



DEPARTMENT OF SPORTS, PARKS & RECREATION  
GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES



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**November 19, 2025**

The Honorable Angel Bolques, Chair  
Committee on Culture, Youth, Aging, Sports & Parks  
36th Legislature of the Virgin Islands  
St. Croix, U.S. Virgin Islands

**Re: Testimony on the Operational Status of the Clinton E. Phipps Racetrack**

Chairman Bolques, Members of the Committee, Senators of the 36th Legislature, and the listening and viewing audience, good morning.

Thank you for the opportunity to testify on behalf of the Department of Sports, Parks and Recreation. In response to the Committee's request, my testimony today provides an update on the operational status of the Clinton E. Phipps Racetrack and an overview of the Horse Racing Initiative Fund, with particular focus on funding allocations, construction progress, regulatory requirements, and the support provided to our local horsemen's associations.

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## **I. VIRGIN ISLANDS CODE AND GOVERNING FRAMEWORK**

Under Title 32, Chapter 11 of the Virgin Islands Code, DSPR is responsible for the maintenance, operation, and safe condition of the Clinton E. Phipps Racetrack. This includes ensuring that the racing surface, barns, paddock, grandstand, utilities, and related infrastructure comply with recognized professional racing standards.

Additionally, Title 33, Subtitle 3, Chapter 111, Section 3044 establishes the Horse Racing Improvement Fund within the Treasury of the Virgin Islands. This fund supports improvements and maintenance of the horse racing infrastructure and provides operational support to the Virgin Islands Racing Commissions.

Furthermore, Title 32, Chapter 13, Section 246 directs that 0.75% of the 3% Lottery proceeds generated from Video Lottery Terminals on St. Thomas and St. John be transferred into the Horse Racing Improvement Fund for use by the St. Thomas–St. John Horse Racing Commission.

To date, the Fund has received:

- **FY 2024:** \$307,207.10
- **FY 2025:** \$270,845.00

## **II. AGREEMENTS GOVERNING RACETRACK OPERATIONS**

The Government of the Virgin Islands and Southland Gaming of the Virgin Islands (SGVI) entered into a Development Agreement on February 24, 2022. A Temporary License Agreement followed on September 13, 2022, authorizing SGVI to access and utilize the premises during construction.

On July 21, 2025, the Final Turnover Agreement transferred full possession, liability, utilities, security responsibilities, and daily operational control of the racetrack back to the Government of the Virgin Islands.

Since that turnover, the Virgin Islands Horse Racing Commission has authorized Temporary License Agreements that allow SGVI to legally support DSPR in promoting and conducting races on the following dates:

- August 31, 2025
- November 9, 2025
- December 21, 2025

Each agreement requires liability insurance, indemnification of the Government, EMS presence, security staff, vendor licensing compliance, and the return of the premises in approved condition.

DSPR has supported each race day while simultaneously performing daily maintenance and extensive surface restoration necessary to keep the track operational.

## **III. EXPENDITURES, RACE DAY COSTS & TRACK MAINTENANCE**

### **A. Track Reconstruction Following December 2024 Incidents**

After the December 2024 races, DSPR undertook major reconstruction of the racing surface, funded by the Horse Racing Improvement Fund. This work largely exhausted the Fund. Key components included:

- Installation of approximately 4,500 tons of surface and base materials
- Drone surveying, GPS grading, and surface design
- Hauling and delivery of all materials
- Professional surface consulting and race-safety certification

This reconstruction was essential for the 2025 Carnival Races and for long-term safety and structural integrity of the racing surface.

### **B. Daily Track Maintenance**

Daily operational needs—required regardless of whether races are held—include:

- Water truck operations
- Tractor, grader, and harrow servicing
- Sand replenishment
- Gate welding and repair
- Daily grooming and rock removal
- Waste removal and mowing
- Mangrove cutting and general grounds maintenance

### **C. Race Day Operational Costs**

Average race-day expenditures are **\$12,600**, totaling **\$50,400** for the year. These costs cover:

- Photo finish system
- Racing Secretary and support staff
- Judges
- Paddock staff
- Track wetting, dragging, and preparation
- Backup water truck services
- Gate relocation

DSPR continues to coordinate staffing, preparation, logistics, and oversight to ensure every race day meets regulatory and safety requirements.

## **IV. MONTHLY UTILITIES**

DSPR is solely responsible for all utilities at the Clinton E. Phipps Racetrack. To date, FY 2025 utility expenses total approximately **\$160,000**. As additional horses arrive and on-site activity grows, utility demand continues to increase, placing significant pressure on DSPR’s operating budget.

## **V. FRANCHISE NEGOTIATIONS & RFQ STATUS**

In February 2025, the Government of the Virgin Islands, the Department of Sports, Parks, and Recreation, on behalf of the St. Thomas/St. John Horse Racing Commission, issued a Request for Qualifications (RFQ) for a racetrack promoter. That solicitation closed with no submissions.

Since then, SGVI has recently submitted a comprehensive franchise and lease proposal for long-term operation of the Clinton E. Phipps Racetrack. This proposal is currently under review by:

- The Office of the Governor
- The Department of Justice
- The Department of Property & Procurement
- DSPR

A final franchise agreement remains critical. It would stabilize operations and shift utility and maintenance responsibilities away from DSPR, enabling more efficient long-term management.

## **VI. RACE DAYS SINCE REOPENING**

Since reopening in 2024, eight race days have been held:

- Carnival Races 2024
- June 30, 2024
- November 3, 2024
- December 22, 2024
- Carnival Races 2025
- July 5, 2025
- August 31, 2025
- November 9, 2025
- *Proposed:* December 21, 2025

## **VII. STAFFING & FUNDING NEEDS**

### **A. Staffing**

DSPR currently has no dedicated personnel stationed at the Clinton E. Phipps Racetrack. A **Track Superintendent and security personnel** are urgently needed to:

- Oversee racing surface quality
- Manage and maintain specialized equipment
- Enforce safety protocols
- Ensure continuity of daily barn and grounds operations
- Securing the opening and closure of the facility
- Manage crowd control

### **B. Funding**

The only funding source for the racetrack is the Horse Racing Improvement Fund, which has been significantly depleted due to major surface reconstruction, daily maintenance, equipment repairs, and race-day operations.

Without adequate funding, rising costs threaten operational continuity and safety. Immediate needs include:

- Utility funding
- Staffing
- Equipment repairs and replacement

Until a franchise agreement is finalized, these responsibilities will remain solely with DSPR.

## CONCLUSION

DSPR remains committed to fulfilling its statutory obligations to support the safe and professional operation of the Clinton E. Phipps Racetrack. Over the past year, the Department has:

- Completed major surface reconstruction
- Managed daily operations and utilities
- Supported multiple race days under temporary agreements

Moving forward, long-term stability will require:

- A finalized franchise agreement
- Adequate staffing—especially a Track Superintendent
- Consistent funding for utilities, maintenance and track security

The Clinton E. Phipps Racetrack is a vital cultural and economic asset for the Virgin Islands community. DSPR looks forward to continued collaboration with the Legislature, the Horse Racing Commission, the Horsemen's Association, and the Office of the Governor as we work toward restoring regular, high-quality racing in the territory.

Thank you for the opportunity to testify. I am available to answer any questions the Committee may have.