



NORTHWEST JACKSONVILLE ECONOMIC DEVELOPMENT FUND (NWJEDF) ADVISORY BOARD

City Hall at St. James
117 West Duval Street, 3rd, Conference Room 3C
Jacksonville, FL 32202
Wednesday, July 19, 2017 – 4:00 p.m.

ONE CITY. ONE JACKSONVILLE.

MEETING MINUTES

Location: City Hall at St. James, located at 117 West Duval Street, 3rd Floor, Conference Room 3C, Jacksonville, FL 32202

Advisory Board Members Present: John Allmand, George Barnes, Cynthia Glover, Valerie H. Jenkins, and Joseph Whitaker

Advisory Board Members Excused: Fred Atwill, Jr., Karen Landry and Royce McGowan

I. CALL TO ORDER

Chair Whitaker called the NWJEDF Advisory Board meeting to order at 3:57 p.m.

II. ACTION ITEMS

Approval of the May 2017 Meeting Minutes - The minutes were approved as presented.

Lyons Development Enterprises, LLC – Chairman Joe Whitaker presented the project on behalf of Kirk Wendland, Executive Director-Office of Economic Development. Keyanna Poole, CEO and Frank Lyons both with Lyons Development Enterprises, LLC were in attendance to answer board members questions,

The limited partnership redevelops vacant and or underutilized properties within the Myrtle & Moncrief area providing services to the neighborhood and creating jobs for residents. Lyons is partnering with the Northwest Jacksonville Community Development Corporation (NWJCDC) to develop a full service laundromat in a vacant building owned by NWJCDC at 3421 Moncrief Road, Jacksonville, FL 32209. During the development of the neighborhood master development plan, NWJCDC reached out to the community and held a number of charrettes to determine what businesses and/or services the neighborhood residents would like to see locate within the area and the addition of a new “state of the art” coinless laundromat was identified as a top priority.

The community indicated a need for a full-service laundromat within this Myrtle/Moncrief neighborhood. The project is located within Census Tract 15, a Level 2 Economically Distressed Area. Lyons Development proposes to lease the building and develop the laundromat. The proposed project will create two (2) full-time equivalent jobs and Lyons proposes to hire neighborhood residents to operate the facility. In addition, drop off dry cleaning services and dry-fold services will be offered. Payroll generation for the business is estimated to be \$37,000 per year.

The NWJCDC has agreed to make the necessary improvements to the building and update the infrastructure at a cost of approximately \$300,000 and has agreed to lease the facility to Lyons Development Enterprises, LLC for use as a laundromat for a term of five (5) years with an option to renew the lease for five (5) additional years. The lease is subject to Lyons completing the leasehold improvements within the building shell required to outfit and operate the laundromat including the necessary upgrades to the electrical and plumbing systems. The cost estimate for the proposed leasehold improvements is \$86,000. Cost of the laundromat equipment, furniture and fixtures is \$190,000. Total development costs including closing costs are estimated to be \$576,000, including the building renovations and parking improvements to be completed by Northwest Jacksonville Community Development Corporation.

To support the full service laundromat operations, Mr. Lyons has requested assistance from the Northwest Economic Development Fund in the amount of \$86,000 to complete the leasehold improvement portion of the overall project. The level of Northwest assistance recommended to assist with this neighborhood oriented development is a Small Business Development Initiative (SBDI) loan in the amount of \$86,000 for a term of 60 months at an annual interest rate of 3% per annum to pay for the leasehold improvements and loan closing costs is respectfully requested.

Public Comment (Prior to vote) Paul Tutwiler, CEO of Northwest Jacksonville Community Development Corporation (NWJCDC), answered various questions regarding NWJCDC role in the project throughout the presentation, i.e. financing of the machinery and equipment, building utilization and other retail sources, hours of operations. Mr. Tutwiler reiterated that the proposed laundromat provides a necessary community service to the Myrtle/Moncrief neighborhood. *Please request a copy of the audio recording of the meeting for detail information.*

Summary Board Member Comments (Please request a copy of the audio recording of the meeting for detail comments and questions.)

Board Member Jenkins congratulated the developers on this initiative as well as for engaging the community and allowing them to have a voice as to what type of services they wanted. Mrs. Jenkins requested information regarding the project's pro forma and stressed the importance of reviewing and assessing it to ensure that a hardship was not being created for the applicant. A review of the terms of agreement will ensure that the board is fairly accessing the applicant's funding request as well as to ensure their project's success. Board members concurred. OED staff will provide a one page pro forma for all future projects when available.

Board Member Glover inquired about the square footage of the existing building and other operational services, if any would be provided. Paul Tutwiler stated that a majority of the space will be utilized for the laundromat, and a small section will be allocated for other retail services. Board Member Barnes shared his knowledge of Mr. Lyons business acumen and desire to improve the community over the past 30 years. He's been consistent in his desire to make a difference in the area. Board Member Allmand suggested for the board to consider providing infrastructure grants, i.e. water and or sewer connection when possible; especially for projects that will be utilizing older, vacant buildings.

The NWJEDF board voted unanimously, 5-0, to approve the project to provide a loan in the amount of \$86,000 at an annual interest rate of 3% per annum for a term of five years to finance the leasehold improvements and loan closing costs.

III. INFORMATION/DISCUSSION ITEMS

Wendy Khan, Finance and Compliance Manager provided an update on the NWJEDF Monthly Financials. As of July 1, 2017, all outstanding loans are paid up to date and current. Additional updates were provided on the loans that are currently being addressed via the Office of General Counsel. Please request the audio file for detailed information.

IV. OLD BUSINESS

The January 2017 meeting minutes were amended on July 18, 2017, at the request of Chairman Whitaker on behalf of Mario Rubio, Administrator for the City of Jacksonville's Small and Emerging Business (JSEB) Program, to reference the Access to Capital Program, which is being administered by Accion East, Inc. Please see the note on page 3. **The minutes were amended and approved as presented.**

V. NEW BUSINESS

There was no new business to cover.

VI. PUBLIC COMMENTS

Paul Tutwiler, CEO/President of the Northwest Jacksonville Community Development Corporation (NWJCDC) thanked the board for their services and continuing to support projects that create economic development opportunities and job growth within the Northwest area of Jacksonville.

VII. ADJOURNMENT

There being no further business, Chair Whitaker adjourned the meeting at approximately 4:41 p.m.

The next NWJEDF Advisory Board meeting is scheduled for Tuesday, August 15, 2017 at 3:30 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments, an audio file of the meeting is available in its entirety upon request. Please contact Daphne Colbert at (904) 630-7117, or by email at daphnec@coj.net.