

THE ST. LOUIS LOCAL DEVELOPMENT COMPANY
SPECIAL BOARD OF DIRECTORS MEETING VIA ZOOM
THURSDAY, MARCH 30, 3:00 P.M.

Due to the current COVID-19 pandemic and the City Health Commissioner's Orders, this Board Meeting will be conducted electronically.

In order to ensure that all Directors and the public are able to connect successfully, we recommend that you call in or join via Zoom (for video) starting at 2:45 p.m. to allow time to troubleshoot any connection issues. The host will open up the phone line and initiate the Zoom meeting at that time. Should you have a problem accessing the meeting, please call (314) 657-3708 for assistance. The Board of Directors and the public are able to access the meeting in two ways:

Via Zoom at:

<https://us02web.zoom.us/j/88425617623?pwd=V0loWDFLTUpiQzlrXBYcldoMDd6Zz09>

Webinar ID: 884 2561 7623 and Password: 548615

Zoom may be accessed at www.zoom.us and instructions on its use are available at:

<https://support.zoom.us/hc/en-us>

Via Phone at: (312) 626-6799

Webinar ID: 884 2561 7623

ACCESSIBILITY: Persons who need accommodations relating to accessibility should contact Janet Harris at harrisjan@stlouis-mo.gov or by phone at (314) 657-3795, or (314) 589-6000 (TTY). Prior notice of two business days is recommended for accommodation requests.

AGENDA

1. Call to Order and Roll Call – Laura Gilbert
2. Resolution 22-LDC-03 Increasing the Maximum Loan Amount to Borrowers During the Disbursing Phase of the EDA CARES Act Revolving Loan Fund – Zachary Folk
3. Resolution 22-LDC-04 Approving a Loan to CMT Roofing, LLC – Darrell Scott
4. Resolution 22-LDC-05 Approving a Loan to Freddie Lee's Gourmet Sauces, LLC – Kevin Wilson
5. Resolution 22-LDC-06 Approving a Loan to St. Louis Apparel Manufacturing, LLC and St. Louis Apparel Manufacturing Operations, LLC – Roger Schlueter

The official Agenda was posted on the bulletin board in the first-floor elevator lobby of 1520 Market Street prior to 3:00 p.m., on March 28, 2022. The items may be withdrawn or modified during the public meeting at the discretion of the Board.

6. Closed Session – If needed, pursuant to Mo. Rev. Stat. § 610.021, which provides for Closed Session discussion of the following proceedings involving: (a) legal actions, causes of actions, or litigation, pursuant to § 610.021(1), or confidential or privileged communications with attorneys or auditors, pursuant to § 610.021(17); (b) hiring, firing, disciplining, or promoting of particular employees, pursuant to § 610.021(3), or individually identifiable personnel records, performance ratings, or records pertaining to employees or applicants for employment, pursuant to § 610.021(13); and/or (c) sealed bids and proposals and related documents, or documents related to negotiated contracts, pursuant to § 610.021(12).
7. Next Regular Board Meeting scheduled for Thursday, April 14, 2022, at 3 p.m.
8. Adjournment

RESOLUTION NO. 22-LDC-03
PRESENTED TO THE BOARD 03/30/22

TO: THE ST. LOUIS LOCAL DEVELOPMENT COMPANY BOARD OF
DIRECTORS AND NEAL RICHARDSON, EXECUTIVE DIRECTOR

FROM: ZACHARY FOLK

RE: RESOLUTION INCREASING THE MAXIMUM LOAN AMOUNT TO
BORROWERS DURING THE DISBURSING PHASE OF THE EDA CARES
ACT REVOLVING LOAN FUND

EXECUTIVE SUMMARY:

This Resolution asks the Board to approve increasing the amount of loan funds that may be lent to a single borrower at any given time from \$300,000 to \$650,000 during the Disbursing Phase of the EDA CARES Act Revolving Loan Fund to better assist businesses adversely affected by the coronavirus pandemic and to help support significant economic development opportunities in the City of St. Louis.

BACKGROUND:

The St. Louis Local Development Company (“LDC”) received a Coronavirus Aid, Relief, and Economic Security (CARES) Act Revolving Loan Fund Supplemental Disaster Recovery and Resiliency Award from the Economic Development Administration (“EDA”) in July 2020 to assist businesses adversely affected by the COVID-19 pandemic. The Revolving Loan Fund Plan governing the use of the award proceeds provides that the amount of funds that may be lent to a single borrower at any given time may range from a minimum of \$10,000 to a maximum of \$300,000. The LDC also adopted a policy in 2015 of limiting the amount of loan funds that may be outstanding at any given time to a single business or to multiple businesses owned by the same owner to a maximum of \$300,000.

Staff recommends that the amount of loan funds that may be lent to a single borrower at any given time from the CARES Act Revolving Loan Fund or from any other fund be increased from a maximum amount of \$300,000 to a maximum amount of \$650,000 during the Disbursing Phase of the CARES Act Revolving Loan Fund, which will end no later than June 30, 2022. This increased maximum loan amount will allow the LDC to deploy the remaining award funds to better assist businesses adversely affected by the pandemic and to support projects that offer potentially significant economic development opportunities in the City of St. Louis. The maximum amount of loan funds that may be lent from the CARES Act Revolving Loan Fund during the Revolving Phase of the fund, which will commence once the Disbursing Phase ends, will be \$300,000.

REQUESTED ACTION:

Approval of this Resolution is requested.

NOW, THEREFORE, be it resolved by the Board of Directors of The St. Louis Local Development Company that:

1. The maximum amount of loan funds that may be lent to a single borrower at a given time from the CARES Act Revolving Loan Fund or from any other fund is hereby increased from \$300,000 to \$650,000 during the Disbursing Phase of the EDA CARES Act Revolving Loan Fund.
2. The proper officers and agents of LDC are hereby authorized to take all action, including but not limited to, execution of all documents, as may be necessary or convenient to carry out the provisions of this Resolution.
3. This Resolution shall take effect and be in full force immediately after its passage and approval by the Board.

ADOPTED this 30th day of March, 2022.

THE ST. LOUIS LOCAL DEVELOPMENT COMPANY

By: _____
Rodney Crim, Vice President

ATTEST:

Zachary Folk, Assistant Secretary

RESOLUTION NO. 22-LDC-04
PRESENTED TO THE BOARD 03/30/22

TO: THE ST. LOUIS LOCAL DEVELOPMENT COMPANY BOARD OF
DIRECTORS AND NEAL RICHARDSON, EXECUTIVE DIRECTOR

FROM: DARRELL SCOTT

RE: RESOLUTION APPROVING A LOAN TO CMT ROOFING, LLC

EXECUTIVE SUMMARY:

This Resolution seeks approval of a \$300,000 EDA loan to CMT Roofing, LLC, owned by Coretta Elliott, for the purchase of equipment, inventory, and working capital needs. The company, which is located at 4401 Ridgewood Avenue, is a commercial construction company. The loan will have a five-year term and a 2% interest rate. It will be secured by a security interest in vehicles and equipment purchased with the loan proceeds and by a second deed of trust on the business property. The loan will be guaranteed by the company's owner.

BACKGROUND:

CMT Roofing, LLC, a commercial construction company specializing in hospitals, local, state, and federal buildings, schools, and churches, has requested a \$300,000 EDA loan for the purchase of equipment, inventory, and working capital needs. The company is owned by Coretta (Cory) Elliott and is located at 4401 Ridgewood Avenue in the Bevo Mill neighborhood.

The EDA loan will have a term of five years and an interest rate of 2%. The loan will be secured by the equipment purchased with the loan proceeds and by a second deed of trust on 4401 Ridgewood Avenue (63116). The loan will be guaranteed by Coretta Elliott.

The company currently employs 25-35 people and expects to create 3 new full-time equivalent jobs in the next two years. The company will be required to enter into a First Source Employment Agreement with the St. Louis Agency on Training and Employment ("SLATE"), requiring it to use SLATE's services when hiring new, entry-level employees

REQUESTED ACTION:

Approval of this Resolution is requested.

NOW, THEREFORE, be it resolved by the Board of Directors of The St. Louis Local Development Company that:

RESOLUTION NO. 22-LDC-04
PRESENTED TO THE BOARD 03/30/22

1. The loan to Borrower, as described, and upon the terms and conditions set forth herein, is hereby approved.
2. The proper officers and agents of LDC are hereby authorized to take all action, including but not limited to, execution of all documents, as may be necessary or convenient to carry out the provisions of this Resolution.
3. This Resolution shall take effect and be in full force immediately after its passage and approval by the Board.

ADOPTED this 30th day of March, 2022.

THE ST. LOUIS LOCAL DEVELOPMENT COMPANY

By: _____
Rodney Crim, Vice President

ATTEST:

Zachary Folk, Assistant Secretary

RESOLUTION NO. 22-LDC-05
PRESENTED TO THE BOARD 03/30/22

TO: THE ST. LOUIS LOCAL DEVELOPMENT COMPANY BOARD OF
DIRECTORS AND NEAL RICHARDSON, EXECUTIVE DIRECTOR

FROM: KEVIN WILSON

RE: RESOLUTION APPROVING A LOAN TO FREDDIE LEE'S GOURMET
SAUCES, LLC

EXECUTIVE SUMMARY:

This Resolution seeks approval of a \$500,000 EDA loan to Freddie Lee's Gourmet Sauces, LLC, owned by Freddie L. James, Jr. and Deborah M. James, for the purchase of the property located at 1900 Carr Street, and a \$150,000 loan from the St. Louis Small Business Neighborhood Loan Fund that will be used for the building renovation. Both loans will have a three-year term with a 20-year amortization and a 2% interest rate. The loans will be secured by a second and third deed of trust on the business property and a subordinated security interest in the company's assets. The loans will be guaranteed by the company's owners.

BACKGROUND:

Freddie Lee's Gourmet Sauces, LLC, owned by Freddie James and Deborah James, has a requested a \$500,000 EDA loan for purchase of the property located at 1900 Carr Street in the Carr Square neighborhood, near the future site of the National Geo-Spatial Intelligence Agency headquarters. The company has also requested a \$150,000 loan from St. Louis Small Business Neighborhood Loan Fund, established in partnership with First Bank, to assist with the renovation of the building. The company has outgrown its current space in the Justine Petersen business incubator, and the new building will allow the company to expand its manufacturing operations for its gourmet sauces, which are now sold in more than 800 grocery stores.

Both loans will have a term of three years with a 20-year amortization and an interest rate of 2%. The loans will be secured by a second and third deed of trust on the property located at 1900 Carr Street (63106) and a subordinated security interest in the company's assets. The loans will be guaranteed by Freddie L. James, Jr. and Deborah M. James.

The company currently employs four people and expects to create 26 new full-time equivalent jobs in the next two years. The company will be required to enter into a First Source Employment Agreement with the St. Louis Agency on Training and Employment ("SLATE"), requiring it to use SLATE's services when hiring new, entry-level employees.

REQUESTED ACTION:

Approval of this Resolution is requested.

NOW, THEREFORE, be it resolved by the Board of Directors of The St. Louis Local Development Company that:

1. The loan to Borrower, as described, and upon the terms and conditions set forth herein, is hereby approved.
2. The proper officers and agents of LDC are hereby authorized to take all action, including but not limited to, execution of all documents, as may be necessary or convenient to carry out the provisions of this Resolution.
3. This Resolution shall take effect and be in full force immediately after its passage and approval by the Board.

ADOPTED this 30th day of March, 2022.

THE ST. LOUIS LOCAL DEVELOPMENT COMPANY

By: _____
Rodney Crim, Vice President

ATTEST:

Zachary Folk, Assistant Secretary

RESOLUTION NO. 22-LDC-06
PRESENTED TO THE BOARD 03/30/22

TO: THE ST. LOUIS LOCAL DEVELOPMENT COMPANY BOARD OF
DIRECTORS AND NEAL RICHARDSON, EXECUTIVE DIRECTOR

FROM: ROGER SCHLUETER

RE: RESOLUTION APPROVING A LOAN TO ST. LOUIS APPAREL
MANUFACTURING, LLC AND ST. LOUIS APPAREL MANUFACTURING
OPERATIONS, LLC

EXECUTIVE SUMMARY:

This Resolution seeks approval of a \$300,000 EDA loan to St. Louis Apparel Manufacturing, LLC, d/b/a Evolution St. Louis, and St. Louis Apparel Manufacturing Operations, LLC for working capital needs. St. Louis Apparel Manufacturing is a high-tech apparel manufacturing company located at 3830 Washington Blvd. The loan will have an interest rate of 2% and a term of one year with a five-year amortization. The first six payments will be interest only. It will be guaranteed by owners Jon Lewis and John Elmuccio and PIF Management, LLC

BACKGROUND:

St. Louis Apparel Manufacturing, LLC, d/b/a Evolution St. Louis, was established by Jon Lewis and John Elmuccio, who are both long-time veterans of the apparel and fashion industry. The company opened a high-tech garment factory at 3830 Washington Boulevard, in the Covenant Blu/Grand Center area in early 2020. The company has requested a \$300,000 loan for working capital needs necessitated by supply chain issues caused by the coronavirus pandemic.

The \$300,000 EDA loan will have an interest rate of 2% and a term of one year with a five-year amortization. The loan payments will be interest-only for six months. The loan will be guaranteed by: (1) Jon Lewis; (2) John Elmuccio; and (3) PIF Management, LLC

The company expects to create 35 new full-time equivalent jobs in the next two years. The company will be required to enter into a First Source Employment Agreement with the St. Louis Agency on Training and Employment (“SLATE”), requiring it to use SLATE’s job referral services when filling new entry-level job positions.

REQUESTED ACTION:

Approval of this Resolution is requested.

RESOLUTION NO. 22-LDC-06
PRESENTED TO THE BOARD 03/30/22

NOW, THEREFORE, be it resolved by the Board of Directors of The St. Louis Local Development Company that:

1. The loan to Borrower, as described, and upon the terms and conditions set forth herein, is hereby approved.
2. The proper officers, agents, and employees of LDC are hereby authorized to take all action, including but not limited to, execution of all documents, as may be necessary or convenient to carry out the provisions of this Resolution.
3. This Resolution shall take effect and be in full force immediately after its passage and approval by the Board.

ADOPTED this 30th day of March, 2022.

THE ST. LOUIS LOCAL DEVELOPMENT COMPANY

By: _____
Rodney Crim, Vice President

ATTEST:

Zachary Folk, Assistant Secretary