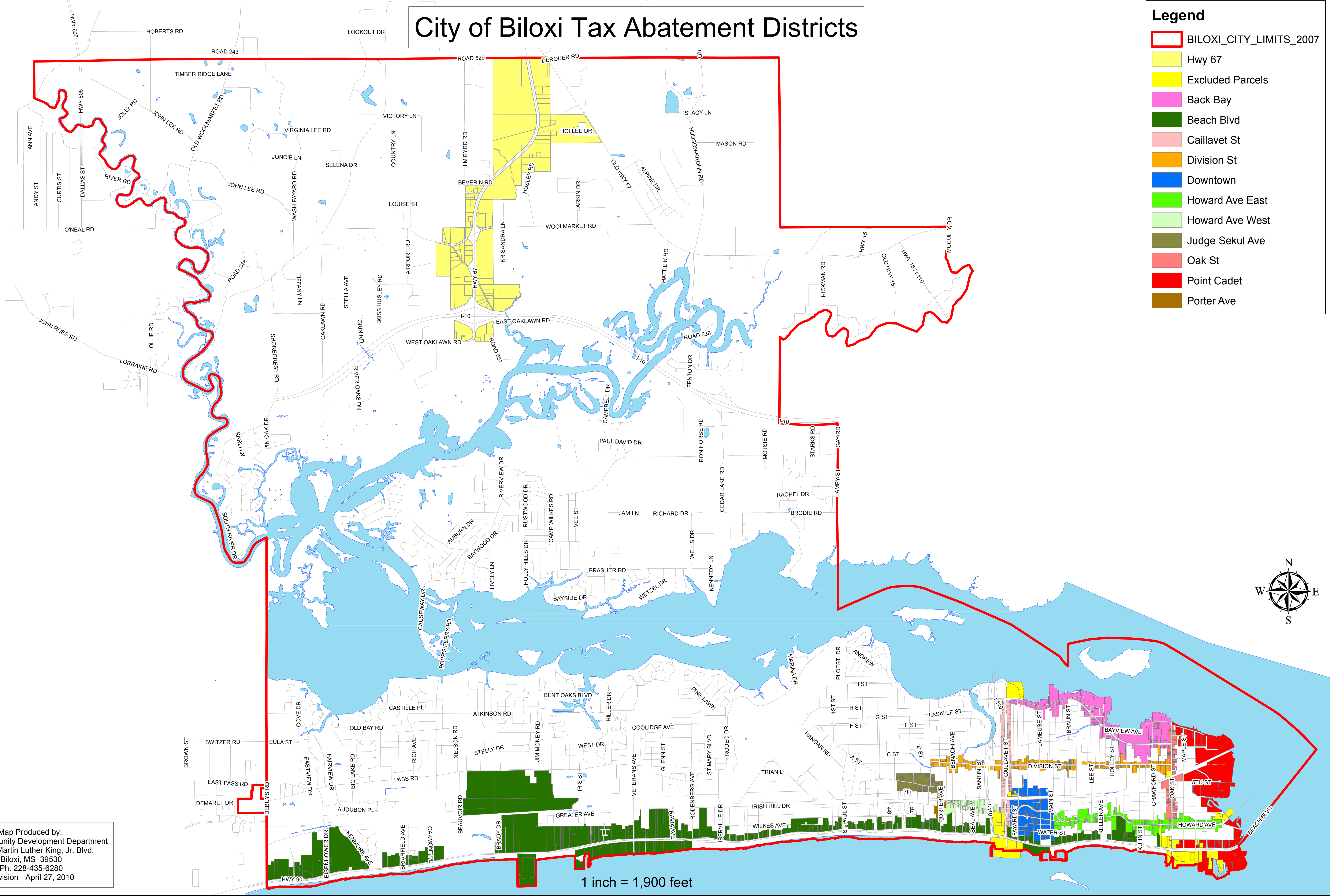


City of Biloxi Tax Abatement Districts

- Legend**
- BILOXI_CITY_LIMITS_2007
 - Hwy 67
 - Excluded Parcels
 - Back Bay
 - Beach Blvd
 - Caillavet St
 - Division St
 - Downtown
 - Howard Ave East
 - Howard Ave West
 - Judge Sekul Ave
 - Oak St
 - Point Cadet
 - Porter Ave



Map Produced by:
 Biloxi Community Development Department
 676 Dr. Martin Luther King, Jr. Blvd.
 Biloxi, MS 39530
 Ph. 228-435-6280
 Revision - April 27, 2010

1 inch = 1,900 feet

Ordinance No. 2155

ORDINANCE ESTABLISHING DISTRICT TO ENABLE UTILIZATION OF TAX EXEMPTION PROVISIONS OF SECTION 17-21-5(2), MCA; ESTABLISHING CRITERIA FOR UNIFORM PROCESSING OF QUALIFIED APPLICATIONS FOR SUCH TAX EXEMPTIONS; AND URGING THE HARRISON COUNTY BOARD OF SUPERVISORS TO PROVIDE SIMILAR EXEMPTIONS TO QUALIFIED APPLICANTS;

WHEREAS, the Legislature of the State of Mississippi has provided a mechanism to encourage the economic revitalization of certain areas of municipalities through the granting of ad valorem tax exemptions for the promotion of business and commerce; and,

WHEREAS, certain areas within the City of Biloxi are in need of redevelopment following the removal of many structures due to damage from Hurricane Katrina, and are facing economic hurdles to such redevelopment stemming from the economic after effects of that storm; and,

WHEREAS, due to the effects of Hurricane Katrina those areas of higher ground in the City of Biloxi which historically provided the backbone and lifeblood of the City's economy, and which were in need of economic revitalization for many years, have again become important areas for restoration and redevelopment; and,

WHEREAS, many of these under-redeveloped areas comprise the face that the City of Biloxi presents to the public, particularly the patrons of the City's hospitality trade, while others should be returned to their former function as the core of the peninsula's local economy; and,

WHEREAS, the current national economic climate has further impeded the economic growth and recovery of the City of Biloxi, resulting in other areas in need of this incentive program; and,

Ordinance No. 2155

WHEREAS, all of those areas could benefit from the implementation of this incentive program through ad valorem tax exemptions for buildings with commercial uses, which would in turn provide another wave of redevelopment and recovery in the City and assist the City in pulling itself out of the national recession; and,

WHEREAS, it would be in the best interest of the City of Biloxi as a whole to encourage the economic revitalization of certain geographic areas and to facilitate the diversification of the local economy so that non-gaming economic enterprises may remain a vital part of the local economy; and,

WHEREAS, in order to have the authority to grant ad valorem tax exemptions as contemplated by Section 17-21-5, MCA, the City of Biloxi must designate the geographic boundaries of any "business improvement district" which it intends to include in this program; and,

WHEREAS, in order to fairly and equitably implement these contemplated tax abatement policies for buildings with commercial uses the City should establish certain criteria to utilize in evaluating applications for exemption to determine whether they should be granted or denied, and to determine the appropriate duration of any exemption granted; and,

WHEREAS, in order to maximize the redevelopment incentive intended by this ordinance, a similar exemption policy should be adopted by the Harrison County Board of Supervisors with respect to county ad valorem taxes;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, AS FOLLOWS:

Ord. No. 2155

SECTION ONE: The Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment Plan, a copy of which is attached as an Exhibit hereto and incorporated herein as if set out word for word, is hereby adopted by the City of Biloxi as a business improvement plan as contemplated by Section 17-21-5(2), Mississippi Code of 1972, as amended. By adopting this Plan the City of Biloxi has thereby created the Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment District, as defined in said Plan.

SECTION TWO: The Code of Ordinances of the City of Biloxi, Mississippi, (1992) is hereby amended by adding the following provisions:

1. **Purpose and goals of the tax exemption program.**

The purpose of the ad valorem tax exemptions which are authorized in this ordinance is to promote business, commerce, or industry in the designated district. The goals of the tax exemption program are: to facilitate the reconstruction and redevelopment of those parts of the commercial and hospitality industry and business community which were most seriously affected, both directly and indirectly, by Hurricane Katrina; to help offset current economic disincentives to the reconstruction and redevelopment of those areas; to attract quality retail businesses, restaurants, hotels, entertainment and cultural activities within the district; and to create the synergy of related development that is essential to the success of both the hospitality industry and other commercial businesses.

2. **District Boundaries.** For the limited purpose of implementing Section 17-21-5(2), Mississippi Code of 1972, as amended, the area described on the map attached hereto as Exhibit "A", is hereby designated as the Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment District, a "business improvement district" in the City of Biloxi as contemplated by said statute. By way of illustration, that would include the Back Bay area, the Beach Boulevard area, the Caillavet Street area, the Division Street area, the Howard Avenue areas (both East and West), the Downtown area, the Judge Sekul Avenue area, the Oak Street area, the Porter Avenue area, the Point Cadet area, and the Woolmarket Road area..

3. **Qualification for Exemption.**

Ord. No. 2155

(a) As required by statute, only new or renovated structures which are found to be aiding and implementing the promotion of business, commerce, or industry in the designated district may qualify for an exemption under this ordinance. Renovations, construction, and reconstruction for which building permits have been issued prior to the passage of this ordinance by the City Council shall not qualify for the exemption.

(b) All structures used for residential purposes do not qualify for an exemption under the terms of this ordinance. Structures which are within the boundaries of the district described by this ordinance and are also within a zoning district which permits mixed uses (meaning a commercial use and a residential use within a single structure), may also qualify for an exemption under this ordinance. To qualify, all construction and usage must be in conformity with the Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment Plan.

(c) No exemption shall be granted except upon written application submitted to the Municipal Clerk, and upon the adoption of a resolution by the City Council finding that the construction, renovation, or improvement of the subject property is for the promotion of business, commerce or industry in the Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment District. The City Council shall have sole discretion to approve each and every qualifying and conforming application for tax exemption.

4. Terms of Tax Exemption.

(a) Calculation of the increase in assessed value. The increase in assessed value qualifying for the tax exemption shall be calculated by taking the assessed value of the improvements (if any) on the parcel for the year prior to the renovation, reconstruction, or new construction, and subtracting it from the assessed value of the completed improvements as they appear on the Harrison County Land Roll (after completion and re-assessment). The tax rate applicable to the land and the assessed value of the land shall not be affected by this program, nor shall the land be exempt from municipal taxation. As provided by statute, the qualifying improvements shall not be exempt from school district taxes.

(b) Tax exemptions granted by the City Council pursuant to this program shall be for a period of up to seven (7) years, and for up to one hundred (100%) percent of the amount of the potential exemption.

5. Taxes included in exemption. Exemptions granted by the City Council pursuant to this ordinance shall be from the municipal ad valorem taxes designated in Section 17-21-5(2), Mississippi Code of 1972, as amended, which specifically prohibits exemption from ad valorem taxes for school district purposes. Exemptions may not be granted for taxes previously pledged pursuant to any Tax Increment Finance Plan and associated TIF Bonds.

Ord. No. 2155

6. Reservation of authority to suspend or terminate the economic incentive program.

(a) The City of Biloxi hereby reserves the right to suspend or terminate this economic development program at any time, without cause.

(b) Suspension or termination of this economic development program shall not invalidate or revoke exemptions previously granted, which will survive the suspension or termination of the program and shall continue for the remainder of their designated terms. However, no new ad valorem tax exemptions shall be granted during any such period of suspension or after termination regardless of the qualifications of the project or the fact that without the suspension or termination the applicant would have been granted the exemption. This ordinance shall not be construed as a guarantee of an exemption or the grant to any person or entity of a property right in an exemption.

SECTION THREE: The Harrison County Board of Supervisors is hereby requested to enacted tax exemption policies, to fullest extent authorized by law, similar to those adopted by this ordinance in order to maximize the effect of the economic redevelopment incentives intended by this ordinance.

SECTION FOUR: This ordinance shall be effective one (1) month after its adoption or as soon thereafter as is legal, provided this ordinance is certified, signed, and published as provided by law.

The foregoing Ordinance having first been reduced to writing, was read by the Clerk and moved by Councilmember Gemmill seconded by Councilmember Griffith and was adopted by the following vote:

YEAS:	Lawrence	Wall	NAYS:	None
	Stallworth	Gemmill		
	Denton	Fayard		
	Griffith			

The President then declared the Ordinance adopted, as amended, this the 27th day of April, 2010.

Ord. No. 2155



ATTEST:

APPROVED:

Karen Brushier
CLERK OF THE COUNCIL

[Signature]
PRESIDENT OF THE COUNCIL

Submitted to and approved by the Mayor, this the 29th day of April, 2010.

APPROVED:

[Signature]
MAYOR

POST-KATRINA COMMERCIAL AND HOSPITALITY INDUSTRY ECONOMIC RECOVERY AND REDEVELOPMENT PLAN

(A Business Improvement District Plan
Pursuant to Section 17-21-5, MCA)

A. Introduction.

The City of Biloxi is utilizing Section 17-21-5, Mississippi Code of 1972, as amended, in an effort to encourage and assist the revitalization of some of the areas most seriously affected by Hurricane Katrina. While great strides have been made in the first phase of economic recovery and revitalization through extensive clean-up efforts and the process of repairing and replacing vital infrastructure, the return of the hospitality industry to those areas made an encouraging beginning but has stalled due to a myriad of adverse economic factors. The purpose of the plan is to provide incentives for reigniting the recovery of the hospitality industry and the other commercial enterprises which complement and supplement those businesses. Although the plan is designated by reference to the hospitality industry, its purpose is to promote and facilitate all business, commerce, and industry within the district boundaries.

B. Statutory component of the plan.

The Legislature has provided Section 17-21-5, MCA, as a tool for municipalities to accomplish the goals of this plan. That statute requires the creation or designation of a business improvement district and development that promotes business, commerce, or industry. The incentive provided is the potential exemption from municipal ad valorem taxes (excluding school district taxes) for new construction, repairs, and renovations that meet the criteria.

C. Municipal funding of the plan.

Unlike many other government redevelopment plans, this business improvement district plan does not require municipal funding. Infrastructure improvements to the area are already planned or implemented through federal, state, and local disaster recovery efforts.

D. Administration and implementation.

As the plan is based upon ad valorem tax exemptions, it is implemented through the adoption of an ordinance authorizing the granting of the ad valorem tax exemptions.

Other than that, it is essentially self administering and implementing. Tax exemptions must be initiated by application submitted by the property owner. They are processed by the City Administration and presented to the City Council for consideration. Existing municipal personnel and processes will be utilized to implement the plan.

E. Conformity with the City's Comprehensive Plan.

All construction, repairs, and renovations must be made in accordance with all applicable municipal codes and ordinances. As a result, they shall be consistent with and in conformity with both the City's Comprehensive Plan and the City's Land Development Ordinance.

F. Business Improvement District boundaries.

The boundaries of the Post-Katrina Hospitality Industry Economic Redevelopment and Recovery District (the Plan's business improvement district as contemplated by Section 17-21-5, MCA), is defined with particularity in the attached exhibit. In general terms it includes the commercially zoned areas most affected by the tidal surge of Hurricane Katrina, but excludes any particular parcels subject to any bond covenants pledge which prohibits the exemption of incremental tax revenues.

G. Planning and development goal of the Plan.

The hospitality industry is unique in some respects in that it often thrives where there is a critical mass of businesses which might otherwise be considered as competition. Although some elements of the hospitality industry have returned, the City is still in need of the critical mass that existed prior to the disaster. The attraction of the sand beach is not enough; hotels, motels, restaurants, places of entertainment, amusement sites, and retail vendors are needed to return in numbers to the areas they formerly occupied. When that indefinable moment of the achievement of critical mass in the industry is reached, the plan may be considered successful and terminated.

H. Plan termination.

As the plan is initially implemented by the adoption of an ordinance, the City Council may suspend or terminate the plan at any time.