

# The Florida Times-Union

Friday  
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\$2



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## Bank sues council member's business

Plant co-owned by Brown hit with the foreclosure action

By David Bauerlein  
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A business co-owned by City Council member Katrina Brown got hit this week with a \$2.77 million foreclosure lawsuit filed by a Louisiana bank, adding to legal woes that include a \$210,000 breach of contract suit filed by the city.

BizCapital Bidco LLC provided a \$2.65 million loan in November 2011 for a Jerome Brown BBQ Sauce manufacturing plant. Katrina Brown's company, Cowealth, coupled that bank loan with about \$590,000 from the city of Jacksonville.

BizCapital's suit makes it unlikely the city's lawsuit will recover any money because BizCapital would be first in line legally for proceeds from a foreclosure.

Brown said Thursday the business is still manufacturing and distributing

**BROWN** continues on A-4



City Council member **Katrina Brown** said the business is still manufacturing.

# Police back Curry's 401(k) plan

## Vote means end to pension plans for all future hires

By Nate Monroe  
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Jacksonville police union members overwhelmingly approved a contract proposal Thursday from Mayor Lenny Curry that would place future hires into 401(k)-style accounts instead of

pensions, capping off what had been a contentious and high-stakes series of negotiations.

The agreement moves City Hall one step closer toward forever closing the financially troubled Police and Fire Pension Fund, a major goal for Curry's office as it seeks a plan to



Mayor **Lenny Curry** made an identical offer to firefighters.

pay down Jacksonville's staggering \$2.85 billion pension debt, while also moving away from the traditional pension plans typically offered to municipal employees.

The deal with police was not easy to reach.

The local leadership of the Fraternal Order of Po-

lice initially balked at Curry's offer to place future employees into 401(k)-style accounts. The talks became heated at times, as union negotiators said they felt betrayed by Curry's offer and insisted that the lack of guaranteed pension-like retirement payments could prove ruinous to the Jacksonville Sheriff's Office's ability to recruit and retain talent.

But the mayor's negotiating team offered significant concessions to entice current employees to ac-

cept the overall proposal. That apparently tipped the scales.

Police are in line to receive a 20 percent pay increase over three years, plus a one-time lump sum payment this year when the deal is finalized. Current employees would also have more generous pension benefits restored that past city leaders axed as part of a major 2015 pension-reform agreement.

The 401(k)-style ac-

**PENSION** continues on A-4

# WOMAN TO WOMAN

## Unprecedented change of command for Navy Region Southeast



By Joe Daraskevich  
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A long-standing tradition at Navy Region Southeast featured a new wrinkle Thursday morning at Jacksonville Naval Air Station when a female admiral relinquished her command to another woman for the first time in the region's history.

Rear Adm. Mary M. Jackson told the audience she hadn't accepted the fact that her 2½ years in charge of the 18 installations in the region were actually over, but her close relationship with Rear Adm. Babette "Bette" Bolivar eased some of her reluctance to move on.

"Bette, you're getting the best region around," Jackson told her replacement as she stood at the podium inside a hangar in front of a decorated audience of military and civilian personnel.

Bolivar comes to Jacksonville after spending the last 2½ years as commander of Joint Region Marianas on Guam in the Pacific. Navy Region Southeast is the third region she's commanded, after spending the early years of her career as a Navy diver.

Both Bolivar and Jackson graduated from the U.S. Naval Academy and got to know each other well from their time climbing the ranks in various aspects of surface warfare.

Jackson pointed out the humor in the fact that two surface warfare experts were holding a change of command inside an airplane hangar.

She also explained that every naval aviator has to pass through the region at some point to complete

**COMMAND** continues on A-4

### FIND MORE ONLINE

See a slideshow of photos from the change of command ceremony.  
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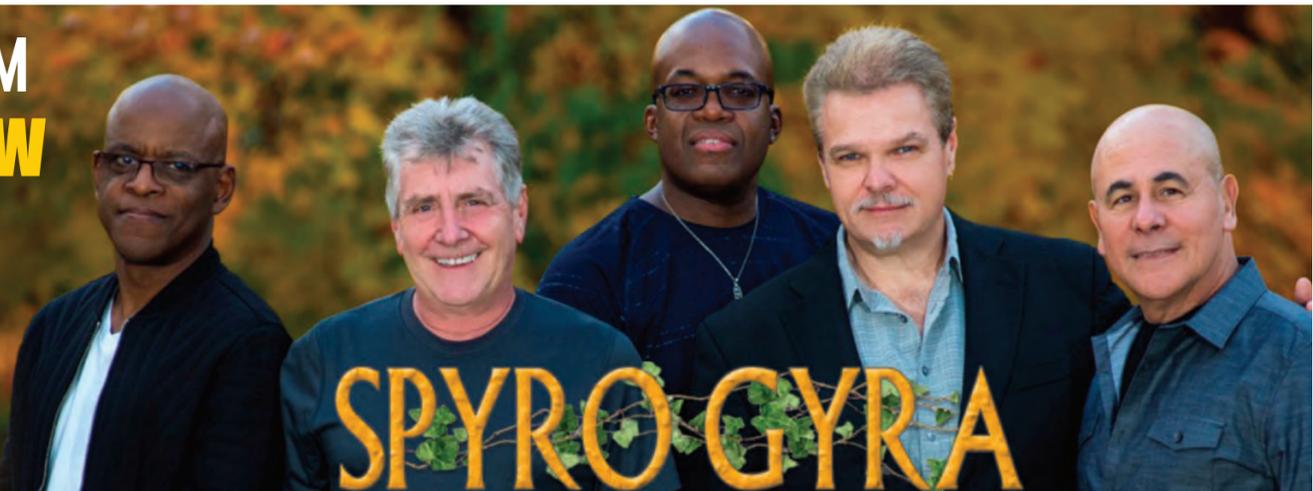


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# Out of power, Democrats find hope in resistance

By Bill Barrow  
Associated Press

ATLANTA | Out of power and looking for a way forward, Democrats are hoping to harness the energy of an opposition movement that has flourished since President Donald Trump took office.

The ideal for the party is to use a disparate network of liberal and progressive groups — like the Facebook sensation that led to worldwide women's marches the day after Trump's inauguration — to drive voters to the polls in gubernatorial and special House elections this year and congressional midterms next year. The enthusiastic throngs would then watch newly elected Democrats enact policies the movement wants.

As Democrats gathered in this Southern city for their three-day annual meeting, political reality hit hard. Republicans control the White House, Congress, 33 governorships and, if Trump's Supreme Court nominee Neil Gorsuch is confirmed, a conservative advantage on the high court.

Tapping the passion of the resisters could lift the party.

"The grassroots cannot win without political powers, and the political powers cannot win without the grassroots," said Brad Bauman, a liberal Democratic consultant who previously ran the Congressional Progressive Caucus. "There's a natural distrust there, but they have to figure out how to make it work."

The leading candidates for the next national Democratic Party chairman say they agree.

"The energy is electric," said former Labor Secretary Tom Perez, who is battling Rep. Keith Ellison of Minnesota and others for the party's top post.

The chair candidates, other potential DNC leaders, state party executives and the leaders of the liberal groups are talking about how to maximize the anti-Trump surge that began with street demonstrations last month and has continued this week as Republican members of Congress meet angry constituents at town halls across the country.

Among the groups are Black Lives Matter and Swing Left, along with less-known efforts like Indivisible, Resist Trump Tuesdays, Knock Every Door, Rise Stronger and Sister District.

Louisiana Democratic Party Chairwoman Karen Carter Peterson says "many of these groups already involve Democrats, so there's not really a disconnect." Peterson said it's a matter of the party doing more to help organize the efforts, recruit



"The energy is electric," former Labor Secretary Tom Perez says of the passion of Donald Trump resisters. Perez is one of the leading candidates for Democratic National Committee chairman. (Manuel Balce Ceneta/Associated Press)

**"The grassroots cannot win without political powers, and the political powers cannot win without the grassroots. There's a natural distrust there, but they have to figure out how to make it work."**

Brad Bauman, a liberal Democratic consultant who previously ran the Congressional Progressive Caucus

candidates and identify voters and volunteers. She is running for a DNC post charged with directing civic engagement. "Right now, we have one person representing that office," she said.

"It's about money and personnel," she said.

The risk is that Democrats and their like-minded groups stay disorganized or, even worse for the party, end up fighting with each other, yielding nasty primary battles and a split party that is no match for Republicans. That could be of particular concern to incumbents like Sens. Claire McCaskill of Missouri or Debbie Stabenow in Michigan, who are among the 10 Democratic senators facing a 2018 re-election in states where Trump topped Hillary Clinton in November.

Liz Jaff, who is running for national vice chair, has organized a gathering Friday, the day before the 447 DNC members will choose a chairman and other officers, that will bring together leaders of a half-dozen liberal activists groups with top DNC members. She has invited Ellison and Perez.

"It's all out there, the volunteers, the votes, the information," she said. "But it's just not altogether. Whoever is chair has to know these groups and help these groups. These people are Democrats waiting to be engaged."

Party leaders organizing the DNC gathering are seemingly aware of the need to reach party liberals, with a speaking lineup highlighting the Trump opposition.

California Attorney General Xavier Becerra, who's expected to lead many of the legal battles against the new administration, will deliver the

keynote address. Boston Mayor Marty Walsh and former Missouri Secretary of State Jason Kander, who narrowly lost his 2016 Senate race, will also deliver remarks.

The organic rise of the women's marches and the subsequent demonstrations has been compared to the tea party movement during President Barack Obama's two terms. Tea party candidates cost Republicans a few winnable Senate seats early on, but the GOP managed to harness the movement to win control of the House in 2010 and the Senate in 2014.

Even before Trump's election, Vermont Sen. Bernie Sanders pushed Clinton, a prohibitive favorite for the party's presidential nomination, to an extended primary fight that delighted liberals. And now his preferred DNC chairman, Ellison, is among the leading contenders to lead the party.

As to how current Democratic officeholders should deal with the movement, Bauman said, "With absolute opposition to Trump."

He praised Democratic senators for nearly party-line opposition to Trump's Cabinet and other nominees so far.

"They did a good job," he said. "But they didn't do it until they saw all the pressure."

It remains to be seen whether that pattern of opposition is enough to stave off primary fights and keep the party leaders on the same page with the activists. If not, Bauman said, "I'm a firm believer that primaries almost always make for better Democratic candidates."

Peterson, the Louisiana chairwoman, agreed: "That's the system. May the best Democrat win."



The new commander of Navy Region Southeast, Rear Adm. Babette "Bette" Bolivar, is piped off the stage at the end of the change of command ceremony. "I look forward to getting out and about to meet everyone," Bolivar told the crowd. (Photos by Bruce Lipsky/Florida Times-Union)

## COMMAND

Continued from A-1

training, which makes it very important for the commander to create relationships with all Navy departments.

"I look forward to getting out and about to meet everyone," Bolivar told the crowd.

Jackson downplayed the significance of the fact that Thursday's transition between two women was breaking new ground in the region.

"You'd be surprised," she said of how often commanders are transferred from woman to woman. "It happens more and more these days. We have amazing young officers who are both men and women who are serving in our Navy. We should all be very proud of them."

The numbers aren't so modest, and they show just how significant Thursday really was.

As of December, women made up just 19 percent of the 323,184 personnel currently active in the Navy, according to records. A total of 101 one-star rear admirals are in the fleet, and only 13 of those were women — including Jackson and Bolivar.

The accolades for Jackson will be even more impressive when she arrives at her next stop.

Her next assignment is to replace Vice Adm. Dixon R. Smith as commander of Navy Installations Com-



Bolivar comes to Jacksonville after 2½ years at Joint Region Marianas on Guam.

mand in Washington, D.C.

Jackson will jump from a one-star rear admiral to a three-star vice admiral. According to personnel records there were only 37 active-duty vice admirals in the Navy through December, and just four of them were women.

"I'm just really honored to serve in our Navy," Jackson said. "I'm honored to be able to represent this team. The fact that I'm a woman, sure, that's part of it, but really it's just about serving."

Smith was the guest speaker at Thursday's ceremony, expressing his confidence in Jackson's ability to fill his shoes.

He complimented her capacity to react quickly and appropriately when times called for a composed leader. He gave examples like Hurricane Matthew last fall and the fatal shootings of multiple Marines in Chattanooga, Tenn., in 2015 when Jackson had

to jump to action at a moment's notice.

She displayed the level of poise necessary in any level of leadership in both situations, Smith said.

Jackson talked about how much she learned to love the Jacksonville community since she moved to the city with her family to take command of the region in July 2014. She even joked that she wished she didn't have to leave the area for her new assignment.

"Today came all too fast," Jackson said.

She said in recent weeks she's been through four of the five stages of grief when dealing with the fact that she's moving on. Denial, anger, bargaining and depression all hit her hard leading up to Thursday's ceremony, but the fifth stage still hadn't hit her.

"The last stage is acceptance. I'm not there yet," Jackson said.

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## PENSION

Continued from A-1

count Curry offered new hires is also far more generous than what is typically found in the private sector. The city would contribute 25 percent of an officer's salary into the account from day one; employees would contribute 10 percent.

Officers would fully vest after three years, and they would have the same death and disability benefits available under the current pension plan.

And those benefits — for current and future employees — would be hard to alter in the future. Curry agreed to leave them untouched for up to a decade, as long as city finances outperform certain economic benchmarks.

Union leaders ultimately reached a point where they felt compelled to allow their members to vote on the proposal.

In the end, the union membership approved Curry's offer with just under 65 percent support among officers, sergeants and bailiffs. More than 80 percent of lieutenants and

captains voted for the proposal.

Closing the Police and Fire Pension Fund will also require a favorable vote from the membership of the local International Association of Fire Fighters. Members vote March 13, 14 and 15.

Curry's offer to firefighters is identical.

The Police and Fire Pension Fund board of trustees will also have to sign off on aspects of Curry's deal, but the board has already indicated a reluctance to do so until the mayor's office makes available far more specific financial information about the cost and impact of his proposals than the city has previously offered.

The City Council will also have to approve the deal.

The mayor's office has so far refused to provide financial information detailing the short- and long-term costs of Curry's plan — citing an exemption to the public-records law for collective bargaining documents — but has pledged to do so for council deliberations.

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## BROWN

Continued from A-1

the Jerome Brown line of barbecue sauce for retail sale, including at Winn-Dixie stores.

"It's going to continue to be on the shelves," she said in a brief interview at City Hall after a meeting of the council's Finance Committee. She declined further comment, saying she is following advice from attorneys while the matter is under litigation.

The U.S. Small Business Administration backed BizCapital's loan to Cowealth. The SBA's Office of Inspector General, which conducts audits and investigations of SBA programs, was involved in a Dec. 20 raid that took evidence from the plant, located at 5638 Commonwealth Ave. on the Westside. The FBI and the Internal Revenue Service's criminal investigation division also converged on the plant.

Federal officials have not said why they were at the business. Curtis Fallgatter, a criminal defense attorney representing



A Louisiana bank filed a foreclosure suit to recover \$2.77 million from a business co-owned by City Council member Katrina Brown. The suit is over a loan BizCapital Bidco made to Cowealth for a Jerome Brown BBQ Sauce manufacturing plant on Commonwealth Avenue. (Will Dickey/The Florida Times-Union)

Brown, said he and federal authorities continue to share information with each other.

While that investigation continues, the suit by BizCapital Bidco puts the squeeze on Cowealth in the civil arena.

BizCapital Bidco says in its foreclosure claim that Cowealth still owes about \$2.36 million for the loan plus \$318,000 in interest and \$47,545 in other advances for a total of \$2.77 million.

BizCapital's suit seeks

to foreclose on the property where the barbecue sauce plant operates. The suit also would foreclose on a single-family home on Bassett Road put up as collateral for the loan. The suit further says that certain bank accounts and personal property are subject to the suit because they are part of the collateral Cowealth used to get the loan.

The suit is filed against Cowealth LLC and Basic Products LLC. Both are owned by Katrina Brown

and her mother, JoAnn.

The sauce plant was supposed to create 56 jobs, but city officials say it failed to create any of them, prompting the breach of contract lawsuit to recover a \$210,000 grant tied to the job requirements. The city also made a \$380,000 loan.

BizCapital Bidco's lawsuit names the city of Jacksonville as a defendant in order to stake out the bank's position that it has the top rank legally in recovering its money. The Commonwealth Avenue building is listed for sale at \$1.3 million, so even at that price, it would only satisfy a portion of the money that BizCapital wants to recover. The house on Bassett Road has a market value of about \$52,000, according to Duval County Property Appraiser records.

The City Council approved the city's share of the financing in 2011 by using the Northwest Jacksonville Economic Development Fund, established to bring jobs to areas of the city plagued by higher unemployment.

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