

*Testimony of*  
**Vincent Richards**  
*Assistant Commissioner of Property & Procurement*  
*Department of Property and Procurement*  
*On behalf of*  
**Lisa M. Alejandro**  
*Commissioner of the Department of Property & Procurement*

*On*

*Lease Agreements between the Department of Property and Procurement on behalf of the Government of the Virgin Islands and Pro Mar Services, Inc. and the Virgin Islands Housing Finance Authority.*

*Before*

***The Committee on Budget, Appropriations, & Finance***

*March 19, 2024*

***Fritz E. Lawaetz Conference Room***  
***ST. CROIX, U.S. VIRGIN ISLANDS***

Good morning, Committee Chair Donna A. Frett-Gregory, Vice-Chair Novelle E. Francis, Jr., Committee members – Senators Blyden, Carrion, DeGraff, Fonseca, and James, Sr., Non-Committee members, Central and Legislative Staff, fellow testifiers, visitors present in the chambers, and members of the listening and viewing audience.

I am Vincent Richards, Assistant Commissioner of Property & Procurement of the Virgin Islands Department of Property and Procurement (“DPP”). I am testifying today on behalf of Commissioner Lisa M. Alejandro, to testify on the proposed Lease Agreements for the St. Thomas and St. Croix District which is before this Committee for consideration. I am here today to request this Committee’s, and ultimately the full Senate’s, approval of the Lease Agreements between the Government of the Virgin Islands (“GVI”) and Pro Mar Services, Inc. (*hereafter* “**Pro Mar**”) and the Virgin Islands Housing Finance Authority (*hereafter* “**VIHFA**”).

These Lease Agreements require legislative approval in accordance with 31 V.I.C. § 205 (c). Their terms all commence on the first (1st) day of the month following the approval of the Governor and Legislature of the Virgin Islands.

As the premises owner, DPP will be required to execute all permits and licenses required for the premises. These two (2) potential Lessees have provided the required documentation to support the processing of their Lease Agreements with the Government including but not limited to their Business Licenses and Certificates of Good Standing.

## **I. Pro Mar Services, Inc.**

The Lease Agreement between Pro Mar and the GVI are for Parcel Nos. 149-2, 159A, 159-1, and 159 Remainder Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands, consisting of a combined total of 29,661 U.S. sq. ft. or 0.680 U.S. acres of land more-or-less. The properties will be used to operate a marine surveyor and consulting business and for no other purposes.

The term of this agreement is for ten (10) years and the Lease Agreement provides for two (2), five (5) year renewal options. The annual rent for the above-referenced parcel will be Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00) payable in equal monthly installments of Two Thousand Dollars and Zero Cents (\$2,000.00) during the term of this Lease.

The rent payable under this lease will be adjusted annually, including any renewal term, in accordance with the Consumer Price Index increase established by the U.S. Department of Labor, Bureau of Labor Statistics. This Lease Agreement also requires a minimum of One Million Dollars (\$1,000,000.00) for all limits of public liability coverage.

## **II. Virgin Islands Housing Finance Authority**

The Lease Agreement between VIHFA and the GVI is for Plot No. B Lagoon Street, Frederiksted Town, West End Quarter, St. Croix, Virgin Islands consisting of two (2) two-story buildings consisting collectively of 32,604 sq. ft., residing on 27,731.1 U.S. sq. ft. or 0.6366 U.S. acres more-or-less. The property will be used to operate a CDBG-DR Program and for other related purposes.

The term of this agreement is for fifteen (15) years and the Lease Agreement provides for two (2), and five (5) year renewal options. The annual rent for the above-referenced parcel will be Twelve Dollars and Zero Cents (\$12.00) payable in equal monthly installments of One Dollar and Zero Cents (\$1.00) during the term of this Lease.

---

These proposed Lease Agreements will allow the prospective tenants to rehabilitate and repurpose these properties, which will both be returned to GVI at the end of the lease terms in much-improved conditions.

These tenants will contribute to the ongoing growth of the United States Virgin Islands and the long-term recovery and expansion of our economy.

This concludes my prepared Testimony, and I am prepared to answer any questions the Committee may have on the referenced Lease Agreements. Thank You.