



ONE CITY. ONE JACKSONVILLE.

NORTHWEST JACKSONVILLE ECONOMIC DEVELOPMENT FUND (NWJEDF) ADVISORY COMMITTEE

City Hall at St. James
117 West Duval Street, 2nd, Conference Room 2C
Ten Port Conference Line – 904-630-2501, 98765#
Jacksonville, FL 32202
September 26, 2018 – 3:30 p.m.

SEPTEMBER MEETING MINUTES

Location: City Hall at St. James, located at 117 West Duval Street, 2nd Floor, Conference Room 2C, Jacksonville, FL 32202

Advisory Board Members Present: John Allmand, Fred Atwill, Valerie H. Jenkins, and Joe Whitaker

Advisory Board Members Not Present: George Barnes, Cynthia Glover, Karen Landry, and Royce McGowan

Others Present: **Office of Economic Development (OED)** – Daphne Colbert, Paul Crawford, Wendy Khan, and Kirk Wendland **Office of General Counsel (OGC)** – Emerson Lotzia; **Office of Inspector General (OIG)** – Lauren Bryan and Myra Rowe

I. CALL TO ORDER

Chair Whitaker called the NWJEDF Advisory Board meeting to order @ 3:40 p.m. A quorum was not established.

Chair Whitaker provided a brief summary of the NWJEDF meeting policy. The board meets quarterly to take action on items or projects that affect the funds. If there are no items to address, the OED staff is respectful of board members time and will reschedule for a future date. The Jacksonville City Council passed the City's FY 2018/2019 budget and it included some things that will affect the Northwest fund.

II. ACTION ITEMS

1. **Approval – April 17, 2018 Meeting Minutes** – Due to a lack of quorum, this item will be addressed at the next scheduled meeting. Board members were provided an opportunity to review the minutes, request changes, and or discuss items. Board Member Jenkins inquired about the status of Project Cart and was informed by staff through Board Chair Whitaker that an update would be provided during the NWJEDF Financials segment on the agenda.

III. INFORMATION/DISCUSSION ITEMS

A. **NWJEDF Financials** Update provided by Wendy Khan, Finance and Compliance Manager

1. The Northwest Jacksonville Economic Development Fund Summary Statement as of September 1, 2018

Ms. Khan provided an overview of two funds that are part of the NWJEDF:

i. **Better Jacksonville Plan/Northwest (BJP/NW) Pay-As-You-Go, SF353:** There are currently four funded projects. Its available balance is \$2,550,035.

Staff informed the board that the Jacksonville City Council approved Bill No. 2018-509, Clara White Mission – White Harvest Farms, as part of the FY 2018/2019 budget, for a \$1,500,000 grant to prepare and develop an approximately 9 acre site to include design, permitting and construction of Capital Improvements related to White Harvest Farms, to include an educational facility/classrooms, fencing, market area, irrigation, parking areas, greenhouse, processing center, and pedestrian bridge (collectively the "Improvements"). It is coming from the BJP/NW Pay-As-You-Go fund.

Board Member Atwill inquired as to whether the appropriation of the \$1.5 million dollars for the Clara White Mission-White Harvest Farms project is coming from funding allocated for the Food Desert/Grocery Stores Study. Mr. Wendland stated that it is coming from the BJP/NW Pay-As-You-Go fund.

- ii. **NW JEDC Fund, SF75C:** There are currently three funded projects which includes the C&S Wholesale Grocers, Inc. (2018-223, also known as Project Cart), the Food Desert Program/Grocery Store Study (2018-195), and the Non-Residential Septic Tank and Sewer Connection Program (2018-196). In addition this fund receives the principal repayments, interest income, penalties/late charges, and undisbursed loan balance; and investment pool earnings and unrealized gains.

Board Member Jenkins inquired about the logic staff utilize to determine the placement of accounts listed in the summary statement, more specifically, the Clara White Mission-White Harvest Farms. Mr. Wendland stated that the projects were listed by account number. As of September 1, 2018, the White Harvest Farms legislation was still pending. However, it passed Tuesday night, 9/25/2018, and is still pending until the Mayor signs the bill.

The Northwest Jacksonville Economic Development fund balance is \$4,377,117, as of September 26, 2018.

Please see Exhibit A, Northwest Jacksonville Economic Development Fund Summary Statement as of September 1, 2018, for more details.

2. NWJEDF (Outstanding Loans)

As of September 25th, 2018, all outstanding loans are current. Mrs. Khan informed the board that First Coast Homeless Pets has been consistently paying their loan late including late fees. She extended an offer to provide assistance to address issues where possible. In regards to Board Chair Whitaker's inquiry as to whether or not they were in default, Mrs. Khan reassured the board that they were not in default.

3. Files at Office of General Counsel

- i. **Gregory Myers (Mr. G's Hair Depot)** - A default judgement just under \$64,000 was granted on August 17, 2018. The principal balance is just under \$45,000. The goal is to negotiate a settlement to recoup as much principal as possible. Negotiations are underway with a potential buyer to purchase the property is underway.

- ii. **K. Mack, LLC. Shoppes at Norfolk**

K. Mack, LLC was one of the additional guarantors for the Shoppes at Norfolk project. The city did receive \$438,000 from another signatory, Evelyn Greer, for the project. Mrs. Khan reminded board members that summary judgments were recorded against the other guarantors in surrounding counties should they attempt to purchase property or conduct other business transactions. General Counsel Lotzia informed the board that there is a process in place that OGC utilizes to ask guarantors with a judgement to come and declare their assets.

- iii. **Cedar Grove Corporation (Truck Washing Project)**

The business is currently in operations. However, the owners filed a personal bankruptcy. Board member Jenkins requested for their quarterly payment in the amount of \$36.73 be included in the records.

4. NWJEDF (Project Tracking – Ongoing Projects)

- i. **Project Cart (Bill No. 2018-0223)** – C&S Wholesale Grocers, Inc., located at 5050 Edgewood Court, near the Winn Dixie headquarters, plans to renovate and expand their current operations at its

Northwest Jacksonville facility. The private capital investment is estimated to be approximately \$400,000 for new equipment and for renovations to its existing building in order to accommodate the new jobs. The company plans to create up to 40 new jobs with an average wage of \$30,100, no later than December 31, 2019.

City Council approved the project 4/24/2018.

***Please note that this item was listed under Old Business in the April 17, 2018 Meeting Minutes.**

The Special Committee on Safe and Healthy Neighborhoods was formed by City Council

In accordance with Council Rule 2.103(a), as President of the Jacksonville City Council

I hereby appoint a Special Committee on Safe and Healthy Neighborhoods.

BACKGROUND: Jacksonville is a large city with several hundred diverse neighborhoods, and over time, these have experienced varying levels of growth and success. The City has adopted and funded many programs over the years with the intention of minimizing disparities, bringing all neighborhoods up to at least a minimum acceptable standard of livability, yet disparities persist. Jacksonville will become a great city when all of its neighborhoods participate in growth, economic opportunity, social stability and overall safety and attractiveness.

CHARGE: Review the opportunities facing the City's diverse neighborhoods and determine and make recommendations on what actions, policies, programs and funding we can propose to lift up our neighborhoods.

In making your findings and recommendations, the committee should consider social, economic, criminal, transportation and other factors that affect neighborhood growth and success, solicit the opinions of experts in the fields of economic and community development, social justice, grassroots organizations, and the like, and consider a wide range of actions to realize our potential for safe and healthy neighborhoods.

MEMBERS: Council Member Reggie Brown – Chair

Council Member Lori N. Boyer

Council Member Anna Lopez Brosche

Council Member Katrina Brown

Council Member Garrett Dennis

Council Member Bill Gulliford

Council Member Samuel C. Newby

DEADLINE: The Special Committee on Safe and Healthy Neighborhoods is tasked to report its findings and recommendations on the charge set forth above by April 30, 2018.

I would like to thank Council Member Reggie Brown for agreeing to Chair this special committee and lead us in our work, and I appreciate the willingness of the members to devote the necessary attention to this important issue.

B. Failing Non-Residential Septic Tank Grant Program – ORD 2018-196-E

Mr. Wendland provided a detail overview of this program and how it came to fruition via a subcommittee formed by City Council, Special Committee on Safe and Healthy Neighborhoods

Up to a \$30,000 grant to replace/repair or septic tank or connect to JEA Sanitary Sewer Service. Proof must be provided via the Florida Department of Health

2 Septic Grant applications approved to date:

1 – to connect to JEA Sanitary Sewer Service; and

1 – to replace it Septic tank

Bill No. 2019-196 - The bill appropriates \$1 million from the Northwest Jacksonville Economic Development Fund to establish a non-residential septic tank repair and replacement and water and sewer connection grant program for commercial properties in the Northwest Economic Development Area. It directs the Office of General Counsel to prepare a standard agreement form to be executed by participating property owners and the City for award and use of grant funds. Grant award criteria are adopted. Conflicting provisions of the Northwest Jacksonville Economic Development Fund are waived to facilitate the grant program. The Public Works Department is designated as the City's oversight agency for purposes of the removal and replacement of septic tanks and for water and sewer hookups, and the Office of Economic Development is designated as the oversight agency for the grant process.

Board Member Jenkins referenced the Church's Chicken project approved a few years ago and recall the Board Member Jenkins asked how staff is increasing awareness of the program and as to how staff is promoting the program

C. Food Desert/Grocery Store Study – ORD 2018-195-E

Mr. Crawford the closure of Harvey's and Winn Dixies in four locations and the void it left pertaining to fresh fruits, vegetables, healthy food options, etc.

The Special Committee on Safe and Health Neighborhoods formed by City Council appropriated \$3,000,000 from the Northwest Jacksonville Economic Development Trust Fund ("NWJEDF"), Miscellaneous Sales Account for Supermarket Grants; it provides for the engagement of a consultant/broker; it provides for the development of a grant application; it provides for a carryover of funds; it provides for City oversight by the Office of Economic Development; it waives and amends the compliance with the Northwest Jacksonville Economic Development Fund Guidelines approved and adopted pursuant to Ordinance 2016-779-E.

RFP process and received three responses. The T. Brown Consulting Group was selected to perform the study should be completed in the first quarter of 2019.

Programs developed should use the remaining funds of approximately 2.9 million dollars to fund the programs and or incentives created and or recommended from the study. Please note that the funds have already been set aside via the NWJEDF.

D. Clara White Mission Inc.'s White Harvest Farm Project – Bill No. 2018-599

The City Council passed this bill Tuesday, September 25, 2018. The bill is pending until the Mayor signs it.

IV. OLD BUSINESS

V. NEW BUSINESS

There was no new business to cover.

VI. PUBLIC COMMENTS

No public comments were made.

VII. ADJOURNMENT

There being no further business, Chair Whitaker adjourned the meeting at approximately 4:28 p.m.

Next quarterly NWJEDF Advisory Committee meeting is to be determined.

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 upon request. Please contact Daphne Colbert at (904) 630-7117, or by email at daphnec@coj.net.