

The Rules Committee offers the following Substitute to File No.  
2025-148:

Introduced by Council Member Freeman:

**ORDINANCE 2025-148**

AN ORDINANCE REGARDING THE JACKSONVILLE SMALL  
AND EMERGING BUSINESS ("JSEB") PROGRAM; AMENDING  
SECTION 126.604 (DEFINITIONS), SUBPART A  
(GENERAL PROVISIONS), PART 6 (JACKSONVILLE SMALL  
AND EMERGING BUSINESS PROGRAM), CHAPTER 126  
(PROCUREMENT CODE), *ORDINANCE CODE*, PROVIDING  
FOR NON-PROFIT BUSINESS PARTICIPATION WITHIN  
DEFINITIONS OF JSEB AND PROVIDING A MAXIMUM  
ANNUAL INCOME THRESHOLD FOR A NON-PROFIT  
BUSINESS AS A JSEB; AMENDING SECTION 126.607  
(JSEB MONITORING COMMITTEE; ANNUAL PROGRAM  
REVIEW), SUBPART B (PROGRAM ADMINISTRATION),  
PART 6 (JACKSONVILLE SMALL AND EMERGING BUSINESS  
PROGRAM), CHAPTER 126 (PROCUREMENT CODE),  
*ORDINANCE CODE*, TO UPDATE GOALS, CLARIFY  
SCHEDULE AND PARTICIPATION IN REPORTS TO THE  
MONITORING COMMITTEE, CLARIFY COMPOSITION AND  
APPOINTMENTS OR DESIGNATIONS OF MEMBERS, PROVIDE  
FOR A VICE CHAIR, CLARIFY TERM LIMITS, SPECIFY  
STAFF SUPPORT, CLARIFY MEETING ATTENDANCE  
REQUIREMENTS, AND TO PROVIDE FOR FILING OF  
COMPLAINTS; AMENDING SECTION 126.609 (ACCESS TO  
CAPITAL), SUBPART C (PROGRAM SUPPORT SERVICES;  
MARKETING AND OUTREACH; DISPARITY STUDY UPDATE),

PART 6 (JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM), CHAPTER 126 (PROCUREMENT CODE), *ORDINANCE CODE*, TO PROVIDE FOR THE POSTING OF CERTAIN REPORTS TO RELEVANT PUBLIC WEBSITES; AMENDING SECTIONS 126.613 (JACKSONVILLE SMALL AND EMERGING BUSINESSES DEFINED), TO PROVIDE CERTIFICATION CRITERIA FOR NON-PROFIT JACKSONVILLE SMALL AND EMERGING BUSINESSES, AND CONFORMING LANGUAGE, 126.614 (JSEB AND PROGRAM ELIGIBILITY), TO CONFORM LANGUAGE REGARDING JSEB AND PROGRAM ELIGIBILITY FOR NON-PROFIT BUSINESSES, 126.616 (CONTRACT PRE-AWARD COMPLIANCE PROCEDURES), TO CLARIFY LANGUAGE REGARDING CONTRACT PRE-AWARD COMPLIANCE PROCEDURES, 126.620 (CONTINUING OBLIGATIONS OF JSEBS AND GRADUATION), TO CONFORM LANGUAGE REGARDING CONTINUING OBLIGATIONS OF JSEBS AND GRADUATION, 126.621 (DE-CERTIFICATION, DENIAL AND APPEAL PROCEDURE), TO CLARIFY THE PROCESS FOR DE-CERTIFICATION, DENIAL AND APPEAL PROCEDURE, 126.623 (COUNTING SUBCONTRACTING PARTICIPATION OF JSEBS), TO CONFORM LANGUAGE REGARDING SUBCONTRACTING PARTICIPATION AND 126.624 (ACTS WHICH MAY RESULT IN EXPULSION FROM THE JSEB PROGRAM; FINES, AND CRIMINAL OFFENSES), SUBPART D (PROGRAM ELIGIBILITY, PROCEDURES, AND OTHER REQUIREMENTS), PART 6 (JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM), CHAPTER 126 (PROCUREMENT CODE), *ORDINANCE CODE*, TO CLARIFY ACTS WHICH MAY RESULT IN EXPULSION FROM THE JSEB PROGRAM AND TO PROVIDE FOR ADDITIONAL REMEDIES;

1 PROVIDING FOR CODIFICATION INSTRUCTIONS;  
2 PROVIDING AN EFFECTIVE DATE.  
3

4 **WHEREAS,** the City of Jacksonville ("City") determined in 2004  
5 that growing Jacksonville Small and Emerging Businesses ("JSEBs") was  
6 beneficial to the City and its individual residents; and

7 **WHEREAS,** to that end, the City devised the Jacksonville Small  
8 Emerging Business Program (the "Program") to address several concerns  
9 that were found to impede the growth of small businesses, including  
10 bonding issues, access to capital, training, city procurement  
11 barriers, and lack of resources for growth; and

12 **WHEREAS,** non-profit organizations foster civic engagement,  
13 provide unending opportunities for leadership, encourage creativity,  
14 and provide employment; and

15 **WHEREAS,** supporting small and emerging business is beneficial  
16 to the City and its individual residents, regardless of a business'  
17 tax-exempt status; and

18 **WHEREAS,** the City desires to further improve certain aspects  
19 of the Program to better assist JSEBs, for-profit and non-profit  
20 alike, in achieving their individual and collective goals and to  
21 promote continued participation in the Program, ensuring continuity  
22 and mentorships within the Program; now therefore

23 **BE IT ORDAINED** by the Council of the City of Jacksonville:

24 **Section 1. Amending Section 126.604 (Definitions), Subpart**  
25 **A (General Provisions), Part 6 (Jacksonville Small and Emerging**  
26 **Business Program), Chapter 126 (Procurement Code), Ordinance Code.**  
27 Section 126.604 (Definitions), Subpart A (General Provisions), Part  
28 6 (Jacksonville Small and Emerging Business Program), Chapter 126  
29 (Procurement Code), *Ordinance Code*, is hereby amended to read as  
30 follows:

31 **CHAPTER 126 - PROCUREMENT CODE**

\* \* \*

## PART 6. - JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM

## SUBPART A. - GENERAL PROVISIONS

\* \* \*

**Sec. 126.604. - Definitions.**

The following words and phrases as used in this Part shall have the following meaning:

*Direct contracting* shall mean any contract between the City and a JSEB that has been awarded to a JSEB as a prime contractor pursuant to Chapter 126 of the Code.

*EBO Office* shall mean the Equal Business Opportunity Office established pursuant to Chapter 24, Part 6 of the Code.

*Front, broker, or pass-through* shall mean a JSEB that is not registered as a supplier or distributor through the Florida Department of Revenue, or a JSEB subcontractor who does not self-perform 100 percent of the subcontractor work pursuant to the Schedule of Participation, or a JSEB prime contractor who does not self-perform at least 40 percent of the work for the project.

*JSEB* shall mean a person or entity certified as a "Jacksonville Small and Emerging Business" pursuant to the requirements set forth in Subpart D of this Part 6. Unless otherwise specified, the term *JSEB* includes both for-profit businesses and non-profit businesses.

*JSEB Administrator* shall mean the individual responsible for administering and managing the JSEB Program pursuant to Chapter 26, Part 2 of the Code.

*Micro-business JSEB* shall mean a JSEB having annual gross revenue, averaged over the immediately preceding three-year period, not exceeding \$3,000,000 as to a for-profit business.

*Program* shall mean the Jacksonville Small and Emerging Business Program set forth in this Part 6.

*Project Specific Goals* shall mean specific JSEB subcontractor

1 participation goals, as set by the JSEB Administrator and Chief of  
2 Procurement, that a prime contractor must adhere to in a City awarded  
3 contract.

4 *Program Goals* shall mean the goals for the Program set forth in  
5 Subpart D herein.

6 *Schedule of Participation* shall mean the bidder/proposer's  
7 detailed list of all JSEB and non-JSEB subcontractors from which the  
8 bidder/proposer solicited bids or quotations in accordance  
9 with Section 126.616 herein.

10 **Section 2. Amending Section 126.607 (JSEB Monitoring**  
11 **Committee; Annual Program Review), Subpart B (Program**  
12 **Administration), Part 6 (Jacksonville Small and Emerging Business**  
13 **Program), Chapter 126 (Procurement Code), Ordinance Code.** Section  
14 126.607 (JSEB Monitoring Committee; Annual Program Review), Subpart  
15 B (Program Administration), Part 6 (Jacksonville Small and Emerging  
16 Business Program), Chapter 126 (Procurement Code), *Ordinance Code*,  
17 is hereby amended to read as follows:

18 **CHAPTER 126 - PROCUREMENT CODE**

19 \* \* \*

20 **PART 6. - JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM**

21 \* \* \*

22 **SUBPART B. - PROGRAM ADMINISTRATION**

23 \* \* \*

24 **Sec. 126.607. - JSEB Monitoring Committee; Annual Program Review.**

25 (a) *Establishment; purpose.* There is established a seven-member  
26 JSEB Monitoring Committee ("Committee"), to annually review,  
27 in consultation with the JSEB Administrator: (i) the status  
28 of the Program Goals, including, but not limited to, the  
29 percentage, number, and dollar value of contracts awarded to  
30 JSEBs through direct contracting and subcontracts, to set  
31 annual, achievable goals to grow and improve the Program;

(ii) the training programs, and the "AC Program"; (iii) difficulties or accomplishments of the Program; (iv) a comparison of the achievements under the Program compared with the Program Goals; (v) the maximum threshold amount for annual averaged gross revenue referenced in Section 126.613(c); and (vi) the limitation on the number of program participation years in Section 126.613(c) to determine if such amounts and limitation on the number of years are appropriate for the Program; (vii) the need for legislation. The Equal Business Opportunity Office shall present to the JSEB Monitoring Committee on the status of continuing education, training and mentoring programs, and program marketing and community outreach, as described in Section 126.610, including recommended goals, methods to measure goals, and the achievement or otherwise or previously set goals, as to each topic. At the spring and fall Committee meetings, at a minimum, the City's Risk Manager shall present to the Committee regarding the available insurance programs for Florida small businesses and make recommendations regarding methods or programs to assist JSEBs in obtaining requisite insurance, as described in Section 126.611. Based on the Committee's required Program review, the Committee may recommend to the Mayor or City Council amendments to the Program in the form of a report.

- (b) *Composition; appointments.* The Mayor shall appoint three members of the Committee., ~~and the~~ The City Council shall appoint three ~~four~~ members. The Council President shall annually designate a City Council Member to serve as a member of the Committee. The Committee shall be comprised as follows:
- (1) one non-JSEB contractor who is a professional engineer, general contractor or architect appointed by the Mayor;

- 1           (2) one member of the Council designated by the Council  
2           President ~~non-JSEB contractor who is a licensed general~~  
3           ~~contractor appointed by the City Council;~~  
4           (3) two JSEB contractors, one appointed by the Mayor and one  
5           appointed by the City Council;  
6           (4) two private citizens, one appointed by the Mayor and one  
7           appointed by the City Council; and  
8           (5) one representative from the Northeast Florida Builders  
9           Association, Inc., or similar trade association, or from  
10          the Food & Commercial Workers International Union, or  
11          similar trade association, appointed by the City  
12          Council.

13 Members shall serve for three-year staggered terms. The ~~two~~ non-JSEB  
14 contractor members must have a current contract with the City or have  
15 had a contract with the City in the past. The Mayor shall appoint a  
16 Chair and the Chair shall serve until such a time as another Chair  
17 shall be appointed by the Mayor. The Council President shall appoint  
18 a Vice Chair and the Vice Chair shall serve until such a time as  
19 another Vice Chair shall be appointed by the Council President. The  
20 Mayor and City Council shall strive to reflect the diversity of Duval  
21 County in its appointments; ~~each of the~~ six appointed ~~seven~~ members  
22 shall be confirmed by City Council. Any member appointed to the  
23 Committee for two consecutive full terms shall not be eligible for  
24 the next succeeding term. Terms shall conclude on April 30. In  
25 addition to regular meetings, the Chair may call special meetings of  
26 the Committee. The Chair shall preside at all meetings of the  
27 Committee. The Vice Chair shall preside if the Chair is absent.

28       (c) *Meetings; applicable laws.* The Committee shall meet quarterly  
29       with the JSEB Administrator. ~~The Committee who shall then~~  
30       generate a quarterly report for the Mayor and City Council no  
31       later than 14 days after each quarterly meeting. The Office

1 of Economic Development JSEB Administrator, or his designee,  
2 shall provide staff support to the Committee. Committee  
3 meetings shall be staffed by the Office of General Counsel.  
4 The JSEB Monitoring Committee shall be governed by F.S. Chs.  
5 286 and 112, Pt. 3, and Chapters 50 (Organization of Boards  
6 and Commissions) and 602 (Jacksonville Ethics Code), of the  
7 Code.

8 (d) Attendance at meetings; quorum. Committee members shall make  
9 a good effort to attend each quarterly meeting. An appointed  
10 member who has unexcused absences at two consecutive meetings  
11 shall be replaced by the entity that appointed the member.  
12 The presence of four members shall constitute a quorum of the  
13 Committee. The affirmative vote of at least a majority of  
14 those members present and voting shall be necessary to take  
15 action.

16 (e) Filing of complaints. At any regularly scheduled or special  
17 meeting, the Committee may vote to authorize the Chair to  
18 file a complaint regarding the JSEB program, in part or in  
19 whole, with the Jacksonville Ethics Commission, Office of  
20 Inspector General, or any other applicable party, for good  
21 cause and by an affirmative vote of five members. Any such  
22 complaint filed with the Jacksonville Ethics Commission or  
23 Office of Inspector General must, in substance and form,  
24 comply with Chapter 602, Ordinance Code.

25 **Section 3. Amending Section 126.609 (Access to capital),**  
26 **Subpart C (Program Support Services; Marketing and Outreach;**  
27 **Disparity Study Update), Part 6 (Jacksonville Small and Emerging**  
28 **Business Program), Chapter 126 (Procurement Code), Ordinance Code.**  
29 Section 126.609 (Access to capital), Subpart C (Program Support  
30 Services; Marketing and Outreach; Disparity Study Update), Part 6  
31 (Jacksonville Small and Emerging Business Program), Chapter 126



(Procurement Code), *Ordinance Code*, is hereby amended to read as follows:

**CHAPTER 126 - PROCUREMENT CODE**

**\* \* \***

**PART 6. - JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM**

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**SUBPART C. - PROGRAM SUPPORT SERVICES; MARKETING AND OUTREACH;  
DISPARITY STUDY UPDATE**

**\* \* \***

**Sec. 126.609. - Access to capital.**

(a) Subject to availability of funds, the City has established the JSEB Access to Capital Program Trust Fund pursuant to Section 111.610 of the Code to assist JSEBs with obtaining access to capital (the "AC Program"). The JSEB Administrator, or a third-party contractor engaged through the JSEB Administrator ("Program Manager"), shall manage the distribution of said funds, in accordance with guidelines developed and approved by the JSEB Administrator in order to ensure proper administration and monitoring and to ensure continuity for the program. Such guidelines may be developed and approved by the JSEB administrator without further Council approval. All funds deposited into the Access to Capital Special Revenue Fund shall be the subject of a permanent and continuing appropriation when used for the purpose of loans to assist JSEBs with obtaining access to capital. In the event that the JSEB Administrator, or ~~his~~ designee, serves as the Program Manager of the AC Program, the Mayor, or ~~his~~ designee, is authorized to execute on behalf of the City all loan agreements and related documents authorized pursuant to the AC Program. In the event a third-party serves as the Program Manager, such third-party Program

1 Manager shall act as an agent of the City and is authorized  
2 to execute on behalf of the City all loan agreements and  
3 related documents authorized pursuant to the AC Program.

4 (b) The JSEB Administrator shall monitor and enforce the contract  
5 for disbursing funds and ensure that JSEBs are receiving  
6 funding assistance consistent with this Part.

7 (c) The JSEB Administrator, on a quarterly basis, shall provide  
8 a report on the activity in the AC Program for the preceding  
9 three-month period. Such reports will be posted on the Equal  
10 Business Opportunity Office website and the JSEB website.

11 (d) The JSEB Administrator or the Program Manager shall host  
12 workshops no less than twice a year to inform potential JSEB  
13 participants about the AC Program.

14 (e) The JSEB Administrator shall provide a quarterly activity  
15 report for the preceding three months to the JSEB Monitoring  
16 Committee for its use in complying with the reporting  
17 requirements pursuant to Section 126.607 herein. Such reports  
18 will be posted on the Equal Business Opportunity Office  
19 website and the JSEB website.

20 **Section 4. Amending Sections 126.613 (Jacksonville Small**  
21 **and Emerging Businesses defined), 126.614 (JSEB and Program**  
22 **eligibility), 126.616 (Contract pre-award compliance procedures),**  
23 **126.620 (Continuing obligations of JSEBs and graduation), 126.621**  
24 **(De-certification, Denial and appeal procedure), 126.623 (Counting**  
25 **subcontracting participation of JSEBs) and 126.624 (Acts which may**  
26 **result in expulsion from the JSEB program; fines, and criminal**  
27 **offenses), Subpart D (Program Eligibility, Procedures, and Other**  
28 **Requirements), Part 6 (Jacksonville Small and Emerging Business**  
29 **Program), Chapter 126 (Procurement Code), Ordinance Code. Sections**  
30 **126.613 (Jacksonville Small and Emerging Businesses defined), 126.614**  
31 **(JSEB and Program eligibility), 126.616 (Contract pre-award**

1 compliance procedures), 126.620 (Continuing obligations of JSEBs and  
2 graduation), 126.621 (De-certification, Denial and appeal procedure),  
3 126.623 (Counting subcontracting participation of JSEBs) and 126.624  
4 (Acts which may result in expulsion from the JSEB program; fines, and  
5 criminal offenses), Subpart D (Program Eligibility, Procedures, and  
6 Other Requirements), Part 6 (Jacksonville Small and Emerging Business  
7 Program), Chapter 126 (Procurement Code), *Ordinance Code*, are hereby  
8 amended to read as follows:

9 **CHAPTER 126 - PROCUREMENT CODE**

10 \* \* \*

11 **PART 6. - JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM**

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13 **SUBPART D. - PROGRAM ELIGIBILITY, PROCEDURES, AND OTHER REQUIREMENTS**

14 **Sec. 126.613. - Jacksonville Small and Emerging Businesses**  
15 **certification criteria defined.**

- 16 (a) Each JSEB must provide financial statements prepared by a  
17 certified public accountant and participate in one or more  
18 training, education, or mentoring programs during each 36-  
19 month period commencing from the certification date and  
20 provide evidence of such to the JSEB Administrator. All  
21 ~~businesses must be certified under the provisions set forth~~  
22 ~~below. Certifications will be granted only in those areas for~~  
23 ~~which the business owner(s) has the ability and expertise to~~  
24 ~~manage and control the firm's operations and work.~~
- 25 (b) A business may not be in the program for a total of more than  
26 fifteen years from the date of the JSEB's first contract as  
27 a prime contractor of the City or as a subcontractor retained  
28 by a prime contractor of the City, whichever is earlier,  
29 provided, however, that participation may be increased by two  
30 one-year periods for good cause as determined by the JSEB  
31 Administrator. A JSEB must provide financial statements

~~prepared by a certified public accountant and participate in one or more training, education, or mentoring programs during each 36-month period commencing from the certification date and provide evidence of such to the JSEB Administrator.~~

(c) ~~To be certified as a JSEB, an individual owner must meet the following criteria:~~

(1) A for-profit small business must meet the following criteria:

A. The business must be a for-profit small business concern, including, but not limited to, a sole proprietorship, partnership, corporation, or limited liability company;

B. The business must have annual gross revenue, averaged over the immediately preceding three-year period, not exceeding \$12,000,000. The averaged annual gross revenue maximum threshold amount shall be subject to annual analysis by the JSEB Administrator and reviewed by the JSEB Monitoring Committee pursuant to Section 126.607 herein;

C. The business must be managed and controlled by a JSEB eligible person(s). As used in this Part, a JSEB eligible person means, a person with an ownership of at least 51 percent of the business being certified, and who,

1. Meets the residency requirements as follows,

i. is a resident of Duval County for a minimum twelve consecutive month period immediately preceding the JSEB application date, or

ii. is a resident of Duval, St. Johns, Nassau, Baker, or Clay County if the business has a principal place of business in Duval County for a

minimum 18-month consecutive period immediately  
preceding the JSEB application date;

2. Is a citizen of the United States, or lawfully  
admitted permanent resident of the United States;

3. Has held such ownership interests in the business  
for at least one year, provided that the business has  
been in existence for at least one year; as to a  
business that has been a going concern for less than  
one year: has held such ownership interest for at  
least 50% of the time the business has been a going  
concern;

4. Has made real and substantial contributions of  
capital or expertise to acquire the ownership interest  
in the business; and,

5. Has an overall understanding of, and managerial and  
technical competence, experience and expertise,  
directly related to the business operations and work.

D. The business must perform a commercially useful  
function typical of the field for which certification  
is granted;

E. The business must have expertise normally required by  
the industry for the field for which certification is  
sought;

F. The business must have all current licenses required  
by local, State, or federal law, to perform the  
services for which certification is sought;

G. The business must not be a front, broker, or pass-  
through as defined in Subpart A of this Chapter.  
Familial relationships where capital is provided for  
the business will be subject to scrutiny and possible  
rejection;

1           H. A business must not be subject to any formal or  
2           informal restrictions that limit the customary  
3           discretion of the managing JSEB eligible person. There  
4           can be no restrictions through corporate charter  
5           provisions, by-law provisions, contracts or any other  
6           formal or informal devices that prevent the managing  
7           JSEB eligible person, without the cooperation or vote  
8           of a non-qualifying person or entity, from making any  
9           business decision of the business.

10       ~~(1) Either reside currently in Duval County for a minimum~~  
11       ~~twelve consecutive month period immediately preceding~~  
12       ~~the JSEB application date or have an established business~~  
13       ~~with a principal place of business in Duval County for a~~  
14       ~~minimum 18-month consecutive period and reside in Duval, St.~~  
15       ~~Johns, Nassau, Baker, or Clay County for one year total within~~  
16       ~~the five County area;~~

17       (2) A non-profit small business must meet the following  
18       criteria:

19           A. The business must be incorporated in the state of  
20           Florida in compliance with Chapter 617, F.S., and  
21           maintain a 501(c)(3) tax-exempt status from the IRS;

22           B. The business must maintain an incorporation status  
23           as "active" by the Florida Department of State,  
24           Division of Corporations;

25           C. The business must be in compliance with all applicable  
26           requirements of Florida Statutes, including but not  
27           limited to Chapter 496, F.S. (the Solicitation of  
28           Contributions Act, requirements for entities who  
29           solicit donations from a location in Florida or from  
30           people in Florida);

31           D. The business must have annual gross revenue, averaged

1 over the immediately preceding three-year period, not  
2 exceeding \$2,000,000. The averaged annual gross  
3 revenue maximum threshold amount shall be subject to  
4 annual analysis by the JSEB Administrator and  
5 reviewed by the JSEB Monitoring Committee pursuant  
6 to Section 126.607 herein;

7 E. The business has a principal place of business in  
8 Duval County for a minimum twelve consecutive month  
9 period immediately preceding the JSEB application  
10 date;

11 F. The business must perform a commercially useful  
12 function typical of the field for which certification  
13 is granted;

14 G. The business must have expertise normally required  
15 by the industry for the field for which certification  
16 is sought;

17 H. The business must have all current licenses required  
18 by local, State, or federal law, to perform the  
19 services for which certification is sought;

20 I. The business must not be a front, broker, or pass-  
21 through as defined in Subpart A of this Chapter;

22 J. The business must not be subject to any formal or  
23 informal restrictions that limit the customary  
24 discretion of the governing board or chief executive  
25 officer;

26 K. The business must have, and renew annually, written  
27 approval of the governing board to participate as a  
28 member of the JSEB program, subject to annual analysis  
29 by the JSEB Administrator.

30 ~~(2)Have annual gross revenue, averaged over the immediately~~  
31 ~~preceding three-year period, not exceeding \$12,000,000. The~~

~~averaged annual gross revenue maximum threshold amount shall be subject to annual analysis by the JSEB Administrator and reviewed by the JSEB Monitoring Committee pursuant to Section 126.607 herein;~~

~~(3) Have not been in the program for a total of more than nine years from the date of the JSEB's first contract as a prime contractor of the City or as a subcontractor retained by a prime contractor of the City, whichever is earlier, provided, however, that participation may be increased by two one-year periods for good cause as determined by the JSEB Administrator;~~

~~(4) Own and control at least 51 percent of the business entity being certified;~~

~~(5) Own any license required by local, State, or federal law;~~

~~(6) Have expertise normally required by the industry for the field for which certification is sought;~~

~~(7) Be a for-profit small business concern;~~

~~(8) Not be a front, broker, or pass-through as defined in Subpart A of this Chapter;~~

~~(9) Perform a commercially useful function typical of the field for which certification is granted;~~

~~(10) Not be controlled or operate as front by non-JSEB family, former or present employers. Familial relationships where capital is provided for the business will be subject to scrutiny and possible rejection;~~

~~(11) The JSEB owner(s) contributions of capital or expertise to acquire the ownership interest must be real and substantial; and~~

~~(12) Be a business, including a sole proprietorship, partnership, corporation, limited liability company, or any other business or professional entity;~~



~~(i) Which business is at least 51 percent owned by one or more individuals who have held such ownership interests for at least one year and who have each met the criterion in paragraph (c) (1) provided that such business has been in existence for at least one year; and~~  
~~(ii) Be a citizen or lawfully admitted permanent resident of the United States and be compliant with the residency requirements of this Program.~~

(d) For the purpose of this Part, business manager(s) means, as to a for-profit business: the managing JSEB eligible person(s); and, as to a non-profit business: the chief executive officer authorized by the governing board. ~~Only a firm that is managed and controlled by a JSEB person(s) may be certified under this Program.~~ As used in this Part, managed and controlled means that the business managers ~~The JSEB owner(s) must actually exercise control over the business firm—operations, work, management and policy. Indicia of such management and control are set forth below.~~

~~(1) A firm must not be subject to any formal or informal restrictions that limit the customary discretion of such owner(s). There can be no restrictions through corporate charter provisions, by-law provisions, contracts or any other formal or informal devices that prevent the JSEB owner(s), without the cooperation or vote of a non-qualifying person or entity from making any business decision of the firm.~~

(1) (2) The business managers ~~JSEB owner(s)~~ may delegate various areas of the management or daily operations of the business firm to hired or appointed persons who are not JSEB eligible persons ~~would not qualify to be JSEBs~~ only if such delegation is typical in the industry for such

1 businesses. Such delegations of authority must be  
2 revocable, and the business managers ~~JSEB~~ must retain the  
3 power to direct hire and discharge ~~fire~~ any such hired or  
4 appointed person. ~~The JSEB owner must have an overall~~  
5 ~~understanding of, and managerial and technical competence,~~  
6 ~~experience and expertise, directly related to the firm's~~  
7 ~~operations and work.~~

8 (2) ~~(3)~~ The business managers ~~JSEB owner~~ cannot engage in  
9 outside employment or other business interests that  
10 ~~conflicte~~conflicts with the management of the JSEB business  
11 ~~firm~~ or prevents the business managers ~~owner~~ from devoting  
12 sufficient time and attention to the affairs of the JSEB  
13 business ~~firm~~ to manage and control its activities unless  
14 such activities would be appropriate with commensurate  
15 businesses, in order to avoid sham or fraudulent  
16 certifications.

17 (e) Only an independent business ~~firm~~ may be certified as a JSEB.  
18 For the purpose of this Part, an ~~An~~ independent business firm  
19 means ~~is~~ one whose viability does not depend on its  
20 relationship with another business ~~firm~~. Recognition of an  
21 applicant business as a separate entity for tax or corporate  
22 purposes is not necessarily sufficient to demonstrate that a  
23 business ~~firm~~ is independent. Issues to be considered to  
24 determine business independence include ~~In determining~~  
25 ~~whether an applicant is an independent business, the JSEB~~  
26 ~~Administrator will:~~

27 (1) The extent to which the JSEB has ongoing ~~Scrutinize~~  
28 relationships with non-JSEBs in such areas as  
29 personnel, facilities, equipment, financial and/or  
30 bonding support, and other resources.

31 (2) The extent to which ~~Consider whether~~ present or recent

1 family, or employer/employee relationships between the  
2 JSEB business managers ~~owner(s) of the applicant~~  
3 compromise the JSEB's ~~applicant's~~ independence.

4 (3) The extent to which a pattern of exclusive or primary  
5 dealings with a prime contractor demonstrates  
6 compromised independence of the JSEB. ~~Examine the~~  
7 ~~applicant's relationships with non-JSEB prime~~  
8 ~~contractors to determine whether a pattern of exclusive~~  
9 ~~or primary dealings with a prime contractor compromises~~  
10 ~~the applicant's independence.~~

11 (4) ~~Consider the~~ The consistency of relationships between  
12 the JSEB ~~applicant~~ and non-JSEBs with normal industry  
13 practices.

14 ~~(5) An owner shall be certified only for specific types of~~  
15 ~~work for which the owner(s) has the ability and~~  
16 ~~expertise to manage and control the firm's operations~~  
17 ~~and work.~~

18 (f) A business shall be certified only for specific types of work  
19 for which the business has the capacity and expertise and the  
20 business managers have the management and control of the  
21 business operations over the type of work.

22 **Sec. 126.614. - JSEB and Program eligibility.**

23 (a) Only businesses that meet the criteria of the Program may be  
24 certified for participation in the Program. The applicant has  
25 the burden of persuasion.

26 (b) The certification status of all JSEBs shall be reviewed every  
27 36 months from the date of initial certification through a  
28 re-certification application. Failure of the business ~~firm~~ to  
29 seek re-certification by filing the necessary documentation  
30 with the Equal Business Opportunity Office within 60 days  
31 from the date of receipt of written notification from the

Equal Business Opportunity Office may result in de-certification.

(c) It is the responsibility of the JSEB to notify the JSEB Administrator of any change in its circumstances affecting its continued eligibility for the Program. Failure to do so may result in ~~the firm's~~ de-certification.

(d) The JSEB Administrator shall decertify a business firm ~~firm~~ that does not meet the eligibility criteria.

(e) A JSEB may receive no more than five prime contracts set aside, including prime contracts from participation goals, per year or an aggregate total prime contracts set aside per year in the amount of \$4,000,000 for for-profit JSEBs or \$1,000,000 for non-profit JSEBs, whichever is greater.

(f) Joint ventures between JSEBs and non-JSEBs are not eligible for the Program, unless they provide structured, detailed, mentoring opportunities, proof of which shall be provided to the JSEB Administrator.

\* \* \*

**Sec. 126.616. - Contract pre-award compliance procedures.**

\* \* \*

(d) Where the bidder/proposer cannot achieve the Project Specific Goal(s), the JSEB Administrator, will determine whether Good Faith Efforts have been made. In making this determination, the JSEB Administrator will consider, at a minimum, a matrix to determine the bidder/proposer's efforts to:

\* \* \*

(2) Identify a portion of the work available to JSEBs consistent with ~~their~~ availability of qualified JSEBs.

\* \* \*

**Sec. 126.620. - Continuing obligations of JSEBs and graduation.**

A JSEB shall apply for re-certification every 36 months from the

1 date of initial certification through a re-certification application  
2 developed by the JSEB Administrator. Failure of the JSEB firm to seek  
3 re-certification by filing the necessary documentation with the Equal  
4 Business Opportunity Office within 60 days from the date of receipt  
5 of written notification from the Equal Business Opportunity Office  
6 may result in de-certification.

7 (a) It is the responsibility of the JSEB to notify the Equal  
8 Business Opportunity Office of any change in its  
9 circumstances affecting its continued eligibility for the  
10 Program. Failure to do so may result in the ~~firm's~~ JSEB's de-  
11 certification and preclusion from future participation.

12 (b) The JSEB that no longer meets certification may be decertified  
13 at any time.

14 (c) ~~A firm, or qualifying individuals,~~ JSEBs who that have  
15 participated in the JSEB program for a total of nine years  
16 from the date of the JSEB's first contract as a prime  
17 contractor of the City or as a subcontractor retained by a  
18 prime contractor of the City, whichever is earlier, may earn  
19 the designation JSEB Prime Member and are strongly encouraged  
20 to serve as mentors to other participants in the Program.

21 (d) ~~A firm, or qualifying individuals,~~ JSEBs who that have  
22 participated in the JSEB program for a total of 15 years from  
23 the date of the JSEB's first contract as a prime contractor  
24 of the City or as a subcontractor retained by a prime  
25 contractor of the City, whichever is earlier, and subject to  
26 the extensions for good cause provided in Section 126.613,  
27 shall graduate from the Program.

28 **Sec. 126.621. - De-certification, Denial and appeal procedure.**

29 (a) The JSEB Administrator may move to decertify a JSEB that  
30 repeatedly fails to honor quotations in good faith, or  
31 otherwise comply with Program requirements.

1 (b) A business firm that has been denied certification or re-  
2 certification, or has been decertified, may object to ~~protest~~  
3 the denial or de-certification as follows:

4 (1) Within 15 days of receipt of denial of certification or  
5 re-certification, or notice of intent to decertify, the  
6 business firm may object to ~~protest~~ such action in writing  
7 to the JSEB Administrator.

8 (2) Within 30 days of receipt of an objection, an ~~An~~ informal  
9 hearing shall be held by the JSEB Administrator, at which  
10 the business firm may present additional facts and  
11 evidence in support of its eligibility. The JSEB  
12 Administrator may request the attendance of any witness  
13 and production of any documents from the objecting  
14 business reasonably necessary to evaluate the eligibility  
15 of the business concerning the applicant's affairs. The  
16 business' applicant's failure to produce requested  
17 witness(es) or documents ~~comply~~ within a reasonable time  
18 ~~promptly with these requests~~ may be grounds for denial of  
19 the ~~appeal~~ objection.

20 (3) The JSEB Administrator shall determine the ~~firm's~~  
21 eligibility of the business on the basis of the  
22 information available ~~provided~~ at the hearing. The JSEB  
23 Administrator's written decision shall be communicated to  
24 the business firm within ten days of the hearing. The  
25 decision must articulate with specificity the facts upon  
26 which the decision relies and must notify the business  
27 that the business has 15 days to appeal the decision.

28 (4) Within 15 days of receipt of the JSEB Administrator's  
29 decision on eligibility, the ~~The~~ business applicant may  
30 appeal the JSEB Administrator's decision, in writing, to  
31 the Jacksonville Procurement Awards Committee ~~City's~~

1 ~~Government Awards Committee or the Professional Services~~  
2 ~~Evaluation Committee within five days of receipt of the~~  
3 ~~determination.~~ The Committee shall hold a hearing within  
4 30 ~~ten~~ days of receipt of the written notice of appeal,  
5 and render a final decision within 10 ~~30~~ days of the  
6 hearing. The presumption that the decertified business  
7 ~~firm~~ is eligible shall remain in effect until the City  
8 renders a final decision.

9 (5) A business firm denied or found to be ineligible may not  
10 apply for certification for one year after the effective  
11 date of the final decision.

12 (c) A third party may challenge the eligibility of a business  
13 certified as a JSEB ~~an applicant for certification or a~~  
14 ~~certified firm~~. The presumption that the challenged JSEB firm  
15 is eligible shall remain in effect until the City renders a  
16 final decision. A third party challenge shall be made as  
17 follows:

18 (1) The challenge shall be made in writing to the JSEB  
19 Administrator and shall include all information relied  
20 upon by the challenging party. A challenge to the  
21 eligibility of a certified JSEB cannot be made  
22 anonymously. Such a challenge must articulate specific  
23 facts, sworn to under the penalty of perjury, that could  
24 reasonably support a finding of the ineligibility of the  
25 challenged certified JSEB.

26 (2) The JSEB Administrator shall notify the challenged JSEB  
27 ~~firm~~ in writing of the challenge, identify the challenging  
28 party and provide the challenged JSEB firm with a copy of  
29 the challenge. The notice may also require the challenged  
30 business firm to provide the JSEB Administrator, within  
31 a reasonable time, any information reasonably necessary

1           ~~requested~~ to permit the JSEB Administrator to evaluate  
2           the eligibility of the business firm.

3           (3) Within 30 days of receipt of a challenge, an informal  
4           hearing shall be held by the JSEB Administrator, at which  
5           the challenged business may present additional facts and  
6           evidence in support of its eligibility against the written  
7           challenge as described in subsection (1).

8           (4) The JSEB Administrator shall determine the eligibility of  
9           the business on the basis of the information available at  
10          the hearing. The JSEB Administrator's written decision  
11          shall be communicated to the challenged business within  
12          ten days of the hearing. The decision must articulate  
13          with specificity the facts upon which the decision relies  
14          and must notify the challenged business that the business  
15          has 15 days to appeal a decision of ineligibility.

16          (5) Within 15 days of receipt of the JSEB Administrator's  
17          decision of ineligibility, the challenged business may  
18          appeal the JSEB Administrator's decision, in writing, to  
19          the Jacksonville Procurement Awards Committee. The  
20          Committee shall hold a hearing within 30 days of receipt  
21          of the written notice of appeal and render a final  
22          decision within 10 days of the hearing. The presumption  
23          that the challenged business is eligible shall remain in  
24          effect until the City renders a final decision.

25          (6) A business found to be ineligible may not apply for  
26          certification for one year after the effective date of  
27          the final decision.

28          (7) A final decision on the eligibility of a certified JSEB  
29          challenged under this section is not subject to appeal by  
30          a third party.

31          (8) The same third party may not challenge the same certified



JSEB within a 12-month period.

(9) Any subsequent challenge by any third party must articulate specific facts, sworn to under the penalty of perjury, and such facts must be either newly discovered or not otherwise articulated in any previous failed challenge to the certified JSEB, and must reasonably support a finding of ineligibility of the challenged certified JSEB.

\* \* \*

**Sec. 126.623. - Counting subcontracting participation of JSEBs.**

\* \* \*

(c) If a business firm ceases to be a certified JSEB during a contract, the dollar value of work performed under a contract with that business firm after it has ceased to be certified shall be counted in the City's internal accounting. No contractor shall be penalized in any way as a result of the failure of a project to achieve its Project Specific Goals because of the operation of this Section.

\* \* \*

**Sec. 126.624. - Acts which may result in expulsion from the JSEB program; fines, and criminal offenses.**

(a) The following violations of this Chapter are unlawful and may be prosecuted in the County Court of the Fourth Judicial Circuit, Duval County, ~~Municipal Court~~ as Class D offenses:

(1) Providing information to the City in connection with an application for or challenge to certification, re-certification or de-certification as JSEBs that the providing party knew or should have known to be false or misleading.

(2) Providing information to the City in connection with submission of a bid, responses to requests for

1 qualifications or proposals, Good Faith Efforts  
2 documentation, post-award compliance, or other Program  
3 operations that the providing party knew or should have  
4 known to be false or misleading.

5 (3) Falsely attesting to re-certification under this program.

6 (4) Substituting JSEB subcontractors without first receiving  
7 approval for such substitutions.

8 ~~(5) Committing any other violations of the provisions of this~~  
9 ~~Chapter.~~

10 (5) ~~(6)~~ Submitting false documentation for payments.

11 Prosecution under this subsection does not prohibit lawful  
12 prosecution under any other provision of law.

13 \* \* \*

14 **Section 5. Codification Instructions.** The Codifier and the  
15 Office of General Counsel are authorized to make all chapter and  
16 division "tables of contents" consistent with the changes set forth  
17 herein. Such editorial changes and any other necessary changes to  
18 make the *Ordinance Code* consistent with the intent of this legislation  
19 are approved and directed herein, and changes to the *Ordinance Code*  
20 shall be made forthwith and when inconsistencies are discovered.

21 **Section 6. Effective Date.** This Ordinance shall become  
22 effective upon signature by the Mayor or upon becoming effective  
23 without the Mayor's signature.

24  
25 Form Approved:

26  
27 /s/ Mary E. Staffopoulos

28 Office of General Counsel

29 Legislation Prepared By: Shannon MacGillis

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