City of Hattiesburg, MS

200 Forrest St.
P.O. Box 1898
Hattiesburg, MS 39401

Meeting Agenda - Final

Monday, November 18, 2013

4:00 PM

Hattiesburg Midtown Market Project

Council Chambers

City Council - Public Hearing

1. 2013-0733 Hold Public Hearing to receive comments on proposed "Hattiesburg Midtown Market Project, Hattiesburg, Mississippi, 2013" tax increment financing project, at 4:00 p.m. on Monday, November 18, 2013.

Attachments: Midtown Market TIF Plan Document

Letter, A Stetelman, Midtown Market

City of Hattiesburg, MS

200 Forrest St.
P.O. Box 1898
Hattiesburg, MS 39401

Master

File Number: 2013-0733

File ID: 2013-0733 **Type:** Regular Agenda Item **Status:** Agenda Ready

Version: 1 **Reference:** **In Control:** City Council

File Created: 11/08/2013

Brief Title: Hold public hearing on Midtown Market TIF plan **Final Action:**

Minute Book Number: MB2013-337

Title:

Hold Public Hearing to receive comments on proposed "Hattiesburg Midtown Market Project, Hattiesburg, Mississippi, 2013" tax increment financing project, at 4:00 p.m. on Monday, November 18, 2013.

Notes:

Sponsors: **Enactment Date:**

Attachments: Midtown Market TIF Plan Document, Letter, A Stetelman, Midtown Market **Enactment Number:**

Contact: **Meeting Date:** 11/18/2013

Drafter: **Effective Date:**

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council - Public Hearing	11/18/2013					

Text of Legislative File 2013-0733

Title

Hold Public Hearing to receive comments on proposed "Hattiesburg Midtown Market Project, Hattiesburg, Mississippi, 2013" tax increment financing project, at 4:00 p.m. on Monday, November 18, 2013.

Summary

Public Hearing to receive comments on proposed "Hattiesburg Midtown Market Project, Hattiesburg, Mississippi, 2013" tax increment financing project.

Budget Information

Expenditure Type

Purchasing Item

Publication Information

TAX INCREMENT FINANCING PLAN
HATTIESBURG, MISSISSIPPI
(MIDTOWN MARKET PROJECT)

SECTION 1: STATEMENT OF INTENT

The City Council of the City of Hattiesburg, Mississippi (the "Governing Body"), acting for and on behalf of the City of Hattiesburg, Mississippi (the "City") is authorized by Sections 21-45-1, et seq., Mississippi Code of 1972, as amended (the "Act"), to undertake redevelopment projects, including, but not limited to, the acquisition of project areas within the City necessary or incidental to the development or redevelopment of such areas, and to install, construct or reconstruct streets, utilities, public improvements, and site improvements essential to the preparation of sites for use in accordance with a redevelopment plan to encourage private redevelopment within the City.

In order to facilitate the development of the City and as required by the Act, the Governing Body heretofore adopted, and from time to time amended, the Tax Increment Financing Redevelopment Plan of 1996 for the City (the "Redevelopment Plan"). The Governing Body, acting for and on behalf of the City, is also authorized by the Act to issue Tax Increment Financing Bonds to finance redevelopment projects in the City.

University Mall, LLC, a Mississippi limited liability company, is proposing to develop a mixed-use project to be known as Midtown Market (the "Project") in the City and in a proposed TIF District as defined herein, the purpose of which is to provide a financing mechanism to construct various improvements related to the Project as described in the TIF Plan and, incident thereto, requests the City to participate, in cooperation with the County, in the construction of the Redevelopment Project (as defined hereinafter) by issuing tax increment limited obligation bonds in principal amount of up to, but not to exceed, $5,000,000.00 for a term of up to twenty (20) years (the "Bonds"), a portion of the proceeds of which will be used to pay the cost of constructing Improvements (as defined hereinafter) necessary for the Redevelopment Project, and Developer requests the City to pledge the increased ad valorem taxes on real and/or personal property (excluding City of Hattiesburg Public School District; Library of Hattiesburg, Petal and Forrest County; and Municipal Police and Firemen Municipal Retirement System taxes) generated by the Redevelopment Project in the TIF District as described in the TIF Plan as security for payment of the Bonds, said Bonds to be issued in one (1) or more series for terms not to exceed twenty (20) years.

St. John-Taylor Properties, LLC, a Mississippi limited liability company, joins in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically has consented in writing to inclusion of its property in the proposed TIF District.

Robert and Jill St. John join in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically have consented in writing to inclusion of their property in the proposed TIF District.

South 37th LLC, a Mississippi limited liability company, joins in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically has consented in writing to inclusion of its property in the proposed TIF District.

Regions Bank joins in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically has consented in writing to inclusion of its property in the proposed TIF District.

L&D, LLC, a Mississippi limited liability company, joins in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically has consented in writing to inclusion of its property in the proposed TIF District.

AS Exchange, LLC, a Mississippi limited liability company, joins in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically has consented in writing to inclusion of its property in the proposed TIF District.

Dr. Martin H. Baker, Sr. joins in Developer's request as owner of certain of the real property to be included within the proposed TIF District associated with the Redevelopment Project, and specifically has consented in writing to inclusion of his property in the proposed TIF District.

SECTION 2: REDEVELOPMENT PROJECT DESCRIPTION

The Redevelopment Project includes approximately 27.95 acres more particularly described in **Exhibit "1"**, and as depicted in **Exhibit "2"** (collectively, the "Project Area").

The Redevelopment Project includes acquisition, clearance, reconstruction, rehabilitation of or upon properties within the Project Area for purposes of improving traffic, public transportation, public utilities, recreational, residential, commercial and community facilities and other public improvements in accordance with definite local objectives, and is expected to include installation, construction or reconstruction of streets, utilities and site improvements essential to the preparation of sites for uses in accordance with the Redevelopment Plan and Improvements to encourage private redevelopment in accordance with the Redevelopment Plan.

The Project seeks to redevelop a conventional retail strip center and adjacent undeveloped land into a major mixed-use project featuring pedestrian-friendly, open-air formats that blend retail, office and residential space to attract workers, shoppers and residents, in accordance with the Redevelopment Plan, including (i) the phased improvement and redevelopment of existing commercial properties and infrastructure within the Project Area, and (ii) the construction upon undeveloped property owned by South 37th LLC of a cottage courtyard residential neighborhood consisting of approximately twenty-six (26) new homes. The non-binding draft conceptual long-term development plan produced through charrette sponsored by the City in 2013 (the "Draft Conceptual Development Plan") is attached as **Exhibit "3"**.

The Improvements necessary to induce and support the Redevelopment Project include, but are not limited to, clearance essential to the preparation of the Developer's Project area for use in accordance with the Redevelopment Plan; acquisition, clearance, reconstruction, rehabilitation of or upon properties within the Project Area for purposes of improving traffic, public transportation, public utilities, recreational, residential, commercial and community facilities and other public improvements in accordance with definite local objectives, and may include demolition or removal of existing buildings, structure, streets, utilities and other improvements; and the construction, expansion, renovation or repair of utilities, drainage facilities, streets, sidewalks, pedestrian ways and other roadways; installation, construction or reconstruction of streets, utilities and site improvements essential to the preparation and use of sites for uses in accordance with the Redevelopment Plan; and other improvements to encourage private redevelopment in accordance with the Redevelopment Plan, all located within approximately 27.95 acres described in **Exhibit "1"**. The Improvements are necessary to induce and support development of the Redevelopment Project and the Tax Increment Financing District.

SECTION 3: DEVELOPER'S INFORMATION

(a)	Name:	University Mall, LLC
(b)	Address:	Post Office Box 17318, Hattiesburg, MS 39404
(c)	Telephone Number:	601.264.0672
(d)	Facsimile	601.264.0681
(e)	Tax identification number:	640903264
(f)	The Developer's contact for the Redevelopment Project is: Ronald D. Farris	
(g)	Telephone Number:	601.354.1458
	Facsimile:	888.503.0660

SECTION 4: ECONOMIC DEVELOPMENT IMPACT DESCRIPTION

(a) Job creation: It is estimated that the Redevelopment Project will substantially increase permanent employment opportunities for residents of the City and the County with attendant increases in payroll. It is projected based upon the Draft Conceptual Plan that there will be in excess of 280 construction jobs created over the projected three (3) phases required to complete construction associated with the Redevelopment Project, and post-construction placement of the Project in service is projected to result in numerous new regular and part time and/or seasonal jobs.

(b) Investment: Total cost of the Redevelopment Project is estimated, based upon the Draft Conceptual Plan, to be approximately $34,900,000.00.

(c) Financial benefits: It is conservatively estimated the Redevelopment Project will result in the creation of estimated additional real property and personal property ad valorem tax revenues accruing annually to the City and the County as set forth in **Exhibit "4"** attached hereto and the creation of estimated additional school district taxes accruing annually to the City of Hattiesburg Public School District of approximately $81,016 for phase 1, an additional $107,292.60 for phase 2, and an additional $99,345 for phase 3.

SECTION 5: STATEMENT OF THE OBJECTIVES FOR THE TAX INCREMENT FINANCING PLAN

The objective of Midtown Market Tax Increment Financing Plan is to construct the Improvements that will induce construction of the Redevelopment Project and foster development of the Redevelopment Area, as same is defined in the Redevelopment Plan.

The Improvements are essential to the preparation of the Project Area for uses in accordance with the Redevelopment Plan and this Tax Increment Financing Plan and public improvements necessary to encourage private redevelopment in accordance with the Redevelopment Plan and this Tax Increment Financing Plan. The Improvements will provide improved public access, public safety, drainage, water and sewer; help eliminate defective or inadequate street and lot layout; address existing challenges involving obsolete planning, deterioration, age, obsolescence, inadequate provision for open spaces, pedestrian access and density of population; and allow for development of new and revitalized public and private spaces within an established and aging urban area in accordance with modern urban planning practices and overall development and redevelopment goals of the City and County, all within the Tax Increment Financing District (as defined in Section 8 herein below). Certain of the Improvements will be dedicated to the City and available to the general public on a continuous basis and made available to the City and County for such purposes.*

The public convenience and necessity require participation by the City and the County and the public interest will be served by such participation by (i) the creation of approximately 280 construction jobs over construction of three (3) phases of the Redevelopment Project as presently conceptualized (see **Exhibit "3"**); (ii) the creation upon full build-out of approximately 200 additional full-time/part-time jobs, injecting increased payroll into the economy of the City; (iii) the creation, upon full build out of estimated additional real property and personal property ad valorem tax revenues accruing annually to the City and the County (see **Exhibit "4"**); and (iv) the creation of estimated additional school district taxes accruing annually to the City of Hattiesburg Public School District of approximately $81,016 for phase 1, an additional $107,292.60 for phase 2, and an additional $99,345 for phase 3.

* Certain of the Improvements have been completed and are intended for dedication to the City as a part of the Redevelopment Plan and Tax Increment Financing Plan proposed to be adopted, as set forth and acknowledged in that certain Resolution adopted by the City on October 16, 2012.

SECTION 6: STATEMENT INDICATING THE NEED OF PROPOSED USE OF THE TAX INCREMENT FINANCING PLAN IN RELATIONSHIP TO THE REDEVELOPMENT PLAN

The need and proposed use of the Midtown Market Tax Increment Financing Plan would be to provide an economic development incentive for the construction of improvements on vacant land and land in need of redevelopment in the City and the County as described in Sections 2, 5 and 8 herein.

SECTION 7: STATEMENT CONTAINING THE COST ESTIMATES OF THE REDEVELOPMENT PROJECT AND THE PROJECTED SOURCES OF REVENUE TO BE USED TO MEET THE COSTS INCLUDING ESTIMATES OF TAX INCREMENT AND THE TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED

Tax increment financing in the amount not to exceed $5,000,000.00 is requested to fund all or a part of the Improvements, fund capitalized interest, pay costs of issuance for the Bonds, pay related engineering fees, attorney's fees, TIF Plan preparation fees and other related soft costs.

The Bonds will be issued by the City and will be special obligations of the City secured by the ad valorem tax payments as more fully described in Section 10 hereof provided, however, the Bonds will <u>not</u> be secured by ad valorem tax payments for the City of Hattiesburg Public School District; the Library of Hattiesburg, Petal and Forrest County; or the Municipal Police and Firemen Municipal Retirement System.

The term of the obligation as to any series of bonds will not exceed twenty (20) years. The estimated cost of public improvements within the Redevelopment Project is projected to be approximately $5,268,300.00. Estimated annual ad valorem tax revenue resulting from the construction of the Redevelopment Project is set forth in **<u>Exhibit "4"</u>**. It is requested that the incremental increase in ad valorem tax revenues to the City and the County generated by the Redevelopment Project, as duly pledged, be diverted to the payment of the tax increment debt obligations of the City.

Proceeds of the Bonds may also be used to pay cost of issuance for the Bonds, fund capitalized interest and any reserve deemed advisable in connection with retirement of the Bonds, related engineering fees, attorneys' fees, TIF Plan preparation fees, and other related soft costs.

Certain of the Improvements will be dedicated to the City for use by the general public and will be constructed on land, rights of way or easements owned or to be owned by the City made available for such purposes. The City and/or the County may enter into an agreement with the Developer whereby the Developer will agree to acquire, construct, operate and maintain the Redevelopment Project and Improvements included upon land which is part of the Redevelopment Project under this Tax Increment Financing Plan.

The City may enter into a Regional Economic Development Alliance with Forrest County pursuant to the Regional Economic Development Act, Title 57, Chapter 64, Mississippi Code of 1972, as amended (the "REDA Act"), to support the Redevelopment Project and to allow proceeds of the Bonds to be used to pay the cost of certain of the Improvements and costs associated with REDA certification and to provide additional security for the Bonds; said Bonds may be issued in one (1) or more series.

SECTION 8: LIST OF ALL REAL PROPERTY TO BE INCLUDED IN THE TAX INCREMENT FINANCING PLAN (the "Tax Increment Finance District")

The Redevelopment Project will be constructed on the 27.95 acre tract of real property described in **Exhibit "1"** attached hereto. A depiction of the various parcels comprising the 27.95 tract is shown on **Exhibit "2"** attached hereto.

SECTION 9: DURATION OF THE TAX INCREMENT FINANCING PLAN'S EXISTENCE

The duration of the Tax Increment Financing Plan for the Redevelopment Project is for a period not to exceed twenty (20) years from the date of the last issue of TIF Bonds pursuant to the Redevelopment Plan, or any refunding or restructure of the TIF Bonds.

SECTION 10: STATEMENT OF THE ESTIMATED IMPACT OF THE TAX INCREMENT FINANCING PLAN UPON THE REVENUES OF ALL TAX JURISDICTIONS IN WHICH THE REDEVELOPMENT PROJECT IS LOCATED

The estimates of tax increment revenue (excluding City of Hattiesburg Public School District; Library of Hattiesburg, Petal and Forrest County; and Municipal Police and Firemen Municipal Retirement System taxes) resulting from the construction of the Redevelopment Project are set forth in **Exhibit "4"**; in addition, the Redevelopment Project is projected to result in the creation of estimated additional school district taxes accruing annually to the City of Hattiesburg Public School District of approximately $81,016 for phase 1, an additional $107,292.60 for phase 2, and an additional $99,345 for phase 3.

SECTION 11: STATEMENT REQUIRING THAT A SEPARATE FUND BE ESTABLISHED TO RECEIVE AD VALOREM TAXES AND THE PROVISIONS OF ANY OTHER FINANCIAL DISCLOSURE

In accordance with Mississippi Law, a separate fund will be established to receive ad valorem taxes and the City and/or County will make provision for all financial disclosure required by law.

SECTION 12: THE GOVERNING BODY SHALL BY RESOLUTION FROM TIME TO TIME DETERMINE

(a) 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;

(b) the duration of time in which such taxes may be used for such purposes;

(c) the City shall issue bonds for such redevelopment project; and

(d) such other restrictions, rules and regulations as in the sole discretion as in the governing body of the City or the County shall be necessary in order to promote and protect the public interest.

EXHIBIT 1

Legal Description
for
MID TOWN MARKET
TIF PARCEL
August 9, 2013

A parcel of land located in the Northwest ¼ of the Southwest ¼ of Section 7, Township 4 North, Range 13 West, Forrest County, Mississippi and being more particularly described as follows:

Commence at the Southwest Corner of the Northwest ¼ of the Southwest ¼ of said Section 7, Township 4 North, Range 13 West, Forrest County, Mississippi; Thence run East along the south line of said Northwest ¼ of the Southwest ¼ for 672.6 feet to the Southwest Corner of property owned by South 37th LLC, and the Point of Beginning. Thence run North along the west boundary of property owned by said South 37th LLC, for 408.87 feet to the Southeast corner of property owned by Deposit Guaranty Bank (Regions); thence run North 88 degrees 41 minutes 12 seconds West along the South boundary of property owned by said Deposit Guaranty Bank (Regions) for 651.78 feet to the East Right-of-Way line of 40th Avenue; thence run North 00 degrees 23 minutes 29 seconds West along said East Right-of-Way line of 40th Avenue for 326.82 feet to a point on the North boundary of a Street Deed (Proposed Offerral Street); thence along the north boundary of said street deed for the following two calls: run North 89 degrees 33 minutes 00 seconds East for 10.07 feet; thence run along a curve to the left for 84.30 feet, said curve having a radius of 75.00 feet, an included angle of 64 degrees 23 minutes 55 seconds, chord bearing of North 55 degrees 51 minutes 06 seconds East and a Chord length of 79.93 feet; thence run along a curve to the right for 76.72 feet to a point on the boundary of property owned by University Mall, LLC., said curve having a radius of 144.42 feet, an included angle of 30 degrees 26 minutes 12 seconds, chord bearing of North 37 degrees 21 minutes 08 seconds East and a Chord length of 75.82 feet; thence leaving the north boundary of said street deed, run along the boundary of University Mall, LLC for the following two calls: run South 88 degrees 54 minutes 00 seconds East for 171.17 feet; thence run North 01 degree 11 minutes 51 seconds East for 199.84 feet to a point on the South boundary of property owned by AS Exchange, LLC.; thence leaving said boundary of University Mall, LLC. run along the boundary of AS Exchange, LLC. for the following three calls: run North 88 degrees 51 minutes 37 seconds West for 141.20 feet; thence run North for 108.90 feet; thence run North 70 degrees 35 minutes 23 seconds East for 46.51 feet to the SW corner of property owned by Bank of Hattiesburg; thence run North 01 degree 13 minutes 23 seconds East along West boundary of property owned by Bank of Hattiesburg for 125.00 feet to the south Right-of-Way Line of US Hwy 98; thence run South 88 degrees 52 minutes 42 seconds East along said south Right-of-Way for 899.27 feet to the NW corner of property owned by Royal Oaks Rental Property, LLC.; thence leaving said south Right-of-Way of US Hwy 98 run along the boundary of Royal Oaks Rental Property, LLC for the following two calls: run South 00 degrees 39 minutes 57 seconds East for 150.00 feet; thence run South 88 degrees 48 minutes 36 seconds East for 150.00 feet to the West Right-of-Way line of 37th Avenue; thence leaving the boundary of Royal Oaks Rental Property, LLC run along the West Right-of-Way line of 37th Avenue for the following two calls: run South 00 degrees 00 minutes 44 seconds East for 665.27 feet; thence run South 00 degrees 03 minutes 31 seconds East for 468.50 feet to the SE corner of property owned by South 37th LLC.; thence run West along South boundary of property owned by South 37th LLC for 600.48 feet back to the Point of Beginning.

Said parcel contains 27.95 acres more or less.

EXHIBIT 2

PLAT OF PROPOSED MIDTOWN MARKET TAX INCREMENT FINANCING DISTRICT
(August 9, 2013)

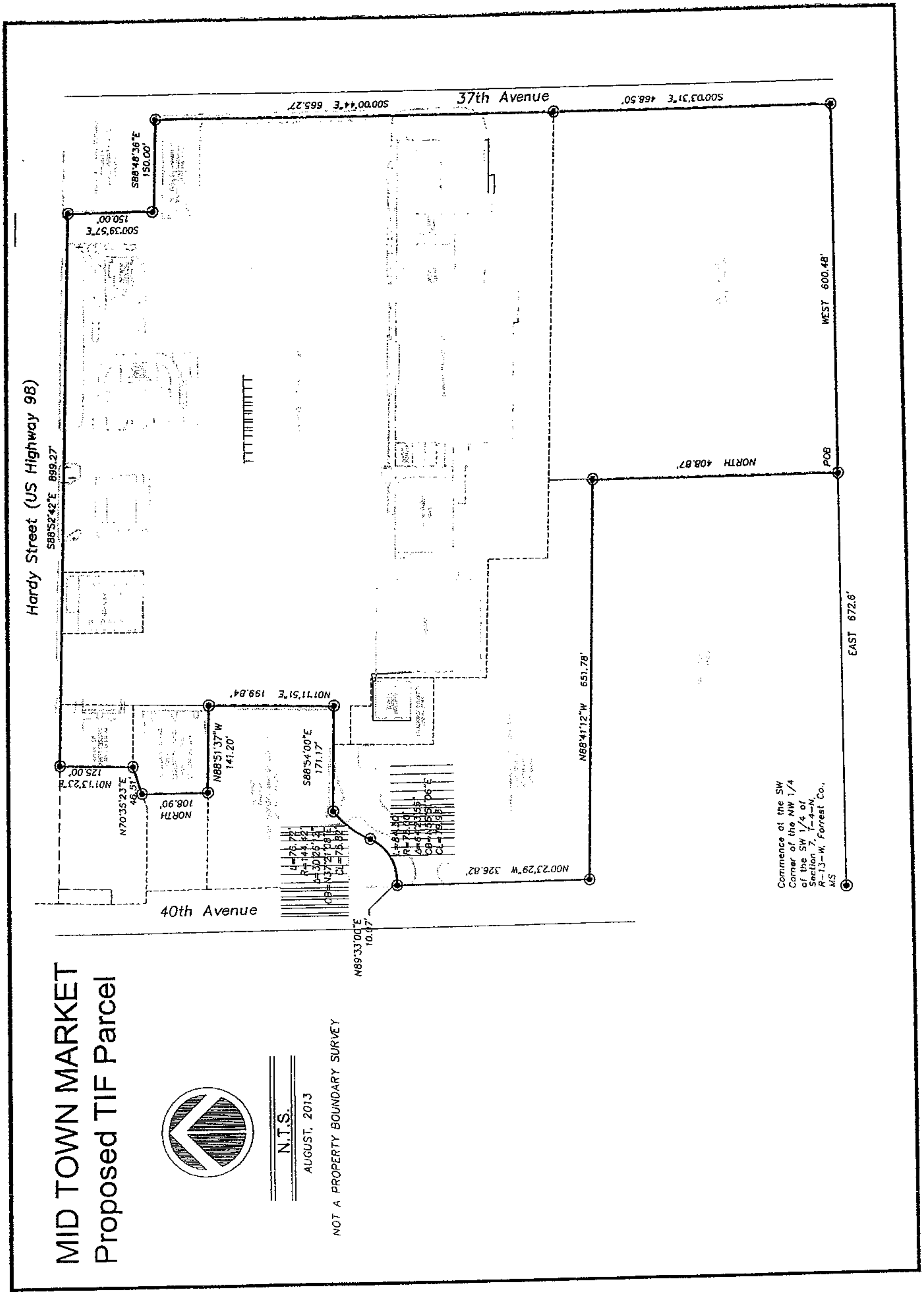
MID TOWN MARKET
Proposed TIF Parcel
N.T.S.
AUGUST, 2013
NOT A PROPERTY BOUNDARY SURVEY
37th Avenue
40th Avenue
Hardy Street (US Highway 98)
S88°52'42"E 899.27'
S00°00'44"E 665.27'
S00°03'31"E 468.50'
WEST 600.48'
NORTH 408.87'
POB
EAST 672.6'
N88°41'12"W 651.78'
N00°23'29"W 326.82'
N89°33'00"E 10.07'
S88°54'00"E 171.17'
N01°11'51"E 199.84'
N88°51'37"W 141.20'
NORTH 108.90'
N70°35'23"E 46.51'
N01°13'23"E 125.00'
S00°39'57"E 150.00'
S88°48'36"E 150.00'
Commence at the SW Corner of the NW 1/4 of the SW 1/4 of Section 7, T-4-N, R-13-W, Forrest Co., MS

Exhibit 2

EXHIBIT 3

DRAFT CONCEPUTAL DEVELOPMENT PLAN (NON-BINDING)

(City of Hattiesburg Charrette – December 18, 2012)

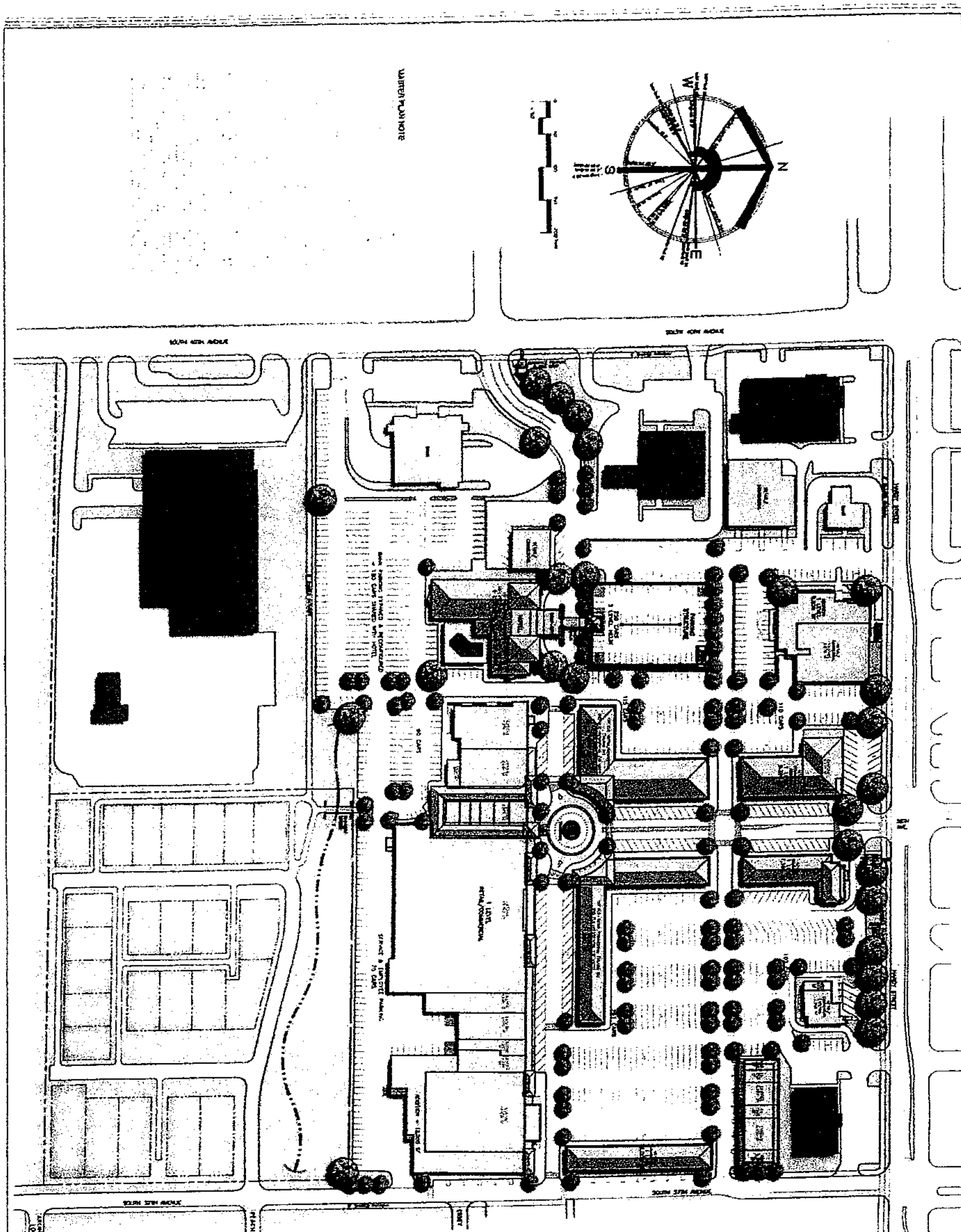

Exhibit 3

DRAFT CONCEPTUAL DEVELOPMENT PLAN

MIXED USE REDEVELOPMENT

HATTIESBURG, MISSISSIPPI FORREST COUNTY

EXHIBIT 4

PROJECTIONS AND ANALYSIS

(Government Consultants – Phase I: 8/14/13 and Phases II and III: 9/5/13)

HATTIESBURG MIDTOWN MARKET TIF -- REVISED PRELIMINARY CALCULATIONS - INFORMATION PROVIDED BY RON FARRIS

Scenario 3 - Tax Incremental Project Revenue Projections - 15 Year Financing 8/14/2013

Projected - Assessment True Values:		
Real Property & Personal Required Incremental Increases	8,155,025	
Personal Property		
Grand Totals - Estimated Assessment True Values		8,155,025
Assessment % for Commercial Property		15.00%
Total Estimated Assessed Valuations		1,223,254

Projected Pledged TIF Revenues	City	County
Total Estimated Property Assessed Valuations	1,223,254	1,223,254
Tax Millage Pledged to the TIF Project	41.08	55.08
Incremental Increase in Property Tax Revenues	50,251	67,377
County Pledge of Incremental Increase		100.00%
Pledged Property Tax Revenues	50,251	67,377
Less Tax on Property Before TIF'		(5,000)
Pledged Sales Tax Revenues	0	0
Incremental Ad Valorem Tax Revenues Available for TIF Project	50,251	62,377
Less: Debt Service Coverage Requirement	115.00%	115.00%
Projected Revenues available for Debt Service	43,697	54,241

Supportable Debt Assumptions:

		City	County	Total
- Life of Bond Issue	15 years			
- Capitalized Interest	0 year			
- Interest Rate (taxable)	5.00%			
- Avg Annual Payment	97,937			
- Supportable Debt		453,557	563,000	1,016,557
- Available Revenues		50,251	62,377	112,628
- Debt Service Coverage		115.00% x's	115.00% x's	115.00% x's
- Percentage of Bond Issue		44.62%	55.38%	100.00%

Bond Issue Proceeds Available to Project		
Tax Increment Bond Issue	1,015,000	100.00%
Less:		
Capitalized Interest	0	0.00%
Debt Service Reserve Fund	0	0.00%
Cost of Issuance	(50,750)	-5.00%
Net to Developer - without cap interest	964,250	95.00%

HATTIESBURG MIDTOWN MARKET TIF - PRELIMINARY CALCULATIONS FOR PHASE 2

Phase 2 - Tax Incremental Project Revenue Projections - 15 Year Financing 9/5/2013

Projected - Assessment True Values:		
Real Property & Personal Required Incremental Increases	10,800,000	
Personal Property		
Grand Totals - Estimated Assessment True Values		10,800,000
Assessment % for Commercial Property		15.00%
Total Estimated Assessed Valuations		1,620,000

Sales Tax Assumptions	
Gross Sales in TIF Project	0
Less Projected % of Existing "Relocated" Sales	0.00%
New Sales Created by TIF Project	0
New Sales Tax Dollars Generated back to City	0
% of New Sales Tax Dollars Pledged to TIF Project	0.00%

Projected Pledged TIF Revenues	City	County
Total Estimated Property Assessed Valuations	1,620,000	1,620,000
Tax Millage Pledged to the TIF Project	41.08	55.08
Incremental Increase in Property Tax Revenues	66,550	89,230
County Pledge of Incremental Increase		100.00%
Pledged Property Tax Revenues	66,550	89,230
Less Tax on Property Before TIF'		(5,000)
Pledged Sales Tax Revenues	0	0
Incremental Ad Valorem Tax Revenues Available for TIF Project	66,550	84,230
Less: Debt Service Coverage Requirement	115.00%	115.00%
Projected Revenues available for Debt Service	57,869	73,243

Supportable Debt Assumptions:
- Life of Bond Issue 15 years
- Capitalized Interest 0 year
- Interest Rate (taxable) 5.00%
- Avg Annual Payment 131,112

	City	County	Total
- Supportable Debt	600,663	760,239	1,360,901
- Available Revenues	66,550	84,230	150,779
- Avg. Annual Debt Service	$57,869	$73,243	131,112
- Debt Service Coverage	115.00% x's	115.00% x's	115.00% x's
- Percentage of Bond Issue	44.14%	55.86%	100.00%

Bond Issue Proceeds Available to Project		
Tax Increment Bond Issue	1,360,000	100.00%
Less:		
Capitalized Interest	0	0.00%
Debt Service Reserve Fund	0	0.00%
Cost of Issuance	(68,000)	-5.00%
Net to Developer - without cap interest	1,292,000	95.00%

Exhibit 4 (p. 2 of 3)

HATTIESBURG MIDTOWN MARKET TIF - PRELIMINARY CALCULATIONS FOR PHASE 3

Phase 3 - Tax Incremental Project Revenue Projections - 15 Year Financing 9/5/2013

Projected - Assessment True Values:		
Real Property & Personal Required Incremental Increases	10,000,000	
Personal Property		
Grand Totals - Estimated Assessment True Values		10,000,000
Assessment % for Commercial Property		15.00%
Total Estimated Assessed Valuations		1,500,000

Sales Tax Assumptions	
Gross Sales in TIF Project	0
Less Projected % of Existing "Relocated" Sales	0.00%
New Sales Created by TIF Project	0
New Sales Tax Dollars Generated back to City	0
% of New Sales Tax Dollars Pledged to TIF Project	0.00%

Projected Pledged TIF Revenues	City	County
Total Estimated Property Assessed Valuations	1,500,000	1,500,000
Tax Millage Pledged to the TIF Project	41.08	55.08
Incremental Increase in Property Tax Revenues	61,620	82,620
County Pledge of Incremental Increase		100.00%
Pledged Property Tax Revenues	61,620	82,620
Less Tax on Property Before TIF'		(5,000)
Pledged Sales Tax Revenues	0	0
Incremental Ad Valorem Tax Revenues Available for TIF Project	61,620	77,620
Less: Debt Service Coverage Requirement	115.00%	115.00%
Projected Revenues available for Debt Service	53,583	67,496

Supportable Debt Assumptions:		City	County	Total
- Life of Bond Issue	15 years			
- Capitalized Interest	0 year			
- Interest Rate (taxable)	5.00%			
- Avg Annual Payment	121,078			
- Supportable Debt		556,169	700,582	1,256,751
- Available Revenues		61,620	77,620	139,240
- Avg. Annual Debt Service		$53,583	$67,496	121,078
- Debt Service Coverage		115.00% x's	115.00% x's	115.00% x's
- Percentage of Bond Issue		44.25%	55.75%	100.00%

Bond Issue Proceeds Available to Project		
Tax Increment Bond Issue	1,255,000	100.00%
Less:		
Capitalized Interest	0	0.00%
Debt Service Reserve Fund	0	0.00%
Cost of Issuance	(62,750)	-5.00%
Net to Developer - without cap interest	1,192,250	95.00%

Exhibit 4 (p. 3 of 3)

August 14, 2013

To Whom It May Concern:

RE: 3820 Hardy St, 3906 Hardy St.3902 Hardy St, City of Hattiesburg Midtown District. Occupied by Tish Gammill Interior Design, London & Stetelman Commercial Realtors & the former Great Southern National Bank.

The undersigned, as co-owners of the above-referenced property(ies), consent(s) to inclusion of said property(ies) in the proposed Midtown Market TIF District. We believe once this project comes to fruition will take this property to the next level and be a residential, retail and tourism destination point.

We are pleased with the proposed plan received July 31, 2013, which to our understanding if and when submitted to the City for site plan review will take into consideration cross easement parking/ratios, view corridors which can effect safety and property values.

Sincerely,

Andy Stetelman for L & D, LLC & AS Exchange, LLC

Jeff Jones L & D, LLC

Dr Martin H Baker, Sr

STETELMAN COMMERCIAL REALTORS
3906 HARDY STREET
HATTIESBURG, MISSISSIPPI 39402

Mr. Bert Kuykendall
Engineering Dept.
City of Hattiesburg
P. O. Box 1898
Hattiesburg, MS 39403-1898

Mailed - 8/15/13
CK

City of Hattiesburg, MS

200 Forrest St.
P.O. Box 1898
Hattiesburg, MS 39401

Meeting Agenda - Final

Monday, November 18, 2013

4:00 PM

Council Chambers

<u>City Council - Agenda Review</u>

1. Agenda Review

City of Hattiesburg, MS

200 Forrest St.
P.O. Box 1898
Hattiesburg, MS 39401

Meeting Agenda

Monday, November 18, 2013

4:00 PM

Council Chambers

City Council - Work Session

1. Transient Vendors, Draft Ordinance - Carroll

2013-0758

Transient Vendors, Draft Ordinance

Attachments: transient vendors, draft ordinance

2. Twin Forks Master Plan Phase II - Delgado

2013-0759

Twin Forks Rising Master Plan - final

Attachments: Twin Forks Rising Master Plan - final