

**CITY OF BILOXI
AGENDA ITEM
FACT SHEET**

Item No.:

5K

Council Meeting Date:

July 28, 2026

ITEM TITLE: RESOLUTION

INTRODUCED BY: Mayor Andrew "FoFo" Gilich

CONTACT PERSON: Richard Weaver, Chief Administrative Officer

Peter Abide, City Attorney

SUMMARY EXPLANATION:

Resolution authorizing entry into a Lease Agreement with the Mississippi Coast Transit Authority for certain real property located on Martin Luther King, Jr. Boulevard

Resolution ☒ Ordinance ☐ Public Hearing ☐ Routine Agenda ☐

Exhibits for Review

Contract ☒ Minutes ☐ Plans/Maps ☐ Deed ☐ Lease ☐

Other (Specify): Exhibit A: Lease Agreement

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:

072826kcon

Resolution No.

RESOLUTION AUTHORIZING ENTRY INTO A LEASE AGREEMENT WITH THE
MISSISSIPPI COAST TRANSIT AUTHORITY FOR CERTAIN REAL PROPERTY
LOCATED ON MARTIN LUTHER KING, JR. BOULEVARD

WHEREAS, the City of Biloxi (the City”) is the fee simple owner of certain real property located on the north side of Martin Luther King, Jr. Boulevard, currently in use as a public parking lot (the “City Property”);

WHEREAS, Mississippi Coast Transit Authority (“MCTA”) desires to lease the City Property and utilize such property as a parking area for its and its sub-tenants use;

WHEREAS, MTCA is a political subdivision of the State of Mississippi;

WHEREAS, the Mississippi Attorney General has opined that “With respect to the authority to waive a rental fee to another governmental entity, we have previously opined that the Mississippi Constitution specifically prohibits the donation of land owned or controlled by the state to ‘private corporations or individuals’ but offers no impediment to such to other public entities” and that “Thus, we are of the opinion that the agency may waive the lease fee for other governmental entities” [Spell (March 30, 2007)];

WHEREAS, under the terms and conditions of the Lease Agreement, attached hereto as Exhibit “A,” in lieu of rental payments, MCTA will designate the parking lot to the east of the MCTA building, between Esters Boulevard and Martin Luther King, Jr. Boulevard, as public parking;

WHEREAS, in addition, MCTA will assume full responsibility for the maintenance of the City Property, including any necessary paving and striping; and

WHEREAS, it is the recommendation of Peter C. Abide, City Attorney, that the City enter the Lease Agreement.

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

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

SECTION TWO: Pursuant to the Mississippi Constitution, it is hereby found and determined that the lease of municipal property located on the north side of Martin Luther King, Jr. Boulevard to Mississippi Coast Transit Authority, under the terms and conditions of the Lease Agreement, attached hereto as Exhibit "A," is permissible and appropriate.

SECTION THREE: The Mayor, on behalf of the City of Biloxi, is authorized to execute the Lease Agreement, attached hereto as Exhibit "A," with Mississippi Coast Transit Authority.

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

LEASE AGREEMENT BY AND BETWEEN

CITY OF BILOXI, MISSISSIPPI
AS LANDLORD

AND

MISSISSIPPI COAST TRANSIT AUTHORITY, AS TENANT

TAX PARCEL #1410K-03-026.000 and #1410K-03-028.000
CORNER OF DR. MARTIN LUTHER KING JR. BLVD.
AND REYNOIR STREET
BILOXI, MS 39530

STATE OF MISSISSIPPI
COUNTY OF HARRISON
SECOND JUDICIAL DISTRICT

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease Agreement") made and entered into this day between **CITY OF BILOXI, MISSISSIPPI**, a Mississippi municipal corporation, hereinafter referred to as "Landlord" or "City"; and **MISSISSIPPI COAST TRANSIT AUTHORITY**, a political subdivision of the State of Mississippi, hereinafter referred to as "Tenant" or "MCTA".

WHEREAS the City is the owner of the real property located at the northeast corner of the intersection of Dr. Martin Luther King, Jr. Blvd. and Reynoir Street, Biloxi, MS 39530, more particularly described in Exhibit "A" attached hereto, which is designated as Public Parking Area ("City Parcel"), being identified as Tax Parcel #1410K-03-026.000 and #1410K-03-028.000; and

WHEREAS MCTA is the owner of the real property adjacent to and north of the City Parcel, currently used as its Transportation Center, and being identified as Tax Parcel No. 1410K-03-027.000 ("MCTA Parcel"); and

WHEREAS MCTA wishes to lease the City Parcel for use in connection with its Transportation Center; and

WHEREAS the City will agree to lease the City Parcel to MCTA on the condition that MCTA agrees to designate the current parking area on the MCTA Parcel as Public Parking.

WITNESSETH

For and in consideration of the designation by MCTA of its current parking area as Public Parking, and the covenants and mutual promises contained herein, the Landlord leases to

Tenant, and Tenant leases from Landlord the City Parcel "as is, where is", and more fully described on that certain legal description stated on the attached Exhibit "A", which is made a part of this Lease Agreement (the "Leased Premises").

1. TERM OF LEASE.

A. PRIMARY TERM: The primary term of this Lease Agreement shall be a period of thirty (30) years commencing on Aug 1, 2026 and continuing through July 31, 2056. (The "Primary Term").

B. RENEWAL TERM: Tenant shall have the right to renew this lease for an additional term of thirty (30) years from the date of expiration of the Primary Term hereof on the condition that no material breach or default under the terms of this lease shall have occurred during the Primary Term (the "Renewal Term"). Tenant must notify Landlord of its intent to renew this lease within sixty (60) days of the expiration of the primary term.

2. LIEU RENT: In lieu of rental payments, for the Primary Term and any Renewal Term, MCTA shall allow designation of the parking area located on the MCTA Parcel as Public Parking, with appropriate signage identifying the area as such, for use by the general public.

3. LIEU RENT COMMENCEMENT DATE; POSSESSION: Landlord and Tenant acknowledge that Tenant will take possession of the Leased Premises upon the execution of this Lease Agreement.

4. TENANT'S USE: Tenant and any approved sub-tenants shall use and operate the Leased Premises exclusively for use in connection with the operation of MCTA's Transportation Center or any approved sub-tenant's business.

5. REPAIRS AND MAINTENANCE: Tenant, at its sole cost and expense, shall be responsible for all replacement, maintenance and repair to the Leased Premises for use as a parking area and shall keep the Leased Premises in good commercial condition and state of repair during the term of this Lease Agreement, including any necessary repaving, striping and all other maintenance to keep the Lease Premises in a condition fit for public use.

6. INSURANCE AND TAXES:

Tenant shall maintain, at Tenant's sole cost and expense, Workers Compensation insurance pertaining to its employees according to the provisions of Mississippi law.

Tenant shall pay all ad valorem real property or personal property taxes due on Tenant's Leased Premises, if any, as the same shall become due and payable.

7. INDEMNITY AND LIABILITY INSURANCE: Tenant shall procure and keep in effect at all times during the term(s) hereof, public liability insurance for the Leased Premises for the protection of the Tenant in which the limits of public liability shall be in a minimum of \$1,000,000.00 per single occurrence and shall cause Landlord to be named as one of the insured.

To the extent not covered by insurance carried in favor of Landlord, Tenant shall keep and hold harmless Landlord from and against any and all claims, demands, suits, judgments, costs and expenses asserted by any person or persons, including agents or employees of Landlord or Tenant, by reason of death or injury to persons or loss or damage to property, resulting from Tenant's operations, or any thing done or omitted by Tenant, under this Lease Agreement except to the extent that such claims, demands, suits, judgments, cost and expenses may be attributed to the acts or omissions of Landlord or its agents or employees.

8. WAIVER OF SUBROGATION: Landlord or Tenant severally waive any and every claim which arises or may arise in its favor against the other during the term of this Lease Agreement for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the premises, which loss or damage is covered by valid and collectible insurance policies, to the extent that such loss or damage is recoverable thereunder. Inasmuch as the above mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), Landlord and Tenant severally agree immediately to give each insurance company which has issued its policies of insurance, written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waivers.

9. INDEMNIFICATION: To the extent permitted by governing law, Tenant shall indemnify, defend and hold harmless the Landlord from and against any and all losses, liabilities, costs and expenses, including reasonable attorney fees, judgments and other claims arising from injury, death or damage to any person or property regarding or in any way related to the Leased Premises which was (a) occasioned by any act, failure to act or omission of the Tenant, its agents, servants, employees, contractors, invitees and licensees, (b) caused by Tenant's use and/or occupancy of the Leased Premises, and/or (c) caused by Tenant's breach of any provision of this Lease Agreement.

10. DEFAULT: Upon the occurrence of any one or more of the events described below which shall constitute a default, the Landlord shall have the absolute right, but not the obligation to (a) cancel and terminate this Lease Agreement, and thereupon re-enter and take possession of the Leased Premises; and/or (b) re-enter and re-lease said Leased Premises from time to time, as an agent of the Tenant, but such re-entry and re-leasing shall not operate as a release or discharge of the Tenant from liability or obligations hereunder.

Default Events:

(a) In the event that Tenant should fail to allow designation of its current parking area on the MCTA Parcel as Public Parking and fail to allow its use by the general public.

(b) In the event an execution, pending execution or other legal proceeding is commenced against the goods, furniture, or other property of the Tenant or a sub-tenant or against said Leased Premises or upon the interest of the Tenant in this Amended Lease Agreement or any sub-tenant.

(c) In the event of a petition in bankruptcy (voluntary or involuntary) by or against the Tenant or any sub-tenant.

(d) In the event of an appointment of a Receiver of Tenant's property or a sub-tenant's property, or in the case of an assignment for the benefit of creditor's by the Tenant or sub-tenant.

(e) In the event the Leased Premises is used for any unlawful activity, or any other activity that in the sole discretion of the Landlord constitutes a nuisance, or any activity contrary to the use provisions of paragraph 4 of this Lease Agreement.

(f) In the event that the Tenant or any sub-tenant establishes or allows to be established any lien against the Leased Premises, including but not limited to Materialman's, Mechanic's and Contractor's Liens.

Notwithstanding the above default events, no default hereunder shall be deemed to have occurred on the part of the Tenant until ten (10) days after the first written notice of a monetary default or thirty (30) days after the first written notice of a non-monetary default shall have been given to Tenant, and within such time, Tenant has failed to cure said default. If any non-monetary default by Tenant cannot reasonably be cured with thirty (30) days after notice, then Tenant shall have an additional thirty (30) days to effect such cure; provided however, the Tenant commences immediate action to cure said default within the original thirty (30) day notice period and works diligently, prudently and with reasonable commercial dispatch to complete the necessary actions to cure such default. The reasonableness (or lack thereof) of any such curative action shall be judged by the sole discretion of the Landlord. It is agreed and understood that should the Tenant commit any default event in breach of this Lease Agreement (whether monetary or non-monetary) after having previously received one written notice of default the Landlord may immediately terminate this Lease Agreement by providing written notice as described herein and the Tenant shall immediately surrender the Leased Premises.

It is expressly agreed by the parties that upon Tenant's default under the terms of this Lease Agreement and failure to cure said default within the time period allowed, all rents due hereunder for the entire lease Term and any other monies owed shall be and become immediately due and payable without regard as to whether the Leased Premises shall have been surrendered to or taken by the Landlord.

In the event Landlord fails to comply with any term, provision, warranty or covenant of this Lease Agreement and such breach or failure is not cured within thirty (30) days after written notice by Tenant to Landlord, the Tenant shall have the right to terminate this Lease Agreement and will further have any and all other rights and remedies granted under this Lease Agreement or allowed by law, which rights and remedies will be cumulative.

11. **ATTORNEY FEES:** In the event it becomes necessary for either party to employ an attorney for the enforcement of this Lease Agreement or to defend any matters arising from the Lease Agreement, the prevailing or non-breaching party shall recover reasonable attorney's fee and all related costs associated with the action or defense from the non-prevailing or breaching party.

12. **TENANT'S RIGHT OF QUIET ENJOYMENT:** Landlord hereby warrants and covenants that it has the right to lease the Leased Premises to Tenant for the purposes stated

herein, and that Tenant shall, while Tenant is not in default of the terms of this Lease Agreement, peacefully and quietly hold the Leased Premises during this Lease Agreement, without interference or hindrance from Landlord or those claiming by or through Landlord.

13. CONDEMNATION: If there is a partial taking of a material portion of the Leased Premises by condemnation or eminent domain or some other taking by any governmental authority for any purpose, then this Lease Agreement shall be voidable by the Tenant as of the date possession shall be taken by such authority and the rent shall be due and payable only for the period prior to the date of the taking.

14. PROHIBITION OF SUBLEASE & ASSIGNMENT: Tenant shall not sublease the subject premises or any portion thereof during the term of this Lease Agreement and shall not assign its interest in this Lease Agreement to any third party, unless prior written approval for such sub-lease or assignment has first been obtained from the Landlord.

15. BROKERAGE: The parties agree that there are no brokers or agents relating to the subject Amended Lease Agreement and that no person is due any broker's or agent's commission.

16. FORCE MAJEURE: Landlord shall be excused for the period of any delay and shall not be in default with respect to the performance of any of the terms or conditions of this Lease Agreement, when prevented from so doing by cause or causes beyond the Landlord's control, which shall include, without limitation, all labor disputes, governmental regulations or controls, city and municipal regulation or controls, fire, hurricane or other casualty, inability to obtain any material, services, acts of God, or any other cause, whether similar or dissimilar to the foregoing, not within the control of the Landlord.

17. GOVERNMENTAL REGULATIONS: Tenant shall, at Tenant's sole cost and expense, comply with all of the requirements of all governmental authorities, pertaining to the Leased Premises.

18. NOTICES: Any notice which is required or desired to be given in accordance with the terms of this Lease Agreement shall be deemed to have been properly give when such notice(s) shall be sent by registered or certified mail, postage prepaid and addressed as follows:

To Landlord at: CITY OF BILOXI
Attn: Mayor
City Hall
140 Lameuse St.
Biloxi, MS 39530

To Tenant at: MISSISSIPPI COAST TRANSIT AUTHORITY
Attn: Executive Director
333 DeBuys Road
Gulfport, MS 39507

19. APPLICABLE LAW/VENUE; CONSTRUCTION OF LEASE: This Lease Agreement shall be governed by, and construed and enforced according to the laws of the State of Mississippi, regardless of the residency of the parties or the place of execution of this Lease

Agreement; jurisdiction and venue shall be in the Second Judicial District of Harrison County, Mississippi.

The covenants, terms, conditions, provisions and undertakings in this Lease Agreement shall extend to and be binding upon the parties hereto and upon their heirs, executors, administrators, successors and assigns as if they were in every case named and designated, and the same shall be considered as covenants running with the land.

This Lease Agreement, together with and including any attachments or exhibits, and the documents referred to herein, contains the entire agreement between the parties and may not be modified, amended or in any way altered orally but only by an agreement or amendment in writing signed by the party or parties against whom enforcement of any waiver, change, amendment, modification or discharge is sought.

20. MODIFICATION: No modification, alteration or amendment of this Lease Agreement shall be binding unless in writing and executed by the parties.

21. BINDING EFFECT: This Lease Agreement shall be binding upon the parties and their respective heirs, assigns, and successors in interest.

22. HEADINGS: The headings and captions contained herein are included for convenience and reference only, and shall not be considered as any indication of priority or construction of the Lease Agreement.

23. ENTIRE AGREEMENT: This Lease Agreement contains the entire agreement between the parties. Neither the Tenant nor Landlord has relied upon any statements, promises, or agreements in conflict with the terms of this document.

24. SIGNAGE. Tenant shall construct, at its sole cost and expense, any signage for Lease Premises. The Tenant and Landlord will work together to designate appropriate signage

for the current parking area of the MCTA Parcel (#1410K-03-027.000) as Public Parking for the general public.

25. NON-WAIVER OF DEFAULT: Waiver by either party hereto of any breach or violation of terms, conditions or covenants of this lease or the non-performance of same for any particular time shall not be construed as a waiver of any succeeding breach or violation of the same or another term, condition or covenant hereof, and the consent, approval or acquiescence by Landlord or Tenant of any breach or violation shall not waive or render unnecessary such consent or approval of any subsequent breach.

26. INVALIDATION: Should any clause or provisions of this Lease Agreement be invalid, void or voidable for any reason, such invalid, void or voidable clause or provisions shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

27. BREACH OF CONTRACT: Any assent, expressed or implied, by the Landlord to any breach of any covenant or condition herein contained, shall operate as such only in the specific instances and shall not be construed as an assent or waiver of any such covenant or condition generally, or of any subsequent breach thereof.

28. CUMULATIVE RIGHTS: The various rights, powers, elections and remedies of the Landlord contained in this Lease Agreement shall be construed as cumulative, and no one of them is exclusive of the other, or exclusive of any rights or priorities allowed by law and no rights shall be exhausted by being exercised on one or more occasion.

29. DEFINITIONS:

A. "Improvements" - shall mean all structures or improvements which shall be hereafter constructed by Lessee on the land, including buildings, parking facilities, driveways,

walkways, and gardens, and all fixtures affixed thereto or used in connection therewith.

B. "Land" - shall mean that certain real property described herein, together with all tenements, hereditaments and appurtenances thereunto belonging, but excluding the improvements.

C. "Lease Agreement" - shall mean this Lease Agreement, as the same may be from time to time amended, as provided herein.

D. "Lease Year" - shall mean the period of twelve (12) consecutive months commencing on the date stated herein or any succeeding twelve (12) month period during the term of this Lease.

E. "Premises" - shall mean the land and the improvements.

F. "Rent Commencement Date" - For purposes of this Lease Agreement, Landlord and Tenant acknowledge and agree that the Lieu Rent Commencement Date shall be the date this Lease Agreement is fully executed.

30. BENEFIT OF CONTRACT: This contract and the terms, conditions and covenants herein contained shall inure to the benefits of and be binding upon the parties, their respective heirs, administrators, executors, representatives, successors and assigns.

31. MISCELLANEOUS:

A. Upon the reasonable request of the other party, each party shall join in the execution of a short form lease memorandum setting forth the basic terms and conditions of this Lease Agreement and such short form memorandum may be recorded in the office of the Chancery Clerk of Harrison County, Mississippi.

B. If any term, condition, or covenant of this Lease Agreement shall be held to be invalid by a court of competent jurisdiction, the remaining terms of the Lease Agreement shall remain in full force and effect.

C. This Lease Agreement may be executed in any number of counterparts, each of which when signed by both parties will be deemed an original.

D. Landlord and Tenant shall not be considered or deemed to be joint venturers or partners, and neither shall have the power to bind or obligate the other except as may be provided by law.

E. In the event this Lease Agreement is terminated pursuant to a right to do so herein contained, neither party hereto shall thereafter have any further obligations or liability one to the other, and this Lease Agreement shall be of no further force or effect.

F. Words of any gender used in this Lease Agreement shall be construed to include any other gender, and words in the singular shall include the plural and vice versa, unless the context otherwise requires.

IN WITNESS WHEREOF, the parties have made and signed this Lease Agreement in duplicate in the City of BILOXI, State of Mississippi, this the _____ day of _____, 2026.

Landlord: CITY OF BILOXI, MISSISSIPPI

BY: _____
A.M. GILICH, JR., MAYOR

Tenant: MISSISSIPPI COAST TRANSIT AUTHORITY

BY:



MICHAEL RESO, EXECUTIVE DIRECTOR

