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**CHIEF EXECUTIVE OFFICER**

**VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY**

**TESTIMONY**

**BEFORE**

**THE**

**COMMITTEE ON**

**ECONOMIC DEVELOPMENT AND AGRICULTURE**

**Status Update on the U.S. Virgin Islands Economic Development Authority**

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**JUNE 9, 2025**

Senator Hubert L. Frederick, Chairman, Senator Angel L. Bolques, Jr., Vice Chairman, Committee members, senators of the 36th Legislature, the legislative staff, the Virgin Islands Economic Development Authority team, and the listening and viewing public. I am Wayne Biggs, Jr., Chief Executive Officer of the U.S. Virgin Islands Economic Development Authority (hereafter referred to as “USVIEDA” or “the Authority”); here with me today are Dwayne Benjamin, Assistant Chief Executive Officer, Tracy Lynch Bhola, Esquire, General Counsel, Kelly Thompson Webbe, Chief Financial Officer, Nadine Marchena Kean, Managing Director of the Enterprise Zone Commission, Mark Finch, Director, Physical Plant, Celina Morris, Director of Marketing, Kali Richardson, Director of Human Resources, and Yolanda Bryan, Business Ambassador. Management Team members not here with me today are Monique Samuel, Managing Director of the Economic Development Bank for the United State Virgin Islands and Margarita Benjamin, Managing Director of Economic Development.

 I would like to thank the Committee Chair and members of the Committee of Economic Development and Agriculture for inviting us to provide testimony on the overall status of the USVIEDA.

**Virgin Islands Economic Development Authority (USVIEDA)**

The USVIEDA is the umbrella organization which assumes, integrates, and unifies the functions of the following subsidiary entities: the Economic Development Bank (“EDB”), the Economic Development Commission (“EDC”), the Enterprise Zone Commission (“EZC”), and the Economic Development Park Corporation (“EDPC”). It is a semi-autonomous governmental instrumentality responsible for the development, promotion and enhancement of the economy of the U.S. Virgin Islands.

The Authority operates under one seven-member Governing Board (“Board”) in order to achieve maximum efficiency of operation; to avoid duplication of services, positions, and responsibilities; to reduce expenses of personnel, physical plant and operations; and to develop comprehensive programs for the economic development of the U.S. Virgin Islands. The current members of the Governing Board are:

* Kevin Rodriquez, Chairperson (Governor’s cabinet-level appointee);
* Commissioner Gary Molloy, Ph.D., Vice-Chairperson (Governor’s cabinet-level appointee);
* José A. Penn, Secretary (private sector representative from St. John);
* Anise Hodge, Member (Governor’s Virgin Islands Port Authority appointee);
* Positive T. Nelson, Member (Governor’s cabinet-level appointee); and
* Philip E. Payne, Member (private sector representative from St. Croix).

There is one Governing Board member position vacant, the private sector representative from St. Thomas.

We currently have a staffing level of 48 full-time employees. Twenty-seven (27) employees are assigned to work out of our St. Thomas office located in Nisky Shopping Center, 16 employees are assigned to work out of our Frederiksted office on St. Croix and four (4) employees are assigned to work out of the William D. Roebuck Industrial Park on St. Croix. There are currently eight (8) vacant positions within the USVIEDA.

The Authority holds professional memberships with the National Association of Development Organizations (“NADO”) and the International Economic Development Council (“IEDC”). NADO is a membership association that represents the interests of regional community and economic development practitioners. It advocates for federal policies and programs that promote equitable community development, economic competitiveness, rural development, economic mobility, and quality of place. NADO represents a national network of more than 500 Regional Development Organizations. The IEDC is a membership organization serving economic developers. It is the largest organization of its kind with more than 4,500 members. From public to private, rural to urban, and local to international, IEDC’s members are engaged in the full range of economic development experiences. Its members are from a diverse variety of settings including local, state, provincial, and federal governments, public-private partnerships, chambers of commerce, universities, and a variety of other institutions.

USVIEDA promotes the development and diversification of the Territorial economy and creates opportunities for the gainful employment of residents. It also promotes access to capital, contributes to the development of the educational system, and preserves the environment, beauty, and natural resources of the Territory. We are a customer service-based organization that creates positive public/private sector partnerships to promote economic growth, meet the challenges of the global economy and serve the needs of the business community, while embracing our unique heritage and preserving our pristine natural environment.

Under the direction of the governing board and hard work of our USVIEDA team, the Authority has engaged in long-range planning and the execution of activities with the aim of stimulating and sustaining the Territory’s economy. Through its four main pillars: the Economic Development Bank, the Economic Development Commission, the Enterprise Zone Commission, and the Economic Development Park Corporation, the Authority has facilitated investment opportunities, thereby leading to job creation and retention, as well as assisted our clients with bringing their dreams of entrepreneurship and business growth to fruition.

In order for our programs to continue making the maximum impact, the importance of promotion and marketing cannot be underestimated. The Authority uses and will continue to use a variety of media to inform both the local community and external potential investors about our programs and services.

Our Marketing Department continues to amplify the Authority’s visibility through ongoing public relations efforts, including radio and video interviews, press releases, newspaper advertisements, and social media posts. We launched a local advertising campaign through print and television, and we will continue to use social media and our website as tools to quickly spread the word about upcoming meetings, activities, and other general information. We hosted outreach activities to make it convenient for our stakeholders to meet and interact with us, such as the State Small Business Credit Initiative (SSBCI) workshops, the Enterprise Zone Commission Open House, and an Open House during the annual St. Croix Agriculture and Food Fair. We participated in the following conferences through either attendance and/or sponsorship: **Uncorrelated Puerto Rico** (alternative investments conference, March 30, 2025 – April 1, 2025, San Juan, PR), **ALIS CALA** (Caribbean and Latin American Hotel Industry Summit, April 29, 2025 - May 1, 2025, Coral Gables, FL) and **SelectUSA Summit** (USA International Investment Summit, May 11–14, 2025, National Harbor, MD). We will also be participating at **NABHOOD** (International African American Hotel Ownership & Investment Summit & Trade Show, July 23-25, 2025, Hyatt Regency Miami. Miami, FL ) and potentially for the first time at the **American Medical Device Summit** (Medical Device Manufacturers Summit, October 27-28, 2025, Chicago, IL).

The Authority led the development of Vision 2040, the Territory’s 20-year economic development strategy unveiled by Governor Bryan in 2022. Since then, it has served as a guiding framework for several key plans across agencies—including the CEDS, the Tourism Master Plan, and the Agricultural Plan—and remains central to all of USVIEDA’s initiatives. Our efforts are focused on building a more resilient economy, growing the population through business opportunities and mortgage assistance, supporting small businesses, enhancing available commercial space, and attracting investment in target sectors. We’ve seen progress in the renewable energy and hospitality sectors, and continue our work to expand manufacturing through the promotion of the South Shore Trade Zone Program. Before the close of this fiscal year, we will begin working with the Office of the Governor to activate the Business Climate Commission—bringing together public and private sector leaders to improve the Territory’s business environment and make it easier for companies to start, grow, and stay in the USVI.

**Economic Development Bank (EDB)**

Our Economic Development Bank (“EDB”) is administering the second iteration of the State Small Business Credit Initiative (“SSBCI 2.0”) program, which provides loan guarantees for small businesses. The Territory received a program allotment of $57.865 million from the U.S. Department of Treasury. The first SSBCI 2.0 funding tranche of $18.9 million was received in February 2023. Since being funded, a total of $8.998 million has been expended or committed. Through March 31, 2025, the SSBCI 2.0 loan guarantees have the potential to create 99 new jobs and retained 94 jobs in the Territory. Among some of the industries that have benefited from the SSBCI 2.0 program Aviation, Construction, Environmental, Healthcare, Marine, Social Services and Tourism. Additionally, there are several new loan requests totaling approximately $13.719 millionin the SSBCI 2.0 Program pipeline.

In the EDB’s other lending activities, the Governing Board and the Authority’s Internal Credit Committee approved $705,000 in new loans through the first six (6) months of Fiscal Year 2025 (“FY 2025”) which created 22 new jobs and retained 13 jobs in the Territory. The EDB continues to assist our small business community by partnering with sister government agencies such as the University of the Virgin Islands Small Business Development Center (SBDC), the Virgin Islands Housing Finance Authority VIHFA), and the Virgin Islands Energy Office (“VIEO”).

Another area the EDB Team benefits the Territory is its administration of the VI Slice Program. VI Slice is a territorial gap financing program for first-time homeowners that need financing assistance to purchase or construct a home. As of March 31,2025, VI Slice received 74 applications for gap financing totaling approximately $7.4 million with primary lender financing of $22.9 million. USVIEDA has approved 54 applications for $5.2 million in gap financing for primary lender financing of $16.2 million and closed 47 applications resulting in disbursement of $4.7 million in gap financing for primary lender financing of $14.35 million. Seven (7) applications for $519,495.27 in gap financing for primary lender financing of $1,868,724 pending closing due to title issues (as of this testimony 6 of the 7 were funded). Three (3) applications were withdrawn, five (5) applications were declined – two (2) by the primary lender and three (3) were determined ineligible by EDB, and 12 were pending supplemental information from the primary lender.

The EDB Team is also assisting the VIEO with their Solar Plus Financing Pilot Program (SPFPP). The EDB Team is doing the “back-office” work such as reviewing the documentation, requesting the title searches, preparing the legal documents, requesting disbursement of funds from our Administration & Finance Department, and administration of the loan after closing.

The EDB Team is taking advantage of available technology to streamline processing by developing an online application. Applicants can submit their loan applications online, which are stored on a database. This allows the EDB Team to have better access to track, analyze, and make recommendations of loan applications.

**Economic Development Commission (EDC)**

We recognize that our Virgin Islands Economic Development Commission (“EDC”) program plays a pivotal role in channeling investment dollars into the Territory. In order for the program to be effective, both arms within the EDC, the Applications Unit and Compliance Unit, must function as efficiently as possible within the constraints of legal statutes. Currently, our application processing time from completed application to Governing Board decision averages around 60 days from completed application to Governing Board decision.

The EDC Applications Team has taken full advantage of available technology to streamline its process by developing and implementing an online application. Potential investors can submit their applications online, which is stored on a database. This enables the EDC Applications Team to more effectively access, track, analyze, and report data, improving their overall efficiency and effectiveness.

It should be noted that in the first six (6) months of FY 2025, seven (7) new applications were presented at Public Hearing, and eight (8) applications for the EDC program have been decisioned. All eight (8) applications are for new entities. Seven (7) applications were approved, and one (1) application was denied. The approved applications represent potential future economic impact to the Territory of over $388,000 to be made in capital investment, a minimum of 51 jobs to be created, and over $3.06 million to be paid out in wages. Over a five-year period, the Territory may also realize approximately $2.5 million in tax revenues based on projections from these applications.

Nineteen (19) Certificates of benefits are in various stages this fiscal year, of which four (4) were executed. All these Beneficiaries’ Certificates are for new applicants. Of the remaining 15, three (3) are pending election, seven (7) were sent for Beneficiary review, and five (5) certificates for Beneficiaries who elected commencement are in process. Additionally, seven (7) requests to amend Beneficiaries’ Certificates were received.

The Applications Team also processes the Hotel Development Act (HDA) and Sustainable Tourism Through Arts-Based Revenue Streams (STARS) application on behalf of EDA. The Applications Unit reviews and approves the Eligible Supplier applications.

The second arm of our EDC Program, the Compliance Team, ensures that current EDC beneficiaries adhere to the requirements of their certificates as dictated by law. To improve operations, the Compliance Unit has hired additional Compliance Officers, contracted Compliance Contractors, and is in the process of finalizing its online Compliance Reporting Portal to assist beneficiaries with their reporting responsibilities. The Compliance Reporting Portal will allow the Compliance Team to have better access to track and analyze data when compiling their annual beneficiary compliance reviews/reports.

**Enterprise Zone Commission (EZC)**

One aspect of economic development that cannot be overlooked is the revitalization of the community’s neighborhoods. Through our Enterprise Zone Commission (“EZC”), the USVIEDA offers programs to assist with the revitalization of once vibrant neighborhoods that have become distressed. There are four (4) designated enterprise zones in the Territory: Christiansted and Frederiksted on the island of St. Croix, and Savanne-Downstreet and Garden Street-Upstreet on the island of St. Thomas. In the near future, the EZC will recommend that the Governor expand the Frederiksted Enterprise Zone on St. Croix and the Savanne-Downstreet Enterprise Zone on St. Thomas to include adjacent pocket areas also in need of revitalization. The EZC will also recommend the creation of new Commercial Zones in Cruz Bay, St. John, and Charlotte Amalie, St. Thomas, as recently approved by the EZC Governing Board.

The two (2) programs offered to revitalize each Enterprise Zone (“Zone”) are (1) the Tax Credit Program and (2) the Plan Program. The Tax Credit Program provides nonrenewable tax credits for a period of 10 years for activities within the Zone as specified in the EZC statute. The Plan Program provides nonrenewable tax benefits for a period of five years for eligible activities based on the town plan adopted by the EZC for the respective Zone.

Two (2) additional programs within the EZC, the Rejuvenation Program to rehabilitate buildings and the Board-Up Program for abandoned buildings, continue to impact these communities. Thus far this fiscal year, the EZC has completed six (6) Rejuvenation Projects, and no Board-Up Projects.

The EZC Team also manages the South Shore Trade Zone (“SSTZ”) on St. Croix. It has mapped the SSTZ and is working closely with the Virgin Islands Port Authority (“VIPA”) to market and develop the VIPA infrastructure within the trade zone. There has been increased inquiries and interest in the SSTZ as a result of the Trump/Vance administration’s tariff policies.

In addition to revitalizing the Territory’s distressed neighborhoods and managing the SSTZ, the EZC provides opportunities for the small business community through its annual Business-to-Business (B2B) Event held jointly on St. Thomas and St. Croix which brings small manufacturers and retail business owners together, its product export program administered through a State Trade Expansion Program (STEP) grant from the United States Small Business Administration (SBA) which showcases manufacturers of remarkable products made in the Territory to outside markets, and its “Made in the USVI” pop-up shop hosted in collaboration with the Virgin Islands Council on the Arts that provides a retail venue where residents and tourists can purchase a variety of local artwork and books and locally manufactured products.

Further, the EZC Team conducted its annual estate planning conference which was a multimedia event that garnered exposure to approximately 2000 individuals. The EZC Team continues to work with lawyers and families to resolve estate planning issues throughout the Territory.

The EZC continues to diligently work towards establishing the Agro-Processing facilities on both islands. Agro and Food Innovation Center will be located in the Frederiksted Enterprise Zone on St. Croix. The USVIEDA has entered into a contract to purchase the Padilla Building at 53A&B King Street, Frederiksted to house the Agro and Food Innovation Center and anticipates closing on the building later this month. EZC has secured $2.0 million funding from Virgin Islands Legislature for this facility. The Agro and Food Technology Center will be located in the Savanne-Downstreet Enterprise Zone on St. Thomas. The USVIEDA is awaiting a long-term lease from the Virgin Islands Department of Property and Procurement for the former Marcelli School facility to house Agro and Food Technology Center.

**Economic Development Park Corporation (EDPC)**

The fourth pillar of the Authority is the Economic Development Park Corporation (“EDPC”), which operates two (2) economic parks in the Territory — the Virgin Islands Industrial Park on St. Thomas and the William D. Roebuck Industrial Park on St. Croix (collectively known as “the Parks”). I am happy to report that both the Parks are at 100% occupancy.

Capital improvements are in various phases at both Parks to offer attractive and secure facilities to current and potential tenants at competitive rates. Phase I, the repair of Hurricanes Irma and Maria damages to three (3) bays and the entrance gate area, at the Virgin Islands Industrial Park was completed earlier this fiscal year. We anticipate that Phase II, the building of our new 10,000 square foot office will commence before the end of the 2025 calendar year. The hurricane repairs to William D. Roebuck Industrial Park are still being negotiated with the Federal Emergency Management Agency (“FEMA”) after several modifications, revisions, and reviews. We anticipated FEMA’s final project approval during the 4th quarter of FY 2025.

We are also in the process of developing a much-anticipated micro grid to service all the tenants in the William D. Roebuck Industrial Park on St. Croix. We are currently working with a firm that is designing the micro grid and assisting us with identifying and securing financing to build the grid. We are also working with our sister agency, the Virgin Islands Energy Office, to seek and secure grants and other funding sources to finally make this project a reality.

Further, we are working with our Grant Writer to identify grants to build an additional two (2) 40,000 square feet building facilities within the William D. Roebuck Industrial Park. The expansion of the park is eminent to assisting the growth of assembly and manufacturing activity on St. Croix. The EDPC fields calls daily from businesses seeking commercial space and/or a SSTZ location to conduct its business operations.

In addition to the two (2) economic parks, the EDPC also owns our main office building, known as the Fleming Building, located at 4 King Street, Frederiksted. Bids were recently received for the repairs to the facility. It is anticipated that repair work will commence during Q4 FY 2025. We are looking forward to restoring this building as a beacon of historical charm that is a quintessential iconic symbol in Frederiksted.

**MISCELLANEOUS**

In other areas of operations, (1) the Authority’s overall financial health continues to remain stable pending timely allotments, (2) the Authority has no pending federal or regulatory requirements that must be met within this fiscal year, and (3) the Authority has earned an unqualified audit opinion from its external auditors for 13 consecutive years through FY 2022. Based on our external auditor’s preliminary Fiscal Year 2023 audit report, we anticipate another unmodified audit. We also expect this trend to continue into Fiscal Year 2024 and FY 2025 as we remain fiscally prudent while continually seeking ways to improve our day-to-day operations, becoming more efficient while remaining effective.

In addition to our annual government appropriation of $6.6M, VIEDA currently manages over $85M in federal grants — signaling a strong pipeline of secured funding to support future program delivery and drive ongoing economic development initiatives. These grants support key areas such as business expansion, entrepreneurship, job creation, and long-term wealth-building across the Territory, positioning the Authority to deliver sustained impact and opportunity for Virgin Islands residents.

Based on our external auditor’s preliminary Fiscal Year 2023 audit report, we anticipate another unmodified audit. We expect this trend to continue into Fiscal Year 2024 and FY 2025 as we continually seek ways to improve our day-to-day operations, becoming more efficient while remaining effective.

I thank you for the opportunity to provide this status update on the Virgin Islands Economic Development Authority to the Committee on Economic Development and Agriculture. My team is available to answer any questions you may have related to my testimony.