunities, and conditions affecting economic development in the Territory.

To connect directly with global markets, USVIEDA participated in several high-impact investor events and forums during the fiscal year, such as:

- **ALIS CALA 2026:** The Authority participated as a Platinum Sponsor at the Caribbean and Latin American hotel investment summit, held April 28–30, 2026 in South Florida, which brought together more than 550 delegates from over 35 countries. During the summit, I delivered a featured presentation titled, "Investment Opportunities in the U.S. Virgin Islands," highlighting the EDC and HDA programs, and the Territory's tourism economic indicators and statistics.

- **SelectUSA Investment Summit 2026:** In partnership with the University of the Virgin Islands Research and Technology Park (UVI RTPark), USVIEDA served as a Gold Sponsor at the U.S. Department of Commerce's premier investment summit, held May 3–6, 2026 in National Harbor, Maryland. The summit drew more than 5,500 attendees from 100 countries, all 50 states and U.S. territories.

The USVI delegation engaged with approximately 60 investment leads spanning technology, trade, manufacturing, hospitality, and professional services.

- **30th Annual International African American Hotel Ownership & Investment Summit hosted by National Association of Black Hotel Owners, Operators and Developers (NABHOOD):** USVIEDA participated as a co-sponsor with the Virgin Islands Department of Tourism (DOT) at this event, promoting the Territory to hotel owners, developers, investors, and lenders. I participated in a panel discussion on Caribbean investment and development opportunities, highlighting the Territory's hotel development potential, tax incentive programs, and recent hospitality investments, such as the opening of Hampton by Hilton in St. Thomas in August 2025 and the July 2026 "first stone" groundbreaking of the $77 million redevelopment of Carambola Beach Resort into the future Club Med St. Croix. The broader USVI delegation, which included the DOT and the West Indian Company Limited (WICO), also strengthened relationships with industry leaders and cultivated potential investor connections.

- **Regional & Global Engagements:** Board members and staff participated in the 10th Annual ITServe Synergy 2025, the United States Virgin Islands Trade, Tourism & Cultural Missions, and the Access Bank Conference and Global Trade Review Africa 2026, advancing economic development, trade, and tourism relations.

Through these efforts, our FY 2026 marketing outreach not only improved USVIEDA's visibility but also reinforced the message that the U.S. Virgin Islands is a serious player in the global investment landscape, offering the value, stability, and support businesses need to succeed. This momentum is reflected in our investor pipeline. USVIEDA is actively engaging with 24 prospective investors demonstrating strong interest in the Territory and collectively representing approximately $589 million in potential investment.

Economic Development Bank for the U.S. Virgin Islands

The Economic Development Bank (EDB) expands access to capital for Virgin Islands businesses, entrepreneurs, and homeowners by converting public and federal resources into financing opportunities, private investment, job creation and retention, and economic activity.

State Small Business Credit Initiative 2.0 Program

The EDB continued to expand access to capital by leveraging local and federal resources to close financing gaps for Virgin Islands businesses and address key areas of economic need.

The U.S. Virgin Islands was awarded $57.8 million through the State Small Business Credit Initiative (SSBCI) 2.0, a federally funded program administered by the U.S. Department of the Treasury. This represents one of the most significant infusions of small-business capital in the Territory's history. Through loan guarantees and other credit-support mechanisms, SSBCI reduces lender risk and helps local businesses obtain financing to launch, expand, and strengthen their operations.

The funding is released in three tranches, with each subsequent tranche contingent upon the deployment of at least 80% of the prior award to eligible businesses. This performance-based structure ties federal funding directly to measurable economic outcomes, including private capital leveraged and jobs created and retained.

From October 1, 2025 through July 31, 2026, the EDB provided approximately $576K in SSBCI capital support to five (5) businesses, leveraging $658K in project financing from primary lenders. Overall, the SSBCI portfolio provided approximately $16.3M in capital support, leveraging $28.9M in project financing from participating lenders to 26 small businesses. Collectively, these investments have the potential to create 126 new jobs while retaining 122 existing jobs throughout the Territory. The businesses supported through SSBCI represent a broad cross-section of the Territory's economy, spanning sectors such as aviation, construction, healthcare, hospitality, marine services, and tourism. These results demonstrate the program's multiplier effect.

Targeted public support is mobilizing substantially greater private-sector investment, expanding opportunities for Virgin Islands businesses, and keeping capital and employment within the local economy.

After deploying more than 80% of the first tranche, the Territory became eligible for and received its second tranche award of $19,190,148, one (1) year ahead of the scheduled 3-year benchmark. Achieving this benchmark early demonstrates the Authority's ability to manage and deploy federal capital effectively. The EDB is now working toward the performance requirements necessary to access the third and final tranche of approximately $20 million.

SSBCI Technical Assistance Program

To sustain this progress and ensure that more Virgin Islands entrepreneurs can take advantage of SSBCI, the Authority competitively secured approximately $521K in federal grant funding to launch the SSBCI Technical Assistance Program (TAP).

The program addresses a persistent barrier in the local market: many small businesses have viable ideas and strong growth potential but are not yet positioned to meet lender requirements. At no cost to eligible participants, it provides tailored, one-on-one consulting in business planning, financial literacy and management, and preparation of the financial and legal documentation lenders require, helping business owners become capital ready.

Since its launch, SSBCI TAP has moved quickly to build awareness and engagement among the local business community. As of July 31, 2026, the program's TAP Consultant hosted two (2) webinars that drew a combined 221 participants, reflecting strong and growing interest among Virgin Islands entrepreneurs. This outreach has translated into a robust pipeline of 32 active prospects currently working with the program, underscoring the demand for capital-readiness support and positioning the Authority to convert this early momentum into measurable gains in SSBCI lending activity.

VI Slice Moderate-Income Homeownership Program

The EDB also administers the VI Slice Moderate-Income Homeownership Program (VI Slice), one of the Territory's most impactful tools for expanding access to homeownership. VI Slice provides gap financing that covers down payment, closing costs, new construction, or the purchase and rehabilitation of a home, helping qualified moderate-income, first-time homebuyers bridge the distance between what they can afford and the true cost of owning a home in the Virgin Islands.

The program's impact is significant and Territory-wide. To date, VI Slice has approved 89 applications representing approximately $9.2M in gap financing, which in turn leveraged $27.1M in primary lender financing, including 60 homes on St. Croix, 28 on St. Thomas, and one (1) on St. John. Behind every closing is a family building generational wealth through equity and long-term financial security for the middle-class and anchoring Virgin Islands' residents to the Territory. At the same time, related construction and home-improvement activity supports local contractors, tradespeople, and suppliers which contributes to the stability of the Territory's housing market.

Virgin Islands Economic Development Commission

The Virgin Islands Economic Development Commission (EDC) continues to serve as one of the Territory's most effective tools for attracting private-sector investment, creating quality jobs, and fostering long-term economic growth. Through the EDC's tax incentive program, qualifying businesses establish operations locally, hire USVI residents, and commit to other obligations, including employee benefits (health & life insurance, pension plan, annual and sick leave or paid time off, and training opportunities), capital investment, local procurement, charitable giving, and educational assistance. These commitments inject new money into the Virgin Islands economy, helping to stabilize and broaden the local tax base. The wages paid to employees and the money spent with local businesses continue to circulate throughout the Virgin Islands economy, supporting additional businesses, jobs, and household income.

The reach of the EDC program has expanded significantly. The number of EDC beneficiaries grew from 74 in 2021 to 108 in 2026, an increase of 34 beneficiaries, or 45.9%. This growth reflects continued private-sector interest in investing, operating, and creating economic opportunities in the U.S. Virgin Islands.

Based on the data of 47 EDC beneficiaries reporting thus far for calendar year 2024, contributions totaled more than $309M to the Virgin Islands economy through income taxes, payroll and payroll taxes, local purchases, capital investment, and charitable giving. After recording the data sets for the total amount of beneficiaries for calendar year 2024, the final contribution amount to the Virgin Islands economy will be substantially higher than currently reflected. The impact of $309M in EDC beneficiary contributions represents an approximate $847K daily economic impact to the Territory. The EDC Program beneficiaries directly employ approximately 3,000 jobs across the U.S. Virgin Islands, making the program one of the Territory's largest private-sector employment engines.

These incentives are neither automatic nor guaranteed. Each applicant undergoes a thorough review and must demonstrate that the proposed investment will deliver meaningful economic benefits to the Territory. In exchange for tax incentives, participating companies relocate or expand operations here, create job opportunities for Virgin Islands residents, and reinvest locally, drawing new money into the Territory that would not otherwise be generated here.

During the fiscal year, the EDC continued to attract new investment through additional tax-incentive applications and petitions advanced before the Governing Board. In Fiscal Year 2026, five (5) new EDC beneficiaries activated their certificates committing to 24 new job opportunities, approximately $2.1M in wages, and a minimum capital investment of $2.2M. Three (3) new applications were approved for VIEDC tax incentives representing potential future economic impact for a minimum of 210 full-time jobs, $2.2M to be paid out in wages annually, over $63M to be made in capital investment and approximately $12.7M in annual charitable contributions. These applicants also represent the potential for the US Virgin Islands to realize approximately $1.6M in direct taxes over a 5-year period.

In addition to the EDC tax incentive program, the EDC also administers the Hotel Development (HDA), Sustainable Tourism through Arts-based Revenue Streams (STARS), Tax Increment Financing (TIF), and Eligible Virgin Islands Supplier programs. The impact of the hotel development program can be seen in major hospitality projects such as The Ritz Carlton, St. Thomas; The Westin Beach Resort and Spa at Frenchman's Reef; Buoy Haus Beach Resort; and the 126-room Hampton by Hilton, which opened on St. Thomas in August 2025. These projects demonstrate how the Territory's economic development tools can support reconstruction, increase hotel room inventory, strengthen the tourism industry, and attract internationally recognized brands.

During FY 2026, following three (3) years of engagement with the Club Med team, those efforts culminated in the approval of the planned redevelopment of the former Carambola Beach Resort into Club Med St. Croix. The 150-room project will mark Club Med's return to the United States and is projected to create approximately 200 direct jobs and numerous indirect opportunities. It is also expected to generate business for local suppliers, farmers, artisans, excursion operators, and service providers, extending the economic benefits of the investment beyond the resort itself.

This moment is also evident on St. Thomas, where additional investment is moving forward. On St. Thomas, The Botany Hotel, a 20-villa luxury boutique resort located within the Preserve at Botany Bay, is slated to open during the winter 2026 season.

The project adds another high-end hospitality offering to the Territory's inventory and reflects continued private-sector confidence in the U.S. Virgin Islands as a destination for hospitality investment.

Enterprise Zone Commission

As we continue to attract new investment and grow key industries, we also understand the importance of restoring the historic neighborhoods that have long been the backbone of our communities. Through targeted revitalization efforts, business support, and community partnerships, the Enterprise Zone Commission (EZC) is working to bring renewed energy and opportunity to communities that were once socially and economically vibrant. During the fiscal year, the EZC:

- Purchased through a grant from the US Department of Agriculture Resilient Food Systems Infrastructure Program a commercial kitchen for the Agro & Food Technology Center located at the Marcelli Complex, St. Thomas and ordered, with the assistance of an appropriation from the 33rd Legislature of the U.S. Virgin Islands, a commercial kitchen for the Agro & Food Innovation Center located at the Padilla facility, Frederiksted;

- Created a web portal to provide information on estate planning and hosted its 10th Annual Estate Planning Conference, while facilitating individual assistance resolving probate and estate-planning challenges;

- Held a “Made in the USVI” pop-up shop in collaboration with the Virgin Islands Council on the Arts (VICA) and facilitated cruise-ship in-port, on-ship shopping experiences in collaboration with the Department of Tourism;

- Hosted the inaugural Tech Thyme program, a digital-economy training initiative focused on artificial intelligence (AI), app development, and website design. The program served 12 participants, awarded $75K in prizes, and promoted AI and agricultural technology skills within the Territory’s enterprise zones;

- A significant milestone came on April 16, 2026, when the Enterprise Zone Commission’s Governing Board approved a new airport hotel & event destination, a proposed $30 million project investment on St. Croix under the South Shore Trade Zone (SSTZ) Program. The hotel is slated to be branded under Aiden by Best Western, a globally recognized boutique lifestyle flag designed to combine strong brand distribution with locally designed and premium food and beverage experiences. Once completed, this project is expected to add approximately 130 hotel rooms to the Territory’s inventory and create 36 hospitality jobs, demonstrating that the SSTZ can help fuel development and economic diversification on St. Croix.

- The SSTZ currently has a pipeline of nine (9) potential investors requiring approximately 700,000 square feet of commercial warehouse space not currently available in the SSTZ to house their export, manufacturing, and assembly businesses.

Economic Development Park Corporation

The Economic Development Park Corporation (EDPC) operates two (2) industrial parks in the Territory – the Virgin Islands Industrial Park on St. Thomas and the William D. Roebuck Industrial Park on St. Croix – and the USVIEDA's main office facility in Frederiksted, known as the Fleming Building. Although EDPC operates independently and does not receive direct government funding, it remains an essential driver of USVIEDA's broader mission, providing the affordable, ready-to-occupy commercial and industrial space that enables Virgin Islands businesses to establish and expand across the Territory.

During the fiscal year, the EDPC:

- Advanced the Phase II portion of the Virgin Islands Industrial Park Hurricane Repair Project, completing the architectural designs and moving through the permitting process with the Department of Planning and Natural Resources (DPNR);

- Continued to progress the William D. Roebuck Industrial Park (WDRIP) Hurricane Repair Project through the FEMA application process, while evaluating architectural and engineering alternatives aligned with overall project objectives;

- Selected a contractor and commenced the repair project to St. Croix USVIEDA Office Building, known as the Fleming Building;

- Identified grant writers to pursue funding opportunities supporting the construction of new commercial space, including a Leadership in Energy and Environmental Design (LEED)-certified office facility, to meet future leasing demand; and

- Both Parks, the Virgin Islands Industrial Park and the William D. Roebuck Industrial Park, maintained 100% occupancy, reflecting continued demand for affordable commercial and industrial space and reinforcing the need for additional funding to construct new facilities and expand available space for businesses.

Financial Management

USVIEDA completed its Fiscal Year 2024 independent audit and received its 15th consecutive unmodified audit opinion. This clean audit reflects the Authority's continued commitment to accurate financial reporting, transparency, and responsible stewardship of public and federal funds. An unmodified (or "clean") audit opinion is the highest level of assurance an independent auditor can provide. It confirms that our financial statements fairly and accurately present the Authority's financial position in accordance with Generally Accepted Accounting Principles (GAAP). USVIEDA's sustained record of consecutive unmodified opinions is more than a compliance milestone. It reinforces the confidence of the public, local and federal government partners, and other stakeholders. The Authority manages its public resources and federal funds with integrity, discipline, and transparency – an essential foundation for the grants and capital we deploy across the Territory. We are committed to sustaining that record.

Looking Ahead: Priorities for Fiscal Year 2027

As we look to Fiscal Year 2027, USVIEDA remains focused on building an economy that is resilient, dynamic, and forward-looking. Guided by our theme, “Driving Sustainable Economic Growth Across the Virgin Islands,” and the Vision 2040 strategic framework, we are advancing a set of targeted initiatives that will broaden the Authority’s impact, strengthen investor confidence, and deliver lasting value to the people of the U.S. Virgin Islands. Our top priorities include:

1. **Promoting Investment-Ready Opportunities.** We will actively market key assets such as the South Shore Trade Zone and leverage tools like the Hotel Development Program to attract high-impact projects, while working to secure new hotel developments.

2. **Expanding EDC Compliance Operations.** We will ensure the timely review of beneficiary certificate and fill the vacant Compliance Officer position to reinforce the long-term value of the economic development program.

3. **Implementing Online Compliance and Live Reporting Platforms.** We will launch the EDC Online Compliance Portal and use technology to enhance program reporting, monitoring, and outcomes.

4. **Advancing Capital Projects.** We will start construction of a new office facility on St. Thomas and complete hurricane-related repairs at the Fleming Building and the William D. Roebuck Industrial Park on St. Croix.

5. **Strengthening Small Business Access to Capital.** We will grow the loan portfolio by $6.5M in loans and/or guarantees and continue deploying SSBCI funding to eligible Virgin Islands businesses.

6. **Modernizing Economic Evaluation Tools.** Finalize a unified input-output (I/O) economic model for the Territory to be used by USVIEDA, BER, OMB, PFA, and UVI that incorporates current economic indicators. This model will quantify the direct, indirect, and induced effects of business activities across the Territory, based on inputs such as capital investment, employment, tax contributions, and charitable giving. The long-term objective is to adopt a standardized I/O model for use across the Territory.

7. **Completing Economic Impact Analysis Studies.** Engage an independent firm to conduct an economic impact analysis of USVIEDA, including its EDC, EDB, EZC, and EDPC programs to evaluate their effectiveness and overall contribution to

the Territory's economy, including metrics such as employment, business activity, tax revenue, and total output.

8. **Investing in Staff Development and Succession Planning.** We will conduct a comprehensive compensation study and invest in staff development to ensure continuity, enhance internal capacity, and retain top talent.

Conclusion

The Fiscal Year 2027 budget represents more than a funding request; it is a strategic plan to maintain operational excellence, grow internal capacity, and scale the impact of our programs. Every line item in this budget has been purposefully structured to support the delivery of measurable outcomes that benefit the people and economy of the U.S. Virgin Islands.

Our accomplishments to date demonstrate that the USVIEDA is delivering strong results and remains a responsible steward of public resources. With the support provided in prior fiscal years, USVIEDA has advanced key economic development initiatives, strengthened program performance, and expanded access to critical resources for businesses and investors. This budget builds on that trend. With adequate funding, we can expand our impact, fast-track project implementation, and open new avenues to strengthen the Territory's economy by attracting investment, creating jobs, and promoting sustainable growth throughout the Virgin Islands.

USVIEDA's General Fund appropriation level has remained stagnant at $6,613,000 since FY 2022. Over the past six (6) years, personnel, insurance, utilities, rent and professional services costs have steadily increased, placing significant pressure on the Authority's operations and reducing the resources available for new initiatives.

These cost pressures have also limited the Authority's ability to address employee compensation. To remain competitive in attracting and retaining qualified professionals, the Authority respectfully requests the Committee's consideration of an additional $500,000 to support salary adjustments, strengthen workforce stability, and retain the experience necessary to carry out its responsibilities.

Although disciplined financial management and careful prioritization have enabled USVIEDA to maintain essential services and fulfill its statutory responsibilities, continued funding at the same level is increasingly restrictive. It limits the Authority's ability to enhance services, address growing operational demands, implement additional programs and analytical studies, and invest in tools such as the redevelopment of an input-output cost-benefit model. Additional resources would strengthen data-driven decision-making and improve the Authority's ability to respond effectively to emerging economic development opportunities.

Even within these constraints, USVIEDA has continued to deliver measurable results across its programs and initiatives through active Board oversight, disciplined financial management, and careful execution.

These outcomes demonstrate that the Territory is receiving a strong return on its investment in the Authority. With additional resources, USVIEDA would be positioned to expand its impact, accelerate priority initiatives, and generate even greater economic benefits across the Territory. The accomplishments highlighted in the enclosed budget testimony represent only a portion of the Authority's broader achievements and impact.

We thank the Committee for its continued support and reaffirm our commitment to responsible financial stewardship, economic transformation, and transparency. We also extend our sincere appreciation to the Governor, the Legislature, our Governing Board, and the dedicated staff of the Authority for their ongoing leadership, guidance, and service to the people of the Virgin Islands.