

**PRESENTATION REGARDING CONSIDERATIONS BY
THE 35TH LEGISLATURE OF THE U.S. VIRGIN ISLANDS
OF
MAJOR COASTAL ZONE MANAGEMENT PERMIT
No. CZT-06-21(L&W)**

The Honorable Novelle E. Francis, Jr., President of the 35th Legislature of the U.S. Virgin Islands and Chairman of the Legislative Committee of the Whole, other Members of the 35th Legislature in attendance today, ladies and gentlemen – Good Day. My name is George H.T. Dudley, a partner in the law firm of Dudley Newman Feuerzeig LLP and legal counsel to Jack Rock B-A C LLC (hereinafter referred to as “Jack Rock” or “Permittee”). With me today is Cristina Blackburn, the duly authorized representative of Jack Rock, and we will be prepared to answer any questions that any of you may have with respect to this matter.

By way of background, Jack Rock proposes to redevelop the marina known as Latitude 18, which was located on Parcel No. 3 (Consolidated 9B-A) Estate Nazareth, St. Thomas and adjacent waters and submerged lands. The original marina was badly damaged by Hurricane Marilyn in 1995, but continued to function on a limited basis until it was totally destroyed by Hurricanes Irma and Maria in September 2017. Since that time, the marina has been an abandoned site. The property was acquired by Jack Rock in 2018 and an initial proposal for the redevelopment of the property was filed with the St. Thomas Committee of the V.I. Coastal Zone Management Commission (the “CZM”) in 2021. Following that initial

submission, Jack Rock had extensive meetings with neighbors adjacent to the marina and other interested parties either a part of the marine industry or located in the Red Hook area. Based on those meetings, the application was substantially revised (primarily a reduction in the size, density and scale of the project) and an amended application was filed in February 2022.

The CZM held two public hearings on the amended application, and throughout that process Jack Rock continued to meet with its neighbors and other interested parties, including the Virgin Islands Port Authority (“VIPA”) and VIPA’s marina consultants to confirm that the marina’s design would have no impact on VIPA’s Red Hook operations (both the passenger ferry terminal and the car barge facility).

Particular attention was paid to environmentally sensitive areas (the tree boas that live on the east end, and coral beds in the marina’s development footprint), noise abatement for operations, and to ensure public access to the adjacent shoreline.

In addition to new docks for the berthing of boats of various sizes, the redeveloped Latitude 18 marina would add a new restaurant and retail to Red Hook, enhance marine support services for recreational and commercial boating and provide services and facilities to ensure better management of the environment.

Jack Rock commissioned Dr. Haldane Davies of Orion Consulting Services to prepare an economic impact analysis for the development and Dr. Davies

concluded reconstruction of Latitude 18 would have a beneficial impact on the Territory's economy of almost \$29 million during construction, and, once operational, operation of the marina and mooring field would have a positive impact on the local economy of approximately \$7.85 million annually. I have submitted a copy of Dr. Davies' report as a part of this presentation.

Of particular note is the plan to develop and operate a managed mooring field in conjunction with the marina. The mooring field will have sixty-eight moorings designed to accommodate boats up to 65 feet in length. Significantly, all existing boat owners with valid DPNR licensed moorings currently located with the mooring field will be accommodated and will continue to pay their mooring fees to the Department. The mooring field will be operated to provide solid waste disposal and bilge pump-out services to the users of the mooring field and to the general boating community. The managed mooring field will be the first of its kind in the Territory and will directly benefit the environmental condition of Red Hook Bay.

During construction, the public estate road leading to the marina will be maintained at Jack Rock's expense and will be completely resurfaced upon completion of construction.

We believe, and the CZM is satisfied, that the redevelopment and operation of the marina and the mooring field will have no adverse impact on the environment

and will be of positive benefit to the Red Hook Bay neighborhood and the broader economy.

On behalf of my client and myself, I would like to close by taking this opportunity to thank the members of the St. Thomas CZM Committee, the staff of the Division of Coastal Zone Management, the Commissioner of Planning and Natural Resources, and Governor Albert Bryan Jr. for recognizing the positive contribution that the redevelopment of Latitude 18 will have on the Territory and its people.

Cristina Blackburn and I are prepared to answer any questions any of you may have with respect to the CZM permit and we respectfully urge its ratification by the members of the 35th Legislature.

Thank you.

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