



ECONOMIC DEVELOPMENT TRANSITION COMMITTEE
SMALL BUSINESS LADDERS

Date: Thursday, July 20, 2023

Time: 8:00am – 12:00pm

City of Jacksonville Public Library-Main Library/Downtown
303 North Main Street, Jacksonville, FL 32202
Multipurpose Room (located in the Conference Center)

MEETING MINUTES
THURSDAY, JULY 20, 2023 – 8:00 A.M.

Location: City of Jacksonville Public Library-Main Library/Downtown, 303 North Main Street, Jacksonville, FL 32202 - Multipurpose Room (located in the Conference Center)

Economic Development Transition Committee Members Present: Ed Randolph, Tony Allegretti, E. Shawn Ashley, Shannon Denson, Jake Gordon, Monica Hernandez, Anna Lebesch and Dr. Carlton Robinson

Economic Development Transition Committee Members Excused: Pat Gillum Sams and Alan Iosue

Representing the Office of General Counsel: John Sawyer

OED Staff Present: Ella Sherrod, Small Business Project Manager and Michelle Stephens, Executive Assistant

CALL TO ORDER/WELCOME

Mr. Ed Randolph, Committee Chair of the Economic Development Transition Committee Small Business Ladders meeting called the meeting to order at approximately 8:04 a.m. A quorum was confirmed.

Mr. Randolph worked with individual members of the ED Transition Committee to help identify and assemble the professional experts needed to help explore the specific topics of interest put forth by Mayor Deegan.

- 1) Ed Randolph - Chair, Economic Development Transition Committee and ED Projects lead
- 2) Dr. Carlton Robinson - Chief Innovation Officer, JAX Bridges (Small Business Ladders lead)
- 3) Tony Allegretti - Entrepreneur/Past CEO of Jacksonville Cultural Council (Downtown Development lead)
- 4) Jake Gordon – CEO, Downtown Vision, Inc. (Downtown Development)
- 5) Alan Iosue - Director of Strategic Accounts, Haskell (Permitting lead)
- 6) Anna Lebesch - Senior Vice President of Strategy and Talent Development, JAXUSA (Talent Development lead)
- 7) Monica Hernandez - President, First Coast Hispanic Chamber of Commerce
- 8) Shannon Denson - President, Jacksonville Black Chamber of Commerce

- 9) Pat Gillum Sams - Founder/CEO, The Sistah Covenant
- 10) E. Shawn Ashley - Broadline Distributor & 3rd Party Logistics Provider, EDC3

Around the table introductions were made by the Economic Development (ED) Transition Committee Members that were present.

PART I JSEB PROGRAM

Ms. Dinah Coleman Mason, who currently oversees the City of Jacksonville's Small and Emerging Business (JSEB) Program provided an overview of the history and current JSEB Program that is housed in the City's Equal Business Opportunity Office. Her presentation (attached) also provided suggestions for improvement to the program.

Dr. Carlton Robinson assisted with gathering various individuals who work in the Jacksonville small business ecosystem, including small business owners and individuals that represent government and non-profit organizations that aid small businesses.

Subject Matter Experts included:

- E. Shawn Ashley - Broadline Distributor & 3rd Party Logistics Provider, EDC3
- Monica Hernandez - President, First Coast Hispanic Chamber of Commerce
- Shannon Denson - President, Jacksonville Black Chamber of Commerce
- Marice Hague – Interim Director, Small Business Development Center (SBDC) at the University of North Florida (UNF)
- Gregory Grant - Assistant Director of Special Programs Entrepreneurship Advocate & Educator (UNF Small Business Center)
- Jackie Perrault – Director Jacksonville Women's Business Center (JWBC)
- Council Member Raul Arias, Jr. – City Council District 11
- Joe Whitaker, Office of Economic Development
- Rebecca E. Williams, Founder Fruit of Barren Trees
- Mike Zaffaroni, Owner Liberty Landscape Supply
- Tina Meskel – Meskel & Associates Engineering
- Dinah Mason, City's JSEB Program

Mr. Carlton noted that each of the panelist are affiliated with the City's JSEB Program.

Ms. Dinah Coleman Mason, who currently oversees the City of Jacksonville's Small and Emerging Business (JSEB) Program provided an overview of the history and current JSEB Program that is housed in the City's Equal Business Opportunity Office. Her presentation (attached) also provided suggestions for improvement to the program.

*Transition Committee Member Jake Gordon noting that the Access to Capital Program is currently run by COJ staff who work with OGC to draft contracts and act as a closing agent

recommended the city hire a not-for profit that has Community Development Financial Institution (CDFI) Certification that can assist with funding.

The panelist provided a short introduction and described their relationship with the JSEB Program, strength and challenges of the program, how we should measure success of the program and how the JSEB Program could become a bigger part of the small business ecosystem.

Strengths:

- Predictable source of revenue.
- Opportunity to grow your business by doing business with the city.
- The evolution of including education is instrumental for small businesses to obtain contracts with the city.
- Helps people better run their business.
- Staff is helpful.

Challenges:

- Certification/Recertification process is cumbersome and confusing.
- Requirements (43) for certification is lengthy and burdensome.
- Currently you have to be a JSEB to receive the educational component.
- Time limit on how long a business can stay in the program.
- Difficult to find projects available for bid in the city.
- Clarity needed on how we define and measure success of the program.
- How many opted to not be a JSEB but choose OBE. Forced to make a choice.
- Some small businesses do not participate because the program is overwhelming and intimidating.
- Value should not be based on the value of contracts awarded. You could have 3 businesses with \$250,000 contracts each, which is not comparable to one business that has a \$450,000 contract.
- Perception that JSEBs are mostly interested in being paid versus providing quality workmanship.

Recommendations:

- Continue educating. Education is instrumental to small businesses obtaining a contract with city.
- Education on the front end. People do not know what certification they need and what model will best fit their business.
- Ensure there is enough trained staff.
- Celebrate success stories. They are out there.
- Expand the counties where JSEB contracts are available to bid.
- Is there communication between the big business contracts and the JSEBs or small businesses in the community.

- 20% should be allocated to small businesses in the city budget. There are currently not enough small businesses to make up the 20%.
- Needs to be more competition within the program.
- Intent of the program is there, foundation is there. Need to look at building on the current program and promote small business within the city.
- Eliminate the applicant's personal net worth requirement on the application.
- Modify goals of the program.
- Easier to do business elsewhere.
- Set up what the success ratio looks like. What percent of JSEBs do we want to have contracts?
- Program should be measured by the success and growth of a particular business and not the number of businesses certified. Not all certified JSEBs actively participate in the program.
- Program should be measured based on quality of contracts completed and not quantity of contracts awarded, or dollar amount of contracts awarded.
- If there are 300 in the program now should that be three times or four times that number. Change dynamic to pull in more small businesses.
- Need to have an orientation after a business is certified and before commencement of an awarded contract. Most do not know the process once they are certified and awarded a contract.
- Need to also have orientation for the big businesses that hire JSEB sub-contractors.
- Primes need to review the JSEB list of available businesses periodically to see what skill sets may have been added.
- Primes want to hire JSEBs that provide quality work not just hire a sub-contractor because they are a JSEB.
- Allow for more flexibility within the program.
- Educate and promote JSEBs for growth.
- JSEBs need to mentor other JSEBs.
- Do not classify JSEBs in the same bucket because there are different skill sets based on industry. Currently they are all in the "JSEB bucket"
- Come up with a way to incentivize small business owners locally and to attract new small business owners to Jacksonville.
- Assemble a taskforce to continue studying the impact of small business in the city and to address the difficulties or emerging Jacksonville small businesses.
- Legislative restrictions – Reevaluate the program.
- The current JSEB Special Committee is ineffective. They never have a quorum (enough committee members appointed) They are defined by ORD, which the committee does not follow. Need to redefine the committee and its purpose.

PART II JACKSONVILLE SMALL BUSINESS ECOSYSTEM

Strengths:

- There are established models such as the Jacksonville Women's Business Center (JWBC) that could serve as a hub.
- The Jacksonville Small Business Ecosystem is prime from growing and attracting small business.
- Jacksonville is tax friendly on business taxes and the lower cost of living are both beneficial to those doing business in the area.

Challenges:

- Awareness of resources in the community is lacking.
- Language barriers particularly in the Hispanic community.
- Businesses are busy running their business.
- JSEB has limited staff.
- Lacking investment equity.
- Not all businesses although certified are ready for a contract.
- City should not entirely shoulder the burden of small business.
- Challenged by funding infrastructure.
- The Office of Economic Development has limited resources available for small businesses (the NW Jacksonville Economic Development Fund and Distressed areas)
- Most start-ups do not have the knowledge of business planning.
- City does not employ small business counselors.
- Current PIP does not work with small businesses.
- Not enough investment in community development.

Recommendations:

- More education is needed regarding the resources available in the community.
- Offer a resource for those seeking assistance that do not speak English very well.
- Chamber should host a bi-monthly or quarterly roundup of all small business providers to collaborate.
- JSEB Office reach out to the community to make them aware of the program and provide the educational resources to find out more about the program.
- Learning labs for small businesses to learn about the different certifications available.
- Message about the program should be better conveyed.
- Create opportunities for businesses in the community to network with small businesses.
- Consider financing in non-traditional ways\
- Collaboration
- Study business forward cities to evaluate the models that have served other small businesses such as in Memphis, Birmingham, Baltimore and Washington, DC that have undergone revitalization within a five year period.

- Utilize existing census tract within Opportunity Zones and HUB Zones to underwrite, approve and fund projects for successful completion that can be measured by number of businesses funded and ratio of funding allocated compared to JSEBs that are not located in an Opportunity or HUB Zone across Duval County.
- Fast Track Permitting
- Increase diversity, equity and inclusion practices among the city's programs and incentives.
- Incentive small business owners locally and to other small business to the area.
- Relook at the City's Public Investment Policy (PIP) and be more flexible on the types of businesses that can use the PIP.
- Broaden the opportunities to use the PIP.
- Create more and better Access to Capital. Money leads the way.
- Incentivize loan providers.
- Need accessible financing for start-ups.
- Evaluate the businesses that are successful and help with non-traditional industries and not just traditional services offered.
- Create a Small Business Help Resource Center.
- Find existing pots of money to use for underwriting and getting people approved for funding.
- Need flexible guidelines that small businesses can understand.
- Have banks come together to lend and the city offer a match.
- Get financial institutions to participate.
- Create a ROI that will work for small businesses.
- Incentivize larger firms to work with smaller businesses.
- Micro-loan programs \$35,000 or less to provide more opportunity to those starting a business.
- Create a theme for Jacksonville that focuses on small business. "America's most small business community," something everyone could stand behind.
- Set an inspiration goal and continue to work towards that goal.
- Highlight success small business stories such as Fanatics and Liberty Landscape Supply.
- Need to consider that there are different types of small businesses. Some are business owners that make cakes, as an example.

V. PUBLIC COMMENTS

- Alisa S.Coleman. Not present.
- Dinah L. Mason. Responded to statements made regarding the JSEB Program.
- Tamara Baker. Agrees with a lot that was said today. Complicated and cumbersome process. Be concise and simplify the process.
- David Moorefield. Supports the JSEB Program.

- Marie A. Myszkier. Said she would submit an email. To date, nothing has been submitted.

VI. ADJOURNMENT

There being no further business, Mr. Randolph adjourned the Economic Development Transition Committee Small Business Ladders meeting at approximately 11:50 a.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, an audio file of the meeting is available in its entirety upon request. Please contact Michelle Stephens at (904) 255-5452, or by email at msteph@coj.net.