

Economic Development Bank for the U.S. Virgin Islands
Tuesday, July 15, 2025
Summary

During the Economic Development Bank for the U.S. Virgin Islands (“EDB”) Decision Meeting on Tuesday, July 15, 2025, the Governing Board heard from staff regarding one (1) loan application, and voted as follows:

Regular Session:

Action Item:

1. By-The-Sea Resort Properties, LLC – New Application

By-The-Sea Resort Properties, LLC (“By-The-Sea”) is located on the island of St. Thomas. By-The-Sea seeks to open The Botany Hotel, a boutique hotel, on St. Thomas, VI. On December 15, 2015, By-The-Sea purchased 40.607 acres of land of which 38.26 acres is being used to build a luxury boutique hotel at the Preserve at Botany Bay, St. Thomas. According to Lender, By-The-Sea plans to further develop the property to accommodate a total 68 keys of mostly individual ocean view villas, and public areas to include a spa, fitness center, tennis court, two pools, two restaurants, beach bar, and separate lobby and lounge areas. Mr. Ferrer’s current focus is the completion of 21 (Phase 1) of the 68 keys along with the necessary infrastructure, back of house/amenities, and furniture, fixtures, and equipment.

By-The-Sea has invested approximately \$22,883,618 to prepare the infrastructure and erect 18 buildings with a total of 21 rooms/keys. This development sits on approximately 38.26 acres of land and is approximately 75-80% completed. It is anticipated that Phase I will cost approximately \$35,000,000 and will create up to 40 new full-time jobs. By-The-Sea is requesting \$7,700,000 in financing from Lender to assist with costs associated with the purchase and installation of solar power supply equipment (including solar panels, transformers, generators, Tesla Megapack, feeders, switches, and other related equipment) at the Botany Hotel which is currently under construction. The Lender is seeking VIEDA’s SSBCI 2.0 guaranty under the Loan Guaranty Program in the amount of \$6,160,000 (80.0%) to support its financing.

The Board voted (5 – 0 – 1) to:

- Approve up to \$6,160,000 or up to 80.0% Loan Guarantee Program support from the State Small Business Credit Initiative 2.0 Program (SSBCI) to Merchant’s Commercial Bank on behalf of its client, By-The-Sea Resort Properties, LLC, subject to the following conditions:
 - Satisfactory updated background report from the VIEDA legal department.
 - Evidence of satisfactory insurance coverage over the collateral properties and other business assets in amounts and with companies acceptable to the Lender, naming the Lender as mortgagee/loss payee.
 - Evidence of liability insurance coverage, adequate and acceptable to the Lender.
 - Environmental report in form and substance satisfactory to the Lender and conducted by a company acceptable to the Lender covering the development.
 - Updated appraisals as required by Lender.
 - Lender’s due diligence on contractors.
 - Updated credit reporting information on Jesse Ferrer.
 - All vacancies must be listed with the Virgin Islands Department of Labor.