

**Virgin Islands Economic Development Authority
Governing Board Meeting
Friday, November 20, 2020
Board Report Out**

During the Virgin Islands Economic Development Authority (“USVIEDA”) Governing Board Meeting on Friday, November 20, 2020, the Governing Board heard recommendations from staff regarding one (1) Hotel Development Act (“HDA”) application matter in Executive Session and voted as follows:

Executive Session:

▪ **DiamondRock Frenchman’s Owner, Inc. dba Frenchman’s Reef Marriott Resort and Spa and the new Noni Beach, a St. Thomas Resort, Autograph Collection - Hotel Development Act Application**

The Governing Board voted (5 - 0) to:

1. Find that DiamondRock Frenchman’s Owner, Inc. d/b/a Frenchman’s Reef Marriott Resort and Spa and Noni Beach, a St. Thomas Resort Autograph Collection’s project is in the best interests of the Government and citizens of the United States Virgin Islands.
2. Certify DiamondRock Frenchman’s Owner, Inc. d/b/a Frenchman’s Reef Marriott Resort and Spa and Noni Beach, a St. Thomas Resort Autograph Collection’s project in accordance with 29 V.I.C. §1307.
3. Grant DiamondRock Frenchman’s Owner, Inc. the use of the Designated Hotel Room Occupancy tax at fifty percent (50%) or 6.25% of room revenues to be used to reimburse a portion of the costs of the reconstruction and upgrade of said resort for a period of 30 years or until such time the direct investment of One Hundred Thirty-Six Million Three Hundred Thousand Dollars (\$136,300,000.00) is liquidated, whichever is earlier.
4. Authorize its staff and contractor, Bryan Cave Leighton Paisner LLP to negotiate with DiamondRock Frenchman’s Owner, Inc. the terms of an agreement setting forth the respective obligations of the parties, on such terms and conditions for consideration of a final agreement between the USVIEDA and the Developer within 30 days of the USVIEDA board’s decision which final agreement shall be transmitted to the Governor for approval and thereafter ratification by the Legislature.

5. Require DiamondRock Frenchman's Owner, Inc. to pay an annual fee to the USVIEDA; provided that the annual fee shall be either (1) 1.5% of the projected debt service payable that year, or (2) \$100,000 per Project whichever is less pursuant to 29 V.I.C. §1314(a) and
6. Require DiamondRock Frenchman's Owner, Inc. to include, as a part of its self-funded marketing plan, a component to market the Territory, which component must be approved by the Commissioner of Tourism pursuant to 29 V.I.C. §1314(b) prior to the reopening of the Resort, with a copy filed with USVIEDA within 10 business days of approval.