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DE JONGH: GOVERNMENT SELECTS DEVELOPER FOR HOTEL DEVELOPMENT ON WATER ISLAND

On Tuesday, Governor John P. de Jongh, Jr. announced the selection of the Water Island Development Company as the developer to advance a first-rate resort and hotel project on Water Island. The selection is the result of the Expression of Interest ("EOI") advertised by the government last September.

"A key project has been to again have a superior resort on Water Island that would complement other hotel offerings, while at the same time realize some meaningful economic activity on the island. All of this, of course, must be achieved in a manner that maintains what is charming, environmentally appealing and respectful of what the island and community reflect" de Jongh said. "With the assistance of REVPAR International, a hotel development and management firm, who has successfully completed a range of similar projects in the U.S. Caribbean, Europe and Asia, we focused on the specific hotel development branding for the island, attracted several suitably qualified firms, and selected a company with whom we have begun lease negotiations."

In early September, the Department of Property and Procurement, following an EOI process, advertised to gauge the level of interest for the development of a resort on Water Island and subsequently enter into a long-term lease agreement with the Government of the Virgin Islands. Over ten (10) firms participated in the proposal process and eight (8) named hotel brands expressed interest in the property.

The Water Island Development Company was chosen based on the collective experience of their team, who individually have financed and developed multiple ventures including resorts. Stephen Evans-Freke, a principal in St. Thomas based Aven Therapeutics', is the managing member. Other development team members include Bob Jackson, a developer of numerous multi-family projects; Peter Briggs, co-owner of John Foster Real Estate; Timothy Barber, Water Island property owner and founder of Keynetics, and Michael Graves of Michael Graves Foundation, along with other hotel development consultants and architects.

"Our undertaking this project is consistent with our commitment to economic development initiatives, but also with the U.S. Department of the Interior's requirement when we assumed direct control in 1996 that we promote the economic development of Water Island for the benefit of the entire Virgin Islands and the Water Island residents. We have been clear with each respondent on this objective and that community engagement is paramount," said Commissioner of Property and Procurement Lynn Millin Maduro.

The redevelopment of a hotel property on Water Island will have a significant impact on the government's economic recovery efforts. "Water Island boasts one more Virgin Islands opportunity to rebrand the Virgin Islands in one of the world's most beautiful natural environments, with nearby airport and water transportations, an attractive beach and marina capabilities. It is a valuable economic asset which will now be strengthened for the economic benefit of our entire territory," emphasized Commissioner of Tourism Beverly Nicholson-Doty.

The hotel property on Water Island has been vacant and abandoned since Hurricane Hugo destroyed it in 1989.

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Joanne—Please share this information with WICA members. For reference, below are some details of the process to date. Governor de Jongh promised during his residents meeting in September that all residents and WICA members would be kept up-to-date on the process of selection.

- September 14, 2013—Governor de Jongh holds meeting with Water Island Residents to announce the Expression of Interest for Hotel Development
- September 23, 2013—Expression of Interest is advertised
- October 29 & 30, 2013—Site Visits are performed on Hotel Properties on Water Island for responders to the Expression of Interest
- March 24, 2014—Top three responders are chosen and make presentations to evaluation team at Property and Procurement
- May 29—Top three responders make follow-up presentations with responses to additional information requests by both Government of the Virgin Islands and top three responders
- July 15, 2014—Governor de Jongh announces the selection of the top developer and begins contract negotiations for the lease.
- At such time as a contract is negotiated, the lease will go to the Legislature for a committee hearing. The public has the opportunity for input to the Senate at that time.

Once a contract is approved by the Legislature and signed into law, the developer will then begin their process of design and permitting. Permitting will include multiple opportunities for public input into the design to include a Coastal Zone Management Committee public hearing and a public hearing at the Legislature—Colette Monroe