



Staff Report

Meeting Date: Nov 19, 2024
Meeting Type: City Council

To: City Council

From: Administration

Item Title: Motion to approve the Tri-Party Agreement for Commercial Redevelopment Incentive Grant and Related Services between the City of Bay St. Louis, South Mississippi Planning and Development District, Inc., and UVF1 810 Highway 90 Investment, LLC.

Background: This is an application for the Driftwood Hotel on Hwy 90 using the economic development incentive program with SMPDD. The city recently approved the agreement between the City and SMPDD to have this incentive program available for redevelopment projects. This is an application from the developer. The city is able to consider this application on its own merit. The city can agree to provide a grant based on a set % (as determined by the city council) of increase sales tax diversion from this development. For example, the city could agree to a grant amount based on 50%, 75% or 100% (or another %) of the increased sales tax diversion from this improved development. The developer has completed the total renovation and the boutique hotel is fully operational at this time. Prior to the renovation, the former Economy Inn was a blighted property which was known for illegal activities. The developer has transformed this property on Hwy 90 to an attractive hotel. The developer started conversation about this incentive with SMPDD and the City prior to beginning work on the property.

Recommendation: Approve

Attachments: