

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 Virgin Islands and St. John Taxi Services Corporation

Before

Committee on Budget, Appropriations, and Finance

Tuesday, November 4th, 2025

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

Good morning, Committee Chair Novelle E. Francis, Jr., Vice-Chair Marvin E. 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 Virgin Islands Department of Property and Procurement (“DPP”). I appear today on behalf of Commissioner Lisa M. Alejandro to offer testimony on the proposed Lease Agreement for St. John, which is before this Committee for consideration. Today, DPP requests this Committee’s and, ultimately, the full Senate’s approval of the Lease Agreement between the Government of the Virgin Islands (“GVI”) and St. John Taxi Services Corporation (*hereafter “St. John Taxi”*) (*Bill No. 36-0092*).

This Lease Agreement requires legislative approval in accordance with 31 V.I.C. § 205(c). The term will commence on the first (1st) day of the month following the approval of the Legislature of the U.S. Virgin Islands. This Lessee has provided the required documentation to support the processing of its Lease Agreement with the Government, including, but not limited to, its Non-Profit Letter (501(c)(3)) and Certificate of Good Standing.

I. Bill No. 36-0092 (St. John Taxi)

The Lease Agreement between the GVI and St. John Taxi is for: ***Parcel No. D-2 Estate Cruz Bay Town, Cruz Bay Quarter, St. John, U.S. Virgin Islands, consisting of 2,700 U.S. sq. ft. or 0.062 U.S. acre(s) of land more-or-less (hereafter “Premises”).*** The term of this Lease Agreement is for twenty (20) years and provides for a renewal option of two (2) additional terms of five (5) years each.

St. John Taxi shall use the premises to operate a taxi stand for other related purposes. The GVI and St. John Taxi previously entered into a Revocable License Agreement for the subject property. During that trial period, we have realized a significant improvement in the organization and uniformity of the operation at the Premises.

The annual rent will be **Nine Thousand Six Hundred Dollars and Zero Cents (\$9,600.00)**, payable at the monthly rate of **Eight Hundred Dollars and Zero Cents (\$800.00)** during the first two (2) years of this Lease. Thereafter, the annual rent shall adjust incrementally in accordance with the following:

- a) During the third (3rd) and fourth (4th) year of the Lease, the annual rent will be **Twelve Thousand Dollars and Zero Cents (\$12,000.00)** payable at **One Thousand Dollars and Zero Cents (\$1,000.000)** in monthly installments;

- b) During the fifth (5th) and sixth (6th) year of the Lease, the annual rent will be **Fourteen Thousand Four Hundred Dollars and Zero Cents (\$14,400.00)** payable at **One Thousand Two Hundred and Zero Cents (\$1,200.00)**; and
 - c) The rent payable under this Lease shall be adjusted after the sixth (6th) year of the Initial Term, and every year thereafter, including any renewal term, in accordance with the increase of the Consumer Price Index (“CPI”).
-

The Lease Agreement requires a minimum of **One Million Dollars (\$1,000,000.00)** for all limits of general liability coverage. As owner of the Premises, DPP will be required to approve all permits required for any development on the Premises. This potential Lessee has provided all the applicable documentation to support the processing of their Lease Agreement with the GVI.

This agreement will support a local taxi operator group to sustain a much needed and organized ground transportation operation on the island of St. John. This agreement demonstrates a commitment to the Virgin Islands’ tourism economy.

As the custodian of all GVI-owned properties, Commissioner Alejandro and the Department of Property & Procurement remain committed to developing mutually beneficial partnerships that unlock the true value of GVI-owned properties. At the end of the lease term, the property will be returned to the GVI in an improved condition. DPP respectfully requests that the Committee on Budget, Appropriations, and Finance vote in favor of these Lease Agreements.

Thank you for your consideration. This concludes my Testimony, and I am prepared to answer any questions the Committee may have regarding the proposed Lease Agreement. Thank you again.