



UNITED STATES VIRGIN ISLANDS

Economic Development Authority

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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

OCTOBER 13, 2026

1 Good Day Senator Hubert L. Frederick, Chairman, Committee members, senators of the
2 36th Legislature, the legislative staff, the Virgin Islands Economic Development Authority team,
3 and the listening and viewing public. I am Dwayne Benjamin, Assistant Chief Executive Officer of
4 the U.S. Virgin Islands Economic Development Authority (hereafter referred to as “USVIEDA” or
5 “the Authority”). Here with me today is Kelly Thompson Webbe, Chief Financial Officer. Wayne
6 Biggs, Jr., Chief Executive Officer, is out of the Territory on USVIEDA business and could not be
7 here in person today.

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

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

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

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21 The Authority operates under one (1) seven-member Governing Board (“Board”) in order to
22 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);
- Dr. Haldane Davies, Member (Governor's cabinet-level appointee); and
- Philip E. Payne, Member (private sector representative from St. Croix).

There is one (1) Governing Board member position vacant, the private sector representative from St. Thomas.

The Authority currently has 44 budgeted full-time positions, comprising 31 classified and 13 unclassified positions. Of these, 25 positions are based on St. Thomas and 19 on St. Croix. In addition, the Economic Development Park Corporation supports four (4) full-time employees on St. Croix, and one (1) position is funded through the State Small Business Credit Initiative Program (SSBCI). Recruitment remains underway for two (2) vacant positions critical to tax incentive monitoring and oversight.

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.

In addition to the Authority’s organizational memberships, individual departments maintain affiliations with national professional organizations that support their respective missions and enhance their expertise. EDB is a member of the Council of Development Finance Agencies (CDFA) – a national association dedicated to the advancement of development finance concerns and interests. CDFA is comprised of the nation’s leading and most knowledgeable members of the development finance community representing hundreds of public, private and non-profit development entities, and the International Business Innovation Association (InBIA) - a global association designed to serve business incubator managers, accelerators, coworking

spaces, and university-based centers with industry best practices, tools, and resources. EZC is a participant in the Shared Kitchen Summit hosted by The Food Corridor which brings together a national community committed to learning, collaboration, and building stronger local food systems, including food hubs and shared kitchens. VIEDA's Accounting and Finance Department is a member of the Government Finance Officers Association (GFOA) – a professional association for public-sector finance professionals which advances excellence in public finance by developing and promoting financial policies and leading practices for governments.

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.

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

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90 Our Marketing Department continues to amplify the Authority's visibility through ongoing
91 public relations efforts, including radio and video interviews, press releases, print
92 advertisements, and social media posts, including Facebook, Instagram, YouTube, and LinkedIn.
93 We launched a local advertising campaign through print and television, and we will continue to
94 use social media and our website as tools to quickly spread the word about upcoming meetings,
95 activities, and other general information.

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97 In order to be successful, the Authority must demonstrate that it manages its public
98 resources and federal funds with integrity, discipline, and transparency – an essential foundation
99 for the grants and capital we deploy across the Territory. USVIEDA completed its Fiscal Year 2024
100 independent audit and received its 15th consecutive unmodified audit opinion. This clean audit
101 reflects the Authority's continued commitment to accurate financial reporting, transparency, and
102 responsible stewardship of public and federal funds. It confirms that our financial statements
103 fairly and accurately present the Authority's financial position in accordance with Generally
104 Accepted Accounting Principles (GAAP). USVIEDA's sustained record of consecutive unmodified
105 opinions reinforces the confidence of the public, local and federal government partners, and

other stakeholders. Our Fiscal Year 2025 financial audit is currently underway, and we remain committed to maintaining the high standards of financial reporting, accountability, and transparency that have contributed to the Authority's 15 consecutive unmodified audit opinions.

The Authority's mandate and overall 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 designated service businesses, renewable energy and hospitality sectors and continue our work to expand manufacturing and assembly through the promotion of the South Shore Trade Zone Program.

Economic Development Bank (EDB)

Our Economic Development Bank ("EDB") is administering the second iteration of the State Small Business Credit Initiative Program ("SSBCI 2.0"), which provides loan guarantees for small businesses, in addition to our direct lending programs. The Territory received a program allotment of \$57.865 million from the U.S. Department of the Treasury. The first and second funding tranches totaling slightly more than \$38.097 million have been received. The EDB is now working toward the performance requirements necessary to access the third and final tranche of approximately \$20 million.

The SSBCI 2.0 portfolio provided approximately \$16.700 million in capital support, leveraging \$29.486 million in project financing from participating lenders to 28 small businesses

– seven (7) in the St. Croix District of approximately \$3.035 million in lender financing and approximately \$1.705 million in SSBCI support and 21 loans in the St. Thomas/St. John District of approximately \$26.452 million in lender financing and approximately \$14.995 million in SSBCI support. There are currently several additional new loan requests in the SSBCI 2.0 Program pipeline.

SSBCI 1.0 lending portfolio includes 52 loans of approximately \$31.259 million in lender financing and approximately \$13.253 million in SSBCI support – 18 loans in the St. Croix District of approximately \$6.268 million in lender financing and approximately \$2.822 million in SSBCI support and 34 loans in the St. Thomas/St. John District of approximately \$24.991 million in lender financing and approximately \$10.431 million in SSBCI support.

In the EDB's other lending activities, the Governing Board and the Authority's Internal Credit Committee continue to approve new loans to Virgin Islands' small businesses which assist business startups and expansions in a variety of industries that create new jobs and retain existing jobs in the Territory. The EDB's direct portfolio consists of 69 loans with an original loaned amount of approximately \$6.411 million and a current principal amount of approximately \$4.126 million – 38 loans in the St. Croix District for approximately \$4.439 million with a principal balance of approximately \$2.883 million and 31 loans in the St. Thomas/St. John District approximately \$1.971 million with a principal balance of approximately \$1.243 million.

149 The EDB also continues to assist our small business community by providing direct
150 technical assistance, through working closely with other lending resource partners such as the
151 Small Business Development Center (“SBDC”), Agriculture Business Center (“ABC”), U.S. Small
152 Business Administration (“SBA”) and the Service Corps of Retired Executives (“SCORE”), and
153 partnering with sister government agencies such as the Energy Office (“EO”), Department of
154 Planning and Natural Resources (“DPNR”) and the Department of Agriculture (“DOA”).

156 Another area that benefits the Territory is its administration of the VI Slice First-Time
157 Homeownership Program (“VI Slice”). VI Slice is a territorial gap financing program for first-time
158 homeowners that need financing assistance to purchase or construct a home. From program
159 inception through July 31, 2026, VI Slice has assisted 89 first-time homeowners for \$9.2 million
160 in gap financing for primary lender financing of \$27.1 million – 60 St. Croix first-time
161 homeowners, 28 St. Thomas first-time homeowners, and one (1) first-time homeowner on St.
162 John. We are currently awaiting the proceeds appropriated in Act # 9124 to restart the VI Slice
163 program.

165 The EDB Team is taking advantage of available technology to streamline processing by
166 developing an online application. Applicants can submit their loan applications through an online
167 portal which stores the application information on a database. This allows the EDB Team to have
168 better access to track, analyze, and make recommendations regarding 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 approximately 60 days. Economic Development Commission (EDC) continues to serve as one of the Territory’s most effective tools for attracting private-sector investment, creating quality jobs, and fostering long-term economic growth. Through the EDC’s tax incentive program, qualifying businesses establish operations locally, hire USVI residents, and commit to other obligations, including employee benefits (health & life insurance, pension plan, annual and sick leave or paid time off, and training opportunities), capital investment, local procurement, charitable giving, and educational assistance. These commitments inject new money into the Virgin Islands economy, helping to stabilize and broaden the local tax base. The wages paid to employees and the money spent with local businesses continue to circulate throughout the Virgin Islands economy, supporting additional businesses, jobs, and household income.

EDC tax incentives are neither automatic nor guaranteed. Each applicant undergoes a thorough review and must demonstrate that the proposed investment will deliver meaningful economic benefits to the Territory. In exchange for tax incentives, participating companies relocate or expand operations here, create job opportunities for Virgin Islands residents, and

reinvest locally, drawing new money into the Territory that would not otherwise be generated here.

The reach of the EDC program has expanded significantly over the past few years. The number of EDC beneficiaries grew from 74 in 2021 to 108 in 2026, an increase of 34 beneficiaries, or 45.9%. This growth reflects continued private-sector interest in investing, operating, and creating economic opportunities in the U.S. Virgin Islands. Currently, 40 EDC beneficiaries are located on St. Croix, nine (9) on St. John, and 59 on St. Thomas.

EDC continues to attract new investment through additional tax-incentive applications and petitions advanced before its Governing Board.

Based on the data of 47 EDC beneficiaries reporting thus far for calendar year 2024, economic impact totaled more than \$309M to the Virgin Islands economy through income taxes, payroll and payroll taxes, local purchases, capital investment, and charitable giving. After recording the data sets for the total amount of beneficiaries for calendar year 2024, the final contribution amount to the Virgin Islands economy will be substantially higher than currently reflected. The impact of \$309M in EDC beneficiary contributions represents an approximate \$847K daily economic impact to the Territory. The EDC Program beneficiaries directly employ approximately 3,000 jobs across the U.S. Virgin Islands, making the program one of the Territory's largest private-sector employment engines.

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213 The EDC Applications Team has taken full advantage of available technology to streamline
214 its process by developing and implementing an online application. Potential investors can submit
215 their applications through a portal online, which is stored in the cloud on a database. This enables
216 the EDC Applications Team to more effectively access, track, analyze, and report data, improving
217 their overall efficiency and effectiveness. The Applications Team also processes the Hotel
218 Development Act (HDA) and Sustainable Tourism Through Arts-Based Revenue Streams (STARS)
219 applications on behalf of EDA. Additionally, the Applications Unit reviews and approves the
220 Eligible Supplier applications. There are currently over 400 Eligible Suppliers in the EDC database
221 – 153 on St. Croix, 17 on St. John, and 236 on St. Thomas.

222

223 The second arm of our EDC Program, the Compliance Team, ensures that current EDC
224 beneficiaries adhere to the requirements of their certificates as dictated by law. To improve
225 operations, the Compliance Unit has hired additional Compliance Officers, contracted
226 Compliance Contractors, is finalizing its online Compliance Reporting Portal to assist beneficiaries
227 with their reporting responsibilities, and is in the process of finalizing its development of an
228 Artificial Intelligence (“AI”) tool to assist the Compliance Team with verification of the Standard
229 and Special Conditions of each beneficiary’s EDC Tax Incentive Certificate. The Compliance
230 Reporting Portal will allow the Compliance Team to have better access to track beneficiary data
231 when compiling their annual beneficiary compliance reviews/reports, and the AI tool will assist
232 with the analysis and completion of their Compliance Reviews.

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234 **Enterprise Zone Commission (EZC)**

235 One aspect of economic development that cannot be overlooked is the revitalization of
236 the community's neighborhoods. Through our Enterprise Zone Commission ("EZC"), the USVIEDA
237 offers programs to assist with the revitalization of once vibrant neighborhoods that have become
238 distressed. There are four (4) designated enterprise zones in the Territory: Christiansted and
239 Frederiksted on the island of St. Croix, and Savanne-Downstreet and Garden Street-Upstreet on
240 the island of St. Thomas.

241 There are a total of 29 approved beneficiaries in the Enterprise Zones – seven (7) in
242 Christiansted, seven (7) in Frederiksted, seven (7) in Garden Street/Upstreet, and eight (8) in
243 Savan/Downstreet.

244

245 The two (2) programs offered to revitalize each Enterprise Zone ("Zone") are (1) the Tax
246 Credit Program and (2) the Plan Program. The Tax Credit Program provides nonrenewable tax
247 credits for a period of 10 years for activities within the Zone as specified in the EZC statute. The
248 Plan Program provides nonrenewable tax benefits for a period of five years for eligible activities
249 based on the town plan adopted by the EZC for the respective Zone. There are 17 Tax Credit
250 Program beneficiaries and 12 Plan Program beneficiaries.

251

252 The EZC will also administer the newly created Commercial Zones located in Cruz Bay, St.
253 John, and Charlotte Amalie, St. Thomas. Two (2) additional programs within the EZC, the

Rejuvenation Program to rehabilitate buildings and the Board-Up Program for abandoned buildings, continue to also impact these communities.

Further, the EZC Team manages the South Shore Trade Zone (“SSTZ”) on St. Croix. There are currently two (2) approved beneficiaries with the SSTZ – a cakery (manufacturer) and a 130-room hotel (hospitality). Interest in the SSTZ continues to grow, with an increasing number of inquiries.

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 2,000 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. The Agro and Food Technology Center will be located in the Savanne-Downstreet Enterprise Zone at the former Marcelli School facility on St. Thomas. Its commercial kitchen is currently being installed. The Agro and Food Innovation Center located at the Padilla Building at 53A&B King Street, in the Frederiksted Enterprise Zone on St. Croix is currently undergoing an Architectural and Engineering assessment. Its commercial kitchen has been ordered and is awaiting shipment. Delivery of the equipment is anticipated before the end of this month (October 2026).

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”) and the Fleming Building (VIEDA’s main office building on St. Croix). I am happy to report that both the Parks and the Fleming Building are at 100% occupancy. Excluding the VIEDA, there are currently a total of 16 tenants in the parks — 11 on St. Croix and 5 on St. Thomas, and one (1) tenant in the Fleming Building.

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 facility will commence once funding is secured. 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 anticipate FEMA's final project approval during the second quarter of FY 2027.

We are also in the process of developing a much-anticipated microgrid 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 microgrid and assisting us with identifying and securing financing to build the grid. We are also working with our sister agency, the VIEO, 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 foot buildings within the William D. Roebuck Industrial Park. The expansion of the park is critical to supporting 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 St. Croix office building, known as the Fleming Building, located at 4 King Street, Frederiksted. The facility sustained damage during Hurricanes Irma and Maria in 2017, and restoration efforts are being supported through FEMA funding. A contractor has been selected, and repair work has commenced. 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, the Authority's overall financial health remains stable, subject to timely receipt of government allotments. We remain committed to meeting our financial reporting, federal grant compliance, and regulatory obligations while continually seeking ways to improve operational efficiency and effectiveness.

In addition to our annual government appropriation of \$6.6M, VIEDA currently manages over \$105M 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.

336 Thank you for the opportunity to provide this status update on the Virgin Islands
337 Economic Development Authority to the Committee on Economic Development and Agriculture.
338 I am available to answer any questions you may have related to my testimony.