

The Mayor and Board of Aldermen of the City of Hernando met in regular session at City Hall on Tuesday, January 19, 2016, at 6:00 P.M. with Mayor Chip Johnson presiding. Aldermen present were: Alderman Lauderdale, Alderman Bryant, Alderman Higdon, Alderman McLendon, Alderwoman Brooks, and Alderman Hobbs. Also present for the meeting were: City Clerk Katie Harbin, City Attorney Kenny Stockton, Police Chief Scott Worsham, Public Works Director Gary McElhannon, City Engineer Joe Frank Lauderdale, Planning Director Jared Darby, Building Inspector DW Gilbert, Community Director Gia Matheny, Henry Bailey, Lanier Hurdle, Doug and Michelle Thornton, Nicolas Thornton, Celia LE, Grace Owens, Natalie Shoffner, Eric Caines, Alex Caines, Molly Smith, Landon Smith, Matt Davis, Cassidy Balducci, Caylee Crockett, and Gabby Coats.

### INVOCATION

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Alderman Higdon gave the invocation.

Agenda  
City of Hernando  
Mayor and Board of Alderman  
Regular Meeting

January 19, 2016

6:00pm

- 1) Call the meeting to order
- 2) Invocation
- 3) Approve Agenda
- 4) Approve Docket of Claims No.'s 111098 – 111269 less 111107, 111108, and 111135 – 111137
- 5) Approve Docket of Claims No.'s (Lauderdale) 111107
- 6) Approve Docket of Claims No.'s (Bryant) 111135 - 111137
- 7) Approve Docket of Claims No.'s (Miller) 111108
- 8) Approve Minutes
- 9) Consent Agenda

- A) Authorize Carla Scallorn and Eva Ward to attend the Certified Municipal Clerk program on April 27-29, 2016 in Oxford, MS, also authorize to pay registration and travel expenses
  - B) Authorize Hubert Jones, Marshel Berry, Matt Massey, and Sam Witt to attend the MS. Fire Investigators Association Seminar in Tunica, MS on March 22-25, 2016, also authorize to pay registration. There will be no travel involved in this conference
  - C) Authorize Hubert Jones, and Sam Witt to attend the FDIC in Indianapolis, IN on April 20-23, 2016. Lodging only, there will be no travel, registration, or meals involved in this conference
  - D) Set public hearing for parcel 308613003 0001600 located on Martin Luther King Dr across from the Park Street intersection to determine if the parcel is a menace to public health, safety, and welfare
  - E) Application for a Zoning Map Amendment, submitted by William Davis, is requesting a zoning amendment for 2.05 acres from R-10, single-family residential medium density to PUD, planned unit development. The subject property is better known as parcel: 308613002 0000101 and is located at the intersection of West Robinson Street and Timber Lane Road; situated in Section 13, Township 3 South, and Range 8 West. (Set Public Hearing, February 16, 2016)
- 10) Request to close streets from Maddox Foundation(Glenda Gurley) for the Noah's Gift 5K
- 11) Request to close streets from Hernando High School Interact Club for the Bolt for Blue 5K
- 12) Authorize to hire Territon Newsom as a CDL Driver at the rate of \$13.00 per hour (filling an open position)
- 13) Approve the lowest and best bid from First Security for Municipal Depository
- 14) Authorize Mayor Johnson to sign an agreement for Butler Snow to complete our annual Continuing Disclosure
- 15) Open discussion of possible property maintenance code
- 16) Application for a Zoning Map Amendment, submitted by Arcadian Investments, LLC, is requesting a zoning amendment for 0.91 acres from C-2, highway commercial to M-1, light industrial. The subject property is better known as 2280 Highway 51 and is located at the intersection of Hill Street and Highway 51; situated in Section 13, Township 3 South, and Range 8 West

- 17) Application for Plat Revision for Southern Cycles, 1st Revision submitted by Jones-Davis & Associates, Inc. The subdivision is comprised of one lot totaling 2.76 acres located at the intersection of Hill Street and Highway 51; situated in Section 13, Township 3 South, and Range 8 West. The property is currently zoned "M-1," light industrial
- 18) Authorization to call Schulz Extruded Products Subdivision bond
- 19) Authorization to call Nesbit Industrial Subdivision bond
- 20) Authorize to declare the following surplus:
  - M16 Rifles All Colt: 5342338, 5347099, 5349879, 5346176, 5346766
  - M14 Rifles: I&W 1508309, I&W 6621677, I&W 1422849 H&P Arms 1554414
  - Winchester 1258587
  - 45 Pistols All Colt: 2350144, 2430772, 1645552, 2362063, 998117
- 21) Approve the Order Nunc Pro Tunc to correct the September 4 and October 2, 2012 minutes of the Mayor and Board of Aldermen of the City of Hernando, Mississippi
- 22) Approve Resolution authorizing and directing the issuance of taxable tax increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project), of the City of Hernando, Mississippi (the "City"), in the principal amount of not to exceed two hundred fifty five thousand dollars (\$255,000) to raise money for the purpose of paying the cost of the infrastructure improvements (as hereinafter defined), and paying costs of issuance
- 23) Approve Resolution of the Mayor and Board of Aldermen of the City of Hernando, Mississippi (the "City"), approving the proposal of Guaranty Bank, Belzoni, Mississippi, for the sale and award of taxable tax increment limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project), of the City, to be dated the date of delivery thereof, in the principal amount of not to exceed two hundred fifty five thousand dollars (\$255,000).
- 24) Request to rename the Hernando Sports and Fitness park for Milton Kuykendall
- 25) Request to name a baseball field for Danny Phillips
- 26) Adjourn

Motion was duly made by Alderwoman Brooks, and seconded by Alderman Lauderdale to approve the agenda as presented. A vote was taken with the following results:

Those voting "Aye": Alderman Lauderdale, Alderman Bryant, Alderman Higdon, Alderman McLendon, Alderwoman Brooks, and Alderman Hobbs.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016.

**APPROVE DOCKET OF CLAIMS NO.'S 111098 – 111269 LESS 111107, 111108, AND 111135 - 111137**

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The Board of Aldermen were presented with a docket of claims No. 111098 – 111269 less 111107, 111108, and 111135 - 111137 in the amount of \$1,461,586.35 for approval.

Motion was duly made by Alderman Bryant, and seconded by Alderman McLendon to approve the docket of claims for payment as presented. A vote was taken with the following results:

Those voting "Aye": Alderman Bryant, Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, and Alderman Lauderdale.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**APPROVE DOCKET OF CLAIMS NO.'S 111107 (LAUDERDALE)**

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Alderman Lauderdale recused himself and left the room.

The Board of Aldermen were presented with a docket of claims No. 111107 in the amount of \$217,717.96 for approval.

Motion was duly made by Alderman Hobbs, and seconded by Alderman Higdon to approve the docket of claims for payment as presented. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, and Alderman Bryant.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**APPROVE DOCKET OF CLAIMS NO.'S 111108 (MILLER) AND 111135 - 111137 (BRYANT)**

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Alderman Bryant recused himself and left the room.

The Board of Aldermen were presented with a docket of claims No. 111108 and 111135 - 111137 in the amount of \$34,911.92 for approval.

Motion was duly made by Alderman Higdon, and seconded by Alderman Hobbs to approve the docket of claims for payment as presented. A vote was taken with the following results:

Those voting "Aye": Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Higdon.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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### **APPROVE MINUTES FROM THE REGULAR BOARD MEETING ON JANUARY 5, 2015**

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Motion was duly made by Alderman Hobbs, and seconded by Alderwoman Brooks to approve the Minutes from the regular Board Meeting on January 5, 2015 as presented. A vote was taken with the following results:

Those voting "Aye": Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, Alderman McLendon, and Alderwoman Brooks

Those voting "Nay": None.

Alderman Higdon abstained from voting.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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### **CONSENT AGENDA**

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- A) Authorize Carla Scallorn and Eva Ward to attend the Certified Municipal Clerk program on April 27-29, 2016 in Oxford, MS, also authorize to pay registration and travel expenses
- B) Authorize Hubert Jones, Marshel Berry, Matt Massey, and Sam Witt to attend the MS. Fire Investigators Association Seminar in Tunica, MS on March 22-25, 2016, also authorize to pay registration. There will be no travel involved in this conference
- C) Authorize Hubert Jones, and Sam Witt to attend the FDIC in Indianapolis, IN on April 20-23, 2016. Lodging only, there will be no travel, registration, or meals involved in this conference

- D) Set public hearing for parcel 308613003 0001600 located on Martin Luther Kind Dr across from the Park Street intersection to determine if the parcel is a menace to public health, safety, and welfare
- E) Application for a Zoning Map Amendment, submitted by William Davis, is requesting a zoning amendment for 2.05 acres from R-10, single-family residential medium density to PUD, planned unit development. The subject property is better known as parcel: 308613002 0000101 and is located at the intersection of West Robinson Street and Timber Lane Road; situated in Section 13, Township 3 South, and Range 8 West. (Set Public Hearing, February 16, 2016)

Motion was duly made by Alderman Higdon, and seconded by Alderman Hobbs to approve the Consent Agenda as presented. A vote was taken with the following results:

Those voting "Aye": Alderman Lauderdale, Alderman Bryant, Alderman Higdon, Alderman McLendon, Alderwoman Brooks, and Alderman Hobbs.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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**REQUEST TO CLOSE STREETS FROM MADDOX FOUNDATION (GLENDA GURLEY) FOR THE NOAH'S GIFT 5K**

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Lanier Hurdle represented the Maddox Foundation and their request.

Motion was duly made by Alderman Lauderdale, and seconded by Alderman McLendon to approve the request from the Maddox Foundation to close streets for the Noah's Gift 5K, with the stipulation that the Maddox Foundation work with the funeral home in case of a funeral at the same time as the race. A vote was taken with the following results:

Those voting "Aye": Alderman Lauderdale, Alderman Bryant, Alderman Higdon, Alderman McLendon, Alderwoman Brooks, and Alderman Hobbs.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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**REQUEST TO CLOSE STREETS FROM THE HERNANDO HIGH SCHOOL INTERACT CLUB FOR THE BOLT FOR BLUE 5K**

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Motion was duly made by Alderwoman Brooks and seconded by Alderman Hobbs to approve the request from the Hernando High School Interact Club for the Bolt for Blue 5K. A vote was taken with the following results:

Those voting "Aye": Alderman Bryant, Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, and Alderman Lauderdale.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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**AUTHORIZE TO HIRE TERRITON NEWSOM AS A CDL DRIVER AT THE RATE OF \$13.00 PER HOUR (filling an open position)**

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Motion was duly made by Alderman Hidgon, and seconded by Alderman Hobbs to authorize to hire Territon Newsom as a CDL driver at the rate of \$13.00 per hour, per the recommendation of the personnel committee, following the recommendation of the Public Works Director. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Bryant.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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**APPROVE THE LOWEST AND BEST BID FROM FIRST SECURITY FOR MUNICIPAL DEPOSITORY**

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Motion was duly made by Alderman Bryant and seconded by Alderman McLendon to approve the lowest and best bid from First Security for our Municipal Depository for 2016 and 2017. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Bryant.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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**AUTHORIZE MAYOR JOHNSON TO SIGN AN AGREEMENT WITH BUTLER SNOW TO COMPLETE OUR ANNUAL CONTINUING DISCLOSURE**

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Motion was duly made by Alderman Lauderdale and seconded by Alderman Higdon to authorize Mayor Johnson to sign an agreement with Butler Snow to complete our annual continuing disclosure. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Bryant.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

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**OPEN DISCUSSION OF POSSIBLE PROPERTY MAINTENANCE CODE**

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Alderman McLendon asked if this would include parking cars in yards.

Mayor Johnson answered that we already have something for that.

Alderman Higdon asked where that would fall for enforcement.

Mayor Johnson answered that it would fall under Planning. They have looked at it and are ok with it.

Alderman Higdon asked if that would not fall under health and safety.

Alderman Hobbs stated that a washer and dryer sitting on a front porch would be a nuance not health and safety.

Kenny Stockton stated that it depends on different things, how long it is sitting there, if it's full of water, etc.

Alderman Hobbs asked what the time frame was.

Jared Darby answered 90 days to comply.

Alderman Hobbs asked if Mr. Darby wanted to tweak the example copy he presented to the board.

Jared Darby answered yes, more administratively.

Alderman McLendon asked if residential and commercial would be the same.

Jared Darby answered yes.

Alderman Lauderdale asked about agricultural property zoned industrial or commercial. Mr. Lauderdale asked if he would say by "use" or "zoning".

Jared Darby answered that they would clarify. Mr. Darby would say by "use".

Alderman Higdon wants to table this to get more information, but he likes the idea.

Motion was duly made by Alderman Higdon and seconded by Alderman McLendon to table this item for at least two meetings to get a further study and for the Planning Director to bring us back a format we could use and example pictures of violations in each zone . A vote was taken with the following results:

Those voting "Aye": Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, and Alderman Higdon.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**APPLICATION FOR A ZONING MAP AMENDMENT, SUBMITTED BY ARCADIAN INVESTMENTS, LLC, IS REQUESTING A ZONING AMENDMENT FOR 0.91 ACRES FROM C-2, HIGHWAY COMMERCIAL TO M-1, LIGHT INDUSTRIAL. THE**



**SUBJECT PROPERTY IS BETTER KNOWN AS 2280 HIGHWAY 51 AND IS  
LOCATED AT THE INTERSECTION OF HILL STREET AND HIGHWAY 51;  
SITUATED IN SECTION 13, TOWNSHIP 3 SOUTH, AND RANGE 8 WEST**

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**MAYOR AND BOARD OF ALDERMEN  
19, 2016  
FILE: PL-1136**

**DATE: January**

**CAPTION: Zoning Amendment; Highway Commercial, C-2 to Light Industrial, M-1;  
2280 Highway 51**

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**INTRODUCTION:**

Arcadian Investments, LLC, the owner of the property, is requesting a zoning amendment for 0.91 acres located on the east side of Hill Street and Highway 51 intersection. The current zoning is C-2, Highway Commercial. The requested zoning is for M-1, Light Industrial.

The subject property has been vacant for sometime. The existing structure is a metal building originally designed for metal manufacturing. The site itself is in disrepair. In addition, the land entitlements for the subject property are in disorder. Board should note that the applicant is only requesting a partial rezoning. The subject property is divided into two separate parcels. Each parcel has a different zoning district. The northern parcel (0.91 acres) is currently zoned C-2, Highway Commercial. The applicant wishes to amend this portion to match the southern parcel zoning designation, M-1 Light Industrial. This will allow for harmonious land use for the entire building.

*The Board are most likely familiar with zoning designations matching parcel lines. However, zoning designations are unique as different zones can be drawn in any manner within the municipal limits. For management and enforcement purposes zoning designations are usually assigned by parcel. In this particular case, the zoning districts remained within their designated parcels, but the building itself was built over a parcel and subdivision boundary.*

**ZONING AMENDMENT CRITERIA:**

The Mayor and board of Aldermen can approve a higher density industrial zoning district if the Commission should find suitable evidence supporting the following criteria:

- 1. Why the existing zoning district classification of the property is inappropriate or improper?**

Applicant: The applicant states that the subject property's zoning designation was incorrect as the existing building extends over two zoning districts.

Planning Commission: The Commission finds that the applicant's statements are correct. The Commission recommends the zoning map amendment so that the site and building can be used in a harmonious zoning district.

- 2. What major economic, physical, or social changes, if any, have occurred in the vicinity of the property in question that were not anticipated by the Comprehensive Plan and have substantially altered the basic character of the area, which make the proposed amendment to the Zoning District Map appropriate?**

Applicant: The applicant did not address the criteria.

Planning Commission: The proposed zoning amendment is in conformance with the City's General Development Plan. The Future Land Use Map labels the subject property as Mixed Use. Mixed Use does allow for light industrial applications. The building itself is designed for industrial operations. The unique circumstances surrounding the existing structure limits what type of zone is appropriate for the subject property. For example, to alter the zone to C-2, Highway Commercial, which would match the surrounding zoning districts along the highway, would require the building to undergo extensive renovations that are unnecessary. Therefore, given the classification of the General Development Plan and the proximity of the subject property to other mixed use areas within Hernando's downtown core staff recommends the requested zoning map amendment.

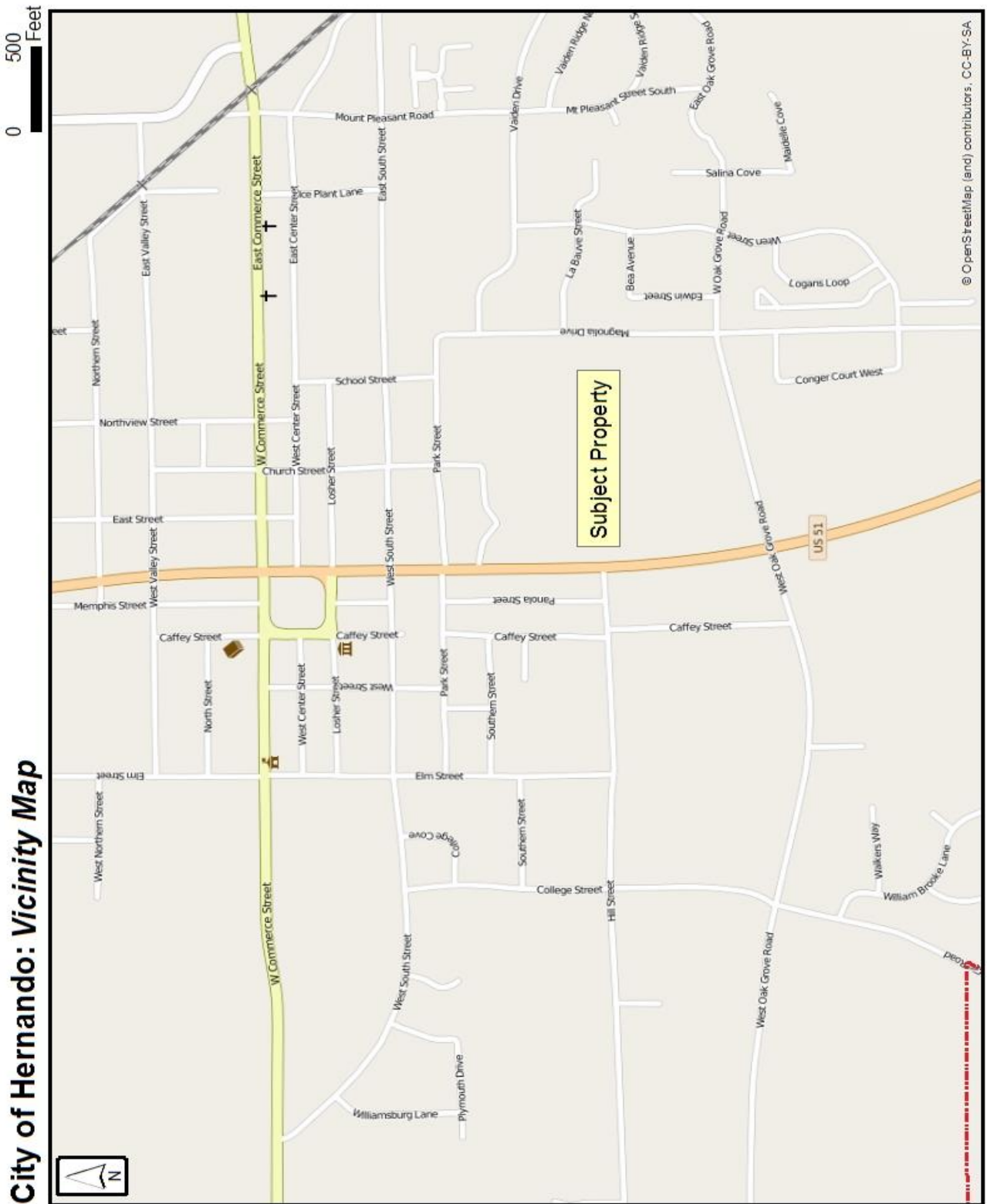
- 3. The public need for the rezoning.**

Applicant: The applicant did not address the criteria.

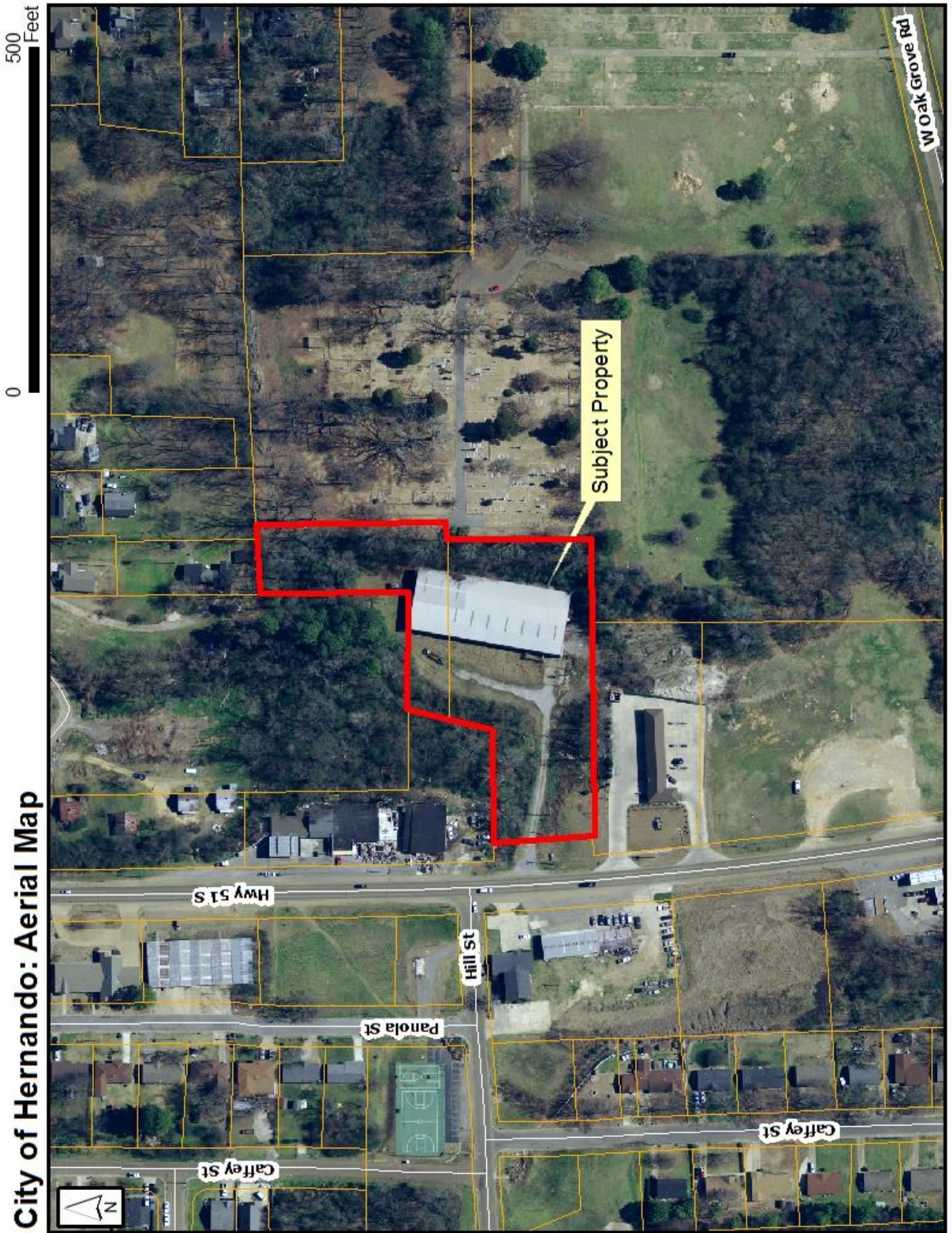
Planning Commission: The Commission finds the existing dual zoning is hampering development potential for the subject property.

#### **PLANNING COMMISSION COMMENTS:**

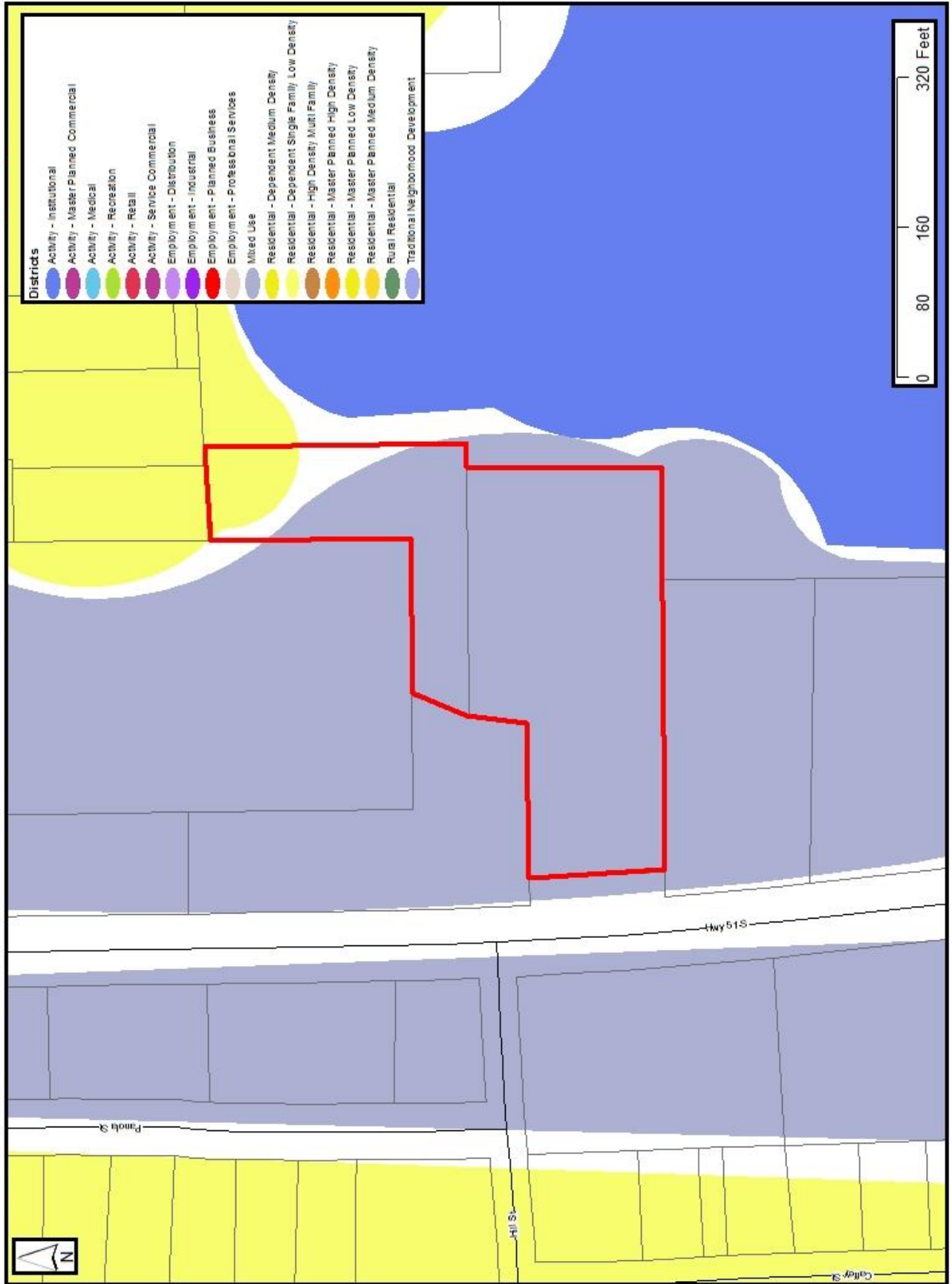
The Planning Commission moved to recommend the zoning map amendment from C-2, Highway Commercial to M-1, Light Industrial to the Mayor and Board of Aldermen. The vote was unanimous with Commissioner Sims absent from the proceedings. There was no one to speak against the application.



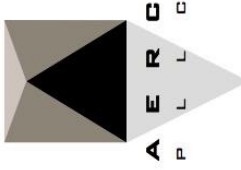




City of Hernando General Development Plan: Future Land Use Map



Subject Property



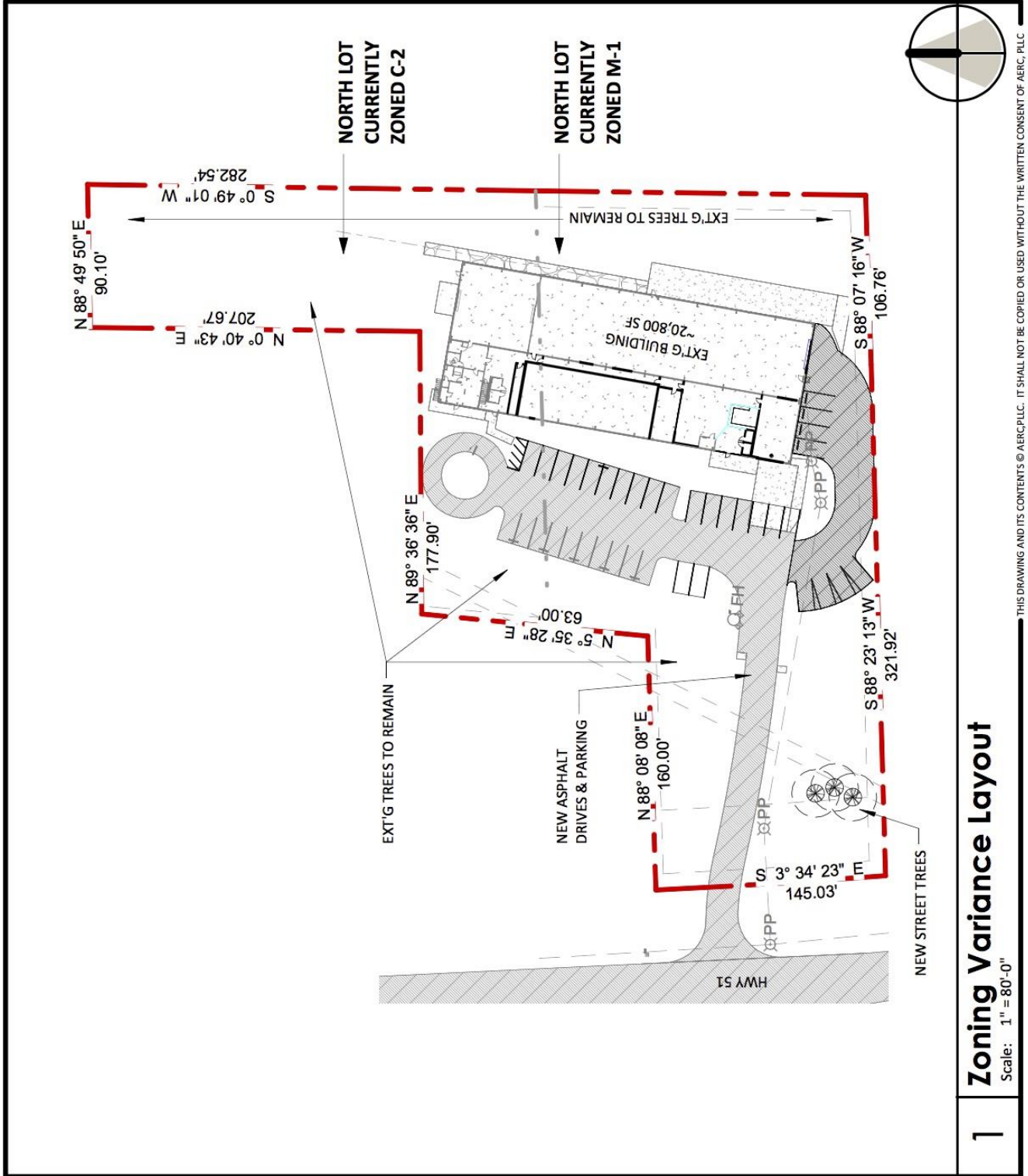
**Architectural  
& Energy  
Resources for  
Construction**

Douglas W. Thornton, AIA  
342 West Valley Street  
Hernando, MS 38632  
P 662.298.0057  
F 662.298.0061  
www.AERCpllc.com

**Arcadian Investments,  
LLC**  
2880 Highway 51 - Tenant Grid Royal  
Hernando, MS. 38632

Project Number: 15142  
Author  
Drawn/Check by:  
Date: 11.09.2015

**ZV001  
Zoning Variance**



**Zoning Variance Layout**

Scale: 1" = 80'-0"

THIS DRAWING AND ITS CONTENTS © AERC/PLLC. IT SHALL NOT BE COPIED OR USED WITHOUT THE WRITTEN CONSENT OF AERC, PLLC

Motion was duly made by Alderman Higdon and seconded by Alderman Lauderdale to approve the application for a zoning map amendment, submitted by Arcadian Investments, LLC, for an amendment to the 0.91 acres from C-2, Highway Commercial to M-1, light Industrial, based on the approval of the Planning Commission. A vote was taken with the following results:

Those voting "Aye": Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, Alderman Higdon and Alderman McLendon.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**APPLICATION FOR PLAT REVISION FOR SOUTHERN CYCLES, 1<sup>st</sup> REVISION  
SUBMITTED BY JONES-DAVIS & ASSOCIATES, INC. THE SUBDIVISION IS  
COMPRISED OF ONE LOT TOTALING 2.76 ACRES LOCATED AT THE  
INTERSECTION OF HILL STREET AND HIGHWAY 51; SITUATED IN SECTION 13,  
TOWNSHIP 3 SOUTH, AND RANGE 8 WEST. THE PROPERTY IS CURRENTLY  
ZONED "M-1", LIGHT INDUSTRIAL**

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**MAYOR AND BOARD OF ALDERMEN  
19, 2016  
FILE: PL-1138**

**DATE: January**

**CAPTION: Plat Revision; Southern Cycles, 1<sup>st</sup> Revision; Jones-Davis & Associates, Inc.**

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**INTRODUCTION:**

Jones-Davis & Associates, Inc., representing the owner of the subject property, is requesting a plat revision. The subdivision will consist of one lot. The subdivision is located on the east side of Highway 51 just south of the Hill Street and Highway 51 intersection.

Southern Cycles, 1<sup>st</sup> Revision Subdivision is expanding to encompass the parcel to the north. The current plat exists with just one lot that has an area of 1.85 acres. The meets and bounds parcel to the north encompasses 0.91 acres. Combined acreage for the expanded lot will equal 2.76 acres. The existing building meets the zoning district setback requirements. The necessary utility easements are also noted. The final subdivision will be comprised of a reversed, irregular flag shaped single lot.

**PLANNING COMMISSION COMMENTS:**

The Commission has found that the geometry of the proposed plat meets the City of Hernando's Subdivision Regulations, and the lot is within keeping of the character of the



neighborhood. If the Board chooses to approve the revision, staff recommends the following conditions of approval:

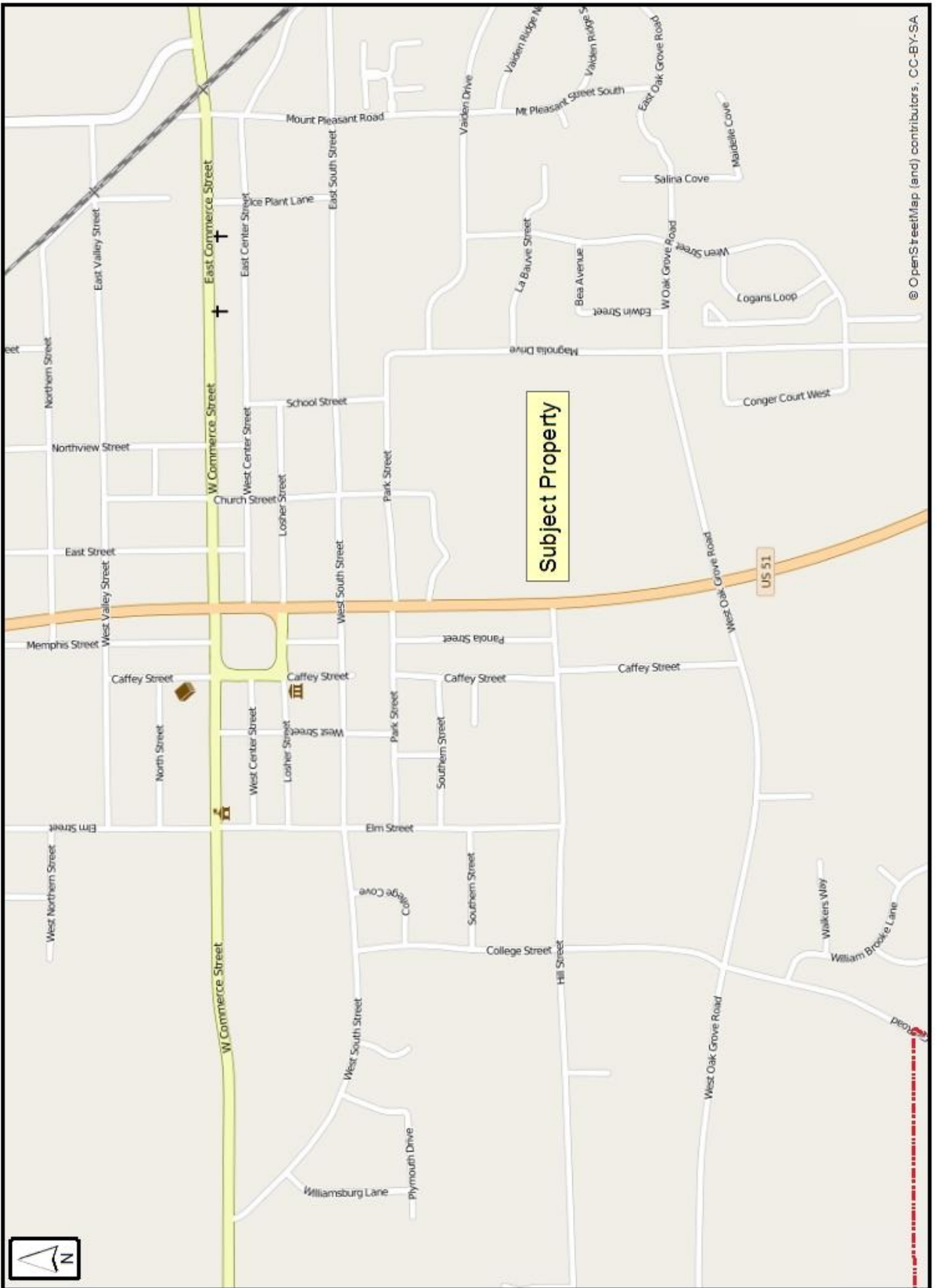
- A. Improvements to be the responsibility of the developer and not the responsibility of the City of Hernando.
- B. Grading, drainage, and engineering construction plans to be approved by the City Engineer and Public Works Director.
- C. Finished floor elevations shall be listed for each lot.
- D. All utilities and services (electric, telephone, cable, etc.) to be installed underground. The water service lines shall be installed with tracing wire at the top.
- E. Final approval by the Board of Aldermen and recording of the plat.
- F. No relocated buildings shall be allowed.
- G. Vicinity map (Location map) shall be provided.
- H. Location map shall be referenced by Section-Township-Range.
- I. Location map shall be black and white.
- J. North area shall be located at the top right hand corner.
- K. Surrounding properties that are within 100 ft. shall be outlined with ownership records given.
- L. Removal of unnecessary notes.
- M. Provide a more detailed definition of landscape easement.
- N. Provide a detailed maintenance schedule for the landscape easement.
- O. Provide Subdivision title block with date and owner information.
- P. Federal Emergency Management Agency floodplain information shall be included.

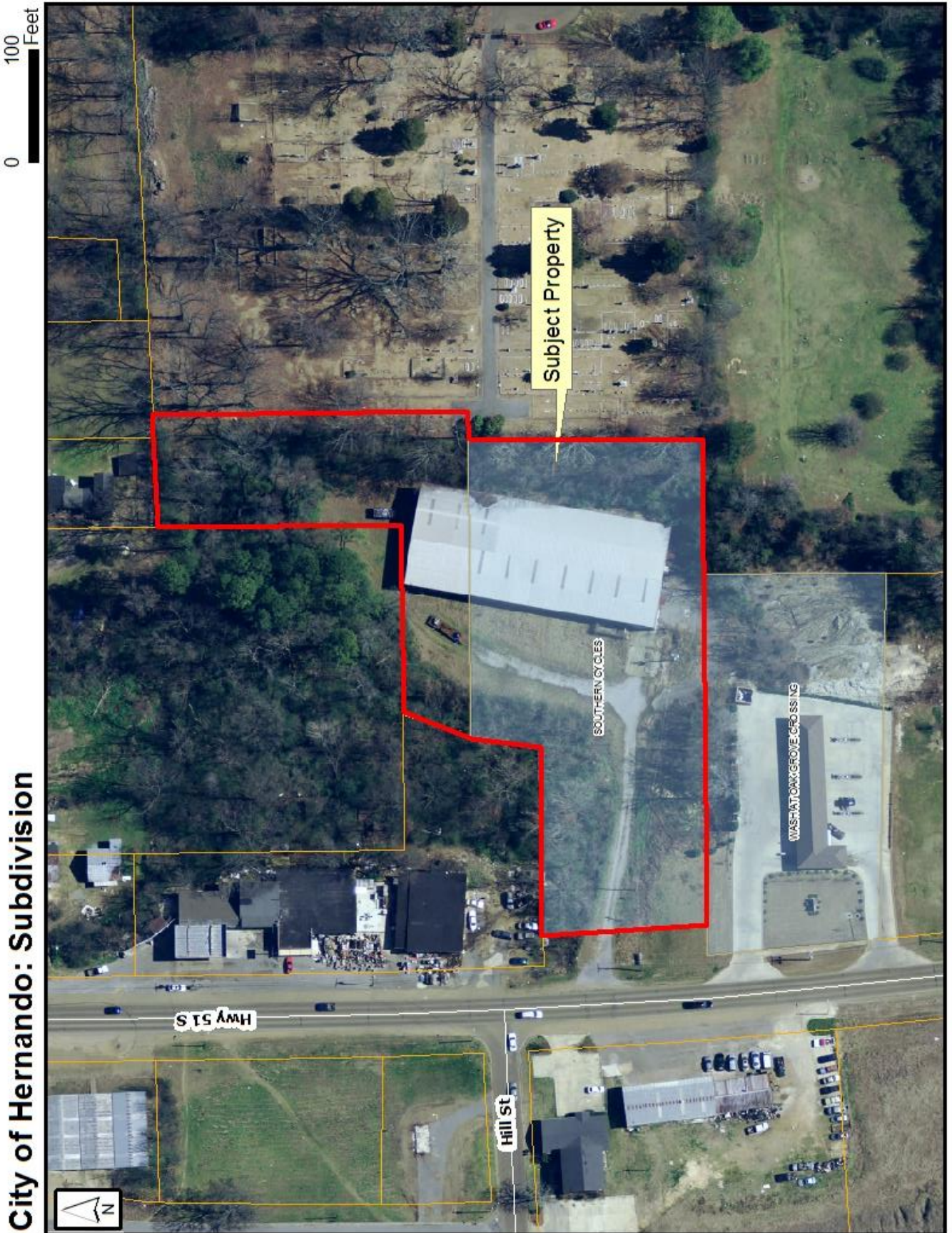
**INCLUDED EXHIBITS:**

- First Revision
-



City of Hernando: Vicinity Map





**OWNER'S CERTIFICATE**  
 I, \_\_\_\_\_ OWNER OF THE PROPERTY HEREBY ADOPT THIS AS MY PLAN OF SUBDIVISION AND RESERVE FOR THE PUBLIC UTILITIES THE UTILITY EASEMENTS AS SHOWN ON THE PLAT. I CERTIFY THAT I AM THE OWNER IN FEE SIMPLE OF THE PROPERTY AND THAT NO TAXES HAVE BECOME DUE AND PAYABLE. THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

(NAME OF OWNER OR AUTHORIZED REPRESENTATIVE)

**NOTARY'S CERTIFICATE**  
 STATE OF MISSISSIPPI, COUNTY OF DESOTO  
 THIS DAY PERSONALLY APPEARED BEFORE ME, THE UNDERSIGNED AUTHORITY IN AND FOR SAID COUNTY AND STATE, THE WITHIN NAMED \_\_\_\_\_ WHO ACKNOWLEDGED THAT HE/SHE SIGNED AND DELIVERED THE FOREGOING PLAT FOR THE PURPOSE THEREIN MENTIONED, GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE. THIS DAY OF \_\_\_\_\_, 20\_\_\_\_.

NOTARY PUBLIC \_\_\_\_\_  
 MY COMMISSION EXPIRES \_\_\_\_\_

**MORTGAGEE'S CERTIFICATE**  
 MORTGAGEE OF THE PROPERTY HEREBY ADOPT THIS AS OUR PLAN OF SUBDIVISION AND DEDICATE THE RIGHT-OF-WAY OF ROADS TO THE PUBLIC USE, FOREVER AND RESERVE THE PUBLIC UTILITIES THE UTILITY EASEMENTS SHOWN ON THE PLAT. I CERTIFY THAT \_\_\_\_\_ IS MORTGAGEE IN FEE SIMPLE OF THE PROPERTY AND THAT NO TAXES HAVE BECOME DUE AND PAYABLE. THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

AUTHORIZED REPRESENTATIVE \_\_\_\_\_  
 FOR \_\_\_\_\_

**NOTARY'S CERTIFICATE**  
 STATE OF MISSISSIPPI, COUNTY OF DESOTO  
 THIS DAY PERSONALLY APPEARED BEFORE ME, THE UNDERSIGNED AUTHORITY IN AND FOR SAID COUNTY AND STATE, THE WITHIN NAMED \_\_\_\_\_ WHO ACKNOWLEDGED THAT HE/SHE SIGNED AND DELIVERED THE FOREGOING PLAT FOR THE PURPOSE THEREIN MENTIONED, GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE. THIS DAY OF \_\_\_\_\_, 20\_\_\_\_.

NOTARY PUBLIC \_\_\_\_\_  
 MY COMMISSION EXPIRES \_\_\_\_\_

**CITY OF HERNANDO PLANNING COMMISSION CERTIFICATE**  
 APPROVED BY THE CITY OF HERNANDO, MISSISSIPPI PLANNING COMMISSION, THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

CHAIRMAN \_\_\_\_\_  
 SECRETARY \_\_\_\_\_

**MAJOR AND BOARD OF ALDERMEN CERTIFICATE**  
 APPROVED BY THE MAJOR AND BOARD OF ALDERMEN OF THE CITY OF HERNANDO, MISSISSIPPI, THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

MAJOR \_\_\_\_\_  
 CLERK \_\_\_\_\_

**CHANCERY COURT CLERK CERTIFICATION**  
 I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HERON WAS FILED FOR RECORD IN MY OFFICE AT \_\_\_\_\_ O'CLOCK ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, AND WAS IMMEDIATELY ENTERED UPON THE PROPER INDEXES AND DULY RECORDED IN PLAT BOOK \_\_\_\_\_ PAGE \_\_\_\_\_.

CHANCERY COURT CLERK \_\_\_\_\_



**FINAL PLAT OF FIRST REVISION SOUTHERN CYCLES SUBDIVISION**  
 1.1 LOT / 2.75+ ACRES / ZONED: M-1  
 LOCATED IN: LOCATED IN: SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 8 WEST, CITY OF HERNANDO, COUNTY OF DESOTO, STATE OF MISSISSIPPI  
**JONES-DAVIS ASSOCIATES, INC.**  
 888 HAMILTON ROAD, SUITE 200, SCOTTSDALE, MS 38977  
 PHONE: (662) 842-2720  
 FAX: (662) 842-5896

**NOTES:**

- BEARINGS REFERENCED TO FOUND MONUMENTS ON THE EAST LINE OF THE SOUTHERN CYCLES SUBDIVISION PLAT AS SHOWN ON PLAT BOOK 29, PAGE 40 IN THE CHANCERY CLERK'S OFFICE OF DESOTO COUNTY, MISSISSIPPI.
- THIS IS A CLAS 74 SURVEY.
- DISTANCES ARE BASED ON A FIELD SURVEY USING EDM AND GPS EQUIPMENT.
- UTILITIES SHOWN WERE TAKEN FROM VISIBLE FIELD LOCATIONS THAT WERE APPARENT AT TIME OF SURVEY. THERE MAY BE OTHER UTILITIES THAT EXIST OF WHICH ARE UNKNOWN TO THIS SURVEYOR.
- ALL 1/2" IRON PINS OR P.N. NAILS ARE SET ON ALL PROPERTY CORNERS NOT SHOWN AS FOUND, UNLESS OTHERWISE NOTED.
- NO TITLE WORK WAS FURNISHED. THIS PLAT WAS PREPARED USING THE CURRENT DEEDS OF RECORD. ALL DOCUMENTS USED IN PREPARING THIS PLAT ARE SHOWN. THERE MAY BE OTHER INSTRUMENTS THAT AFFECT THIS PROPERTY. ALL DOCUMENTS SHOWING ON THIS PLAT WERE FOUND IN THE CHANCERY CLERK'S OFFICE OF DESOTO COUNTY.
- UTILITY EASEMENTS AS FOLLOWS: FRONT - 10' SIDE - 5' REAR - 10'
- BY WAY OF EXPLANATION, THIS REVISION CONSISTS OF COMBINING SOUTHERN CYCLES SUBDIVISION AS RECORDED IN PLAT BOOK 29, PAGE 40 AND THE DAVID KILGORE 0.91+ ACRE TRACT AS RECORDED IN DEED BOOK 288, PAGE 59, BOTH IN THE CHANCERY CLERK'S OFFICE OF DESOTO COUNTY, MISSISSIPPI.
- IF TREES LOCATED WITHIN THE 20' NO DISTURB LANDSCAPE EASEMENT NEED TO BE REMOVED FOR MAINTENANCE OR DEATH, OWNER TO PLANT BUFFER LANDSCAPING IN PLACE OF REMOVED TREE AS PER CITY OF HERNANDO LANDSCAPE BUFFER ORDINANCE.
- THIS IS TO CERTIFY THAT THIS PLAT WAS DRAWN FROM A GROUND SURVEY BY ME OR UNDER MY DIRECT SUPERVISION OF THE PHYSICAL FEATURES FOUND AND IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

BY: \_\_\_\_\_  
 ROBERT C. JONES MS PLS # 2614

Motion was duly made by Alderman Lauderdale and seconded by Alderman Higdon to approve the application for a plat revision for Southern Cycles, 1<sup>st</sup> revision submitted by Jones-Davis & Associates, Inc, based on the approval of the Planning Commission. The subdivision is comprised of one lot totaling 2.76 acres located at the intersection of Hill Street and Highway 51; situated in Section 13, Township 3 South, and Range 8 West. The property is currently zoned "M-1", light industrial. A vote was taken with the following results:

Those voting "Aye": Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, Alderman Higdon, Alderman McLendon, and Alderwoman Brooks.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

#### **AUTHORIZATION TO CALL SCHULZ EXTRUDED PRODUCTS SUBDIVISION BOND**

---

Planning Director Jared Darby presented the information on the bond and advised the Board that the bond amount was changed to \$100,000.

Motion was duly made by Alderman Higdon and seconded by Alderman Lauderdale to authorize to call Schulz Extruded Products Subdivision Bond, if it is not renewed. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderman McLendon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Bryant.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

#### **AUTHORIZATION TO CALL NESBIT INDUSTRIAL SUBDIVISION BOND**

---

Planning Director Jared Darby presented the information on the bond.

Motion was duly made by Alderman Higdon and seconded by Alderman Hobbs to authorize to call Nesbit Industrial Subdivision Bond, if not renewed. A vote was taken with the following results:

Those voting "Aye": Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, Alderman Miller, Alderman McLendon, and Alderwoman Brooks.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**AUTHORIZE TO DECLARE THE FOLLOWING SURPLUS AND DISPOSE OF**

---

M16 Rifles All Colt: 5342338, 5347099, 5349879, 5346176, 5346766  
M14 Rifles: I&W 1508309, I&W 6621677, I&W 1422849 H&P Arms 1554414  
Winchester 1258587  
45 Pistols All Colt: 2350144, 2430772, 1645552, 2362063, 998117

Motion was duly made by Alderman Bryant and seconded by Alderwoman Brooks to authorize declare the following guns surplus and dispose of - M16 Rifles All Colt: 5342338, 5347099, 5349879, 5346176, 5346766 M14 Rifles: I&W 1508309, I&W 6621677, I&W 1422849 H&P Arms 1554414 Winchester 1258587 45 Pistols All Colt: 2350144, 2430772, 1645552, 2362063, 998117. A vote was taken with the following results:

Those voting "Aye": Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, Alderman Higdon, and Alderman McLendon.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**APPROVE THE ORDER NUNC PRO TUNC TO CORRECT THE SEPTEMBER 4 AND OCTOBER 2, 2012 MINUTES OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF HERNANDO, MISSISSIPPI**

---

Alderman McLendon and Alderwoman Brooks recused themselves.

**ORDER NUNC PRO TUNC  
TO CORRECT THE SEPTEMBER 4 AND OCTOBER 2, 2012 MINUTES  
OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF HERNANDO,  
MISSISSIPPI**

**WHEREAS**, the Mayor and Board of Aldermen of the City of Hattiesburg, Mississippi (the "Governing Body" of the "City"), acting for and on behalf of the City, desire to correct the September 4 and October 2, 2012 minutes of the Governing Body; and

**WHEREAS**, on the September 4, 2012 the Governing Body of the City considered and approved a resolution (the "City TIF Plan/Notice of Public Hearing Resolution") receiving the form of a proposed "Tax Increment Financing Plan, Hampton Inn Project, Hernando, Mississippi 2012" (the "City TIF Plan") and the form of a notice (the "Notice") calling for a public hearing with respect to the City TIF Plan, and for related purposes; and

**WHEREAS**, the Governing Body has reviewed the minutes for the meeting of September 4, 2012 (the "September 4, 2012 Minutes") and determined that the actions of the Governing Body of the City regarding the approval and adoption of the City TIF Plan/Notice of Public Hearing Resolution are correctly set forth in the September 4, 2012 Minutes in all substantive respects except that a copy of the City TIF Plan reviewed and discussed in connection with the City TIF Plan/Notice of Public Hearing Resolution was inadvertently omitted from the September 4, 2012 Minutes; a copy of said City TIF Plan is attached hereto as **EXHIBIT A**; and

**WHEREAS**, the clerical error regarding the omission of the City TIF Plan Exhibit from the September 4, 2012 Minutes was incidental; and

**WHEREAS**, on the October 2, 2012, the Governing Body of the City considered and approved a resolution (the "City TIF Plan Resolution"), following a public hearing regarding the City TIF Plan, approving the City TIF Plan, and for related purposes; and

**WHEREAS**, the Governing Body has reviewed the minutes for the meeting of October 2, 2012 (the "October 2, 2012 Minutes"), and has determined that the minutes are in all substantial respects correct and accurately depict the events and actions of the Governing Body which transpired at the meeting regarding the public hearing for the City TIF Plan and the adoption and approval of the City TIF Plan Resolution and form of the City TIF Plan except that a full copy of the City TIF Plan Resolution with City TIF Plan reviewed and discussed were inadvertently omitted from the October 2, 2012 Minutes; a full copy of said City TIF Plan Resolution with City TIF Plan are attached hereto as **Exhibit B**; and

**WHEREAS**, the clerical error regarding the omission of the full copy of the City TIF Plan Resolution and City TIF Plan from the October 2, 2012 Minutes was incidental.

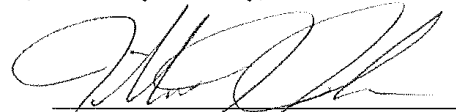
**THEREFORE, BE IT ORDERED**, that the Governing Body of the City hereby amends its September 4, 2012 Minutes, by adding the City TIF Plan exhibit documents attached hereto as **EXHIBIT A**.

**FURTHER, BE IT ORDERED**, that the Governing Body of the City hereby amends its October 2, 2012 Minutes, by adding the City TIF Plan Resolution with the City TIF Plan attached hereto as **EXHIBIT B**.

The foregoing resolution, having first been reduced to writing, was read by the Clerk, and motion was made by Alderman Lauderdale, seconded by Alderman Bryant to approve, and upon a call for a vote, the following was recorded:

Alderman Sam Lauderdale	voted: <u>Yes</u>
Alderman E. R. "Sonny" Bryant	voted: <u>Yes</u>
Alderman Andrew Miller	voted: <u>Absent</u>
Alderman Gary Higdon	voted: <u>Yes</u>
Alderman Michael McLendon	voted: <u>Recusal</u>
Alderman Cathy Brooks	voted: <u>Recusal</u>
Alderman Jeff W. Hobbs	voted: <u>Yes</u>

The motion having received the affirmative vote of a majority of the members present, the motion carried and the resolution adopted this, the 19th day of January, 2016.

  
Willis W. Johnson, Mayor

ATTEST:  
  
Katie Harbin, City Clerk

[SEAL]





**EXHIBIT A**

**TO ORDER NUNC PRO TUNC**

City TIF Plan

**TAX INCREMENT FINANCING PLAN  
HAMPTON INN PROJECT  
HERNANDO, MISSISSIPPI  
2012**

**ARTICLE I. PURPOSE AND INTENT.**

**Section 1.01 Preamble.**

(a) The administration and implementation of this *Tax Increment Financing Plan, Hampton Inn Hotel Project, Hernando, Mississippi, 2012* (this "**TIF Plan**"), will be a joint undertaking of the City of Hernando, Mississippi (the "**City**"), and Desoto County, Mississippi, (the "**County**"). The City and the County will enter into an interlocal agreement or an economic development alliance agreement ("**Agreement**"), which will designate the City as the primary party in interest in carrying forward the development of the Hampton Inn (the "**Hotel**") by the Hernando Hotel Development Group, LLC, (the "**Developer**"). The development of a hotel (the "**Hampton Inn Hotel**") referred to as the "**Project**") all of which are located in Hernando, Mississippi. The issuance of bonds, notes, indentures or other debt obligations (the "**TIF Debt Obligations**") to provide funds to finance the costs of acquiring real property and construction of public and private parking facilities, public infrastructure, related site improvements, and any other authorized funding expenses identified in this TIF Plan shall be a joint undertaking of the City and the County whereby the City will issue, in one or more series, TIF Debt Obligations as authorized herein to finance the Project as more fully described herein.

(b) The funds received from the TIF Debt Obligations and other funds as identified herein will be used to defray the costs of acquiring real property, construction of public and private parking facilities, public infrastructure, related site improvements, and other activities to serve the Project and the community as a whole.

(c) The total cost of the infrastructure, site improvements, and other activities making up the Project as defined below, is estimated to be approximately Five-Million Eight Hundred Thousand Dollars (\$5,800,000), part of which will be funded through (i) Tax Increment Financing Revenue Bonds issued in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000) by the City pursuant to this TIF Plan and the Tax Increment Financing Act codified at Mississippi Code Annotated § 21-45-1, *et seq.*, as amended (the "**TIF Act**"), and (ii) the Economic Development Act codified at Mississippi Code Annotated § 57-64-1, *et seq.*, as amended (the "**REDA Act**").

(d) The Project will be a high quality development that is expected to feature an upscale commercial hotel business, with public and private parking facilities, and related uses. The Hotel will be located on McIngvale Road, Hernando, Mississippi (the "**Hotel Site**"). The property site is near and partially attached to interstate I-55 North. The descriptions of the Project and the tax revenue projections were developed for the City and the County with the assistance of the Developer.

**Section 1.02 Statement of Intent.** As provided in the Section 1.01 of this TIF Plan, the City, acting on behalf of itself and on behalf of the County, proposes to issue Tax Increment

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Financing Revenue Bonds, pursuant to the authority outlined hereinabove, in one or more series, in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000), which will be secured by the City's pledge of up to one-hundred percent (100%) of the increased real and personal property ad valorem taxes and a pledge by the County of up to fifty percent (50%) of the increased real and personal property ad valorem taxes generated by the construction and development of the Project within the Tax Increment Financing District ("**TIF District**") proposed herein, to designate revenue funds that will be used to defray the costs of acquiring real property, construction of public and private parking facilities, public infrastructure, related site improvements, and other activities to serve the Project and the community as a whole, including but not limited to, installation of utilities such as water, sanitary sewer, natural gas lines, relocation of utilities, installation and relocation of electrical services, installation of storm drainage, construction of roadways with curb and gutter, sidewalks, installation of traffic signalization if needed and signage, grading, landscaping and lighting of parking areas and rights-of-way, purchase of rights-of-way necessary for the installation of the infrastructure improvements described hereinabove, capitalized interest, engineering, preparation fees for this TIF Plan, other incidental costs, and related professional fees. If deemed necessary and appropriate, the City and the County may require additional security from the Developer. The construction of the aforementioned improvements will be undertaken to provide for the public convenience, health, and welfare. A more detailed scope of work, along with budgets, will be identified in development agreements and security and reimbursement agreements between the Developer, the City and the County.

**Section 1.03 Public Convenience and Necessity.** The public convenience and necessity requires participation by the City and the County in this Project. The public interest will be served by the City's and the County's participation in the public infrastructure and other public and private improvement and facilities' costs of the Project. The Project will accomplish the following, which will provide for the public convenience and necessity and serve the best interests of the citizens of the City and the County:

- (a) **Private Investment.** Construction of the Project is expected to represent a private investment in excess of Five-Million Eight-Hundred Thousand Dollars (\$5,800,000).
- (b) **Public Parking Use for Commuters.** Nine parking places will be set aside for the use of local commuters to use for daily parking.
- (c) **Increase in City Ad Valorem Taxes.** Increased City real and personal property ad valorem taxes generated from the Project are anticipated to be as follows:

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<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>City (31.75 mils)</b>			
Real Property & Personal Property	\$1,555.91	\$ 23,479.12	\$21,923.21
<b>(d) Increase in County Ad Valorem Taxes.</b> Increased County real and personal property ad valorem taxes generated from the Project are anticipated to be as follows:			
<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>County (45.13 mils)</b>			
Real Property & Personal Property	\$2,211.59	\$33,373.63	\$31,162.04
<b>(e) Increase in School District Ad Valorem Taxes.</b> Increased School District real and personal property ad valorem taxes generated from the Project are anticipated to be as follows:			
<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>School Dist. (53.57 mils)</b>			
Real Property & Personal Property	\$2,625.20	\$39,615.01	\$36,989.81
<b>(f) Summary of Benefits</b>			
<ul style="list-style-type: none"> <li>• The project will result in the development of approximately 2.54 acres into a high-quality commercial hotel property that will offer Hernando, MS, their first high quality hotel asset and is expected to significantly reduce the loss of business and its economic spin-off effects to South Haven, MS, which is currently accommodating these travelers.</li> <li>• The development will act as a catalyst for additional complimentary development opportunities in the immediate vicinity, such as restaurants, gas stations, and other retail developments that benefit from being near a hotel development.</li> <li>• The project is expected to result in an investment of over \$5.8 million dollars in Hernando and Desoto County and will create approximately twenty-five to thirty (25-30) full-time and part-time jobs upon completion.</li> <li>• The annual sales generated by the hotel development could reach \$1.8 million.</li> <li>• The hotel development would substantially increase property taxes by Ninety-Thousand Seventy-Five Dollars (\$90,075.00) for the City, County, and School District.</li> <li>• The proposed project could result in a sales tax rebate to the City of Hernando of Twenty-Three Thousand Three-Hundred Dollars (\$23,300) annually.</li> </ul>			

- The expected tourism tax benefit for Hernando associated with this project is projected to be Eighteen-Thousand (\$18,000) annually.
- The project will accommodate the City of Hernando's desire to provide convenient and safe local parking accommodations to commuters that car pool together daily.
- The project will stop leakage of tens of millions of dollars over the life of the project in local hotel sales from both Hernando and Senatobia, MS, to current sales trends into the South Haven market due to a lack of quality accommodations to compete with in the area.

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**ARTICLE II. PROJECT AND DEVELOPER INFORMATION.**

**Section 2.01 Project Description.**

**Section 2.02 Developer Information.**

- (a) **Name of Developer:**  
Hernando Hotel Development Group, LLC
- (b) **Address of Company:**  
  
DHC  
  
222 Eastpark Street  
  
Ridgeland, MS 39157
- (c) **Local Contractors or Agents:**  
To be determined by bid/proposals

**ARTICLE III. ECONOMIC DEVELOPMENT IMPACT DESCRIPTION.**

**Section 3.01 Job Creation.**

(a) **Part-Time Construction Jobs.** The development of the Project will create 55-75 temporary construction jobs and will result in a construction payroll in excess of 1,500,000.00. The anticipated construction period is estimated to last approximately 11 months. Although these jobs are temporary, much of this money will be spent in Hernando and the Desoto County area.

**Section 3.02 Permanent Full-Time and Part-Time Jobs.** At completion of the development, it is expected that the Project will create approximately thirty (30) new full-time and part-time jobs with an annual payroll of in excess of Two-Hundred Fifty-Thousand Dollars (\$250,000).

**Section 3.03 Financial Benefit To The Community.**

(a) **Ad Valorem Property Tax Increases.** The construction and development of the Hotel will generate significant increases in ad valorem property tax revenues for the City, the County, and the School District. The following are estimates of new ad valorem property tax revenues projected from the development of the Hotel.

**AD VALOREM TAXES**

<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>City (31.75 mils)</b>			
Real Property & Personal Property	\$1,555.91	\$23,479.12	\$21,923.21
<b>County (45.13 mils)</b>			
Real Property & Personal Property	\$2,211.59	\$33,373.63	\$31,162.04
<b>School Dist. (53.57 mils)</b>			
Real Property & Personal Property	\$2,625.20	\$39,615.01	\$36,989.81

The ad valorem real and personal property revenue projections were developed for the County and the City with the assistance of the Hernando Hotel Development Group, LLC.

**Section 3.04 Sales Taxes.** It is expected that the total sales from the Project could reach approximately One-Million Eight-Hundred Thousand Dollars (\$1,800,000) annually. Sales taxes for the State of Mississippi are anticipated to total approximately One-Hundred Twenty-Six Thousand Dollars (\$126,000.00), of which Twenty-Three Thousand Three-Hundred Dollars (\$23,300.00) will be rebated to the City. Assuming that eighty-five percent (85%) of the

sales will be new incremental sales in the City and County (*i.e.*, One-Million Five-Hundred Thirty Thousand Dollars (\$1,530,000), will be an annual increase in sales of which One-Hundred Seven Thousand Dollars (\$107,100) payable to the State Treasury before the rebate to the City. The increase in rebates to the City would be Nineteen-Thousand Eight-Hundred Thirteen Dollars (\$19,813.00) annually. A summary of the increase in sales tax revenue is provided below:

<u>Estimated New Sales*</u>	<u>New State of Mississippi Retail Sales Tax*</u>	<u>New Retail Sales Tax Rebate To City*</u>
\$1,530,000	\$107,100	\$19,813

\*Assuming that eighty-five percent (85%) of the retail sales will be incremental new sales to the City as provided by the Developer.

In addition, the project adds Eighteen-Thousand Dollars (\$18,000.00) in tourism rebate tax to the City of Hernando.

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**ARTICLE IV. A STATEMENT OF THE OBJECTIVE OF THE TAX INCREMENT FINANCING PLAN**

**Section 4.01 Primary Objective.**

(a) The primary objective of this TIF Plan is to serve the public convenience and necessity by participating in the Project. This TIF Plan will provide financing to acquire real property, construct public and private parking facilities, various public infrastructure, and other improvements to serve the Project as described in detail in the Preamble to this TIF Plan. The public and private parking facilities and the public infrastructure improvements will be constructed in accordance with standards, codes, and ordinances of the City.

(b) The improvements will provide for the health and welfare of the public by providing for public green spaces and recreational areas, safe and adequate utilities, which may include electrical, water, gas, sanitary sewer systems, and drainage systems. The area will be landscaped in a manner to accomplish the goals and objectives of the City as expressed in the City of Hernando's zoning ordinances and other applicable ordinances.

**ARTICLE V. Property Description. A 2.54 acre Lot As Part of Lot 6 of The I-55 East Subdivision Section 'B' Located in Part of the Southeast Quarter of Section 18, Township 3 South, Range 7 West, City of Hernando, in Desoto County, Mississippi. The actual mailing address will be located on McIngvale Road, Hernando, MS. A STATEMENT INDICATING THE NEED AND PROPOSED USE OF THE TAX INCREMENT FINANCING PLAN IN RELATIONSHIP TO THE DEVELOPMENT PLAN.**

The proposed use of this TIF Plan is to provide a financing mechanism for the acquisition of real property and construction of public and private parking facilities, public infrastructure, and other improvements necessary to serve the public that will utilize the induced development of the Project.

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

**Section 6.01 Cost Estimate of Development Project.** The development of the Hotel Project is expected to represent a private investment in excess of Five-Million Eight-Hundred Thousand Dollars (\$5,800,000). As set forth in Section 1.01 hereof, this TIF Plan will be a joint undertaking of the City of Hernando and Desoto County, Mississippi, whereby the City and the County will enter into an interlocal agreement or an Economic Development Alliance Agreement, ("**Agreement**") which will designate the City as the primary party in interest in carrying the Project forward. The Agreement shall specifically provide for the burdens of the County and the City with regard to the payment of the TIF Debt Obligations and the proportions of the pledged taxes that will be used to service such TIF Debt Obligations. The City and the

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URBAN PLANNING CONSULTANTS, INC

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County propose that the City is to issue TIF Debt Obligations as authorized in the Preamble of this TIF Plan, in one or more series, in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000). The funds will be used to pay the cost of acquiring real property, constructing public and private parking facilities, and various public infrastructure improvements of the Project including, but not limited to, installation of utilities such as water, sanitary sewer, natural gas lines, relocation of utilities, installation and relocation of electrical services, installation of storm drainage, construction of roadways with curb and gutter, sidewalks, installation of traffic signalization and signage, grading, landscaping and lighting of parking areas and rights-of-way, purchase of rights-of-way necessary for the installation of the infrastructure improvements described hereinabove, capitalized interest, engineering, preparation fees for this TIF Plan, other incidental costs, and related professional fees. The construction of the aforementioned 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 security and reimbursement agreements between the Developer, the City, and the County. Proceeds of the TIF Debt Obligations may also be used to fund capitalized interest and a debt service reserve fund as may be permitted under Mississippi Code Annotated § 21-45-1, *et seq.*, as amended.

**Section 6.02 Projected Sources of Revenue to Meet Costs.** The Developer will secure financing for the private investment for the development of the Hotel. The City will pledge up to one-hundred percent (100%) of the ad valorem tax increases of the real and personal property to finance the TIF Debt Obligations. The County will pledge up to fifty percent (50%) of the ad valorem tax increases of the real and personal property. If deemed necessary and appropriate, the City and the County may require additional security from the Developer.

**Section 6.03 Total Amount of Indebtedness to be Incurred.** As set forth in Section 1.01 hereof, the City will issue up to Four-Hundred Thousand Dollars (\$400,000) in TIF Debt Obligations, in one or more series, which will be secured by the City with a pledge of up to one-hundred percent (100%) of the ad valorem tax increases of the real and personal ad valorem taxes generated by the Hotel Project in TIF District. The County will pledge up to fifty percent (50%) of the ad valorem tax increases from the real and personal property. If deemed necessary and appropriate, the City and County may require additional security from the developers of the Project. The *Tax Increment Financing Development Plan, Hernando, Mississippi, 2012*; and the *Tax Increment Financing Plan, Hernando, Mississippi, 2012*, shall be a joint undertaking by the City and the County including, but not necessarily limited to, the issuance of the TIF Debt Obligations to provide funds to defray the cost of the improvements.

**Section 6.04 Description of Interest Rate and Required Payments on the TIF Debt Obligations.** It is expected that TIF Debt Obligations can be obtained at an annual interest rate of not more than six and twenty-five hundredths percent (6.25) with a repayment schedule of up to fifteen (15) years. Annual principal and interest payments are estimated to be up to approximately Forty-Five Thousand Dollars (\$45,000), assuming a six and twenty-five hundredths percent (6.25%) interest rate and a repayment schedule of fifteen (15) years.

**Section 6.05 Pledge of Taxes to Service the TIF Debt Obligations.** The annual increase in ad valorem real and personal property tax revenues to be generated for the City after the Project is completed is estimated to be Twenty-One Thousand Nine-Hundred Twenty-Three

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Dollars (\$21,923). The annual increase in ad valorem real and personal property tax revenues to be generated for the County after the Project is completed is estimated to be Thirty-One Thousand One-Hundred Sixty-Two Dollars (\$31,162). It is requested of the City that up to one-hundred percent (100%) of these increased ad valorem real and personal property taxes be pledged to the payment of the TIF Debt Obligations. The only obligation of the City with respect to the payment of the TIF Debt Obligations will be a pledge of up to one-hundred percent (100%) of the increased ad valorem real and personal property tax revenues of the City within the TIF District. The only obligation of the County with respect to the payment of the TIF Debt Obligations will be a pledge of up to fifty percent (50%) of the increased ad valorem real and personal property tax revenues of the County within the TIF District. If deemed necessary and appropriate, the City and the County may require additional security from the developers of the Project.

**Section 6.06 Excess Taxes to be Added to General Funds.** Of the total estimated principal and interest payments of Four-Hundred Thousand Dollars (\$400,000) on the TIF Debt Obligations, the City will pledge up to one-hundred percent (100%) of the added increments of ad valorem tax on the real and personal property within the TIF District to service the TIF Debt Obligations. Any surplus of ad valorem real and personal property tax received by the City that is not used or needed for the repayment of the TIF Debt Obligations is to be deposited in the general funds of the City, to be used for any lawful purpose. Of the total estimated principal and interest payments of Thirty One Thousand Two Hundred Dollars (\$31,200) on the TIF Debt Obligations, the County will pledge up to fifty percent (50%) of the added increments of ad valorem tax on the real and personal property generated by the development of the Project within the TIF District to service the TIF Debt Obligations.

**Section 6.07 TIF Debt Obligations to be Issued in an Amount that is Commensurate with Pledged Tax Revenue.** The TIF Debt Obligations will be issued proportionate to the level of the City's and the County's pledged ad valorem real and personal property taxes and sales tax rebates generated within the TIF District in amounts and percentages to be defined in the development agreements and the security and reimbursement agreements between the Developer, the County, and the City. If deemed necessary and appropriate, the City and the County may require additional security from the Developers. The amount of TIF Debt Obligations, the timing of the issuance, and the percentage of debt service to be repaid by the County and City shall be determined pursuant to further proceedings of the City and the County.

#### ARTICLE VII. LIST OF ALL REAL PROPERTY TO BE INCLUDED IN TAX INCREMENT FINANCING PLAN

The real property to be included in this TIF Plan, from which the increases in ad valorem real and personal property tax will be generated to finance the TIF Debt Obligations will be in the TIF District as more particularly described on Exhibit A.

#### ARTICLE VIII. DURATION OF THE TAX INCREMENT FINANCING PLANS EXISTENCE.

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The duration of this *Tax Increment Financing Plan, Hotel Project, Hernando, Mississippi, 2012*, will not exceed twenty-five (25) years.

**ARTICLE IX. A STATEMENT REQUIRING THAT A SEPARATE FUND BE ESTABLISHED TO RECEIVE ADDED INCREMENTS OF AD VALOREM TAXES AND THE PROCEEDS OF ANY OTHER FINANCIAL ASSISTANCE.**

A separate fund entitled the "Tax Increment Financing Fund, Hotel Project" shall be established by the City and County to receive real and personal property ad valorem taxes and the proceeds of any other financial assistance received in connection with this Tax Increment Financing Plan.

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**ARTICLE X. THE GOVERNING BODY 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 DEVELOPMENT PROJECT; (ii) THE DURATION OF TIME IN WHICH SUCH TAXES MAY BE USED FOR SUCH PURPOSES; (iii) IF THE GOVERNING BODY SHALL ISSUE BONDS FOR SUCH DEVELOPMENT PROJECT; AND (iv) SUCH OTHER RESTRICTIONS, RULES AND REGULATIONS AS IN THE SOLE DISCRETION OF THE GOVERNING BODY OF THE COUNTY SHALL BE NECESSARY IN ORDER TO PROMOTE AND PROTECT THE PUBLIC INTEREST.**

Through the adoption of the *Tax Increment Financing Plan, Hotel Project, Hernando, Mississippi, 2012*, 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.**

**Section 11.01 Pledge of Increases in Taxes.** This TIF Plan provides for the City, acting on behalf of itself and on behalf of the County, to issue the TIF Debt Obligations, which will be secured by the City with the pledge of up to one-hundred percent (100%) of incremental increases in ad valorem taxes, generated by the Project, and by the County with the pledge of up to fifty percent (50%) of incremental increases in ad valorem taxes, generated by the Project. If deemed necessary and appropriate, the County and the City may require additional security from the Developer. Such decision on the most advantageous method for the County and City to incur the debt will be made pursuant to further proceedings of the County and the City.

**Section 11.02 Funding Through Issuance of TIF Debt Obligations.** The project may be funded in whole or in part through the following sources: Tax Increment Financing Revenue Bonds issued in, one or more series, in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000) by the City issued pursuant to this TIF Plan, the TIF Act, and the REDA Act.

**Section 11.03 Amount, Timing and other Terms of TIF Debt Obligations.** The amount of TIF Debt Obligations, the timing of the issuance, and the percentage of debt service to be repaid by the County and the City shall be determined pursuant to further proceedings of the County and the City.

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**EXHIBIT A**  
**TIF DISTRICT PROPERTY**

**EXHIBIT A**

**INFRASTRUCTURE IMPROVEMENTS**

Various infrastructure improvements in connection with 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 with curb and gutter, sidewalks; installation of traffic signalization and signage; grading; lighting and landscaping of rights-of-way; capitalized interest; engineering; parking lot, with eight (8) parking spaces specifically designated for public parking associated with temporary daily commuting parking use, not to exceed the business hours established and defined by the City of Hernando; TIF Plan preparation fees; other incidental costs; and other related professional fees indentified in the TIF Plan.

**Property Description**

Project Property Description: A 2.54 acre Lot As Part of Lot 6 of The I-55 East Subdivision Section 'B' Located in Part of the Southeast Quarter of Section 18, Township 3 South, Range 7 West, City of Hernando, in Desoto County, Mississippi.

Real Property Search by Parcel Number

# Real Property Land Information Display

								TAX DISTRICT: 5101	Click For Tax Map PDF	Display Tax Receipt Data	Tax Calculator
PARCEL#:	3	Twn: 07	Rng: 4	Area: 18	Sub: 01	Qtr: 4	Lot#: 00006	Split: 00	LOT SIZE:	Click for GIS Map	Search Land Records

LANDOWNER INFO:	OMKAR INC
	2430 CAFFEY STREET
	HERNANDO MS
	38632-0000

LEGAL DESCRIPTION:	I-55 EAST S-D
	SEC B REVISED
	LOT 6B

DRAINAGE			
CODE:			
BENEFIT:	.00	.00	.00
SUPV. DIST.:	5		

DEEDS	BOOK	PAGE	DATE
	611	88	6/30/09
	553	281	3/07/07
			0/00/00

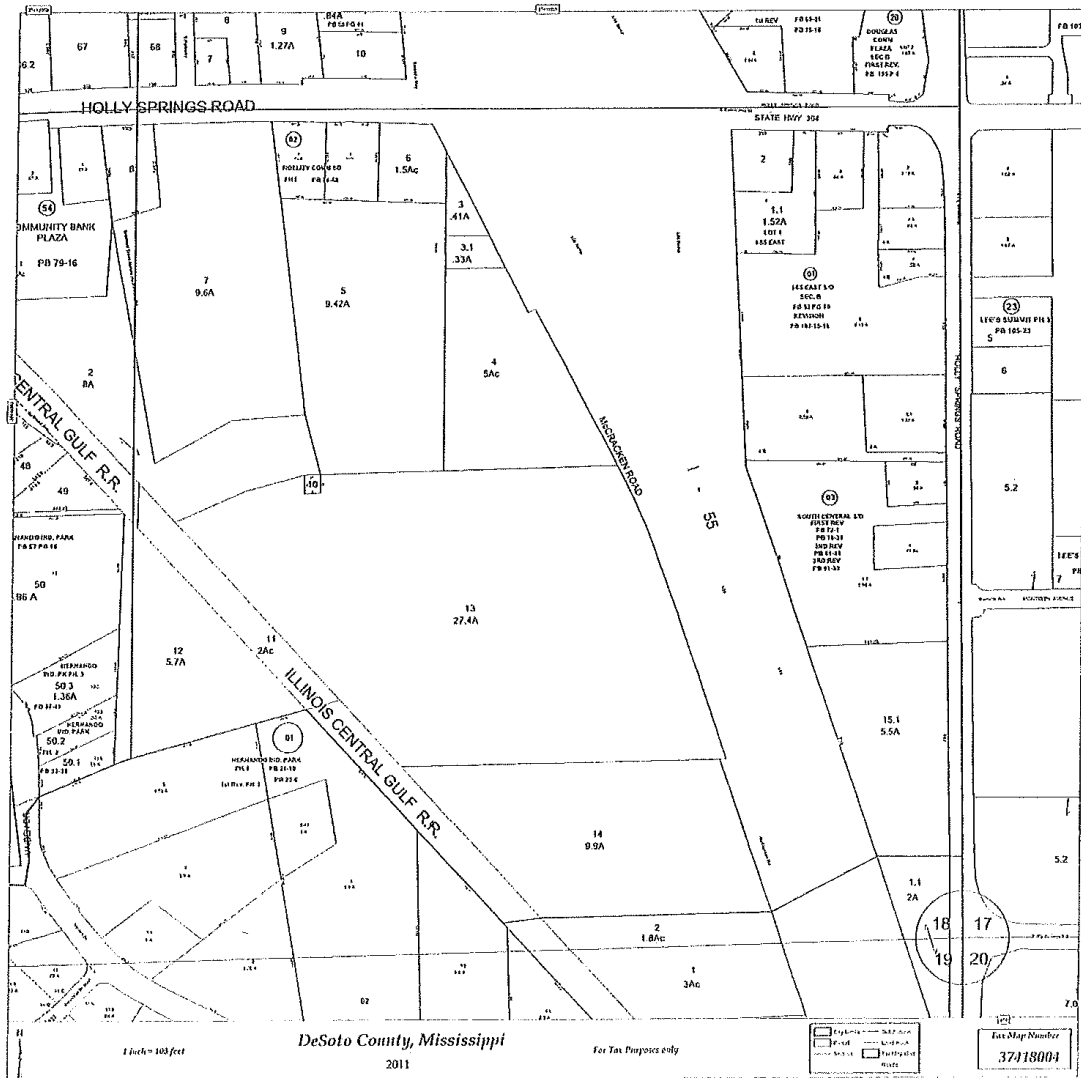
APPRAISED LAND VALUE:	326,700
APPRAISED IMP. VALUE:	0
APPRAISED TOTAL VALUE:	326,700
ASSESSED TOTAL VALUE:	49,005

PROPERTY LOCATION:	0
--------------------	---

DEEDED ACRES:	2.50
CALC. ACRES:	2.50

SECTION:	18
TOWNSHIP:	03
RANGE:	07





**EXHIBIT B**

**TO ORDER NUNC PRO TUNC**

City TIF Plan Resolution with City TIF Plan

The City Clerk reported that pursuant to a resolution of the Mayor and Aldermen (the "**Governing Body**") of the City of Hernando (the "**City**") calling for a public hearing to be held at City Hall, 475 West Commerce Street, Hernando, MS 38632 at 6:00 P.M. on, October 2, 2012, with respect to a Tax Increment Financing Plan, "The Hampton Inn Hotel Project, Hernando, Mississippi, 2012" (the "**TIF Plan**"), she did cause a notice of the public hearing to be published in the *DeSoto Times*, a newspaper having a general circulation in the City on, September 18, 2012, as evidenced by the proof of publication on file in the office of the Clerk. The Mayor then called the meeting to order, and the public hearing was duly convened. At that time, all present were given an opportunity to present oral and/or written comments on the TIF Plan. On October 2, 2012, Alderman Manning offered and moved the adoption of the following resolution:

**A RESOLUTION APPROVING THE ADOPTION AND IMPLEMENTATION OF THE "TAX INCREMENT FINANCING PLAN, "THE HAMPTON INN HOTEL PROJECT, HERNANDO, MISSISSIPPI, 2012".**

**WHEREAS**, under the power and authority granted by the laws of the State of Mississippi and particularly under Chapter 45 of Title 21, Mississippi Code of 1972, as amended, the Governing Body, on October 2, 2012, did adopt a certain resolution entitled:

**RESOLUTION OF THE MAYOR AND ALDERMEN OF THE CITY OF HERNANDO, 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 HAMPTON INN HOTEL 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**, as directed by the aforesaid resolution and as required by law, a Notice of Public Hearing was published one (1) time in the *DeSoto Times*, a newspaper having a general circulation within the City, and was so published in said newspaper on September 18, 2012, as evidenced by the publisher's proof of publication of the same heretofore presented to the Governing Body and filed with the Clerk;

**WHEREAS**, the Notice of Public Hearing generally described the TIF Plan and further called for a public hearing to be held in the Hernando City Hall, 475 West Commerce Street, Hernando, Mississippi, at 6:00 P.M. on October 2, 2012, in order for the general public to state or present their views on the TIF Plan;

**WHEREAS**, at 6:00 P.M. on October 2, 2012, the public hearing was held, and all in attendance were given an opportunity to state or present their oral and/or written comments on the TIF Plan; and

Hernando resolution adopting TIF plan 1

**WHEREAS**, the City reasonably expects that the Hernando Hotel Development Group, LLC (the "**Developer**") will incur expenditures for the infrastructure improvements prior to the issuance of the Bonds, and that the City should declare its official intent to reimburse such expenditures with the proceeds of the Bonds upon the issuance thereof.

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

**SECTION ONE:** 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 TWO:** That the Governing Body of the City is now fully authorized and empowered under the provisions of Chapter 45 of Title 21, Mississippi Code of 1972, as amended, to adopt and implement the TIF Plan, and does hereby adopt and approve such TIF Plan as presented in order to assist in the construction and development of the proposed Project and whereby, the City, acting on behalf of itself and DeSoto County, Mississippi (the "**County**") will issue Tax Increment Financing Revenue Bonds or Notes (the "**Bonds**") for the Project in an amount not to exceed Four Hundred Thousand Dollars (\$400,000) secured solely by a pledge by the City of up to one hundred percent (100%) of the increased real and personal property ad valorem taxes of the City that are generated in the TIF District as well as a pledge by the County of up to fifty percent (50%) of the increased real and personal property ad valorem taxes of the County that are generated in the TIF District as set forth in an interlocal agreement between the City and the County, which funds will be used to acquire real property, construct public and/or private parking facilities, and various public infrastructure and other improvements to serve the Project as described in detail in the TIF Plan; engineering; TIF Plan preparation fees; other incidental costs; and related professional fees.

**SECTION THREE:** Pursuant to Section 1.150-2 of the Treasury Regulations (the "**Reimbursement Regulations**"), the Governing Body hereby confirms prior declarations and declares anew its official intent to reimburse expenditures made for the Project prior to the issuance of the Bonds with proceeds of the Bonds to the extent permitted by the Reimbursement Regulations.

**SECTION FOUR:** That the Bonds of the City and County shall be issued pursuant to further proceedings of the Governing Bodies of the City and County.

Alderman Higdon seconded the motion to adopt the foregoing Resolution and after the same had been read and considered section by section and put to a roll call vote, the result was a follows:

**YEAS:**

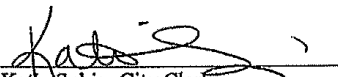
Alderman Higdon  
Alderman Tipton  
Alderman Manning  
Alderman Hobbs

**NAYS:**


Hernando resolution adopting TIF plan 2

Alderman Bryant  
Alderman Miller

ATTEST

  
Katie Subia, City Clerk

(SEAL)

  
Chip Johnson, Mayor

Hernando resolution adopting TIF plan 3

AFFP

PN: Hampton Inn Hotel Proj.

**Affidavit of Publication**

DESOTO TIMES-TRIBUNE

STATE OF MISSISSIPPI ) SS  
COUNTY OF DESOTO )

DIANE SMITH, being duly sworn, says:

That she is a Clerk of the DESOTO TIMES-TRIBUNE, a newspaper of general circulation in said county, published in Hernando, DeSoto County, Mississippi; that the publication, a copy of which is printed hereon, was published in the said newspaper on the following dates:

September 18, 2012

That said newspaper was regularly issued and circulated on those dates.

SIGNED

*Diane Smith*  
\_\_\_\_\_  
Clerk

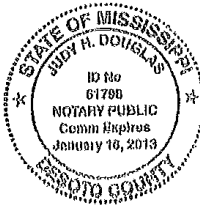
Subscribed to and sworn to me this 18th day of September 2012.

*Judy Douglas*  
\_\_\_\_\_  
JUDY DOUGLAS, Notary, DeSoto County, Mississippi

My commission expires: January 16, 2013

00002935 00014489

Katlo Subia  
City of Hernando/Legal  
475 West Commerce  
Hernando, MS 38632



**NOTICE OF PUBLIC HEARING**

Notice is hereby given that a public hearing will be held on, October 2, 2012, at 6:00 P.M., at the City Hall, 475 West Commerce Street, Hernando, Mississippi, on the Tax Increment Financing Plan, "The Hampton Inn Hotel Project, Hernando, Mississippi, 2012" (the "TIF Plan"), for consideration by the Mayor and Aldermen. The City of Hernando (the "City") proposes to use the TIF Plan in compliance with the Tax Increment Financing Redevelopment Plan, Hernando, Mississippi, and further, to designate the project described in the TIF Plan as appropriate for development and tax increment financing.

The general scope of the TIF Plan is a proposal that the City, acting on behalf of itself and DeSoto County (the "County"), will issue Tax Increment Financing Revenue Bonds or Notes (the "Bonds") in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000) in order to provide funds necessary to acquire real property, construct public and/or private parking facilities, and various public infrastructure and other improvements to serve the project as described in detail in the TIF Plan such as engineering; TIF Plan preparation fees; other incidental costs; and related professional fees. The construction of the aforementioned 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 a development agreement and/or security and reimbursement agreement with the Hernando Hotel Development Group, LLC.

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

The Bonds shall be secured solely by a pledge by the City of up to one-hundred percent (100%) of the incremental increase in ad valorem tax revenues on real and personal property generated by construction and development in the TIF District, as described in the TIF Plan, and will never be a general obligation of the City secured by the full faith, credit, and taxing power of the City or create any other pecuniary liability on the part of the City other than the pledge of the incremental increase in the ad valorem taxes set forth above. The City intends to enter an Interlocal Agreement with DeSoto County, Mississippi (the "County"), pursuant to the Regional Economic Development Act to support the Project and allow for efficient use of proceeds of the Bonds. The County is expected to pledge up to fifty percent (50%) of the incremental increase in ad valorem real and personal property taxes generated by development in the TIF District to support the Project. The Bonds will likewise never be a general obligation of the County secured by the full faith, credit and taxing power of the County. If deemed necessary and appropriate, the City and the County may require additional security from the developers of the Project. Construction of the Project and payment of the Bonds issued pursuant to the TIF Plan will be paid as hereinabove set forth and will not require an increase in any kind or type of taxes by the City or the County.

The City and the County may exercise their authority under Chapter 45 of Title 21, Mississippi Code of 1972, as amended (the "Act"), individually or jointly, pursuant to an Interlocal Cooperation Agreement as authorized by Mississippi Code Annotated § 21-45-3 et seq.

Witness my signature and seal, this the 4th, day of September, 2012.

Katlo Subia, City Clerk  
September 18, 2012

TAX INCREMENT FINANCING PLAN  
HAMPTON INN PROJECT  
HERNANDO, MISSISSIPPI  
2012

ARTICLE I. PURPOSE AND INTENT.

**Section 1.01 Preamble.**

(a) The administration and implementation of this *Tax Increment Financing Plan, Hampton Inn Hotel Project, Hernando, Mississippi, 2012* (this "**TIF Plan**"), will be a joint undertaking of the City of Hernando, Mississippi (the "**City**"), and Desoto County, Mississippi, (the "**County**"). The City and the County will enter into an interlocal agreement or an economic development alliance agreement ("**Agreement**"), which will designate the City as the primary party in interest in carrying forward the development of the Hampton Inn (the "**Hotel**") by the Hernando Hotel Development Group, LLC, (the "**Developer**"). The development of a hotel (the "**Hampton Inn Hotel**" referred to as the "**Project**") all of which are located in Hernando, Mississippi. The issuance of bonds, notes, indentures or other debt obligations (the "**TIF Debt Obligations**") to provide funds to finance the costs of acquiring real property and construction of public and private parking facilities, public infrastructure, related site improvements, and any other authorized funding expenses identified in this TIF Plan shall be a joint undertaking of the City and the County whereby the City will issue, in one or more series, TIF Debt Obligations as authorized herein to finance the Project as more fully described herein.

(b) The funds received from the TIF Debt Obligations and other funds as identified herein will be used to defray the costs of acquiring real property, construction of public and private parking facilities, public infrastructure, related site improvements, and other activities to serve the Project and the community as a whole.

(c) The total cost of the infrastructure, site improvements, and other activities making up the Project as defined below, is estimated to be approximately Five-Million Eight Hundred Thousand Dollars (\$5,800,000), part of which will be funded through (i) Tax Increment Financing Revenue Bonds issued in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000) by the City pursuant to this TIF Plan and the Tax Increment Financing Act codified at Mississippi Code Annotated § 21-45-1, *et seq.*, as amended (the "**TIF Act**"), and (ii) the Economic Development Act codified at Mississippi Code Annotated § 57-64-1, *et seq.*, as amended (the "**REDA Act**").

(d) The Project will be a high quality development that is expected to feature an upscale commercial hotel business, with public and private parking facilities, and related uses. The Hotel will be located on McIngvale Road, Hernando, Mississippi (the "**Hotel Site**"). The property site is near and partially attached to interstate I-55 North. The descriptions of the Project and the tax revenue projections were developed for the City and the County with the assistance of the Developer.

**Section 1.02 Statement of Intent.** As provided in the Section 1.01 of this TIF Plan, the City, acting on behalf of itself and on behalf of the County, proposes to issue Tax Increment

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Financing Revenue Bonds, pursuant to the authority outlined hereinabove, in one or more series, in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000), which will be secured by the City's pledge of up to one-hundred percent (100%) of the increased real and personal property ad valorem taxes and a pledge by the County of up to fifty percent (50%) of the increased real and personal property ad valorem taxes generated by the construction and development of the Project within the Tax Increment Financing District ("**TIF District**") proposed herein, to designate revenue funds that will be used to defray the costs of acquiring real property, construction of public and private parking facilities, public infrastructure, related site improvements, and other activities to serve the Project and the community as a whole, including but not limited to, installation of utilities such as water, sanitary sewer, natural gas lines, relocation of utilities, installation and relocation of electrical services, installation of storm drainage, construction of roadways with curb and gutter, sidewalks, installation of traffic signalization if needed and signage, grading, landscaping and lighting of parking areas and rights-of-way, purchase of rights-of-way necessary for the installation of the infrastructure improvements described hereinabove, capitalized interest, engineering, preparation fees for this TIF Plan, other incidental costs, and related professional fees. If deemed necessary and appropriate, the City and the County may require additional security from the Developer. The construction of the aforementioned improvements will be undertaken to provide for the public convenience, health, and welfare. A more detailed scope of work, along with budgets, will be identified in development agreements and security and reimbursement agreements between the Developer, the City and the County.

**Section 1.03 Public Convenience and Necessity.** The public convenience and necessity requires participation by the City and the County in this Project. The public interest will be served by the City's and the County's participation in the public infrastructure and other public and private improvement and facilities' costs of the Project. The Project will accomplish the following, which will provide for the public convenience and necessity and serve the best interests of the citizens of the City and the County:

- (a) **Private Investment.** Construction of the Project is expected to represent a private investment in excess of Five-Million Eight-Hundred Thousand Dollars (\$5,800,000).
- (b) **Public Parking Use for Commuters.** Nine parking places will be set aside for the use of local commuters to use for daily parking.
- (c) **Increase in City Ad Valorem Taxes.** Increased City real and personal property ad valorem taxes generated from the Project are anticipated to be as follows:

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<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>City (31.75 mils)</b>			
Real Property & Personal Property	\$1,555.91	\$ 23,479.12	\$21,923.21
<b>(d) Increase in County Ad Valorem Taxes.</b> Increased County real and personal property ad valorem taxes generated from the Project are anticipated to be as follows:			
<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>County (45.13 mils)</b>			
Real Property & Personal Property	\$2,211.59	\$33,373.63	\$31,162.04
<b>(e) Increase in School District Ad Valorem Taxes.</b> Increased School District real and personal property ad valorem taxes generated from the Project are anticipated to be as follows:			
<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>School Dist. (53.57 mils)</b>			
Real Property & Personal Property	\$2,625.20	\$39,615.01	\$36,989.81
<b>(f) Summary of Benefits</b>			
<ul style="list-style-type: none"> <li>• The project will result in the development of approximately 2.54 acres into a high-quality commercial hotel property that will offer Hernando, MS, their first high quality hotel asset and is expected to significantly reduce the loss of business and its economic spin-off effects to South Haven, MS, which is currently accommodating these travelers.</li> <li>• The development will act as a catalyst for additional complimentary development opportunities in the immediate vicinity, such as restaurants, gas stations, and other retail developments that benefit from being near a hotel development.</li> <li>• The project is expected to result in an investment of over \$5.8 million dollars in Hernando and Desoto County and will create approximately twenty-five to thirty (25-30) full-time and part-time jobs upon completion.</li> <li>• The annual sales generated by the hotel development could reach \$1.8 million.</li> <li>• The hotel development would substantially increase property taxes by Ninety-Thousand Seventy-Five Dollars (\$90,075.00) for the City, County, and School District.</li> <li>• The proposed project could result in a sales tax rebate to the City of Hernando of Twenty-Three Thousand Three-Hundred Dollars (\$23,300) annually.</li> </ul>			

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- The expected tourism tax benefit for Hernando associated with this project is projected to be Eighteen-Thousand (\$18,000) annually.
- The project will accommodate the City of Hernando's desire to provide convenient and safe local parking accommodations to commuters that car pool together daily.
- The project will stop leakage of tens of millions of dollars over the life of the project in local hotel sales from both Hernando and Senatobia, MS, to current sales trends into the South Haven market due to a lack of quality accommodations to compete with in the area.

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**ARTICLE II. PROJECT AND DEVELOPER INFORMATION.**

**Section 2.01 Project Description.**

**Section 2.02 Developer Information.**

- (a) **Name of Developer:**  
Hernando Hotel Development Group, LLC
- (b) **Address of Company:**  
  
DHG  
222 Eastpark Street  
Ridgeland, MS 39157
- (c) **Local Contractors or Agents:**  
To be determined by bid/proposals

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**ARTICLE III. ECONOMIC DEVELOPMENT IMPACT DESCRIPTION.**

**Section 3.01 Job Creation.**

(a) **Part-Time Construction Jobs.** The development of the Project will create 55-75 temporary construction jobs and will result in a construction payroll in excess of 1,500,000.00. The anticipated construction period is estimated to last approximately 11 months. Although these jobs are temporary, much of this money will be spent in Hernando and the Desoto County area.

**Section 3.02 Permanent Full-Time and Part-Time Jobs.** At completion of the development, it is expected that the Project will create approximately thirty (30) new full-time and part-time jobs with an annual payroll of in excess of Two-Hundred Fifty-Thousand Dollars (\$250,000).

**Section 3.03 Financial Benefit To The Community.**

(a) **Ad Valorem Property Tax Increases.** The construction and development of the Hotel will generate significant increases in ad valorem property tax revenues for the City, the County, and the School District. The following are estimates of new ad valorem property tax revenues projected from the development of the Hotel.

**AD VALOREM TAXES**

<u>Entity</u>	<u>Current Tax</u>	<u>Taxes After Improvements</u>	<u>Total Increase</u>
<b>City (31.75 mils)</b>			
Real Property & Personal Property	\$1,555.91	\$23,479.12	\$21,923.21
<b>County (45.13 mils)</b>			
Real Property & Personal Property	\$2,211.59	\$33,373.63	\$31,162.04
<b>School Dist. (53.57 mils)</b>			
Real Property & Personal Property	\$2,625.20	\$39,615.01	\$36,989.81

The ad valorem real and personal property revenue projections were developed for the County and the City with the assistance of the Hernando Hotel Development Group, LLC.

**Section 3.04 Sales Taxes.** It is expected that the total sales from the Project could reach approximately One-Million Eight-Hundred Thousand Dollars (\$1,800,000) annually. Sales taxes for the State of Mississippi are anticipated to total approximately One-Hundred Twenty-Six Thousand Dollars (\$126,000.00), of which Twenty-Three Thousand Three-Hundred Dollars (\$23,300.00) will be rebated to the City. Assuming that eighty-five percent (85%) of the

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sales will be new incremental sales in the City and County (*i.e.*, One-Million Five-Hundred Thirty Thousand Dollars (\$1,530,000), will be an annual increase in sales of which One-Hundred Seven Thousand Dollars (\$107,100) payable to the State Treasury before the rebate to the City. The increase in rebates to the City would be Nineteen-Thousand Eight-Hundred Thirteen Dollars (\$19,813.00) annually. A summary of the increase in sales tax revenue is provided below:

<u>Estimated New Sales*</u>	<u>New State of Mississippi Retail Sales Tax*</u>	<u>New Retail Sales Tax Rebate To City*</u>
\$1,530,000	\$107,100	\$19,813

\*Assuming that eighty-five percent (85%) of the retail sales will be incremental new sales to the City as provided by the Developer.

In addition, the project adds Eighteen-Thousand Dollars (\$18,000.00) in tourism rebate tax to the City of Hernando.

**ARTICLE IV. A STATEMENT OF THE OBJECTIVE OF THE TAX INCREMENT FINANCING PLAN**

**Section 4.01 Primary Objective.**

(a) The primary objective of this TIF Plan is to serve the public convenience and necessity by participating in the Project. This TIF Plan will provide financing to acquire real property, construct public and private parking facilities, various public infrastructure, and other improvements to serve the Project as described in detail in the Preamble to this TIF Plan. The public and private parking facilities and the public infrastructure improvements will be constructed in accordance with standards, codes, and ordinances of the City.

(b) The improvements will provide for the health and welfare of the public by providing for public green spaces and recreational areas, safe and adequate utilities, which may include electrical, water, gas, sanitary sewer systems, and drainage systems. The area will be landscaped in a manner to accomplish the goals and objectives of the City as expressed in the City of Hernando's zoning ordinances and other applicable ordinances.

**ARTICLE V. Property Description. A 2.54 acre Lot As Part of Lot 6 of The I-55 East Subdivision Section 'B' Located in Part of the Southeast Quarter of Section 18, Township 3 South, Range 7 West, City of Hernando, in Desoto County, Mississippi. The actual mailing address will be located on McIngvale Road, Hernando, MS. A STATEMENT INDICATING THE NEED AND PROPOSED USE OF THE TAX INCREMENT FINANCING PLAN IN RELATIONSHIP TO THE DEVELOPMENT PLAN.**

The proposed use of this TIF Plan is to provide a financing mechanism for the acquisition of real property and construction of public and private parking facilities, public infrastructure, and other improvements necessary to serve the public that will utilize the induced development of the Project.

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

**Section 6.01 Cost Estimate of Development Project.** The development of the Hotel Project is expected to represent a private investment in excess of Five-Million Eight-Hundred Thousand Dollars (\$5,800,000). As set forth in Section 1.01 hereof, this TIF Plan will be a joint undertaking of the City of Hernando and Desoto County, Mississippi, whereby the City and the County will enter into an interlocal agreement or an Economic Development Alliance Agreement, ("Agreement") which will designate the City as the primary party in interest in carrying the Project forward. The Agreement shall specifically provide for the burdens of the County and the City with regard to the payment of the TIF Debt Obligations and the proportions of the pledged taxes that will be used to service such TIF Debt Obligations. The City and the

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County propose that the City is to issue TIF Debt Obligations as authorized in the Preamble of this TIF Plan, in one or more series, in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000). The funds will be used to pay the cost of acquiring real property, constructing public and private parking facilities, and various public infrastructure improvements of the Project including, but not limited to, installation of utilities such as water, sanitary sewer, natural gas lines, relocation of utilities, installation and relocation of electrical services, installation of storm drainage, construction of roadways with curb and gutter, sidewalks, installation of traffic signalization and signage, grading, landscaping and lighting of parking areas and rights-of-way, purchase of rights-of-way necessary for the installation of the infrastructure improvements described hereinabove, capitalized interest, engineering, preparation fees for this TIF Plan, other incidental costs, and related professional fees. The construction of the aforementioned 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 security and reimbursement agreements between the Developer, the City, and the County. Proceeds of the TIF Debt Obligations may also be used to fund capitalized interest and a debt service reserve fund as may be permitted under Mississippi Code Annotated § 21-45-1, *et seq.*, as amended.

**Section 6.02 Projected Sources of Revenue to Meet Costs.** The Developer will secure financing for the private investment for the development of the Hotel. The City will pledge up to one-hundred percent (100%) of the ad valorem tax increases of the real and personal property to finance the TIF Debt Obligations. The County will pledge up to fifty percent (50%) of the ad valorem tax increases of the real and personal property. If deemed necessary and appropriate, the City and the County may require additional security from the Developer.

**Section 6.03 Total Amount of Indebtedness to be Incurred.** As set forth in Section 1.01 hereof, the City will issue up to Four-Hundred Thousand Dollars (\$400,000) in TIF Debt Obligations, in one or more series, which will be secured by the City with a pledge of up to one-hundred percent (100%) of the ad valorem tax increases of the real and personal ad valorem taxes generated by the Hotel Project in TIF District. The County will pledge up to fifty percent (50%) of the ad valorem tax increases from the real and personal property. If deemed necessary and appropriate, the City and County may require additional security from the developers of the Project. The *Tax Increment Financing Development Plan, Hernando, Mississippi, 2012; and the Tax Increment Financing Plan, Hernando, Mississippi, 2012*, shall be a joint undertaking by the City and the County including, but not necessarily limited to, the issuance of the TIF Debt Obligations to provide funds to defray the cost of the improvements.

**Section 6.04 Description of Interest Rate and Required Payments on the TIF Debt Obligations.** It is expected that TIF Debt Obligations will be issued in a series of bonds with a term of ten (10) years. The bonds will be secured by the City with a pledge of up to one-hundred percent (100%) of the ad valorem tax increases of the real and personal ad valorem taxes generated by the Hotel Project in TIF District. The County will pledge up to fifty percent (50%) of the ad valorem tax increases from the real and personal property. If deemed necessary and appropriate, the City and County may require additional security from the developers of the Project. The *Tax Increment Financing Development Plan, Hernando, Mississippi, 2012; and the Tax Increment Financing Plan, Hernando, Mississippi, 2012*, shall be a joint undertaking by the City and the County including, but not necessarily limited to, the issuance of the TIF Debt Obligations to provide funds to defray the cost of the improvements.

**Section 6.05 Pledge of Taxes to Service the TIF Debt Obligations.** The annual increase in ad valorem real and personal property tax revenues to be generated for the City after the Project is completed is estimated to be Twenty-One Thousand Nine-Hundred Twenty-Three

**JIMMY G. GOURAS**  
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Dollars (\$21,923). The annual increase in ad valorem real and personal property tax revenues to be generated for the County after the Project is completed is estimated to be Thirty-One Thousand One-Hundred Sixty-Two Dollars (\$31,162). It is requested of the City that up to one-hundred percent (100%) of these increased ad valorem real and personal property taxes be pledged to the payment of the TIF Debt Obligations. The only obligation of the City with respect to the payment of the TIF Debt Obligations will be a pledge of up to one-hundred percent (100%) of the increased ad valorem real and personal property tax revenues of the City within the TIF District. The only obligation of the County with respect to the payment of the TIF Debt Obligations will be a pledge of up to fifty percent (50%) of the increased ad valorem real and personal property tax revenues of the County within the TIF District. If deemed necessary and appropriate, the City and the County may require additional security from the developers of the Project.

**Section 6.06 Excess Taxes to be Added to General Funds.** Of the total estimated principal and interest payments of Four-Hundred Thousand Dollars (\$400,000) on the TIF Debt Obligations, the City will pledge up to one-hundred percent (100%) of the added increments of ad valorem tax on the real and personal property within the TIF District to service the TIF Debt Obligations. Any surplus of ad valorem real and personal property tax received by the City that is not used or needed for the repayment of the TIF Debt Obligations is to be deposited in the general funds of the City, to be used for any lawful purpose. Of the total estimated principal and interest payments of Thirty One Thousand Two Hundred Dollars (\$31,200) on the TIF Debt Obligations, the County will pledge up to fifty percent (50%) of the added increments of ad valorem tax on the real and personal property generated by the development of the Project within the TIF District to service the TIF Debt Obligations.

**Section 6.07 TIF Debt Obligations to be Issued in an Amount that is Commensurate with Pledged Tax Revenue.** The TIF Debt Obligations will be issued proportionate to the level of the City's and the County's pledged ad valorem real and personal property taxes and sales tax rebates generated within the TIF District in amounts and percentages to be defined in the development agreements and the security and reimbursement agreements between the Developer, the County, and the City. If deemed necessary and appropriate, the City and the County may require additional security from the Developers. The amount of TIF Debt Obligations, the timing of the issuance, and the percentage of debt service to be repaid by the County and City shall be determined pursuant to further proceedings of the City and the County.

#### **ARTICLE VII. LIST OF ALL REAL PROPERTY TO BE INCLUDED IN TAX INCREMENT FINANCING PLAN**

The real property to be included in this TIF Plan, from which the increases in ad valorem real and personal property tax will be generated to finance the TIF Debt Obligations will be in the TIF District as more particularly described on Exhibit A.

#### **ARTICLE VIII. DURATION OF THE TAX INCREMENT FINANCING PLANS EXISTENCE.**

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The duration of this *Tax Increment Financing Plan, Hotel Project, Hernando, Mississippi, 2012*, will not exceed twenty-five (25) years.

**ARTICLE IX. A STATEMENT REQUIRING THAT A SEPARATE FUND BE ESTABLISHED TO RECEIVE ADDED INCREMENTS OF AD VALOREM TAXES AND THE PROCEEDS OF ANY OTHER FINANCIAL ASSISTANCE.**

A separate fund entitled the "Tax Increment Financing Fund, Hotel Project" shall be established by the City and County to receive real and personal property ad valorem taxes and the proceeds of any other financial assistance received in connection with this Tax Increment Financing Plan.

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URBAN PLANNING CONSULTANTS, INC

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**EXHIBIT A**  
**TIF DISTRICT PROPERTY**

**ARTICLE X. THE GOVERNING BODY 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 DEVELOPMENT PROJECT; (ii) THE DURATION OF TIME IN WHICH SUCH TAXES MAY BE USED FOR SUCH PURPOSES; (iii) IF THE GOVERNING BODY SHALL ISSUE BONDS FOR SUCH DEVELOPMENT PROJECT; AND (iv) SUCH OTHER RESTRICTIONS, RULES AND REGULATIONS AS IN THE SOLE DISCRETION OF THE GOVERNING BODY OF THE COUNTY SHALL BE NECESSARY IN ORDER TO PROMOTE AND PROTECT THE PUBLIC INTEREST.**

Through the adoption of the *Tax Increment Financing Plan, Hotel Project, Hernando, Mississippi, 2012*, 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.**

**Section 11.01 Pledge of Increases in Taxes.** This TIF Plan provides for the City, acting on behalf of itself and on behalf of the County, to issue the TIF Debt Obligations, which will be secured by the City with the pledge of up to one-hundred percent (100%) of incremental increases in ad valorem taxes, generated by the Project, and by the County with the pledge of up to fifty percent (50%) of incremental increases in ad valorem taxes, generated by the Project. If deemed necessary and appropriate, the County and the City may require additional security from the Developer. Such decision on the most advantageous method for the County and City to incur the debt will be made pursuant to further proceedings of the County and the City.

**Section 11.02 Funding Through Issuance of TIF Debt Obligations.** The project may be funded in whole or in part through the following sources: Tax Increment Financing Revenue Bonds issued in, one or more series, in an amount not to exceed Four-Hundred Thousand Dollars (\$400,000) by the City issued pursuant to this TIF Plan, the TIF Act, and the REDA Act.

**Section 11.03 Amount, Timing and other Terms of TIF Debt Obligations.** The amount of TIF Debt Obligations, the timing of the issuance, and the percentage of debt service to be repaid by the County and the City shall be determined pursuant to further proceedings of the County and the City.

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**EXHIBIT A**

**INFRASTRUCTURE IMPROVEMENTS**

Various infrastructure improvements in connection with 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 with curb and gutter, sidewalks; installation of traffic signalization and signage; grading; lighting and landscaping of rights-of-way; capitalized interest; engineering; parking lot, with eight (8) parking spaces specifically designated for public parking associated with temporary daily commuting parking use, not to exceed the business hours established and defined by the City of Hernando; TIF Plan preparation fees; other incidental costs; and other related professional fees indentified in the TIF Plan.

**Property Description**

Project Property Description: A 2.54 acre Lot As Part of Lot 6 of The I-55 East Subdivision Section 'B' Located in Part of the Southeast Quarter of Section 18, Township 3 South, Range 7 West, City of Hernando, in Desoto County, Mississippi.

Real Property Search by Parcel Number

# Real Property Land Information Display

	Twn	Rng	Area	Sct	Sub	Qtr	Lot#	Split	TAX DISTRICT: 5101	Click For Tax Map PDF	Display Tax Receipt Data	Tax Calculator
PARCEL#:	3	07	4	18	01	4	00006	00	LOT SIZE:	Click for GIS Map	Search Land Records	

LANDOWNER INFO:	OMKAR INC
	2430 CAFFEY STREET
	HERNANDO MS
	38632-0000

LEGAL DESCRIPTION:	1-55 EAST S-D
	SEC B REVISED
	LOT 6B

DRAINAGE	
CODE:	
BENEFIT:	.00 .00 .00
SUPV. DIST.:	5

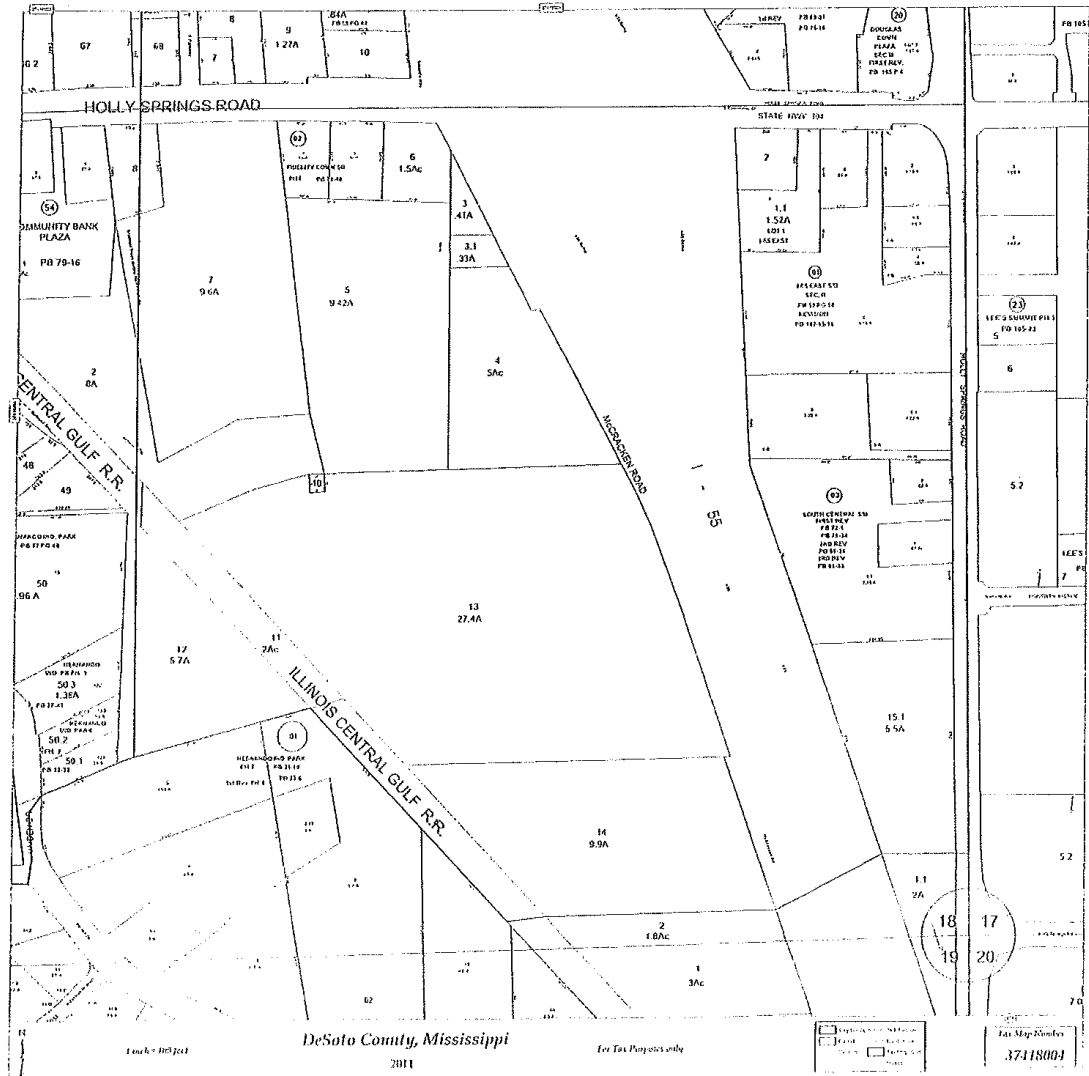
DEEDS	BOOK	PAGE	DATE
	611	88	6/30/09
	553	281	3/07/07
			0/00/00

APPRAISED LAND VALUE:	326,700
APPRAISED IMP. VALUE:	0
APPRAISED TOTAL VALUE:	326,700
ASSESSED TOTAL VALUE:	49,005

PROPERTY LOCATION:	0
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DEEDED ACRES:	2.50
CALC. ACRES:	2.50

SECTION:	18
TOWNSHIP:	03
RANGE:	07



Motion was duly made by Alderman Lauderdale and seconded by Alderman Bryant to approve the Order Nunc Pro Tunc to correct the September 4 and October 2, 2012 Minutes of the Mayor and Board of Aldermen of the City of Hernando, Mississippi. A vote was taken with the following results:

Those voting "Aye": Alderman Hobbs, Alderman Lauderdale, Alderman Bryant, Alderman Higdon, Alderman McLendon, and Alderwoman Brooks.

Those voting "Nay": None.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**APPROVE THE RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF TAXABLE TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2016 (THE HAMPTON INN HOTEL PROJECT), OF THE CITY OF HERNANDO, MISSISSIPPI (THE "CITY"), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO HUNDRED FIFTY FIVE THOUSAND DOLLARS (\$255,000) TO RAISE MONEY FOR THE PURPOSE OF PAYING THE COST OF THE INFRASTRUCTURE IMPROVEMENTS (AS HEREINAFTER DEFINED), AND PAYING COSTS OF ISSUANCE**

---

**RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF TAXABLE TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2016 (THE HAMPTON INN HOTEL PROJECT), OF THE CITY OF HERNANDO, MISSISSIPPI (THE "CITY"), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO HUNDRED FIFTY FIVE THOUSAND DOLLARS (\$255,000) TO RAISE MONEY FOR THE PURPOSE OF PAYING THE COST OF THE INFRASTRUCTURE IMPROVEMENTS (AS HEREINAFTER DEFINED), AND PAYING COSTS OF ISSUANCE.**

**WHEREAS**, the Mayor and Board of Aldermen of the City of Hernando, Mississippi, acting for and on behalf of said City of Hernando, Mississippi (the "Governing Body" of the "City"), hereby finds, determines, adjudicates and declares as follows:

(a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 21-45-1 et seq., Mississippi Code of 1972, as amended and/or supplemented from time to time.

"Act of Bankruptcy" shall mean the filing of a petition in bankruptcy by or against the City under any applicable bankruptcy, insolvency, reorganization or similar law, now or hereafter in effect.

"Agent" shall mean any Paying Agent or Transfer Agent, whether serving in either or both capacities, and herein designated by the Governing Body.

"Assessment Certificates" shall mean together the City Assessment Certificate and the County Assessment Certificate.

"Authorized Officer" means the Mayor, the Clerk and any other officer designated from time to time as an Authorized Officer by resolution of the City, and when used with reference to any act or document also means any other Person authorized by resolution of the City to perform such act or sign such document.

"Board of Supervisors" shall mean the Board of Supervisors of the County.

"Bond" or "Bonds" shall mean the not to exceed \$255,000 Taxable Tax Increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project) of the City authorized and directed to be issued in the Bond Resolution.

"Bond Counsel" shall mean Butler Snow LLP, Ridgeland, Mississippi.

"Bond Resolution" shall mean this resolution.

"Captured Assessed Value" shall mean the incremental increase in assessed value of the real and personal property within the District Property when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2015 and each January 1 thereafter, all as set forth in the annual Assessment Certificate of each the DeSoto County Tax Assessor and the Clerk of the City.

"City" shall mean the City of Hernando, Mississippi.

"City Assessment Certificate" shall mean the Assessment Certificate of the City Clerk as required by Section 21-45-21, Mississippi Code of 1972, as amended and/or supplemented from time to time, under which the Clerk, on behalf of the City will certify as to the value of the Original Assessed Value, Current Assessed Value and Captured Assessed Value as each relates to the District Property and the Redevelopment Project, which City Assessment Certificate further sets forth the estimated amount of additional ad valorem tax available for City's portion of the debt service on the Bonds and the payment of the annual fees and expenses of the Paying Agent.

"City Tax Increment Redevelopment Plan" or "City Redevelopment Plan" shall mean the Tax Increment Financing Redevelopment Plan approved by the City, as may be amended from time to time.



"City's Tax Increment Financing Plan" shall mean the Tax Increment Financing Plan "The Hampton Inn Hotel Project," Hernando, Mississippi, 2012 approved on October 2, 2012, and as may be amended from time to time.

"Clerk" shall mean the City Clerk of the City.

"Commitment Letter" shall mean the proposal of the purchaser for the purchase of the Bonds approved by the City pursuant to the terms and provisions of this Bond Resolution.

"Costs of Issuance Account" shall mean the 2016 Construction Fund, Costs of Issuance Account provided for in Section 13.

"County" shall mean DeSoto, Mississippi.

"County Assessment Certificate" shall mean the Assessment Certificate of the County Tax Assessor as required by Section 21-45-21, Mississippi Code of 1972, as amended and/or supplemented from time to time, under which the County Tax Assessor, on behalf of the County will certify as to the value of the Original Assessed Value, Current Assessed Value and Captured Assessed Value as each relates to the District Property and the Redevelopment Project, which County Assessment Certificate further sets forth the estimated amount of additional ad valorem tax available for the County's portion of debt service on the Bonds and the payment of the annual fees and expenses of the Paying Agent.

"County Tax Increment Redevelopment Plan" or "County Redevelopment Plan" means the Tax Increment Financing Redevelopment Plan approved by the County, and as may be amended from time to time.

"County's Tax Increment Financing Plan" shall mean the Tax Increment Financing Plan "The Hampton Inn Hotel Project," DeSoto County, Mississippi, 2012, approved September 24, 2012, and as may be amended from time to time.

"Current Assessed Value" shall mean the estimated true value of the Redevelopment Project and all improvement thereon that constitute real property and personal property as determined by the DeSoto County Tax Assessor as of January 1, 2015, and on each January 1 thereafter, said determination being made pursuant to information made available to the DeSoto County Tax Assessor by the owner of the Redevelopment Project and the District Property.

"Developer" shall mean Hernando Hotel Development Group, LLC, a Mississippi corporation.

"Developer's Project" shall mean the construction of an 82-room Hampton Inn Hotel located on approximately 2.5 acres within the District Property and the City and as more particularly detailed in the Tax Increment Financing Plans.

"Development Agreement" shall mean the Development Agreement between the Developer and the City, dated October 2, 2012.

"District Property" shall mean the real property, including personal property located thereon, located within the City and County as more fully described and identified in the Tax Increment Financing Plans as the "TIF District."

"Governing Body" shall mean the Mayor and Board of Aldermen of the City.

"Infrastructure Improvements" shall mean and include, but not necessarily limited to, various infrastructure improvements in connection with the Developer's 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 with curb and gutter; sidewalks; installation of traffic signalization and signage; grading; lighting and landscaping of rights-of-way; capitalized interest; engineering; parking lot, with eight (8) parking spaces specifically designated for public parking associated with temporary daily commuting parking use, not to exceed the business hours established and defined by the City; Tax Increment Finance Plan preparation fees; other incidental costs; and other related professional fees identified in the Tax Increment Finance Plans.

"Interlocal Agreement" shall mean the Interlocal Cooperation Agreement, dated July 16, 2014, by and between the City and the County in connection with the Redevelopment Project.

"Mayor" shall mean the Mayor of the City.

"Original Assessed Value" shall mean the assessed value of the real property, including personal property located thereon, located within the District Property as of October 2, 2012, as certified by the DeSoto County Tax Assessor and the Clerk of the City and as defined in Section 21-45-21 of the Act.

"Paying Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body for the payment of the principal of and interest on the Bonds.

"Person" shall mean an individual, partnership, corporation, limited liability company, trust or unincorporated organization and a government or agency or political subdivision thereof.

"Purchaser" shall mean purchaser of the Bonds.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date or the date set for redemption.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Redevelopment Plans" shall mean together the City Redevelopment Plan and the County Redevelopment Plan.

"Redevelopment Project" shall mean together the Developer's Project and the Infrastructure Improvements.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the City maintained by the Transfer Agent.

"Tax Increment" shall mean the incremental increase in real and personal property ad valorem tax revenue (excluding school taxes) and payments in lieu of taxes, if applicable, generated within the TIF District to the City and County by the Redevelopment Project as calculated in accordance with the Act and as provided for in the TIF Documents; provided however, the County's pledge shall be limited to 50% of the incremental increase in ad valorem taxes generated to the County by the Redevelopment Project (respectively, the "City Share" and the "County Share"), as set out in the Interlocal Agreement.

"Tax Increment Financing Plans" shall mean together the City's Tax Increment Financing Plan and the County's Tax Increment Financing Plan.

"Tax Increment Surplus" shall mean the remainder of the additional ad valorem tax receipts derived from taxation of the Captured Assessed Value after deducting amounts necessary to fund the debt service requirements on the Bonds and to pay the annual fees and expenses of the Paying Agent.

"Transfer Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body for the registration of owners of the Bonds and for the performance of such other duties as may be herein or hereafter specified by the Governing Body.

"2016 Bond Fund" shall mean the City of Hernando, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project) Bond Fund provided for in Section 12 hereof.

"2016 Construction Fund" shall mean the City of Hernando, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project) Construction Fund provided for in Section 13 hereof.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

The City of Hernando, Mississippi, a municipality as defined in Title 21, Chapter 45, Section 3, Mississippi Code of 1972, as amended, is authorized and empowered by the Constitution and Statutes of the State of Mississippi, including the Act, to undertake and carry out redevelopment projects within an area determined by the Governing Body of the City to be in need of development and/or redevelopment and designated as appropriate for a redevelopment project, in accordance with Redevelopment Plans and Tax Increment Financing Plans adopted by the Governing Body of the City and the Board of Supervisors of the County, as applicable.

Said redevelopment projects may include:

to acquire the redevelopment area, including lands, structures or improvements the acquisition of which is necessary or incidental to the proper clearance, development or redevelopment of such areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight;

to clear the redevelopment area by demolition or removal of existing buildings, structures, streets, utilities or other improvements thereon and to install, construct or reconstruct streets, utilities, bulkheads, boat docks and site improvements essential to the preparation of sites for uses in accordance with the Redevelopment Plans and public improvements to encourage private redevelopment in accordance with the Redevelopment Plans; or

to sell or lease property acquired by the City as part of the Redevelopment Project for not less than its fair value for uses in accordance with the Redevelopment Plans to retain property or public improvements for public use in accordance with the Redevelopment Plans.

The "Redevelopment Project" may also include the preparation of the Redevelopment Plans, the planning, survey and other work incident to the Redevelopment Project and the preparation of all plans and arrangements for carrying out the Redevelopment Project, and the relocation of businesses and families required under applicable law.

The Governing Body of the City approved the City Redevelopment Plan in the manner required by the Act. On October 2, 2012, the City's Tax Increment Financing Plan, after conducting a public hearing as required by the Act, was approved by the Governing Body. The Board of Supervisors of the County approved the County Redevelopment Plan in the manner required by the Act. The County's Tax Increment Financing Plan, after conducting a public hearing as required by the Act, was approved September 24, 2012, by the Board of Supervisors.

The City, to the greatest extent it determines to be feasible, shall afford maximum opportunity, consistent with the sound needs of the City as a whole, to the rehabilitation or redevelopment of the redevelopment area by private enterprise. In order to utilize appropriate private or public resources to

eliminate and prevent the development or spread of slums and urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of slum and blighted areas, and to achieve the objectives of the Redevelopment Plans, the City shall encourage rehabilitation and clearance and redevelopment within the redevelopment area by: (1) carrying out a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with the Redevelopment Plans, including, from time to time, making loans to defray all or part of the costs (including costs of acquiring real estate) of repairing and rehabilitating buildings or other improvements in accordance with the Redevelopment Plans; and (2) making loans, from time to time, to defray all or part of the costs of acquiring real property, demolishing and removing buildings and improvements, and constructing improvements (including buildings) in the redevelopment area in accordance with the Redevelopment Plans. Such loans shall be made in accordance with the requirements under the General Plan as defined in the Redevelopment Plans. The City shall also have full authority to issue tax increment bonds for the purpose of completing all of or a part of the Infrastructure Improvements in accordance with the Tax Increment Financing Plans.

The City desires to issue and sell the Bonds for the purpose of financing the cost of the Infrastructure Improvements and paying issuance costs in accordance with the Redevelopment Plans and the Tax Increment Financing Plans.

As an inducement to the City to issue the Bonds and to apply the proceeds of such Bonds to fund the cost of constructing the Infrastructure Improvements and paying costs of issuance, it being contemplated by the City that a portion of the incremental increase in revenues from ad valorem taxes on the real and personal property collected with respect to the Redevelopment Project shall, together with the County's portion of incremental increase in revenues from ad valorem taxes on real and personal property be dedicated to and sufficient for the payment of principal of and interest on the Bonds and paying the annual fees and expenses of the Paying Agent.

The Governing Body will not provide for the issuance of additional bonds payable from the Tax Increment unless the Tax Increment for the preceding year prior to the issuance of the additional bonds was sufficient to provide at least 1.15 to 1 debt service coverage of the combined debt service of such additional bonds and the Bonds.

The Governing Body is authorized and empowered by the provisions of the Act to issue the Bonds in the form and manner hereinafter provided for by the Act.

It has now become necessary to make provision for the preparation, execution and issuance of said Bonds.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:**

(a) In consideration of the purchase and acceptance of any and all of the Bonds by those who shall hold the same from time to time, the Bond Resolution shall constitute a contract between the City and the Registered Owners from time to time of the Bonds.

(b) For the purpose of effecting and providing for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue, there is hereby irrevocably pledged:

the avails of the Tax Increment authorized herein as the same is received; and

the amounts held on behalf of the City in the funds and accounts established herein, namely the 2016 Construction Fund and the 2016 Bond Fund.

Should there be a failure in any year to comply with the requirements of this subsection (b), such failure shall not impair the right of the Registered Owners of any of the Bonds to subsequently receive payments of principal of and interest on the Bonds from the avails of the Tax Increment or amounts in the funds and accounts named in this subsection (b).

The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

The Bonds are hereby authorized and ordered to be prepared and issued in the principal amount not to exceed Two Hundred Fifty Five Thousand Dollars (\$255,000) to raise money for the Infrastructure Improvements and paying costs of issuance as authorized by the Act.

(c) Payments of interest on the Bonds shall be made to the Record Date Registered Owner, and payments of principal shall be made upon presentation and surrender thereof at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America.

The Bonds shall be registered as to both principal and interest; shall be dated the date of delivery, shall be issued in the principal denomination of \$1,000 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates specified by further order of the Governing Body, payable on January 21 of each year (the "Interest Payment Date"), commencing January 21, 2017; and shall mature and become due and payable on January 21 in the years 2017 through 2028, both inclusive, and in the principal amounts as set forth in the Commitment Letter of the Purchaser.

The Bonds are subject to mandatory redemption on any Interest Payment Date, in inverse order of maturity, from funds transferred to the 2016 Bond Fund from the 2016 Construction Fund

representing excess funds not utilized for the Infrastructure Improvements remaining in the 2016 Construction Fund; provided, however, if the moneys transferred from the 2016 Construction Fund to the 2016 Bond Fund total less than \$1,000, such moneys shall be used on the following Interest Payment Date for the Bonds to pay interest or principal and interest due on the Bonds.

The Bonds are subject to optional redemption prior to their stated dates of maturity, at par, plus accrued interest to the date of redemption, either in whole or in part, at any time.

Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the Paying Agent sufficient moneys to redeem all of the Bonds called for redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.

(d) When the Bonds shall have been executed as herein provided, they shall be registered as an obligation of the City in the office of the Clerk in a record maintained for that purpose, and the Clerk shall cause to be imprinted upon the reverse side of each of the Bonds, over his manual or facsimile signature and manual or facsimile seal, or attach thereto, his certificate in substantially the form set out in Section 6.

The Bonds shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk, with the seal of the City imprinted or affixed thereto; provided, however all signatures and seals appearing on the Bonds, other than the signature of an authorized officer of the Transfer Agent hereafter provided for, may be facsimile and shall have the same force and effect as if manually signed or impressed. In case any official of the City whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such official before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

The Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of the Commitment Letter, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance and sale of the Bonds, and the final, unqualified approving opinion of Bond Counsel, which opinion shall be imprinted on the reverse of, or attached to, each of the Bonds.

Prior to or simultaneously with the delivery by the Transfer Agent of any of the Bonds, the City shall file with the Transfer Agent:

a copy, certified by the Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance and sale of the Bonds; and

an authorization to the Transfer Agent, signed by the Mayor or Clerk, to authenticate and deliver the Bonds to the Purchaser.

At delivery, the Transfer Agent shall authenticate the Bonds and deliver them to the Purchaser thereof upon payment of the purchase price of the Bonds to the City in accordance with the Commitment Letter.

Bonds, blank as to denomination, rate of interest, date of maturity and numbered 1 upward and sufficient in quantity in the judgment of the City to meet the reasonable transfer and reissuance needs on the Bonds, shall be printed and delivered to the Transfer Agent in generally-accepted format, and held by the Transfer Agent until needed for transfer or reissuance, whereupon the Transfer Agent shall imprint the appropriate information as to denomination, rate of interest, date of maturity and number prior to the registration, authentication and delivery thereof to the transferee holder. The Transfer Agent is hereby authorized upon the approval of the Governing Body to have printed from time to time as necessary additional Bonds bearing the manual or facsimile seal of the City and manual or facsimile signatures of the persons who were the officials of the Governing Body as of the date of original issue of the Bonds.

(e) The City will appoint the Paying and Transfer Agent for the Bonds after receiving the recommendation of the Purchaser. The Paying and Transfer Agent shall be a bank or trust company located within the State of Mississippi. The City specifically reserves the right to hereafter designate a separate Transfer Agent and/or Paying Agent in its discretion in the manner hereinafter provided.

So long as any of the Bonds shall remain outstanding, the City shall maintain with the Transfer Agent records for the registration and transfer of the Bonds. The Transfer Agent is hereby appointed registrar for the Bonds, in which capacity the Transfer Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Bond entitled to registration or transfer.



The City shall pay or reimburse the Agent for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents and bond registrars, subject to agreement between the City and the Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Agent, shall be made by the City on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body.

(f) An Agent may at any time resign and be discharged of the duties and obligations of either the function of the Paying Agent or Transfer Agent, or both, by giving at least sixty (60) days' written notice to the City, and may be removed from either or both of said functions at any time by resolution of the Governing Body delivered to the Agent. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Agent, and shall be transmitted to the Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of an Agent shall become effective until a successor Agent has been appointed pursuant to the Bond Resolution.

Upon receiving notice of the resignation of an Agent, the City shall promptly appoint a successor Agent by resolution of the Governing Body. Any appointment of a successor Agent shall become effective upon acceptance of appointment by the successor Agent. If no successor Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Agent may petition any court of competent jurisdiction for the appointment of a successor Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Agent.

In the event of a change of Agents, the predecessor Agent shall cease to be custodian of any funds held pursuant to the Bond Resolution in connection with its role as such Agent, and the successor Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Agent shall be fully paid. Every predecessor Agent shall deliver to its successor Agent all records of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Agent.

Any successor Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

Every successor Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Agent and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

Should any transfer, assignment or instrument in writing be required by any successor Agent from the City to more fully and certainly vest in such successor Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Agent, any such transfer, assignment and written instruments shall, on request, be executed, acknowledged and delivered by the City.

The City will provide any successor Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the Bonds.

All duties and obligations imposed hereby on an Agent or successor Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by the Bond Resolution.

Any corporation or association into which an Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Agent hereunder and vested with all the powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the City or the successor Agent, anything herein to the contrary notwithstanding, provided only that such successor Agent shall be satisfactory to the City and eligible under the provisions of Section 5(d)(iv) hereof.

The Bonds shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by the Bond Resolution:

[remainder of page left blank intentionally]

CITY OF HERNANDO

REGULAR MEETING  
[BOND FORM]

JANUARY 19, 2016

UNITED STATES OF AMERICA

STATE OF MISSISSIPPI

CITY OF HERNANDO

TAXABLE TAX INCREMENT LIMITED OBLIGATION BOND

SERIES 2016

(THE HAMPTON INN HOTEL PROJECT)

NO. \_\_\_\_\_

\$ \_\_\_\_\_

Rate of Interest

Maturity

Date of Original Issue

\_\_\_\_\_, 2016

**Registered Owner:**

**Principal Amount:**

**DOLLARS**

The City of Hernando, State of Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the Registered Owner identified above, upon the presentation and surrender of this Bond, at the principal office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, or its successor, as paying agent (the "Paying Agent") for the Taxable Tax Increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project) (the "Bonds"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this Bond shall be made to the Registered Owner hereof who shall appear in the registration records of the City maintained by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, or its successor, as transfer agent for the Bonds (the "Transfer Agent"), as of the 15th day of the calendar month preceding the maturity date hereof.

Terms not defined herein will be defined as set forth in the Bond Resolution, as hereinafter defined.

The City further promises to pay interest on such principal amount from the date of this Bond or from the most recent Interest Payment Date to which interest has been paid at the rate of interest per annum set forth above, on January 21 of each year (the "Interest Payment Date"), commencing January 21, 2017, until said principal sum is paid, to the Registered Owner hereof who shall appear in the

registration records of the City maintained by the Transfer Agent as of the 15th day of the calendar month preceding the applicable Interest Payment Date.

Payments of principal of and interest on this Bond shall be made by check or draft mailed on each Interest Payment Date to such Registered Owner at his address as it appears on such registration records. The Registered Owner hereof may change such address by written notice to the Transfer Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Transfer Agent, such notice to be received by the Transfer Agent not later than the 15th day of the calendar month preceding the applicable principal or Interest Payment Date.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to denomination, number, rate of interest and date of maturity, issued in the aggregate authorized principal amount of not to exceed Two Hundred Fifty Five Thousand Dollars (\$255,000) to raise money for the purpose of paying the cost of constructing the Infrastructure Improvements and paying costs of issuance for the Bonds.

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 21-45-1 et seq., Mississippi Code of 1972, as amended and/or supplemented from time to time, and by the further authority of proceedings duly had by the Governing Body of the City, including a resolution adopted on January 19, 2016 (the "Bond Resolution").

The Bonds are subject to mandatory redemption on any Interest Payment Date, in inverse order of maturity, from funds transferred to the Bond Fund from the 2016 Construction Fund representing excess funds not utilized for the Infrastructure Improvements remaining in the 2016 Construction Fund; provided, however, if the moneys transferred from the 2016 Construction Fund to the 2016 Bond Fund total less than \$1,000, such moneys shall be used on the following Interest Payment Date for the Bonds to pay interest or principal and interest due on the Bonds.

The Bonds are subject to optional redemption prior to their stated dates of maturity, at par, plus accrued interest to the date of redemption, either in whole or in part, at any time.

Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be

regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the Paying Agent sufficient moneys to redeem all of the Bonds called for redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.

The Bonds are registered as to both principal and interest. The Bonds are to be issued or reissued in the denomination of \$1,000 each, or integral multiples thereof up to the amount of a single maturity.

This Bond may be transferred or exchanged by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Transfer Agent, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond or Bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

The City and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds are and will continue to be payable as to principal and interest out of and secured by the incremental increase in the real and personal property City and County ad valorem tax revenue (excluding school taxes) and payments in lieu of taxes, if applicable, generated within the TIF District by the Redevelopment Project as calculated in accordance with the Act, and diverted to the City, all as described in the Tax Increment Financing Plan, The Hampton Inn Hotel Project, Hernando, Mississippi, 2012, approved on October 2, 2012, and as may be amended from time to time; provided, however, the County's pledge shall be limited to 50% of the incremental increase in ad valorem taxes generated to the County within the TIF District. **THE BONDS WILL CONSTITUTE LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE TAX INCREMENT, AS HEREINAFTER DEFINED, AND FROM OTHER MONIES PLEDGED THEREFOR. NEITHER THE FAITH, CREDIT NOR TAXING POWER OF THE CITY OR DESOTO COUNTY, MISSISSIPPI NOR THE FAITH, CREDIT, OR TAXING POWER OF THE STATE OF MISSISSIPPI OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS.**

"Captured Assessed Value" shall mean the incremental increase in assessed value of the real and personal property within the District Property when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2015 and each January 1 thereafter, all as set forth in the annual Assessment Certificate of each the DeSoto County Tax Assessor and the Clerk of the City.

"Current Assessed Value" shall mean the estimated true value of the Redevelopment Project and all improvement thereon that constitute real property and personal property as determined by the DeSoto County Tax Assessor as of January 1, 2015, and on each January 1 thereafter, said determination being made pursuant to information made available to the DeSoto County Tax Assessor by the owner of the Redevelopment Project and the District Property.

"Developer's Project" shall mean the construction of an 82-room Hampton Inn Hotel located on approximately 2.5 acres within the District Property and the City and as more particularly detailed in the Tax Increment Financing Plan.

"District Property" shall mean the real property, including personal property located thereon, located within the City and County as more fully described and identified in the Tax Increment Financing Plans as the "TIF District."

"Infrastructure Improvements" shall mean and include, but not necessarily limited to, various infrastructure improvements in connection with the Developer's 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 with curb and gutter; sidewalks; installation of traffic signalization and signage; grading; lighting and landscaping of rights-of-way; capitalized interest; engineering; parking lot, with eight (8) parking spaces specifically designated for public parking associated with temporary daily commuting parking use, not to exceed the business hours established and defined by the City; Tax Increment Finance Plan preparation fees; other incidental costs; and other related professional fees identified in the Tax Increment Finance Plan.

"Original Assessed Value" shall mean the assessed value of the real property, including personal property located thereon, located within the District Property as of October 2, 2012, as certified by the DeSoto County Tax Assessor and the Clerk of the City and as defined in Section 21-45-21 of the Act.

"Redevelopment Project" shall mean together the Developer's Project and the Infrastructure Improvements.

"Tax Increment" shall mean the incremental increase in real and personal property ad valorem tax revenue (excluding school taxes) and payments in lieu of taxes, if applicable, generated within the TIF District to the City and County by the Redevelopment Project as calculated in accordance with the Act and as provided for in the TIF Documents; provided however, the County's pledge shall be limited to 50% of the incremental increase in ad valorem taxes generated to the County by the Redevelopment Project (respectively, the "City Share" and the "County Share"), as set out in the Interlocal Agreement.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Transfer Agent.

**IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED** that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds, in order to make the same legal and binding limited obligations of the City, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

CITY OF HERNANDO

REGULAR MEETING

JANUARY 19, 2016

**IN WITNESS WHEREOF**, the City has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Clerk of the City, under the manual or facsimile seal of the City, which said manual or facsimile signatures and seal said officials adopt as and for their own proper signatures and seal.

**CITY OF HERNANDO, MISSISSIPPI**

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**Mayor**

**COUNTERSIGNED:**

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**City Clerk**

**(SEAL)**



There shall be printed in the lower left portion of the face of the Bonds, or attached thereto, a registration and authentication certificate in substantially the following form:

**CERTIFICATE OF REGISTRATION AND AUTHENTICATION**

This Bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the City of Hernando, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project).

\_\_\_\_\_ as  
Transfer Agent

**BY:** \_\_\_\_\_  
Authorized Officer

Date of Registration and Authentication: \_\_\_\_\_

There shall be printed on the reverse of the Bonds, or attached thereto, a registration certificate and an assignment form in substantially the following form:

**REGISTRATION CERTIFICATE**

**STATE OF MISSISSIPPI**

**COUNTY OF DESOTO**

**CITY OF HERNANDO**

I, the undersigned City Clerk of the City of Hernando, Mississippi, do hereby certify that the within Bond has been duly registered by me as an obligation of said City pursuant to law in a record kept in my office for that purpose.

\_\_\_\_\_

**(SEAL)**

**FOR VALUE RECEIVED,** the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, as Transfer Agent to transfer the said Bond on the records  
kept for registration thereof with full power of substitution in the premises.

\_\_\_\_\_

**NOTICE:** The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without any alteration whatever.

Signatures guaranteed:

\_\_\_\_\_

**NOTICE:** Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution that is a participant in a Securities Transfer Association recognized signature guarantee program.

\_\_\_\_\_

(Authorized Officer)

Date of Assignment: \_\_\_\_\_

Insert Social Security Number or Other

Tax Identification Number of Assignee: \_\_\_\_\_

**[END OF BOND FORM]**

In case any Bond shall become mutilated or be stolen, destroyed or lost, the City shall, if not then prohibited by law, cause to be authenticated and delivered a new Bond of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a Bond stolen, destroyed or lost, his filing with the City or Transfer Agent evidence satisfactory to them that such Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the City or Transfer Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote.

For the purpose of effectuating and providing for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue, there shall be and is hereby levied a direct, continuing tax upon all of the taxable real and personal property of the City and the real and personal property of the County within the geographical limits of the District Property in such amounts as shall provide for the principal and interest as the same respectfully matures and accrues, plus the annual fees and expenses of the Paying Agent. All or any portion of the receipts from the levy and collection of said ad valorem tax which represents the Tax Increment shall be withheld by the tax collector of each the City and the County, who shall pay over all such Tax Increment to the Clerk to the credit of the 2016 Bond Fund created pursuant to Section 12 hereof. Any such moneys so paid to the Clerk to the credit of the 2016 Bond Fund shall be expended only as provided in Section 12 hereof.

Only such of the Bonds as shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Transfer Agent, shall be entitled to the rights, benefits and security of the Bond Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of registration and authentication shall have been duly executed by the Transfer Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under the Bond Resolution. The Transfer Agent's certificate of registration and authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Transfer Agent, but it shall not be necessary that the same officer sign said certificate on all of the Bonds that may be issued hereunder at any one time.

(g) In the event the Purchaser shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Bonds within thirty (30) days of the date of sale, or at such other later date as may be designated by the City, one Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Bonds shall be in the Purchaser until the initial Registered Owner has made timely payment and, upon request of the Purchaser within a reasonable time of the initial delivery of the Bonds, the Transfer Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

Except as hereinabove provided, the Person in whose name any Bond shall be registered in the records of the City maintained by the Transfer Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any Bond shall be made only to or upon the order of the Registered Owner thereof, or his legal representative, but such registration may be changed as hereinafter provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(h) Each Bond shall be transferable only in the records of the City, upon surrender thereof at the office of the Transfer Agent, together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the transfer of any Bond, the City, acting through its Transfer Agent, shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond or Bonds.

In all cases in which the privilege of transferring Bonds is exercised, the Transfer Agent shall authenticate and deliver Bonds in accordance with the provisions of the Bond Resolution.

(i) The City hereby establishes the 2016 Bond Fund which shall be maintained with a qualified depository in its name for the payment of the principal of and interest on the Bonds and the payment of Agents' fees in connection therewith. There shall be deposited into the 2016 Bond Fund as and when received:

The accrued interest and premium, if any, received upon delivery of the Bonds.

The avails of any of the ad valorem taxes collected pursuant to Section 8 hereof subject to the limitation as described in sub-section (b) below;

Any income received from investment of monies in the 2016 Bond Fund; and

Any other funds available to the City which may be lawfully used for payment of the principal of and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the 2016 Bond Fund.

The Clerk shall deposit all moneys, including but not limited to the Tax Increment portion of the receipts, but excluding the proceeds of the Bonds to be deposited in the 2016 Construction Fund, into the 2016 Bond Fund. The City shall deposit in the 2016 Bond Fund an amount equal to the amount necessary to make each principal and interest payment date together with the annual fees and expenses of the Paying Agent. The source of such funds shall be limited to the Tax Increment portion of the ad valorem tax receipts. The City shall first apply the Tax Increment to the payment of the Bonds. The amount of each of the City's and County's Tax Increment to be applied to pay the debt service on the Bonds and pay the fees and expenses of the paying agent for the Bonds shall be

determined as follows: a proportionate share of the amount sufficient to pay the debt service on the Bonds and pay the fees and expenses of the paying agent for the Bonds will be paid by each the City and the County such proportionate share to be determined by dividing individually the total amount of Tax Increment derived by each the City and County by the total aggregate amount of Tax Increment collected from both the City and the County to determine each the City and the County's proportionate share of Tax Increment (the "Proportionate Share") to be utilized for the payment of the debt service on the Bonds and paying the fees and expenses of the paying agent for the Bonds. The Tax Increment Surplus, if any, may remain on deposit in the 2016 Bond Fund and be used to (i) pay debt service on the Bonds; (ii) optionally redeem the Bonds in inverse order of maturity prior to their stated dates of maturity; or (iii) be transferred to the City and County, as applicable, in the amount of its Proportionate Share for deposit to their general funds and used for any purpose authorized by law including the Act.

As long as any principal of and interest on the Bonds remains outstanding, the Clerk is hereby irrevocably authorized and directed to (i) send a notice to the County on May 1 of each year the Bonds are outstanding, commencing May 1, 2016, requesting that the County remit to the City by December 1 those funds representing Tax Increment collected by the County on the TIF District said funds to be deposited by the City in the 2016 Bond Fund; and (ii) withdraw from the 2016 Bond Fund sufficient monies to make the payments herein provided for and to transfer same to the account of the Paying Agent in time to reach said Paying Agent at least five (5) days prior to the date on which said interest or principal and interest shall become due.

(a) The City hereby establishes the 2016 Construction Fund which shall be held by the City and maintained with a qualified depository. The principal proceeds received upon the sale of the Bonds shall be deposited in the 2016 Construction Fund including costs of issuance funds. Any income received from investment of monies in the 2016 Construction Fund shall be deposited in the 2016 Construction Fund or to the 2016 Bond Fund to pay interest on the Bonds during the construction period for the Infrastructure Improvements. From the 2016 Construction Fund there shall be first paid the costs, fees and expenses incurred by the City in connection with the authorization, issuance, sale, and delivery of the Bonds. Any amounts which remain in the 2016 Construction Fund in amount of \$1,000 or integral multiples thereof after the completion of the Infrastructure Improvements shall be transferred to the 2016 Bond Fund and used for the mandatory redemption of Bonds as set forth herein and any amount which remain on deposit in the 2016 Construction Fund which is less than \$1,000 shall be deposited to the 2016 Bond Fund and used as permitted under State law.

(b) The Clerk, upon receipt of authorization, is hereby authorized to pay costs of issuance expenses on the closing date for the Bonds from the proceeds of the Bonds for the costs of issuance of said Bonds; provided, however, total costs of issuance for said Bonds shall not exceed 12% of the issue price of the Bonds. The Mayor and the Clerk or any other Authorized Officer are authorized to sign requisitions for the payment of costs of issuance for the Bonds.

(c) Payment of principal on the Bonds shall be made, upon presentation and surrender of the Bonds at the principal office of the Paying Agent, to the Record Date Registered Owner thereof who shall appear in the registration records of the City maintained by the Transfer Agent as of the Record Date.

Payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof whose name shall appear in the registration records of the City maintained by the Transfer Agent as of the Record Date. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

Principal of and interest on the Bonds shall be paid by check or draft mailed on the Interest Payment Date to Registered Owners at the addresses appearing in the registration records of the Transfer Agent. Any such address may be changed by written notice from the Registered Owner to the Transfer Agent by certified mail, return receipt requested, or such other method as may be acceptable to the Transfer Agent, such notice to be received by the Transfer Agent not later than the Record Date preceding the applicable principal or Interest Payment Date to be effective as of such date.

The interest on the Bonds is not exempt from federal income taxation. Under existing law, interest on the Bonds is exempt from present taxes imposed by the State of Mississippi and any municipality or other political subdivision of the State of Mississippi.

Each of the following constitutes an event of default under the Bond Resolution:

failure by the City to pay any installment of principal of or interest on any Bond at the time required;

failure by the City to perform or observe any other covenant, agreement or condition on its part contained in the Bond Resolution or in the Bonds, and the continuance thereof for a period of thirty (30) days after written notice thereof to the City by the Registered Owners of not less than ten percent (10%) in principal amount of the then outstanding Bonds; or

an Act of Bankruptcy occurs.

The Mayor, the Clerk and any other Authorized Officers of the Governing Body are authorized to execute and deliver such resolutions, certificates and other documents as are required for the sale, issuance and delivery of the Bonds.

All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this Bond Resolution shall become effective upon the adoption hereof.

Alderman Higdon made a motion to adopt the foregoing Resolution, Alderman Hobbs seconded the motion to adopt the foregoing Resolution, and the vote thereupon was as follows:

Alderman Sam Lauderdale	Voted: "Aye"
Alderman E.R. Bryant	Voted: "Aye"
Alderman Andrew Miller	Voted: Absent
Alderman Gary Higdon	Voted: "Aye"
Alderman Michael McLendon	Voted: "Aye"
Alderwoman Cathy Brooks	Voted: "Aye"
Alderman Jeff W. Hobbs	Voted: "Aye"

The motion having received the affirmative vote of the members present, the Mayor declared the resolution passed and adopted this the 19th of January, 2016.

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**MAYOR**

**ATTESTED:**

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**CITY CLERK**

**(SEAL)**



**APPROVE THE RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF HERNANDO, MISSISSIPPI (THE "CITY"), APPROVING THE PROPOSAL OF GUARANTY BANK, BELZONI, MISSISSIPPI, FOR THE SALE AND AWARD OF TAXABLE TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2016 (THE HAMPTON INN HOTEL PROJECT), OF THE CITY, TO BE DATED THE DATE OF DELIVERY THEREOF, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO HUNDRED FIFTY FIVE THOUSAND DOLLARS (\$255,000)**

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**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF HERNANDO, MISSISSIPPI (THE "CITY"), APPROVING THE PROPOSAL OF GUARANTY BANK, BELZONI, MISSISSIPPI, FOR THE SALE AND AWARD OF TAXABLE TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2016 (THE HAMPTON INN HOTEL PROJECT), OF THE CITY, TO BE DATED THE DATE OF DELIVERY THEREOF, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWO HUNDRED FIFTY FIVE THOUSAND DOLLARS (\$255,000).**

**WHEREAS**, the Mayor and Board of Aldermen of the City of Hernando, Mississippi (the "Governing Body" of the "City"), acting for and on behalf of the City, hereby finds, determines, adjudicates and declares as follows:

1. The Governing Body did meet at its meeting place in the City Hall, Hernando, Mississippi, at 5:00 o'clock P.M. on January 19, 2016.

2. At said time and place the proposed terms of certain negotiations with Guaranty Bank and Trust, Belzoni, Mississippi (the "Bank"), for the purchase of the \$255,000 City of Hernando, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2016 (The Hampton Inn Hotel Project) (the "Bonds") were presented for consideration by the Governing Body.

3. The Governing Body does now find, determine and adjudicate that proposed terms of the proposal made and offered for the Bonds by the Bank is in the best interest of the City.

4. The Governing Body acknowledges receipt of the Bank's proposal (the "Proposal").

5. Any capitalized terms not defined herein shall be defined as set forth in the resolution adopted this date authorizing and directing the issuance of the Bonds (the "Bond Resolution").

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY AS FOLLOWS:**

**SECTION 1.** The Bonds are hereby awarded and sold to Guaranty Bank and Trust, Belzoni, Mississippi, in accordance with the Proposal submitted to the Governing Body in words and figures as follows:

[remainder of page left blank intentionally]

**INSERT PROPOSAL FROM  
GUARANTY BANK AND TRUST, BELZONI, MISSISSIPPI**

**SECTION 2.** Guaranty Bank and Trust is hereby designated to serve as Paying Agent and Transfer Agent for the Bonds.

**SECTION 3.** The Mayor and City Clerk are hereby given the authority to (i) execute the Proposal, if required, as evidence of the approval thereof, and (ii) approve the final terms and provisions of the Bonds such terms and provisions to be in compliance with the Proposal, this resolution and the Bond Resolution.

**SECTION 4.** All orders, resolutions or proceedings of this Governing Body in conflict with the provisions of this resolution shall be and are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

**SECTION 5.** For cause, this resolution shall become effective immediately upon the adoption thereof.

Alderman Lauderdale made a motion to adopt the foregoing Resolution, Alderman Bryant seconded the motion to adopt the foregoing Resolution, and the vote thereupon was as follows:

Alderman Sam Lauderdale	Voted: "Aye"
Alderman E.R. Bryant	Voted: "Aye"
Alderman Andrew Miller	Voted: absent
Alderman Gary Higdon	Voted: "Aye"
Alderman Michael McLendon	Voted: "Aye"
Alderwoman Cathy Brooks	Voted: "Aye"
Alderman Jeff W. Hobbs	Voted: "Aye"

The motion having received the affirmative vote of the members present, the Mayor declared the resolution passed and adopted this the 19th of January, 2016.

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**MAYOR**

**ATTESTED:**

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**CITY CLERK**

**(SEAL)**



Jake Bellipanni  
Executive Vice President  
Direct No. 662.247.5120  
E-mail: jake@GBTonline.com

December 8, 2015

Demery Grubbs  
Government Consultants  
1830 Crane Ridge Drive  
Jackson, MS 39216

Dear Demery:

I am writing to confirm that Guaranty Bank and Trust has agreed to purchase a \$255,000 TIF Bond of the City of Hernando. The bond will be for a term of 12 years with annual payments and bear an interest rate of 4.50% with repayment being made from 100% of the City of Hernando Ad Valorem taxes and 50% of the Desoto County Ad Valorem taxes on the property.

I thank you for your work and guidance on this project and ask that you let me know if there is anything else that you require from me.

Sincerely,

A handwritten signature in cursive script that reads "Jake M. Bellipanni".

Jake M. Bellipanni  
Executive Vice President

md

217 Church Street • Belzoni, MS 39038 • 662.247.1454 • Fax 662.247.3933  
www.GBTonline.com • Touch-tone Banking 662.247.0000

**REQUEST TO RENAME THE HERNANDO SPORTS AND FITNESS PARK FOR MILTON KUYKENDALL**

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Alderman Higdon presented the request to the board.

Alderman McLendon stated that he isn't for renaming anything, property or streets.

Motion was duly made by Alderman Higdon and seconded by Alderman Bryant to rename the Hernando Sports and Fitness Park to the Milton Kuykendall Sports and Fitness Park. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Bryant.

Those voting "Nay": Alderman McLendon.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**REQUEST TO NAME A BASEBALL FIELD FOR DANNY PHILLIPS**

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Alderman Higdon presented the amended request to write a letter to the Rotary, Saddle, and Lions club requesting that they name a baseball field after Danny Phillips.

Alderman McLendon stated that they already have a street named after him. Mr. McLendon stated again that he is not for renaming things after people.

Alderman Lauderdale stated that the Rotary Club recognized Danny Phillips with the naming of the street.

Motion was duly made by Alderman Higdon and seconded by Alderman Bryant to send a letter to the Rotary, Saddle, and Lions club to request that they name a baseball field after Danny Phillips. A vote was taken with the following results:

Those voting "Aye": Alderman Higdon, Alderwoman Brooks, Alderman Hobbs, Alderman Lauderdale, and Alderman Bryant.

Those voting "Nay": Alderman McLendon.

ORDERED AND DONE this the 19<sup>th</sup> day of January, 2016

**ADJOURN**

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There being no further business at this time a motion was duly made by Alderman Lauderdale, seconded by Alderman Bryant to adjourn.

Motion passed with a unanimous vote of "Aye".

\_\_\_\_\_  
MAYOR CHIP JOHNSON

ATTEST:

\_\_\_\_\_  
KATIE HARBIN, CITY CLERK