GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES

DEPARTMENT OF PLANNING AND NATURAL RESOURCES

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November 9, 2026

Honorable Milton E. Potter
President
36th Legislature of the United States Virgin Islands
Capitol Building
St. Thomas, Virgin Islands

Re: Petition to Amend Official Zoning Map No. SCZ-7, Application No. CCZP0022-26

Good day Senate President Milton E. Potter, members of the 36th Legislature, legislative staff, and members of the public. My name is Leia LaPlace-Matthew, Territorial Planner with the Division of Comprehensive and Coastal Zone Planning (CCZP) within the Department of Planning and Natural Resources (DPNR). I am here to present the Department's recommendation on Zoning Map Amendment Application No. CCZP0022-26.

This application, submitted by Stonehouse Junction, LLC, seeks to amend the zoning designation of Parcel No. 1 Estate Mt. Welcome, Eastend Quarter "A", St. Croix from W-2 (Waterfront-Industrial) to B-2 (Business-Secondary/Neighbourhood). The purpose of the request is to allow the development of a 68-room extended-stay hotel and supporting commercial space.

DPNR has conducted a thorough review of the application, including an analysis of the surrounding land use, zoning trends, infrastructure availability, and public input. The surrounding area is characterized by commercial and public uses and is zoned W-2, B-2, B-3 (Business-Scattered), and P (Public), with several prior zoning map amendments having transitioned nearby properties from industrial to commercial designations.

The Department notes the following key findings:

- The subject property consists of approximately 0.83 acres and has remained vacant for more than twenty years.
- Surrounding uses include commercial activities to the north, east, and west, with the D.C. Canegata Recreational Center and Sports Complex located to the south.
- Infrastructure needs will be served by existing public water and sewer lines. Additional DPNR review will include permits for new construction.
- The proposed development consists of a three-story hotel approximately 35 feet in height, featuring guest suites with kitchenettes, 76 parking spaces, office and storage areas, landscaping, and connections to public utilities.
- The applicant states that the project is intended to address a gap in St. Croix's lodging market by providing accommodations for both short-term and extended-stay visitors while supporting tourism and economic activity.

- At the DPNR-CCZP public hearing held on July 21, 2026, discussion focused primarily on drainage, flooding, and water-table considerations. The applicant indicated that the property is situated above nearby flood-prone areas and that geotechnical investigations would be conducted during the permitting process. No public comments were offered during the hearing, and no post-hearing comments were received.
- The proposal was found to be consistent with the goals, policies, and strategies of the 2024 Comprehensive Land and Water Use Plan. The site is located within an established commercial corridor and is compatible with existing development patterns in the vicinity. The area has experienced several prior zoning map amendments that transitioned nearby properties from industrial to commercial designations, resulting in a development pattern that is predominantly commercial in character.
- The Comp Plan further encourages economic diversification, tourism-related investment, redevelopment of underutilized properties, and the expansion of mixed-use and commercial activity in appropriate locations. The project also supports increased lodging capacity and the efficient use of existing public infrastructure.
- Environmental considerations, including drainage, stormwater management, flooding, and climate resiliency, will be addressed through subsequent DPNR regulatory review and permitting processes.

After thorough analysis of the applicant's request, surrounding land uses, infrastructure availability, public testimony, and consistency with the 2024 Comprehensive Land and Water Use Plan, the Department finds the proposed rezoning to be appropriate and consistent with the established commercial character of the area. The Department recommends approval of the zoning map amendment request from W-2 (Waterfront-Industrial) to B-2 (Business-Secondary/Neighborhood).

Pursuant to Title 29 Virgin Islands Code, Chapter 3, Section 238, the report of the Planning Office regarding this proposal, including the detailed reasons for our recommendation, is incorporated into the records submitted prior to this Committee of the Whole Hearing. We respectfully request that the PowerPoint presentation for CCZP0022-26 now be displayed.

This concludes the testimony on behalf of the Department, and we are available to answer any questions.