

CITY OF BILOXI
AGENDA ITEM
FACT SHEET

Item No.: 5F

Council Meeting Date: June 2, 2020

ITEM TITLE: RESOLUTION

INTRODUCED BY: Mayor Andrew "FoFo" Gilich

CONTACT PERSON: E. Michael Leonard, CAO *em*
Peter Abide, City Attorney

SUMMARY EXPLANATION:

Resolution supporting the Broadwater Development as a qualified project in accordance with 57-26-1 Et. Seq. of the Mississippi Code of 1972, as amended, and acknowledging that sales tax collected from the project will be diverted to the Tourism Project Sales Tax Incentive Fund as per the Mississippi Tourism Rebate Program

Resolution Ordinance _____ Public Hearing _____ Routine Agenda _____

Exhibits for Review

Contract _____ Minutes _____ Plans/Maps _____ Deed _____ Lease _____

Other (Specify):

Submittal Authorization: Council President _____ Mayor

STAFF RECOMMENDATION: Staff recommends approval

COUNCIL ACTION: Motion By: _____ Second By: _____

Vote:	<u>Councilmember</u>	<u>Yes</u>	<u>No</u>	<u>Other</u>	<u>Councilmember</u>	<u>Yes</u>	<u>No</u>	<u>Other</u>
	Lawrence	___	___	___	Tisdale	___	___	___
	Gines	___	___	___	Glavan	___	___	___
	Newman	___	___	___	Barrett	___	___	___
	Deming	___	___	___				

ACTION TAKEN:

pa/km061620aleg

Resolution No.

RESOLUTION SUPPORTING THE BROADWATER DEVELOPMENT AS A QUALIFIED PROJECT IN ACCORDANCE WITH 57-26-1 ET. SEQ. OF THE MISSISSIPPI CODE OF 1972, AS AMENDED, AND ACKNOWLEDGING THAT SALES TAX COLLECTED FROM THE PROJECT WILL BE DIVERTED TO THE TOURISM PROJECT SALES TAX INCENTIVE FUND AS PER THE MISSISSIPPI TOURISM REBATE PROGRAM, AND FOR RELATED PURPOSES.

WHEREAS, Broadwater Development, LLP (the “Developer”) plans to redevelop the former Broadwater Beach Resort into 266 acre resort and casino with a golf course, spa, full-service hotel, related amenities and on and off-site improvements in support of the development (the “Project”); and

WHEREAS, the Developer estimates the Project will cost in excess of \$1.1 Billion Dollars in private investment and employ approximately 2,557 full and part-time employees upon full operation; and

WHEREAS, the Developer seeks to receive assistance for the Project through the Mississippi Tourism Project Incentive Program (“TIP”) as codified in 57-26-1 et seq. of the Mississippi Code of 1972, as amended and supplemented from time to time (the “Tourism Act”); and

WHEREAS, the Project is an eligible “tourism project” under the Tourism Act and can participate in the Program as an indoor or outdoor entertainment centers or complex, a golf course and as a marina with a minimum private investment of not less than Ten Million Dollars (\$10,000,000); and

WHEREAS, under the Tourism Act, the Project can participate in the Program as a full service hotel with a minimum private investment of Forty Million Dollars (\$40,000,000) in land, buildings, architecture, engineering, fixtures, equipment,

furnishings, amenities and other related soft costs approved by the Mississippi Development Authority, and having a minimum private investment of One Hundred Fifty Thousand Dollars (\$ 150,000) per guest room which amount shall be included within the minimum private investment of Forty Million Dollars (\$40,000,000); and

WHEREAS, the Project is expected to create a substantial level of retail sales that the Developer would be able to recapture as a result of the aforementioned rebate program; and

WHEREAS, pursuant to Section 57-26-3 of the Tourism Act, the rebate to the Developer will be approximately 80% of the amount of sales tax revenue collected from the operation of the tourism project, after making the diversions required in *Section 27-65-75(7)* and (8), of which payments will be limited to 30% of approved project costs or for the prescribed rebate term, whichever occurs first; and

WHEREAS, the rebate payments to Developer will be made on a semi-annual basis in January and July of each year; and

WHEREAS, the Developer requests that sales tax revenues collected from the operation of the tourism project be diverted to the Tourism Project Sales Tax Incentive Fund and for the prescribed rebate term in accordance with the Tourism Act.

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

SECTION 1: The findings, conclusions, and statements of fact contained in the preamble of this resolution are hereby adopted, ratified, and incorporated herein.

SECTION 2: The City hereby supports the tourism designation for the Project in accordance with the requirements as set forth in the Tourism Act.

SECTION 3. The City hereby approves the tourism designation for the Project in accordance with the requirements as set forth in the Tourism Act.

SECTION 4. The City hereby authorizes the diversion of sales tax revenues collected from the operation of the tourism project to the Tourism Project Sales Tax Incentive Fund and for the prescribed term as set forth in the Tourism Act.

SECTION 5. The Mayor and Municipal Clerk are authorized to execute and deliver all instruments necessary and proper to carry out the purpose of this resolution.

SECTION 6: This resolution shall take effect and be in force from and after adoption.