

## ANNALY BAY St. Croix, U.S. Virgin Islands

RCLCO completed a comprehensive market, financial, and economic impact analysis of the planned Annaly Bay resort, hotel, and casino development on the island of St. Croix in the Winter/Spring of 2006/2007. RCLCO also prepared a convention center analysis and financial analyses for the proposed development.

Annaly Bay is planned to be one of the largest new resort hotel developments on the island of St. Croix. The project will include three large-scale hotel components, significant for-sale, timeshare and fractional residential product; and a mix of retail, casino, entertainment, and meeting space uses. One unique challenge was identifying a strategy to incorporate an existing semi-private golf club into the project, structuring the arrangement with existing members, and developing a phasing plan to minimize the interruption of play during the renovations.

RCLCO determined the fiscal and economic impacts to the island of St. Croix, to assist the government in determining the amount of investment it could make to support this private development. The casino was a significant element of this analysis and involved modeling future gaming activity. RCLCO has also conducted a residential market analysis to help guide the development program for this major project.

The first major hotel and residential component is set to begin construction in 2009, with the construction of a 250-room branded resort hotel delivering first, along with an array of residential product to be developed on-site. Future phases of the development will include two additional hotel components; each with 125–200 unit complexes, a hilltop casino, a 25,000 square foot convention/ meeting center, a retail center, and additional residential elements.

Predevelopment is currently well underway.

