

**FIRST ADDENDUM TO  
TAX INCREMENT FINANCING PLAN  
FAIRPARK DISTRICT DEVELOPMENT PROJECT  
CITY OF TUPELO, MISSISSIPPI  
AUGUST 2017**

Pursuant to Resolution of the Mayor and City Council ("**Governing Body**") of the City of Tupelo, Mississippi, adopted and approved on the \_\_\_\_ day of \_\_\_\_\_, 2020, the Governing Body approved the adoption and implementation of this Addendum and Amendment (the "**2020 Addendum**") to the Tax Increment Financing Plan, Fairpark District Development Project, City of Tupelo, Mississippi, August 2017 (the "**2017 TIF Plan**"). The 2017 TIF Plan is hereby amended as follows:

**Section One.** "ARTICLE 1, PREAMBLE", paragraph 4 is hereby amended by deleting the referenced subsection below in its entirety and substituting the following in its place:

4. Maloney Development Properties, LLC (the "**Developer**") proposes to develop and redevelop a project to be known as "Fairpark District" (hereinafter the "**Project**") to consist of two or three multi-story mixed use office, retail, and/or upper floor housing buildings which are a total of approximately 40,000 square feet each located within the city limits of the City, in Fairpark Phase III B, more particularly a block of land beginning at the NE corner of the intersection of E. Troy Street and Monaghan Drive and bounded on the East by Monaghan Drive (Extended), on the South by North Drive (Extended), on the West by Fairpark Drive and on the North by East Troy Street and Fairpark Phase I, Block 4, as more specifically described in the maps (the "**Map**") attached hereto as Exhibit A, (the "**TIF District**"). The total Project is expected to represent a private investment of approximately \$20,000,000.

**Section Two.** "ARTICLE 1, PUBLIC CONVENIENCE AND NECESSITY" is hereby amended by deleting the referenced subsection below in its entirety and substituting the following in its place:

The public convenience and necessity requires participation by the City 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:

1. Construction of the Project will represent a private investment of approximately \$20,000,000 or more.
2. It is estimated the Project will create approximately 30 construction jobs.
3. It is estimated that the Project will create approximately 150 full time and part time jobs. Annual payroll cannot be determined at this time due to the ranges of job skill levels.

4. It is expected that the Project will result in an annual real and personal property tax increase of about \$75,493 for the City.
5. It is expected that the Project will result in an annual real and personal property tax increase of about \$86,653 for the County.
6. It is anticipated that the Project will result in an annual real and personal property tax increase of about \$149,033 for the School District.
7. The sales generated by the development are expected to surpass \$5,000,000 annually.
8. The anticipated level of annual sales will result in annual sale tax rebates to the City of approximately \$64,750.
9. The Project will result in the development of a blighted property.

**Section Three.** “ARTICLE II, Section A. REDEVELOPMENT PROJECT DESCRIPTION” of the TIF Plan is hereby amended by deleting the referenced subsection below in its entirety and substituting the following in its place:

**A. REDEVELOPMENT PROJECT DESCRIPTION**

1. **Project Location:** The Project will consist of two or three multi-story office, retail, and/or upper floor housing mixed use buildings which are a total of approximately 40,000 square feet each located within the city limits of the City, in Fairpark Phase III B, more particularly a block of land beginning at the NE corner of the intersection of E. Troy Street and Monaghan Drive and bounded on the East by Monaghan Drive (Extended), on the South by North Drive (Extended), on the West by Fairpark Drive and on the North by East Troy Street and Fairpark Phase I, Block 4.
2. **Project Description:** The Project is expected to represent a private investment of \$20,000,000 and its anticipated to consist of two or three multi-story office, retail, and/or upper floor housing mixed-use buildings which are a total of approximately 40,000 square feet each for a total of 120,000 square feet.
3. **Zoning:** The Project will consist of permitted uses as allowed by the applicable zoning ordinances of the City. The property is zoned as Mixed-Use Downtown.

**Section Four.** “ARTICLE III, ECONOMIC DEVELOPMENT IMPACT DESCRIPTION” of the TIF Plan is hereby amended by deleting the referenced subsection below in its entirety and substituting the following in its place

**A. JOB CREATION**

1. Construction Jobs: The Project is expected to create approximately 30 construction jobs.
2. Permanent Jobs: The Project is expected to create approximately 150 full time and part time jobs.

**B. FINANCIAL BENEFIT TO THE COMMUNITY**

1. Ad Valorem Increases: The construction and development of the Project will generate significant ad valorem tax revenues for the City, the County and the County School District. The below real and personal property ad valorem taxes were based upon an assumed “true value” of \$15,500,000 for real and personal property, and an assumed assessed value of \$2,325,000 for real and personal property after the entire Project has been completed.

ENTITY	MILLAGE RATE	CURRENT TAXES	AFTER PROJECT <sup>1</sup>	INCREMENT <sup>2</sup>
City Real Property Improvements and Personal Property	32.47	\$0	75,493	75,493
County Real Property Improvements and Personal Property	37.27	0	86,653	86,653
County School Taxes*	64.10	0	149,033	149,033
<b>TOTAL</b>		0		

\*School taxes cannot be used for TIF purposes.

2. Retail Sales: It is estimated that the Project will generate approximately \$5,000,000 in sales annually, which will create annual sales tax rebates of \$64,750 to the City.

**Section Five.** The section entitled “ARTICLE VI. A. A STATEMENT CONTAINING THE COST ESTIMATES OF THE REDEVELOPMENT PROJECT AND THE PROJECTED SOURCES OF REVENUE TO BE USED TO MEET THE COSTS INCLUDING ESTIMATES OF TAX INCREMENT AND THE TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED. A. COSTS ESTIMATE OF REDEVELOPMENT PROJECT” of the TIF Plan shall be amended by deleting it in its entirety and substituting the following in its place:

<sup>1</sup> These projections assume constant values and millage rates.

<sup>2</sup> The incremental increase in the City’s and the County’s ad valorem real and personal property taxes will be pledged to secure the TIF Bonds. The TIF Bonds will be sized as set forth in Article VI(C).

A. **COST ESTIMATE OF REDEVELOPMENT PROJECT**

1. The development of the TIF District will represent a private investment of approximately \$20,000,000. The proceeds of the TIF Bonds will be used to pay the cost of constructing various Infrastructure Improvements.
2. 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 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 Infrastructure Improvements which are constructed on the privately owned portion of the Project.
3. The construction of the Infrastructure Improvements will be undertaken to provide for the public convenience, health, and welfare. The projected costs of the Infrastructure Improvements are not to exceed \$1,000,000.
4. Proceeds of the TIF Bonds may also be used to fund capitalized interest and/or a debt service reserve fund as may be permitted under the TIF Act.

**Section Six.** “Exhibit A” to the TIF Plan shall be amended by adding the Plat of Tax Increment Financing District as Addendum to Exhibit A.

**ADDENDUM TO EXHIBIT A**

SITE PLAT  
(See attached)