

**Virgin Islands Economic Development Commission
Decision Meeting of Tuesday, October 12, 2021
Summary Report Out**

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

Regular Session:

Action Items:

Application:

1. Lovango Island Holdings, LLP – Extension of Time to Commence Incentives

On August 13, 2019, Lovango Island Holdings, LLP (“LIH”) was granted Virgin Islands Economic Development Commission (“VIEDC”) tax incentive benefits as a Category III - Hotel/Guesthouse for its construction and management of a full-service resort on Lovango Cay, St. John and ancillary activities normally associated with a full-service resort, to include a restaurant, beach club, pool, fitness club, vacation rentals, ferry and concierge services on Lovango Cay, St. John

On August 23, 2021, LIH filed a request for an extension of time to commence tax incentives. LIH is requesting an extension of time to January 1, 2023, to commence its benefits under the EDC Program.

The Governing Board voted (4 – 0) to:

1. Find that Lovango Island Holdings, LLP has shown good cause for a grant of additional time to commence its tax incentives due to the global pandemic caused by the COVID-19 virus.
2. Grant Lovango Island Holdings, LLP an extension of time to commence its tax incentives to January 1, 2023.
3. Require Lovango Island Holdings, LLP’s tax incentives to be null and void should said incentives not commence on or before January 1, 2023.
4. Require all other terms and provisions of the amended grant of incentives delineated in the VIEDC approval letter of February 19, 2020 to remain in full force and effect.

2. Morabeza Capital Management, LLC – Corrected Grant of Incentives

On July 22, 2021, Morabeza Capital Management, LLC (“Morabeza”) was granted Virgin Islands Economic Development Commission (“VIEDC”) tax incentive benefits as a Category IV - Designated Services Business engaging in a diversified array of financial analysis, advisory, consulting, and family office support services for high-net-worth families. Morabeza is located on the island of St. Thomas.

This matter comes before the Governing Board of the Virgin Islands Economic Development Commission for amendment of the tax incentives granted to Morabeza, namely the health insurance, retirement benefit plan and paid holidays.

The Governing Board voted (4 – 0) to:

1. Approve the following amendments to the July 22, 2021 Grant of Tax Incentives: (1) to clarify that Applicant/Beneficiary is responsible for paying twenty-five percent (25%) of the premium on dependent coverage; (2) to comply with ERISA requirements relative to “eligible” employees; and (3) to correct the number and listing of holidays.

The Amended Grant of Tax Incentives shall now state, in relevant part, as follows:

- Health Insurance: Applicant/Beneficiary shall provide its full time employees with health insurance to include dental coverage with Applicant/Beneficiary paying one hundred percent (100%) of the premium for its employees. Dependent coverage shall also be provided through the same provider, with Applicant/Beneficiary paying twenty-five percent (25%) of such premiums.
- Retirement: Applicant/Beneficiary shall employ its eligible employees with a defined contribution plan such as a 401(k) or similar retirement plan with employer contributing three percent (3%) of each full time employee’s salary regardless of whether the employee contributes.
- Holidays: Applicant/Beneficiary shall provide a minimum of 11 paid holidays annually:

New Year's Day	Martin Luther King, Jr. Day
Presidents’ Day	Good Friday
Carnival Friday	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Day after Thanksgiving
Christmas Day	

2. All other terms and provisions of the tax incentives granted by VIEDC at the July 22, 2021 Decision Meeting shall remain in full force and effect.

3. Paragon Surgical Center, LLC – Corrected Grant of Incentives

On August 12, 2021, Paragon Surgical Center, LLC (“Paragon”) was granted Virgin Islands Economic Development Commission (“VIEDC”) tax incentive benefits as a Category III – Ambulatory Surgical Center. Paragon is located on the island of St. Thomas.

This matter comes before the Governing Board of the Virgin Islands Economic Development Commission for amendment of the tax incentives granted to Paragon, namely paid holidays.

The Governing Board voted (4 – 0) to:

1. Approve an Amended Grant of Tax Incentives to correct the number and listing of holidays, which shall now state, in relevant part, as follows:
 - Holidays: Applicant/Beneficiary shall provide a minimum of **13** paid holidays annually:

New Year's Day	Martin Luther King, Jr. Day
Presidents’ Day	Good Friday

J'ouvert	Carnival Friday
Memorial Day	Independence Day
Labor Day	Thanksgiving Day
Day after Thanksgiving	Christmas Eve
Christmas Day	

2. All other terms and provisions of the tax incentives granted by VIEDC at the August 12, 2021 Decision Meeting shall remain in full force and effect.