

AMENDED RESOLUTION ESTABLISHING DISTRICT TO ENABLE UTILIZATION OF
TAX EXEMPTION PROVISIONS OF SECTION 17-21-5, MCA;
ESTABLISHING CRITERIA FOR UNIFORM PROCESSING OF QUALIFIED
APPLICATIONS FOR TAX EXEMPTIONS; AND URGING THE
JONES COUNTY BOARD OF SUPERVISORS TO PROVIDE
SIMILAR EXEMPTIONS TO QUALIFIED APPLICANTS

WHEREAS, the Legislature of the State of Mississippi has provided a mechanism to encourage both historic preservation and the economic revitalization of certain areas of municipalities through the granting of ad valorem tax exemptions; and,

WHEREAS, certain areas within the City of Laurel have an existing inventory of buildings of historic and cultural significance and are in need of such revitalization, and the property owners therein could benefit from the implementation of this incentive program through ad valorem tax exemptions for buildings with commercial uses; and,

WHEREAS, it would be in the best interest of the City of Laurel as a whole to encourage both the preservation of historic structures and the economic revitalization of certain geographic areas and to facilitate the diversification of the local economy; and

WHEREAS, in order to have the authority to grant ad valorem tax exemptions as contemplated by Section 17-21-5 MCA, the City of Laurel must designate the geographic boundaries of any central business district or historic preservation district which it intends to include in this program; and,

WHEREAS, the City of Laurel has designated a Central Business District, hereinafter “CBD” and a Historic Preservation District, cite per Section 17-21-5, MCA.

WHEREAS, in order to fairly and equitably implement these contemplated tax abatement policies for buildings with commercial uses, the City should establish certain criteria to utilize in evaluating applications for exemption to determine whether they should be granted or denied, and to determine the appropriate duration of any exemption granted; and,

WHEREAS, in order to maximize the redevelopment incentive intended by this resolution, a similar exemption policy could be adopted by the Jones County Board of Supervisors with respect to county ad valorem taxes;

NOW, THEREFORE, BE IT RESOLVED by the City Council and the Mayor of the City of Laurel, Mississippi:

That the City of Laurel, Mississippi hereby adopts the following resolution:

1. District Boundaries. For the limited purpose of implementing Section 17-21-5, Mississippi Code of 1972, as amended, the area described on the map attached hereto as Exhibit A, which shall be retained for inspection in the office of the City Clerk, is hereby designated a Central Business District and Historic Preservation District in the City of Laurel.

2. Uses Which Qualify for Exemptions. One of the primary goals of this ad valorem tax exemption program is to promote economic revitalization and diversity of enterprises, therefore, new or renovated structures related to commercial uses or multifamily residential uses may qualify for an exemption under this resolution; all structures used for single-family residential purposes, do not qualify for an exemption by this resolution. Structures which are within the boundaries of the district described by this resolution and are also within a zoning district which permits mixed uses (meaning a commercial use and a residential use within a single structure), may also qualify for an exemption under this resolution.

3. Evaluation Criteria.

- a) New construction. All applications for exemption from ad valorem taxation on improvements (excluding land) for any new construction within the district designated by this resolution shall be subject to the following:
 - i) Amount of exemption. Any exemption from ad valorem taxes on improvements (excluding land) for any new construction, and shall have a maximum exemption of 2/3's of the ad valorem taxes on the new structure.
 - ii) Whether to grant an exemption as well as the determination of the amount of any such exemption, shall be determined by resolution of the City on a case by case basis. This determination shall take into consideration: the nature of the uses proposed for the structure; the location of the improvement; the potential for the generation of tax revenues from the property other than ad valorem taxes; the need for economic redevelopment in that specific area; the total monetary

value of project under consideration; and the aesthetic and historical value of the improvement. Below are the general guidelines the City has decided to implement:

- For a three-year (3) abatement on 2/3's of the value of the new construction, the minimum project investment must be three hundred thousand dollars (\$300,000.00).
- For a five-year (5) abatement on 2/3's of the value of the new construction, the minimum project investment must be five hundred thousand dollars (\$500,000.00).
- For a seven-year (7) abatement on 2/3's of the value of the new construction, the minimum project investment must be seven hundred thousand dollars (\$700,000.00).

These are not guarantees but merely guidelines. The ultimate decision as to whether to grant an exemption and the amount thereof will be made on a case by case basis.

b) Renovations to existing structures. When an existing structure within the district designated by this resolution is renovated, all applications for exemption from ad valorem taxation on the improvements thereto (excluding land) shall be subject to the following provisions:

- i) Amount of Exemption. Any exemption from ad valorem taxes on improvements (excluding land) for any renovation or improvements shall have a maximum exemption of one hundred percent (100%) of the ad valorem taxes on the renovations or improvements.
- ii) Whether to grant an exemption, as well as the amount of any such exemption, shall be determined by resolution of the City on a case by case basis. This determination shall take into consideration: the nature of the use proposed for structure; the location of the improvement; the potential for the generation tax revenues from the property other than ad valorem taxes; the need for economic redevelopment in that specific area; the total monetary value of project under consideration; and aesthetic and historical value of the improvements or renovations. Below are the general guidelines the City has decided to implement:
 - For a three-year (3) abatement of the ad valorem taxes on the improvements or renovations the minimum project investment must be fifty thousand dollars (\$50,000.00).
 - For a five-year (5) abatement of the ad valorem taxes on the

improvements or renovations the minimum project investment must be one hundred thousand dollars (\$100,00.00).

- For a seven-year (7) abatement of the ad valorem taxes on the improvements or renovations the minimum project investment must be one hundred fifty thousand dollars (\$150,00.00).

These are not guarantees but merely guidelines. The ultimate decision as to whether to grant an exemption and the amount thereof will be made on a case by case basis.

4. Taxes included in exemption. Exemptions granted by the City pursuant to this resolution shall be from the municipal ad valorem taxes designated in Section 17-21-5, Mississippi Code of 1972, as amended, which specifically prohibits exemption from ad valorem taxes for school district purposes.

5. Application Procedure for exemptions. Application for ad valorem tax exemption as contemplated by this resolution shall be made in writing, and shall be submitted to the City Clerk for processing. Any amount claimed as a project investment is subject to verification by either the City Clerk or Tax Assessor. No exemption shall be granted unless a resolution is adopted by the City Council finding that the construction, renovation, or improvement to the property in question is for the promotion of business, commerce, or industry in the designated area.

6. Reservation of authority to suspend economic incentive program. The City hereby reserves the right to suspend the application of this economic development program in the event that the City, in its sole discretion, determines that the fiscal management of the City requires such action. Suspension of this economic development program shall not invalidate or revoke exemptions previously granted; however, no new ad valorem tax exemptions shall be granted during such period of suspension regardless of the qualifications of the project or the fact that without the suspension the applicant would have been granted the exemption. This resolution shall not be construed as a guarantee of an exemption or the grant to any person or entity of a property right in an exemption.

7. Repeal of Exemption. If at any time during the exemption period, a person or entity that has invested in the Central Business District and been granted an exemption under this Resolution and has a judgment filed by the Jones County Tax Assessor related to nonpayment of any ad valorem taxes due for the unabated real property taxes or any personal property taxes, then in that event the exemption for the current year, as well as any remaining years for which the exemption has been granted, shall be automatically repealed, and the abated taxes for the current year shall be immediately due and payable.

8. Automatic Repealer. This resolution will be automatically repealed December 31, 2026, unless extended. It may be repealed sooner if in the best interest of the City.

That the Jones County Board of Supervisors is hereby requested to enact tax exemption policies to fullest extent authorized by law, similar to those adopted by this resolution in order to maximize the effect of the economic redevelopment incentives intended by this resolution.

That this Resolution shall be effective immediately.

SO RESOLVED this the 20th day of November, 2018.

Motion was introduced by Councilperson T. Comegys, seconded by Councilperson S. Comegys, that the foregoing Resolution be adopted.

Upon roll call vote, the result was as follows:

YEAS: Thaxton, Carmichael, S. Comegys, T. Comegys, Page

NAYS: None

ABSTAINING: None

ABSENT: Capers, Wheat

The Motion having received the affirmative vote of a majority of the members present and voting, the President thereupon declared the motion carried and the Resolution adopted this the 20th day of November, 2018.

PRESIDENT OF THE COUNCIL

Attested and Submitted to the Mayor by the Clerk of the Council on _____

CLERK OF THE COUNCIL

APPROVED () DATE _____

VETOED () DATE _____

MAYOR

ATTEST:

CITY CLERK

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