

RECESS MEETING OF JULY 16, 2019

Be it remembered that the Mayor and Board of Aldermen of the City of Ocean Springs met in a Recess Meeting at City Hall in the City of Ocean Springs at 6:00 p.m. on July 16, 2019. The Mayor presiding, Aldermen Cox, Gill, Authement, Bellman, Papania, Blackman and Impey were present. Also present were City Clerk Patty Gaston and City Attorney Kevin Melchi.

The Mayor called the meeting to order.

Alderman Papania gave the invocation and the Mayor led the Pledge of Allegiance.

ADDENDUM

Motion was made by Alderman Gill, seconded by Alderman Impey and unanimously carried to accept the Addendum to the Agenda.

PRESENTATION

Scott Stradtner from the Census Bureau spoke about the importance of forming a Complete Count Committee and the need to create a partnership with the City of Ocean Springs to get a complete count for the most financial benefit to the city for the next ten years. He asked the City of Ocean Springs for a proclamation, to agree to partner and to form a committee to get a complete count with members from the community and city leaders.

NEW BUSINESS

The Mayor gave a memo to the Aldermen with potential projects to be eligible for money from the Gulf Coast Restoration Fund. Alderman Gill said the list was not made up by the Board of Aldermen as a whole and he feels like the entire Board should have had input. The Mayor responded that the list has been discussed in several board meetings, with the Planning & Grants Administrator and at various times with the community, board and city employees. He said he is requesting that the 1515 Government Street parking garage be the priority and if only one is chosen, he would like it to be that particular project. The Planning & Grants Administrator said the list was compiled of projects that would qualify based on the criteria for the fund. Alderman Papania said that he agrees with Alderman Gill that the entire board needs to vet each proposed project and the public private partnership is worrisome. Alderman Gill is against demolishing the old Police Station since over \$300,000 was used to restore it. Alderman Impey said that the Planning & Grants Administrator has sent several emails regarding the projects to each of the Aldermen and it was each of their responsibility to review the information and provide input. He said that Representative Zuber has been involved and the projects are limited by specific criteria and the Board has to be in unanimous agreement for the resolution for the projects. Alderman Gill said he would like to have a work session to discuss the Gulf Coast Restoration Fund projects this week. Alderman Blackman said we have

EXHIBIT # A-2c

7/16/19 cont

to rely on our city employees that are aware of all of the criteria and take their information to form a decision. Motion was made by Alderman Gill, seconded by Alderman Papania and unanimously carried to have a work session to discuss the projects for the Gulf Coast Restoration Fund.

OLD BUSINESS

Motion was made by Alderman Gill and seconded by Alderman Bellman to reappoint Ken Papania as Mayor Pro Tempore. Motion was tied with Aldermen Gill, Authement and Bellman voting aye, and Aldermen Cox, Bellman and Impey voting nay. Alderman Papania abstained from the vote. Motion failed with the Mayor breaking the tie and voting nay.

Motion was made by Alderman Cox and seconded by Alderman Impey to appoint Alderman Blackman as Mayor Pro Tempore. The motion passed with Aldermen Cox, Gill, Authement, Bellman, Papania, and Impey voting aye; Alderman Blackman abstained from the vote.

The Deputy City Clerk announced that Timothy Fink and Joseph McCormick, were appointed to the Planning Commission at the Special Call Meeting that was held just before the Recess Meeting tonight. Motion was made by Alderman Impey, seconded by Alderman Blackman and unanimously carried to appoint Lauren Braden, Margaret Rucinski, Sara Smyth Jacobs and Barbara Smith to the Tree Protection Committee, effective July 18, 2019, terms expiring June 30, 2022.

CONSENT AGENDA

Motion was made by Alderman Impey, seconded by Alderman Gill and unanimously carried to approve the Consent Agenda with the exception of items 5-y and A-2a.

Alderman Cox said that in item A-2a the word "water" needs to be changed to "drainage" in the resolution at each occurrence of the word. Motion was made by Alderman Cox, seconded by Alderman Gill and unanimously carried to approve the resolution to request aid from Jackson County for purchase of materials necessary to provide drainage along Bills Avenue.

Item 5-y is a request for the waiver of rental fees for a benefit tournament at the Ocean Springs Sports Complex. The City Attorney explained that rental fees can only be waived for a 501(c)(3) but he had drafted a resolution that puts the fees under the advertising city resources banner. Motion was made by Alderman Papania, seconded by Alderman Blackman and unanimously carried to adopt a resolution to sponsor an event for Austin Conner (Exhibit 5-y).

DEPARTMENT REPORTS

CITY CLERK:

SPECIAL CALL MEETING OCTOBER 3, 2019


Be it remembered that the Mayor and Board of Aldermen of the City of Ocean Springs met in a Special Call meeting at City Hall in the City of Ocean Springs at 5:15 p.m. on October 3, 2019. The Mayor presiding, Aldermen Bellman, Papania, Blackman and Impey were present. Also present were City Clerk Patty Gaston and City Attorney Kevin Melchi. Alderman Authement arrived at 5:21 p.m. Alderman Cox arrived at 5:28 p.m. Alderman Gill was absent.

Let the minutes reflect that proper notice of the meeting was provided to all Aldermen via email and that the notice was posted at City Hall and online within one hour of the meeting being called.

The Mayor called the meeting to order.

The Special Call Meeting is for the purpose of any and all matters pertaining to a discussion of public/private partnership; adopt a Resolution to match donated funds to the YMCA (Exhibit b); and the Capital Improvements Plan Workshop.

Motion was made by Alderman Papania, seconded by Alderman Bellman and unanimously carried to adopt a resolution to match funds to YMCA in the amount of \$1,000 for 11th Annual Charity Banquet (Exhibit b).



The Mayor said that the public/private partnership is for the parking garage at 1515 Government Street. The City Attorney said that we are working with the developer of the property with local legislation for a possible long term lease. He said the City did apply for BP grant funds, which encouraged a public private partnership, and the application has made it through the first round of selection for funding. He said the developer wants to handle the construction and the City would be responsible for maintenance. Erich Nichols, attorney for the developer, said they are excited to be partnering with the City and they are still figuring out the last of the details. The Mayor said that there will be two entrances, one for residents and one for the public. He said there is a potential for pay-to-park but it is not certain. He said the City would have input in design and throughout development. The City Attorney said that once funding is in place local and private legislation may be needed, which means a unanimous resolution will have to be passed, and then Lobbyist Joe Gill will help get through delegation which should be around March 2020.

The Planning & Grants Administrator explained that the Capital Improvements Plan will benefit the City for grants and budgeting. She said rather than scrambling when funding becomes available, she would have prioritized projects that would fit the required criteria for specific funding eligible and that would reduce preparation by weeks for grant applications. She said the plan would not only benefit the grants, but also the budgeting

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exception should not be granted. Alderman Cox said there is a large live oak near the road and gravel driveway that would be problematic if a 10' concrete apron was added. He said since this was previously a gravel parking area along the road the exception should be granted. A motion was made by Alderman Wade and seconded by Alderman Cox to grant the appeal and not require a 10' solid surface at 112 Pine Drive. The motion carries with Aldermen Burgess, Authement, Wade, Cox, and Blackman voting aye and Aldermen Papania and Impey voting nay.

The Planning & Grants Administrator said a rezoning ordinance was approved at the last meeting for the north side of Bienville Boulevard approximately 120 feet west of Hanshaw Road intersection, but the ordinance was not drafted. A motion was made by Alderman Impey and seconded by Alderman Blackman to adopt an Ordinance: an amendment to Ordinance No. 13-1976 rezoning property herein described from M1 to CH (Exhibit 6-d). The motion carried with a roll call vote as follows:

Alderman Burgess	Aye
Alderman Authement	Aye
Alderman Wade	Aye
Alderman Cox	Aye
Alderman Papania	Aye
Alderman Blackman	Aye
Alderman Impey	Aye

The City Clerk said the Board must accept the Ocean Springs School District FY 21-22 budget (Exhibit 6-e). She said the total this year is 66.7 mills, a reduction of 0.45 mills. A motion was made by Alderman Impey, seconded by Alderman Cox, and unanimously carried to accept Ocean Springs School District FY 21-22 budget.

The Mayor said the MOU between OHOS Land, LLC regarding the parking garage at 1515 Government Street has been discussed and reworked (Exhibit A-2a). Eric Nichols represents the developer of the property at 1515 Government Street that will be a multiuse property with residences, boutique hotel, meeting space, and restaurants. He said the City approached the development to build a parking garage for the downtown area and now has funding to build it. He said the MOU is for the developer to design and construct and the City will maintain the parking garage to form a private-public partnership with GCRF grant funding. Alderman Papania said he supports the project. Alderman Impey requested once the project is started to publicize the development. A motion was made by Alderman Authement, seconded by Alderman Papania, and unanimously carried to approve the MOU between OHOS Land, LLC and the City regarding the parking garage at 1515 Government Street.

The Mayor said the County gave notice that they can provide \$20,000.00 for the maintenance of the Mary C with a request from the City. Alderman Cox said MSA was instrumental in procuring the funds for the maintenance of the Mary C Theater. He requested the money be used for the theater only and saved in a separate fund. The Mayor said the legislation does not specify the theater, he requested the funds be accepted and

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into between OHOS Land, LLC and OHOS Development, LLC (collectively "**OHOS**") and the City of Ocean Springs, Mississippi (the "**City**"), dated August 17, 2021, to establish an agreement to develop a parking garage on the site known as 1515 Government Street, utilizing that certain Gulf Coast Restoration Fund ("**GCRF**") award as administered through the Mississippi Development Authority ("**MDA**").

Summary/Introduction

The subject 2.1-acre site is planned for a mixed used development to include residences, restaurants, retail shops, office space, boutique hotel, parking garage and event lawn. The downtown location provides numerous shops and businesses, restaurants and bars, as well as recreational and cultural activities all within walking distance (collectively, the "**Project**"). The project incorporates three buildings—a boutique hotel; a true mixed-used building housing retail, restaurant, office space and residences; and a public-use, and free parking garage (for all spots in excess of those required by OHOS to satisfy zoning). This development will not only complement the established businesses in downtown Ocean Springs, but will spring-board further growth towards the east.

Parking Garage for the Use and Benefit of the City

- Multi-level, precast parking garage for free public use
- Possible large-scale art display T/B/D for the enjoyment of tourists and the greater public, provided OHOS shall consult with the City regarding the art project.

Public-Private Partnership for Parking Garage

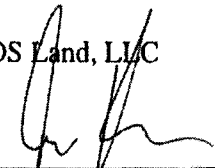
OHOS was joined in the application by the City for purposes of developing the parking garage, and in support of the overall Project. The parties agree that OHOS Development, LLC shall design and construct the parking garage; shall manage and deploy the MDA funds in such construction; and shall transfer the completed parking garage to the City pursuant to a long-term lease (effectively, transferring the parking garage to the City for the useful life of the structure). In designing and building the parking garage and the Project, OHOS shall be the party to the GCRF grant agreement with the MDA. The City shall receive the benefit of the MDA GCRF funds pursuant to the transfer and receipt of completed parking garage at no cost to the City. OHOS intends to provide design plans and specifications to the City as soon as reasonably possible. The lease transferring the parking garage shall generally have the following terms:

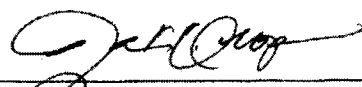
- Long-term lease transferring the parking garage and its use to the City (the lease can be for \$1/year or some other nominal amount);
- The City agrees to maintain the public portion of the parking garage;
- The City agrees to maintain adequate security;
- The City agrees to pay utilities servicing the parking garage for the public portion, which shall be separately metered;


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- OHOS will be provided the required minimum number of spaces per code dedicated to the residences and hotel, accessible by separate entrance.

This Memorandum of Understanding represents the understanding between the parties related to the subject matter set forth herein and all preliminary negotiations of whatever kind or nature are merged herein. The parties hereto have caused this Memorandum of Understanding to be executed this 17th day of August, 2021.

OHOS Land, LLC
By: 
Name: Jim Harout
Title: Member

OHOS Development, LLC
By: 
Name: John Dropeva
Title: Manager/Member

City of Ocean Springs
By: 
Name: Kenny Holloway
Title: Mayor

A motion was made by Alderman Impey, seconded by Alderman Burgess, and unanimously carried to authorize the Mayor to execute the contract with Clark Auctions for an online auction (Exhibit 11-b).

Alderman Impey said the Board received a citizen compliment regarding Officer Bennett for his professional and courteous demeanor during an accident.

The Mayor said he and the Board had received the Mississippi Development Authority (MDA) Gulf Coast Restoration Fund (GCRF) Program Grant Agreement regarding the parking garage at 1515 Government Street (Exhibit 11-c). A motion was made by Alderman Blackman, seconded by Alderman Impey, and unanimously carried to authorize the Mayor to execute the Mississippi Development Authority (MDA) Gulf Coast Restoration Fund (GCRF) Program Grant Agreement.


The Mayor said he attended the Ocean Springs High School Senior Awards Event and commended the Mayor's Youth Council on their accomplishments. He said to date the 2022 Ocean Springs graduating class has received \$14.1 million in scholarships. Alderman Impey said the ad in the yearbook has his graduation year incorrect, it should be 1984.

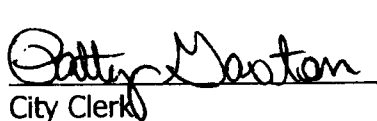
EXECUTIVE SESSION

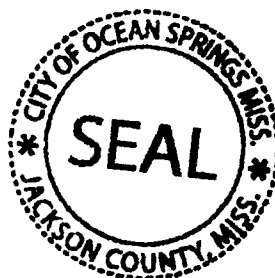
None.

A motion was made by Alderman Impey, seconded by Alderman Cox, and unanimously carried to adjourn the meeting until 6:00 p.m. on June 7, 2022.

Meeting ended at 7:03 p.m.


Mayor _____ Date 6/8/22


City Clerk _____ Date 6-8-22



MISSISSIPPI DEVELOPMENT AUTHORITY
GULF COAST RESTORATION FUND PROGRAM
GRANT AGREEMENT

City of Ocean Spring & OHOS Development, LLC
Jackson County, Mississippi
GCRF-20-09

EXHIBIT # 11-c

This Amended and Restated Grant Agreement ("Agreement"), dated as of July 1, 2023 by and between the Mississippi Development Authority (acting for and on behalf of the State of Mississippi ("MDA")), the City of Ocean Springs and OHOS Development, LLC as set forth in Item 1 of Annex A (the "Entity")

WITNESSETH:

WHEREAS, the Gulf Coast Restoration Fund, Section 57-119-1, Mississippi Code of 1972, as amended, was created for the purpose of funding programs or projects that are located in the Gulf Coast region as defined in the federal RESTORE Act, or twenty-five (25) miles from the northern boundaries of the three (3) coastal counties of Harrison, Hancock and Jackson, but not limited to expand beyond the boundaries of Hancock, Harrison, Jackson, Pearl River, Stone and George Counties; and

WHEREAS, these funds are provided for assistance to local units of government, nongovernmental organizations, institutions of higher learning, community colleges, ports, airports, public-private partnerships, private for-profit entities, private nonprofit entities and local economic development entities; and

WHEREAS, MDA is authorized to administer the Gulf Coast Restoration Fund monies upon appropriation by the Legislature; and

WHEREAS, pursuant to Section 18 of Senate Bill 2977 2020 Regular Session of the Mississippi Legislature, the Legislature appropriated Two Million Dollars (\$2,000,000) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project (Phase I); and

WHEREAS, pursuant to Section 21 of Senate Bill 2951 2021 Regular Session of the Mississippi Legislature, the Legislature reappropriated Two Million Dollars (\$2,000,000) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project (Phase I); and

WHEREAS, pursuant to Section 3 of Senate Bill 3049 2022 Regular Session of the Mississippi Legislature, the Legislature reappropriated Two Million Dollars (\$2,000,000) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project (Phase I); and

WHEREAS, pursuant to Section 4 of Senate Bill 3047 2023 Regular Session of the Mississippi Legislature, the Legislature reappropriated One Million One Hundred Forty-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$1,149,999) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project (Phase I); and

WHEREAS, pursuant to the Gulf Coast Restoration Fund Act, Section 57-119, Mississippi Code of 1972, as amended, and the Gulf Coast Restoration Fund Regulations (the "Regulations") adopted by MDA, the Entity has filed an application (the "Application") with MDA for a grant to be used for the development of the Project, more particularly described in Item 2A of Annex A (the "Project"); and

WHEREAS, based upon the Application and other relevant factors, MDA has agreed to provide the Entity with a grant under the Gulf Coast Restoration Fund in the amount set forth in Item 3 of Annex A (the "Grant") under the terms and conditions set forth in Item 4 of Annex A, in order to fund, in part, and develop the Project; and

WHEREAS, the Entity has committed to use the Grant funds for the Project; and

WHEREAS, the Project satisfies the provisions of the Gulf Coast Restoration Fund and the Regulations; and

WHEREAS, the parties hereto agree that it is necessary to provide for and demonstrate compliance with the provisions of the Act;

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

Section 1. Grant. MDA hereby agrees to make to the Entity and the Entity hereby agrees to accept from MDA a Grant pursuant and subject to the terms of this Agreement and the Gulf Coast Restoration Fund as set forth in Annex A and Annex B. The Entity hereby agrees that it will apply the proceeds of the Grant only to the costs of the Project as more fully described in the Application. The Grant shall be disbursed by MDA to the Entity in installments as provided in this Agreement pursuant to Item 4 of Annex A. MDA's obligation to make the Grant and to disburse the Grant in installments shall be subject to all of the terms and conditions of this Agreement and the Entity satisfying all of its obligations under this Agreement and the Gulf Coast Restoration Fund.

Section 2. Disbursements. The obligation of MDA to make any disbursement of the Grant shall be subject to the following conditions, as well as any others herein set forth:

- a. the Entity shall not be in default under this Agreement or the Gulf Coast Restoration Fund; and
- b. funds appropriated by the Mississippi Legislature; and
- c. the development of the Project shall have progressed at a rate and in a manner reasonably satisfactory to MDA; and
- d. the receipt by MDA of a certificate of a representative of the Entity in the form set forth in Section 3 hereof and the notice required of the Entity set forth in Section 4 hereof for such disbursement in a form satisfactory to MDA. If the Entity fails at any time to meet the conditions precedent to any disbursement of the Grant as specified in the preceding sentence, the obligation of MDA to make further disbursements in connection with the grant shall cease until such time as such condition precedent is met and satisfied. The parties hereto agree that disbursements by MDA to the Entity of the Grant shall be made by June 30, 2024. Any portion of the grant funds not disbursed

before June 30, 2024 will be subject to reappropriation by the Legislature in subsequent years until the project is complete.

Section 3. Conditions. A condition precedent to all disbursements of the Grant shall be the delivery of a certificate of a representative of the Entity to the effect that:

- a. to the best of its knowledge, the representations and warranties of the Entity contained in this Agreement are true and correct as of the date of the disbursements with the same effect as if made on the date of such disbursements; and
- b. this Agreement has been duly authorized, executed and delivered by the Entity and constitutes a legal, valid and binding obligation of the Entity enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and except to the extent that the enforceability of the rights set forth herein may be limited by the availability of any particular remedies; and
- c. this Agreement has not been amended or supplemented or modified since the date of its execution and remains in full force and effect as of the date of the disbursement; and
- d. the authorization, execution and delivery of this Agreement by the Entity, and compliance by the Entity with the provisions hereof, will not conflict with or constitute a breach or default of the Entity's duties hereunder or under any law, administrative regulation, court decree, resolution, charter, bylaw or other agreement to which the Entity is subject or by which it is bound; and
- e. there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best of its knowledge, after reasonable investigation and due inquiry, threatened against the Entity in any way contesting or affecting the validity of this Agreement or contesting the powers of the Entity to enter into or perform its obligations under this Agreement.

Section 4. Requisitions. A condition precedent to all disbursements of the Grant shall be the presentation to the State Treasurer of a warrant issued by the Department of Finance and Administration of the State or its successor to such duties, which warrant shall be issued under proper requisition signed by the Executive Director of MDA, all pursuant to Section 57-119-1(1). Warrants may only be issued for costs and expenses that are authorized by the Gulf Coast Restoration Fund and the Regulations. No requisition shall be executed by the Executive Director of MDA until the following shall have been satisfied:

- a. The Entity shall have provided MDA with reasonable written notice of the amount of the Grant disbursement requested by the Entity. Such notice shall contain all information necessary to enable MDA to prepare the requisition for a warrant described in this Section 4 including, without limitation, the name and title of the requesting representative of the Entity, the name of the party to be reimbursed and a description of the work product or service. In addition, such notice shall certify that the amount requested is the just amount due at the current time, is for a work product or service which has heretofore been delivered or performed and that all statutory requirements in connection with the acquisition of such work product or service have been complied with by the Entity; and
- b. The Entity must provide semi-annual reports, due October 15th and March 15th of the current fiscal year, on the status of the project; and
- c. The Entity must provide proof of all non-grant funds expended on the project to ensure that GCRF funds are proportionately spent in relation to the total project cost share outlined in the Application; and
- d. MDA shall have indicated in writing its approval of the request for the Grant disbursement.

Section 5. Representations of MDA. MDA makes the following representations as the basis for the undertakings on the part of the Local Sponsor herein contained:

- a. MDA is an agency of the State and is authorized pursuant to the provisions of the Gulf Coast Restoration Fund and the Regulations to enter into the transactions contemplated by this Agreement.
- b. MDA has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.
- c. MDA has been duly authorized to execute and deliver this Agreement and by proper action has duly authorized the execution and delivery hereof and as to MDA, this Agreement is valid and legally binding and enforceable in accordance with its terms except to the extent that the enforceability thereof may be limited:
 - (1) by bankruptcy, reorganization, or other similar laws limiting the enforceability of creditors' rights generally; or
 - (2) by the availability of any discretionary equitable remedies.

Section 6. Representations of the Entity. The Entity makes the following representations as a basis for the Grant and the undertakings on the part of MDA, herein contained:

- a. The Entity has all necessary power and authority to enter into and perform its duties under this Agreement and, when executed and delivered by the respective parties hereto, this Agreement will constitute a legal, valid and binding obligation of the Entity enforceable in accordance with its terms except to the extent that the enforceability of the rights set forth herein may be limited:
 - (1) by bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally
 - (2) by the validity of any particular remedy.
- b. The execution and delivery of this Agreement and compliance with the provisions hereof will not conflict with, or constitute a breach of or default under, the Entity's duties under any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Entity is subject or by which it is bound.
- c. There is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Entity required for the execution, delivery or the consummation by the Entity of any of the transactions contemplated by this Agreement and not already obtained.
- d. There is no action, suit proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best knowledge of the Entity, after reasonable investigation and due inquiry, threatened against the Entity in any way contesting or affecting the validity of this Agreement or contesting the powers of the Entity to adopt, enter into or perform its obligations under this Agreement or materially and adversely affecting the properties or condition (financial or otherwise) or existence or powers of the Entity.
- e. The Entity will not discriminate against any employee or any applicant for employment because of race, religion, color, national origin, sex or age.
- f. The Entity shall comply with the terms and provisions of this Agreement and the Act and specifically with the terms set out in Item 4 of Annex A, Annex B and Annex C.
- g. The Entity certifies that all of the material information contained in the Application is true and correct as of the date of the Application and the date of this Agreement. The Entity acknowledges that MDA, in making the Grant, is relying upon the truthfulness and correctness of the material information contained in the Application. The Entity

further acknowledges that MDA must account for the proper use of funds based on the information in the Application.

- h. The Entity acknowledges that MDA will recover any expended grant funds if the assistance provided was based upon fraudulent information or if the recipient of the assistance fails to meet the performance requirements established by the Entity and MDA and referenced in the Annex A.
- i. The Entity represents and warrants that it will further the purposes of the Act.
- j. Upon request of the MDA or the Office of the State Auditor, the Entity will provide reasonable verification of its compliance with the performance metrics as set out in Annex A. Additionally, the Entity will cooperate fully with MDA and/or the Office of the State Auditor in performing audits from time to time to determine the Entity's compliance with the provision of this Agreement. The Entity further agrees that MDA and/or the Office of the State Auditor shall have the right to inspect books, records, plans and other data related to the Project.
- k. The Entity shall follow General Auditing Standards for financial and other record retention.
- l. The Entity shall comply with the following requirements and responsibilities: enroll in the E-Verify program; display the E-Verify participation posters (English & Spanish) in prominent places that are visible to prospective employees and all employees who are to be verified through the system; comply with the most recent version of the E-Verify Manual; comply with current Form I-9 procedures; initiate E-verify verification procedures for new employees within three (3) business days after each employee has been hired, and record the case verification numbers on the employee's Form I-9 or print the screen containing the verification number and attach it to the employee's Form I-9.
- m. Neither this Agreement, nor the incorporated Application, nor any other document or instrument delivered to MDA by the Company related to this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Company has disclosed, in writing, to MDA all facts that might reasonably be expected to result in a material adverse effect upon the Company's ability to either conduct its business or to carry out this Agreement and the transactions contemplated hereby. The Company or its agents

have not knowingly or willfully made or used a document or writing containing any false, fictitious, or fraudulent statement or entry as part of its Application or correspondence or communication with MDA related to this Agreement.

- n. The Entity shall notify the members of the House of Representatives and Mississippi Senate at least five (5) days prior to a public ceremony announcing the award of the grant in their district or any public announcement or ceremony regarding the groundbreaking or opening of a facility, roadway or bridge using grant funds.
- o. The Entity will include the following language on signage regarding any public event or any new facility, roadway or bridge: "Funds were made available for this project by the Mississippi State Legislature."

Section 8. Termination.

- a. MDA may terminate its obligation to honor any disbursement of the Grant at any time prior to any disbursement of the Grant if any event occurs, which would constitute a default under this Agreement.
- b. It is expressly understood and agreed that the obligation of MDA to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi Legislature and the receipt of state funds. If the funds anticipated for the continuing fulfillment of the agreement are, at any time, not forthcoming or insufficient, or if funds are not otherwise available to MDA, then MDA shall have the right upon ten (10) working days' written notice to the Entity to terminate this Agreement without damage, penalty, cost or expense to MDA of any kind whatsoever. The effective date of termination shall be specified in the notice of termination.

Section 9. Notice Addresses. All notices given pursuant to this Agreement shall be in writing signed by the party giving the notice and shall be given by:

- a) certified mail, postage prepaid;
- b) prepaid overnight delivery; or
- c) hand delivery.

For the purposes of this Agreement, notices shall be sent to the parties at the addresses set forth on Item 5 of Annex A hereto or to such other addresses that the parties may designate in writing.

Section 10. Miscellaneous.

- a) No party may assign or delegate its rights or obligations pursuant to this Agreement without the prior written consent of the other parties. Such consent shall not be unreasonably withheld.
- b) This Agreement has been made by MDA (acting for and on behalf of the State) and the Entity, and no person other than the foregoing and their successors or assigns shall acquire or have any right under or by virtue of this Agreement.
- c) This Agreement shall become effective upon the execution and the acceptance hereof by the parties hereto and shall be valid and enforceable from and after the time of such execution and acceptance.
- d) If any section or part of a section of this Agreement shall be declared null and void or unenforceable against any of the parties hereto by any court of competent jurisdiction, such declaration shall not affect the validity or enforceability of any other section or part of a section of this Agreement.
- e) In the event any agreement contained in this Agreement shall be breached and such breach shall thereafter be waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
- f) This Agreement shall inure to the benefit of MDA and the Entity and shall be binding upon MDA and the Entity and their respective successors and assigns.
- g) This Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by, and enforced in accordance with, the internal laws of the State of Mississippi, including its statutes of limitation and without regard to conflict of law principles.

All disputes regarding this Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), must be brought or filed in

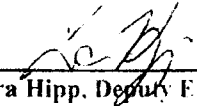
state court in the First Judicial District of Hinds County, Mississippi, which shall be the exclusive forum and jurisdiction for such disputes.

The Parties agree that their choice of laws and exclusive forum set forth above are mandatory and shall not be deemed permissive.

- h) This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same agreement.
- i) No amendment, change, modification, or alteration of this Agreement shall be made other than pursuant to a written instrument signed by the parties to this Agreement.
- j) This Agreement has been prepared by the efforts of all the parties. In any construction to be made to this Agreement, it shall not be construed against any party on the basis of authorship.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.


**MISSISSIPPI DEVELOPMENT AUTHORITY
(ACTING FOR AND ON BEHALF OF THE STATE
OF MISSISSIPPI)**

By: 
Laura Hipp, Deputy Executive Director

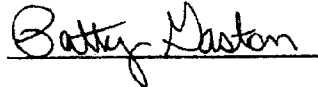
ATTEST:


Sarah Wright, Bureau Manager

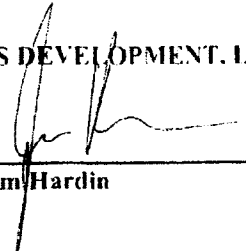
CITY OF OCEAN SPRINGS

By: 
Mayor Kenny Holloway

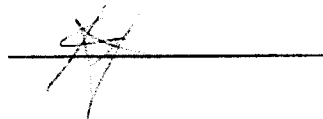
ATTEST:


Patty Gaston, City Clerk

OHOS DEVELOPMENT, LLC

By: 
Jim Hardin

ATTEST:



Annex A
to
Amended and Restated Grant Agreement

- Item 1-** **Name of Entity:** City of Ocean Springs & OHOS Development, LLC
- Item 2A-** **Description of Project:** Gulf Coast Restoration Funds to be used to assist the City of Ocean Springs & OHOS Development, LLC with building construction costs and other eligible expenditures related to the Public/Private Development Project as approved by MDA at the approved Project Site located at the former Swingster property on Government Street in Ocean Springs, Jackson County, Mississippi ("Project Site"). Internal labor will not be reimbursable.
- Item 2B-** **Soft Cost Expenses:** Engineering, Architectural, Project Management and other soft costs shall not exceed 10% of this MDA grant amount. Any amount above 10% will be allowed to count toward the local match for the Project as a whole.
- Item 3-** **Grant Amount:** \$2,000,000 (Phase I)
- Item 4-** **Grant Terms and Conditions**
- MDA will approve and make available for reimbursement purposes grant funds in an amount not to exceed Two Million Dollars (\$2,000,000) which amount has been previously approved and allocated with respect to the Project from the Gulf Coast Restoration Fund for the reimbursement of a portion of costs and expenses related to the Project. All documentation for disbursement must be received by June 30, 2024. Any grant funds not disbursed before June 30, 2024 will be subject to reappropriation by the Legislature in subsequent years until the Project is complete.
- The Entity commits and warrants that it will make an investment in the Project of at least Two Million, Three Hundred Thousand Dollars (\$2,300,000) to incentivize the development of the Project.
- Item 5-** **Grant Performance Metrics**
- The Entity commits to meet the following performance metrics as determined by the Entity and MDA: (1) The Entity will complete the project land acquisition by June 30, 2024; and (2) The Entity will complete the engineering design work and bid out the project by June 30, 2024. ("Performance Metric Commitments").
- In the event that the Entity fails to satisfy the Performance Metric Commitment, then the Entity shall repay the State any expended grant funds.
- MDA shall provide the Entity with written notice of default and the Entity will be given thirty (30) days following receipt of such notice to cure such default prior to the default payment becoming due and owing.

Item 6-

Address Notice:

Mississippi Development Authority
Post Office Box 849
Jackson, Mississippi 39205
Attention: Financial Resources

City of Ocean Springs
1018 Porter Avenue
Ocean Springs, Mississippi 39564
Attention: Mayor Kenny Holloway

OHOS Development, LLC
929 Washington Avenue
Ocean Spring, Mississippi 39564
Attention: Erich Nichols

**Annex B
To
Amended and Restated Grant Agreement**

MOU between OHOS Development, LLC and the City of Ocean Springs

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into between OHOS Land, LLC and OHOS Development, LLC (collectively "**OHOS**") and the City of Ocean Springs, Mississippi (the "**City**"), dated August 17, 2021, to establish an agreement to develop a parking garage on the site known as 1515 Government Street, utilizing that certain Gulf Coast Restoration Fund ("**GCRF**") award as administered through the Mississippi Development Authority ("**MDA**").

Summary/Introduction

The subject 2.1-acre site is planned for a mixed used development to include residences, restaurants, retail shops, office space, boutique hotel, parking garage and event lawn. The downtown location provides numerous shops and businesses, restaurants and bars, as well as recreational and cultural activities all within walking distance (collectively, the "**Project**"). The project incorporates three buildings—a boutique hotel; a true mixed-used building housing retail, restaurant, office space and residences; and a public-use, and free parking garage (for all spots in excess of those required by OHOS to satisfy zoning). This development will not only complement the established businesses in downtown Ocean Springs, but will spring-board further growth towards the east.

Parking Garage for the Use and Benefit of the City

- Multi-level, precast parking garage for free public use
- Possible large-scale art display T/B/D for the enjoyment of tourists and the greater public, provided OHOS shall consult with the City regarding the art project.

Public-Private Partnership for Parking Garage

OHOS was joined in the application by the City for purposes of developing the parking garage, and in support of the overall Project. The parties agree that OHOS Development, LLC shall design and construct the parking garage; shall manage and deploy the MDA funds in such construction; and shall transfer the completed parking garage to the City pursuant to a long-term lease (effectively, transferring the parking garage to the City for the useful life of the structure). In designing and building the parking garage and the Project, OHOS shall be the party to the GCRF grant agreement with the MDA. The City shall receive the benefit of the MDA GCRF funds pursuant to the transfer and receipt of completed parking garage at no cost to the City. OHOS intends to provide design plans and specifications to the City as soon as reasonably possible. The lease transferring the parking garage shall generally have the following terms:

- Long-term lease transferring the parking garage and its use to the City (the lease can be for \$1/year or some other nominal amount);
- The City agrees to maintain the public portion of the parking garage;
- The City agrees to maintain adequate security;
- The City agrees to pay utilities servicing the parking garage for the public portion, which shall be separately metered;

- OHOS will be provided the required minimum number of spaces per code dedicated to the residences and hotel, accessible by separate entrance.

This Memorandum of Understanding represents the understanding between the parties related to the subject matter set forth herein and all preliminary negotiations of whatever kind or nature are merged herein. The parties hereto have caused this Memorandum of Understanding to be executed this 17th day of August, 2021.

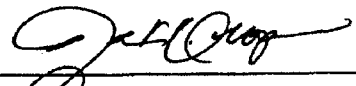
OHOS Land, LLC

By: 

Name: Jim Lapoint

Title: Member

OHOS Development, LLC

By: 

Name: John Orpessa

Title: Manager/Member

City of Ocean Springs

By: 

Name: Kenny Holloway

Title: Mayor

**Annex C
To
Amended and Restated Grant Agreement**

MOU between OHOS Development, LLC and Nichols & Ash, PLLC

ACKNOWLEDGMENT OF MISSISSIPPI DEVELOPMENT AUTHORITY

STATE OF MISSISSIPPI)
) ss:
COUNTY OF HINDS)

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 29th day of August, 2023, within my jurisdiction, the within named Laura Hipp, who acknowledged she is the Deputy Executive Director, of the Mississippi Development Authority and that for and on behalf of said Department and as its act and deed, she executed the above and foregoing instrument, after first having been duly authorized by said Department so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the 29th day of August, 2023.

Kay L. Troxler
Notary Public

My Commission Expires:

July 15, 2026



ACKNOWLEDGMENT OF ENTITY

STATE OF MISSISSIPPI)
) ss:
COUNTY OF Jackson)

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 23RD day of August, 2023, within my jurisdiction, the within named John Kenney Holloway, who acknowledged he/she is the Mayor, of the City of Ocean Springs and that for and on behalf of said City, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said government agency so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the 23RD day of August, 2023.

[Signature]
Notary Public

My Commission Expires:

May 4, 2025



ACKNOWLEDGMENT OF ENTITY

STATE OF MISSISSIPPI)
) ss:
COUNTY OF HARRISON)

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 1st day of JULY, 2023, within my jurisdiction, the within named Jim HARRISON, who acknowledged he/she is the MEMBER of OHOS Development, LLC, and that for and on behalf of said Entity, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said LLC so to do.

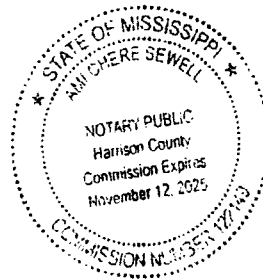
GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the 1st day of July, 2023.

Ani l Sewell
Notary Public

My Commission Expires:

11/12/2025

[SEAL]



MISSISSIPPI DEVELOPMENT AUTHORITY
GULF COAST RESTORATION FUND PROGRAM
AMENDED AND RESTATED GRANT AGREEMENT

City of Ocean Springs & OHOS Development, LLC
Jackson County, Mississippi
GCRF-21-09

This Amended and Restated Grant Agreement ("Agreement"), dated as of July 1, 2023, by and between the Mississippi Development Authority (acting for and on behalf of the State of Mississippi ("MDA")) and the City of Ocean Springs and OHOS Development, LLC as set forth in Item I of Annex A (the "Entity")

WITNESSETH:

WHEREAS, the Gulf Coast Restoration Fund, Section 57-119-1, Mississippi Code of 1972, as amended, was created for the purpose of funding programs or projects that are located in the Gulf Coast region as defined in the federal RESTORE Act, or twenty-five (25) miles from the northern boundaries of the three (3) coastal counties of Harrison, Hancock and Jackson, but not limited to expand beyond the boundaries of Hancock, Harrison, Jackson, Pearl River, Stone and George Counties; and

WHEREAS, these funds are provided for assistance to local units of government, nongovernmental organizations, institutions of higher learning, community colleges, ports, airports, public-private partnerships, private for-profit entities, private nonprofit entities and local economic development entities; and

WHEREAS, MDA is authorized to administer the Gulf Coast Restoration Fund monies upon appropriation by the Legislature; and

WHEREAS, pursuant to Section 20 of Senate Bill 2951 2021 Regular Session of the Mississippi Legislature, the Legislature appropriated Six Million Dollars (\$6,000,000) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project; and

WHEREAS, pursuant to Section 2 of Senate Bill 3049 2022 Regular Session of the Mississippi Legislature, the Legislature reappropriated Six Million Dollars (\$6,000,000) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project; and

WHEREAS, pursuant to Section 3 of Senate Bill 3047 2023 Regular Session of the Mississippi Legislature, the Legislature reappropriated Five Million Five Hundred Thirty-Six Thousand Four Hundred Eighty-One Dollars (\$5,536,481) to assist the City of Ocean Springs and OHOS Development, LLC with its Public/Private Development Project; and

WHEREAS, pursuant to the Gulf Coast Restoration Fund Act, Section 57-119, Mississippi Code of 1972, as amended, and the Gulf Coast Restoration Fund Regulations (the "Regulations") adopted by MDA, the Entity has filed an application (the "Application") with MDA for a grant to be used for the development of the Project, more particularly described in Item 2A of Annex A (the "Project"); and

WHEREAS, based upon the Application and other relevant factors, MDA has agreed to provide the Entity with a grant under the Gulf Coast Restoration Fund in the amount set forth in Item 3 of Annex A (the "Grant") under the terms and conditions set forth in Item 4 of Annex A, in order to fund, in part, and develop the Project; and

WHEREAS, in order to receive any funds, the Entity shall comply with the requirements of the Line-Item Appropriation Transparency Act, Section 27-104-351, Mississippi Code of 1972, as amended; and

WHEREAS, the Entity has committed to use the Grant funds for the Project; and

WHEREAS, the Project satisfies the provisions of the Gulf Coast Restoration Fund and the Regulations; and

WHEREAS, the parties hereto agree that it is necessary to provide for and demonstrate compliance with the provisions of the Act;

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

Section 1. Grant. MDA hereby agrees to make to the Entity and the Entity hereby agrees to accept from MDA a Grant pursuant and subject to the terms of this Agreement and the Gulf Coast Restoration Fund as set forth in Annex A. The Entity hereby agrees that it will apply the proceeds of the Grant only to the costs of the Project as more fully described in the Application. The Grant shall be disbursed by MDA to the Entity in installments as provided in this Agreement pursuant to Item 4 of Annex A. MDA's obligation to make the Grant and to disburse the Grant in installments shall be subject to all of the terms and conditions of this Agreement and the Entity satisfying all of its obligations under this Agreement and the Gulf Coast Restoration Fund.

Section 2. Disbursements. The obligation of MDA to make any disbursement of the Grant shall be subject to the following conditions, as well as any others herein set forth:

- a. the Entity shall not be in default under this Agreement or the Gulf Coast Restoration Fund; and
- b. funds appropriated by the Mississippi Legislature; and
- c. the development of the Project shall have progressed at a rate and in a manner reasonably satisfactory to MDA; and
- d. the receipt by MDA of a certificate of a representative of the Entity in the form set forth in Section 3 hereof and the notice required of the Entity set forth in Section 4 hereof for such disbursement in a form satisfactory to MDA. If the Entity fails at any time to meet the conditions precedent to any disbursement of the Grant as specified in the preceding sentence, the obligation of MDA to make further disbursements in connection with the grant shall cease until such time as such condition precedent is met and satisfied. The parties hereto agree that disbursements by MDA to the Entity of the Grant shall be made by June 30, 2024. Any portion of the grant funds not disbursed before June 30, 2024 will be subject to reappropriation by the Legislature in subsequent years until the project is complete.

Section 3. Conditions. A condition precedent to all disbursements of the Grant shall be the delivery of a certificate of a representative of the Entity to the effect that:

- a. to the best of its knowledge, the representations and warranties of the Entity contained in this Agreement are true and correct as of the date of the disbursements with the same effect as if made on the date of such disbursements; and
- b. this Agreement has been duly authorized, executed and delivered by the Entity and constitutes a legal, valid and binding obligation of the Entity enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and except to the extent that the enforceability of the rights set forth herein may be limited by the availability of any particular remedies; and
- c. this Agreement has not been amended or supplemented or modified since the date of its execution and remains in full force and effect as of the date of the disbursement; and
- d. the authorization, execution and delivery of this Agreement by the Entity, and compliance by the Entity with the provisions hereof, will not conflict with or constitute a breach or default of the Entity's duties hereunder or under any law, administrative regulation, court decree, resolution, charter, bylaw or other agreement to which the Entity is subject or by which it is bound; and
- e. there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best of its knowledge, after reasonable investigation and due inquiry, threatened against the Entity in any way contesting or affecting the validity of this Agreement or contesting the powers of the Entity to enter into or perform its obligations under this Agreement.

Section 4. Requisitions. A condition precedent to all disbursements of the Grant shall be the presentation to the State Treasurer of a warrant issued by the Department of Finance and Administration of the State or its successor to such duties, which warrant shall be issued under proper requisition signed by the Executive Director of MDA, all pursuant to Section 57-119-1(1). Warrants may only be issued for costs and expenses that are authorized by the Gulf Coast Restoration Fund and the Regulations. No requisition shall be executed by the Executive Director of MDA until the following shall have been satisfied:

- a. The Entity shall have provided MDA with reasonable written notice of the amount of the Grant disbursement requested by the Entity. Such notice shall contain all information necessary to enable MDA to prepare the requisition for a warrant described in this Section 4 including, without limitation, the name and title of the requesting representative of the Entity, the name of the party to be reimbursed

and a description of the work product or service. In addition, such notice shall certify that the amount requested is the just amount due at the current time, is for a work product or service which has heretofore been delivered or performed and that all statutory requirements in connection with the acquisition of such work product or service have been complied with by the Entity; and

- b. The Entity must provide quarterly reports on the approved reporting form provided by MDA, due January 15, April 15, July 15 and October 15 on the status of the project. The report must include a written description and an itemized report detailing the expenditure of funds or the intended expenditure of any funds that have not been spent; and
- c. The Entity must provide proof of all non-grant funds expended on the project to ensure that GCRF funds are proportionately spent in relation to the total project cost share outlined in the Application; and
- d. MDA shall have indicated in writing its approval of the request for the Grant disbursement; and
- e. Disbursement of any funds shall be contingent upon the Entity complying with the quarterly reporting requirements; and
- f. A final written itemized report on the approved form provided by MDA must be timely submitted when all state funds have been spent.

Section 5. Representations of MDA. MDA makes the following representations as the basis for the undertakings on the part of the Local Sponsor herein contained:

- a. MDA is an agency of the State and is authorized pursuant to the provisions of the Gulf Coast Restoration Fund and the Regulations to enter into the transactions contemplated by this Agreement.
- b. MDA has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.
- c. MDA has been duly authorized to execute and deliver this Agreement and by proper action has duly authorized the execution and delivery hereof and as to MDA, this Agreement is valid and legally binding and enforceable in accordance with its terms except to the extent that the enforceability thereof may be limited:
 - (1) by bankruptcy, reorganization, or other similar laws limiting the enforceability of creditors' rights generally; or
 - (2) by the availability of any discretionary equitable remedies.

Section 6. Representations of the Entity. The Entity makes the following representations as a basis for the Grant and the undertakings on the part of MDA, herein contained:

- a. The Entity has all necessary power and authority to enter into and perform its duties under this Agreement and, when executed and delivered by the respective parties hereto, this Agreement will constitute a legal, valid and binding obligation of the Entity enforceable in accordance with its terms except to the extent that the enforceability of the rights set forth herein may be limited:
 - (1) by bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally
 - (2) by the validity of any particular remedy.
- b. The execution and delivery of this Agreement and compliance with the provisions hereof will not conflict with, or constitute a breach of or default under, the Entity's duties under any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Entity is subject or by which it is bound.
- c. There is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Entity required for the execution, delivery or the consummation by the Entity of any of the transactions contemplated by this Agreement and not already obtained.
- d. There is no action, suit proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best knowledge of the Entity, after reasonable investigation and due inquiry, threatened against the Entity in any way contesting or affecting the validity of this Agreement or contesting the powers of the Entity to adopt, enter into or perform its obligations under this Agreement or materially and adversely affecting the properties or condition (financial or otherwise) or existence or powers of the Entity.
- e. The Entity will not discriminate against any employee or any applicant for employment because of race, religion, color, national origin, sex or age.
- f. The Entity shall comply with the terms and provisions of this Agreement and the Act and specifically with the terms set out in Item 4 of Annex A.
- g. The Entity certifies that all of the material information contained in the Application is true and correct as of the date of the Application and the date of this Agreement. The Entity acknowledges that MDA, in making the Grant, is relying upon the truthfulness and correctness of the material information contained in the Application. The Entity

further acknowledges that MDA must account for the proper use of funds based on the information in the Application.

- h. The Entity acknowledges that MDA will recover any expended grant funds if the assistance provided was based upon fraudulent information or if the recipient of the assistance fails to meet the performance requirements established by the Entity and MDA and referenced in the Annex A.
- i. The Entity represents and warrants that it will further the purposes of the Act.
- j. Upon request of the MDA or the Office of the State Auditor, the Entity will provide reasonable verification of its compliance with the performance metrics as set out in Annex A. Additionally, the Entity will cooperate fully with MDA and/or the Office of the State Auditor in performing audits from time to time to determine the Entity's compliance with the provision of this Agreement. The Entity further agrees that MDA and/or the Office of the State Auditor shall have the right to inspect books, records, plans and other data related to the Project.
- k. The Entity shall follow General Auditing Standards for financial and other record retention requirements.
- l. The Entity shall comply with the following requirements and responsibilities: enroll in the E-Verify program; display the E-Verify participation posters (English & Spanish) in prominent places that are visible to prospective employees and all employees who are to be verified through the system; comply with the most recent version of the E-Verify Manual; comply with current Form I-9 procedures; initiate E-verify verification procedures for new employees within three (3) business days after each employee has been hired, and record the case verification numbers on the employee's Form I-9 or print the screen containing the verification number and attach it to the employee's Form I-9.
- m. Neither this Agreement, nor the incorporated Application, nor any other document or instrument delivered to MDA by the Company related to this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Company has disclosed, in writing, to MDA all facts that might reasonably be expected to result in a material adverse effect upon the Company's ability to either conduct its business or to carry out this Agreement and the transactions contemplated hereby. The Company or its agents have not knowingly or willfully made or used a document or writing containing any false, fictitious, or fraudulent statement or entry as part

of its Application or correspondence or communication with MDA related to this Agreement.

- n. The Entity shall notify the members of the House of Representatives and Mississippi Senate at least five (5) days prior to a public ceremony announcing the award of the grant in their district or any public announcement or ceremony regarding the groundbreaking or opening of a facility, roadway or bridge using grant funds.
- o. The Entity will include the following language on signage regarding any public event or any new facility, roadway or bridge: "Funds were made available for this project by the Mississippi State Legislature."

Section 8. Termination.

- a. MDA may terminate its obligation to honor any disbursement of the Grant at any time prior to any disbursement of the Grant if any event occurs, which would constitute a default under this Agreement.
- b. It is expressly understood and agreed that the obligation of MDA to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi Legislature and the receipt of state funds. If the funds anticipated for the continuing fulfillment of the agreement are, at any time, not forthcoming or insufficient, or if funds are not otherwise available to MDA, then MDA shall have the right upon ten (10) working days written notice to the Entity to terminate this Agreement without damage, penalty, cost or expense to MDA of any kind whatsoever. The effective date of termination shall be specified in the notice of termination.

Section 9. Notice Addresses. All notices given pursuant to this Agreement shall be in writing signed by the party giving the notice and shall be given by:

- a) certified mail, postage prepaid;
- b) prepaid overnight delivery; or
- c) hand delivery.

For the purposes of this Agreement, notices shall be sent to the parties at the addresses set forth on Item 5 of Annex A hereto or to such other addresses that the parties may designate in writing.

Section 10. Miscellaneous.

- a) No party may assign or delegate its rights or obligations pursuant to this Agreement without the prior written consent of the other parties. Such consent shall not be unreasonably withheld.
- b) This Agreement has been made by MDA (acting for and on behalf of the State) and the Entity, and no person other than the foregoing and

their successors or assigns shall acquire or have any right under or by virtue of this Agreement.

- c) This Agreement shall become effective upon the execution and the acceptance hereof by the parties hereto and shall be valid and enforceable from and after the time of such execution and acceptance.
- d) If any section or part of a section of this Agreement shall be declared null and void or unenforceable against any of the parties hereto by any court of competent jurisdiction, such declaration shall not affect the validity or enforceability of any other section or part of a section of this Agreement.
- e) In the event any agreement contained in this Agreement shall be breached and such breach shall thereafter be waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
- f) This Agreement shall inure to the benefit of MDA and the Entity and shall be binding upon MDA and the Entity and their respective successors and assigns.
- g) This Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by, and enforced in accordance with, the internal laws of the State of Mississippi, including its statutes of limitation and without regard to conflict of law principles.

All disputes regarding this Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), must be brought or filed in state court in the First Judicial District of Hinds County, Mississippi, which shall be the exclusive forum and jurisdiction for such disputes.

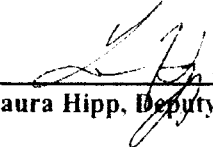
The Parties agree that their choice of laws and exclusive forum set forth above are mandatory and shall not be deemed permissive.

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

- i) It is expressly understood and agreed by and between the Parties that this Agreement sets out the understandings between the Parties and that there are no promises, agreements, conditions, understandings, inducements, warranties or representations, either oral or written, express or implied, between them other than as set forth in this Agreement. No amendment, change, modification, or alteration of this Agreement shall be made other than pursuant to a written instrument signed by the parties to this Agreement.
- j) This Agreement has been prepared by the efforts of all the parties. In any construction to be made to this Agreement, it shall not be construed against any party on the basis of authorship.

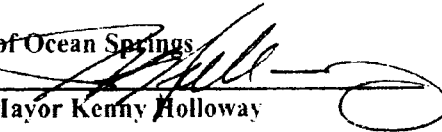
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

**MISSISSIPPI DEVELOPMENT AUTHORITY
(ACTING FOR AND ON BEHALF OF THE STATE
OF MISSISSIPPI)**


By: 
Laura Hipp, Deputy Executive Director

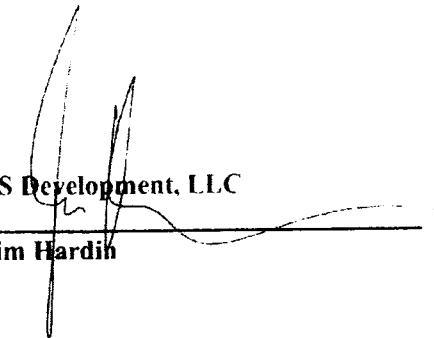
ATTEST:


Sarah Wright, Bureau Manager

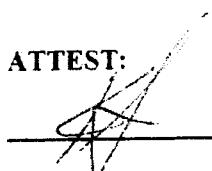
City of Ocean Springs
By: 
Mayor Kenny Holloway

ATTEST:


Title: City Clerk

OHOS Development, LLC
By: 
Jim Hardin

ATTEST:


Title: PROJECT MANAGER

Annex A
to
Amended and Restated Grant Agreement

- Item 1-** **Name of Entity:** City of Ocean Springs & OHOS Development, LLC
- Item 2A-** **Description of Project:** Gulf Coast Restoration Funds to be used to assist the City of Ocean Springs & OHOS Development, LLC with building construction costs and other eligible expenditures as approved by MDA at the approved project site located at the former Swingster property on Government Street in Ocean Springs, Jackson County, Mississippi ("Project Site"). Internal labor will not be reimbursable.
- Item 2B-** **Soft Cost Expenses:** Engineering, Architectural, Project Management and other soft costs shall not exceed 10% of this MDA grant amount. Any amount above 10% will be allowed to count toward the local match for the project as a whole.
- Item 3-** **Grant Amount:** \$6,000,000 (Phase II)
- Item 4-** **Grant Terms and Conditions**

MDA will approve and make available for reimbursement purposes grant funds in an amount not to exceed Six Million Dollars (\$6,000,000) which amount has been previously approved and allocated with respect to the Project from the Gulf Coast Restoration Fund for the reimbursement of a portion of costs and expenses related to the Project. All documentation for disbursement must be received by June 30, 2024. Any grant funds not disbursed before June 30, 2024 will be subject to reappropriation by the Legislature in subsequent years until the project is complete.

The disbursement of grant funds shall be contingent upon the entity complying with the quarterly reporting requirements. No funds will be disbursed by MDA until the Entity has submitted all delinquent quarterly reports.

The Entity commits and warrants that an investment of at least a total of Thirteen Million, Nine Hundred and Ninety-Three Thousand Seven Hundred and One Dollars (\$13,993,701) will be made to incentivize the development of the project.

Item 5- **Grant Performance Metrics**

The Entity commits to meet the following performance metrics as determined by the Entity and MDA: (1) The parking garage portion of the project will be open to public use by June 30, 2026; and (2) The Entity will complete construction of all the project facilities by June 30, 2026 ("Performance Metric Commitments"). In the event that the Entity fails to satisfy the Performance Metric Commitment, then the Entity shall repay the State any expended grant funds.

MDA shall provide the Entity with written notice of default and the Entity will be given thirty (30) days following receipt of such notice to cure such default prior to the default payment becoming due and owing.

Item 6- **Address Notice:**

Mississippi Development Authority
Post Office Box 849
Jackson, Mississippi 39205
Attention: Financial Resources

City of Ocean Springs
1018 Porter Avenue
Ocean Springs, Mississippi 39564
Attention: Mayor Kenny Holloway

OHOS Development, LLC
929 Washington Avenue
Ocean Spring, Mississippi 39564
Attention: Erich Nichols

**Annex B
To
Amended and Restated Grant Agreement**

MOU between OHOS Development, LLC and the City of Ocean Springs

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into between OHOS Land, LLC and OHOS Development, LLC (collectively "**OHOS**") and the City of Ocean Springs, Mississippi (the "**City**"), dated August 17, 2021, to establish an agreement to develop a parking garage on the site known as 1515 Government Street, utilizing that certain Gulf Coast Restoration Fund ("**GCRF**") award as administered through the Mississippi Development Authority ("**MDA**").

Summary/Introduction

The subject 2.1-acre site is planned for a mixed used development to include residences, restaurants, retail shops, office space, boutique hotel, parking garage and event lawn. The downtown location provides numerous shops and businesses, restaurants and bars, as well as recreational and cultural activities all within walking distance (collectively, the "**Project**"). The project incorporates three buildings—a boutique hotel; a true mixed-used building housing retail, restaurant, office space and residences; and a public-use, and free parking garage (for all spots in excess of those required by OHOS to satisfy zoning). This development will not only complement the established businesses in downtown Ocean Springs, but will spring-board further growth towards the east.

Parking Garage for the Use and Benefit of the City

- Multi-level, precast parking garage for free public use
- Possible large-scale art display T/B/D for the enjoyment of tourists and the greater public, provided OHOS shall consult with the City regarding the art project.

Public-Private Partnership for Parking Garage

OHOS was joined in the application by the City for purposes of developing the parking garage, and in support of the overall Project. The parties agree that OHOS Development, LLC shall design and construct the parking garage; shall manage and deploy the MDA funds in such construction; and shall transfer the completed parking garage to the City pursuant to a long-term lease (effectively, transferring the parking garage to the City for the useful life of the structure). In designing and building the parking garage and the Project, OHOS shall be the party to the GCRF grant agreement with the MDA. The City shall receive the benefit of the MDA GCRF funds pursuant to the transfer and receipt of completed parking garage at no cost to the City. OHOS intends to provide design plans and specifications to the City as soon as reasonably possible. The lease transferring the parking garage shall generally have the following terms:

- Long-term lease transferring the parking garage and its use to the City (the lease can be for \$1/year or some other nominal amount);
- The City agrees to maintain the public portion of the parking garage;
- The City agrees to maintain adequate security;
- The City agrees to pay utilities servicing the parking garage for the public portion, which shall be separately metered;

- OHOS will be provided the required minimum number of spaces per code dedicated to the residences and hotel, accessible by separate entrance.

This Memorandum of Understanding represents the understanding between the parties related to the subject matter set forth herein and all preliminary negotiations of whatever kind or nature are merged herein. The parties hereto have caused this Memorandum of Understanding to be executed this 17th day of August, 2021.


OHOS Land, LLC

By:  _____

Name: Jim Harout

Title: Member

OHOS Development, LLC

By:  _____

Name: John Oraposa

Title: Manager/Member

City of Ocean Springs

By:  _____

Name: Kenny Holloway

Title: Mayor

Annex C
To
Amended and Restated Grant Agreement

MOU between OHOS Development, LLC and Nichols & Ash, PLLC

ACKNOWLEDGMENT OF ENTITY

STATE OF MISSISSIPPI)
) ss:
COUNTY OF Jackson)

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 23rd day of August, 2023, within my jurisdiction, the within named John Kenny Holloway, who acknowledged he/she is the Mayor of City of Ocean Springs, and that for and on behalf of said City of Ocean Springs, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said government agency so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the 23rd day of August, 2023.

Jennifer Simmons
Notary Public

My Commission Expires:

May 4, 2025



ACKNOWLEDGMENT OF ENTITY

STATE OF MISSISSIPPI)
) ss:
COUNTY OF Harrison)

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 1 day of JULY, 2023, within my jurisdiction, the within named Jim Harrison, who acknowledged he/she is the MEMBER of OHOS Development, LLC, and that for and on behalf of said Entity, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said LLC so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the 1st day of July, 2023.

Ami C Sewell
Notary Public

My Commission Expires:

11/12/2025

[SEAL]



- z) Approve the request for a Certificate of Appropriateness for the removal of termite-damaged wood and Masonite bevel siding to be replaced with Hardie-board siding at 306 Washington Avenue PID #6137522.000; Historic Preservation Commission recommends approval (Exhibit 7-z)
- aa) Approve 4 variances at 1515 Government Street PID #60119358.000 (1 – the minimum front yard building setback requirement), (2 – the minimum street, side yard building setback requirement), (3 – the minimum setback distance for a dumpster enclosure), (4 – the minimum drive aisle width within the CMX-2, Community Commercial/Mixed Use District); the Zoning Adjustment Board recommends approval (Exhibit 7-aa)
- bb) Accept Building Department Report for September 2022 (Exhibit 7-bb)
- cc) Accept Code Enforcement Report through October 12, 2022 (Exhibit 7-cc)
- dd) Accept Tree Department Recommendations – Tree Applications through October 11, 2022 (Exhibit 7-dd)
- ee) Authorize the demolition of structures at 408 Russell Avenue that are in excess of 50 years in age (Exhibit 7-ee)

DEPARTMENT REPORTS

City Clerk:

A motion was made by Alderman Impey, seconded by Alderman Authement, and unanimously carried to approve the Docket of Claims (Exhibit 8-a).

Human Resources & Risk Management:

The Human Resources & Risk Management Director presented a proposed agreement that would allow the City to recoup training expenses over \$500 if an employee voluntarily leaves employment within 2 years of receiving training (Exhibit 8-b). She explained the employee would get credit for each month worked within the 2 years and the repayment would need to be completed in 6 months if not satisfied by their final paycheck. A motion was made by Alderman Blackman, seconded by Alderman Impey, and unanimously carried to approve Agreement for Reimbursement of Education or Training Related Expenses or Monies.

Project Manager:

The Project Manager gave the Board an update on the current and ongoing 18 projects in the City (Exhibit 8-c). The Front Beach Sidewalk Repairs Phase I, the footings, foundation, and backfill is complete for the first +/-40 foot and the entire project is approximately 240 foot. The Parktown Area - Drainage Improvements Phase II, consists of three ditches, the Highway 90 ditch, the Groveland ditch, and the Crestlawn ditch. The contractor has started on the Highway 90 ditch and has several areas cleared and riprap installed. The Porter Avenue Project held a bid opening on October 12, 2022, in which no bids were received. Approval to re-advertise was approved on tonight's consent agenda. The CIPP Lining Term Bid was recommended to be awarded to Suncoast, which was approved on tonight's agenda. The Ocean Springs Community Center assessment and recommendation report was

submitted in September 2022; now the city is working on funding to proceed with recommended repairs. For the Mary C. O'Keefe Windows Project, the 30% specifications and plans were submitted in September 2022; we are waiting on the proposal to complete the specs and plans. The Marble Springs Project is waiting on a start date for work on the jail cell and waiting on MDAH approval for the remaining work. The Deana Road Improvements Project is waiting on confirmation of final funding assistance. The Ocean Springs Road Project is waiting on MDOT approval to advertise. The Video and Cleaning Term Bid is waiting on the final review of the bid documents. For the Hurricane Zeta - Lift Stations Project, all material is in but waiting on work to be scheduled. The General Pershing Easement - Sewer and Storm Drain Project the sewer is complete and waiting on the storm drain pipe. The county is waiting on the pipe to be delivered for the Gay Lemon Storm Drain Project. Steelman Lane Roadway is waiting on the county to get an asphalt contractor. LS #11 Rehabilitation, Gay Lemon, Front Beach Sidewalk Repairs Phase II, and Front Beach Event Space and Marina are all under design.

GENERAL PUBLIC COMMENT

Allison Pleasant Headley spoke against the layout of the development at 1515 Government Street. Her concern is the proposed parking garage and dumpster site at the development are neighboring the residential side of the property rather than the commercial side. She also stated there is an existing drainage issue at the property that has not been resolved.

Lottie Gibson has concerns regarding the drainage issues at 1515 Government Street with standing water which has created a mosquito problem. She also expressed concern about the proposed parking garage and dumpster site of the development's neighboring residential area.

Alderman Authement requested when a tree is removed that the stump is ground down rather than left behind.

Katie Yow requested an update on the Parktown drainage project. Alderman Impey said the Project Manager just gave an update that work is underway on the ditches. She said she is not worried about the ditches but is more concerned about her driveway issues caused by a tree. Alderman Impey said the tree is on private property and not City property, he explained a City easement is different from City property.

MAYOR AND ALDERMEN'S FORUM

Alderman Burgess requested an update from the Parks & Recreation Director for five pending projects.

Alderman Authement thanked all for the success of the Cruisin' the Coast event.



P.O. Box 1800
Ocean Springs, MS
39760-1800

1018 Porter Avenue
Ocean Springs, MS 39564
Ex 228 875 7243

Kenny Holloway
Mayor
228.875.6722

Bobby Cox
Alderman at Large

Jennifer Burgess
Alderman Ward 1

Rickey Authement
Alderman Ward 2

Kevin Wade
Alderman Ward 3

Ken Papania
Alderman Ward 4

Robert Blackman
Alderman Ward 5

Michael (Mike) Impey, II
Alderman Ward 6

City Hall
228 875 4216

Police Department
228 875 2217

Fire Department
228 875 4000

Public Works
228 875 0956

Water Department
228 875 4176

Community Development
and Planning
228 875 4416

Building Department
228 875 6712

Human Resources
and Risk Management
228 875 0137

Parks and Recreation
228 875 6666



MEMORANDUM

To: Honorable Mayor and Board of Aldermen

From: Carolyn Martin, Planning & Grants Administrator
Wade Morgan, AICP, City Planner

Date: October 18, 2022

Re: ZONING ADJUSTMENT BOARD REPORT:
1515 Government St. / PID#: 60119358.000

Request Approval of Variances from [1] the minimum front yard building setback requirement, [2] the minimum street, side-yard building setback requirement [3] the minimum setback distance for a dumpster enclosure, and [4] the minimum drive aisle width within the CMX-2, Community Commercial / Mixed Use District. OHOS Development, LLC – applicant

The Zoning Adjustment Board (ZAB) considered the request described above at its regular meeting on Tuesday, October 11, 2022. The specific proposal is for approval of the following variances associated with the redevelopment of the site into a hotel/dining/retail/multi-family mixed use development:

- 1) A 12-foot building setback along Government Street. The Downtown Overlay District allows front setback distances of zero (0) to five (5) feet (Table 3.8). The setback is requested to maintain an appropriate distance between the upper floor balconies and overhead powerlines along Government Street.
- 2) A 7-foot building setback along the section of General Pershing Avenue adjacent to the parking garage on proposed parcel 3. The setback is requested to enable vehicle access into the parking garage.
- 3) The development's dumpster enclosure is proposed to be placed 44.75 ft. from the nearest residential property. The Unified Development Code (UDC) requires a minimum separation distance of 50 feet between a dumpster for a business serving food and residential property [section 6.2.3.I.]. The reduced distance is due to the narrow width of General Pershing Avenue and the design requirement to place the dumpster at an angle to enable it to be accessed by a garbage truck, according to the applicant.
- 4) The drive aisles within the parking garage are proposed to be 22-feet wide. That dimension is consistent with national parking garage design standards and was used to maximize the area for parking space, according to the applicant. The UDC sets 24-feet as the standard width for all drive aisles without regard to their location.

EXHIBIT # 7-aa

ZAB members considered the presentations made by the applicant and neighbors who opposed some of the variances. The ZAB voted on each variance separately.

The following motions were approved unanimously with all members voting YES on the variances to allow:

1. 12-foot building setback along Government St.
2. 7-foot building setback along General Pershing Ave.
3. 22-foot-wide drive aisles in the parking garage

The following motion was approved with 4 members voting YES and 1 member voting NO to allow:

4. the garbage dumpster to be 44.75 feet from residential property pass

Documentation related to the application is attached.

CITY OF OCEAN SPRINGS
COMMUNITY DEVELOPMENT AND PLANNING
POST OFFICE BOX 1800
OCEAN SPRINGS, MS 39566-1800
228-875-4415

ZONING ADJUSTMENT BOARD REPORT

PUBLIC MEETING DATE: October 11, 2022

APPLICANT(S): OHOS Development, LLC

CURRENT OWNER? ✓ Yes No

If No, - List Current Owner:

LOCATION: 1515 Government Street / PID#: 6119358.000

REQUESTED ACTION: Variances from [1] the minimum front yard and street side yard building setback requirements, [2] the minimum setback distance for a dumpster enclosure, and [3] the minimum drive aisle width within the CMX-2, Community Commercial / Mixed Use District.

DATE OF APPLICATION: September 6, 2022

ADJACENT ZONING AND LAND USE:

Subject Property: CMX-2 Community Commercial/ Mixed Use District (Downtown Overlay District, Government Street Sub-area) – undeveloped parcel, partially paved;

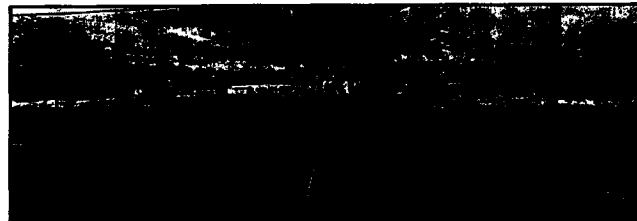
North: M-1, Manufacturing, Warehousing, & Services District – building materials warehouse (OS Lumber);

East: across Ward Avenue, M-1, Manufacturing, Warehousing, & Services District – restaurant, building materials store (OS Lumber);

South: Across Government Street, CMX-1, Neighborhood Commercial / Mixed Use District – small retail establishments and offices;

West: Across General Pershing Avenue, CMX-1, Neighborhood Commercial / Mixed Use District – restaurant and tire store; and R-D Two-Family Residential District – single-family dwellings.

CURRENT CONDITIONS:



DESCRIPTION OF REQUEST:

- The applicant proposes a 12-foot building setback along Government Street and a seven- (7) foot building setback along the section of General Pershing Avenue adjacent to the parking garage on proposed parcel 3. The Downtown Overlay District allows front setback distances of zero (0) to five (5) feet (Table 3.8). The applicant notes that a 12-foot setback from Government Street is proposed to maintain an appropriate distance between the upper floor balconies and overhead powerlines along Government Street. The 7-foot setback from General Pershing Avenue is to enable vehicle access into the parking garage.
- The development's dumpster enclosure is placed 44.75 ft. from the nearest residential property. The Unified Development Code (UDC) requires a minimum separation distance of 50 feet between a dumpster for a business serving food and residential property [section 6.2.3.1.].
- The drive aisles within the parking garage are proposed to be 22-feet wide. That dimension is consistent with national parking garage design standards and was used to maximize the area for parking space, according to the applicant. The UDC sets 24-feet as the standard width for all drive aisles.

FINDINGS:

- The property is the site of the former Swingster building, which was demolished in 2016. It was rezoned from the M-1, Manufacturing, Warehousing, & Services District to the CMX-2, Community Commercial / Mixed Use District district in 2016.

OTHER FEEDBACK:

- No written public input has been received on this application.

STAFF CONCLUSION:

- The proposed hotel/retail/parking garage, mixed-use development is an infill development which typically involve variances to standard development requirements to accommodate existing streets, infrastructure, utilities and similar site constraints.

POTENTIAL MOTION: To recommend approval of the following variances for 1515 Government Street, as shown on the site plan filed with the application:

1. A 12-foot building setback along Government Street;
2. A 7-foot building setback along the section of General Pershing Avenue adjacent to the parking garage on proposed parcel 3;
3. Allow the dumpster enclosure to be 44.75 ft. from the nearest residential property; and
4. Allow the drive aisles within the parking garage to be 22-feet wide.

City of Ocean Springs
Planning Department
P.O. Box 1800
Ocean Springs, MS. 39566
Phone 228-875-4415 Fax 228-872-5427

Office Use	
Date Received _____	
Received by _____	
App Fee Paid \$ _____	Chk or CC ? _____
	Chk # _____
Mail Fee Due \$ _____	
Mail Fee Paid \$ _____	Chk or CC ? _____
Date Mail Fee Pd _____	Chk # _____

VARIANCE REQUEST APPLICATION

Submittal Requirements:

- Application
- Fee of \$50.00 (Fifty Dollars) must be paid at the time application is submitted
- Drawing showing requested variance, with dimensions

Date: 9/6/2022

Name of Applicant: OHOS Development, LLC

Address: 929 Washington Avenue, Ocean Springs, MS 39564

Phone No. 228-365-2915

Email Address: joropesa@oroconllc.com

.....
Parcel Identification Number: 60119358.000

Property Owner (if different from Applicant): _____

Property Location for the Variance: 1515 Government Street

Type of Variance(s) Requested (setback, height, zoning extension, parking, etc.) _____

Front Setback. Dumpster Enclosure Setback. Drive Aisle Width

The purpose of this variance is to consider an application to allow: _____

Front setback of 12' along Government Street

Front setback of 7' along General Pershing Avenue

Dumpster Enclosure setback of 44.75' from residential property on General Pershing

Drive Aisle width of 22' in parking garage.

Provide justification of the variance request. Justification must include exceptional narrowness, shallowness, shape of a specific piece of property, exceptional topographical conditions, or other extraordinary situation or condition for a specific piece of property.

Front setback variances are requested to maintain distance from balconies to overhead

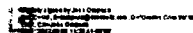
electrical facilities, allow for outdoor seating and pedestrian flow, and allow for ingress/

egress from parking garage. Dumpster setback is requested due to narrow ROW width.

Drive Aisle width is requested due to national parking garage standards and an effort to

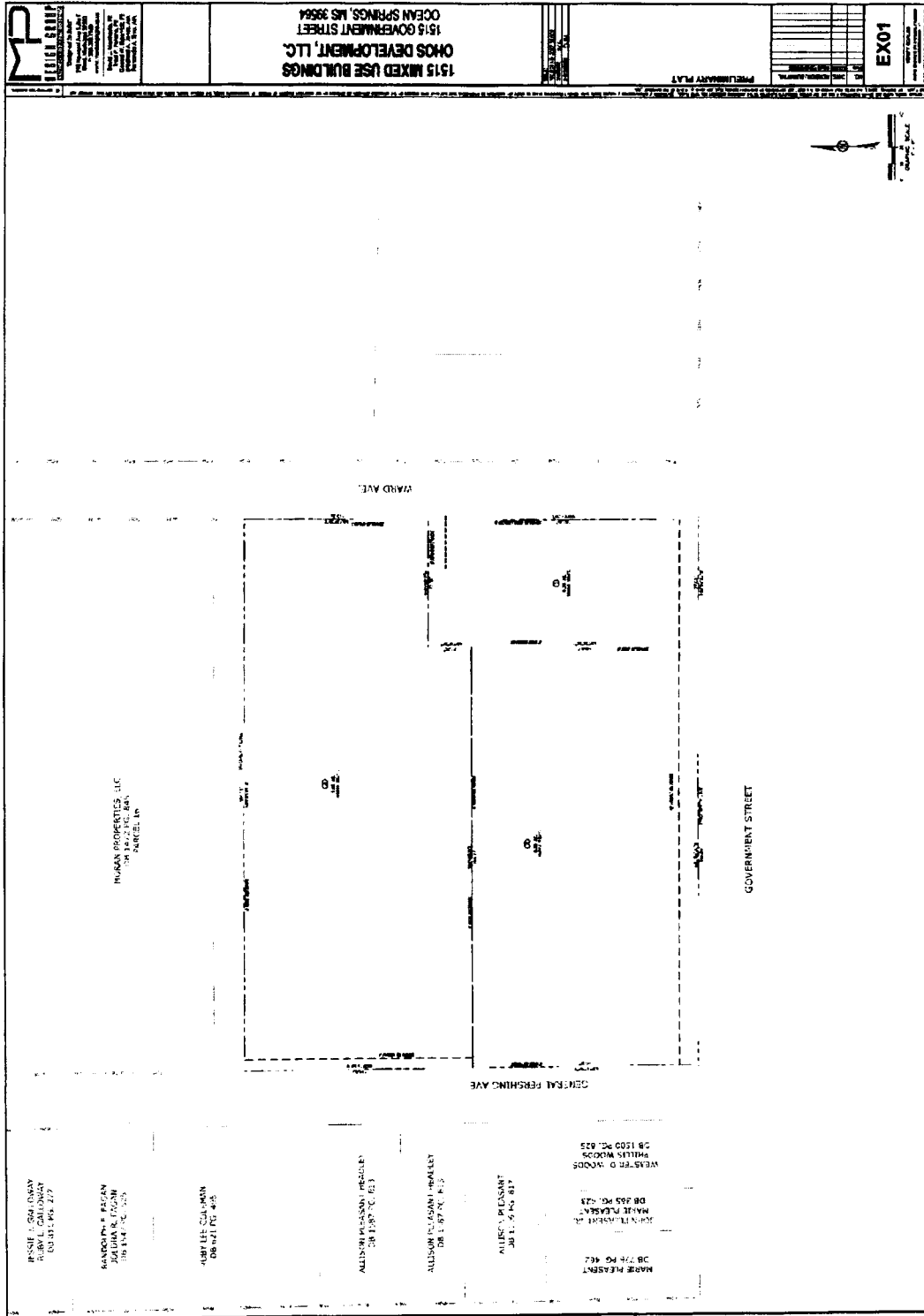
maximize the amount of off-street parking delivered.

Applicant Signature: John Oropesa

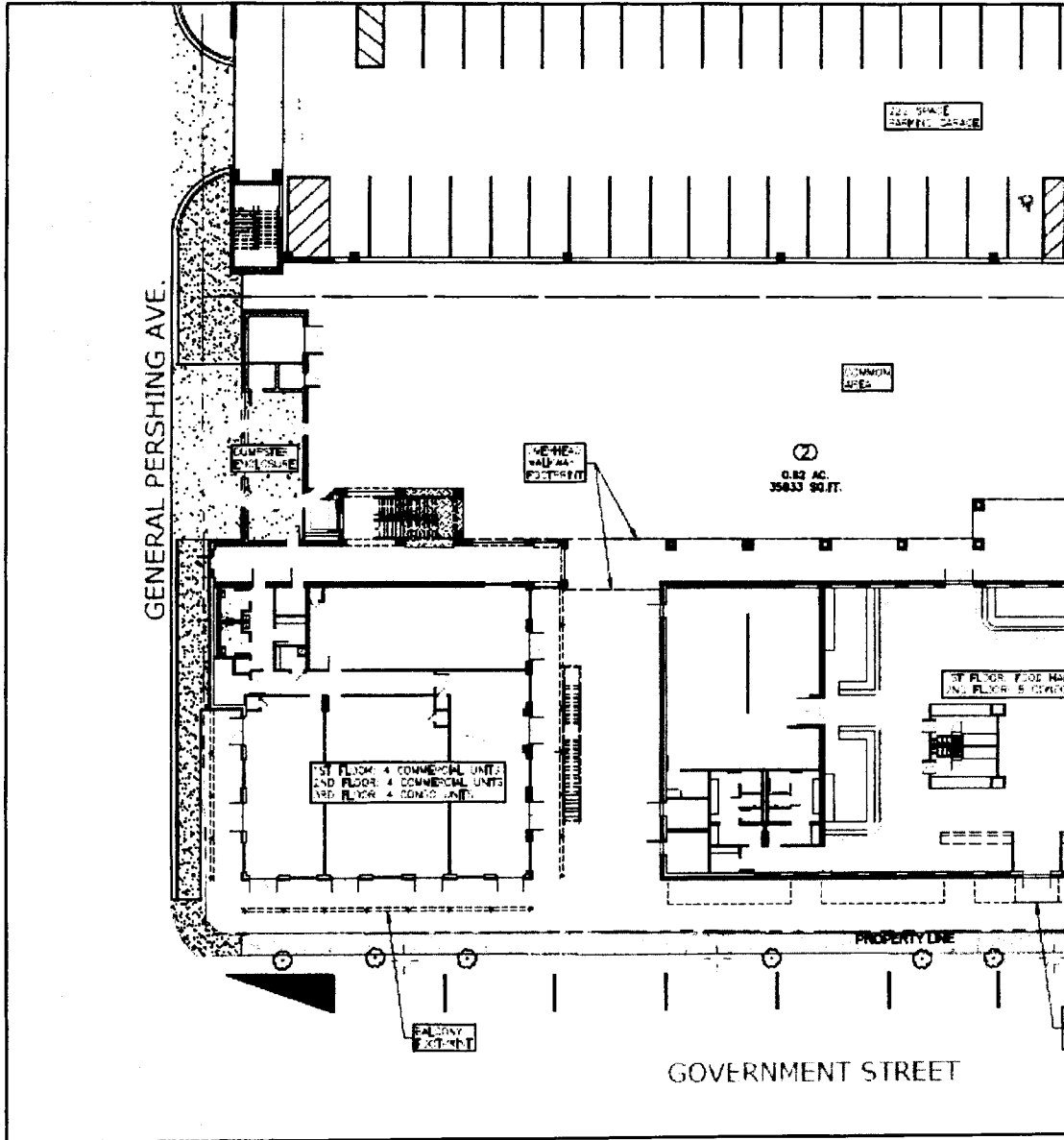


Date 9/6/2022

APPLICANT'S SITE PLAN:



DUMPSTER ENCLOSURE LOCATION:



Amanda Moser

From: Ally Headley [REDACTED]
Sent: Monday, October 10, 2022 2:35 PM
To: Amanda Moser
Cc: Amanda Moser
Subject: Public Notice- 1515 Government Street

I oppose the variances requested for 1515 Government Street, to locate dumpsters and to build a parking garage with entry/exit in a residential area. The previous Plans and Studies - City of Ocean Springs shows the location of the garage on the East side of the subject property line, which is more of a fit, since there is commercial property on the east side.

Additionally, the existing drainage issues on General Pershing Ave, the West side of 1515 Government Street property, should be addressed as a part of any infrastructure improvements of 1515 Government St. to avoid water runoff from the subject property and compounding an already existing issue of poor drainage in this area that has yet to be remedied.

Allison Headley

From: [ursula.monroe](#)
To: [Amanda Moser](#)
Subject: OHOS Development - 1515 Government Street/PID# 60119358.000
Date: Monday, October 10, 2022 2:19:43 PM

I'm the property owner of 811 General Pershing and am opposed to the dumpster enclosure being placed on the residential side of this project.

Ursula & Christopher Monroe



REGULAR MEETING OF NOVEMBER 1, 2022

Be it remembered that the Mayor and Board of Aldermen of the City of Ocean Springs met in a Regular Meeting at City Hall in the City of Ocean Springs at 6:00 p.m. on November 1, 2022. Mayor Holloway presided, and Aldermen Burgess, Authement, Wade, Cox, Papania, Blackman, and Impey were present. Also present were City Attorney Robert Wilkinson, City Clerk Patty Gaston, Deputy City Clerk Vicky Hupe, Police Chief Mark Dunston, Fire Chief Derek McCoy, Building Official Darrell Stringfellow, Public Works Director Allan Ladnier, Planning & Grants Administrator Carolyn Martin, Parks & Recreation Director Stephen Glorioso, and Project Manager Sarah Harris.

The Mayor called the meeting to order.

A motion was made by Alderman Authement, seconded by Alderman Blackman, and unanimously carried to accept the agenda.

Dr. Mike Barnett from First Baptist Church gave the invocation and Alderman Blackman led the Pledge of Allegiance.

PROCLAMATION & PRESENTATION

The Mayor's Youth Council President, RJ Davis, accepted the "November 2022 Lung Cancer Awareness Month" proclamation (Exhibit 3-a).

Hailey Martin presented the Board with a sample ordinance to make Ocean Springs a smoke-free healthy hometown (Exhibit 3-b). She requested the Board pass a comprehensive ordinance for Ocean Springs to be smoke-free in all indoor establishments.

PUBLIC HEARINGS

Item 4-a) A motion was made by Alderman Wade, seconded by Alderman Blackman, and unanimously carried to open the public hearing regarding 1515 Government Street PID #60119358.000 request of approval of the Sketch Plat of a minor subdivision of three lots (Exhibit 4-a).

The Planning & Grants Administrator said by dividing the property known as the Swingster property into three lots it will be classified as a minor subdivision, and they are requesting to do so for ownership purposes for the different buildings. She said one parcel will be a 3-story hotel, the second will be for a mixed-use structure with condominiums and restaurants, and the final lot will have a 222-space parking garage

and 16-space surface parking. She said the Planning Commission recommended approval as presented.

Jack Schmitt with MP Design Group spoke in favor of the development.

A motion was made by Alderman Authement, seconded by Alderman Wade, and unanimously carried to close the public hearing.

A motion was made by Alderman Authement and seconded by Alderman Cox to approve 1515 Government Street PID #60119358.000 Sketch Plat of a minor subdivision of three lots. Alderman Blackman recused himself from the vote. The motion carried with Aldermen Burgess, Authement, Wade, Cox, Papania, and Impey voting aye.

Item 4-b) A motion was made by Alderman Cox, seconded by Alderman Authement, and unanimously carried to open the public hearing regarding 1210 Harbor Drive PID #60124990.010 request of approval of a Conditional Use Permit (CUP) to allow the expansion of a single-family dwelling in the C-M Commercial Marina District (Exhibit 4-b).

The Planning & Grants Administrator explained the property is along the harbor zoned C-M but is currently used as a Residential Single Family. Because it is a legal, non-conforming use, expansion of the footprint requires a CUP to remain. She said the Planning Commission recommended approval.

No public comment for or against.

A motion was made by Alderman Cox, seconded by Alderman Blackman, and unanimously carried to close the public hearing.

A motion was made by Alderman Authement, seconded by Alderman Wade, and unanimously carried to approve the Conditional Use Permit (CUP) to allow the expansion of a single-family dwelling in the C-M Commercial Marina District at 1210 Harbor Drive PID #60124990.010.

Item 4-c) A motion was made by Alderman Cox, seconded by Alderman Wade, and unanimously carried to open the public hearing regarding 3074 Government Street PID #60128041.000 & 60128041.010 requesting zoning changes - PID #60128041.000 change to C-H Regional Commercial District, and PID #60128041.010 change to CMX-1 Neighborhood Commercial/Mixed Use District (Exhibit 4-c).

The Planning & Grants Administrator said the zoning change would be consistent with the surrounding area. She said the Planning Commission recommended approval of PID #60128041.000. She said the Planning Commission recommends approval with the



P.O. Box 1762
Ocean Springs, MS 39564
Phone: 228-875-4200

1017 Porter Avenue
Ocean Springs, MS 39564
Fax: 228-875-4249

Kenny Holloway
Mayor
228-875-6722

Bobby Cox
Alderman at Large

Jennifer Burgess
Alderman Ward 1

Rickey Authament
Alderman Ward 2

Kevin Wade
Alderman Ward 3

Ken Papania
Alderman Ward 4

Robert Blackman
Alderman Ward 5

Michael (Mike) Impey II
Alderman Ward 6

City Hall
228-875-4200

Police Department
228-875-2211

Fire Department
228-875-4000

Public Works
228-875-2955

Water Department
228-875-4176

Community Development
and Planning
228-875-4411

Business Development
228-875-4176

Human Resources
and Risk Management
228-875-4176

Park and Recreation
228-875-4176



MEMORANDUM

To: Honorable Mayor and Board of Aldermen

From: Carolyn Martin, Planning & Grants Administrator
Wade Morgan, AICP, City Planner

Date: November 1, 2022

Re: PUBLIC HEARING -

PLANNING COMMISSION: 1515 Government St. / PID#: 60119358.000
Request approval of the Sketch Plat of a minor subdivision of three (3) lots.
OHOS Development, LLC – applicant

The Planning Commission (PC) considered the request described above at its regular meeting on Tuesday, October 11, 2022. The specific proposal is for approval of a Sketch Plat for a minor subdivision of three (3) lots. The subdivision will allow each of the lots and associated buildings to be independently owned.

The applicant proposes to create three (3) lots for a proposed mixed-use development:

- **Lot 1** – 12,943 sq. ft. (0.30 ac.) – three (3) story hotel;
- **Lot 2** – 35,833 sq. ft. (0.82 ac.) – food hall (ground floor), eight (8) multi-family condominium units (2nd floor) and common area;
- **Lot 3** – 44,844 sq. ft. (1.03 ac.) – parking garage and surface parking.

The PC members considered the presentations made by the applicant as well as area property representatives who pointed out that the narrow widths of Ward and General Pershing could create difficulties for vehicle maneuvering and on-street parking. The applicant's consultant noted that they had done extensive research into the access needs of delivery trucks with trailers.

A motion was made to recommend approval of the subdivision sketch plat. The motion passed unanimously with all members present voting YES and one member ABSENT.

Documentation related to the application is attached.

EXHIBIT # 4-a

CITY OF OCEAN SPRINGS
COMMUNITY DEVELOPMENT AND PLANNING
POST OFFICE BOX 1800
OCEAN SPRINGS, MS 39566-1800
228-875-4415

PLANNING COMMISSION REPORT
— PUBLIC HEARING —

PUBLIC MEETING DATE: October 11, 2022

APPLICANT(S): OHOS Development, LLC

CURRENT OWNER? Yes No

If No, - List Current Owner:

LOCATION: 1515 Government Street / PID#: 6119358.000

REQUESTED ACTION: Sketch Plat approval of a minor subdivision of three (3) lots.

DATE OF APPLICATION: September 6, 2022

ADJACENT ZONING AND LAND USE:

Subject Property: CMX-2 Community Commercial/ Mixed Use District (Downtown Overlay District, Government Street Sub-area) – undeveloped parcel, partially paved;

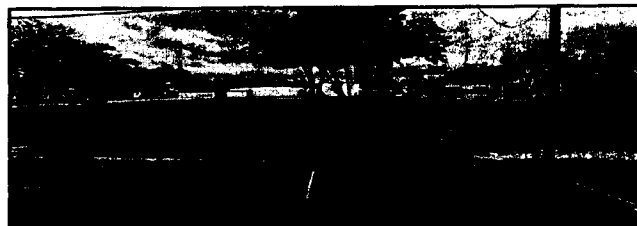
North: M-1, Manufacturing, Warehousing, & Services District – building materials warehouse (OS Lumber);

East: across Ward Avenue, M-1, Manufacturing, Warehousing, & Services District – restaurant, building materials store (OS Lumber);

South: Across Government Street, CMX-1, Neighborhood Commercial / Mixed Use District – small retail establishments and offices;

West: Across General Pershing Avenue, CMX-1, Neighborhood Commercial / Mixed Use District – restaurant and tire store; and R-D Two-Family Residential District – single-family dwellings.

CURRENT CONDITIONS:



DESCRIPTION OF REQUEST:

- The applicant proposes to create three (3) lots for the proposed mixed use development.
 - Lot 1 – 12,943 sq. ft. (0.30 ac.) – three (3) story hotel;
 - Lot 2 – 35,833 sq. ft. (0.82 ac.) – food hall (ground floor), eight (8) multi-family condominium units (2nd floor) and common area;
 - Lot 3 – 44,844 sq. ft. (1.03 ac.) – parking garage and surface parking.
- The subdivision will allow each of the lots and associated buildings to be independently owned.
- An application for variances from the building setback, dumpster location and drive aisle width requirements has been filed for the October Zoning Adjustment Board (ZAB) meeting.

FINDINGS:

- The property is the site of the former Swingster building, which was demolished in 2016. It was rezoned from the M-1, Manufacturing, Warehousing, & Services District to the CMX-2, Community Commercial / Mixed Use District in 2016.
- The proposed mixed-use development will be reviewed through the City’s administrative Design Review process for compliance with the appropriate Unified Development Code (UDC) requirements and through the Building Permit review process.

CITY DEPARTMENT REVIEW COMMENTS:

- **PUBLIC WORKS – Water Dept.**
 - Water tap must be requested at the Public Works office at 228-875-3955. All costs associated with water tap are the responsibility of the homeowner/owner/developer.
 - Need 48-hr. notice before any work on water main.
 - Need a 72-hr. notice if road will be closed.
 - 3-inch water service needs to be 4-inch on C-900.
- **PUBLIC WORKS – Sewer Dept.**
 - Sewer tap must be requested at the Public Works office at 228-875-3955. All costs associated with sewer tap are the responsibility of the homeowner/owner/developer.
 - Any food service will require a grease trap.
 - Any existing sewer tap will be required to be capped or replaced.
 - Sheet C 650 manhole details Manhole Ring cover need to be Vulcan V-1600-3.
 - Existing manholes must be core drilled with rubber boot seal inside and out.
 - Engineering must approve the grease trap size 4000 gallons.
 - The two (2) existing taps are marked out on Ward Avenue that will need to be capped off.
- **PUBLIC WORKS – Drainage/Street Dept.**
 - Will the surrounding drainage need to be upgraded?

OTHER FEEDBACK:

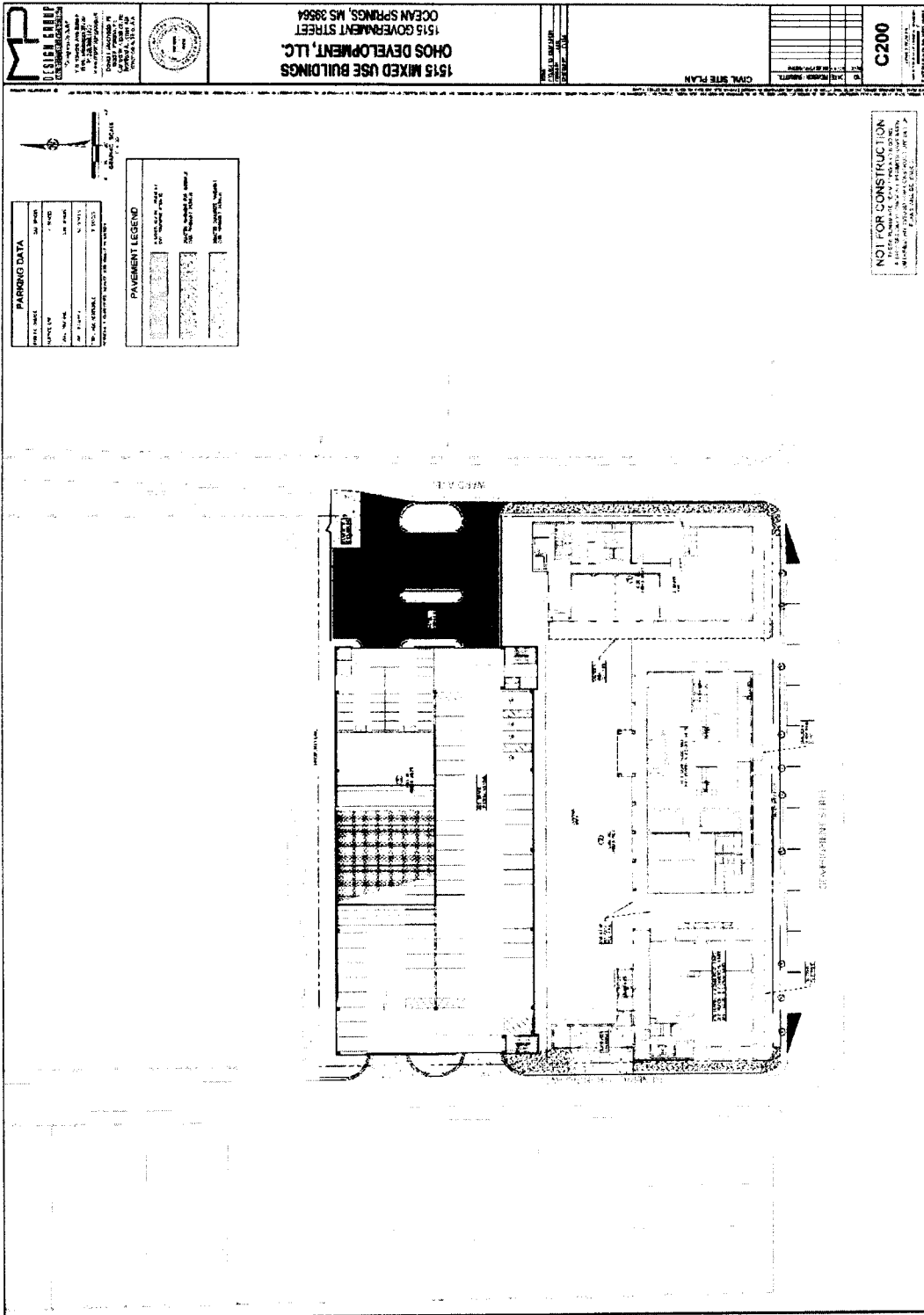
- No written public input has been received on this application.

STAFF CONCLUSION:

- The proposed subdivision and lots comply with the CMX-2, Community Commercial / Mixed Use District and Downtown Overlay District requirements.

MOTION: To recommend approval of the subdivision of 1515 Government Street, as shown on the sketch plat filed with the application.

PROPOSED SITE PLAN



PARKING DATA

PROJECT NAME	DATE
DESIGNER	SCALE
CLIENT	PROJECT NO.
DATE	PROJECT

PAVEMENT LEGEND

[Symbol]	ASPHALT
[Symbol]	CONCRETE
[Symbol]	GRAVEL
[Symbol]	OTHER



OHOS DEVELOPMENT, LLC
 1515 GOVERNMENT STREET
 OCEAN SPRINGS, MS 39564

CIVIL SITE PLAN

NO. OF SHEETS	1
TOTAL SHEETS	1
DATE	10/15/2014
PROJECT NO.	1515
PROJECT NAME	1515 MIXED USE BUILDINGS
CLIENT	OHOS DEVELOPMENT, LLC
DESIGNER	DESIGN GROUP, INC.
DATE	10/15/2014

C200

NOT FOR CONSTRUCTION
 THIS PLAN IS FOR PERMITTING PURPOSES ONLY.
 IT IS NOT TO BE USED FOR CONSTRUCTION.
 ANY CHANGES TO THIS PLAN MUST BE APPROVED BY THE DESIGNER.



OCEAN SPRINGS PLANNING COMMISSION
 PO Box 1800 / Ocean Springs, MS 39564
 228-875-4415 (Phone) / 228-872-5427 (fax)

APPLICATION: SUBDIVISION DEVELOPMENT

—Specific Requirements Outlined in Chapter 2 of the Unified Development Code—

SUBDIVISION TYPE: Minor (4 lots or less) Major (more than 4 lots)

Phase of Development: Sketch Plat Preliminary Plat Final Plat

Effective June 11, 2006, the following application fees apply:

	Minor S/D	Major S/D
Sketch Plat	\$ 250	\$ 300
Preliminary Plat	\$ 250 + \$ 50/lot	\$ 250 + \$ 50/lot
Final Plat	\$ 250 + \$ 50/lot	\$ 250 + \$ 50/lot

Application Fee Required*: _____ *Does not include mail fee, to be determined by City.

Standard mail fee required for notification of property owners within 500' of applicant property. Exact fee to be determined by City, based on current postage rates.

Application Date: 9/7/2022 (Applications are due by the 7th of each month.)

Applicant Information

Name of Subdivision:	<u>1515 Government Street</u>
Address of Original Parcel(s):	<u>1515 Government Street, Ocean Springs, MS 39564</u>
Parcel ID(s):	<u>60119358.000</u>

- | | | |
|---------------------|---|--|
| 1. Applicant: | <u>OHOS Development, LLC</u> | Phone <u>228-291-9588</u> |
| Address | <u>929 Washington Avenue, Ocean Springs, MS 39564</u> | Email <u>erich@nine29.co</u> |
| 2. Local Agent: | _____ | Phone _____ |
| Address | _____ | Email _____ |
| 3. Owner of Record: | <u>OHOS Development, LLC</u> | Phone <u>228-365-2915</u> |
| Address | <u>929 Washington Avenue, Ocean Springs, MS 39564</u> | Email <u>joropesa@oroconllc.com</u> |
| 4. Engineer: | <u>MP Design Group</u> | Phone <u>228-388-1950</u> |
| Address | <u>918 Howard Avenue, Biloxi, MS 39530</u> | Email <u>jschmidt@mpdesigngroup.us</u> |
| 5. Land Surveyor: | <u>MP Design Group</u> | Phone <u>228-388-1950</u> |
| Address | <u>918 Howard Avenue, Biloxi, MS 39530</u> | Email <u>jbooth@mpdesigngroup.us</u> |
| 6. Attorney: | _____ | Phone _____ |
| Address | _____ | Email _____ |

Attach Appropriate Checklist for Requested Phase of Review

Property Information

1. Tax Map Designation: Section 19 Township: 7S Range: 8W
2. Proposed Subdivision Location: On the North side of Government Street (street)
700 (distance in feet) South (relative direction) of Bienville Boulevard (street)
3. List all contiguous holdings in the same ownership:
Section N/A Lot(s) N/A
4. Zoning of Parcel(s): CMX-2 5. Total Acreage: 2.15
6. Smallest Lot Size: 0.30 7. Proposed # of Lots: 3
9. Is the property located within a special district? (historic district, waterview preservation, or other designated overlay district, etc.) Downtown overlay
11. Does the property include any wetlands? If so, include professional wetland delineation. N/A
12. Has any lot included in this request been previously split or reconfigured, to your knowledge? No
13. Are there any easements or other legal restrictions on the property? If so, please explain. NO
14. Are there any existing structures on the property? If so, will they be kept or demolished? No

Proposed Subdivision Information

15. Is the subdivision infrastructure proposed to be: PUBLIC or PRIVATE?
16. Are any commercial or multi-use activities proposed? Yes No
If so, please describe: Hotel, Food Hall, Parking Garage, Condominiums, and Retail Space
17. Are any variances being requested for the proposed subdivision? If so, please explain.
Front Setback, Dumpster Setback, Drive Aisle Width for Parking Garage
18. Have there been any variances, exceptions, appeals or special uses granted for any properties in this request?
 Yes No If yes, please explain and state the date(s) of approval: _____
19. Is any open space or common area included in this subdivision? (Include any bus stops.) Yes No
If yes, please describe: Common Space consists of courtyard in the center of the development
20. Is the subdivision ingress/egress onto a "major" road, as classified by the City? Yes No
21. *Complete where applicable:*
For Preliminary Plat: Date SKETCH PLAT was approved by Board of Aldermen: _____
For Final Plat: Date PRELIMINARY PLAT was approved by Board of Aldermen: _____
 - Were any changes made subsequent to preliminary plat approval? Yes No
If yes, please describe: _____
 - Does this final plat request include the entire area approved in the preliminary plat? Yes No

Notes and Next Steps for each phase are provided on the REQUIRED checklists.

Affidavit of Ownership

Attached hereto is an affidavit of ownership indicating the dates the respective holdings of land were acquired, together with the book and page of each conveyance into the present owner as recorded in the County Records of Deeds (Chancery Clerk) office. This affidavit shall indicate the legal ownership of the property, the contract owner of the property, and the date the contract of sale was executed.

I, (print name) OHOS Development, LLC, hereby certify that:

1. I am the owner of the property that is the subject of this application and that I have read and understand the requirements as outlined in the application.
2. There are no outstanding City of Ocean Springs property taxes or special assessments on the original parcel(s).

I further acknowledge that the information provided herein is true and correct to the best of my knowledge.

Owner(s) Name: OHOS Development, LLC Parcel ID(s): 60119358.000

Date Property Acquired Date: _____ Book and Page of Each Conveyance: _____

Owner's Signature [Signature] Date: 9/6/22

NOTE: If corporate ownership, attach a list of all directors, officers, stockholders of each corporation owning more than 5% of any class of stock.

STATE OF MISSISSIPPI

COUNTY OF HARRISON

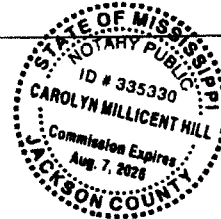
I JOHN ORO PESA, hereby depose and say that all the above statements and the statements contained in the papers submitted herewith are true.

Mailing Address P.O. Box 785 BILOXI, MS 39533

Subscribed and sworn before me this 12th day of SEPTEMBER, 2022

My Commission expires: AUGUST 7, 2026

Carolyn Hill



- n) Accept Code Enforcement Report through March 2, 2023 (Exhibit 7-n)
- o) Accept Tree Department Recommendations – Tree Applications through March 2, 2023 (Exhibit 7-o)

Item 7-h was pulled to remove Asset #7651 Dell desktop from the surplus list. A motion was made by Alderman Impey, seconded by Alderman Cox, and unanimously carried to authorize to declare the list of items included in the exhibit, excluding Asset #7651, as surplus property, no value to the City, remove from City inventory and send to AGJ to be destroyed (Exhibit 7-h).

DEPARTMENT REPORTS

Mayor:

A motion was made by Alderman Authement and seconded by Alderman Impey to adopt a Resolution setting the Public Hearing for the Tax Increment Financing Redevelopment Plan on March 21, 2023, along with the Redevelopment Plan and Exhibit 1 (Exhibit 8-a). The motion carries with a roll call vote as follows:

Alderman Burgess	Aye
Alderman Authement	Aye
Alderman Wade	Aye
Alderman Papania	Aye
Alderman Blackman	Aye
Alderman Impey	Aye
Alderman Cox	Aye

Chris Gouras, on behalf of OHOS Development LLC, spoke about the project at 1515 Government Street which will have a boutique hotel, restaurant and retail spaces, condominiums, and a parking garage with a budget of \$33 Million. He said the proposed development is projected to increase city taxes by \$32,000/year, \$94,000 in sales tax activity, \$56,000 in food & beverage tax, and \$49,000 in lodging tax. He requested the approval of the Resolution for the property to participate in the Tourism Tax Rebate Program. A motion was made by Alderman Authement and seconded by Alderman Impey to adopt a Resolution supporting the application of the developer of a downtown hotel under the Tourism Tax Rebate Program and acknowledging the diversion of sales tax in connection therewith (Exhibit 8-b). The motion carries with a roll call vote as follows:

Alderman Burgess	Aye
Alderman Authement	Aye
Alderman Wade	Aye
Alderman Papania	Aye
Alderman Blackman	Aye
Alderman Impey	Aye
Alderman Cox	Aye

- q. Accept resignation of Maintenance Foreman Brett Spicer, effective May 19, 2023; authorize to begin the process of filling the vacant position
- r. Authorize transfer of Equipment Operator Thomas Lizana to Mechanic, Step 3, \$17.57 hourly rate; effective May 29, 2023; six months probationary status; authorize to begin the process of filling the vacant position
- s. Accept resignation of Admin/Purchasing Asst Kendall Goller, effective May 26, 2023; authorize to begin the process of filling the vacant position

Planning Commission:

- t. Approve a lot split at 321 Cleveland Ave., Parcel No.: 60225400.000 – Applicant: Charles Jeffrey Thompson
- u. Approve the Final Plat of the 1515 Government Street Subdivision, a minor subdivision of three (3) lots – Applicant: OHOS Development, LLC

Grants Administration:

- v. Concur with Recommendation for Construction Engineering & Inspection (CE&I) Services by Brown, Mitchell, & Alexander, Inc. - Government Street Improvement Project – Phase 2 – Project No. STP-9064-00(010) LPA/106375

Historic Preservation Commission:

- w. Approve Certificate of Appropriateness to paint the house exterior – 1102 Bowen Ave., Parcel No.: 60137452.000 – Applicants: Charles Christopher and Mary Ashbaker
- x. Approve the Certificate of Appropriateness to construct fences along the rear and front property lines – 617 Bellande Ave., Parcel No.: 60137448.000 – Applicants: Katherine Segarra and J. B. Segarra

Building Department:

- y. Accept Building Official Tree Recommendations - Tree applications through May 11, 2023

A motion was made by Alderman Authement, seconded by Alderman Wade, and unanimously carried to approve item 7-y with the contingent approval of the Bienville Blvd. application that all trees on the application will be approved if the submitted plans and the Building Official determine they are in the building footprint.

- z. Accept Building Permit Report for April 2023
- aa. Accept Code Report through May 11, 2023

DEPARTMENT REPORTS

- a. City Clerk: Authorize the adjustment of water/sewer accounts due to finding that the customer did not receive the benefit of the utility and the excess usage was due to unforeseen circumstances.



OCEAN SPRINGS
MISSISSIPPI

Kenny Holloway | Mayor
Bobby Cox | Alderman at Large
Jennifer Burgess | Alderman Ward 1
Rickey Authement | Alderman Ward 2

Kevin Wade | Alderman Ward 3
Ken Papania | Alderman Ward 4
Robert Blackman | Alderman Ward 5
Michael Impey, II | Alderman Ward 6



228.875.4236 | www.oceansprings-ms.gov

MEMORANDUM

To: Mayor & Board of Alderman
From: Carolyn Martin, Planning & Grants Admin
Wade Morgan, Planner
Re: Approve the Final Plat of the 1515 Government Street Subdivision, a minor subdivision of three (3) lots – Applicant: OHOS Development, LLC
Section: CONSENT AGENDA
Meeting Date: May 16, 2023

The Planning Commission (PC) considered the request described above at its regular meeting on Tuesday, May 9, 2023. The applicant requests approval of the Final Plat that will create three (3) lots for the proposed 1515 Government mixed-use development.

- Lot 1 – 12,943 sq. ft. (0.30 ac.) – three (3) story hotel;
- Lot 2 – 35,833 sq. ft. (0.82 ac.) – food hall (ground floor), eight (8) multi-family condominium units (2nd floor) and common area;
- Lot 3 – 44,844 sq. ft. (1.03 ac.) – parking garage and surface parking.

The subdivision will allow each of the lots and associated buildings to be independently owned and independently permitted.

The PC members considered the report from the staff and the plat provided by the applicant. A motion to recommend approval of the request passed with 4 members voting YES and 3 members ABSENT.

CITY OF OCEAN SPRINGS
COMMUNITY DEVELOPMENT AND PLANNING
POST OFFICE BOX 1800
OCEAN SPRINGS, MS 39566-1800
228-875-4415

PLANNING COMMISSION REPORT

PUBLIC MEETING DATE: May 9, 2023

APPLICANT(S): OHOS Development, LLC

CURRENT OWNER? Yes No

If No, - List Current Owner:

LOCATION: 1515 Government Street / PID#: 6119358.000

REQUESTED ACTION: Approval of the Final Plat the 1515 Government Street Subdivision, a minor subdivision of three (3) lots.

DATE OF APPLICATION: March 24, 2023

ADJACENT ZONING AND LAND USE:

Subject Property: CMX-2 Community Commercial/ Mixed Use District (Downtown Overlay District, Government Street Sub-area) – undeveloped parcel, partially paved;

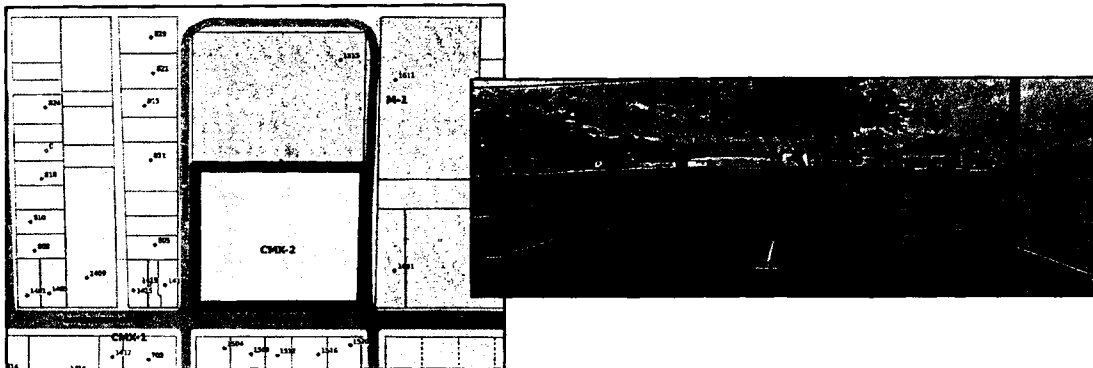
North: M-1, Manufacturing, Warehousing, & Services District – building materials warehouse (OS Lumber);

East: across Ward Avenue, M-1, Manufacturing, Warehousing, & Services District – restaurant, building materials store (OS Lumber);

South: Across Government Street, CMX-1, Neighborhood Commercial / Mixed Use District – small retail establishments and offices;

West: Across General Pershing Avenue, CMX-1, Neighborhood Commercial / Mixed Use District – restaurant and tire store; and R-D Two-Family Residential District – single-family dwellings.

CURRENT CONDITIONS:



CITY DEPARTMENT REVIEW COMMENTS:

- **PUBLIC WORKS – Water Dept.**
 - Water tap must be requested at the Public Works office at 228-875-3955. All costs associated with water tap are the responsibility of the homeowner/owner/developer.
 - Need 48-hr. notice before any work on water main.
 - Need a 72-hr. notice if road will be closed.
- **PUBLIC WORKS – Sewer Dept.**
 - Sewer tap must be requested at the Public Works office at 228-875-3955. All costs associated with sewer tap are the responsibility of the homeowner/owner/developer.
 - Any food service will require a grease trap.
 - Any existing sewer tap will be required to be capped or replaced.
 - Sheet C 650 manhole details Manhole Ring cover need to be Vulcan V-1600-3.
 - Existing manholes must be core drilled with rubber boot seal inside and out.
 - Engineering must approve the grease trap size 4000 gallons.
 - The two (2) existing taps are marked out on Ward Avenue that will need to be capped off.
- **PUBLIC WORKS – Drainage/Street Dept.**
 - None.

OTHER FEEDBACK:

- No written public input has been received on this application.

STAFF CONCLUSION:

- The proposed subdivision final plat complies with the CMX-2, Community Commercial / Mixed Use District and Downtown Overlay District requirements and the final plat requirements.

MOTION: To recommend approval of the final plat of 1515 Government Street Subdivision, as shown on the plat filed with the application.

- a. Adopt Ordinance: an amended Ordinance enlarging, extending, and defining the corporate limits and boundaries of the City of Ocean Springs, Jackson County, Mississippi; specifying the improvements to be made in the annexed territory and the municipal or public services to be rendered therein; and for other purposes related thereto

Item addressed after Mayor and Aldermen's Forum.

- b. Adopt Resolution declaring the intention of the City of Ocean Springs, Mississippi, to issue tax increment financing bonds of said city to finance the cost of installing and constructing certain infrastructure improvements in connection with the redevelopment of 1515 Government Street and related improvements within said City in accordance with the authority granted to municipalities by the legislature with respect to tax increment financing as set forth in Chapter 45 of Title 21, Mississippi Code of 1972, as amended; finding and determining that such project is a project eligible for tax increment financing in accordance with said act; and for related purposes

A motion was made by Alderman Authement and seconded by Alderman Papania to adopt a Resolution declaring the intention of the City of Ocean Springs, Mississippi, to issue tax increment financing bonds of said city to finance the cost of installing and constructing certain infrastructure improvements in connection with the redevelopment of 1515 Government Street and related improvements within said City in accordance with the authority granted to municipalities by the legislature with respect to tax increment financing as set forth in Chapter 45 of Title 21, Mississippi Code of 1972, as amended; finding and determining that such project is a project eligible for tax increment financing in accordance with said act; and for related purposes, and set the public hearing for July 18th. The motion carried with a roll call vote as follows:

Aye: Alderman Burgess, Alderman Authement, Alderman Wade, Alderman Papania, Alderman Blackman, Alderman Impey, Alderman Cox

Nay: None

- c. Weapons Policy discussion - City Attorney

Alderman Cox said a weapons policy is not needed due to already established state regulations and requested the policy be dropped. A motion was made by Alderman Cox and seconded by Alderman Authement to not move forward with the Weapons Policy. The motion carried with Aldermen Authement, Wade, Papania, Blackman, Impey, and Cox voting aye and Alderman Burgess voting nay.

The Mayor and Board of Aldermen (the "Governing Body") of the City of Ocean Springs, Mississippi (the "City"), took up for consideration the following resolution:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF OCEAN SPRINGS, MISSISSIPPI, DECLARING THE INTENTION OF THE CITY OF OCEAN SPRINGS, MISSISSIPPI, TO ISSUE TAX INCREMENT FINANCING BONDS OF SAID CITY TO FINANCE THE COST OF INSTALLING AND CONSTRUCTING CERTAIN INFRASTRUCTURE IMPROVEMENTS IN CONNECTION WITH THE REDEVELOPMENT OF 1515 GOVERNMENT STREET AND RELATED IMPROVEMENTS WITHIN SAID CITY IN ACCORDANCE WITH THE AUTHORITY GRANTED TO MUNICIPALITIES BY THE LEGISLATURE WITH RESPECT TO TAX INCREMENT FINANCING AS SET FORTH IN CHAPTER 45 OF TITLE 21, MISSISSIPPI CODE OF 1972, AS AMENDED; FINDING AND DETERMINING THAT SUCH PROJECT IS A PROJECT ELIGIBLE FOR TAX INCREMENT FINANCING IN ACCORDANCE WITH SAID ACT; AND FOR RELATED PURPOSES.

WHEREAS, the Mississippi "Tax Increment Financing Act", Title 21, Chapter 45, Mississippi Code of 1972, as amended (the "TIF Act"), authorizes municipalities and counties in the State of Mississippi to undertake and carry out redevelopment projects, as defined therein, with the use of Tax Increment Financing ("TIF"), and also to carry out such projects jointly with other local governmental units pursuant to the Interlocal Cooperation Act, Title 17, Chapter 13, Mississippi Code of 1972, as amended (the "Interlocal Act") or pursuant to the Regional Economic Development Act, Title 57, Chapter 64, Mississippi Code, as amended from time to time (the "REDA Act"); and

WHEREAS, the Governing Body of the City, acting for and on behalf of the City, is authorized by the TIF Act to undertake redevelopment projects, including, but not limited to, the acquisition of project areas within the City, the removal of existing buildings and other improvements upon such project areas, the installation, construction or reconstruction of streets, utilities, storm drainage, sidewalks, and other site improvements on such project areas and areas in support of the project and/or preparatory work incidental thereto in order to encourage private development within the City; and

WHEREAS, the Governing Body, acting for and on behalf of the City, is also authorized by the TIF Act to issue tax increment financing bonds to finance such redevelopment projects; and

WHEREAS OHOS Development, LLC (the "Developer") proposes to develop a mixed-use tourism destination consisting of a boutique hotel and restaurant, parking garage, food hall, retail and condominiums (the "Project") on 2.1-acres off 1515 Government Street (the "TIF District"), said all as described in the document entitled *Tax Increment Financing Plan for 1515 Government Street, City of Ocean Springs, June 2023* (as attached hereto as Exhibit A, the "TIF Plan"); and

WHEREAS, The City intends to support the Project and to allow proceeds from bonds issued pursuant to the TIF Plan to be used for the cost of the planning, design, construction and

financing of the required on-site and off-site improvements, including, but not limited to, installation of utilities such as domestic water, fire suppression water, sanitary sewer, storm drainage, electricity, natural gas and telecommunication facilities, site improvements, parking facilities, and construction of commercial roads and streets with curb and gutter, sidewalks, traffic signalization, signage, lighting and landscaping, and such other required, related and incidental costs necessary or advisable for any of same, all in order to encourage, accommodate and facilitate the successful construction, development and operation of the Project (all collectively, the "Infrastructure Improvements"); and

WHEREAS, the Developer is requesting the assistance of the City in providing funding for the Infrastructure Improvements and related costs by the utilization of tax increment financing pursuant to the TIF Act; and

WHEREAS, it is anticipated that there will be substantial increases in ad valorem taxes of the City and Jackson County (the "County"), City sales tax rebates and special sales taxes generated by and within the TIF District during the next several years as a result of the construction of the Project that TIF Bonds may be sold and issued at a time or times in the reasonably near future as a result of such development; and

WHEREAS, the Governing Body has identified various parts of the City in need of development and redevelopment and does hereby find that the Project is a project of major economic significance within the City and qualifies as a project eligible for TIF as set forth in the TIF Act, and participation on the part of the City is necessary and would be in the public interest and in the best interest of the public health, safety, morals, and welfare of the City; and

WHEREAS, as will be more particularly described in the TIF Plan for the Project, a portion of the Infrastructure Improvements may be constructed on the privately-owned portion of the Project or adjacent thereto and will not be conveyed or dedicated to the City upon completion of the Project; and

WHEREAS, it is in the best interest of the City that the Infrastructure Improvements, if any, constructed on the privately-owned portion of the Project not be conveyed or dedicated to the City; and

WHEREAS, the City proposes to issue TIF bonds, notes or other debt instruments not to exceed One Million Dollars (\$1,000,000) (the "TIF Bonds") for not less than a term of fifteen (15) years, said TIF bonds to be secured by a pledge 100% of the incremental increase in the City's sales tax rebates (except for any funds received by the City as a result of a special sales tax levy and except for any rebates diverted to the Tourism Project Sales Tax Incentive Fund and 100% of the increase in the City's real and personal property ad valorem tax revenues generated from the Project within the TIF District but excluding taxes for public school purposes, which shall not be pledged as security for the TIF Bonds (the "City Ad Valorem Tax Increment"). It is the intent of the City that proceeds from the TIF Bonds (when and if issued) will be used to defray the costs

of the Infrastructure Improvements and related cost of the Project after first paying the City's costs of issuance; and

WHEREAS, the principal amount of the TIF Bonds, if and when issued, will be determined based on the sum of (a) the City Ad Valorem Tax Increment, (b) 50% of the City Sales Tax Increment and (c) may include County participation as set forth in the TIF Plan.

WHEREAS, the City and the County may enter into a an Interlocal Agreement pursuant to the Interlocal Act to support the Project and to allow proceeds of the TIF Bonds to be used to pay the costs of the Project and to provide additional security for the TIF Bonds; and

WHEREAS, pursuant to the TIF Act, in order to proceed with the issuance of the TIF Bonds and reimbursing the developer for certain costs of the Infrastructure Improvements, it is necessary to hold a public hearing on the TIF plan as required by the TIF Act; and

WHEREAS, the Governing Body of the City reasonably expects that it will incur expenditures for the Project and the TIF Bonds prior to the issuance of the TIF Bonds, and that it should declare its official intent to reimburse itself for all or a portion of such expenditures of the Project and the TIF Bonds made in anticipation of the issuance of the TIF Bonds; and

WHEREAS, the Governing Body is authorized and empowered by the TIF Act to issue the TIF Bonds for the purposes as herein set forth, and there are no other available funds on hand or available from regular sources of income for such purposes.

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

Section 1. This Resolution is adopted by the Governing Body of the City pursuant to the TIF Act and all matters and things recited in the premises and preamble of this Resolution are found and determined to be true and accurate.

Section 2. That receipt of the *Tax Increment Financing Plan for 1515 Government Street, City of Ocean Springs, June 2023* is hereby acknowledged.

Section 3. Pursuant to Section 1.150-2 of the Treasury Regulations issued pursuant to the Internal Revenue Code of 1986, as amended (the "Reimbursement Regulations"), the Governing Body of the City hereby declares its official intent to reimburse expenditures made for the Project and the TIF Bonds prior to the issuance of the TIF Bonds, to the extent permitted by the Reimbursement Regulations and subject to the approval of the TIF District, the TIF Plan and a development agreement to be entered into between the City and the Developer. Said TIF Bonds may be sold and issued by the City in one or more series which may be taxable or tax exempt and will be issued pursuant to subsequent resolutions of the Governing Body; provided, however, issuance of the TIF Bonds will be subject to the Project's compliance with the TIF Act.

Section 4. The Governing Body does hereby find and determine that the Project is in the best interest of the City and its future development and that it is in the best interest of the City and the citizens of the City that the provisions of the TIF Act requiring dedication of the "redevelopment project" to the City not apply to those Infrastructure Improvements, if any, which are constructed on the privately owned portion of the Project and adjacent to the Project.

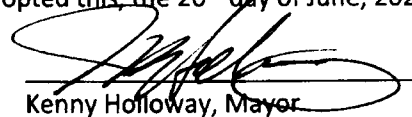
Section 5. That a public hearing shall be held with respect to the TIF Plan at the regular meeting place of the Governing Body at City Hall, 1018 Porter Avenue, Ocean Springs, MS 39564, at 6:00 PM on July 18, 2023

Section 6. That the Clerk is hereby directed to publish a notice of hearing, a sample of which is attached hereto in substantial form as Exhibit B in *The Sun Herald* one (1) time not less than ten (10) days nor more than twenty (20) days prior to the date established for the hearing.

Alderman Authement moved for the adoption of the resolution, and Alderman Papania seconded the motion for its adoption. The matter was then put to a roll call vote, and the result was as follows:

Alderman Jennifer Burgess	voted: <u>Aye</u>
Alderman Rickey Authement	voted: <u>Aye</u>
Alderman Kevin Wade	voted: <u>Aye</u>
Alderman Ken Papania	voted: <u>Aye</u>
Alderman Robert Blackman	voted: <u>Aye</u>
Alderman Michael Impey	voted: <u>Aye</u>
Alderman Bobby Cox	voted: <u>Aye</u>

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this, the 20th day of June, 2023.


Kenny Holloway, Mayor

ATTEST:


Patty Gaston, City Clerk



Exhibit A

**TIF Plan
(Attached)**



TAX INCREMENT FINANCING PLAN FOR
1515 GOVERNMENT STREET
CITY OF OCEAN SPRINGS, JACKSON COUNTY,
MISSISSIPPI, JUNE 2023

Prepared by:

GOURAS & ASSOCIATES

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Ridgeland, MS 39158
601-605-8128 P 601-605-8129 F
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christiana@gourasandassociates.com

**TAX INCREMENT FINANCING PLAN FOR 1515 GOVERNMENT STREET,
CITY OF CITY OF OCEAN SPRINGS, MISSISSIPPI, JUNE 2023**

ARTICLE I

A. PREAMBLE

1. The administration and implementation of this *Tax Increment Financing Plan for 1515 Government Street, City of Ocean Springs, Mississippi, June 2023* (the "TIF Plan") will be an undertaking of the City of Ocean Springs (the "City") authorized pursuant to Section 21-45-1 et seq., Mississippi Code of 1972, as amended (the "TIF Act"), Section 17-13-1 et seq., Mississippi Code of 1972, as amended (the "Interlocal Act"), and in accordance with the *Tax Increment Financing Redevelopment Plan for Ocean Springs, Mississippi, June 2023* (the "Redevelopment Plan") and will be administered and implemented as a joint undertaking of the City and Jackson County, Mississippi, (the "County").
2. The City and County will enter into an interlocal cooperation agreement which will designate the City as the primary party in interest in carrying the project forward. The issuance of bonds to provide funds to finance the costs of improvements identified in the TIF Plan will be a joint undertaking of the City and County whereby the City may issue tax increment financing bonds as authorized herein and by the TIF Act to finance the Project as more fully described herein (the "TIF Bonds"). The TIF Bonds authorized by this TIF Plan shall not exceed One Million Dollars (\$1,000,000) and shall be issued for a term not to exceed fifteen (15) years.
3. The Mayor and The Board of Alderman (the "Governing Body") do hereby find and determine that the Project is in the best interest of the City and its future development and that it is in the best interest of the City and its citizens that the provision of Section 21-45-9 of the Act requiring dedication of the "redevelopment project" to the City not apply to those improvements which are constructed on the privately owned portion of the Project (defined below).
4. OHOS Development, LLC (the "Developer") proposes to develop a mixed-use tourism destination in the heart of Ocean Springs. The 2.1-acre project consists of a boutique hotel and restaurant, parking garage, food hall, retail, and condominiums, located in the City's vibrant downtown (the "Project"). The proposed \$32.9MM Project is strategically located near existing shops and businesses, restaurants, and bars, along with recreational and cultural activities. The Project will be located in a "TIF District" more particularly described on Exhibit A here to and identified by the Tax Parcels set forth in Article VII of this TIF Plan.
5. The tax increment financing funds as identified herein will be used to defray the cost of all or a portion of the Infrastructure Improvements (defined below) to serve the

Project and the community as a whole.

6. The Developer has provided information to the City regarding the proposed site plan, the amount of the private investment, sales tax, ad valorem tax, and job creation projections. Estimates by the Developer of ad valorem taxes were made through consultation with the office of the Jackson County Tax Assessor.

B. STATEMENT OF INTENT

1. The City may issue the TIF Bonds pursuant to the authority outlined hereinabove in an amount not to exceed One Million Dollars (\$1,000,000) for a term not to exceed fifteen (15) years, which funds will be used to pay the cost of acquiring, installing or constructing various public or privately owned infrastructure improvements, including but not limited to, installation, rehabilitation and/or relocation of utilities such as water, sanitary sewer; construction, renovation, or rehabilitation of drainage improvements, roadways, curbs and gutters, sidewalks, site improvements, surface and structured parking, paving and other related parking lot improvements; relocation, acquisition or construction of electrical lines, lighting, signalization, buildings, and land, if necessary therefor; acquisition of land, structures or improvements within the TIF District necessary to the development of the Project; selling or leasing of property acquired by the City within the TIF District for not less than fair market value for uses in accordance with this TIF Plan; landscaping of rights-of way; for other purposes authorized pursuant to the TIF Act; related architectural and engineering fees, attorney's fees, TIF Plan preparation fees, issuance costs, capitalized interest, and other related soft costs, all as may be authorized by the TIF Act (collectively, the "Infrastructure Improvements"). The Infrastructure Improvements described herein above may be acquired, constructed or installed within the TIF District or land adjacent to and serving the TIF District.
2. As security for the TIF bonds the City will pledge 100% of the incremental increase in the City's sales tax rebates (except for any funds received by the City as a result of a special sales tax levy and except for any rebates diverted to the Tourism Project Sales Tax Incentive Fund¹ (the "City Sales Tax Increment") and the increase in the City's real and personal property ad valorem tax revenues generated from the Project within the TIF District, but excluding taxes for public school purposes which shall not be pledged as security for the TIF Bonds (the "City Ad Valorem Tax Increment"), the City Sales Tax Increment and City Ad Valorem Tax Increment being collectively referred to as the "City's Tax Increment".
3. As security for the TIF Bonds the County may pledge revenues from 25 of the

¹ The City has agreed to participate in the Tourism Project Incentive Program ("TIP") provided for in Miss. Code Ann. §75-76-177, whereby the City's sales tax rebate of 18.5% of the State's 7% is diverted to the State's TIP fund.

County's mills when applied to the incremental increase in the "Captured Assessed Value" (as that term is defined in the TIF Act) of the real and personal property located in and constituting the TIF District, excluding, however, all taxes for the Ocean Springs School District (the "County's Tax Increment").

4. The City may issue the TIF Bonds and reimburse the Developer for all or a portion of the costs of the Infrastructure Improvements in accordance with an agreement to be entered into between the City and the Developer as authorized by the TIF Act (the "Development Agreement").
5. The construction of the Infrastructure Improvements will be undertaken to provide for the public convenience, health, and welfare.

C. PUBLIC CONVENIENCE AND NECESSITY: The public convenience and necessity requires participation by the City and County in 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 County:

- 1) Construction of the Project will represent a private investment of approximately \$32,900,000.
- 2) The Project will create construction jobs and approximately 48 permanent part-time and full-time jobs upon completion; however, payroll will depend on market conditions and the mix of tenants locating at the Project.
- 3) It is projected that the Project will result in an annual real and personal property tax increase of about \$32,602 for the City.
- 4) It is projected that the Project will result in an annual real and personal property tax increase of about \$57,672 for the County.
- 5) It is anticipated that the Project will yield an annual real and personal property tax increase of about \$74,764 for the Ocean Springs School District.
- 6) The sales generated by the completed Project are projected to surpass \$7,262,000 annually.
- 7) The anticipated level of annual sales will result in annual sale tax rebates to the City of approximately \$94,043².
- 8) The Project will generate approximately \$56,115 annually pursuant to the City's 2% special sales tax for parks and recreation tax levied on restaurants.

² The City has agreed to participate in the Tourism Project Incentive Program ("TIP") provided for in Miss. Code Ann. §75-76-177, whereby the City's sales tax rebate of 18.5% of the State's 7% is diverted to the State's TIP fund.

9) The Project will generate approximately \$49,126 annually pursuant to the City's Tourism and Economic Development Tax.

10) The Project will generate approximately \$49,126 annually pursuant to the County's 2% Hotel and Motel Tax.

**ARTICLE II
PROJECT INFORMATION**

A. REDEVELOPMENT PROJECT DESCRIPTION: OHOS Development, LLC (the "Developer") proposes to develop a mixed-use tourism destination in the heart of Ocean Springs. The 2.1-acre project consists of a boutique hotel and restaurant, parking garage, food hall, retail, and condominiums, located in the City's vibrant downtown (the "Project"). The proposed \$32.9MM Project is strategically located near existing shops and businesses, restaurants, and bars, along with recreational and cultural activities. The Project will be located in a "TIF District" more particularly described on Exhibit A here to and identified by the Tax Parcels set forth in Article VII of this TIF Plan.

B. DEVELOPER'S INFORMATION: OHOS Development, LLC
Attn: John Oropesa
P.O. Box 788
Biloxi, Mississippi 39533

**ARTICLE III
ECONOMIC DEVELOPMENT IMPACT DESCRIPTION**

A. JOB CREATION: The Project will create construction jobs and approximately 48 permanent full and part-time jobs upon completion. Annual payroll is currently unknown.

B. FINANCIAL BENEFIT TO THE COMMUNITY

1. **Ad Valorem Tax Increases:** The construction and development of the Project will generate increased ad valorem tax revenues for the City, the County, and the School District.
2. **Retail Sales:** The Project site is currently dormant, and upon completion of the Project, retail sales will increase, creating an additional annual sales tax rebates for the City.
3. **Special Taxes:** The Project will generate approximately \$56,115 annually pursuant to the City's 2% Food and Beverage Tax, approximately \$49,126 annually pursuant to

the City's Tourism and Economic Development Tax, and approximately \$49,126 annually pursuant to the County's 2% Hotel and Motel Tax.

4. Pledge: The City will pledge all of the City's Tax Increment, and the County may pledge all of the County's Tax Increment to secure the TIF Bonds³. The principal amount of the TIF Bonds will be determined based on the sum of (a) the City Ad Valorem Tax Increment, (b) 50% of the City Sales Tax Increment and (c) the County's Tax Increment.

ARTICLE IV THE OBJECTIVE OF THE TAX INCREMENT FINANCING PLAN

A. CONSTRUCTION OF IMPROVEMENTS: The Infrastructure Improvements acquired and/or constructed for the Project will be consistent with the Redevelopment Plan. The Project and the Infrastructure Improvements will be constructed in accordance with standards, codes, and ordinances of the City, and the Project will further the goals and objectives of the Redevelopment Plan.

B. PUBLIC CONVENIENCE AND NECESSITY: The primary objective of this TIF Plan is to serve the public convenience and necessity by participating in the Project. The TIF Plan will provide financing to acquire and construct the Infrastructure Improvements to serve the general public and the Project.

C. HEALTH AND WELFARE OF THE PUBLIC PROVIDED FOR: The Infrastructure Improvements will provide for the health and welfare of the public by providing for safe and adequate infrastructure for the use and benefit of the property and the public. Therefore, it is in the best interest of the City and the County if some or all of the Infrastructure Improvements are publicly or privately owned. The Project will develop a dormant commercial site into a boutique hotel and restaurant, parking garage, food hall, retail, and condominiums, located in the City's vibrant downtown, increasing the City, County, and School District's tax revenues and utilizing a site that has remained under used and undeveloped for years.

ARTICLE V A STATEMENT INDICATING THE NEED AND PROPOSED USE OF THE TAX INCREMENT FINANCING PLAN IN RELATIONSHIP TO THE REDEVELOPMENT PLAN

The use of TIF is an inducement that will result in the redevelopment of underdeveloped, dormant property in the City and the County. This TIF Plan allows the implementation of TIF as a financing mechanism for the acquisition and construction of Infrastructure Improvements necessary to induce development within the TIF District and serve the public who will utilize and benefit from the development of the Project. This will be an undertaking of the City and will include County participation.

³ The City's Tax Increment and the County's Tax Increment are defined in Article I, B(2) and (3), respectively.

ARTICLE VI

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

A. COST ESTIMATE OF REDEVELOPMENT PROJECT

1. The development of the TIF District will represent a private investment of approximately \$32,900,000. The proceeds of the TIF Bonds will be used to pay the cost of acquiring and/or constructing various Infrastructure Improvements, more particularly described in Article I, Section B.
2. The construction of the Infrastructure Improvements will be undertaken to provide for the public convenience, health, and welfare.
3. Proceeds of the TIF Bonds may also be used to fund capitalized interest, a debt service reserve fund and/or for other purposes as may be permitted under the TIF Act.

B. PROJECTED SOURCES OF REVENUE TO MEET COSTS

1. TIF Bonds may be issued after all or a portion of the Infrastructure Improvements are constructed and tax revenues from the Project are sufficient to issue TIF Bonds to reimburse the Developer and/or the City for the construction costs thereof all in accordance with the Development Agreement.
2. Pledge: The City will pledge the City's Tax Increment and the County may pledge the County's Tax Increment to secure the TIF Bonds⁴.

C. TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED

1. The City may issue up to One Million Dollars (\$1,000,000) in TIF Bonds for a term not to exceed fifteen (15) years which will be secured by a pledge of the City's Tax Increment and the County's Tax Increment, and the TIF Bonds may be issued after all or a portion of the Infrastructure Improvements are constructed and tax revenues from the Project are sufficient to issue TIF Bonds to reimburse the Developer and/or the City for the construction costs thereof all in accordance with the Development Agreement.
2. The principal amount of the TIF Bonds will be determined based on the sum of (a) the City Ad Valorem Tax Increment, (b) 50% of the City Sales Tax Increment and (c) the County's Tax Increment.

⁴ The City's Tax Increment and the County's Tax Increment are defined in Article I, B(2) and (3), respectively.

3. The amount and timing of the issuance of the TIF Bonds shall be determined pursuant to further proceedings of the City.

**ARTICLE VII
REAL PROPERTY TO BE INCLUDED IN TAX INCREMENT FINANCING DISTRICT**

A. PARCEL NUMBERS FOR THE TIF DISTRICT: The real property to be included in the TIF District from which the ad valorem real and personal property tax revenues and sales tax rebates will be generated to finance the TIF Bonds contains approximately 2.1 acres, more or less, and is described below and in the map attached hereto as **Exhibit A**. The below True and Assessed Values were obtained from the Jackson County Tax Assessor’s office.

Owner	Parcel	True Value	Assessed Value
OHOS Land, LLC	60119358.000	\$708,580	\$106,287

**ARTICLE VIII
DURATION OF THE TAX INCREMENT FINANCING PLAN’S EXISTENCE**

This TIF Plan shall remain in effect and existence from the date of its approval by the Governing Body for fifteen (15) years or so long as there are TIF Bonds outstanding, whichever is longer.

**ARTICLE IX
ESTIMATED IMPACT OF TAX INCREMENT FINANCING PLAN UPON THE REVENUES OF ALL TAXING JURISDICTIONS IN WHICH A REDEVELOPMENT PROJECT IS LOCATED**

A. AD VALOREM TAX INCREASES: The construction and development of the Project will generate an increase in the ad valorem tax revenues for the City, the County, and the School District. The below are estimates for real and personal property ad valorem taxes for the TIF District are based on an assumed combined true value of \$10,089,210 and represents projected taxes after the Project has been completed.

B.

Entity	Millage**	2020 Taxes	After Project	Increment
City	28.92	\$2,861	\$35,463	\$32,602
County	51.36	\$5,353	\$62,980	\$57,627
School*	66.75	\$7,088	\$81,852	\$74,764
TOTAL:	147.03	\$15,302	\$180,296	\$164,994

* School District taxes are not eligible for use as security or payment for the TIF Bonds and are included for informational purposes only.

** May fluctuate annually as determined by the City, County, or School District, respectively.

- C. **RETAIL SALES:** It is projected that retail sales are estimated to be in excess of \$7,262,000 annually, creating an annual sales tax rebate of \$94,043 for the City.
- D. **SPECIAL TAXES:** It is anticipated that the completed Project will generate approximately \$56,115 annually pursuant to the City's 2% Food and Beverage Tax. The Project will generate approximately \$49,126 annually pursuant to the City's Tourism and Economic Development Tax. The Project will generate approximately \$49,126 annually pursuant to the County's 2% Hotel and Motel Tax.

The pledge of the City's Tax Increment and the County's Tax Increment as security for the TIF Bonds, and the determination of the principal amount of the TIF Bonds are both set forth in Articles I, VI and XII of this TIF Plan.

ARTICLE X

A STATEMENT REQUIRING THAT A SEPARATE FUND BE ESTABLISHED TO RECEIVE AD VALOREM TAXES, SALES TAX REBATES, AND THE PROCEEDS OF ANY OTHER FINANCIAL ASSISTANCE

A separate fund entitled the "Tax Increment Bond Fund: 1515 Government Street" shall be established by the City to receive ad valorem taxes, sales tax rebates, and any other funds remitted in connection with this TIF Plan.

ARTICLE XI

THE GOVERNING BODY OF THE CITY 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 REDEVELOPMENT 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 REDEVELOPMENT PROJECT; AND (iv) SUCH OTHER RESTRICTIONS, RULES AND REGULATIONS AS IN THE SOLE DISCRETION OF THE GOVERNING BODY OF THE CITY SHALL BE NECESSARY IN ORDER TO PROMOTE AND PROTECT THE PUBLIC INTEREST.

Through the adoption of the TIF Plan, the Governing Body of the City acknowledges the above and shall adopt the necessary resolutions when necessary and appropriate for the implementation of this TIF Plan.

**ARTICLE XII
PLAN OF FINANCING**

A. SECURITY FOR THE TIF BONDS

1. The TIF Bonds will be issued after all or a portion of the Infrastructure Improvements are constructed and tax revenues from the Project are sufficient to issue TIF Bonds to reimburse the Developer and/or the City for the construction costs thereof all in accordance with the Development Agreement.

2. Pledge: The City will pledge the City's Tax Increment and the County may pledge the County's Tax Increment to secure the TIF Bonds⁵.

B. FURTHER PROCEEDINGS OF THE CITY: The City shall take such further actions as required for the implementation of the TIF Plan.

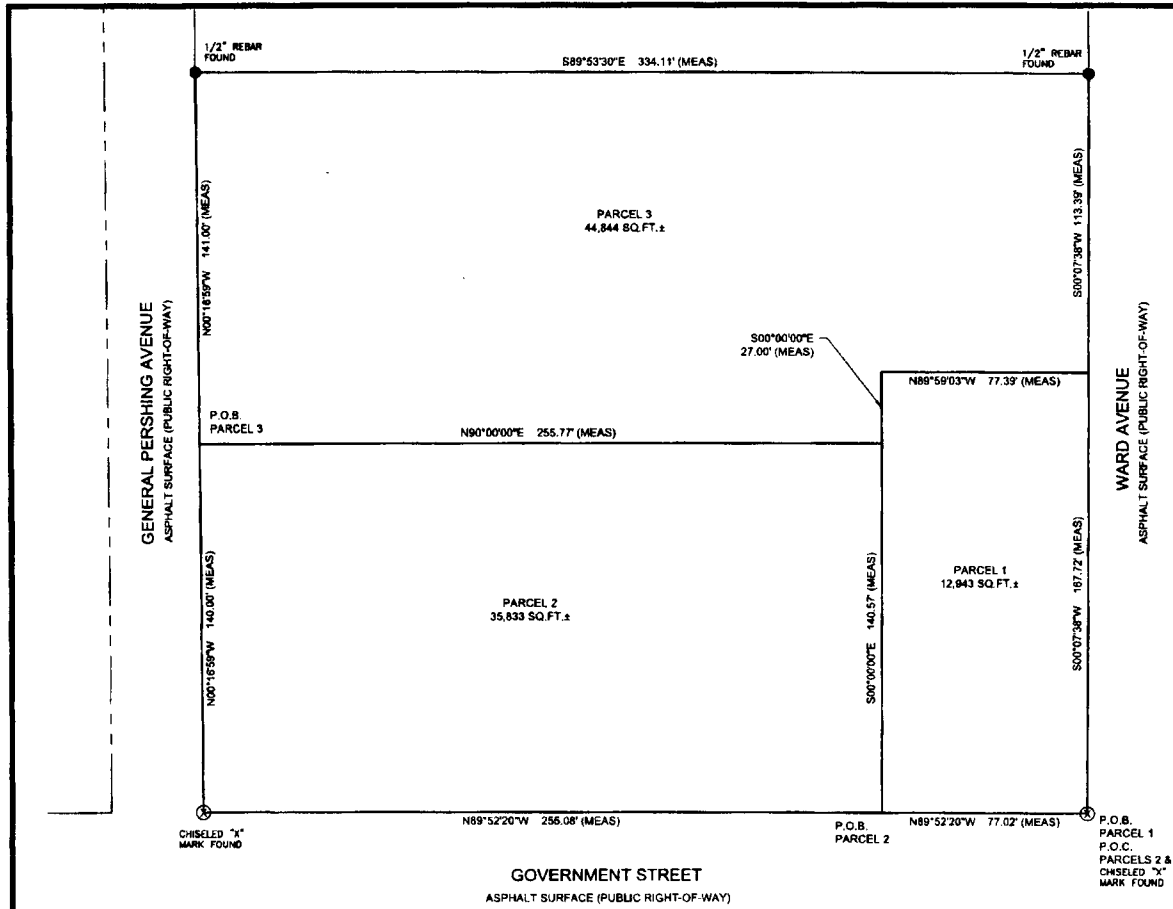
C. AMOUNT AND TIMING OF ISSUANCE

1. The City will issue up to One Million Dollars (\$1,000,000) in TIF Bonds for a term not to exceed fifteen (15) years which may be secured by the pledge of all or a portion of the City's Tax Increment and the County's Tax Increment, and the TIF Bonds will be issued after all or a portion of the Infrastructure Improvements are constructed and tax revenues from the Project are sufficient to issue TIF Bonds to reimburse the Developer and/or the City for the construction thereof all in accordance with the Development Agreement.
2. The principal amount of the TIF Bonds will be determined based on the sum of (a) the City Ad Valorem Tax Increment, (b) 50% of the City Sales Tax Increment and (c) the County's Tax Increment.
3. The amount and timing of the issuance of the TIF Bonds shall be determined pursuant to further proceedings of the City.

⁵ The City's Tax Increment and the County's Tax Increment are defined in Article I, B(2) and (3), respectively.

EXHIBIT A

Attached



LEGAL DESCRIPTION

LEGAL DESCRIPTION: PARCEL 1

A PARCEL OF LAND SITUATED AND BEING LOCATED IN THE CITY OF OCEAN SPRINGS IN SECTION 18, TOWNSHIP 7 SOUTH, RANGE 8 WEST, JACKSON COUNTY, MISSISSIPPI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT A CHISELED "X" FOUND AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF GOVERNMENT STREET WITH THE WEST RIGHT-OF-WAY OF WARD AVENUE; THENCE N 89°52'20" W 77.02 FEET ALONG SAID NORTH RIGHT-OF-WAY OF GOVERNMENT STREET TO A POINT; THENCE NORTH 187.57 FEET TO A POINT; THENCE S 89°54'03" E 77.39 FEET TO A POINT ON THE WEST RIGHT-OF-WAY OF WARD AVENUE; THENCE S 00°07'38" W 167.72 FEET ALONG SAID WEST RIGHT-OF-WAY OF WARD AVENUE TO THE POINT OF BEGINNING. SAID PARCEL OF LAND CONTAINS 12,943 SQUARE FEET, MORE OR LESS.

LEGAL DESCRIPTION: PARCEL 2

A PARCEL OF LAND SITUATED AND BEING LOCATED IN THE CITY OF OCEAN SPRINGS IN SECTION 18, TOWNSHIP 7 SOUTH, RANGE 8 WEST, JACKSON COUNTY, MISSISSIPPI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO WIT:

COMMENCING AT A CHISELED "X" FOUND AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF GOVERNMENT STREET WITH THE WEST RIGHT-OF-WAY OF WARD AVENUE; THENCE N 89°52'20" W 77.02 FEET ALONG SAID NORTH RIGHT-OF-WAY OF GOVERNMENT STREET TO THE POINT OF BEGINNING; THENCE CONTINUE N 89°52'20" W 255.08 FEET FURTHER ALONG SAID NORTH RIGHT-OF-WAY TO A CHISELED "X" FOUND ON THE EAST RIGHT-OF-WAY OF GENERAL PERSHING AVENUE; THENCE N 00°18'58" W 140.00 FEET ALONG SAID EAST RIGHT-OF-WAY TO A POINT; THENCE EAST 255.77 FEET TO A POINT; THENCE SOUTH 140.57 FEET TO THE POINT OF BEGINNING. SAID PARCEL OF LAND CONTAINS 35,833 SQUARE FEET, MORE OR LESS.

LEGAL DESCRIPTION: PARCEL 3

A PARCEL OF LAND SITUATED AND BEING LOCATED IN THE CITY OF OCEAN SPRINGS IN SECTION 18, TOWNSHIP 7 SOUTH, RANGE 8 WEST, JACKSON COUNTY, MISSISSIPPI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO WIT:

COMMENCING AT A CHISELED "X" FOUND AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF GOVERNMENT STREET WITH THE WEST RIGHT-OF-WAY OF WARD AVENUE; THENCE N 89°52'20" W 77.02 FEET ALONG SAID NORTH RIGHT-OF-WAY OF GOVERNMENT STREET TO A POINT; THENCE CONTINUE N 89°52'20" W 255.08 FEET FURTHER ALONG SAID NORTH RIGHT-OF-WAY TO A CHISELED "X" FOUND ON THE EAST RIGHT-OF-WAY OF GENERAL PERSHING AVENUE; THENCE N 00°18'58" W 140.00 FEET ALONG SAID EAST RIGHT-OF-WAY TO THE POINT OF BEGINNING; THENCE CONTINUE N 00°18'58" W 141.00 FEET FURTHER ALONG SAID EAST RIGHT-OF-WAY TO A 1/2" REBAR FOUND; THENCE S 89°53'30" E 334.11 FEET TO A 1/2" REBAR FOUND ON THE WEST RIGHT-OF-WAY OF WARD AVENUE; THENCE S 00°07'38" W 113.39 FEET ALONG SAID WEST RIGHT-OF-WAY OF WARD AVENUE TO A POINT; THENCE N 89°50'03" W 77.39 FEET TO A POINT; THENCE SOUTH 27.00 FEET TO A POINT; THENCE WEST 255.77 FEET TO THE POINT OF BEGINNING. SAID PARCEL OF LAND CONTAINS 44,844 SQUARE FEET, MORE OR LESS.

SURVEY LEGEND

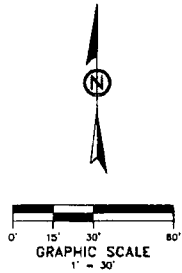
● IRF	DENOTES IRON ROD FOUND
● IPF	DENOTES IRON PIPE FOUND
○ IRS	DENOTES CAPPED 1/2" IRON ROD SET (COA S245)
☒ CMF	DENOTES CONCRETE MONUMENT FOUND
(MEAS)	DENOTES MEASURED THIS SURVEY
(DEED)	DENOTES PER RECORDED DEED

BEARING NOTE

BEARINGS SHOWN ON THE FACE OF THIS SURVEY ARE GEODETIC BEARINGS BASED UPON GPS OBSERVATION USING EARL DUDLEY VRS RTK INET GPS NETWORK.

- ### NOTES
1. THIS SURVEY WAS PREPARED FROM INFORMATION PROVIDED BY THE CLIENT. NO TITLE SEARCH, ABSTRACT OR TITLE OPINION WAS PERFORMED BY NOR PROVIDED TO THIS FIRM FOR THE SUBJECT PROPERTY. THE OPINION OF THE LOCATION AND EXTENT OF THE PROPERTY REPRESENTED BY THIS SURVEY DOES NOT IMPLY OR GUARANTEE TITLE TO ANY PERSONS OR PARTIES. THERE MAY BE ADDITIONAL EASEMENTS OR OTHER INSTRUMENTS THAT WOULD BE DISCOVERED IN A TITLE INVESTIGATION, NOT SHOWN ON THIS PLAT WHICH COULD EFFECT THE BOUNDARIES OR INTERIORS OF THE SUBJECT PROPERTY.
 2. BOUNDARY LINES WERE TAKEN FROM DEEDS, TAX RECORDS, ETC. AS SHOWN IN THE REFERENCE MATERIAL BELOW AND MONUMENTS AND/OR IRON RODS FOUND.
 3. THIS SURVEY IS SUBJECT TO ALL APPLICABLE GOVERNMENTAL REGULATIONS, BUILDING OR OTHER RESTRICTIONS, LEGAL RESTRICTIONS OF ANY NATURE AND FURTHER SUBJECT TO ANY AND ALL EASEMENTS, RESTRICTIVE COVENANTS AND RIGHTS OF WAY OF RECORD.
 4. THIS IS A CLASS "B" SURVEY AS OUTLINED IN CLASSIFICATION OF SURVEYS.

TIF PLAN EXHIBIT A



PREPARED BY:

MACHADO PATINO

CIVIL
ELECTRICAL
MECHANICAL
SURVEYING

4115 Highway 140, Suite 101
Hattiesburg, Mississippi 39402
Phone: 601-552-1111
Fax: 601-552-1112
www.machadopatino.com

ALTA/ACSM LANR TITLE SURVEY

A PARCEL OF LAND SITUATED IN SECTION 18, TOWNSHIP 7 SOUTH, RANGE 8 WEST, CITY OF OCEAN SPRINGS, JACKSON COUNTY, MISSISSIPPI

SCALE: AS SHOWN

PROJECT NO: 601/18/01

DATE: 08/20/18

DRAWN BY: JCS

CHECKED BY: JCS

LOCATION:

ISS: 180

SA-01

Sheet 1 of 1

Exhibit B

NOTICE OF PUBLIC HEARING: TAX INCREMENT FINANCING PLAN FOR 1515 GOVERNMENT STREET

Notice is hereby given that a public hearing will be held on July 18, 2023, at 6:00 P.M. at 1018 Porter Avenue, City of Ocean Springs, Mississippi 39564, on the *Tax Increment Financing Plan for the Redevelopment of 1515 Government Street, City of Ocean Springs, Mississippi, June 2023* (the "TIF Plan"), for consideration by the Mayor and City Council. The City proposes to use the TIF Plan in compliance with the Tax Increment Financing Redevelopment Plan for the City of Ocean Springs Mississippi, June 2023, 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 for the City to issue tax increment financing bonds ("TIF Bonds") not to exceed \$1,000,000 in one or more series which funds will be used to pay the cost of the planning, design, construction and financing of the required on-site and off-site improvements, including, but not limited to, installation of utilities such as domestic water, fire suppression water, sanitary sewer, storm drainage, a lift station, electricity, natural gas and telecommunication facilities, site improvements, parking facilities, and construction of commercial roads and streets with curb and gutter, sidewalks, traffic signalization, signage, lighting and landscaping, (all of the work listed in the foregoing clause herein defined as the "Infrastructure") and such other required, related and incidental costs necessary or advisable for any of same, all in order to encourage, accommodate and facilitate the successful construction, development and operation of the Project. The bonds or notes shall be secured solely by a pledge of the incremental increase in ad valorem tax revenues on real and personal property and will not 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 in the TIF Plan.

Construction of the project and payment of the bonds issued to construct the project will be paid as hereinabove set forth and will not require an increase in any kind or type of taxes within the City.

The City may exercise their authority to participate in Tax Increment Financing pursuant to Chapter 45 of Title 21, Mississippi Code of 1972, as amended (the "TIF Act").

Copies of the TIF Plan will be made available for examination in the office of the City Clerk in Ocean Springs, Mississippi.

This hearing is being called and conducted, and the TIF Plan has been prepared as authorized and required by Sections 21-45-1 et seq., Mississippi Code of 1972, as amended.

Witness my signature and seal, this the 20th day of June, 2023.

/S/ Kenny Holloway, Mayor

Publish One (1) Time in the Sun Herald on July 3, 2023

Send Invoice and Proof of Publication to: Patty Gaston, City Clerk
City of Ocean Springs
PO Box 1800
Ocean Springs, MS 39566-1800

Send Copy of Proof of Publication to: christiana@gourasandassociates.com

Christiana Sugg
Gouras & Associates
P. O. Box 1465
Ridgeland, MS

Weapons in the Workplace

The City has a zero-tolerance policy for firearms and dangerous weapons in the workplace. Accordingly, the City prohibits employees from carrying or possessing a firearm or dangerous weapon while acting in the course and scope of their employment for and on behalf of the City.

This policy applies to all City employees, including students, volunteers and staffing agency workers working in the course and scope of their employment with the City. This policy does not apply to certified law enforcement officers employed by the City.

The only exception to the zero-tolerance policy for firearms and dangerous weapons in the workplace is if the Board of Aldermen find that, in the best interest of the City and the employee, that specific employee or employees need a firearm or a dangerous weapon for safety and/or security reasons. The stated employee or employees would only be allowed the exception after a majority vote in favor of same by the Board of Aldermen.

Definitions

Employee - Employee includes any person, excluding law enforcement personnel, who performs services for the City, either compensated or uncompensated.

Firearm or dangerous weapon – for purposes of this policy a firearm or dangerous weapon includes, but is not limited to, the following:

- (1) A firearm, whether loaded or unloaded, from which a shot may be discharged including but not limited to handguns, pistols, revolvers, shotguns, rifles, and air soft guns;
- (2) A gun that can discharge a shot or a projectile by means of an explosive or gas, or compressed air;
- (3) A device designed to be used as a weapon, from which can be expelled a projectile by the force of any explosion or force of combustion;
- (4) Any weapon (including a starter gun) which will or is designed to or may readily be converted to expel a projectile by the action of an explosive;
- (5) Any destructive device;
- (6) Any device designed as a weapon and capable of producing great bodily harm, including but not limited to, stun guns or stun batons;
- (7) An electric weapon such as a Taser gun;
- (8) Any combustible or flammable liquid, or other substance, or device, that is likely to produce death or great bodily harm.
- (9) Any knife that is carried with intention or calculation to produce death or great bodily harm. Switchblades are specifically prohibited. (A Leatherman or other small pocket knife is permissible, as long as the blade is 3 inches or less in length. Knives intended to be used as eating utensils, and stored or maintained in office kitchens or lunchrooms do not represent a violation of this policy.)

Prohibitions

Regardless of whether a City employee possesses a concealed weapons license or is allowed by law to possess a weapon, all employees are prohibited from possessing, transferring, carrying, selling and storing firearms or dangerous weapons while working on City property or while acting within the course scope of their employment when not on City property. This prohibition applies anywhere City business is conducted as summarized below:

- working on property owned, leased or controlled by the City;
- performing work for the City at any location including private residences and commercial establishments and other customer or client locations;
- driving or riding as a passenger in a City vehicle;
- attending City directed or sponsored activities or events independent of venue; (intended for city employees only and not the general public)
- working off-site on behalf of the City (excluding the employee's residence);
- performing emergency or on-call work for the City after normal business hours and on weekends.

Employees who use a personal vehicle in the course and scope of their employment are required to keep the permitted firearm or dangerous weapon stored out of sight and in a secure location.

Violation of this Policy is considered a serious offense that endangers the safety of employees and others. Therefore, any offense may result in severe disciplinary action up to and including discharge from employment. When appropriate a referral to law enforcement may be made which may result in criminal charges.

Report of Violations

Employee Violations

Employees are required to report violations of this Policy without regard to the relationship between the individual who initiates the prohibited behavior and the individual reporting it.

An employee who believes that another employee may be in violation of this policy should report the alleged violation to the employee's manager or supervisor, the Department Head, or the appropriate Human Resources representative. The City will promptly investigate allegations of violations of this policy. Supervisors and managers are responsible for establishing and modifying procedures as necessary to carry out and comply with this Policy in accordance with applicable laws and City ordinances. Departments are responsible for implementing protocols for handling a prohibited weapon upon discovery.

The City reserves the right to authorize searches for prohibited weapons on its property when a violation is reported or when probable cause or reasonable suspicion is present consistent with law. Employees should be aware that there is no reasonable expectation of privacy with respect to weapons in the workplace. The City's right to conduct searches includes, but is not limited to,

such areas and items as lockers, desks, workstations, purses, briefcases, bags, toolboxes, and lunch bags. Searches of the employee's work area and belongings, as described above, may be conducted by the employee's supervisor and another member of management. Searches of all types, including surrounding City property, personal property and the employee may be conducted by law enforcement in accordance with law should reasonable suspicion be present. Any weapon found in violation of this Policy may be confiscated. Refusal to permit a search may result in discipline up to an including discharge.

and recommended denial.

Mike Maltby, 603 General Pershing, spoke against the zoning change.

JP Gall, 701 General Pershing, spoke against the zoning change.

A motion was made by Alderman Impey, seconded by Alderman Blackman, and unanimously carried to close the Public Hearing.

A motion was made by Alderman Impey and seconded by Alderman Blackman to deny the request for a zoning change from the R-2 (Low-Medium Density Single Family Residential District) to CMX-1 (Neighborhood Commercial Mixed-Use District), for 710 General Pershing Ave., PID# 60130170.000. The motion carried with a roll call vote as follows:

Aye: Alderman Papania, Alderman Burgess, Alderman Impey, Alderman Blackman, Alderman Authement, Alderman Cox, Alderman Wade

Nay: None

AGENDA PUBLIC COMMENT

Dr. Bill Moore, item 3-b, thanked Emma Scruggs for representing Ocean Springs well and Ravin Nettles for her work as the Mayor's Youth Council Advisor.

Roy McKinsey, item 7-b, thanked the City for supporting the Wounded Warriors In Action 2nd Annual Ocean Springs Cook-Off. He said they have already received 300 vendor applications.

OLD BUSINESS

- a. Adopt a Resolution authorizing the execution of a Development and Reimbursement Agreement with OHOS Development, LLC in connection with a retail development at 1515 Government Street and the sale and issuance of Tax Increment Financing Bonds in an aggregate principal amount not to exceed \$1,000,000 for the purpose of financing the cost of acquiring, installing, and constructing certain infrastructure improvements necessary for said development and for related purposes

Troy Johnston from Butler Snow explained this is the final step in the preliminary TIF process. He said the taxes generated from the project will be reimbursed to the developer for the improvements to the City's infrastructure up to \$1 Million with a 15-year bond. He said Jackson County has approved their portion of the TIF plan for the development. A motion was made by Alderman Authement and seconded by Alderman Burgess to adopt a Resolution authorizing the execution of a Development and

Reimbursement Agreement with OHOS Development, LLC in connection with a retail development at 1515 Government Street and the sale and issuance of Tax Increment Financing Bonds in an aggregate principal amount not to exceed \$1,000,000 for the purpose of financing the cost of acquiring, installing, and constructing certain infrastructure improvements necessary for said development and for related purposes.

The motion carried with a roll call vote as follows:

Aye: Alderman Burgess, Alderman Authement, Alderman Wade, Alderman Papania, Alderman Impey, Alderman Cox

Nay: None

Recused: Blackman

CONSENT AGENDA

A motion was made by Alderman Impey, seconded by Alderman Burgess, and unanimously carried to approve the consent agenda except for items 7-q and 7-x pulled by Alderman Cox.

Mayor:

- a. Approve Special Event Application for The Witches Ride of Ocean Springs on Saturday, October 28, 2023, from 5:30 - 7:00 p.m. with October 29, 2023, as a rain date; Downtown Ocean Springs, street closure, at no cost to the City, the applicant pays the associated event cost.
- b. Approve Special Event Application for the End of the Summer BBQ Cook-Off and Concert on Saturday, September 16, 2023, at the Veteran's Memorial Park, at no cost to the City, the applicant pays the associated event cost. Waive the rental fee for the use of the Ocean Springs Civic Center, and approve the use of the city logo to advertise the city's resources.
- c. Approve Special Event Application for filming a commercial on Wednesday, August 9, and Friday, August 11, in Downtown Ocean Springs, the applicant pays the associated event cost.
- d. Approval to waive the rental fee for the Highway 57 sports fields for the Ocean Springs School District Cross Country Meet on October 6, 2023.
- e. Authorize the Mayor to execute the Right of Use agreement with Hancock Whitney starting at 4:00 p.m. on October 4, 2023, and ending at 5:00 p.m. on October 8, 2023, for Cruisin' the Coast event.
- f. Authorize the Mayor to execute the Right of Use agreement with Hancock Whitney starting at 4:00 p.m. on November 3, 2023, and ending at 5:00 p.m. November 5, 2023, for the Peter Anderson Festival event
- g. Authorize to advertise for the two openings on the Civil Service Commission with a six-year term expiring July 31, 2029, and two openings on the Library Board



OCEAN SPRINGS
MISSISSIPPI

Kenny Holloway | Mayor
Bobby Cox | Alderman at Large
Jennifer Burgess | Alderman Ward 1
Rickey Authement | Alderman Ward 2

Kevin Wade | Alderman Ward 3
Ken Papania | Alderman Ward 4
Robert Blackman | Alderman Ward 5
Michael Impey, II | Alderman Ward 6



228.875.4236 | www.oceansprings-ms.gov

MEMORANDUM

To: Mayor & Board of Aldermen
From: Patty Gaston, City Clerk
Re: Adopt a Resolution authorizing the execution of a Development and Reimbursement Agreement with OHOS Development, LLC in connection with a retail development at 1515 Government Street and the sale and issuance of Tax Increment Financing Bonds in an aggregate principal amount not to exceed \$1,000,000 for the purpose of financing the cost of acquiring, installing and constructing certain infrastructure improvements necessary for said development and for related purposes

Section: OLD BUSINESS

Meeting Date: August 1, 2023

Requesting the adoption of the Resolution authorizing the 1515 Government Street Development Agreement.

There came on for consideration the matter of approving a development and reimbursement agreement in connection with the issuance of tax increment financing bonds of the City of Ocean Springs, Mississippi, and after a discussion of the subject matter, Alderman Authement offered and moved the adoption of the following resolution:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF OCEAN SPRINGS, MISSISSIPPI APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AND REIMBURSEMENT AGREEMENT BETWEEN SAID CITY AND OHOS DEVELOPMENT, LLC IN CONNECTION WITH A RETAIL DEVELOPMENT WITHIN SAID CITY AND THE SALE AND ISSUANCE OF TAX INCREMENT FINANCING BONDS BY SAID CITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION DOLLARS (\$1,000,000) FOR THE PURPOSE OF FINANCING THE COST OF ACQUIRING, INSTALLING AND CONSTRUCTING CERTAIN INFRASTRUCTURE IMPROVEMENTS NECESSARY FOR SAID DEVELOPMENT; AND FOR RELATED PURPOSES.

WHEREAS, Sections 21-45-1 et seq., Mississippi Code of 1972, as amended and supplemented (the “TIF Act”), authorizes municipalities and counties in the State of Mississippi to undertake and carry out development and redevelopment projects as defined therein with the use of tax increment financing as set forth in detail in the TIF Act and also to carry out such projects jointly with other local governmental units pursuant to the Interlocal Cooperation Act, Title 17, Chapter 13, Mississippi Code of 1972, as amended and supplemented (the “Interlocal Act”); and

WHEREAS, the Mayor and Board of Aldermen of the City (the “Governing Body”), acting for and on behalf of the City, is also authorized by the TIF Act to issue tax increment financing bonds to finance such redevelopment projects; and

WHEREAS, OHOS Development, LLC (the “Developer”) proposes to develop a mixed-use tourism destination consisting of a boutique hotel and restaurant, parking garage, food hall, retail, and condominiums (the “Project”) on 2.1-acres off 1515 Government Street in the City (the “TIF District”); and

WHEREAS, on June 20, 2023, the Governing Body adopted a resolution declaring its intention to issue tax increment financing bonds of the City in an amount not to exceed One Million Dollars (\$1,000,000) (the “TIF Bonds”) to finance the costs of the Infrastructure Improvements (as hereinafter defined), and setting a public hearing to approve the *Tax Increment Financing Plan for 1515 Government Street, City of Ocean Springs, Jackson County, Mississippi, June 2023* (the “TIF Plan”) in connection with the Project and the TIF Bonds; and

WHEREAS, after notice and public hearing on July 18, 2023, the City, acting by and through the Governing Body, adopted a resolution approving the TIF Plan; and

WHEREAS the City proposes to issue TIF Bonds, which will be used to pay the cost of acquiring, installing or constructing various public or privately owned infrastructure improvements eligible for tax increment financing under the TIF Act and the TIF Plan, including

but not limited to, installation, rehabilitation and/or relocation of utilities such as water, sanitary sewer; construction, renovation, or rehabilitation of drainage improvements, roadways, curbs and gutters, sidewalks, site improvements, surface and structured parking, paving and other related parking lot improvements and land obtained for said infrastructure and parking improvements; relocation, acquisition or construction of electrical lines, lighting, and signalization; landscaping of rights-of way; for other purposes authorized pursuant to the TIF Act; related architectural and engineering fees, attorney's fees, TIF Plan preparation fees, issuance costs, capitalized interest, and other related soft costs, all as may be authorized by the TIF Act (collectively, the "Infrastructure Improvements"). which Infrastructure Improvements described herein above may be acquired, constructed or installed within the TIF District or land adjacent to and serving the TIF District; and

WHEREAS, pursuant to the TIF Act and the Interlocal Act, the TIF Bonds will be secured by a pledge of (a) 100% of the incremental increase in the City's sales tax rebates (except for any funds received by the City as a result of a special sales tax levy and except for any rebates diverted to the Tourism Project Sales Tax Incentive Fund, and 100% of the increase in the City's real and personal property ad valorem tax revenues generated from the Project within the TIF District but excluding taxes for public school purposes, which shall not be pledged as security for the TIF Bonds (the "City's Tax Increment"), and (b) AS, may also pledge the revenues derived by Jackson County, Mississippi (the "County") from 25 of the County's mills when applied to the incremental increase in the real and personal ad valorem tax revenues generated from the Project within the TIF District, but , excluding all taxes for public schools (the "County's Tax Increment"); and

WHEREAS, as authorized by the TIF Act and the Interlocal Act, the City and the County will enter into an Interlocal Agreement pursuant to which the City will agree to issue the TIF Bonds from time to time and the City will agree to pledge the City's Tax Increment and the County will agree to pledge the County's Tax Increment for payment of debt service on the TIF Bonds; and

WHEREAS, there has been presented to the Governing Body at this meeting the form of a Development and Reimbursement Agreement between the City and the Developer (the "Development Agreement"), setting forth the agreement of the City and the Developer in connection with the development of the Project and the reimbursement of the Developer for a portion of the Developer's expenditures in connection with the redevelopment of the TIF District; and

WHEREAS, the Development Agreement is in the appropriate form and is an appropriate document for the purposes identified; and

WHEREAS, in order to proceed with the sale and issuance of the TIF Bonds and the financing of the Infrastructure Improvements, it is necessary to approve the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. The recitals contained in this resolution are incorporated herein as findings.

SECTION 2. This resolution is adopted pursuant to the TIF Act, the Interlocal Act, and the Constitution and laws of the State of Mississippi.

SECTION 3. The Governing Body, acting for and on behalf of the City, hereby authorizes the City to enter into the Development Agreement by and between the City and the Developer.

SECTION 4. The form of the Development Agreement in the form submitted to this meeting and attached hereto as **Exhibit A** shall be, and the same hereby is, approved in substantially said form. The Mayor of the City (the "Mayor") and the City Clerk (the "Clerk") are hereby authorized and directed to execute and deliver the Development Agreement on behalf of the City with such changes, insertions, and omissions as may be approved by such officers, said execution being conclusive evidence of such approval.

SECTION 5. The Mayor and the City Clerk are hereby authorized and directed to execute such other documents, instruments, and papers and to do such acts and things as may be necessary or advisable in connection with the TIF Bonds, the Infrastructure Improvements, and the Project, subject to subsequent approval and ratification by the Governing Body.

SECTION 6. The TIF Bonds will be sold and issued from time to time pursuant to the terms and provisions of subsequent resolutions and proceedings of the Governing Body.

SECTION 7. If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

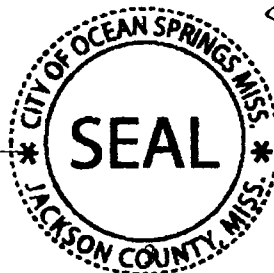
Alderman Burgess seconded the motion for its adoption. The matter was then put to a roll call vote, and the result was as follows:

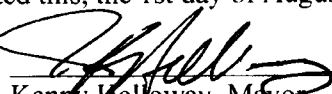
Alderwoman Jennifer Burgess	voted: <u>Aye</u>
Alderman Rickey Authement	voted: <u>Aye</u>
Alderman Kevin Wade	voted: <u>Aye</u>
Alderman Ken Papania	voted: <u>Aye</u>
Alderman Robert Blackman	voted: <u>Recused</u>
Alderman Michael Impey	voted: <u>Aye</u>
Alderman Bobby Cox	voted: <u>Aye</u>

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this, the 1st day of August, 2023.

ATTEST:


Patty Gaston, City Clerk (seal)




Kenny Holloway, Mayor

RECESS MEETING OF OCTOBER 17, 2023 MINUTES

CALL TO ORDER

Be it remembered that the Mayor and Board of Aldermen of the City of Ocean Springs met in a Recess Meeting at City Hall at 6:00 p.m. on October 17, 2023. Mayor Holloway presided, and Aldermen Burgess, Authement, Wade, Papania, Blackman, and Impey were present. Alderman Cox was absent. Also present were City Attorney Robert Wilkinson, City Clerk Patty Gaston, Deputy City Clerk Vicky Hupe, Interim Police Chief Ryan Lemaire, Fire Chief Derek McCoy, Building Official Darrell Stringfellow, Public Works Director Allan Ladnier, Human Resources & Risk Management Director Mindy McDowell, Planning & Grants Administrator Carolyn Martin, Parks & Recreation Director Stephen Glorioso, Project Manager Sarah Harris, and Admin & Community Relations Coordinator Ravin Nettles.

The Mayor called the meeting to order.

INVOCATION AND PLEDGE OF ALLEGIANCE

The Parks & Recreation Director gave the invocation and Alderman Impey led the Pledge of Allegiance.

A motion was made by Alderman Impey, seconded by Alderman Wade, and unanimously carried to accept the amended agenda.

AGENDA PUBLIC COMMENT

Dee Frances Wichman, agenda item 7-b, verifying her water bill is on the adjustment list for a water leak.

OLD BUSINESS

- a. Appoint Kristen Kapiotis to the Civil Service Commission for a 6-year appointment ending June 30, 2029

A motion was made by Alderman Blackman, seconded by Alderman Wade, and unanimously carried to appoint Kristen Kapiotis to the Civil Service Commission for a 6-year term ending September 30, 2023.

- b. Adopt a Resolution approving the form of and authorizing the execution of an Interlocal Agreement between Jackson County, Mississippi, and the City in connection with the Tax Increment Financing Plan for 1515 Government Street June 2023 and related purposes

A motion was made by Alderman Impey and seconded by Alderman Authement to adopt the Resolution approving the form of and authorizing the execution of an Interlocal Agreement between Jackson County, Mississippi, and the City in connection with the Tax Increment Financing Plan for 1515 Government Street June 2023 and related purposes. The motion carried with a roll call vote as follows:

Aye: Alderman Burgess, Alderman Authement, Alderman Wade, Alderman Papania, Alderman Impey

Nay: None

Abstained: Blackman

NEW BUSINESS

- a. APPEAL: Variance to the Minimum Side Yard Building Setback at 425 Bills Ave., PID# 61450015.000, Applicant: Jason Lapin/CJT, Inc. – Zoning Adjustment Board Recommends Denial

The Planning & Grants Administrator explained the Zoning & Adjustment Board denied the 25% side yard setback variance, of 2.5 feet. She said that the approval of the variance would be consistent with the neighboring properties. She said other homes on Bills Avenue have been granted variances previously. A motion was made by Alderman Wade and seconded by Alderman Authement to grant the appeal and approve the 25% side yard variance at 425 Bills Avenue. The motion carried with a roll call vote as follows:

Aye: Alderman Burgess, Alderman Authement, Alderman Wade, Alderman Papania, Alderman Blackman

Nay: Alderman Impey

CONSENT AGENDA

A motion was made by Alderman Impey, seconded by Alderman Blackman, and unanimously carried to approve the consent agenda.

Mayor:

- a. Authorize the Mayor to Execute the Contract Renewal with The Capitol Group for 2023 - 2024 with no changes from the previous year

City Clerk:

- b. Authorize Public Records Request form revision
- c. Approve Minutes: Special Call Meeting October 2, 2023
- d. Approve Minutes: Regular Meeting October 3, 2023
- e. Approve Minutes: Special Call Meeting October 10, 2023
- f. AMENDED: Ratify check 127621 to APWA Gulf Coast for \$1,250.00 for 2023 MS APWA Fall Conference Registration fees for five (5) city employees

THERE CAME on for consideration by the Mayor and Board of Aldermen (the “Governing Body”) of the City of Ocean Springs, Mississippi (the “City”), the matter of the Interlocal Agreement between the City and Jackson County, Mississippi. After a full consideration of the matter, Alderman Impey offered and moved the adoption of the following Resolution:

RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF OCEAN SPRINGS, MISSISSIPPI (THE “CITY”), APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN JACKSON COUNTY, MISSISSIPPI (THE “COUNTY”), AND THE CITY IN CONNECTION WITH THE TAX INCREMENT FINANCING PLAN FOR 1515 GOVERNMENT STREET, CITY OF OCEAN SPRINGS, JACKSON COUNTY, MISSISSIPPI, JUNE 2023 AND FOR RELATED PURPOSES.

WHEREAS, the Governing Body of the City, acting for and on behalf of the City, hereby finds, determines, adjudicates and declares as follows:

1. The City previously approved and adopted the *Tax Increment Financing Plan for 1515 Government Street, City of Ocean Springs, Jackson County, Mississippi, June 2023* on July 18, 2023 (the “TIF Plan”), and Jackson County, Mississippi (the “County”) approved the TIF Plan on August 7, 2023.

2. The TIF Plan provides that the City may authorize and issue an aggregate not to exceed principal amount of \$1,000,000 tax increment financing bonds in one or more series, to fund certain Infrastructure Improvements (as described in the TIF Plan), and also provide for the City's and County's joint and mutual pledge and division of the incremental increase in tax revenues generated by the development and redevelopment within the TIF District (as defined in the TIF Plan) as security for bonds issued pursuant to the TIF Plan.

3. The City and County desire to enter an Interlocal Agreement (the “Interlocal Agreement”), attached hereto as **EXHIBIT A**, for the implementation of the TIF Plan and the issuance of bonds associated with the TIF Plan, all as authorized under Sections 21-45-1 *et seq.*, Mississippi Code of 1972, as amended and/or supplemented from time to time (the “Act”).

4. Pursuant to the Interlocal Agreement, the City and the County shall contract with each other for the joint and cooperative action relating to the financing of Infrastructure Improvements within the TIF District and to jointly pledge revenues to fund the debt service of indebtedness associated with the bonds authorized pursuant to the TIF Plan and in accordance with the Act, with the City's and the County's total responsibility being limited to those amounts as set forth in the Interlocal Agreement.

5. The Interlocal Agreement is necessary to facilitate implementation of the TIF Plan and the issuance of bonds to be issued pursuant to the TIF Plan.

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

SECTION 1. The Governing Body of the City adopts this Resolution pursuant to the Act and all matters and things recited in the premises and preamble of this Resolution are found and determined to be true and correct.

SECTION 2. That the Governing Body of the City does hereby approve the Interlocal Agreement in the form attached hereto and made a part hereto as **EXHIBIT A** and does hereby authorize the Mayor and the City Clerk to execute the Interlocal Agreement for and on behalf of the City.

SECTION 3. Following approval by the County, counsel to the City and/or bond counsel is authorized and directed to file for approval of the Interlocal Agreement with the Mississippi Attorney General and to affect such other filings as may be required by the Act.

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

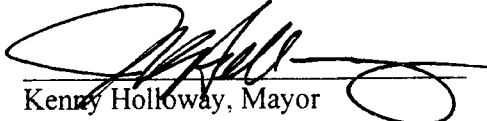
SECTION 5. For cause, this resolution shall become effective immediately upon adoption thereof.

Alderman Authement seconded the motion to adopt the foregoing resolution and the same being put to a roll call vote, the result was as follows:

Alderwoman Jennifer Burgess	voted: <u>Aye</u>
Alderman Rickey Authement	voted: <u>Aye</u>
Alderman Kevin Wade	voted: <u>Aye</u>
Alderman Ken Papania	voted: <u>Aye</u>
Alderman Robert Blackman	voted: <u>Recused</u>
Alderman Michael Impey	voted: <u>Aye</u>
Alderman Bobby Cox	voted: <u>Aye</u>

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this, the 17th day of October 2023.




Kenny Holloway, Mayor


Patty Gaston, City Clerk

**CITY OF OCEAN SPRINGS - MAYOR & BOARD OF ALDERMEN
REGULAR MEETING OF MAY 6, 2025 MINUTES**

DEPARTMENT REPORTS

- a. City Clerk: Approve payment: Docket of Claims, all expenditures are appropriate and authorized by law, and spread the summary on the Minutes

A motion was made by Alderman Blackman, seconded by Alderman Impey, and unanimously carried to approve the Docket of Claims finding that all expenditures are appropriate and authorized by law, and spread the summary on the minutes.

- b. City Clerk: Accept the Monthly Budget Report

A motion was made by Alderman Impey, seconded by Alderman Blackman, and unanimously carried to accept the monthly budget report.

GENERAL PUBLIC COMMENT

Dr. Bill Moore addressed the Mayor and the Board.

MAYOR AND ALDERMEN'S FORUM

Alderman Blackman provided an update on the Hanshaw Bridge project, stating that it remains on schedule.

A motion was made by Alderman Impey, seconded by Alderman Authement, and unanimously carried to hire Attorney Robert Schwartz to finalize the lease agreement for the 1515 Government Street Parking Garage.

A motion was made by Alderman Impey and seconded by Alderman Papania to authorize the City Attorney to amend ordinances in order to restore Civil Service protection to Department Heads, Assistant Department Heads, and Lead Positions.

The motion carried with the following roll call vote:

Aye: Alderman Authement, Alderman Papania, Alderman

Impey
Nay: Alderman Cox, Alderman Wade

Abstain: Alderman Blackman

Alderman Cox stated there is an issue with the RFP for City Attorney. There are two separate postings: one for an in-house City Attorney position and another RFP for a firm to provide contracted City Attorney services. He noted a discrepancy between the qualifications listed in the employee job description and those outlined in the RFP. The Human Resources Director clarified that the RFP will be amended to match the employee job description, requiring a minimum of five years of experience as a practicing attorney and a valid license to practice law in the State of Mississippi. No motion was required, and the RFP will be amended accordingly.

CITY OF OCEAN SPRINGS - MAYOR & BOARD OF ALDERMEN
Special Call Meeting May 29, 2025 - Minutes

Be it remembered that the Mayor and Board of Aldermen of the City of Ocean Springs met in a Special Call Meeting at City Hall in the City of Ocean Springs at 4:30 p.m. on May 29, 2025. Mayor Holloway presided, and Aldermen Authement, Wade, Cox, Papania, and Impey were present. Aldermen Burgess and Blackman were absent. Also present were City Attorney Will Norman, City Clerk Patty Gaston, Public Works Director Allan Ladnier, Project Manager Sarah Harris, and Payroll Technician Jennifer Ferrell.

The Mayor called the meeting to order.

A motion was made by Alderman Impey, seconded by Alderman Papania, and unanimously carried to accept the agenda.

The object of the meeting will be any matters pertaining to:

1. To engage Attorney Jim Simpson of Wise Carter, P.A., to work on the city's behalf on the 1515 Government Street Parking Garage Lease

A motion was made by Alderman Impey, seconded by Alderman Papania, and unanimously carried to accept the agenda.

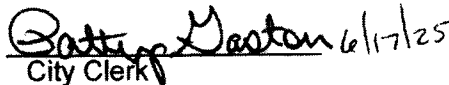
A motion was made by Alderman Papania, seconded by Alderman Cox, and unanimously carried to disengage Attorney Robert Schwartz related to the lease agreement for the 1515 Government Street Parking Garage.

A motion was made by Alderman Papania, seconded by Alderman Impey, and unanimously carried to approve contracting with Attorney Jim Simpson of Wise Carter, P.A., to represent the City in finalizing the lease agreement for the 1515 Government Street Parking Garage.

A motion was made by Alderman Impey, seconded by Alderman Wade, and unanimously carried to adjourn.

The meeting ended at 4:33 p.m.


Mayor


City Clerk



**CITY OF OCEAN SPRINGS - MAYOR & BOARD OF ALDERMEN
RECESS MEETING OF JUNE 17, 2025 MINUTES**

demolition applicants have been required to submit documentation from an architect or structural engineer confirming the structure is not salvageable. He added that the termite and mold reports presented do not meet that standard.

A motion was made by Alderman Cox, seconded by Alderman Impey, and unanimously carried to approve the HPC's recommendation of denial and return the demolition request for 208 Washington Avenue to the Historic Preservation Commission, with the condition that a structural engineering report be submitted for further consideration.

CONSENT AGENDA

A motion was made by Alderman Impey, seconded by Alderman Wade, and unanimously carried to approve the consent agenda, except item 8-b pulled by Alderman Cox and item 8-v pulled by Alderman Wade.

Mayor:

- a. Approve the temporary closure of Front Beach Drive from Fort Maurepas to Washington Avenue on July 3, 2025, from 4:00 p.m. to 10:00 p.m., with authorization for the Police Department to adjust closure times and limits as necessary for public safety
- b. Authorize the Mayor to execute the Parking Garage Lease Agreement for 1515 Government Street

Alderman Cox requested the lease be reviewed by the appointed Interim City Attorney before approval.

City Clerk:

- c. Approve Minutes: Recess Meeting May 20, 2025
- d. Approve Minutes: Special Call Meeting May 27, 2025
- e. Approve Minutes: Special Call Meeting May 29, 2025
- f. Approve Minutes: Regular Meeting June 3, 2025

Police Department:

- g. Accept OSPD Monthly Report for May 2025

Fire Department:

- h. Accept OSFD Monthly Report for May 2025

Human Resources/Risk Management:

- i. Authorize removing Utility Billing Supervisor Janna Hinton from probationary status to full time status, effective June 26, 2025

**CITY OF OCEAN SPRINGS - MAYOR & BOARD OF
ALDERMEN RECESS MEETING OF JULY 15, 2025 MINUTES**

- c. Proclamation honoring City Clerk Patty Gaston upon her retirement with 22 years of dedicated service

A proclamation was presented honoring City Clerk Patty Gaston upon her retirement, recognizing her 22 years of dedicated service. City Clerk Patty Gaston accepted the proclamation from the Mayor.

AGENDA PUBLIC COMMENT

Agenda item 7-x Code Enforcement Report - William Betterton and Ellen Hall spoke about updating and enforcing City Ordinances.

OLD BUSINESS

- a. Authorization for Parking Garage Valuation – 1515 Government Street

A motion was made by Alderman Hinton, seconded by Alderman Wade, and unanimously carried to authorize Global Valuation Services, Inc. to proceed with the fair market valuation of the parking garage at 1515 Government Street at a cost not to exceed \$2,000.

- b. Appoint CTA Representative

A motion was made by Alderman Wade and seconded by Alderman Tillis to appoint Joseph Bellman as the Coast Transit Authority Representative for the remainder of the term expiring July 31, 2026. The motion carried with a vote as follows:

Aye: Alderman Tillis, Alderman Stennis, Alderman Wade, Alderman Messenger, Alderman Hinton

Nay: Alderman Pfeiffer, Alderman Blackman

A motion was made by Alderman Blackman, seconded by Alderman Hinton, and unanimously carried to appoint David Hayden and Lethel Bowden to the Zoning and Adjustment Board for 3-year terms expiring July 31, 2028.

A motion was made by Alderman Blackman, seconded by Alderman Wade, and unanimously carried to appoint Robert Brown, Charles Fowler, and Susan Wooten to the Historic Preservation Commission for 4-year terms expiring July 31, 2029.

A motion was made by Alderman Blackman, seconded by Alderman Hinton, and unanimously carried to appoint Dylan Lipe, Shannon Senseney, and Tara Thompson to the Parks Advisory Board for 5-year terms expiring July 31, 2030.

A motion was made by Alderman Blackman, seconded by Alderman Pfeiffer, and



Bobby Cox | Mayor
Matthew Hinton | Alderman at Large
Steve Tillis | Alderman Ward 1
Karen Stennis | Alderman Ward 2

Kevin Wade | Alderman Ward 3
Shannon Pfeiffer | Alderman Ward 4
Rob Blackman | Alderman Ward 5
Julie Messenger | Alderman Ward 6



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MEMORANDUM

To: Mayor & Board of Aldermen
From: Vicky Hupe, Deputy City Clerk
Re: Authorization for Parking Garage Valuation – 1515 Government Street
Section: OLD BUSINESS
Meeting Date: July 15, 2025

The City has received a proposal from Global Valuation Services, Inc. to conduct a fair market valuation of the existing parking garage located at 1515 Government Street. The valuation will assess the fair market value of the garage improvements and correlate that value with a fair market rental rate, as previously discussed.

Global Valuation Services, Inc. has proposed to perform the valuation services at a rate of \$250 per hour, not to exceed a total cost of \$2,000. The final report will be delivered within approximately 60 days.

Requested Action:

Authorize Global Valuation Services, Inc. to proceed with the fair market valuation of the parking garage at 1515 Government Street at a cost not to exceed \$2,000.

**CITY OF OCEAN SPRINGS - MAYOR & BOARD OF ALDERMEN
RECESS MEETING OF OCTOBER 21, 2025 - MINUTES**

Maggie Noblitt, Alden St. Amant, Isabel Brown, Ryleigh Register, Baylor Edmiston, Ashlynn Bonta, Jazzlyn Johnson, Lucy Longo, Lucy Pepper, Lilly Rutland, Rozlyn Vick, and Anna Hoffmayer.

AGENDA PUBLIC COMMENT

James Lewis (Agenda Item 5-a) asked for clarification regarding the authorization to execute the contracts. It was explained that the Board of Aldermen grants the Mayor the authority to sign the contracts on behalf of the City.

OLD BUSINESS

- a. Authorization to Award and Execute contracts and related documents for City Lobbying Services

A motion was made by Alderman Tillis, seconded by Alderman Pfeiffer, and unanimously carried to award the City's Lobbying Services Contract to The Capitol Group.

- b. 1515 Government Street Parking Garage Lease

The City Attorney explained that the appraisal for the parking garage utilized the cost approach and determined the fair market value for annual rent to be approximately \$600,000. Under the proposed lease agreement, the City would pay \$1.00 in rent, in addition to covering costs for casualty and liability insurance, cleaning, maintenance, elevator service, and the video security system for approximately 85% of the building.

Alderman Pfeiffer distributed a memo requesting legal and financial review of the proposed lease agreement. Alderman Hinton asked whether 2% tourism funds could be used to offset the associated costs.

A motion was made by Alderman Hinton, seconded by Alderman Tillis, and unanimously carried to table consideration of the lease approval.

NEW BUSINESS

- a. Tax Abatement Request from Lighthouse Assisted Living and Memory Care

Robert Wagle, representing Lighthouse Assisted Living and Memory Care, stated that Lighthouse employs approximately 100 full-time workers. He explained that assisted living and memory care facilities are eligible for ad valorem tax exemptions and noted that while up to ten years may be requested, Jackson County has already granted



Bobby Cox | Mayor
Matthew Hinton | Alderman at Large
Steve Tillis | Alderman Ward 1
Karen Stennis | Alderman Ward 2

Kevin Wade | Alderman Ward 3
Shannon Pfeiffer | Alderman Ward 4
Rob Blackman | Alderman Ward 5
Julie Messenger | Alderman Ward 6



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MEMORANDUM

To: Mayor & Board of Aldermen
 From: City Attorney
 Re: 1515 Government Street Parking Garage Lease
 Section: OLD BUSINESS
 Meeting Date: October 21, 2025

The purpose of this agenda item is to present for Board consideration a proposed lease agreement for the City of Ocean Springs to lease a portion of the parking garage located at 1515 Government Street. The lease would provide dedicated public parking for City residents, visitors, and downtown businesses while ensuring the long-term use and maintenance of the facility.

Under the proposed agreement, the City would lease 85% of the parking garage located at 1515 Government Street for municipal parking purposes. The initial lease term would run through June 30, 2029, coinciding with the final day of the current Mayor and Board of Aldermen’s term. The lease would include provisions for renewal for subsequent terms of the Mayor and Board upon approval by future Boards.

Key Lease Terms

1. Rent: \$1.00 per year.
2. Insurance: The City would pay 85% of the cost to fully insure the garage premises against casualty losses. The City would also provide liability insurance for the leased portion.
3. Utilities: The City would pay 85% of the water and electricity costs associated with the garage, consistent with the percentage of space leased. The City would also install, operate, and maintain a security system, including surveillance cameras.
4. Maintenance: The City would provide routine maintenance services, including sweeping, trash collection, restriping, and similar upkeep.

The City allocated \$75,000 in the FY2026 Budget to cover expected expenses associated with the lease, including insurance, utilities, maintenance, and security system costs. An independent appraisal conducted using the Cost Approach methodology estimated the economic rent for the garage at over \$600,000 annually.

The proposed terms — \$1 annual rent plus the City’s pro-rata share of expenses (estimated at \$75,000) — represent a substantial cost savings for the City compared to the market rental rate.

Requested Motion: Authorize the lease agreement for the City of Ocean Springs to lease 85% of the parking garage premises located at 1515 Government Street for City parking purposes, with an initial term ending June 30, 2029, and subsequent renewals to coincide with future terms of the Mayor and Board, under the terms outlined herein, including annual rent of \$1.00 and the City's pro-rata share of insurance, utilities, maintenance, and security expenses.

Tabled .



Bobby Cox	Mayor	Kevin Wade	Alderman Ward 3
Matthew Hinton	Alderman at Large	Shannon Pfeiffer	Alderman Ward 4
Steve Tillis	Alderman Ward 1	Rob Blackman	Alderman Ward 5
Karen Stennis	Alderman Ward 2	Julie Messenger	Alderman Ward 6



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MEMORANDUM

TO: Mayor and Board of Aldermen

FROM: Alderman Shannon Pfeiffer, Ward 4

DATE: October 21, 2025

RE: Legal and Financial Review – Proposed 1515 Government Street Parking Garage Lease

Purpose

This memorandum accompanies the revised draft of the Parking Garage Lease Agreement for the 1515 Government Street property. It identifies key inconsistencies and legal risks in the version originally submitted under “Old Business,” and outlines the necessary corrections to ensure compliance with Mississippi law, the August 21, 2025 appraisal report, and the City’s fiscal and transparency obligations.

1. Alignment with Appraisal Findings

The Restricted Appraisal Report by Global Valuation Services, Inc. (File No. 25-3069) establishes that the City’s intended lease covers approximately 70.1% of the garage’s parking spaces and 73% of the total square footage, not 85% as stated in the prior draft. The City’s proposed \$1.00 rent is acceptable only because the structure was built under a public/private grant that obligated provision of publicly accessible parking. The appraiser’s estimated economic rent of \$612,011 annually reflects a hypothetical market scenario, not a required payment level. The appraisal assumes no ad valorem assessment once the lease is in place, eliminating any need for the City to reimburse property taxes.

2. Key Legal and Fiscal Corrections

To protect the City from undue financial exposure and align the lease with state law, the following revisions need to be made:

Issue	Proposed Correction	Legal Basis
-----	-----	-----
Lease Share	Adjust from <u>85%</u> to <u>70%</u> to reflect appraisal data	Restricted Appraisal Report (Aug 21 2025)
Rent Clause	Add grant-based public purpose recital	Miss. Const. Art. 4 § 66 (prohibits donation without public benefit)

| **Insurance** | City insures only 70% operational area; owner insures structure | OSA Manual § III-C |

| **Maintenance** | City handles operational care only; Lessor retains structural/elevator liability | Miss. Code § 21-17-1 |

| **Ad Valorem Taxes** | Deleted reimbursement clause; clarified Lessor responsibility | Miss. Code § 27-31-1 |

| **Budget & Appropriation** | Added annual appropriation and termination-for-convenience clauses | AG Op. 2019-00093 (Oxford) |

| **Lender Subordination** | Added Non-Disturbance Agreement requirement | Standard municipal leasing practice |

| **Public Access** | Added clause guaranteeing open, nondiscriminatory public parking | Ensures public purpose compliance |

3. Financial Impact Summary

- Annual Operating Cost to City: ≈ \$75,000 (insurance + utilities + maintenance + security)
- Capital & Structural Responsibility: 0% (retained by Lessor)
- Public Access Obligation: Continuous; signage and maintenance by City
- Termination Protection: 90-day termination-for-convenience clause; automatic termination if funds not appropriated

4. Legal Risk Mitigation

A revised draft eliminates several vulnerabilities:

- Prevents the appearance of an unconstitutional “donation” of public funds.
- Avoids illegal multi-year encumbrance of City budgets without appropriation.
- Clarifies tax exemption expectations and prevents double payment.
- Ensures continued public parking access regardless of future private financing.

5. Recommendation

I recommended that the Board adopt a revised lease version for review and approval subject to legal counsel confirmation.

This structure ensures financial transparency, preserves the City’s public benefit intent, and brings the lease into full compliance with Mississippi municipal law

PARKING GARAGE LEASE AGREEMENT

THIS PARKING GARAGE LEASE AGREEMENT (this "**Agreement**") is made and entered into as of _____, 2025 (the "**Effective Date**"), by and between OHOS Development, LLC, a Mississippi limited liability company ("**Lessor**"), and the City of Ocean Springs ("**Lessee**").

WHEREAS, Lessor is the owner of that certain parking garage located at os1515 Downtown Development (the "**Property**"), as more particularly depicted in Exhibit A; and

WHEREAS, Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor, the parking structure and related components thereof, including but not limited to foundations and other structural members, access to/from the upper levels including ramps, stairs, elevators, and their enclosures (the "**Premises**"), on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **TERM**. The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until June 30, 2029, subject to renewal for the term of the Board of Aldermen of the City of Ocean Springs and subject to earlier termination as provided herein.

2. **RENT**. Lessee shall pay to Lessor a lease rate of One Dollar (\$1.00) per annum, payable annually in advance on the first day of each lease year during the term of this Agreement.

3. **INSURANCE**.

3.1 **Casualty Insurance**. During the term of this Lease, the Lessee shall be responsible for procuring and maintaining casualty insurance coverage for the entire garage structure to the extent of its full insurable value against loss or damage by fire, theft, vandalism, flood, earthquake, and other risks as are customarily covered with respect to properties of similar size and character in the jurisdiction of Mississippi. The Lessor shall pay the Lessor's share based on the value of the portions limited to Lessor's use, which portion is 15% of the value. Lessee shall name Lessor as an additional insured and additional loss payee on all such policies. The Lessee shall reimburse the Lessor for insurance premiums paid from the time the Property was first available for public use, including minimum earned premiums and cancellation charges, if applicable.

3.2 **Liability Insurance**. The Lessor shall procure and maintain comprehensive liability insurance for the garage structure for its use and occupation of the garage. The liability insurance shall provide coverage against claims for bodily injury, death, and property damage. The Lessor shall pay the premiums for its liability insurance. Lessee shall also procure and maintain comprehensive liability insurance for the Premises. The liability insurance shall provide coverage against claims for bodily injury, death, and property damage for its use of the Premises occupied by Lessee.

3.3 Certificates of Insurance. Both parties agree to provide each other with certificates of insurance evidencing the coverage as required by this clause, upon request.

3.4 Review of the Structure of Insurance. Both parties agree that the structure of insurance, including but not limited to the evaluation and determination of either party to provide self-insurance, is to be conducted on an annual basis prior to the annual renewal of insurance. If either party desires to provide self-insurance for the Premises, that party must provide notice pursuant to the notice provisions of this Agreement. Any amendment to this Agreement regarding the manner and structure of any insurance agreed to be provided herein must be approved by both parties in writing prior to the effective date of any alternate insurance arrangement.

4. SECURITY. In consideration of the safety and security of the Premises leased under this Agreement, the Lessee, agrees to install, maintain, and operate security cameras at strategically designated locations within the Premises at Lessee's expense. The installation and operation of said security cameras shall be conducted in a manner that complies with all applicable local, state, and federal laws and regulations governing privacy and surveillance. The Lessee shall bear all costs associated with the installation, maintenance, and operation of the security cameras. The Lessor reserves the right to review and approve the locations of the cameras to ensure they do not infringe upon the privacy rights of other tenants or violate any lease provisions.

5. UTILITIES. This Lease Agreement stipulates that Lessor shall be responsible for the payment of all electricity costs associated with the entire garage structure. The Lessor shall invoice the Lessee for eighty-five percent (85%) of the total electricity bill, broken down as follows: thirty percent (30%) for the second floor, thirty percent (30%) for the third floor, and twenty-five percent (25%) for elevator usage. The Lessee agrees to pay the invoiced amount within thirty (30) days of receipt of the invoice. The Lessee shall be responsible for securing and paying for internet and telephone utilities and services as required for surveillance and elevator systems. The Lessee shall be responsible for water and sewer services to the Property. Lessee acknowledges that Lessor has paid utilities for the Property from May 1, 2025, through the Effective Date. Within thirty (30) days of the Effective Date, Lessor shall provide Lessee with documentation of all utility costs paid during this period, including electricity, water, sewer, and any other utilities attributable to the Premises. Lessee shall reimburse Lessor for eighty-five percent (85%) of electricity costs and one hundred percent (100%) of water and sewer costs paid during such period, calculated using the same allocation methodology set forth in this Section 5. Payment of such reimbursement shall be due within thirty (30) days of Lessee's receipt of the documentation and invoice from Lessor.

6. MAINTENANCE OF STRUCTURE.

6.1 General Maintenance Obligations. This Lease Agreement mandates that the Lessee shall be responsible for the maintenance of the Premises only. Maintenance obligations include, but are not limited to, the routine cleaning of the Premises, restriping and replacement of lighting fixtures as necessary.

6.2 Standards of Maintenance. The Lessee shall be responsible for all cleaning, changing of lights, and other general maintenance throughout the Premises. All maintenance activities shall be conducted in a manner consistent with the prevailing standards for

similar properties within the jurisdiction of Mississippi and shall adhere to all applicable local, state, and federal regulations.

6.3 Elevator Maintenance and Repairs. The Lessee agrees to assume full responsibility for the maintenance, repair, and, if necessary, replacement of the garage elevators located within the Premises. The Lessee shall ensure that all maintenance and repairs are performed in a timely and professional manner, in accordance with the manufacturer's recommendations and applicable laws and regulations of the State of Mississippi. The Lessee shall keep records of all maintenance and repair work carried out on the garage elevators and shall make such records available to Lessor upon request.

7. INDEMNIFICATION. [Omitted]

8. COSTS OF LITIGATION. Each party shall bear its own costs, expenses, and attorney's fees incurred in any litigation arising out of or related to this Lease Agreement, unless otherwise ordered by a court of competent jurisdiction.

9. AD VALOREM TAXES. It is the obligation of the Lessee to either cause their portion of the Premises to be exempted from the tax rolls or, if they are unable to do so, to reimburse the Lessor for 85% of the real property taxes attributable to the Property. This percentage was calculated based on a breakdown of the building components that are attributable to the Lessee's portion (the Premises), which include structural members, access to/from the upper levels including ramps, stairs, elevators, and their enclosures. The Lessor shall furnish the Lessee with all relevant documentation evidencing the amount of real property taxes paid on such leasehold interest, and the Lessee shall remit the reimbursement within thirty (30) days of receipt of such documentation.

10. DAMAGE AND REPAIR.

10.1 Lessee's Responsibility. The Lessee shall be responsible for any damage to the Premises caused by the Lessee, its employees, agents, or invitees. The Lessee agrees to promptly repair any such damage at its own expense, restoring the Premises to its original condition, normal wear and tear excepted.

10.2 Repair Procedure. In the event of damage, the Lessee shall notify the Lessor in writing within five (5) days of occurrence. The Lessee shall commence repairs within ten (10) days of such notice or as soon as practicable and shall complete repairs within a reasonable time frame. All repairs must be performed by qualified contractors approved by the Lessor.

10.3 Lessor's Right to Inspect. The Lessor reserves the right to inspect the Premises following any reported damage and to verify the completion and adequacy of repairs.

10.4 Failure to Repair. If the Lessee fails to commence or complete repairs within the specified time, the Lessor may, at its discretion, perform the necessary repairs and charge the cost thereof to the Lessee, payable within thirty (30) days of receipt of an invoice.

10. DEFAULT. In the event that either party defaults in the performance of any of its obligations under this Lease Agreement, the non-defaulting party shall provide written notice to

the defaulting party, specifying the nature of the default. The defaulting party shall have thirty (30) days from the date of receipt of such notice to cure the default. If the default is not cured within this period, the non-defaulting party shall have the right to terminate this Lease Agreement and pursue any other remedies available at law or in equity.

11. **ASSIGNMENT AND SUBLETTING.** The Lessee shall not assign this Lease Agreement or sublet the leased Premises, or any part thereof, without the prior written consent of the Lessor, which consent shall not be unreasonably withheld.

12. **FORCE MAJEURE.** Neither party shall be liable for any failure to perform its obligations under this Lease Agreement if such failure is caused by events beyond its reasonable control, including, but not limited to, acts of God, war, terrorism, strikes, lockouts, or other labor disputes, natural disasters, or governmental regulations, provided that the affected party gives prompt notice of the force majeure event to the other party and uses reasonable efforts to mitigate the effects of such event.

13. **NOTICE.** Any notice required or permitted to be given under this Lease Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, sent by registered or certified mail, return receipt requested, postage prepaid, or sent via email to the designated email addresses, provided that a read receipt is requested and obtained. Notices shall be sent to the following addresses or email addresses, or to such other address or email address as either party may designate by written notice to the other in accordance with this provision:

Lessor:	OHOS DEVELOPMENT, LLC
Address:	1515 Government Street Ocean Springs, Mississippi 39564
Email:	joropesa@os1515.com
Lessee:	CITY OF OCEAN SPRINGS
Address:	1018 Porter Ave Ocean Springs, MS 39564 228-875-6722

Notices shall be deemed to have been received: (i) if delivered personally, on the date of delivery; (ii) if sent by mail, on the third business day following deposit in the United States mail.

14. **JURISDICTION.** This Lease Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi. The parties agree that any legal action or proceeding arising out of or related to this Agreement shall be brought exclusively in the courts of Jackson County, Mississippi.

15. **SUBORDINATION TO MORTGAGES.** This Lease Agreement is and shall be subordinate to any mortgages or deeds of trust now or hereafter placed upon the leased Premises,

and to all advances made or to be made upon the security thereof. The Lessee agrees to execute any further instruments that may be required to effectuate such subordination.

16. ENVIRONMENTAL COMPLIANCE.

16.1 Compliance with Laws. The Lessee shall comply with all applicable local, state, and federal environmental laws and regulations in its use and occupancy of the Premises.

16.2 Prohibited Activities. The Lessee shall not use or permit the use of the Premises for any activities that may result in the release of hazardous substances or waste, as defined under federal or state law.

16.3 Notification and Remediation. The Lessee shall immediately notify the Lessor of any environmental incident or violation occurring on the Premises. The Lessee shall be responsible for any necessary remediation to bring the Premises into compliance, at its own expense, and in accordance with applicable laws.

16. MISCELLANEOUS. This Lease Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral. No modification or waiver of any provision of this Agreement shall be binding unless in writing and signed by both parties. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect. The headings in this Agreement are for convenience only and shall not affect its interpretation.

Signature Page Immediately Follows

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date first above stated.

LESSOR

OHOS DEVELOPMENT, LLC

By: _____

Name: _____

Title: _____

LESSEE

THE CITY OF OCEAN SPRINGS

By: _____

Name: _____

Title: _____

**CITY OF OCEAN SPRINGS - MAYOR & BOARD OF ALDERMEN
RECESS MEETING OF NOVEMBER 18, 2025 - MINUTES**

Alderman Tillis spoke in support of retaining David Harris as City Attorney for the remainder of his contract term.

Alderman Stennis outlined her concerns about continuing to have David Harris serve as City Attorney.

Alderman Pfeiffer also expressed her concerns regarding continuing legal services under David Harris and requested that the Board review the received RFPs and consider selecting a firm with greater municipal experience.

The Mayor expressed support for retaining David Harris as City Attorney.

A motion was then made by Alderman Wade and seconded by Alderman Tillis for the professional services agreement with David Harris, City Attorney, to remain in full effect. The motion carried by the following vote:

Aye: Alderman Tillis, Alderman Wade, Alderman Blackman, Alderman Messenger, Alderman Hinton

Nay: Alderman Stennis, Alderman Pfeiffer

b. Discussion of 1515 Government Street Parking Garage Lease

The City Attorney provided a detailed timeline regarding the 1515 Government Street Parking Garage and the Gulf Coast Restore Funds Act (GCRF) grant agreements associated with the project. He explained that the first activity occurred on July 19, 2019, during the administration of Mayor Shea Dobson.

He stated that on July 20, 2021, a proposed 99-year lease memorandum was presented to the Board; however, it was not approved. Subsequently, on August 17, 2021, the Board authorized the execution of an MOU that contemplated a long-term lease for the parking garage.

In January 2022, the first grant agreement with the Mississippi Development Authority was executed — GCRF Grant 20-09. This grant was not funded until July 1, 2023, when it was awarded as a \$2 million matching grant.

He noted that on July 1, 2023, an amended and restated grant agreement, GCRF Grant 21-09, was executed. This agreement provided \$6 million in funding with required matching funds totaling nearly \$14 million. He emphasized that both GCRF grant agreements incorporated the 2021 MOU.

The City Attorney described the GCRF funding request as being used as a “sales pitch” or aspirational project concept during development discussions. He clarified that the grant agreements were between OHOS Development and GCRF, not directly between the City and GCRF.

**CITY OF OCEAN SPRINGS - MAYOR & BOARD OF ALDERMEN
RECESS MEETING OF NOVEMBER 18, 2025 - MINUTES**

Alderman Tillis asked about the ownership of the parking garage and stated that if the City does not hold ownership, then any lease must be structured to benefit the City rather than the developer. He stated he would not support the lease in its current form.

Alderman Stennis asked about the grant application initially stating that ownership would transfer to the City, then later changing to a lease arrangement, and whether the grant funds may have been received improperly.

The City Attorney stated that the GCRF funding is a reimbursement matching-fund grant, explaining that the developer has already provided more than the required matching amount. He stated he had been advised that MDA reviews expenditure reports and reimburses funds only after verifying that expenditures meet grant requirements.

Alderman Hinton stated that the parking garage proposal came before the Planning Commission several years ago, originally with ownership transferring to the City and later changing to a 99-year lease. He stated that multiple conflicts are currently being reviewed.

Alderman Pfeiffer stated that as recently as August 2024, OHOS informed MDA that ownership of the parking garage would be transferred to the City.

Alderman Messenger stated she would not support leasing the parking garage, expressing a preference for City ownership or no involvement at all.

CONSENT AGENDA

A motion was made by Alderman Hinton, seconded by Alderman Wade, and unanimously carried to approve the consent agenda except items 5-j and 5-aa pulled by Alderman Pfeiffer and item 5-k pulled by Alderman Tillis.

Mayor/BOA:

- a. Authorize the installation of a 129W LED floodlight on an existing pole at Trentwood Park on Shadow Wood Drive at an installation cost of \$70.00, and approve the corresponding monthly increase of approximately \$19.13
- b. Approve the Special Event Application for Macedonia Church Homecoming Picnic on Saturday, November 22, 2025, from 7:30 a.m. to 4:00 p.m., at MLK Park, at no cost to the City, the applicant pays the associated event cost
- c. Authorize and waive all associated fees for Macedonia Missionary Baptist Church to host a luncheon for their congregation on Sunday, November 23, 2025, from 7:00 a.m. - 7:00 p.m., in the Ryan Youth Center, to celebrate the church's 134th anniversary; to advertise the resources of the city



Bobby Cox | Mayor
Matthew Hinton | Alderman at Large
Steve Tillis | Alderman Ward 1
Karen Stennis | Alderman Ward 2

Kevin Wade | Alderman Ward 3
Shannon Pfeiffer | Alderman Ward 4
Rob Blackman | Alderman Ward 5
Julie Messenger | Alderman Ward 6



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MEMORANDUM

To: Mayor & Board of Aldermen
From: Christine Millard, City Clerk
Re: Discussion of 1515 Government Street Parking Garage Lease
Section: OLD BUSINESS
Meeting Date: November 18, 2025

Aldermen Tillis, Stennis, and Pfeiffer have requested that the Board hold a discussion regarding the proposed lease agreement for the parking garage located at 1515 Government Street.

At the October 21, 2025 Recess Meeting, the Board tabled consideration of the lease pending further review. The City Attorney has since advised that portions of this discussion may fall under the executive session provisions of:

Miss. Code Ann. § 25-41-7(4)(b) – strategy sessions or negotiations relating to prospective litigation or litigation when an open meeting would have a detrimental effect on the public body's position; and
Miss. Code Ann. § 25-41-7(4)(g) – discussions concerning the prospective purchase, sale, or leasing of land.

Accordingly, if the Board's discussion involves matters relating to the terms of the lease or potential litigation strategy, those portions may be held in executive session consistent with the City Attorney's guidance.