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## TESTIMONY OF VONETTA C. NORMAN 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

Good morning, Mr. Chairman, Senators, legislative staff, ladies, and gentlemen. I am Attorney Vonetta C. Norman and appear before you today representing 5C-AR Holdings, LLC, the owner of Parcel No. 5C Estate Anna's Retreat, which I may refer to as the Property. With me is Mark Grimes the Manager of 5C-AR Holdings, LLC, who will specifically address the need for this variance on Parcel No. 5C Estate Anna's Retreat., No. 1 New Quarter, St. Thomas, VI on behalf of 5C-AR Holdings, LLC.

Parcel No. 5C Anna's Retreat has a building that was constructed prior to the adoption of the territory's zoning code in 1972, and its use was residential from then until approximately 2012. The Property was subsequently assigned the zoning designation of C (Commercial). However, the Property's residential use was grandfathered and allowed to continue after the Commercial zoning designation. The Property was sold to Mr. Grimes' company this past year, and he is currently renovating and rehabilitating the building and is expanding it to include a third floor. His plan for the Property is to create three (3) residential units, in addition to five (5) commercial units. However, according to 29 V.I.C. § 234(f), any expansion of the building must conform to the current zoning. Meaning, that due to the building's expansion, all units would have to be used commercially. At the present time Mr. Grimes is moving forward with renovating and rehabilitating the building with eight (8)

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commercial spaces, in compliance with Virgin Islands law. But we are coming before you today to respectfully request that a variance be granted for mixed-use to allow Mr. Grimes to go forward with his plan to include both commercial and housing units.

The requested use would not substantially conflict with the permitted uses in the zoning district. A review of our zoning code shows that it already provides for mixed residential and commercial uses. Zoning designations B-1 Business (Central Business District), B-2 (Business-Secondary), and B-3 (Business-Scattered) all allow for both commercial activities and residential use to coexist in the same location. If this mixed use is already permitted in accordance with the zoning law, it then follows that allowing the requested variance for mixed use in this case is not a substantial conflict with the permitted use. Further, the intended use does not deviate from the Property's previous use (which was residential) and does not interfere with the surrounding neighborhood's property use. Mr. Grimes' presentation, and DPNR's report will demonstrate clearly that the areas surrounding the Property are being used for both commercial and residential purposes.

Allowing Mr. Grimes to include residential units in his building will add to our muchdepleted housing inventory on the island. The number of residential spaces available for long term rentals was substantially reduced due to both Hurricanes Irma and Maria in 2017 and the current popular use of residences for short term stays. Although only three (3) residential units will be included on the Property, it will help provide much needed housing on St. Thomas in an area that has extensive services to grocery and drug stores, low-cost restaurants, and public transportation. And finally, after reviewing and considering Mr. Grimes' plan, DPNR recommends that the use variance be granted.

Thank you for your time and consideration of this important variance and with your approval, Mr. Chairman, I will turn the floor over to Mr. Grimes who will provide further insight into this project. We will both be available to the members and you to answer any questions or concerns you may have at the conclusion of his presentation.