

# COMMERCIAL DEVELOPMENT INCENTIVE

Program administered by:



Information  
Packet  
2016

# Commercial Development Incentive

The Commercial Development Incentive (CDI) was established to encourage commercial in-fill and redevelopment projects in downtown Pascagoula to battle blighted, vacant, and underutilized properties. The Pascagoula Redevelopment Authority (PRA) is administering the CDI.

## Applicant and Project Eligibility

- Projects must be located within downtown Pascagoula. A map of downtown Pascagoula is included as Exhibit A. PRA staff will be able to help you make this determination.
- Applicants must own the property in question.
- Total project costs must exceed \$100,000. Soft costs may contribute to the total project costs.
- Projects must be for a commercial purpose. While projects may include a residential component, they shall not be solely residential in nature.
- Projects can include the remodeling of an existing structure or construction of a new building.

## Expense Eligibility

Eligible expenses include costs related to the construction of a new building or interior or exterior improvements in appearance or functionality of an existing building. Furniture, Fixtures, and Equipment (FFE), general maintenance (including efforts to address code violations), or other work not already covered are ineligible. FFE should be interpreted as items that will not remain in the building when transferred to a new owner.

## Project Time Frame

Typically, projects must be completed within an 18-month implementation period or other as defined in the grant agreement. Costs incurred outside of the time period established in the grant agreement will not be considered for reimbursement. The PRA will consider each application on its merits to properly define the timeline.

## Grant Amount and Release of Funds

The CDI is structured to provide the PRA with complete discretion for approval of each application up to one-fourth (1/4) of the project costs. The specific grant amount will be determined through negotiations between the PRA and developer.

The CDI is a reimbursement grant. The frequency of disbursement will be outlined in the grant agreement and dependent on the specifics of the project and available funding. The grant amount may be paid in periodic increments until the total amount is reimbursed to the developer or it may be paid in one lump sum after the project's completion. Project costs must be documented with invoices, photos, and like documentation. No funds will be disbursed until proper documentation is received and accepted. A small portion (10%) will be withheld until the final report is submitted.

## Application Process

The CDI application is enclosed as Exhibit B. Applications will be received and evaluated on an ongoing basis. Applications must be received prior to the beginning of construction or renovation. Typically, applications will be reviewed and approved or denied within two months of submission. PRA will evaluate projects based on a variety of criteria including investment, community need for the development, and aesthetics including landscaping. PRA will give priority to projects that are in close proximity to other developments and projects that are located along the Pascagoula River.

After notice of award, the PRA will negotiate the terms and grant amount with the applicant. A grant agreement outlining the specifics of the project and the obligations of each party will be developed and executed. The grant agreement will specify all terms including, but not limited to, the type of project, the grant amount, method of release of funds, project timeline with milestones, reversionary clause(s), transferability, and close out procedures.

## Reporting

Grantees will be required to submit semi-annual reports on project status and next steps. The Semi-Annual Progress Report is enclosed as Exhibit C. A final report will be required with the last reimbursement request. The last reimbursement will not be processed until the final report is submitted and approved.

Exhibit A: Downtown Pascagoula Map

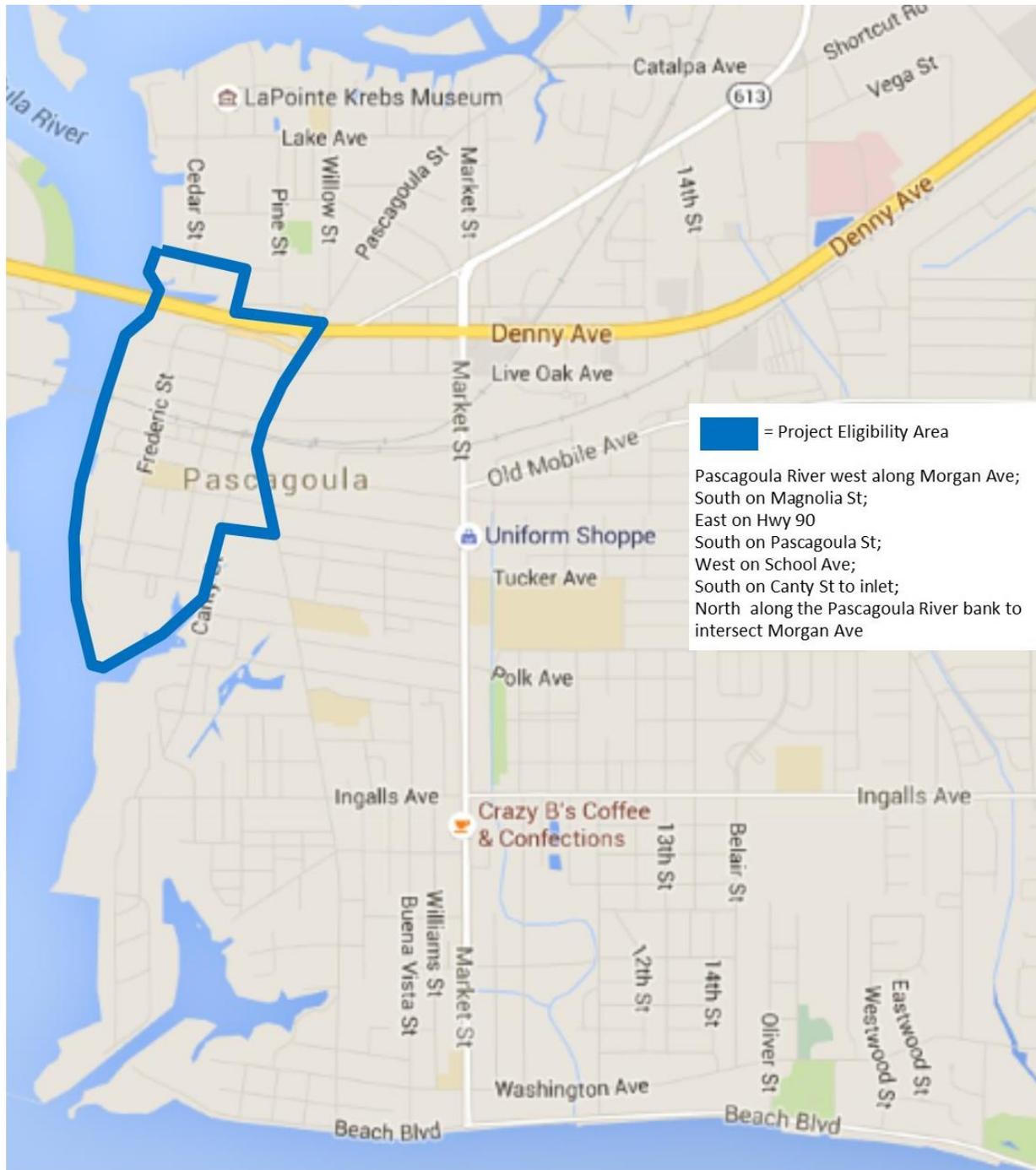


Exhibit B: CDI Application



**COMMERCIAL DEVELOPMENT INCENTIVE  
APPLICATION**

Name of Applicant: \_\_\_\_\_

Applicant's Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_ Type of project?   Renovation   New Construction

Project Name: \_\_\_\_\_

Project Address: \_\_\_\_\_

Project Financial Guarantors: \_\_\_\_\_

Is it in downtown Pascagoula?   YES   NO       Are you the property owner?   YES   NO

Project Start Date: \_\_\_\_\_       End Date: \_\_\_\_\_

Proposed Business Name and Type: \_\_\_\_\_

Total Project Costs: \$ \_\_\_\_\_       How long has the building/site been vacant? \_\_\_\_\_

Existing Property Value:   \$ \_\_\_\_\_       Projected Property Value:   \$ \_\_\_\_\_

Number of jobs created during,   Construction: \_\_\_\_\_       Operations: \_\_\_\_\_

Average salary of operations jobs created: \$ \_\_\_\_\_       Do the jobs include benefits?   YES   NO

Requested Grant Amount: \_\_\_\_\_       Preferred Frequency of Reimbursements: \_\_\_\_\_

Describe your project: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Detailed description of the proposed use of the grant funds. If renovation, how will this grant enhance your existing building or business? If new construction, how will this grant and ultimate new building benefit the community?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Provide background information about the applicant and guarantors, including business experience, the corporate structure, and all other relevant information this organization may need to consider while reviewing the application.

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Three business credit references. These are to be business professionals (not from relatives).

	1	2	3
Name:			
Company:			
Address:			
Phone:			
Email:			

Is any applicant, guarantor, or other person involved with the project currently engaged in any civil or criminal proceeding? YES NO

Has any individual involved with the project ever been charged or convicted of any felony or is currently under indictment? YES NO

*\*If yes, please attach detailed information.*

With the application, please submit the following materials:

- Current photos of the site and, if applicable, interior and exterior of building
- Business Plan
- Financial statements or tax returns for the past three (3) years for the principal owners
- Five (5) year cash flow pro forma
- Copy of all information submitted to financial institution for project financing
- All other information needed to fully explain the project including, as applicable:
  - Professional renderings of proposed improvements
  - Architectural plans including square footage, dimensions, and measurements
  - Sign plans
  - Awning design
  - Historical significant designation

*By signing below, I hereby confirm that the information provided is true to the best of my knowledge. Furthermore, I understand that this grant will be approved or denied, or the grant term or amounts reduced at the sole discretion of the Pascagoula Redevelopment Authority (PRA). The applicant expressly consents to the PRA's investigation of its credit in connection with this application. The applicant acknowledges that it has reviewed the CDI information packet and agrees to comply with those policies.*

Signature of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

# Exhibit C: Semi-Annual Progress Report



## COMMERCIAL DEVELOPMENT INCENTIVE SEMI-ANNUAL PROGRESS REPORT

Date of Report: \_\_\_\_\_ Total Cost of Development: \$ \_\_\_\_\_

Applicant Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Amount Requested for Reimbursement: \$ \_\_\_\_\_ Total Local Spending to Date: \$ \_\_\_\_\_

Examples of Local Spending: \_\_\_\_\_

**Attach full documentation supporting this request including, but not limited to, invoices, cancelled checks, and before and current photos of development.**

Describe the work to date: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Describe the next steps in project and future plans (selling, renting, function, etc.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### ----- For Final Report -----

Pre-Project Property Value: \$ \_\_\_\_\_ Post-Project Property Value: \$ \_\_\_\_\_

Pre-Annual Ad Valorem Taxes: \$ \_\_\_\_\_ Post-Annual Ad Valorem Taxes: \$ \_\_\_\_\_

Pre-Annual Sales Taxes: \$ \_\_\_\_\_ Post-Annual Sales Taxes: \$ \_\_\_\_\_

Jobs Created During Project: \_\_\_\_\_ During Operation: \_\_\_\_\_

Average Salary of Employees: Construction: \$ \_\_\_\_\_ Operation: \$ \_\_\_\_\_

Total private investment: \$ \_\_\_\_\_ (please attach itemized list)

By submitting this request, I affirm the facts set forth in it are true and complete.

\_\_\_\_\_  
Printed Applicant Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Please return the completed application to: Pascagoula Redevelopment Authority, Executive Director,  
P.O. Box 908 or 630 Delmas Ave, Pascagoula, MS 39568, [jdearman@cityofpascagoula.com](mailto:jdearman@cityofpascagoula.com)