



**Downtown Investment Authority
Hybrid Virtual In-Person Meeting
Wednesday, August 20th, 2025,
2:00 PM**

MEMBERS:

Patrick Krechowski, Esq., Board Chair
Sondra Fetner, Esq., Vice Chair
Scott Wohlers, Secretary
John Hirabayashi
Jill Caffey

Cameron Hooper
Carrie Bailey
Micah Heavener
Trevor Lee

I. CALL TO ORDER

II. PUBLIC COMMENTS

III. COMMUNITY REDEVELOPMENT AGENCY

- A. Form 8B: Voting Conflict Disclosures
- B. July 16th, 2025, Community Redevelopment Agency Meeting Minutes Approval
- C. Consent Agenda
 - i. Resolution 2025-08-01 Tavola Trattoria REP
 - ii. Resolution 2025-08-02 Salon on the Southbank REP
 - iii. Resolution 2025-08-03 Koto REP
 - iv. Resolution 2025-08-04 NB Investment Pool Earning
 - v. Resolution 2025-08-05 NB Unappropriated Revenue
 - vi. Resolution 2025-08-06 SS Investment Pool Earning
 - vii. Resolution 2025-08-07 Street Furnishings
- D. Resolution 2025-08-08 Iguana Amendments

IV. DOWNTOWN INVESTMENT AUTHORITY

- A. July 16th, 2025, Downtown Investment Authority Board Meeting Minutes Approval

V. OLD BUSINESS

VI. NEW BUSINESS

VII. CEO INFORMATIONAL BRIEFING

VIII. CHAIRMAN REPORT

IX. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR

X. ADJOURN

PHYSICAL LOCATION

Jacksonville Public Library-Main Library/Downtown
303 North Laura Street
Multipurpose Room (located in the Conference Center)
Jacksonville, Florida 32202

PLEASE NOTE: The multipurpose room will **not be accessible through the Main Street entrance**. The Main Street entrance will be closed. Please use the Laura Street entrance to enter the building.

VIRTUAL LOCATION

Interested persons desiring to attend this meeting virtually can do so via Zoom (including by computer or telephone) using the following meeting access information:

Join Zoom Webinar

<https://us02web.zoom.us/j/87990789951?pwd=6D95Mq0jIJ1V4PLG9oxpc7UWGLTOSL.1>

Webinar ID: 879 9078 9951

Passcode: 062932

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+1 312 626 6799 US (Chicago)

International numbers available: <https://us02web.zoom.us/j/keJzyhyui>

TAB III.B

**JULY 16TH, 2025 COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES
APPROVAL**



Downtown Investment Authority
Downtown Investment Authority Hybrid Meeting
Wednesday, July 16th, 2025, 2:00 p.m.

Community Redevelopment Agency Hybrid Meeting
MEETING MINUTES

DIA Board Members: Patrick Krechowski, Esq. (Chair); Micah Heavener; Sondra Fetner, Esq.; Scott Wohlers; John Hirabayashi; Cameron Hooper; and Carrie Bailey

Mayor's Office: Bill Delaney, Council Liaison

Council Members: Council Member Matt Carlucci, At-Large Group 4

DIA Staff: Guy Parola, Director of Operations; Steve Kelley, Director of Downtown Real Estate and Development; Allan DeVault, CRA Redevelopment Manager; Wade McArthur, Property Disposition Manager; Scott Wilson; Ina Mezini; and Ava Hill, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Patrick Krechowski, Board Chair, called the Board Meeting to order at 2:00 p.m. and asked everyone to join him in reciting the Pledge of Allegiance. This was followed by introductions.

II. PUBLIC COMMENTS

The following people made in-person public comments, made public comments virtually through Zoom, or provided comments that were read into the record by DIA Staff. Note: the subject matter of the comment(s) indicated to the right of each person:

Council Member Matt Carlucci	117 W Duval Street	Keeping DCSB Headquarters Downtown
John Nooney	8356 Bascom Road	DIA Resolution Recognizing John Nooney

III. COMMUNITY REDEVELOPMENT AGENCY

A. FORM 8B: VOTING CONFLICT DISCLOSURES

None.

B. JUNE 18TH, 2025, COMMUNITY REDEVELOPMENT AGENCY MEETING MINUTES APPROVAL

Board Chair Krechowski called for a motion on the meeting minutes as presented.

Motion:	Board Member Fetner motioned to approve the meeting minutes.
Seconded:	Board Member Heavener seconded the motion.



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Board Chair Krechowski called for a vote on the meeting minutes. He advised that he'd abstain from the vote because he did not attend the June Board meeting.

Vote: Aye: 6 Nay: 0 Abstain: 1 (Board Chair Krechowski)

MOTION PASSED 6-0-1

C. CONSENT AGENDA

Board Chair Krechowski called for a motion on the consent agenda, which included Resolution 2025-07-01 Dapper D's Cigar, Resolution 2025-07-02 11 Ocean Street Façade and Resolution 2025-07-04 Vestcor Access Agreement.

Motion: Board Member Wohlers motioned to approve the meeting minutes.
Seconded: Board Member Heavener seconded the motion.

Board Chair Krechowski called for a vote on the consent agenda.

Vote: Aye: 7 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 7-0-0

D. RESOLUTION 2025-07-03 VESTCOR EXCHANGE

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") INSTRUCTING ITS CHIEF EXECUTIVE OFFICER ("CEO") TO ACQUIRE AN APPROXIMATELY 2.04 ACRE PARCEL OF UNIMPROVED PROPERTY WITHIN THE LA VILLA DISTRICT OF DOWNTOWN JACKSONVILLE AS FURTHER IDENTIFIED IN EXHIBIT A TO THIS RESOLUTION (THE "VESTCOR PARCEL") IN EXCHANGE FOR CITY OWNED PROPERTY, ADMINISTERED BY THE DIA AS COMMUNITY REDEVELOPMENT AGENCY FOR THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA, AS CONSIDERATION FOR SUCH ACQUISITION, AND AUTHORIZING THE PUBLICATION OF A NOTICE OF DISPOSITION OF THE FEE SIMPLE INTEREST IN APPROXIMATELY 2.40 ACRES OF CITY-OWNED REAL PROPERTY (THE "CITY PARCEL") WHICH COMPRISES THE WESTERNMOST PORTION OF A LARGER CITY-OWNED PARCEL LOCATED AT 200 N LEE ST IN THE LA VILLA DISTRICT OF DOWNTOWN JACKSONVILLE IDENTIFIED BY DUVAL COUNTY TAX PARCEL NUMBER 074896 0000 (THE "LEE STREET PARCEL") BOTH AS FURTHER IDENTIFIED IN EXHIBIT B ATTACHED HERETO, EXPRESSING THE INTENTION, ABSENT HIGHER RESPONSIVE OFFERS, TO DISPOSE OF THE CITY PARCEL IN ACCORDANCE WITH THE NEGOTIATED TERMS ATTACHED HERETO AS EXHIBIT C, AND ESTABLISHING THE TERMS FOR PUBLISHED NOTICE OF DISPOSITION ATTACHED HERETO AS EXHIBIT D; AND FINDING THAT THIS RESOLUTION FURTHERS THE BUSINESS INVESTMENT AND DEVELOPMENT ("BID") PLAN, INCLUDING THE



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COMMUNITY REDEVELOPMENT AREA ("CRA") PLAN; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Mr. Steve Kelley explained that the resolution was presented to the REPD Committee the previous Thursday and approved with an amendment. The resolution outlined terms for a property exchange between the DIA and Vestcor for the 2.04-acre parcel within the Prime F. Osborn Convention Center area. The DIA parcel would be exchanged for 2.4 acres, previously referred to as the "APEX Property" and now the "City Parcel," which is part of a larger site along Lee Street adjacent to Lift Ev'ry Voice and Sing Park and Johnson Commons.

Mr. Kelley noted that while the parcel had been called the "Union Terminal Parcel" or "Prime Osborn Parcel," "Union Terminal" more accurately described the train station itself; therefore, "Prime F. Osborn Convention Center" was used for clarity. He advised that this change was not part of the amendment and that the remainder of the resolution reflected what was approved by the committee.

Seeing no discussion, Board Chair Krechowski called for a motion on the resolution.

Motion: Board Member Heavener motioned to approve the resolution.

Seconded: Board Member Hirabayashi seconded the motion.

Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 7 Nay: 0 Abstain: 0

MOTION PASSED UNANIMOUSLY 7-0-0

IV. ADJOURNMENT

Seeing no further discussion, Board Chair Krechowski adjourned the CRA meeting at 2:21 PM.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Ava Hill at avah@coj.net to acquire a recording of the meeting. And

TAB III.C.i

RESOLUTION 2025-08-01 TAVOLA TRATTORIA REP

RESOLUTION 2025-08-01

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 TAVOLA SAN MARCO LLC (“TAVOLA TRATTORIA” OR “GRANTEE”), TO ESTABLISH A RESTAURANT IN A PROPERTY OWNED BY KINGS AVE PROPERTIES LLC LOCATED AT 1037 HENDRICKS 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, Grantee submitted an application to the DIA under the Core Retail Enhancement Program (“REP Program”) to facilitate the development of a trattoria restaurant establishment 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 Tavola Trattoria (the “Project”) the DIA proposes to provide a Grant (forgivable loan secured by a note) in an amount not to exceed ONE HUNDRED THIRTY-FIVE THOUSAND and 00/100 DOLLARS (\$135,000) 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 \$135,000.00 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

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

Exhibit A:

**CORE RETAIL ENHANCEMENT PROGRAM GRANT
TERM SHEET**

**Tavola San Marco LLC
1037 Hendricks Ave
Jacksonville FL 32207**

Project Name: **Tavola Trattoria**

Applicant/Grantee: **Tavola San Marco LLC**
Carl Garrett, Owner
Lindie Garrett, Owner

Total Build Out Costs (estimate): **\$600,000**

Total Eligible Build Out Costs: **\$534,835**

Eligible Funding: **\$ 135,000**

Project: Tenant improvements to a 4,500 sf building at 1037 Hendricks 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 an Italian trattoria restaurant 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 **\$135,000** 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: \$135,000 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 \$480,000. 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 renderings and images 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 Table Mesa of Bentonville, LLC 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 restaurant 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:

Silversun Properties and Services, Inc
CGC060953

Table Mesa
1035 Kings Avenue
Jacksonville, FL
July 21, 2025

BUDGET SCHEDULE OF VALUES

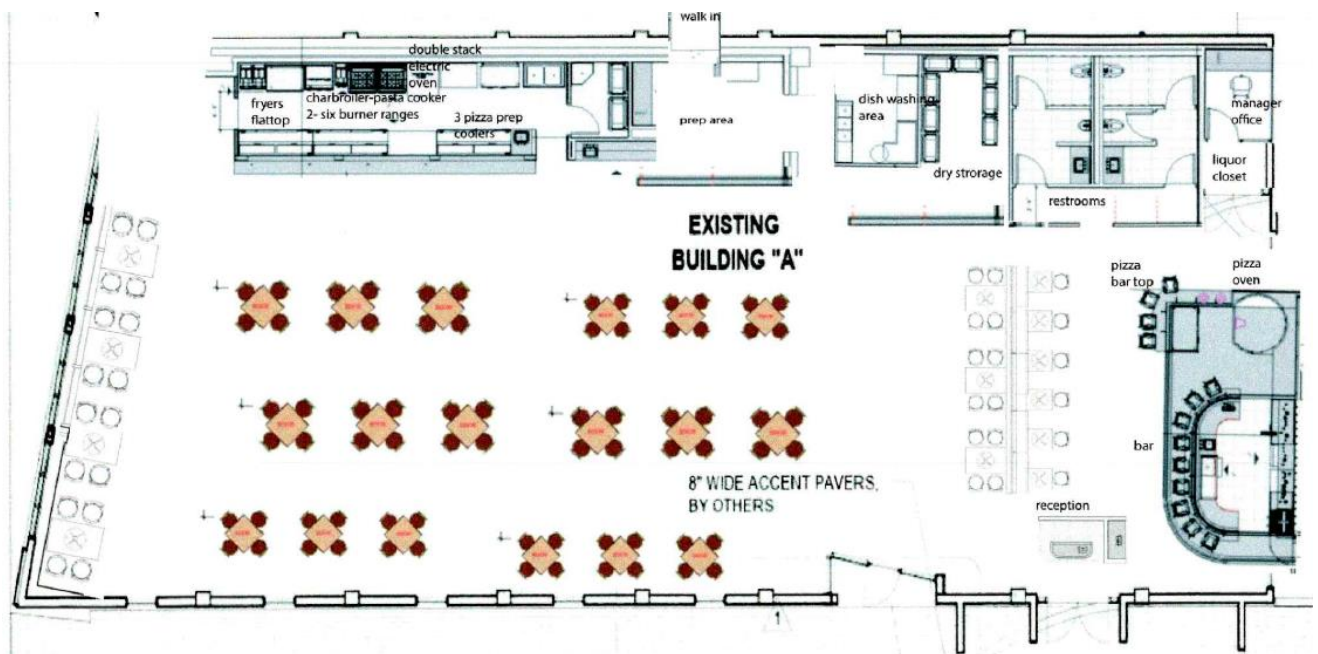
General Conditions	\$	27,165
Permits and Fees	\$	7,470
Demolition Masonry Openings	\$	1,500
Roof Patching	\$	9,600
Concrete	\$	15,495
General Labor / Carpentry	\$	14,405
Cabinetry	\$	1,500
Glass / Glazing Systems	\$	-
Doors, Frames, Hardware	\$	1,575
Drywall	\$	27,140
Window Treatment	\$	-
Painting	\$	22,200
Flooring	\$	39,960
Acoustical	\$	9,600
Appliances	\$	-
Toilet Compartments, Accessories, Mirrors & FE's	\$	4,400
Plumbing	\$	55,000
HVAC	\$	210,000
Fire Sprinkler	\$	24,990
Fire Alarm	\$	10,000
Electrical	\$	80,000
Contractor Overhead and Profit	\$	38,000
TOTAL LUMP SUM AMOUNT	\$	600,000

Eligible Expenses = \$534,835

Qualifications:

1. Voice/data, low voltage, security, A/V, related equipment and cabling are not included.
2. Architectural and MEP Drawings are not included

Figure 2 – Renderings and Floorplan as Submitted:



SUPPLEMENTAL INFORMATION

RESOLUTION 2025-08-01 TAVOLA TRATTORIA REP STAFF REPORT



Downtown Investment Authority

DIA CORE RETAIL ENHANCEMENT PROGRAM

“Tavola Trattoria”
1037 Hendricks Avenue
Tavola San Marco, LLC
August 14, 2025

Project Name/Location:	Tavola Trattoria
Applicant:	Tavola San Marco LLC Carl Garrett, Owner Lindie Garrett, Owner
Project Location:	1037 Hendricks Avenue Jacksonville FL 32207
Total Build Out Costs (estimate):	\$600,000
Total Eligible Build Out Costs:	\$534,835
Eligible Funding:	\$ 135,000

Project Description:

The applicant, Tavola San Marco LLC, an entity managed by Carl Garrett, proposes an Italian trattoria in a building owned by Kings Ave Properties, LLC at 1037 Hendricks Avenue.

Mr. Garrett is an accomplished restaurateur who worked for a group in Seattle, Washington before moving to Bentonville, Arkansas, home to Walmart, in 2008. There he and his wife started their own restaurant group that now consists of nine restaurants with another on the way on the Walmart corporate campus. Mr. Garrett’s tie to Jacksonville was attending Fletcher high school when he resided at Jacksonville Beach and then some classes at Florida State College of Jacksonville.



The subject location, 1037 Hendricks Avenue, is the former home of Redi-Arts. It was purchased in 2021 by its current owner who redeveloped the property into four (4) separate retail buildings.

ANTIPASTI

FARM BOARD | 19

Our selection of cured meats, cheese, preserved vegetables, olives, fruit, jam, & TT bread

CARPACCIO | 21

Thinly sliced rare filet, arugula, garlic, & parmesan

ANTIPASTO MISTO | 19

Molinari salami, artichokes, olives, roasted garlic, roasted red peppers, crispy eggplant, fried goat cheese, crostini & arugula

MUSSELS | MP

Prince Edward Island (Limited availability)

CAPRESE TAVOLA | 13

Caprese tomatoes layered with buffalo mozzarella and basil, garnished with balsamic reduction, our house pesto, and mediterranean olives

TAVOLA SAUSAGE & PEPPERS | 14

Bratwurst, spicy pomodoro, red & yellow bells, sautéed onions & fresh parsley

BRUSCHETTA | 12.50

Baguette, buffalo mozzarella, lush bruschetta & basil

CALAMARELLO | 16.50 | Family style 45

Fried calamari, shrimp & zucchini on crispy eggplant

TAVOLA CROSTINI | 10.75

Prosciutto, brie, pesto & fig compote

BURRATA | 14.75

Silky, buttery Italian style cheese with a drizzle of EVOO, sea salt & fresh cracked pepper, served with crostini and fresh seasonal fruit

CRAB ARANCINI TRIO | 18

Stuffed blue crab risotto balls, parmesan cream, pomodoro & basil pesto

SICILIAN BALL | 12.25

Large risotto ball stuffed with our house-made bolognese, mozzarella, lightly coated with house bread crumbs & fried

ROASTED OYSTERS | 15.50

Garlic baguette, oyster sauce mayo & pickled grapes

ESCARGOT | 12

Escargot cooked in garlic butter and topped with red pepper bread crumbs, served with two of our house crostinis

FRIED OLIVES | 8.50 | Family style 18

Stuffed with garganzola & mascarpone

HOUSE CRAFTED MEATBALLS | 14.50

Fresh ground beef and pork

Business Plan Summary:

Tavola San Marco will closely resemble the existing location in Bentonville, Arkansas location with a large menu and a full bar. Trattorias are typically casual, family-owned Italian restaurants that feature home-style cooking, a relaxed atmosphere that is perfect for groups, friends or families, and typically affordable prices. The food menu is classically Italian with a matching wine list and cocktail program. Tavola is described as “Upscale yet approachable Italian restaurant blending classic cuisine with modern presentation and local Florida ingredients.”

As described above, the team behind Tavola comes with a wealth of restaurant knowledge and experience, most recently in Bentonville, Arkansas, though with historic ties and good knowledge of the Jacksonville market. This will be the first concept brought by Table Mesa, Inc. to Jacksonville but will soon not be the only one.

Key Personnel/Project Development Team:

Carl and Lindie Garrett: The Garretts own nine concepts in Bentonville and are hands on operators. The concepts are typically upscale, casual with the dedicated and long-tenured staff. They will be on site for the development and opening of the restaurant but do not plan to relocate at this time.

Pam Crosby: Ms. Crosby will be boots on the ground for Tavola San Marco and looks forward to moving to

Jacksonville full time. She has managed the Tavola in Bentonville as well as Table at Hickory and Bella’s Table for the group.

Additional Management and staff:

Mr. Garrett has already started running ads in Indeed to gauge the workforce supply in Jacksonville and look for senior staff, to include a FOH management team and executive chef. They expect to hire 25-40 people for the front and back of the house, which will include both full and part-time staff.

Operating Plan:

Tavola San Marco will be open seven (7) days a week for lunch, dinner and brunch on the weekends. The lunch and dinner menu are very similar though lunch has a section of sandwich offerings in addition to some more substantial lunch entrees. In addition to antipasta, insalate, zuppe, and pizza, the dinner menu has some “Tavola icons” that include fresh catch, osso buco, risotto and two pages of pasta, much of which is made in house, offered in single and family style portions. The dining room is one, 4,500 sf room with an open kitchen, large, display pizza oven and cocktail bar with seating.

The operating hours are as follows:

Weekly Schedule	Open	Close
Every Day	11:00 AM	10:00 PM

Target Market and Market Summary:

Tavola will focus on the standard target market of young professionals, hotel visitors, Downtown residents, weekend diners, and an upper-scale business lunch crowd. While the closest similar concept is not far away in San Marco square, Tavola’s position on the Southbank, ample parking, large menu and approachable pricing will set it up for success.

**Operating Budget:**

The applicant provided three years of projected profit and loss statements. The projected first year revenue of \$2.5M is purposely quite conservative and in line with similar establishments of this size and atmosphere on the Southbank.

They estimate 30% cost of goods sold and approximately 28% in labor cost, both standard and attainable goals for this type of operation. The remainder of the expenses are estimates based on gross sales and also common benchmarks. The EBITDA of 20% is aggressive but

derived from seasoned operators with nine (9) currently operating food and beverage locations, some open as long as fifteen years.

Property Consideration and Development Budget:

The buildings at 1038 Kings Avenue and 1037 Hendricks were built between 1954 and 1966 as part of a larger set of buildings that housed Redi-Arts for many years. In 2021, after the Redi-Arts business was sold and moved to Springfield, the buildings were purchased by its current owner and split into four (4) separate buildings totaling approximately 13,365 sf and converted into retail with Tavola being one of the first new tenants. The new development created a pass through from Hendricks Avenue to Kings Avenue as well as additional parking.

The development budget consisted of just the construction budget with furniture, fixtures and equipment purchased separately. The contractor, Silversun Properties and Services, CGC060953, shows a total budget of \$600,000 with \$534,835 in eligible expenses with significant spending on flooring, HVAC, electrical and plumbing. A detailed budget schedule can be found in **Figure 1** below.

Core REP Consideration:

The Retail Enhancement Program offers different funding levels based on location, and in a few cases, type of operation. Eligible Grant expenditures for this program include a variety of construction improvements to the interior and exterior of the building and permanent improvements that will remain with the structure. Tavola Trattoria is in the Core Retail Enhancement Area which offers eligible businesses and properties a maximum of \$30 per square foot but no more than 50% of eligible costs.

TAVOLA ICONS

PATER'S DISH | 18.75

Pistashio pesto, risotto, arugula, sauteéd chicken, spinach, organic eggs sunny side up, portobellos, red peppers, sweet onion, roasted garlic

ANA ROSA | 14.99

Spiral zucchini & squash, EVOO, roasted garlic, pomodoro, capers, spinach, green peas & calabrese peppers

With chicken 16 | With salmon 19 | With shrimp 18

OSSO BUCO | MP

Veal shank braised in tomatoes & white wine reduction until tender & falling off the bone with risotto & salsa verde

THE GOAT AND THE SQUAWK | 25

Roasted chicken breast, red wine ~ mustard reduction topped with goat cheese medallion, balsamic drizzle, with sundried tomatoes, fettucine & parm cream reduction

***BISTRO STEAK FRITES | 39**

14 oz handcut ribeye & frites dusted with a peppercorn spice blend & doused with a house mustard - cognac sauce

LOBSTER RISOTTO | MP Limited Availability

Butter poached maine lobster, asparagus, cream reduction, white wine & parmigiano - reggiano

FRESH CATCH | MP

The freshest fish with risotto & seasonal veggies

CRAB CAKES | MP

Pan seared to a golden brown, mashers, basil pesto & house creamy alfredo, served with seasonal veggies

CEDAR WRAPPED SALMON | 26

Grilled Oraking salmon on cedar with seasonal berry coulis. Served with seasonal vegetables & risotto

2000 YEAR ANNIVERSARY RISOTTO | 22 |

Family style 65

Einkorn wheat, large gulf of Mexico shrimp, spinach, butternut squash, roasted pistachios, roasted garlic, EVOO, parmigiano - reggiano, white wine & chicken stock

Type	Eligible Square Foot (interior)	Total Budget Calculation	Total Maximum funding recommended
Core REP	4,500 sf X \$30 sf = \$135,000	\$534,835 X 50% = \$267,418	\$135,000

Scoring Rubric Recommendation:

The primary criteria for approval of any retail incentive is the feasibility of the business plan. A successful business plan will be one that conveys the most promising combination of relevant experience, financial feasibility, product and market research, growth potential and job creation. A minimum score of 30 points out of 55 points possible is required to have the proposed project referred to the REPD Committee for funding consideration. Staff scored the application and business plan on the following categories:

A. Business Plan (see point breakdown below) – (up to 40 points)

Categories	Points Available	Points scored
The plan shows good short-term profit potential and contains realistic financial projections	10	9
The revenue goals are reasonable, the expenses in line and it still maintains a healthy profit. This from seasoned operators who might see some slight adjustments in a new market.		
The plan shows how the business will target a clearly defined market and its competitive edge	5	3
While Tavola is Italian focused, like most F&B concepts that have broader appeal, they have a wide customer base target. They are also not the only Italian leaning or upscale casual concept on the Southbank or in Downtown.		
The plan shows that the management team has the skills and experience to make the business successful	10	9
The ownership team has decades of successful operation of both corporate and personally owned establishments. They will also be sending a seasoned team member to lead the effort and trainers from corporate to kick it off.		
The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture	10	8
With over \$500k in submitted build out expenses which does not include furniture, fixtures, large and small equipment, inventory and other startup costs, this is a significant private investment in Downtown.		
Number of FTE job positions created in excess of the required two (2) positions	5	4

The establishment expects to employ 25-40 full and part time people.		
TOTAL	40	33

- B. Expansion of the local property tax base by stimulating new investment in existing Downtown properties (up to 5 points for properties five years and older and an additional 5 points if the property is a historic property (local landmark status or contributing structure status) – maximum of 10 points)

Properties	Points Available	Points scored
1037 Hendricks Ave	5	3
Historic Property	5	N/A
The redevelopment of these now empty, former art store buildings to upscale and active food and beverage and retail operations meets several of the BID and CRA goals and will increase pedestrian traffic. The ad valorem change will be minimal.		
TOTAL	10	3

- C. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)

Expansion of sales tax	Points Available	Points scored
Upscale, Casual Restaurant	5	4
This business will increase, from \$0 in the last 4 years, the sales tax revenue of this parcel. With estimated first year sales of \$2.5 Million and room to grow, the sales tax increase is significant.		
TOTAL	5	4

TOTAL	55	40
--------------	-----------	-----------

With a score of 40, the subject proposal qualifies for consideration by the REPD Committee. Staff review of the application also indicates the proposed project meets the Redevelopment Goals within Downtown Jacksonville as outlined below:

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

Goal 5. Improve the perception and reality of safety, cleanliness, and maintenance in Downtown Jacksonville for residents, workers, and visitors.

Property Tax Consideration:

Property taxes are current on the property, and the building is within the Brooklyn neighborhood.

FAB-REP Additional Conditions:

1. No interest shall accrue upon the principal of the total REP forgivable loan amount with principal forgiven over a three (3) year period.
2. In the absence of default, the total principal balance will amortize 33% each year of the compliance period.
3. At the end of three years, the forgivable loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition, and no City Code violations are incurred during the compliance period.
4. If it is determined that the recipient(s) are in default, interest and full payment of the forgivable loan may be demanded, subject to applicable cure periods.
5. Further approvals of exterior improvements may be required by the Southbank Development Review Board.

See the Term Sheet, Exhibit A to Resolution 2024-08-01, for additional information on proposed terms and conditions.

Figure 1. – Construction Budget as submitted:

Silersun Properties and Services, Inc
CGC060953

Table Mesa
1035 Kings Avenue
Jacksonville, FL
July 21, 2025

BUDGET SCHEDULE OF VALUES

General Conditions	\$	27,165
Permits and Fees	\$	7,470
Demolition Masonry Openings	\$	1,500
Roof Patching	\$	9,600
Concrete	\$	15,495
General Labor / Carpentry	\$	14,405
Cabinetry	\$	1,500
Glass / Glazing Systems	\$	-
Doors, Frames, Hardware	\$	1,575
Drywall	\$	27,140
Window Treatment	\$	-
Painting	\$	22,200
Flooring	\$	39,960
Acoustical	\$	9,600
Appliances	\$	-
Toilet Compartments, Accessories, Mirrors & FE's	\$	4,400
Plumbing	\$	55,000
HVAC	\$	210,000
Fire Sprinkler	\$	24,990
Fire Alarm	\$	10,000
Electrical	\$	80,000
Contractor Overhead and Profit	\$	38,000
TOTAL LUMP SUM AMOUNT	\$	600,000

Eligible Expenses = \$534,835

Qualifications:

1. Voice/data, low voltage, security, A/V, related equipment and cabling are not included.
2. Architectural and MEP Drawings are not included

TAB III.C.ii

RESOLUTION 2025-08-02 SALON ON THE SOUTHBANK REP

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

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

Exhibit A:

**CORE RETAIL ENHANCEMENT PROGRAM GRANT
TERM SHEET**

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

Project Name: **Salon on the Southbank**

Applicant/Grantee: **Salon on the Southbank**
Amanda Kelloway, Owner

Total Build Out Costs (estimate): \$225,125

Total Eligible Build Out Costs: \$193,587

Eligible Funding: **\$ 80,250**

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:

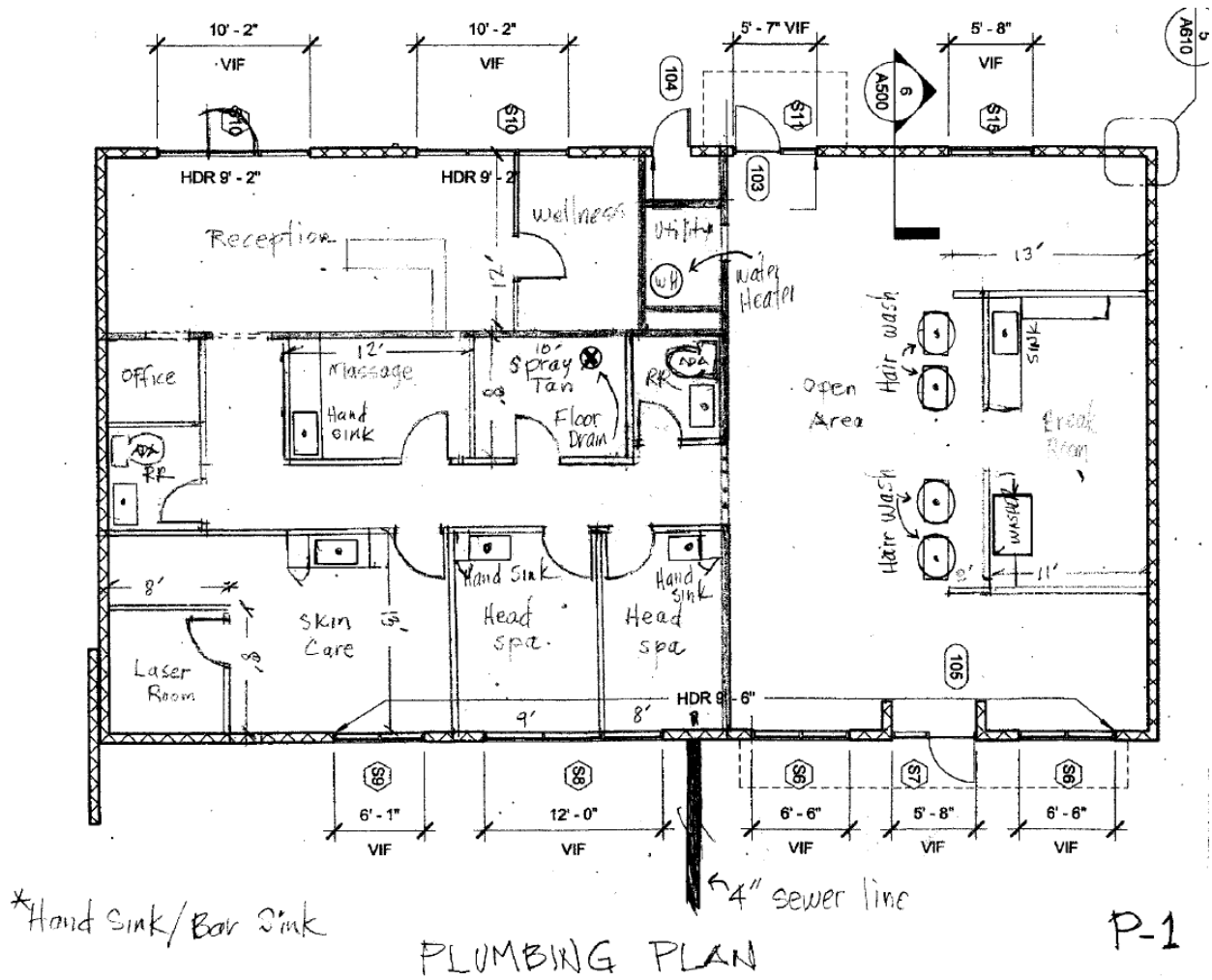
Silversun Properties and Services, Inc		
CGC060953		
The Salon on the Southbank		
138 Kings Avenue		
Jacksonville, FL		
July 11, 2024		
<u>BUDGET SCHEDULE OF VALUES</u>		
General Conditions	\$	11,538
Permits and Fees	\$	1,202
Final Clean	\$	1,200
Demolition	\$	400
Roof Patching	\$	350
Concrete	\$	6,000
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
Contractor Overhead and Profit	\$	20,000
TOTAL LUMP SUM AMOUNT	\$	225,125

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

Figure 2 –Floorplan as Submitted:



SUPPLEMENTAL INFORMATION

RESOLUTION 2025-08-02 SALON ON THE SOUTHBANK REP STAFF REPORT



Downtown Investment Authority

DIA CORE RETAIL ENHANCEMENT PROGRAM

Salon the Southbank
1038 Kings Ave
Jacksonville FL 32207
August 14, 2025

Project Name/Location:	Salon on the Southbank
Applicant:	Amanda Kelloway, Owner
Project Location:	1038 Kings Avenue Jacksonville FL 32207
Total Build Out Costs (estimate):	\$225,125
Total Eligible Build Out Costs:	\$193,587
Eligible Funding:	\$ 80,250

Project Description:

The applicant, Amanda Kelloway, owns and operates the Salon on the Southbank on Hendricks Avenue and proposes moving to and renovating a building owned by Kings Ave Properties, LLC at 1038 Kings Avenue.

Salon on the Southbank has been in operation in San Marco for over 35 years with the last 20 at the Hendricks Avenue location offering hair care, styling for weddings and events, and sunless tanning. They are seeking to expand their offerings and footprint as well as find a new home since the current location was recently put on the market for sale.

The new location, 1038 Kings Avenue, is part of the former home of Redi-Arts and was purchased in 2021 by its current owner who redeveloped the property into four (4) separate retail buildings. The Kings Avenue building to be occupied by the Salon on the Southbank and is one block away from it's current location. There will also be more dedicated parking.



Business Plan Summary:

Ms. Kelloway has personally worked at the salon locations in the San Marco community for over 25 years with an established client base and reputation for quality service. She is looking to turn her traditional salon into a comprehensive wellness destination, creating more jobs, increasing tax revenue, and serving both the general public and underserved communities including cancer patients and those with specialized scalp conditions.

The new location, which is approximately twice the size of the previous location, will allow her to offer:

- **Traditional Hair Services:** Cutting, coloring, styling
- **Specialized Wellness Services:** Head spa treatments, massage therapy
- **Medical-Grade Treatments:** Laser services, therapeutic scalp treatments
- **Retail Operations:** Professional hair care, skin care, styling tools, accessories
- **Community Boutique Space:** Local producer merchandise showcase
- **Walk-in Services:** Immediate access without appointments

Additionally, Ms. Kelloway will offer dedicated cancer patient services in partnership with local medical clinics and have a specialized scalp treatment room with medical-grade products and therapies.

Key Personnel/Project Development Team:

Amanda Kelloway: Mandi has been doing hair for over 25 years. Though she has been the primary manager of Salon on the Southbank for almost ten years, she officially bought the salon in 2023 from her mother, Kathie, who still works in the salon. As the newest generation, Mandi is expanding the salon to twice its previous size at the Kings Avenue location.

Additional Management and staff:

The Salon on the Southbank currently has 5 other stylists and an aesthetics and laser specialist. The expansion of the salon will allow them to hire more stylists and specialists. They expect to eventually have 8-12 FTEs that will be a mix of business employees and independent contractors.

Operating Plan:

The Salon on the Southbank is open Monday through Saturday at 9 am and closes between 5 and 9 pm depending on the day. As previously mentioned, they offer a range of services and expect to expand those in their new location. While walk-ins are currently welcome, the expansion will allow more of those services to the local public and hotel visitors.



Target Market and Market Summary:

The Salon on the Southbank has a 25+ year reputation as an ongoing business and in that time has developed strong relationships and community ties. It's stylist team have their own tenures in the industry and resulting client lists. They are one of a small handful of full-service salons in Downtown with the only one offering specialized treatments as a result of



the medical partnerships. They use the usual social media channels for marketing purposes and have a well-built website for further information and to make reservations. While the Medical and Visitor make up of their client base is 15 and 10 percent, respectively, they hope to grow that segment in the new, larger location.

Operating Budget:

The applicant provided three years of conservative projected profit and loss statements for the business which, as a booth leaser, does not include the owner's individual income from hair services. The projected revenue of just over \$300,000 reflects a significant increase in existing yearly revenues but also comes with the associated expenses for a larger location. Those projected revenues increase to over \$500,000 in the third year, which would result in a good profit for the business in addition to individual services income.

The primary revenue driver is booth and suite rentals to independent contractors that more than cover the location's yearly rent. There will also be several employees of the business, most of whom derive additional revenue through other offerings including Head Spa and Massage services.

Property Consideration and Development Budget:

The buildings at 1038 Kings Avenue and 1037 Hendricks were built between 1954 and 1966 as part of a larger set of buildings that housed Redi-Arts for many years. In 2021, after the Redi-Arts business was sold and moved to Springfield, the buildings were purchased by its current owner and split into four (4) separate buildings totaling approximately 13,365 sf of retail with the Salon on the Southbank being one of the first new tenants. The new development created a pass through from Hendricks Avenue to Kings Avenue as well as additional parking.

The development budget presented consists of only the construction budget with furniture, fixtures and equipment purchased separately or re-used from the existing location. The contractor, Silversun Properties and Services, CGC060953, shows a total budget of \$225,185 with \$193,587 in eligible expenses with significant spending on cabinetry, HVAC, electrical and plumbing. A detailed budget schedule can be found in **Figure 1** below.

Core REP Consideration:

The Retail Enhancement Program offers different funding levels based on location, and in a few cases, type of operation. Eligible Grant expenditures for this program include a variety

of construction improvements to the interior and exterior of the building and permanent improvements that will remain with the structure. The Salon on the Southbank is in the Core Retail Enhancement Area which offers eligible businesses and properties a maximum of \$30 per square foot but no more than 50% of eligible costs.

Type	Eligible Square Foot (interior)	Total Budget Calculation	Total Maximum funding recommended
Core REP	2,675 sf X \$30 sf = \$80,250	\$193,587 X 50% = \$96,794	\$80,250

Scoring Rubric Recommendation:

The primary criteria for approval of any retail incentive is the feasibility of the business plan. A successful business plan will be one that conveys the most promising combination of relevant experience, financial feasibility, product and market research, growth potential and job creation. A minimum score of 30 points out of 55 points possible is required to have the proposed project referred to the REPD Committee for funding consideration. Staff scored the application and business plan on the following categories:

A. Business Plan (see point breakdown below) – (up to 40 points)

Categories	Points Available	Points scored
The plan shows good short-term profit potential and contains realistic financial projections	10	6
The revenue side is bolstered by booth and suite rentals which more than cover rent, the highest expense. Labor is low as most of the stylists rent booths and are independent contractors. Profitability is seen in year 2.		
The plan shows how the business will target a clearly defined market and its competitive edge	5	4
With a built-in client list who already travel to the Southbank for services, The Salon on the Southbank looks to gain exposure to a larger audience. The addition/increase of health-related services and marketing to visitors will help expand their market.		
The plan shows that the management team has the skills and experience to make the business successful	10	8

The ownership and team have vast experience in the salon business and have been a part of a successful venture for some years already.		
The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture	10	6
Per the business plan, the owner expects to invest over \$180,000 toward the renovation of the business and for initial additional equipment and supplies.		
Number of FTE job positions created in excess of the required two (2) positions	5	3
The establishment expects to employ 8-15 full and part time employees		
TOTAL	40	27

- B. Expansion of the local property tax base by stimulating new investment in existing Downtown properties (up to 5 points for properties five years and older and an additional 5 points if the property is a historic property (local landmark status or contributing structure status) – maximum of 10 points)

Properties	Points Available	Points scored
1038 Kings Avenue	5	3
Historic Property	5	N/A
The Salon on the Southbank will back fill a building that has been empty for almost 5 years, though paying property taxes based on the recent sale price.		
TOTAL	10	3

- C. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)

Expansion of sales tax	Points Available	Points scored
Salon, Suites and Tanning	5	3
While some of the services are exempt from Sales Tax, the booth rentals, products and boutique sales will contribute to sales tax.		
TOTAL	5	3

TOTAL	55	33
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With a score of 33, the subject proposal qualifies for consideration by the REPD Committee. Staff review of the application also indicates the proposed project meets the Redevelopment Goals within Downtown Jacksonville as outlined below:

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

Goal 5. Improve the perception and reality of safety, cleanliness, and maintenance in Downtown Jacksonville for residents, workers, and visitors.

Property Tax Consideration:

Property taxes are current on the property, and the building is within the Southbank neighborhood.

FAB-REP Additional Conditions:

1. No interest shall accrue upon the principal of the total REP forgivable loan amount with principal forgiven over a three (3) year period.
2. In the absence of default, the total principal balance will amortize 33% each year of the compliance period.
3. At the end of three years, the forgivable loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition, and no City Code violations are incurred during the compliance period.
4. If it is determined that the recipient(s) are in default, interest and full payment of the forgivable loan may be demanded, subject to applicable cure periods.
5. Further approvals of exterior improvements may be required by the Downtown Development Review Board.

See the Term Sheet, Exhibit A to Resolution 2025-08-02, for additional information on proposed terms and conditions.

Figure 2. – Construction Budget as submitted:

Silversun Properties and Services, Inc
CGC060953

The Salon on the Southbank

138 Kings Avenue
Jacksonville, FL
July 11, 2024

BUDGET SCHEDULE OF VALUES

General Conditions	\$ 11,538
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
Contractor Overhead and Profit	\$ 20,000
TOTAL LUMP SUM AMOUNT	\$ 225,125

Qualifications:

1. Voice/data, low voltage, security, A/V, related equipment and cabling are not included.
2. Pendent 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

TAB III.C.iii

RESOLUTION 2025-08-03 KOTO REP

RESOLUTION 2025-08-03

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE NORTHBANK DOWNTOWN COMMUNITY DEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM GRANT TO THE KOTO JAX, LLC (“GRANTEE”) TO ESTABLISH AND OPERATE A FOOD AND BEVERAGE BUSINESS IN A PROPERTY OWNED BY SADS INC LOCATED AT 927 FORSYTH STREET WEST JACKSONVILLE, FL 32202; 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 NORTHBANK CRA PLAN (“BID PLAN”) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Grantee submitted an application to the DIA under the Basic Retail Enhancement Program to facilitate the development of a Japanese Izakaya restaurant, lounge and listening bar in the LaVilla District 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 Northbank; 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 Northbank Downtown Tax Increment District funds, in accordance with the CRA Plan, to foster the redevelopment of the Northbank Community Redevelopment Area; and

WHEREAS, to assist the Grantee with build out costs for the purpose of establishing Koto Izakaya (“the Project”) the DIA proposes to provide a Grant (forgivable loan secured by a note) in an amount not to exceed ONE HUNDRED FIFTY-SIX THOUSAND DOLLARS and 00/100 (\$156,000.00) to the Grantee; and

WHEREAS, the financial assistance to the Project will be in the form of the proposed terms and incentives 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 Grant in the amount of \$156,000.00 from the Northbank Downtown 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

Date

VOTE: In Favor: _____ Opposed: _____ Abstained: _____

Exhibit A:

**BASIC RETAIL ENHANCEMENT PROGRAM GRANT
TERM SHEET**

**Koto Jax, LLC
927 West Forsyth Street
Jacksonville FL 32202**

Project Name: **Koto Izakaya & Listening Room**

Applicant/Grantee: **Koto Jax, LLC “Tenant”
Raymond De Padua, Managing Partner**

Total Build Out: \$ 692,115

Total Eligible Costs: \$ 538,447

Eligible Funding: **\$156,000**

Project: Tenant improvements of 927 West Forsyth Street, RE# 074783 0000, for an approximately 10,400 square foot Japanese Izakaya restaurant, lounge and listening room located in the LaVilla Neighborhood of the Northbank CRA. The property is owned by SADS Inc. and will be leased by Tenant for a period of ten (10) years with two (2) additional option periods.

The applicant is expected to remain in business in the location at these service levels for a minimum of three (3) years.

City Funding: No more than **\$156,000**, through the Northbank 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.

Basic Retail Enhancement Program Grant: \$156,000 from the Retail Enhancement Program (REP) funding of the Northbank 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 accordance with the Basic Retail Enhancement Program guidelines.

Minimum Capital Contribution:

- A) The minimum total capital contribution through completion to remain eligible for the Basic REP Grant is \$485,000 and listed in Figure 1 below. 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.
- B) The total minimum construction 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 renderings and images 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 Raymond De Padua on behalf of the Tenant.
4. Per Basic 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 amortize at 33.33% per 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.
 - 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. Applicant to provide executed lease with landlord, SADS Inc. prior to funding; and,
4. Downtown Investment Authority to receive copies of all necessary permits and invoices and other documentation as may be requested in evidence of eligible expenditures.

B) Throughout the Compliance Period:

1. Continuing operation of the Project as a Japanese Izakaya restaurant, lounge and listening room 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 for a minimum of thirty-two (32) operating hours per week during which the doors must be open at all times.

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.

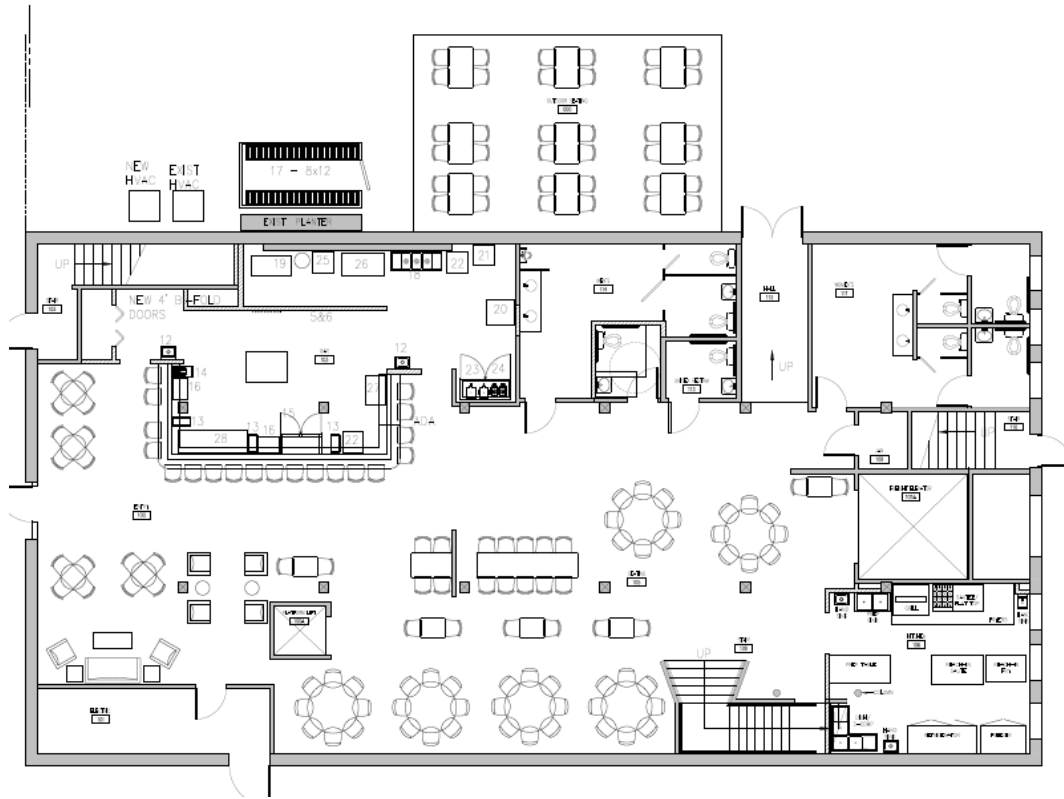
Figure 1 – Construction Budget as Submitted:

Summary of Construction Bid from JVI Construction Group

Description of Work	Total	Eligible Y/N	Eligible Expenses	Ineligible Expenses
General Conditions	\$ 61,350.00	N	\$ -	\$ 61,350.00
Existing Conditions/Demo	\$ 19,950.00	Y	\$ 19,950.00	\$ -
Concrete	\$ 7,800.00	Y	\$ 7,800.00	\$ -
Masonry	\$ -	Y	\$ -	\$ -
Metals	\$ -	Y	\$ -	\$ -
Carpentry	\$ 23,400.00	Y	\$ 23,400.00	\$ -
Thermal and Moisture Protection	\$ 8,500.00	Y	\$ 8,500.00	\$ -
Doors and Openings	\$ 5,700.00	Y	\$ 5,700.00	\$ -
Finishes	\$ 98,425.00	Y	\$ 98,425.00	\$ -
Specialties	\$ 18,150.00	Y	\$ 18,150.00	\$ -
Equipment and Furnishings	\$ -	Y	\$ -	\$ -
Fire Suppression	\$ 15,000.00	Y	\$ 15,000.00	\$ -
Plumbing	\$ 68,450.00	Y	\$ 68,450.00	\$ -
HVAC/Mechanical	\$ 108,600.00	Y	\$ 108,600.00	\$ -
Electrical	\$ 164,472.00	Y	\$ 164,472.00	\$ -
Subtotal	\$ 599,797.00		\$ 538,447.00	\$ 61,350.00
Permit Fees	\$ 7,497.00	N	\$ -	\$ 7,497.00
Contractor Insurance	\$ 3,036.00	N	\$ -	\$ 3,036.00
Builder's Risk	\$ 7,629.00	N	\$ -	\$ 7,629.00
Fee	\$ 74,155.00	N	\$ -	\$ 74,155.00
Grant Total	\$ 692,114.00		\$ 538,447.00	\$ 153,667.00

Figure 2 – Renderings and Floorplan as Submitted:





SUPPLEMENTAL INFORMATION
RESOLUTION 2025-08-03 KOTO REP STAFF REPORT



Downtown Investment Authority

DIA BASIC RETAIL ENHANCEMENT PROGRAM

“Koto Jax”
927 W Forsyth Street 32202
Koto Jax, LLC
August 14th, 2025

Project Name/Location:	Koto Izakaya & Listening Room 927 West Forsyth Street
Applicant:	Koto Jax, LLC (“Tenant”) Raymond De Padua, Partner Justin Raulerson, General Manager
Project Location:	927 West Forsyth Street Jacksonville FL 32207
Total Build Out Costs (estimate):	\$692,114
Total Eligible Build Out Costs:	\$538,447
Eligible Funding:	\$ 156,000

Project Description:

The applicant, Koto Jax, LLC, plans to develop a Japanese Izakaya restaurant, lounge and listening room very similar to their existing successful venture, Izakaya Ko in Jacksonville Beach, but with an added listening room/lounge. The concept will offer Japanese small plates and a bar on the first floor and a lounge and listening room on the second floor which will also have food service from the main kitchen.

The three-story building at 927 West Forsyth Street has been owned by Paul Sifton since 2006 and has mostly served as an event space and residence since that time. Each floor is 5,200 square feet with Koto leasing the first two floors.



Business Plan Summary:

Koto Jax will be a new and unique destination experience in Downtown Jacksonville. The partners describe the concept best:

Koto Jax is a contemporary Japanese **izakaya lounge** and **listening bar** aimed at elevating Downtown Jacksonville's culinary and nightlife scene. Inspired by Japan's social dining culture and jazz kissa listening rooms, Koto combines authentic Japanese small plates with a curated music experience delivered through high-fidelity audio equipment. The concept creates an immersive yet intimate space where food, drink, and sound coexist to foster genuine social connection.

While the concept may be the first collaboration of the ownership group, they individually bring vast food and beverage experience to the concept as described in more detail below. They have a clearly defined target market and advertising plan, and based on their collective business history, one that will work well in most locations. As unique as the concept is to

the urbancore, it should be a destination which will draw a customer base from a large radius.

Key Personnel/Project Development Team:

Raymond De Padua, Partner, is a self-proclaimed real estate guy turned restaurateur. Working closely with the Tung brothers of Bento Restaurant Group for hands on experience, Raymond is a partner in Davolis Catering and Soupa Noodle Bar, co-founder of coLab Café and runs a local short term rental business with homes mostly in the Riverside and Avondale area. He is also a partner of the group that recently purchased Beachside Seafood in Jacksonville Beach. Raymond will focus on marketing and guest experience.

Justin Raulerson, Co-Founder & General Manager, brings extensive hospitality leadership experience from managing high-volume and boutique restaurant operations. He specializes in team development, customer service excellence, and growth strategy execution. His vision for Koto is deeply rooted in community-building and operational excellence.

KOTO LISTENING BAR & IZAKAYA	
スナック - SNACKS	
EDAMAME WITH SMOKED SALT <i>Warm young soybeans tossed with smoked sea salt</i>	5
CUCUMBER SUNOMONO <i>Chilled cucumber ribbons with wakame, sesame</i>	6
TOMATO & TOFU SALAD WITH UME DRESSING <i>Silken tofu, heirloom tomato, shiso, and tangy plum vinaigrette.</i>	7
CHICKEN KARAAGE WITH YUZU KOSHO MAYO <i>Soy-marinated chicken thigh, deep-fried and paired with citrusy pepper mayo.</i>	10
AGEDASHI TOFU IN DASHI BROTH <i>Crispy tofu in hot dashi, topped with scallions, grated daikon, and bonito flakes.</i>	8
CORN KAKIAGE TEMPURA FRITTERS <i>Sweet corn tempura fritters served with matcha salt.</i>	7
EBI KATSU SKEWERS (2 PCS) <i>Crunchy panko-fried shrimp skewers served with wasabi tartar.</i>	9
KARAAGE POPCORN WITH MISO NORI BUTTER <i>Crispy karaage chicken bites served over buttered popcorn, drizzled with miso nori butter and topped with scallions and aonori.</i>	12
炙り / 焼き物 - YAKITORI	
NEGIMA (CHICKEN THIGH & SCALLION) <i>Juicy chicken thigh skewered with scallion</i>	8
TSUKUNE (MEATBALL WITH EGG YOLK DIP) <i>House-made chicken meatballs, grilled</i>	9
MOMO (JUICY CHICKEN THIGH) <i>Classic salt-grilled thigh skewer, smoky and savory.</i>	7
SASAMI (LEAN BREAST WITH UME OR WASABI) <i>Tender chicken breast grilled with your choice of ume paste or fresh wasabi.</i>	10
TEBASAKI (CRISPY CHICKEN WING) <i>Charcoal-grilled wings seasoned with sea salt and lemon.</i>	8
927 west forsythe st www.kotojax.com	

Francis Varias, Co-Founder & Executive Chef, is a culinary leader with deep expertise in Japanese cuisine, Francis served as Executive Sous Chef at Domu, where he led kitchen operations and helped launch new locations. His culinary philosophy blends traditional techniques with modern innovation, ensuring a menu that balances authenticity with creativity.

Additional staffing plan:

Koto Izakaya & Listening Room plans to hire 15-20 people for operations to include a front of house management team, a chef team, service and kitchen staff and a marketing and event coordinator. These will be a mix of full and part-time roles.

Operating Plan:

As mentioned, the first floor will be an izakaya restaurant and bar with the second floor bringing a lounge and jazz listening room. By the most common definition, an izakaya is an informal Japanese bar or pub that serves alcoholic drinks and a variety of small, shareable dishes. There are a couple in Jacksonville, led by Koto's sister restaurant Izakaya Ko but the closest one is at the Town Center with none on the west side of the river. They will serve beer, wine and sake and open six nights a week with brunch and later nights in the future.



Day of the Week	Open	Close
Sunday	5:00 pm	10:00 pm
Monday	Closed	Closed
Tuesday	5:00 pm	10:00 pm
Wednesday	5:00 pm	10:00 pm
Thursday	5:00 pm	10:00 pm
Friday	5:00 pm	1:00 am
Saturday	5:00 pm	1:00 am

Target Market and Market Summary:

Drawing from their past success at Izakaya Ko, Norikase, Dumo and a host of other restaurants, the team at Koto Jax has a following and a clearly defined target market that they list as:

- **Nightlife Enthusiasts** seeking unique venues that blend music, ambiance, and food.
- **Foodies & Culinary Explorers** looking for high-quality, authentic Japanese dishes.
- **Young Professionals** working or living downtown who seek a stylish spot to unwind.
- **Music Lovers & Tastemakers** attracted to our analog sound system and curated playlists.
- **Tourists & Downtown Visitors** drawn to new and culturally rich destinations.



Their advertising plan consists of a blend of social media, community events, email newsletters, local PR and press features, and influencer partnerships. Their social media and influencer presence is particularly strong, which is aided by food that is very instagramable.

Add to that the rising popularity of Asian concepts, recently showing double-digit growth, and the outlook for success is strong.

Operating Budget:

The applicant provided an abbreviated ten year projected operating proforma that shows an aggressive opening year revenue of \$3 million but given the popularity of that segment of the casual dining industry and the proven track record of their sister concepts, a projection that may be realized in short order. The costs and expenses are a very reasonable percentage of sales and bolstered by a relatively low cost of goods sold concept. Among the operating costs, they single out marketing at 4% which is a higher number than most but also may be one of their keys to past success.

Property Consideration and Development Budget:

The brick building at 927 West Forsyth Street was built in 1909 and initially housed F. W. King & Company. It was once part of the bustling Railroad Row area, facing the Atlantic & East

Coast Terminal Company's freight depot. It was saved from demolition and restored, preserving Jacksonville's oldest pulley-driven freight elevator.

Scoring Rubric Recommendation:

The primary criteria for approval of any retail incentive is the feasibility of the business plan. A successful business plan will be one that conveys the most promising combination of relevant experience, financial feasibility, product and market research, growth potential and job creation. A minimum score of 30 points out of 55 points possible is required to have the proposed project referred to the REPD Committee for funding consideration. Staff scored the application and business plan on the following categories:

A. Business Plan (see point breakdown below) – (up to 40 points)

Categories	Points Available	Points scored
The plan shows good short-term profit potential and contains realistic financial projections	10	8
The Business Plan was succinct yet comprehensive and is being implemented by experienced operators. The proforma is aggressive on the revenue side but balanced by realistic costs and expenses.		
The plan shows how the business will target a clearly defined market and its competitive edge	5	4
Because of extensive previous operational experience and their social media prowess, they know their customer base and serve them well. The addition of a listening room and lounge Downtown is also a smart and unique compliment.		
The plan shows that the management team has the skills and experience to make the business successful	10	9
The partners and co-founders listed have extensive and/or successful track records in the food and beverage industry. Additionally, through common ownership of other concepts in Jacksonville and Orlando, they have a large team of support.		
The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture	10	7
The cost of improvements will be borne by the operators and is estimated to be upwards of \$750,000, all from personal equity. No long-term loans are projected.		
Number of FTE job positions created in excess of the required two (2) positions	5	3
The establishment expects to hire 15-20 people between full and part-time.		
TOTAL	40	31

- B. Expansion of the local property tax base by stimulating new investment in existing Downtown properties (up to 5 points for properties five years and older and an additional 5 points if the property is a historic property (local landmark status or contributing structure status) – maximum of 10 points)

Properties	Points Available	Points scored
927 W Forsyth	5	4
Historic Property	5	3
While the building at 927 W Forsyth has been renovated for some time, the full-service restaurant will show great improvement on the use, activity and value of the 100+ year old building.		
TOTAL	10	7

- C. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points)

Expansion of sales tax	Points Available	Points scored
Bar/Restaurant	5	3
Similarly, the projected revenue will bring significantly more sales tax than the previous, more passive use.		
TOTAL	5	4

TOTAL	55	42
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With a score of 42, the subject proposal qualifies for consideration by the REPD Committee. Staff review of the application also indicates the proposed project meets the Redevelopment Goals within Downtown Jacksonville as outlined below:

Goal 1: Increase commercial office utilization, occupancy, and job growth to reinforce Downtown as the region's epicenter for business.

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

Basic REP Consideration:

The Retail Enhancement Program offers several funding levels based on location, and in some cases, type of establishment. The Koto Izakaya & Listening Room will be located within the Basic Retail Enhancement Area which offers eligible businesses and properties a

maximum of \$20 per square foot with the limiter being no more than 50% of eligible costs. Supplemental space, or upper floor space related to the operations on the first floor and part of the renovations, is also considered at 50% funding.

The square footage calculation, including supplemental space is \$156,000 and the eligible costs from the construction budget, below in Figure 1, are \$538,447 therefore the square foot calculation will be used. Accordingly, maximum funding eligibility is limited to \$156,000.

Type	Eligible Square Foot (interior)	Total Maximum funding
Basic REP – 1st floor	5,200 sf X \$20 sf = \$104,000	
Supplemental REP – 2 nd floor	5,200 x \$10 sf = \$52,000	\$156,000

Property Tax Consideration:

Property taxes are current on the property, and the building is within the Northbank neighborhood.

FAB-REP Additional Conditions:

1. No interest shall accrue upon the principal of the total REP forgivable loan amount with principal forgiven over a three (3) year period.
2. In the absence of default, the total principal balance will amortize 33% each year of the compliance period.
3. At the end of three years, the forgivable loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition, and no City Code violations are incurred during the compliance period.
4. If it is determined that the recipient(s) are in default, interest and full payment of the forgivable loan may be demanded, subject to applicable cure periods.
5. Further approvals of exterior improvements may be required by the Downtown Development Review Board.

See the Term Sheet, Exhibit A to Resolution 2025-08-xx, for additional information on proposed terms and conditions

Figure 1: Construction Budget Summary

Summary of Construction Bid from JVI Construction Group

Description of Work	Total	Eligible Y/N	Eligible Expenses	Ineligible Expenses
General Conditions	\$ 61,350.00	N	\$ -	\$ 61,350.00
Existing Conditions/Demo	\$ 19,950.00	Y	\$ 19,950.00	\$ -
Concrete	\$ 7,800.00	Y	\$ 7,800.00	\$ -
Masonry	\$ -	Y	\$ -	\$ -
Metals	\$ -	Y	\$ -	\$ -
Carpentry	\$ 23,400.00	Y	\$ 23,400.00	\$ -
Thermal and Moisture Protection	\$ 8,500.00	Y	\$ 8,500.00	\$ -
Doors and Openings	\$ 5,700.00	Y	\$ 5,700.00	\$ -
Finishes	\$ 98,425.00	Y	\$ 98,425.00	\$ -
Specialties	\$ 18,150.00	Y	\$ 18,150.00	\$ -
Equipment and Furnishings	\$ -	Y	\$ -	\$ -
Fire Suppression	\$ 15,000.00	Y	\$ 15,000.00	\$ -
Plumbing	\$ 68,450.00	Y	\$ 68,450.00	\$ -
HVAC/Mechanical	\$ 108,600.00	Y	\$ 108,600.00	\$ -
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Subtotal	\$ 599,797.00		\$ 538,447.00	\$ 61,350.00
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Contractor Insurance	\$ 3,036.00	N	\$ -	\$ 3,036.00
Builder's Risk	\$ 7,629.00	N	\$ -	\$ 7,629.00
Fee	\$ 74,155.00	N	\$ -	\$ 74,155.00
Grant Total	\$ 692,114.00		\$ 538,447.00	\$ 153,667.00

SUPPLEMENTAL INFORMATION

**RESOLUTION 2025-08-04 NB INVESTMENT POOL EARNING AND
RESOLUTION 2025-08-05 NB UNAPPROPRIATED REVENUE MEMORANDUM**



DOWNTOWN INVESTMENT AUTHORITY

117 West Duval Street #310, Jacksonville, Florida 32202

(904) 255-5302 | <https://dia.coj.net/>

MEMORANDUM

TO: Downtown Investment Authority
Finance and Budget Committee

THRU: Scott Wohlers, Committee Chair

FROM: Guy Parola, Director of Operations

DATE: August 13, 2025

RE: Resolution 2025-08-04: Unallocated Plan Authorized Budget Transfer
Resolution 2025-08-05: Unappropriated Revenue

Resolution 2025-08-04 approves a transfer of funds Unallocated Plan Authorized Expenditures, comprised of surplus Financial Obligation expense budgets and Investment Pool Earnings received during the fiscal year in excess of those budgeted as part of the FY 24-25 budget process.

Pursuant to section 106.342(a)(4) any funds remaining after the payment of a specific financial obligation fall to Unallocated Plan Authorized Expenditures. Pursuant to section 106.347, Investment Pool Earnings received throughout a fiscal year are appropriated without further action by City Council to Unallocated Plan Authorized Expenditures.

Northbank Resolution 2025-08-04 authorizes a projected total amount of \$1,113,363 as more fully illustrated below:

From:

<i>Unallocated Plan Authorized Expenditures projected amount:</i>	<i>\$711,000</i>
<i>Financial Obligations:</i>	<i>\$402,363</i>

To:

<i>Retail Enhancement Program:</i>	<i>(\$711,000)</i>
<i>Downtown Development Loans:</i>	<i>(\$ 402,363)</i>

Resolution 2025-08-05 is requesting the Board approval to appropriate previously unappropriated revenue received during FY 24-25 from comprised of: ad valorem taxes; Courthouse Tenant Lease; Courthouse, Sports, & Arena Garages; Churchwell Lofts parking lease; Johnsons Commons revenue sharing; MOCA annual lease; and HTG application fee revenue

Revenue Sources:

<i>Ad Valorem Taxes NW:</i>	<i>\$3,810</i>
<i>Courthouse Tenant Lease</i>	<i>\$2,170</i>
<i>Courthouse, Sports, & Arena Garages</i>	<i>\$188,000</i>
<i>Churchwell Lofts</i>	<i>\$3,000</i>

<i>Johnson Commons</i>	<i>\$169,000</i>
<i>MOCA (UNF)-Annual Lease for 2 yrs.</i>	<i>\$20</i>

To:	
<i>Downtown Development Loans:</i>	<i>(\$366,000)</i>

The DIA staff anticipates a need for additional funds in both the Retail Enhancement Program and Downtown Development Loans program.

TAB III.C.iv

RESOLUTION 2025-08-04 NB INVESTMENT POOL EARNING

RESOLUTION 2025-08-04

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) OF THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AREA TRANSFERRING FROM IT’S FY 24-25 UNALLOCATED PLAN AUTHORIZED EXPENDITURE AND FINANCIAL OBLIGATIONS BUDGETS REMAINING AFTER THE PAYMENT OF FINANCIAL OBLIGATIONS TO THE RETAIL ENHANCEMENT PROGRAM AND DOWNTOWN DEVELOPMENT LOANS IN ACCORDANCE WITH SECTION 106.342(A)(4), JACKSONVILLE CODE OF ORDINANCES; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; AUTHORIZING ITS CEO TO MAKE NON-SUBSTANTIVE CHANGES AS MAY BE REQUIRED BY THE BUDGET OR ACCOUNTING OFFICES; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO SUBMIT A BUDGET TRANSFER REFLECTIVE OF ACTUAL INVESTMENT POOL EARNINGS RECEIVED OR ACTUAL FINANCIAL OBLIGATIONS BUDGET REMAINING AFTER THE PAYMENT OF FINANCIAL OBLIGATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the C.R.A. for the Combined Northbank Community Redevelopment Area; and

WHEREAS, the DIA and City Council through the FY 24-25 annual budget process appropriated \$1,175,423 of Investment Pool Earnings to various projects and programs within the Combined Northbank Community Redevelopment Area FY 24-25 budget; and

WHEREAS, as of August 1, 2025, there is \$355,720 of Investment Pool Earnings in excess of the \$1,175,423 appropriated in the FY 24-25 annual budget, with Investment Pool Earnings revenue at the end of FY 24-25 estimated at approximately \$700,000; and

WHEREAS, pursuant to section 106.347, the “Council hereby appropriates all investment pool earnings (the "earnings") earned by each CRA Trust Fund, in accordance with Section 111, Part 6, during a fiscal year. Such earnings earned or accrued shall be appropriated to the applicable CRA Board's Unallocated Plan Authorized Expenditures Category”;

WHEREAS, in addition to the approximately \$700,000 of Unallocated Plan Authorized Expenditure budget resulting from Investment Pool Earnings revenue in excess of that budgeted, there will be an additional \$11,000 within the Unallocated Plan Authorized Expenditure budget remaining at the end of FY 24-25; and

WHEREAS, there exists after the payment of specific financial obligations approximately \$402,363 of FY 24-25 Financial Obligations expense budget; and

WHEREAS, there is anticipated a need for additional Retail Enhancement Program funding as well as a need for additional funding within the Downtown Development Loans program.

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 transfers from the FY 24-25 Combined Northbank Community Redevelopment Area budget's Unallocated Plan Authorized Expenditures and Financial Obligations expense budgets to the Retail Enhancement Program and the Downtown Development Loans:

From:	Amount:
Unallocated Plan Authorized Expenditure	\$711,000
Financial Obligations:	\$402,363

Mid-America / Hallmark 220 Riverside REV Grant:	\$41,136
Clearisle Realty / BR Riverside REV Grant:	\$81,947
Lofts at LaVilla 2 REV Grant:	\$37,494
CS1031 Vista Brooklyn REV Grant:	\$117,732
Lofts at Brooklyn REV Grant:	\$26,029
FIS REV Grant:	\$72,293
Fincantieri REV Grant:	\$25,732

To:	
Retail Enhancement Program:	\$711,000

To:	
Downtown Development Loans:	\$402,363

Section 3. The DIA hereby authorizes its CEO to take all actions necessary to effectuate the intent of this Resolution, including non-substantive changes as may be required by the Budget or Accounting Offices; further the DIA authorizes its Chief Executive Officer to submit a budget transfer that is reflective of actual investment pool earnings received.

Section 4. This Resolution 2025-08-04 shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Patrick Krechowski, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

TAB III.C.v

RESOLUTION 2025-08-05 NB UNAPPROPRIATED REVENUE

RESOLUTION 2025-08-05

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) OF THE COMBINED NORTHBANK DOWNTOWN COMMUNITY REDEVELOPMENT AREA, REQUESTING OF CITY COUNCIL TO APPROPRIATE PREVIOUSLY UNAPPROPRIATED: AD VALOREM TAXES; COURTHOUSE TENANT LEASE, DIA GARAGE, AD VALOREM TAX REVENUE AND REVENUE RECEIVED FROM OTHER SOURCES IN EXCESS OF FY 24-25 BUDGET, WITH THAT TOTAL TO BE APPROXIMATELY \$366,000 TO DOWNTOWN DEVELOPMENT LOANS; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO MAKE NON-SUBSTANTIVE CHANGES WHEN SUBMITTING A BUDGET TRANSFER AS MAY BE REQUIRED BY THE BUDGET, ACCOUNTING OR COUNCIL AUDITORS OFFICES; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY STEPS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the CRA for the Combined Northbank Community Redevelopment Area; and

WHEREAS, it is anticipated that at the end of FY 24-25 there will be \$366,000 of revenue not otherwise appropriated, comprised of: ad valorem taxes; Courthouse Tenant Lease; Courthouse, Sports, & Arena Garages; Churchwell Lofts parking lease; Johnsons Commons revenue sharing; MOCA annual lease; and HTG application fee revenue; and

WHEREAS, the DIA has identified a need for additional funds within the Downtown Development Loan Program,

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 requests that City Council appropriate the greater of \$366,000 of revenue not otherwise appropriated, comprised of: ad valorem taxes; Courthouse Tenant Lease; Courthouse, Sports, & Arena Garages; Churchwell Lofts parking lease; Johnsons Commons revenue sharing; MOCA annual lease; and HTG application fee revenue, or the actual revenue received from each at the end of FY 24-25.

Section 3. The DIA hereby authorizes its CEO to take all actions necessary to effectuate the intent of this Resolution, including non-substantive changes as may be required by the Budget, Accounting or Council Auditor Offices; further the DIA authorizes its Chief Executive Officer to submit a budget transfer that is reflective of actual unappropriated revenue received.

Section 4. This Resolution 2025-08-05 shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Patrick Krechowski, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

TAB III.C.vi

RESOLUTION 2025-08-06 SS INVESTMENT POOL EARNING

RESOLUTION 2025-08-06

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) BOARD OF THE SOUTHSIDE COMMUNITY REDEVELOPMENT AREA, TRANSFERRING FROM ITS FY 24-25 UNALLOCATED PLAN AUTHORIZED EXPENDITURE AND FINANCIAL OBLIGATIONS BUDGETS REMAINING AFTER THE PAYMENT OF FINANCIAL OBLIGATIONS TO THE RETAIL ENHANCEMENT PROGRAM AND FUTURE YEARS DEBT REDUCTION IN ACCORDANCE WITH SECTION 106.342(A)(4), JACKSONVILLE CODE OF ORDINANCES; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; AUTHORIZING ITS CEO TO MAKE NON-SUBSTANTIVE CHANGES AS MAY BE REQUIRED BY THE BUDGET OR ACCOUNTING OFFICES; AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO SUBMIT A BUDGET TRANSFER REFLECTIVE OF ACTUAL INVESTMENT POOL EARNINGS RECEIVED OR ACTUAL FINANCIAL OBLIGATIONS BUDGET REMAINING AFTER THE PAYMENT OF FINANCIAL OBLIGATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the CRA for the Southside Community Redevelopment Area; and

WHEREAS, it is anticipated that at the end of FY 24-25 there will be \$506,348 in revenue not otherwise appropriated, comprised of \$480,933 of Investment Pool Earnings and \$25,415 of Ad Valorem taxes received in the Southside CRA; and

WHEREAS, pursuant to section 106.347, the “Council hereby appropriates all investment pool earnings (the "earnings") earned by each CRA Trust Fund, in accordance with Section 111, Part 6, during a fiscal year. Such earnings earned or accrued shall be appropriated to the applicable CRA Board's Unallocated Plan Authorized Expenditures Category”;

WHEREAS, there is expected to be remaining \$174,432 of surplus Financial Obligation expense budget existing after the payment of FY 24-25 financial obligations; and

WHEREAS, the DIA has identified a need for additional funds within the Retail Enhancement Program and Future Years Debt Reduction,

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 transfers from the FY 24-25 Southside Community Redevelopment Area budget’s Unallocated Plan Authorized Expenditures and Financial Obligations expense budgets:

Retail Enhancement Program:	\$300,000
Future Year Debt Reduction:	\$380,780

Section 3. The DIA hereby authorizes its CEO to take all actions necessary to effectuate the intent of this Resolution, including non-substantive changes as may be required by the Budget or Accounting Offices; further the DIA authorizes its Chief Executive Officer to submit a budget transfer that is reflective of actual investment pool earnings received.

Section 4. This Resolution 2025-08-06 shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Patrick Krechowski, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

SUPPLEMENTAL INFORMATION

RESOLUTION 2025-08-06 SS INVESTMENT POOL EARNING MEMORANDUM



DOWNTOWN INVESTMENT AUTHORITY

117 West Duval Street #310, Jacksonville, Florida 32202

(904) 255-5302 | <https://dia.coj.net/>

MEMORANDUM

TO: Downtown Investment Authority
Finance and Budget Committee

THRU: Scott Wohlers, Committee Chair

FROM: Guy Parola, Director of Operations

DATE: August 13, 2025

RE: Resolution 2025-08-06: Southside Community Redevelopment Area
Fiscal Year 2025-2026 Budget Transfer

Resolution 2025-08-06 approves a transfer of funds Unallocated Plan Authorized Expenditures, comprised of surplus Financial Obligation expense budgets and Investment Pool Earnings received during the fiscal year in excess of those budgeted as part of the FY 24-25 budget process.

Pursuant to section 106.342(a)(4) any funds remaining after the payment of a specific financial obligation fall to Unallocated Plan Authorized Expenditures. Pursuant to section 106.347, Investment Pool Earnings received throughout a fiscal year are appropriated without further action by City Council to Unallocated Plan Authorized Expenditures.

From:	Unallocated Plan Authorized Expenditure:
	<i>Financial Obligations (Surplus)</i> \$174,432
	<i>Investment Pool Earnings</i> \$480,933
	<i>Ad Valorem Taxes</i> <u>\$25,415</u>
	\$680,780
To:	
<i>Retail Enhancement Program:</i>	(\$ 300,000)
<i>Future Year Debt Reduction</i>	<u>(\$ 380,780)</u>

We are requesting that the surplus funds be reallocated to the Retail Enhancement Program as well as to Future Year Debt Reduction. We are anticipating the payment of a Recaptured Enhanced Value grant that is not otherwise included as an expense in the forthcoming FY 25-26 budget.

TAB III.C.vii

RESOLUTION 2025-08-07 STREET FURNISHINGS

RESOLUTION 2025-08-07

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) OF THE COMBINED NORTHBANK DOWNTOWN COMMUNITY REDEVELOPMENT AREA AUTHORIZING THE EXPENDITURE OF UP TO \$50,000 FOR STREET SCAPE AND STREET FURNISHINGS IMPROVEMENTS SUCH AS BICYCLE RACKS, TRASH RECEPTACLES, ETC. FROM THE NEIGHBORHOOD STREETScape IMPROVEMENTS ACTIVITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the CRA for the Combined Northbank Community Redevelopment Area; and

WHEREAS, in 2022, the DIA and City Council amended and adopted a Community Redevelopment Plan for the Combined Northbank Community Redevelopment Area and Southside Community Redevelopment Area (collectively “CRA Plans”); and

WHEREAS, within the abovementioned CRA Plans are the following Redevelopment Goals:

Redevelopment Goal No. 5 Improve the safety, accessibility, and wellness of Downtown Jacksonville and cleanliness and maintenance of public spaces for residents, workers, and visitors.

Redevelopment Goal No. 6 Improve the walkability/bike-ability of Downtown and pedestrian and bicycle connectivity between Downtown and adjacent neighborhoods and the St. Johns River; and

WHEREAS, in furtherance of Redevelopment Goal 5 and Redevelopment Goal 6, the DIA desires to fund certain streetscape and street furnishing improvements, such as installing additional bicycle racks, garbage receptacles, landscaping, etc.; and

WHEREAS, within the Combined Northbank Community Redevelopment Area all-years budget is a Neighborhood Streetscape Improvements activity dedicated to fund such streetscape and street furnishing improvements,

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 authorizes the expenditure of up to \$50,000 for streetscape and street furnishing improvements such as installing additional bicycle racks, garbage receptacles, landscaping, etc.

Section 3. The DIA hereby authorizes its CEO to take all actions necessary to effectuate the intent of this Resolution.

Section 4. This Resolution 2025-08-07 shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Patrick Krechowski, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

SUPPLEMENTAL INFORMATION

RESOLUTION 2025-08-07 STREET FURNISHINGS MEMORANDUM



DOWNTOWN INVESTMENT AUTHORITY

117 West Duval Street #310, Jacksonville, Florida 32202

(904) 255-5302 | <https://dia.coj.net/>

MEMORANDUM

TO: Downtown Investment Authority
Finance and Budget Committee

THRU: Scott Wohlers, Committee Chair

FROM: Guy Parola, Director of Operations

DATE: August 13, 2025

RE: Resolution 2025-08-07: Downtown Economic Development Fund Downtown
Street Maintenance and Improvements

Resolution 2025-08-07 approves the expenditure of up to \$50,000 from the Combined Northbank Community Redevelopment Area all-years budget; specifically, from the Neighborhood Streetscape Improvements activity. The funds will be used for the purchase and installation of street furnishings (e.g. bicycle racks, trash cans, etc.) and landscaping. The initial focus will be in the Core and the adjacent districts (e.g. Cathedral District).

TAB III.D

RESOLUTION 2025-08-08 IGUANA AMENDMENTS

RESOLUTION 2025-08-08

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) RECOMMENDING THAT CITY COUNCIL APPROVE: CERTAIN AMENDMENTS TO THAT AMENDED AND RESTATED REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF JACKSONVILLE, THE DOWNTOWN INVESTMENT AUTHORITY AND SHIPYARDS HOTEL, LLC. DATED MARCH 30TH 2023; CERTAIN AMENDMENTS TO THAT MARINA SUPPORT BUILDING LEASE INCLUDED AS EXHIBIT ‘N’ TO THE AFOREMENTIONED REDEVELOPMENT AGREEMENT; CERTAIN AMENDMENTS TO THAT MARINA MANAGEMENT AGREEMENT INCLUDED AS EXHIBIT ‘J’ TO THE AFOREMENTIONED REDEVELOPMENT AGREEMENT; AUTHORIZING THE CEO OF THE DIA TO FURTHER NEGOTIATE ADDITIONAL TERMS AND CONDITIONS (I.E. AMENDMENTS) OR TECHNICAL AMENDMENTS TO THE AFOREMENTIONED AGREEMENTS, PROVIDING THAT SUCH TERMS AND CONDITIONS OR AMENDMENTS ARE CONSISTENT WITH AND IN FURTHERANCE OF THOSE AMENDMENTS IDENTIFIED IN EXHIBIT ‘A’ TO THIS RESOLUTION; AUTHORIZING THE CEO TO INITIATE THE FILING OF LEGISLATION WITH THE CITY COUNCIL REGARDING THE SAME; AUTHORIZING THE CEO OF THE DIA TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING THE EXECUTION OF A SECOND AMENDED AND RESTATED REDEVELOPMENT AGREEMENT, AMENDED MARINA SUPPORT BUILDING LEASE AGREEMENT AND MARINAN MANAGEMENT AGREEMENT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, via Ordinance 2012-0364-E, the City Council created the Downtown Investment Authority, designating the DIA as the City’s Community Redevelopment Agency for the Combined Northbank Downtown Community Redevelopment Area and authorizing it to approve and negotiate economic development agreements and dispose of City-Owned property; and

WHEREAS, via Resolution 2027-07-01, the DIA authorized the issuance of a Notice of Disposition for that portion of Metropolitan Park formerly referred to as “Kids Kampus”;

WHEREAS, as part of that Negotiated Disposition, certain terms and conditions for a Redevelopment Agreement, a Marina Support Building Lease and a Marina Management Agreement were established; and

WHEREAS, subsequent to successfully negotiating terms and conditions for the aforementioned agreements, City Council adopted Ordinance 2021-673-E that, among other things, approved a Redevelopment Agreement, a Marina Support Building Lease and a Marina Management Agreement; and

WHEREAS, via Resolution 2022-09-01, the DIA, among other things, recommended to City Council certain amendments to the Redevelopment Agreement, with those recommended amendments memorialized in an Amended and Restated Redevelopment Agreements; and

WHEREAS, via Ordinance 2022-871-E, City Council, among other things, recommended to City Council certain amendments to the Redevelopment Agreement, with those recommended amendments memorialized in an Amended and Restated Redevelopment Agreements; and

WHEREAS, Shipyards Hotel, LLC, (“Developer” within RDA), Iguana Investment Florida, LLC (“Manager” within Marina Management Agreement), find it necessary and desirable to amend the three aforementioned agreements,

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

Section 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference.

Section 2. The DIA recommends to City Council approval of certain amendments to the Amended and Restated Redevelopment Agreement between the City of Jacksonville, the Downtown Investment Authority and Shipyards Hotel, LLC, including the Marina Support Building Lease and Marina Management Agreement adopted therein, with those amendments included as Exhibit ‘A’ to this resolution.

Section 3. The DIA Board hereby authorizes its Chief Executive Officer to negotiate further terms and conditions and to make technical amendments to the Amended and Restated Redevelopment Agreement between the City of Jacksonville, the Downtown Investment Authority and Shipyards Hotel, LLC, including the Marina Support Building Lease and Marina Management Agreement adopted therein, providing that such terms and conditions or amendments are consistent with and in furtherance of Exhibit ‘A’ to this Resolution 2025-08-08..

Section 4. The DIA Board instructs its Chief Executive Officer to file legislation with City Council in order to effectuate the purposes of this Resolution 2025-08-08.

Section 5. The DIA Board authorizes its Chief Executive Officer to execute a second Amended and Restated Redevelopment Agreement, Marina Support Building Lease and Marina Management Agreement, as appropriate.

Section 6. This Resolution, 2025-08-08, shall become effective on the date it is signed by the Chair of the DIA Board.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Patrick Krechowski, Esq., Chair

Date

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

DRAFT

RESOLUTION 2025-08-08

EXHIBIT A

The Amended and Restated Redevelopment Agreement among the City of Jacksonville, the Downtown Investment Authority and Shipyards Hotel, LLC (“RDA”), dated March 30, 2023, and associated documents including the Marina Support Building Lease Agreement and Marina Management Agreement, all as approved by Ordinance 2022-871-E, shall be amended as follows:

1. To amend Sections 2.27 and 2.32 of the RDA allow for execution of the MMA and Marina Support Building Lease Agreement upon the earlier to occur of: (i) the date which is eighteen (18) months prior to the Completion Date for the Marina Improvements; or (ii) the date which is eighteen (18) months prior to the opening date of the Marina Improvements, and to further amend Section 2.27 to provide that the balance of the FIND Grants at the time of execution of the MMA must only be paid by Developer to the extent required by the Florida Inland Navigational District, or the extent any penalties are imposed upon the City for failure to pay.
2. To increase the Minimum Required Capital Investment for the Hotel Improvements from \$334,552,000 to \$373,962,000. In the event the decrease in the 2025 City/County millage rate to 11.1919 is not enacted, the Minimum Required Capital Investment for the Hotel Improvements shall increase instead to \$370,270,000.
3. To increase the Minimum Required Direct Costs from \$281,947,000 to \$321,357,000 and revise corresponding language accordingly. In the event the decrease in the 2025 City/County millage rate to 11.1919 is not enacted, the Minimum Required Direct Costs for the Hotel Improvements shall increase instead to \$317,602,000.
4. To amend Section 4.1 (d) of the RDA to extend the outside Completion Date for the Hotel Improvements until no later than June 30, 2027, and amend the corresponding date in the Tower Crane License Agreement.
5. To amend Section 4.1 of the RDA to re-authorize six months of CEO discretionary authority to extend the performance schedule by up to six months and eliminating the DIA Board’s authority to extend the Performance Schedule for an additional six months.
6. Conditioned upon approval by the Florida Department of Environmental Protection, to amend Section 4.1 (e) (iv) and (vi) to extend the dates by which the Marina Improvements, Bulkhead Improvements, Pier Improvements, Riverwalk Improvements and Marina Support Building Improvements must be substantially complete until on or before August 30, 2026 and revise the dates accordingly in the applicable disbursement agreements;
7. To amend Article 9 of the RDA and Sections 2.22 and 7.13 of that certain Public Infrastructure Capital Improvements Cost Disbursement Agreement dated March 31, 2023, as assigned to Shipyards Marina Florida, LLC (collectively, the “CDA”), to provide that construction of the Riverwalk Improvements by Developer may be phased such that components of the Riverwalk Improvements providing access to the river and the Marina Improvements and Pier Improvements may be opened and considered substantially complete for purposes of the RDA

and CDA notwithstanding that landscaping may be installed after such date, but not later than the Completion Date for the Hotel Improvements. Notwithstanding the foregoing, the final Disbursement shall not be released until such time as all of the Riverwalk Improvements, including the landscaping, are substantially complete and the conditions to final Disbursement in Section 5.5 of the CDA are met.

8. To amend Section 1.1(g), and 11.1 of the RDA to increase the not to exceed amount of the Recapture Enhanced Value Grant to \$56,581,200.00. Proceeds from this increase in the REV Grant may only be used for infrastructure improvements related to calming traffic on Bay Street, which may occur in multiple phases. Developer may pay for any infrastructure costs in advance of the collection of the REV Grant and shall be reimbursed from such proceeds up to \$6,000,000. If the cost incurred by Developer for such improvements is less than \$6,000,000, or if Developer is reimbursed by the State of Florida or the City of Jacksonville for such improvements through a grant or otherwise, the maximum indebtedness of the REV Grant shall be reduced accordingly.

Marina Support Building Lease Agreement.

To replace the Marina Support Building Lease Agreement attached to the Hotel Redevelopment Agreement as Exhibit N with the Marina Support Building Lease Agreement attached hereto as Exhibit A-2, which, as more particularly set forth therein, amends:

- 1) the Basic Lease Information to (i) identify Shipyards Marina Florida, LLC as the Tenant; (ii) correct the acreage of the subject parcel; (iii) provide a more detailed description of the leased premises to address patios, back of house and other areas not contemplated due to early stage of design; and, (iv) revise the original term from five (5) years to ten (10) years but deleting one (1) five (5) year renewal option in order to be able to lease the restaurant space for an initial ten (10) year term to attract a first-class restaurant, and authorizing a 90 day period for tenant buildout prior to lease commencement; (iv) clarifying that the first two (2) five-year renewal options are at the discretion of the Tenant; OGC - Guy wanted Para (iv)
- 2) Paragraph 6 to (i) adjust the operating covenants to clarify casualty shall not be a violation of the use covenant and to recognize that a restaurant operator may operate 5 days a week, rather than the 7 days a week required for a marina operator. and (ii) provide coordination regarding use of the Events Lawn with the Parks Department of the City to allow for coordinated use of the public space with control vesting in the Parks Department;
- 3) Paragraph 7 to clarify Tenant obligations for capital maintenance and capital repairs is subject to an allocation of sufficient funding therefor from the Room Surcharge;
- 4) certain provisions to allow for commercially reasonable terms required by a restaurant subtenant, including, (i) Paragraph 8(a), allowing for a restaurant tenant to perform non-structural work under \$50,000 on an annual basis, (ii) Paragraph 10(a) through 10(e), amending the consent and transfer restrictions on a restaurant sublessee (including non-disclosure of trade

sensitive materials of a tenant sublessee), and (iii) Paragraph 10(f), providing for non-disturbance by the City if the restaurant sublessee is not in default;

- 5) Paragraph 15(b) to revise the use and abandonment provisions to reflect the operation of a restaurant and the time periods to relet space for a restaurant if necessary;
- 6) Basic rent is increased from \$1 per year to \$15,000 per year, less annual Event Lawn maintenance expense incurred by Tenant; requiring that the Tenant provide a calculation of the Events Lawn Maintenance Expense for such year, together with supporting documentation as reasonably requested by Landlord, together with Tenant's calculation of Basic Rent due for such previous lease year;
- 7) Paragraph 17(a) to clarify that in the event of tenant default, the tenant's restoration obligations do not include any tenant specific improvements for a subsequent restaurant operator, but only to turn over the building in the condition as designed;

Marina Management Agreement

To replace the Marina Management Agreement ("MMA") attached to the Hotel Redevelopment Agreement as Exhibit J and replace it with a revised MMA that amends:

- 1) the preamble to clarify that the Manager is Shipyards Marina Florida, LLC rather than Iguana Investments Florida, LLC;
- 2) the recitals to allow the City and Manager to execute the MMA prior to Substantial Completion of the Marina Improvements and Pier Improvements so that Manager may properly staff, operate and maintain such improvements upon Substantial Completion;
- 3) Paragraph 3 to revise the initial five year Term to align with the initial ten year term of the submerged land lease and provide Manager with the option to extend the MMA for one (1) additional ten (10) year period at Manager's discretion and another ten (10) year extension by the mutual agreement of Manager and City;
- 4) Paragraph 6 to define the "operation and maintenance activities" (consistent with the stated Marina Standards) to which Manager may apply Gross Revenue received from Marina operations;
- 5) revise Transient Slip rental restrictions to align rental duration thereof with FDEP regulations and authorize rental of Transient Slips outside of special events subject to approval of rental rates by the Parks Department;
- 6) Paragraph 10 to clarify that the Manager or Marina Operator will recruit and employ personnel for the operation and maintenance of the Marina;
- 7) Paragraph 13 to obligate Manager to report revenues generated by rental of Transient Slips and fuel sales to the City on a monthly basis; and

- 8) Paragraph 17 to clarify that the City and Manager shall reasonably cooperate, including execution of any necessary documents, to facilitate compliance with the Submerged Land lease and FRDAP Grant
- 9) Exhibit A to reflect the revised layout and dimensions of the Marina as permitted by the FDEP.

DRAFT

SUPPLEMENTAL INFORMATION

RESOLUTION 2025-08-08 IGUANA AMENDMENTS MEMORANDUM



DOWNTOWN INVESTMENT AUTHORITY

117 West Duval Street #310, Jacksonville, Florida 32202

(904) 255-5302 | <https://dia.coj.net/>

MEMORANDUM

TO: Downtown Investment Authority

THRU: Patrick Krechowski, Chair

FROM: Guy Parola, Director of Operations

DATE: August 13, 2025

RE: Resolution 2025-08-08:
Shipyards / Iguana Hotel Redevelopment Agreement, Marina Support Building Lease, and Marina Management Agreement Amendments

Resolution 2025-08-08 effectuates amendments to the Shipyards / Iguana Hotel Redevelopment Agreement, Marina Support Building Lease, and Marina Management Agreement Amendments, as shown in Exhibit 'A' to the resolution and as explained on pages 3 through 8 of this memorandum.

To summarize, broadly, the purposes of the amendments:

Bucket #1: Bay Street Traffic Calming

Iguana has received \$3M from the State of Florida for the first phase of a traffic calming capital project on Bay Street. The first phase is anticipated to cost \$6M, with unknown costs on subsequent phases. Because these are improvements to a City asset, Iguana will be reimbursed for expenses in excess of the \$3M of State funds through increasing the maximum value of their R.E.V. Grant by \$6M, which would cover the entire costs of the first phase of improvements should the State not follow through with the \$3M commitment.

Bucket #2: Increase R.E.V. Grant

The increased R.E.V. Grant is substantiated by the increased Minimum Required Capital Investment and increased Minimum Required Direct Costs. Further, noting, that the R.E.V. Grant is payable for those documented expenses for Bay Street Traffic Calming Improvements, which may occur in multiple phases.

Bucket #3: Completion Dates

The Hotel Completion date is extended by one year to June 30, 2027. The Marina, bulkhead, Riverwalk, Marina Support Building – all are extended by two-months, August 30, 2026. Companion to these extensions are modifications that would allow Developer to enter into management agreements (e.g. marina operator) in

advance of their completions so that when completed operational components (i.e. management) are in place.

Bucket #4: Marina Support Building Lease

The Marina Support Building Lease terms are being amended, in part, to reflect that there will be multiple subtenants, with Developer being the main tenant.

Terms

Restaurant: in order to attract a long-term restauranter, the Developer has maintained that the initial lease term with the City needs to be increased from 5 to 10 years, with two 5-year renewal options at the discretion of the Developer and two additional 5-year renewal options at the mutually agreed upon discretion of the City and the Developer. Currently, all renewals are at the mutually agreed upon discretion of the City and the Developer.

This is a substantial deviation from what was agreed upon. Currently the basic rent is \$1 per year for 30 years. In consideration for the amended terms, the Developer will now pay a basic rent of \$15,000 per year; however, the Developer has agreed to maintain the events lawn, a public park between the Iguana Office Building and the Marina Support Building. We are agreeing that any costs associated with maintenance of the Events Lawn can offset the basic rent.

Improvements

Clarifies what constitutes a capital improvement that would need City approval, and allows for a longer period of time to backfill a restaurant.

Bucket #5: Marina Management Agreement

Terms

Lengthens the initial term from 5 to 10 years to reflect the submerged land lease and grants a 10-year extension at the discretion of the Developer, which conforms to the Marina Support Building Lease term amendment.

Improvements

Clarifies what constitutes a capital improvement or capital maintenance from operational maintenance.

The following pages contain the amendments included as Exhibit 'A' to the resolution with explanations in blue.

Redevelopment Agreement

The Amended and Restated Redevelopment Agreement among the City of Jacksonville, the Downtown Investment Authority and Shipyards Hotel, LLC (“RDA”), dated March 30, 2023, and associated documents including the Marina Support Building Lease Agreement and Marina Management Agreement, all as approved by Ordinance 2022-871-E, shall be amended as follows:

- 1) To amend Sections 2.27 and 2.32 of the RDA allow for execution of the MMA and Marina Support Building Lease Agreement upon the earlier to occur of: (i) the date which is eighteen (18) months prior to the Completion Date for the Marina Improvements; or (ii) the date which is eighteen (18) months prior to the opening date of the Marina Improvements, and to further amend Section 2.27 to provide that the balance of the FIND Grants at the time of execution of the MMA must only be paid by Developer to the extent required by the Florida Inland Navigational District, or the extent any penalties are imposed upon the City for failure to pay;

Description: The first revisions permit Developer to engage a marina operator and execute a sublease prior to completion of the buildings. The revisions regarding the FIND Grant provide Developer necessary flexibility to work with the State on these issues.

- 2) To increase the Minimum Required Capital Investment for the Hotel Improvements from \$334,552,000 to \$373,962,000. In the event the decrease in the 2025 City/County millage rate to 11.1919 is not enacted, the Minimum Required Capital Investment for the Hotel Improvements shall increase instead to \$370,270,000.

Description: The increase in the Minimum Required Capital Investment reflects the increased capital investment in the Hotel Improvements, which supports the eligibility of the project for the increased value of the R.E.V. Grant.

- 3) To increase the Minimum Required Direct Costs from \$281,947,000 to \$321,357,000 and revise corresponding language accordingly. In the event the decrease in the 2025 City/County millage rate to 11.1919 is not enacted, the Minimum Required Direct Costs for the Hotel Improvements shall increase instead to \$317,602,000.

Description: This increase reflects the Minimum Required Direct Costs of the Hotel Improvements, which supports the eligibility of the project for the increased value of the R.E.V. Grant.

- 4) To amend Section 4.1 (d) of the RDA to extend the outside Completion Date for the Hotel Improvements until no later than June 30, 2027, and amend the corresponding date in the Tower Crane License Agreement;

Description: This reflects the revised completion date for the Hotel Improvements.

- 5) To amend Section 4.1 of the RDA to re-authorize six months of CEO discretionary authority to extend the performance schedule by up to six months and eliminating the DIA Board’s authority to extend the Performance Schedule for an additional six months;

Description: The elimination of the DIA Board's extension authority is in reaction to the one-year extension for completion of the hotel authorized by this term sheet. If section 4.1 remained as-is currently, between the 6-month CEO extension ability and DIA Board 6-month extension ability, the hotel completion could be extended until June 30, 2028.

- 6) Conditioned upon approval by the Florida Department of Environmental Protection, to amend Section 4.1 (e) (iv) and (vi) to extend the dates by which the Marina Improvements, Bulkhead Improvements, Pier Improvements, Riverwalk Improvements and Marina Support Building Improvements must be substantially complete until on or before August 30, 2026 and revise the dates accordingly in the applicable disbursement agreements;

Description: To extend the completion dates by two-months. Work commenced as required and has been continuously ongoing.

- 7) To amend Article 9 of the RDA and Sections 2.22 and 7.13 of that certain Public Infrastructure Capital Improvements Cost Disbursement Agreement dated March 31, 2023, as assigned to Shipyards Marina Florida, LLC (collectively, the "CDA"), to provide that construction of the Riverwalk Improvements by Developer may be phased such that components of the Riverwalk Improvements providing access to the river and the Marina Improvements and Pier Improvements may be opened and considered substantially complete for purposes of the RDA and CDA notwithstanding that landscaping may be installed after such date, but not later than the Completion Date for the Hotel Improvements. Notwithstanding the foregoing, the final Disbursement shall not be released until such time as all of the Riverwalk Improvements, including the landscaping, are substantially complete and the conditions to final Disbursement in Section 5.5 of the CDA are met; and

Description: Permits the installation of landscaping for the riverwalk after upland construction has been completed; and allows the Public Works Director to accept the riverwalk hardscape (e.g. riverwalk itself) so that the riverwalk may be opened prior to installation of landscaping. Further, final disbursements (i.e. reimbursements) will not be made to Iguana (or related affiliate) until such time as landscaping has been installed and inspected.

- 8) To amend Section 1.1(g), and 11.1 of the RDA to increase the not to exceed amount of the Recapture Enhanced Value Grant to \$56,581,200.00. Proceeds from this increase in the REV Grant may only be used for infrastructure improvements related to calming traffic on Bay Street, which may occur in multiple phases. Developer may pay for any infrastructure costs in advance of the collection of the REV Grant and shall be reimbursed from such proceeds up to \$6,000,000. If the cost incurred by Developer for such improvements is less than \$6,000,000, or if Developer is reimbursed by the State of Florida or the City of Jacksonville for such improvements through a grant or otherwise, the maximum indebtedness of the REV Grant shall be reduced accordingly.

Description: Iguana (or related affiliate) is undertaking a capital project on Bay Street as a traffic calming project with an estimated cost of \$6,000,000. This provision would reimburse Iguana (or related affiliate) for the expense of this capital project through increasing the maximum value of the R.E.V. Grant by the lesser of \$6,000,000 or the \$6,000,000 less any funds received by the State of Florida for this traffic calming project.

Marina Support Building Lease Agreement.

To replace the Marina Support Building Lease Agreement attached to the Hotel Redevelopment Agreement as Exhibit N with the Marina Support Building Lease Agreement attached hereto as Exhibit A-2, which, as more particularly set forth therein, amends:

- 1) the Basic Lease Information to (i) identify Shipyards Marina Florida, LLC as the Tenant; (ii) correct the acreage of the subject parcel; (iii) provide a more detailed description of the leased premises to address patios, back of house and other areas not contemplated due to early stage of design; and, (iv) revise the original term from five (5) years to ten (10) years but deleting one (1) five (5) year renewal option in order to be able to lease the restaurant space for an initial ten (10) year term to attract a first-class restaurant, and authorizing a 90 day period for tenant buildout prior to lease commencement; (iv) clarifying that the first two (2) five-year renewal options are at the discretion of the Tenant;

Description: Amendment clarifies the “tenant” entity and articulates the actual lease area to include contiguous patio areas as well as adjacent back of house accessory structure.

Description: The initial term of the lease is being extended from five (5) years to ten (10) years, with the following renewals: two, 5-year renewal options at the discretion of the tenant; and two additional 5-year renewal options subject to mutual agreement of the tenant and the City. This is different than the current initial term of 5-years with five, 5-year mutually agreed upon renewals.

Iguana has requested this substantive change to the terms as a reaction to the requirements of a restaurant sublessee. As a consideration for this 20-year combined term at the sole discretion of the tenant (initial 10-year term plus two additional 5-year terms), the basic rent is increased from \$1 per year to \$15,000 per year. However, Iguana intends to undertake maintenance of the public park (events lawn) area between the Marina Support Building and the Iguana Office Building, the expense of which will be applied to the \$15,000 basic rent.

- 2) Paragraph 6 to (i) adjust the operating covenants to clarify casualty shall not be a violation of the use covenant and to recognize that a restaurant operator may operate 5 days a week, rather than the 7 days a week required for a marina operator. and (ii) provide coordination regarding use of the Events Lawn with the Parks Department of the City to allow for coordinated use of the public space with control vesting in the Parks Department;

Description: There is a single tenant – Igauna (or their affiliate) – but multiple sublessees, one of which will be, or rather is intended to be, a restaurant. As currently written, the lease requirement for 7-day a week operation is intended for the marina operator as a sublessee as the marina is required to be open 7-days a week. This amendment maintains the 7-day a week requirement for the marina operator, but reduces the requirement to be open for a restaurant to 5-days a week.

Description: Memorializes the intent by the Parks, Recreation and Community Services Department and the tenant or their restaurant sublessee to jointly program the events lawn.

- 3) Paragraph 7 to clarify Tenant obligations for capital maintenance and capital repairs is subject to an allocation of sufficient funding therefore from the Room Surcharge;

Description: The hotel room surcharge is authorized within the Redevelopment Agreement to be applied, subject to budget approval by the City, for capital maintenance and capital repairs. This amendment conforms the lease to the RDA. Non-capital maintenance and repairs remains the obligation of the tenant.

- 4) Certain provisions to allow for commercially reasonable terms required by a restaurant subtenant, including, (i) Paragraph 8(a), allowing for a restaurant tenant to perform non-structural work under \$50,000 on an annual basis, (ii) Paragraph 10(a) through 10(e), amending the consent and transfer restrictions on a restaurant sublessee (including non-disclosure of trade sensitive materials of a tenant sublessee), and (iii) Paragraph 10(f), providing for non-disturbance by the City if the restaurant sublessee is not in default;

Description: These revisions clarify the parties' maintenance responsibilities and permit the restaurant to be leased at typical market terms.

- 5) Paragraph 15(b) to revise the use and abandonment provisions to reflect the operation of a restaurant and the time periods to relet space for a restaurant if necessary;

Description: Buildouts (i.e. tenant improvements) for higher end restaurants are restaurant specific, with a change in operator requiring more time than the current 10-day abandonment language in the lease. The amendment permits an up to 18-month closure period for a restaurant sublessee to complete tenant improvements.

- 6) Basic rent is increased from \$1 per year to \$15,000 per year, less annual Event Lawn maintenance expense incurred by Tenant; requiring that the Tenant provide a calculation of the Events Lawn Maintenance Expense for such year, together with supporting documentation as reasonably requested by Landlord, together with Tenant's calculation of Basic Rent due for such previous lease year; and

Description: Iguana has requested this substantive change to the terms as a reaction to the requirements of a restaurant sublessee. As a consideration for this 20-year combined term at the sole discretion of the tenant (initial 10-year term plus two additional 5-year terms), the basic rent is increased from \$1 per year to \$15,000 per year. However, Iguana intends to undertake maintenance of the public park (events lawn) area between the Marina Support Building and the Iguana Office Building, the expense of which will be applied to the \$15,000 basic rent.

- 7) Paragraph 17(a) to clarify that in the event of tenant default, the tenant's restoration obligations do not include any tenant specific improvements for a subsequent restaurant operator, but only to turn over the building in the condition as designed.

Description: To clarify that in the event of a tenant default the City expects to receive the building in the condition in which it was provided inclusive of restaurant tenant improvements

previously approved. In other words, the tenant is not responsible for incurring tenant improvement costs for a subsequent restaurant operator in the event of a default.

Marina Management Agreement

To replace the Marina Management Agreement (“MMA”) attached to the Hotel Redevelopment Agreement as Exhibit J and replace it with a revised MMA that amends:

- 1) The preamble to clarify that the Manager is Shipyards Marina Florida, LLC rather than Iguana Investments Florida, LLC;

Description: Clarifies marina “manager” entity.

- 2) The recitals to allow the City and Manager to execute the MMA prior to Substantial Completion of the Marina Improvements and Pier Improvements so that Manager may properly staff, operate and maintain such improvements upon Substantial Completion;

Description: Enables the marina manager to contract with a marina operator in advance of the marina opening.

- 3) Paragraph 3 to revise the initial five year Term to align with the initial ten year term of the submerged land lease and provide Manager with the option to extend the MMA for one (1) additional ten (10) year period at Manager’s discretion and another ten (10) year extension by the mutual agreement of Manager and City;

Description: Conforms the initial term to the submerged land lease and conforms sole-discretion extensions (first two, 5-year extensions) and mutually agreed upon extensions (second two, 5-year extensions) to the Marina Support Building terms, as amended. The marina operator/manager is required to have an office within the Marina Support Building; therefore, having the Marina Management terms align with both the submerged land lease and Marina Support Building lease terms makes sense.

- 4) Paragraph 6 to define the “operation and maintenance activities” (consistent with the stated Marina Standards) to which Manager may apply Gross Revenue received from Marina operations;

Description: The hotel room surcharge revenue may be applied, pursuant to the Redevelopment Agreement, to capital improvements and maintenance for the marina. This amendment distinguishes capital improvements and maintenance – which are paid for through the hotel room surcharge – from normal operational and maintenance – which is paid for by revenue derived from the operation of the marina.

- 5) Revise Transient Slip rental restrictions to align rental duration thereof with FDEP regulations and authorize rental of Transient Slips outside of special events subject to approval of rental rates by the Parks Department;

Description: Extends “transient” slip rentals from no more than three (3) consecutive days to five (5) consecutive days and allows, subject to the Director of the Parks, Recreation and Community Services Department, the marina manager / operator to charge for transient slip rentals.

- 6) Paragraph 10 to clarify that the Manager or Marina Operator will recruit and employ personnel for the operation and maintenance of the Marina;

Description: Clarifies that a Marina Operator is an entity, but that an actual person will be held to certain professional standards as articulated in Paragraph 10(b).

- 7) Paragraph 13 to obligate Manager to report revenues generated by rental of Transient Slips and fuel sales to the City on a monthly basis;

Description: Adds revenue to the reporting requirements to reflect the ability to charge for transient slip rentals and sale of fuel.

- 8) Paragraph 17 to clarify that the City and Manager shall reasonably cooperate, including execution of any necessary documents, to facilitate compliance with the Submerged Land lease and FRDAP Grant; and

Description: Clarifies that, while Manager shall maintain responsibility for ensuring compliance with the Submerged Land Lease and FRDAP Grant, City as owner of the marina agrees to execute any documents necessary to facilitate such compliance.

- 9) Exhibit A to reflect the revised layout and dimensions of the Marina as permitted by the FDEP.

Description: Upon completion of the marina, what is essentially an as-built survey will be attached to the document to reflect the actual dimensions, which typically change slightly during construction (i.e. field adjustments).

As shown by the following incentive summary table, the additional \$6 million of REV grant has no material impact on the ROI of the Iguana Four Seasons/Office project which provides an overall ROI of 1.14X.

Incentives

REV Grant Hotel	56,581,200		
REV Grant Office	8,120,300		
Completion Grant	25,834,887		
Hotel and Condominium Land (Net)	12,449,900		
Easement Parcels (Fee Value)	285,000		
Value of Office Parcel (Net)	230,000	103,501,287	Direct
Net Loss on Relocation of Kids Kampus	6,219,400		
Relocation of Fire Station and Dock	9,800,000		
Marina Park	3,312,052		
Marina Services Building	6,563,615		
Relocation of Fire Museum	3,500,000		
Relocation of Utility Lines	1,000,000	30,395,067	Indirect
		133,896,354	Total
Expected Benefits		152,771,758	
Net Benefit		18,875,404	
		1.14	

TAB IV.A
JULY 16TH, 2025 DOWNTOWN INVESTMENT AUTHORITY MEETING MINUTES
APPROVAL



Downtown Investment Authority
Downtown Investment Authority Hybrid Meeting
Wednesday, July 16th, 2025, 2:00 p.m.

Downtown Investment Authority Hybrid Meeting
MEETING MINUTES

DIA Board Members: Patrick Krechowski, Esq. (Chair); Micah Heavener; Sondra Fetner, Esq.; Scott Wohlers; John Hirabayashi; Cameron Hooper; and Carrie Bailey

Mayor's Office: Bill Delaney, Council Liaison

Council Members: None

DIA Staff: Guy Parola, Director of Operations; Steve Kelley, Director of Downtown Real Estate and Development; Allan DeVault, CRA Redevelopment Manager; Wade McArthur, Property Disposition Manager; Scott Wilson; Ina Mezini; and Ava Hill, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

I. CALL TO ORDER

Board Chair Krechowski called to order the Downtown Investment Authority Meeting at 2:21 PM.

II. DOWNTOWN INVESTMENT AUTHORITY

A. JUNE 18TH, 2025, DOWNTOWN INVESTMENT AUTHORITY MEETING MINUTES APPROVAL

Board Chair Krechowski called for a motion to approve the meeting minutes as presented.

Motion: Board Member Wohlers motioned to approve the meeting minutes.
Seconded: Board Member Heavener seconded the motion.

Seeing no discussion, Board Chair Krechowski called for a vote. Again, he advised that he'd abstain from the vote because he did not attend the June Board meeting.

Vote: **Aye: 6** **Nay: 0** **Abstain: 1 (Board Chair Krechowski)**

MOTION PASSED 6-0-1

III. NEW BUSINESS

Board Chair Krechowski reported that the only committee change was assigning new board member Trevor to the Finance and Budget Committee, with all other assignments unchanged. He reminded chairs to relay any needs through staff and thanked members for their work.



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IV. CEO INFORMATIONAL BRIEFING

A. DOWNTOWN PROJECT UPDATE AND CEO REPORT

Mr. Guy Parola, Interim CEO, outlined the CEO Report, requesting project updates from Scott and Ina, followed by Wade McArthur's reports on the broker and optimization study. He also planned to address 324 North Broad Street and the CRA 5-Year Capital Plan. Mr. Parola confirmed the new CEO would start August 4th, noted preparations were underway, and mentioned the CEO had received extensive materials to review in advance.

CRA and Construction Project Updates

Scott Wilson and Ina Mezini provided updates for the following projects:

- Broadcast Place Park
- One Riverside
- McCoy's Creek Outfall
- Park Street Road Diet
- The Hub (Retail Center at Riverside & Forest)
- Johnson Commons
- LaVilla Heritage Trail
- Pearl Street Projects
- Riverfront Plaza
- Projection Show
- Two-Way Street Project
- Four Seasons Hotel & Office

Optimization Study and Broker Agreement RFP Updates

Mr. Wade McArthur provided an update on the Optimization Study RFP. He shared that it was issued in November alongside the Broker Agreement RFP and was extended twice due to lack of bids. DIA received one bid, which was rejected after review. Procurement provided a list of interested parties who did not submit bids. Staff planned to contact them to identify barriers and refine the scope to generate more interest.

Board Chair Krechowski requested it be added to the appropriate committee agenda for further discussion next month.

Mr. Wade McArthur also provided an update on the Broker Agreement FRP. He shared that DIA received three bids. Mr. McArthur, Mr. Parola, and Mr. Kelley scored the submissions, and the results were sent to Procurement. A tentative winner was identified pending procurement manager review, with finalization expected at next week's Procurement Committee meeting.



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Board Member Hirabayashi asked, regarding the Optimization Study RFP, what factors staff are seeing that might be keeping them from getting the responses that they want. Mr. McArthur responded that it's hard to tell without talking to people and then explained.

324 N Board Street Project

Mr. Parola reported that the Board had twice approved funding, totaling \$195,000, to demolish the property's interior while preserving its façade, one of the last remaining block-style examples in LaVilla. Engineering drawings and maintenance of transportation proposal were completed, and saving the facade could require an additional \$125,000, bringing the total to \$320,000. Before requesting more funds, staff sought time for the new property disposition manager to approach adjoining property owners, as limited secondary access under fire code restricts use. Selling to a neighboring owner would provide proper access and support redevelopment. He asked the Board for patience while these options were explored.

Board Chair Krechowski mentioned that he encouraged staff to see if there are other ways to deal with the property more efficiently.

Board Member Heavener asked about the long-term plan for the property.

Board Member Fetner asked if there had been any effort to acquire the rear access of the property. Mr. Parola response was no and that it does create a problem.

Board Member Wohlers shared, from a financial perspective, that he'd hate for the Board to spend money on something when the money could be used in other places that could add value.

CRA 5-Year Capital Plan

Mr. Guy Parola explained that new legislation requires the DIA to submit a 5-year Capital Plan as part of the Annual Budget. Since CRA funds cannot be in the City's CIP, the plan outlines intended appropriations, with FY25–26 matching the current budget and FY27–30 projecting future allocations after deducting financial obligations. The plan aligns with priorities such as the riverfront, the core, and neighborhood projects but may change due to factors like a recent \$652,000 revenue shortfall. He requested acknowledgment and approval to submit the plan to the Budget Office and City Council.

Board Member Hirabayashi mentioned how staff had backed out the committed funds and asked if funds were set aside for incentives, and what that allocation looks like. Using the Northbank as an example, Mr. Parola described his methodology.

Board Member Hooper asked about any discussions regarding property taxes potentially going away and how it would affect them possibly not having the funds for projects. Mr. Parola advised that the following page of their handout showed the projects they'd be able to go forward with if there's no ad valorem taxes in Florida.



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Board Member Heavener asked if more context could be provided on why they would wait a certain number of years to get to a project. Mr. Parola responded that staff would work on a white paper to see what kind of value having it would add.

V. ADJOURNMENT

Seeing no further discussion, Board Chair Krechowski adjourned the DIA meeting at 2:49 PM.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Ava Hill at avah@coj.net to acquire a recording of the meeting.