

September 19, 2023

The Honorable Novelle E. Francis, Senate President 35th Legislature of the Virgin Islands 3022 Estate Golden Rock Christiansted, St. Croix, VI 00820

RE: ZAC-23-4 CAT5 BUILDERS, LLC

Good Evening Senate President & Members of the Legislature, thank you all for the opportunity to speak before you all this evening:

My name is Donald Stevens, and I am the Managing Member and Co-Founder of CAT5 BUILDERS or CAT5 for short. CAT5, is a Limited Liability Company, founded in St. Croix in 2021 by my wife Andrea and I. The Company was established to conduct four (4) primary tasks:

1. To manufacture and to supply a highly weather resistant AND cost-effective building system within the Territory and eventually as an export product throughout the Caribbean.

2. Assist in the Training of a local Workforce in partnership and/or in the support of the St. Croix Career & Technical Education Center, also known as CTEC.

3. Not only be a Job Creator but also assist in the placement of other CTEC graduates, from other trades that are desperately needed in the USVI Construction Industry.

4. Be a conduit for economic growth and pillar of support for our community.

Before I get into further details about our business and request for Use Variance approval, I'd like to introduce two of my other business partners, my wife Andrea and my son Chase. The other person seated is my oldest son Cole who has been here off and on helping with job training and various aspects of the business, he has also been working for me off and on for over ten years while on breaks from college and while working other jobs.

Andrea and I first came here on vacation in January 2015, approximately 8 years ago. We immediately fell in love with the island and the charm that St. Croix has. After seeing how the market builds its houses and buildings we instantly knew that there was an opportunity here in St. Croix, however, with four children we were locked in place as our youngest was in 6th grade. When COVID broke out my primary company was severely damaged by the shutdowns and it was shortly after that time Andrea and I discussed starting a new venture in St. Croix. In March 2021, Andrea and I, did an exploratory trip to the island with the entire family and even my two parents, to conduct in-depth meetings with two Realtors and several Builders. It was after that trip that it was decided to set up a business here in St. Croix.

Now a little about mine and my partner's background:

I am an architect by education, a former licensed Class-A Contractor in Maryland, Virginia and West Virginia and the Founder of STUCC ON STEEL (02/2002) & SHELTER2HOME (02/2009) which did business as VANGUARD LIGHT GAUGE STEEL BUILDINGS that conducted business in Winchester, Virginia where I use to reside. My Company specialized in manufacturing Highly Disaster Resistant, Low-Cost, Building Systems for both Residential and Commercial projects in Sri Lanka, Haiti, and Mexico, as well as, manufactured building components for most of the major Hotel Chains including Hilton, Marriott, Hyatt, Choice to name a few AND a variety of buildings up to 8-stories in height throughout the USA.



My son and partner Chase Stevens, graduated in 2021 from the Virginia Commonwealth University with a BS in Mechanical Engineering. Chase joined the company as a Project & Component Design Engineer in January of this year. Chase has been working with me off and on since he was 14 years of age.

My wife Andrea, graduated with a degree in Finance from The American University in Wash DC, She has over 29 years of experience in the finance industry. Andrea will be relocating to St. Croix to join the company full-time in about 2 years once our youngest daughter Samantha enters her 2nd year of college at Virginia Tech in Blacksburg, VA.

Let me share some important milestones with you showing our commitment to date.

- ✓ May 14, 2021, the Lt. Governor Tregenza Roach authorized our new business CAT5 BUILDERS.
- ✓ July of 2022 more than \$500,000 of specialty manufacturing equipment and technology was shipped from my former business in Virginia and delivered to 416 Prince Street, where it was staged while we worked to acquire licenses and approval. On February 2023, I became a permanent resident of St. Croix. On March 23, 2023 my application for this Use Variance was submitted to Ms. Leia LaPlace, the Territorial Planner for DPNR. 104 days later, on July 5, 2023, I received approval from Commissioner Jean-Pierre Oriol.
- ✓ August 2023, we hired my first four employees as I had clients and contracts that we could not delay on anymore and had to start. I was told that the Use Variance could take up to 90 days but it has now been 180 days since we filed so we are doing our best to do what we promised. That is to create jobs build better buildings and lower the cost of construction using our advanced building technology.

The Company has several large projects coming in that will require CAT5 to hire and train more workers. One of those projects includes the rebuilding of the old H&H Tire Building on Centerline that was destroyed by fire 7 years ago. The owner, Mr. Kevin Hensley, has graciously attached a Letter of Recommendation.

We also have a six-home housing project pending with the Housing Authority that is being managed by Tilman Construction and more than a dozen residential projects in our pipeline located throughout St. Croix.

At this time I'd like to discuss the building, the neighborhood and how CAT5 intends to use the Building to help us start and grow our business.

The First Floor, which is comprised of more than 3,400 Sq Ft, has an Office with NO windows, (2) Bathrooms with NO showers, 12 FT Ceilings, and (2) large commercial style overhead garage doors facing Prince Street. The building has a 3-phase (Industrial Grade) electric service that powers our Building and the Buildings next door on Plot 19, which powers commercial grade Laundry equipment for The Fred Hotel. The Owners of Plot 20 & 19, also own Liberty Hall, which is directly behind us, and The Fred Hotel is located on 605 Strand Street.

The 2nd Floor is unfinished, there are only louvered windows in the Front of the Building facing Prince Street. There is no working plumbing or electricity. The one and only door is boarded up.

As we head South towards Kings Cross we find (5) vacant lots. Across Prince Street and closer toward Kings Cross is Lot 53, owned by Randy & Kathy Tiddark, they operate Caribbean Breeze Vrbo, which has several units. Lot 54 is the old Meat Market currently being used as Storage and a Wood Working Shop owned by Diane Burns (the realtor), Directly in front of us is an empty Lot #55-A, Lot #55-B is a single family home being used as a VRBO by my friend Ethlyn Matthews, continuing to move North up Prince Street is Lot #56-A which is a single family home,



currently being used as a Rental, Lot # 56B is an abandoned home, then (3) more vacant lots till you reach Hill Street.

When we cross the Street and come South back towards our Building there is Lot #17 & 18 which is comprised of a main home (Lot #17) with (2) secondary homes on Lot #18 that contain (3) apartments Both lots are owned by Mr. & Mrs. Murphy's company The Purple Pelican. My son, Chase, currently resides in the Lower Apartment on Plot #18. Then we are back at Plot #19 and #20, our building, again is owned by members of The Fred Hotel.

Over the past year we have had a chance to meet most of our neighbors and learn a few things about the building. We have heard that this two-story warehouse style building has always operated as a business with the last Company selling Fertilizer and other related farming products. The building was partially destroyed in the back-to-back hurricanes in 2017 (Maria & Irma) which took the roof and majority of the 2nd story wood framed walls.

Plots #19-20, Liberty Hall and their structures were purchased, rebuilt and/or renovated to their current state by the previous Owners who developed The Fred Hotel, who then sold all the properties and business to Evolve Warehouse, LLC, my current Landlord.

CAT5's lease, with Evolve Warehouse LLC, entitles us to use the Lower Level of the warehouse. CAT5 will be starting up a SMALL VERSION, due the limited space, of what we did in Winchester, Virginia since our target market is a lot smaller since and we are no longer manufacturing buildings over 100,000 Square Feet and 8 stories in height, for example.

Our Building Process is Environmentally Friendly as there is NO heat, NO hazardous chemicals, NO volatile organic compounds or VOC's, used in the production and/or finish of the Components. We are talking about Prefabricated Load Bearing Exterior Wall Panels, Floor Trusses and Roof Trusses. Parts that can be used residential and commercial buildings faster and cheaper here in St. Croix.

The Building Components, once installed, are highly resistant to fire, termites, mold, mildew and of course are designed to be CATEGORY 5 (resistant) in strength or better, all the while, taking less time to build and with greater cost savings. Actually, 100% of the raw materials the Steel and the Magnesium Oxide Board, which replaces Pressure Treated Plywood, is recyclable. As the Steel can be recycled to make more steel and the Magnesium Oxide Sheathings or Boards can be grounded up and used as a fertilizer. Magnesium is a nutrient.

CAT5 is already a good steward of the community as we are working to support the Caribbean Center for Boys and Girls of the VI, Real Crucian Cats and Ruff Start. Once operational we intend to give back to the community that will be supporting us as we grow.

I mentioned at the beginning of my remarks about Job Training and that we were a Job Creator.

In December of 2021 CAT5 began developing a Job Training Program in partnership with CTEC. That program, while unable to begin in practice due to the hold with the USE VARIANCE, still moves forward in planning. On May 15th Dr. Vincent Gordon, the principal of CTEC invited Chase and I to the 2023 commencement ceremony. We hired our first CTEC graduate and look forward to many more. I'd also like to submit a Letter of Recommendation from Dr. Gordon. Please see attached.

If the committee sees fit to approve a USE VARIANCE to operate here at 416 Prince Street, we will then have a green light to acquire our Building Occupancy Permit and expand our hiring process of those CTEC graduates as we are under contract to manufacture our first home in Butler Bay, Frederiksted, a new pool in Estate Carlton, the



components for a 34,000 Square Foot 2-story professional office center that is located on the property that once had the old H&H Tire warehouse, located on Centerline Road, that was lost to fire.

Furthermore, a USE VARIANCE will legally permit us to apply to become a licensed VI Contractor to not only build homes for our own clients but also help other residential building contractors build better homes, lower the costs associated with building or fixing a home and finally a USE VARIANCE will allow us to submit our application to Mr. Wayne Biggs, Jr., the Chief Executive Officer of the Economic Development Authority, to acquire additional tax benefits which will then allow CAT5 to further invest here in St. Croix. In turn, allowing us to purchase property to build a larger, more efficient manufacturing facility, create even more jobs, all of which will help CAT5 to expand sales and the installation of our building components throughout the Caribbean as an export product and enable our traveling skilled workforce comprised of graduates and peoples from the US Virgin Islands.

On behalf of Andrea, Chase and myself, the Owners of CAT5 and Lloyd, Monea, J'Vonte & Shakim (our four employees), we thank you for the opportunity and would now, at this time, welcome any questions that may need to be addressed and/or answered in order for this committee to make a decision on a USE VARIANCE for CAT5 BUILDERS.

Thank you.

Donald A. Stevens

Managing Member & Co-Founder Email: donald@cat5builds.com Phone: 340-244-7770

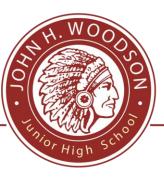
I am a resident of St. Croix, USVI

Attachments:

- 1. Letter of Recommendation Dr. Vincent Gordon, PhD
- 2. Letter of Recommendation Kevin Helsey, Owner of H&H Tire
- 3. Letter of Recommendation Brian & Laura Weller; Residential Home Client



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August 28, 2023 The Honorable Novelle E. Francis, Senate President 35th Legislature of the Virgin Islands 3022 Estate Golden Rock Christiansted, VI 00820 RE: Letter of Recommendation

Dear Honorable Senate President,

I am Dr. Vincent Gordon, Jr., Principal of John H. Woodson Junior High School in Kingshill, St. Croix. Previously, I was the Principal of St. Croix Career & Technical Education Center (CTEC) in Estate Castle Burke, where I first met Mr. Donald Stevens of CAT 5 BUILDERS. Mr. Stevens contacted us in 2021 with the interest in starting a job-training program that would introduce advanced light gauge steel framing methods and uses to our students. I also understand that the technology is not only environmentally friendly but also cost-effective. CAT 5 BUILDERS brings a unique opportunity to the island of St. Croix to train the very much needed skilled work force that will be responsible for addressing our current housing shortage and would be an asset after the aftermath of hurricanes which may impact the infrastructure of the island.

Several weeks ago, Mr. Stevens sent me an email stating that he had hired a recent graduate from CTEC, Mr. Shakim LaTouche, and that he was in search of more CTEC graduates.





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These graduates from CTEC would be trained and given employment with CAT 5 BUILDERS,

which benefits not only the graduates from CTEC but also would benefit the workforce on

island.

In closing, I have met Mr. Stevens on several occasions and feel comfortable

recommending him personally, and the company. CAT5 BUILDERS will be a great asset in St.

Croix and within the U.S. Virgin Islands.

Sincerely,

Vincent H. A. Gordon, Jr., Ph.D. Principal John H. Woodson Junior High School <u>vincent.gordon@vide.vi</u> 340-778-2710 (ext. 5100) 340-643-0765 (cell)





August 28, 2023

The Honorable Novelle E. Francis, Senate President 35th Legislature of the Virgin Islands 3022 Estate Golden Rock Christiansted, VI 00820

RE: Letter of Recommendation

Dear Honorable Senate President,

My name is Kevin Hensley and I am the owner of H&H Tire Company in Estate Pearl, Christiansted. On November 28, 2016, our original building that was located on Centerline Road in Estate Castle Coakley was destroyed by fire. The site has been vacant since then.

Approximately two years ago, the General Contractor, Mr. Austin Brown of Tilman Construction informed us of CAT 5's presence here in St. Croix.

I am happy to announce that we have received a building permit for the construction of the new Castle Coakley Professional Center, which is schedule to begin construction in the next few months. The building will offer more than 33,000 square feet of office space.

Mr. Stevens' company, CAT 5 Builders, is an instrumental part of the project as they will be providing all of the structural components for the building. The building will be constructed using a non-combustible framing system that is also highly resistant to termite, rot, mold and mildew. It is rated to handle sustained winds of 220 miles per hour.

I recommend approval of CAT 5's Use Variance as we will need him to start manufacturing in the next few months.

Sincerely,

Kevin Hensley Owner, President

BRIAN & LAURA WELLER PO Box 1037 Frederiksted, VI 00841

September 2, 2023

The Honorable Novelle E. Francis Senate President, 35th Legislature of the Virgin Islands 3022 Estate Golden Rock Christiansted, VI 00820

RE: Letter of Recommendation for CAT5 BUILDERS, LLC

Dear Honorable Senate President,

My wife and I are residents of Frederiksted and would like to submit this Letter of Recommendation on behalf of CAT5 BUILDERS, which is managed by Donald Stevens, his wife Andrea Stevens and his son Chase Stevens.

More than two years ago we were introduced to Mr. Stevens's company as someone who may be able to assist us in completing the construction of our new home, which is located in Estate Butler Bay. Our previous builder, GHI Home Innovations, LLC, owned and operated by Anson Galloway of St. Thomas, who defrauded us for a large sum of money, left us with a partially built cistern, foundation and a home that could not be built. Mr. Galloway has apparently defrauded many other families throughout St. Croix.

Mr. Stevens' company has worked with us by redesigning the house, acquired the permits, developed a realistic cost estimate, coordinated documents with our bank, and has gotten the project back on track and under construction. We are expecting to be in our house within the next six months.

Honestly, if it wasn't for Mr. Stevens involvement it is highly unlikely that any other building company would have been able to or willing to step into this mess and fix it for us. We are extremely grateful and even more assured that CAT5 BUILDERS is the type of company that this island community needs.

In closing, we welcome CAT5 BUILDERS into to the Frederiksted community with welcome arms.

Sincerely,

Brian & Laura Weller