

**Testimony of Dr. Stephan Bitterwolf, PhD**

Concerned Virgin Islander and Water Island Native

Before the U.S. Virgin Island Senate Committee of the Whole

June 26, 2026

## Introduction and Personal Background

Honorable Members of the Legislature,

I stand before you as a member of the USVI diaspora who left our islands to earn a PhD and has now returned out of a deep love for our people and a desire to address our territory's significant environmental and educational challenges, just as Governor Bryan passionately encouraged in 2025. I was raised on Water Island, where my childhood was spent playing on the beach, climbing for coconuts, eating sea grapes, and living on a sailboat in Druif Bay. I spent nearly every day in the ocean, observing snappers swim over pillar corals, encountering sea urchins, and marveling at the eagle rays, octopuses, turtles, dolphins, and sharks living nearby. When out of the water, my siblings and I would catch lizards, run from iguanas, feed tortoises, observe pelicans diving for fish, and trap land crabs.

During our summers, we attended the Virgin Islands Environmental Resource Station (VIERS) eco-camps, which taught us about our ecosystems and inspired a lasting sense of belonging. I later shared this knowledge as a snorkel guide and eventually as a captain. After obtaining my GED, I studied marine biology with passionate faculty at UVI, graduated *summa cum laude*, earned a National Science Foundation Graduate Research Fellowship, and ultimately defended my PhD in marine science. It was my upbringing in these waters and the mentorship of local residents that drove me to travel the world to develop my research skills, all so I could return and give back to our territory.

## A Changing Landscape

Since I left in 2013 for my research training, our islands have faced traumatic hurricanes, business closures like Kmart, skyrocketing housing and food costs, and the severe degradation of our coral reefs from disease and heat waves. The natural places I cherished are eroding, saturated with development, and frequently under bacterial contamination warnings. Yet, I am encouraged to see our community engaged in restoring our environment, with the vibrant habitats of my childhood still persisting in Flamingo and Druif Bay.

I am here today not to blindly oppose the development of Water Island, but to serve as a levelheaded, forward-thinking partner to help secure the best possible deal for the U.S. Virgin Islands. I thank the developer for their plans for zero-waste processing via microwave pyrolysis, their intention to build an employee village to ease housing pressures, and their goal of achieving LEED Platinum and Gold standards. I also want to thank the Department of Property and Procurement and this legislature for inviting me to testify today and welcoming our feedback.

## The Current Lease Proposal

However, I urge you to recognize that the document before you is the ***reinstatement*** of a lease that was previously **terminated** due to non-performance. The original developers had more than **eight years**, free of COVID restrictions, to initiate construction but did nothing besides collect rent. Because this amended lease **triples** the land area slated for development compared to the 2016

agreement, it operates essentially as an entirely *new* lease, especially when we consider that the original rescinded lease holder was **bought out by a separate group**.

The current lease structure caters heavily to wealthy outsiders and luxury tourism, sending a message to our children that their future in the USVI depends on serving the wealthy who arrive by helicopter and megayacht. I am deeply concerned that this lease amendment provides negligible financial returns to the public, enables the quick sale of public lands to outsiders for pennies on the dollar, and entirely lacks mandates for developers to restore the ecosystem services damaged by their construction.

### **Key Concerns to Address**

To secure a better future for our territory, we must address the following glaring issues in the lease:

- **Lack of Protection Against Project Abandonment:** The developer has admitted to operating as a "single-purpose vehicle". The proposed **\$3,000,000** performance bond is barely **1%** of the **\$300,000,000** investment and will not begin to cover necessary ecological repairs or demolition if the entity goes bankrupt or halts construction after a major storm. We must demand a commensurate performance bond and a dedicated restoration escrow to avoid passing down decaying hazards, like the broken glass in the ruins of Sea Cliff Hotel after Hurricane Hugo which left me with a permanent scar.
- **Permanent Alienation of Public Land and Insider Dealing:** An "Acquisition Option" allows the developer to carve out approximately **55 acres** of public land to build and **sell 92** luxury villas and condos. Because the territory's **6% cut** is tied strictly to the "gross purchase price" rather than an independently appraised fair market value, the developer could legally sell properties to affiliates for a fraction of their worth, starving the public trust. This loss is compounded by staggering baseline lease terms: **the territory receives just \$12,000 a year** during development, locking in an **operational rate of only \$120,000 annually** for 20 years. Because future increases stagger behind inflation, the real value of our public land will strictly diminish over time while the developers reap luxury-tier profits.
- **The Druif Bay Contradiction and Rushed Planning:** The developer clearly rushed the planning of this proposal without basic due diligence, and our USVI community should not be forced to rush our review to accommodate their lack of preparation. The haste behind this document is obvious in its glaring mistakes: first, Section 5.2 explicitly permits mooring fields in Druif and Flamingo Bays, directly contradicting their recent written promises to the Water Island Civic Association. Second, the plans illegally outline development on private property, protected lands near Sprat Bay, and land expressly designated as non-developable by the Department of the Interior (Exhibit A). Finally, the proposal pitches massive, highly disruptive ecological alterations—like a breakwater and dredging the limestone pond—while relying on seemingly AI-generated promotional images that don't even depict our actual shores. These are not minor oversights; they are the symptoms of a developer cutting corners. We deserve a plan that is sound, feasible, and legally compliant. Rushing to approve a deeply flawed plan from a

company that already failed to act on its original lease is unfair to our people. This must go back to the drawing board.

- **Immediate Ecological Damage and Erosion Risk:** The construction schedule reveals that clearing and scarifying the landscape is slated for the very first phases of development, before a single foundation is poured. Allowing the developer to strip the hillside on day one without strict phased clearing mandates risks severe erosion and catastrophic runoff that will smother our reefs and ruin the sensitive foraging environments of our endangered sea turtles.
- **Unmitigated Loss and Displacement in Flamingo Bay:** Developing a deep-water marina will permanently displace the 30 active vessels currently maintained by local residents in Flamingo Pond, offering them only vague promises of "discounted rates" on luxury slips and a fee-based dinghy dock. The required dredging will smother seagrass beds, displace vibrant fish populations, and destroy native coral recruitment areas without mandating that the developer foster collaborative relationships with world-class local institutions for ecosystem restoration.
- **Failure to Build Local Capacity:** For a project of this magnitude, the lease lacks binding guarantees that the developer will invest in the USVI people. The developer could easily be required to provide dedicated, rent-free staging facilities for local marine restoration organizations, such as the Coral World Ocean and Reef Initiative (CWORI) or UVI graduate programs. Securing this commitment in writing opens the door to high-level aquaculture careers for our youth—allowing local students to farm resilient corals, breed native sea urchins, and cultivate mangroves and seagrass to directly offset the project's ecological damage. Mandating this infrastructure ensures the restoration of our marine habitats while serving as a major marketing asset for the developer's own eco-conscious luxury clientele.

## Conclusion

In its current form, this version of the reinstated lease is not a good deal for our territory nor our future. This hastily made plan is simply not worth risking our precious environment. Our natural habitats provide us with consistent, perpetual economic returns that far outlast the lifespan of any single-purpose vehicle's development project. We must strive to work hand-in-hand with developers not only to ensure vital economic activity, but to collaborate on projects that diversify our economy, rebuild our habitats, and inspire confidence, independence, and hope in our children.

To achieve this, I strongly urge this body to take the following actions:

- **Delay the vote** on this new lease.
- **Allow for more public comments** and a more thorough review process.
- **Close the glaring loopholes** that leave our territory legally and financially vulnerable.
- **Demand binding environmental restoration**, rather than mere mitigation, alongside dedicated funding for local ecological studies and research.
- **Require concrete investments in territorial skill-building**, ensuring that our community gains long-term expertise and high-level career opportunities.
- **Pivot from a standard luxury marina** toward an eco-conscious, circular-economy development model that is fundamentally focused on benefiting the people of the Virgin Islands.

Let us take the necessary time to diversify the pool of developers and secure a project that truly benefits the Virgin Islands and is befitting our people and culture.