

Virgin Islands Economic Development Commission
Decision Meeting of Tuesday, July 11, 2023
Summary Report Out

During the Virgin Islands Economic Development Commission (“VIEDC”) Decision Meeting on Tuesday, July 1, 2023, the Governing Board heard recommendations from VIEDC Team regarding six (6) application matters in Regular Session and voted as follows:

Regular Session:

Action Items:

Application:

1. Neighborhood Establishment LLC – Change in Ownership Structure & Admission of New Member

Neighborhood Establishment, LLC (“Neighborhood Establishment”) was granted VIEDC tax incentive benefits to own and operate a Category II - Hotel/Guesthouse providing management of two (2) affiliated full-service hotels with ancillary activities normally associated with hotels at two (2) locations on the island of St. Croix. Neighborhood Establishment also conducts a Category IV - Designed Services Business providing business management and consulting services providing property acquisition services, design, construction management services, asset management services, private equity investment, management consulting and business operations services to clients located outside the U.S. Virgin Islands.

On June 14, 2023, Neighborhood Establishment submitted a petition requesting a change in its ownership structure.

The Governing Board voted (___ – 0) to:

1. Acknowledge and approve the change in ownership structure of Neighborhood Establishment, LLC pursuant to 29 V.I.C. § 714(b) with the admission of new shareholder, James Benton.
2. Admit of James Benton effective January 1, 2023.
3. Amend the Certificate of tax incentives to reflect the admission of new shareholder, James Benton.
4. Require all other terms and provisions of the Certificate to remain in full force and effect.

2. Octavia Consulting Group LLC – Change in Ownership & Admission of New Member

Octavia Consulting Group, LLC (“OCG”) was granted VIEDC tax incentive benefits to operate a Category IV – Designated Services Business providing business management and consulting services, to include marketing, staffing, bookkeeping and back office and administrative services. All clients of OCG are located outside the U.S. Virgin Islands. OCG’s services may be provided through one (1) or more wholly owned, disregarded subsidiaries in accordance with 29 V.I.C, § 714(c). OCG is located on St. Thomas.

On May 3, 2023, OCG submitted a petition requesting a revision to Appendix A1 of its Certificate and the addition of a new owner.

The Governing Board voted (4 – 0) to:

1. Acknowledge the addition of member, Kristi Chowdhury as owner of Octavia Consulting Group, LLC and the change in ownership and interest as follows:

| Member | Address | Ownership Percentage |
|------------------|---|----------------------|
| Rohit Chowdhury | 15A-3-25 Rendezvous & Ditleff St. John, VI 00830 | 50% |
| Kristi Chowdhury | 15A-3-25 Rendezvous & Ditleff St. John, VI 00830 | 50% |

2. Amend Appendix A-1 of the Certificate of tax incentives to reflect the ownership changes effective January 1, 2023.
3. Require all other terms and provisions of the Certificate to remain in full force and effect.

3. **Sunset Cove Holdings, LLC – Change in Ownership & Admission of Disregarded Subsidiary Entities**

Sunset Cove Holdings, LLC (“Sunset Cove”) was granted VIEDC tax incentive benefits as a Category IV – Designated Service Business (Financial) providing financial management, consulting and advisory services, with a focus on providing outsourcing solutions to meet clients’ back office needs. Sunset Cove is located on St. Thomas.

On January 3, 2023, Sunset Cove submitted a petition requesting a change in its ownership structure.

The Governing Board voted (4 – 0) to:

1. Acknowledge and approve the establishment of Sunset Cove Solutions VI, LLC and BDE Capital, LLC, as a wholly-owned disregarded entities of Sunset Cove Holdings, LLC pursuant to V.I. CODE ANN. tit. 29 § 714(c);
2. Acknowledge the acquisition of the membership interest previously held by Elliot Elzweig, and change in ownership interest with Benjamin Elzweig now owning one hundred percent (100%) interest effective July 1, 2022.
3. Admit the disregarded entities to be effective as follows:
 - ❖ Sunset Cove Solutions VI, LLC effective as of July 30, 2021, and
 - ❖ BDE Capital, LLC effective as of May 18, 2022.
4. Require the Certificate of tax incentives to be amended to reflect the admission of the new disregarded entities and change in membership interest of Benjamin Elzweig.
5. Require all other terms and provisions of the Certificate to remain in full force and effect.

4. **WWTS LLC d/b/a Worldwide Tap and Still – New Application**

WWTS LLC d/b/a Worldwide Tap and Still (“WWTS”) seeks VIEDC tax incentive benefits to own and operate a Category IV – Designated Services Business providing management consulting services. WWTS shall be the corporate entity responsible for distributing the flagship brand, Tap and Still, throughout the Caribbean and

United States. WWTS shall station its corporate headquarters on St. Thomas. WWTS shall primarily engaged in the distribution and management of Tap & Still locations outside the Territory and shall provide jobs mainly consisting of operations management, marketing, and accounting.

WWTS commits to employ a minimum of five (5) full-time employees, other than its principals, within one (1) year from the date the VIEDC Chairman signs the Certificate. WWTS states that it also commits to invest a minimum of One Hundred Thousand Dollars (\$100,000.00) in the benefited business commencing two (2) months after the receipt of VIEDC tax incentives and completed one (1) year after commencement of tax incentives. WWTS further agrees to meet all statutory requirements and other applicable special conditions for a grant of benefits. WWTS is located on St. Thomas.

The Governing Board voted (4 – 0) to:

1. Find WWTS, LLC d/b/a Worldwide Tap and Still is deserving of a grant of tax incentives.
2. Grant WWTS, LLC d/b/a Worldwide Tap and Still tax benefits at one hundred percent (100%) of the incentives authorized by law for a period of 20 years in accordance with the provisions of V.I. CODE ANN., tit 29, chapter 12.
3. Require WWTS, LLC d/b/a Worldwide Tap and Still to provide a copy of the franchise agreement for M3 Music, LLC and The Tap and Still to the VIEDC within 30 days after the Chairman signs the Certificate.
4. Require the following to be specifically excluded from the tax incentives granted to WWTS, LLC d/b/a Worldwide Tap and Still:
 - Restaurant sales and designated services provided to U.S. Virgin Islands clients shall be specifically excluded from the tax incentives.

5. Yacht IGY-AYH St. Thomas Holdings, LLC d/b/a American Yacht Harbor – Change in Ownership Structure and Corporate Conversion

IGY-AYH St. Thomas Holdings, LLC d/b/a American Yacht Harbor owns and operates the commercial real estate and marina facility on St. Thomas widely known as American Yacht Harbor (“AYH”). The marina consists of 135 boat slip which accommodates vessels ranging in length from 20 to 110 feet and attracts and serves thousands of boaters each year. The marina facility consist of 50,000 sq. of commercial space providing an outlet for various retail, food and beverage, financial, laundry, marine hardware, and fishing equipment. IGY-AYH St. Thomas Holdings, LLC is located on St. Thomas.

On September 3, 2021, IGY-AYH St. Thomas Holdings, LLC provided notification to the VIEDC regarding a change in ownership and requested that VIEDC update the Appendix A1 of its Certificate.

The Governing Board voted (4 – 0) to:

1. Acknowledge the corporate conversion and name change from Island Global Yachting Facilities Ltd. to Island Global Yachting Facilities, LLC effective December 22, 2020.
2. Acknowledge the acquisition of the ownership shares by Island Global Yachting Facilities, LLC previously held by the Estate of Jeffrey Epstein effective August 26, 2021; and approve the change in ownership structure and interest to reflect IGYF LLC as the sole owner pursuant to 29 V.I.C. § 714(b) as follows:

| Member | Address | Ownership Percentage |
|--|---|----------------------|
| Island Global Yachting Facilities, LLC | c/o The Corporation Trust Company 1209 Orange Street Wilmington, New Castle County, Delaware 19801 | 100% |

3. Require the Certificate of tax incentives to be amended to reflect the ownership changes.
4. Require all other terms and provisions of the Certificate to remain in full force and effect.

6. Yacht Haven USVI, LLC; YHG Hotel, LLC; and IGY-AYH St. Thomas Holdings, LLC – Change in Ownership Structure

VIEDC was provided formal notification of the closing on the sale of Island Global Yachting, LLC (“IGY Marinas”) on October 3, 2022 but effective on October 1, 2022. As a result of the sale, there has been a change in ownership of the ultimate parent company of Yacht Haven USVI, LLC (“YHG”), YHG Hotel, LLC (“YHG Hotel”) and IGY-AYH St. Thomas Holdings, LLC (“AYH”). Specifically, MarineMax East, Inc., a wholly owned subsidiary of MarineMax, Inc., is now the ultimate parent company of YHG and AYH. YHG remains the parent company of YHG Hotel. The entities are located on St. Thomas.

MarineMax is the world’s largest recreational boat and yacht retailer. MarineMax has over 100 locations worldwide, including 78 retail dealership locations, including marinas. With the acquisition of IGY Marinas, MarineMax now owns or operates 57 marinas worldwide. MarineMax is a New York Stock Exchange-listed company (NYSE:HZO).

On November 9, 2022, a change in ownership was submitted on behalf of YHG, YHG Hotel, and AYH.

The Governing Board voted (4 – 0) to:

1. Acknowledge MarineMax East, Inc., a wholly owned subsidiary of MarineMax, Inc., as the ultimate parent company of Yacht Haven USVI, LLC, YHG Hotel, LLC, and IGY-AYH St. Thomas Holdings, LLC effective October 1, 2022.
2. Acknowledge that although the ultimate beneficial owner of Yacht Haven USVI, LLC and IGY-AYH St. Thomas Holdings, LLC has changed, there have been no changes to the direct ownership of the companies.
3. Acknowledge that Yacht Haven USVI, LLC remains the parent company of YHG Hotel, LLC.