

OFFICE OF ECONOMIC DEVELOPMENT



**Northwest Jacksonville Economic Development Fund (NWJEDF)  
Advisory Board Meeting Summary  
Monday, May 16, 2016  
2:00 p.m.**

**Location:** City Hall, St. James Building, 117 West Duval Street, 2<sup>nd</sup> Floor, Conference Room C, Jacksonville, Florida

**In attendance:** John Allmand, George Barnes, Cynthia Glover (Vice Chair), Valerie H. Jenkins, Karen Landry and Joseph Whitaker (Chair)

**Absent:** Dr. Royce McGowan

**Staff:** Jane Bouda (Neighborhoods Dept); Sonia Carroll (OED), Paul Crawford (OED), Daphne Colbert (OED), John Sawyer (OGC), Angela Slayton, (OED) and Kirk Wendland (OED)

**Visitors:** Shamika Baker (JAX Chamber) and Paul Tutwiler (Northwest Jacksonville Community Development Corporation NWJCDC)

**Meeting Convened: 2:00 pm**

Chairman Whitaker convened the meeting and acknowledged a quorum existed.

The NWJEDF December 21, 2015 meeting minutes were unanimously approved with the following corrections below. Motion was made by George Barnes and seconded by John Allmand.

1. p. 2, name correction: Valerie Hendricks should read "**Valerie Jenkins**"
2. p. 5, 5<sup>th</sup> line from the top of the page, name misspelled: Chair Whittaker should read "**Chair Whitaker**"
3. p. 6, Jacksonville Farmers Market section, 8<sup>th</sup> line from the bottom of the page: insert the word "**site**" after Farmers Market
4. p. 6, Jacksonville Farmers Market section, 9<sup>th</sup> line from the bottom of the page, word misspelled: "**9 aces**" should read "**9 acres**"
5. p. 7, line 11 from the top of the page: Minutes corrected to include staff's response to Ms. Jenkins inquiry regarding a grant that was awarded in 2007 being satisfied. "**Jane Bouda indicated that the grant was awarded to the Jacksonville Farmers Market in 2007 was satisfied.**"

**Office of Economic Development (OED) Role & Transition – Kirk Wendland, Executive Director-OED**  
Mr. Wendland welcomed board members and informed that Mayor Curry and the administration are focused on economic activity in the Northwest Area. The administration sees the NWJEDF board taking a more comprehensive approach and not just focusing on applications for projects as they come forward, but to think strategically about what can be done to address economic activity within the area. Mr. Wendland referenced bringing some of the city's partners, i.e. nonprofit organizations, Jacksonville Chamber, and others to share with projects they are undertaking and its impact on the Northwest

Communities. Mr. Wendland recognized the presence of the Northwest Jacksonville Community Development Corporation and the Jacksonville Chamber representatives. Their ongoing projects continue to impact economic activity in areas that are prime for economic development, job growth and community development. The board will be better positioned and helpful in determining how to leverage those relationships for a greater economic impact.

The Office of Economic Development is currently working on a new Public Investment Policy, a tool to be used by OED staff to make fact-based decisions regarding projects to ensure that individual project goals are aligned with the goals of the organization, its mission and objectives. The policy is currently going through a special city council committee. Mr. Wendland will share more information at a future meeting so that board members will further understand the NWJEDF role in the policy.

#### **Scheduling of Regular Meetings**

Mr. Wendland proposed having a set meeting schedule date, regardless if applications for projects have been received. Other economic related topics, training and presentations from partners can be covered. **The new monthly meeting date for the Northwest Jacksonville Economic Development Board is scheduled for the third Tuesday @ 3:30 pm, in City Hall, St. James Building, Conference Room 3.** Members will receive a calendar request and parking information.

#### **Staff Reports – presented by Joe Whitaker and Jane Bouda**

**1. Financial Summary – There are currently twelve Mortgages:**

- 5 loans are current
- 3 loans are past due
- 1 requesting an extension

**Files at Office of General Counsel**

- 2 are negotiating settlements
- 1 has a motion to vacate

***Please see the attached Financial Summary for more details.***

**2. Project Tracking Spreadsheet – Total of 4 projects approved by the board since October 2014**

- **1 has requested a loan extension (3<sup>rd</sup> and Main, LLC.).** Ordinance No. 2016-334 was introduced on May 10, 2016 to extend the term of the loan for 10 years and to have interest only payments for 24 months. City Council committees will address the bill the week of June 6, 2016, with final vote occurring June 14, 2016.
- **First Coast No More Homeless Pets – Construction near completion - \$117,525.74 funded.**

**Board member Valerie Jenkins inquired about the status of Jessie/Rosa Wilcox For Your Child Daycare Center.**

**Brief History:** In 2003, the mortgagor received a loan in the amount of \$240,000, with a loan term of thirteen (13) years and an interest rate of 3%, for the intended purpose of renovation a building for a day care center. The loan is current, has a balance due of \$105,464, but is scheduled to mature in 2016.

**Ms. Jenkins asked if there's a process in place to address this type of situation.**

**Staff's Response:** Per Jane Bouda, the Contract Compliance Manager for the Neighborhoods Department, there is contract language that exists allowing for automatic renewals for five years. As long as payments are made the loan will continue to balloon.

**Action item:** Jane will follow-up with the Council Auditors office and Joe Whitaker for additional assistance to address the automatic renewals and provide an update at the next meeting.

**Action Items:** There were no action items.

**New Business:** Hans-Mills Corporation NWJEDF application for a \$200,000 grant. Overview presented by Kirk Wendland.

Joe Whitaker, Board Chair, declared a conflict of interest due to his part-time status with the Office of Economic Development and recused himself from voting on any type of action for the Hans-Mill Corporation.

**Summary:** Hans-Mill Corporation has applied for a \$200,000 grant to support the development of a new metal household goods manufacturing facility within Jacksonville's Northwest Economic Development Fund boundary area. Hans-Mill has identified an existing vacant 120,000 square foot building at 5406 West 1<sup>st</sup> Street that would be suitable to support the manufacture of metal trash cans for sale and distribution within the US. The development cost is estimated to be \$11,999,000. The facility will employ 23 new full time employees by June 30, 2018, at an average wage of \$30,000, plus benefits. Hans-Mill Corporation has indicated that a \$200,000 Northwest Economic Development Fund grant to help offset a portion of their renovation costs would be necessary to support their proposed manufacturing project. This project will be the company's first manufacturing operation in the United States. They currently have a sales office in New Jersey.

**Summary – Board Member Comments/Questions:** The below bulleted list of comments and or questions, is not inclusive. Discussion included the claw back provision, staff's monitoring process, the use of New Market Tax Credits and availability of other incentives for economic development deals, etc. Staff and the Office of General Counsel responded. An audio copy of the meeting is available. .

- **Is there a maximum number of jobs to be created?** There was no job maximum stated by the Company. They have committed to create a minimum of 23 new full-time jobs.
- **Will the employees come from the area near the facility, if so how many?** The company did not make any neighborhood hiring commitments; however, the Board encouraged the company to hire approximately 50% of the employees from the NW Area.
- **Minimum job requirements: skills, qualifications, etc.** Staff responded that the job qualifications for the positions were not available.
- **What is the monitoring process to ensure that the company hired the number of employees per the agreement?** Staff explained the monitoring process and how the jobs and wages were verified including site visits.
- **Are there incentives available for the Empowerment and Enterprise Zones?** Staff responded that those *two programs were no longer available. The federal Empowerment Zone Program ended in December of 2013 and the Florida Enterprise Zone Program ended in December 2015.*

Upon completion of the briefing by Mr. Wendland and after a series of questions posed by the Board, the Board was ready for a vote on the \$200,000 NW Fund grant request to Hans Mill Corporation to support their acquisition of and renovation of an existing building within the NW Fund area to develop a facility to manufacture metal trash cans for sale and distribution within the United States.

**THE VERBATIM MOTION BELOW WAS MADE BY BOARD MEMBER JOHN ALLMAND AND SECONDED BY BOARD MEMBER VALERIE JENKINS**

“to approve the \$200,000 grant for Hans-Mill Corporation with the aspiration that they hire up to 50% of their employees from the Northwest District with a hard line of 5 employees at the start date of operations at this particular facility and to be audited at the start date and then one year later. There will be a claw back only at the one year mark and the claw back amount will be \$8,696.00 per job where that requirement is not met on the hardline of the requirement.”

*Motion passed 5-0*

***At the request of the Joe Whitaker, Board Chair, the brief summary below was added to clarify the above motion:***

*“A motion to approve the \$200,000 grant for Hans Mill Corporation with the aspirational goal that they hire up to 50% of their employees from the Northwest Economic Development Fund Area with a hard line goal to hire at least 5 employees from the NW Area at the date of disbursement of the grant funds. At the disbursement date the company will have to have acquired the building, completed the renovations, purchased and installed the machinery and equipment and begun manufacturing the metal household goods, and hired 23 employees of which a minimum number of 5 employees are NW residents. In the event these conditions are not met then there will be a claw back in the amount of \$8,696 for each job below the 23 jobs to be created and/or for each job below the minimum of 5 NW residents. At the assessment date one year after the disbursement of the grant funds the company is required to have 23 full time employees. In the event there are not 23 full time employees then there will be a claw back in the amount will be \$8,696.00 per job below 23.”*

**A MOTION WAS MADE BY BOARD MEMBER JOHN ALLMAND AND SECONDED BY BOARD MEMBER GEORGE BARNES**

“to approve the resolution as amended in the previous vote, recommending that the City Council approve Hans-Mill Corporation’s application.”

*Motion passed 5-0*

**Public Comments:**

Paul Tutwiler, CEO of the Northwest Jacksonville Community Development Corporation (NWJCDC), thanked the board for what they are doing to increase economic development in the Northwest Area. His organization looks forward to presenting information on their projects and the impact on economic activity.

**Meeting adjourned:** 2:52 pm  
**Next meeting:** Tuesday, June 21<sup>st</sup>, 2016 @ 3:30 pm  
**Agenda, Meeting Packet, and Sign-in sheets:** See attachments  
**Minutes:** May 2016 - NWJEDF Meeting Summary.051616.pdf  
**Media file:** May 2016 – NWEJDF Meeting.mpg (audio file)  
**Transcriber:** Daphne Colbert, Office of Economic Development, 630-7117

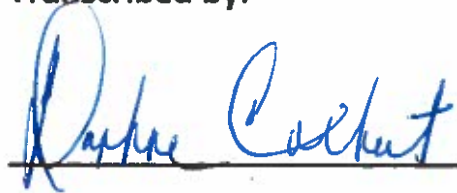
Respectfully submitted, by Daphne Colbert, Wednesday, May 18, 2016.



OFFICE OF ECONOMIC DEVELOPMENT  
CITY OF JACKSONVILLE, FL

## CERTIFICATION

Transcribed by:

  
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Daphne Colbert

Submitted by:

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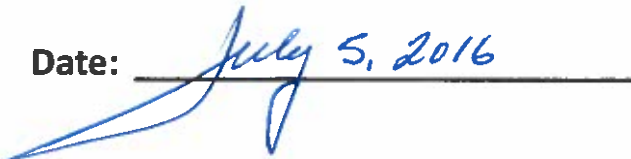
Secretary (N/A)

Approved by:

  
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Joseph Whitaker, Chair

Date:

  
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OFFICE OF ECONOMIC DEVELOPMENT  
CITY OF JACKSONVILLE, FL

**NWJEDF Advisory Committee Meeting**  
City Hall, St. James Building, 117 W. Duval Street, 3<sup>rd</sup> Floor, Conference Room C

June 21, 2016

**STAFF**

| <b>STAFF MEMBER'S NAME</b>                              | <b>Signature</b> |
|---|------------------|
| <b>Jane Bouda</b><br>Neighborhoods Department           |                  |
| <b>Sonia Carroll</b><br>Office of Economic Development  |                  |
| <b>Daphne Colbert</b><br>Office of Economic Development |                  |
| <b>Paul Crawford</b><br>Office of Economic Development  |                  |
| <b>Ed Randolph</b><br>Office of Economic Development    |                  |
| <b>John Sawyer</b><br>Office of General Counsel         |                  |
| <b>Sandra Stockwell</b><br>Office of General Counsel    |                  |
| <b>Kirk Wendland</b><br>Office of Economic Development  |                  |
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CITY OF JACKSONVILLE, FL

**NWJEDF Advisory Committee Meeting**

City Hall, St. James Building, 117 W. Duval Street, 3<sup>rd</sup> Floor, Conference Room C

June 21, 2016

**VISITORS**

**PLEASE PRINT FOR THE RECORD**

| NAME             | COMPANY | EMAIL ADDRESS           |
|------------------|---------|-------------------------|
| Shamika Baker    | Chambaw | Shamika.baker@myjax.com |
| Sonia Carroll    | OED     | soniac@coj.net          |
| Valerie Williams | SELF    | VWilliams@self.vic      |
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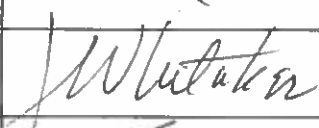







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**NWJEDF Advisory Committee Meeting**  
City Hall, St. James Building, 117 W. Duval Street, 3<sup>rd</sup> Floor, Conference Room C

June 21, 2016

**COMMITTEE MEMBERS**

| <b>Committee Member</b>    | <b>Signature</b>   |
|----------------------------|--|
| Joseph Whitaker, Chair     |    |
| Cynthia Glover, Vice Chair |    |
| John Allmand               |  |
| George Barnes              |  |
| Valerie H. Jenkins         |  |
| Karen Landry               |   |
| Royce McGovern             |   |
|                            |  |

