

Virgin Islands Economic Development Commission
Decision Meeting of Thursday, August 12, 2021
Summary Report Out

During the Virgin Islands Economic Development Commission (“VIEDC”) Decision Meeting on Thursday, August 12, 2021, the Governing Board heard recommendations from staff regarding three (3) application matters and voted as follows:

Regular Session:

Action Items:

Applications:

1. Paragon Surgical Center, LLC – New Application

On March 15, 2021, Paragon Surgical Center, LLC (“Paragon”) filed an application with the Virgin Islands Economic Development Commission (“VIEDC”) for tax incentive benefits. Paragon seeks VIEDC tax incentive benefits as a Category III – Ambulatory Surgical Center.

Paragon commits to employ a minimum of 10 full-time employees within one (1) year from the date the Chairman signs the VIEDC Certificate. Paragon states that it shall invest a minimum of \$408,000.00 in the benefited business commencing no earlier than 12 months prior to the date the application was completed and completed within one (1) year from the date the commencement of tax incentives. Paragon has agreed to meet all statutory requirements and other applicable requirements for grant of benefits as set forth in 29 V.I.C. § 708, et. seq., including but not limited to health insurance, life insurance, retirement, paid time off (Vacation, Sick, Donated and Other Leave), Holidays, Tuition Reimbursement, Internship, Charitable Contributions, and Management Training). Paragon will be located on the island of St. Thomas.

The Governing Board voted (5 – 0) to:

1. Find that Paragon Surgical Center, LLC is deserving of a grant of tax exemption incentives.
2. Grant Paragon Surgical Center, LLC tax exemptions at one hundred percent (100%) of the incentives authorized by law for a period of 20 years in accordance with the provisions of V.I. CODE ANN., tit. 29, chapter 12.
3. Require physician fees to be specifically excluded from the tax incentives. Each physician shall be required to pay full taxes to the U.S. Virgin Islands on physician fee income.

2. VI Paving, Inc. – Amended Grant of Incentives

Virgin Islands Paving, Inc. (“VI Paving”) was granted tax incentive benefits on May 5, 2007 to operate a Category II - Manufacturing Business that does material production of asphalt and concrete products and related services. VI Paving manufactures, produces and installs asphalt, concrete, and related products on St. Croix, St. Thomas, St. John and other Caribbean Islands. On July 8, 2021, the Virgin Islands Economic Development Commission (“VIEDC”) extended VI Paving’s VIEDC Certificate benefit period for an additional 15 years of benefits at full benefits to take advantage of the longer benefit period for VIEDC beneficiaries located on St. Croix pursuant to Act #7651.

On July 30, 2021, VI Paving filed a request to correct/change the language pertaining to a footnote (typographical error), Health Insurance provision and Holiday provisions in the terms of its approval of benefits.

The Governing Board voted (___ – 0) to:

1. Approve an Amended Grant of Tax Incentives for Virgin Islands Paving, Inc., which shall now state, in relevant part, as follows:
 - a. Health Insurance: Applicant/Beneficiary shall provide health insurance for its employees, spouses and eligible dependent children paying sixty-five percent (65%) of the premium costs.
 - b. Holidays: Applicant/Beneficiary shall provide its employees with the following 10 paid holidays:

New Year’s Day	Martin Luther King, Jr. Day	Three Kings Day
Good Friday	Easter Monday	Memorial Day
Independence Day	Labor Day	Thanksgiving Day
Christmas Day		
2. Require all other terms and provisions of the grant of tax incentives delineated in the VIEDC Certificate dated February 10, 2017 to remain in full force and effect.

3. Sunset Cove Holdings, LLC – Extension of Time to Commence Incentives

On July 30, 2019, Sunset Cove Holdings, LLC (“Sunset Cove”) was granted Virgin Islands Economic Development Commission (“VIEDC”) tax incentive benefits as a Category IV Designated Service Business (Financial) providing financial management, consulting and advisory services, with a focus on providing outsourcing solutions to meet clients’ back office needs to clients located outside the U.S. Virgin Islands. Sunset Cove is located on the island of St. Thomas.

On July 28, 2020, Sunset Cove filed a request for a one (1) year extension of time to commence its tax incentives.

No Governing Board vote was taken as the action on the request was previously approved at the VIEDC Governing Board Decision meeting on August 20, 2020.