



AGENDA REQUEST

TO: Mayor and City Council
FROM: Ben M. Logan, City Attorney
DATE March 12, 2020
SUBJECT: AGENDA ITEM

Request:

IN THE MATTER OF RESOLUTION OF SUPPORT FOR THRASH GROVE, LLC
APPLICATION TO MISSISSIPPI DEVELOPMENT AUTHORITY TOURISM TAX REBATE
PROGRAM

Attachments:

To be forwarded

RESOLUTION OF THE MAYOR AND CITY COUNCIL ("GOVERNING BODY") OF THE CITY OF TUPELO ("CITY"), SUPPORTING THRASH GROUP, LLC (THE "DEVELOPER"), A FULL SERVICE HOTEL DEVELOPMENT PROJECT WITH GUEST AMENITIES (THE "PROJECT"), AND ACKNOWLEDGING THAT SALES TAX COLLECTED FROM THE PROJECT WILL BE DIVERTED TO THE SALES TAX REBATE FUND (THE "REBATE FUND") FOR A PERIOD OF UP TO FIFTEEN (15) YEARS, OR WHEN THE AGGREGATE AMOUNT OF THIRTY PERCENT (30%) OF THE APPROVED PROJECT COSTS BY THE MISSISSIPPI DEVELOPMENT AUTHORITY ("MDA") INCURRED BY DEVELOPER FOR THE PROJECT HAS BEEN PAID OR WHICHEVER SHALL OCCUR FIRST, PURSUANT TO SECTION 57-26-1 ET SEQ. MISSISSIPPI CODE OF 1972, AS AMENDED; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council (the "Governing Body") of the City of Tupelo, Mississippi (the "City"), acting for and on behalf of the City, hereby finds and determines as follows:

1. The Governing Body has determined that pursuant to the provisions of the Mississippi Tourism Project Incentive Program Act, as set forth in Section 57-26-1, *et seq.*, Mississippi Code of 1972, as amended (the "Tourism Act") and the Mississippi Development Authority's (the "MDA") Tourism Tax Rebate Program Guidelines (the "Tourism Guidelines") (the "Tourism Act" and "Tourism Guidelines" together the Tourism Program), Thrash Group, LLC, a Mississippi limited liability company, by and through its members, (the "Developer") proposes to develop a full service hotel development project and restaurant (the "Tourism Project") within the City and in connection therewith will make application to the MDA for the benefits provided by the Tourism Program.
2. The Governing Body acknowledges, pursuant to the Tourism Program, that Eighty Percent (80%) of the sales tax collected from the Tourism Project will be diverted to the Mississippi Tourism Sales Tax Rebate Fund (the "Rebate Fund") for a period of up to fifteen (15) years or when the aggregate amount of Thirty Percent (30%) of certain approved costs by the MDA incurred by the Developer for the Tourism Project has been paid or whichever shall occur first.
3. The Governing Body acknowledges that the Tourism Project is recommended by the Fairpark Urban Renewal Master Plan, (the "Master Plan") whose goal is to create a walkable, workable, livable mixed-used community that connects people to living, shopping, dining, entertainment, educational, medical, cultural, and recreational venues
4. The Governing Body acknowledges the Master Plan received extensive support from the City, and the community residents and businesses of the City and Lee County and TRA.
5. The Governing Body acknowledges that one of the key initiatives and recommendations of the Master Plan is to attract a boutique hotel with supporting amenities and retail services catering to the Fairpark Urban Renewal Area.

6. The Governing Body acknowledges that the Tourism Project is projected to have a significant capital investment sufficient to meet the requirements of the Tourism Program and will provide a significant impact to and upon the economy of the City, Lee County, the Fairpark Urban Renewal Area and surrounding region.

7. The City is in full support of the Tourism Project and supports the application by Developer to MDA for the benefits allowed pursuant to the Tourism Program.

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

SECTION 1. That all the findings of fact made and set forth in the preamble of this Resolution shall be in the same and are hereby declared and adjudicated to be true and correct.

SECTION 2. That the City fully supports the Tourism Project and the application of the Thrash Group, LLC, to the MDA for the benefits allowed pursuant to the Tourism Program and acknowledges and agrees that Eighty Percent (80%) of the sales tax collected from the Tourism Project, which shall have a significant capital investment sufficient to meet the requirements of the Tourism Program, will be diverted to the Rebate Fund for a period of up to fifteen (15) years, or when the aggregate amount of Thirty Percent (30%) of the approved MDA Tourism Project Costs incurred by Developer for the Tourism Project has been paid or whichever shall occur first.

SECTION 3. That the City shall commit to its obligations under this Resolution provided that the Developer is in compliance with the applicable MDA regulations, schedules, timelines and guidelines governing the duties and obligations of TRA.

SECTION 4. That the Mayor of the City is authorized to execute any and all necessary documents and clarifications required or requested by MDA for the qualification of the Tourism Program.

After a full discussion of this matter, Council Member _____ moved that the foregoing Resolution be adopted and said motion was seconded by Council Member _____ and upon the question being put to a vote, the results were as follows:

Councilmember Whittington voted _____
Councilmember L. Bryan voted _____
Councilmember Beard voted _____
Councilmember Davis voted _____
Councilmember Palmer voted _____
Councilmember M. Bryan voted _____
Councilmember Jennings voted _____

The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the _____ day of _____, 2020.

CITY OF TUPELO, MISSISSIPPI

NETTIE Y. DAVIS, City Council President

ATTEST:

MISSY SHELTON, Clerk of the Council

APPROVED:

JASON L. SHELTON, Mayor

DATE