



# Legislature of the Virgin Islands

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## POST AUDIT DIVISION

May 16, 2025

### MEMORANDUM:

**TO:** Honorable Novelle E. Francis, Jr.  
Chairperson,  
Committee on Budget, Appropriations and Finance  
36<sup>th</sup> Legislature of the Virgin Islands

**FROM:** Post Audit Division

**SUBJECT:** Lease Agreement

**LESSOR:** Department of Property & Procurement

**LESSEE:** Caribbean Buzz, LLC

**PREMISES:** A portion of Remainder Parcel No. 3B Estate Susannaberg, 17A Cruz Bay Quarter, St. John, U.S. Virgin Islands, consisting of 9,000 U.S. sq. ft. or 0.206 U.S. acre(s) of improved land more-or-less

**TERM:** Twenty (20) year period, with an option to renew for two (2) five (5) year periods. The initial lease term commences on the first day of the month following approval by the Legislature and the Governor of the Virgin Islands.

**PURPOSE:** The property will be used to effectively and safely operate and manage a helicopter transportation service at the existing helipad, with the additional purpose of facilitating medical evacuations via helicopter from St. John to St. Thomas, as well as for other related purposes.

### LEASE SUMMARY

**BACKGROUND:** Caribbean Buzz, LLC. is the only FAA-approved helicopter company operating in both the United States Virgin Islands and the British Virgin Islands. With over 20 years of experience, the company offers a full range of commercial and medical evacuation helicopter transportation services.

**REQUIRED SUPPORTING DOCUMENTATION**

<b>DOCUMENT</b>	<b>EXPIRATION DATE</b>
Business License	7/31/2025
Trade Name Registration	N/A
Certificate of Liability Insurance	10/25/2025
Certificate of Good Standing	6/30/2025

**PAYMENT TERMS**

The Lease requires \$6,000.00 per annum, payable in equal monthly installments of \$500.00 due on the first day of each month during the term thereof. After the first (1<sup>st</sup>) year of the initial term, and every year after, including the renewal term, the rent shall be adjusted in accordance with the Consumer Price Index but not more than 3% over any preceding year period. At no time will any rent determined in the above manner be reduced below the annual rent of \$6,000.00. A late charge will be assessed after ten (10) days of the due date for an additional ten percent (10%) of the monthly payment.

**IMPROVEMENTS**

According to the lease terms, the Lessee shall provide the improvements listed below at its own cost and expense, which are estimated to cost approximately Forty Thousand Dollars (\$40,000.00). Improvements to the property include the following:

- a. Repaint the existing helipad to foster easy visibility from the air;
- b. Installation of a windsock as part of the existing helipad;
- c. Installation and maintenance of landing lights;
- d. Construction of a covered helipad waiting area with benches for seating; and
- e. Landscaping, trimming, and pruning of the grounds and trees.

The Improvements shall be completed no later than twenty-four (24) months of the effective date, the twenty-four-month period referred to herein as the "Construction Period".

Lessee agrees to keep the said Premises and appurtenances as repaired, in a clean, sightly, and tenantable condition, and to return said Premises to Lessor upon the expiration or other termination of this Lease, in as goof condition as it was since the last repairs were made, less reasonable wear and tear from intervening use.

**LIABILITY INSURANCE**

Under the terms of the Lease, the Lessee agrees to:

- Keep in force a policy of public liability and property damage insurance with limits of not less than:
  - One Million Dollars (\$1,000,000.00) property damage,
  - One Million Dollars (\$1,000,000.00) for one person injured or killed, and
  - One Million Dollars (\$1,000,000.00) for any number of persons injured or killed in any one accident.

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- All of the said insurance shall be in a form satisfactory to Lessor and shall provide that it shall not be subject to cancellation, termination, or change, except after thirty (30) days prior written notice to Lessor.

**ADDITIONAL INFORMATION**

Detailed information on the following items can be found in the attached lease document:

<b>Items</b>	<b>Page</b>
• Improvements	3-5
• Mechanic's Lien	5
• Insurance and Indemnity	5-6
• Entry by Lessor	6
• Condemnation	7
• Cancellation, Termination, Assignment, and Transfers	7-9
• General Terms and Conditions	9-13

**EXECUTIVE BRANCH APPROVALS**

<b>Signee</b>	<b>Title</b>	<b>Department</b>	<b>Date of Signature</b>
Lisa M. Alejandro	Commissioner	Department of Property & Procurement	5/5/2025
Lauren Doudreaux	Assistant Attorney General	Department of Justice	5/6/2025
Honorable Albert Bryan Jr.	Governor	Office of the Governor	5/12/2025

**ANALYSIS**

**Bill No. 36-0098** proposes a public-private partnership through a lease agreement between the Government of the U.S. Virgin Islands and Caribbean Buzz, a helicopter transportation company, for the operation and management of a helicopter service based at the underutilized helipad on Parcel No. 3B, on the island of St. John U.S. Virgin Islands. The helipad is proposed to be designated as an accessory use to the Myrah Keating Smith Community Health Center, primarily to facilitate critical medical evacuations to St. Thomas and to provide broader transportation services to the residents of St. John.

As the only FAA-approved helicopter company authorized to operate in both the U.S. and British Virgin Islands, the company is positioned strategically as a readily available source of such dual-purpose use, supporting both routine air transport and emergency medical evacuations.

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## **CONCLUSION**

As proposed, **Bill No. 36-0098** represents a forward-thinking initiative to enhance emergency medical response and inter-island transportation within the Virgin Islands. By leveraging the expertise of Caribbean Buzz - an established, FAA-approved helicopter operator with a proven track record in the region, the Government of the Virgin Islands through the Department of Property and Procurement can significantly improved the efficiency and reliability of medevac services from St. John to St. Thomas. The long-term lease structure provides continuity, while the accessory use designation ensures alignment with the healthcare objectives of the Myrah Keating Smith Community Health Center. As such, the Post Audit Division recommends the approval of the lease between the Department of Property and Procurement and Caribbean Buzz, LLC.



Theodora Philip, DBA.  
Post Auditor

## APPENDIX I





**APPENDIX II**

