

STATE OF LOUISIANA
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
BEING HELD ON THURSDAY, SEPTEMBER 8, 2022
AT THE LASALLE BUILDING
617 North Third Street, Floor 1, Labelle Room
Baton Rouge, Louisiana

Reported by: Melissa J. David, CCR

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1 A P P E A R A N C E S

2 BOARD MEMBERS PRESENT:

3 Chairman, A.J. Roy, III

4 Charles Jackson

5 Suyi Georgewell

6 Norisha Glover

7 Deputy Secretary Brad Lambert

8 Andy Adler

9 Stephen David

10 STAFF MEMBERS IN ATTENDANCE:

11 Susan Bigner

12 Laura Womack

13 Kelly Raney

14 Brenda Guess, Assistant Secretary, LED

15 Robin Porter

16 Anne Villa, Undersecretary LED

17 Deborah Simmons

18 Liz McCain

19 Marissa Doin

20 Michaela Adegbe

21 Crystal Dalgo

22 Shamelda Pete

23 Tedra Cheatham

24 COMPANY REPRESENTATIVES:

25 Robert Kievert, Medline

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APPEARANCES CONTINUED:

Rich Lamb & Spencer Lamb, Teal-Jones

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P R O C E E D I N G S

(Beginning at 9:30 a.m.)

CHAIRMAN ROY:

Good morning. Call to order the Board of Directors, Louisiana Economic Development Corporation. Roll call, please?

MS. SIMMONS:

Good morning, everyone. A.J. Roy?

CHAIRMAN ROY:

Here.

MS. SIMMONS:

Louis Reine?

(Absent)

MS. SIMMONS:

Charles Jackson?

MR. JACKSON:

Here.

MS. SIMMONS:

Brad Lambert?

DEPUTY SECRETARY LAMBERT:

Here.

MS. SIMMONS:

Andy Adler?

MR. ADLER:

1 Here.

2 MS. SIMMONS:

3 Norisha Glover?

4 MS. GLOVER:

5 Here.

6 MS. SIMMONS:

7 Stephen David?

8 MR. DAVID:

9 Here.

10 MS. SIMMONS:

11 Suyi Georgewill?

12 MR. GEORGEWILL:

13 Here.

14 MS. SIMMONS:

15 We have a quorum.

16 CHAIRMAN ROY:

17 Very good. I'll ask everyone to
18 please silence their devices. First order
19 of business is the approval of the minutes
20 of the LEDC board meeting of August 11.

21 DEPUTY SECRETARY LAMBERT:

22 Motion to move.

23 CHAIRMAN ROY:

24 Motion for approval is presented.

25 MR. JACKSON:

1 Second.

2 CHAIRMAN ROY:

3 Second. Any discussion? Any
4 comments from the public?

5 Hearing none, all in favor, aye?

6 (AYES BY ALL.)

7 CHAIRMAN ROY:

8 All opposed, nay? Without objection.

9 First order of business is under the
10 EDAP Program. Ms. Womack.

11 MS. WOMACK:

12 Good morning.

13 CHAIRMAN ROY:

14 Good morning.

15 MS. WOMACK:

16 My name is Laura Womack and I have
17 Mr. Bob Kievert with me representing
18 Medline.

19 Medline is an existing business that
20 is requesting approval for a \$500,000
21 unsponsored EDAP for the construction of a
22 new distribution center. Medline
23 Industries, founded in 1910 is a fourth
24 generation, family-owned healthcare
25 company that manufactures and distributes

1 medical supplies. What started as a
2 manufacturer of aprons, surgical gowns,
3 and uniforms has grown into a thriving,
4 innovation focused enterprise with more
5 than 160 patents globally.

6 Medline offers over 550,000 medical
7 products and clinical solutions to
8 healthcare facilities around the world.
9 The products they produce range from wound
10 care supplies, durable medical equipment,
11 lab supplies, nursing supplies and much
12 more. They work with the country's
13 largest healthcare system and independent
14 facilities across the continuum of care to
15 provide clinical resources needed to
16 deliver the best of care.

17 Medline provides supplies to
18 facilities that focus on acute care,
19 surgery, long-term care, education and
20 research, emergency medical services,
21 at-home health care providers, physician
22 offices, assisted living facilities and
23 much more.

24 Medline has more than 24,000
25 employees worldwide, operates 60

1 distribution facilities across the globe,
2 has more than 20 manufacturing sites in
3 North America, and does business in more
4 than 90 countries. Roughly, nine million
5 U.S. procedures per year use Medline
6 drapes and gowns. More than 60 of the top
7 150 healthcare systems nationwide partner
8 with Medline. They're one of the largest
9 distributors and manufacturers of quality
10 healthcare supplies.

11 The company has purchased property in
12 Hammond and will construct a new 650,000
13 square foot state-of-the-art medical
14 device and supply distribution center.
15 This new facility will be part of the
16 company's broader strategy to expand its
17 footprint to benefit their associates,
18 customers, and the communities they serve.
19 This new facility will allow Medline to
20 increase distribution and production
21 capabilities to meet the growing demand
22 for essential medical supplies and
23 equipment.

24 Total project costs are estimated to
25 be \$62 million. This includes land

1 acquisition, new building construction,
2 purchase of capital equipment, site and
3 infrastructure improvements, and EDAP
4 funds will be used to offset a portion of
5 the infrastructure cost.

6 The company will retain 36 existing
7 jobs with an associated payroll of one and
8 a half million to be increased two percent
9 annually, and to create 464 new jobs with
10 an associated payroll of \$20.8 million by
11 December 2031. All jobs and payroll must
12 be maintained through December 31, 2031.

13 Total capital investment of 39
14 million is to be expended by December 31,
15 2022. Tangipahoa Parish's unemployment
16 rate was 4.4 as of May 22, 2022, compared
17 to the state rate of 3.6 for the same per
18 capita personal income for Tangipahoa
19 Parish for 2020 was 41,792 compared to the
20 state per capita of 50,874.

21 Also, the project is estimated to
22 have state revenues of roughly 14 million
23 with the company receiving the \$500,000
24 EDAP, 5.5 million from quality jobs, and a
25 two million dollar performance-based

1 gradient. This results in net revenue of
2 slightly over six million for the State.

3 Staff recommends approval of this
4 project as an unsponsored EDAP with our
5 usual contingencies that are normally in
6 place, as well as of the retention of the
7 36 jobs with associated payroll of one and
8 a half million, increased at two percent
9 annually, the creation of the 464 jobs
10 with payroll of 20.8 million maintained
11 December 31, 2031. Total capital
12 investment by Medline in the facility in
13 Hammond of at least 39 million to be
14 expended by December 31, 2022. Also we
15 are requesting a corporate guarantee with
16 this EDAP award.

17 With that, I would like to introduce
18 Mr. Kievert who can give you more
19 information about the project and the
20 site.

21 MR. KIEVERT:

22 Good morning. Thank you for
23 welcoming Medline to the community, and we
24 look forward to growing in Louisiana as we
25 already have. We have a Covington

1 location since 2004, and now with this new
2 Hammond location and much larger facility,
3 we're going to be able to serve the region
4 in a much more efficient manner. As Laura
5 had mentioned we have lots of customers
6 around the area that need our supplies.

7 What Medline does is, we are the
8 supply chain for the major hospitals,
9 nursing homes, long-term care facilities,
10 and when they need something within 24
11 hours they have it. If there is an
12 emergency, Medline is there to serve them
13 and serve their customer base and serve
14 the region as well.

15 The facility is substantially
16 completed as it is right now. The racking
17 is going in place. It's perhaps halfway
18 done. We'll be fully operational I would
19 say within a month or so. Fully
20 operationally, meaning serving customers,
21 receiving product, sending product back
22 out. Right now, I anticipate at least 100
23 jobs by the end of the year in the
24 facility, and that will then grow as Laura
25 mentioned throughout the course of time.

1 Does the board have any questions? I
2 really appreciate you listening and
3 supporting our project, and if there's
4 anything you would like to know more about
5 the company or the facility, please let me
6 know.

7 CHAIRMAN ROY:

8 Any questions, comments?

9 MS. GLOVER:

10 You actually just answered one of my
11 questions. I'm glad to hear the
12 construction is already at substantial --

13 MR. KIEVERT:

14 Yes, it is.

15 MS. GLOVER:

16 I think I just heard you say you will
17 be at about a hundred jobs --

18 MR. KIEVERT:

19 Yes.

20 MS. GLOVER:

21 -- before the end of the year. I
22 heard earlier in the meeting 86, so can
23 you just kind of talk to us kind of about
24 the demand or -- I am glad to hear that
25 you're able to hire considering we're

1 having labor challenges. Can you just
2 kind of speak to us a little bit about
3 what caused you to have more? What are
4 you seeing in the market?

5 MR. KIEVERT:

6 Sure. For sure. What we really try
7 is that Medline and Medline's business is
8 we're the lost cost provider. And so, we
9 provide medical supplies at a much better
10 price than many of our competitors and
11 that is what really drives our business
12 and what drives our growth. We offer over
13 500,000 products, so we have everything a
14 hospital chain would need to supply and
15 take care of patients. We're the
16 preferred choice throughout the country,
17 generally speaking, and that serves as
18 well, here in Louisiana as well.

19 MS. GLOVER:

20 Thank you.

21 MR. DAVID:

22 I'm curious. What have you seen
23 beforehand or pre-COVID and seen during
24 COVID, and what you're saying see now in
25 your line of business? I'm sure you're a

1 lot busier than in COVID times.

2 MR. KIEVERT:

3 You know, that's a good question.

4 Busier, yes. In the first month or so of
5 COVID -- we were always busy, were busy --
6 but in the first two months we had a huge
7 demand in the surgical gloves, the face
8 masks, those type of items. And so,
9 there's a big demand of those while our
10 surgical trays fell off because the
11 hospitals were not doing surgeries at the
12 time.

13 So, now business is becoming much
14 more stabilized. The surgeries are coming
15 back on board. While we're still busy,
16 it's a different mix of product I would
17 say.

18 CHAIRMAN ROY:

19 Any other questions, comments?

20 MR. JACKSON:

21 Just a question about are you still
22 family owned or has that changed?

23 MR. KIEVERT:

24 The family has a substantial stake in
25 the company, but in October of last year

1 we did receive a cash infusion to grow
2 even faster and larger. And so, the
3 family decided they would like to pursue
4 that, so the family still has a
5 substantial stake in the company and the
6 family still runs the business.

7 MR. JACKSON:

8 Okay. All right. But it's -- so are
9 they the majority holders?

10 MR. KIEVERT:

11 They are large individual holders,
12 but there is separate private equity firm
13 as well.

14 MR. JACKSON:

15 And the reason I ask that is where
16 exactly is the corporate guarantee going
17 to be set, and at what level or what
18 corporate entity will be guaranteeing it?

19 MR. KIEVERT:

20 The operating company, Medline
21 Industries.

22 MR. JACKSON:

23 Okay.

24 CHAIRMAN ROY:

25 Any other questions, comments?

1 Hearing none.

2 MR. ADLER:

3 Motion for approval.

4 CHAIRMAN ROY:

5 Motion for approval as presented.

6 MR. JACKSON:

7 Second.

8 CHAIRMAN ROY:

9 Any other? Second. Any other
10 discussion? Comments from the public?

11 Hearing none.

12 All in favor, aye?

13 (AYES BY ALL.)

14 CHAIRMAN ROY:

15 All opposed, nay?

16 Without objection.

17 Congratulations. Please, keep us
18 posted on your success.

19 MR. KIEVERT:

20 Thank you. We will. We really
21 appreciate your support.

22 CHAIRMAN ROY:

23 Thank you. Next order of business is
24 Teal Jones.

25 MS. WOMACK:

1 Good morning. I have Mr. Rich Lamb
2 and Spencer Lamb. Rich Lamb is
3 representing the company, and Spencer Lamb
4 is the company's consultant.

5 Teal-Jones Plain Dealing founded in
6 1946 -- was founded in 1946 when the
7 company founder, Jack Jones, returned from
8 World War II and established a one-man
9 cedar roofing mill.

10 Now wholly owned by sons Tom and Dick
11 Jones, the Teal-Jones group is the largest
12 privately owned timber harvesting and
13 primary lumbar product manufacturing
14 company operating on the western coast of
15 Canada.

16 The Jones family works alongside more
17 than a thousand employees daily to extract
18 maximum value from timber resources.

19 Teal-Jones specializes in red cedar
20 shakes and shingles, Southern Yellow Pine
21 lumber, Tonewood, which is used for guitar
22 tops, Western Red Cedar lumbar and
23 whitewood lumbar.

24 Teal-Jones is the only major forest
25 products company that has a combination of

1 size and versatility to control their
2 logging, milling, and finishing over
3 several species. Their operation in the
4 U.S. manufactures dimensional Southern
5 Yellow Pine lumber. This is the preferred
6 choice for today's building applications.
7 Southern Yellow Pine is known as one of
8 the strongest, most dependable, and
9 versatile species of wood.

10 They currently have operations in
11 Virginia, Oklahoma, and Mississippi, and
12 this is the company's first investment
13 into Louisiana. The new site in Plain
14 Dealing was chosen, because there is
15 access to nearby railway and timberlands
16 which are both key factors to the success
17 of the new facility.

18 Teal-Jones also recognizes the
19 skilled workforce available in our state
20 and the pro-business culture of Louisiana.
21 This new facility will provide a wide
22 range of dimensional and specialty lumber
23 products with production capacity of 300
24 million board feet per year. In addition
25 to the lumbar produced, Teal-Jones plans

1 to sell residual fire products including
2 chips and sawdust to local pulp and pellet
3 markets.

4 The new facility in Bossier Parish
5 will be located on a 235 acre greenfield
6 site. A ground breaking ceremony occurred
7 back on July 11th of this year, and they
8 estimate construction completion by the
9 third quarter of 2023.

10 Total project cost for the new mill
11 is estimated to be \$139 and-a-half
12 million. This entails land acquisition,
13 new building construction, purchase of
14 capital equipment, and site improvements.
15 The EDAP funds will be used to reimburse a
16 portion of the cost as it relates to their
17 capital equipment.

18 The company will create 125 new jobs
19 with an associated payroll of 7.1 million
20 by 2032. All jobs and payroll are to be
21 maintained through December 31, 2032.

22 Total capital investment of \$100 million
23 is to expended by December 31, 2023.

24 Bossier Parish's unemployment rate
25 was 3.4 as of June 2022, compared to the

1 state rate of 4.6 for the same period.
2 Per capita personal income for Bossier
3 parish for 2020, was 48,907 compared to
4 the state per capita income of 50,874.

5 Project is estimated to have state
6 revenue of roughly 18.6 million with the
7 company receiving the million-dollar EDAP
8 and \$4.5 million from quality jobs. This
9 will result in a net revenue of slightly
10 over 13.1 million for the State.

11 Staff recommends approval of this
12 project as an unsponsored EDAP with our
13 normal contingencies that are typically in
14 place, as well as the creation of the 125
15 new jobs with the associated payroll of
16 7.1 maintained through December 31, 2032;
17 total capital investment by Teal-Jones at
18 the facility in Bossier of 100 million
19 expended by December 31, 2023. The EDAP
20 award will be reimbursed in two different
21 fundings. First, the company will receive
22 500,000 upon verification that payroll for
23 the year 2023 in the amount of 5.9 was
24 met. Then the remaining 500,000 will be
25 reimbursed upon verification that the

1 capital expenditures of \$100 million has
2 been expended in addition to verification
3 that payroll for year 2024 of six million
4 has been met.

5 Also, Teal-Jones will be required to
6 provide a parent company corporate
7 guaranty. With that I would like to
8 introduce Mr. Rich Lamb who can give you
9 guys more information about the company
10 and the new site.

11 MR. R. LAMB:

12 Good morning. As she said my name is
13 Rich Lamb. I'm actually an attorney, a
14 tax attorney at Weiner, Weiss & Madison in
15 Shreveport, but my family's been involved
16 in timberlands for well over a hundred
17 years. I spearheaded this project with
18 other timberland owners because we
19 desperately needed a saw mill in our part
20 of Louisiana. There's 227 million tons of
21 timber within 75 miles of the test site.
22 Frankly, we've got six sawmills but
23 there's not enough equipment. What we're
24 doing is we're relocating equipment from
25 Canada down here. While local investors

1 put in money, well over \$42 million is
2 importing money from out of state and
3 international. That's capital going in to
4 Plain Dealing and Plain Dealing, as I
5 understand from one of our local economic
6 development people, it's one of the second
7 most impoverished community in the state.
8 They have not had much. When Governor
9 Edwards came to the groundbreaking, he was
10 the first sitting governor to be there
11 since Earl Long in 1949 for a barbecue
12 festival.

13 One of the things I want to emphasize
14 is not only will we be manufacturing
15 lumber and providing jobs at the site, but
16 now all the timberland owners in the area
17 will also see an increase in the value of
18 their properties and increase timber
19 harvest which will increase revenues to
20 the state municipalities that includes
21 severance tax in addition to income tax.

22 Anyway, we're very excited about this
23 opportunity. Construction is going well.
24 We are in the clearing and grading part.
25 We will get our air permit hopefully

1 around October 25th as I understand it, at
2 which point we can pour concrete and start
3 bringing the equipment down. It is
4 already being prepared to be sent down in
5 Canada and staged in Montana where it will
6 be delivered by truck sometime after we
7 get our air permit, sometime soon after we
8 get our air permit. We can't do much on
9 the site until we get that, but that's
10 been going very smooth. The State's been
11 very cooperative.

12 Any questions for me?

13 MR. GEORGEWILL:

14 Hey, Suyi Georgewill. I'm actually
15 from the Bossier area.

16 MR. R. LAMB:

17 Okay. Great.

18 MR. GEORGEWILL:

19 Yeah, I'm excited about what's going
20 on in Plain Dealing. Is there any
21 emphasis on utilizing, I guess, state
22 resources or transportation companies
23 within the state to move from equipment
24 from Canada here, or are you outsourcing
25 that throughout the U.S.?

1 MR. R. LAMB:

2 Well, we have a fiduciary duty -- and
3 I do own part of it -- full disclosure,
4 not much -- but we do have a duty to make
5 sure that we get competitive quotes.
6 Right now the demand for transportation
7 services is tremendous. There is a local
8 connection to a company out of Houston
9 that is actually looking to possibly
10 relocate to the area, but it's going to be
11 a heavy hauler. And we would love to have
12 someone local, preferably someone we know,
13 so we have that trust that comes with
14 knowing someone because when you're
15 relying on someone really far away to
16 bring down you're most valuable asset you
17 want to have a good relationship. Right
18 now it depends on truck availability and
19 of course, who can get the fuel and who
20 can pay for the fuel. We're going to have
21 to pay for that. And so, we're lining it
22 up as far in advance as possible, but to
23 my knowledge we have not picked that
24 vendor.

25 MR. GEORGEWILL:

1 Absolutely makes sense. Okay.

2 MS. GLOVER:

3 I read in the history of your company
4 that in 1969 Tom Dick took over a small
5 portion of the company. Just doing a
6 little calculation, what is the succession
7 plan for the company?

8 MR. R. LAMB:

9 I can answer that. First, I have to
10 also tell you that I have a brother named
11 Harry that died. I kid you not, there was
12 Tom, Dick, and Harry. And so, actually,
13 several years ago as they got bigger and
14 if you ever worked with a small business
15 that's exploded in growth, their mentality
16 is still small business and they now have
17 an independent board that includes members
18 of their family, but also they have a
19 board that has independent directors and
20 family members, and this includes
21 investment bankers and lawyers from both
22 Canada and the U.S. From a tax and estate
23 planning perspective the ownership will
24 transition seamlessly through trust.

25 However, they do have a built out

1 executive staff. Their CFO, who I work
2 with all the time, is a younger gentlemen.
3 Trust me, we asked that question, too.
4 These guys aren't young. Now, one of them
5 did promise he was never going to die at
6 groundbreaking, and I don't even know what
7 to say to that. The Governor was shocked
8 as was I. They have 28 family members
9 that work there, and my big concern was
10 really like some grandchild showing up,
11 and there's no sense of entitlement there.
12 The grandson actually works on hooking
13 logs in the river outside of the office.
14 I don't think they realize the scale of
15 this.

16 But to answer your question, they
17 have non-family member executives that are
18 able to operate outside of that. And most
19 important, they are going to have an
20 on-site plant manager, so no matter what
21 happens with their corporate headquarters
22 in Canada that will continue to operate.
23 Their sales and marketing team is young
24 non-family members and now that they're
25 growing on scale they're able to embark on

1 a national level.

2 One thing I'm particularly excited
3 about is that we're going to be making
4 stuff in northwest Louisiana and selling
5 it to be people outside of our state and
6 outside of our country. That is importing
7 money to our community and our state.

8 Great question. It's something that
9 everybody asked when he said I'm never
10 gonna die. He was not joking. But that's
11 a big deal. They're a big company. You
12 have to have those hard conversations and
13 those hard conversations were had several
14 years ago.

15 MS. GLOVER:

16 Thank you.

17 MR. DAVID:

18 I have more of a comment than a
19 question. You mentioned earlier land
20 values increasing, and I noticed you have
21 120 jobs for the subcontractor and
22 construction. These are the kind of jobs
23 or projects we really like, because you're
24 really bringing in what y'all are doing,
25 but the other contracts are bringing in

1 business. So, we really appreciate it.

2 MR. R. LAMB:

3 Oh, yeah, the loggers and everything.
4 I mean, this all started because I saw a
5 Wall Street Journal article about record
6 high lumber and I asked around like why
7 are we seeing such cheap stuff prices on
8 the stump because I saw them and we have a
9 load of timber. And that's great for the
10 environment, but there a lot of people in
11 our state that rely on timberlands for
12 retirement, for passive supplemental
13 income, and as you know it's our largest
14 agricultural product when you add all the
15 others combined.

16 CHAIRMAN ROY:

17 Any other questions, comments?

18 MR. S. LAMB:

19 If I may, just so I didn't come down
20 with Rich and not say anything, I'm Rich's
21 brother. I am a consultant for -- I work
22 for an accounting firm in Shreveport and
23 in the spirit of going local, we assisted
24 with the application, working with
25 Teal-Jones to gather all the documents and

1 I just want to thank you for your time and
2 for your questions. We really appreciate
3 it.

4 MS. GLOVER:

5 Thank you. One more question, is
6 there not a concern about tons of people
7 want to hire -- and I love the numbers you
8 are putting in there. We know that people
9 around the country are trying to hire and
10 still having challenges with labor. I'm
11 not from Bossier, but I'm from Alexandria
12 which isn't far. Are there any concerns
13 that you're having about being able to
14 fill the labor pipeline?

15 MR. R. LAMB:

16 I have a great answer to that,
17 because that was one of the first
18 questions from investors. One, Plain
19 Dealing is the most populous location that
20 will have a mill in the U.S., and I think
21 Plain Dealing's population is like 1200.
22 There are mills in places I had to Google
23 that may not be incorporated. These guys
24 are from a rural area and that's their
25 heritage, and they're very proud of that.

1 Also, the Canadians' view on compensation
2 and benefits is, let's just say it's very
3 high, and they drove past a McDonald's
4 advertising a certainly hourly rate and
5 they go, we think we can hire people
6 pretty easily in this environment.

7 The other thing is there have been
8 sawmills working in that area that have
9 closed and they think that from wood
10 forest products that was there in Plain
11 Dealing, the sawmills and spring hill that
12 they're going to be able to tap some of
13 those experienced people to fill some of
14 those jobs.

15 The other great thing is the LED
16 FastStart Program that could go through
17 Bipsy and there was a representative there
18 at the groundbreaking and they kind of
19 talked to those people, in addition to
20 relocating people from existing mills they
21 have.

22 So, that's something that's at the
23 top of our mind and they will start that
24 process early both in training and in
25 relocating people from their own U.s.

1 mills, but the decompensation that we are
2 anticipating which is, I think, a minimum
3 of 45,000 and the high end close to 70, in
4 Plain Dealing, Louisiana, that goes a long
5 way.

6 I would also add that I recently had
7 a meeting with economic development folks
8 from Bossier and people from Plain
9 Dealing. They want to see more
10 residential development, because we would
11 love people to live close to where they
12 work. That's good for us. That's good
13 for them. That's good for everyone.
14 We're happy to be part of that
15 conversation as they look to improve their
16 infrastructure.

17 MS. GLOVER:

18 When you talk about that 45,000
19 that's a plant manager, operations
20 manager?

21 MR. R. LAMB:

22 I hate that it's on the bottom there,
23 but that's the lowest compensation I'm
24 aware of. The managers will be closer to
25 70. And, frankly, that was over a year

1 ago. We would expect those numbers are
2 higher.

3 MS. GLOVER:

4 And then do you know from that area
5 they are unionized or not?

6 MR. R. LAMB:

7 They are not.

8 MS. GLOVER:

9 Okay.

10 MR. JACKSON:

11 Did I understand you to say part of
12 that staffing is from mills that had
13 closed? Are there former mills in the
14 area?

15 MR. R. LAMB:

16 There used to be. I think the most
17 recent one was there seven or eight years
18 ago. 2009 wiped out a bunch of them and
19 the big problem we have now is not only
20 did they knock out a bunch of sawmills,
21 they also knocked out the companies that
22 manufacture the equipment. So, now is a
23 great time to build a sawmill, but you
24 need sawmill equipment. There's a
25 backlog. That is why we are relocating

1 existing equipment down from Canada,
2 because Canada, they lost 10 million acres
3 to the Rocky Mountain Pine Beetle, and the
4 government limits their harvest
5 allocation, so you can't harvest your own
6 timber without permission. That's why,
7 frankly, Canadian companies are flocking
8 to the U.S. Their government makes it
9 very hard to engage in harvest.

10 MR. JACKSON:

11 So, it was a sizable issue --

12 MR. R. LAMB:

13 In '09.

14 MR. JACKSON:

15 Yeah.

16 MR. R. LAMB:

17 And that was a chip mill in
18 particular in Plain Dealing. Spring Hill
19 had I think an IP paper mill and maybe one
20 other. And so, those were relocated, shut
21 down, and the equipment frankly, they
22 probably took and relocated other places.

23 MR. JACKSON:

24 I mean, there's plenty of places up
25 in the northern part of the state for your

1 byproducts and your residues so that
2 should not be an issue.

3 MR. R. LAMB:

4 There's a lot of need for this and we
5 have a huge market, because we have this
6 equipment and people that can --

7 MR. GEORGEWILL:

8 I think you'll probably face some
9 staffing challenges, realistically. I
10 think Amazon sets up in Shreveport next
11 year. Similarly, I think front line
12 level, but I think it's a great resource
13 potentially and in that neck of the woods
14 specifically.

15 If you don't mind me asking, what
16 currently are you currently forecasting in
17 regard to getting operation getting up
18 next year? I think you, optimistically
19 speaking, see this going well but you got
20 to have some things that concern you in
21 regards to this project and the long term
22 feasibility in the area?

23 MR. R. LAMB:

24 Absolutely. So, you know, getting it
25 up and going one of the big things that we

1 have are equipment. That's the delay for
2 a lot of newly announced mills. We
3 already have it in our control in Canada.
4 That's the big deal.

5 We also were prepared on the air
6 permit. We got a specialist out of North
7 Carolina and she had experience in that
8 sort of laying the groundwork. So, when
9 we closed, she was able to file that
10 immediately. We're in the --

11 MR. GEORGEWILL:

12 What was the type of permit?

13 MR. R. LAMB:

14 Aerometer. They won't let me file
15 that. The reason that's important is the
16 kennels, which are the admitted equipment,
17 had to have the exact geographic location.
18 They were like just tell them it's this
19 address and go no red chips, it's a little
20 more particular.

21 And so, that made sense. You want to
22 have that perfect. You've got drainage.
23 You've got -- we had to get a traffic
24 study and things like that. The great
25 thing is while you're waiting for the air

1 permit which is something you -- we
2 projected six months and it's looking like
3 four, you're able to do a lot of things in
4 anticipation. So, when that comes in
5 that's where you go, you know, you're
6 ready to go. That's one of the positives
7 of the air permit is you can't do anything
8 about that, so you go focus on everything
9 else and a lot can be done off site.

10 Now, it's going to be a rat race once
11 we get that permit. In fact, the
12 governor, they have a ceremonial board of
13 wood and the Canadians brought a
14 ceremonial pick axe which was interesting,
15 and they suggest everyone write the date
16 they think it's going to open. So, we
17 have a range of dates on there, but July,
18 September 2023 is what it's looking like.

19 MR. GEORGEWILL:

20 That's realistic?

21 MR. R. LAMB:

22 That's realistic to be producing
23 lumber. Now, the rail infrastructure
24 we're going to have to do is way down the
25 road. There's other things, but we will

1 come on at probably 200 million more feet
2 then and it'll ramp up to 300 million over
3 time.

4 MR. GEORGEWILL:

5 That was kind of my next question.
6 Will they rely on rail quite a bit for
7 transportation and more flatbed mix or --

8 MR. R. LAMB:

9 Yeah, the rail -- the infrastructure
10 in Shreveport/Bossier is just too good and
11 it's a lot cheaper. Trucking is hard
12 right now. Now, we're going to have to
13 rely on that and the loggers on the front,
14 and Teal-Jones has made a point of coming
15 down and going to the towns in the area
16 and meeting loggers, getting their contact
17 information, because that's a big deal.
18 They want to have a relationship, so they
19 trust those guys. That's how they
20 operate. They're relationship people.

21 But yeah, the rail is going to be a
22 big deal because there's just not enough
23 trucks to go around. They're all hauling
24 sand in northwest Louisiana.

25 CHAIRMAN ROY:

1 Will you utilize the waterway and
2 port?

3 MR. R. LAMB:

4 We've talked about that. The reason
5 I approached Teal-Jones is '09 when
6 everything went to hell, they broke even
7 because they exported. Kind of like I'm
8 from an oil and gas town, the people that
9 survived the 80s turned out doing okay; if
10 you survived. I wanted to find someone
11 like that who knows how to survive
12 downturns because it's going to happen,
13 and getting things on the rail and getting
14 it to a port is the cheapest and best way
15 to survive when the domestic markets
16 crash. So, they ship to Europe. They
17 ship to Southeast Asia. In fact, they
18 still send a little to their European and
19 Asian clients, even though it's less money
20 to keep their beaks wet, for when that
21 downturn comes, but the interim port's a
22 big deal, because it is a way to get it to
23 market. It all depends on what the rates
24 are at the port, and that's why the rail
25 is crucial long term because you want to

1 be able to get it somewhere and you need
2 to get it there cheap as possible.

3 CHAIRMAN ROY:

4 Any other questions, comments?

5 Pleasure of the board?

6 MR. DAVID:

7 Move to approve.

8 CHAIRMAN ROY:

9 Motion for approval.

10 MR. JACKSON:

11 Second.

12 CHAIRMAN ROY:

13 Any other discussion? Comments from
14 the public?

15 Hearing none.

16 All in favor, aye?

17 (AYES BY ALL.)

18 CHAIRMAN ROY:

19 All opposed, nay?

20 Without objection.

21 Congratulations. Please tell your
22 principals in Canada that we welcome them.
23 Louisiana is open for business. Tell them
24 to send all their buddies.

25 MR. R. LAMB:

1 I tell you what, in all seriousness
2 they are poking around. If there's any
3 kind of natural resource, they're getting
4 out of that country. If I could get them
5 to quit wearing flannel in the summer I'd
6 go buy every green fishing shirt at
7 Academy imaginable.

8 CHAIRMAN ROY:

9 Naturals.

10 MR. R. LAMB:

11 All right, guys. Thanks.

12 CHAIRMAN ROY:

13 Next order of business I have Ms.
14 Villa here for the Secretary Treasurer's
15 Report.

16 MS. VILLA:

17 Good morning. Secretary-Treasurer's
18 report as of August 26, 2022, we have our
19 FY 23 budget which I know that board
20 members were anxiously awaiting. For that
21 we have a budget for FY 23 of 17,618.555.
22 We have approved projects already of
23 2,100,000. And then we have the pending
24 board approval of the two projects this
25 morning of 1,500,000 and we have projects

1 and under review, 2,575,000 which leads us
2 a protected year end balance of
3 \$11,443,555.

4 The next pages is the details I just
5 gave you, the summary of our Financial
6 Assistance Program, that it has \$190,000
7 balance, budget and balance projected for
8 the end of year.

9 And then we have, on to the next
10 page, we have our Capital Outlay
11 Appropriation which consist of our EDAP
12 awards and our EDRED awards, and currently
13 that budget for Capital Outlay for EDAPs
14 is 14,992,593 and we have two projects
15 which were previously approved this fiscal
16 year of 2,100,000 and then again the
17 Medline and Teal-Jones projects of 1.5
18 million and we currently have under review
19 projects that have been announced, but the
20 applications have not been brought forth
21 to the board which total 2,575,000 which
22 leaves us a projected year end balance
23 8,817,593.

24 We have allocated to the EDRED
25 program 2,435,962. That is our projected

1 balance right now. I think as I mentioned
2 at the last board meeting, we do have
3 active contracts that have balances on
4 them with companies and with regional
5 economic developing organizations for this
6 program and we just don't have any
7 anticipated need expected for this fiscal
8 year, but if we get to that point we will
9 bring it to the board for approval.

10 The next is our projected FY 23
11 revenue of 25,225,889 which was carried
12 forward from FY 22 and then we have
13 projected revenue, our sales tax and
14 vendor's comp, as well as our interests on
15 the fund which totaled 15,299,290 which
16 leaves us a projected fund balance that's
17 available of 40,525,179. Our LED Project
18 Commitments coming from the primary LED
19 fund is 17,324,682 which leaves a
20 projected balance at the end of this
21 fiscal year of 23,200,497.

22 That's the Secretary-Treasurer's
23 report. If there are any questions I'll
24 be happy to answer them.

25 CHAIRMAN ROY:

1 Questions, comments?

2 Hearing none.

3 I'll entertain a motion to accept the
4 treasurer's report.

5 MR. ADLER:

6 Motion to approve as presented.

7 CHAIRMAN ROY:

8 Motion.

9 DEPUTY SECRETARY LAMBERT:

10 Second.

11 CHAIRMAN ROY:

12 Any discussion? Any comments from
13 the public?

14 Hearing none.

15 All in favor, aye?

16 (AYES BY ALL.)

17 CHAIRMAN ROY:

18 All opposed nay?

19 Thank you, Ms. Villa.

20 Ms. Dalgo, the Accountant's report?

21 MS. DALGO:

22 Hello and good morning. Crystal
23 Dalgo. I'll be presenting to you the LEDC
24 Accountant Status Report.

25 The SSBCI 1.0 Guarantee Loan

1 portfolio is as of July 31, 2022, and
2 consist of 14 loans. The portfolio totals
3 \$2,853,714. The allowance for the SSBCI
4 1.0 Guarantee Loan loss is 515,668 and is
5 reflected at the current rate of
6 18 percent.

7 Next, is the EDAP Loan portfolio
8 which consists of three loans: Town of
9 Colfax, City of Bastrop, and Town of
10 Vivian. This portfolio is as of August
11 31, 2022, and it totals \$334,800 and all
12 loans are current.

13 And on the last page of my report we
14 have the LEDC Funds Guaranteed Loan
15 portfolio which consists of two loans and
16 it is as of July 31, 2022, totaling
17 \$1,372,350. The allowance for this
18 portfolio is \$247,024, and is reflected at
19 the current rate of 18 percent.

20 This concludes my report. Are there
21 any questions?

22 CHAIRMAN ROY:

23 Is Hubig's producing pies?

24 MS. DALGO:

25 I'm not sure about that. We haven't

1 seen any over our way yet.

2 CHAIRMAN ROY:

3 I'll hold that though perhaps. Any
4 questions, comments? Entertain a motion
5 to approve the Accountant's Report.

6 MR. DAVID:

7 Motion.

8 CHAIRMAN ROY:

9 Motion. Second?

10 DEPUTY SECRETARY LAMBERT:

11 Second.

12 CHAIRMAN ROY:

13 Any discussion? Any comments from
14 the public?

15 All in favor, aye?

16 (AYES BY ALL.)

17 All opposed, nay?

18 Without objection.

19 Thank you, ma'am.

20 MS. DALGO:

21 Thank you.

22 CHAIRMAN ROY:

23 Mr. Lambert's here today to give us
24 the President's Report.

25 DEPUTY SECRETARY LAMBERT:

1 Good morning, board members and
2 members of the public.

3 It remains an extremely busy time at
4 Louisiana Economic Development. Some of
5 our team members yesterday wrapped up the
6 third of what we are calling rural road
7 shows in conjunction with the governor's
8 office of Rural Development. Over the
9 course of the last three Wednesdays, we've
10 been in Mathews, we've been in Jennings,
11 yesterday in Amite, getting out into more
12 rural parts of the state, sharing
13 information of things that might be
14 available. We have two more over the next
15 two Wednesdays: September 14th in
16 Pineville, and September 21st in West
17 Monroe. So, again, making a very
18 concerted attempt to get out in different
19 parts of the state.

20 From announcement standpoint,
21 August 16th Cargill announced a
22 \$34 million investment to modernize the
23 Breux Bridge salt processing facility. A
24 day later, CF Industries which I talked
25 about last month announced they're

1 considering a \$2 billion carbon capture
2 project in Ascension and it would be a
3 joint venture with MITSUI Corporation, so
4 a U.S./Japanese joint venture. Again,
5 it's an evaluation phase. They're going
6 to begin a feed study and that study is
7 going to take a little but, but, again,
8 could be a very significant project and it
9 continues CF Industries on this energy
10 transition path. It would be the third
11 energy transition project around that
12 Donaldsonville nitrogen complex.

13 In Alexandria on August 25th, LSUA
14 announced the development of a
15 cybersecurity training facility.
16 Cybersecurity continues to be a very
17 important issue in the state. I served as
18 Secretary Pierson's proxy on the Louisiana
19 Cybersecurity Commission. We have another
20 cybersecurity commission next week. It's
21 -- that commission was established by the
22 governor in 2017, and has really helped
23 the state respond to some general breaches
24 that have happened both in the public
25 sector and the State as well as the

1 private sector in the State. So, again, I
2 know Dr. Guice at Louisiana Tech has been
3 a leader in this cyberspace, and again, a
4 good announcement a couple of weeks ago at
5 LSUA to get an LSU campus facility in that
6 game.

7 August 30th Lion Elastomers in
8 Ascension announced a \$22 million
9 expansion of their Geismer facility. Our
10 friends from Teal-Jones talked about their
11 recent groundbreaking in July where the
12 governor also went up to Hodge, Louisiana
13 on August 31st, and they had kind of a
14 groundbreaking and celebration of
15 WestRocks's \$97 million expansion in
16 Jackson Parish.

17 So, again, the governor probably
18 being in a couple places this summer that
19 maybe governor's typically don't go to,
20 but again, we think it's very, very
21 important.

22 And then last Friday, the State as a
23 whole received some tremendous news when
24 one of the 529 projects around the country
25 each to the future which was being led up

1 by Greater New Orleans Inc, was able to
2 attract a \$50 million dollar grant from
3 the U.S. Economic Development
4 Administration. This was a competition as
5 a result of American Rescue Plan Act
6 dollars, a billion dollars total.

7 There were initially 529 applications
8 from around the country. Two Louisiana
9 projects were chosen among 60, kind of,
10 finalists. Those -- all those 60
11 finalists received \$500,000 to kind of
12 build out their plan for another year, and
13 it culminated last Friday when the
14 Economic Development Administration
15 announced that 21 of these projects were
16 going to be funded.

17 This project just really has about 24
18 different entities, all throughout South
19 Louisiana and it is going to focus on
20 green hydrogen, trying to get to the point
21 where you can use renewable energy such as
22 offshore wind, such as nuclear, to create
23 hydrogen, to then use that hydrogen to
24 help de-carbonize our industrial sector.

25 I think I may have mentioned again

1 the last couple of times I've been here we
2 know in Louisiana we are unique in our
3 greenhouse gas emissions. About two
4 thirds of our greenhouse gas emissions are
5 from industry and with electric generation
6 and transportation being a distant second
7 and third. Most other states that's
8 flipped. Either transportation, electric
9 generation is at the top with industry,
10 lower down the sort of ranking.

11 But, again, this continues. I think
12 it is an incredible statement of
13 confidence that the federal government has
14 about what's going on in Louisiana from an
15 energy transition standpoint and \$50
16 million is going to be maxed with about
17 24-and-a-half million from the State to
18 make it about a \$75 million effort over
19 the next several years to try and
20 accomplish this.

21 Again, we all know it's important to
22 lower emissions and lower greenhouse gas
23 emission from a climate change standpoint,
24 but we also know it's important to
25 continue to provide jobs and economic

1 opportunities to our residents and our
2 businesses, and that's really our focus on
3 the energy transition, continuing to
4 provide those jobs and economic
5 opportunity even in a different energy
6 space than what may be the traditional
7 energy sources that Louisiana has
8 historically been known for.

9 Just going in to the holiday weekend
10 last weekend, to get that announcement
11 from the federal government, I think,
12 President Biden had a virtual kind of
13 presentation from the White House with all
14 21 awardees on the Zoom or a virtual
15 platform. And so, just a really good
16 mark, a really good accomplishment and we
17 continue to stay very, very busy in this
18 energy transition space.

19 I appreciate, again, the work you
20 guys are doing to help us continue to
21 process these loan applications and keep
22 projects on track, and hopefully see,
23 again, we are fortunate enough to have a
24 lot of momentum continue in different
25 parts of the state.

1 Mr. Chair, those would be my remarks
2 and certainly if anybody has any questions
3 I will be happy to try to answer them.

4 CHAIRMAN ROY:

5 Very interesting. Very good.
6 Appreciate it.

7 Moving along. Under Other Business,
8 the SSBCI Program.

9 MS. RANEY:

10 Hi, good morning. So we are very
11 excited to share with the Board today that
12 have been notified, our Louisiana SSBCI
13 application is on deck to be reviewed for
14 approval with the United States Treasury
15 Review Committee. So, we're looking
16 forward to sharing some news in the very
17 near future before our next board meeting.

18 Having said that, we know the next
19 steps once we are notified of that
20 approval from the U.S. Treasury office,
21 the UST and LED will need to execute an
22 allocation agreement, and then will be
23 positioned to receive the federal funding
24 to support the five programs that we have
25 put in our application. Just to remind

1 you we have the City Capital program and
2 Venture Capital Program in our compilation
3 following under the equity side, and then
4 we have on the deck side of our
5 application, three programs, a new
6 program, The Collateral Support Program
7 another new program, our enhancements to
8 an older program. That's the Micro Loan
9 Program. And then we do have some
10 enhancements to an existing program, the
11 Small Business Loan Guarantee Program.

12 Now, of those five programs there are
13 three in which we have undergone an RFQ,
14 or Request for Last Qualification process,
15 to evaluate qualified lenders or venture
16 capital seed firms to dole out the federal
17 dollars to small businesses and portfolio
18 companies. So, we had undergone that
19 internal evaluation of those RFQ
20 applicants and today of those three that
21 have undergone the RFQ process, the Micro
22 Loan Program, the City Capital Program,
23 and then the Venture Capital Program of
24 those three today, we will present two of
25 those in a report for the RFQ submissions

1 we have received for not only the Micro
2 Loan Program, which that program has an
3 allocation total of 10 million, but we
4 will also share with you the venture
5 capital report for those RFQ applicants
6 and on the venture capital side that total
7 program has an allocation of 60 million.

8 But to get started today we'll start
9 with the Micro Loan Program, and Shamelda
10 will share with you the report for all of
11 the applicants under that RFQ process.

12 MS. PETE:

13 Good morning. Thank you. The Micro
14 Lending Program is a program that caters
15 to the smaller financing needs of business
16 in Louisiana. The Micro Program will
17 provide access of credit to entrepreneurs
18 in underserved communities across
19 Louisiana. It will allow qualified
20 lenders to evaluate and structure SSBCI
21 eligible loans to meet the needs of small
22 business owners. The Micro Program is a
23 loan participation program structured as a
24 revolving loan fund where each lender will
25 provide a one-to-one match to allocate

1 SSBCI funds. The program participants
2 will directly lend to the borrower with
3 the loan proceeds to help either with
4 working capital needs, equipment or
5 inventory purchases, or startup or
6 expansion projects.

7 LED has undergone a Request for
8 Qualifications Process to identify
9 qualified lenders to participate in the
10 Micro Program. The criteria evaluated
11 for: experience and qualifications an
12 identified plan of action, business
13 advisory services offered, geographical
14 coverage areas, and the financial capacity
15 of each lender.

16 In conclusion, LED is recommending
17 six lenders for participation in the Micro
18 Lending Program: Essential Federal Credit
19 Union, Jefferson Economic Development
20 Corporation, Carter Credit Union, New
21 Orleans Business Alliance, Lendistry, and
22 NewCorp.

23 Essential Federal Credit Union.
24 Essential is a designated community
25 financial institution founded in 1972 in

1 Plaquemine, Louisiana. A significant
2 percentage of Essential's members are low
3 to moderate income. Essential Federal
4 Credit Union has responded to the
5 community needs via loans for several
6 community development projects, and loan
7 programs aimed at providing funding to
8 disadvantaged businesses in order to
9 reduce the impact of the COVID-19
10 pandemic.

11 Jefferson Parish Economic Development
12 Commission. JEDCO, is an independent yet
13 complementary arm of the Jefferson Parish
14 government. JEDCO is a quasi-governmental
15 entity governed by a 21 person Board of
16 Commissioners. JEDCO aims to attract,
17 grow, and create new businesses.

18 Over 50 percent of the lender's loan
19 portfolio are loans to socially
20 economically and disadvantaged businesses.
21 As a local economic development
22 organization, JEDCO is committed to
23 helping businesses thrive in Jefferson
24 Parish which is the second largest parish
25 in Louisiana.

1 Carter Credit Union. Carter's
2 mission is to help low income families and
3 business owners create pathways from
4 poverty to wealth. Founded in 1954 Carter
5 operates nine branches serving more than
6 32,000 people in nine financially
7 distressed areas in northwest Louisiana.
8 Carter Credit Union is a community
9 development financial institution, and a
10 low income designated credit union.

11 The credit union plays a fundamental
12 role in improving access to affordable
13 financial products and services to the
14 largely under-advantaged population.

15 Carter Credit Union's market area
16 includes Caddo, Bossier, De Soto, Red
17 River, and Webster parishes.

18 NOLABA, the New Orleans Business
19 Alliance is engaged in an official
20 public-private partnership with the city
21 of New Orleans, and is a internationally
22 accredited economic development
23 organization.

24 NOLABA leads with a mission to unite
25 a diverse community of stakeholders to

1 increase job growth, create wealth, and
2 build an equitable and sustainable future
3 in New Orleans.

4 NOLABA serves seven disinvested
5 neighborhoods which are Algiers, Gentilly,
6 Gert Town, Hollygrove, Lower 9th Ward, and
7 New Orleans East, and the Treme area.

8 Lendistry. Lendistry is a
9 technology-enabled small business lender
10 with both Community Development Financial
11 Institution and Community Development
12 Entity Certifications.

13 Founded in 2014, Lendistry was formed
14 in response to the growing need for
15 capital access with reasonable and
16 responsible terms for small business in
17 rural and underserved areas.

18 Lendistry is uniquely positioned to
19 use it's technology efficiently to
20 originate small business loans through
21 State of Louisiana.

22 NewCorp. NewCorp is a Certified
23 Community Development Financial
24 Institution operating as a business
25 assistance intern and loan fund

1 specializing in small business, small
2 disadvantaged businesses.

3 The mission of NewCorp is to be an
4 economic development catalyst by providing
5 technical assistance and financial
6 products to small and disadvantaged
7 businesses to improve their basic business
8 capabilities.

9 NewCorp as well, will be able to
10 capital to small businesses throughout
11 Louisiana.

12 These are the six identify qualified
13 lenders that staff is recommending for
14 participation in the Micro Lending
15 Program.

16 Any questions?

17 MS. GLOVER:

18 Hi, is it a shock that I have
19 questions? Okay. So, I want to talk
20 about a couple of things. I'm really
21 excited that our application is on deck.
22 I love that we have gone through the
23 process of identifying these
24 organizations.

25 The first one is understanding areas

1 that are not being served. Okay. So, I
2 notice Alexandria, which is where I'm
3 from, but Lake Charles, Monroe, don't
4 really seem to have a presence. I know
5 that there are two NewCorp and Lendistry
6 that you say are serving statewide.
7 NewCorp does tend to have a New Orleans
8 bias. And Lendistry, what we're seeing,
9 is serving statewide and our members are
10 using and promoting how they use a lot of
11 technology to reach people -- I'm going to
12 make some generalizations here. You're
13 talking about them being statewide using
14 technology to access people in Alexandria,
15 Lake Charles, Monroe, and Houma.

16 MS. PETE:

17 Yes.

18 MS. GLOVER:

19 Are we concerned about challenges of
20 really being able to meet the needs of
21 small businesses in that area when how
22 we're trying to tell them to reach them is
23 through a company like Lendistry who I
24 just went to their website. It screams
25 I'm out of state. It screams California

1 even though they do list other states.
2 So, like, talk to me about, like, that
3 credibility that they're going to be able
4 to build, like, in that area, over time
5 through people who don't have as much
6 access to technology as the rest of the
7 state. Great questions and those
8 questions came up as well at our
9 evaluation process.

10 The first question, specific to
11 reaching out to those rural areas such as
12 Alexandria and others, Lendistry and
13 NewCorp, but Lendistry specifically, will
14 engage in a marketing program to reach
15 those areas by developing those ecosystems
16 with those small business development
17 centers, and other economic development
18 organizations.

19 To speak to the technical
20 capabilities, Lendistry just -- Lendistry
21 will engage technology like QR codes in
22 order for companies to fill out
23 applications as well as we know that we
24 are able to do a lot of things through our
25 cell phones, so companies will have some

1 access to really common uses such as the
2 cell phone.

3 MS. GLOVER:

4 Okay. My next question is -- and I
5 get it. Our state often has a New Orleans
6 bias. So, when I look at the six, CFIs
7 that are servicing the area and I go, oh,
8 three of these are kind of really New
9 Orleans based. It seems to me that
10 2.5 million is really focused towards New
11 Orleans and the remaining is going to the
12 other areas.

13 MS. PETE:

14 Okay. Great question. So, the total
15 program allocation is 10 million and this
16 is a 10-year program. This is our Phase
17 One so this was our first round of RFQs.
18 The department will be engaging in more
19 RFQ processes to onboard additional CFIs.

20 Now, we realize this is a new
21 program. We're very excited about it. We
22 will be marking those programs, but we're
23 really hoping that we will be able to
24 capitalize through word of mouth and our
25 existing CDFIs on their performance, ease

1 of use with the program to really gauge
2 more interest in the program. And we've
3 already been receiving responses from just
4 our general marketing efforts with the
5 department about giving pre-SSBCI updates
6 of other lenders that are interested in
7 participating. But the way the programs
8 are structured we do have to go through
9 the RFQ process. So, we're very confident
10 that we will be able to onboard more CDFIs
11 and we will be taking into consideration
12 those geographical areas.

13 So, we see a large portion in New
14 Orleans, which that's our largest area,
15 but if we see a large portion going
16 towards New Orleans and we have that
17 geographical coverage, we will have the
18 ability to shift. And again, this is just
19 Phase One. It's a 10-year program. We're
20 very excited, so we're hoping to see some
21 significant usage for these companies.

22 MS. GLOVER:

23 And then I want to go on record in
24 terms of like some of the evaluation
25 criteria. And so, and this is, like,

1 after these organizations -- they're
2 receiving the money and they're giving it
3 out, right. I feel like what they'll come
4 back and say is, we received 389
5 applications. And what I want to know is
6 not the number of applications, but how
7 many people were actually -- or how many
8 business were actually funded, right. You
9 got 389 but you only funded one percent,
10 right. What we want to know is that more
11 businesses are getting access to the funds
12 and if we find that there is a lower
13 percentage, or a low percent of businesses
14 doing that then what is it we need to
15 evaluate or change in the criteria so that
16 the program really works for those who
17 need it? Beyond that I'm thrilled about
18 program.

19 MS. PETE:

20 I'm glad you're thrilled. I'd just
21 like to point out we share some of the
22 same concerns as well as the Treasury.
23 So, those reporting guidelines that the
24 lenders will have to abide by as far as
25 LED is identifying those companies were

1 impacted by not only the dollar value, but
2 you're right, on applications how many of
3 these businesses were actually impacted.

4 Even further, some of our program
5 requirements have an individual cap, so
6 for MLP no more than 500,000 per borrower.
7 So, you're -- it's truly meant for your
8 really smaller financing needs but we'll
9 definitely keep that in mind.

10 MS. GLOVER:

11 Thank you.

12 MR. JACKSON:

13 I had a couple of questions really
14 along the same line. This is first
15 tranche of money, the first of potentially
16 three depending on success of it. Are we
17 allocating the entire first tranche among
18 those six, or do we have some more that
19 can be allocated. We're not allocating
20 all the first trench yet?

21 MS. PETE:

22 No, sir. You're correct. The total
23 program allocation is 10 million. This
24 Phase One will be four million with
25 one million being allocated to the larger

1 organizations, Lendistry and JEDCO, and
2 the others being allocated 500,000 each.
3 This is based on their capacity as well as
4 there ask as it is a one-to-one match.
5 So, the lender had to identify what their
6 contribution would be, so it's
7 four million in total which we will
8 establish a eight million-dollar revolving
9 loan fund in Louisiana.

10 MR. JACKSON:

11 But the four million --

12 MS. RANEY:

13 For tranche one.

14 MR. JACKSON:

15 Ten million is tranche one or 10
16 million is the total program.

17 MS. RANEY:

18 Ten million is total. We're looking
19 at four million for tranche one. So, that
20 leaves six million on the horizon.

21 MR. JACKSON:

22 Okay. So, we have allocated
23 everything that's in the first tranche to
24 these six. There's no room for any others
25 until we move to a second or a third --

1 MS. VILLA:

2 Additionally, we will have in the
3 agreements that if they are not performing
4 within a certain period of time that we
5 have the ability to draw that back from
6 them, that allocation back from them to
7 re-access it and give it out to someone
8 who's probably doing a lot better than
9 they are. So, we have that flexibility
10 that we're writing in to the agreements.

11 MR. JACKSON:

12 Okay. But the bigger point is
13 additional players in those other areas if
14 we have issues with our two statewide
15 providers, we won't be able to potentially
16 recruit others until we get to a second
17 round?

18 MS. PETE:

19 No.

20 MR. JACKSON:

21 No?

22 MS. PETE:

23 We will have additional RFQs. We
24 will have additional RFQ selection
25 processes. So, this is --

1 MR. JACKSON:

2 But you won't be able to do anything
3 with them without taking money back from
4 the others until we get to a second round;
5 is that right?

6 MS. PETE:

7 The reallocation will provide
8 opportunities.

9 MS. GUESS:

10 The reallocation -- the other good
11 thing about the program is that Treasury
12 provides us with the flexibility to move
13 money. You know, if there's some
14 inactivity or slow activity within a
15 program, we can actually reallocate monies
16 to that need for the additional players to
17 be in.

18 I just want to point out that
19 originally I don't remember how many we
20 had -- well, we had eight, but we send out
21 a listing for the RFQ to -- let's see. I
22 don't remember what that number is. We
23 had eight that responded. And one of the
24 things we looked at was to make sure that
25 those geographic areas around the state

1 were covered and those are the ones that
2 --

3 MR. JACKSON:

4 I don't doubt that it was difficult,
5 but I also have some real concerns about
6 how they are going to reach those markets
7 that don't have somebody, specifically,
8 residential there and focused there. You
9 know, I'm sure -- there are a lot of small
10 businesses that this would be targeted for
11 and this would be ideal for that are not
12 even to the point of finding their way to
13 the small business center at the local
14 university yet and that's my concern. How
15 are you going to reach them? The sign up
16 with a QR code is great. I'm learning
17 about QR codes and links and how that all
18 works, but my bigger concern is how you
19 reach people in the first place and I just
20 don't know.

21 MS. VILLA:

22 Another thing that we are doing aside
23 from allocating to certain companies and
24 financial institutions, the dollars that
25 are coming from Treasury, we are actively

1 working with the office of State
2 Procurement on a marketing RFP specific
3 for this program.

4 So, I'm actively involved in that.
5 We have gone through many iterations. We
6 actually have a call later today to talk
7 about a tool that we want to have
8 available to our small businesses that
9 allows them to be matched up with
10 providers in their area. So, that's one
11 thing that we're doing outside of this,
12 and it is going through an RFP process.

13 So, that resource we are trying to
14 line up with when we get that funds, as
15 well as a marketing RFP that is going to
16 be released hopefully soon to the public,
17 so that we can actually pursue marketing
18 this specific program all across the state
19 and not muddy it with what we do in LED
20 marketing.

21 MR. JACKSON:

22 I mean, I agree, Ms. Glover, that
23 it's certainly to be expected that the top
24 four Metro markets are going to be easier
25 to handle than the lower four Metro

1 markets. I get it and that's always going
2 to be the case and that's not a problem
3 with that. The real challenge is can we
4 work a little bit harder to figure out how
5 to reach the smaller markets, because they
6 don't have the infrastructure in that
7 regard. I remember the maps when we had
8 the committee meeting. They are just
9 broad gaps and the challenge is to
10 recognize that and figure out how we can
11 fix it and not just this is the way it's
12 got to be and I know y'all are -- I know
13 y'all get that.

14 MS. VILLA:

15 We just haven't spoke to the board
16 about our efforts that we're doing to
17 address the marketing and also providing
18 resources for the small business to be
19 matched up with providers. So, we've not
20 really spoke about that at the board
21 meetings, so I thought it was important
22 for you all to know additional things that
23 we're doing on the back end that it's just
24 a process that takes time which
25 unfortunately not as quick as I need it to

1 be, but we are working through that with
2 state purchasing.

3 MR. JACKSON:

4 Right. Right.

5 DEPUTY SECRETARY LAMBERT:

6 Tedra, I'll ask you a question. In
7 the rural roadshows, are we also
8 mentioning SSBCI in those gatherings?

9 MS. CHEATHAM:

10 Yes, that's correct. We are talking
11 about SSCBI and providing brochures and
12 encouraging them to reach out to their
13 CDFIs in the area. So, those are it I've
14 spoken to and materials are available at
15 each of the roadshows.

16 DEPUTY SECRETARY LAMBERT:

17 Thanks. I didn't mean to put you on
18 the spot, but, again, that was -- so
19 August 24th, that was in Mathews, that
20 would be Bayou -- Jennings last Wednesday
21 the 31st, Southwest, and then Amite
22 yesterday, right? That would be kind of
23 the Florida Parishes. So, I think in all
24 if we can get a marketing group on board
25 as well to amplify some of the things that

1 we're trying to do in person to help
2 spread the word.

3 MS. GLOVER:

4 So, I try to give real life examples.
5 And I'm going to give one but I want some
6 clarification. The roadshows that y'all
7 are doing, are people typically meeting
8 between like the hours of eight to five in
9 order to participate, to hear about what's
10 taking place?

11 MS. PORTER:

12 And, Tedra, could give your full name
13 for the -- thank you.

14 MS. CHEATHAM:

15 Yes. Hi. Tedra Cheatham with LED.
16 So, it is 9:00 to 11:00 a.m. meeting.
17 What we are seeing is that they're
18 generally not general public that are
19 coming, but they are our allies and
20 partners in those regions. So, we're
21 seeing everyone from small business,
22 mayors, police jury, and a lot of our
23 other economic development partners in the
24 area that are actually there, and they are
25 the ones that are taking that out to all

1 of their contacts as well.

2 So, we probably had about, the first
3 three we probably had about 120, 130 total
4 leads and the press is also covering it
5 heavily in each of the markets.

6 MS. GLOVER:

7 So, here's your real life example
8 that I'm going to give.

9 MS. CHEATHAM:

10 Sure.

11 MS. GLOVER:

12 Every -- almost every morning, at
13 least a few days a week, my brother and I
14 talk. I'm here. I have a construction
15 company. He's there. He's finally left
16 his job and started an IT company. He
17 struggles to find a teenager or someone
18 recently out of college who is going to
19 just be a helper on a job so that he can
20 install whatever security, IT wiring,
21 whatever he's doing. He drops his kids
22 off. He does that nine in the morning to
23 probably about seven or eight in the
24 afternoon. He's not making it to any
25 small business development center during

1 the day, because he can't because he's
2 understaffed. When he's home he's reading
3 to his children trying to make sure
4 they're taken care of, like, whatever, for
5 school. He's not really looking at the
6 local news. I'm trying to encourage him
7 to join like a Kiwanis or a rotary
8 whatever so he can connect, whatever.
9 He's savvy on the technology, but he
10 doesn't belong to any of the
11 organizations -- and I'm working on
12 that -- that is going to funnel the
13 information to him and then allow him to
14 go get the information like works with his
15 schedule.

16 So, yeah, he might scan the QR code,
17 but having the time to sit down with
18 someone to explain, like, who in the heck
19 is Lendistry in this area and what does it
20 mean, he has the benefit of a sister who
21 is sitting on the board. But like
22 everyone else who is like him, how are
23 they finding it out? It can't be that
24 this organization is going to make sure to
25 share this with a group, because every

1 time I hear share with a group it's always
2 some e-mail that's being shared out. But
3 if he's not associated with it and he's
4 not on the e-mail list, how is he getting
5 that information? If he's not at the time
6 watching the local news because he's
7 probably still at work, how is he getting
8 that information? In my mind I always
9 think it's a huge billboard, but the truth
10 of the matter is the only billboards you
11 really see is Gordon McKernan and the
12 personal injury lawyers on there. So,
13 like, how are we getting that information?
14 That's what I can't figure out and that's
15 the challenge.

16 MS. VILLA:

17 It is. It is a struggle. If you're
18 marketing your services, if you're
19 marketing a product, if you're marketing a
20 program that continues to be the issue. I
21 will say that these rural roadshows are an
22 overview with our stakeholders and allies,
23 but we have people on the ground through
24 our small business services that are
25 around the state every day. We are doing

1 it through the round tables and some of
2 these other things. But it continues to
3 be a struggle and we're open to any
4 suggestions that you have to do so. It's
5 just the --

6 MS. GLOVER:

7 And in line with the small
8 businesses, they're -- so someone once
9 told me you're either good at your trade
10 or you're a good business person. Rarely
11 are people both.

12 MS. VILLA:

13 That's right.

14 MS. GLOVER:

15 And so, they're out there being good
16 tradespeople, how do we get them the
17 administrative support they need to take
18 care of business and often when they're
19 the only person or short staffed?

20 MS. VILLA:

21 And I think that's one thing the U.S.
22 Treasury advises. And so, what we haven't
23 spoke about yet is the technical
24 assistance application which is something
25 that is in addition to what the money

1 coming down, because that's something that
2 we at LED recognizes. Like, I don't need
3 somebody to train me on how to do my
4 accounting. I don't need somebody to
5 train me how to draft projects. I need
6 somebody to do that for me. And so,
7 that's one of the things that technical
8 assistance application is for the
9 professional services to help those small
10 businesses, because it's true. I mean, I
11 grew up, my father was a small business
12 owner. You're from sun up to sun down
13 you're running your business. They don't
14 know about the programs that are out
15 there, because they're too busy running
16 their programs but that's what we're
17 trying to do with trying to figure out
18 through this marketing RFP because it's
19 very specific. It's very pinpoint, laser
20 focused on the small business owner and
21 how we get this information out to them,
22 because they don't know what they don't
23 know. They don't know these programs
24 exist out there, because they're busy
25 trying to run their businesses.

1 So, I think that we're going to see
2 some successes once we are able to secure
3 and procure a provider for this. But
4 ideally, what we need is somebody who has
5 sat in the shoes of a small business owner
6 who knows what the trials and tribulations
7 are and so that they can really hone in on
8 how you get to that person and how you get
9 to that small business owner.

10 MS. GLOVER:

11 I would say e-mails, marketing
12 campaign probably needs to be divided in
13 to two groups, right? You have my brother
14 who was like, oh, yeah, I have this latest
15 cell phone, iPhone, where I'm like nah,
16 I'm good with six versions ago. And then
17 you also have the business owner, I guess
18 I'm going to say older than me, right, who
19 technology maybe isn't their thing or
20 they've been in the business for 15 to 20
21 years.

22 MS. VILLA:

23 Right. Each stage of small
24 businesses, you know, you have your micro,
25 small business, zero to three people. I

1 mean, it goes all the way up and those are
2 on the edge of going to the next level.

3 So, those are all things that are
4 very targeted, very specific, very
5 different than the other, so we are very
6 hopeful with these marketing dollars that
7 we will be able to put the story out
8 there. You know, let them know what's
9 available to them. And also from a
10 platform standpoint too.

11 In our small business group within
12 LED we have Source Link which is -- which
13 we've deployed out. We are working on
14 pilots throughout the state, because it
15 basically lets the small business owner
16 know what resources are out there for
17 them, and that coupled with this platform
18 that we are trying to put in place from a
19 vender, so that the provider and the small
20 business, whatever those needs are they
21 can match up.

22 So, we're really going full court
23 press from a technology standpoint along
24 with a marketing, very direct marketing
25 plan forward. So, you know, we're

1 excited. There's never been a time that
2 we've been able to have this much money
3 driven toward small businesses from
4 multiple baskets whether it's technical,
5 marketing support or professional services
6 to technology. So, we are really excited.
7 It is a big elephant and we are eating it
8 one bite at a time. Hopefully, we'll
9 reach the rewards limit at the state
10 level.

11 MS. GLOVER:

12 I look forward to seeing the
13 marketing campaign, Anne.

14 CHAIRMAN ROY:

15 Questions, comments as it relates to
16 Mr. Jackson's comments and questions. As
17 I recall the overwhelming majority of CFIs
18 in the state are banks. Just wondering to
19 what extent we approached any of them,
20 locations of more than one parish, granted
21 micro loan program is just that. It can
22 be somewhat challenging to get banks
23 perhaps to participate, but that said they
24 are CFIs and are charged with behaving as
25 such. I'm just wondering to what extent

1 we approached any banks, because,
2 certainly, I know several on the list --
3 last I looked -- that are located and have
4 a huge footprint in north central
5 Louisiana all the way down south, and by
6 having one on the list it could help
7 realize some of the concerns both of my
8 colleagues brought up relative to being
9 able to disseminate the information, have
10 multiple locations, and someone might be
11 able to approach. Plus you just bring in
12 different entities into the mix. Anyhow,
13 I know you've worked very hard on this
14 entire vetting process, but I just feel I
15 would be remiss if I didn't ask the
16 question.

17 MS. GUESS:

18 They were included in our broad
19 marketing and announcement for our RFP.
20 We were a little disappointed as well that
21 there was not as overwhelming response as
22 we had hoped, and it could very well be
23 because of the micro loan program. But
24 what it did do, some of the lenders that
25 were CDFIs in other areas, they started

1 inquiring about the other programs. I
2 think the collateral support program which
3 it's going to create another avenue to
4 provide the collateral to small
5 businesses, the awareness of our guarantee
6 program so may not be driven strictly to
7 our micro program but it did raise -- the
8 roadshows are also raising the interest in
9 our other programs where they see they may
10 be able to fit a little bit better rather
11 than the micro program.

12 CHAIRMAN ROY:

13 As you know it, we can't participate
14 but I wish we got we could. We would.
15 Anyway, keep fanning the flame.

16 A follow-up to that, Mr. Jackson's
17 question relative to the recycling, tell
18 us a little more exactly about how and
19 when that might happen since we're
20 buttoning this tranche off.

21 MS. RANEY:

22 So, when you mention recycling are
23 you talking about the multiple tranches
24 where funds will be disbursed to the
25 agency from U.S. Treasury?

1 CHAIRMAN ROY:

2 Well, as I appreciate it will -- we
3 will be able to recycle some of this first
4 tranche at some point, right?

5 MS. RANEY:

6 That's correct. So, the expectation
7 is that once these lenders receive our 50
8 percent of the creation of the revolving
9 loan fund, they contribute their 50
10 percent, they will have a certain
11 timeframe to extend those funds to a line
12 with the expectations set forth from
13 Treasury to us. We have timeframe in
14 which we need to expend the first tranche
15 of federal dollars in order to be eligible
16 to call in our second tranche. If we do
17 not expend up to 80 percent of that
18 tranche one, the Treasury guidance has put
19 forth some language that says they will
20 take those funds back and put it in the
21 U.S. Treasury fund, and deemed not needed.

22 Therefore, we are going to have the
23 same expectation of these lenders that
24 they will turn out this first bucket of
25 money within a certain timeframe. That

1 detail will be in the loan participation
2 document for this particular program where
3 as with our venture capital program it
4 will be in the funding agreement.

5 However, there is also language not
6 only for reallocation, as Ms. Villa
7 previously states, but also for them --

8 CHAIRMAN ROY:

9 The term reallocation.

10 MS. RANEY:

11 Very good. There will be
12 reallocation provisions in the
13 participation agreement as well as the
14 venture capital funding agreement. And
15 so, not only in the instance where maybe
16 demand was much softer than was originally
17 projected when these applicants requested
18 the certain dollar amount, if there is a
19 larger demand we might be able to
20 re-deploy funds there as well.

21 So, once they expend that first
22 tranche of money from us they will then
23 become eligible for phase two, tranche two
24 funding, in which case we will have
25 already undergone a second wave of RFQs to

1 identify additional lenders who may come
2 on board and have new found interest in
3 participating, so then we would undergo
4 the same process looking at the tranche
5 two allocation given to us for all our
6 programs, and then just piece it out based
7 on the level of interest whether it is
8 these six or more, and we'll just take
9 that approach for the next tranche as
10 well.

11 MR. JACKSON:

12 So, if they got a timeframe which
13 they got to spend 80 percent or it's taken
14 completely away from us, presumably, our
15 arrangement with them has been expending
16 their 80 percent much quicker?

17 MS. RANEY:

18 It does --

19 MR. JACKSON:

20 So, reallocated to somebody that can
21 use it. Is that --

22 MS. RANEY:

23 So, that's correct. So, essentially,
24 I would say that the timeframe they will
25 have is come out to be a bit less than two

1 years, and I think that's going to be
2 dependent upon exactly when we receive the
3 federal dollars, because our clock doesn't
4 start until we receive the money to get
5 these programs off the ground. But once
6 that happens, we have the expectations --
7 so, let's just say, you know, this
8 particular lender has a million-dollar
9 revolving loan fund. They add, you know
10 -- we give them 500, they give 500. It's
11 a million dollar revolving loan fund. So,
12 essentially on a max level you're talking
13 about ten 100,000 loans in two years. I
14 think that's going to be achievable.

15 MR. JACKSON:

16 It's not very micro.

17 MS. RANEY:

18 Well, that's on the maximum level
19 because now our loan max is 100,00.

20 MR. JACKSON:

21 Right, I understand that. And we had
22 all the discussion there. There are those
23 that will need that --

24 MS. RANEY:

25 That's right.

1 MR. JACKSON:

2 -- but that is not going to help
3 those that need far less. There is a
4 volume issue if we really succeed with
5 those it's going to be hard to -- I guess
6 my concern is we may very well see that a
7 lot of those lenders that find ten 100,000
8 loans and they're done and have we really
9 helped? I mean, I know, we went through a
10 lot of debate in cracking the program and
11 setting the limits and that's not
12 something that's open for revisiting, but
13 that's certainly -- that's a concern.

14 MS. RANEY:

15 That was the concern.

16 MR. JACKSON:

17 We've just got to be aware of.

18 MR. DAVID:

19 An example, if they are maxed out
20 would they just refer any other businesses
21 to Lendistry or NewCorp, or would we
22 possibly increase that?

23 MS. RANEY:

24 So, there will ongoing communication
25 and reporting on a monthly basis with each

1 of these lenders. So, we will be able to
2 forecast well ahead of schedule when we're
3 depleting funds in one revolving loan fund
4 over another. And so, somehow it's our
5 requirement in order to call in additional
6 federal dollars in total tranche one, not
7 necessarily program specific. So, it
8 could be a situation where maybe between
9 micro loan and collateral support some of
10 the equity investments that have been made
11 we have already achieved that 80 percent
12 for tranche one, therefore, we'll be
13 positioned to call in tranche two before
14 having fully expended all of the first
15 tranche.

16 So, there is some flexibility
17 Treasury has put in. If there's more
18 demand and we need to call in funds
19 earlier than anticipated from your
20 projections or vice versa if maybe one
21 program does not take off as anticipated
22 you can submit a modification as the
23 Treasury refers to it as a formal process,
24 and move funds basically from one program
25 to another.

1 CHAIRMAN ROY:

2 One other question relative to the
3 six. Is there -- are there exclusive
4 footprints in Louisiana?

5 MS. RANEY:

6 So, let me --

7 CHAIRMAN ROY:

8 And do they do any business outside
9 of Louisiana?

10 MS. RANEY:

11 Of the six, Lendistry, I believe,
12 NewCorp --

13 MS. PETE:

14 Lendistry and NewCorp have the
15 capability.

16 MS. RANEY:

17 Those are the two of these six; is
18 that correct?

19 MS. PETE:

20 Yes.

21 MS. RANEY:

22 Okay.

23 CHAIRMAN ROY:

24 If you're doing business elsewhere
25 and you have a footprint elsewhere, your

1 mind is elsewhere.

2 MS. PETE:

3 Lendistry -- I'm sorry.

4 MS. RANEY:

5 I was just going to simply state that
6 Carter, one of their locations, is on the
7 border of Mississippi and Louisiana. So,
8 we have been mindful of that very thought
9 to make sure that we're catering to the
10 Louisiana businesses when we plotted out
11 each individual location for these six
12 represented today.

13 CHAIRMAN ROY:

14 I'm sorry. They do -- they're all
15 rooted here?

16 MS. RANEY:

17 They're all rooted here with the
18 exception of Lendistry and NewCorp.

19 CHAIRMAN ROY:

20 And we know my concern. We are
21 satisfied those two will fit the bill
22 notwithstanding?

23 MS. RANEY:

24 I believe they will have capabilities
25 to reach those geographies where we may

1 currently have limitations based on the
2 level of interest in the micro program at
3 this particular point in time.

4 CHAIRMAN ROY:

5 Might want to keep an eyeball on
6 them.

7 MR. JACKSON:

8 The two that are out state that are
9 going to be statewide, are they already
10 making loans in the state in general or
11 not?

12 MS. PETE:

13 Lendistry has not used our Small
14 Business Loan Guarantee Program, but they
15 were active in other loan programs by way
16 of COVID-19 efforts. NewCorp has had a
17 presence in Louisiana. They haven't
18 participated in our program to date. But
19 they are doing business in Louisiana, yes,
20 sir.

21 MR. JACKSON:

22 Was anything, as part of the
23 screening process, was there any focus on
24 the geography of their loans? Are they
25 currently making loans -- I know it's

1 through other programs and all of that,
2 but they're lending presence, is it
3 statewide or is it concentrated
4 geographically in the state?

5 MS. PETE:

6 We didn't evaluate --

7 MR. JACKSON:

8 You didn't get that.

9 MS. PETE:

10 No, we didn't evaluate their existing
11 geographical coverage or focus on what was
12 their capability by using these programs.

13 MR. JACKSON:

14 And the reason I ask that is that
15 learning curve. They're going to figure
16 out how to market within those
17 geographies, but if they're not already in
18 those geographies they've got to learn how
19 to reach those geographies. They've got
20 to figure out the media channels and the
21 contact channels, so they're already -- if
22 they're not working on it already they're
23 behind.

24 CHAIRMAN ROY:

25 Let me see if Ms. Glover, Mr.

1 Jackson, and I were involved in the
2 committee that kind of beat this in to a
3 pulp so we have voices, obviously, but let
4 me see if the board members have any
5 questions, comments?

6 All right. What other thoughts or
7 comments do we have?

8 MR. JACKSON:

9 I want to make sure staff
10 understands. I'm not complaining. I know
11 Ms. Glover's not. A lot of work has gone
12 into it. It's just as we continue to
13 bring it down it's just -- it's not a one
14 size fits all and never will be, and
15 that's what we're trying to be mindful of.

16 MS. GUESS:

17 And it's not taken that way. If you
18 could just know the number of hours that
19 have been put in to this, sleepless nights
20 I understand have taken place. I don't
21 know why. But, you know, all the things
22 that you bring to us today are things that
23 some of which we have thought about and we
24 really do appreciate the continued
25 support, and the ideas that we have and we

1 are hopeful that this will be a program
2 that we will all be proud of. We know
3 that you will and you may have to tweak it
4 as we go along. That's the one thing that
5 we can fit it where it needs fixing. You
6 know, we can revisit some things in the
7 rules if necessary, but I think that
8 first, the first year will be very
9 important to us. And so, we appreciate
10 your support.

11 MR. JACKSON:

12 Does this require a permanent vote?

13 CHAIRMAN ROY:

14 I would think so, yes.

15 MR. JACKSON:

16 I move to improve.

17 CHAIRMAN ROY:

18 Motion for approval. Second, Ms.
19 Glover. Let me just say one last thing to
20 maybe tie it all together. I guess this
21 is where the philosophical and virtuous
22 thoughts that we had of crafting things
23 meet reality. And you've been through the
24 reality now of trying to sell this, pitch
25 it to whoever is interested in it and, you

1 know, that as we all know can be a
2 difficult effort, whatever you're pushing.
3 We certainly appreciate all your efforts.
4 I guess, we're -- as the crafters we're
5 still kind of on the philosophical side
6 but certainly understand the reality of
7 things, but you've done a great job.

8 Any comments from the public? Any
9 comments from the board?

10 Hearing none all in favor, aye?

11 (AYES BY ALL.)

12 CHAIRMAN ROY:

13 All opposed nay? Thank you.

14 MS. PETE:

15 Thank you.

16 CHAIRMAN ROY:

17 All right. Ms. Bigner, you sure you
18 want to follow up? You want to step up
19 there?

20 MS. BIGNER:

21 I don't think I have much of a
22 choice.

23 CHAIRMAN ROY:

24 We're out of gas so you're in good
25 shape.

1 MS. BIGNER:

2 Yeah, she got the majority of it, but
3 I'll answer anything that you've got.

4 I'm Susan Bigner with LEDC. I'm
5 going to -- as Kelly said earlier we're
6 going to go over the Venture Capital
7 Program.

8 The Louisiana Venture Capital Program
9 is a revision of the LEDC's existing
10 Venture Capital Program to be funded
11 through SSBCI upon approval and allocation
12 by U.S. Treasury. Program means to assist
13 Louisiana small businesses to expand
14 through the support of venture capital
15 funds.

16 The program will partner LEDC with
17 venture capital entities, such as:
18 Venture capital funds, Angel funds,
19 foundations, and nonprofit organizations
20 to create new venture capital funds.

21 Each fund will provide private
22 financing through investments in small
23 businesses in order to create jobs and
24 improve the state's economy. Specific
25 interests will be given to small

1 businesses owned by socially and
2 economically disadvantaged individuals,
3 and very small businesses as defined by
4 U.S. Treasury. The funds will make
5 investments by way of purchase of stock,
6 subordinate debt, debentures, or other
7 investment instruments.

8 LED through LEDC, has gone through
9 the RFQ evaluation process to identify
10 qualified entities that will participate
11 in the Venture Capital Program. The
12 criteria to evaluate were: Experience and
13 qualification, business plan, fundraising,
14 growth-related services, Louisiana
15 location, and capacity.

16 Staff is seeking approval of the
17 following venture-capital entities for
18 participation under the LEDC SSBCI,
19 Louisiana Venture Capital Program for up
20 to the stated amount dependent on each
21 entity's private capital match,
22 contingencies and parameters for
23 participation in the Louisiana Venture
24 Capital Program. Those entities are:
25 Callais Capital, Inc., Ochsner Ventures,

1 Jefferson Capital Partners, the Hackett
2 Group, Lafayette Square Holding Company
3 LLC., LSU Health Foundation New Orleans,
4 Louisiana State University/LSU Foundation.

5 Callais Capital Management doing
6 business as Callais Capital Ventures III,
7 LP/Callais Capital LED Launch, LP seeking
8 \$10 million.

9 Callais Capital is a registered
10 Investor Advisor with the SEC. The
11 management team consists of Harold
12 Callais, II, as managing partner and CIO,
13 Nicholas Callais, as managing partner,
14 CFO, CCO, and Corey Callais, managing
15 partner and Chairman. The management team
16 has eight years or more of venture capital
17 experience with their first fund created
18 in 2015.

19 Their current fund Callais Capital
20 Ventures, III/LP is a new for profit
21 limited partnership fund with a target
22 goal of raising 55 million. It is
23 proposed that the SSBCI capital will be
24 placed in a separately managed account or
25 SMA to invest alongside Callais Capital

1 Ventures, III. The focus of the fund will
2 be investing in diverse and inclusive
3 businesses, low to moderate income
4 businesses, and investment with
5 environment, social, and governance
6 factors. Callais has an established
7 marketing, screening, and evaluation
8 process in place.

9 As previously stated, Callais is a
10 registered Investment Advisor and provides
11 business coaching, mentorship, support,
12 outreach, and other technical assistance
13 to portfolio businesses.

14 In addition, Callais has two
15 initiatives that they have created: One,
16 is thoughtful partnership and the other is
17 startup fund. Their office is located in
18 Baton Rouge and the RFQ did not state how
19 much they had in current commitments.

20 Ochsner Ventures seeking \$10 million.
21 Ochsner Ventures is a subsidiary of the
22 Ochsner Clinic Foundation. Since 2016 the
23 fund has invested over 86 million
24 investments. The staff has at least three
25 years experience operating a strategic

1 fund.

2 Ochsner's has a dedicated investment
3 committee with a CEO and Investment
4 Manager operating the fund. With SSBCI
5 1.0 Healthcare Innovation Fund which is
6 not part of the Ochsner Health System,
7 received \$1 million in seed funding and
8 will be advising Ochsner Ventures during
9 the process with procedures and reporting
10 requirements.

11 Ochsner Ventures is a nonprofit,
12 existing, multi-stage fund that focuses on
13 healthcare and healthcare adjacent
14 companies that advance Ochsner's health
15 strategy. The fund already focuses on
16 diversity, equity, and inclusion, but will
17 expand its marketing, screening, and
18 investing to include setting up small
19 businesses.

20 Currently, the fund invests in all
21 states of the company's life cycle from
22 seed to maturity. They have also
23 submitted an RFQ response for the
24 Louisiana Seed Capital Program with both
25 the venture capital and the seed capital

1 operating out of the same fund.

2 Ochsner Ventures is funded from the
3 nonprofit healthcare system, therefore
4 there is no fundraising, and it receives
5 its funding from the nonprofit hospital
6 system.

7 The funds portfolio companies are
8 usually healthcare related and receive
9 technical assistance, mentoring, and
10 guidance through the health system.

11 The fund is located at the Ochsner
12 facility in New Orleans, but will have
13 access to the many other Ochsner locations
14 throughout the state.

15 Jefferson Capital Partners doing
16 business as Jefferson Louisiana Impact
17 Venture Fund, seeking \$10 million.

18 LEDC has a good history with
19 Jefferson Capital. In 2002, prior to
20 SSBCI 1.0, LEDC invested one million into
21 their fund and received over \$2 million in
22 returns and disbursements. The management
23 team has over 20 years of experience and
24 the group currently has one turn fund, one
25 in the harvesting stage and at least for

1 in the investing state.

2 Jefferson Capital's fund will be a
3 new for-profit limited partnership fund
4 with a target goal of raising \$50 million
5 dollars upon approval of SSBCI Capital
6 commitment. It is looking to invest in
7 early-stage and later stage impact
8 investigating with concentration on
9 diversity and inclusion with 63 percent of
10 their past investments to businesses and
11 underserved communities.

12 The group has an existing marketing,
13 screening, and evaluation system in place
14 with Investment Advisor Committee making
15 the investment decisions.

16 The fund has an extensive list of
17 past investors with connections to other
18 high network individuals, foundations, and
19 trusts to invest in your funds. They will
20 begin the process of seeking commitments
21 upon approval of the SSBCI Capital
22 Commitment.

23 Team members with Jefferson Capital
24 Partners have positions on some of their
25 current portfolio company's boards and

1 offer technical assistance, strategic
2 advice, financial guidance, and
3 operational improvements to their current
4 portfolio investments. They work closely
5 with their investments to advance them to
6 profitability. Their office is located in
7 Mandeville.

8 The Hackett Group, doing business as
9 Reconstruction Fund 1, L3C, seeking
10 \$10 million.

11 This group is a pension and
12 investment consulting firm founded in 2011
13 by Ms. Tony Hackett Atrum (spelled
14 phonetically). It is registered as an
15 Investment Advisor with the SEC and as a
16 municipal advisor with municipal
17 securities rule-making board.

18 Currently, Hackett manages \$15
19 million in private wealth assets and
20 advises funds with assets of approximately
21 425 million. The management team has nine
22 years or more of investing experience.

23 The Hackett Group plans to create a
24 new for-profit \$50 million fund with
25 Hackett Group being the general partner

1 and the fund manager. They will have
2 Piedmont Fund Servicing administering the
3 funds, but they have also engaged AMCORP
4 with the task of outreaching, identifying
5 prospects and communication with the
6 fund's missions. The fund will focus,
7 squarely, on underserved enterprises in
8 Louisiana.

9 The group are advisors to
10 approximately 75 plus individual high net
11 worth small business clients and has
12 already received 1.25 million in
13 commitments with \$650,000 in cash. The
14 firm will be providing accelerated
15 services to the portfolio companies such
16 as capacity building, mentoring,
17 networking, and technical assistance.
18 Their office is located in New Orleans.

19 Lafayette Square Holding Company,
20 LLC, seeking \$10 million. Founded in
21 2020, Lafayette Square is a nationwide
22 investment company that is registered as a
23 business development company with the SEC.
24 Although they have Lafayette in their
25 title, they are not located in Lafayette,

1 Louisiana.

2 The main principles of the
3 organization have ten years or more
4 experience in the industry. Their
5 headquarters is in New York and have
6 offices throughout the United States. The
7 office in New Orleans will serve as their
8 production office.

9 The group will focus on underserved
10 low to moderate income and diverse and
11 inclusive small businesses. The company
12 will make use of their product called
13 Worker Solutions to assist businesses with
14 their human resource services. They're
15 looking to invest \$80 million with this
16 fund.

17 Currently, Lafayette Square has over
18 300 million in signed subscription
19 agreements with cash commitments to be
20 realized in 2022.

21 LSU Health Foundation Venture Capital
22 Innovation Fund seeking \$1 million.
23 Located in New Orleans, LSU health
24 Foundation has an existing nonprofit
25 venture capital fund and will partner with

1 crucial partners to handle the investing
2 for the foundation. The focus of the fund
3 is to have a positive impact on
4 Louisiana's underserved population and to
5 improve the health the outcomes of the
6 Louisiana population.

7 They have created a marketing
8 strategy to ensure widespread access to
9 minority, woman-owned, and disadvantaged
10 businesses. The leadership already has in
11 place procedures and internal controls to
12 market, screening, and evaluate the deal
13 farther.

14 On a side note, Ross Barret who is a
15 general partner and fund manager for
16 Themelios Ventures II, LP, and LSU Health
17 Foundation are in the early stages of
18 reviewing the potential for a formal
19 partnership to provide advisory services
20 and possibly move our Shreveport
21 businesses for consideration in
22 investments. If you recall, Themelios
23 Ventures received SSBCI funds in the
24 previous program.

25 Louisiana Health Foundation is known

1 for their fundraising and has dedicated
2 three million in returns from
3 mission-related investments to fund the
4 required SSBCI match. This fund is
5 currently a nonprofit Evergreen fund, and
6 is fully funded by Ochsner Health System.

7 They have also submitted an RFQ
8 response for the Louisiana Seed Capital
9 Program, with both venture capital and
10 seed capital operating out of the same
11 fund.

12 The foundation also offers education
13 to the portfolio investment companies with
14 technical assistance to be offered through
15 LSU.

16 The last one is Louisiana State
17 University/LSU Foundation doing business
18 as LSU Tiger Venture Fund seeking
19 \$10 million. This will be a new nonprofit
20 fund to be created on approval of the
21 SSBCI capital commitment.

22 The currently proposed management
23 team will be LSU's staff and faculty from
24 the Office of Innovation and Ecosystem as
25 well as E.J. Ourso College of Business.

1 Graduate students -- they will be
2 located at the Baton Rouge office. This
3 is an opportunity for graduate students to
4 participate with the fund. It is approved
5 by the fund manager.

6 Tiger Venture will hire a fund
7 manager through an RFQ process who will
8 report directly to the LSU Foundation.
9 The fund will provide capital referrals,
10 services and introductions for
11 entrepreneurs and companies that follow a
12 high growth path and seek to raise outside
13 funding. All growth-related services will
14 be provided by LSU. Upon approval of the
15 SSBCI and capital commitment, funds will
16 be raised through the implementation of
17 the relationship through LSU and LSU
18 Foundation.

19 Again, staff is seeking approval of
20 these venture capital entities for
21 participation under the LEDC SSBCI
22 Louisiana Venture Capital Program for up
23 to the stated amount depending on each
24 entity's private capital match,
25 contingencies and parameters for

1 participation in the Louisiana Venture
2 Capital Program. As part of the
3 contingencies LEDC will require each
4 entity's fund to meet the definition of a
5 venture fund as defined by Title 17 Code
6 of Federal Regulation Section 275.203 L1,
7 which states a venture capital fund must
8 represent two investors that it receives a
9 venture capital structure, has generally
10 limited redemption rights, holds that no
11 more than 20 percent of the amount of
12 funds aggregate capital contributions and
13 uncalled capital commitments in
14 no-qualifying investments, and limits the
15 use of leverage.

16 These funds will also have to be a
17 3(C)1 fund or a 3(C)7 fund as outlined in
18 the Investment Company Act of 1940. They
19 also must be ruled by Regulation D of the
20 Securities Act of 1933. Both of these
21 Acts are federal security laws governed by
22 the SEC.

23 Each fund must have a term limit.
24 LEDC is requiring a term no more than ten
25 years with two possible extensions for

1 exiting investments. They must be formed
2 as an LLC or partnership with LEDC as a
3 limited partner. They must meet guidance,
4 rules, and requirements established by
5 U.S. Treasury and LEDC. Their SSBCI
6 capital must be treated Pari Passu or
7 better as the Private Capital invested in
8 each support fund. All participating
9 investors will be required to share in the
10 investment portfolio risk in line with
11 industry standards.

12 As Kelly previously mentioned there
13 was high level of interest in the SSBCI
14 equity programs. The RFQ responses
15 presented today amount to \$61 million
16 which is one million over the program
17 allocated total of 60 million. Given the
18 high level of interest for participation,
19 staff recommends approval up to the
20 requested amount with half of the request
21 being funded upon tranches received from
22 U.S. Treasury with a contingency that the
23 additional amount may be funded upon proof
24 of performance at a later date, and as
25 additional tranches are received by the

1 U.S. Treasury.

2 Are there any questions?

3 CHAIRMAN ROY:

4 Questions, comments?

5 MS. GLOVER:

6 I don't have a question, just a
7 request that when these organizations are
8 reporting back -- there's a couple of
9 those venture capital funds that says they
10 specialize in disadvantaged or underserved
11 communities, et cetera. My only request
12 is that when they are reporting back for
13 them to break down what that is. I think
14 it's so easy to now stick that statement
15 in there and say we serve disadvantaged
16 businesses, and then when it's time to
17 report they're like oh, well nobody
18 applied. I'd like to make sure that when
19 they are reporting back how many
20 applications did they receive, how many
21 they actually funded, and if they could
22 break it down versus businesses of color
23 versus women-owned companies, that would
24 be incredible.

25 MS. BIGNER:

1 Right, and there's also the CDFI
2 areas too. When a fund does a transaction
3 they must send us the reporting
4 information along with certifications and
5 included in that is are they setting
6 related or very small business. So, that
7 is information we will be collecting on a
8 transaction basis. We also have to report
9 that to Treasury. So, it will be covered.

10 MS. GLOVER:

11 Great. Thank you.

12 MR. JACKSON:

13 This is subject to additional
14 tranches? Do we anticipate at this time
15 that when those tranches are drawn,
16 they'll just go back into those six or
17 seven, or we'll go through this process?

18 MS. BIGNER:

19 You're going to go through this
20 process again, because it was such a high
21 demand, and we know that a couple of the
22 funds needed to tweak their RFQ a little
23 bit or were not quite eligible at this
24 point, so we expect to do another RFQ.

25 Also understand that you're investing

1 period can be up to three to six years.
2 They will do capital cost. It's not going
3 to be signed up on any agreement, here's
4 your funds. It's going to be sign your
5 funding agreement, do a capital call, say
6 a million dollars, once you got up to 80
7 percent or more of that amount, invest it
8 and they can do another capital call. So,
9 it's not all going out to the --

10 MR. JACKSON:

11 And are we subject to the same -- I
12 know it takes those -- it can actually be
13 up to five years I assume. I mean, how
14 does that fit with getting the 80 percent
15 done and then falling back?

16 MS. BIGNER:

17 That's one of the contingencies that
18 we're going to have. We do not want to
19 fund -- if they're asking for \$10 million,
20 we don't want to tie up that \$10 million
21 and then not be able to meet that. So, we
22 probably will do half to begin with, and
23 they will have to come -- have to ask for
24 the additional five million or whatever
25 amount that is after that.

1 MR. JACKSON:

2 But the 60 million, that's tranche
3 one for us; is that correct?

4 MS. BIGNER:

5 No.

6 MR. JACKSON:

7 Or is that the full -- that's the
8 full --

9 MS. BIGNER:

10 That's the allocation over the whole
11 program.

12 MR. JACKSON:

13 Gotcha. All Louisiana companies,
14 right?

15 MS. BIGNER:

16 Lafayette Square is not.

17 MR. JACKSON:

18 No, no, I'm sorry. The investments
19 are all --

20 MS. BIGNER:

21 The investments are --

22 MR. JACKSON:

23 Because it was kind of hard to tell
24 from the blurbs that you had, but they
25 have to invest in Louisiana companies in

1 their funds?

2 MS. BIGNER:

3 There is a caveat that they can
4 invest up to ten percent outside the
5 state, but before they can invest in an
6 out of state company, we will be aware of
7 that. We will be in constant contact with
8 them. We want this to be to all Louisiana
9 companies, so we are in very tight on it
10 being Louisiana with very few possible out
11 of state if they're not -- if that other
12 state doesn't also have a venture capital
13 program.

14 CHAIRMAN ROY:

15 Is that part of the Treasury ruling?

16 MS. BIGNER:

17 I'm sorry?

18 CHAIRMAN ROY:

19 That's part of the Treasury ruling,
20 the ten percent?

21 MS. BIGNER:

22 Correct.

23 MS. VILLA:

24 They wanted to capitalize on
25 potential regions being deficient, like,

1 the Gulf Coast region for instance. If
2 Mississippi or Alabama doesn't have a
3 venture capital fund, they wanted to be
4 able to regionalize those dollars so
5 having the allowance of up to ten percent.

6 CHAIRMAN ROY:

7 Any other questions, comments?

8 MR. JACKSON:

9 Several of them are bringing in
10 companies that actual do the managing.
11 Does that include deal feed or they going
12 to do the deal feed and they just got
13 somebody running it?

14 MS. BIGNER:

15 They will have an investment advisory
16 committee that will be making all those
17 decisions. Now, they may have somebody
18 else doing the fund managing or the
19 administration of the fund, but all
20 decisions have to be made by that advisory
21 committee.

22 MS. GLOVER:

23 Does Treasury allow -- (inaudible).

24 MS. BIGNER:

25 There is a 1.71 percent annual fee

1 that these funds can receive or take out
2 of what we allocated their commitment for
3 services. It's not a fee, a management
4 fee. It is a service fee. They will have
5 to show technical assistance, mentoring,
6 guidance, that type of stuff before they
7 can -- they have to certify and give us a
8 description of what technical assistance
9 or services they gave these investment
10 companies and it maxes out at the 1.71
11 percent on an annual basis. That is not
12 on top of what they're seeking. That is
13 part of what they are seeking.

14 CHAIRMAN ROY:

15 Anyone else?

16 MR. ADLER:

17 I see that LEDC is going to be a
18 limited partner.

19 MS. BIGNER:

20 Yes.

21 MR. ADLER:

22 Do we have a percentage on a range or
23 is it all fixed?

24 MS. BIGNER:

25 No, it's just a percentage. That's

1 what we've done in the past. I think in
2 Jefferson Capital Partners, which is a
3 fund that's closed and they're completely
4 out of it, I think it was like
5 six percent. So, whatever they -- all the
6 limited partners, whatever our percentage
7 of that fund would be the percentage of
8 partnership that we have, of ownership.
9 They have to be -- it has to be a limited
10 partner. We cannot go in and do an
11 evergreen fund on these companies that are
12 foundations and accept contributions.
13 Those contributions have to go into the
14 foundation, and then the foundation has to
15 be either the general partner or a limited
16 partner of the fund also with those funds.
17 MR. ADLER:

18 Thank you.

19 CHAIRMAN ROY:

20 Anyone else?

21 Hearing none, I'll entertain a
22 motion. Motion for approval is presented.

23 Second?

24 MR. ADLER:

25 Second.

1 CHAIRMAN ROY:

2 Any other discussion? Comments from
3 the public.

4 Hearing none, all in favor, aye?

5 (AYES BY ALL.)

6 All opposed, nay?

7 MS. BIGNER:

8 Thank you very much. I appreciate
9 it.

10 CHAIRMAN ROY:

11 You're most welcome. Thank you
12 again, staff, for all the heavy lifting we
13 know it took place before you got here.

14 MS. GLOVER:

15 Just going back to the previous
16 discussion, I've been communicating with
17 my brother while trying to feel this out,
18 so I know that I heard Tedra say, Ardoin
19 -- one of the benefits of COVID is that
20 when the PPP Program was in existence
21 because everyone wanted the funding and
22 they had to provide documentation that
23 they were actively registered with the
24 State that they got a ton of businesses
25 that ended up activating or re-activating

1 there. Maybe that is a start of how we
2 reach companies and get them connected --

3 MS. VILLA:

4 Yeah, we have a very -- we have a
5 nationally recognized small business
6 services team within LED that is an
7 award-winning, recognized team that has
8 outreach programs that they do with small
9 businesses and yes, most definitely. We
10 have seen within our state just as
11 Secretary Ardoin has said, what has come
12 out of COVID is entrepreneurship and
13 that's what these dollars will enable them
14 to be successful. That ecosystem that we
15 so much need enhancements to in the state
16 of Louisiana to support our small business
17 and entrepreneurs, these programs, it's
18 just going to be generational impactful.

19 And so, yeah, we have seen the same
20 thing, the number of small businesses, the
21 number of entrepreneurs that have come out
22 of COVID and with that, I mean, people are
23 pushed kind of in a corner and you're
24 going to come out and you're going to
25 succeed.

1 And so, yeah, we're well aware of the
2 number of new small businesses that we
3 have in the state and our small business
4 team is lock and step with the LVAC team
5 we have within LED, and we're working hand
6 in hand with bringing these services and
7 these opportunities to the businesses.

8 MS. GLOVER:

9 And I suggest that they didn't belong
10 to one of those small business development
11 centers, how would they get the
12 information, and I was like, well, but
13 everyone has to register or everyone
14 should register --

15 MS. VILLA:

16 Oh, yeah.

17 MS. GLOVER:

18 -- because it's for the state. So,
19 maybe that starts off as the initial email
20 as to how to reach people and your team
21 will follow up with them.

22 MS. VILLA:

23 Right. Yes.

24 MS. BIGNER:

25 Quincy Mouton is head of small

1 business services for the Secretary of
2 State's office, and he's at all of those
3 roadshows with us. So, I will be with him
4 around next week and we will have a
5 conversation with him about there's a way
6 we can use some of those opportunities to
7 market through that as well. But he is
8 very aware of the conversations and we'll
9 bring it to the table with us.

10 MS. GLOVER:

11 Perfect.

12 CHAIRMAN ROY:

13 I'll entertain a motion to adjourn.
14 So moved, we adjourn. Thank you for
15 coming. We appreciate your service.

16 Meeting concluded at 11:35 a.m.

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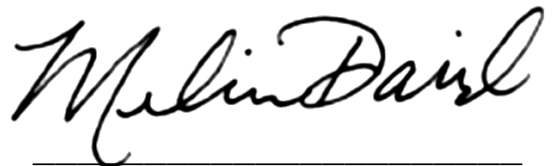
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