



Staff Report

Meeting Date: July 8, 2025
Meeting Type: City Council

To: City Council
From: Administration
Item Title: Motion to approve the resolution approving the adoption and implementation of the Tax Increment Financing (TIF) Redevelopment Plan, Bay St. Louis, Mississippi, 2025.

Background: As part of the agenda, there is a public hearing scheduled for the TIF Redevelopment Plan. The city hired Laurence Leyens to write this plan for us. This takes about 6 months to complete.

This plan is a required document that a public entity must have in order to consider future TIF bonds as an economic development incentive for a project. Laurence will be there to discuss during the public hearing. This would be eligible in the entire city limits.

First, this is not for a project at this time. There is no project in front of the council. This is strictly the plan that has to conform to our comprehensive plan, which it does. Hancock County already has this document completed since often times both entities (city and county) will consider the TIF bond incentive at the same time to provide the incentive to a developer. For a TIF bond, no city funds can be used to pay for a TIF. It is all paid by the developer and through the project (property taxes and sales taxes that are generated/increased from the project). If the taxes are not paid or do not generate as projected, there is no risks to the city. No city funds can be used. It has to come from the project.

TIF bonds are used to reimburse a developer for public infrastructure that is needed for a project (roads, sidewalks, parking, water, sewer, gas, etc.). There is a list of items are eligible expenses that can be reimbursed by the funds from a TIF bond. Laurence can go through that. The public infrastructure is then turned over to the city once completed.

The public hearing is a formality and requirement to create TIF redevelopment Plan. It should be pretty straight forward. I did this in Diamondhead and the county did it as well.

In the future, if a project is proposed by a developer asking to use a TIF bond, that proposal will have to come to the city council and the county for consideration. Not all projects are created equal. The city council will ultimately need to consider the impact of the development to the community to determine if you want to consider the incentive or not.

Recommendation: Approve

Attachments: