

motion 6

**Motion (2012/2013, No. 06)
Justice Complex**

Motion - Romain Laville;

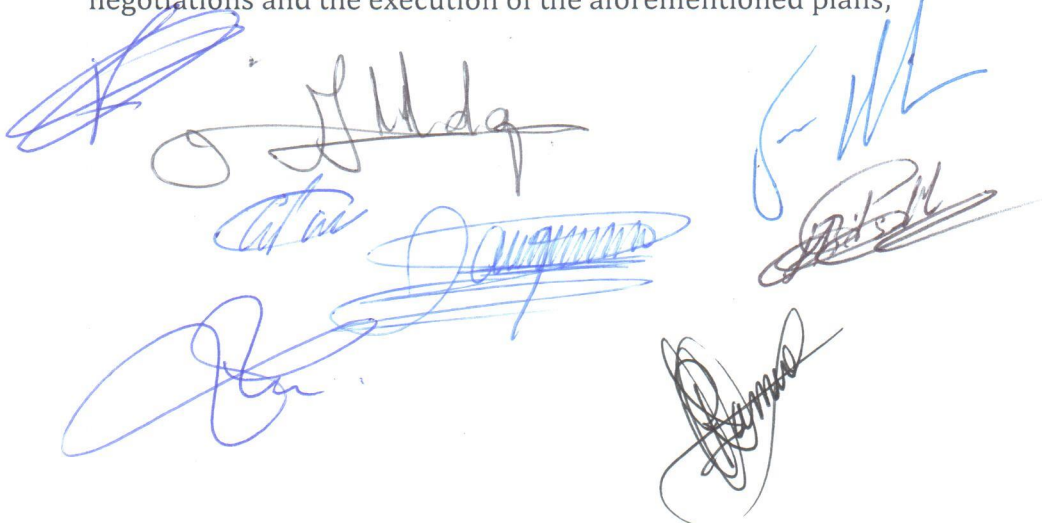
Independent Faction Member in the Parliament of Country Sint Maarten, with its address at Parliament Building, Wilhelmina Street 1, Philipsburg, Sint Maarten.

Considering:

1. that it is imperative that the Ministry of Justice, in the execution of its duties under the constitution and laws of Sint Maarten, explore and obtain all necessary means to establish, construct and acquire all facilities, buildings, employees, equipment and materials;
2. that such facilities, buildings, and institutions include, but are not limited to, the urgent expansion of prison cells, the acquisition (construction and lease) of a Youth Detention Center, a Youth Correctional Center (School of Correction), a new Court House, Office facilities, the establishment of offices for Community Police officers, Police sub-stations, Educational and (Police) training facilities (The Justice Academy), etc.
3. that the Minister of Justice is seeking to enter into public-private partnerships, leases and other agreements to achieve the aforementioned with the least financial burden to the people as well as efficient and cost effective operations of the Ministry of Justice. A pertinent draft letter of intent has been submitted to the Council of Ministers and Parliament for approval in principle;
4. that it is imperative that Parliament lends its support the plans and endeavors of the Minister of Justice, in the benefit of the security and safety of the country;

Resolves:

1. To support and approve the plans of the Ministry of Justice to establish the "Justice Complex" and its components, as set forth in the plans previously submitted to and debated in Parliament;
2. To approve, in principle, the letter of intent of April 1, 2013 as submitted;
3. To require that the Minister of Justice provide periodic reports of the progress of negotiations and the execution of the aforementioned plans;



| | |
|-------------------------|------------------|
| STATEN VAN SINT MAARTEN | |
| Ingek. | - 9 APR 2013 |
| Volgnr. | 15 / 519 / 12-13 |
| Par. | 24 n.s.j. 6 |

Roland E. Duncan
Minister van Justitie
A.T. Illidge Road 8
Philipsburg
St. Maarten

T: +1 (721) 542 0007
F: +1(721) 542 0170
E: minjussxm@live.com

Aan:
De Voorzitter van de Staten van Sint Maarten
Voorstraat,
Philipsburg, Sint Maarten.

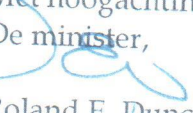
Philipsburg, Sint Maarten, zaterdag 6 april 2013
Ons No: 038-2013/KabJus
Onderwerp: Ontwikkeling Justice Complex
Bijlage(n): 3 (concept Letter of Intent)

Geachte heer Samuel,

Bijgevoegd doe ik u ad informandum toekomen afschriften van een concept letter of intent en brieven aan de Raad van ministers en het College Financieel Toezicht ("CFT"). Ik verwijs korthedshalve naar de inhoud van deze documenten.

Ik ben ten alle tijd bereid om, desgewenst, de Staten nader ter zake te informeren.

Inmiddels verblijvend,

Met hoogachting,
De minister,

Roland E. Duncan

CC: Raad van Ministers.
Technische Adviseur, Justitie.



April 1, 2013

Honorable Minister
Mr. Roland E. Duncan
A. T. Illidge Road, #8
P. O. Box 943
Philipsburg, St. Maarten

Re: Purchase, construction and leaseback of a Ministry of Justice campus in St Maarten

Honorable Minister:

We are pleased to advise you that Corporate Property Associates 17 – Global Incorporated (“CPA: 17”) and/or one of its affiliates or assigns, is prepared to purchase the above-referenced facilities (the “Facilities”) complete the required construction and renovations and lease it to the government of St Maarten (“Government”). It is understood that this letter and the terms outlined below will be the basis for the preparation of legal documents required by the transaction herein.

The Transaction:

CPA: 17 will fund the purchase of the above-referenced Facilities. The contractor(s) approved by Government and CPA:17 will complete the required renovations and construction. CPA:17 will fund such required renovations and construction and lease the Facilities to the Government of St. Maarten. The Government of St. Maarten will bear the risk of the renovations and construction and shall have full recourse on the contractor(s) for such.

CPA: 17 and the Government shall agree upon a mutually acceptable construction budget (the “Budget”) and construction time frame (the “Construction Schedule”). The Government of Sint Maarten and the contractor(s) shall be responsible for delivering the Project on-time, on-budget. CPA: 17 will be responsible for funding the project and will approve the developer on the project.

Purchase Price:

CPA:17 will purchase multiple land parcels for approximately \$34.4 million and budget approximately \$65.6 million for renovations and lease enhancements or a Purchase Price of approximately \$100 million.

In addition to the Purchase Price amount, W.P. Carey & Co., LLC will be paid an acquisition fee by the Purchaser in connection with the Transaction, which will be added to the above amount to constitute the Total Purchase Price. Said fee will not affect the net proceeds payable to either Seller or Developer, nor will it affect the rent paid by Lessee.

Lessee:

St. Maarten.

Landlord/Purchaser:

Corporate Property Associates 17 – Global Incorporated and/or one of its affiliates or assigns.

- Terms of the Lease: The Facilities will be leased to Lessee based upon an absolutely net lease in normal financeable form. Lessee will be responsible for all costs related to maintenance, insurance, taxes and all other property-related expenses of whatever description. The Lease term will be 32 years from the completion of construction and the Lessee will have a \$1 purchase option at the end of the Lease term.
- Lease Rate The initial annual rent will be equal to the portion of the Purchase Price advanced times a cap rate of 10.67%. Rent during the first 12 months of construction will be accrued into the budget. Beginning after 12 months, rent will be paid quarterly in advance on the first day of the quarter. Rent will increase by 1.0% annually on each anniversary of the acquisition of the Facilities, to a maximum total percentage of 15%.
- Environmental/Engineering: It is understood that CPA:17 will receive an environmental and structural assessment of the existing Facilities in a form satisfactory to it. CPA:17 will also engage a consultant to review the initial plans and specifications and monitor construction process and billing.
- Completion and Construction: CPA:17 will fund the renovations and completion of the Facilities described as Phase 1 and 2 as requested by the Ministry of Justice. Lessee will ensure that the construction work is executed by competent locally registered construction companies.
- Timing: It is expected that Landlord will be in a position to close the transaction and renovations can commence by April 30, 2013.
- Fees, Expenses, Etc: All fees and expenses listed below will be included in the Budget. Upon execution of this letter, should the Transaction not close, the Lessee shall be responsible for all fees and expenses related to the Transaction including, but not limited to, the costs of environmental and condition assessments and reports, zoning reports, appraisal and survey costs, transfer taxes, recording fees and charges, title insurance charges and premiums (including endorsements), UCC and related searches, mortgage application charges, commitment fees and points, if any, updated report costs, reliance letter charges, and Landlord's and mortgagee's reasonable attorney fees and expenses.

This letter represents our mutual intention to move forward on the Transaction in good faith with all deliberate speed. Consummation of the Transaction is conditional upon the completion of satisfactory due diligence, Investment Committee approval (expected to be received within 2 weeks of receipt of this countersigned term sheet), and the execution and delivery of definitive agreements satisfactory to all parties and their respective counsel. For a period of 45 days after executing this Letter, Lessee agrees and shall cause its officers, employees, agents, trustees, etc., not to solicit or encourage, directly or indirectly, in any manner other offers for the Transaction, or negotiate for or otherwise pursue, any transaction similar to the Transaction, including placing a mortgage on the Facilities, other than with CPA: 17 and/or one of its affiliates or assigns.

We would be delighted to be of service in connection with this Transaction. This letter and the terms herein shall expire unless executed by all parties no later than April 8, 2013.

Sincerely,



Gino Sabatini
Managing Director



Chad F. Edmonson
Executive Director

Accepted this _____ day of _____, 2013

St. Maarten

By: _____

Title: _____

Aan:
De Raad van Ministers
Bestuurskantoor,
Clem Labega Square
Philipsburg, Sint Maarten.

Philipsburg, Sint Maarten, zaterdag 6 april 2013
Ons N^o: 036-2013/KabJus
Onderwerp: Ontwikkeling Justitie Complex
Bijlage(n): 1 (concept Letter of Intent)

Geachte collega's,

Bijgevoegd treft u aan een concept Letter of Intent d.d. 1 april 2013 afkomstig van CPA:17 Global Incorporated, omschrijvende de intentie om een overeenkomst aan te gaan met het land m.b.t. de aankoop, bouw en huur van onroerende zaken, bekend als "the Justice Complex" te Welgelegen (Cay Hill) alhier. Ik verwijs korthedshalve naar de inhoud van het document.

Ik verzoek uw instemming in principe met de omschreven intenties, alsook om de daaruit voortvloeiende onderhandelingen voor te zetten. De uiteindelijke te sluiten overeenkomsten zullen uiteraard ook t.z.t aan u ter instemming worden aangeboden.

In het licht van de opmerkingen van en de correspondentie met de College Financieel Toezicht ("CFT") betreffende dit project wordt een afschrift van het concept letter of Intent ook naar dit college voor commentaar gezonden.

Gezien het belang van dit project wordt ook aan de Staten een kopie van meergenoemd concept geboden.

In de hoop u voldoende te hebben ingelicht, verblijf ik,

Met collegiale groet,

Roland E. Duncan

CC: Staten van Sint Maarten
College Financieel Toezicht
Technische deskundige, Justitie.



Aan:
het College Financieel Toezicht ("CFT")
Convent Building, Voorstraat,
Philipsburg, Sint Maarten.

Philipsburg, Sint Maarten, zaterdag 6 april 2013
Ons N^o: 037-2013/KabJus
Onderwerp: Letter of Intent project "Justice Complex
Bijlage(n): "1 (concept letter of intent)

Geachte College,

Onder verwijzing naar ter zake gevoerde correspondentie, doe ik u bij dezen toekomen een afschrift van het concept "Letter of Intent" met betrekking tot de aankoop, bouw en huur van bovenaangehaald concept. Ik verwijs korthedshalve naar de inhoud van het document.

Het concept is ook aan de raad van ministers aangeboden voor haar instemming in principe met de in het concept omschreven intenties, alsook om de daarmee verband houdende onderhandelingen voor te zetten.

Ik verzoek u mij, binnen de korts mogelijke termijn, uw commentaar m.b.t. het concept Letter of Intent te verstrekken. Het is de bedoeling dat het document uiterlijk 30 april 2013 wordt getekend.

In afwachting van uw prompte reactie, verblijf ik,

Met hoogachting,
De minister,

Roland E. Duncan

CC: Staten van St. Maarten
Raad van Ministers
Technische Adviseur, Justitie.





STATEN VAN SINT MAARTEN
Wednesday, April 17, 2013 Public Meeting no. 5
Voting list

MG
FL

Motion no. 6 date: April 2013

Justice Complex

| NO. | NAME | VOOR/FOR | TEGEN/AGAINST |
|-----|---------------------------|----------|---------------|
| 1. | drs. R.E. Samuel | ✓ | |
| 2. | G.C. Pantophlet | ✓ | |
| 3. | Patrick G. Illidge | ✓ | |
| 4. | H.L. Richardson | ✓ | |
| 5. | Petrus L. de Weever | _____ | _____ |
| 6. | F.G. Richardson | ✓ | |
| 7. | Lloyd J. Richardson | ✓ | |
| 8. | Romain J. Laville | ✓ | |
| 9. | Roy R. Marlin | | ✓ |
| 10. | Johan E. Leonard | _____ | |
| 11. | Silvia V. Meyers-Olivacce | _____ | |
| 12. | Jules C. James | _____ | |
| 13. | Louie E. Laveist | ✓ | |
| 14. | Gracita R. Arrindell | _____ | |
| 15. | | | |
| | | 8 F | 1 A |