

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

Lease Agreement between the Department of Property and Procurement on behalf of the
Government of the U.S. Virgin Islands and Eight One Subbase, LLC (Bill No. 36-0339)

Before

Committee on Budget, Appropriations, and Finance

Thursday, August 20th, 2026

Earle B. Otley Legislative Hall
ST. THOMAS, U.S. VIRGIN ISLANDS

Good Afternoon, Committee Chair Novelle E. Francis, Jr., Vice-Chair Marvin A. Blyden, Committee members – Honorable Senators Kurt A. Vialet, Dwayne M. DeGraff, Ray A. 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 on the proposed Lease Agreement 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 Lease Agreement between the Government of the Virgin Islands ("GVI") and Eight One Subbase, LLC (*hereafter "Eight One Subbase"*) (*Bill No. 36-0339*).

I. Bill No. 36-0339 (Eight One Subbase, LLC)

The Lease Agreement between the GVI and Eight One Subbase, LLC is for Parcel Nos. 81A Revised and 81B (Revised) Submarine Base, No. 6 Southside Quarter, St. Thomas, U.S. Virgin Islands, consisting of approximately 28,591 U.S. sq. ft. or 0.6564 U.S. acre(s) more-or-less of unimproved land currently zoned I-2 (Light-Industry).

Eight One Subbase will use the Premises for evaluating, planning, and undertaking capital improvements necessary to develop, establish, and operate a mobile vendor food court, including related amenities such as a bar, restrooms, parking areas, a shaded seating area, and storage facilities, and to manage a slate of subtenants operating within the Premises. The proposed use of the property into a "mobile food lot" is permitted in the I-2 district.

The term of this Lease Agreement is for twenty (20) years, with three (3) additional renewal terms of ten (10) years each (each a "Renewal Term"). The annual rent will be **Twelve Thousand Dollars and Zero Cents (\$12,000.00)** annually payable in equal monthly installments of **One Thousand Dollars and Zero Cents (\$1,000.00)**.

Eight One Subbase will undertake a phased development, at its own cost and expense, to include property improvements valued at approximately **Five Hundred Thousand Dollars and Zero Cents (\$500,000.00)**. Improvements on the Premises include obtaining all required permits, removing and disposing of derelict articles on the Premises, clearing brush and excavating, installing electrical and plumbing utility infrastructure, constructing structures (or erecting modular structures), installing an emergency generator, and erecting security fencing, security and surveillance system lighting, and access controls.

The subject property is within the CZM Tier 1 zone. The Lessee will pay reduced rent during a phased Permitting & Construction Period of thirty-six (36) months. For months one through eighteen (1-18) of this lease, Lessee will pay **One Hundred Dollars and Zero Cents (\$100.00)**, and for months nineteen through thirty-six (19-36) of this lease, Lessee will pay **Five Hundred Dollars and Zero Cents (\$500.00)**.

On July 25, 2025, GVI executed a one-year lease agreement for the premises to give Lessee legal interest to begin its due diligence and to conduct the required architectural and engineering evaluation process while negotiations for the multi-year lease were underway.

Eight One Subbase envisions a dedicated mobile food van courtyard in Subbase, featuring multiple food vendors, a bar, and occasional weekend entertainment. The concept is designed to provide an accessible platform for emerging and small-scale food entrepreneurs who may not be able to afford the overhead associated with a traditional brick-and-mortar location.

Beyond creating a vibrant food destination for both locals and visitors, the project has the potential to generate meaningful community and economic benefits. The courtyard would encourage entrepreneurship, create employment opportunities, increase commercial activity, expand access to affordable and diverse food options, and provide a welcoming gathering space for residents and visitors to enjoy local culinary offerings, entertainment, and community life.

At a time when the Virgin Islands should continue to promote the responsible use of public property and expand opportunities for local economic participation, projects such as Eight One Subbase merit thoughtful consideration. This development presents an opportunity to transform currently available public property into a productive, community-oriented space that supports local entrepreneurship while contributing to the territory's tourism economy.

For these reasons, I respectfully urge the members of this committee, and eventually the entire Legislature of the Virgin Islands to approve the lease agreement between the Government of the Virgin Islands and Eight One Subbase, LLC, allowing this project to move forward and realize its potential benefits for the community.

Thank you for your consideration and for your continued commitment to responsible economic development, entrepreneurship, and creating opportunities that strengthen communities throughout the Virgin Islands.