JSEB Monitoring Committee Meeting

Wednesday, August 13, 2025, at 3:00 p.m. - 4:30 p.m.
Don Davis Room, 1ST Floor, City Hall, 117 West Duval St

JSEB MONITORING COMMITTEE
APPROVED MEETING MINUTES

August 13, 2025
3:00 p.m.
Don Davis Room, 1st floor, City Hall

Committee Members:
Mike Zaffaroni, Trade Association Member, Chair: Present
Roderick Myrick, JSEB Contractor Member: Present
Monique Thompson, Citizen Member: Present
Kimano Edwards, Citizen Member: Present
Leslie Campbell, JSEB Contractor Member: Present
Vacant, Non-JSEB Contractor Member: Vacant
The Honorable Council Member Terrance Freeman, Designated Member: Present

Advisors:
Gregory Grant - JSEB Administrator, GGrant@coj.net: Present
Shannon MacGillis - Office of General Counsel, SMacGillis@coj.net: Present

Staff:
Ivana Gavric, EBO Office, IGavric@coj.net: Present
Greg Pease, EBO Office, gpease@coj.net: Present

1. **Call to Order:** Chair Zaffaroni convened the meeting at 3:01 p.m. and the attendees introduced themselves for the record.

2. **Roll Call and Verification of Quorum** (4 members): Conducted by Chair; quorum satisfied after 3:30

3. **Approval of Minutes from prior meeting(s)**: [taken up upon quorum] Approved
   Motion to approve: --, ---; unanimous

4. **Call for Public Speakers**: *none*

5. **Reports:**
   A. JSEB Administrator: Status of program goals to date. (10 minutes)

   Gregory Grant, JSEB Administrator, reported on contracts, capital access, community growth, education, and legislation. He noted that the program has achieved 18 percent of its 20 percent contracting goal, which equals roughly seventy-one million dollars awarded to JSEB contractors this fiscal year, a sign that participation is on track. For access to capital, he explained that six hundred sixty-eight thousand dollars remains in circulation through active loans, while three hundred thirty-two thousand dollars has already been repaid, including several loans paid off in full, showing that participants are responsibly managing borrowed funds and that resources are available for reallocation. Community engagement has been marked by a near thirty percent increase in the JSEB portfolio this year, with the total number of certified participants now about five hundred eighteen, a figure that has grown further thanks to Councilman Freeman's legislation extending eligibility to nonprofits. Overall enrollment continues to expand by approximately five percent every month. For education, four entrepreneurship and workforce development centers have been launched in the north, south, east, west, and downtown parts of the city, serving as hubs for training and events under the Office of Economic Development that strengthen the sustainability of small businesses and JSEB participants. Finally, he raised a significant legislative concern, pointing out that while the nonprofit eligibility criteria still require at least twelve months in business before certification, the most recent revisions to Chapter 126 appear to have eliminated this requirement for for-profit businesses. A change that came to light after inquiries from an applicant, and he asked the committee to clarify whether this omission was intentional or an error, since it directly impacts how his office enforces program rules and determines which applicants qualify.

Shannon MacGillis explained that after researching the ordinance history, she found that prior to 2025-104, the language regarding minimum duration of a business to qualify has been the same reviewing language dating back to 2021. She noted that the long existing language both prior to 2025-148 and remaining now leads to confusion. She emphasized that this meant the legislation needed to be clarified to reflect policy direction. She suggested that it could be added in the proper section through legislation, along with other potential revisions she would recommend.

Chairman Zaffaroni asked Mr. Grant the importance of this change in legislation.

Gregory Grant stressed that the one-year business requirement is not a minor detail but an essential safeguard for the program. He explained that if very new businesses were allowed into the program without proving at least a year of operations, the result could be a large pool of inexperienced entrepreneurs who might quickly become discouraged when facing the challenges of competitive bidding. This discouragement could lead to higher failure rates and weaken the credibility of the program. Additionally, he argued that government contracts should not serve as trial runs for businesses that have not yet demonstrated they can reliably deliver services.

To protect the integrity of the program, Gregory Grant highlighted that the requirement ensures a company has operated long enough to build a basic track record. The program requires applicants to provide at least three paid invoices as evidence that they have successfully performed and been compensated for the services they claim to provide. This requirement verifies both capacity and legitimacy, confirming that applicants are genuine businesses with demonstrated performance rather than untested ventures.

Gregory Grant further clarified that since the legislation was revised, several applications have already been denied solely because the applicants had not met the twelve-month threshold. If the intent of the revised law is to allow participation from businesses younger than a year, enforcement would have to change accordingly, meaning those previously denied would need to be reconsidered and potentially accepted.

He cited ordinance 2025-148E as the point where the change occurred, specifically referencing page 16, lines 20 and 21, where the clause requiring businesses to have existed for at least one year was removed. The original language had required any qualifying business—whether a sole proprietorship, partnership, corporation, or limited liability company—to be at least 51% owned by one or more individuals holding ownership for at least a year, and for the business itself to have been in operation for a minimum of one year. The revised legislation struck out that language, replacing it with wording that allowed entities in existence for less than a year.

Gregory Grant concluded by formally recommending that the previous language be reinstated into the ordinance. Restoring the one-year requirement, he argued, would close the gap created by the legislative change, uphold the program's integrity, and prevent government contracts from being used as experimental opportunities for untested businesses.

The discussion centered on clarifying the legislative history behind the removal of the twelve-month business requirement. Shannon MacGillis questioned what year the strike-through language originated, acknowledging that legislation often builds on past bills and amendments.

It was explained that the issue may have arisen when the ordinance language was separated to distinguish nonprofit requirements from for-profit requirements. At that time, efforts were made to keep the language for for-profits unchanged, but the way the criteria had originally been written—combining references to individuals and business entities—was confusing. In reorganizing the language, the twelve-month requirement may not have been made explicit for for-profits, though it was always intended to apply.

The conversation concluded with recognition that it was clearly the policy and intent to maintain the twelve-month requirement for for-profit businesses, and that its absence in the current ordinance appeared to be a drafting oversight. It was agreed that this could and should be corrected through a legislative amendment.

The exchange revolved around a pressing question raised by Gregory Grant regarding how to handle the many JSEB applications that had been denied because the businesses were not yet twelve months old. Grant emphasized that there were already about one hundred applications in this situation, and more were continuing to come in. He asked whether, from an enforcement standpoint, those applications should be approved if the only reason for denial was the twelve-month requirement, or whether everything should be paused until a final decision was reached. He sought clear direction on whether to move forward with approvals or continue denials.

Committee members responded by clarifying the limits of their authority. Shannon MacGillis noted that this monitoring body does not have the power to direct how the administration enforces applications. Instead, the Office of General Counsel (OGC) must review the ordinance language and provide guidance but specified that she is assigned to the Committee not to the JSEB Program. She acknowledged that there had been longstanding confusion in the ordinance text. Earlier versions mixed "human" and "entity" language in the criteria, making it unclear whether the twelve-month rule applied explicitly to businesses. She stressed the importance of distinguishing between what was written in the ordinance and what was reflected in internal policies or application forms.

Grant pressed again, pointing out that applicants were being denied for not meeting the twelve-month threshold, but if the law no longer contained that requirement, those denials could be unjust. He argued that without clarity, enforcement decisions risked being inconsistent and unfair.

Councilman Freeman joined the conversation, recognizing the ambiguity and agreeing that it needed to be resolved, but cautioning against trying to retroactively fix past denials. He explained that under the law, applicants denied for failing to meet requirements must typically wait one year before reapplying, though those who withdrew voluntarily could reapply sooner. He pointed out that if legislation were corrected in the near future, many of these applicants would become eligible anyway without the committee taking extraordinary steps to reverse decisions.

Freeman also highlighted the risks of “going back” to correct past denials, since it could open the door to endless challenges from applicants who were denied under different interpretations. He stressed the importance of creating a clean slate moving forward. He suggested that the most practical solution would be to draft a legislative fix that reaffirmed the twelve-month requirement, and then bring it back to the committee for review before filing it. He committed to working with MacGillis to review the legislative history and prepare appropriate language, but he admitted he was cautious about the timing given the ongoing budget cycle and the potential political implications.

The committee agreed that in the meantime, the best approach was to let OGC provide formal guidance to Grant’s office on how to handle pending applications. Members underscored that they could make recommendations for ordinance changes but could not issue binding enforcement instructions.

Grant was thanked for raising the issue, and the members acknowledged that resolving it would help ensure a stronger pool of qualified applicants moving forward.

Shannon MacGillis noted that Section 126.607, dating back to 2021, contains conflicting language: while the section title and subsection A refer to annual reports, subsection C specifies quarterly reports. This inconsistency created ambiguity about the committee’s true obligation. Her recommendation was to clarify the ordinance by formally requiring quarterly reports to the mayor and an annual report to the city council. The reasoning was that quarterly updates would allow the mayor and administration to adjust the JSEB program more responsively if changes were needed, while the council would still receive a comprehensive annual report for oversight. Draft legislative language to resolve this ambiguity and codify the reporting structure was to be prepared and presented at the next meeting.

A question was raised about training in the centers. Gregory Grant explained that the entrepreneurship education centers host a wide range of trainings for both the JSEB population and the broader small business community. Each month, a training session is held at the Golfair location where participants are taught about the JSEB application process, available opportunities within JSEB, and how to navigate them. These sessions also include open Q&A, allowing the community and JSEBs to raise concerns directly. Similar sessions are offered to nonprofit participants as well. A schedule of events is shared in handouts, posted on the program’s website, and promoted through a newly launched JSEB newsletter, which is open to all residents of Duval County to ensure broad access to information and resources.

Gregory Grant explained that the entrepreneurship education centers are designed to connect the JSEB and small-business community with resources, highlighting Career Source as a stakeholder that provides staffing support to help JSEB contractors meet workforce needs while also serving job seekers. He noted that Career Source is not currently paying direct rent for its roughly 200 square feet at the Golfair center; instead, there will be an allocation of their fund savings back to JSBE, with the possibility of a future JSEB trust fund. In response to Councilman Freeman's questions about potential rent obligations and budget implications, Grant said those conversations have begun and that Career Source does budget for rent, though the arrangement remains in early stages. He emphasized that each stakeholder agreement will be negotiated case-by-case based on outcomes, and while a robust rent framework isn't in place yet, any memoranda of understanding would be coordinated with the city's economic development office, which maintains square-footage standards.

Gregory Grant said the entrepreneurship centers are also developing programming for youth ages 16–24 in partnership with KHA, aligning center activity with workforce goals. The conversation then pivoted to performance and finance. On contracting, members confirmed the program is at 18% toward the 20% legislative goal for the fiscal year that ends September 30, based on results through July. With two months left to gain the final two percentage points, Grant expressed confidence, crediting both his team and participating firms.

On access to capital, Grant separated several buckets of money to avoid confusion. The centerpiece of his report was a $1 million JSEB-exclusive revolving loan fund: $668,000 is currently outstanding, and $332,000 has been repaid year-to-date. There are some late payments but no write-offs. Loans carry 4% interest—below market—which flows back to the city's general fund, making the program revenue-positive in principle. Members noted this fund had historically been underused but is now actively deployed.

Grant then distinguished the revolving fund from other resources that aren't part of his formal report. The mayor's transition funds created a separate, one-time "beta" allocation used as grants; about $250,000 in grants went to JSEBs, but that activity sits under OED rather than the JSEB program metrics being reviewed. Separately, OED manages another $650,000 access-to-capital pool available to any small business (not JSEB-exclusive) via the public investment policy.

Looking forward, Grant advocated expanding the JSEB revolving fund to $5 million, arguing the repayment record— including two JSEBs that fully paid off quickly—shows the capacity to recycle more capital to more firms. The chair was open to the idea, especially because a revolving fund isn't a recurring budget line and, with interest, can generate net revenue for the city. Still, given the current emphasis on fiscal discipline, he asked Grant to build a strong, evidence-based case before the committee backs an expansion—comprehensive performance data, collection history, and concrete testimonials from beneficiary businesses to demonstrate impact. Gregory Grant explained participation continues to climb: the program has roughly 518 JSEBs and is growing at about 5% per month.

<u>B. Equal Business Opportunity Office:</u> status of continuing education, training and mentoring programs, and program marketing and community outreach, including

recommended goals, methods to measure goals, and the achievement or otherwise or previously set goals, as to each topic.

6. **Presentations:** *None*

7. **Unfinished Business (If Any)**:

A. Any remaining discussion regarding meeting schedule.

Shannon MacGillis proposed clarifying meeting frequency in the ordinance to say the committee will meet at least quarterly, at times and places it designates, with the chair empowered to call more frequent meetings. While drafting that language, Shannon MacGillis noticed conflicting “annual vs. quarterly” wording elsewhere, so the plan is to bring a single legislative package to the next meeting that both resolves the meeting-frequency language and adds the 12-month requirement for for-profit applicants—so everything can be discussed and decided from one document.

B. Quarterly Report/Scorecard

Gregory Pease walked the committee through a draft quarterly “scorecard” assembled from prior reports and updated with input from Shannon MacGillis. He explained that the scorecard intentionally anchors on ordinance-driven metrics, most notably the overall JSEB participation goal and the JSEB/CIP goals, and would be issued quarterly. He then identified a gap in the ordinance around project-specific goals: the code requires the JSEB administrator to set project-specific participation targets, but it never defines a benchmark for evaluating success. To close that gap, he proposed a new metric that would calculate the percentage of projects that meet their project-specific participation goals, with an aspirational target of 100%, and to document reasons when goals are missed.

To illustrate the mechanics, Pease used a major capital project example, such as the stadium, where a 20% set-aside might be established. He noted that simply checking a box at award is inadequate because payments, not awards, determine actual outcomes, and large projects often span multiple fiscal years. He acknowledged the practical “gray area” this creates: awards, spend, invoicing, and paid amounts rarely align in time. His initial mitigation was to evaluate goal attainment at project completion, since the ordinance effectively recognizes credit only once a JSEB subcontractor is actually paid. That approach, he argued, provides a clean, auditable endpoint for the yes/no determination: was the project-specific goal ultimately met?

Committee members pushed on timing, warning that waiting for final completion could bury interim wins on multi-year projects and “sell the program short.” They pointed out the city already receives invoice-level data from prime contractors with every pay request via the required Form 3, which lists all JSEB subconstrators being paid on that draw. Because that data stream exists, the program can capture quarter-by-quarter progress for transparency and morale while still reserving the official pass/fail judgment for project closeout. Pease agreed and clarified the intent: the scorecard would continue to track ongoing spend and payments during a project’s life; the new metric would specifically answer, at completion, whether the project hit its participation goal. Members also cautioned against a simplistic binary metric that could misrepresent performance (for example, “100 projects, one miss, equals a global ‘no’”). Pease acknowledged that nuance and suggested reporting the percentage of projects meeting goals plus brief narratives explaining misses.

Beyond project-specific goals, Pease outlined the rest of the scorecard. It would track the number of certified JSEBs against the annual target of 150; present access-to-capital status using a clear formula (fund total minus amounts distributed plus percent repaid, with explanatory notes), list quarterly accomplishments, flag any legislative needs, and summarize activity in education, training, mentoring, marketing, and community outreach. He emphasized that a standardized, repeatable package will outlast individual committee terms and gives both council and the mayor a stable basis for oversight—“the same stuff every quarter” instead of shifting numbers and formats.

Reaction was mixed on length and presentation. Monique Thompson said the report felt too long and should be tightened. Another member argued the substance is right and that it’s the discussions, not the metrics, that run long. The chair framed the scorecard as one of the committee’s most important institutional tools and encouraged members to refine details without losing the core, ordinance-aligned structure. The group moved forward with the understanding that interim payment data would be surfaced throughout a project’s life, while the formal success metric for project-specific goals would be determined at completion and contextualized with reasons whenever targets are missed.

Council Member Freeman opened by reflecting on years of one-on-one groundwork and praising how far the process has matured. He supported slimming the new quarterly scorecard over time, paring back long descriptions into brief parenthetical labels with compact checkboxes and figures. Provided the original, fully detailed reference document remains available for context. He then pressed for concrete success measures in the “continuing education, training, mentoring, marketing, and community outreach” section.

Gregory Grant explained the entrepreneurship centers already use sign-in sheets for every session and, in roughly the past two months, have held 20–30 events drawing hundreds of attendees. Grant proposed adding two simple counts to the scorecard—events per quarter and total attendees—and tagging each attendee as JSEB or non-JSEB so the committee can see program reach without inventing arbitrary targets. Members agreed these counts would let them quickly distinguish a low-impact quarter from a high-impact one.

On project tracking, a member suggested publishing each quarter the number of open projects, the number added since last quarter, and the number closed, to surface momentum and let the committee “see the wins.” Grant cautioned that building a reliable, automated feed for open/added/closed across accounting and procurement systems would be difficult without new technical work, given multiple data owners and system touchpoints. As a practical alternative, he described indicators they already track consistently: how many projects are designated 100% JSEB set-asides, how many carry participation goals, and how many are “encouragement” only. Whether the mix is shifting toward more set-asides and fewer encouragements. Members supported starting with those readily available indicators and adding finer-grained project status later if data integration improves. Grant also underscored that “city-funded” work spans multiple entities (departments, JEA, stadium, etc.), so cross-agency tracking is part of the effort. The intent is quarterly reporting tied to the city fiscal year, with the first cycle targeting an end-of-October delivery to council and the mayor. By prior agreement, the report should first come to the committee for review and approval. When asked, staff said a draft by the third week of October is reasonable and emphasized an "evolutionary" approach: deliver a solid first version and keep improving. On the JSEB CIP section, staff confirmed they are still settling definitions and pipelines (e.g., what counts as a "contract" versus a purchase order, given thousands of POs each year) and acknowledged the complexity of CIP flows that can pass through multiple layers before any JSEB work materializes.

Turning to participation goals, staff reported the program has already surpassed the annual target of 150 certified JSEBs this fiscal year; with nonprofits now included, that target may be conservative. Members stressed that raw counts aren't the end goal—the broader aim is a supportive small-business ecosystem built on education, access to capital, and well-matched contract opportunities. Grant added that portfolio composition matters: approximately 55% of firms are Tier 1 (under ~$300k revenue), 25% Tier 2, and 20% Tier 3; he wants to grow Tier 3 because those firms form the bench for larger procurements. The chair encouraged including a concise tier mix in the scorecard to show depth as well as breadth.

They also discussed surveys. By ordinance the program currently runs a biannual survey (it used to be annual), and Grant plans to propose returning to an annual survey. The present survey is still open; he will share results at the next meeting. Historically, the lowest satisfaction scores are in two areas—access to capital and the volume of contract opportunities—signals the committee agreed should anchor improvements and council communications.

8. **New Business**

- JSEB Updates – Gregory Pease/Shannon MacGillis (10 minutes)
    - New, recently passed and pending legislation 2025-411
    - New Reporting Requirements

9. **Announcements:**

A. Upcoming events through September (All events with additional details are available on our website JSEB.Jacksonville.gov):

"Leadership From Within" Workshop Series
August 13, 2025 10:00 AM

Enhance Your Communication Skills
August 14, 2025 2:00 PM

Entrepreneurship Through Acquisition
August 14, 2025 8:30 AM - 11:00 AM

Powering Projects: How Lending and Insurance Work Together for You
August 19, 2025 10:00AM

Financial Wellness Workshop
August 19, 2025 11:30AM - 12;30AM

Become an Autonomy at Work
August 20, 2025 1:00PM - 2:30PM

Real Estate: Investing Like a Pro
August 20, 2025 12:00 PM - 1:30 PM

How to Prepare to Obtain Capital for your Business
August 20, 2025 10:00 a.m. - 11:30 a.m.

The Power of B.A.I.L. – Building Your Essential Business Advisory Team
August 20, 2025 1:00 p.m. - 2:30 p.m.

JSEB Non-Profit Certification Training
August 21, 2025 12:00 PM - 1:00 PM

Commercial Leasing 101
August 27, 2025 10:00AM - 12:00PM

Small Business Bootcamp – Effective Communication and Team Building
August 28, 2025 6:00PM - 8:00PM

JSEB Monthly Marketplace with Downtown Vision Jax
September 03, 2025 5:00 p.m. - 9:00 p.m.

JSEB Certification Training
September 09, 2025 12:00 PM - 1:00 PM

"Leadership from Within" Workshop Series
September 10, 2025 10:00 AM

Enhance Your Communication Skills
September 11, 2025 2:00 PM

Financial Wellness Workshop
September 16, 2025 11:30AM - 12;30AM

Real Estate: Investing Like a Pro
September 17, 2025 12:00 PM - 1:30 PM

Become an Autonomy at Work
September 17, 2025 1:00PM - 2:30PM

How to Prepare to Obtain Capital For Your Business
September 17, 2025 10:00 a.m. - 11:30 a.m.

Scaling Smart – When and How to Grow Your Business
September 17, 2025 1:00 p.m. - 2:30 p.m.

JSEB Non-Profit Certification Training
September 18, 2025 12:00 PM - 1:00 PM

Small Business Bootcamp Series
May 22 - September 25, 2025 6:00 p.m. - 8:00 p.m.

Small Business Bootcamp – Effective Communications & Team Building
September 25, 2025 6:00PM - 8:00PM

10. **Adjournment:** Conducted by Chair

Meeting adjourned 4:32 p.m.