



TESTIMONY OF PRESIDENT DAVID HALL  
UNIVERSITY OF THE VIRGIN ISLANDS

BEFORE THE  
COMMITTEE OF THE WHOLE

35<sup>TH</sup> LEGISLATURE  
OF THE VIRGIN ISLANDS

EARLE B. OTTLEY  
LEGISLATIVE HALL

ST. THOMAS

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Good morning, Senate President Francis, all members of the 35th Legislature present, other testifiers, members of the press, persons in the viewing and listening audience, ladies and gentlemen. My name is David Hall, President of the University of the Virgin Islands, and it is indeed an honor for me to appear before this body to provide testimony on behalf of the University. I am specifically here to provide testimony in regards to Bill 35-0063, an Act approving the conveyance by the Virgin Islands Port Authority to the University of the Virgin Islands of Tract E, Parcel 72 Estate Lindbergh Bay, 4A Southside Quarter, St. Thomas, Virgin Islands, in exchange for the University of the Virgin Islands' conveyance to the Virgin Islands Port Authority of Parcel 66-5 Estate Lindberg Bay St. Thomas, Virgin Island.

I would like to provide a brief history behind this land swap, so it is clear to the Committee of the Whole what the University is attempting to achieve.

When I became President in August 2009, I noticed a dilapidated building on the southeastern edge of the University's St. Thomas campus, which at that time was called Merchants Market. I felt this building and parcel were strategic to the University's growth and image because they were the first structures an individual would see upon approaching the entrance to the campus. When I asked the University's CFO at the time, Mr. Vincent Samuel, to inquire with Port Authority about the availability of the building and parcel, he was informed that the parcel was already under a long-term lease with another entity who planned to develop a supermarket.

Many years later I witnessed the demolition of the building and the construction of a modern supermarket, WestBay. The University reached out to the owners and developers of this project about the possibility of owning or renting the upper level of the supermarket. After numerous discussions, the University eventually leased the upper level to house the Census 2020 operations for the St. Thomas/ St. John district. During the lease, the owners informed us that they were going to sell the entire facility and wanted to know if we were interested in purchasing the building and its contents.

After extensive negotiations, the Board of Trustees approved the purchase of the facility for \$8.4 Million, which was provided through the refinancing of existing debt with the HBCU Capital Financing Program. The University acquired the building on March 5, 2020 and was released from the mortgage on the facility that was held by the Government Employees Retirement System (GERS).

Simultaneously, the University was negotiating with Port Authority to acquire the land upon which the WestBay Supermarket was located, in exchange for a comparable parcel of land of an equivalent size of 0.822 U.S. acres, owned by the University across the street and at the eastern edge of the University's soccer field. Once this agreement was in place, Port Authority had to secure approval from the Federal Aviation Administration (FAA), the VI Legislature and the Governor in order to finalize the two conveyances. After considerable delay which involved the FAA's due diligence requirements including the completion of respective property valuations, environmental assessments, the assessment of comparable values and the determination of lack of impact in the release of the Merchants Market facility on future airport expansions, the FAA approved the exchange on August 25, 2022. However, while concluding that the VIPA parcel could be transferred to the University because it was "no longer needed for current or future airport purposes", and such a transfer would not interfere with the "operation, maintenance or future development" of the Airport, the FAA concluded that the two parcels were not of equal value, though of equal size. Thus, the University had to pay to Port Authority \$143,700 based on FAA's assessment of the difference in value between the two parcels. Bill 35-0063 is pursuing the final steps in this process which is the approval of the conveyance by the local government.

Once the building was acquired, the University began in earnest to create a facility that would be the crowning jewel of its present strategic plan, “Greatness Through Innovation” by designing and building a cutting-edge facility which would create an ecosystem of technology innovation so that our students, faculty, staff and the community can be exposed to the science of innovation and creativity and be engaged in helping to fashion the innovations of the future. The University obtained a \$3 Million gift commitment from Kiril Sokoloff to name the Center after his company 13D, which was one of the earliest companies to become part of the UVI Research and Technology Park (RTPark). Contained within the 13D Research and Innovation Center is a Creativity Lab, a Maker Space, an Innovation Lab, an artificial intelligence zone, classrooms, conference rooms and other creative work spaces. The Center also houses the University’s Culinary Arts program and its adjacent cafe, “Wild Sage.” There will eventually be three technology companies with office space in the Center so that our students are exposed to the latest technology innovations.

The upper levels of the facility, once vacated by the Census 2020 project, now houses the Small Business Development Center (SBDC), which provides critical and indispensable services to the small business community, especially entrepreneurs. It also houses another research center, and we will lease the remaining space to other governmental entities with compatible missions.

Thus, your passage of Bill 35-0063 will ensure that in perpetuity, the University will own the land upon which the University’s most creative space on campus resides. The University will no longer be obligated to make lease payments for the parcel, and thus will have greater certainty about its future. By supporting this Bill, you are supporting creativity and innovation in the Territory, and thus increasing the possibility that the Virgin Islands will produce the technology innovators of the future. Each of you should have received an invitation to attend the Grand Opening of this modern and attractive facility on Monday, April 17th at 10:00 AM so you can see this engaging space first hand.

Thanks to the sponsor of this Bill, Senate President Novelle Francis, and to Director Dowe for working so collaboratively with the University to create this transfer. Thanks to all members of the 35<sup>th</sup> Legislature for your support of this important measure. I stand ready to address your questions.