

Questions from Water Island Residential Community to Water Island Development Company

1. What assurance will you give that the necessary infrastructure and Hotel (on leased Tract C, Tract B and the Catchment) be completed prior to any “residential development” on either leased or purchased land?
2. As the lessee, will you establish concessions/covenants for the sublessee? Will you include the residents in formulating these concessions/covenants?
3. What will be the scope of public access to Honeymoon Beach? ie. public road remaining open, adequate residential parking, footpaths to beach etc. Will Shaffer Hall remain or will you provide adequate meeting facilities for residential public meetings at the beach, at no expense.
4. Do you have a project gantt chart and will it be made available to the public?
5. Will all of the “keys” come with an individual mode of transportation?
6. Which properties will be timeshares? Which properties will be Condo’s?
7. WIDC has published, as a benefit to Water Island residents, that WIDC will improve Water Island roads, will WIDC improve all roads outside Sprat Bay or only the roads surrounding the hotel?
8. How many “keys” will you now have since FAQ #4 has stated buildings may be 3 stories? What is the predicted maximum occupancy?
9. How will you address noise abatement during and after Hotel construction? Will WIDC assure that no explosives will be used during construction?
10. WIDC is planning a fuel dock, what fire protection will you provide?
11. WIDC has leased the deep water dock and access to the dock. Will WIDC assure that access and use of the deep water dock remains open to the residents at no cost?
12. What is WIDC providing for emergency medical/fire/security/police services during and after construction?
13. Will you make your own power, water, sewage treatment? Provide the location of the sewage treatment/septic system and describe the system to be used.
14. Has WIDC applied for the necessary permits? Will you delay any/all construction until the hotel and infrastructure permits are in place?

15. If granted permission to purchase areas of land privately, what are your plans for “residential development”? Will the plan include anything other than 1 single family residence per 1 acre of land?
16. Will the ferry service be exclusive to hotel guests/employees? Will you ever use the ferry dock on Tract E? How will you transport 200+ workers/day to and from the site?
17. Mr. Jacksons’ testimony at the Committee on Finance included an attachment entitled “Summary of Tax Revenues within TIF District without Exemption (\$million)”. Where is any supporting documentation for these figures? How many “units/properties” are you basing these property tax figures on? Explain in detail all figures under “Property Tax” and how they were derived.
18. Transparency - The EOI produced by REVPAR on behalf of the Government of the VI was made public on September 19, 2013. The EOI as presented only offers a lease of property, Tract C, Tract B (excluding lots 24 & 25 and the privately owned “villas”). The EOI stated additional parcels may be leased. The ‘incentives’ by example were EDC related tax incentives. The Governor states: “the Government as policy only leases land for business and commercial activity and not residential.”
- WIDC’s response to the EOI has never been made public. The lease document, Article 1, 1.02 , states in part: “The Water Island Hotel and Marina is further described in Water Island Development Company LLC response to RFP012-2014(P), entitled Water Island Expression of Interest dated November 30, 2013, which is attached hereto and incorporated herein by reference as Exhibit D.” There is no “Exhibit D” attached to the legislative website lease document.
- The lease recorded at the Lt. Governor’s Office on 12/29/2014 as document #2014009676 also has the Expression of Interest dated 9/19/2013, not WIDC’s response to RFP012-2014(P) dated November 30, 2013.
- The “Exhibit D” provided from Government house in late November was the REVPAR, September 19, 2013 document, not WIDC’s response to RFP012-2014(P) dated November 30, 2013.

It is no wonder that virgin island residents were blind sided by this “properties for offer”, having only been made aware on November 19, 2014 with the Governor’s ‘letter of intent’ and addendum I. Sale of property is not what the Government routinely does. The EOI never mentions ‘Sale’ of property. The “Residential Component” is included in WIDC’s drawings as: 35 villas and townhomes on leased land.

If WIDC’s position is that residents should have known about the sale (see FAQ #1) and WIDC has known about this “offered for sale” since November of 2013 then why have no drawings of the ‘private residential development’ been made available? Why was there no mention of the sale of property in the presentation documentation to the committee on Finance? The REVPAR report warns about resident resistance to public property sale yet WIDC and the government chose to

hide this negotiation until the last possible moment. Unfortunately, the conclusion is that WIDC's intentions have not been transparent. Failure of transparency has veiled the entire project in doubt and mis-trust. The FAQ section to the web site will only be of value if you publish and answer the questions unedited, as asked.

19. Attached to the Governor's letter to Department of Interior dated November 19, 2014 is Addendum I, "List of Properties for Offer; Water Island Hotel and Resort Development" Listing as follows: Area K - 15 Ac.+-, Area L - 3 Ac. +-, Area M - 2.5 Ac. +-, Area N - 1.5 Ac. +-, Area V - 20 Ac.+-, Area Y - 11 Ac. +-, Area known as the Catchment - 1.5 Ac. +-, a total 54.5 Ac.+-. Are the listed Areas on Addendum I the only and final properties offered privately to WIDC for sale? Which Areas of those offered is WIDC interested in purchasing? Will you make the three independent appraisals available to the public?
20. If WIDC needs additional land for residential development beyond the 35 Villa and Townhome Residential Development, as shown on the WIDC's Site Plan, why has there been no reasonable offer made for privately owned parcels currently for sale? Is it eco-sensitive to develop large tracts of previously undeveloped green space and animal habitat when alternatives are available and accessible?
21. In WIDCs' presentation to Committee on Finance, "9) -Project Sources & Uses of Funds:" WIDC has listed \$6,350,000.00 for "Acquisition/Closing". Please explain this figure in detail.
22. What percentage of land purchased for WIDCs' private, for profit residential development will be set aside for green space? How will you develop under the Federal "Restricted Development" covenant for non-developed Tract C and the non-developed portions of Tract B. The Site plans as drawn do not appear to comply with the covenant.
23. Provide the location of the waste transfer site and the state of the art technology used. Confirm that residents will be able to use the waste transfer site at no cost.
24. Will WIDC have a member of the Water Island Civic Association designated to the resort development team to advise residents of activity and provide immediate feedback?
25. What is the environmental impact plan to protect the species on island? i.e. the red footed tortoise, pelicans, falcons, hawks, sea turtles etc. Is it ecologically sound to remove over 100 acres of natural habitat, then build an "institute" to study the species?