

Virgin Islands Economic Development Commission
Decision Meeting of Monday, June 8, 2026
Summary Report

During the Virgin Islands Economic Development Commission (“VIEDC”) Decision Meeting on Monday, June 8, 2026, the Governing Board heard recommendations from the VIEDC Team regarding one (1) application matter, and voted as follows:

Regular Session:

➤ **Action Items:**

❖ **Applications:**

▪ **CM Sun Operations, Inc. & CM St. Croix Propco, LLP – New Application**

CM Sun Operations, Inc. (“CM Sun”), a subsidiary of Club Med. CM St. Croix Propco LLP (“Propco”), a subsidiary of VICI Properties Inc. CM Sun and Propco seek Economic Development Commission (“EDC”) benefits as a Category III - Hotel/Guesthouse for the purchase and financing, ownership, construction and redevelopment of the iconic Carambola Beach Resort located on St. Croix and pursuant to the terms of V.I. Code Ann. tit. 29, § 708(a)(1) which allows the Commission to grant benefits to other such industries or businesses as may be considered appropriate by the Commission and which will advance the economic well-being of the Virgin Islands and its people. CM Sun is located on the island of St. Croix.

CM Sun commits to employing 200 full-time employees. CM Sun also commits to making a minimum capital investment of \$62,811,776.00 in the benefited business. CM Sun further agrees to meet all statutory and special conditions, and other applicable requirements for the grant of tax incentive benefits.

The Governing Board voted (6 – 0) to:

1. **THAT** Applicant/Beneficiary is deserving of a grant of tax incentives;
2. **THAT** Applicant/Beneficiary be granted tax exemptions at one hundred percent (100%) of the incentives authorized by law for a period of 30 years in accordance with the provisions of V.I. CODE ANN. tit. 29, chapter 12;
3. **THAT** retail sales, concessions, and rental activities not owned and operated by Applicant/Beneficiary shall be specifically excluded from tax incentives. Any revenue from room and board rentals that are not subject to hotel room tax shall also be excluded from tax incentives.¹
4. **THAT** Applicant/Beneficiary is granted a waiver of the eighty percent (80%) residency requirement, and, as such, at least sixty-five percent (65%) of all persons it employs shall be U.S. Virgin Islands residents as defined in 29 V.I.C. § 703(e) commencing with the opening of the resort to December 31,

¹ Applicant/Beneficiary shall operate as a hotel that shall collect the hotel room tax and shall only take tax exemptions on revenues that qualify as revenues from a “guest” as defined in 3 V.I.C. § 54(a)(3). See Form 722 V.I. (Hotel Room Tax Return).

2028. At least seventy-five percent (75%) of all persons employed by Applicant/Beneficiary shall be U.S. Virgin Islands residents by December 31, 2029. Applicant/Beneficiary shall comply with the eighty percent (80%) residency requirement by December 31, 2031, and not less than twenty percent (20%) of management, supervisory and/or technical positions shall be held by residents of the U.S. Virgin Islands pursuant to 29 V.I.C. § 710(a). Applicant/Beneficiary shall contribute Five Thousand Dollars (\$5,000.00) annually to the Territorial Scholarship Fund in accordance with 29 V.I.C. § 710(b) for each non-resident hired below the sixty-five percent (65%) resident requirement.

5. **THAT** Applicant/Beneficiary shall submit Department of Planning and Natural Resources Certificate(s) of Occupancy within 10 calendar days of receipt thereof to VIEDC.
6. **THAT** Applicant/Beneficiary agrees that both parties shall be jointly and severally liable for failure to comply with the terms of the VIEDC Certificate and any amendments, extensions or modifications thereto.
7. **THAT** Applicant/Beneficiary shall submit fully executed copies of Triple-Net Lease, Hotel Management Agreement, Property Deed and any other agreements evidencing ownership and operation of the resort within 10 calendar days of execution.
8. **THAT** Applicant/Beneficiary shall comply with the Victims of Trafficking and Violence Protection Act of 2000, as may be amended from time to time, to combat human trafficking. Applicant/Beneficiary shall provide VIEDC a copy of the hotel policy against human trafficking in its Resort within 10 calendar days of execution. The policy shall be maintained at all times and proof that all employees are notified of same upon employment shall be submitted to VIEDC annually.
9. **THAT** Applicant/Beneficiary shall maintain a hotel brand, or brand of comparable quality to Club Med St. Croix during the term of incentives and require compliance with VIEDC provisions as a condition of any management agreement.
10. **THAT** Applicant/Beneficiary shall ensure it complies with the US Virgin Islands minimum wage or occupational wages, for USVI resident and nonresident employees. Applicant/Beneficiary shall provide VIEDC certification from the Department of Labor to confirm compliance with Labor laws relating to non-USVI resident employee(s) compensation to include comparable wages to a VI Resident employee with similar employment positions, as applicable.
11. **THAT** Applicant/Beneficiary shall provide formal written notice of employment opportunities to former employees of Davis Bay LLC who were

separated due to the sale of the Carambola Hotel, within the first year of the reopening of the hotel. A copy of said notice and list of former employees provided with written notification shall be submitted to VIEDC within 10 business days of said notification.

12. **THAT** Applicant/Beneficiary shall provide cultural programming and initiatives, such as culinary, arts, music and entertainment, cultural education and excursions, and community engagement as described in the application as a core component of its resort operations and its commitment to the broader USVI community.
13. **THAT** VIEDC's grant of incentives be conditioned upon receipt of favorable background reports for the following international entities, Fosun Tourism and Culture Group (HK) Company Limited and Fosun International Limited, which remain outstanding as of the date and time of this meeting.