

Lovango Resort Bill No. 36-0357

Committee on Budget, Appropriations and Finance Hearing October 20, 2026 10:00 a.m.

Mr. Chairman, Senator Novelle E. Francis Jr. and members of the Committee, my name is Mark Snider. My family and I own the Lovango Resort, and I am here to speak on behalf of Bill No 36-0357.

Lovango is located on Lovango Cay an island just off St. John. Lovango is an isolated island requiring all transport of passengers and freight by boat from Red Hook. Lovango has needed a receiving and logistical facility, wharf, and home base location for some time. This lease with the USVI Government provides the necessary facility for Lovango to plan for the future. This lease is an integral part of the entire Lovango operation. Although the Red Hook site and Parcel No. 100-1 together constitute a small plot of land and dock, connected to Lovango, it sustains and enhances something much greater and of significant benefit to the economy and coastal tourism of the USVI. The importance of this facility to Lovango and the community is as follows:

1. Lovango presently employs many employees – the majority live on St. Thomas and commute to Lovango. This location provides a place to park for employees and ease of access for daily commuting.
2. Despite ongoing challenges, Lovango continues to provide ferry services allowing residents and visitors from St. Thomas to visit and enjoy Lovango. Ferries to Lovango presently have a limited vessel size utilizing an AYH slip – which are serious constraints to providing proper long term service. Lovango does not receive any public subsidy for its ferry operations and operates its own ferries at a loss to provide economical service to visitors. The 2026 round trip ferry rate to Lovango is \$25, and just \$22 for a USVI resident.
3. Lovango needs a terminal and receiving/logistical station. Presently the Lovango operation cannot coordinate food, fuel and supply deliveries with any plan or foresight. The Lovango barge often must sit at the Red Hook car barge landing for multiple hours waiting for delayed shipments. This has resulted in extreme inefficiencies in scheduling and coordination of deliveries, causing both significant labor cost increases and wasteful time allocation of staff. Produce and other food products have been compromised by these delays in Red Hook. A receiving terminal will allow Lovango to receive and store its deliveries at the Red Hook on-site location and operate its barge only when needed, reducing wasteful time and congestion at the Red Hook Car Barge landing and in the harbor.
4. Lovango has limited places to berth and secure its ferries and barge creating constraints on the service it can operate.
5. At Lovango itself, the island has limited dock space and just 12 moorings dedicated to visitors coming to the island. The Resort is subsidizing the University of the Virgin Islands to replace and preserve the coral around the island and is extra careful to not allow anchoring to disturb the coral. The Red Hook dock will allow Lovango critical flexibility in moving boats to and from Red

Hook so that it can open up the Lovango moorings and docks for locals and tourists on their boats wishing to visit the island.

Lovango's vision as agreed to in the lease with the USVI Government is to rebuild the dock within the existing dimensions of 216' long x 7' wide and to add 4 finger piers off the south side of the dock, within the 10,000 square feet of submerged area to create a small unobtrusive marina - to accommodate the berthing of vessels so that they would not be on moorings.

As this dock facility is really a gateway to the Red Hook community, its attributes will enhance the surrounding area. The annual rent to the Department of Property and Procurement starts at \$60,000 annually and increases over time. In addition there will be rental charges to the Department of Property and Natural Resources (DPNR) for a submerged water lease. We anticipate a further investment in the property of approximately \$3 million. There are certain rent abatements included in the lease towards the cost of rebuilding the presently destroyed pier and site as well as provisions to provide the VIPD (Virgin Islands Police Department); DPNR and First Responders with use of the pier so long as the operations of Lovango are not impacted.

The Red Hook dock location is blessed with an area of mangroves that connect to the neighboring property. The University of the Virgin Islands has created a path on the neighboring property that we would like to extend to ours; clean up the litter and debris and make this an area of conservation to be enjoyed by all, instead of avoided, as at present. Lovango would like to create visual improvements along the street so that the sense of arrival is attractive and welcoming, not a barrier, as it is presently. A parking area will also be included as well as some small structures for receiving passengers and freight and housing employees. Landscaping is important so that the walk to the dock is attractive and the outdoor passenger waiting area, presently submerged, will be restored with weather protection.

Thank you for your consideration. I welcome any questions you may have.

On the next page is a schematic drawing of the changes to Red Hook Parcel 100-1 including the dock rebuild as contemplated in the lease with the USVI Government. Presently the majority of the dock is underwater.

