

CITY OF JACKSONVILLE  
NORTHWEST JACKSONVILLE ECONOMIC DEVELOPMENT FUND (NWJEDF)

ANNUAL REPORT  
FISCAL YEAR 2023



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## PROGRAM OVERVIEW

The Northwest Jacksonville Economic Development Fund (NWJEDF) is a public fund accessible by existing and prospective businesses in the Northwest Jacksonville area. The goals of the NWJEDF are to:

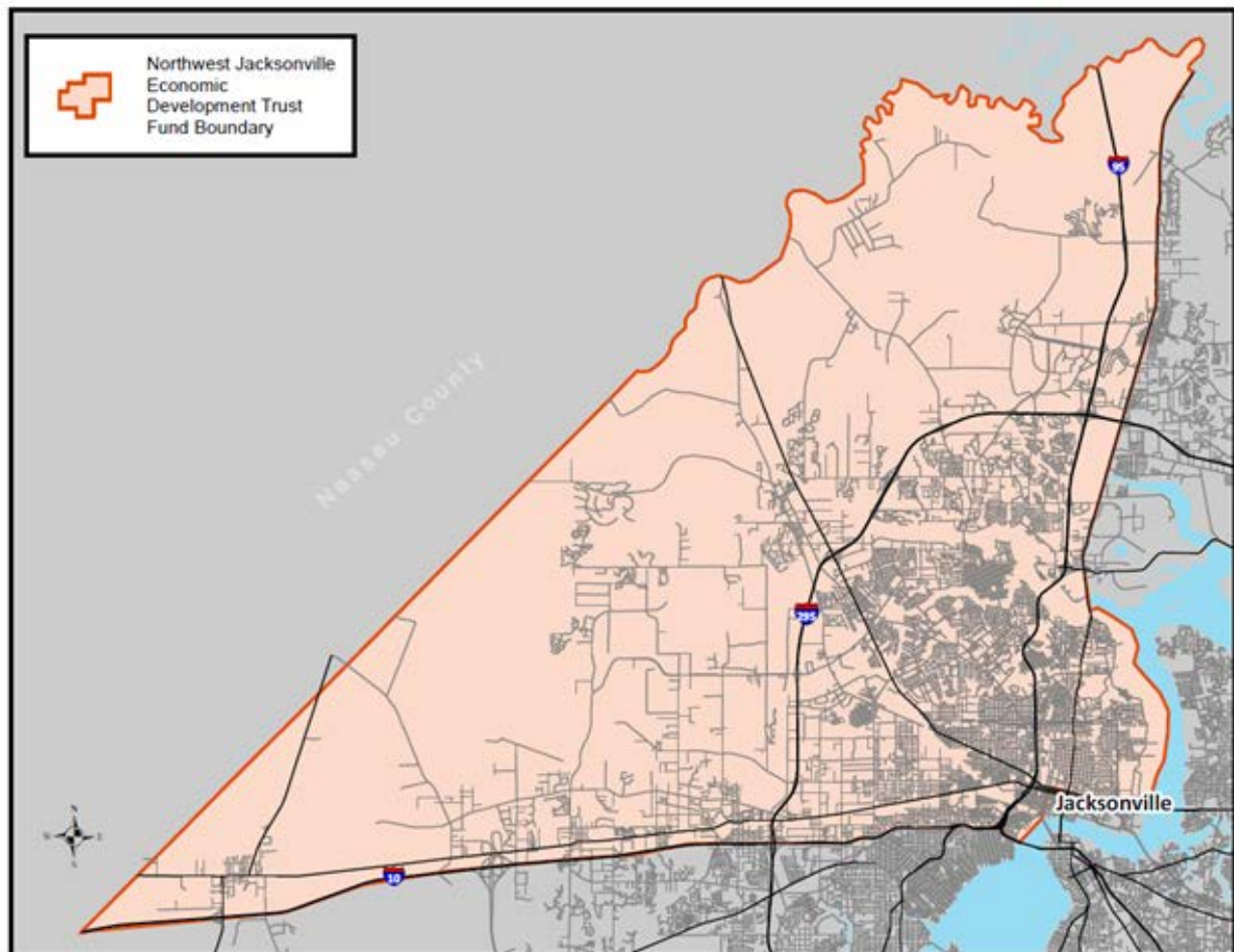
- Create access to jobs for area residents.
- Support the expansion of existing businesses within the Northwest area and encourage the creation of new service and retail businesses to service the needs of the community.
- Encourage redevelopment of vacant and underutilized buildings within the Northwest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

## NWJEDF ANNUAL REPORTING

Pursuant to Ordinance 2001-1164-E, the Office of Economic Development (OED) is responsible for administering the NWJEDF. The OED is required to submit an annual report of program activities for the immediately preceding fiscal year.

## NWJEDF BOUNDARY AREA

The current boundary area was made effective through Executive Order 2014-05. A map of the boundary area is below:



## NWJEDF ADVISORY COMMITTEE

Members of the Advisory Committee are appointed by the Mayor pursuant to Executive Order No. 2019-04. The Advisory Committee is comprised of seven (7) members as follows:

- Category 1: Two (2) small business owners;
- Category 2: One (1) person with knowledge of the construction industry (builder, developer, architect, etc.);
- Category 3: Two (2) persons with knowledge of the financial industry (bankers, accountant, etc.);
- Category 4: One (1) person with knowledge of workforce preparation (educator, etc.); and
- Category 5: One (1) person of varied background.

All committee members must reside or be employed in the Northwest Jacksonville area or have a stated interest in economic development activity in the Northwest Jacksonville area.

As of September 30, 2023, the members of the Advisory Committee included:

- Chair: Fred Atwill, Jr., ATWILL, LLC.
- Vice Chair: Cedrick Gibson, Florida State College at Jacksonville
- George Barnes, George A. Barnes Realty
- Tillery Durbin, 121 Financial Credit Union
- Valerie Jenkins, Wells Fargo
- Philip Elson, The NDN Companies

## FINANCIAL POSITION AND FUNDS AVAILABLE

The initial funding source for the NWJEDF was the Construction Fund established by the Excise Taxes Revenue Bond Series 1986A authorized by Ordinance 86-487-211. The NWJEDF also received \$25M in Better Jacksonville Plan (BJP) proceeds in 2001. The BJP funds were set aside to encourage economic opportunities in the target area with the provision that repayments and interest be reinvested for future use within the boundaries. As of today, the balance of the NWJEDF is comprised of Capital Project Funds, BJP funding, and the Northwest OED Fund.

As of September 30, 2023, the balance of the NWJEDF was \$5,278,033. This includes appropriations totaling \$629,347 for approved projects, leaving an available balance of \$4,648,686. In addition, a total of \$3,162,500 remains encumbered. Average monthly loan revenue for FY 2023 was \$20,641. Average monthly principal return for FY 2023 was \$16,861.

## ON-GOING PROJECTS AND PROGRAMS

### **Non-Residential Septic Tank Repair and Replacement and Sewer Connection Grant Program.**

Ordinance 2018-196-E appropriated \$1,000,000 from the NWJEDF to establish a grant program to aid businesses with the costs associated with repairing or replacing failing septic systems and/or connection to JEA's sewer system. Ordinance 2021-385-E amended the eligibility criteria to include non-residential properties, including commercial and not-for-profit businesses, provided the property is not homesteaded. The program provides grants of up to \$30,000 to eligible businesses in the

NWJEDF boundary area. Eligible projects may include: repair or replacement of septic tanks and drain fields for businesses whose systems are in failure as determined by the Florida Department of Health or identified by a qualified person as per subsection 64E-6.004(3), Florida Administrative Code (F.A.C.); or connect to existing sewer. Properties cannot have any pending zoning or building code violations, pending liens, unpaid taxes, or environmental contamination.

The OED reports bi-annually to the City Council regarding the use of grant funds, including the grant recipient, address and amount of the grant and status of the grant for each application. As of September 30, 2023, 27 agreements were executed for a total of \$732,267. Further, 19 projects have been completed as of fiscal year end 2023. A total of \$604,667 has been disbursed for septic system repair/replacement or connection to JEA sanitary sewer and \$30,845 has been repaid under the Program.

**Supermarkets and Healthy Food Programs.** In FY 2018 the City Council approved Ordinance 2018-195-E and authorized \$3,000,000 to engage a consultant and incentivize new supermarkets and healthy food programs in the Northwest area. In FY 2019 the OED worked with T. Brown Consulting Group, LLC to assist with recommending and developing incentive programs that would further the goal of improving health outcomes within the NWJEDF area through the provision of greater access to, affordability of, and education concerning healthy food choices. City Council approved Ordinance 2019-245-E, which accepted the consultant's report, adopted the Full-Service Grocery Store Program, and authorized the development of various Food Desert Pilot Programs.

A total of \$105,000 was spent on the consultant's contract. As of September 30, 2023 a total of \$2,025,100 was expended on the various programs and \$650,000 remains encumbered. There was a working balance of \$330,667 at fiscal year end to address food desert matters.

As of September 30, 2023, the following Food Desert Programs are being monitored by the Office of Economic Development:

**Full Service Grocery Store Program**

Grant Recipient	Project Address	Approved Grant Amount	Disbursed Amount	Bill #
Commonwealth SDC, LLC (Rowe's)	1020 Edgewood Ave. N.	\$750,000	\$750,000	<u>2019-0767</u>
Winn-Dixie Stores, Inc.	5210 Norwood Ave.	\$850,000	\$800,212	<u>2019-0870</u>
Lift Jax (Deb's Store)	1478 Florida Ave.	\$650,000	\$0	<u>2022-0029</u>

**Transportation Program**

Grant Recipient	Project Address	Approved Grant Amount	Disbursed Amount	Bill #
Jacksonville Transportation Authority (JTA)	Door to Store - Modified Northside ReditRide Boundary	\$145,000	\$145,000	<u>2019-0812</u> <u>2021-0046</u> <u>2021-0140</u> <u>2022-0135</u>

**Mobile Markets Program**

Grant Recipient	Project Address	Approved Grant Amount	Disbursed Amount	Bill #
Regional Food Bank of Northeast Florida, Inc. (dba Feeding Northeast Florida)	Corner Market - various locations: service locations and hours to be agreed upon by City and Company	\$200,000	\$199,889	<u>2019-0813</u>

**Other**

Grant Recipient	Project Address	Approved Grant Amount	Disbursed Amount	Bill #
Overflow Health Alliance, Inc.	Making Ends Meet 4220 Moncrief Rd.	\$25,000	\$25,000	<u>2021-0597</u>

## PROJECTS AND PROGRAMS APPROVED DURING FY 2023

**Ferrosorce, LLC** is a global procurement and distribution company focused on supply chain and risk management in the ferrous metals market. They procure, distribute, and customize a variety of steel products for domestic users of hot and cold rolled steel, pipe, tube and long products such as wire, rebar, wire rods, tubes, steel bar and steel sections. The Company proposes to lease space at 1011 Blanche Street, which will serve as a metal fabricating facility to support their customer's needs. Additionally, they propose to create a free trade zone to import and store steel before it's fabricated into structural steel parts and rebar within their facility. The Project will have an estimated capital investment of \$2.5 million and will create up to 15 new jobs. The City Council approved Resolution 2022-0717-A, authorizing a \$100,000 business infrastructure grant to offset a portion of the infrastructure improvements needed to complete the Project.

**Sports Addix, LLC** is a Michigan Limited Liability Company providing screen-printing, embroidery and apparel manufacturing. The business was started in 2006 in Lowell, Michigan and was acquired by Mr. Steve Dean in 2019, who is relocating the business to Jacksonville, Florida. In April of 2022 Sports Addix purchased Great Atlantic Outfitters, a similar screen-printing business formerly located in the Arlington area of Jacksonville. The Company leased the building located at 1708 Marshall Street and is in the process of renovating the building, including upgrading the electrical infrastructure, reroofing and other improvements sufficient to meet the current building code requirements. The City Council approved Resolution 2022-0834-A, authorizing a \$50,000 small business development initiative grant to offset renovation and site improvement costs needed to establish a new silk-screening and manufacturing facility.

**Danone North America Public Benefit Corp.** is a global food manufacturer with an existing facility at 2198 West Beaver Street. The Company is expanding its manufacturing operations to include additional products and varying sizes of existing product offerings. The City Council approved Resolution 2022-0862-A, authorizing a \$500,000 large scale economic development fund grant to assist with site improvements, including building expansion, utility upgrades, machinery, equipment, and related expenses needed to complete the Project.

**Kappa Alpha Psi Jacksonville Foundation** was incorporated on December 29, 1997 and serves as the philanthropic arm of the Jacksonville Alumni Chapter of Kappa Alpha Psi Fraternity. The Dr. C.B. McIntosh Community Achievement Center is a collaborative initiative between the Kappa Alpha Psi Jacksonville Foundation and Wolfson's Children's Hospital of Jacksonville. The Foundation, together with Wolfson's, seek to establish a state-of-the-art healthcare facility to serve the Northwest Jacksonville community at the proposed location of 3717 Moncrief Road, Jacksonville, FL 32209, which is located in a Level 1 Economically Distressed Area (EDA). The City Council approved Resolution 2023-0077-A, authorizing a \$500,000 large scale economic development fund grant to assist with site improvements and infrastructure needed to complete the Project.

## OTHER ACTIONS DURING FY 2023

**AA Auto Parts, Inc.** is engaged in the sale of used automobile parts, ferrous and non-ferrous metal recycling. The Company is in the process of expanding their business, located at 6641 W. Beaver Street, to incorporate a metal shredding operation. Ordinance 2019-652-E, approved on October 22,

2019, appropriated \$250,000 from the Northwest Jacksonville Economic Development Fund (NWJEDF) to support the Company's expansion, which includes additional infrastructure improvements needed to install the metal shredder system on the property. The Project is currently under construction but has experienced delays due to environmental issues identified during the completion of the site work and the COVID-19 Pandemic, delaying construction and delivery of needed building materials. As a result, the Company requested extensions to allow for completion of the Project. The City Council approved Ordinance 2022-560-E, extending the completion deadline through December 31, 2022, and Ordinance 2023-0078-E, which extended the completion deadline through September 30, 2023.

**Liquid Proof, LLC (dba Four Fathers Distillery)** was founded by Tim and Sandra Daniels in September of 2013. Mr. Daniels purchased the 8,000 square foot facility at 2917 Borden Street in May of 2015 to create a distillery to manufacture limited production quantities of a variety of authentic craft spirits, private label production, and barrel aging for consumers. The Company has agreements with Bacardi and Savannah Spirits to distill and bottle specialty spirits and they propose to open their distillery to the general public for tours. The City Council approved Resolution 2017-0448-A, authorizing a \$25,000 grant to offset a portion of the cost to extend the 6" water line to the building necessary to operation the sprinkler system. The legislation also approved a \$61,000 loan for a term of 60 months at an interest rate of 3 percent per annum to help pay for installing the sprinkler system and remaining cost for the extension of the water line. The Project is complete; however, the Borrower was not able to meet the balloon obligation on June 1, 2023 and requested additional time to pay off the loan. Ordinance 2023-0618 authorizes the extension of the maturity date for the loan through June 1, 2033 and re-amortizes the remaining balance. Approval of the Ordinance is anticipated at the October 10, 2023 City Council meeting.

## **LOAN STATUS**

As of September 30, 2023, the following NWJEDF loans are being serviced by the Office of Economic Development:



NWJEDF Loan Status as of 09/30/2023

Borrower	Loan Origination Date	Original Principal Amount	Loan Terms (Years)	Maturity Date	Interest Percent (%)	Principal Balance (as of 9/30/2023)	Payment Status	Comments
Moncrief Plaza (Urban Core Enterprises, Inc.)	07/31/2003	\$2,100,000	20	08/1/2026	0.00%	\$307,563	Current	Repayment began 8/1/2006
Jessie & Rosa Wilcox/For Your Child Only	05/30/2003	\$240,000	20	02/01/2024	3.00%	\$7,067	Current	Original term of 10 yrs. Modified to re-amortize and extend maturity date through 2/1/2024
First Coast No More Homeless Pets, Inc. (Loan 1)	03/06/2009	\$211,325	25	06/01/2034	3.00%	\$100,342	Current	Original term of 10 yrs. Modified to re-amortize and extend maturity date through 6/1/2034.
Fresh Ministries	05/23/2011	\$392,265	10	04/01/2025	3.00%	\$290,773	Current	Repayment began 4/1/2015

NWJEDF Loan Status as of 09/30/2023

Borrower	Loan Origination Date	Original Principal Amount	Loan Terms (Years)	Maturity Date	Interest Percent (%)	Principal Balance (as of 9/30/2023)	Payment Status	Comments
North Point Town Center	01/27/2012	\$527,579	10	12/22/2025	3.00%	\$470,161	Current	Repayment due 15 yrs from date of Execution (12/22/2010), w/interest only payments for the earlier of 5 yrs or until 95% occupancy.
First Coast No More Homeless Pets, Inc. (Loan 2)	08/28/2015	\$397,040	15	10/01/2032	3.00%	\$256,703	Current	Repayment began 6/1/2017
Liquid Proof, LLC (Four Fathers Distillery)	05/09/2018	\$61,000	15	06/01/2033	3.00%	\$48,489	Current	Original term of 5 yrs. Modified to re-amortize and extend maturity date through 6/1/2033

## PROJECTS BEING MONITORED BY THE OFFICE OF ECONOMIC DEVELOPMENT

As of September 30, 2023, the following NWJEDF projects are being monitored by the Office of Economic Development:

Project Name	Project Address	Project Description	Project Assistance	Projected New Full-Time Jobs	Projected Private Capital Investment	Status	Bill #
<b>Moncrief Plaza Shopping Center</b>	3000 Moncrief Rd.	Water & sewer infrastructure improvements	Construction loan of \$2.1 million & infrastructure grant of \$718,000	60	\$3,600,000	Complete Loan in Repayment	<u>2001-1114</u>
<b>Mr. G's Hair Depot</b>	1492 Kings Rd.	Onsite infrastructure & building improvements  <i>*Final judgement of \$63,966 granted in favor of City on 8/17/2018</i>	Construction loan of \$63,560 & grant of \$10,000	4	\$68,500	Complete Loan Default	<u>2002-0832</u>
<b>For Your Child Only Day Care Center</b>	6101 Avenue B	Acquisition of land & building. Loan Modification done to re-amortize the loan and extend maturity date	Construction loan of \$240,000	15	\$311,000	Complete Loan in Repayment	<u>2003-0300</u> <u>2017-0019</u>
<b>Shoppes at Norfolk</b>	Corner of Soutel Dr. & Norfolk Blvd.	Renovation and construction of site as new commercial, retail development  <i>*Settlement payment of \$438, 715 received from Evelyn Greer. Summary judgement issued against remaining guarantors.</i>	Construction loan of \$877,429 & grant of \$584,952	50	\$4,387,144	Complete Loan Default	<u>2007-0255</u>

Project Name	Project Address	Project Description	Project Assistance	Projected New Full-Time Jobs	Projected Private Capital Investment	Status	Bill #
<b>First Coast No More Homeless Pets, Inc.</b>	6817 Norwood Ave.	Acquisition & renovation of building for animal medical facility. Loan modification done to re-amortize the loan and extend maturity date	Construction loan of \$211,325 & grant of \$117,800	54	\$987,390	Complete Loan Repayment	<u>2008-1036</u> <u>2019-0332</u>
<b>Cedar Grove Truck Wash</b>	3317 Edgewood Ave. N.	Construction of commercial truck wash, with office and retail space  <i>*Default judgement issued against Company and recorded 7/21/2017.</i>	Loan of \$125,000 & grant of \$75,000	18	\$1,070,445	Complete Loan Default	<u>2009-0185</u>
<b>Fresh Ministries Beaver Street</b>	728 Blanche St.	Onsite infrastructure & building improvements	Construction loan of \$392,265 & infrastructure grant of \$100,000	95	\$601,109	Complete Loan in Repayment	<u>2010-0367</u>
<b>North Point Town Center</b>	3416 Moncrief Rd.	Mixed use retail/office facility	Construction loan of \$527,579 & grant of \$351,719	17	\$1,881,800	Complete Loan in Repayment	<u>2010-0750</u>
<b>Cowealth, LLC</b>	5638 Commonwealth Ave.	Acquisition of building & purchase of equipment/ machinery  <i>*Claims filed against guarantors in 2017. Chapter 11 Reorg plan in place for KJB and Joann Brown. Restitution payments due pursuant to USA vs. Katrina Brown et al.</i>	Loan of \$380,000 & infrastructure grant of \$210,550	56	\$2,430,000	Complete Loan Default	<u>2011-0290</u>

Project Name	Project Address	Project Description	Project Assistance	Projected New Full-Time Jobs	Projected Private Capital Investment	Status	Bill #
L & J Diesel	2345 Harper St.	Relocate to larger facility, which will serve as Company's manufacturing facility.	Construction Loan of \$200,000 & grant of \$200,000	20	\$2,600,000	Complete Monitoring Project	<u>2012-0682</u>
First Coast No More Homeless Pets, Inc.	464 Cassat Ave.	Low cost, full-service animal hospital	Construction loan of \$400,000 and grant of \$183,587	47	\$1,750,761	Complete Loan in Repayment	<u>2015-0014</u>
Sea Breeze	3807 Edgewood Dr. & 3744 Keen Rd.	Food service distributor	Infrastructure grant of \$238,909	5	\$238,909	Complete Monitoring Project	<u>2015-0224</u>
Hans-Mill Corp	5406 W. 1st St.	Manufacturing facility	Grant of \$200,000 for infrastructure	23	\$11,799,000	Complete Monitoring Project	<u>2016-0403</u>
LiquidProof, LLC d/b/a Four Fathers Distillery, Inc.	2917 Borden St.	Sprinkler System installation and water line extension to the building	Construction loan of \$61,000 & infrastructure grant of \$25,000	5	\$436,000	Complete In Repayment	<u>2017-0448</u> <u>2023-0618</u>
C&S Wholesale Grocers, Inc.	5050 Edgewood Ct.	Expansion of existing warehouse and distribution facility	Economically Distressed Area Targeted Industry Program (EDATIP) Grant of \$40,000	40	\$400,000	Complete Monitoring Project	<u>2018-0223</u>

Project Name	Project Address	Project Description	Project Assistance	Projected New Full-Time Jobs	Projected Private Capital Investment	Status	Bill #
<b>Clara White Mission - White Harvest Farms</b>	4850 Moncrief Rd.	Prepare and develop an approx. 9-acre site to include design, permitting, and construction of Capital Improvements related to White Harvest Farms	Grant of \$1,747,090 to complete project		\$1,747,090	Complete Monitoring Project	<u>2018-0509</u> <u>2022-0561</u>
<b>Lineage Logistics / Preferred Freezer Services of Jacksonville, LLC</b>	5459 Doolittle Rd.	Off-site and on-site infrastructure improvements for construction of a cold storage food warehouse	Infrastructure grant of \$100,000	40	\$46,700,000	Complete Monitoring Project	<u>2019-0086</u>
<b>A A Auto Parts, Inc.</b>	6641 Beaver St. W.	Infrastructure improvements needed to install a metal shredding system	Construction loan of \$150,000 & infrastructure grant of \$100,000	5	\$5,154,850	Under Construction	<u>2019-0652</u> <u>2022-0560</u> <u>2023-0078</u>
<b>Flying W Plastics</b>	109 Stevens St.	Infrastructure Improvements for piping products manufacturing facility	Infrastructure grant of \$100,000	28	\$8,000,000	Complete Monitoring Project	<u>2020-0312</u>
<b>Ring Power Corporation (Phoenix Products)</b>	1727 Bennett St.	Infrastructure Improvements for metal fabricating facility	Infrastructure grant of \$100,000	12	\$2,144,000	Complete Monitoring Project	<u>2020-0587</u>
<b>Eastern Wire Products</b>	5415 Longleaf St.	Infrastructure Improvements for steel and wire manufacturing facility	Construction loan of \$150,000 & infrastructure grant of \$100,000	10	\$4,461,905	Complete Loan in Repayment	<u>2021-0437</u>

Project Name	Project Address	Project Description	Project Assistance	Projected New Full-Time Jobs	Projected Private Capital Investment	Status	Bill #
<b>Regional Food Bank of Northeast Florida (dba Feeding Northeast Florida)</b>	1824 Beaver St. W.	Site renovations and redevelopment as Farmer's Market and Resource Center	Grant of \$200,000 (plus \$1 million from general fund)		\$2,000,000	Planning Phase	<u>2021-0504</u>
<b>Concept Development</b>	1040 E. 8 <sup>th</sup> St.	Environmental remediation and development of site as Dollar General	Infrastructure grant of \$300,000		\$2,119,864	Complete Monitoring Project	<u>2021-0704</u>
<b>USA Big Mountain Paper (Nateen)</b>	2160 W. 33 <sup>rd</sup> St.	Renovations and infrastructure improvements for paper medical products manufacturing facility	Grant of \$200,000 for infrastructure and building improvements	50	\$5,300,000	Under Construction	<u>2022-0087</u>
<b>Florida Mechanical Systems, Inc. (FMS)</b>	524 Stockton St.	Construction, infrastructure improvements and equipment for new building to serve as administrative facility for W.W. Gay Mechanical Contractors, Inc.	Grant of \$500,000 for infrastructure and construction	60	\$15,313,339	Under Construction	<u>2022-0277</u>
<b>Fruit of Barren Trees, LLC</b>	3202 N. Myrtle Ave.	Renovation of building to serve as office and leased space	Construction loan of \$135,000	7	\$670,000	Under Construction	<u>2022-0278</u>

Project Name	Project Address	Project Description	Project Assistance	Projected New Full-Time Jobs	Projected Private Capital Investment	Status	Bill #
<b>Ferrosorce, LLC</b>	1011 Blanche St.	Infrastructure improvements to establish metal fabricating and steel products manufacturing facility	Infrastructure grant of \$100,000	15	\$2,269,000	Under Construction	<u>2022-0717</u>
<b>Sports Addix, LLC</b>	1708 Marshall St.	Infrastructure and building improvements to create multi-line screen-printing manufacturing facility	Grant of \$50,000 for infrastructure and building improvements	25	\$679,000	Complete Monitoring Project	<u>2022-0834</u>
<b>Danone North America Public Benefit Corp.</b>	2198 West Beaver St.	Expansion of manufacturing facility to accommodate additional product offerings	Large scale grant of \$500,000 for site improvements and related expenses	40	\$65,000,000	Under Construction	<u>2022-0862</u>
<b>Kappa Alpha Psi Foundation Jacksonville, Inc.</b>	3717 Moncrief Rd.	Improvements for the creation of a state-of-the-art healthcare facility, including site demolition and utility infrastructure	Large scale grant of \$500,000 for site improvements and related expenses		\$8,300,000	Under Construction	<u>2023-0077</u>