Authorization of a CDBG Loan Agreement with JRDM Investments, LLC for the acquisition of 202 Cesar Chavez St.

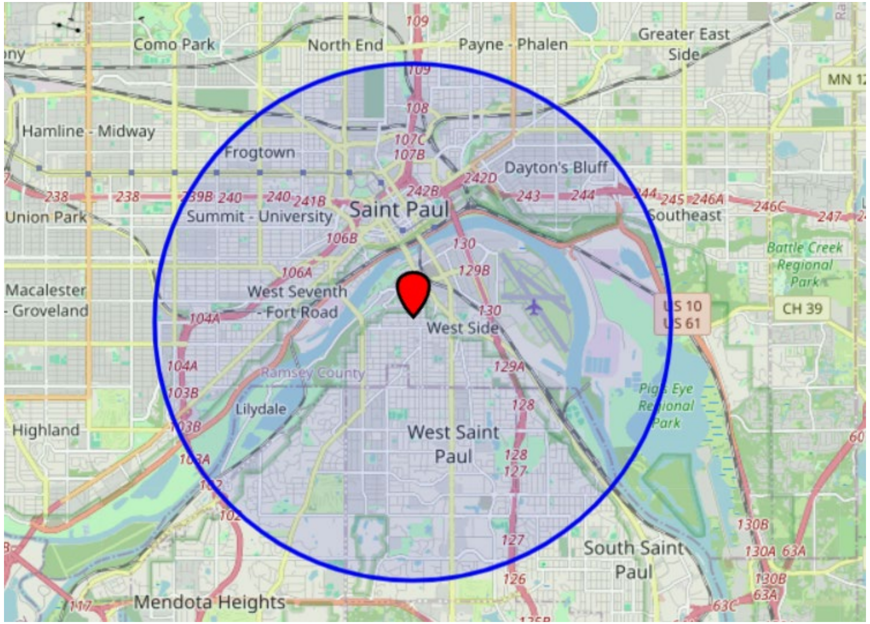
March 25, 2026

202 Cesar Chavez Street – Acquisition

Overview of the Request

Seeking Authorization to Enter into a Loan Agreement

- **$70,000** CDBG Loan Agreement by and between the City of Saint Paul and JRDM Investments, LLC for the acquisition of 202 Cesar Chavez St.



202 Cesar Chavez Street – Acquisition

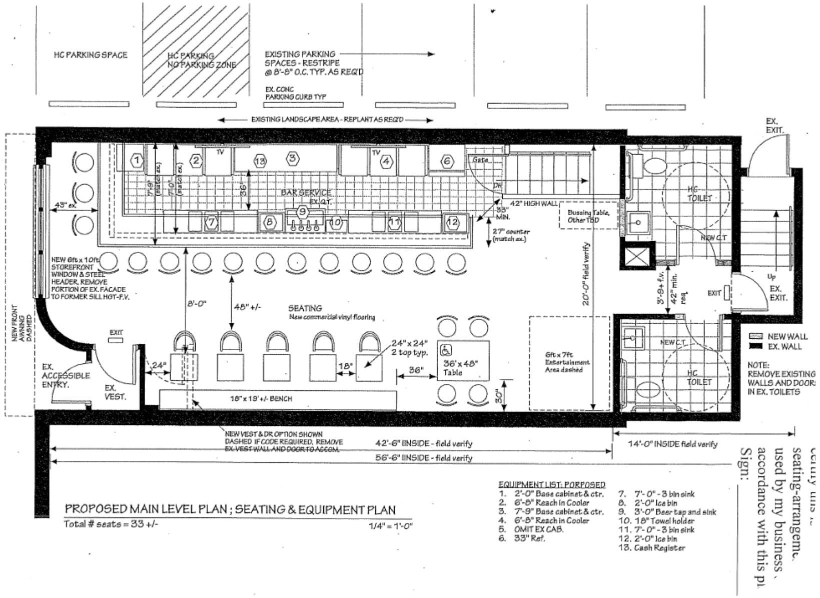
Project Summary

- CDBG funds will be used to reimburse JRDM LLC for costs to acquire the property at 202 Cesar Chavez St.
- Property was acquired: November 25, 2025
- JRDM LLC will turn the space into a new bar concept called La Oficinia
- The project will fill a currently vacant space and create at least 3 full time jobs

Project Background

Business Profile

- La Oficina is a Mexican dive bar concept
- Proximity to La Costa Mexican Sports Bar & Grill, an established, successful business located two doors down at 194 Cesar Chavez
- Backed by the successful management of La Costa Mexican Sports Bar & Grill, owner Judy López brings proven expertise and credibility to new venture.



202 Cesar Chavez Street – Acquisition

Project Budget

- CDBG funding will reimburse for the acquisition of the property which allows LEDC loan proceeds to cover start-up costs:
  - Payroll
  - Liquor license
  - Inventory
  - Working capital
- **3 FTEs created**
- Planning to opening April 2026

Sources and Uses:

SOURCES	AMOUNT
LEDC LOAN	$250,000
CI-STP CDBG	$70,000
OWNER EQUITY	$25,000
TOTAL	$345,000

USES	AMOUNT
ACQUISITION	$275,000
WORKING CAPITAL (PAYROLL + OPERATING)	$62,000
PROFESSIONAL FEES	$5,500
FURNITURE FIXTURES & EQUIPMENT	$2,500
TOTAL	$345,000

202 Cesar Chavez Street – Acquisition

CDBG Loan Profile

Principal: $70,000

- **Term:** 9-year term, Interest only payments in year one and 8-years amortizing payments
- **Interest Rate:** 3%
- **Job Creation National Objective:** 3 low- to moderate-income jobs created and maintained for the 5 years starting from the loan execution date.

202 Cesar Chavez Street – Acquisition

Requested Action

Next Steps:

- ❖ HRA authorization of CDBG Loan Agreement by and between the City of Saint Paul and JRDM Investments, LLC to be brought back to the **April 1 HRA meeting**.

202 Cesar Chavez Street – Acquisition

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