

## **RESOLUTION 2025-08-02**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE SOUTHSIDE COMMUNITY REDEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM GRANT TO SALON ON THE SOUTHBANK (“OR “GRANTEE”), TO ESTABLISH A SALON, SPA, SUITES AND BOUTIQUE IN A PROPERTY OWNED BY KINGS AVE PROPERTIES LLC LOCATED AT 1038 KINGS AVE JACKSONVILLE, FL 32207; AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A GRANT AGREEMENT (FORGIVABLE LOAN SECURED BY A NOTE); AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENTS; AND FINDING THAT THE DEVELOPMENT PLAN IS CONSISTENT WITH THE DIA’S BUSINESS INVESTMENT AND DEVELOPMENT PLAN, INCLUDING THE SOUTHSIDE CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Grantee submitted an application to the DIA under the Core Retail Enhancement Program (“REP Program”) to facilitate the development of a salon, spa, suited and boutique in the Southbank neighborhood of Downtown Jacksonville; and

**WHEREAS**, the application was reviewed by the DIA staff and found to be consistent with program guidelines, the BID Plan and CRA Plan for Southbank; and

**WHEREAS**, The DIA hereby finds that the Project furthers the following Goal(s) of the BID Plan:

Goal 3) Increase and diversify the number and type of retail, food and beverage, and entertainment establishments within Downtown.

Goal 4) Increase the vibrancy of Downtown for residents and visitors through arts, culture, history, sports, theater, events, parks and attractions; and

**WHEREAS**, the Retail Enhancement and Property Disposition Committee, at their meeting of August 14, 2025, voted to recommend approval of the application to the DIA Board; and

**WHEREAS**, the DIA is authorized to utilize the Southbank Tax Increment District funds, in accordance with the CRA Plan, to foster the redevelopment of the Southside Community Redevelopment Area; and

**WHEREAS**, to assist Grantee with build out costs for the purpose of establishing the Salon on the Southbank (the “Project”) the DIA proposes to provide a Grant (forgivable loan secured by a note) in an amount not to exceed EIGHTY THOUSAND, TWO HUNDRED FIFTY and 00/100 DOLLARS (\$80,250) to the Grantee; and

**WHEREAS**, the financial assistance to the Project will be in the form of the terms and incentives identified on the Term Sheet, attached as Exhibit A to this Resolution; and

**NOW THEREFORE, BE IT RESOLVED**, by the Downtown Investment Authority:

**Section 1.** The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

**Section 2.** The DIA hereby approves the award of a Retail Enhancement Program Grant in the amount of \$80,250.00 from the Southside CRA Trust Fund to the Grantee to be provided in accordance with the term sheet attached hereto as Exhibit A.

**Section 3.** The Chief Executive Officer is hereby authorized to negotiate and execute the contracts necessary to document this approval and otherwise take all additional actions necessary to effectuate the purposes of this Resolution.

**Section 4.** The Effective Date of this Resolution is the date of execution of this Resolution by the Chair of the DIA Board.

WITNESS:

**DOWNTOWN INVESTMENT AUTHORITY**

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Patrick Krechowski, Esq., Chairman

8/20/25  
\_\_\_\_\_  
Date

VOTE: In Favor: 9 Opposed: 0 Abstained: 0

**Exhibit A:**

**CORE RETAIL ENHANCEMENT PROGRAM GRANT  
TERM SHEET**

**Salon the Southbank  
1038 Kings Ave  
Jacksonville FL 32207**

<b>Project Name:</b>	<b>Salon on the Southbank</b>
<b>Applicant/Grantee:</b>	<b>Salon on the Southbank</b> Amanda Kelloway, Owner
<b>Total Build Out Costs (estimate):</b>	<b>\$225,125</b>
<b>Total Eligible Build Out Costs:</b>	<b>\$193,587</b>
<b>Eligible Funding:</b>	<b>\$ 80,250</b>

**Project:** Tenant improvements to a 2,675 sf building at 1038 Kings Ave, RE# 080956 0000, located in the Southbank District of the Southside CRA and owned by Kings Ave Properties LLC. The funding will facilitate the development of a salon, spa, suites and boutique in accordance with the application received.

To be eligible for total loan forgiveness, the applicant is required to remain in business in the location at these service levels for a minimum of three (3) years.

**City Funding:** No more than **\$80,250** through the Southside CRA, as follows:

Infrastructure: No City of Jacksonville or CRA infrastructure funding or support is requested.

Land: No City of Jacksonville or CRA land or building is requested.

Loans: No City of Jacksonville or CRA loans have been requested.

Core Retail Enhancement Program Grant: \$80,250 from the Retail Enhancement Program funding of the Southside CRA. The award will be structured as a forgivable, 0% interest grant (forgivable loan secured by a note) that will amortize at 33.33% each year following closing for three (3) years, with the full remaining balance forgiven at the end of the third year, so long as no event of default exists.

The Applicant acknowledges that these Grant funds are awarded and shall be used in compliance with the Core Retail Enhancement Program guidelines.

Minimum Build Out and Equipment Costs (REP Forgivable Loan):

- A) The Minimum Build Out and Equipment Costs incurred through completion to remain eligible for the Core REP Grant is \$175,000. Such costs will exclude soft costs such as General Conditions, General Requirements, Overhead, Insurance, and similar expenditures not contributing to the hard costs of construction. The budget establishing the Eligible Costs is below in Figure 1.
- B) Minimum Build Out and Equipment Costs may be reduced by up to 10% with a commensurate reduction in REP funding, where such funding shall not exceed 50% of such revised total.
- C) The total Minimum Build Out and Equipment Costs shall also exclude costs incurred for furniture and any equipment not affixed to the property. Any equipment affixed to the property included in this total must remain on the property through the compliance period of the forgivable loan agreement.

Performance Schedule:

- A) Redevelopment Agreement to be executed within three (3) months from the receipt of the Agreements which shall establish the Retail Enhancement Loan Agreement Effective Date. The DIA Board approval shall terminate if the Retail Enhancement Loan Agreement Effective Date is not met within the timeline established, subject to approved extensions as provided below.
- B) Commencement of Build Out: Within three (3) months following the Redevelopment Agreement Effective Date, Applicant commits to Commencement of Build Out, meaning receipt of all required approvals, permitting, and closing on all required financing to allow the start of construction activities and has actually commenced buildout type work.
- C) Substantial Completion of Build Out: Within nine (9) months following the Commencement of Build Out Date, as defined above, Grantee shall provide evidence of completion of build out, payment of all subcontractors, material providers, and laborers, and receipt of licensing necessary to conduct the business as outlined in the application submitted.
- D) Business operations, consistent with the business plan provided, to begin not later than twelve (12) months following the Retail Enhancement Loan Agreement Effective Date, subject to force majeure and extensions provided herein.
- E) The DIA CEO may extend any date found in the Performance Schedule by up to a total of three (3) months as the Applicant may request providing the Applicant shows good cause for any delays supporting such request. At the CEO's discretion, the extension may be granted in multiple shorter periods of not less than one month. Any extension of the Commencement of Build Out Date will automatically extend the Completion of Build Out Date by the same amount of time.

Additional Commitments:

- 1. Applicant shall establish business operations following the description as outlined in the application and as Project above. The build out shall be materially consistent with the floorplan included below in Figure 2.
- 2. All rehabilitation work and design features must comply with all applicable city codes, ordinances, the established Downtown Development Review Board Guidelines and the Downtown Zoning Overlay.

3. Personal Guaranty of payment and performance obligations in the event of default to be provided by Amanda Kelloway on behalf of the Tenant.
4. Per Core REP guidelines, the award will be structured as:
  - a. Zero-interest, Grant agreement, payable upon Substantial Completion of the work and receipt by DIA of invoices for goods and services rendered and proof that recipients paid for such goods and services.
  - b. No interest shall accrue upon the principal of the total grant amount, with the principal forgiven monthly in equal amounts monthly over a three (3) year period.
  - c. The total principal balance will be forgiven and reduced at a rate of approximately 33.33% per year on each anniversary of the Loan Disbursement Date.
  - d. At the end of thirty-six months, the Grant shall be entirely forgiven on the condition that the business remains in operation as proposed, improvements are installed and maintained in reasonably good condition, all taxes are maintained in current status with no tax certificates, and no City Code violations are incurred during the compliance period.
  - e. If it is determined that the recipient(s) is in default, full payment of any unamortized balance remaining on the grant may be demanded.

Conditions:

This Term Sheet is limited by the following conditions:

- A) Prior to funding:
  1. Applicant to provide evidence of Substantial Completion, as required above; and,
  2. Applicant to provide evidence of business articles of incorporation, and licensure prior to funding; and,
  3. Downtown Investment Authority to receive copies of any necessary permits, invoices, cancelled checks or documentation from other methods of payment, and other items as may be requested by the DIA in its sole discretion as evidence of eligible expenditures materially consistent with the budget presented as Figure 1; and
- B) Throughout the Compliance Period:
  1. Continuing operation of the Project as a salon as found in the business plan submitted with the application is required during the term of the agreement; and
  2. Annual financial summary and reporting is required to demonstrate compliance with terms and conditions as approved; and
  3. The Project will maintain not less than two full-time employees throughout the term of the agreement.
  4. There may be additional terms, conditions, rights, responsibilities, warranties, and obligations for both parties which shall be determined in a later negotiated mutually agreeable written contract.

Figure 1 – Construction Budget as Submitted:

<p style="text-align: center;"><b>Silversun Properties and Services, Inc</b> CGC060953</p> <p style="text-align: center;"><b>The Salon on the Southbank</b> 138 Kings Avenue Jacksonville, FL July 11, 2024</p> <p style="text-align: center;"><b><u>BUDGET SCHEDULE OF VALUES</u></b></p>		
<del>General Conditions</del>	<del>\$</del>	<del>11,538</del>
Permits and Fees	\$	1,202
Final Clean	\$	1,200
Demolition	\$	400
Roof Patching	\$	350
Concrete	\$	6,000
General Labor / Carpentry	\$	4,535
Cabinetry	\$	23,252
Glass / Glazing Systems	\$	3,500
Doors, Frames, Hardware	\$	1,540
Drywall	\$	18,864
Window Treatment	\$	-
Painting	\$	12,682
Flooring	\$	15,016
Acoustical	\$	6,400
Appliances	\$	-
Toilet Compartments, Accessories, Mirrors & FE's	\$	321
Plumbing	\$	24,325
HVAC	\$	39,000
Fire Sprinkler	\$	-
Electrical	\$	35,000
<del>Contractor Overhead and Profit</del>	<del>\$</del>	<del>20,000</del>
<b>TOTAL LUMP SUM AMOUNT</b>	<b>\$</b>	<b>225,125</b>

**Qualifications:**

1. Voice/data, low voltage, security, A/V, related equipment and cabling are not included.
2. Pendant light and restroom lights are by Tenant
3. Track light materials to be provided by Tenant
4. Architectural Drawings are not included

Eligible Costs = \$193,587
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Figure 2 –Floorplan as Submitted:

