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. STZ-7, Application No. CCZP0043-26

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. CCZP0043-26.

This application, submitted by St. Thomas Hospitality, LLC, seeks to amend the zoning designation of Parcel Nos. 2N-1 and 2N-2 Estate Bakkero, No. 5 Frenchman's Bay Quarter, St. Thomas, consisting of approximately 1.37 acres, from R-1 (Residential-Low Density) to R-3 (Residential-Medium Density). The purpose of the request is to bring the subject properties into conformity with adjacent R-3 properties under the same ownership and facilitate the development of a hospitality project.

DPNR has conducted a thorough review of the application, including an analysis of surrounding land uses, zoning trends, infrastructure availability, environmental considerations, and public input. The surrounding area includes a mix of R-1 and R-3 zoning districts, with several previous zoning amendments approved in the vicinity for hospitality and residential development.

The Department notes the following key findings:

- The applicant proposes incorporating the subject parcels into a larger resort-style hotel development adjoining other R-3 properties owned by the applicant. The proposed development would include approximately 169 guest rooms distributed among multiple buildings with amenities including a pool, restaurant, spa, parking facilities, and hotel support services. One existing residential structure is proposed to be retained and repurposed for hotel-related uses.
- Water service is proposed through existing public utility lines, while sewer service is proposed through on-site sewage treatment systems.
- The Division of Fish and Wildlife determined that the proposed project should not impact wetlands; however, Information for Planning and Consultation (IPAC) records indicate the possible presence of Virgin Islands Tree Boas and *Myrcia (Calyptranthes) thomasiana*. The applicant will be required to comply with all applicable DFW protocols and coordinate with DFW should either species be encountered during project activities.

- During the DPNR-CCZP public hearing held on July 20, 2026, concerns were raised regarding parking adequacy, traffic circulation, road improvements, stormwater management, wastewater treatment, impacts on nearby residential properties, and the project's proximity to coastal resources and Morningstar Beach. Applicant stated that the project remains in the preliminary design stage and that environmental, engineering, and feasibility analyses are ongoing to address these issues.
- Following the hearing, adjacent property owners expressed opposition to the rezoning request, citing concerns regarding the scale and density of the proposed hotel, traffic generation, parking demand, noise, visual impacts, infrastructure capacity, and potential effects on the neighborhood character. They also requested that commitments regarding solar panels, road access, and parking be formally documented and enforceable.
- The Department finds that the requested zoning amendment is consistent with the goals, policies, and strategies of the 2024 Comprehensive Land and Water Use Plan. The proposal supports coordinated land use planning by eliminating split zoning within a unified development area and promoting cohesive site planning.
- The proposal advances the Comprehensive Plan's economic development objectives by supporting tourism-related investment, expanding visitor accommodations, creating employment opportunities, and strengthening the Territory's tourism infrastructure in an area already characterized by hospitality uses.
- The proposed rezoning represents an infill expansion adjacent to existing development and infrastructure rather than an extension of development into isolated or environmentally sensitive areas. Environmental, infrastructure, stormwater, wastewater, and hazard mitigation concerns will be addressed through the applicable permitting and review processes.

After thorough analysis of the applicant's request, surrounding land uses, infrastructure availability, public comments, and consistency with the Comprehensive Land and Water Use Plan, the Department finds the proposed rezoning appropriate and consistent with the Territory's land use and economic development objectives. The department recommends approval of the zoning map amendment request to change Parcel Nos. 2N-1 and 2N-2 Estate Bakkero from R-1 (Residential-Low Density) to R-3 (Residential-Medium Density).

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 CCZP0043-26 now be displayed.

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