

**TESTIMONY  
OF  
MARK W. GRIMES  
BEFORE THE 35<sup>th</sup> LEGISLATURE OF THE VIRGIN ISLANDS  
COMMITTEE OF THE WHOLE  
March 9, 2023**

RE: Consideration of Zoning Request ZAT-22-17 to allow for variance for Parcel No. 5C Estate Anna's Retreat, No. 1 New Quarter, St. Thomas, VI with zoning designation of C (Commercial) to allow for Commercial and Residential Mixed Use

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Good morning, Mr. Chairman, Senators, legislative staff, ladies and gentlemen. Thank you to Attorney Norman for the Introduction. I am Mark Grimes and appear before you today as the Manager and Owner of 5C-AR Holdings, LLC, the owner of Parcel No. 5C Estate Anna's Retreat, which I may refer to as the Property. I am here to request a variance on Parcel No. 5C Estate Anna's Retreat., No. 1 New Quarter, St. Thomas, VI, a Commercial (C) zoned property, to allow for "mixed-use" of Residential and Commercial within the renovated and expanded structure.

Included for your reference today, along with my presentation, I have provided a set of abridged plans, photos of the site and building, and two letters of support.

For clarity, I have included a map of our location, this property is located to the East of (or behind) Walgreens Pharmacy in Tutu and is accessible to Route 38 by a private driveway. This property is at the border of the commercial zone and a residential neighborhood and is surrounded on two sides by commercial buildings and on two sides by multi-unit residential.

I purchased the property in January of 2022. The property included a 3-unit residential building that was grandfathered within the Commercial zone. The existing building had not been occupied for some time. There was a combination of deterioration and storm damage to the existing structure as well as overgrown vegetation and storm debris present on the lot. At this early stage, the vision for the property was to create new commercial space while preserving the three existing units to maintain an element of residential within the completed project. After the purchase it was determined by the engineer that much of the existing building could not be preserved due to deterioration. The revised plan moving forward was changed to preserve one existing unit and the existing cistern and which allowed the expansion of the footprint. The permitted plan presently includes 8 commercial units.

The investment that is presently underway includes structural rehab of the existing components and spalling concrete. Abatement of asbestos from the property. The expansion of the core and shell of the building; the foundation has been expanded and a third floor has been added. The planned investment for the 8-unit commercial building includes a 100% block and concrete structure with a concrete roof. The use of shutters and impact-rated windows and doors. We

will have proper parking to accommodate tenants parking needs on-site. The completed building will have solar-power as well as a back-up generator. The photos provided with this presentation show the “before” condition and the progress of the investment underway today.

Within the provided plans, you can see the building as it has been permitted, as well as our requested change. This variance would make the following changes:

Permitted Plan:	Requested Variance:
<ul style="list-style-type: none"> <li>• Commercial use</li> <li>• 7,684 SF</li> <li>• 8 Commercial Units               <ul style="list-style-type: none"> <li>○ First floor: 2 Commercial Units</li> <li>○ Second floor: 3 Commercial Units</li> <li>○ Third floor: 3 Commercial Units</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Mixed-use, Commercial and Residential</li> <li>• 7,684 SF</li> <li>• 5 Commercial Units               <ul style="list-style-type: none"> <li>○ First floor: 2 Commercial Units</li> <li>○ Second floor: 3 Commercial Units</li> </ul> </li> <li>• 3 Residential Units (Top floor only)               <ul style="list-style-type: none"> <li>○ Third floor: 3 Residential Units</li> </ul> </li> </ul>

Please note, our variance does not expand the square footage or the footprint of the permitted building, nor does it increase the total number of the bedrooms from the previously grandfathered structure, and lastly this variance does not seek to expand the use of the building but to combine its currently permitted use and previously permitted use.

The new residential units will be used for long-term rentals, not for short-term rentals (like Airbnb or VRBO). We are not seeking approval for a guesthouse but, for three units that will be a compliment to the existing neighborhood. We hope that future tenants will find value in amenities like in-unit laundry, the back-up generator on property, and being within walking distance to the Safari route and Tutu’s amenities like stores and restaurants.

I feel that this variance should be granted because mixed-use will contribute to a balance in the community between commercial (daytime) and residential (evening) occupants that will add not just new businesses but new neighbors to the community. I feel that this mixed-used is more fitting than commercial use alone because this property is situated at the border of commercial and residential zones. Lastly, these three residential units will help to meet the need of additional housing in the Tutu area.

Thank you, Mr. Chairman, for your time and consideration of this variance. I welcome you to visit the site with me at a future date. I hope that The Committee of the Whole will agree that mixed-use is a worthy use of this property that will add value to the community beyond commercial use alone. Attorney Norman and I invite any questions you may have.