

**CITY OF BILOXI
AGENDA ITEM
FACT SHEET**

Item No.: 4G

Council Meeting Date: May 19, 2026

ITEM TITLE: RESOLUTION
INTRODUCED BY: Mayor Andrew "FoFo" Gilich
CONTACT PERSON: Richard Weaver, Chief Administrative Officer
 Peter Abide, City Attorney

SUMMARY EXPLANATION:

Resolution granting tax exemption pursuant to an application filed by Pierotich Properties and/or BLX2, LLC for property located at 716 Beach Boulevard, Biloxi, Mississippi 39530, Tax Parcel No. 1410K-03-072.000

Resolution Ordinance _____ Public Hearing _____ Routine Agenda _____

Exhibits for Review

Contract Minutes _____ Plans/Maps _____ Deed _____ Lease _____

Other (Specify): Exhibit A: Application

Submittal Authorization: Council President _____ Mayor

STAFF RECOMMENDATION: Staff recommends approval

COUNCIL ACTION: Motion By: _____ Second By: _____

Vote:	Councilmember	Yes	No	AFR	ABST	Councilmember	Yes	No	AFR	ABST
	Gray	_____	_____	_____	_____	Tisdale	_____	_____	_____	_____
	Marshall	_____	_____	_____	_____	Glavan	_____	_____	_____	_____
	Nail	_____	_____	_____	_____	Shoemaker	_____	_____	_____	_____
	Creel	_____	_____	_____	_____					

ACTION TAKEN:

Resolution No.

RESOLUTION GRANTING TAX EXEMPTION PURSUANT TO AN APPLICATION FILED BY PIEROTICH PROPERTIES AND/OR BLX2, LLC FOR PROPERTY LOCATED AT 716 BEACH BOULEVARD, BILOXI, MISSISSIPPI 39530, TAX PARCEL NO. 1410K-03-072.000

WHEREAS, an application has been made by Pierotich Properties and/or BLX2, LLC for tax exemption, pursuant to Section 19-1-6 of the City of Biloxi Code of Ordinances (Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment Plan) for property located at 716 Beach Boulevard, Biloxi, Mississippi 39530, Tax Parcel No. 1410K-03-072.000 (the proposed site of Sharkheads Downtown);

WHEREAS, the application, copy of which are attached hereto as Exhibit "A", is for construction of a new commercial building and improvements to property and land located in the Post-Katrina Commercial and Hospitality Industry Economic Recovery and Redevelopment District as required in Section 19-1-6(b) of the Code of Ordinances of 1992 as amended;

WHEREAS, the proposed development meets the qualifications for exemption as set out in Section 19-1-6(c);

WHEREAS, the proposed development is in accordance with the goals of the Post-Katrina Commercial and Hospitality Industry Economic Recovery and Predevelopment Plan as set forth in Section 19-1-6(a); and

WHEREAS, the Mayor and Biloxi City Council regarding the proposed development have determined that granting the exemption is in the public interest, because the data and information in the application are sufficient to show that the exemption is necessary to incent the applicant to invest in and construct the improvements.

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

SECTION ONE: The factual determinations and statements of fact set out in the above preamble are hereby adopted and ratified.

SECTION TWO: Pursuant to Section 19-1-6, City of Biloxi Code of Ordinances of 1992 as amended, the construction, renovations and redevelopments of the structures and improvements on the land located at 716 Beach Boulevard, Biloxi, Mississippi 39530, Tax Parcel No. 1410K-03-072.00, is hereby declared to promote commercial and business community economic recovery and redevelopment.

SECTION THREE: Pursuant to Section 19-1-6, City of Biloxi Code of Ordinances of 1992 as amended, fifty percent (50%) of the increase in assessed value of the improvements as a result of the proposed renovations and improvements on the land located at 716 Beach Boulevard, Biloxi, Mississippi 39530, Tax Parcel No. 1410K-03-072.00, is hereby declared exempt from municipal ad valorem taxes (excluding ad valorem taxes for school district purposes) for a period of five (5) years. The exemption period will begin upon the date of completion and re-assessment of the improvements as determined by the City. The increase in assessed value qualifying for the tax exemption shall be calculated by taking the assessed value of the improvements on the parcel for the year prior to the construction of the proposed improvements 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 assessed value of the increased improvements, as calculated by the applicant is \$682,035.00. The tax rate applicable to the land and structures in existence prior to the improvements to be made according to the application 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.

SECTION FOUR: Within thirty (30) days after the second anniversary of completion of construction as determined by the City, applicant shall provide to the Mayor and City Council a report showing reasonable and sufficient proof of creation and actual existence, on the date of the report, of the number of new permanent jobs promised by the applicant in paragraph 8 of the application, and if the applicant fails to provide such proof reasonably acceptable to the City, the exemption shall be cancelled for the three remaining tax years.

SECTION FIVE: The Clerk of Council is hereby authorized and directed to send a certified copy of this Resolution to the Tax Assessor and Tax Collector of Harrison County so that the intent of this resolution can be implemented.

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



City of Biloxi, Mississippi
Application for Tax Exemption
(Filing is Mandatory for Exemption)

INSTRUCTIONS: The owner of the property must be the applicant signing and filing this application. File the original and two (2) copies of this form and all attachments with Stacy Thacker, Municipal Clerk of the City of Biloxi, 2nd Floor, City Hall, 140 Lameuse Street, Biloxi, Mississippi 39530. If you have questions regarding the completion of this form, please contact the Legal Department at (228) 435-6256.

To be completed by the Municipal Clerk	
Signature of Municipal Clerk	Date received by Municipal Clerk
	Date forwarded to Mayor's Office
Signature of Council Clerk	Date submitted to City Council

APPLICANT INFORMATION:
All boxes must be completed.

1. Name of property owner. (Applicant must be the fee-simple owner of the property or a tenant of a ground lease. If the applicant is a tenant of a ground lease, the landlord must also sign this application.)	
Pierotich Properties / JJ Pierotich Managing member	
2. Property Address (City, State, Zip Code or real property location)	3. Number of years and percentage of assessed value requested for exemption (1 to 5 years; 0%-100%).
716 Beach Blvd Biloxi, ms 39531	5 years - 50%
4. The Application shall contain or be accompanied by a general description of the project and the proposed use of the land and improvements. Attach additional page(s) if more room is needed. Such description should include the following:	
<input type="checkbox"/> A description of the general nature and extent of the restoration, replacement, or new construction to be undertaken.	
<input type="checkbox"/> The total estimated cost of improvements and the total equity to be invested in the project	
<input type="checkbox"/> Estimate of the project's impact on the local economy.	
<input type="checkbox"/> The applicant's five (5) year business plan.	
<input type="checkbox"/> The applicant's estimated return on private investment (ROI), with and without the requested <i>ad valorem</i> tax exemption.	

- The applicant's sources and uses of funds.
- Cash flow projections for the applicant, with and without exemption, for five (5) years.
- Projections of new tax revenue generated by the project and supporting data for estimates of sales tax, gaming tax, and property tax expected to be generated by the project (assuming the requested tax exemption is granted).
- The likely true value of improvements (once the project is completed) and assessed value of the improvements, based on consultation with the Harrison County Tax Assessor.

5. State your calculation of the total estimated taxes for 5 years for which you are applying for exemption.

See attached

6. Indicate the time schedule for start and finish of construction installation. Projects must be completed to receive a tax exemption. Any exemption will become effective only after completion of construction and receipt of an official Certificate of Occupancy from the City of Biloxi.

Begin Date(M/D/Y) End Date (M/D/Y)

Real Property Improvements _____

Owned Leased

7. Do you understand that school district taxes are not affected by this tax exemption application?

Yes No*

* A "No" response will result in the return of your application until such time as this exception to the tax exemption ordinance is acknowledged.

8. For existing businesses, please provide the number of existing jobs at this facility that will be retained after completion of construction.

9. Number of permanent new jobs this facility is expected to create within two (2) years of completion of construction.

20-30

10. Will preference in hiring be given to local residents for permanent jobs?

Yes

11. If so, please estimate the number of local residents that will be employed and the percentage of local residents employed in relation to the overall number of employees.

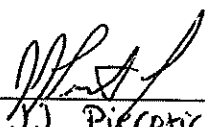
100%

<p>12. What are the wage rates for each category of permanent jobs created by the project (attach additional pages if needed)?</p> <p><i>12-17 per hour plus Bonus and Benefits</i></p>	<p>13. Number of construction jobs expected for construction of this facility.</p> <p><i>25-50</i></p>
<p>14. Will local residents be employed for construction?</p> <p><i>Yes</i></p>	<p>15. If so, please estimate the number of local residents that will be employed in construction and the percentage of local residents employed in relation to the overall number of construction jobs.</p>
<p>16. Do you anticipate that this facility will use construction materials purchased locally?</p> <p><i>Yes</i></p>	<p>17. If so, estimate the dollar amount of locally purchased construction materials.</p>
<p>18. Does the applicant represent that the project cannot go forward without an exemption? Please provide a detailed explanation regarding your answer. Attach any documentation from lenders and investors that may support your representation that the project would not go forward without the exemption. Attach additional page(s) if more room is needed.</p> <p><i>See attached letter</i></p>	
<p>19. The assessed value data below must be as of December 31 of the year prior to rehabilitation, renovation or expansion. Attach a copy of the Tax Assessor's card or record for this tax parcel(s).</p> <p style="text-align: center;"><i>See attached</i></p> <p>a. AV of Real Property (Land Only).....\$ _____</p> <p>b. AV of Current Improvements, if any (Excluding Land).....\$ _____</p> <p>c. Total AV.....\$ _____</p>	
<p>20. State the site address of the development and attach a map showing the site.</p> <p><i>716 Beach Blvd</i> <i>Biloxi, MS 39531</i></p>	
<p>21. The following documentation is not required but will assist in a determination regarding exemption:</p> <p><input type="checkbox"/> Market and feasibility analysis.</p> <p><input type="checkbox"/> Analysis of current market saturation for like businesses and the impact of the project on other existing businesses of like nature.</p>	
<p>22. Do you understand that if the requested exemption is granted, failure to achieve your stated representation of permanent jobs to be created within two years (paragraph 8 herein) in this application will result in the revocation of the exemption? Revocation means that the applicant will be required to pay the full sum of all <i>ad valorem</i> taxes for all years in which the exemption was in place and for all years thereafter.</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No*</p> <p>* A "No" response will result in the return of your application.</p>	

APPLICANT CERTIFICATION.

Complete all boxes.

The undersigned, individual owner(s) of the property, or an authorized officer of the company that owns the property, certifies that, to the best of his/her knowledge, no information contained herein, or in the attachments hereto, is false in any way and all information is truly descriptive of the property and the development for which this application is being submitted.

Applicant Name(s) <i>Pierotich Properties</i>	Telephone Number(s) <i>228-365-3541</i>	Fax Number
Name(s) of Contact Person <i>JJ Pierotich</i>	E-mail Address(es) <i>JJ@sharkheads.com</i>	Mailing Address (Street, City, State, Zip Code) <i>1703 Beach Blvd Biloxi, ms 39531</i>
Name of Company Officer, including title <i>JJ Pierotich - President</i> <i>Brent Pierotich - VIP</i>		
Signature and Date  Date: <u><i>5/12/26</i></u>		
Print Name: <u><i>JJ Pierotich</i></u>		

LOCAL GOVERNMENT ACTION AND CERTIFICATION.
 Complete all boxes.

This section must be completed by the Municipal Clerk of the City of Biloxi before submitting the application to the Harrison County Board of Supervisors. The documents supporting the application should also be submitted to the Harrison County Board of Supervisors.

<p>23. Action taken by the Biloxi City Council:</p> <p><input type="checkbox"/> Exemption approval for ____ years of ____ (1 to 100%) of AV of improvements after completion (Include Resolution approving exemption on _____, 20____.)</p> <p><input type="checkbox"/> Denied (Include Resolution denying on _____, 20____.)</p>	<p>24. The following documents are to be attached when this application is filed with the Harrison County Board of Supervisors:</p> <p><input type="checkbox"/> A true and correct copy of the application plus attachments; and</p> <p><input type="checkbox"/> A certified copy of the Resolution of the Biloxi City Council approving/denying this application.</p>
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Attached hereto is a true and correct copy of the application and all documents listed in 27 above. I also certify that the original of said application and its attachments are on file in the Office of Municipal Clerk, City of Biloxi.

Municipal Clerk of the City of Biloxi: Mail a true and correct copy of the application and all attachments, along with a certified copy of the Resolution of the Biloxi City Council approving/denying this application to:

Honorable John McAdams
 Clerk of the Harrison County Board of Supervisors
 Physical Address: 1801 23rd Avenue, Gulfport, Mississippi 39501
 Mailing Address: Post Office Drawer CC, Gulfport, Mississippi 39503

Applications shall be sent via certified mail or hand delivered to Hon. John McAdams with receipt acknowledged below.

Name	Title	Date of Receipt of Application and Attachments

The Pierotich family owns and operates two souvenir retail businesses in Biloxi. When we realized the property at 716 Beach Blvd was for sale, we thought the location would be perfect for an expansion. We purchased the property in 2018 and began working on plans for "Sharkheads Downtown" to be built on the property.

We have faced many obstacles after the property was purchased. The Alge bloom of 2019 was a terrible year for our business, then the COVID outbreak of 2020-2021 added another couple years of chaos. We decided to table the project until things calmed down and got back to normal. Sometime around 2024 we felt like the time was right to get back to work on Sharkheads Downtown. We have been through multiple designs and have finally found one that we love and a builder we believe can build it.

Between the time that the property was purchased in 2018 and when we finally got a design that we love, a lot of other things happened that would turn into additional obstacles. Inflation jumped and building cost is at an all-time high. We originally wanted to keep the total cost of the project in the 4M-5M range. Due to timing and the other factors listed, the total project cost has come closer to 8M.

We really want to build the project. We estimate the new store will add another 20-30 full time jobs in addition to the 40-60 jobs already created by the two other existing souvenir businesses. We are asking the city for help through the commercial property tax abatement program to offset increased expenses and allow the project to happen.

Please feel free to reach out with any questions or concerns. Our family is lifelong Biloxi residents and want to grow our company in Biloxi. We feel like getting help with the property tax incentive would be the only way this project can happen due to the increased cost of the project.

Thank You

Brent Pierotich

Brent@sharkheads.com

228-596-5482

Sharkheads Downtown Tax Abatement

5 year Tax Abatement		Abatement 50%
Assessed Value - Original	\$67,965.00	
Assessed Value - Proposed	\$750,000.00	(Based on \$5MM)
Captured Assessed Value	\$682,035.00	
City Ad Valorem	\$20,529.25	\$10,264.63
County Ad Valorem	\$24,894.28	<u>\$12,447.14</u>
		\$22,711.77
Term of 5 years		\$113,558.83



Sharon N. Barnett
Harrison County
Tax Collector
 PO Box 1270
 Gulfport MS 39502

Real Property
Tax Notice
 Tax Year 2025

RETURN SERVICE REQUESTED

108224



BLX2 LLC
 1703 BEACH BLVD
 BILOXI MS 39531

55323

This courtesy tax notice is for Real Property Taxes. You can pay in person, on line by using the QR Code or by mailing a check to the address above. You may reach us by calling 228-385-4040 option 3 or by text at 228-236-5379. Always include a phone number with your payment when mailing a check. You will need to indicate to us if you've updated your mailing address.

PPIN	084956	Description
Parcel Number	1410K-03-072.000	
Acres	0.00	
True Value	453,100	DR: 2018-0002080-D-J2 09/13/2018-WD
Assessed Value	67,965	BEG INTERSECTION W LINE OF LAMEUSE
County Tax	2475.29	ST & N LINE U S 90 N 181.2 FT W
School Tax	3075.42	196.6 FT S 150 FT TO U S 90 ELY
City Tax	2045.75	196.8 FT TO POB SB/130.5
Homestead Credit	0.00	SEC 27-7-9
Net Advalorem Tax	7596.46	S/T/R 33-07 -09
TOTAL TAXES DUE	\$7,596.46	716 BEACH BLVD
		Due on or before February 1, 2026

TAX DISTRICT 1B

Delinquent after February 1, 2026.

Keep this portion for your records