

## DEVELOPMENT AND REIMBURSEMENT AGREEMENT

**THIS DEVELOPMENT AND REIMBURSEMENT AGREEMENT** is made and entered into as of January 19, 2011 (this "Agreement"), by and between **MADISON COUNTY, MISSISSIPPI** (the "County") and **LIVINGSTON TOWNSHIP, LLC**, a Mississippi limited liability company (the "Developer").

### WITNESSETH:

**WHEREAS**, the Developer is in the process of rebuilding the former town of Livingston as a mixed use development, Madison County's first town and original county seat established in 1829; as more particularly described in the Tax Increment Financing Plan, Livingston Township Project, Madison County, Mississippi, January 2010 (the "County TIF Plan") and in **EXHIBIT A** hereto (the "Project"); and

**WHEREAS**, pursuant to Sections 21-45-1 *et seq.*, Mississippi Code of 1972, as amended (the "Act"), the County is authorized to undertake redevelopment projects (as defined in the Act) in connection with redevelopment plans (as defined in the Act) within the County in order to encourage private redevelopment therein and is authorized to finance such redevelopment projects through the issuance of tax increment financing bonds; and

**WHEREAS**, the Board of Supervisors (the "Board") of the County has adopted and from time to time amended the "Tax Increment Financing Redevelopment Plan, Madison County, Mississippi 1997 (the "Redevelopment Plan") and has conducted public hearings on such Redevelopment Plan, as required by law, which Redevelopment Plan constitutes a qualified plan under the Act; and

**WHEREAS**, the Developer has requested that the County issue tax increment financing bonds pursuant to the Act in a principal amount not to exceed Two Million One Hundred Fifty Thousand Dollars (\$2,150,000) (the "Bonds"), in order to finance all or a part of the cost of acquiring, installing and constructing certain infrastructure improvements, in addition to funding capitalized interest, paying costs of issuance, and other related fees, as more particularly described in **EXHIBIT A** hereto, in connection with the Project (the "Infrastructure Improvements"); and

**WHEREAS**, the Infrastructure Improvements are expected to cost in excess of Two Million One Hundred Fifty Thousand Dollars (\$2,150,000); and

**WHEREAS**, by resolution dated January 19, 2010, the Board of the County adopted and approved the County TIF Plan after holding a public hearing in connection therewith, and indicated its intent to proceed with the sale and issuance of the Bonds in order to finance all or a part of the costs of the Infrastructure Improvements pursuant to the request of the Developer and by virtue of such statutory authority as may now or hereafter be conferred by the Act and as described in the County TIF Plan.

**NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS** that the parties hereto intend to be legally bound hereby and in consideration of mutual covenants hereinafter contained do hereby agree as follows:

**1. UNDERTAKINGS OF THE COUNTY.** Subject to the conditions herein stated, the County agrees as follows:

**a.** The County will effect such procedures with respect to the sale and issuance of the Bonds, including, without limitation, the adoption of appropriate resolutions and such other procedures and documents as may be required by the Act.

**b.** The County will use all reasonable efforts to sell and issue the Bonds in an amount not to exceed Two Million One Hundred Fifty Thousand Dollars (\$2,150,000), pursuant to the terms of the Act on such terms, conditions and rates of interest as shall be mutually agreeable to the County and to the Purchaser (as hereinafter defined); provided, however, that the Bonds will not be sold and issued until such time as the Developer has complied with the requirements of Paragraph 3 hereof.

**c.** The sale of the Bonds shall, at the sole discretion of the County, be by public or private negotiated sale to one or more purchasers (the "Purchaser").

**d.** Pursuant to the resolution or resolutions of the County authorizing the sale and issuance of the Bonds (collectively, the "Bond Resolution"), the proceeds from the sale of the Bonds will be delivered to the County for handling and distribution according to the terms of the Bond Resolution and the Act.

**e.** The Bond Resolution will, among other provisions, provide that proceeds from the sale of the Bonds shall first pay the County's costs incurred in connection with the Project, which shall include but not be limited to the expenses, costs and fees incurred by the County in connection with the County TIF Plan, and this Agreement, including costs of issuance of the Bonds and funding capitalized interest and a reserve to pay any debt service on the Bonds that will be due and payable before the first Tax Increment (as defined hereinbelow) is received by the County and any reserve that may be required by the Purchasers, and other related fees, and then the proceeds shall next be used to reimburse the Developer for eligible costs, in an amount not to exceed \$2,150,000, for acquiring, installing and constructing the Infrastructure Improvements; and the remainder of the Bond proceeds, if any, shall be disbursed by the County in the manner authorized by law.

**f.** In accordance with the Act, the Bonds shall mature at such time or times not exceeding twenty (20) years from their date, may be subject to redemption at such times and at such premiums and shall be in such form and in all other respects be of such detail and issued under such conditions as may be determined in the Bond Resolution.

**g.** The Bonds will be secured by a pledge from the County of the Tax Increment (as defined hereinbelow) in accordance with the County TIF Plan. As used herein the term "Tax Increment" shall mean the incremental increase in tax revenues generated by the Project as provided in the County TIF Plan, including a pledge of a

portion of the incremental increase in tax revenues derived from certain ad valorem revenues to the County generated from the "captured assessed value" (as defined in the Act) of the real and personal property comprising the Project, excluding levies for public school purposes, to secure and provide for the payment of the principal of and interest on the Bonds; provided, however, the Developer hereby acknowledges, agrees, and covenants that the Developer shall not contest the "captured assessed value" or the "original assessed value" (as each term is defined in the Act) of the real and personal property comprising the Project.

**h.** Costs of issuance for the Bonds, including, but not limited to, the fees and expenses of County Counsel, Bond Counsel and Financial Advisor will be paid from the proceeds of the Bonds; provided, however, that if the Bonds are not issued and this Agreement is terminated as provided in Paragraph 5 hereof, fees and expenses incurred by County Counsel, Bond Counsel and Financial Advisor will be paid as provided in Paragraph 5 hereof.

**i.** Within a reasonable time after adoption of all proceedings of the County required by the Act for the sale and issuance of the Bonds, the County may submit the same for validation under the provisions of Sections 31-13-1, *et seq.*, Mississippi Code of 1972, as amended, and may prosecute said validation proceedings and secure therein a final decree of the Chancery Court of Madison County, Mississippi validating the Bonds.

**j.** The County's obligation to reimburse the Developer under this Agreement is further limited to Developer's actual costs to install and construct the Infrastructure Improvements as defined in **EXHIBIT A** hereto, including professional fees, and shall in no event exceed the lesser of \$2,150,000 or Bond proceeds available after the distribution in accordance with the Bond Resolution and Paragraph 1(d) and (e) of this Agreement. Furthermore, the County's obligation to expend funds or reimburse the Developer is expressly limited to funds available under this Agreement from Bond proceeds derived from the sale and delivery of the Bonds and available after distribution in accordance with the Bond Resolution and Paragraph 1(d) and (e) of this Agreement.

**2. UNDERTAKINGS OF THE DEVELOPER.** Subject to the conditions herein stated, the Developer agrees as follows:

**a.** The Developer, and/or its agents, will timely construct and install the Project in accordance with the County TIF Plan and as set forth in **EXHIBIT A**, and in accordance with the building codes of the County and all other applicable laws and regulations.

**b.** The Developer, and/or its agents, will timely construct and install the Infrastructure Improvements in accordance with the building codes of the County and all other applicable laws and regulations of the County and as otherwise required under State law. The Developer shall submit plans and specifications with respect to the Infrastructure Improvements to the County and such plans and specifications shall be subject to the approval of the County prior to the commencement of construction and/or installation thereof.

c. The Developer will prepare and file with the County a Preliminary Plat and Final Plat in connection with the Project in accordance with the County's zoning and subdivision regulations which has been approved by the County.

d. In connection with the construction and installation of the Project and the Infrastructure Improvements, the Developer will obtain all necessary approvals from all applicable State, County, federal and other governmental agencies.

e. The Project and the Infrastructure Improvements described in **EXHIBIT A** will be constructed and installed to County standards to allow for their dedication or conveyance to the County, if applicable.

f. It is anticipated that the Project will be constructed in phases, and as set forth in the County TIF Plan, the Bonds may be issued in one or more series. The Developer will commence construction of the Infrastructure Improvements in one or more phases prior to the issuance of Bonds. Following the installation and construction of the Infrastructure Improvements, the Developer will, in a manner and form satisfactory to the County, dedicate or convey or have dedicated or conveyed to the County, if applicable, the Infrastructure Improvements described in **EXHIBIT A**, and, if required by the nature of such Infrastructure Improvements, convey or have conveyed easements to the County in connection with such Infrastructure Improvements and seek reimbursement from the County for eligible expenditures incurred for the construction of improvements up to that time.

g. The Developer assumes all risk of proceeding with construction of the Project and Infrastructure Improvements prior to sale and issuance of the Bonds, and acknowledges and agrees the County is not authorized or obligated to use its general fund to pay any part of the costs of the Project or the Infrastructure Improvements. In the event the Bonds are not sold and delivered, no resulting liability shall accrue to the County, irrespective of any expenditure made by Developer. Developer acknowledges and agrees that the final size of the Bonds shall be based on the pledged Tax Increment, which Tax Increment shall be reasonably determined by the County in order to fund debt service on the Bonds. In the event the Bond proceeds are insufficient to pay the costs of the Infrastructure Improvements, the Developer agrees to pay such deficiency necessary to complete the Infrastructure Improvements as set forth herein.

h. The Developer shall maintain separate records on the costs of the Project and the Infrastructure Improvements in a manner so as to aid the County in accounting for costs eligible for reimbursement under this Agreement.

**3. CONDITIONS PRECEDENT TO ISSUANCE OF THE BONDS.** The Developer acknowledges and agrees that the County's obligation to issue and close the Bonds and reimburse the Developer pursuant to this Agreement is expressly subject to the condition precedent that the Developer (i) shall have obtained all required approvals of the Preliminary Plat in connection with the Project; (ii) shall have the plans and specifications for the Infrastructure Improvements described in **EXHIBIT A** approved by the County; and (iii) at the Developer's own costs, have completed acquisition, installation and construction of the Project and

Infrastructure Improvements described in **EXHIBIT A**, in compliance with the County's codes and ordinances. Upon satisfaction of the requirements of this Paragraph 3, the County agrees to use its best efforts to timely sell and issue the Bonds on a schedule mutually acceptable to the County and the Developer.

**4. LIMITED OBLIGATION.** The Bonds will be limited obligations of the County payable solely from the pledged Tax Increment and other moneys pledged therefor. Except for the pledged Tax Increment, neither the faith, credit or taxing power of the County nor the faith, credit or taxing power of the State or any political subdivision thereof, including the County, is or will be pledged to the payment of the Bonds.

**5. TERMINATION.** If the Bonds are not issued and delivered on or before five (5) years from the date hereof (or such other date as shall be mutually agreed upon in writing by the County and the Developer), this Agreement shall thereupon terminate. This Agreement may also be terminated by written agreement of the parties hereto. Upon termination of this Agreement related to any failure to fulfill the conditions precedent in Paragraph 3 above, it is expressly understood that the Developer shall bear the sole responsibility and liability for all reasonable fees and expenses incurred by the County Counsel, Bond Counsel and Financial Advisor to the County in relation, directly or indirectly, to the sale and issuance of the Bonds, and this Agreement recognizing that the County does not have the authority to pay such costs except from the proceeds of the Bonds.

**6. ADDITIONAL PROVISIONS.**

**a.** This Agreement has been made by the County and the Developer and no person other than the foregoing and their successors and assigns shall acquire or have any right under or by virtue of this Agreement, provided however the Developer may convey and assign all of the rights associated with the tax increment financing commitments related to the Project to its lender.

**b.** This Agreement shall become effective upon the execution and acceptance hereof by the parties hereto and shall be valid and enforced from and after the time of such execution and acceptance.

**c.** If any paragraph or part of a paragraph of this Agreement shall be declared null and void or unenforceable against any of the parties hereto by any court of competent jurisdiction, such declaration shall not affect the validity or enforceability of any other section or part of a paragraph of this Agreement.

**d.** In the event any agreement contained in this Agreement shall be breached and such breach shall thereafter be waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

**e.** This Agreement shall inure to the benefit of the County and the Developer and their respective successors and assigns.

**f.** This Agreement shall be governed as to validity, construction and performance by the laws of the State.


**g.** This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall constitute but one and the same agreement.

**h.** No amendment, change, modification, alteration or termination of this Agreement shall be made other than pursuant to a written agreement signed by the County and the Developer.

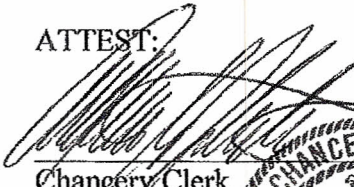
[SIGNATURES TO FOLLOW]


IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be duly executed as of the 18<sup>th</sup> day of January, 2011.

MADISON COUNTY, MISSISSIPPI

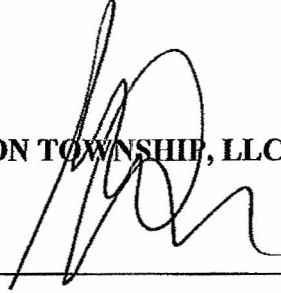
By:   
\_\_\_\_\_  
President, Board of Supervisors

ATTEST:

  
\_\_\_\_\_  
Chancery Clerk



LIVINGSTON TOWNSHIP, LLC

By:   
\_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Title: \_\_\_\_\_

[SIGNATURE PAGE TO DEVELOPMENT AGREEMENT]

## EXHIBIT A

**INFRASTRUCTURE IMPROVEMENTS:** The Infrastructure Improvements necessary to induce and support the Developer's Project include the costs of the construction and development of the Project, which funds will be used to pay the cost of constructing various infrastructure improvements including, but not limited to, installation of utilities such as domestic water, fire suppression water, sanitary sewer, storm drainage, electricity, natural gas and telecommunication facilities, roads, parking, sidewalks, traffic signalization, signage, lighting and landscaping, acquisition of rights of way, related engineering fees, attorney's fees, County TIF Plan preparation fees, capitalized interest, and other related soft costs.

**PROJECT:** The Developer's Project will consist of rebuilding the former town of Livingston as a mixed-use development to achieve historical accuracy as well as to deliver modern amenities. The former town was established in 1829 and was Madison County's first term and original county seat. The total project will represent a private investment of approximately \$80,000,000. The Project will be located on approximately 47 acres at the intersection of Mississippi Highway 463 and Mississippi Highway 22 in Madison County, Mississippi.



WHEREAS, Mr. Montgomery further requested the Board's consideration to accept the terms and conditions of the mining lease, and

WHEREAS, Mr. Montgomery stated that the County would only pay for the sand and gravel if it was purchased from West Madison Mining, LLC at a cost of \$2.50 per cubic yard,

Following discussion, Mr. Paul Griffin did offer and Mr. Gerald Steen did second a motion to take the Mining Lease under advisement. The vote on the matter being as follows:

Supervisor John Bell Crosby	Aye
Supervisor John Howland	Aye
Supervisor Gerald Steen	Aye
Supervisor Karl M. Banks	Aye
Supervisor Paul Griffin	Aye

the matter carried unanimously and said matter was and is hereby taken under advisement.

SO ORDERED this the 21<sup>st</sup> day of December, 2015.

***In re: Discussion of Time Extension for TIF Bonds -  
Livingston Township Project***

WHEREAS, Mr. David Landrum appeared before the Board and requested the Board's consideration to extend the time for issuance and delivery of the bonds for two (2) years being January 18, 2018, on the Livingston Township Project, and

WHEREAS, Mr. Landrum further requested the Board's consideration to approve the First Amendment to Development and Reimbursement Agreement for same, a true and correct copy of which is attached hereto as Exhibit EE, spread hereupon and incorporated herein by reference, and

WHEREAS, Supervisor Steen stated he was against the 75% TIF reimbursement but would agree to up to 50% reimbursement,

Following discussion, Mr. Gerald Steen did offer and Mr. Paul Griffin did second a motion to (1) approve the two year extension for the issuance and delivery of the bonds until January 18, 2018, (2) approve the aforementioned Agreement, (3) authorize the Board President to execute same, and (4) approve up to 50% reimbursement of the TIF bonds. The vote on the matter being as follows:

Supervisor John Bell Crosby	Aye
Supervisor John Howland	Aye
Supervisor Gerald Steen	Aye
Supervisor Karl M. Banks	Aye
Supervisor Paul Griffin	Aye

the matter carried unanimously and said two year extension was and is hereby approved; said Agreement was and is hereby approved; the Board President was and is hereby authorized; and said up to 50% reimbursement was and is hereby approved.

SO ORDERED this the 21<sup>st</sup> day of December, 2015.

**President's Initials:** \_\_\_\_\_

**Date Signed:** \_\_\_\_\_