



**Monday, September 19, 2022  
4:00 PM**

**City Council  
Monday Meeting Agenda**

**Council Chambers  
200 Forrest Street**

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**Call to Order**

**Public Hearing**

- 1. 2022-707** Hold a Public Hearing regarding the the Tax Increment Financing Plan Midtown Hattiesburg Project, City of Hattiesburg, Mississippi, February 2014, as amended for the Elam Arms Development, February 2016, as amended June 2016, and as amended and restated for the Midtown Montevista Project, August 2022.

**Agenda Review**

**Citizens' Forum**

**Request for closed session to determine executive session on a litigation matter.**

**Meeting Recess**



# Memorandum

**To:** Mayor Toby Barker and Members of City Council

**From:**

**cc:**

**Date:** Monday, September 19, 2022

**Re:** Hold a Public Hearing regarding the the Tax Increment Financing Plan Midtown Hattiesburg Project, City of Hattiesburg, Mississippi, February 2014, as amended for the Elam Arms Development, February 2016, as amended June 2016, and as amended and restated for the Midtown Montevista Project, August 2022.  
File Number: 2022-707  
Minute Book #

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## Summary

## Recommendation Statement

Please place this on the September 19, 2022 City Council meeting for consideration.

TAX INCREMENT FINANCING PLAN  
MIDTOWN HATTIESBURG PROJECT  
CITY OF HATTIESBURG, MISSISSIPPI

FEBRUARY 2014,

AS AMENDED FOR THE ELAM ARMS DEVELOPMENT,

FEBRUARY 2016,

AS AMENDED JUNE 2016,

AND AS AMENDED AND RESTATED FOR THE  
MIDTOWN MONTEVISTA PROJECT,

AUGUST 2022

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**TAX INCREMENT FINANCING PLAN MIDTOWN HATTIESBURG PROJECT  
CITY OF HATTIESBURG, MISSISSIPPI, FEBRUARY 2014,  
AS AMENDED FOR THE ELAM ARMS DEVELOPMENT, FEBRUARY 2016, AS AMENDED JUNE 2016, AND  
AS AMENDED AND RESTATED FOR THE MIDTOWN MONTEVISTA PROJECT, AUGUST 2022**

**ARTICLE 1**

**A. PREAMBLE**

1. Administration and Implementation: The administration and implementation of this *Tax Increment Financing Plan, Midtown Hattiesburg Project, City of Hattiesburg, Mississippi, February 2014, as Amended for The Elam Arms Development, February 2016, as Amended June 2016, and as Amended and Restated for the Midtown Montevista Project, August 2022* (the "Amended TIF Plan") may be a joint undertaking of the City of Hattiesburg (the "City") and Forrest County (the "County"). This Amended TIF Plan authorizes bonds or notes in the total principal amount not to exceed Fifteen Million Dollars (\$15,000,000) to be issued pursuant to Section 21-45-1, *et seq.*, Mississippi Code of 1972, as amended (the "TIF Act"), and/or Regional Economic Development Act funding as authorized by Section 57-64-1, *et seq.*, Mississippi Code of 1972, as amended ("REDA"). The City and County may enter into an interlocal cooperation agreement or a REDA alliance, which will designate the City as the primary party in interest in carrying the Project (as defined herein) forward.

2. The issuance of bonds, notes, or other debt obligations to provide funds to finance the costs of Infrastructure Improvements (as defined in Article 1, Section D(3)herein) may be a joint undertaking of the City and County whereby the City will issue one or more series of tax increment financing bonds, notes or other debt instruments (collectively, the "TIF Bonds"), as authorized herein to finance a Project as more fully described in this Amended TIF Plan, and as may be amended by the City and the County from time to time through further proceedings of the City and the County.

3. The TIF Bonds and other funds, which may include but not limited to any local, state and federal funds such as funds from the Development Infrastructure Program and the Advantage Jobs Program, grants pursuant to the Economic Development Highway Act, and incentives from the Mississippi Bond Finance Corporation will be used to defray the cost of public infrastructure and related site improvements and other activities to serve the Project, which includes The Elam Arms Project (as further defined in Article 1, Section C(1)(a)), and Midtown Montevista Project (as further defined in Article 1, Section C(1)(b)), and the community as a whole.

4. It is expected that the TIF Bonds issued in support of Elam Arms Project (defined herein) shall not exceed the total principal amount of Nine Million Dollars (\$9,000,000), of which \$3,215,000 TIF Bonds have been issued (the "Elam Arms TIF Bonds"). It is the intent of the City and County that the debt service associated with Elam Arms TIF Bonds issued in support of The Elam Arms Project be limited to the increases in real and personal property ad valorem property taxes generated by The Elam Arms Project and not from any other development or section of the Project occurring outside the boundaries of The Elam Arms Project.

5. It is expected that the TIF Bonds issued in support of Midtown Montevista Project (defined herein) shall not exceed the total principal amount of Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000) (the “Midtown Montevista TIF Bonds”). It is the intent of the City and County that the debt service associated with the Midtown Montevista TIF Bonds issued in support of Midtown Montevista Project be limited to the increases in real and personal property ad valorem property taxes generated by Midtown Montevista Project and not from any other development or section of the Project occurring outside the boundaries of Midtown Montevista Project.

#### **B. MIDTOWN HATTIESBURG DISTRICT MASTER PLAN**

1. The Midtown Hattiesburg Master Plan (the “Master Plan”), adopted by the City on July 2, 2013 significantly impacts the surrounding region as a mixed-use district and an innovative demonstration Project for sustaining redevelopment within the City and the County.

2. The goal of the Master Plan is to create a walkable, workable, livable mixed-use community that connects people to living, shopping, dining, entertaining, educational, medical, cultural and recreational venues. Midtown is located just south of the University of Southern Mississippi (“USM”) campus and west of US Highway 49. The Master Plan uses to its advantage Midtown’s strategic location among the region’s major economic drivers-- Forrest General Hospital, Hattiesburg Clinic, and USM to become a highly successful and sustainable mixed-use community.

3. The development of the Master Plan was funded through a \$150,000 Sustainable Community Challenge Grant from the U.S. Department of Housing and Urban Development matched by \$150,000 from generous contributions that included Forrest General Hospital, Hattiesburg Clinic, USM, the City, the County, HUB Development, Mississippi Power Company, Bancorp South, the Area Development Partnership, and several private citizens.

4. The Master Plan is guided by the goal to create a walkable, workable, livable, mixed-use community in concert with the adjacent neighborhoods. This embodies higher development densities, wider housing choices, expanded mobility, increased design standards, and greater connections to educational, medical, cultural, recreation, entertainment, shopping and dining venues. The underlying themes of the Master Plan<sup>1</sup> are:

a. **DIVERSIFIED:** Diversifying the economy going beyond medical-oriented professional offices and services and expanding into the retail-oriented and residential needs of the estimated 25,000-person customer/employee base;

b. **SUSTAINABLE:** Creating a sustainable district that incorporates development standards that are truly green by nature and form; livable densities; live-work-play land uses; multi modal transportation options; vertical parking replacing horizontal parking lots; capturing of rain water for irrigation; use of pervious paving material; and recycling as a primary not secondary waste disposal activity;

c. **LIVABLE:** Providing housing for a range of incomes and occupancy types, particularly workforce housing that accommodates affordable units;

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<sup>1</sup> Source: Midtown in Motion, Master Plan.

d. **MULTI-MODAL:** Incorporating all modes of transportation to enhance mobility, including transit, walking, jogging, biking and single occupancy vehicles; and repurposing Hardy Street and U.S. Highway 49 from single-purpose arterials to multi-modal and aesthetic community assets;

e. **CONNECTED:** Embedding people-friendly linkages to USM, adjacent residential neighborhoods of University Heights, and Acadia-Sunset, and to Longleaf Trace and Downtown;

f. **PREDICTABLE:** Providing a predictable investment environment for economic growth within Midtown that is based on a long-range development plan;

g. **NEIGHBORHOOD FRIENDLY:** Protecting adjacent residential neighborhoods of University Heights, Arcadia-Sunset, from incompatible intrusions while ensuring they are partners in creating the Plan; and,

h. **ENVIRONMENTALLY SENSITIVE:** Preserving and recapturing the natural environment as a part of the built environment is such a way that existing drainage ways become an amenity rather than only a means to transport storm water.

### **C. PROJECT DESCRIPTION**

1. **The Project.** The Project<sup>2</sup> will consist of the development and redevelopment of the Midtown Hattiesburg District, and is wholly contained within the area identified on the map attached hereto as Exhibit 1 and as further described in Exhibit 1 (the “TIF District”). The area is adjacent to USM, Forrest General Hospital and related medical facilities, the Hattiesburg Clinic and numerous retail businesses, professional office buildings and other facilities. The Project is expected to include the construction of major new facilities at USM including buildings to house the School of Nursing, a new School of Business, new student housing, an administrative building for Hattiesburg Clinic, development and redevelopment of a new full-service hotel, restaurants, professional office buildings and other public and private investment. The Project will likely represent public and private investment in excess of \$200,000,000 and includes the Elam Arms Project and the Midtown Montevista Project.

2. **Elam Arms Project.** The Elam Arms Project is located at both the former Elam Arms dormitory site on a 6.9± acre property and other property located immediately across Hardy Street from the main entrance of the USM, and an additional 3± acre parcel is in the City, which is further described by the legal descriptions and maps attached hereto as Exhibit 2 (the “Elam Arms Section of the TIF District”). The Elam Arms Project is the second major development in the TIF District, a highly touted redevelopment effort initiated by the City, the County, USM, Forrest General Hospital, and the Area Development Partnership. The Elam Arms Project has an estimated private investment of up to \$59,000,000. Construction on the Elam Arms Project began in 2016 and may include the following key elements among other things:

- a 100-plus room luxury, full-service hotel and a stand-alone restaurant
- 25,000 square feet of retail space in phase 1 and 25,000 square feet in phase II
- additional restaurants

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<sup>2</sup> The description of the Project and tax revenue projections were provided to the City and County by the Hattiesburg Steering Committee and the Forrest County Tax Assessor.

- luxury apartment complex.

The Elam Arms Project is consistent with the goals and standards established in the Master Plan and is consistent with the intent of the this Amended TIF Plan.

3. **Midtown Montevista Project:** The Midtown Montevista Project is located on 8 acres in the City, which is further described by the legal descriptions and maps attached hereto as Exhibit 3 (the "Midtown Montevista Section of the TIF District"). The Midtown Montevista Project will include the development of an 80,000 square foot corporate headquarters for the Jones Family of Companies ("Jones") and may include other offices, green space and infrastructure improvements including subsurface stormwater detention and parking. The Midtown Montevista Project represents a private investment in excess of \$50,000,000. The Midtown Montevista Project will create over 100 new full-time jobs and retain approximately 160 full-time jobs in the metropolitan area.

#### **D. STATEMENT OF INTENT**

1. The City, acting jointly with the County, proposes to issue TIF Bonds in one or more series in a total principal amount not to exceed Fifteen Million Dollars (\$15,000,000), of which up to Nine Million Dollars (\$9,000,000) may be issued in support of Elam Arms Project and of which up to Two Million Eight Hundred Fifty Thousand (\$2,850,000) may be issued to support the Midtown Montevista Project.

2. The Elam Arm Bonds issued in support of the Elam Arms Project will be secured solely by the pledge of the City and the pledge of the County of up to one hundred percent (100%) of the tax revenues derived from the City's ad valorem tax levies on the "captured assessed value" (as defined in the Act) of the real and personal property located within the Elam Arms Section of the TIF District. The Midtown Montevista Bonds issued in support of Midtown Montevista Project will be secured solely by pledge of the City and the pledge of the County of up to one hundred percent (100%) of the tax revenues derived from the City's ad valorem tax levies on the "captured assessed value" (as defined in the Act) of the real and personal property located within the Midtown Montevista Section of the TIF District.

3. Proceeds of the TIF Bonds, including the Elam Arms Bonds and the Midtown Montevista Bonds, will be used to pay the cost of constructing various public infrastructure improvements of the Project including, but not limited to, installation of utilities such as water, sanitary sewer and natural gas lines; relocation of utilities; installation and relocation of electrical services; installation of storm drainage; construction of roadways, curbs and gutters; construction of public and private parking facilities; construction of sidewalks; fire protection; installation of traffic signalization and signage; lighting and landscaping of rights-of-way; purchase of rights-of-way necessary for the installation of the infrastructure improvements described hereinabove; engineering, surveys and design fees along with site preparation and grading for the improvements described hereinabove; capitalized interest; preparation fees for the Amended TIF Plan; other incidental costs; and related professional fees for the Project, together with other such infrastructure as may be authorized under the TIF Act and/or REDA (collectively, the "Infrastructure Improvements"). The construction of the Infrastructure Improvements will be undertaken to provide for the public convenience, health, and welfare. A more detailed scope of work including budgets will be identified in development agreements and/or security and reimbursement agreements as necessary and appropriate.

4. It is the intent of the City and County to use tax increment financing and other available funds as may be authorized pursuant to REDA to foster, encourage and expedite the development and redevelopment of the TIF District, including the Elam Arms Section of the TIF District and the Midtown Montevista Section of the TIF District.

5. It is the intent of this Amended TIF Plan to:

a. As development and redevelopment progress, designate specific sections of the TIF District as sections (each a "Section") that are developed and may have TIF Bonds issued in support of Infrastructure Improvements in support of the development or redevelopment of that Section, said TIF Bonds to be secured by real and personal property taxes and sales tax rebates generated from the development and redevelopment of that Section of the TIF District.

b. Authorize TIF Bonds to be issued in one or more series as development occurs and when added increments of sales tax rebates and/or ad valorem taxes from real and personal property located in a Section of the TIF District are sufficient to support the issuance of TIF Bonds in a principal amount not less than one million dollars (\$1,000,000). The total principal amount of TIF Bonds authorized under this Amended TIF Plan shall not exceed Fifteen Million Dollars (\$15,000,000) and may be issued in support of The Elam Arms Project and Midtown Montevista Project.

c. Authorize pledges by the City and County up to one hundred percent (100%) of the sales tax rebates resulting from the development and redevelopment of a Section of the TIF District and/or real and personal property ad valorem tax increases generated by real and personal property located with such Section of the TIF District.

d. Acknowledge that this Amended TIF Plan will likely be amended further to designate other Sections of the TIF District when future development and redevelopment opportunities arise.

e. Acknowledge that the Amend TIF Plan includes and hereby designates the Elam Arms Section of the TIF District and the Midtown Montevista Section of the TIF District.

f. Confirm the "original assessed value" (as defined by the TIF Act), thus authorizing the pledge by the City and the County of real and personal ad valorem property tax increases and increases in sales tax rebates generated in the TIF District and each Section of the TIF District pursuant to the TIF Act.

g. Acknowledge that the City and County have approved and adopted the Hattiesburg Clinic Midtown District Tax Increment Financing Plans and to exclude the Hattiesburg Clinic Midtown District Tax Increment Financing District from the boundaries of the TIF District as established by the Tax Increment Plan Midtown Hattiesburg Project for the City and County (see Exhibit I B).

h. Acknowledge that through the adoption and approval hereof, the City and the County agree to pledge up to one hundred percent (100%) of the sales tax rebates and the increased real and personal property ad valorem taxes generated by the Elam Arms Project to service the Elam Arms Bonds authorized herein for the Elam Arms Project.

i. Acknowledge that through the adoption and approval hereof, the City and the County agree to pledge up to one hundred percent (100%) of the increased real and personal property ad valorem taxes generated by Midtown Montevista Project to service the Midtown Montevista Bonds authorized herein for Midtown Montevista Project.

j. Acknowledge that the sales tax rebates and the increases in the real and personal property ad valorem taxes from the Elam Arms Project are only pledged to service the debt of the Elam Arms Bonds and not any other TIF Bonds authorized by this Amended TIF Plan.

k. Acknowledge that the increases in the real and personal property ad valorem taxes from Midtown Montevista Project are only pledged to service the debt of the Midtown Montevista Bonds and not any other TIF Bonds authorized by this Amended TIF Plan.

l. Acknowledge that the sales tax rebates and the increases in the real and personal property ad valorem taxes from the tax increment financing district set forth in the Hattiesburg Clinic Midtown District Tax Increment Tax Increment Financing Plans of the City and County are not pledged to service TIF Bonds issued pursuant to this Amended TIF Bonds.

m. Acknowledge and define the boundaries of the Elam Arms Section of the TIF District and the Midtown Montevista Section of the TIF District and to provide for the pledges by the City and the County as set forth in this Amended TIF Plan.

n. Acknowledge that TIF Bonds may be issued to reimburse the City and/or developers for Infrastructure Improvements as provided in the Amended TIF Plan and pursuant to the TIF Act and/or REDA.

**E. PUBLIC CONVENIENCE AND NECESSITY**

1. The public convenience and necessity require participation by the City and County in the Project, which includes The Elam Arms Project and Midtown Montevista Project. The public's interest will be served by the City and County's participations in the Project, which will accomplish the following and serve the best interests of the citizens of the City and County:

a. According to the Master Plan, construction of the Project represents a private investment in excess of Two Hundred Million Dollars (\$200,000,000).

b. The Master Plan projects increases in City, County, and school district real and personal property ad valorem taxes generated within the TIF District to be \$5,400,000 at full build-out. Consistent with the TIF Act, the below ad valorem taxes are based on an Original Assessed Value from 2013.

<b>City</b>	<b>County</b>	<b>School</b>	<b>TOTAL 2013 Taxes</b>
\$392,190	\$505,992	\$536,676	\$1,434,858

c. The Elam Arms Project is expected to significantly increase real and personal property taxes to the City, County and school district. Consistent with the TIF Act, the below values are based on an Original Assessed Value from 2013 within the Elam Arms Section of the TIF District. The table set forth below provides a breakdown of the taxes from the Original

Assessed Values as well as the projected tax increases from The Elam Arms Project at full build-out:

Entity	2013		
	Taxes	After Project	Increase
City Ad Valorem	\$0	\$392,182	\$392,182
County Ad Valorem	\$0	\$500,285	\$500,285
School District Ad Valorem	\$0	\$513,907	\$513,907
<b>TOTALS:</b>	<b>\$0</b>	<b>\$1,406,374</b>	<b>\$1,406,374</b>

d. Midtown Montevista Project is expected to significantly increase real and personal property taxes to the City, County and school district. Consistent with the TIF Act, the below values are based on an Original Assessed Value from 2013 within the Midtown Montevista Section of the TIF Distict. The table set forth below provides a breakdown of the taxes from the Original Assessed Values as well as the projected tax increases from Midtown Montevista Project at full build-out:

Entity	2013		
	Taxes	After Project	Increase
City Ad Valorem	\$15,695	\$138,480	\$122,785
County Ad Valorem	\$19,409	\$171,243	\$151,834
School District Ad Valorem	\$19,169	\$172,233	\$153,064
<b>TOTALS:</b>	<b>\$54,273</b>	<b>\$481,956</b>	<b>\$427,683</b>

e. The Project will make significant contributions to the development and redevelopment of the TIF District, the City and the County.

f. The Project will help to reduce leakage of millions of retail sales to nearby Mobile, Alabama and the suburbs of New Orleans, Louisiana.

g. The Project will enhance the City and the County's stature as a leading regional hub of higher education, medical care and retail shopping.

h. The Project will enhance and strengthen the economic viability of the TIF District and surrounding areas, increasing the area's attractiveness as investment opportunities.

i. The Project will involve the construction of a new school of nursing at Asbury Hall, enhancing USM to attract the best students in the State of Mississippi (the "State") as well as strengthen the stature of the City and County as a regional medical and business center.

j. The Project will involve the construction of a new School of Business, which will help USM increase enrollment of students pursuing careers in entrepreneurship.

k. The private investment and the investment by USM in the Project area will have a major positive economic impact on the City and the County, including local spending resulting from construction payrolls.

l. The Project will attract shoppers, students and those seeking medical care from all parts of the Pine Belt Region of the State.

m. The Project will increase property taxes in the City, County and Schools and increase sales tax rebates to the City and sales taxes to the State.

n. It is anticipated that the Project will result in significant increases in income taxes to the State.

o. According to the Master Plan, development and redevelopment in the TIF District could have an economic input of over \$200 million over the course of the planning period.

p. The Master Plan projects 3,938 full-time job equivalents at full build-out, with new jobs in education, medical services, professional services, retail, hospitality and other commercial businesses.

q. The Project includes a 50,000 square foot building constructed by Hattiesburg Clinic.

2. Set forth below is a partial listing of the projected benefits from The Elam Arms Project:

a. The Development will accommodate the City's vision for new growth in the TIF District and separately for USM's desire to provide premium luxury accommodations convenient and safe for travelers and to support a desire for additional commercial development including high-quality retail providers and restaurants.

b. The Elam Arms Project will act as catalyst to encourage additional upscale development in the TIF District.

c. The Elam Arms Project compliments major projects built by USM, Forrest General and the Hattiesburg Clinic.

d. The Elam Arms Project will result in the redevelopment of approximately 6.9± acres into a high-quality, luxury, full-service hotel, a stand-alone restaurant, retail and other amenities in immediate proximity to USM, Forest General Hospital and Hattiesburg Clinic.

e. The Elam Arms Project will help reduce the loss of business to other smaller markets, particularly during USM's sponsored events.

f. The Elam Arms Project will generate an estimated \$18,400,000 in new retail sales.

g. The Elam Arms Project is expected to result in an investment of over \$59 million in the City and County, and it is projected to create over 321 permanent full-time and part-time jobs with an estimated annual payroll of \$6.8 million dollars.

h. The hotel, retail, and restaurant development will substantially increase property taxes to an estimated \$1,406,374 for the City, County, and School District.

i. It is anticipated that The Elam Arms Project will result in annual sales tax rebates in excess of \$238,280 to the City.

j. It is projected that the City's 2% Tourism Promotion Tax will generate \$74,000 annually from The Elam Arms Project.

k. It is projected that The Elam Arms Project will result in \$30,000 annually pursuant to the City's 2% Convention Promotion Tax on food and beverage.

l. It is projected that The Elam Arms Project will result in \$52,000 annually pursuant to the City's 1% Tourism Parks and Recreation Tax on hotels and food and beverage.

m. Construction of The Elam Arms Project will create construction jobs and full and part-time jobs upon completion.

3. Set forth below are some of the benefits of Midtown Montevista Project:

a. The 80,000 square foot corporate headquarters will be strategically located on, but underdeveloped, property in the City and the TIF District.

b. Midtown Montevista Project will include green space and infrastructure improvements including subsurface stormwater detention and parking.

c. Midtown Montevista Project represents a private investment in excess of \$50,000,000 in the State.

d. The Midtown Montevista Project will create over 100 new full-time jobs and retain approximately 160 full-time jobs in the metropolitan area.

e. Midtown Montevista Project will increase real and personal property ad valorem taxes for the City, County and School District by \$427,683.

f. Through an Economic Development Highway Grant from the State to the City, Midtown Montevista Project will improve 31<sup>st</sup> Avenue, Chevy Chase and Lorraine Street.

## ARTICLE II

### A. REDEVELOPMENT PROJECT DESCRIPTION:

1. The Project: The Project, which includes the Elam Arms Project and Midtown Montevista Project as described in Article I, Section C of this Amended TIF Plan, will consist of the development and redevelopment of the TIF District generally located along U.S. Highway 49 and Hardy Street in the City, and more particularly described in Exhibit 1. The TIF District includes Forrest General Hospital and related medical facilities, Hattiesburg Clinic and numerous retail businesses, professional office buildings, and other facilities. USM is contiguous with the TIF District and is vital to the success of the implementation of the Master Plan. Development and redevelopment include a new full-service hotel, restaurants, professional office buildings and other public and private investment. The Project will likely represent public and private investment in excess of \$200,000,000. The Project is being undertaken pursuant to the Master Plan and this Amended TIF Plan.

2. TIF District: The TIF District, the Elam Arms Section of the TIF District, the Elam Arms Project, the Midtown Montevista Section of the TIF District and the Midtown Montevista Project are described in Article 1 and in Exhibits 1, 2 and 3, respectively, attached to this Amended Plan.

3. Environmental Characteristics and Zoning: The Project site is comprised of a 20+ block mixed-use area, which is zoned as set forth on Exhibit 1.

**B. DEVELOPERS' INFORMATION:**

1. The Developer of The Elam Arms Project is **Midtown Investors, LLC**, with offices at 11 Parkway Boulevard in the City.

2. The Developer of the of Midtown Montevista Project is **Midtown Montevista, LLC**, with offices located at 16 Office Park Drive, Suite 10 in the City, but which will be established in Midtown Montevista Project.

**ARTICLE III  
ECONOMIC DEVELOPMENT IMPACT DESCRIPTION**

**A. JOB CREATION:**

1. The development of the Project will create hundreds of construction jobs with payroll in the tens of millions.

2. The development of the Project will create full and part-time jobs. It is anticipated that: the Elam Arms Project will create 321 full time and part time jobs upon completion and the Midtown Montevista Project will create at least 100 full-time jobs.

**B. FINANCIAL BENEFIT TO THE COMMUNITY**

**1. AD VALOREM TAXE INCREASES.**

a. The Master Plan projects increases in City, County, and School District real and personal property ad valorem taxes to be \$5,400,000 at full build-out. Consistent with the TIF Act, the below ad valorem taxes are based on an Original Assessed Value from 2013 from properties located within the TIF District.

City	County	School	TOTAL 2013 Taxes
\$392,190	\$505,992	\$536,676	\$1,434,858

b. The Elam Arms Project is expected to significantly increase real and personal property taxes to the City, County and School District. Consistent with the TIF Act, the below values are based on an Original Assessed Value from 2013 from properties located within the Elam Arms Section of the TIF District. The table set forth below provides a breakdown of the taxes from the Original Assessed Values as well as the projected tax increases from The Elam Arms Project at full build-out:

<b>Entity</b>	<b>2013 Taxes</b>	<b>After Project</b>	<b>Increase</b>
City Ad Valorem	\$0	\$392,182	\$392,182
County Ad Valorem	\$0	\$500,285	\$500,285
School District Ad Valorem	\$0	\$513,907	\$513,907
<b>TOTALS:</b>	<b>\$0</b>	<b>\$1,406,374</b>	<b>\$1,406,374</b>

c. Midtown Montevista Project is expected to significantly increase real and personal property taxes to the City, County and School District. Consistent with the TIF Act, the below values are based on an Original Assessed Value from 2013 on properties located within the Midtown Montevista Section of the TIF District. The table set forth below provides a breakdown of the taxes from the Original Assessed Values as well as the projected tax increases from Midtown Montevista Project at full build-out:

Entity	2013		
	Taxes	After Project	Increase
City Ad Valorem	\$15,695	\$138,480	\$122,785
County Ad Valorem	\$19,409	\$171,243	\$151,834
School District Ad Valorem	\$19,169	\$172,233	\$153,064
<b>TOTALS:</b>	<b>\$54,273</b>	<b>\$481,956</b>	<b>\$427,683</b>

**2. RETAIL SALES:**

a. The Elam Arms Project will generate an estimated \$18,400,000 in new retail sales.

b. The Elam Arms Project is expected to result in an investment of over \$59 million in the City and County, and it is projected to create over 321 permanent full-time and part-time jobs with an estimated annual payroll of \$6.8 million dollars.

c. The hotel, retail, and restaurant development will substantially increase property taxes to an estimated \$1,406,374 for the City, County, and School District.

d. It is anticipated that The Elam Arms Project will result in annual sales tax rebates in excess of \$238,280 to the City.

e. It is projected that the City's 2% Tourism Promotion Tax will generate \$74,000 annually from The Elam Arms Project.

f. It is projected that The Elam Arms Project will result in \$30,000 annually pursuant to the City's 2% Convention Promotion Tax on food and beverage.

g. It is projected that The Elam Arms Project will result in \$52,000 annually pursuant to the City's 1% Tourism Parks and Recreation Tax on hotels and food and beverage.

**3. OTHER ECONOMIC IMPACTS:** According to the Master Plan, development and redevelopment of the TIF District could have an economic input of over \$200 million over the course of the planning period. The Master Plan projects 3,938 full-time job equivalents at full build-out, with new jobs in education, medical services, professional services, retail, hospitality and other commercial businesses. The Project will accommodate the City's vision for new development and growth in the TIF District and encourage additional commercial development including high-quality retail and restaurants. The Project will help reduce leakage of millions of retail sales to nearby Mobile, Alabama and the suburbs of New Orleans, Louisiana. The Project will enhance the City and the County's stature as a leading regional hub of higher education, medical care and retail shopping. The Project will enhance the TIF District, strengthen the economic viability of the area and increase its attractiveness as an investment opportunity.

The private investment in the TIF District will have a major positive economic impact on the City and the County, including local spending resulting from construction payrolls.

**ARTICLE IV  
THE OBJECTIVE OF THE AMENDED TIF PLAN**

The primary objective of the Amended TIF Plan is to serve the public convenience and necessity by participating in the Project, which includes The Elam Arms Project and Midtown Montevista Project. The Amended TIF Plan will provide financing for the Infrastructure Improvements, and said Infrastructure improvements will be constructed in accordance with standards, codes, and ordinances of the City. The development of the Project, including the Elam Arms Project and the Midtown Montevista Project, and the development of the Infrastructure Improvements will provide for the health and welfare of the public by providing for safe and adequate utilities and other infrastructure necessary for the development and redevelopment of the TIF District.

**ARTICLE V  
A STATEMENT INDICATING THE NEED AND PROPOSED USE OF THE AMENDED TIF PLAN IN  
RELATIONSHIP TO THE REDEVELOPMENT PLAN**

The proposed use of the Amended TIF Plan is to provide a financing mechanism for the construction of the Infrastructure Improvements necessary to serve the public that will utilize the induced development throughout the TIF District and other areas as deemed appropriate. The Project, including the Elam Arms Project and the Midtown Montevista Project, requires the assistance of the City and County through the issuance of TIF Bonds to help defray the cost of public infrastructure and other improvements that benefit the community.

**ARTICLE VI  
A STATEMENT CONTAINING THE COST ESTIMATE OF THE REDEVELOPMENT PROJECT, PROJECTED  
SOURCES OF REVENUE TO MEET THE COSTS, AND THE TOTAL AMOUNT OF  
INDEBTEDNESS TO BE INCURRED**

**A. TIF DISTRICT**

**1. COST ESTIMATE OF THE REDEVELOPMENT PROJECT:** The development of the Project will represent a private investment in excess of Two Hundred Million Dollars (\$200,000,000). The implementation of this Amended TIF Plan will be a joint undertaking of the City and County, whereby the City and County may enter into interlocal agreements or REDA Agreements, which will designate the City as the primary party in interest in carrying the Project forward. These agreements will provide that the City issue TIF Bonds in one or more series as authorized in this Amended TIF Plan, in a principal amount not to exceed Fifteen Million Dollars (\$15,000,000). The proceeds from the TIF Bonds will be used, in part, to pay the cost of the Infrastructure Improvements which will be undertaken to provide for the public convenience, health, and welfare. A more detailed scope of work including budgets will be identified in development agreements and/or security and reimbursement agreements as necessary and appropriate.

Proceeds of the TIF Bonds may also be used to fund capitalized interest and/or a debt service reserve fund as permitted under the TIF Act.

**2. PROJECTED SOURCES OF REVENUE TO MEET COSTS:** USM, Forrest General Hospital, Hattiesburg Clinic and other developers will secure funds and/or financing for the public and private investment needed to develop and redevelop the TIF District. The City and County will pledge up to 100% of the increase in real and personal property ad valorem taxes from the TIF District to finance the TIF Bonds. If deemed necessary and appropriate, the City may require additional security from the developers of each section of the TIF District. **The only obligations of the City and County with respect to the payment of any TIF Bonds will be the pledge of up to one hundred percent (100%) of the increased ad valorem real and personal property tax revenues from the TIF District.** Any surplus from the increase in ad valorem taxes from the Project shall be deposited into the general funds of the City and County or as provided in the resolution(s) authorizing the issuance of the TIF Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the TIF Bonds.

**3. TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED:** The City is authorized to issue in a total principal amount of not to exceed Fifteen Million Dollars (\$15,000,000) in TIF Bonds in one or more series, which will be secured by the City and County with the pledge of up to 100% of the incremental increases real and personal property ad valorem taxes generated by the TIF District. It is expected that TIF Bonds will be issued in one or more series when development and redevelopment projects occur, and the pledge for each Section of the TIF District will be set forth pursuant to this Amended TIF Plan, as may be amended from time to time. The amount and timing of the TIF Bonds and the terms of said issuance will be determined as each development or redevelopment is proposed and will be pursuant to further actions of the City and County.

**B. ELAM ARMS SECTION OF THE TIF DISTRICT:**

**1. COST ESTIMATE:** The development of the Elam Arms Project within the Elam Arms Section of the TIF District represents a private investment in excess of Fifty-Nine Million Dollars (\$59,000,000). The implementation of this Amended TIF Plan will be a joint undertaking of the City and County, whereby the City and County may enter into an interlocal agreement or a REDA Agreement which will designate the City as the primary party in interest in carrying the Elam Arms Project forward. The City and County propose that the City issue the Elam Arms Bonds in one or more series as authorized in this Amended TIF Plan for the Elam Arms Project, in a total principal amount of not to exceed Nine Million Dollars (\$9,000,000), of which \$3,215,000 of Elam Arms Bonds have been issued. The proceeds of the Elam Arms Bonds will be used to pay the cost of Infrastructure Improvements located within the Elam Arms Section of the TIF District, which will be undertaken to provide for the public convenience, health, and welfare of the residents of the City and the County. A more detailed scope of work including budgets will be identified in a development agreement and/or security and reimbursement agreement with Midtown Investors, LLC. Proceeds of the Elam Arms Bonds may also be used to fund capitalized interest and/or a debt service reserve fund as permitted under the TIF Act.

**2. PROJECTED SOURCES OF REVENUE TO MEET COSTS:** Midtown Investors, LLC will secure financing (or cause financing to be secured) for private investment needed to develop and redevelop the Elam Arms Project. Other sources of revenue may include grants, such as a grant under the Economic Development Highway Act, rebates and tax credits from the State. The City and County will pledge up to one hundred percent (100%) of the increase in real and personal property ad valorem taxes generated

from the Elam Arms Project within the Elam Arms Section of the TIF District to finance the Elam Arms Bonds. If deemed necessary and appropriate, the City may require additional security from Midtown Investors, LLC for the Elam Arms Bonds. The only obligations of the City and County with respect to the payment of any Elam Arms Bonds will be the pledge of up to one hundred percent (100%) of the increased ad valorem real and personal property tax revenues from the Elam Arms Project. Any surplus from the increase in ad valorem taxes from the Project shall be deposited into the general funds of the City and County or as provided in the resolution(s) authorizing the issuance of the Elam Arms Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the Elam Arms Bonds.

**3. TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED:** The City is authorized to issue up to Nine Million Dollars (\$9,000,000) in Elam Arms Bonds in one or more series for the Elam Arms Project, which will be secured by the City and County with the pledge of up to one hundred percent (100%) of the incremental increases real and personal property ad valorem taxes generated by the Elam Arms Project within the Elam Arms Section of the TIF District.

**4. DESCRIPTION OF INTEREST RATE AND REQUIRED PAYMENTS ON THE ELAM ARMS BONDS FOR THE ELAM ARMS PROJECT:** Based upon market factors, it is expected the Elam Arms Bonds for the Elam Arms Project can be obtained at an annual interest rate of not more than seven percent (7%) for up to twenty (20) years. Annual principal and interest payments on the Elam Arms Bonds are estimated to be up to approximately \$713,973 assuming an interest rate of 5.5% over a period of up to fifteen (15) years.

**5. PLEDGE OF TAXES TO SERVICE THE ELAM ARMS BONDS:** The increase in ad valorem real and personal property tax revenues to be generated within the Elam Arms Section of the TIF District for the City by the Elam Arms Project are estimated to be \$392,182. The increase in ad valorem real and personal property tax revenues to be generated within the Elam Arms Section of the TIF District for the County resulting from the construction of The Elam Arms Project are estimated to be \$500,285. It is requested that up to one hundred percent (100%) of the increased City and County ad valorem real and personal property taxes generated within the Elam Arms Section of the TIF District by the Elam Arms Project be pledged to the payment of the Elam Arms Bonds issued for the Elam Arms Project. The only obligations of the City and County with respect to the payment of the Elam Arms Bonds will be the pledge of up to one hundred percent (100%) of the increased real and personal property ad valorem taxes by the City and County that are generated within the Elam Arms Section of the TIF District as a result of the Elam Arms Project. If deemed necessary and appropriate, the City and the County may require additional security from Midtown Investors, LLC for the Elam Arms Bonds.

**6. EXCESS TAXES TO BE ADDED TO THE GENERAL FUNDS:** Any surplus in the City's revenues will be deposited in the City's General Fund or as provided in the resolution(s) authorizing the issuance of the Elam Arms Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the Elam Arms Bonds. Any surplus in the County's revenues will be deposited in the County's General Fund or as provided in the resolution(s) authorizing the issuance of the Elam Arms Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the Elam Arms Bonds.

**C. MIDTOWN MONTEVISTA SECTION OF THE TIF DISTRICT:**

1. **COST ESTIMATE:** The development of Midtown Montevista Project represents a private investment in excess of Fifty Million Dollars (\$50,000,000). The implementation of this Amended TIF Plan will be a joint undertaking of the City and County, whereby the City and County may enter into an interlocal agreement or a REDA Agreement which will designate the City as the primary party in interest in carrying the Midtown Montevista Project forward. The City and County propose that the City is authorized to issue Midtown Montevista Bonds in one or more series as authorized in this Amended TIF Plan for Midtown Montevista Project, in a total principal amount not to exceed Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000). The proceeds of the Midtown Montevista Bonds will be used to pay the cost of the Infrastructure Improvements within the Midtown Montevista Section of the TIF District, which will be undertaken to provide for the public convenience, health, and welfare. A more detailed scope of work including budgets will be identified in a development agreement and/or security and reimbursement agreement with Midtown Montevista, LLC. Proceeds of the Midtown Montevista Bonds may also be used to fund capitalized interest and/or a debt service reserve fund as permitted under the TIF Act.

2. **PROJECTED SOURCES OF REVENUE TO MEET COSTS:** Midtown Montevista, LLC will secure financing (or cause financing to be secured) for private investment needed to develop and redevelop Midtown Montevista Project. Other sources of revenue may include grants, such as grants through the Economic Development Highway Act, rebates and tax credits from the State. To secure the Midtown Montevista Bonds, the City and County will pledge 100% of the incremental increase in real and personal property ad valorem taxes within the Midtown Montevista Section of the TIF District from the Midtown Montevista Project; however, the principal amount of the Midtown Montevista Bonds to be issued shall be based upon eighty-five percent (85%) of the incremental increase in real and personal property ad valorem taxes within the Midtown Montevista Section of the TIF District. The only obligations of the City and County with respect to the payment of any Midtown Montevista Bonds will be the pledge of the increased ad valorem real and personal property tax revenues from Midtown Montevista Project located within the Midtown Montevista Section of the TIF District. Any surplus from the increase in ad valorem taxes from the Project shall be deposited into the general funds of the City and County, as appropriate, or as provided in the resolution(s) authorizing the issuance of the Midtown Montevista Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the Midtown Montevista Bonds.

3. **TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED:** The City is authorized to issue in a total principal amount of not to Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000) in Midtown Montevista Bonds in one or more series for Midtown Montevista Project, which will be secured by the City and County with the pledge of 100% of the incremental increases real and personal property ad valorem taxes generated by Midtown Montevista Project located within the Midtown Montevista Section of the TIF District.

4. **DESCRIPTION OF INTEREST RATE AND REQUIRED PAYMENTS ON THE MIDTOWN MONTEVISTA BONDS FOR MIDTOWN MONTEVISTA PROJECT:** Based on market factors, it is expected that the Midtown Montevista Bonds for the Midtown Montevista Project can be obtained at an annual interest rate of not more than seven percent (7%) for up to twenty (20) years. Annual principal and interest payments on the Midtown Montevista Bonds are estimated to be up to approximately \$238,919 assuming an interest rate of 3.0% over a period of up to fifteen (15) years.

5. **PLEDGE OF TAXES TO SERVICE THE Midtown Montevista BONDS:** The increase in ad valorem real and personal property tax revenues to be generated for the City by Midtown Montevista Project located within the Midtown Montevista Section of the TIF District are estimated to be \$122,785. The increase in ad valorem real and personal property tax revenues to be generated for the County resulting from the construction of Midtown Montevista Project are estimated to be \$151,834. It is requested that one hundred percent (100%) of the increased City and County ad valorem real and personal property taxes generated by Midtown Montevista Project be pledged to the payment of the Midtown Montevista Bonds issued for the Midtown Montevista Project; however, the principal amount of the Midtown Montevista Bonds to be issued shall be based upon eighty-five percent (85%) of the incremental increase in real and personal property ad valorem taxes within the Midtown Montevista Project. The only obligations of the City and County with respect to the payment of the debt obligations will be the pledge of the increased real and personal property ad valorem taxes by the City and County that are generated as a result of Midtown Montevista Project within the Midtown Montevista Section of the TIF District. If deemed necessary and appropriate, the City and the County may require additional security from Midtown Montevista, LLC to secure the Midtown Montevista Bonds.

6. **EXCESS TAXES TO BE ADDED TO THE GENERAL FUNDS:** Any surplus in the City's revenues will be deposited in the City's General Fund or as provided in the resolution(s) authorizing the issuance of the Elam Arms Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the Elam Arms Bonds. Any surplus in the County's revenues will be deposited in the County's General Fund or as provided in the resolution(s) authorizing the issuance of the Midtown Montevista Bonds and may be used for any lawful purpose or as directed in the resolution authorizing the issuance of the Midtown Montevista Bonds.

**ARTICLE VII  
REAL PROPERTY TO BE INCLUDED IN TAX INCREMENT FINANCING PLAN**

A. **TIF DISTRICT:** The real property to be included in this Amended TIF Plan from which the ad valorem real and personal property tax revenues will be generated to finance one or more series of TIF Bonds will be the TIF District as described and set forth in the Master Plan and attached as Exhibit 1. However, that area described as the Hattiesburg Clinic Midtown District Project Tax Increment Financing District (Hattiesburg TIF District) is excluded from the TIF District.

B. **ELAM ARMS SECTION OF THE TIF DISTRICT:** The Elam Arms Section of the TIF District is located at both the former Elam Arms dormitory site on a 6.9± acre property and other property located immediately across Hardy Street from the main entrance of the USM, and an additional 3± acre parcel is in the City. The Elam Arms Section of the TIF District is further described by the legal descriptions and maps attached hereto as Exhibit 2.

C. **MIDTOWN MONTEVISTA SECTION OF THE TIF DISTRICT:** Midtown Montevista Project is an 8-acre tract located in the City and as further described by the legal description and maps attached hereto as Exhibit 3.

**ARTICLE VIII  
DURATION OF THE TAX INCREMENT FINANCING PLAN'S EXISTENCE**

This Amended TIF Plan shall remain in effect and in existence so long as there are TIF Bonds outstanding, including any refunding bonds issued therefor.

**ARTICLE IX  
ESTIMATED IMPACT OF TAX INCREMENT FINANCING PLAN UPON THE REVENUES OF ALL TAXING JURISDICTIONS IN WHICH A REDEVELOPMENT PROJECT IS LOCATED**

**A. AD VALOREM TAX INCREASES**

1. The construction and development of the Project, including The Elam Arms Project and Midtown Montevista Project, will generate significant increases in ad valorem tax revenues for the City, the County, and the School District. The Master Plan projects increases in City, County, and School District real and personal property ad valorem taxes to be \$5,400,000 at full build-out. Consistent with the TIF Act, the below ad valorem taxes are based on an Original Assessed Value from 2013 on properties within the TIF District.

<b>City</b>	<b>County</b>	<b>School</b>	<b>TOTAL 2013 Taxes</b>
\$392,190	\$505,992	\$536,676	\$1,434,858

b. The Elam Arms Project is expected to significantly increase real and personal property taxes to the City, County and School District. Consistent with the TIF Act, the below values are based on an Original Assessed Value from 2013 on properties within the Elam Arms Section of the TIF District. The table set forth below provides a breakdown of the taxes from the Original Assessed Values as well as the projected tax increases from the Elam Arms Project at full build-out:

<b>Entity</b>	<b>2013</b>		
	<b>Taxes</b>	<b>After Project</b>	<b>Increase</b>
City Ad Valorem	\$0	\$392,182	\$392,182
County Ad Valorem	\$0	\$500,285	\$500,285
School District Ad Valorem	\$0	\$513,907	\$513,907
<b>TOTALS:</b>	<b>\$0</b>	<b>\$1,406,374</b>	<b>\$1,406,374</b>

2. Midtown Montevista Project is expected to significantly increase real and personal property taxes to the City, County and School District. Consistent with the TIF Act, the below values are based on an Original Assessed Value from 2013 on properties located within the Midtown Montevista Section of the TIF District. The table set forth below provides a breakdown of the taxes from the Original Assessed Values as well as the projected tax increases from Midtown Montevista Project at full build-out:

Entity	2013		
	Taxes	After Project	Increase
City Ad Valorem	\$15,695	\$138,480	\$122,785
County Ad Valorem	\$19,409	\$171,243	\$151,834
School District Ad Valorem	\$19,169	\$172,233	\$153,064
<b>TOTALS:</b>	<b>\$54,273</b>	<b>\$481,956</b>	<b>\$427,683</b>

**B. INCREASES IN EMPLOYEMNT:**

1. The Master Plan projects 3,938 full-time job equivalents at full build-out, with new jobs in education, medical services, professional services, retail, hospitality and other commercial businesses. Impacts to the State’s income taxes depend on a variety of factors and cannot be calculated at this time.

2. The Elam Arms Project is projected to create over 321 permanent full-time and part-time jobs with an estimated annual payroll of \$6,000,000 million dollars. Impacts to the State’s income taxes depend on a variety of factors and cannot be calculated at this time.

3. The Midtown Montevista Project will create over 100 new full-time jobs and retain approximately 160 full-time jobs in the metropolitan area. Retained jobs will have an anticipated average wage of \$87,000. Impacts to the State’s income taxes depend on a variety of factors and cannot be calculated at this time.

**C. SALES TAXES:**

1. The Elam Arms Project will generate an estimated \$18,400,000 in annual retail sales, resulting in approximately \$1,288,000 in sales taxes to the State each year.

2. It is anticipated that The Elam Arms Project will result in annual sales tax rebates in excess of \$238,280 to the City from net new hotel, retail and restaurant sales.

3. It is projected that the City’s 2% Tourism Promotion Tax will generate \$74,000 annually from The Elam Arms Project.

4. It is projected that The Elam Arms Project will result in \$30,000 annually pursuant to the City’s 2% Convention Promotion Tax on food and beverage.

5. It is projected that The Elam Arms Project will result in \$52,000 annually pursuant to the City’s 1% Tourism Parks and Recreation Tax on hotels and food and beverage.

*Ad valorem real and personal property revenue data for The Elam Arms Project and the Project were provided to the City with assistance of the Midtown Hattiesburg Steering Committee and the Office of the County’s Tax Assessor.*

**ARTICLE X**

**THE GOVERNING BODY OF THE CITY SHALL BY RESOLUTION FROM TIME TO TIME, DETERMINE (i) THE DIVISION OF AD VALOREM TAX RECEIPTS, IF ANY, THAT MAY BE USED TO PAY FOR THE COST OF ALL OR ANY PART OF A REDEVELOPMENT PROJECT; (ii) THE DURATION OF TIME IN WHICH SUCH TAXES MAY BE USED FOR SUCH PURPOSES; (iii) IF THE GOVERNING BODY OF THE CITY SHALL ISSUE BONDS FOR SUCH REDEVELOPMENT PROJECT; AND (iv) SUCH OTHER RESTRICTIONS, RULES AND REGULATIONS AS**

**IN THE SOLE DISCRETION OF THE GOVERNING BODY OF THE CITY SHALL BE NECESSARY IN ORDER TO PROMOTE AND PROTECT THE PUBLIC INTEREST.**

Through the adoption of this Amended TIF Plan, the Governing Body of the City acknowledges the above and shall adopt the necessary resolutions when deemed necessary and appropriate.

**ARTICLE XI  
PLAN OF FINANCING**

A. This Amended TIF Plan provides for the City, acting on behalf of itself and the County, to issue the TIF Bonds in one or more series, which will be secured by the pledge of incremental increases in ad valorem taxes as set forth in Article VI. Each Project may be funded in whole or in part through the following sources: TIF bonds issued by the City issued pursuant to this Amended TIF Plan, private equity and debt, grants and incentives from the State such as funds through the Advantage Jobs Program, the Economic Development Highway Act, the Mississippi Bond Finance Corporation, and other funds.

B. The amount of TIF Bonds, the timing of said TIF Bonds issuance, and the percentage of debt service to be repaid by the City and County shall be set forth as redevelopment occurs, however as of the date of this Amended TIF Plan:

**1. The Elam Arms Project:** The City may issue Elam Arms Bonds in an amount not to exceed Nine Million Dollars (\$9,000,000), which will be secured by the City and County with the pledge of up to one hundred percent (100%) of the incremental increase in real and personal property ad valorem taxes generated by the Elam Arms Project located within the Elam Arms Section of the TIF District.

**2. Midtown Montevista Project:** The City may issue Midtown Montevista Bonds in an amount not to exceed Two Million Eight Hundred Fifty Thousand (\$2,850,000), which will be secured by the City and County with the pledge of one hundred percent (100%) of the incremental increase in real and personal property ad valorem taxes generated by Midtown Montevista Project. The Midtown Montevista Bonds shall be sized based upon eighty-five percent (85%) of the incremental increase in real and personal property ad valorem taxes generated by the Midtown Montevista Project located within the Midtown Montevista Section of the TIF District.

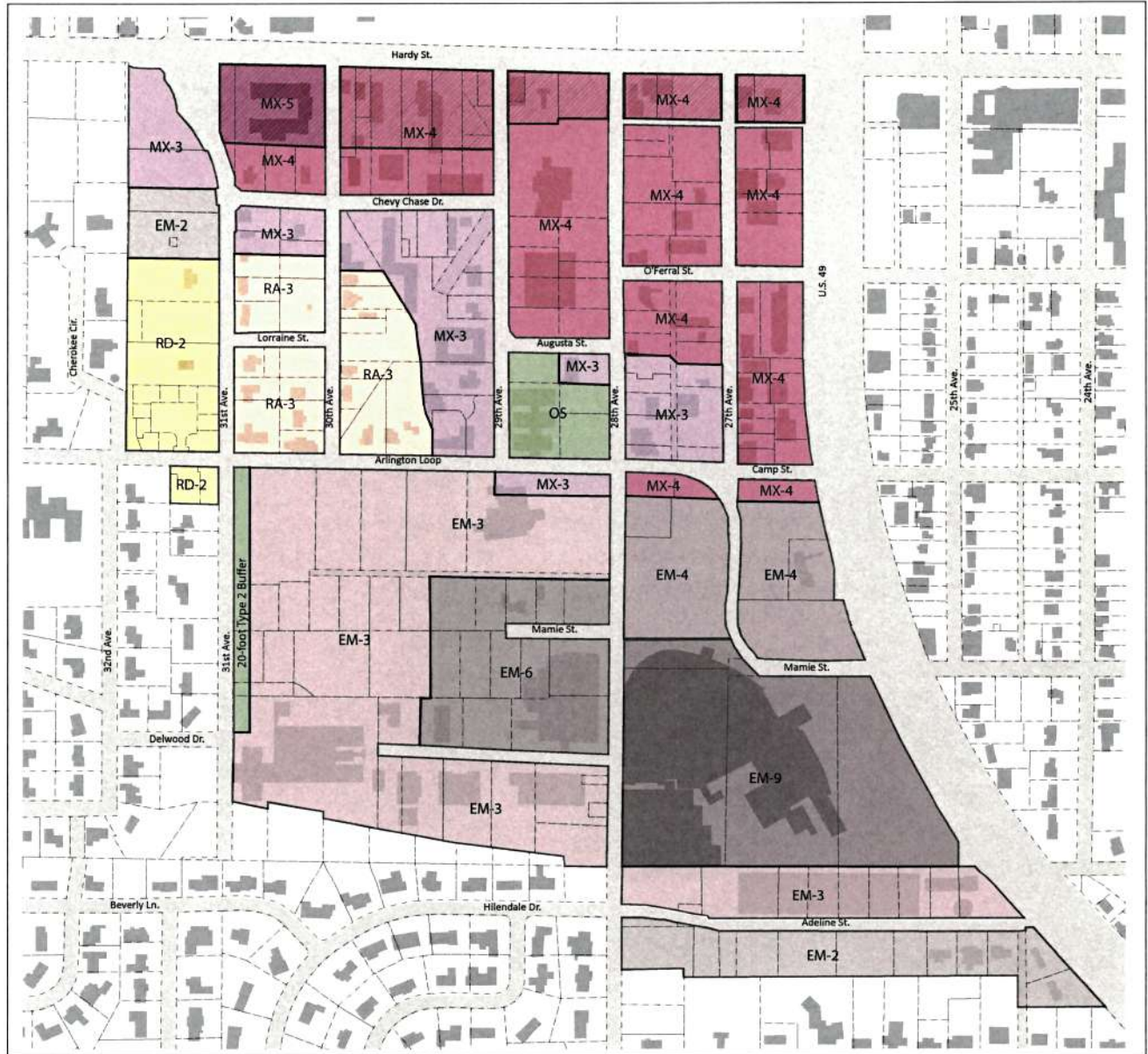
**ARTICLE XII  
A STATEMENT REQUIRING THAT SEPARATE FUNDS BE ESTABLISHED TO RECEIVE  
AD VALOREM TAXES AND THE PROCEEDS OF ANY OTHER FINANCIAL ASSISTANCE**

A. A separate fund entitled the "Tax Increment Financing Fund, The Elam Arms Project" shall be established by the City to receive real and personal ad valorem taxes and sales tax rebates generated by the development or redevelopment of The Elam Arms Project and the proceeds of any other financial assistance received in connection with The Elam Arms Project.

B. A separate fund entitled the "Tax Increment Financing Fund, Midtown Montevista Project" shall be established by the City to receive real and personal ad valorem taxes and sales tax rebates generated by the development or redevelopment of Midtown Montevista Project and the proceeds of any other financial assistance received in connection with Midtown Montevista Project.

**Sec. 2.2. Midtown Form-Based Code Zoning Map**

The following map is established and made a part of the City of Hattiesburg Official Zoning Map.



- |   |   |   |
|---|---|---|
| <p><b>Mixed Use</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #d9534f; border: 1px solid black; margin-right: 5px;"></span> MX-3: Mixed Use 3-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #c0392b; border: 1px solid black; margin-right: 5px;"></span> MX-4: Mixed Use 4-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #8e44ad; border: 1px solid black; margin-right: 5px;"></span> MX-5: Mixed Use 5-Story</li> </ul> <p><b>Employment</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #e67e22; border: 1px solid black; margin-right: 5px;"></span> EM-2: Employment 2-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #d35400; border: 1px solid black; margin-right: 5px;"></span> EM-3: Employment 3-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #9b59b6; border: 1px solid black; margin-right: 5px;"></span> EM-4: Employment 4-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #34495e; border: 1px solid black; margin-right: 5px;"></span> EM-6: Employment 6-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #2c3e50; border: 1px solid black; margin-right: 5px;"></span> EM-9: Employment 9-Story</li> </ul> | <p><b>Residential</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #f1c40f; border: 1px solid black; margin-right: 5px;"></span> RD-2: Detached 2-Story</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #f9cb9c; border: 1px solid black; margin-right: 5px;"></span> RA-3: Attached 3-Story</li> </ul> <p><b>Open Space</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #27ae60; border: 1px solid black; margin-right: 5px;"></span> OS: Open Space</li> </ul> | <p><b>Overlay</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; border-bottom: 1px dashed black; margin-right: 5px;"></span> -HS: Hardy Street Overlay</li> </ul> |
|---|---|---|

EXHIBIT I  
Midtown  
TIF District  
(continued)

MIDTOWN HATTIESBURG PROJECT  
TAX INCREMENT FINANCING DISTRICT

STATE OF MISSISSIPPI  
COUNTY OF FORREST  
CITY OF HATTIESBURG

A part of the SE ¼ of Section 7, a part of the SW ¼ Section 8 and a part of the NW ¼ of the NW ¼ of Section 17, T-4-N, R-13-W, Forrest County, Mississippi and being more particularly described as follows:

Beginning at the Intersection of South Right-of-Way (ROW) line of Hardy Street and the West ROW line of U.S. Highway No. 49; thence run Southeasterly and along said West ROW line for 2,930 feet, more or less, to the SE corner of a lot owned by Forrest General Hospital and having a Forrest County Parcel Number 2-039B-17-065.00; thence run West along the South line of said Parcel for 290 feet, more or less, to the West ROW line of Velma Avenue; thence run North along said West ROW line of Velma for 190 feet, more or less, to the South line of the Morningside Heights Subdivision; thence run West along said South subdivision line for 1,300 feet, more or less, to the West ROW line of South 28<sup>th</sup> Avenue; thence run North along said West ROW line for 350 feet to the NE corner of the Hillendale Subdivision; thence run West along said North subdivision line for 140 feet to the NW corner of Lot 1 Block D of said Hillendale Subdivision; thence run North for 35 feet, more or less, to the Northern boundary line of the said Hillendale Subdivision; thence run Northwesterly along the said Northern boundary for 1,160 feet, more or less, to the Western ROW line of South 31<sup>st</sup> Avenue; thence run North along said Western ROW line for 965 feet, more or less, to the SE corner of Cherokee Court Subdivision; thence run West along the South line of said Cherokee Court for 154.25 feet to the SW corner of said Cherokee Court; thence run North along the West line of said Cherokee Court for 123 feet to the South ROW line of Arlington Loop; thence continue North for 50' to the North ROW line of Arlington Loop; thence run West along said ROW line of Arlington Loop for 145 feet, more or less, to the SE corner of the Carrollton Subdivision; thence run North along the East line of said subdivision for 1,265 feet, more or less, to the South ROW line of Hardy Street; thence run East along said South line of Hardy street for 2,240 feet, more or less to the West ROW line of U.S. Highway No. 49 and the Point of Beginning, comprising 145 acres, more or less.

EXHIBIT I B

HATTIESBURG CLINIC MIDTOWN DISTRICT PROJECT  
TAX INCREMENT FINANCING DISTRICT

[FHG]:

The East ½ of Lot 2 is Block 1 of the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat of such addition on file and of record in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70/Plat Cabinet A at Slide 120;

ALSO: [Tatum]

All of Lot 3 of Block 1 of the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat of such addition on file and of record in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70/Plat Cabinet 1 at Slide 120.

AND:

The North 10 feet of the former alley lying south of and abutting the South line of said Lot 3, which alley was closed and vacated, in part, by Ordinance No. 2509 of the City of Hattiesburg, adopted November 22, 1994, and recorded in Land Deed Book 722 at Page 698.

ALSO: [Mathis/Mills]

All of Lot 7 and the East 22.2 feet of Lot 8, Block 1 of the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70 (now Plat Cabinet A, Slide 120), together with all improvements thereon and all appurtenances thereunto belonging.

ALSO: [Sullivan]

All of Lots 5 and 6 of Block 1 the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70 (now Plat Cabinet A, Slide 120), together with all improvements thereon and all appurtenances thereunto belonging.

\*NOTE:

*The area described hereinabove is excluded from the Midtown Hattiesburg Project Tax Increment Financing and is not a part of the said TIF District boundaries.*

EXHIBIT I B

HATTIESBURG CLINIC MIDTOWN DISTRICT PROJECT  
TAX INCREMENT FINANCING DISTRICT

[FHG]:

The East ¼ of Lot 2 is Block 1 of the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat of such addition on file and of record in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70/Plat Cabinet A at Slide 120;

ALSO: [Tatum]

All of Lot 3 of Block 1 of the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat of such addition on file and of record in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70/Plat Cabinet 1 at Slide 120.

AND:

The North 10 feet of the former alley lying south of and abutting the South line of said Lot 3, which alley was closed and vacated, in part, by Ordinance No. 2509 of the City of Hattiesburg, adopted November 22, 1994, and recorded in Land Deed Book 722 at Page 698.

ALSO: [Mathis/Mills]

All of Lot 7 and the East 22.2 feet of Lot 8, Block 1 of the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70 (now Plat Cabinet A, Slide 120), together with all improvements thereon and all appurtenances thereunto belonging.

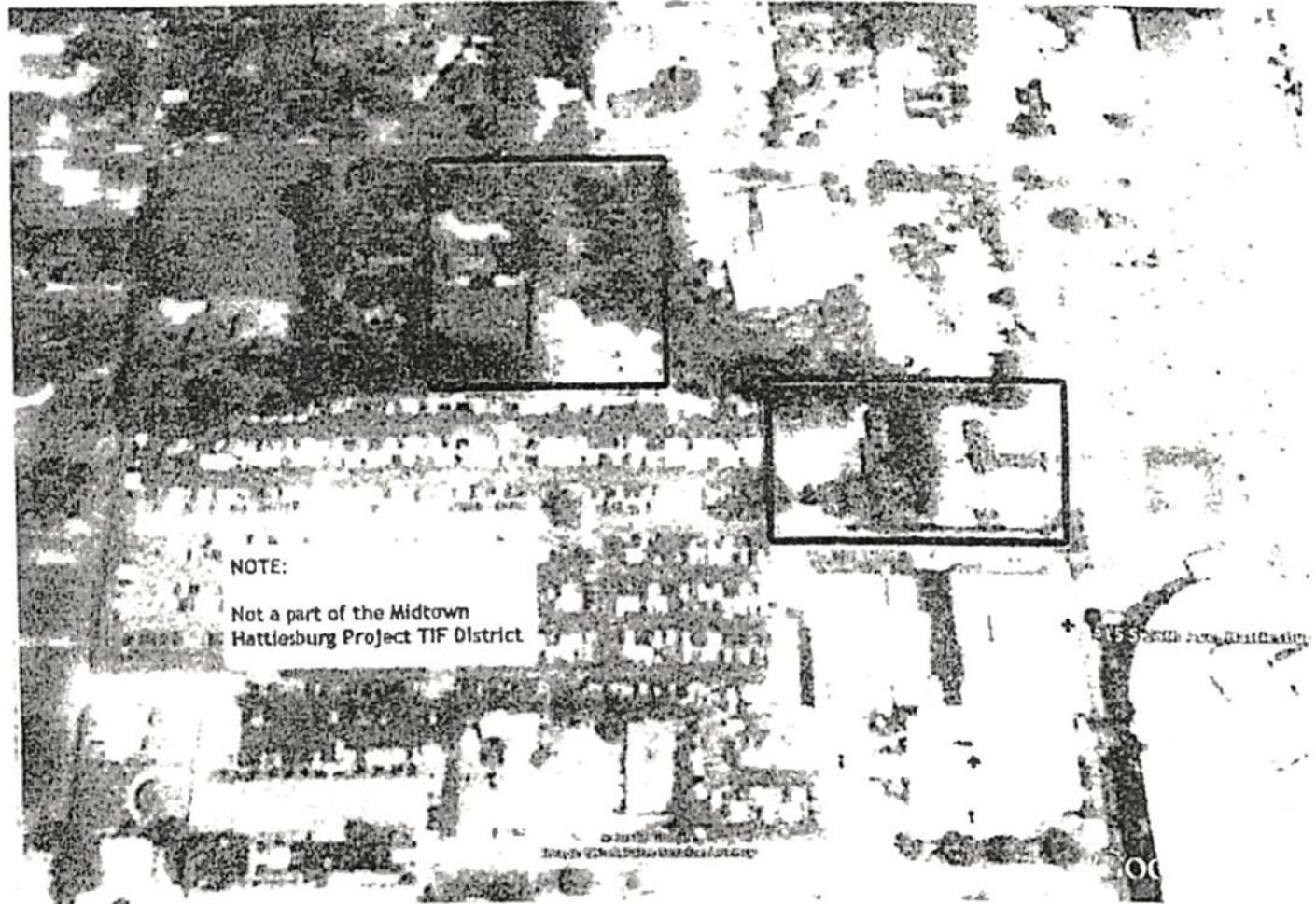
ALSO: [Sullivan]

All of Lots 5 and 6 of Block 1 the Hillsdale Addition to the City of Hattiesburg, Forrest County, Mississippi, as per the map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi, in Plat Book 7 at Page 70 (now Plat Cabinet A, Slide 120), together with all improvements thereon and all appurtenances thereunto belonging.

NOTE:

*The area described hereinabove is excluded from the Midtown Hattiesburg Project Tax Increment Financing and is not a part of the said TIF District boundaries.*

EXHIBIT I B  
HATTIESBURG CLINIC MIDTOWN DISTRICT TAX INCREMENT FINANCING DISTRICT





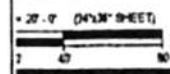
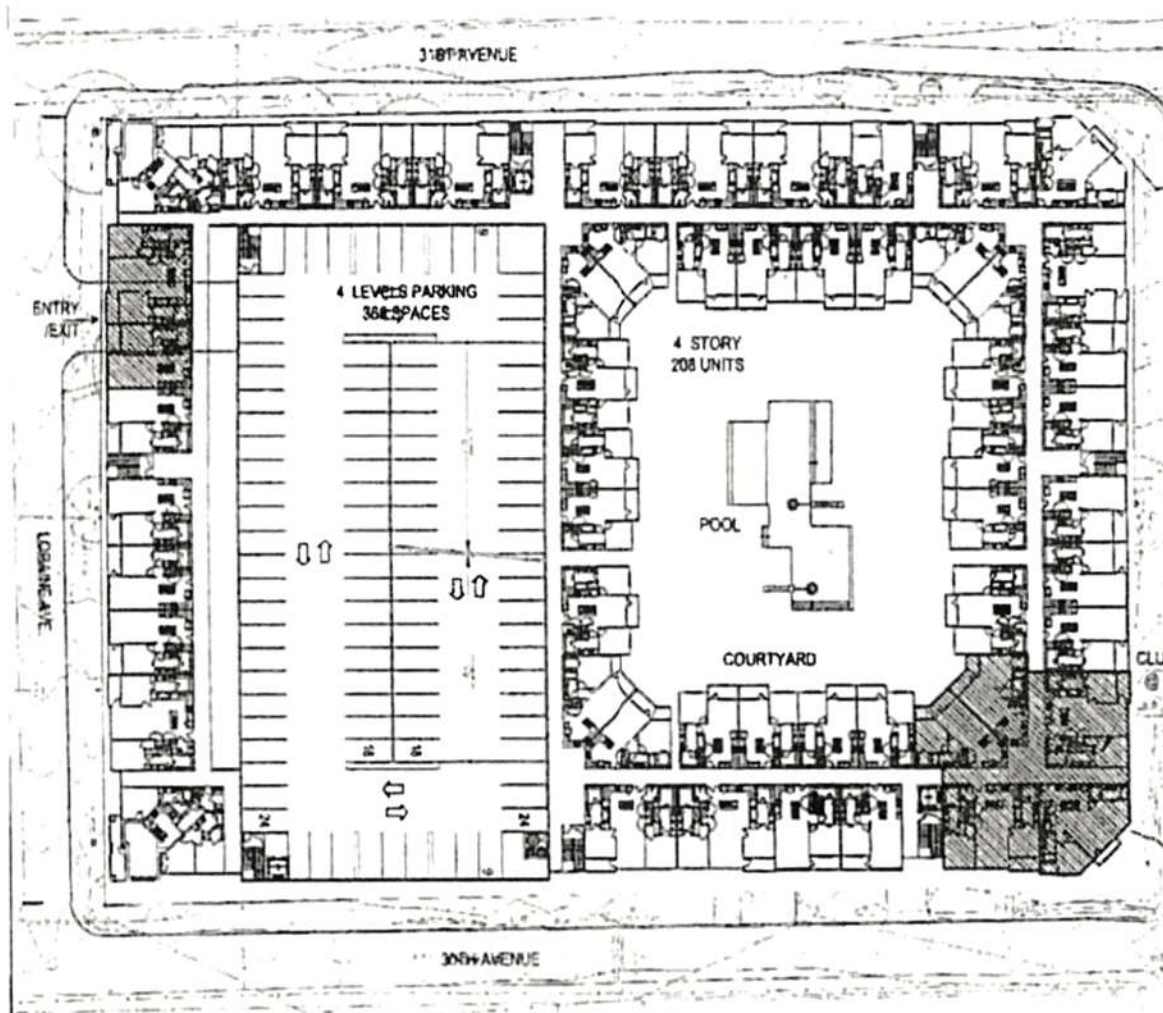
HATTIESBURG APARTMENTS				CR PROPERTIES	201503
UNIT TABULATION - 4 STORY					
UNIT NAME	UNIT TYPE	NET AREA (SF)	UNIT COUNT	PERCENTAGE	TOTAL AREA
A1	1br/1ba	870	48	23.06%	42,100
A2	1br/1ba	719	30	12.46%	21,542
A3	1br/1ba	705	31	24.52%	21,750
B	2br/2ba	1053	16	7.80%	15,888
B1	2br/2ba	1,161	11	24.90%	12,771
B3	2br/2ba	1,221	6	2.88%	7,326
C	2br/2ba	1,373	8	3.85%	10,984
<b>TOTALS</b>		<b>7,826</b>	<b>200</b>	<b>100.00%</b>	<b>144,231</b>

UNIT AVERAGE NET SF: 741.15

NET AREA COMBINED TO NET AREA VALUE EQUALS TOTAL NET AREA OF 7,826.00 SQ. FT. (TOTAL AREA VALUE DOES NOT INCLUDE COMMON AREAS)

PROJECT DATA	
UNIT AVERAGE NET SF	741.15 SF
ACREAGE	3.01 ACRES
DENSITY	66 UNITS/ACRE
PARKING	366 SPACES
PROVIDED	366 SPACES
(4 LEVELS/PAGE PARKING)	366 SPACES

CLUB HOUSE 5,800 SF @ 1ST & 2ND LEVEL



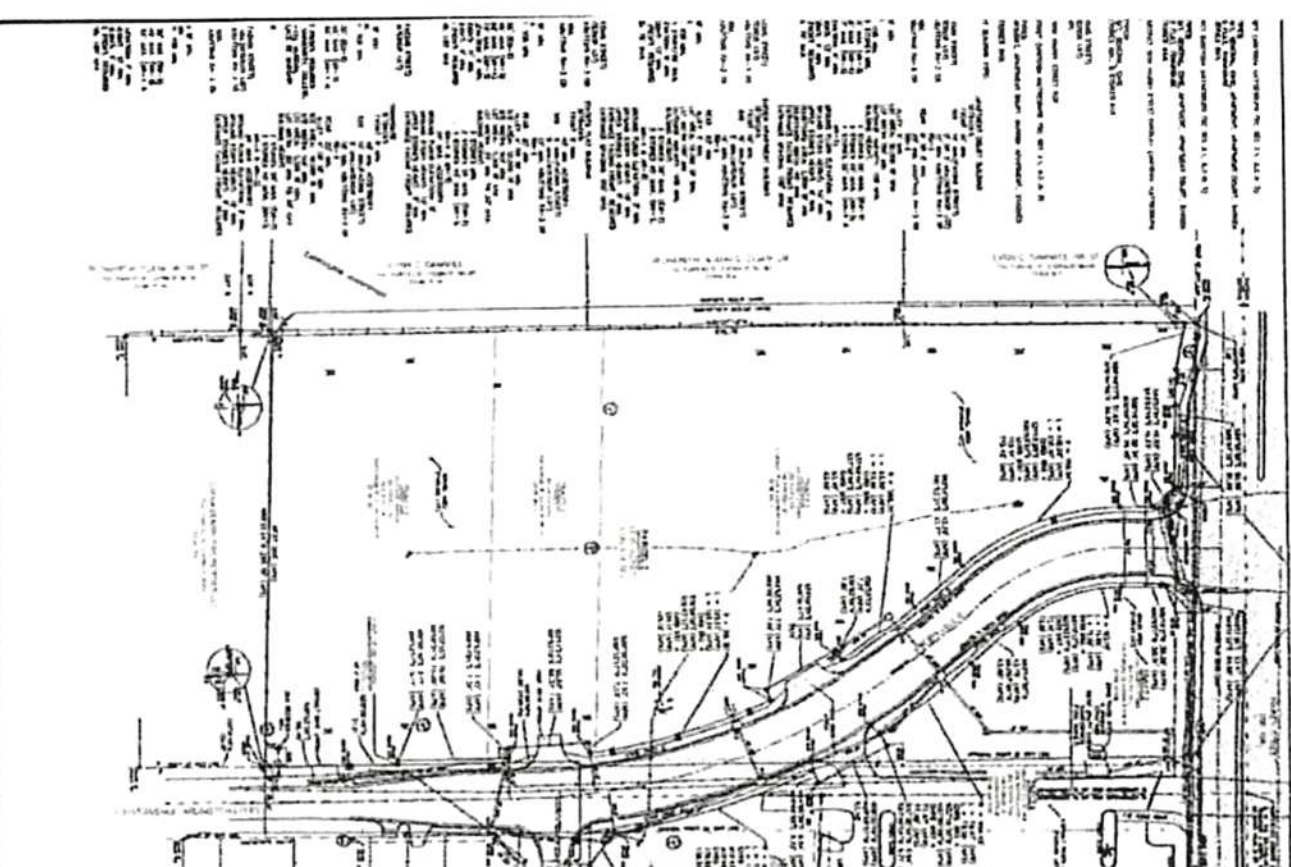
**SCHEME 01  
ARCHITECTURAL SITE PLAN**

**PRELIMINARY**

PROJECT NO. 100-100-100  
 SHEET NO. 100-100-100  
 DATE: 10/10/10  
 DRAWN BY: 100-100-100  
 CHECKED BY: 100-100-100  
 APPROVED BY: 100-100-100  
 TITLE: 100-100-100

THE INFORMATION CONTAINED HEREIN IS FOR INFORMATION ONLY AND IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND REGULATIONS FROM THE APPROPRIATE AGENCIES. THE DESIGNER ASSUMES NO LIABILITY FOR ANY DAMAGE OR INJURY RESULTING FROM THE USE OF THIS INFORMATION.

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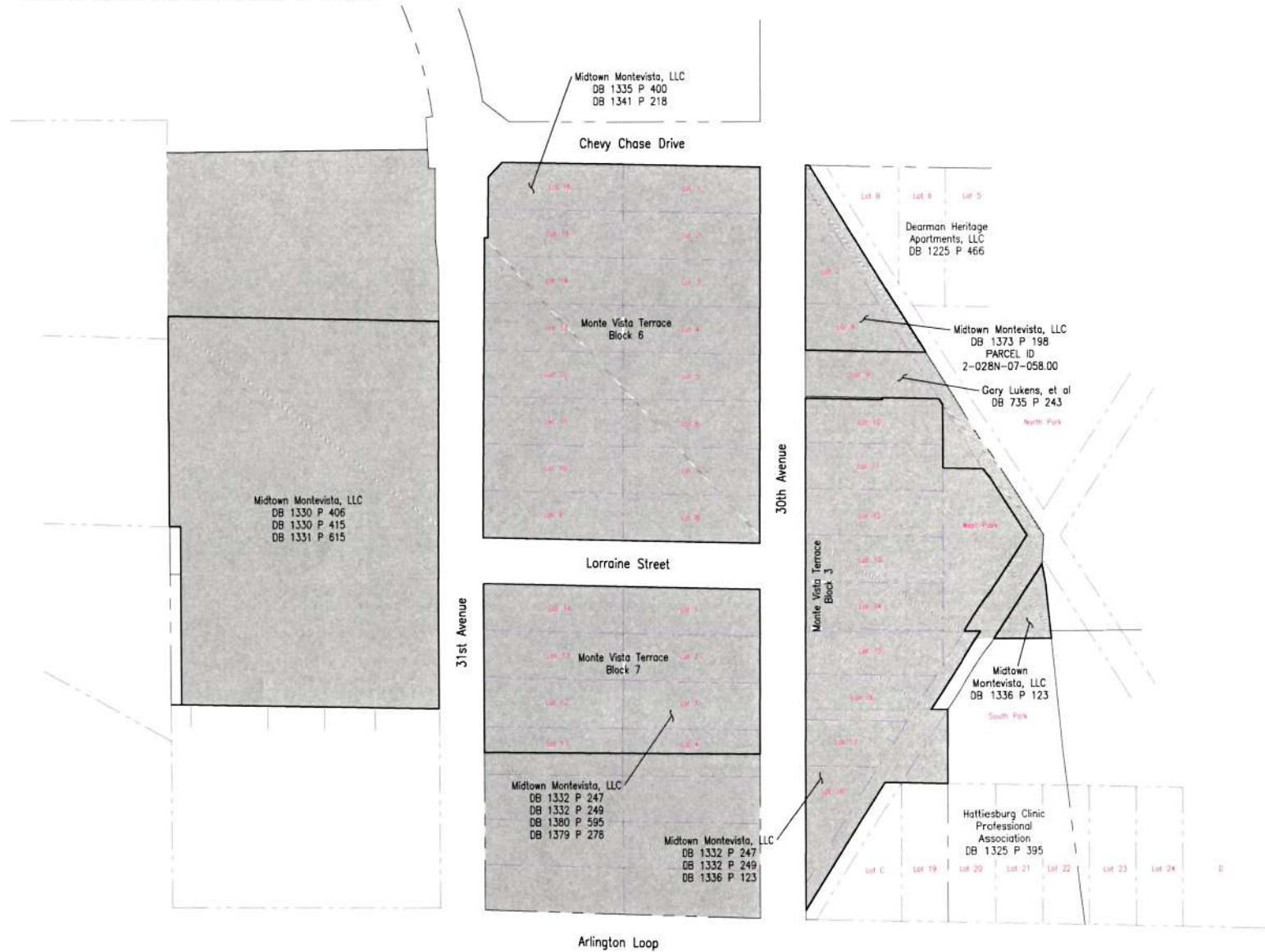
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**Exhibit 3**  
**Midtown Montevista Section of the TIF District**



The Clerk reported that pursuant to a resolution of the Mayor and City Council (the "**Governing Body**") of the City of Hattiesburg, Mississippi (the "**City**") calling for a public hearing to be held September 19, 2022 at 4:00 o'clock p.m., with respect to the Tax Increment Financing Plan Midtown Hattiesburg Project, City of Hattiesburg, Mississippi, February 2014, as amended for the Elam Arms Development, February 2016, as amended June 2016, and as amended and restated for the Midtown Montevista Project, August 2022 (the "Amended and Restated TIF Plan"), a notice of the public hearing was published in *The Pine Belt News*, a newspaper having a general circulation in the City on September 8, 2022, as evidenced by the proof of publication on file in the office of the Clerk. On Monday, September 19, 2022, the public hearing was duly convened. At that time, all present were given an opportunity to present oral and/or written comment on the Amended and Restated TIF Plan. Following the Clerk's report, Council Member \_\_\_\_\_ offered and moved the adoption of the following Resolution:

**A RESOLUTION APPROVING THE ADOPTION AND IMPLEMENTATION OF THE "TAX INCREMENT FINANCING PLAN MIDTOWN HATTIESBURG PROJECT, CITY OF HATTIESBURG, MISSISSIPPI, FEBRUARY 2014, AS AMENDED FOR THE ELAM ARMS DEVELOPMENT, FEBRUARY 2016, AS AMENDED JUNE 2016, AND AS AMENDED AND RESTATED FOR THE MIDTOWN MONTEVISTA PROJECT, AUGUST 2022".**

**WHEREAS**, under the power and authority granted by the laws of the State of Mississippi (the "**State**"), including but not limited to, Section 21-45-1 *et seq.* of the Mississippi Code of 1972, as amended and supplemented from time to time (the "**TIF Act**"), the Governing Body on September 6, 2022, did adopt a certain resolution entitled: "RESOLUTION OF THE CITY COUNSEL OF THE CITY OF HATTIESBURG, MISSISSIPPI, DETERMING (I) THE NECESSITY FOR AND INVOKING THE AUTHORITY GRANTED WITH RESPECT TO TAX INCREMENT FINANCING AS SET FORTH IN SECTION 21-45-1 *ET SEQ.* OF THE MISSISSIPPI CODE OF 1972, AS AMENDED (THE "ACT"), AMENDING THE TAX INCREMENT FINANCING PLAN, MIDTOWN HATTIESBURG PROJECT, CITY OF HATTIESBURG, MISSISSIPPI, FEBRUARY 2014, AS AMENDED FOR THE ELAM ARMS DEVELOPMENT, FEBRUARY 2016, AS AMENDED JUNE 2016, AND AS AMENDED AND RESTATED FOR THE MIDTOWN MONTEVISTA PROJECT, AUGUST 2022 (THE "TIF PLAN"); (II) THE MIDTOWN MONTEVISTA PROJECT IS A PROJECT ELIGIBLE FOR TAX INCREMENT FINANCING UNDER THE ACT AND OTHER LAWS OF THE STATE OF MISSISSIPPI; (III) THAT A PUBLIC HEARING BE CONDUCTED IN CONNECTION WITH THE TIF PLAN; AND (IV) FOR RELATED PURPOSES." (the "**Hearing Resolution**");

**WHEREAS**, as directed by the Hearing Resolution and as required by the TIF Act, a notice of public hearing (the "**Notice of Public Hearing**") was published one (1) time in *The Pine Belt News*, a newspaper having a general circulation within the City, and was so published in said newspaper on September 8, 2022, as evidenced by the publisher's proof of publication presented to the Governing Body and filed with the Clerk;

**WHEREAS**, the Notice of Public Hearing generally described the Amended and Restated TIF Plan and further called for a public hearing to be held at the regular meeting place of the Governing Body in the Council Room at City Hall, 200 Forrest Street in Hattiesburg, Mississippi, at 4:00 o'clock p.m. on September 19, 2022, in order for the general public to state or present their views on the Amended and Restated TIF Plan; and

**WHEREAS**, at 4:00 p.m. on Monday, September 19, 2022, the public hearing was held and all in attendance were given an opportunity to state or present their oral and written comments on the Amended and Restated TIF Plan.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the City, as follows:

**SECTION 1.** That all of the findings of fact made and set forth in the preamble to this resolution shall be and the same are hereby found, declared, and adjudicated to be true and correct.

**SECTION 2.** That the Governing Body of the City is now fully authorized and empowered under the provisions of the TIF Act to adopt and implement the Amended and Restated TIF Plan, a copy of which is attached hereto as **Exhibit A** to this Resolution, and do hereby adopt and approve such plan as presented in order to assist in the development of the proposed Midtown Montevista Project (as defined and described in the Amended and Restated TIF Plan) by issuing jointly with Forrest County (the "**County**") in one or more series of tax increment financing bonds in an amount not to exceed \$2,850,000 (the "**Midtown Montevista TIF Bonds**") in order to finance the cost of various Infrastructure Improvements (as defined in the Amended and Restated TIF Plan) in connection with the Amended and Restated TIF Plan.

**SECTION 3.** That the Midtown Montevista TIF Bonds shall be issued pursuant to further proceedings of the City and County.

The above and foregoing resolution was seconded by Council Member \_\_\_\_\_ and was adopted by the following roll call vote, to wit:

YEAS:

NAYS:

ABSENT:

The President thereby declared the motion carried and the resolution adopted this the 20<sup>th</sup> day of September 2022.

(SEAL)

ATTEST:

ADOPTED:

\_\_\_\_\_  
CLERK OF COUNCIL

\_\_\_\_\_  
PRESIDENT

The above and foregoing resolution having been submitted to and approved by the Mayor, this the 20<sup>th</sup> day of September 2022.

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

**EXHIBIT A**  
**AMENDED AND RESTATED TIF PLAN**