



OFFICE OF THE CITY COUNCIL

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JACKSONVILLE SMALL & EMERGING BUSINESS SPECIAL COMMITTEE

April 2, 2025
9:30 am

Location: Lynwood Roberts Room

In attendance: Council Members Arias (Chair), Amaro, Johnson and Gay

Also: Gregory Grant – JSEB; Shannon MacGillis – Office of General Counsel; Trista Carraher – Council Auditor's Office Brandon Russell – Council Research

Meeting Convened: 9:37 am

Char Arias called the meeting to order. He stated that the committee would review and take action on each agenda item and invited Gregory Grant, JSEB, to review the initiatives. Mr. Grant reviewed the first item, which recommends increasing funding from \$500,000 to \$750,000. He said growing funding was necessary to support the expansion of resources, programming, and services provided at newly launched entrepreneur education centers. Four centers are planned to open at Golfair Boulevard, the Downtown Library, Phoenix Arts District, and Cecil Airfield.

Chair Arias asked for the source of increased funding. Council Member Johnson added to the question by asking if the increased funding would be included in the upcoming budget proposal. Brittany Norris from the Administration stated that this has not been formalized in the budget process yet but noted that it is a priority for the Administration. Chair Arias pointed out that action from the committee may be premature if the Administration plans to include it as part of the budget and asked if the other council members would prefer to wait for the Administration. Council Member Amaro said the Administration seemed to be seeking reassurance that the council would approve the increase before adding it to the budget.

Chair Arias asked the Office of General Counsel if they pass legislation to increase the funding, would they then be required to provide that funding if the Administration does not include the increase in the budget. Ms. Carraher said that the Ordinance Code currently specifies \$500,000 to be the Minimum Program Funding Requirement, and that can be changed through legislation. She also stated that if the Administration decided not to fund an increased minimum of \$750,000, the budget ordinance would need

to include a waiver of that code section. It would then be up to the Council to decide if they wanted to provide additional funding. Ms. Norris stated she agreed with Mr. Amaro's characterization, stating that the Administration intended to increase the funding for JSEB. Council Member Johnson asked how long funding had been set at \$500,000. Ms. MacGillis, Office of General Counsel, stated that was the amount since at least 2021. Ed Randolph, Office of Economic Development, indicated that the minimum has been set at \$500,000 for many years, not just since 2021. The committee unanimously voted to increase the minimum funding requirement for JSEB to \$750,000.

Mr. Grant then explained the second initiative: to move the disparity study to a department better suited for it, namely the Jacksonville Human Rights Commission, or eliminate it. Chair Arias asked who in JSEB was completing the study currently. Mr. Grant stated that an RFP was used to conduct the study, costing around \$250,000. Chair Arias asked Ms. MacGillis to explain the changes to the Ordinance Code that could be made to affect this initiative. Council Member Johnson stated that JHRC is not a data collection body but an investigative body. He recommended adding it to the Data Analytics department instead. Council Member Amaro pointed out that the Chief of Data Analytics role may not exist in a future Administration, unlike the JHRC, and expressed his desire to continue the study. Council Member Johnson suggested that they mandate the study be done but not be as restrictive about who completes the study. Council Member Amaro stated that failure to designate parties responsible for completing the study may result in it not being done. Chair Arias asked Mr. Grant if he had spoken to JHRC, and he confirmed that he had. Chair Arias recommended withholding action on this item until the committee can speak with a representative from JHRC in person at the next meeting.

Mr. Grant explained the third initiative, which changes the focus of reporting for JSEBs from the number of contracts awarded to the dollar amount of contracts awarded. He stated that they are already tracking this data and that there is a transparency dashboard with that information. He also recommends an auditing process to ensure that JSEBs receive the full awarded dollars. Chair Arias suggested automatically listing dollars awarded versus dollars paid as part of the transparency dashboard. Council Member Johnson asks how JSEB gets information after the contract has been authored. Mr. Grant stated that contracts come to JSEB electronically, and then throughout the contract, the payments are made, but they currently do not track them after the contract has been fully executed.

Council Member Johnson then asked for clarification about the 20% requirement for JSEB participation on City contracts. Ms. MacGillis, OGC, clarifies that the requirements are read as goals in the ordinance. Chair Arias asked Mr. Grant if they were ready to move from encouraging the 20% goal to mandating it. Mr. Grant affirmed that mandating 20% of contract dollars going to JSEBs was feasible. Chair Arias summarized the two actions related to this initiative: changing reporting from the number of contracts to dollars paid and having language that mandates meeting the 20% goals. Ms. MacGillis clarified that it is already a mandate for city contracts but is a goal for CIP. Council Member Johnson asked about entities using city funds to do projects. Mr. Randolph stated that in those instances, it was aspirational to use JSEBs and that oftentimes, a JSEB was not best suited for the projects. Ms. MacGillis added that there are instances where a good-faith waiver may be used and recommends potentially keeping the aspirational language with good-faith waivers. Council Member Amaro asked if the new reporting metric was the best measure and indicated his interest in looking at the number of contracts and the dollars paid to JSEBs. Mr. Grant agreed that there is value in looking at both and noted that there are different tiers of awards

based on a business's revenue. The committee unanimously approved to add the contract dollars amount to the number of contracts awarded to the JSEB reporting requirement.

Mr. Grant then reviewed the fourth initiative, establishing reciprocal certification agreements between the city and surrounding counties: St. Johns, Nassau, Baker, and Clay. He stated that this would broaden business opportunities for JSEB-certified contractors and allow them to compete for contracts in other locations. Council Member Johnson asked for clarification about what legislation would look like to affect this reciprocity agreement. Mr. Grant stated that legislation has not been drafted yet. Council Member Amaro asked if this was a way to get around the location requirement. Mr. Grant explained that it is primarily geared to give more contract opportunities to existing JSEBs; however, the reciprocity agreement would remove the requirement that the business be in Duval County. He also explained that many companies along the municipal line are ineligible despite conducting much of their business in the city.

Chair Arias expressed hesitation about the initiative, citing increased funding to support businesses not located in Duval County and increased competition for local JSEBs. He asked how they can ensure local JSEBs are being protected and how they can require other counties to compensate the city for managerial costs. Mr. Grant reiterated that local JSEBs would also be competing in the surrounding counties and noted that other counties are amenable to what the city proposed. Council Member Johnson stated his desire to expand the program and demand that other counties pay a fair share. He then moved that the City of Jacksonville Small Business Program for non-profits and for-profits create a pipeline for Small Business Opportunities through a formalized collaborative effort that will allow all specialized businesses to compete from the surrounding county areas to include St. Johns, Nassau, Baker, and Clay counties.

Chair Arias stated he felt that the reciprocity agreement had more negative aspects than positive ones. He suggested starting with one county for one year to assess the impact. He also proposed requiring payment for managerial costs from other counties. Council Member Johnson asked if there were many eligible participants outside the county. Mr. Grant stated he had declined roughly 50 applicants, mainly from St. Johns County. Council Member Johnson stated he thinks this reciprocity agreement represents an opportunity for economic development.

Chair Arias tabled the continued discussion of the reciprocity initiative for the meeting next week, when they will take action on all remaining initiatives, and adjourned the meeting. The next meeting is April 7, 2025, at 9:30 a.m.

Public Comment:

John Nooney stated his excitement regarding the JSEB committee's initiatives. Tina Pham from the Asian Chamber of Commerce of North Florida thanked JSEB for supporting local businesses and expressed her desire for collaboration between the Asian Chamber of Commerce and JSEB. She also stated her organization was having an event on April 28 to commemorate Vietnam veterans and others who lost their lives in the war and invited everyone to attend.

Meeting adjourned: 11:00 am

Minutes: Brandon Russell, Council Research
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