

Local Tax Incentives

In 2011, the City of Biloxi and Harrison County adopted tax incentive programs to encourage development and redevelopment in specified areas; the Biloxi program allows ad valorem tax exemptions for up to seven years, with the term depending upon material used in construction and how well a new business blends with the character of its neighborhood.

“This program is about making things happen in Biloxi,” stated Mayor A.J. Holloway. “I encourage all developers looking to build in Biloxi to take part in this program. We’re not promising everyone that they will be granted a full exemption on their city property taxes, but we’re encouraging new or rebuilding businesses to look into this program. We want to help you open for business in Biloxi. We want to help make things happen.”

To view a map of areas eligible for local tax exemptions, visit biloxi.ms.us or contact Biloxi’s Community Development Department Director, Jerry Creel, at jcreel@biloxi.ms.us

Commercial Development

Biloxi Commercial Construction

	FY2006 & Valuation		FY2008 & Valuation		FY2010 & Valuation	
Total # Permits	1,103	\$121.5m	3,377	\$227.6m	2,458	\$128.0m
Commercial	354	\$ 56.2m	399	\$169.4m	150	\$108.6m

Source: Biloxi Community Development Annual Reports

295 new lots, in all development categories, were approved for platting in Biloxi in 2009, and 77 new lots were created in 2010.

Number of Retail Establishments

	FY04	FY06	FY08	FY10
Biloxi	1,367	1,367	1,108	955
D’Iberville	266	315	329	347
Gulfport	2,059	2,196	2,088	1,857
Harrison County	5,021	5,298	4,815	4,248

Gross Retail Sales

	FY04	FY06	FY08	FY10
Biloxi	\$ 982m	\$ 791m	\$ 895m	\$ 787m
D’Iberville	\$ 283m	\$ 435m	\$ 381m	\$ 417m
Gulfport	\$ 1.5b	\$ 2.1b	\$ 1.85b	\$ 1.57b
Harrison County	\$ 3.4b	\$ 4.6b	\$ 4.8b	\$ 4.0b

Gross Retail Sales Tax Collections

	FY04	FY06	FY08	FY10
Biloxi	\$ 66m	\$ 52.9m	\$ 60.6m	\$ 53.3m
D’Iberville	\$ 18.6m	\$ 28.8m	\$ 25.2m	\$ 28.2m
Gulfport	\$ 97.5m	\$ 138m	\$ 123m	\$ 104m
Harrison County	\$ 217m	\$278.2m	\$ 278.3m	\$ 240m

Source: Mississippi Department of Revenue

In its most recent ranking in 2010, the Milken Institute, an economic think-tank, ranked the Biloxi metro area as the 101st “Best Performing Small City” in the nation, based on factors such as job growth, growth in wages, salaries and output.



Mississippi is a right to work state with competitive wage rates – average hourly earnings are roughly 75 percent of the United States average – directly corresponding to the state’s lower-than-average living and business costs.

City of Biloxi New (Nonrenewal) Licenses Issued

	2004	2006	2008	2010
January	16	24	19	17
February	19	22	13	21
March	25	24	17	16
April	38	13	14	27
May	25	13	17	17
June	36	34	12	26
July	26	23	24	22
August	32	27	13	26
September	41	26	23	28
October	32	25	24	25
November	21	25	17	19
December	19	23	21	23
Total	330	279	212	267

Source: City of Biloxi Licensing Division

Gross Retail Sales Tax Collections

	FY04	FY06	FY08	FY10
Lumber & Building Materials	\$ 30.5m	\$ 80m	\$ 61.6m	\$ 36.4m
Machinery, Equip. & Supplies	\$ 46m	\$ 86m	\$ 50m	\$ 30m
Food & Beverage	\$ 328m	\$ 168m	\$265.4m	\$ 246m
Misc. Retail	\$ 108m	\$ 62m	\$118.6m	\$104.6m
Misc. Service	\$ 110m	\$ 57m	\$ 73.3m	\$ 74.4m
Apparel & General Merchandise	\$ 168m	\$ 149m	\$ 145m	\$ 130m
Contracting	\$ 7.4m	\$ 15.5m	\$ 12.5m	\$ 9.8m

Source: Mississippi Department of Revenue

Biloxi Development and Redevelopment Highlights

In **East Biloxi**, the \$45 million expansion of the **Palace Casino** and a \$1.3 million renovation at the **Hard Rock Hotel and Casino** were completed and construction began on the \$29 million **Jimmy Buffet Margaritaville Casino & Restaurant** on Biloxi's Back Bay. On the heels of completing renovations estimated at \$1.4 million at the **IP Casino**

Resort Spa, **Boyd Gaming Corporation** announced its \$278 million purchase of IP and committed another \$44 million in improvements to the Biloxi property.

Other **East Biloxi** projects include:

- the **Kroc Center**, a 52,000 square foot recreational facility, estimated to cost \$16 million
- the **First Missionary Baptist Church**, with a \$2.1 million valuation
- **Ferrara Marina**, renovation of dry dock facilities on Back Bay, at an estimated cost of \$250,000
- **Half Shell Oyster House**, renovations estimated at \$200,000
- **McElroy's Harbor House Seafood Restaurant**, projected to cost \$4.5 million
- the 200-room **Sheraton Four Points Hotel**, renovations estimated at \$7 million



Historic Downtown Biloxi

www.mainstreetbiloxi.com

Winner of the Mississippi Main Street Association's "Spirit of Main Street" award in 2011, the **Biloxi Main Street Program** coordinates efforts of business and property owners, residents and government agencies to revitalize the historic downtown area. The nonprofit organization promotes the area's potential for mixed-use redevelopment based on its high traffic volume, substantial employee population, and easy access from both I-10 and Highway 90. A recent Biloxi Main Street study estimated daily visitor traffic in downtown at more than 50,000 people, more than an adequate number of consumers to support additional restaurants, arts-based venues, and other retail businesses.

In 2011, Biloxi Main Street sponsored a **Façade Grant Program** that provided five grants to property owners, not only to improve the downtown streetscape, but to stimulate additional investment. An **Investors Fair** is being organized for the spring of 2012, to promote available downtown and East Biloxi property to developers, investors and entrepreneurs.

Also in 2011, the City awarded nine grants through its \$350,000 CDBG-funded **Downtown Façade Improvements Program**, to support downtown revitalization. The new Coast Transit open-air bus stop at Highway 90 and the Rue Magnolia will improve access to the pedestrian gateway into downtown.



New commercial projects along **Central Beach Boulevard** include:

- **Hog Heaven BBQ & Blues Restaurant**, with a \$127,000 valuation
- **Sharkhead's Souvenir Shop**, estimated at \$2.1 million
- **Shaggy's Restaurant**, estimated at \$850,000
- **Big Play**, a family-oriented entertainment complex
- **South Beach** condo-hotel, estimated at \$2.1 million
- the **Hilton Garden Inn**, valued at approximately \$12 million, is approved for construction

In **West Biloxi**, **Edgewater Mall** has more than one million square feet under its roof and features four major department stores, +90 specialty stores, a food court, three restaurants and a rock climbing wall. It is home to the Biloxi campus of the **Tulane School of Continuing Studies** and the temporary home of the **Biloxi Maritime and Seafood Industry Museum**. Nearby **Edgewater Village** offers expanded shopping and dining opportunities, complementing construction of an \$11 million **Super Walmart**.

Other new commercial projects in West Biloxi include:

- a **Dollar General Store**, estimated at \$681,000
- a **Family Dollar Store**, at a cost of \$375,000
- construction of **Polk Drug/Convenience Store**, at an estimated cost of \$845,000
- renovation of **The Shoppes at Popp's Ferry**, at a cost of about \$600,000

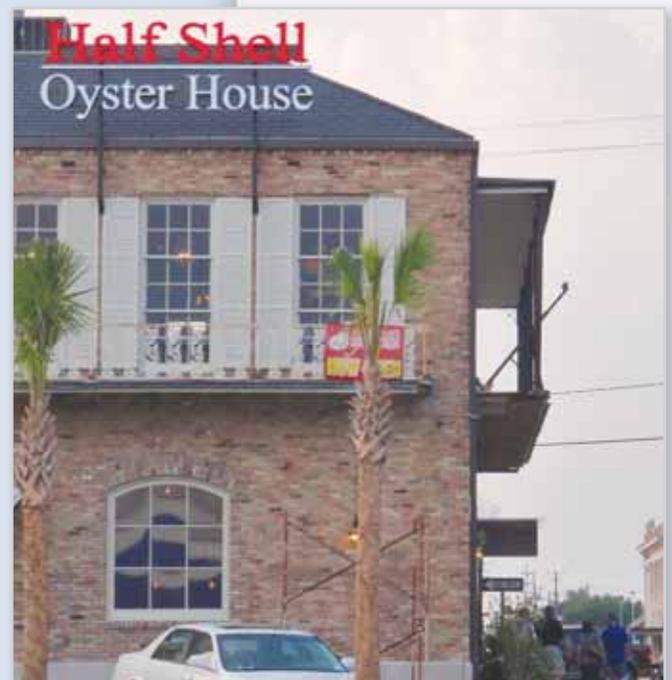
In **North Biloxi**, new commercial development includes:

- **Cypress Park Office Building**, estimated at \$350,000
- **Cedar Lake Methodist Activity Center**, valued at \$1.5 million
- **Episcopal Church of the Redeemer**, at a cost of approximately \$1.8 million
- **Virginia College** interior renovations, estimated at \$875,000
- **Health Management Associates** new medical center, projected to cost \$132 million

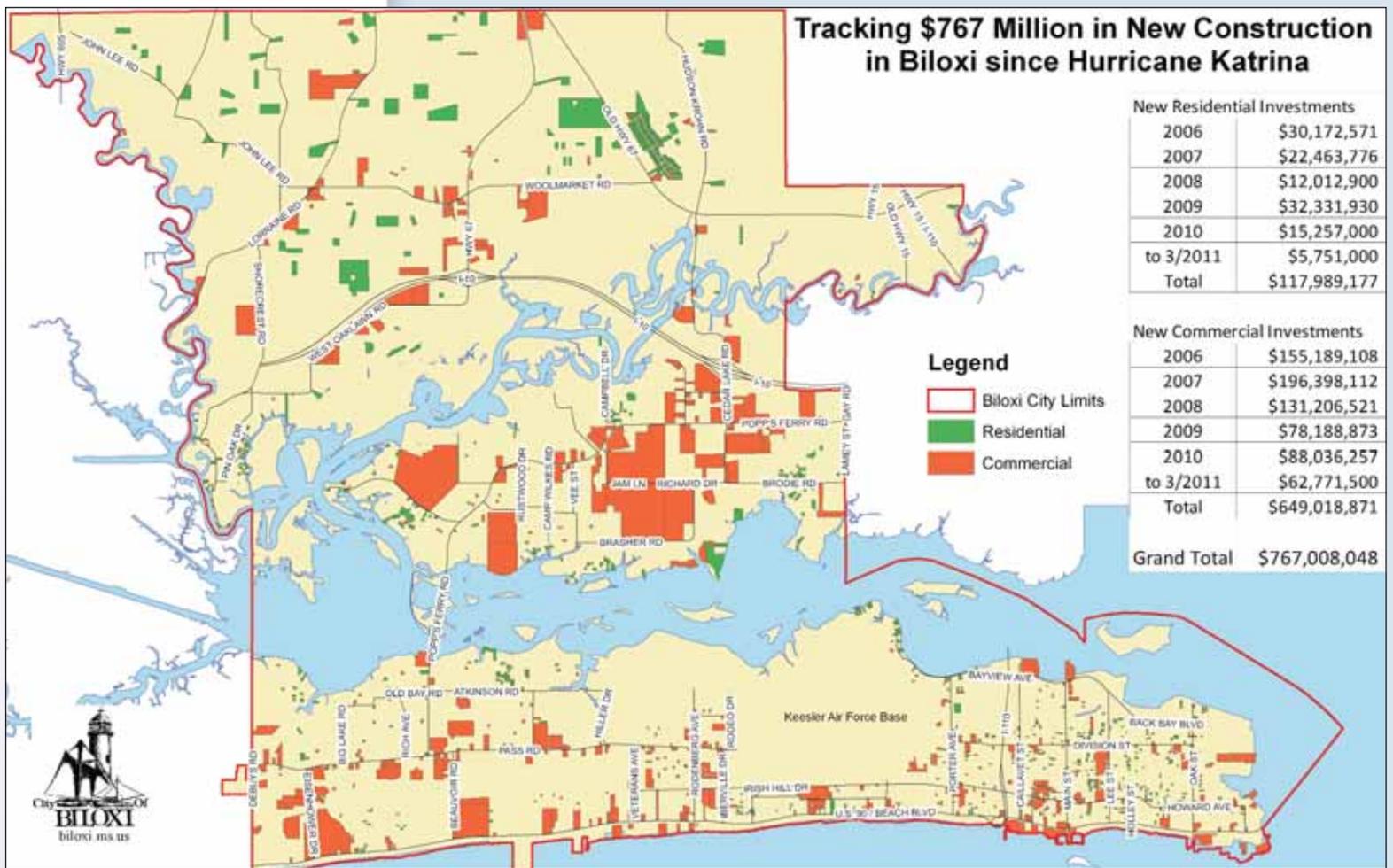
Woolmarket new development includes:

- **Harrison County Utility Authority** wastewater treatment plant and installation of transmission lines, at approximately \$26 million
- **Southern Tire Mart**, at an approximate cost of \$2.5 million
- **Stribling Equipment**, estimated at over \$3.7 million
- **The First United Methodist Church**, at an estimated cost of \$1.4 million

In its first quarter 2011 economic brief, the Gulf Coast Business Council reports that local employment sectors most likely to have big job gains are retail, construction, manufacturing, and leisure and hospitality.



“New construction is underway throughout Biloxi,” Jerry Creel, Director of Community Development stated. “To encourage continued development, the City has engaged Buxton Retail Analysis Corporation to provide a study of potential national retailers compatible with Biloxi’s location and psychographics.”



“All these things are happening without the people of Biloxi having to buy the business. At City Hall, we provide the services, the infrastructure, and we stay out of the way.”

Mayor A.J. Holloway

Visit Biloxi.ms.us to identify new construction, year-by-year, in the City of Biloxi following Hurricane Katrina.

In 2011, Biloxi’s \$355 million infrastructure project broke ground, which involves rebuilding more than 100 miles of City streets, including new storm drain lines, water and sewer, sidewalks, curbs and gutters. As of October 2011, more than \$311 million in private sector commercial and residential projects were either under construction or permitted and ready to start building in Biloxi.



The Innovation Center

www.innovatems.com

Working with new and expanding businesses in Biloxi, the Innovation Center offers typical business incubator services along with business planning assistance and a variety of workshops and seminars to tenants and nontenants. The Center also hosts an annual small business resource conference to encourage networking and expanding training opportunities.