

7.1/OVERVIEW

The quality, location, and cost of housing and the livability of Biloxi’s neighborhoods are two central issues for the City’s future and its recovery from the effects of Hurricane Katrina. In 2005, Katrina severely damaged much of Biloxi’s housing stock. East Biloxi experienced disproportionately greater damage; approximately 80% of its housing stock was either destroyed or uninhabitable.

Biloxi has made significant progress towards recovery since 2005. The employment and retail sectors have returned to near pre-Katrina capacity, transportation services have expanded, and health care and educational facilities are fully functional. However, while residential building permits have been issued, many permitted buildings have not yet been constructed and the most severely damaged residential neighborhoods in East Biloxi have been slow to recover. There are a number of obstacles to a full housing recovery, including the high number of residents displaced by the storm, expensive flood and wind insurance, high construction costs, speculative land values, and the impacts of the economic downturn.

Biloxi’s existing housing stock can be characterized as predominantly single-family detached homes interspersed with higher density, multi-family developments of various types. According to U.S. Census estimates in 2006 (the year after Hurricane Katrina), slightly over one-half (55%) of Biloxi’s existing housing stock consisted of single-family detached units and about one-quarter (23%) was multi-family with 5 or more units per building. Table 7-1 provides a snapshot of housing by unit type in 2006. It should be noted that the high percentage of mobile home units (10%) is likely related to the influx of temporary post-Katrina structures in 2006. In addition, Biloxi’s housing stock includes multiple-unit condominium buildings or “condotels” due to the City’s status as a beachfront resort destination.

TABLE 7.1/UNITS IN STRUCTURE, BILOXI (2006 ESTIMATE)

1-Unit, Detached	11,379	55%
1-Unit, Attached	1,089	5%
2 Units	701	3%
3 or 4 Units	816	4%
5 to 19 Units	2,387	12%
20 or more Units	2,200	11%
Mobile Home	1,998	10%
Boat, RC, Van, Etc.	16	0%
Totals	20,586	100%

Source: 2006 American Community Survey Estimates, U.S. Census

TABLE 7.2/YEAR HOUSING STRUCTURE BUILT

Built 2000-2006	3,022	15%
Built 1990-1999	3,701	18%
Built 1980-1989	2,611	13%
Built 1970-1979	3,159	15%
Built 1960-1969	2,881	14%
Built 1950-1959	2,472	12%
Built 1940-1949	1,559	8%
Built 1939 or earlier	1,181	6%
Total Units	20,586	100%

Source: 2006 American Community Survey Estimates, U.S. Census

Table 7-2 summarizes the number of housing units in Biloxi built by decade. The majority were built after 1950 and the number of structures constructed has generally increased with every ten-year period, consistent with population growth. The largest percentage of existing units (18%) was constructed during the 1990s.

While there are many challenges to rebuilding Biloxi's housing, particularly in flood prone areas such as East Biloxi, two reports have concluded that the region's housing stock may recover at a faster rate than population. The findings of the *Mississippi Housing Data Project* indicate that the housing stock of Mississippi's three coastal counties (Hancock, Harrison, and Jackson) will recover to 104% of the pre-Katrina level by mid-2011.¹ Population is estimated to recover to 97% to 99% of pre-Katrina levels in the same timeframe. The study identifies a risk of oversupply of housing across the region in the near future. The Biloxi Housing Authority's (BHA) December 2008 *Housing Market Study for the City of Biloxi* found that a significant number of rental units (both income restricted and market rate) have been developed in Biloxi since 2005.² According

¹ *Mississippi Housing Data Project*. Prepared by the Compass Group, LLC and Southern Mississippi Planning and Development District, January 2009.

² *Housing Market Study for the City of Biloxi*. Novogradac & Company, LLP, prepared for the Biloxi Housing Authority, December 2008.

³ Rental housing vacancy rate from *Gulf Coast Apartment Survey*, W.S. Loper and Associates, 2007; overall vacancy rate from estimate by Decision Data Resources.

⁴ *Mississippi Housing Data Project*. Prepared by the Compass Group, LLC and Southern Mississippi Planning and Development District, January 2009.

to other studies, rental vacancy rates have been lower than Biloxi's overall housing vacancy rate in recent years (5.5% in 2007 compared to an overall vacancy rate of 18%)³. However, the BHA Market Study found that the increase in rental unit construction, combined with slow population growth, is creating an oversupply in the market. This oversupply could result in lower prices and a slower pace of construction.⁴

According to the MS Gulf Coast Apartment Survey, Biloxi had 4,950 market rate rental apartments with a vacancy rate of 5.5% in 2007. Table 7-3 summarizes vacancy and rental rates by apartment type in 2007. One year later in 2008, the number of market rate rental units increased to 5,091 with an additional 370 under construction. The vacancy rate also increased slightly to 5.8%.



TABLE 7-3/SELECTED CHARACTERISTICS OF MARKET RATE APARTMENTS, MARCH 2007

	Studio Units	1-Bedroom Units	2-Bedroom Units	3-Bedroom Units	Total All Units
Num of Apartments	143	1,676	2,646	485	4,950
Num under Construction	0	0	0	0	0
Num Vacant	4	76	161	20	271
Vacancy Rate	2.80%	5.10%	6.10%	4.10%	5.50%
Avg. Rental Rate (4/2007)	\$380	\$667	\$780	\$950	
67% Fall Between	\$333-426	\$553-780	\$662-898	\$843-1058	
Avg. Rental Rate (3/2004)	\$338	\$462	\$581	\$735	
2004 to 2007 Change	12%	44%	34%	29%	
Avg. Asking Rate of Vacant	\$350	\$679	\$788	\$965	
Average Size (Sq. Feet)	345	676	980	1153	
Avg. Rent Per Square Foot	\$109.8	\$103	\$79.3	\$82.7	

Source: W.S. Loper and Associates, MS Gulf Coast Apartment Survey, for the Gulf Coast Regional Planning Commission, March 2007.

TABLE 7-4/EXISTING AND PROPOSED CONDOMINIUMS (AS OF JULY 2008)

	Units	Bldgs
Total Existing Condos in Biloxi (As of July 2008)	1,540	131
Conversion from Apartments to Condos		
- Avalon Condominiums (07-027)		1
- Gulf Shore Villas (07-019)	100	23
Condos Under Construction		
- Sand Dollar Condos	21	3
- Sand Beach Condos, Phase 1	101	1
Total Condominium Units in Biloxi	1,966	159
Condos, Permitted or in Development Review Process*	12,724	

*Does not include 2,232 Permits expired as of July 2008

Source: City of Biloxi, Community Development Department (July 2008)

In the years following Hurricane Katrina, a large number of condominiums have been proposed and approved. As of July 2008, Biloxi had 1,966 condominium units existing or under construction (Table 7-4). According to the City's Department of Community Development, another 12,724 units were either proposed or permitted and the permits had lapsed on 2,232 units.

The complexity and uncertainty of the post-Katrina housing market and the current national recession and financing crunch make it difficult to forecast future trends in Biloxi's housing market and population with any certainty. Despite the challenges facing the housing market, Biloxi's relatively strong regional economy and tourist industry, mild climate, and Gulf Coast location suggest a continued recovery. Population and housing projections developed by Decision Data Resources indicate that housing units will significantly exceed pre-Katrina levels by 2012 (Table 7-5). The projected increase in the vacancy rate raises some concern for the City's future housing supply, although the actual figures may be lower than projected due to the uncertainty in the condominium market in particular.

TABLE 7-5/HOUSING AND POPULATION CHANGE AND ESTIMATES (1990-2012)

	1990 Census	2000 Census	2006 Census Estimate	2012 Projection (Decision Data Resources)
Housing Units	20,173	22,092	20,586	26,233
- Owner Occupied	8,401	9,669	9,801	9,515
- Percent Owner Occupied	42%	44%	48%	36%
- Renter Occupied	9,502	9,919	7,241	10,658
- Percent Renter Occupied	47%	45%	35%	42%
- Vacant	2,325	2,504	3,544	5,686
- Percent Vacant	11.5%	11.3%	17%	21.6%
Population	49,812	50,644	42,311	51,094

Other significant housing conditions and trends include:

- Biloxi’s average household size decreased from 2.42 in 2000 to 2.38 in 2006, consistent with the continuing national shift from traditional families with children to smaller, more diverse household types.
- Biloxi has historically had a relatively high proportion of rental to owner-occupied housing, although the Census estimates indicate that the percentage has decreased since 2000.
- A May 2009 scan of real estate listings revealed that average asking prices (all unit types) ranged from \$184,000 in the Woolmarket area to \$227,000 in East Biloxi, \$287,000 in North Biloxi, and between \$306,000 to \$340,000 in West Biloxi. While listing prices may be higher than actual sales prices, these figures are unaffordable to a family earning the

median household income (see Key Housing Issues below). Discussions with persons knowledgeable of the Biloxi real estate market indicate that there is strong demand for housing in the \$160,000 to \$180,000 range.

- Several housing assistance programs are available to Biloxi residents. The City’s Homebuyer Assistance Program provides down-payment assistance of up to \$30,000 and counseling for qualified first-time homebuyers. Another example is the Gulf Coast Renaissance Corporation’s Regional Employer Assisted Collaboration for Housing (REACH) program, which provides gap financing to individuals or families earning less than 120% of the area median income as a match for contributions made by participating employers.

Key Housing Issues

- Biloxi's housing stock is not very diverse. A significant proportion of the City's single-family neighborhoods have relatively expensive housing and the multi-family stock includes many condominium units located on the Peninsula. While the Biloxi Housing Authority has increased the number of income assisted units, there remains a demand for quality single-family and townhome units, appropriately sized and priced for first-time buyers and "empty-nesters" within Biloxi's median income range.
- Issues related to the cost of housing, flood and wind insurance, and speculative land costs have increased the need for "workforce" housing (i.e., for-sale and rental housing that is affordable to average working households within the community). Based on a median household income of \$44,528 in 2007, the Sun Herald Editorial Board defined workforce housing in the Gulf Coast region as homes that can be purchased for less than \$185,000 and rental units costing less than \$800 a month.
- In addition to housing for average working families, there is a need for decent housing affordable to low and moderate income households (defined as those earning a maximum of 50% and 80%, respectively, of the median household income), as well as for special needs populations. The Consolidated Plan, prepared by the City as a planning guide for the expenditure of community development funds received through U.S. Department of Housing and Urban Development (HUD) programs, identifies low and moderate income housing as a major priority. The City is currently updating this plan.

- Homelessness is an increasing problem in the region that is related to poverty and the need for affordable housing. Many of the City's most affordable units were damaged or destroyed by Hurricane Katrina. The City, other governmental agencies, and nonprofit organizations are working to address this issue but the needs are significant in a climate of economic and environmental uncertainty.
- Each hurricane season brings the possibility of the next disastrous storm. The Biloxi community is well aware of the region's vulnerability to storm damage and flooding. Housing located in special hazard areas is especially vulnerable to high velocity waves and flooding during major storm events.
- Many of Biloxi's historic and culturally significant resources were damaged or destroyed by Hurricane Katrina, including traditional housing stock that helped define the character of "Old Biloxi." Through the public participation process, residents identified the loss of the City's historic character and heritage as a major issue.
- Housing should not be considered in isolation, but rather in relation to other land uses, facilities, and services that are essential to supporting residential needs and quality of life. For example, residents and stakeholders have expressed a desire for improved transit and other services linked to neighborhoods. Certain populations (e.g., seniors, children, households with one or no vehicles) are in need of multi-modal options to access destinations such as schools, jobs, and retail areas. Providing infrastructure and services (e.g., roads, public water and sewer, and public transit) to compact, mixed-use centers is more cost and energy-efficient than extending them to low-density areas.

7.2/LONG RANGE GOAL, OBJECTIVES, AND ACTIONS

The housing goal, objectives, and actions are intended to guide the City in making regulatory, investment, and other decisions related to Biloxi's housing stock. They are designed to achieve a range of housing that meets the needs of diverse demographic and income groups; is located in livable, attractive neighborhoods; supports Biloxi's historic character; and increases storm resiliency.

Objective 7-1 Provide a mix of housing types and price points that meets the needs of households with different incomes and lifestyle needs.

- Action 7-1-1 Incorporate provisions and incentives into the LDO to promote development of different housing types to diversify Biloxi's housing stock. [Land Use Actions 3-5-2, 3-6-1]
- Action 7-1-2 Develop and implement partnerships to meet needs for affordable workforce housing.
- Action 7-1-3 Work with the Biloxi Housing Authority to increase the supply of affordable housing for low and moderate income residents.
- Action 7-1-4 Pursue directions such as rehabilitation of existing units, enhanced code enforcement, and energy efficient construction to improve overall housing quality and reduce long-term costs.

Housing Goal

Provide safe, decent, and affordable housing that meets the needs of all residents and socioeconomic groups in Biloxi.

The housing analysis indicates the need for a mix of housing unit types (single-family homes, attached townhomes, apartments, etc.), accompanied by a range of price points, to serve diverse household types and incomes ("empty-nesters" and seniors as Biloxi's population continues to age, first-time home buyers, etc.). The proposed Planned Development Districts provide the opportunity to incorporate different unit types into compact, mixed-used centers in developing parts of the City, as well as in infill situations in established areas such as East Biloxi. Density bonuses or other incentives could be provided for residential and mixed-use developments that provide affordable for sale and rental housing units. In general, LDO provisions and development review processes should be evaluated for opportunities to facilitate the construction of unit types and prices that meet the needs of Biloxi's diverse population.

The Gulf Coast Renaissance Corporation's REACH program is a good example of a partnership to provide housing affordable to working individuals and families. Under this program, employers contribute between \$5,000 and \$10,000 towards down payments on employee home purchases, with up to triple the amount in matching funds available through the program. REACH and the City's Homebuyer Assistance program should be continued and enhanced and other means sought

to provide support for first-time homebuyers. Partnerships should be pursued with Biloxi's major employees, such as the casinos, Keesler AFB, and the Biloxi Regional Medical Center; to provide affordable for-sale and rental housing for workers. For example, mixed-use developments in Downtown Biloxi could incorporate housing for casino employees in close proximity to their jobs, reducing transportation costs and supporting Downtown revitalization.

The Biloxi Housing Authority (BHA) is committed to providing affordable housing for families and seniors and reducing concentrations of poverty and crime. In addition to developing new affordable units, the BHA has set a priority on creating mixed-income, mixed-use, livable communities, a commitment that is reflected in the HOPE VI neighborhoods on Back Bay in East Biloxi. These neighborhoods were severely

damaged by Katrina but have been successfully restored by the City, providing over 300 mixed-type, mixed-income rental, senior, and homeownership units. The BHA can build on this success by creating a "land bank" to assemble properties suitable for future housing development, promoting "scattered site" low and moderate income tax credit projects, and pursuing other partnerships with private affordable housing developers (BHA partnered with a nonprofit development company, the Gulf Coast Housing Partnership, on the HOPE VI neighborhoods).

Another possibility given the downturn in the condominium market is to explore the possibility of repositioning some of the projects to include mixed-use and senior housing opportunities. As Biloxi's housing market as a whole continues its post-Katrina recovery, the BHA and regional organizations (e.g., the Southern Mississippi Planning and Development District) should carefully monitor the need for and availability of both rental and for-sale affordable housing units.

Maintaining and improving Biloxi's existing housing stock is key to ensuring an ongoing supply of decent housing and reducing long-term housing costs for residents from repairs and energy usage. Continued code enforcement by the City is important to address problem properties and prevent them from becoming destabilizing influences. The City's PRIDE program includes a rehabilitation component, and current programs at the federal level are making more funds available for weatherization.

Rehabilitated and new housing that is energy-efficient and located near jobs and services (thus reducing auto dependency) will increase affordability, benefit residents who do not own cars, and support healthy lifestyles. The City could offer in-

LEED for Neighborhood Development

The U.S. Green Building Council and its partners are developing a rating system for certifying "green" neighborhoods, known as LEED-ND. The existing LEED (Leadership in Energy and Environmental Design) systems focus on individual buildings and is recognized as the leading independent rating system certifying development that meets high environmental standards. The LEED-ND model recognizes that to be considered environmentally sustainable, a building should be part of a compact neighborhood with alternative modes of transportation (e.g., walking, biking, public transit) and a mix of uses. The draft LEED-ND rating system includes four categories: smart location and linkage; neighborhood pattern and design; green infrastructure and buildings; and innovation and design process and will become the first national standard for neighborhood design.

centives to encourage reinvestment in existing housing stock and development of energy efficient housing units (e.g., LEED-certified buildings). The proposed Planned Development Districts can be used to encourage housing that is affordable and energy-efficient in compact, walkable settings.

Objective 7-2 Coordinate the provision of housing with supporting land uses, transportation, and utility infrastructure.

- Action 7-2-1 Promote the development of mixed-use centers and corridors that provide convenient access from housing and neighborhoods to jobs and services.
- Action 7-2-2 Provide pedestrian and bicycle connections between residential uses and mixed-use centers and other key destinations such as schools and parks.
- Action 7-2-3 Work with Coast Transit Authority to provide transit service to mixed-use centers and corridors.
- Action 7-2-4 Direct higher density residential development to designated mixed-use centers so that it can be more efficiently served with public infrastructure.

In addition to the need to provide a range of housing types and prices for Biloxi’s diverse population (Objective 7-1), accessibility to jobs, neighborhood-serving retail and services, community facilities, and mobility choices such as transit is a key issue for Biloxi’s housing stock. As described in the Land

Use Element (Chapter 3), Biloxi largely lacks mixed land use patterns providing residential neighborhoods with access to employment centers, retail, schools, and parks via walking, biking, or public transit. Through the comprehensive planning process, Biloxi residents asserted a desire for walkable communities that are easily accessible to everyday activities and services. In reaction to changing lifestyle preferences and rising energy and transportation costs, cities and towns across the nation are seeking ways to retrofit existing and design new neighborhoods to improve the pedestrian and transit environment.

Increased accessibility to services, jobs, and community facilities is important for all residents, including families with children and seniors. The Future Land Use Plan and strategies described in Chapter 3.0 are designed to promote a more walkable city by establishing mixed-use centers and corridors that incorporate higher-density housing and which serve adjacent neighborhoods. Provision of walking, biking, and transit connections are essential as these centers and corridors are developed or redeveloped. The Coast Transit Authority should continue to monitor land use and population trends and anticipate the need to add or modify existing transit service as residential densities increase.

Focusing compact housing and mixed uses in designated centers will also reduce the costs of providing public infrastructure and services compared to more spread-out development. Particularly in Woolmarket and other developing areas of the City, infrastructure improvements should be planned so that public utilities and services, roads, transit service, and walking and biking facilities support these centers.

Objective 7-3 Provide for the housing needs of the City's homeless and special needs populations.

- Action 7-3-1 Update Biloxi's Consolidated Plan to coordinate the various special housing needs in the City and prioritize resources.
- Action 7-3-2 Maximize the efforts of organizations and groups working to address housing needs in Biloxi by strengthening public/private partnerships.
- Action 7-3-3 Expand homeless shelter space, increase emergency social services, and provide additional transitional housing units as feasible to address gaps in Biloxi's continuum of housing services.
- Action 7-3-4 Work in cooperation with the Homeless Taskforce to address this growing issue.

Homelessness is an increasing problem in the Gulf Coast region due to effects of Hurricane Katrina, which damaged or destroyed many of Biloxi's most affordable units, and the economic recession. The overall poverty rate in Harrison County increased to 14% in 2007 from 11% in 2004. In Biloxi approximately 10.8% of all residents and 7.2% of all families had incomes in 2006 that fell below the poverty level defined by the U.S. Census. Persons below the poverty level, who have disabilities or other special needs or conditions, and/or lose their job are most at risk of homelessness.

The City is currently updating its Consolidated Plan, which sets priorities for addressing the needs of homeless and spe-

cial needs populations. The City works closely with a variety of social organizations, such as the Back Bay Mission, Mercy Housing, East Biloxi Recovery Center, Habitat for Humanity, and Open Door Homeless Coalition, to address these needs. These and other organizations are members of the Open Doors Continuum of Care, which provide housing and supportive services through public/private partnerships in the six southernmost counties of Mississippi (Hancock, Harrison, Jackson, Pearl River, George, and Stone). To focus attention and resources on issues of homelessness and housing affordability, the City could work with these various organizations and agencies in the Homeless Taskforce to discuss and coordinate priorities, such as increased shelter space, emergency services, transitional housing, and assistance to persons and families who are "precariously housed" to prevent them from entering the homeless population.

Objective 7-4 Reduce the vulnerability of housing to storm damage through measures such as structural protection, rebuilding to standards designed to minimize damage to individual buildings, and relocation of housing outside of flood prone areas.

- Action 7-4-1 Limit new residential development in special hazard areas (as opposed to reconstruction of existing homes). For all construction, require appropriate floodproofing and measures to withstand high velocity winds.
- Action 7-4-2 Increase code enforcement to maintain the quality of the existing housing stock in Biloxi.

- Action 7-4-3 Provide incentives to homeowners and property investors to flood proof existing residences and make other safety improvements.
- Action 7-4-4 Direct new housing in East Biloxi out of special hazard areas and promote additional housing in Downtown Biloxi.

In the four years since Hurricane Katrina, many homes and businesses have struggled to return to areas impacted by the storm, in particular East Biloxi. This Comprehensive Plan builds on redevelopment concepts detailed in previous post-Katrina plans (e.g., *Reviving the Renaissance, Action Plan for East Biloxi*). Consistent with these previous plans, redevelopment in East Biloxi is encouraged. There are, however, obvious constraints to residential rebuilding that are addressed throughout this plan. First and foremost, public health, safety, and welfare require that housing be constructed to storm-resistant standards, including elevation of the first floor above the base flood elevation. As previously noted, expensive insurance, high construction costs, and speculative land values have hampered rebuilding efforts. The City can encourage rebuilding that lessens storm vulnerability by offering incentives to owners of existing, nonconforming homes who increase storm resistance through reconstruction or renovation. Code enforcement is also important to stabilize and support neighborhood viability.

New housing should be located outside of designated flood risk areas wherever possible. In addition to meeting floodplain construction standards, construction within such areas should be focused in compact developments that maximize collective flood protection through structural (e.g., building

construction techniques) and nonstructural (e.g., maintenance of open space to absorb flood waters) measures.

Additional housing-related strategies specific to East Biloxi are provided in Section 9.1. In addition, the Downtown Improvement Strategy (Section 9.5) recommends housing north of Water Street as part of mixed-use development strategy to promote Downtown revitalization.

Objective 7-5 Respect Biloxi’s historic heritage and the character of established development in the design of new housing.

- Action 7-5-1 Promote quality, storm-resistant residential prototypes built in the traditional coastal style.
- Action 7-5-2 Create design guidelines for new mixed-use and residential development in Biloxi so that new structures complement the City’s traditional character and architecture.
- Action 7-5-3 Provide incentives for projects that preserve Biloxi’s historic structures.
- Action 7-5-4 Encourage residential adaptive reuse of existing structures with historic character as an alternative to demolition. [Natural, Cultural and Historic Resources Action 5-6-5]

Biloxi has a unique history and heritage represented in its historic buildings, neighborhoods, and traditions. The City’s heritage and sense of place are often referenced by residents as a sense of pride and reason for living in Biloxi. At the same time, there is the threat of losing this heritage as many historic re-

Gulf Coast House Styles

A series of well developed architectural styles or vocabularies were popular throughout the Gulf Region in the 19th and early 20th Century. These styles were adapted by local builders through the use of early Pattern Books and later catalogs of house plans. Many of the early houses were built without the aid of Pattern Books and are increasingly rare. These styles represent the broader patterns found in the neighborhoods constructed largely before 1940.

Each style has become adapted to the local environment and local building traditions. Many patterns emerged from the influence of Caribbean builders and settlers trading with the West Indies and Latin America.

Four principal architectural styles give neighborhoods their character:

- 1 Acadian-Creole
- 2 Victorian
- 3 Classical
- 4 Arts & Crafts

These styles are described in more detail with typical key elements in the following pages.

1 ACADIAN-CREOLE



2 VICTORIAN



sources have been destroyed by major storms such as Katrina and the earlier Hurricane Camille.

New residential buildings should be designed to complement and reflect aspects of Biloxi's traditional vernacular architecture. The City currently has historic design standards in place for the Downtown but not for the remainder of Biloxi. To address this issue the City should consider creating design guidelines to inform the character of new mixed-use and residential development throughout Biloxi. *A Pattern Book for Gulf Coast Neighborhoods*, prepared in 2005 by Urban Design Associates for the Mississippi Renewal Forum, is a resource that can be used to inform this effort. Incentives such as design prototypes and services, financial assistance (e.g., matching grants or low-interest loan programs), and density bonuses can be provided to encourage both context-sensitive new developments and projects that preserve and restore existing historic structures.

Adaptive reuse of existing buildings that no longer serve their original purpose is a strategy that can protect structures that contribute to Biloxi's historic character, meet community needs such as housing, and encourage efficient and environmentally responsible development. In promoting adaptive reuse of existing buildings for housing, the City should remain cognizant of other considerations such as storm vulnerability (Objective 7-4).

Source: *A Pattern Book for Gulf Coast Neighborhoods*, Mississippi Renewal Forum

8.1/OVERVIEW

While impacted by the recession that started in 2008, Biloxi’s economy is resilient and continues its recovery to the pre-Katrina levels of 2004. The strongest sectors of the economy are hospitality, government, and retail. Although the City is not a major manufacturing center, the seafood industry has a long history in Biloxi and major aerospace and shipbuilding operations are located in the larger Gulf Coast region.

The Biloxi area has traditionally been a destination for people seeking an affordable vacation. The City’s core tourism market remains the “drive from” larger Gulf Coast region from New Orleans to Florida. Since the 1990’s the major tourism attraction has been casino gaming, which also draws visitors from more distant markets. Over 14 million people visited casino-based establishments in the Biloxi-Gulfport region during 2008. While in town, they also stayed at the City’s hotels, visited beaches, and went to restaurants and shows. The casino industry appears likely to achieve and build on the “super-regional” status it achieved prior to Katrina; six of the ten principal employees in Biloxi are casinos (Table 8.1). Investment in new visitor facilities, transportation infrastructure, and recreation attractions will support the City’s efforts to be a premiere destination.

In addition to casinos, Biloxi’s major draws include beaches, fishing, other water-based activities, golfing, and the Mississippi Coast Coliseum and Convention Center. The Convention Center hosts concerts and events throughout the year and is expanding to include 400,000 square feet of meeting space.

TABLE 8.1/BILOXI’S PRINCIPAL EMPLOYERS, 2007

Rank	Employer	Number of Employees
1	Keesler Air Force Base	11,200
2	Beau Rivage Casino and Resort	2,891
3	IP Casino Resort Spa	2,359
4	Hard Rock Hotel and Casino	1,302
5	Grand Casino Biloxi	1,010
6	Biloxi Regional Medical Center	846
7	Biloxi Public School District	750
8	Isle of Capri Casino	710
9	City of Biloxi	689
10	Boomtown Biloxi Casino	681
	Total	22,438

The governmental/institutional services sector is not only a major component of the City's economic base; its facilities and jobs support the overall quality of life in Biloxi. Four of Biloxi's top ten employers are included in this sector and Keesler Air Force Base is the largest employer in the City. The Biloxi Regional Medical Center and Biloxi Public Schools provide high quality healthcare and educational services that benefit Biloxi's residents, businesses, and visitors. Major federal installations in the larger region include the Naval Construction Battalion Center and Mississippi Air National Guard in Gulfport and NASA's John C. Stennis Space Center in Hancock County.

The retail sector in Biloxi has recovered to its pre-Katrina levels. In 2002 the City had 1,353 retail establishments; by the end of 2006 the number was 1,367. The City has a variety of retail options, including the Edgewater Mall as a major center. Retail sales totaled \$791 million in 2006, not including retail sales in Biloxi's casinos. High traffic counts near I-10 interchanges and development in North Biloxi/Woolmarket point to the economic development potential at these interchanges.

Pre and post-Katrina unemployment rates indicate that the City's economy is still adjusting to the losses caused by the hurricane (unemployment rose from 5.4% in 2004 to 8.9% in 2005). Nevertheless, Biloxi is performing better than Mississippi as a whole in providing jobs—the City's labor force of 21,650 workers in 2008 had an unemployment rate of 7.5% (6.8% in the Gulfport-Biloxi Metropolitan Statistical Area or MSA) compared to 8.5% for the state.¹ The 2007 per capita income of \$36,133 reported for the Gulfport-Biloxi MSA compares to figures of \$28,845 for Mississippi (which ranked 50th among all states) and \$38,611 for the U.S. as a whole.²

The seafood industry, in particular shrimping, has a long history as a bastion of Biloxi's economy. However, this industry has declined in recent years due to factors such as storm impacts, depletion of fishing stocks, escalating fuel prices (although this has moderated due to the economic recession), and low-priced competition from overseas. For example, 85% of shrimp sold in the U.S. is pond-raised in Asia and imported at a lower price than Gulf Coast shrimp. Wild American Shrimp, Inc., part of the Southern Shrimp Alliance, is working to raise awareness and interest in the quality of regional seafood compared to foreign, farm-raised imports.

A number of different agencies and organizations are involved in different aspects of economic development in Biloxi, Harrison County, and the region. In addition to the Economic Development Division of the City's Community Development Department, these various entities include, but are not limited to:

- Biloxi Chamber of Commerce
- Biloxi Bay Chamber of Commerce
- Greater Biloxi Economic Development Foundation/Innovation Center
- Gulf Coast Hotel and Lodging Association
- Gulf Regional Planning Commission
- Harrison County Development Commission
- Harrison County Tourism Commission
- Main Street Biloxi
- Mississippi Gulf Coast Convention and Visitors Bureau
- Southern Mississippi Planning and Development District

¹ Source: Mississippi Employment Security Commission

² Source: U.S. Bureau of Economic Analysis (Gulfport-Biloxi MSA); U.S. Census Bureau (Mississippi and United States).

Key Economic Development Issues

- Biloxi's economy is concentrated in tourism/gaming and government services and would be strengthened through diversification into aerospace, shipbuilding, expanded seafood production, and other strong regional sectors.
- Economic development challenges for Biloxi include coordinating new development through infrastructure investment, fostering quality economic development at the I-10 interchanges, focusing growth in designated areas, and implementing appropriate development regulations to create a premiere resort setting.
- Increasing tourism through enhanced entertainment and recreation amenities will require stronger linkages between the casinos, new mixed-use development in Downtown Biloxi, and existing and new attractions such as the Convention Center, Point Cadet, and the City's cultural/museum district.
- Biloxi's historic seafood industry is struggling due to factors such as foreign imports, competition for waterfront property in East Biloxi, and loss of facilities from Hurricane Katrina.
- Uncoordinated retail development could lead to the overbuilding of retail establishments in Biloxi, thus lowering the quality of the City's commercial centers and resulting in a "mismatch" with resident and visitor needs.
- Investing in workforce training, supporting new entrepreneurs, and identifying locations for a future light industrial park north of the Bay, are critical to rebuilding and growing the City's economic base.
- The City makes financial contributions to a number of economic development agencies and organizations operating in Biloxi, the County, and/or the region. These contributions would be most effectively utilized by coordinating the activities of these various organizations to focus on the economic development objectives and actions proposed in this Plan.



8.2/LONG RANGE GOAL, OBJECTIVES, AND ACTIONS

Economic Development Goal

Promote a healthy, diversified, and sustainable economy that provides a strong tax base, needed goods and services, and employment opportunities for Biloxi’s residents.

The long-range goal and supporting objectives and actions are designed to guide the City in making regulatory, investment, and other decisions related to economic development in the City of Biloxi. These objectives and actions will help Biloxi to achieve a sustainable and prosperous future. They address the City’s major economic sectors (Objectives 8-1, 8-2, 8-4, 8-5), Downtown revitalization (Objective 8-3), and business start-up support and workforce training (Objectives 8-6, 8-7).

Implementing these objectives and actions will require coordination and partnerships among the various agencies and organizations involved in economic development activities in Biloxi. To provide a forum for this effort, the plan proposes formation of a “Biloxi Economic Development Committee” as an immediate action to focus on carrying out the direction set by this Economic Development Element. This committee will meet on a regular basis to define how existing and new economic development initiatives can be coordinated and leveraged to maximize their benefits for the City of Biloxi.

Objective 8-1 Support the needs of Biloxi’s major economic anchors while seeking opportunities to diversify economic activity in the City.

- Action 8-1-1 Support the contributions made by governmental, health care, and other institutions to Biloxi’s economy.
- Action 8-1-2 Maintain height restrictions for development around Keesler Air Force Base to prevent negative impacts to its operations.
- Action 8-1-3 Encourage the improvement of casino operations in Biloxi to high facility standards in order to attract a broader clientele.
- Action 8-1-4 Enhance Biloxi’s image as a premiere destination through key streetscape improvements, beachfront design guidelines, development of the Biloxi Peninsula Path, and other targeted investments.
- Action 8-1-5 Explore creation of a business center and light industrial park in the Woolmarket area to attract supporting and start-up businesses for the aerospace and shipbuilding industrial clusters in the region.

To effectively grow Biloxi’s economy, it is important for the City’s public and private investors to focus on strongly established sectors in the region’s economy and build on this base through strategically targeted initiatives. Governmental and institutional services are a major economic anchor for the City; Keesler Air Force Base is Biloxi’s largest employer with 11,200 workers. Managing land uses surrounding the Base (e.g., by maintaining building height limits within flight paths) is important to reduce potential conflicts and ensure the ongoing viability of its operations. Other key institutional anchors include Biloxi Regional Medical Center and Biloxi

Public Schools, which rank 6th and 7th, respectively, among the City's principal employers. Recognizing and supporting the contributions of these institutions will reinforce the role they play in Biloxi's economy, including the important quality of life benefits they provide for residents and businesses. The Regional Medical Center should be encouraged to maintain a strong presence in Downtown Biloxi while medical facilities are developed in Cedar Lake (North Biloxi) and Tradition (Greater Biloxi Planning Area) to serve the growing population in these areas.

The tourism/casino industry, another key economic anchor for the City, should be supported through public/private partnerships and investments in visitor amenities. The key to Biloxi's future growth as a premiere destination will be continued investment in transportation infrastructure, visitor facilities and amenities (e.g., the Convention Center expansion), and a wider range of entertainment/recreation options.

A larger regional asset that could help Biloxi diversify its economy is the cluster of aerospace and shipbuilding industries along the Mississippi Gulf Coast. The John C. Stennis Center, located approximately 50 miles west of Biloxi in Hancock County, contains more than 30 federal, state, academic, and private technology-based organizations. East of Biloxi, the Ingalls shipyard in Pascagoula is Mississippi's largest employer with more than 10,000 workers. The proposed Woolmarket Regional Activity Center or other suitable location with easy access to I-10 should be explored as areas with the potential to attract new and expanding businesses related to these industrial clusters (e.g., specialized manufacturing, research, and development, other light industrial uses). The Center could also include a rail spur to support relocation of the railroad from south of the Bay and encourage economic development.

Objective 8-2. Grow the visitor industry by increasing the range of activities and attractions for individuals and families.

- Action 8-2-1 Promote destination retail and supporting commercial services (e.g., hotels) around Biloxi's visitor facilities to generate visitor spending and economic activity.
- Action 8-2-2 Promote the Convention Center (Mississippi Coast Coliseum) expansion and the facilities being constructed at Harrah's Margaritaville to increase visitation to Biloxi.
- Action 8-2-3 Strengthen Biloxi's cultural/museum district as a mixed-use, entertainment center linked to the Biloxi Peninsula Path.
- Action 8-2-4 Create a variety of new tourist attractions based on Biloxi's unique setting.
- Action 8-2-5 Expand the public marinas and piers on the Peninsula to support Biloxi's recreational boating and fishing opportunities, with the Point Cadet area being a high priority for this investment.
- Action 8-2-6 Partner with the Mississippi Gulf Coast Convention and Visitors Bureau, Biloxi Chamber of Commerce, the Mississippi Gulf Coast National Heritage Area, and other organizations involved in tourism to enhance marketing of Biloxi's attractions as part of a regional marketing strategy.



The Biloxi area has historically been an affordable vacation destination. Since the 1990's, the major attraction has been casino gaming. But the region also offers a beachfront location and other recreational amenities, which are drawing visitors from greater distances and supporting Biloxi's efforts to be a premiere destination.

Increasing amenities that encourage current visitors to extend their stay in the region and/or attract new visitors with more money to spend (e.g., heritage and eco-tourists) should be a priority in order to "grow" Biloxi's tourism industry. Examples of such amenities include marinas and other outdoor recreation opportunities; attractions that showcase Biloxi's unique history and culture; water-related festivals and special events; etc. These opportunities will also stimulate economic activity by positioning Biloxi as a center of activity for the region.

The Convention Center expansion and the Margaritaville Casino and Resort on Beach Boulevard in East Biloxi are the major visitor-oriented projects under development. Additional hotels rooms are needed to support increased visitation, particularly in the area around the Convention Center. Many hotel and motel establishments were destroyed by Katrina, particularly along Highway Boulevard in West Biloxi. In 2007 there were 5,444 hotel rooms in Biloxi compared to the pre-Katrina figure of 9,277 rooms.

Developing additional commercial and entertainment options with physical and programmatic links to the casinos and convention facilities will increase visitor activities and spending. Strengthening linkages between the casinos and Downtown is particularly important (see Objective 8-3 below). Also, providing more non-gaming attractions, such as boating and fishing

facilities and events, will broaden and diversify the City's visitor industry. Biloxi's potential as a major boating destination is limited by the availability of marina space; the rebuilding of facilities destroyed by Katrina should be completed as soon as possible and opportunities sought to develop expanded capacity. The Point Cadet area is a particularly high priority for investment in marina facilities and a venue to accommodate fishing and water-related festivals and special events. Examples of other possible new attractions include a Seafood Village (Action 8-4-3), a bayou recreation and open-air aquarium (possibly connected with a Seafood Village and the Biloxi Peninsula Path), a golf course, and a "Hurricane Hunters" experience based on the 53rd Weather Reconnaissance Squadron at Keesler Air Force Base.

The Mississippi Gulf Coast Convention and Visitors Bureau's website disseminates information on attractions and events along the Gulf Coast and in Biloxi to prospective visitors. This and other websites that promote tourism attractions in the region could be strengthened through increased linkages and focusing on specific segments of the population who might be attracted to Biloxi, such as eco-tourists. Expanded advertising via television, radio, and print media can be used to promote Biloxi and the region as a tourism destination if conducted to reach targeted groups based on a carefully constructed marketing strategy and research. The one percent food and beverage tax is a potential source of revenue for an enhanced marketing campaign. A partnership could also be formed with the casinos to promote the range of activities and attractions available in the area to patrons.

Objective 8-3 Revitalize the Downtown as a mixed-use activity center and destination in the heart of Old Biloxi.

- Action 8-3-1 Focus Downtown retail and restaurant investment in the “Rue Magnolia” shopping district.
- Action 8-3-2 Pursue opportunities for “catalytic” mixed-use development in Downtown Biloxi, with housing concentrated in areas outside of the 100-year floodplain.
- Action 8-3-3 Attract additional destination restaurants to create a restaurant cluster Downtown and provide dinner options for Downtown visitors (e.g., Saenger Theater patrons).

The Downtown epitomizes the heritage of “Old Biloxi.” Restoration and adaptive reuse of traditional Downtown buildings and mixed-use infill development are important revitalization opportunities that can help preserve this unique heritage, provide housing opportunities for nearby workers and others seeking an urban living environment, and offer visitors new entertainment options. Establishing linkages with the nearby casinos per Objective 8-2 and focusing commercial investment in a “Rue Magnolia” destination shopping and restaurant district are key strategies to promote a 24-hour, mixed-use environment for residents and visitors in Downtown Biloxi (see Section 9.5, Downtown Improvement Strategy).

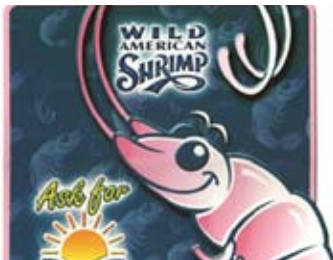
Objective 8-4 Ensure that the commercial seafood industry remains a vital part of Biloxi’s economy, heritage, and appeal as a premiere visitor destination.

- Action 8-4-1 Provide docking space and support facilities on a long-term basis to maintain the Back Bay in East Biloxi as the center of Biloxi’s commercial shrimp fleet and seafood processing industry.
- Action 8-4-2 Expand commercial docking facilities on the Peninsula.
- Action 8-4-3 Implement the proposed Seafood Village on the Back Bay in East Biloxi.
- Action 8-4-4 Revise the Waterfront District in LDO to incorporate standards encouraging waterfront uses.



The seafood industry is key to Biloxi's economy and culture. The total economic impact in the greater Biloxi region was estimated at \$900 million dollars, with over 16,800 workers in 2003, demonstrating the industry's value to the City's economic base. It is also a unique local attraction for tourists visiting Biloxi.

Currently, the industry is struggling due to inexpensive foreign competition and the loss of critical waterfront facilities. Establishing a dedicated commercial seafood processing center, expanded dock capacity, and other support facilities (i.e., ice plants and refueling facilities) are key actions needed to sustain a viable seafood industry in the future. Initiatives such as Wild American Shrimp, which is promoting the superior quality of product from American (South Atlantic and Gulf Coast) waters, is important to increase consumer awareness and demand for native shrimp. Construction of the proposed Seafood Village in East Biloxi would further support both the seafood industry and Biloxi's tourism trade. Finally, the Waterfront (WF) district regulations in the LDO could be revised to provide a greater focus on working waterfront uses, for example by encouraging uses such as commercial docking and "off-the-boat" seafood sales where gaming establishments are permitted along the waterfront.



Objective 8-5 Encourage quality retail opportunities to serve residents' needs, increase the range of visitor activities, and capture tax revenues in locations such as the I-10 interchanges.

- Action 8-5-1 Promote quality, mixed-use development in the centers proposed by the Future Land Use Plan at the I-10 interchanges in North Biloxi (Cedar Lake Road) and Woolmarket (Highway 67).
- Action 8-5-2 Maintain the economic vitality of Edgewater Mall by managing the expansion of potentially competing regional retail uses elsewhere on the Peninsula.
- Action 8-5-3 Target community-level retail investment as part of a mixed-use development strategy along older commercial corridors (e.g., Pass Road) and in Downtown Biloxi.

Biloxi has experienced significant retail investment in recent years and the retail sector has returned to its pre-Katrina levels. The City supports a range of retail establishments, including Edgewater Mall, the Mississippi Coast's largest enclosed mall; community-serving retail development in the Cedar Lake Road area of North Biloxi; and older uses along commercial corridors such as Pass Road.

The retail environment is a dynamic one and businesses in Biloxi face competition from shopping areas located elsewhere in the region. For example, a large commercial/"big box" retail center has been developed in D'Iberville in the vi-

cinity of the I-10/I-110 interchange. However, the key to sustaining a strong retail base is not to compete directly against such developments, but rather to define and pursue strategic “niches” that differentiate Biloxi and reinforce its image as the premiere destination and activity center in the region. Thus the proposed North Biloxi and Woolmarket major mixed-use centers provide the opportunity to create a positive image of Biloxi through quality development at two key “gateways” to the City, utilizing land use policies, regulations, and targeted infrastructure investment. Edgewater Mall’s position as a regional retail destination can be supported by directing land use policies and regulations to differentiate it from other retail areas on the Peninsula (e.g., visitor-oriented uses in the Convention Center District; neighborhood and community-serving uses along Pass Road). As described under Objective 8-3, commercial investment in the Downtown should be targeted to support its development as a unique destination and regional activity center based on Biloxi’s history and heritage. Given the high number of vacant and underutilized properties in Downtown and along Pass Road and other commercial corridors, housing/mixed-use development should be encouraged where feasible to strengthen these areas and increase the local market for neighborhood and community-serving retail uses.

Objective 8-6 Building on the work of the Innovation Center, encourage business startups and “home-grown” entrepreneurial activity.

Action 8-6-1 Support the Innovation Center’s efforts to make potential entrepreneurs aware of the resources and services it offers.

Action 8-6-2 Support establishment of an Innovation Center East Biloxi facility to provide training and support services for local entrepreneurs.

Action 8-6-3 As part of the Innovation Center’s assistance and incentive programs, explore the possibility of some form of cooperative insurance to address the issue of expensive business insurance.

A sustainable economy for Biloxi depends upon a foundation of local enterprises that diversify the City’s economy, provide job opportunities, and “recycle” investments and profits in the region’s economy rather than exporting them elsewhere. Interviews with residents of East Biloxi indicated an interest in starting small businesses (e.g., specialty cuisine) but a need for resources and technical assistance to do so. Recognized as a model for implementing local business development, Biloxi’s Innovation Center offers low-cost rental space, support services, shared conference facilities, counseling, and other assistance for start-up business. However, the Innovation Center’s present location on Popp’s Ferry Road in North Biloxi is not readily accessible to East Biloxi residents. To promote increased small business activity in Biloxi, the City should pursue a partnership with the Center to increase awareness of what it has to offer and to establish a satellite facility that is more accessible to potential entrepreneurs in East Biloxi.

The high cost of insurance is a major obstacle to business development and profitability in Biloxi. While this issue is beyond the capabilities of the City to address, the Innovation Center could explore whether cooperative arrangements or partnerships might be developed to reduce insurance costs for individual businesses.

Objective 8-7 Partner with educational institutions, major employers, and economic development agencies on workforce training and development programs that prepare Biloxi students and residents for employment opportunities in the 21st century.

- Action 8-7-1 Strengthen vocational training programs in the Harrison County and Biloxi School Districts for students not planning to attend college.
- Action 8-7-2 Implement career ladder programs and entry level job opportunities that support Biloxi’s major economic clusters with in partnership with public schools and major employers.
- Action 8-7-3 Increase the entrepreneurial training courses offered by area educational institutions in partnership with the Greater Biloxi Economic Development Foundation.

Increased coordination between Biloxi’s educational institutions and major employers (Keesler Air Force Base, Biloxi Medical Center, etc.) can be directed to create job opportunities for new workers in regional economic sectors such as medical services and aerospace. Harrison County Public Schools is planning to develop a “workforce training academy” tied to regional industry “clusters” (tourism, metal trades, and the aerospace industry); the Biloxi Public School District should also consider such a facility. Entrepreneurial training and small business development programs offered through area schools and colleges should also be increased. A good example is the University of Southern Mississippi’s (with the assistance of the Innovation Center) Southern Youth Entrepreneurship program of entrepreneurial studies in area high schools. In addition to an entrepreneurial curriculum, this program sponsors a business plan writing contest and a one-year scholarship for the winners at the Innovation Center.

