



## **Southern Mississippi Planning and Development District Revitalization Program Overview**

Southern Mississippi Planning and Development District (SMPDD), a 501 (c)(3) private, non-profit organization, operates a Revitalization Program through their Economic/Workforce Development Division. The Revitalization Program allows private developers/property owners to apply to the local government for a redevelopment grant/tax reimbursement to incentivize the reuse/redevelopment of vacant buildings and blighted properties; pursuant to Miss. Code Ann. § 17-19-1.

In order to participate in SMPDD's Revitalization Program, an application fee of up to \$2,500.00 may be charged; the application fee will be determined once the application is received. The Revitalization Program incentivizes a developer/property owner to locate in vacant buildings and blighted properties through the following:

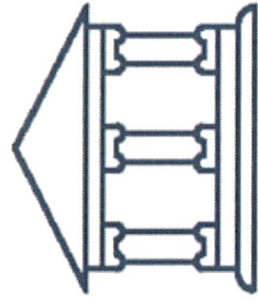
- **Commercial Redevelopment Program** - Utilizes the general fund of the participating municipality and is based on the over and above increase in sales tax that results from the redevelopment/reuse project. The developer/property owner will be eligible for a reimbursable grant based on the predetermined percentage amount related to the increase in sales tax generated from the redevelopment/reuse project.
- **Customized Programs** - SMPDD will work with the participating municipality to determine the program parameters, for a combination of both retail sales tax reimbursements and ad valorem reimbursements or abatements.

The Revitalization Program can be used to reimburse the improvements made to both the exterior and interior of private buildings that result in the improved appearance and functionality of the vacant building or blighted property.

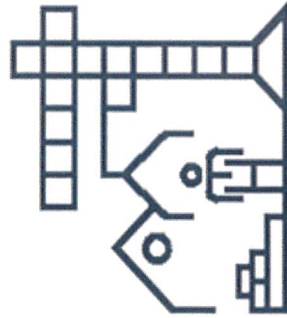
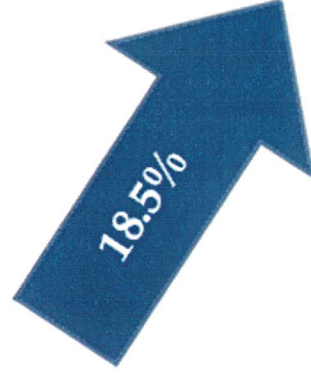
For more information on SMPDD's Revitalization Program, please contact Allison Beasley or Lindsay Ward at (228) 868 – 2311.

*The REVITALIZATION PROGRAM concept and materials were developed by Southern Mississippi Planning and Development District and may not be used in part or in whole without the expressed written consent of the originators.*

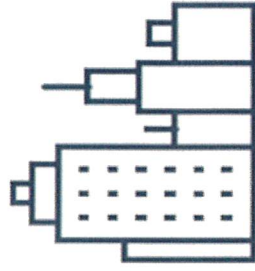
**UPDATED 03/13/2018**



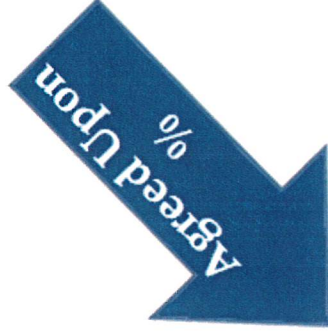
MS Dept. of Revenue



Private Developer



City's General Fund



# Revitalization Program



## SMPDD

Southern Mississippi Planning & Development District

**BUILDING A STRONGER MISSISSIPPI**

For more information on the Revitalization Program contact Allison Beasley or Lindsay Ward at (228) 868-2311.



## **Southern Mississippi Planning and Development District Commercial Redevelopment Program Guidelines**

Southern Mississippi Planning and Development District (SMPDD), a 501 (c)(3) private, non-profit organization, operates a Revitalization Program through their Economic/Workforce Development Division. A component of the Revitalization Program is the Commercial Redevelopment Program. The Commercial Redevelopment Program allows private developers/property owners to apply to the local government for a redevelopment grant/tax reimbursement to incentivize the reuse/redevelopment of existing, vacant commercial buildings; pursuant to Miss. Code Ann. § 17-19-1. In order to participate in SMPDD's Revitalization Program, an application fee of up to \$2,500.00 may be charged; the application fee will be determined once the application is received.

The funding for the redevelopment grant/tax reimbursements comes from the general fund of the participating municipality and is based on the over and above increase in sales tax that results from the redevelopment/reuse project. These funds are paid from the municipality to SMPDD through a Tri-Party Agreement. These grants would be paid (in a predetermined amount) to the developer/property owner after the first year of redevelopment and opening of new commercial tenant(s). SMPDD will obtain a small administration fee from these funds and then pay the redevelopment grant/tax reimbursement to the commercial developer/property owner based on the award conditions outlined in the grant application and program agreement.

**Uses:** The Commercial Redevelopment Grant Program can be used to reimburse the improvements made to both the exterior and interior of private buildings that result in the improved appearance and functionality of the blighted/vacant commercial properties.

The incentive program cannot be used for the reimbursement of Furniture, Fixtures, and Equipment (FFE), general maintenance, or other work that did not improve the appearance or functionality of the building.

**Funding Flow:** Reimbursements to the developer/property owner will begin after one (1) full year of tenant(s) occupancy. At that point, the increase in taxes resulting from the improvement will be evaluated and the agreed upon grant/tax reimbursement payment (plus administrative fees) would be transferred to SMPDD through the Tri-Party Agreement. Upon approval from the municipality, SMPDD would then make the grant/tax reimbursement to the developer.

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**Grant Amount:** The grant amount would be determined by negotiations between the City and the developer/property owner. The grant amount would not be allowed to be more than one-third (1/3) of the proposed improvements, which must be documented with invoices, within 90 days of renovation completion. The total grant amount would be paid in annual increments (based on taxes generated over and above the base assessment) until the total amount is reimbursed to the developer.

## MANDATORY PROGRAM PARAMETERS

- Projects shall consist of a 1/3 reimbursement maximum grant. Example – Total Project Cost of \$1,000,000.00 is eligible for a \$333,333.33 maximum reimbursement.
- A project may only apply for one of the Revitalization Programs per property redevelopment.
- The grant/tax reimbursement amount is determined by the increased sales tax revenue generated by the project.
- Each individual project must complete a Grant Application, Tri-Party Agreement (between the developer/property owner, municipality, and SMPDD), and Program Agreement.
- The maximum period of grant reimbursement is fifteen (15) years.
- SMPDD administrative cost is limited to 10% of grant/tax reimbursements.
- Upon project completion, project cost(s) must be documented and provided to the City Clerk/Chancery Clerk for verification within 90 days of completion.
- Reimbursement from City to SMPDD and SMPDD to Developer/Property Owner will begin twelve (12) months after the redevelopment is complete and increase in sales taxes can be verified.
- The grant/tax reimbursement cannot be used for Furniture, Fixtures, and Equipment (FFE), general maintenance, or other work that does not improve the appearance or functionality of the building.

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