

# Jacksonville City Council Jacksonville Small & Emerging Business (JSEB) Special Committee <u>Final Report</u> June 1, 2025

Committee Members

Council Member Raul Arias, Chair Council Member Ken Amaro Council Member Rahman Johnson

### Jacksonville Small and Emerging Business Program

The Jacksonville Small and Emerging Business (JSEB) program was established in 2004 and has undergone several revisions. Starting in 2023, under the leadership of Administrator Gregory Grant, legislative amendments to Chapter 126 began to further refine the program. The JSEB program's objectives include race and gender-neutral goals aimed at supporting Jacksonville's small and emerging business citizens. Additionally, the JSEB program seeks to support the Mayor's vision of making Jacksonville the "Small Business Capitol of the Southeast."

## Committee Charge

Created through Council President White's March 17, 2025 Memorandum, the JSEB Special Committee was charged to craft, modify, and champion ordinance code provisions that foster equal participation and inclusion of small and emerging businesses across the entire City, with the goal to make Jacksonville a leading small business hub in the nation. This committee will focus on legislative advocacy, educational equity, community engagement, capital access, and contracting opportunities benefiting Jacksonville Small Emerging Businesses.

The Jacksonville Small & Emerging Business Special Committee will review and make recommendations on the following key initiatives within Chapter 126 (Procurement Code), *Ordinance Code*:

- Increase Minimum Program Funding
- Remove the Disparity Study Requirement
- Refocus Reporting on Payments to JSEB Contractors
- Expand Reciprocity Among Regional Counties
- Expand the JSEB Prime Program
- Centralized Database Sharing
- Increase Capital Access

## Meeting Dates

The Special Committee held four meetings and heard from various guests and stakeholders, interested parties, and the public.

March 24, 2025

April 2, 2025

April 7, 2025

April 17, 2025

#### Summary

March 24, 2025 meeting: Gregory Grant, JSEB Administrator, shared the progress related to the 2024 JSEB Special Committee's recommendations last year. Per those recommendations, the JSEB website was updated and now includes a dashboard for added transparency displaying registered JSEB's by council district, among other things. There has been an increase in engagement since the improvements were implemented. Mr. Grant has enhanced marketing efforts to increase awareness of the JSEB program, with community meetings held in various districts of the city. The JSEB staff has expanded in size, which improved service and productivity. The number of enrolled JSEB's has increased to 466, from 215 in 2023. There are plans in progress for 4 JSEB Centers (Golfair Blvd, Phoenix Art District, Main Library and Cecil Field).

April 2, 2025 meeting: The members recommended increasing the annual minimum JSEB funding from \$500,000 to \$750,000 to support the expansion of resources, programming, and services provided at newly launched entrepreneur education centers. The committee discussed the Disparity Study update set forth in Section 126.612, *Ordinance Code*, and who should implement future updates to the Disparity Study. The committee unanimously approved to add the contract dollars amount to the number of contracts awarded to the JSEB reporting requirement. The group debated establishing reciprocal certification agreements between the city and surrounding counties: St. Johns, Nassau, Baker, and Clay.

April 7, 2025 meeting: The committee heard from Rudolph Jamison, Executive Director of the Jacksonville Human Rights Commission, regarding the Disparity Study. Mr. Jamison clarified that JHRC focuses on discriminatory complaints regarding housing, public accommodation, employment, and equal opportunity and access. He noted that the disparity study did not align with their duties per the *Ordinance Code*. The committee decided the responsibility for an updated Disparity Study will remain with JSEB. The committee discussed a reciprocity program with neighboring counties and the creation of a pilot program with St. Johns County. Additionally, they voted unanimously to approve the expansion of the JSEB Prime program and to initiate the process for the use of the B2Gnow centralized database-sharing system.

April 17, 2025 meeting: The committee discussed increasing capital access to help JSEBs grow and create more jobs. The members recommended an additional \$500,000 for the JSEB Access to Capital Program Trust Fund and to recommend that the rates, terms, and maximum eligibility remain in a tier system. Specifically, it was recommended by the committee that the rates for the loans be between 4-5%, the maximum terms be reduced from 60 months to 36 months, and that the maximum eligibility remains at \$100,000.

#### Legislation

Ordinance 2025-411 (in committee): Introduced by the members of the JSEB Special Committee on May 27, 2025. If approved, this bill will codify recommendations from the Special Committee on JSEB to improve the program. The bill: clarifies the duties of the Office of Equal Business Opportunity - Business Compliance and the JSEB Administrator; increases JSEB's annual minimum program funding to \$750,000 subject to availability; updates reporting requirements to include the number of JSEB contracts and the dollar-amount of those contracts; defines the parameters of the micro-business program; and creating a Prime Mentor status to provide up to nine additional years in the program for participants as mentors.

Upon the submission of this final report, the JSEB Special Committee has concluded its work with the expectation that JSEB administration will continue to consider ways to better the JSEB program and its effectiveness in ensuring that the small business community thrives.

I would like to extend appreciation to Council Members Amaro and Johnson for their service on this special committee; to President White for establishing the committee; to Dr. Gregory Grant and all JSEB staff for their tireless work to reinvigorate the JSEB program; to all stakeholders, including subject matter experts, small business owners, and Council Members, who have provided valuable institutional knowledge throughout the lifespan of the JSEB Special Committee; and to all City Council, Office of General Counsel, and Council Auditor's Office staff for their assistance.

Raul Arias, City Council District 11