

**RESOLUTION PROVIDING PRELIMINARY APPROVAL FOR
TAX ABATEMENT REQUEST FOR CITY CENTRE OF PASCAGOULA, LLC**

WHEREAS, Section 17-21-5 of the Mississippi Code of 1972 authorizes Municipal Governing Authorities, in their discretion, to grant exemptions from ad valorem taxation, except ad valorem taxation for school district purposes, for new structures, or improvements to or renovations of existing structures located in the designated Central Business District of the municipality, for a period of not more than seven years from the date of completion of the new structure or the improvement to or renovation of the existing structure for which the exemption is granted; and

WHEREAS, the City Council, on or about January 18, 2011, established a policy for the granting of such exemptions; and

WHEREAS, Shannon R. Strunk on behalf of City Centre of Pascagoula, LLC has now made application to the City Council for preliminary approval of an abatement request for construction improvements on certain properties located at 3207 Magnolia Street in the Central Business District that are expected to equal or exceed \$8,000,000 in value; and

WHEREAS, City Centre of Pascagoula, has provided plans to the Planning and Building Department for review and permitting for the purposed of renovations of a mixed-use site to include 28 residential units, a roof-top bar, coffee/retail, and office space and it located at the northwest corner of Watts Avenue and Magnolia Street in the Central Business District of the City of Pascagoula; and

WHEREAS, the application for the abatement is attached hereto as Exhibit A and the applicant is requesting an exemption of 80% of municipal taxes for a period of 7 years; and

WHEREAS, the applicant has provided calculations and plans indicating 14,190 square feet of commercial space; and

WHEREAS, the Tax Exemption Policy permits a tax exemption of one residential unit for every 500 square feet of commercial spaces and this allows the City Council to consideration an exemption of the entire area of the mixed-use buildings; and

WHEREAS, the renovation and improvement of said property is for the promotion of business and commerce in the designated Central Business District; and

WHEREAS, the Planning and Building Department of the City of Pascagoula, which is responsible for the oversight of the construction of this project, has recommended to the Council that a preliminary approval of the tax abatement request be granted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PASCAGOULA AS FOLLOWS:

SECTION 1. All of the statements made in the foregoing preambles are incorporated herein and found to be factual.

SECTION 2. The request of Shannon R. Strunk on behalf of City Centre of Pascagoula, LLC for preliminary approval of a tax abatement is hereby granted.

SECTION 3. Final approval of this exemption request will be contingent upon the successful completion of the project by the Applicant in accordance with the directives of the Planning and Building Department of the City of Pascagoula and in strict conformance with the policy guidelines adopted by this Council on January 18, 2011.

SECTION 4. Final approval of this abatement request shall not be granted under any circumstances until such time as all construction activity has been completed to the satisfaction of the Planning and Building Department of the City of Pascagoula and a certificate of occupancy has been issued.

The motion to approve the foregoing resolution was made by _____
and seconded by _____, and the following vote was recorded:

Mayor Demetropoulos	_____
Councilman Jones	_____
Councilman Fornett	_____
Councilman Burrow	_____
Councilman Parker	_____
Councilman Tipton	_____
Councilman Colmer	_____

RESOLVED, this the _____ day of _____, 2021.

ATTEST:

City Clerk

CITY COUNCIL

By: _____
Mayor

Exhibit A



3436 Main Street | Moss Point, MS 39563
Office: 228.312.0350 Fax: 228.312.0387

March 10, 2021

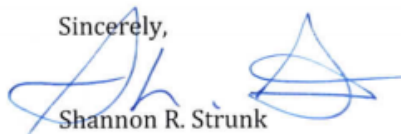
Donovan Scruggs
City of Pascagoula
603 Watts Avenue
Pascagoula, MS 39567
VIA Email DScruggs@CityofPascagoula.com

RE: Central Business District Tax Exemption

Dear Donovan,

I sent the application for the tax exemption last week. I am asking for this to be on the schedule for the council meeting March 16th. Please know that I am asking for the full tax abatement of 80% for seven years. This project has finally come to fruition and we need the full abatement to assist in the financial performance of the project. I expect to be present at the council meeting and would be happy to take any questions.

Sincerely,



Shannon R. Strunk
City Centre of Pascagoula, LLC



Central Business District Tax Exemption Application

Name of Applicant: Shannon R Strunk _____

Applicant's Address: 3001 Beach Blvd _____

City, State, Zip Code: Pascagoula, MS 39567 _____

Phone: 228-312-0351 _____ **Fax:** _____

Email: Shannon@BaberStrunk.com **Is this an existing business?** YES

Business Name: City Centre of Pascagoula _____

Business Address: 3436 Main Street, Moss Point, MS 39563 _____

Business Scope: Management Company, Manages operation of Multiple Businesses _____

Value of Renovation Costs: \$ Approximately 8M **Projected sales tax to be generated:** \$ 23,000

Number of jobs created during: **Construction:** 30 **Operations:** 35

Average salary of operations jobs created: \$ 97,500/Annually **Do the jobs include benefits?** YES

How long has the building/site been vacant? Approx. 6 Years **Is the development in the CBD?** YES

Does Fifty-one percent or more of owners reside in Pascagoula? YES

Does Fifty-one percent or more of the employees reside in Pascagoula? NO(50% does, curr 30 ppl)

Potential or expected sales tax to be generated annually? \$23,000

Can you describe your community service and involvement? (i.e. sponsoring events, sports teams, school activities, Chamber programs, etc.)

For many years we have sponsored numerous Philanthropic events such hosting the Gulf Coast American Heart Association fundraiser and being a continuous sponsor of the Heart Walk. We sponsor Melange Dance Company performance of The Nutcracker, local baseball teams, and the schools by contributing to their fundraising efforts and their sports teams. Throughout the year we support and attend numerous local events including the LaPointe Krebs House and Museum Gala, Free Flowing in Pascagoula, and Downtown for the Holidays. We sit on multiple boards that help boost overall community involvement, such as the Main Street Association, The Jackson County Economic Foundation, and the LaPointe Krebs Foundation.

Building and landscaping plans may be required to evaluate a tax exemption application. Please submit these to the Director of Planning and Building once developed.

By signing below, I hereby confirm that I am an authorized representative of the applicant and that the information provided is truthful to the best of my knowledge. Furthermore, I understand that this tax exemption will be approved or denied, or the exemption term or amounts reduced at the sole discretion of the City Council of the City of Pascagoula as per the Order by which the tax exemption policy was established.

Signature of Applicant:  _____ **Date:** 3/2/21