

TESTIMONY OF JOHN ENGERMAN, CPA
BEFORE THE COMMITTEE ON BUDGET, APPROPRIATIONS, AND FINANCE
36TH LEGISLATURE OF THE UNITED STATES VIRGIN ISLANDS
**IN SUPPORT OF THE KRONPRINDESENS GADE DEVELOPMENT GROUP MULTI-
YEAR LEASE AGREEMENT**

Condensed Oral Version — approximately 5 to 7 minutes

Good morning, Chairman Francis, Vice Chair Blyden, distinguished members of the Committee, and my fellow Virgin Islanders.

I believe every generation has a choice: to simply inherit the communities entrusted to us, or to improve them for those who come after us.

I chose to come home in 2014 because I believe our generation has a responsibility to leave the Virgin Islands better than we found it. That belief is why I stand before you today, not simply to seek approval of a lease agreement, but to share a vision for what downtown Charlotte Amalie can become.

My name is John Engerman. I am a veteran, a Certified Public Accountant, an entrepreneur, and above all else, a son of this soil. I was born on St. Croix, raised on St. Thomas, and educated in our public schools, graduating from Charlotte Amalie High School in 1987. I served our nation in the Navy during Desert Shield and Desert Storm, earned my CPA license in 1998, and built a career in accounting before returning home in 2014 to invest everything I had learned back into the place that first invested in me.

Since acquiring Strategy Group VI in 2019, we have employed 95 Virgin Islanders, paid more than \$20.9 million in salaries and benefits, contributed more than \$2 million in taxes, and donated more than \$184,000 to charitable organizations across this Territory. Those numbers represent families, mortgages, careers, and opportunities.

Long before this lease agreement was ever proposed, I was already investing in downtown Charlotte Amalie. To date, I have put more than \$1.6 million of my own private capital into redevelopment: 22 Commandant Gade, 17 Kongens Gade, and 72 Kronprindsens Gade. Each project has taught me the same lesson: you don't transform a downtown all at once. You transform it one building, one investment, one opportunity at a time.

Honorable Senators, I want to address directly what some of you may be thinking. I served as campaign manager for Governor Bryan. That is true, and it is public knowledge. But that relationship should neither qualify me nor disqualify me. This proposal should rise or fall on its own merits. If it is not worthy, vote no. But if it is worthy, I ask that it be judged by the same standard as any other Virgin Islands business.

This project is not a gift, a subsidy, or a handout. It requires millions of dollars in private investment and years of hard work, and if approved, I will be held accountable for delivering on it.

The Kronprindsens Gade Development Group project envisions quality workforce housing for teachers, healthcare professionals, contractors, and young professionals, with the potential to grow into a branded hospitality destination as market conditions evolve. The Government is not being asked to finance this project or assume the risk. Private capital assumes the risk; the people receive the benefit: an estimated \$15 to \$30 million in private investment, construction and permanent jobs, new housing, new tourism activity, and additional tax revenue. And at the end of

the lease, the Government and the people still own the land, transformed into something far more valuable than it is today.

My vision is not simply to renovate buildings. It is to help restore confidence: confidence that downtown Charlotte Amalie can once again become the economic and cultural heart of our Territory, and confidence that our children will inherit a downtown that makes them as proud as it once made us.

The Virgin Islands gave me an education, an opportunity, and a community that believed in me before I believed in myself. For twelve years, I have tried to repay that investment through business, philanthropy, and community service. Today, I respectfully ask for the opportunity to continue that work, not for myself, but because I believe the next generation deserves to inherit a downtown that is stronger than the one we inherited.

I have chosen to build. I have chosen to invest. I have chosen to come home. Because I am, and always will be, a son of this soil.

Thank you, Mr. Chairman. May God continue to bless these United States Virgin Islands.