

NORTHWEST JACKSONVILLE ECONOMIC DEVELOPMENT FUND (“NWJEDF”)

GOALS, POLICIES AND GUIDELINES

Approved by NWJEDF Advisory Committee August 16, 2016

Approved by Jacksonville City Council February 14, 2017, 2016-779-E

Adopted by NWJEDF Committee March 21, 2017

Goals of NWJEDF

- Create access to jobs for Northwest area residents.
- Support the expansion of existing businesses within the Northwest area and encourage the creation of new service and retail businesses to serve the needs of the community.
- Encourage redevelopment of vacant and underutilized buildings within the Northwest area.
- Stimulate new investment within the Northwest area, adding to the tax base.

Policies for utilization of Northwest Fund

- Business and or project to be assisted must be located within NWJEDF area boundary. (See attached map)
- Utilization of NWJEDF funds may be loaned to businesses and or projects. The current base interest rate is 3% per annum.
- Utilization of NWJEDF funds is limited to a maximum of 25% of the total project cost.
- Utilization of NWJEDF funds may be provided to businesses and or projects in the form of grants. The grant amount is limited to a maximum of 10% of the total project cost.
- NWJEDF funds are intended to be utilized to reimburse the business or project developer for eligible expenses associated with the project as outlined in the Economic Development Agreement (EDA) to be signed by and between the City and NWJEDF recipient.
- Upon the sale or transfer of property funded in part with a grant from the NWJEDF, the City is to be reimbursed based upon declining scale at the rate of 20% of the grant amount per year over the first five years (e.g. 100% first year, 80% second year, 60% third year, 40% fourth year and 20% fifth year.)
- Upon the sale or transfer of property funded in part with a loan from the NWJEDF, the business and or project developer is required to pay off the loan before transferring the property to an independent third party or in accordance of the terms of the EDA.
- Loan security may be subordinated to private financing. However, the City will not allow any additional debt without its express written consent. The City will file a lien subordinate to private financing.
- City of Jacksonville shall file a lien or UCC form against the property being funded in part with a grant or loan from the NWJEDF to be recorded in the Duval County or State of Florida Public Records in accordance with the terms of the EDA.

Eligible Expenditures

- The NWJEDF funds may be used by the business or project developer for the following expenditures, professional fees and project soft costs:
 1. Acquisition of land or buildings within the boundary area
 2. Facade improvements
 3. Infrastructure related costs
 4. Leasehold improvements
 5. New construction
 6. Purchase of machinery and manufacturing equipment
 7. Renovation of existing buildings
 8. Professional fees and soft costs
 9. Appraisals and closing costs
 10. Design, engineering, and permitting fees
 11. Recording and survey fees
 12. Other expenses associated with the documentation of business loans

Ineligible Expenditures

- The following expenditures are ineligible for NWJEDF funding:
 1. Inventory
 2. Office equipment and furniture
 3. Payment of delinquent taxes or debts
 4. Payments to owners
 5. Purchase a part of a business and any other non-capital related expenditures
 6. Refinancing of existing debt
 7. Working capital

Ineligible Businesses

- The following businesses are ineligible for NWJEDF funding:
 1. Adult entertainment facilities and/or businesses
 2. Adult gaming rooms
 3. Bars
 4. Bikini bars
 5. Body piercing establishments
 6. Check cashing establishments
 7. Nightclubs
 8. Pawn shops
 9. Payday loan establishments
 10. Tattoo parlors
 11. Used car lots

Legislative Guidelines

All businesses and or projects receiving Northwest Fund assistance will be administered by the Office of Economic Development in accordance with the terms of the Economic Development Agreement (EDA) by and between the applicant and the City of Jacksonville pursuant to the Ordinance authorizing the City to enter into the EDA in accordance with the Goals, Policies and Guidelines established herein.

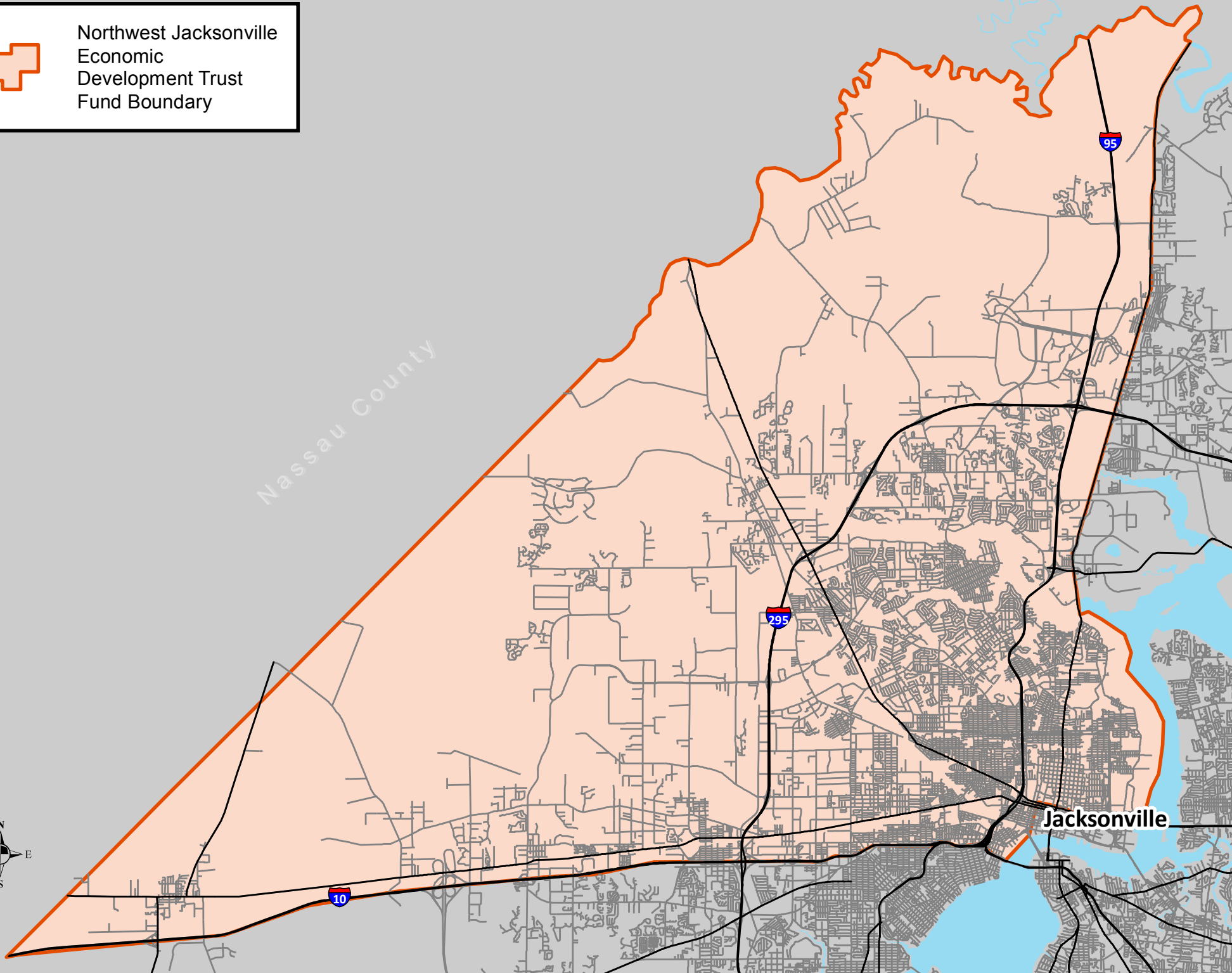
The following is a listing of all general provisions found in a typical Ordinance introduced to City Council appropriating Northwest Economic Development Trust Funds:

1. Clawback provisions associated with non-compliance
2. Constraints on the sale/assignment of the project or property for financial gain
3. Date upon which the project must be completed
4. Default provisions, which would address failures to meet requirements as listed above
5. Limitations on the use of loaned or grant funds
6. Requirement to submit the appropriate monitoring/reporting documents
7. Required private capital investment to be made
8. Requirement to timely pay property taxes
9. Timing and amount of any loan re-payment to be made
10. Timing and amount of any late fees



Northwest Jacksonville
Economic
Development Trust
Fund Boundary

Nassau County



Jacksonville