

1 **VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY**
2 **TESTIMONY BY WAYNE L. BIGGS, JR.**
3 **STATUS REPORT**
4 **COMMITTEE ON ECONOMIC DEVELOPMENT AND AGRICULTURE**
5 **35TH LEGISLATURE OF THE VIRGIN ISLANDS**
6 **ST. THOMAS, VIRGIN ISLANDS**
7 **WEDNESDAY, APRIL 12, 2023**

8
9 Good afternoon, Chairman Javan E. James, Sr., members of the Committee
10 on Economic Development and Agriculture, other members of the 35th Legislature,
11 the Virgin Islands Economic Development Authority (“USVIEDA” or “the Authority”)
12 team, and the viewing and listening audience. I am Wayne L. Biggs, Jr., Chief
13 Executive Officer of the USVIEDA. With me today are Kelly Thompson Webbe,
14 Chief Financial Officer; Margarita Greenidge-Benjamin, Managing Director,
15 Economic Development; Nadine Marchena Kean, Managing Director, Enterprise
16 Zone Commission; Monique T. Samuel, Managing Director, Economic Development
17 Bank; Mark Finch, Director, Physical Plant; Celina D. Morris, Director, Marketing;
18 Kali Richardson, Director, Human Resources; Cusa Holloway Christian, Incubator
19 Program Manager; and Joy Penn, Senior Compliance Officer.

20 My team and I are happy to provide a status report on USVIEDA for Fiscal
21 Years (“FY”) 2022 and 2023 (October 1, 2021 through March 31, 2023), and are
22 available to answer inquiries you or your colleagues may have.

24 **USVIEDA Organizational Structure, Personnel and**
25 **Accomplishments**

26

27 The Authority is a semi-autonomous government instrumentality and
28 economic development organization with an FY 2023 operating budget of
29 \$7,135,800. It is governed by one (1) Executive Board (“Board”) to achieve
30 maximum efficiency and reduce the cost of operations, avoid duplication of
31 services, and implement comprehensive programs. By statute, the Board is
32 comprised of seven (7) members: three (3) members appointed from the
33 Governor’s cabinet or executive level staff; three (3) members who are private
34 residents representing the private sector on each island; and one (1) member from
35 either the Government Employee Retirement System (“GERS”), the Virgin Islands
36 Port Authority (“VIPA”), or the University of the Virgin Islands (“UVI”). The current
37 Board composition includes six (6) members and one (1) vacancy for the private
38 sector representative from the island of St. Thomas.

39 Though USVIEDA’s mandate to foster the economic development of the
40 Territory to spur investment and improve the quality of life for all residents is a
41 broad and very critical one, its team is relatively small but dynamic. Currently, the

42 Authority has a total of 37 team members, with 20 in the St. Thomas/St. John
43 District and 17 in the St. Croix District. The Authority’s leadership team consists of
44 three (3) executive members with one (1) vacancy for the Assistant Chief Executive
45 Officer, and six (6) senior managers. There are a total of 14 vacancies we are
46 actively seeking to fill through internal announcements, website postings, job fairs,
47 the Department of Labor’s Virgin Islands Electronic Workforce System (VIEWS) and
48 Virgin Islands Stem Talent Archive (“VISTA+”), print and digital ads, social media
49 accounts such as LinkedIn, Facebook, Instagram, Twitter, etc. and online
50 recruitment tools such as Indeed. Three (3) of these vacancies are for upcoming
51 retirements. The agency is being proactive in filling these vacancies before the staff
52 member officially retires to ensure a smooth transition.

53 USVIEDA’s overall operations are supported by its administrative
54 departments, which include: administration and finance, legal, human resources,
55 marketing and the executive offices of the Chief Executive Officer and the Assistant
56 Chief Executive Officer.

57 To execute its overarching economic development mandate, the Authority
58 has four (4) core units, which include the Virgin Islands Economic Development

59 Commission (“EDC”), the Virgin Islands Enterprise Zone Commission (“EZC”), the
60 Economic Development Bank for the United States Virgin Islands (“EDB”), and the
61 Virgin Islands Economic Development Park Corporation (“EDPC”). I will now
62 describe each core unit and highlight some of their respective accomplishments.

63 The **EDC** facilitates investment by administering and regulating tax incentives
64 that encourage businesses to start, relocate or expand in the Territory. These
65 programs include the Virgin Islands Economic Development Commission (“VIEDC”) tax
66 incentive program, the Hotel Development Program (“HDA”), the Sustainable
67 Tourism through Arts-based Revenue Streams Program (“STARS), and the Tax
68 Increment Financing Program (“TIF”). At the end of Fiscal Year (“FY”) 2022, 21
69 applications were received for the VIEDC tax incentive program, which represent
70 approximately 115 job opportunities, \$101.1M to be paid in wages, and \$7.69M in
71 capital investment. Tax projections for the Virgin Islands’ economy over a five-year
72 period are also estimated at \$48.5M from these applications. It should also be
73 noted that within the total number of applications for FY 2022, 16 were new
74 applicants and 5 were VIEDC Small Business Program applicants.

75 As of March 31, 2023, a total of five (5) new applications have been received
76 for FY 2023. One (1) of these applications was deemed complete and the other
77 four (4) applications are still under review. The completed application represents
78 approximately 18 jobs, over \$600K to be paid in wages, and \$10M in capital
79 investment. It is expected that at the end of FY 2023, the total number of
80 applications will meet the previous year's levels.

81 The **EZC** uses community development tools to revitalize once-vibrant towns
82 and neighborhoods that are now considered distressed. Each year this division
83 seeks to build a more diverse community to support sustainable economic growth
84 and resiliency. In FY 2022 EZC managed over \$1,268,200 in grant funding to carry
85 out its initiatives, such as facilitating opportunities to increase exports and
86 implementing the anchor projects in each of the Territory's four (4) enterprise
87 zones to transform blighted communities through small business growth and
88 innovation.

89 One of EZC's major programs, in collaboration with the Virgin Islands Council
90 for the Arts ("VICA"), is the Made in the USVI pop-up shop initiative. Historically,
91 approximately 60 local manufacturers have been featured in the pop-up shops on

92 St. Croix, St. John, and St. Thomas. In FY 2022, the Made in the USVI pop-up shops
93 on St. Croix and St. Thomas generated combined revenues of approximately \$44K
94 for small businesses over a 10-day period. So far, this fiscal year the Made in the
95 USVI pop-up shop opened on St. Croix and St. Thomas last December. The next pop-
96 up shop is scheduled to launch on April 20, 2023 in the building across from the
97 Pressure Spot on St. Thomas, just in time for Carnival.

98 I am also excited to report that for the first time Made in the USVI products
99 will be sold at a permanent location in a kiosk in the newly revamped vendor's plaza
100 on St. Thomas, beginning April 17, 2023. This development was made possible
101 through a collaboration between USVIEDA, VICA, the Virgin Islands Department of
102 Property and Procurement ("DPP"), and the Virgin Islands Department of Licensing
103 and Consumer Affairs ("DLCA"). The kiosk will feature items from the top 10 best-
104 selling Made in the USVI pop-up shop vendors. Featured items will be updated
105 each quarter as vendors are rotated.

106 The EZC is also responsible for managing our newest economic development
107 tool, the trade zone program. This program offers attractive tax incentives to
108 eligible businesses that operate within the designated zone on the south shore of

109 St. Croix. This may be one of USVIEDA’s most impactful programs as it has the
110 potential to transform St. Croix into a logistical hub for trade, commerce,
111 manufacturing, and a host of other industries. The possibility of placing a shipyard
112 to repair marine vessels is being explored as an anchor activity in the trade zone.
113 The EZC team has already issued a Request for Proposals (“RFP”) to have a shipyard
114 feasibility study conducted. Following a review of RFP submissions by an evaluation
115 committee, a qualified bidder was selected. Should the RFP evaluation
116 committee’s recommendation be voted upon favorably by USVIEDA’s Board at its
117 next meeting tomorrow, April 13, 2023, contract negotiations will begin shortly. In
118 the second half of the fiscal year, EZC intends to finalize its comprehensive
119 marketing strategy for the South Shore Trade Zone.

120 The **EDB** provides equity infusion to small businesses and loan guarantees to
121 local commercial banks to reduce risk to the banks. The EDB’s current loan
122 portfolio includes 65 loans valued at \$4,087,493 from total loan funds of
123 \$6,404,286. The current delinquency rate is 16% attributed to three (3) borrowers.

124 The EDB has been a responsible steward of both local and federal loan funds.
125 Last fiscal year, due to EDB’s compliance with federal requirements, the U.S

126 Economic Development Administration (“U.S. EDA”) invited the USVIEDA to
127 request that the two (2) Revolving Loan Fund (“RLF”) programs administered by
128 EDB be de-federalized. This invitation was authorized through the Reinvigorating
129 Lending for the Future Act, an amendment to the Public Works and Economic
130 Development Act (“PWEDA”). USVIEDA’s request was approved by the U.S. EDA
131 and this will provide EDB more flexibility in assisting qualified applicants with
132 financing their small businesses.

133 In 2010, the Territory was awarded over \$13.1M in State Small Business
134 Credit Initiative (“SSBCI”) funding from the U.S. Department of the Treasury
135 (“Treasury”). EDB successfully managed the program, providing assistance to 48
136 businesses that created/retained 709 jobs. Due to this success, the Territory was
137 recently awarded more than \$57.8M in the second round of SSBCI funding—more
138 than four times the amount awarded in SSBCI 1.0. SSBCI 2.0 funding is made
139 possible through the American Rescue Plan Act (“ARPA”), and the Territory will
140 have 10 years to expend the monies. Funding will be provided in three (3) tranches.
141 On February 1, 2023, USVIEDA received the first tranche in the amount of
142 \$18,907,301, and will be working with local banks as well as a loan service provider

143 with access to a network of over 22 lenders outside of the territory to assist as
144 many small businesses as possible with accessing these funds. To date, EDB has
145 approved one (1) SSBCI guarantee in the amount of \$1M on a lender’s loan for \$2M
146 and there are two (2) more SSBCI loans in the pipeline.

147 Treasury has invited USVIEDA to be one of eight states and territories to
148 serve on the SSBCI Working Group to develop best practices on loan guarantee
149 programs due to our exemplary performance on SSBCI 1.0.

150 Also housed within the EDB is the **Incubator Program (“Incubator”)**, which
151 provides management training and technical assistance to new companies and
152 start-ups so they can develop into full-fledged businesses. In FY 2022, the
153 Incubator assisted 15 new clients while also continuing to assist 52 existing clients.
154 At this point in the current fiscal year, the Incubator Program is set to surpass last
155 year’s number, having already assisted 14 new clients.

156 Like the Authority’s other units, the Incubator continues to make an impact
157 in the community through partnerships. This year, the Incubator Program assisted
158 the Women’s Coalition of St. Croix with launching their new “Empowerment and
159 Business Start-Up Program”, which aims to provide women with resources to

160 become financially self-sufficient to lessen their chances of remaining in abusive
161 situations. The Incubator staff is mentoring one of the program participants as she
162 grows her small business.

163 Though initially established on the island of St. Croix to provide technical
164 assistance and shared space for new and existing businesses, the Incubator
165 Program will be expanding its services by establishing a physical presence in the St.
166 Thomas/St. John District and implementing a food incubator on St. Croix.

167 The **EDPC**, a public corporation that acquires and operates industrial parks in
168 the Territory, complements EDC activities by offering commercial rental space to
169 investors. This is a self-sustaining pillar of the USVIEDA, supported by rent
170 collections from tenants. The EDPC has oversight of three (3) properties: the Virgin
171 Islands Industrial Park (“VIIP”) on St. Thomas, as well as the William D. Roebuck
172 Industrial Park (“WDRIP”) and the Fleming Building on St. Croix. The Fleming
173 Building, located in Frederiksted, serves as USVIEDA’s main office site on St. Croix.
174 Notably, the WDRIP is located in the trade zone and makes this an attractive
175 location for tenants with eligible activities to take advantage of trade zone tax
176 incentives.

177 The combined occupancy rate of both parks is just under 100%, and tenants
178 include both government agencies and private entities. Tenant activity is a mix of
179 manufacturing, agribusiness, technology, back office, and logistics operations. As
180 will be discussed more in-depth later in my testimony, the EDPC currently has major
181 capital improvement projects underway to repair damage to all its properties as a
182 result of Hurricanes Irma and Maria in 2017.

183 USVIEDA’s units do not work in silos but rather offer wraparound services so
184 that clients can stack benefits to foster business growth. Earlier this year, the
185 Authority was pleased to recognize two (2) clients with businesses in the enterprise
186 zones. They are joint clients of the EDB and EZC, who were approved for both a
187 loan and EZC incentives during the same board meeting. We also have a number
188 of other clients who have utilized programs from multiple units, such as park
189 tenants who are also EDC beneficiaries and Incubator clients who have received
190 EDB financing and EZC incentives to grow their businesses and become serial
191 entrepreneurs. I am also pleased to report there is an EDPC tenant who may be a
192 potential trade zone beneficiary.

193

194 **Vision 2040 Implementation**

195

196 On March 30, 2021, the Honorable Governor Albert Bryan Jr. unveiled Vision
197 2040, the Territory's comprehensive 20-year economic development strategy. This
198 initiative, led by the Virgin Islands Economic Development Authority, accomplished
199 what no other single governmental agency or administration has done in the
200 history of the Virgin Islands - plot a generational course to economic prosperity.

201 Vision 2040 outlined eight (8) aspirational goals, identified eight (8) target
202 industry sectors, and provided 116 action steps to steer the Territory toward the
203 vibrant economic future it desires. The plan provides a blueprint to the public,
204 private, and non-profit sectors in moving economic development initiatives
205 forward. In fact, Vision 2040 served as a guide in the development of other
206 Territorial plans, such as the Comprehensive Economic Development Strategy
207 (“CEDS”) and the Tourism Master Plan.

208 By virtue of its statutory mandate, USVIEDA’s core functions support the
209 aspirational goals and targeted industry growth of Vision 2040. This includes all the
210 past year’s accomplishments I previously discussed. However, the Authority is
211 working on a number of other major projects, activities, and funded programs,

212 many in collaboration with sister government agencies, which are directly linked to
213 Vision 2040. These initiatives include the following.

214

215 ***EZC Anchor Projects***

216

217 In addition to the Made in the USVI initiative described earlier, which touches
218 on the Vision 2040 goal of providing entrepreneurs with access to support and
219 capital, one of EZC’s major initiatives is the implementation of anchor projects in
220 the Territory’s four enterprise zones. These zones include the towns of
221 Christiansted and Frederiksted on St. Croix, and the communities of Garden Street-
222 Upstreet and Savanne-Downstreet on St. Thomas.

223 The Marcelli Facility in the Savanne-Downstreet community and the
224 Frederiksted Facility in St. Croix will serve as agritech and innovation centers for
225 these communities and will provide space for agro-processing, a clean kitchen,
226 technical assistance, training rooms, a café, and a studio-ready fine dining
227 restaurant. Community feedback during the Vision 2040 process indicated a desire
228 for more opportunities in agriculture, and these anchor projects not only fit into

229 the targeted industries of agribusiness and manufacturing but also address the
230 aspirational goal of increasing locally sourced foods from 3% to 35% by 2040.

231 The other two anchor projects are the Healing Humanities in St. Croix
232 Foundation’s Sunday Market Square Christiansted town, and the Virgin Islands
233 Museum, Civic, and Cultural Center in the historic J. Antonio Jarvis School in the
234 Garden Street-Upstreet zone. Both projects will provide training opportunities and
235 support activities in the visual and performing arts. There will also be a museum,
236 artisan exhibit, and maker spaces. These projects will encourage activity in the
237 targeted industries of light manufacturing and VI-style tourism while also
238 contributing to the goal of increasing tourism-related revenues from 63% to 75%.

239 All of EZC’s anchor projects will revitalize these neighborhoods to support
240 the growth of local small businesses by granting them access to a wider market and
241 the opportunity to increase exports. Additionally, with more industrial activity and
242 social events in these towns and communities, there is the potential to grow the
243 population. The EZC team continues to work with public, private and non-profit
244 partners, as well as seek grant funding to bring these projects to fruition.

245

246 ***Resources for Farmers and Fishers***

247

248 In addition to the agricultural anchor projects, USVIEDA has already begun
249 to explore new ways to assist the Territory’s farmers and fishers by providing
250 financing for business improvements and training on business processes, such as
251 accounting, tax preparation, documentation, information systems, and marketing.
252 USVIEDA will also partner with current farmers and fishers to provide mentorship
253 opportunities so the next generation will consider entering these sectors. To that
254 end, the EDB and EZC teams have already started discussions with the U.S.
255 Department of Agriculture, local non-profits, such as the Good Food Coalition, and
256 industry experts to learn best practices in assisting this population.

257

258 ***Trade Zone Activities***

259

260 The establishment of a trade zone on St. Croix’s south shore could not have
261 come at a more opportune time in the Territory’s history. Activities under
262 consideration for our newest program perfectly align with a wide range of Vision
263 2040’s aspirational goals to include: transforming the U.S. Virgin Islands into a blue

264 economy research center of excellence; increasing the population, locally-sourced
265 foods, and tourism-related dollars; and growing the annual net change in business
266 establishments from 14 to 50 by 2040. These proposed activities include:

- 267 • The feasibility study for shipyard construction, which was discussed
268 earlier;
- 269 • Construction of a speculative building to attract a big-box distribution
270 center;
- 271 • The establishment of a cold-storage warehouse to increase food security;
272 and
- 273 • Construction of Class A office space at the William D. Roebuck Industrial
274 Park.

275

276 ***Establishment of a Community Development Financial Institution***

277

278 Since the release of Vision 2040, the Authority has been in discussions with
279 officials from the Federal Deposit Insurance Corporation about establishing the first
280 Community Development Financial Institution (“CDFI”) in the Territory. CDFIs play
281 an important role in underserved or low-income communities by providing

282 residents with access to financial products that help families purchase their first
283 homes or entrepreneurs start new businesses.

284 USVIEDA has held roundtables with the Federal Deposit Insurance
285 Corporation (“FDIC”), local banks and non-profits to explore the possibility of
286 creating a CDFI. Having a CDFI in the Territory would be economically
287 advantageous to our residents. This will not only augment financing options for
288 local small businesses, but also provide financial support to our schools, health
289 centers, and community organizations, thus enhancing the quality of life in the
290 Territory and working toward the Vision 2040 goal of a 10% population increase by
291 2040.

292 Additionally, the USVIEDA has worked closely with the FDIC, along with
293 additional federal and local partners to provide financial literacy and access to
294 capital informational webinars and seminars entitled “Path to Prosperity” wherein
295 federal and local agencies get together to highlight its products and services that
296 are available to residents of the Territory. The last hybrid in-person/virtual seminar
297 was held on UVI’s St. Croix Campus at its Great Hall on March 16, 2023. Ninety-
298 three (93) registered individuals attended – 68 in-person and 25 virtually.

299

300 ***Collaborative Programs***

301

302 Implementing Vision 2040 is a territorial, community-wide effort that will
303 take the contributions of us all to realize the vision of a prosperous economy for
304 future generations. Partnerships with all branches of government, the private
305 sector, and non-profit organizations will drive the fulfillment of the vision’s
306 ambitious goals. Over the past year, USVIEDA has been working with our partners
307 to execute the following funded programs that fall in line with Vision 2040. These
308 include:

309 **1. The Small Business Innovation Grant** – Vision 2040 calls for an increase
310 in the number of business establishments in the Territory. To do that,
311 entrepreneurs should have access to financial support. In the last quarter
312 of FY 2022, the Office of the Governor launched the Small Business
313 Innovation grant and designated USVIEDA as the sub-recipient of \$4M in
314 ARPA funds to disburse grant awards. Up to \$50,000 in grant funding
315 through this program was awarded to eligible businesses to improve
316 operations or efficiency. Following an application period, 336 businesses

317 were approved for grant funding once they meet federal granting
318 requirements. USVIEDA’s collaboration with the Office of the Governor
319 and the Virgin Islands Small Business Development Center (“VI-SBDC”) led
320 to our Administration and Finance Department disbursing \$3,798,140 in
321 grant funding to 292 awardees, to date. There are \$174,900 remaining to
322 be disbursed to 38 awardees.

323 **2. The VI Slice Moderate Income Homeownership Program (“VI Slice”) –**

324 The 2020 U.S. Census indicates that the Territory’s population is 87,146.
325 At the time of Vision 2040’s drafting, the Virgin Islands Bureau of
326 Economic Research’s statistics reflected that the population was
327 shrinking. In 2019 the Territory’s population was 95,668, 10.1% lower
328 than it was in 2010. This contrasts with the 6.1% population growth that
329 the U.S. experienced over the same time period.

330 In regards to homeownership, the Territory also lags behind national
331 levels. According to the U.S. Census Bureau, the homeownership rate in
332 the U.S. Virgin Islands is 47.8% while the U.S. rate is 65.9%. Quality of life
333 is a major factor in growing the population. If we are to meet the Vision

334 2040 goal of increasing the population and encouraging Virgin Islanders
335 who currently live abroad to return home, we should offer certain
336 incentives. Helping our residents with overcoming some of the challenges
337 of homeownership can be one of them.

338 USVIEDA is administering the VI Slice Program in partnership with the
339 Office of the Governor and the Office of Disaster Recovery (“ODR”) to
340 increase the USVI’s homeownership rate. VI Slice, funded by a \$20M
341 ARPA grant, offers gap financing to assist eligible residents with buying or
342 building their first homes. Since Governor Bryan announced the program
343 in October, USVIEDA has been educating the community about VI Slice
344 and working with local lenders to finalize Memoranda of Agreement
345 (“MOAs”). Residents have expressed great interest in the program, and I
346 am happy to report that USVIEDA has fully executed MOAs with
347 Merchants Commercial Bank and FirstBank. We are in the final stages of
348 signing MOAs with three (3) other lenders.

349 **3. Solar Plus Financing Pilot Program** – Concern for the high cost of energy
350 in the Territory was expressed by residents and Virgin Islanders in the

351 diaspora in Vision 2040 community surveys and town hall meetings. This
352 feedback and global trends led to the Vision 2040 aspirational goal to
353 raise renewable energy from 1% to 75% of total energy consumption in
354 the Territory. Additionally, renewable energy is one of the eight (8)
355 targeted industries identified in the vision.

356 USVIEDA is partnering with the Virgin Islands Energy Office (“VIEO”)
357 and the Virgin Islands Water and Power Authority (“WAPA”) to administer
358 the Solar Plus Financing Pilot Program, which offers loans for residential
359 solar PV and battery systems. At the end of the application period, a total
360 of 88 applicants were approved to receive financing. USVIEDA will
361 disburse the loan funds to the borrowers, who will repay the loan through
362 their monthly WAPA bill.

363 **4. USVI Coronavirus Aid, Relief, and Economic Security (“CARES”) Act**
364 **Fisheries Financial Assistance Program 1.0 and 2.0** – One of Vision 2040’s
365 aspirational goals speaks to food security. This goal will be partly
366 addressed by a focus on the targeted industry sector of coastal/ocean
367 resources, which includes sustainable harvesting. Our fishers were

368 among the many entrepreneurs hard-hit by the impact of the COVID-19
369 pandemic. To alleviate some of their challenges, the Virgin Islands
370 Department of Natural Resources (“DPNR”) applied to the National
371 Oceanic and Atmospheric Administration (“NOAA”) for CARES grant
372 funding. USVIEDA assisted DPNR by promoting the program to wholesale
373 and commercial fishers, aquaculture operators, fishing-dependent
374 businesses, and for-hire charter operators, determining if applicants
375 demonstrated the requisite level of loss, and disbursing grant funding.

376 Eligible applicants had to demonstrate a sustained reduction of
377 revenue greater than 35% for 28 consecutive days between March 10 and
378 June 30, 2020 for CARES 1.0 and between July 1 and December 31, 2020
379 for CARES 2.0. For CARES 1.0, seven (7) applicants were awarded a total
380 of \$80,042 in grant funding, and for CARES 2.0, three (3) applicants were
381 awarded a total of \$18,316 in grant funding.

382 As the Territory continues to implement Vision 2040, the USVIEDA will
383 continue to be deliberate in plotting its economic development strategy to ensure
384 that we meet or exceed the goals set forth by the plan. This will include pivoting

385 when necessary as local, national and global events occur and continuing to work
386 with our partners on initiatives that serve to improve the socioeconomic well-being
387 of our community.

388

389 **Capital Projects**

390

391 The Authority has a number of major capital improvement projects in the
392 works. The 2017 hurricanes caused significant damage to all EDPC properties.
393 Progress toward repairs is in various stages as the EDPC works with the Federal
394 Emergency Management Agency (“FEMA”), the Virgin Islands Emergency
395 Management Agency (“VITEMA”), and ODR, as well as Jaredian Design Group and
396 Springline Architects, the contractors assigned to the Government of the Virgin
397 Islands’ hurricane repair projects.

398 The VIIP project on St. Thomas will occur in two (2) phases. Phase I will
399 consist of roof replacement, impact-resistant window installation, and repairs to
400 metal doors, guardrails, fencing, and entry gates. An Invitation for Bid (“IFB”) was
401 issued for Phase I repairs and the IFB evaluation committee determined that Apex

402 Construction Company, Inc. (“Apex”) was the most responsive and responsible
403 bidder. Following Board approval, a contract was negotiated with Apex, and repairs
404 should begin this quarter. The cost of Phase I repairs is \$2,637,667.60.

405 Phase II of the VIIP Project will involve adding a second story to Bay #4 and
406 constructing approximately 10,000 square feet of office space for the future site of
407 the USVIEDA St. Thomas office. EDPC has received renderings of this phase of
408 construction and will be issuing an IFB following the completion of Phase I.

409 On St. Croix, there is a delay in the William D. Roebuck Industrial Park
410 (“Park”) project as the site was initially designated a Level 4 Critical Facility with a
411 185-mph wind rating, a category normally reserved for first-responder and
412 emergency-related facilities such as shelters, hospitals, and fire stations. This rating
413 significantly increased the cost of repairs. The EDPC team worked with FEMA and
414 VITEMA to reclassify the WDRIP to a Level 2 Facility with a 165-mph wind rating.
415 As with the St. Thomas project, repairs for the WDRIP will occur in phases. An IFB
416 to repair the perimeter fencing of the Park has been drafted and is currently under
417 FEMA review. IFBs for the four (4) buildings within the Park are currently being
418 drafted.

419 Our third property is the Fleming Building in Frederiksted. Because this is a
420 historic building, the Authority sought approval from the Historic Preservation
421 Commission (“HPC”) for repairs at its February 16, 2023 meeting. USVIEDA’s
422 request was favorably considered by the HPC, and the drafting of an IFB for this
423 project is in progress. The Fleming Building repairs will include roof and column
424 repairs, pointing, and façade work.

425 A total of \$16,056,286.40 in FEMA funding has been obligated for all EDPC
426 hurricane repair projects. USVIEDA’s share of the cost is \$1,771,848.65.

427 Other capital projects underway for the Authority include the four anchor
428 projects in the Territory’s enterprise zones.

429 **Conclusion**

430

431 In the second half of the fiscal year, the Authority will continue to fulfill its
432 mandate by providing financial and technical support to small businesses,
433 promoting the SSBCI 2.0 program, administering incentives, finalizing a new global
434 marketing campaign, and engaging in business recruitment to attract more
435 investment to the Territory.

436 Currently, the Authority has 21 hot projects in its pipeline that indicate
437 strong interest from potential investors. These hot projects represent
438 approximately \$59.6M in investment and fall within the following targeted industry
439 sectors identified in Vision 2040: professional/tech services, light manufacturing,
440 agribusiness, and VI-style tourism. A total of 10 site visits from potential investors
441 and site selectors have been facilitated so far this fiscal year.

442 As the world is now returning to more in-person networking events USVIEDA
443 has resumed its attendance at national conferences. I recently accompanied the
444 Honorable Governor Albert Bryan Jr. at the SEDI-CASE USVI-NY Archipelago Summit
445 to establish relationships with investors in that region, and USVIEDA partnered with
446 the Virgin Islands Port Authority (“VIPA”) and Department of Tourism (“DOT”) and
447 was part of the territorial delegation at Seatrade Cruise Global Conference in Fort
448 Lauderdale this past March. Upcoming national events include the SelectUSA
449 Investment Summit hosted by the U.S. Department of Commerce in Maryland to
450 encourage Foreign Direct Investment, as well as the Caribbean Hotel and Resort
451 Investment Summit (“CHRIS”) and the 27th Annual International African American
452 Hotel Ownership and Investment Summit hosted by the National Association of

453 Black Hotel Owners, Operators and Developers, both to be held in Miami, FL. On
454 the international front, USVIEDA representatives will be part of a delegation from
455 the Territory attending the annual Global Summit of Women in Dubai.

456 As always, I would like to thank the entire USVIEDA team for their innovation
457 and commitment to serving the people of this Territory. The accomplishments and
458 initiatives described today would not be possible without their drive and
459 contributions. Our agency also continues to receive kudos because of their efforts.
460 A prudent approach to managing our limited financial resources has earned the
461 Authority 12 consecutive unmodified audit opinions. In 2022, USVIEDA was
462 recognized with two (2) bronze excellence awards from the International Economic
463 Development Council for the Special Purpose Website (www.usvi2040.com) and
464 Innovation in Economic Development Week. The Territory was also voted the Best
465 Offshore Business Location by *Global Traveler* readers in 2022. Again, I extend a
466 big thank you to my team.

467 I would like to also thank the USVIEDA Governing Board for their guidance.
468 USVIEDA also appreciates the continued support of this body and the Honorable

469 Governor Albert Bryan Jr. and his administration. I look forward to further
470 collaboration in the future.

471 Thank you. My team and I await your questions.