

*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 Lovango Island Holdings, LLP d/b/a The Lovango*  
*Resort and Beach Club (Bill No. 36-0357)*

*Before*

***Committee on Budget, Appropriations, and Finance***

***Tuesday, October 20<sup>th</sup>, 2026***

***Frits E. Lawaetz Legislative Conference Room***  
***ST. CROIX, 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 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 St. Thomas, 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 Lovango Island Holdings, LLP d/b/a The Lovango Resort and Beach Club (*hereafter "Lovango"*) (*Bill No. 36-0357*).

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**I. Bill No. 36-0357 (Lovango Island Holdings, LLP d/b/a The Lovango Resort and Beach Club)**

The Lease Agreement between the GVI and Lovango Island Holdings, LLP d/b/a The Lovango Resort and Beach Club is for semi-improved Parcel No. 100-1 Estate Nazareth, No. 1 Red Hook Quarter, St. Thomas, U.S. Virgin Islands, consisting of 12,600 U.S. sq. ft. or 0.26 U.S. acre(s) more-or-less of land currently zoned W-1 (Waterfront Pleasure).

The lease requires an annual rent of **\$60,000**, payable in equal monthly installments of **\$5,000**, due on the first day of each month during the term of the lease. Lovango shall pay a reduced rent of **\$2,000.00** per month for months one through sixty (1-60). The Reduced Rent Period will not be available or extended beyond the **sixty (60) months**. After the tenth (10th) year of the initial term, and every year thereafter, including any renewal term, the rent will be adjusted based on the Consumer Price Index, but the increase will not exceed 3% over the previous year's rent. Additionally, the rent will never be reduced below the original annual rent of **\$60,000**. In the event that the GVI consents to sublease the Premises or any part thereof, as a part of the consideration for Lovango's improvement to the premises in this agreement, Lovango will pay to the GVI an additional rent amount.

Lovango will undertake a phased development, at its own cost and expense, of property improvements valued at approximately **Three Million Dollars and Zero Cents (\$3,000,000.00)**. The planned Improvements include the reconstruction of a dock located on submerged lands under the purview of DPNR, but which reconstruction is an integral component of the redevelopment plan and Lessee's ability to use the Premises.

Lovango has an established development history in the U.S. Virgin Islands dating to 2019. Its resort operations have contributed to the expansion of the Territory's hospitality offerings. Its purpose is to operate a receiving terminal, terminal for passengers and freight, marina, ferry landing, retail, offices, laundry, parking facilities, staff housing, and other support services, and other related purposes.

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I respectfully urge the members of this committee, and eventually the entire Legislature of the U.S. Virgin Islands, to approve the lease agreement between the Government of the Virgin Islands and Lovango Island Holdings, LLP d/b/a The Lovango Resort and Beach Club, 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 U.S. Virgin Islands.