

*Testimony of*  
**Vincent Richards**  
*Deputy Commissioner of Property & Printing*  
*Department of Property and Procurement*  
*On behalf of*  
**Lisa M. Alejandro**  
*Commissioner Designee 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 David Jeffers d/b/a Dave Trucking Service, St. Thomas, Rescue, Inc., Demah, Inc. d/b/a Moe's Fresh Market, and Petrus Properties, LLC*

*Before*

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

*September 19, 2023*

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

Good morning, Committee Chair Donna A. Frett-Gregory, Vice-Chair Novelle E. Francis, Jr., Committee members – Honorable Senators, Marvin Blyden, Samuel Carrion, Wayne DeGraff, Ray Fonseca, and Javan James, Sr., 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, Deputy Commissioner of the Property & Printing Division for the Virgin Islands Department of Property and Procurement (DPP). I am testifying today on behalf of Commissioner Designee, Lisa M. Alejandro, to offer testimony on the proposed Lease Agreements for the St. Thomas/St. John District which are before this Committee for consideration. Today, DPP requests this Committee's, and ultimately the full Senate's approval of the Lease Agreements between the Government of the Virgin Islands and St. Thomas Rescue, Inc. (*hereafter "St. Thomas Rescue"*) (Bill No. 35-0077), Dave Jeffers d/b/a Dave Trucking Service (*hereafter "Dave Trucking"*) (Bill No. 35-0095), Demah, Inc. d/b/a Moe's Fresh Market (*hereafter "Moe's Fresh Market"*) (Bill No. 35-0124), and Petrus Properties, LLC (*hereafter "Petrus Properties"*) (Bill No. 35-0126).

These Lease Agreements require legislative approval in accordance with 31 V.I.C. § 205. Their terms all commence on the first (1<sup>st</sup>) day of the month following the approval of the Governor and Legislature of the Virgin Islands. The rent payable under these leases shall - after individual grace periods - be adjusted annually, including any renewal term, in accordance with the Consumer Price Index (CPI) increase established by the U.S. Department of Labor, Bureau of Labor Statistics. These Lease Agreements all require a minimum of One Million Dollars (\$1,000,000.00) for all limits of general liability coverage.

As the premises owner, DPP will be required to execute all permits and licenses required for the premises. These four (4) potential Lessees have provided the required documentation to support the processing of their respective Lease Agreements with the Government including but not limited to their respective Business Licenses and Certificates of Good Standing.



**I. Bill No. 35-0077 (St. Thomas Rescue, Inc.)**

The Lease Agreement between St. Thomas Rescue and the GVI is for Parcel No. 146 Revised Submarine Base, No.6 Southside Quarter, St. Thomas, Virgin Islands consisting of a one-story building residing on 8,271.52 U.S. sq. ft. or 0.1899 U.S. acres more-or-less. The property will be used as a long-term headquarters for all rescue related activities of the Lease.

The term of this agreement is for twenty (20) years and the Lease Agreement provides an option to renew for two (2) additional terms of five (5) years each. The annual rent for the above-referenced parcel will be One Thousand Two Hundred Dollars and Zero Cents (\$1,200.00) payable in equal monthly installments of One Hundred Dollars and Zero Cents (\$100.00) during the term of this Lease.

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**II. Bill No. 35-0095 (Dave Jeffers d/b/a Dave Trucking Service)**

The Lease Agreement between Dave Trucking and the GVI is for Parcel No. 142-B Estate Anna's Retreat, No. 1 New Quarter, St. Thomas, Virgin Islands, consisting of 6,627 U.S. sq. ft. or 0.144 U.S. acres of unimproved land more-or-less. The property will be used to operate the general offices of the trucking company, and for other related purposes.

The term of this agreement is for ten (10) years and the Lease Agreement provides an option to renew for two (2) additional terms of five (5) years each. The annual rent for the above-referenced parcel after the Construction Period will be Six Thousand Dollars and Zero Cents (\$6,000.00) payable in equal monthly installments of Five Hundred Dollars and Zero Cents (\$500.00) during the term of this Lease.

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**III. Bill No. 35-0124 (Demah, Inc. d/b/a Moe's Fresh Market)**

The Lease Agreement between Moe's Fresh Market is for Revised Parcel No. 17-3 Remainder Estate Nisky, No. 6 Southside Quarter, St. Thomas Virgin Islands, consisting of 14,491 sq. ft. steel frame structure residing on 31,367 U.S. sq. ft. or 0.72 U.S. acres of land more-or-less, and unimproved Parcel No. 17-4 Estate Nisky,



No. 6 Southside Quarter, St. Thomas Virgin Islands, consisting of 13,207.24 U.S. sq. ft. or 0.3032 U.S. acres of land more-or-less. The property will be used to operate a gourmet retail food market and store, butchery, importer of goods, restaurant, tobacco retailer, storage warehouse, and executive offices, executive and workforce suites, and for other related purposes.

The term of this agreement is for twenty (20) years and the Lease Agreement provides an option for four (4) additional terms of ten (10) years each. The annual rent for the above-referenced parcel after the Permitting, Construction and Ramp-Up Period, will be One Hundred Twenty Thousand Dollars and Zero Cents (\$120,000.00) payable in equal monthly installments of Ten Thousand Dollars and Zero Cents (\$10,000.00) during the term of this Lease.

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#### **IV. Bill No. 35-0126 (Petrus Properties, LLC)**

The Lease Agreement between Petrus Properties is for Parcel No. 47D-1 Kronprindsens Gade, Kronprinsends Quarter, St. Thomas Virgin Islands, consisting of 11,095 U.S. sq. ft. or 0.254 U.S. acres of land more-or-less. The property will be used to build additional commercial leasable space in a proposed two (2) story commercial building as an annex to Lessee's existing commercial plaza located on adjacent properties.

The term of this agreement is for thirty (30) years and the Lease Agreement provides an option for two (2) additional terms of ten (10) years each. The annual rent for the above-referenced parcel after the Permitting and Construction Period will be Thirty-Two Thousand Four Hundred Dollars and Zero Cents (\$32,400.00) payable in equal monthly installments of Two Thousand Seven Hundred Dollars and Zero Cents (\$2,700.00) during the term of this Lease.

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These proposed Lease Agreements will allow the prospective tenants to repurpose and significantly rehabilitate these properties owned by the United States Virgin Islands. The properties will be returned to the GVI at the end of the lease terms in an improved condition.



DPP and Commissioner Designee Alejandro seek tenants committed to establishing long-term tenancy and remaining current in all governmental obligations. DPP respectfully requests that the Committee on Budget, Appropriations, and Finance vote in favor of these proposed Lease Agreements.

If approved, these leases will assist the locally owned businesses to execute a plan for its expansion and improved operations. It will also contribute to the ongoing growth of the United States Virgin Islands and the long-term stability and expansion of our economy.

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

