

**GOVERNMENT OF  
THE VIRGIN ISLANDS OF THE UNITED STATES**

**Request for Proposal and Qualifications – Protestant Cay  
Resort Development**

To: .....

Date: September 11, 2020

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RFP No. 059-T-2020 (P)

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The Government of the Virgin Islands of the United States (hereinafter referred to as “Government”) acting through its Department of Property and Procurement shall receive proposals for the Project described below. Proposals shall be received no later than **Monday October 26, 2020 at 4:30 p.m.** Atlantic Standard Time.

**DESCRIPTION OF PROJECT:**

The Government is inviting suitably qualified firms to submit proposals to design, finance, develop/construct, and subsequently operate a world class resort, on Protestant Cay, St. Croix, US Virgin Islands. The primary objective is to enhance the United States Virgin Islands’ tourism product by maximizing the re-development of Protestant Cay, which will in turn generate a variety of medium to high quality jobs for the local workforce and create opportunities for residents of the Territory to participate in the project development and operation, all of which collectively contribute to the Territory’s long-term economic growth.

The intent of this Request For Proposals (“RFP”) is to identify an appropriate development partner for the project, who will design, finance, develop/construct and operate a world-class resort on Protestant Cay. The Government owns Protestant Cay and will enter into a long-term ground lease with the successful respondent for the development and operation of the new resort. This RFP process will also allow the Government to better understand and more clearly define any infrastructure support services and/ or requirements, if any, that a potential developer and/or operator of a new resort may require in order to ultimately commit funds to the project and deliver an economically viable world class resort project on Protestant Cay.

**NEGOTIATED PROCEDURES:**

The Commissioner of the Department of Property and Procurement shall appoint a Selection Committee to assist in the evaluation and selection of one (1) Lessee. Accordingly, current data on qualifications and performance capability and proposed conceptual plans for development of Protestant Cay must be submitted with all proposals. After reviewing the qualifications and proposals the Committee shall select for discussions,

in order of preference, those firms or persons **deemed to be most highly qualified to provide the services herein required and having the most appealable development concept.** Discussions shall be conducted successively and severally with the firms or persons so selected.

## **FACTORS FOR DISCUSSIONS**

Selection criteria shall include **(i)** Professional qualification, registration and general reputation of principals of the firm or person; **(ii)** the extent to which the firm or person specializes in or has provided services of a type and scope similar to the services sought hereunder; **(iii)** familiarity with the location (s) and its offerings; **(iv)** capability of meeting schedules; **(v)** quality of performance on other similar projects; and **(vi)** financial ability to undertake project.

**Proposals will be evaluated according to the following criteria and weight factors in descending order: The order of importance in evaluation criteria for this project is: (a) scope of project - 30 pts (b) Qualifications & proven track record - 25 pts (c) financial ability to undertake proposed project – 25 pts, (d) timeliness of project scope - 15 pts, and (e) references - 5 pts. Bonus 5 pts available for design and quality of projected project to include LEED Certification and other environmental concerns. The Selection Committee may, at its option, request any or all respondents to participate in on-site interviews.**

## **NEGOTIATION:**

The Selection Committee shall recommend to the Commissioner of the Department of Property and Procurement **the highest qualified firms or persons with whom a lease shall be negotiated.** The Commissioner of the Department of Property and Procurement, with the assistance of the Selection Committee, shall attempt to negotiate a lease with such firms or persons.

Should the Commissioner be unable to negotiate a satisfactory lease with the firm(s) considered to be the most qualified, negotiations with those firm(s) shall be formally terminated. Negotiations shall continue with the other selected firm(s) until an agreement is reached.

Anthony D. Thomas  
Commissioner  
Property and Procurement

## INSTRUCTION TO RESPONDENTS

### A. NOTICE

#### **RFP-059-T-2020 (P) - Resort Development – Protestant Cay, US Virgin Islands**

Information provided in this RFP is to be used only for purposes of preparing a proposal. It is further expected that each respondent will read the RFP thoroughly, for failure to meet certain specified conditions may invalidate the proposal.

The Government of the Virgin Islands reserves the right to reject any or all proposals or any portion thereof and to accept the proposal deemed most advantageous to Government. An award will be made to the most **responsive and responsible** respondent whose proposal, conforms to this RFP and is deemed the most advantageous to the Government, based on the criteria established for evaluation. **The order of importance in evaluation criteria for this project is: (a) scope of project (b) Qualifications & proven track record (c) financial ability to undertake proposed project, (d) timeliness of project scope and (e) references. Bonus points are available for design and quality of the project to include LEED Certification and other environmental concerns.**

Applicants are requested to submit proposals on the basis of this RFP but are encouraged to be innovative and creative in their approach.

The information contained herein is believed to be accurate but is not to be considered in any way as a warranty. The Government makes no representations about the structures on the site. Requests for additional information clarifying this RFP should be directed in writing to Mrs. Jozette J. Cantois, CPM, GPM- RCA, Assistant Commissioner via e-mail at [Jozette.cantois@vi.gov](mailto:Jozette.cantois@vi.gov).

### B. STATEMENT OF PURPOSE

To assist the Government of the Virgin Islands in meeting the requirement for the following project: **RFP-059-T-2020 (P)- Resort Development – Protestant Cay, US Virgin Islands**

### C. PROPOSED PROJECT DETAILS:

**Purpose/Overview:** The purpose of this RFP is to solicit proposals from suitably qualified firms to design, finance, develop/construct, and operate a new resort and ancillary facilities on Protestant Cay, located in the Christiansted Harbor, St. Croix US Virgin Islands.



The Government is the fee simple owner of Protestant Cay, a 5 U.S. acre cay (pronounced “key”) located in the Christiansted Harbor, St. Croix, US Virgin Islands. Protestant Cay is accessible by a short 2-3 minute ferry ride from the Christiansted Boardwalk. This lush 5-U.S. acre Cay has a small beach overlooking the Christiansted Harbor and was designated by the U.S. Fish & Wildlife Service as a protected critical habitat for the endangered St. Croix Ground Lizard in 1977. The entirety of Protestant Cay was designated by the U.S. Fish & Wildlife Service as federal critical habitat for the St. Croix Ground Lizard. All development plans must comply with requirements for federal critical habitat of the United States Fish & Wildlife Service (“USFWS”) through consultation and conservation permitting for protecting indigenous, endangered and threatened species through the Virgin Islands Department of Planning and Natural Resources (“DPNR”).

Currently, Protestant Cay is being operated as a hotel and receives water and power via a 2.5” underwater conduit running from King’s Wharf in Christiansted to the Cay. The current hotel operation is called “Hotel on the Cay”, comprised of a hotel with incidental amenities of a restaurant and watersports activities which are operated by the Hotel on the Cay Timesharing Association, Inc., under an arrangement which will expire December 15, 2020. There is also a building with two apartments on the Cay. The Timesharing Association may be consulted for inclusion and continuation of their program under a sublease or other arrangement established by the developer; but such arrangement is not mandatory.

The Government is seeking a new Lessee for Protestant Cay, to design, finance, develop/construct and operate a new resort and ancillary facilities to include:

1. Hotel and overnight lodging accommodations;
2. Infrastructure improvements to operate hotel;

3. Retail and commercial improvements complementary to hotel facilities; and
4. Ferry services between the Protestant Cay and Christiansted Town.

The Government intends to enter into a long-term development and lease agreement with the successful respondent consistent with the provisions of Title 31, Section 205, of the Virgin Islands Code which provides that the Legislature of the Virgin Islands must ratify all leases in excess of one (1) year. The specific terms of the development and ground lease agreements will be negotiated with the successful respondent. The Lease will contain specific negotiated terms for development, in which case, if the Lessee fails to develop and operate the property in accordance with the Lease, the Lessee will be deemed in breach of the lease for failure to comply with the terms therewith. For the lease, it is anticipated that the Government will seek to establish a minimum base rent with a percentage above a certain revenue threshold which will be negotiated.

The Government is encouraging respondents to be innovative and creative in their approach to developing Protestant Cay into a unique world class resort. The resort should be self-sufficient and of an upscale nature, providing full range of facilities and amenities commensurate with industry standards for this level of self-sufficient operations. Specific amenities and features set forth in the respondent's proposal will be incorporated into the final development/lease agreements. All ancillary facilities that are required should be set forth clearly in the proposal, as well.

Each respondent should consider that the Government is desirous of the following in relation to the resort project:

1. A turnkey approach (designing, developing/constructing, financing and operating the resort);
2. A world-class upper upscale resort with recognizable and consistently high standards in services and amenities which will enhance the USVI's reputation as a tourism destination;
3. Environmentally friendly/ LEED Certification;
4. Current or proposed affiliation with a successful internationally known hospitality brand;
5. Target guests comprising of both leisure transient and group travelers; and
6. The proposed development should complement the attributes of the surrounding area and the uniqueness of the US Virgin Islands.

Concessions:

The Government of the USVI will:

1. Grant a term lease to the developer on mutually agreeable terms, on the land which would compromise the resort, the renewal of which would not be unreasonably withheld;
2. Expeditiously facilitate, subject to the laws of the USVI, the requisite permits required to proceed with this investment including USVI Coastal Zone Management (CZM) permitting. A CZM permit is required for any development activity in the first tier of the coastal zone; and
3. Consider the grant of additional incentives available under the laws of the USVI, subject to appropriate qualification or conditions.

#### Economic Development Commission (“EDC”) Benefits Program:

The USVI through the Economic Development Authority – Economic Development Commission offers tax incentive programs for qualified businesses establishing operations in the US Virgin Islands. Benefits for qualified businesses in the EDC program may include up to a 90% reduction in corporate income tax, 90% reduction in personal income tax on qualified income and 100% exemption on business property tax. The Hotel Development Program in Title 29, Section 1301 et seq. of the Virgin Islands Code, administered by the Economic Development Commission also provides additional tax incentives for specific Hotel Development initiatives.

The USVI and this site are also included in the Federal Qualified Opportunity Zone program.

#### **D. TIMETABLE**

1. Last day for requests for written clarification will be **Monday September 21, 2020 at 12:00 noon** Atlantic Standard Time.
2. Proposals shall be accepted at Department of Property & Procurement, no later than **Monday October 26, 2020 at 4:30 p.m.** Atlantic Standard Time.

#### **E. SUBMISSION OF PROPOSAL**

All interested parties shall submit their proposals electronically to [ebids\\_proposals@dpp.vi.gov](mailto:ebids_proposals@dpp.vi.gov).

All electronic submissions shall be submitted via e-mail and must include the **Company’s Name – RFP Number – Due Date in the Subject Line of the email. For Example, ABC Company, Inc. – RFP No. 001 – T-2020(P) – March 16, 2020.**

The First page of each electronic submission must also include the Company's name, RFP Number, and the proposal due date. The second page of each electronic submission must only contain the following words in red font: **"CONFIDENTIAL BID SUBMISSION"**.

The respondent shall be responsible for the delivery of all proposals to the Department of Property & Procurement before the date and time set for the closing of acceptance of proposals. Any submittal received after the deadline will be considered **LATE** and will **NOT** be considered for evaluation.

#### **F. WITHDRAWALS OF PROPOSAL**

A proposal may be withdrawn at any time prior to the time specified as the closing time for acceptance of proposals. However, no proposal shall be withdrawn or canceled for a period of thirty (30) days after said closing time for acceptance of proposals nor shall the successful respondent withdraw, cancel or modify the proposal, except at the request of Government after having been notified that said proposal has been accepted by Government.

#### **G. INTERPRETATION OF SPECIFICATIONS**

If any person contemplating submitting a proposal requires clarification of any part of the RFP, he/she may submit to the Government a written request for an interpretation thereof to **Mrs. Jozette C. Cantois, CPM, GPM-RCA, Assistant Commissioner**, at [Jozette.cantois@vi.gov](mailto:Jozette.cantois@vi.gov) **no later than Monday September 21, 2020**. The Government shall not respond to questions received after the above established date. The person submitting the request shall be responsible for its prompt delivery. Any interpretation of the RFP shall be made in writing to all prospective respondents. Oral explanations shall not be binding.

#### **H. CONSIDERATION OF PROPOSAL**

The Commissioner of Property and Procurement shall represent and act for the Government in all matters pertaining to the RFP and Lease in conjunction therewith. **This RFP does not commit the Government to the award of a Lease, nor to pay for any cost incurred in the preparation and submission of proposals in anticipation of a Lease. The Government reserves the right to reject any or all proposals and to disregard any informality and/or irregularity in the proposal when, in the Government's opinion, the best interest of the Government shall be served by such action.** Proposals failing to provide some of the items in the RFP shall not be rejected per se but any deviations from the RFP must be clearly noted. It is the responsibility of each

respondent to clearly mark any part of its submittal considered to be of a proprietary or confidential nature as such.

## **I. ACCEPTANCE OF PROPOSALS**

The Government shall provide written notification of the Government's acceptance of one of the proposals. Failure to provide any supplementary documentation to comply with any request from the Government may be grounds for disqualification of a respondent.

## **J. CONTENTS OF PROPOSAL**

The following is a list of information to be included in the written proposal. Failure to comply with all the requirements as outlined, shall result in point deductions accordingly and the proposal rating shall be reflected as such.

### **1. Introductory Letter of Interest:**

- a. Full contact details and corporate profile of the respondent to include:
  - i. Name, address, email and telephone numbers.
- b. Where the investor will not be the developer or operator of the resort, details of the key entities that will be involved in the proposed development (developer, managers and operators) must be provided.
- c. This letter should be signed by an individual authorized to act on behalf of the respondent.

### **2. Title Page:**

- a. The title page should include the RFP number, name of the project, name of the respondent and its principal contact.

### **3. Executive Summary**

- a. A 1-2 page summary should provide a snapshot of the respondent's planned project, to include project approach, financing, and timelines for completion.

### **4. Organization:**

- a. Current Business Licenses;
- b. Current Insurance Certificates;
- c. Current trade name registration certificate, if applicable;
- d. Current Certificate of Good Standing dated July 1, 2020 or later;
- e. Articles of Incorporation (for Corporations) or Articles of Organization (for LLCs) or qualification (Limited Partnerships), if applicable; and
- f. Sam.Gov registration and Duns Number.

Please note that if a proposal in response to this RFP is being submitted by a consortia or joint venture, information on all entities comprising the consortia or joint venture must be provided. It must clearly indicate which entity or person is the lead entity. The nature of the joint venture should be specified and evidenced by a letter or agreement signed by all participating entities in addition to the required documents listed in Section J, Paragraph 4.

5. **Summary and evidence of a proven track record, solid reputation, success and qualifications and experience in the hotel industry**, to include but not limited to:
  - a. Project experience:
    - i. Provide a listing of three (3) to five (5) related projects performed by the respondent. Include the following:
      - A brief description of the work performed and cost of each project;
      - Provide project timelines and completion dates;
      - Provide a minimum of five (5) photos of the completed projects for those listed under sub-section (i) above; and
      - Include the names of staff that are listed in Company's proposal for this project if they worked on any of the projects listed under sub-section (i) above and include their roles.
    - ii. Provide a listing of projects currently being performed. Include a brief description of the project and percentage completed.
6. **Schematic design and/or conceptual rendering illustrating the proposed development**; as well as key elements of the resort project including service and amenities.
7. **Preliminary Business Plan that includes**:
  - a. Narrative description of the proposed development, which takes into account the matters outlined in the project scope above;
  - b. Estimate of the project development budget and evidence of the developer's financial ability to undertake such a project, including but not limited to detailed financing/funding models and the last five (5) years financial statements. Detailed financing/funding models, budgeting and assumptions will also be required at later stage in the process from the successful respondent during lease negotiations.
  - c. Details of the proposed developmental timeline; and
  - d. Any additional information that the respondent considers appropriate to assist the Government in better understanding its proposal.
8. **Staffing**:
  - a. Provide a listing of staff available for the project.

- i. Principals of Firm and their years of experience and roles, and responsibilities relative to the project;
  - ii. Key Personnel and their years of experience, and roles, and responsibilities relative to the project;
  - iii. Staff available and their years of experience, roles, and responsibilities relative to the project; and
  - iv. Resumes.
9. **Reference Letters:** Three (3) letters minimum related to the projected development being solicited. To obtain maximum allotted points, each letter must:
- a. Include information about past performance on similar projects from authorized representative; and
  - b. Include a working telephone number and email address to be contacted.

#### **K. CONFLICT OF INTEREST**

A respondent filing a proposal hereby certifies that no officer, agent or employee of the Government has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of Government; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other proposer for the same request for proposals; the proposer is competing solely in its own behalf without connection with, or obligation to, any undisclosed person (s) or firm (s).

#### **L. LICENSE REQUIREMENT**

The successful respondent must duly qualify to conduct business in the U.S. Virgin Islands and will need the following documents as part of the Lease execution process: (i) current Virgin Islands Business License (ii) current Virgin Islands Certificate of Good Standing, (ii) corporate resolution or equivalent, (iv) articles of incorporation or equivalent, and (v) detailed business plan and financials. The Government's boilerplate lease template is enclosed with this RFP and by submitting a proposal in response to this RFP, respondent agrees to accept the Government's boilerplate terms and conditions, if selected for award.

**FAILURE TO PROVIDE THE CERTIFICATES WITHIN THE STATED TIME PERIOD MAY RESULT IN THE PROPOSAL BEING DEEMED NON-RESPONSIVE AND MAY BE IMMEDIATELY DISQUALIFIED WITH NO FURTHER CONSIDERATION GIVEN FOR POTENTIAL AWARDING OF THE LEASE AGREEMENT.**

## **M. PRE-PROPOSAL BRIEFING & TOUR**

Site visits and briefings at Protestant Cay have been scheduled as follows:

1. September 17, 2020 at 10am; and
2. September 18, 2020 at 10am.

The site visits will include a briefing from the Government of the US Virgin Islands representatives, a tour of the premises and brief responses to any questions. Each site visit is estimated to last two (2) hours.

All participants for the site visit should RSVP no later than Monday, September 14, 2020 at 5pm Atlantic Standard Time by emailing Mrs. Jozette J. Cantois, CPM, GPM-RCA, Assistant Commissioner at [Jozette.cantois@vi.gov](mailto:Jozette.cantois@vi.gov).