

# HOTLINE CASE

**2008-20**

**December, 2008**

**(Anonymous call to the Hotline)**

**This was an anonymous call to the Hotline. The caller alleged that there was favoritism in the awarding of a JEDC contract to a business owned by the Holzendorf family. This was in connection with the “Shoppes of Sherwood”.**

**The IG investigated and found out that by City Council Ordinance 2004-650 (enacted 7/2004), the City Council approved of a redevelopment grant between the city and Holzendorf Properties, LLP for the renovations of the “Shoppes of Sherwood” into a retail and office center. The bill appropriated a \$125,000 low interest loan and a \$125,000 grant for this purpose. All Council meetings were noticed per Florida laws. This was a JEDC recommendation and it was anticipated that over 30 new jobs would be created.**

**PURPOSE/SUMMARY: (as listed on the City Council website for this bill)**

To appropriate \$250,000 from Northwest Jacksonville Economic Development Fund to assist Holzendorf Properties, LLC, to renovate its project site located at 5045 Soutel Drive. The financial assistance recommended is a \$125,000 loan at a 3% interest rate, amortized over 20 years. Additionally, a \$125,000 grant for exterior improvements. Within 36 months from improvements, the business is anticipated to create 30 new full-time jobs and retain 30 existing jobs. Total project investment is \$1,890,416. The monthly payment for the NWA loan is approximately \$695. The JEDC reviewed and recommended the project for City Council consideration at their May 13, 2004, meeting.

**FUNDING:** Net Amount Appropriated: \$250,000 From Account #

Source: NW Small Business Initiative/Northwest Jacksonville Economic Development Fund

**IMPACT - FINANCIAL/OTHER:**

Holzendorf Properties, LLC, proposes to renovate 70,579 SF of usable space in the shopping center known as the Shoppes of Sherwood, purchased in July, 2002. The center is comprised of six buildings situated on a 16-acre site. The proposed renovations of buildings include façade improvements, exterior painting, landscaping, signage and lighting and security improvements. The developer will also make improvements to the parking lot. The revitalization of the Shoppes of Sherwood will serve as a catalyst to attract commercial/retail establishments to the Soutel Drive corridor. In addition,

improving the curb appeal of the center and removing the appearance of blight will significantly improve the community. The center will create 30 new full-time equivalent jobs within 36 months of completion. The center will also retain 30 existing full-time equivalent jobs for a total of 60 jobs.

**ACTION REQUESTED:**  
Justification of Emergency:

Emergency:

Routine: Yes

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(Please Complete and Return Immediately)

To: Steve Diebenow, Chief of Policy and Government Affairs  
Mayor's Office, Fourth Floor, City Hall at St. James

From: Jeanne Miller, Business Development  
Jacksonville Economic Development Commission

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