

Testimony of
Vincent Richards

Assistant Commissioner of the Department of Property and Procurement
On behalf of

Lisa M. Alejandro
Commissioner of the Department of Property & Procurement

On

Amendment No. 1 to Lease Agreement between the Department of Property and Procurement on
behalf of the Government of the Virgin Islands and Hearts in Service Association, Inc.

Before

Committee on Budget, Appropriations, and Finance

Tuesday, April 21st, 2026

Earl B. Ottley Legislative Hall
ST. THOMAS, U.S. VIRGIN ISLANDS

Good Morning, Committee Chair Novelle E. Francis, Jr., Vice-Chair Marvin A. Blyden, Committee members – Honorable Senators, Kurt A. Vialet, Dwayne M. DeGraff, Ray Fonseca, Hubert L. Frederick, and Marise C. James, Non-Committee members, Central and Legislative Staff, fellow testifiers, visitors present in the chambers, and members of the viewing and listening audience.

I am Vincent Richards, Assistant Commissioner of the Department of Property and Procurement (DPP). I testify today on behalf of Commissioner, Lisa M. Alejandro, to offer testimony on Amendment No. 1 to the Lease Agreement for Hearts in Service Association, Inc. in the St. Thomas/St. John District, which is before this Committee for consideration. DPP requests this Committee's and ultimately the full Senate's approval of this Amendment No. 1 to the Lease Agreement between the Government of the Virgin Islands ("GVI") and Hearts in Service Association, Inc. (*hereafter "Amendment No. 1 to Lease"*) (*Bill No. 36-0275*).

I. Bill No. 36-0275 (Amendment No. 1 to Lease)

The Government of the U.S. Virgin Islands ("GVI"), acting through its Department of Property and Procurement ("DPP"), is proposing an Amendment to the Lease Agreement with Hearts in Service Association, Inc., ("Lessee") to align the terms of the Lease Agreement with DPP's current leasing structure for non-profit corporations providing services in our community.

The Lease Agreement was signed by the Governor of the U.S. Virgin Islands on July 14, 2021, and ratified by the 34th Legislature of the U.S. Virgin Islands on December 23, 2021, for a fifteen (15) year term with the option to renew for two (2) additional periods of five (5) years each. This Lease Agreement is for Parcel No. 175C Estate Anna's Retreat, No.1 New Quarter, St. Thomas, U.S. Virgin Islands, consisting of a two-story concrete building on approximately 16,041 U.S. sq. ft. or 0.368 U.S. acres of land, more-or-less.

The Lessee's operations on the Premises will provide eligible programs and services to families with children who have become homeless individuals, veterans, and at-risk youth, and the operation of a soup kitchen. In the event of a natural disaster, the Premises may be used by the Lessor as a temporary emergency shelter, the details of which use will be governed by a separate Memorandum of Agreement between the Parties.

DPP is adjusting Lessee's terms, including the rental rate, in accordance with the established internal policy for non-profit corporations. DPP and Hearts In Service Association, Inc., hereby agree to amend the Lease Agreement as follows:

- **Article I**, Paragraph 1.02 Use, is amended by deleting the words “including transitional housing” in the first (1st) sentence of the Paragraph.
- **Article II**, Paragraph 2.02 Options, is amended by striking the words “at the rent provided for in Paragraph 3.03 hereof.”
- **Article III**, Paragraph 3.01 Annual Rent, is amended by deleting “**Twelve Thousand Dollars and Zero Cents (\$12,000.00)**” and replacing it with “**One Thousand Two Hundred Dollars and Zero Cents (\$1,200.00)**” and by deleting “**One Thousand Dollars and Zero Cents (\$1,000.00)**” and replacing it with “**One Hundred Dollars and Zero Cents (\$100.00).**”
- **Article III**, Paragraph 3.03 Readjustment of Rent is amended by deleting the Paragraph and all language contained in its entirety. The deleted paragraph will be replaced with [Reserved.]
- **Article VI**, Paragraph 6.01 Liability Insurance, is amended by striking “**Three Million Dollars (\$3,000,000.00)**” and replacing it with “**One Million Dollars (\$1,000,000.00)**”:
- **Article VI**, Paragraph 6.04 Fire and Extended Coverage by Lessee, is amended by deleting “the commencement date of this Lease” from the second (2nd) sentence, replacing it with “Lessee’s receipt of its Occupancy Certificates for the Premises.”

Chairman and Members of the Committee, thank you for the opportunity to present this testimony and for your consideration of this Amendment No. 1. I stand ready to answer any questions you may have regarding this Amendment.