

RESOLUTION OF THE BOARD OF SUPERVISORS, MADISON COUNTY MISSISSIPPI, DETERMINING THE NECESSITY FOR AND INVOKING THE AUTHORITY GRANTED TO MUNICIPALITIES AND COUNTIES BY THE LEGISLATURE WITH RESPECT TO TAX INCREMENT FINANCING AS SET FORTH IN CHAPTER 45 OF TITLE 21, MISSISSIPPI CODE OF 1972, AS AMENDED, DETERMINING THAT “THE MADISON COUNTY TAX INCREMENT FINANCING PLAN, MADISON COUNTY, MISSISSIPPI 2015 (GRANDVIEW DEVELOPMENT PROJECT)” IS A PROJECT ELIGIBLE FOR TAX INCREMENT FINANCING UNDER THE LAWS OF THE STATE, THAT A PUBLIC HEARING BE CONDUCTED IN CONNECTION WITH THE TAX INCREMENT FINANCING PLAN AND FOR RELATED PURPOSES.

WHEREAS, the Board of Supervisors (the “Governing Body”) of Madison County, Mississippi (the “County”), acting for and on behalf of the County hereby finds, determines and adjudicates as follows:

1. The Mississippi “Tax Increment Financing Act,” Title 21, Chapter 45, Mississippi Code of 1972, as amended (the “Act”), authorizes municipalities and counties in the State of Mississippi to undertake and carry out redevelopment projects as defined therein with the use of Tax Increment Financing as set forth in detail in the Act and also to carry out such projects jointly with other local governmental units, including foreign governmental units from other states, pursuant to the Regional Economic Development Act, Title 57, Chapter 64, Mississippi Code, as amended (the “REDA Act”).

2. The Governing Body has previously conducted a hearing on and approved and adopted the Tax Increment Redevelopment Plan, July 2004, or, as amended, Madison County, Mississippi (the “Redevelopment Plan”) for the County. The Redevelopment Plan constitutes a qualified plan under the Act.

3. The County, acting on behalf of itself and the City of Madison, Mississippi (the “City”) is now proposing to participate in a Tax Increment Financing Plan (“TIF Plan”) titled Madison County Tax Increment Financing Plan, Madison County, Mississippi 2015 (Grandview Development Project) to provide for financing for certain parks and recreational facilities and other related public infrastructure improvements in the City and in the Tax Increment Financing District (the “Project” or the “Grandview Development Project”). The Project involves the same proposed public infrastructure improvements approved by the City in Phase 3 of the Fourth Addendum to the City’s Tax Increment Financing Plan of 2002 (Grandview Development Project). The County’s participation with the City under the TIF Plan shall be limited solely to fund those public infrastructure improvements, including construction of parks and public recreational facilities and related infrastructure set forth in the Grandview Development Project (i.e., those public infrastructure improvements set forth in Phase 3 of the Fourth Addendum to the City’s Tax Increment Financing Plan of 2002 (Grandview Development Project). The County will enter into an inter-local agreement with the City to support the TIF Plan and to allow proceeds from bonds issued in one or more series pursuant to the TIF Plan to be used to provide funds necessary to pay the cost of constructing and installing various public infrastructure

improvements, and site improvements for the County's TIF Plan, including, but not limited to, installation of utilities such as public recreational facilities, water, sanitary sewer and natural gas lines, relocation of utilities, installation and relocation of electrical services, installation of storm drainage, construction of roadways with curb and gutter, parking, sidewalks, installation of traffic signalization and signage, grading, lighting and landscaping of rights-of-way, purchase of rights-of-way and other property necessary for the installation of the infrastructure and other improvements described hereinabove, capitalized interest, and other related expenses such as engineering, all expenses in connection with the authorization, sale and issuance of bonds, or indebtedness, TIF plan preparation fees and other incidental related costs, and related professional fees which may now or in the future within or directly benefitting the TIF District and related costs such as, engineering, TIF Plan preparation fees, other incidental costs and related professional fees within or directly enhancing development within the TIF District (the "Infrastructure Improvements"). The Bonds, which may be issued in one or more series, will not exceed the aggregate principal amount of Twelve Million Dollars (\$12,000,000).

4. The Redevelopment Plan previously adopted by the Governing Body includes all land and real property located within the boundaries of the TIF Plan appears to be a project of economic significance within the County and City and qualifies as a project eligible for tax increment financing under the TIF Plan and the participation on the part of the County and the City is necessary and would be in the public interest and would benefit the economic and financial well-being and the public health, safety, and welfare of the City and the County.

5. The Governing Body has been presented with a copy of the TIF Plan. It is anticipated that there will be substantial increases in ad valorem tax revenues and retail sales tax revenues within the TIF District within the next several months and years as a result of the construction in the City and within the TIF District and that bonds may be sold and issued at a time or times in the reasonably near future as a result of such development.

6. The County, acting on behalf of itself and the City, proposes to issue in conjunction with the TIF Plan in one or more series of Tax Increment Financing Revenue Bonds, Notes or similar debt instruments (the "Bonds") in a principal amount not to exceed Twelve Million Dollars (\$12,000,000). The Bonds issued pursuant to the TIF Plan will be secured by a pledge by the City of up to one hundred percent (100%) of the increased ad valorem taxes on real and personal property. The County will also pledge as security for the Bonds issued pursuant to the TIF Plan up to percent (50%) of the increased and eligible ad valorem taxes on real and personal property in the TIF District for the construction parks and public recreational facilities and related infrastructure. In addition, the City will also pledge as security for the Bonds issued up to one hundred percent (100%) of the City's increased retail sales taxes rebated by the State of Mississippi pertaining to the TIF District.

7. The proceeds of the Bonds will be used to pay the cost of the infrastructure improvements for the Project.

8. The Infrastructure Improvements for the Project will provide for the public convenience, health, and welfare and are intended to support development in the TIF District. Under the TIF Plan, the City will pledge up to one hundred percent (100%) of the increased ad valorem taxes on real and personal property and the County will pledge up to fifty percent (50%)

of the increase and eligible ad valorem taxes on real and personal property in the TIF District for the construction of parks and recreational facilities and related infrastructure. The City will also pledge up to one hundred percent (100%) of the increased City's retail sales tax rebated from the State of Mississippi that are generated in the TIF District.

9. The City reasonably expects that it will incur expenditures for the Infrastructure Improvements for the Project prior to the issuance of the Bonds, and that it should declare its official intent to be reimbursed for expenditures made in anticipation of the issuance of the Bonds.

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

SECTION ONE: That the Governing Body of the County does hereby declare its intention to approve and adopt the TIF Plan and to issue the Bonds, in one or more series in an amount not to exceed Twelve Million Dollars (\$12,000,000) (the "Bonds") for the purpose of providing funds necessary to pay for the Infrastructure Improvements for the Grandview Development Project.

SECTION TWO: Any Bonds issued in conjunction with the TIF Plan shall be secured solely by a pledge by the City of up to one hundred percent (100%) of the increased ad valorem taxes on real and personal property within the TIF District for a term up to seventeen (17) years. The County shall also pledge up to fifty percent (50%) of the increase and eligible real and personal property ad valorem tax increase in the TIF District in conjunction with the TIF Plan for a term of up to seventeen (17) years. The City will also pledge as security up to one hundred percent (100%) of the City's increased retail sales taxes rebated from the State of Mississippi pertaining to the TIF District for a term of up to seventeen (17) years. The Bonds shall not be secured by the full faith, credit and the taxing power of the City or County nor create any other pecuniary liability on the part of the City or the County other than as set forth herein.

SECTION THREE: Pursuant to Section 1.150-2 of the Treasury Regulations (the "Reimbursement Regulations"), the Board hereby declares its official intent to reimburse expenditures made for the Infrastructure Improvements prior to the issuance of the Bonds with proceeds of the Bonds to the extent permitted by the Reimbursement Regulations. The Bonds will be secured solely by a pledge of the increased ad valorem taxes for the City and the County and sales tax rebates for the City generated within the proposed TIF District.

SECTION FOUR: A public hearing shall be held with respect to the TIF Plan in the regular meeting place of the Governing Body in the Board Room of the Madison County Office Complex, First Floor, 125 West North Street, Canton, Mississippi 39046 at ___:___ .M. on _____, the ___ day of _____, 2015.

SECTION FIVE: The Chancery Clerk is hereby directed to publish a notice of the public hearing in the Madison County Herald, a newspaper in which the County is authorized to publish legal notices, one (1) time not less than ten (10) days nor more than twenty (20) days prior to the date set forth in SECTION FOUR hereof, pursuant to and in compliance with the requirements of Section 21-45-11 of the Act.

The foregoing Resolution, having first been reduced to writing, was read by the Clerk and motion was made by President Banks, seconded by _____ to approve and upon a call for a vote, the following was recorded:

YEAS:

NAYS:

The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted this, the _____ day of _____, 2015.

Karl M. Banks, President

Madison County Board of Supervisors

ATTEST:

Ronny Lott, Chancery Clerk

{SEAL:}

EXHIBIT A

**NOTICE OF PUBLIC HEARING
THE MADISON COUNTY TAX INCREMENT FINANCING PLAN, MADISON
COUNTY, MISSISSIPPI 2015 (GRANDVIEW DEVELOPMENT PROJECT)**

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held on _____, 2015, at 9:30 A.M. in the Board Room of the Madison County Office Complex, First Floor, 125 West North Street, Canton, Mississippi 39046, on the matter of the Madison County Tax Increment Financing Plan, Madison County, Mississippi 2015 (Grandview Development Project) (the "TIF Plan"), for consideration by the Board of Supervisors, Madison County (the "County") who proposes to use the TIF Plan in compliance with the Tax Increment Redevelopment Plan, July 2004 (or as amended) Madison County, Mississippi, for consideration by the County and further, to designate the project ("Project") described in the TIF Plan as appropriate for development and tax increment financing to provide for financing for certain County recreational facilities and other public infrastructure improvements.

The general scope of the TIF Plan is a proposal that the City of Madison ("City") and Madison County may issue Tax Increment Financing Revenue Bonds, Notes, or other similar debt instruments (the "Bonds") in one or more series in an total principal amount not to exceed \$12,000,000 in order to provide funds necessary to construct various public infrastructure improvements in connection with the Project (as defined in the TIF Plan), including, but not limited to, installation of utilities such as water, sanitary sewer and natural gas lines, relocation of utilities, construction of parks and public recreational facilities and related infrastructure, installation and relocation of electrical services, installation of storm drainage, construction of roadways with curb and gutter, parking, sidewalks, installation of traffic signalization and signage, grading, lighting and landscaping of rights-of-way, purchase of rights-of-way and other property necessary for the installation of the infrastructure and other improvements described hereinabove, capitalized interest, and other related expenses such as engineering, all expenses in connection with the authorization, sale and issuance of bonds, or indebtedness, TIF Plan preparation fees and other incidental related costs, and related professional fees (the "Infrastructure Improvements").

The Bonds will be secured solely by the City's pledge of up to one hundred percent (100%) of the increased real and personal property ad valorem taxes within the TIF District and a pledge of up to one hundred percent (100%) of the City's increased retail sales taxes rebated from the State of Mississippi pertaining to the TIF District. In addition, the Bonds will be secured by a pledge by the County of up to fifty percent (50%) of its increased and eligible real and personal property ad valorem taxes within the TIF District for the construction of certain parks and public recreational facilities and related infrastructure.

The pledges described hereinabove will never be a general obligation of the County or the City nor will they be secured by the full faith, credit, and taxing power of either the County or the City, nor will they create any other pecuniary liability on the part of the County or the City other than the pledge of the incremental increase in the ad valorem taxes, and rebated sales tax set forth above.

A more detailed scope of work including budgets for the Project will be identified in one or more development agreements and/or security and reimbursement agreements by and between the City and the County, including, but not limited to those plans provided by Sam's Real Estate Business Trust, a Delaware statutory trust related to the construction of a new Sam's Club within the TIF District.

Proceeds of the Bonds may also be used to fund capitalized interest and/or a debt service reserve fund as may be permitted under Section 21-45-1, *et seq.*, Mississippi Code of 1972, as amended from time to time.

The County intends to enter into an Inter-local Agreement with the City to support the TIF Plan and allow for efficient use of proceeds of the Bonds to pay the cost of the Infrastructure Improvements, including the construction of public recreational facilities and related infrastructure.

Construction of the Infrastructure Improvements and payment of the Bonds will be paid as set forth in the TIF Plan and will not require an increase in ad valorem taxes within the County or the City.

The County and the City may exercise their authority under the Act, individually or jointly, pursuant to an inter-local Cooperation Agreement as authorized by the Act.

A copy of the TIF Plan is available for examination in the Office of _____ in _____, Canton, Mississippi.

This hearing is being called and conducted and the TIF Plan has been prepared as authorized and required by the Act.

Witness my signature and seal, this the ____ day of February 2015.

Karl M. Banks, President of the Harrison County Board of Supervisors

{ S E A L }

Publish One (1) Time in the legal section of the Madison County Herald on or before _____, 2015.

Send Proof of Publication and Invoice to:

**Ronny Lott
Chancery Clerk**

Madison, Mississippi _____

Send copy of Proof of Publication to:

**Urban Development Toolbox, LLC
7600 Joe Fountain Road
Ocean Springs, MS 39564
Phone: (601) 301-8500**