



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee
Hybrid In-person/Virtual Meeting
Thursday, June 12th, 2025, at 9:30 AM

Agenda amended to remove Resolution 2025-06-12 Vestcor Property Exchange – Disposition Notice and Resolution 2025-06-13: Vestcor Purchase. Both are scheduled to appear on the July 2025 agenda.

AMENDED RE&PD AGENDA

MEMBERS:

Jill Caffey, Committee Chair
Micah Heavener
Sondra Fetner, Esq.

John Hirabayashi
Carrie Bailey

- I. CALL TO ORDER
- II. PUBLIC COMMENTS
- III. FORM 8B: VOTING CONFLICT DISCLOSURES
- IV. MAY 15TH, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL
- V. RESOLUTION 2025-06-04: APEX MODIFICATION
- VI. RESOLUTION 2025-06-10: BESA BAKERY
- VII. RESOLUTION 2025-06-11: DUVAL 212 ACCESS AGREEMENT
- VIII. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
- IX. ADJOURN

PHYSICAL LOCATION

City Hall at St. James
117 West Duval Street
1st Floor, Don Davis Room
Jacksonville, Florida 32202

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:



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee
Hybrid In-person/Virtual Meeting
Thursday, June 12th, 2025, at 9:30 AM

Join Zoom Webinar

<https://us02web.zoom.us/j/81447313912?pwd=8CGgXeO9IJepk9r9n9J2RWttE9Ps0B.1>

Webinar ID: 814 4731 3912

Passcode: 679409

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

TAB IV.

**MAY 15th, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION
COMMITTEE MEETING MINUTES APPROVAL**



Downtown Investment Authority
Retail Enhancement and Property Disposition Committee Meeting
Thursday, May 15, 2025
10:00 AM

Retail Enhancement and Property Disposition Committee Meeting
MEETING MINUTES

Retail Enhancement and Property Disposition Committee Members (CM) in Attendance:

Patrick Krechowski, Ex Officio; Micah Heavener; Sondra Fetner, John Hirabayashi, Carrie Bailey

DIA Board Members in Attendance: Cameron Hopper, Scott Wohlers

DIA Staff Present: Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Allan DeVault, CRA Redevelopment Manager; Wade McArthur, Property Disposition Manager; Guy Parola, Director of Operations; Ava Hill, Administrative Assistant

Office of General Counsel: John Sawyer, Esq.

Mayor's Office Present: Bill Delaney

Council Members Present: None

I. CALL TO ORDER

In Committee Chair Caffey's absence, Board Chair Patrick Krechowski called the Retail Enhancement and Property Disposition Committee Meeting to order at 10:01 am and asked for introductions from the Board and Staff.

II. PUBLIC COMMENTS

There were no comments.

III. FORM 8B: VOTING CONFLICT DISCLOSURES

There were no voting conflict disclosures.

IV. APRIL 10TH, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL

Board Chair Patrick Krechowski called for a motion on the meeting minutes. He advised that he would abstain from voting because he did not attend that meeting.

Motion: Committee Member Fetner moved to approve the meeting minutes.
Seconded: Committee Member Heavener seconded the motion.

Seeing no discussion, Board Chair Patrick Krechowski called for a vote.

Vote: **Aye: 4** **Nay: 0** **Abstain: 1** – Board Chair Krechowski

THE MOTION PASSED 4-0-1

V. RESOLUTION 2025-05-01 KEANE’S IRISH PUB FAB REP

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENTS GRANT (FAB-REP) TO 323 E BAY STREET, LLC AND BAY STREET WAREHOUSING, LLC (“GRANTEES”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A FORGIVABLE LOAN AGREEMENT AND RELATED SECURITY DOCUMENTS; 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.

Mr. Allan DeVault, CRA Redevelopment Manager, shared that the resolution was for a new Irish Pub at 315 East Bay Street. He explained the following:

- Classic Irish pub with full bar, Irish fare, craft beer, and live music (ran by DECCA Live team).
- Located in a historic 3,800 sq ft building from 1907–1910, formerly Justice Pub.
- Open: Weeknights (evenings) + Weekends (11 AM–10 PM).
- \$418,000 build-out includes a kitchen, custom bar, HVAC, plumbing, and more.
- DIA incentive capped at \$200K (50/50 match).
- Landlord offering below-market rent for 5 years.
- Scored 37/55 on DIA’s evaluation.

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

Motion: Committee Member Heavener moved to approve the resolution.
Seconded: Committee Member Fetner seconded the motion.

Board Chair Krechowski called for a vote on the resolution.

Vote: Aye: 5 Nay: 0 Abstain: 0

THE MOTION PASSED UNANOMOUSLY 5-0-0

VI. RESOLUTION 2025-05-02 APEX LEASE TERMINATION

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) FOR THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO BUY OUT AND TERMINATE THE LEASEHOLD INTEREST OF ARLINGTON PRINTING AND STATIONERS, INC. AND APEX BUILDING OF JACKSONVILLE, LTD. (“APEX” OR “LESSEE”) IN ITS LEASE WITH THE CITY OF JACKSONVILLE AND DOWNTOWN INVESTMENT AUTHORITY (AS

SUCCESSOR IN INTEREST TO THE JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION AS SUCCESSOR IN INTEREST TO THE JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY) (“LESSOR”) ON APPROXIMATELY .75 ACRES OF PROPERTY WITHIN A LARGER CITY-OWNED PARCEL AT 200 N LEE STREET (AS MORE FULLY DEFINED IN EXHIBIT A TO THIS RESOLUTION) IN ORDER TO PROVIDE MARKETABLE TITLE TO THE FEE SIMPLE INTEREST IN THE PARCEL FOR FUTURE USE BY THE DIA CONSISTENT WITH GOALS ESTABLISHED IN THE DIA BID AND CRA PLAN; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

Mr. Steve Kelly, Director of Downtown Real Estate and Development, reminded everyone that the lease termination was originally presented in April, and staff were asked to gather more information. He then reviewed the following information.

- Apex Printing held a 30-year lease (with an optional 30-year extension) at 20¢/sq ft, with no rent paid due to maintenance offsets.
- Property is in LaVilla, near Johnson Commons and proposed UF campus.
- DIA seeks termination for higher use (housing or offices per plan).
- Buyout cost: \$950,000.
- Land-only appraisal: \$3.23 million.
- Potential land swap in early talks with Vestor to support UF campus.
- Other developers have shown strong interest.
- Any sale or deal will follow the required public disposition process.

Board Chair Patrick Krechowski opened the floor for discussion.

Board Chair Patrick Krechowski asked staff to confirm that the lease was a ground lease. Mr. Kelley responded that he was correct.

Board Chair Patrick Krechowski also asked Mr. Kelley to confirm that they were recovering no rent via the lease. Mr. Kelley responded that he was correct, and that DIA was not receiving any positive cash flow via the lease.

Board Chair Krechowski asked if the property taxes were current and if they have a 30-year extension. Mr. Kelley responded yes and then explained the terms of the lease.

Committee Member Fetner asked what the appraisal value of the property was. Mr. Kelley responded it was \$2.58 million.

Committee Member Fetner also asked how far DIA was in the negotiations with Vestcor for the land swap. CEO Boyer explained that Mr. Kelley had many conversations with them and that they strongly prefer the property over a cash payment. She added that DIA can't make any agreements with Vestcor until they went through the disposition process, which means other developers can bid on the property.

Committee Member Fetner asked how long it would take for DIA to do the property disposition if they were to do a true notice of disposition. CEO Boyer explained that it would depend on the REPD Committee and if they want to spend several months developing the criteria they want to go with or whether they can nail down one quickly.

Committee Member Fetner asked if DIA had ever proposed just a cash buy of the Vestcor property. Mr. Kelley responded that they did talk about that being an option and then explained.

Committee Member Hirabayashi mentioned that it seemed as though there was no other way out of the current situation other than default and asked what constitutes default. Mr. Kelley discussed the basis for looking at the value of the building and Vestcor perspective versus the staff's perspective. He added that the \$950,000 was purely a negotiated number informed by the value of the asset itself.

Committee Member Heavener proposed that if DIA acquires the property for \$1 million and then demolishes the building that's on it, they'd still be in a 2 to 1 pay back position based on the appraised value. He added that he would take that.

Committee Member Bailey asked how long the \$950,000 would hold considering the economic activity in LaVilla? Mr. Kelley explained that the term sheet included a closing timeframe of 90 days.

Committee Member Bailey asked staff to confirm if the portion of the parcel that fronts the emerald trail would be retained by the city. Mr. Kelley responded that she was correct.

Committee Member Hirabayashi asked if the property was to be redeployed in a productive use, what would be the difference in the amount of revenue that tax earning property would generate compared to what is seen today. Mr. Steve Kelley mentioned that he looked at properties about the same size and being used as multifamily housing and stated that the property taxes are roughly doubled.

Committee Member Hirabayashi expressed that getting back control of the property in his opinion is very important. He asked what the difference is in the amount of revenue that a tax earning property would generate.

Board Member Wohlers asked what the timeline would be to recoup funds versus an outright purchase. Mr. Steve Kelley explained that during the disposition process they would negotiate expectations which would include a right of reverter if expectations were not met.

Board Member Cameron Hooper asked if they went through with the land swap, can they be certain that there would be funds from that deal as compared to a more market rate developer. Mr. Kelley explained how he looked at deals like the Lofts on Monroe and other Vestcor properties in LaVilla and saw that their property taxes fell significantly. That's where he looked for adjusted tax rates, valuation on the site, and where he found roughly double.

Mr. Bill Delaney advised that if DIA were to just leave the property as it is with the opportunity cost being considerable, it would behoove the Board and DIA to act.

Committee Member Fetner asked if there was a way to negotiate with Vestcor to settle on a cash purchase price even if it's greater than the appraisal amount. She added that they could do the notice of disposition and not be boxed into what Vestcor wants to do with this property if they were to receive it. CEO Boyer explained that based on that Vestcor's appraisal, DIA is getting in a position to have that conversation.

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

Motion: Committee Member Heavener moved to approve the resolution.
Seconded: Committee Member Bailey seconded the motion.

Board Chair Patrick Krechowski called for a vote on the resolution.

Vote: Aye: 5 Nay: 0 Abstain: 0

THE MOTION PASSED UNANOMOUSLY 5-0-0

VII. OTHER DISCUSSIONS

CEO Boyer advised the Board of the following updates:

UF Legislation: Now included a \$5 million dollar term that was not previously in DIA's disposition documents. A resolution may be brought to the Board to acknowledge that before City Council votes.

Gateway/801 W. Bay: City Council should decide on June 21st whether to purchase or pursue a land exchange.

- A negotiated purchase price and sale agreement will be presented.
- DIA may see a resolution acknowledging that price, depending on Council's direction.
- If Council is delayed, DIA would still get the purchase number just in case the exchange falls through.

VIII. ADJOURNMENT

Seeing no further discussion, Board Chair Patrick Krechowski adjourned the meeting at 10:47 am.

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.

TAB V.

RESOLUTION 2025-06-04: APEX MODIFICATION

RESOLUTION 2025-06-04

RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AS THE COMMUNITY REDEVELOPMENT AGENCY (“CRA”) FOR THE DOWNTOWN NORTHBANK COMMUNITY REDEVELOPMENT AREA AUTHORIZING ITS CHIEF EXECUTIVE OFFICER TO EXTEND THE CLOSING DATE OF THE LEASE BUY OUT AND TERMINATION AS APPROVED BY DIA BOARD RESOLUTION 2025-05-02 BETWEEN ARLINGTON PRINTING AND STATIONERS, INC. AND APEX BUILDING OF JACKSONVILLE, LTD. (“APEX” OR “LESSEE”) IN ITS LEASE WITH THE CITY OF JACKSONVILLE AND DOWNTOWN INVESTMENT AUTHORITY (AS SUCCESSOR IN INTEREST TO THE JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION AS SUCCESSOR IN INTEREST TO THE JACKSONVILLE DOWNTOWN DEVELOPMENT AUTHORITY) (“LESSOR”) IN ORDER TO PROVIDE APEX WITH SUFFICIENT TIME TO EXTRACT ALL OF ITS EQUIPMENT AND OTHER BUSINESS ASSETS FROM THE PROPERTY; INSTRUCTING ITS CHIEF EXECUTIVE OFFICER TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Downtown Investment Authority (“DIA”) is the Community Redevelopment Agency (“CRA”) for the Downtown Northbank Community Redevelopment Area pursuant to Ordinance 2012-0364, which further recognizes the DIA as successor in interest to the Jacksonville Economic Development Commission (“JEDC”), which in turn, JEDC is the successor by special act of the Florida legislature and law to the Jacksonville Downtown Development Authority (“JDDA”); and

WHEREAS, Sections 163.345 and 163.380 of the Florida Statutes charges the DIA, as CRA for the Northbank Community Redevelopment Area, with the responsibility to carry out and effectuate the purposes of the BID and CRA plan approved by the Jacksonville City Council and to manage City owned property in the public interest for uses in accordance with the community redevelopment plan giving consideration to the long-term benefits and to pursue the rehabilitation or redevelopment of the community redevelopment area by private enterprise; and

WHEREAS, Section 55.108(a)(20), Jacksonville Code of Ordinances authorizes the DIA to “...acquire and dispose of City owned Downtown property acquired for or intended to be used for community redevelopment purposes...” when acting in its capacity as the CRA for any community redevelopment area; and

WHEREAS, Section 55.115, Jacksonville Code of Ordinances provides that the DIA “...control the use, negotiate, lease, sell, dedicate, grant, or otherwise dispose of any of the City's Downtown assets and properties managed by the Authority, or any interest therein, including easements and licenses, with or without consideration.” when acting in its capacity as the CRA for any community redevelopment area; and

WHEREAS, a Lease Agreement for Redevelopment of Land (“Lease”) was entered into on July 28, 1997, between City of Jacksonville and the Jacksonville Downtown Development Authority (and therefor the Downtown Investment Authority as successor in interest) as “Lessor” and the commonly owned entities Arlington Printing and Stationers, Inc. and Apex Building of Jacksonville, Ltd. (“Apex”) as “Lessee,” wherein the initial term of the Lease was for a period of thirty years and provides Lessee with the option to acquire fee simple to the site at the current market value or otherwise renew the lease for an additional 30 year term under the existing terms of \$0.20 per square foot with responsibility for property taxes, sales taxes on the lease, and maintenance of the Property; and

WHEREAS, May 21st, 2025 the DIA Board approved Resolution 2025-05-02 which authorized the CEO to buy out the leased interest and purchase option and terminate the lease with Apex, as Lessee, for the stipulated sum of \$950,000.00, using funds allocated for such purpose in the Downtown Northbank CRA Trust Fund consistent with terms and conditions found in Exhibit B to Resolution 2025-05-02; and

WHEREAS, the terms set forth in Exhibit B to Resolution 2025-05-02 stated that the execution of a Lease Termination Agreement by and Among the Parties shall occur upon a mutually agreeable date within 90 days of approval by the DIA Board; and

WHEREAS, upon further discussion with DIA staff, Apex informed DIA staff that it had determined that it would take longer than 90 days to completely extract all of its equipment and other business assets from the property; and

WHEREAS, all other terms from Exhibit B to Resolution 2025-05-02 remain in full force and effect; and

WHEREAS, the revised Term Sheet for the Lease Termination Agreement is attached hereto and incorporated herein as Exhibit A to this Resolution 2025-06-04.

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. By approval of this Resolution, the DIA in its capacity as the CRA for the Downtown Northbank Community Redevelopment Area authorizes the CEO to extend the Execution Date of a Lease Termination Agreement from 90 days from approval by the DIA Board to no later than November 30, 2025.

Section 3. The CEO is authorized and instructed to take all necessary action to effectuate the purpose of this Resolution, including negotiation and execution of a lease termination agreement or equivalent document.

Section 4. This Resolution 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: _____

Exhibit A

TERM SHEET FOR TERMINATION OF LEASED FEE INTEREST BY AND AMONG

City of Jacksonville, Downtown Investment Authority as Lessor

and

Arlington Printing and Stationers, Inc. and Apex Building of Jacksonville, Ltd. as Lessee

Consideration:

Consideration of \$950,000.00 (NINE HUNDRED FIFTY THOUSAND and 00/100 DOLLARS) to be paid by the City of Jacksonville, Downtown Investment Authority, as Lessor, in a single payment upon execution of the Lease Termination Agreement by the Parties to effectuate termination of the leased fee interest of the Property as further detailed in Exhibit A to DIA Resolution 2025-05-02 to, and for the benefit of, Arlington Printing and Stationers, Inc. and Apex Building of Jacksonville, Ltd. as Lessee (and jointly with City of Jacksonville, Downtown Investment Authority, the "Parties") to include termination of all rights of Lessee under the lease entered into July 28, 1997, and amended three times, as recorded in Book 8783, Pages 182-275 of the Official Records of Duval County, Florida, including the option to purchase granted therein.

Responsibilities of Lessee:

Upon execution of the Lease Termination Agreement, Lessee shall return the Property to City free and clear of any liens, mortgages, or any other encumbrances, recorded or unrecorded, including but not limited to a notice of termination of lease agreement in recordable form, in form and substance acceptable to the DIA, surrender all rights thereto, and Lessee shall indemnify the City from and agree to reimburse the City for any and all costs or fees associated with the clearing of the title to the Property as may be necessary.

Lessee shall be responsible for all lease obligations to the City up to the date of closing on the agreement which conveys the leased fee interest to the DIA, including payment of all Duval County property taxes and Tangible Property Taxes including pro ration of property taxes for calendar year 2025, State of Florida and Duval County sales taxes, and continuing maintenance of the Property.

Environmental:

Lessee shall be responsible for the removal of all environmentally sensitive chemicals or materials found on the Property prior to closing.

Lessee shall be responsible for any environmental clean-up activities required as a result of contamination that occurred during the Lease term which commenced July 28, 1997, and shall indemnify City from any such responsibilities.

Execution:

Execution of a Lease Termination Agreement by and among the Parties shall occur upon a mutually agreeable date no later than November 30th, 2025.

Lessee shall pay, on the date of Closing of the lease termination, the premium for an owner's title policy, all recording costs, any documentary stamps on the deed, and any and all other costs related to any loan obtained by Lessee in connection with such Parcel or improvements thereon, the cost of any inspections, the cost of surveys, Lessee's attorney's fees, title agent fees, and all other closing costs.

SUPPLEMENTAL INFORMATION

RESOLUTION 2025-06-04: APEX MODIFICATION STAFF REPORT



Downtown Investment Authority

**EXTENSION OF LEASE BUYOUT AND TERMINATION
ARLINGTON PRINTING AND STATIONERS, INC. AND APEX BUILDING OF JACKSONVILLE, LTD.
RESOLUTION 2025-06-04
STAFF REPORT FOR RE&PD COMMITTEE
June 12, 2025**

City of Jacksonville, Downtown Investment Authority	Lessor
Arlington Printing and Stationers, Inc. and Apex Building of Jacksonville, Ltd.	Lessee
Consideration	\$950,000
Closing Date	No later than November 30, 2025

Extension Background:

On May 21, 2025 the DIA Board approved a Lease Buyout and Termination for the Apex Printing Lease via Resolution 2025-05-02. The Term Sheet attached to that Resolution as Exhibit B contained a provision stating that the closing date would be upon a mutually agreed upon date no later than ninety (90) days after approval of the Resolution by the Board. Upon further discussions with Apex Printing, DIA Staff was informed that they had run past all of the possible extensions on a Letter of Intent from an outside party to purchase their business assets, and as a result, it will take them longer than 90 days to remove all of the equipment and other business assets from the property. After a brief discussion between Apex Printing and DIA Staff, an agreement was reached on a new not-to-exceed date of November 30, 2025, with Apex Printing agreeing to make all reasonable efforts to have the property cleared of all of their assets as expediently as possible. All other terms and conditions remain the same as in the Term Sheet approved via Resolution 2025-05-02.

TAB VI.

RESOLUTION 2025-06-10: BESA BAKERY

RESOLUTION 2025-06-10

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) ACTING AS THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AGENCY (“GRANTOR”) APPROVING THE AWARD OF A RETAIL ENHANCEMENT PROGRAM TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENTS GRANT (FAB-REP) TO BESA BAKERY, LLC AND ILLYRIA PROPERTIES 6, LLC (“GRANTEES”); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A FORGIVABLE LOAN AGREEMENT AND RELATED SECURITY DOCUMENTS; 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 Grantees submitted a Retail Enhancement Program application to the DIA under the Targeted Retail Activation: Food and Beverage Establishments Program to facilitate the development of a bakery, restaurant and bar venue in the Elbow District of the Central Core neighborhood in Downtown Jacksonville to be known as Besa Bakery (“the Project”); 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 Downtown 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 June 12, 2025, voted to recommend approval of the application to the DIA Board; and

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

WHEREAS, to assist the Grantees in making renovations for the purposes of establishing the Project the DIA proposes to provide a Forgivable Loan secured by a note for the Food and Beverage Retail Enhancement Program funding not to exceed \$200,000 and the Sidewalk Enhancement Program not to exceed \$15,000 with total funding limited to TWO HUNDRED FIFTEEN THOUSAND DOLLARS and 00/100 (\$215,000) to the Grantees; 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.

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 the Food and Beverage Retail Enhancement Program Targeted Retail Activation: Food And Beverage Establishments Grant (FAB-REP) in an amount not to exceed \$215,000 from the Downtown Northbank TID, Forgivable Loans account to Grantees 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:

**RETAIL ENHANCEMENT PROGRAM
TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE
ESTABLISHMENTS FORGIVABLE LOAN PROGRAM TERM SHEET
(FAB-REP)**

**Besa Bakery and Tea Room Speakeasy
301 East Bay Street**

Project Name: Besa Bakery

Co-Applicants: Besa Bakery, LLC ("Tenant")
Illyria Properties 6, LLC ("Landlord")

Total Build Out:	\$550,000	
Eligible Costs under FAB-REP program:	\$550,000	
Maximum Eligible Funding:	\$200,000	Maximum Eligibility for a Type II Establishment

Sidewalk Enhancement Costs:	\$21,066 pre-tax
Eligible Costs under FAB-REP program:	\$21,066
Maximum Eligible Funding:	\$15,000

Project: Tenant improvements to 301 E Bay Street, RE# 073360-0030, located in the Elbow District of the Central Core neighborhood owned by Illyria Properties 6, LLC, in accordance with the application received. Funding will facilitate the development of a bakery, restaurant and cocktail bar classified as a Type 2 establishment per FAB-REP Guidelines and submitted documents.

The applicant also agrees to operate during expanded hours, as detailed further below, and is expected to remain in business in the location at these service levels for a minimum of 5 years.

City Funding: No more than \$215,000 through the Downtown Northbank Combined 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.

(A) FAB-REP Forgivable Loan:

- Maximum funding of \$200,000 from the Downtown Northbank Combined CRA.
- The grant will be structured as a forgivable, 0% interest loan that will amortize at the rate of 20% on each anniversary date of the closing for 5 years so long as business operations as proposed in the business plan continue uninterrupted (unless otherwise modified with DIA approval), subject to force majeure, and no uncured event of default exists. Each co-applicant will be a party to that forgivable note and loan agreement.

- The co-applicants acknowledge that these loan funds are awarded and shall be used in accordance with the Retail Enhancement Program Targeted Retail Activation: Food and Beverage Establishments guidelines.
- The forgivable loan will be secured by a personal guarantee of Eric Hoyt on behalf of the Tenant and Evanc Rajta on behalf of the Landlord in the event of a default under the program or funding agreement.

(B) Sidewalk Enhancement Grant:

- Maximum funding limited to the lesser of 80% of actual costs incurred for equipment to be used in providing outdoor seating and activation as supported by invoices that have been approved by the DIA or \$15,000.
- The forgivable loan will amortize at the rate of 20% on each anniversary date of the closing so long as no event of default exists with total forgiveness on the fifth anniversary date.
- The applicant must provide evidence that the lease for the subject property and operation of the subject business is in effect for a period of not less than five years.
- Funding requires evidence of the issuance of a Sidewalk Café permit to the Grantee that would allow the use of the subject sidewalk for the intended purpose.
- Maintain an operating business consistent with the business type as presented in the application.
- Maintain operating hours materially consistent with the days and hours as represented in the application.
- Property acquired through the Sidewalk Enhancement Grant proceeds, and listed in Figure 2, must be secured or removed from the sidewalk at the end of each day.

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

- The Minimum Build Out Costs incurred through completion to remain eligible for the FAB-REP Forgivable Loan is \$500,000. 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 Eligible Costs is summarized below in Figure 1.
- Minimum Build Out Costs may be reduced by up to 10% with a commensurate reduction in FAB-REP funding, where such funding shall not exceed 50% of such revised total.
- The total Minimum Build Out Costs shall also exclude costs incurred for furniture, wall decorations, tableware, supplies, and any equipment not affixed to the property as determined by the DIA in its sole discretion. Any equipment affixed to the property included in this total must remain on the property through the compliance period of the forgivable loan agreement, notwithstanding any provisions in the lease stating otherwise.
- The minimum contribution from each co-applicant towards the Minimum Build Out Costs shall be \$100,000. However, such amount may be reduced by up to 10% with reduction in Minimum Build Out and Equipment Costs but must be equal to 25% of the final Minimum Build Out Costs as submitted with the funding request and approved by the DIA.

Performance Schedule:

- A) Retail Enhancement Loan 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 Construction: Within three (3) months following the Retail Enhancement Loan Agreement Effective Date, Applicant commits to commencement of construction, 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: Within nine (9) months following the Commencement of Construction Date, as defined above, Grantee shall provide evidence of completion of construction, 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 commence 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 will have the authority to extend this Performance Schedule, at the CEO's discretion, for up to three (3) months for good cause shown by the Applicant. Any extensions to the Commencement Date shall simultaneously have the same effect as extending the Completion Date.

Additional Commitments:

- 1. Prior to submission of request for disbursement under the Retail Enhancement Loan Agreement, Applicant shall establish business operations following the description as outlined in the application, business plan and as Project above. The build out should be materially consistent with the rendering(s) and floor plan included in Figures 3 and Figure 4 below.
- 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. Per FAB-REP guidelines, the award will be structured as:
 - a) Zero interest, forgivable loan payable upon completion of the work, establishment of business operations, 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 loan amount, with the principal forgiven over a five (5) year period.
 - c) The total principal balance will amortize 20% each year of the compliance period, so long as business operations have continued uninterrupted, subject to force majeure, and no uncured event of default exists.
 - d) At the end of five years, the loan shall be entirely forgiven on the condition that the improvements are installed and maintained in reasonably good condition, so long as business operations have continued uninterrupted, subject to force majeure, 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, subject to cure periods to be defined in the Retail Enhancement Loan Agreement, full repayment of the forgivable loan plus a default rate of interest may be demanded.
- 4. Minimum Hours of Operation to be maintained as:

Bessa Bakery Hours of Operation:

Sunday through Wednesday

7:00 am to 10:00 pm

Thursday through Saturday

7:00 am to 2:00 am

5. Minimum number of employees: A minimum of two (2) full-time equivalent employees, defined as working a minimum of 35 hours per week, shall be required for the term of this agreement. This may include owner-operators.
6. Personal Guaranty of payment and performance obligations in the event of default to be provided by Eric Hoyt on behalf of the Tenant and Evanc Rajta on behalf of the Landlord.
7. Additional terms and conditions as may be required and as found in the Redevelopment Agreement or other documentation prepared to establish the obligations for this award.

Conditions:

This Term Sheet is limited by the following conditions:

1. 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; and
2. Borrower shall submit a proper contractor's final affidavit and full and complete releases of liens from each contractor, subcontractor and supplier confirming final payment has been made for all materials supplied and labor furnished in connection with the Project; and
3. No progress payments shall be made by the DIA during the term of construction, and no payment shall be made prior to the satisfaction of conditions outlined herein; and
4. Annual sales and reporting required to demonstrate compliance with terms and conditions as approved; and
5. 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.

Budget as Submitted, Figure 1:



5/20/2025

PROPOSAL DESIGNED FOR

Besa AM/PM Bakery

Site Location: 301 E Bay St., Jacksonville, FL 32202

WE HEREBY SUBMIT SPECIFICATIONS & ESTIMATES FOR THE FOLLOWING:

Renovation

Scope of Work and Cost Breakdown:

1. Demolition and Prep Work: \$25,000
 - a. Removal of existing finishes, minor structural demo, haul-off, dumpster rentals
2. Kitchen Buildout: \$110,000
 - a. Includes hood system, grease trap, sinks, pizza oven, refrigeration, dish area
3. Glass Display & Front Counter: \$35,000
 - a. Custom refrigerated bakery display, POS station(cabinets/countertops), wood/stone counter finishes
4. Restrooms (2 ADA Compliant): \$35,000
 - a. Full buildout with tile, partitions, sinks, fixtures, exhaust. (Adding bathrooms)
5. Electrical System Upgrade: \$50,000
 - a. Full panel upgrade, kitchen power needs, lighting, outdoor signage
6. Plumbing Rough & Finish: \$45,000
 - a. Water lines, drains, restrooms, bar sink
7. Drop Ceiling & Insulation: \$20,000
 - a. Acoustic ceiling grid, tiles, HVAC vents integration
8. HVAC Installation: \$25,000
 - a. Split system or rooftop units, ductwork, make-up air for hood
9. Bar & Beverage Station: \$40,000
 - a. Espresso station, undercounter refrigeration, glass washer, bar shelving



10. Interior Finishes: \$75,000
a. Flooring, paint, accent tile, wall treatments, baseboards
11. Millwork & Library-Style Shelving: \$70,000
a. Built-in benches, cabinetry, custom shelving for display and product
12. Lighting: \$15,000
a. Pendant lights, track lighting, ceiling lights
13. Signage: \$5,000

Total to Complete: \$550,000.00

Payment Schedule:

1. Deposit (30%): \$165,000
2. Mid-Project Payment (40%): \$220,000
3. Final Payment (30%): \$165,000

Proposed timeline

1. Start Date: June 1st, 2025
2. Completion Date: October 31st, 2025

Clarification

- ❖ Quote is valid for 30 days from date issued.
- ❖ Contractor to supply all labor, materials, and tools necessary to complete the job.
- ❖ Cost does not include any scope changes.
- ❖ All necessary permits and inspections are included in the above costs.

Thank you for the opportunity to serve you through the submission of this proposal for inspection. We are preparing to devote our full resources toward successfully serving you.

Authorized Signature Eric Hoyt Date of Acceptance: 05/20/2025 (Owner)

Authorized Signature LH Date of Acceptance: 5/20/2025 (Estimator)



Sidewalk Grant Figure 2:

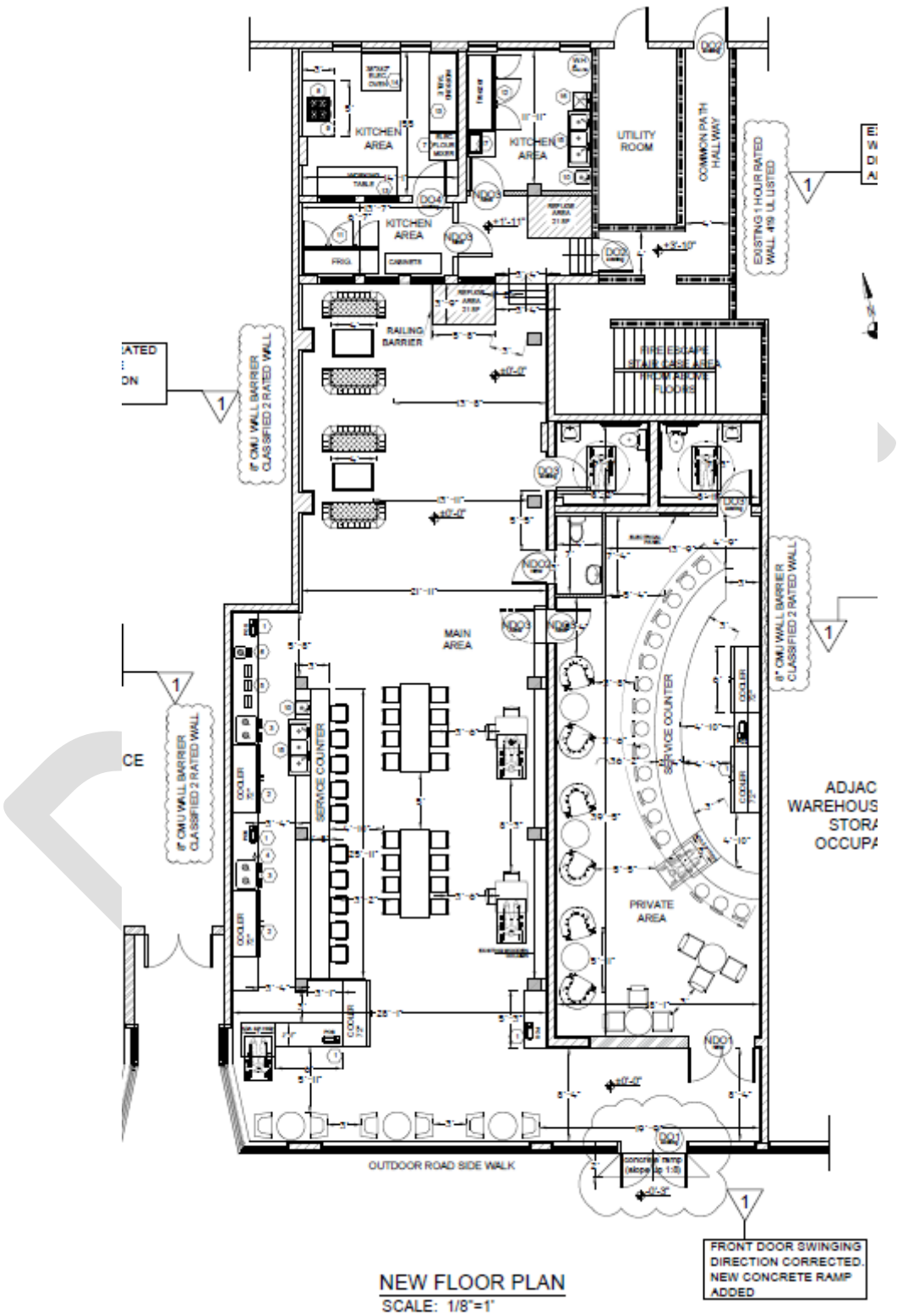
SIDEWALK ENHANCEMENT PROJECT AT BESA BAKERY AND TEA ROOM

ITEM	STORE	PRICE	QUANTITY	TOTAL
TABLES/CHAIRS	WEBSTAURANT	\$ 1,219.00	9	\$10,971.00
UMBRELLAS	WEBSTAURANT	\$ 74.99	9	\$674.91
CITRUS TREES	HOME DEPOT	\$ 48.65	8	\$389.20
LARGE CONCRETE POTS	HOME DEPOT	\$ 123.17	8	\$985.36
SOIL FOR PLANTERS	HOME DEPOT	\$ 774.56	4	\$3,098.24
WALL LIGHTING	HOME DEPOT	\$ 91.95	5	\$459.75
PAVERS FOR PLANTERS	HOME DEPOT	\$ 696.16	3	\$2,088.48
FLOWERS	HOME DEPOT	\$ 27.96	40	\$1,118.40
FLOWERS	HOME DEPOT	\$ 32.04	40	\$1,281.60
			TOTAL:	\$21,066.94

Rendering Figures 3:



Floor Plan, Figure 4:



DRAFT

SUPPLEMENTAL INFORMATION

RESOLUTION 2025-06-10: BESA BAKERY STAFF REPORT



Downtown Investment Authority

STAFF REPORT
DIA RETAIL ENHANCEMENT PROGRAM
TARGETED RETAIL ACTIVATION:
FOOD AND BEVERAGE RETAIL ENHANCEMENT PROGRAM (FAB-REP)
Besa Bakery and Tea Room Speakeasy

June 12, 2024

Project name:

Besa European Bakery
301 EAST BAY STREET

Co-Applicants:

Besa Bakery, LLC ("Tenant")
D/B/A Besa Bakery
Evan Rajta, Operator

Illyria Properties 6 LLC ("Landlord")
Eric Hoyt, Managing Member

Project Location:

301 W Bay Street
Jacksonville, Florida 32202

Funding Eligibility:

Type	Total
FAB-REP	\$200,000
Sidewalk Enhancement	\$15,000

Project Description: The co-applicants, 323 E Bay Street LLC and Illyria Properties 6 LLC, have applied for funding under the Retail Enhancement Program Targeted Retail Activation: Food and Beverage Establishments Grant (FAB-REP) to update and build out Besa Bakery and Tea Room Speakeasy at 301 East Bay Street. This space is next door to Cinco De Mayo and is on Bay Street between Liberty and Market Street.

The Members of 323 E Bay St, LLC currently own and operate Decca Live, a live music venue and rooftop bar located two doors down from the subject location, which opened in January 2025 and are building out 315 East Bay, the building in between Decca and the subject location as Kean's Irish Pub. Both



concepts were previously approved for FAB REP support funds in addition to a Downton Preservation and Revitalization Program for the historic renovation of Decca Live and Sip Rooftop Bar. This third proposed concept would be complimentary to the existing locations with a focus on lighter, European baked goods and fare coupled with a more low-key coffee, tea and craft cocktail bar.

Business Plan Summary:

After many years of restaurant and nightclub operations from Arlington to the Beaches, the ownership and management team of the newly opened Decca Live are expanding their footprint in Downtown's Elbow District with Besa Bakery and Tea Room Speakeasy, a European Bakery concept



at 301 East Bay Street, which was purchased by one of the partners in 2024. This brings a third and complementary concept to the growing list of new businesses on the Bay Street portion of the Elbow District.

Per the business plan, the concept is a “modern European style bakery by

day and an elevated dessert and cocktail lounge by night...with a refined, full-display bakery counter and a cozy Tea Room Speakeasy. Besa provides an all-day culinary experience from early morning espresso and pastries to late-night pizza, cocktails and desserts.”

Project Development Team:

Eric Hoyt, Owner, has 20+ years as a licensed contractor and a partner in several food and beverage concepts.

Evan Rajta, Lead Operations, operated Lux, Jamrock, Pure Night Club, First Street Ocean Grille, Salt Jax Beach and Decca Live.



Brianna Badea, General Manager has 15+ years of hospitality experience at Pure Night Club, First Street Ocean Grille, Surfing Sombrero, Salt Jax Beach and Decca Live.

Bailey Ames, Bar Manager has 8+ years of hospitality experience as AGM of First Street Ocean Grille, Salt Jax Beach and Decca Live

Matt Grant, Bar Manager with 15+ years of hospitality service at Pure Night Club, First Street Ocean Grille, Salt Jax Beach and Decca Live.

Operating Plan and Employment Summary:

As previously mentioned, Besa plans to be open for all meal periods throughout the week but offering varied cuisine and drinks for each one. Mornings will consist primarily of coffee and artisanal baked goods, lunch will move into pizzas and sandwiches, and afternoons and evenings to a late night menu and craft cocktails. They will employ counter servers, bartenders, a host team and back of the house staff. Their expected opening staff will include 10 full time and 15 part time members plus management and support from the current Decca Live team. The proposed hours of operation, which surpass minimum FAB-REP program requirements and provide additional weekend hours to existing Downtown options, are as follows:

Day of the Week	Open	Close
Sunday thru Wednesday	7:00 am	10:00 pm
Thursday thru Saturday	7:00 am	2:00 am

Target Market:

Besa Bakery targets both locals and visitors. Located just a block from the Hyatt hotel, which boasts over 900 rooms, Besa is poised to be a popular destination for visitors, especially as a breakfast alternative to hotel offerings. Its menu will complement the existing deli and cantinas and provide a welcome new lunch option in that part of the Central Core. Furthermore, Besa will serve as a neighborhood happy hour spot for downtown employees and residents, offering a relaxed setting for drinks with colleagues or a late-night sweet treat. The low-key craft cocktail lounge will provide a more laid-back atmosphere than the neighboring pubs, bars, and clubs.

Marketing Summary:

In the recent past, Downtown has not seen a full-scale bakery with extended hours like Besa proposes. There was the short-lived Live Bakery in 2018 that was open from 9-3 and did not offer the later hours or cocktail service. Recently, the national chain Insomnia Cookies opened about 1/3 of a mile away in the Hogan and Laura Street Targeted Food and Beverage area that has seen good success and does offer late night hours. But Besa stands apart in its diverse offerings, size and atmosphere. It is also creating a much desired, and designed, cluster effect adding different types of

VIENNOISERIE & PASTRIES

Classic Croissant - \$4.95

Plain, Apricot, Raspberry, Nutella

Almond or Pistachio Croissant - \$5.95

Bombolone Donuts - \$5.95

Nutella, Vanilla Cream, Jam

Cinnamon Roll - \$5.95

Fruit Tart (Mini) - \$6.95

Tiramisu (Classic or Pistachio) - \$8.95

Mini Cakes - \$6.95

Berry, Lemon, Chocolate

Cannoli (2) - \$6.95

AM PIZZA (Available 11AM - 3PM)

Margherita - \$13.95

Tomato sauce, mozzarella, basil

Bianca (White) - \$13.95

Garlic, olive oil, ricotta, feta

Veggie Primavera - \$13.95

Zucchini, mushroom, onion, cherry tomato

LATE NIGHT PIZZA (Available 8PM - 2AM)

Truffle Bianca - \$15.95

Truffle cream, mozzarella, pecorino

Diavola - \$14.95

Spicy salami, tomato, chili oil

Prosciutto Arugula - \$15.95

Shaved prosciutto, arugula, parm

Funghi e Tartufo - \$14.95

Mushroom medley, truffle oil, mozzarella

Besa Supreme - \$16.95

Pepperoni, sausage, olives, onions, mozzarella

establishments in one compact area. This provides residents and visitors alike with the opportunity to spend hours in one, walkable area while providing a plethora of different experiences.

Besa will share its strong branding and identity via social media where they are very active with their new concept, Decca Live, which has almost 22,000 Instagram followers just 4 months after opening. They will also host influencer dinners and other events and partnerships to collaborate in extending their marketing reach.

Operating Budget:

Besa Bakery and Tea Room Speakeasy provided a detailed and attainable 3-year Projected Operating Proforma that was partially based on their previous experience in full-service restaurants. The sales projections are approximately \$417 per square foot in sales

and growing initially at 10% per year. Based on being open breakfast, lunch and dinner seven days a week, these are very reasonable and attainable revenue projections. Additionally, their costs of goods sold, labor and other expenses related to sales projections are also in line with industry standard for the concept. Finally, their broad array of revenue streams over the main bakery and tea/cocktail bar provide a diversity

Property Consideration:

Besa Bakery will occupy a portion of the bottom floor of the Churchwell Lofts building at 301 East Bay Street, which is a local historic landmark and a contributing structure to the Downtown Jacksonville National Historic District. The building was built in 1905 and was known as the Covington Company Building until it was purchased in 1925 by J. H. Churchwell who used it for selling dry goods, shoes and notions. The space to be used by Besa is 3,590 square feet and one of two retail spaces on the first floor of the building. The upper three floors are condominiums created in 2006.

Development Budget:

Besa Bakery provided a construction budget from 1st Impressions Contractors which has been licensed in the State of Florida for almost 20 years. There are additional costs, including kitchen and bar equipment, start-up and operating capital, FF&E and others that can contribute to eligible costs, however the construction costs alone fulfill the minimum applicant investment requirements for the FAB REP grant. **See Figure 1 below for Construction Budget.**

FAB-REP Considerations:

FAB-REP considers three caps in the determination of the funding recommendation. Funding is limited to the lesser of these three approaches:

- 1) Funding Limitation Per Square Foot:

- a. Besa Bakery is a Type II establishment under FAB-REP guidelines which limits funding to \$50 per square foot.
- b. The FAB REP guidelines also offer a \$20 per square foot “Historic Boost” for improvements in a local landmark, which 301 East Bay does qualify for.

DIA staff calculates the total possible funding via square footage as:

- Interior restaurant space – 3,590 sq ft \$50 = \$179,500
- Historic Boost – 3,590 sq ft x \$20 = \$71,800
- Total funding eligibility calculated by this measure - **\$251,300**

- 2) Budget Limitation: Build Out Budget Limitation: FAB-REP guidelines limit funding to 50% of eligible costs. The construction budget alone is \$550,000 for this project, not including equipment and fixtures. At a 50% margin, funding eligibility by this measure is **\$275,000**.
- 3) Guideline cap for a Type II project is **\$200,000. This is the limit as the lesser of the three.**

Per program guidelines, the Business Owner (Tenant) and Property Owner (Landlord) must each contribute a minimum of 25% of eligible costs. With DIA funding capped at \$200,000 due to the Establishment



Type Cap calculation (see item 3), each party must fund at least \$100,000 toward eligible costs either directly as tenant improvements or indirectly as lease abatement or similar offset.

According to the lease, the Landlord (Illyria Properties 6 LLC) will provide over \$340,000 in rent concessions, primarily through two years of free rent over the initial five-year lease term, based on a \$25 per square foot lease rate. While this rate is at the higher end for the area (where \$18 per square foot is more common), the concession amounts to a minimum of over \$125,000 in the first two years, with additional partial concessions over the subsequent three years. The Tenant (Besa Bakery LLC) will contribute at least \$350,000 toward construction costs and overruns, in addition to FF&E and other startup expenses.

Sidewalk Enhancement Grant Considerations:

Per the BID strategy, additional funds will be available to FAB-REP grant recipients as a Sidewalk Enhancement Grant to reimburse up to 80% of eligible outdoor dining improvement costs but not to exceed \$15,000. Besa Bakery has provided a separate budget to utilize this grant to create outdoor spaces that enhance the sidewalk experience along the Bay Street corridor. Besa Bakery has submitted additional plans to include tables, chairs, umbrellas, heavy-duty pots with citrus trees,

and raised planters with flowers. At night, the applicant proposes to bring in the movable equipment including the tables, chairs and umbrellas while leaving the heavy pots and planters in place.

The Owner estimates this at the cost of \$21,066, pre-tax, of which the grant offers 80% of the cost (\$21,066 x 80%) = \$16,852, which exceeds the maximum eligible amount. Therefore, the limitation of \$15,000 is imposed for this recommendation. **See Figure C**

Retail Enhancement Scoring Rubric:

Per Retail Enhancement Grant Guidelines, applications are scored using a rubric that rates the business plan and the anticipated contribution to local property taxes and sales taxes. 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. With a score of 38, the subject proposal qualifies for consideration by the REPD Committee. Retail Enhancement Scoring for the subject redevelopment is found below:

A. Business Plan (see point breakdown below) – (up to 55 points maximum)

Categories	Points Available	Points scored
The plan shows good short-term profit potential and contains realistic financial projections	10	7
The concept and plan show good short-term profit potential on aggressive but attainable revenue projections. The projected costs are in line with industry standards for this type of establishment.		
The plan shows how the business will target a clearly defined market and its competitive edge	5	4
With the opening of the sister operation Decca Live and approval of Keans's Irish Pub, the Bay Street corridor is seeing an expansion of its customer base and type. There are currently no full scale bakery in Downtown Jacksonville, so Besa fills an untapped niche in a growing market.		
The plan shows that the management team has the skills and experience to make the business successful	10	7
The management team all have extensive background in the restaurant and bar business. While this is their first bakery and breakfast location that I could tell, their combined past experience should make for an easy transition.		
The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture	10	8
The applicants, tenant and landlord, will contribute well over 50% of the submitted eligible construction costs in addition to additional furnishings, start-up inventory, working capital and the previously mentioned free rent. All costs will be provided by the owning partners with no loans.		
Number of FTE job positions created in excess of the required two (2) positions	5	3
Besa Bakery expects to hire 10 full and 15 part time positions across the front and back of the house.		
TOTAL	40	29

- 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
301 E Bay Street	5	2
Historic Property	5	5
Besa's renovation will change the retail condo space to a much-desired restaurant use in the Elbow District. The new lease, which is heavily discounted for the initial term, will eventually provide a consistent revenue stream owner, though likely to have little positive effect on the property taxes in the near future. The building is also a local landmark and contributing structure to the National Historic District.		
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
European Bakery Type II	5	4
Besa's initial revenue projections are bullish, but being open 3 meal periods a day, seven days a week will help them achieve this goal. The sales tax generated will be on the higher end of food and beverage locations Downtown.		
Total	5	4
Total	55	40

Staff review of the application 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 defined Elbow district as found in the FAB-REP Guidelines.

Program Eligibility:

Based on the information presented in this staff report, DIA staff finds the proposed project eligible for funding under the application submitted based on the following calculations:

Type	Total
FAB-REP Forgivable Loan	\$200,000
Sidewalk Enhancement Grant	\$15,000
TOTAL	\$215,000

FAB-REP Additional Conditions:

1. No interest shall accrue upon the principal of the total FAB-REP forgivable loan amount with principal forgiven over a five (5) year period.
2. In the absence of any uncured default, the total principal balance will amortize 20% each year of the compliance period.
3. At the end of five 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 2025-06-xx, for additional information on proposed terms and conditions.

Figure 1 Construction Budget



5/20/2025

PROPOSAL DESIGNED FOR

Besa AM/PM Bakery

Site Location: 301 E Bay St., Jacksonville, FL 32202

WE HEREBY SUBMIT SPECIFICATIONS & ESTIMATES FOR THE FOLLOWING:

Renovation

Scope of Work and Cost Breakdown:

1. Demolition and Prep Work: \$25,000
 - a. Removal of existing finishes, minor structural demo, haul-off, dumpster rentals
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7. Drop Ceiling & Insulation: \$20,000
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8. HVAC Installation: \$25,000
 - a. Split system or rooftop units, ductwork, make-up air for hood
9. Bar & Beverage Station: \$40,000
 - a. Espresso station, undercounter refrigeration, glass washer, bar shelving



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Email: Info@1stImpressionsContractors.com

Licenses: CBC1254813 & CCC1327776

10. Interior Finishes: \$75,000
 - a. Flooring, paint, accent tile, wall treatments, baseboards
11. Millwork & Library-Style Shelving: \$70,000
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Total to Complete: \$550,000.00

Payment Schedule:

1. Deposit (30%): \$165,000
2. Mid-Project Payment (40%): \$220,000
3. Final Payment (30%): \$165,000

Proposed timeline

1. Start Date: May 1st, 2025
2. Completion Date: July 31st, 2025

Clarification

- ❖ Quote is valid for 30 days from date issued.
- ❖ Contractor to supply all labor, materials, and tools necessary to complete the job.
- ❖ Cost does not include any scope changes.
- ❖ All necessary permits and inspections are included in the above costs.

Thank you for the opportunity to serve you through the submission of this proposal for inspection. We are preparing to devote our full resources toward successfully serving you.

Authorized Signature *Eric Hoyt* Date of Acceptance: 05/20/2025 (Owner)

Authorized Signature *Zoltan* Date of Acceptance: 5/20/2025 (Estimator)



Figure 2 Floor Plan

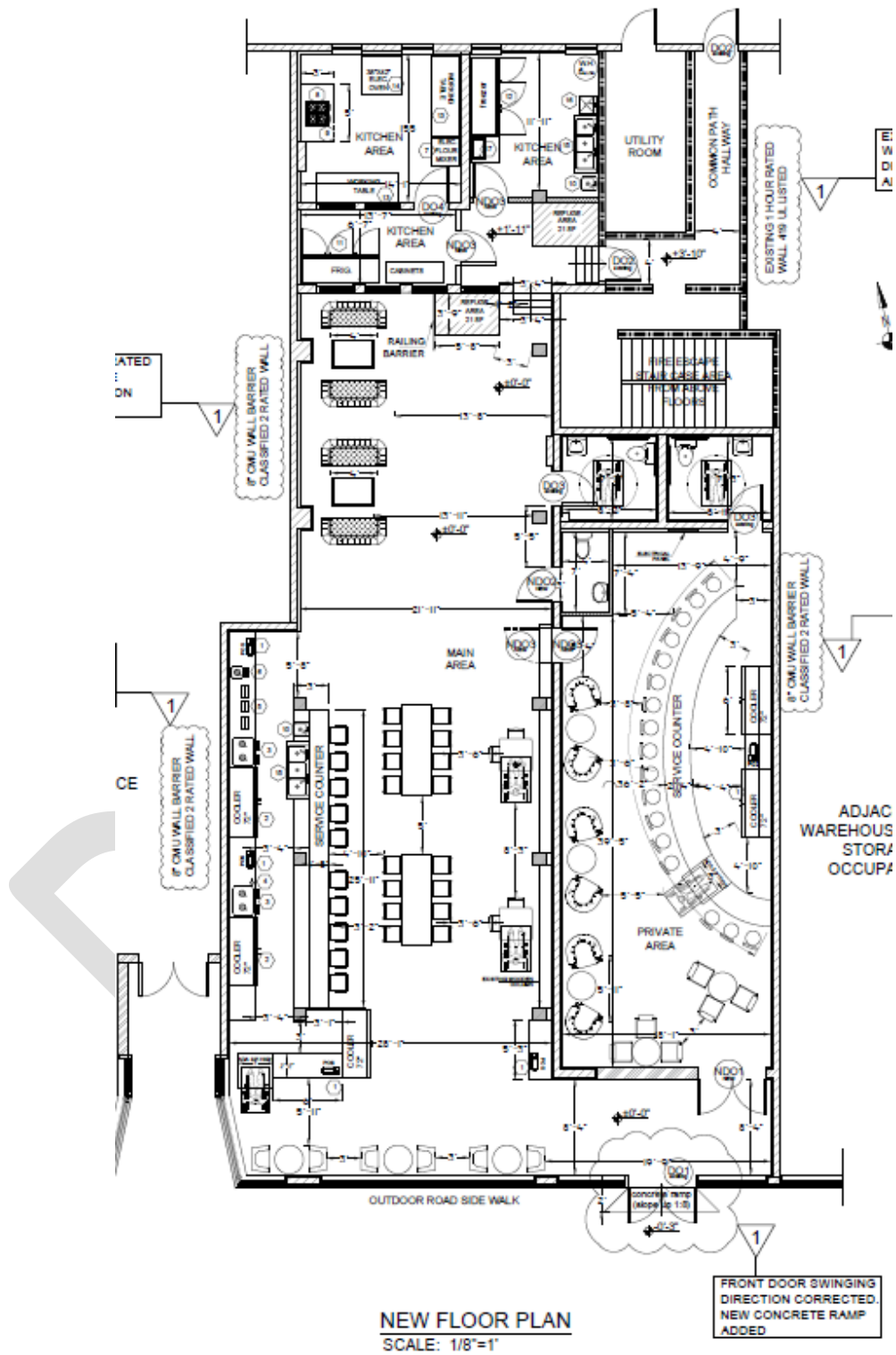


Figure 3 Sidewalk Enhancement Grant Budget

SIDEWALK ENHANCEMENT PROJECT AT BESA BAKERY AND TEA ROOM

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FLOWERS	HOME DEPOT	\$ 27.96	40	\$1,118.40
FLOWERS	HOME DEPOT	\$ 32.04	40	\$1,281.60
			TOTAL:	\$21,066.94

TAB VII.

RESOLUTION 2025-06-11: DUVAL 212 ACCESS AGREEMENT

RESOLUTION 2025-06-11

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) AUTHORIZING ITS CHIEF EXECUTIVE OFFICER (“CEO”) TO EXECUTE A SITE ACCESS AGREEMENT (“AGREEMENT”) WITH DUVAL 212 LLC (“DEVELOPER”) OR AFFILIATED ENTITY THEREOF, THEIR AGENTS, REPRESENTATIVES, EMPLOYEES, CONSULTANTS, CONTRACTORS AND SUBCONTRACTORS FOR THE PURPOSE OF CONDUCTING DUE DILIGENCE ACTIVITIES, INCLUDING ENVIRONMENTAL AND GEOTECHNICAL EXPLORATION, SURVEY, UTILITY LOCATION, ETC. FOR THOSE CERTAIN CITY OWNED REAL PROPERTIES IDENTIFIED BY REAL ESTATE NUMBERS 073558-0000 (216 DUVAL ST E), 073561-0000 (222 DUVAL ST E), AND 073560-0000 (228 DUVAL ST E) COLLECTIVELY REFERRED TO HEREIN AS “THE PROPERTY” AND ILLUSTRATED BY EXHIBIT ‘A’; AUTHORIZING ITS CEO TO NEGOTIATE TERMS AND CONDITIONS PRIOR TO EXECUTION OF A SITE ACCESS AGREEMENT; INSTRUCTING ITS CEO TO OBTAIN APPROVAL FROM THE CITY’S RISK MANAGER, DIRECTOR OF PUBLIC WORKS AND THE OFFICE OF GENERAL COUNCIL PRIOR TO EXECUTION OF THE AGREEMENT; INSTRUCTING THE CEO TO TAKE ALL NECESSARY ACTION TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, through the adoption of Ordinance 2014-560-E the City assigned management of certain City-owned properties and buildings to the DIA; and

WHEREAS, from time to time it is requested of the DIA’s Chief Executive Officer to allow for temporary use of its managed properties by others for such purposes as conducting due diligence activities in advance of disposition of property; and

WHEREAS, the DIA adopted Resolution 2017-07-04, which set parameters for the execution of Access Agreements by its Chief Executive Officer, establishing that Access Agreements that include environmental, geotechnical, and other invasive due diligence activities, or Access Agreements that have terms for greater than six (6) months, require approval by the DIA Board prior to execution by its Chief Executive Officer; and

WHEREAS, Developer was the winning bidder for the public disposition of the three subject City owned lots as approved by the DIA Board in Resolution 2025-04-13 and as evidenced by Jacksonville Daily Record notice 25-02133D, and has submitted plans for the development of said lots; 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. DIA hereby authorizes its Chief Executive Officer to execute a site Access Agreement to conditionally grant to Duval 212 LLC, its affiliates, agents, representatives, employees, consultants, contractors, and subcontractors a limited license for access to enter upon those City-Owned properties illustrated in Exhibit A and more fully described by Duval County Real Estate Numbers 073558-0000 (216 Duval St E), 073561-0000 (222 Duval St E), and 073560-0000 (228 Duval St E).

The due diligence scope shall be limited to those activities approved by the Director of Public Works, the Office of General Counsel and the DIA Chief Executive Officer in advance of commencement of such work. The due diligence activities shall be at no cost to DIA nor the City and shall be coordinated with the City's Public Works Department and the DIA Chief Executive Officer.

Section 3. The Access Agreement shall continue for one, six (6) month period beginning at execution of the Access Agreement and will expire without any further action by the City or the DIA, unless the Access Agreement term is extended in writing by the DIA Chief Executive Officer, whose ability to extend the term shall be limited to up to an additional ninety (90) days.

Section 4. The DIA authorizes its Chief Executive Officer to negotiate additional terms and conditions prior to execution of an Access Agreement, providing that those terms and conditions are consistent with the intent of this resolution.

Section 5. Prior to execution of an Agreement by the DIA Chief Executive Officer and Mayor, they shall first obtain approvals of the Access Agreement by the City's Risk Manager, Director of Public Works and the Office of General Counsel.

Section 6. This Resolution is predicated on the requirement that the DIA Chief Executive Officer, the Director of Public Works and the Office of General Counsel shall receive copies of all reports, work products and other information that results from this grant of site Access Agreement.

Section 7. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

*** SIGNATURES FOUND ON THE FOLLOWING PAGE ***

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY

Witness

Patrick Krechowski, Esq., Chair

Date

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

DRAFT

Exhibit A to Resolution 2026-06-XX
The Property



- 216 Duval Street E – RE# 073558-0000 – The East ½ of the West ½ of Lot 5, Block 19, according to Hart’s Map of Jacksonville, as recorded in the Public Records of Duval County, Florida.
- 222 Duval Street E – RE# 073561-0000 – The West 28 ¾ feet of the East ½ of Lot Five, Block 19, according to Hart’s Map of Jacksonville, as recorded in the Public Records of Duval County, Florida.
- 228 Duval Street E – RE# 073560-0000 – The East 23/34 feet of Lot 5 and West 5.0 feet of Lot 6, Block 19, according to Hart’s Map of Jacksonville, as recorded in the Former Public Records of Duval County, Florida.

SUPPLEMENTAL INFORMATION

RESOLUTION 2025-06-11: DUVAL 212 ACCESS AGREEMENT STAFF REPORT

**Duval 212, LLC
Access Agreement Staff Report
Resolution 2025-06-11**

June 11, 2025

Project: Duval 212

Property: 216 Duval St E (073558-0000)
222 Duval St E (073561-0000)
228 Duval St E (073560-0000)

Applicant: Duval 212, LLC
Housing Trust Group, LLC (“HTG”)
Cathedral District Jax, LLC (“CDJ”)

Request: Access Agreement

The applicant, Duval 212, LLC, was the winning bidder on the noticed disposition of three City owned lots located in the Cathedral Hill neighborhood of the Downtown Northbank CRA, as approved under Resolution 2025-04-13. Further approval for that disposition is required by the City Council as the parcels will be conveyed at no cost, subject to a development plan proposed to create a mixed-income, mixed-use property that is proposed to provide 85 units of multifamily housing, 75 of which are workforce housing and 10 are unrestricted market rate, 1,200 square feet of commercial space, a structured garage providing 90 spaces, and amenities.

The Property:

The Property is located in Cathedral Hill, consisting of three (3) parcels totaling approximately 0.21 acres with approximately eighty-five (85) total feet of frontage along Duval St. E, between Market St. N and Newnan St. N, as identified below:

- 216 Duval Street E – RE# 073558-0000
- 222 Duval Street E – RE# 073561-0000
- 228 Duval Street E – RE# 073560-0000

The Applicant

Duval 212, LLC was created by Housing Trust Group, LLC (“HTG”) and Cathedral District Jax (“CDJ,” and together with HTG, collectively, the “Developer”) to develop the site along with the adjacent four parcels.

Terms and Conditions (As detailed further on Exhibit A to Resolution 2025-06-11):

Developer will be provided with six months of access to conduct due diligence testing on the City owned Property. Developer will be responsible to return the Property to its original state following any geotechnical or environmental engineering activities conducted. Developer is responsible for all costs associated with such due diligence and will provide the DIA with copies of all reports generated by these efforts.

DRAFT