Introduced by Council Member Pittman and Co-Sponsored by Council Member Johnson and amended by the Finance Committee:

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ORDINANCE 2023-765-E

AN ORDINANCE REGARDING THE JACKSONVILLE SMALL AND EMERGING BUSINESS PROGRAM; AMENDING SUBPART (GENERAL PROVISIONS), SUBPART B (PROGRAM ADMINISTRATION), SUBPART C (PROGRAM SUPPORT SERVICES; MARKETING AND OUTREACH; DISPARITY UPDATE), AND SUBPART (PROGRAM PROCEDURES, ELIGIBILITY, AND OTHER REQUIREMENTS), PART 6 (JACKSONVILLE SMALL AND **EMERGING** BUSINESS PROGRAM), CHAPTER (PROCUREMENT CODE), ORDINANCE CODE; REPEALING SECTION 7 OF ORDINANCE 2021-117-E REGARDING THE TEMPORARY SUSPENSION OF THE **JSEB** ADMINISTRATOR'S AUTHORITY TO DECERTIFY A JSEB DUE TO NONCOMPLIANCE WITH THE JSEB PROGRAM ELIGIBILITY CRITERION PERTAINING TO PERSONAL NET WORTH LIMITATIONS; PROVIDNG FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE.

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

Section 1. Amending Subpart A (General Provisions),
Subpart B (Program Administration), Subpart C (Program Support
Services; Marketing and Outreach; Disparity Study Update), and
Subpart D (Program Eligibility, Procedures, and Other Requirements),
Part 6 (Jacksonville Small and Emerging Business Program), Chapter
126 (Procurement Code), Ordinance Code. Subpart A (General
Provisions), Subpart B (Program Administration), Subpart C (Program

Support Services; Marketing and Outreach; Disparity Study Update), and Subpart D (Program Eligibility, Procedures, and Other Requirements), Part 6 (Jacksonville Small and Emerging Business Program), Chapter 126 (Procurement Code), Ordinance Code, are hereby amended to read as follows:

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:

* * *

"micro-business JSEB" shall mean a JSEB who has a personal net worth

of \$300,000 or less having annual gross revenue, averaged over the

immediately preceding three-year period, not exceeding \$3,000,000

and is at least a 51 percent majority owner of the business.

* * *

SUBPART B. PROGRAM ADMINISTRATION

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

(a) Establishment; purpose. There is established a seven-member JSEB Monitoring Committee ("Committee"), to annually review, in consultation with the JSEB Administrator: (i) the status of the Program Goals, including, but not limited to, the percentage, number, and dollar value of contracts awarded to JSEBs through direct contracting and subcontracts; (ii) the training programs, the "AC Program," and the bond enhancement program required herein; (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 amounts amount for personal net

worth and

annual averaged gross <u>receipts</u> <u>revenue</u> 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. 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.

* * *

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

* * *

Sec. 126.612. - Disparity Study Update. Subject to availability of funds, the Equal Business Opportunity Office shall have completed an update to the 2013 disparity study regarding the City of Jacksonville contracts on or before August 31, 2023 September 30, 2024. Upon receipt and review of the completed disparity study update, the JSEB Administrator shall provide a report to the Mayor and City Council regarding the analysis and results of the disparity study update.

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

Sec. 126.613. - Jacksonville Small and Emerging Businesses defined.

* * *

- (c) To be certified as a JSEB, an individual owner must meet the following criteria:
 - (1) Either reside currently in Duval County for a minimum twelve consecutive month period immediately preceding the JSEB application date or have an established business with a principal place of business in Duval County for a minimum eighteen (18) month consecutive period and reside in Duval,

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St. Johns, Nassau, Baker, or Clay County for one year total within the five County area;

(2) Have a personal net worth, excluding personal residence, that is equal to or less than \$1,320,000, such personal net worth to include business value and assets (measured as book value), ownership in other businesses, and all other assets personally owned or held in trust for the individual owner's benefit; provided, however, that, notwithstanding personal net worth, certification hereunder shall require that annual gross receipts revenue, averaged over the immediately preceding three-year period, not exceed exceeding \$12,000,000. The averaged annual gross receipts and personal net worth revenue maximum threshold amounts amount shall be subject to annual analysis by the JSEB Administrator and reviewed by the JSEB Monitoring Committee pursuant to Section 126.607 herein;

* * *

- (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) In the case of a publicly owned business, at least 51 percent of all classes of the stock of which is owned by one or more of such persons each of whom meets the personal net worth criteria set forth above; and

(iii) Be a citizen or lawfully admitted permanent resident of the United States and be compliant with the residency requirements of this Program. 1

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Goals; Other Program Directives.

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Sec. 126.615. - Jacksonville Small and Emerging Business Program

(f) Micro-business program. The JSEB Administrator in consultation with the Chief shall be responsible for developing and implementing a micro-business program. The purpose of the micro-business program shall be to ensure that a micro-business JSEB (as defined in Subpart A of this Chapter) has an adequate share of direct contracting and subcontracting opportunities in the Program. Such program may include participation requirements based on tiered levels of personal net worth and annual averaged gross receipts revenue, not to exceed the maximum personal net worth and annual averaged gross receipt amounts revenue amount set forth in Section 126.613 herein. The JSEB Administrator shall promulgate rules and guidelines regarding such program with without further Council approval.

Section 2. Repealing Section 7 of Ordinance 2021-117-E regarding the temporary suspension of the JSEB Administrator's authority to decertify a JSEB due to noncompliance with the JSEB Program eligibility criterion contained in Section 126.613(c)(2), Ordinance Code, pertaining to personal net worth limitations. Section 7 of Ordinance 2021-117-E regarding the temporary suspension of the JSEB Administrator's authority to decertify a JSEB due to noncompliance with the JSEB Program eligibility criterion contained in Section 126.613(c)(2), Ordinance Code, pertaining to personal net worth limitations, is hereby repealed as of the effective date of this ordinance.

Section 3. Codification. The Codifier and the Office of General Counsel are authorized to make all Ordinance Code changes set forth herein, editorial changes, and any others changes necessary to make the Ordinance Code consistent with the intent of this legislation. Additionally, the Codifier and the Office of General Counsel are approved and directed to make changes to the Ordinance Code consistent with this ordinance when inconsistencies are discovered.

Section 4. Effective date. This Ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

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Form Approved:

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/s/ Mary E. Staffopoulos

- 13 Office of General Counsel
- 14 Legislation Prepared By: Lawsikia J. Hodges
- 15 GC-#1600616-v1-2023-765-E.docx