



**Downtown Investment Authority**  
**Retail Enhancement and Property Disposition Committee**  
Hybrid In-person/Virtual Meeting  
**Thursday, August 14th, 2025, at 10:00 AM**

## **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. July 10<sup>th</sup>, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL
- V. RESOLUTION 2025-08-01: TAVOLA TRATTORIA FAB REP
- VI. RESOLUTION 2025-08-02: SALON ON THE SOUTHBANK FAB REP
- VII. RESOLUTION 2025-08-03: KOTO FAB REP
- VIII. OTHER MATTERS TO BE ADDED AT THE DISCRETION OF THE CHAIR
- IX. ADJOURN

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### **PHYSICAL LOCATION**

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

#### **Join Zoom Webinar**

<https://us02web.zoom.us/j/81447313912?pwd=8CGgXeO9IjEpk9r9n9J2RWttE9Ps0B.1>

**Webinar ID: 814 4731 3912**

**Passcode: 679409**



**Downtown Investment Authority**  
**Retail Enhancement and Property Disposition Committee**  
Hybrid In-person/Virtual Meeting  
**Thursday, August 14th, 2025, at 10:00 AM**

**One tap mobile**

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

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

**TAB IV.**

**JULY 10<sup>th</sup>, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION  
COMMITTEE MEETING MINUTES APPROVAL**



**Downtown Investment Authority**  
**Retail Enhancement and Property Disposition Committee Meeting**  
***Thursday, July 10th, 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, Esq. (Ex Officio); Sondra Fetner, Esq.; John Hirabayashi; Micah Heavener

**DIA Board Members in Attendance:** Cameron Hopper; Scott Wohlers

**DIA Staff Present:** Steve Kelley, Director of Downtown Real Estate and Development; Allan DeVault, CRA Redevelopment Manager; Wade McArthur, Property Disposition Manager; Ava Hill, Administrative Assistant

**Office of General Counsel:** Joelle Dillard, Esq.

**Mayor's Office Present:** None

**Council Members Present:** None

**I. CALL TO ORDER**

Board Chair Krechowski, sitting in for Committee Chair Jill Caffey, called the Retail Enhancement and Property Disposition Committee Meeting to order at 10:00 am and invited the Board and staff to introduce themselves.

**II. PUBLIC COMMENTS**

There were no public comments requests.

**III. FORM 8B: VOTING CONFLICT DISCLOSURES**

There were no voting conflict disclosures.

**IV. JUNE 13TH, 2025, RETAIL ENHANCEMENT AND PROPERTY DISPOSITION COMMITTEE MEETING MINUTES APPROVAL**

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

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

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

**Vote:**            **Aye: 4**            **Nay: 0**            **Abstain: 0**

**THE MOTION PASSED 4-0-0**

V. **RESOLUTION 2025-07-01 DAPPER D'S CIGAR**

**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 DAPPER D'S CIGARS DOWNTOWN, LLC AND 11 OCEAN, 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, explained that Dapper D Cigar Downtown at 11 Ocean Street was the third FAB REP application in recent months submitted for the Elbow District. He continued that Darian "Jack" Jackson, who also owns two other cigar lounges in Northeast Florida, planned to fully renovate the former Island Girl Cigar Bar into a dual-concept space with a fast-casual restaurant on the first floor and a cigar and cocktail lounge on the second.

Mr. DeVault explained that the building was a contributing structure in the historic district and that it qualified for enhanced funding under the program's guidelines. Using the per-square-foot calculation, the project was eligible for \$187,620 in reimbursement. The application scored highly, meeting program criteria and contributing to the district's ongoing revitalization.

Mr. Darian Jackson shared that after two years of searching for the right downtown location, he acquired the former Island Girl Cigar Bar. He emphasized his vision to bring luxury cigar experiences to Jacksonville through his Dapper D's brand and expressed excitement to open the renovated space by November.

Mr. Steve Kelley voiced support for Mr. Jackson, noting his reliability and the quality of his cigar lounges. He praised the addition of a restaurant and looked forward to the renovation of the former Island Girl building, calling it an eyesore.

Board Chair Krechowski opened the floor for discussion.

Committee Member Heavener asked where the funding would come from for this project. Mr. DeVault replied that it would come from the Retail Enhancement Program, noting that the DIA has been allocating around \$1 million to the program, but the funds have been depleting rapidly.

Board Member Wohlers voiced his support for Mr. Jackson and the project.

Seeing no further 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: 4      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANOMOUSLY 4-0-0**

**VI. RESOLUTION 2025-07-02 11 OCEAN STREET FACDE**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") ACTING AS THE COMBINED NORTHBANK COMMUNITY REDEVELOPMENT AGENCY ("GRANTOR") APPROVING THE AWARD OF DIA STOREFRONT FAÇADE GRANT AGREEMENT TO 11 OCEAN, LLC ("APPLICANT" OR "GRANTEE"); AUTHORIZING THE CEO OF THE DIA TO NEGOTIATE A GRANT AGREEMENT; AUTHORIZING THE DIA CEO TO EXECUTE SUCH AGREEMENT; AND FINDING THAT THE PROPOSED IMPROVEMENTS ARE CONSISTENT WITH THE DIA'S BUSINESS INVESTMENT AND DEVELOPMENT PLAN ("BID PLAN") AND PROVIDING AN EFFECTIVE DATE.**

Mr. Allan DeVault explained that, although façade grants typically go through the Strategic Implementation Committee, this one was presented alongside the related retail enhancement request due to its connection. He noted that as part of Mr. Jackson's renovation, the exterior of the building at 11 Ocean Street would be fully redone in partnership with the property owner, 11 Ocean LLC, managed by Hampton Golf. The renovation included painting, repointing, and removal of outdated façade elements from the 1960s–70s. As a contributing structure in the historic district, the 1911 building qualified for a \$2 per square foot historic boost. The total façade project budget was approximately \$80,400, and the grant request, calculated by square footage, totaled \$29,952.

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

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

Board Chair Krechowski called for a vote on the resolution.

**Vote: Aye: 4      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANOMOUSLY 4-0-0**

**VII. 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 CITYOWNED 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 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, Director of Downtown Real Estate and Development, presented a resolution tied to the University of Florida's downtown campus project involving a 2.04-acre Vestcor parcel behind the Prime Osborn Convention Center. This parcel was essential to the university's redevelopment agreement. To satisfy this, the DIA negotiated a land swap with Vestcor, exchanging it for a 2.4-acre portion of the city-owned Lee Street parcel. Vestcor preferred a land exchange over cash and requested no additional development conditions, both supported by DIA staff. Vestcor also agreed to demolish the APEX building on the city parcel within 180 days, covering the demolition costs. Mr. Kelley described the exchange as fair given the properties' similar size, location, and value. A follow-up resolution is expected to grant the University of Florida an option to acquire the parcel, possibly by August.

Committee Member Hirabayashi asked Mr. Kelley how he determined the value equivalencies and the figures used. Mr. Kelley explained that the comparisons were based on a per-square-foot analysis but noted that Florida Statute considers more than just raw numbers. He went on to share the appraisal figures along with his methodology and other assumptions.

Committee Member Hirabayashi also asked whether alternative scenarios had been considered for other portions of the property. Mr. Kelley responded that there had been discussions regarding the retention pond parcel, including the possibility of filling it for use and leveraging adjacent developments.

Committee Member Fetner referenced the Notice of Disposition and pointed out Exhibit D, highlighting the language regarding restricted uses. She asked if the wording for number 2 could be revised to read "any such use shall conform to the adopted BID and CRA Plan". She also pointed out number 4 of Exhibit D and asked that it be changed to say, "within 180 days of acquisition." Mr. Kelley agreed to revise the language.

Committee Member Fetner asked whether additional appraisals would be conducted for the project. Mr. Kelley responded that two appraisals had been completed for the city parcel and that staff had requested a second appraisal for the Vestcor parcel, resulting in two appraisals for each.

Committee Member Fetner expressed concerns about the project proposal, noting the absence of proposed use designs, site plans, and development timelines. However, she acknowledged the importance of finalizing the University of Florida deal. Mr. Kelley acknowledged her concerns and then shared his perspective on the proposed development.

Mr. Steve Diebenow shared that he was fine with the edits cited by Committee Member Fetner.

Board Chair Krechowski called for a motion on the resolution.

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

**Motion:** Committee Member Fetner moved to amend Exhibit D – Number 2 to read “any such use shall conform to the adopted BID and CRA Plan” and Number 4 be changed to say, “within 180 days of acquisition.”  
**Seconded:** Committee Member Heavener seconded the motion.

Seeing no further discussion, Board Chair Krechowski called for a vote on the amendment.

**Vote:** Aye: 4      Nay: 0      Abstain: 0

**THE MOTION PASSED UNANOMOUSLY 4-0-0**

Board Chair Krechowski called for a vote on the resolution as amended.

**Vote:** Aye: 4      Nay: 0      Abstain: 0

**THE MOTION PASSED UNANOMOUSLY 4-0-0**

**I. RESOLUTION 2025-07-04 VESTCOR ACCESS AGREEMENT**

**A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY ("DIA") AUTHORIZING ITS CHIEF EXECUTIVE OFFICER ("CEO") TO EXECUTE A SITE ACCESS AGREEMENT ("AGREEMENT") WITH VESTCOR, INC. ("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 A PORTION OF THAT CERTAIN CITY OWNED REAL PROPERTY IDENTIFIED BY REAL ESTATE NUMBER 074896-0000 (THE "CITY PARCEL"), 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.**

Mr. Wade McArthur, DIA Property Disposition Manager, explained that the resolution authorizes DIA to enter into an access agreement with Vestcor so they can begin due diligence on the property within the exchange agreement.

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

**Motion:** Committee Member Hirabayashi moved to approve the resolution.



**Seconded:** Committee Member Heavener seconded the motion.

Board Chair Krechowski called for a vote on the resolution.

**Vote: Aye: 4      Nay: 0      Abstain: 0**

**THE MOTION PASSED UNANOMOUSLY 4-0-0**

## **II. OTHER DISCUSSIONS**

Mr. Wade McArthur provided a brief update on the broker RFP, stating that staff had completed scoring and the proposal was now under review by procurement. He noted they were awaiting notification to move forward to JPAC.

Board Member Hooper expressed appreciation for Vestcor's role in the land swap, acknowledging it as a benefit to the city. He recognized the future value of the exchanged property and thanked both Vestcor and Steve Kelley for their efforts.

## **III. ADJOURNMENT**

Seeing no further discussion, Board Chair Krechowski adjourned the meeting at 10:41 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](mailto:avah@coj.net) to acquire a recording of the meeting.*

**TAB V.**

**RESOLUTION 2025-08-01: TAVOLA TRATTORIA FAB 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, 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 Construction: Within three (3) months following the Redevelopment 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. 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**

<del>General Conditions</del>	<del>\$ 27,165</del>
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
<del>Contractor Overhead and Profit</del>	<del>\$ 38,000</del>
<b>TOTAL LUMP SUM AMOUNT</b>	<b>\$ 600,000</b>

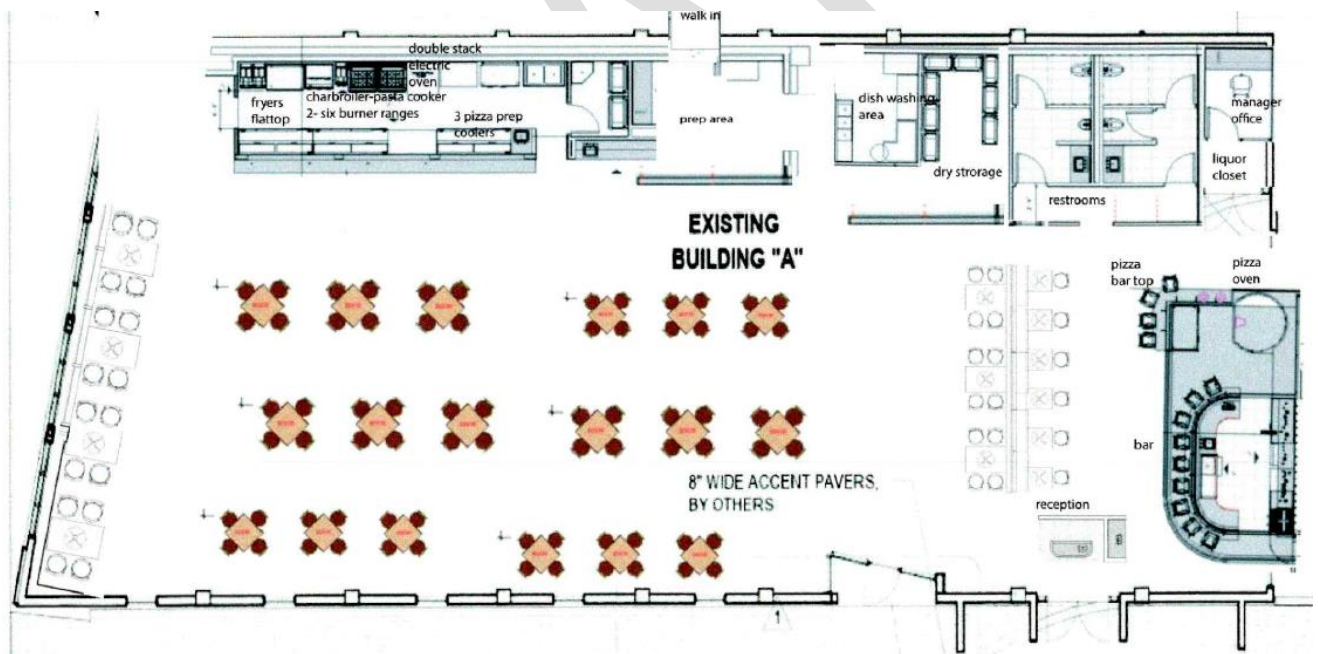
**Eligible Expenses = \$534,835**

**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 FAB 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, sauteed 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	<b>\$135,000</b>

### **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)

<b>Categories</b>	<b>Points Available</b>	<b>Points scored</b>
<b>The plan shows good short-term profit potential and contains realistic financial projections</b>	<b>10</b>	<b>9</b>
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.		
<b>The plan shows how the business will target a clearly defined market and its competitive edge</b>	<b>5</b>	<b>3</b>
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.		
<b>The plan shows that the management team has the skills and experience to make the business successful</b>	<b>10</b>	<b>9</b>
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.		
<b>The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture</b>	<b>10</b>	<b>8</b>
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.		
<b>Number of FTE job positions created in excess of the required two (2) positions</b>	<b>5</b>	<b>4</b>

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

- 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.		
<b>TOTAL</b>	<b>10</b>	<b>3</b>

- 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.		
<b>TOTAL</b>	<b>5</b>	<b>4</b>

<b>TOTAL</b>	<b>55</b>	<b>40</b>
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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**

<del>General Conditions</del>	<del>\$</del>	<del>27,165</del>
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
<del>Contractor Overhead and Profit</del>	<del>\$</del>	<del>38,000</del>
<b>TOTAL LUMP SUM AMOUNT</b>	<b>\$</b>	<b>600,000</b>

**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 VI.**

**RESOLUTION 2025-08-02: SALON ON THE SOUTHBANK FAB 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, 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**

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

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

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

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

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

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

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

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

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

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

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

Performance Schedule:

- A) Redevelopment Agreement to be executed within three (3) months from the receipt of the Agreements which shall establish the Retail Enhancement Loan Agreement Effective Date. The DIA Board approval shall terminate if the Retail Enhancement Loan Agreement Effective Date is not met within the timeline established, subject to approved extensions as provided below.
- B) Commencement of Construction: Within three (3) months following the Redevelopment 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. 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

**BUDGET SCHEDULE OF VALUES**

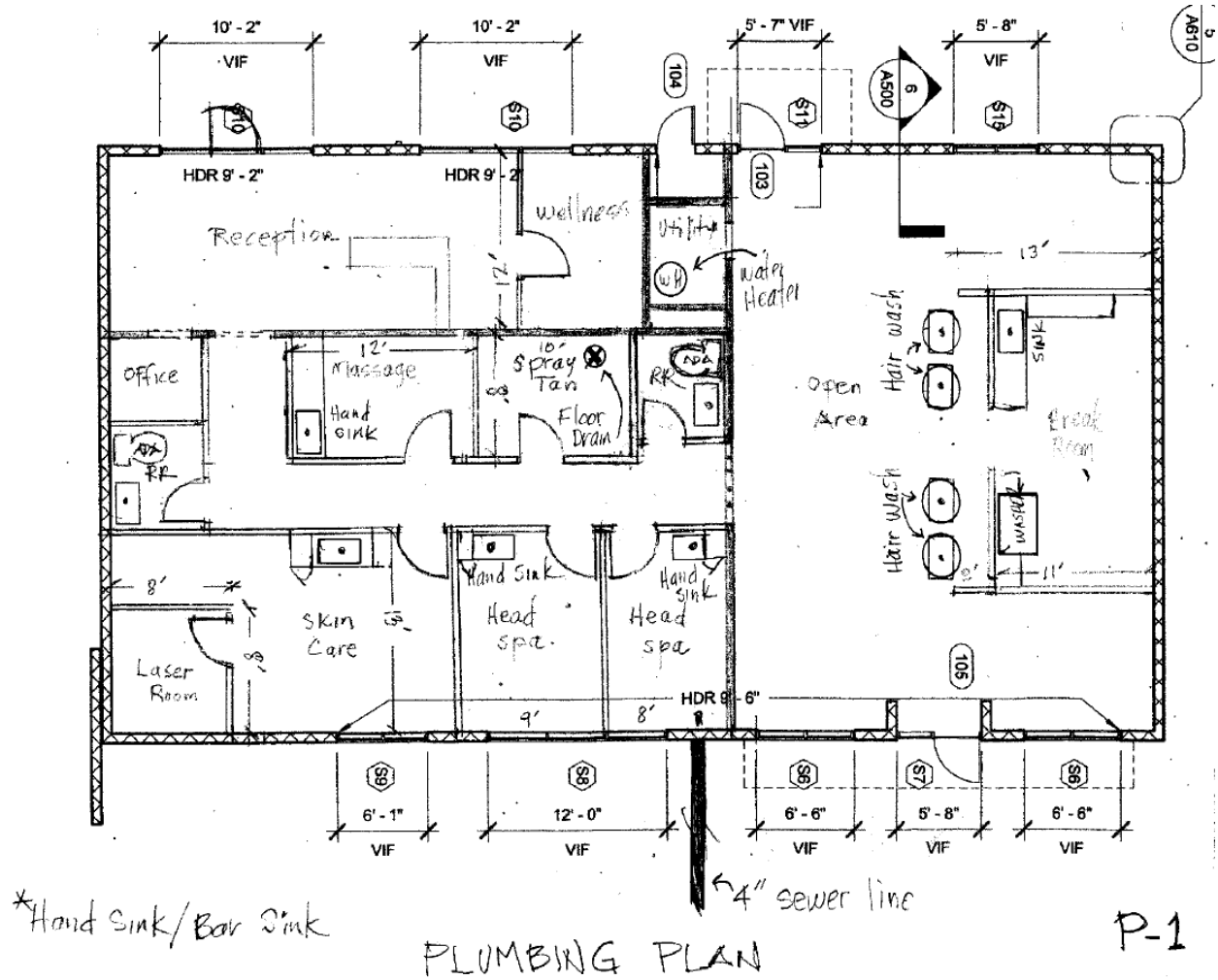
<del>General Conditions</del>	<del>\$</del>	<del>11,538</del>
Permits and Fees	\$	1,202
Final Clean	\$	1,200
Demolition	\$	400
Roof Patching	\$	350
Concrete	\$	6,000
General Labor / Carpentry	\$	4,535
Cabinetry	\$	23,252
Glass / Glazing Systems	\$	3,500
Doors, Frames, Hardware	\$	1,540
Drywall	\$	18,864
Window Treatment	\$	-
Painting	\$	12,682
Flooring	\$	15,016
Acoustical	\$	6,400
Appliances	\$	-
Toilet Compartments, Accessories, Mirrors & FE's	\$	321
Plumbing	\$	24,325
HVAC	\$	39,000
Fire Sprinkler	\$	-
Electrical	\$	35,000
<del>Contractor Overhead and Profit</del>	<del>\$</del>	<del>20,000</del>
<b>TOTAL LUMP SUM AMOUNT</b>	<b>\$</b>	<b>225,125</b>

**Qualifications:**

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

Figure 2 –Floorplan as Submitted:



## **SUPPLEMENTAL INFORMATION**

### **RESOLUTION 2025-08-02: SALON ON THE SOUTHBANK FAB 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	<b>\$80,250</b>

### **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
<b>The plan shows good short-term profit potential and contains realistic financial projections</b>	<b>10</b>	<b>6</b>
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.		
<b>The plan shows how the business will target a clearly defined market and its competitive edge</b>	<b>5</b>	<b>4</b>
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.		
<b>The plan shows that the management team has the skills and experience to make the business successful</b>	<b>10</b>	<b>8</b>

The ownership and team have vast experience in the salon business and have been a part of a successful venture for some years already.		
<b>The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture</b>	<b>10</b>	<b>6</b>
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.		
<b>Number of FTE job positions created in excess of the required two (2) positions</b>	<b>5</b>	<b>3</b>
The establishment expects to employ 8-15 full and part time employees		
<b>TOTAL</b>	<b>40</b>	<b>27</b>

- 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)

<b>Properties</b>	<b>Points Available</b>	<b>Points scored</b>
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.		
<b>TOTAL</b>	<b>10</b>	<b>3</b>

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

<b>Expansion of sales tax</b>	<b>Points Available</b>	<b>Points scored</b>
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.		
<b>TOTAL</b>	<b>5</b>	<b>3</b>

<b>TOTAL</b>	<b>55</b>	<b>33</b>
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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**

<del>General Conditions</del>	<del>\$ 11,538</del>
Permits and Fees	\$ 1,202
Final Clean	\$ 1,200
Demolition	\$ 400
Roof Patching	\$ 350
Concrete	\$ 6,000
General Labor / Carpentry	\$ 4,535
Cabinetry	\$ 23,252
Glass / Glazing Systems	\$ 3,500
Doors, Frames, Hardware	\$ 1,540
Drywall	\$ 18,864
Window Treatment	\$ -
Painting	\$ 12,682
Flooring	\$ 15,016
Acoustical	\$ 6,400
Appliances	\$ -
Toilet Compartments, Accessories, Mirrors & FE's	\$ 321
Plumbing	\$ 24,325
HVAC	\$ 39,000
Fire Sprinkler	\$ -
Electrical	\$ 35,000
<del>Contractor Overhead and Profit</del>	<del>\$ 20,000</del>
<b>TOTAL LUMP SUM AMOUNT</b>	<b>\$ 225,125</b>

**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 VII.**

**RESOLUTION 2025-08-03: KOTO FAB 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, 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 Construction: Within three (3) months following the Redevelopment 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. 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.

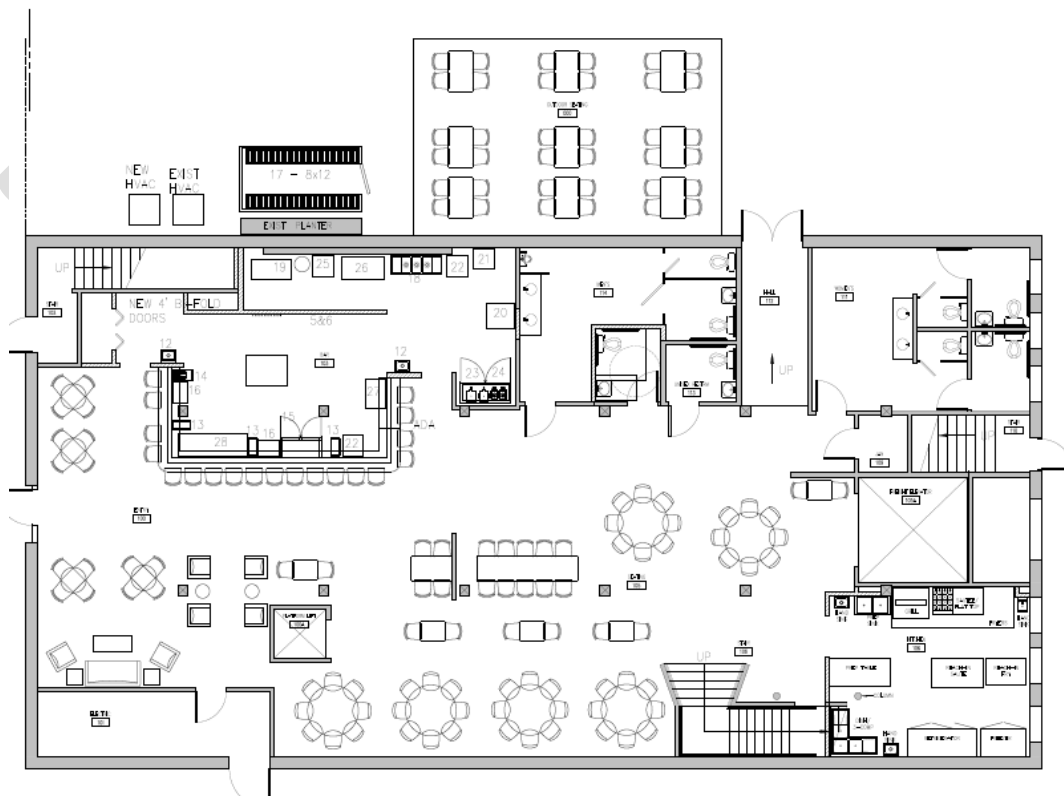


Figure 1 – Construction Budget as Submitted:

## 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
<b>Grant Total</b>	<b>\$ 692,114.00</b>		<b>\$ 538,447.00</b>	<b>\$ 153,667.00</b>

Figure 2 – Renderings and Floorplan as Submitted:



**SUPPLEMENTAL INFORMATION**

**RESOLUTION 2025-08-03: KOTO FAB 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.

<h1>KOTO</h1> <p>LISTENING BAR &amp; IZAKAYA</p>	
<h2>スナック - SNACKS</h2>	
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
<h2>炙り / 焼き物 - YAKITORI</h2>	
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)

<b>Categories</b>	<b>Points Available</b>	<b>Points scored</b>
<b>The plan shows good short-term profit potential and contains realistic financial projections</b>	<b>10</b>	<b>8</b>
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.		
<b>The plan shows how the business will target a clearly defined market and its competitive edge</b>	<b>5</b>	<b>4</b>
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.		
<b>The plan shows that the management team has the skills and experience to make the business successful</b>	<b>10</b>	<b>9</b>
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.		
<b>The plan shows that the entrepreneur has made or will make a personal (equity) investment in the business venture</b>	<b>10</b>	<b>7</b>
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.		
<b>Number of FTE job positions created in excess of the required two (2) positions</b>	<b>5</b>	<b>3</b>
The establishment expects to hire 15-20 people between full and part-time.		
<b>TOTAL</b>	<b>40</b>	<b>31</b>



- 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.		
<b>TOTAL</b>	<b>10</b>	<b>7</b>

- 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.		
<b>TOTAL</b>	<b>5</b>	<b>4</b>

<b>TOTAL</b>	<b>55</b>	<b>42</b>
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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 <sup>nd</sup> floor	5,200 x \$10 sf = \$52,000	<b>\$156,000</b>

**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	\$ -
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
<b>Grant Total</b>	<b>\$ 692,114.00</b>		<b>\$ 538,447.00</b>	<b>\$ 153,667.00</b>