

Virgin Islands Economic Development Commission (EDC)
Governing Board Decision Meeting
Thursday, September 12, 2024
Summary Report

During the Virgin Islands Economic Development Commission (“VIEDC”) Decision Meeting on Thursday, September 12, 2024, the Governing Board heard recommendations from the VIEDC Team regarding one (1) application matter, and voted as follows:

Regular Session:

➤ **Action Items:**

❖ **Application:**

1. Mangrove Eco Boutique Hotel Properties, LLC & Mildred A. Lang Trust u/a/d May 24, 2000, a Joint Venture – Petition for Extension of Time to Commence Tax Incentives

On December 28, 2022, Mangrove Eco Boutique Hotel Properties, LLC (“Mangrove Properties”) filed an application with the Virgin Islands Economic Development Commission (“VIEDC”) for tax incentive benefits to own and operate a Category III - Hotel/Guesthouse Boutique Hotel and amenities normally associated with a hotel on the island of St. Thomas. Mangrove Properties may establish one or more wholly owned disregarded subsidiaries through which it may carry out the above business activities. Mangrove Properties is located on the island of St. Thomas.

Mangrove Properties commits to employing five (5) full-time employees, including the owner, within one (1) year from the date the VIEDC Chairman signs the VIEDC Certificate. Mangrove Properties committed to employing a minimum of 18 full-time employees within one (1) year from the date the VIEDC Chairman signs the Certificate or within one (1) year of commencement of hotel operations, whichever is later. Mangrove Properties committed to employing an additional 42 full-time employees within one (1) year of completion of Phase II. Mangrove Properties also committed to make a minimum capital investment of \$10,090,000.00, in the approved business commencing no later than 12 months prior to the date the application is deemed completed and completed within six (6) years from commencement of operations or six (6) years from the date the VIEDC Chairman signs the Certificate, whichever is later. Mangrove Properties further agreed to meet all statutory, and special conditions, and other applicable requirements for the grant of tax incentive benefits.

On April 25, 2024, Mangrove Properties’ legal counsel submitted a letter requesting an extension of time to May 23, 2025, to activate its tax incentives.

The Governing Board voted (5 – 0) to:

1. Find Mangrove Eco Boutique Hotel Properties, LLC and Mildred A. Lang Trust u/a/d May 24, 2000, a Joint Venture, has shown good cause for a grant of additional time to commence its tax incentives due to financing and designing of the hotel and hospital and culinary training facilities;
2. Grant Mangrove Eco Boutique Hotel Properties, LLC and Mildred A. Lang Trust u/a/d May 24, 2000, a Joint Venture an extension of time to commence its tax incentive to May 23, 2025;
3. Require the existing tax incentives to be null and void and Mangrove Eco Boutique Hotel Properties, LLC and Mildred A. Lang Trust u/a/d May 24, 2000, a Joint Venture, to file a

new application for incentives if Mangrove Eco Boutique Hotel Properties, LLC and Mildred A. Lang Trust u/a/d May 24,2000, a Joint Venture, does not commence its tax incentives by May 23, 2025; and

4. Require all other terms and provisions of the May 23, 2023 grant of incentives to remain in full force and effect.