

SEPTEMBER 27, 2024

ADJOURNED MEETING

SEPTEMBER 27, 2024

Pursuant to the adjournment taken, September 17, 2024, the Mayor and Board of Alderman of the City of Batesville reconvened at 2:00 p.m., on September 27, 2024, at the City Hall, 103 College Street, Batesville, Mississippi, when and where were present the following, to-wit: Mayor Hal Ferrell; Aldermen Dennis Land, Stan Harrison, Teddy Morrow, Bobby Walton and Bill Dugger. Also present were: City Attorney Colmon Mitchell; Chief of Police Dennis Darby; City Clerk Shonnah Weaver; and Administrative Assistant Sulli Woods.

A quorum being present, the Mayor called the meeting to order.

IN RE: SIGNATURE SHEET FOR MEETING OF SEPTEMBER 27, 2024

Public Hearing
September 27, 2024
Signature Sheet

<u>Josh Hawkins</u> Please print name clearly	<u>395 Hwy 51 North</u> Street Address, City, Zip
<u>Dennis Darby</u> Please print name clearly	<u>106 College St. Batesville</u> Street Address, City, Zip
<u>Barry Thompson</u> Please print name clearly	<u>106 College St. Batesville</u> Street Address, City, Zip
<u>Topo Phillips</u> Please print name clearly	<u>1031 Hillcrest Rd. Chattanooga TN 37405</u> Street Address, City, Zip
<u>Christiana Sugg</u> Please print name clearly	<u>605 Crescent Blvd Ridgeland MS</u> Street Address, City, Zip
<u>Joe Azar</u> Please print name clearly	<u>150 Public B'ville</u> Street Address, City, Zip
<u>Kevin Jennings</u> Please print name clearly	<u>715 Market St, Chattanooga, TN 37402</u> Street Address, City, Zip

SEPTEMBER 27, 2024

**IN RE: TAX INCREMENT FINANCING - COVENANT CROSSING
RESOLUTION**

The City Clerk reported that pursuant to a resolution of the Mayor and the Board of Aldermen (the “Governing Body”) of the City of Batesville, Mississippi (the “City”) calling for a public hearing to be held at 10:00 A.M. on Friday, September 27, 2024, with respect to a *Tax Increment Financing Plan, Covenant Crossing Project, City of Batesville, Panola County, Mississippi, September 2006, as Amended and Restated August 2024* (the “Amended TIF Plan”), she did cause a notice of the public hearing to be published on September 11, 2024 in The Panolian, a newspaper having a general circulation in the City, as evidenced by proof of publication on file in the office of the Clerk and attached hereto as Exhibit 1. The Mayor then called the meeting to order, and the public hearing was duly convened. At that time, all present were given an opportunity to present oral or written comments on the Amended TIF Plan. At the conclusion of the public hearing, Alderman Harrison offered and moved the adoption of the following resolution:

A RESOLUTION APPROVING THE ADOPTION AND IMPLEMENTATION OF THE “TAX INCREMENT FINANCING PLAN, COVENANT CROSSING PROJECT, CITY OF BATESVILLE, PANOLA COUNTY, MISSISSIPPI, SEPTEMBER 2006, AS AMENDED AND RESTATED AUGUST 2024”.

WHEREAS, under the power and authority granted by the Laws of the State of Mississippi and particularly under Chapter 45 of Title 21, Mississippi Code of 1972, as amended (the “TIF Act”), the Governing Body, on September 5, 2024, did adopt a certain resolution entitled: “RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF BATESVILLE, MISSISSIPPI, DETERMINING THE NECESSITY FOR AND INVOKING THE AUTHORITY GRANTED TO MUNICIPALITIES BY THE LEGISLATURE WITH RESPECT TO TAX INCREMENT FINANCING AS SET FORTH IN SECTION 21-45-1 ET SEQ., MISSISSIPPI CODE OF 1972, AS AMENDED; DETERMINING THAT THE TAX INCREMENT FINANCING PLAN, COVENANT CROSSING, CITY OF BATESVILLE, PANOLA COUNTY, MISSISSIPPI, SEPTEMBER 2006, AS AMENDED AND RESTATED AUGUST 2024, PROPOSES A PROJECT THAT IS ELIGIBLE FOR TAX INCREMENT FINANCING UNDER THE LAWS OF THE STATE OF MISSISSIPPI; THAT A PUBLIC HEARING BE CONDUCTED IN CONNECTION WITH SAID AMENDED AND RESTATED TIF PLAN, AND FOR RELATED PURPOSES”;

WHEREAS, as directed by the aforesaid resolution and as required by law, a notice of public hearing was published one (1) time in The Panolian, a newspaper having a general circulation within the City, and was so published in said newspaper on September 11, 2024, as evidenced by the publisher’s proof of publication of the same heretofore presented to the Governing Body and filed with the Clerk; and

WHEREAS, the notice of public hearing generally described the Amended TIF Plan and further called for a public hearing to be held at the meeting place of the Governing Body at the Batesville City Hall at 103 College Street, Batesville, Mississippi at 10:00 AM on Friday,

MINUTE BOOK NO. H-3 – CITY OF BATESVILLE, MISSISSIPPI

SEPTEMBER 27, 2024

September 27, 2024, in order for the general public to state or present their views on the Amended TIF Plan; and

WHEREAS, at 10:00 A.M. on Friday, September 27, 2024, the public hearing was held and all in attendance were given an opportunity to state or present their oral or written comments on the Amended TIF Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY AS FOLLOWS:

SECTION ONE: That all of the findings of fact made and set forth in the preamble to this resolution shall be and the same are hereby found, declared, and adjudicated to be true and correct.

SECTION TWO: That the Governing Body of the City is now fully authorized and empowered under the provisions of the Act, to adopt and implement the TIF Plan attached hereto as Exhibit 2, and do hereby adopt and approve such plan as presented in order to assist in the development of the proposed project by participating jointly with Panola County, Mississippi (the “County”) to issue Tax Increment Financing Bonds or Notes in an amount not to exceed Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) to finance the cost of certain Infrastructure Improvements as set forth in the Amended TIF Plan.

SECTION THREE: If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein

SECTION FOUR: For cause, this resolution shall become effective immediately upon the adoption thereof.

Alderman Dugger seconded the motion to adopt the foregoing resolution, and the roll call vote was as follows:

Alderman Teddy Morrow	voted: <u>aye</u>
Alderman Bill Dugger	voted: <u>aye</u>
Alderman Bobby Walton	voted: <u>aye</u>
Alderman Stan Harrison	voted: <u>aye</u>
Alderman Dennis Land	voted: <u>aye</u>

The motion having received the affirmative vote of a majority of all of the members of the Governing Body present, the Mayor declared the motion carried and the resolution adopted on this the 27 day of September, 2024.

Attest:

CITY OF BATESVILLE, MISSISSIPPI

City Clerk

By: HAL FERRELL, MAYOR

Exhibit 1

Proof of Publication

(attached)

SEPTEMBER 27, 2024

Publisher's Certificate of Publication

STATE OF MISSISSIPPI
COUNTY OF PANOLA

Rebecca Alexander, being duly sworn, on oath says she is and during all times herein stated has been an employee of Batesville Newsmedia publisher and printer of the The Panolian (the "Newspaper"), has full knowledge of the facts herein stated as follows:

1. The Newspaper printed the copy of the matter attached hereto (the "Notice") was copied from the columns of the Newspaper and was printed and published in the English language on the following days and dates:

09/11/24

2. The sum charged by the Newspaper for said publication is the actual lowest classified rate paid by commercial customer for an advertisement of similar size and frequency in the same newspaper in which the Notice was published.

3. There are no agreements between the Newspaper, publisher, manager or printer and the officer or attorney charged with the duty of placing the attached legal advertising notice whereby any advantage, gain or profit accrued to said officer or attorney

Rebecca Alexander

Rebecca Alexander, Publisher

Subscribed and sworn to before me this
11th day of September, 2024

Shandale Goodman



Shandale Goodman, Notary Public
State of Mississippi
My commission expires 07-30-2026

Account # 180200
Ad # 1878539

CITY OF BATESVILLE
PO BOX 689
BATESVILLE MS 38606

PUBLIC NOTICE

EXHIBIT "B" NOTICE
OF PUBLIC HEARING: TAX
INCREMENT FINANCING
PLAN COVENANT
CROSSING

Notice is hereby given that a public hearing will be held on Friday, September 27, 2024, at 10:00 A.M. at 103 College Street, City of Batesville, Mississippi 38606 on the Tax Increment Financing Plan, Covenant Crossing, City of Batesville, Panola County, Mississippi, September 2006, as Amended and Restated August 2024 (the "Amended TIF Plan") for consideration by the Mayor and the Board of Aldermen of the City. The City proposes to use the TIF Plan in compliance with the Tax Increment Financing Redevelopment Plan, City of Batesville, Mississippi 1992. As Amended and Restated July 2003, and further, to designate the project described in the TIF Plan as appropriate for development and tax increment financing.

The general scope of the TIF Plan is for the City to issue tax increment financing bonds ("TIF Bonds") not to exceed \$15,500,000 in one or more series which will be secured by a pledge of the incremental increase in ad valorem tax revenues on real and personal property, tourism and sales tax generated by construction and development in the TIF District with such pledge to be further restricted as provided in the Amended TIF Plan, and which funds will be used to pay a portion of the cost of constructing and installing various infrastructure improvements and site improvements of Phase 2 as set forth in the Amended TIF Plan, including but not limited to, installation, rehabilitation and/or relocation of utilities such as water, sanitary sewer, construction, renovation, or rehabilitation of drainage improvements, roadways, curbs and gutters, sidewalks, site improvements, on-site parking, paving and other related parking lot improvements; relocation, acquisition or construction of electrical lines, lighting, signalization, buildings, and land, if necessary therefor; acquisition of land, structures or improvements within the TIF District necessary to the development of Phase 2; selling or leasing of property acquired by the City within Phase 2 for not less than fair market value for uses in accordance with this Amended TIF Plan; landscaping of rights-of-way; for other purposes authorized pursuant to the TIF Act and REDA Act; related architectural and engineering fees, attorney's fees, Amended TIF Plan preparation fees, issuance costs, capital-

ized interest, and other related soft costs, all as may be authorized by the TIF Act and the REDA Act (the "Infrastructure Improvements"). The bonds or notes shall be secured solely by a pledge of the incremental increase in ad valorem tax revenues on real and personal property and sales taxes and will not be a general obligation of the City secured by the full faith, credit, and taxing power of the City or create any other pecuniary liability on the part of the City other than the pledge of the incremental increase in the ad valorem taxes and tourism and sales taxes set forth in the TIF Plan.

Construction of the project and payment of the bonds issued to construct the project will be paid as hereinabove set forth and will not require an increase in any kind or type of taxes within the City. The City may exercise their authority to participate in Tax Increment Financing pursuant to Chapter 45 of Title 21, Mississippi Code of 1972, as amended (the "TIF Act"). Copies of the TIF Plan will be made available for examination in the office of the City Clerk in Batesville, MS.

This hearing is being called and conducted, and the TIF Plan has been prepared as authorized and required by Sections 21-45-1 et seq., Mississippi Code of 1972, as amended.

Witness my signature and seal, this the 5th day of September, 2024.

/s/ Hal Ferrell, Mayor

The Panolian:
Sept. 11, 2024
HEARING-TAX

Exhibit 2

TIF PLAN

(attached)

SEPTEMBER 27, 2024



**TAX INCREMENT FINANCING PLAN,
COVENANT CROSSING,
CITY OF BATESVILLE, PANOLA COUNTY, MISSISSIPPI,
SEPTEMBER 2006, AS AMENDED AND RESTATED AUGUST 2024**

Prepared by: GOURAS & ASSOCIATES | P.O. Box 1465 | Ridgeland, MS 39158 | 601-605-8128
chrsgouras@gourasandassociates.com christiana@gourasandassociates.com

V4 for approval

SEPTEMBER 27, 2024

TAX INCREMENT FINANCING PLAN, COVENANT CROSSING,
CITY OF BATESVILLE, PANOLA COUNTY, MISSISSIPPI,
SEPTEMBER 2006, AS AMENDED AND RESTATED AUGUST 2024

ARTICLE I

A. PREAMBLE

1. This *Tax Increment Financing Plan, Covenant Crossing, City of Batesville, Panola County, Mississippi, September 2006, as Amended and Restated August 2024* (this “2024 TIF Plan” and the “TIF Plan”), is an amendment to and a restatement of that *Tax Increment Financing Plan, Covenant Crossing Project, City of Batesville, Mississippi, September 2006* (the “2006 TIF Plan”). The 2006 TIF Plan is amended and restated by the 2024 TIF Plan to reflect changes to the Project contemplated therein and to provide for an increase in the principal amount of bonds or other similar debt instruments which may be issued pursuant to the TIF Act.

2. This TIF Plan and the issuance of tax increment financing bonds, notes or other debt instruments will be an undertaking of the City of Batesville, Mississippi (the “City”), authorized pursuant to Sections 21-45-1, *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the “TIF Act”), Section 17-13-1 *et seq.*, Mississippi Code of 1972, as amended (the “Interlocal Act”), and Regional Economic Development Act funding as authorized by Section 57-64-1 *et seq.*, Mississippi Code of 1972, as amended and applicable (the “REDA Act”) and together with the TIF Act and the Interlocal Act, the “Act”), and in accordance with the *Tax Increment Financing Redevelopment Plan, City of Batesville, Mississippi 1992, as Amended and Restated, July 2003* and adopted by the City on July 15, 2003 (the “Redevelopment Plan”) and will be implemented as a joint undertaking of the City and Panola County, Mississippi (the “County”).

3. The City and the County will enter into one or more interlocal agreements or a regional economic development alliance agreement, which will designate the City as the primary party in interest in carrying the Project forward. The issuance of bonds to provide funds to finance the costs of improvements identified in this TIF Plan will be a joint undertaking of the City and County whereby the City may issue tax increment financing bonds in one or more taxable or tax-exempt series as authorized herein and by the Act to finance the Project as more fully described herein (the “TIF Bonds”). The City may issue the TIF Bonds in accordance with the Act, the Development Agreement (as more particularly described in Article I, Section B.3) and as authorized herein, to finance a portion of the costs of the Infrastructure Improvements (as defined in Article I, Section B.2). The TIF Bonds authorized by this TIF Plan may be issued in one or more taxable or tax-exempt series in an amount sufficient to net the Developer up to Twelve Million Five Hundred Thousand Dollars (\$12,500,000) but in no event shall the TIF Bonds exceed a total of Fifteen Million Five Hundred Thousand Dollars (\$15,500,000). The City and the County will pledge certain ad valorem tax revenues and sales tax revenues of the City to secure the TIF Bonds as more fully described herein. The funds identified herein will be used to defray the cost

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of infrastructure and related improvements and activities to serve the Project (defined below) and the community as a whole.

4. The 2006 TIF Plan contemplated the phased development of the “Project” located on approximately 109 acres of real property set forth on **Exhibit A** (the “TIF District”). The Project and its phases are set forth in more detail in Article II, Section A. Noon Batesville, LLC, a Mississippi limited liability company (the “Developer”) proposes to acquire and redevelop approximately 32 acres located in the TIF District by constructing or causing to be constructed thereon a shopping center with, in addition to retail and ancillary uses, may also include a hotel(s) and restaurants, together with infrastructure to support the development and use of same (collectively, “Phase 2”). Phase 2 represents a private investment of approximately Forty Million Dollars (\$40,000,000) and is located on property as set forth on **Exhibit B** attached hereto.

5. TIF Bonds proceeds as identified herein will be used to defray and reimburse the cost of Infrastructure Improvements related to the Projects, benefitting the City, the County and their citizens.

6. The Mayor and Board of Aldermen (the “Governing Body”) of the City hereby finds and determines that the development of the TIF District including, but not limited to Phase 2, 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 TIF Act requiring dedication of a “redevelopment project” to the City not apply to those improvements which are constructed on the privately owned portion of the TIF District, including Phase 2.

7. The Developer has provided information to the City and the County regarding the proposed site plan, the amount of the private investment, anticipated sales tax, and job creation projections for Phase 2. Estimates of increases in real and personal ad valorem taxes were made based on information and valuations from the Panola County Tax Assessor and from information provided by the Developer.

B. STATEMENT OF INTENT

1. Tax Increment and Pledges.

(a) City Tax Increment: Pursuant to the authority outlined hereinabove, the City may issue TIF Bonds, in one or more taxable or tax-exempt series, in an amount sufficient to net the Developer a reimbursement of up to Twelve Million Five Hundred Thousand Dollars (\$12,500,000), but in no event shall the TIF Bonds exceed a total of Fifteen Million Five Hundred Thousand Dollars (\$15,500,000), which will be secured by a pledge of all the City’s increased ad valorem taxes of the TIF District, including personal property located therein (the “City Ad Valorem Tax Increment”) together with a pledge of all of the City’s increased sales tax rebates from the TIF District (the “City Sales Tax Increment”). The City may, in its sole discretion, also pledge the incremental increase in the City’s current 3% Tourism and Economic Development Tax from the development of Phase 2 (the “Phase 2 Tourism Tax”). The City Ad Valorem Tax

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Increment and the City Sales Tax Increment are hereinafter referred to as the “City Tax Increment.” In no event shall the City commit any of the 3% Tourism and Economic Development Tax from any sales except for sales resulting from the development of Phase 2.

(b) County Tax Increment: Except for millage dedicated to County Schools, County Roads and Bridges, Northwest Mississippi Community College, County Reappraisal Costs pursuant to Miss. Code Ann. Section 27-39-325, and County-wide Fire District millage (collectively the “County Exclusions”) the County will pledge all of the revenues derived from the County’s mills when applied to the incremental increase in the County’s real and personal property ad valorem taxes generated from the Projects within the TIF District (the “County Tax Increment”). As of the date of this TIF Plan, the County’s millage less the County Exclusions is 47.08 mills.

(c) The City Tax Increment and the County Tax Increment are hereinafter collectively referred to herein as the “TIF Revenues.” The TIF Revenues generated by the TIF District will be pledged to secure the TIF Bonds, and the City may also pledge the Phase 2 Tourism Tax.

2. Amount of TIF Bonds to be Issued. To induce the development of Phase 2, the City and the County may issue TIF Bonds in one or more taxable or tax-exempt series in the amount necessary to net the Developer a reimbursement of up to \$12,500,000; accordingly the principal amount of the TIF Bonds to be issued shall be limited to that amount which can be repaid by the (a) the City Tax Increment plus the County Tax Increment payable over twenty (20) years and may also include that portion of Phase 2 Tourism Tax but only if the Phase 2 Tourism Tax is necessary to issue TIF Bonds sufficient to net the Developer up to \$12,500,000, but in no event shall exceed \$15,500,000.

3. Use of TIF Revenues. The TIF Revenues will be used, to the extent allowed by law, to pay the cost of installation and construction of various infrastructure improvements within the TIF District or servicing the TIF District, including the installation, rehabilitation and/or relocation of utilities such as water, sanitary sewer; construction, renovation, or rehabilitation of drainage improvements, roadways, curbs and gutters, sidewalks, site improvements, on-site parking, paving and other related parking lot improvements; relocation, acquisition or construction of electrical lines, lighting, signalization, buildings, and land, if necessary therefor; acquisition of land, structures or improvements within the TIF District necessary to the development of the Project; selling or leasing of property acquired by the City within the TIF District for not less than fair market value for uses in accordance with this TIF Plan; landscaping of rights-of way; related architectural and engineering fees, attorney’s fees, issuance costs, capitalized interest, and other related soft costs, all as may be authorized by the Act, any other purposes authorized pursuant to the certificate of public convenience and necessity, issued pursuant to the REDA in connection with Phase 2 (collectively the “Infrastructure Improvements”), which Infrastructure Improvements may be constructed or installed within the TIF District or land adjacent to and/or serving the TIF District.

4. The City may issue the TIF Bonds in one or more taxable or tax-exempt series in an amount not to exceed \$15,500,000 and reimburse the Developer in the amount provided by

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Article I, B. 2 herein, all in accordance with the development agreement to be executed between the parties as authorized by the Act (the “Development Agreement”). The TIF Bonds shall be issued upon substantial completion of the Project and subject to the terms of the Development Agreement and the Act.

5. The installation and construction of the Infrastructure Improvements will be undertaken, from time to time, to provide for the Project as well as the public convenience, health, and welfare as provided in the Development Agreement.

C. PUBLIC CONVENIENCE AND NECESSITY: The public convenience and necessity require participation by the City and the County in the Project and will require participation of the City and the County in Phase 2. The Project will provide for the public convenience and necessity and serve the best interests of the citizens of the City and the County. Specifically:

1. PHASE 1: Phase 1 represents an estimated private investment in excess of \$15,000,000 which created construction jobs while with an estimated payroll of approximately \$3,000,000. Phase 1 currently employs a number of people, and Phase 1 will likely increase employment in the City as additional lots are developed. Annual payroll cannot be determined at this time due to market factors and the range of job skill level. The City’s annual real and personal property taxes generated by Phase 1 are \$61,928. The County’s annual real and personal property taxes generated by Phase 1 are \$113,486. The Panola County School District’s (the “School District”) annual real and personal property taxes generated by Phase 1 are \$90,663. The annual sales tax rebates to the City generated by Phase 1 are approximately \$111,761 annually. Based on these rebates, annual sales taxes to the State from Phase 1 are \$604,114 and annual sales are estimated to be \$8,630,193. The City’s 3% Tourism and Economic Development Tax from Phase 1 is estimated to be \$165,000. Further development of Phase 1 will expand the tax base of the City, the County, and the School District; however specific uses have not been identified at this time.

2. PHASE 2: Phase 2 represents an estimated private investment of approximately Forty Million Dollars (\$40,000,000) which will create construction jobs, and upon completion Phase 2 will create approximately 300 new permanent full-time and part-time jobs. Annual payroll cannot be determined at this time due to market factors and the range of job skill level. The City’s annual real and personal property taxes generated by Phase 2 are projected to increase by \$213,819. The County’s annual real and personal property taxes generated by Phase 2 are projected to increase by \$391,728. The School District’s annual real and personal property taxes generated by Phase 2 are projected to increase by \$367,943. The Developer projects that the annual sales generated by Phase 2 will reach approximately \$59,350,000. Based on anticipated sales, annual sales taxes to the State from Phase 2 are projected to be \$4,154,500 and annual sales tax rebates to the City are projected to be \$768,583. The City’s 3% Tourism and Economic Development Tax is projected to increase by \$405,000 as a result of sales from Phase 2. The development of Phase 2 will expand the tax base of the City, the County, and the School District.

3. PHASE 3: The City and County propose to use the land in Phase 3 for the

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development of a sports complex and recreational attraction, which may include ball fields, tennis courts, designated parking areas, restroom and concession facilities, a disc golf course and walking trails among other amenities. Phase 3 represents an investment of \$22,000,000, and the uses proposed by Phase 2 will complement the City’s plans for Phase 3 as a sports complex and recreational attraction.

Phase 2 will utilize and develop underdeveloped land in the TIF District that is strategically located in the City and has lain dormant for several years. The development of Phase 2 in the TIF District will facilitate the construction of the Infrastructure Improvements, including buildings, parking and lighting to encourage economic development and redevelopment in the TIF District.

ARTICLE II
PROJECT INFORMATION

A. **REDEVELOPMENT PROJECT DESCRIPTION:** The TIF District includes 109 acres of prime real estate located along Interstate 55 and Mississippi Highway 6 in the City and the County. The development of the TIF District includes the following components:

- (1) **Phase 1:** Phase 1 of the TIF District consists of 12 acres along Covenant Drive. The current uses of Phase 1 are as follows: Comfort Suites, located at 441 Covenant Drive; Home2Suites, located at 443 Covenant Drive; Cellular South located at 191 Covenant Drive and Raceway located at 105 Champion Drive. Phase 1 developed after the adoption of the 2006 TIF Plan.
- (2) **Phase 2:** Phase 2 consists of an approximately 32-acre planned shopping center which, in addition to retail and ancillary uses, may also include hotel(s) and restaurants, together with infrastructure to support the development and use of same. Phase 2 represents a private investment of approximately Forty Million Dollars (\$40,000,000).
- (3) **Phase 3:** The City and County currently contemplate developing or causing the development of Phase 3 into a sports complex and recreational attraction, estimated to cost \$22,000,000.
- (4) **Location, Legal Description, Environmental Characteristics and Zoning:** The TIF District is located on real property described in Exhibit A attached hereto. Phase 2 is set forth in more detail on Exhibit B attached hereto. The TIF District is zoned C2- Community Business. The majority of the 109-acre TIF District is undeveloped, and the current businesses in Phase 1 are set forth above. All buildings will be constructed consistent with the City’s zoning and architectural guidelines, subject to any City-approved variances.

B. **DEVELOPER’S INFORMATION:**

- (1) **Phase 1:** The lots in Phase 1 were developed by individual landowners after the adoption of the 2006 TIF Plan.

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- (2) Phase 2: Noon Batesville, LLC (FEIN XX-XXX-___); 715 Market Street, Ste 203, Chattanooga, TN 37402
- (3) Phase 3: To be determined.
- (4) Local contractors or agents will be utilized to the greatest extent feasible.

ARTICLE III
ECONOMIC DEVELOPMENT IMPACT DESCRIPTIONS

A. **JOB CREATION:** The development of the TIF District is expected to create several hundred construction jobs, depending on the continued development of Phase 1 and the development of Phase 3. Phase 2 is expected to create construction jobs and upon completion will create an estimated 300 new full-time and part-time jobs. The completion of Phase 1 and the development of Phase 3 will create new full-time and part-time jobs as well.

B. **FINANCIAL BENEFIT TO THE COMMUNITY**

1. **Ad Valorem Tax Increases:** The construction and development of the Project will generate significant increases in real and personal ad valorem tax revenues for the City, the County, and the School District. Based on the assumption that the City will acquire Phase 3 and develop the sports complex, this TIF Plan assumes that there will not be an increase in the ad valorem taxes generated by Phase 3. Estimated increases for Phase 1 and Phase 2 are as follows:

PHASE I 12 Acres				
	Millage*	2006	Completed	Increase
City	37.8	\$187	\$61,928	\$61,741
County	69.27	\$381	\$113,486	\$113,105
School	65.04	\$307	\$106,556	\$106,249
TOTAL:	172.11	\$875	\$281,970	\$281,095
*Millage rates have changed since 2006. These are the rates for Tax Year 2024 (due by 02/01/2025)				
PHASE II 32 Acres				
	Millage*	2006	Completed	Increase
City	37.8	\$498	\$214,317	\$213,819
County	69.27	\$1,017	\$392,745	\$391,728
School	65.04	\$819	\$368,762	\$367,943
TOTAL:	172.11	\$2,334	\$975,824	\$973,489
*Millage rates have changed since 2006. These are the rates for Tax Year 2024 (due by 02/01/2025)				

2. **Retail Sales:** When the 2006 TIF Plan was adopted, the TIF District was undeveloped therefore no sales were associated with the TIF District, and all sales represent an

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increase. The annual sales for Phase 1 are estimated to be \$8,630,193, with annual State sales taxes of \$604,114 and annual rebates to the City of \$111,761. The Developer projects that the annual sales generated by Phase 2 will reach approximately \$59,350,000. Based on anticipated sales, annual sales taxes to the State from Phase 2 are projected to be \$4,154,500 and annual sales tax rebates to the City are projected to be \$768,583.

3. Special Taxes: It is anticipated that upon completion Phase 2 will generate \$405,000 annually pursuant to the City’s 3% Tourism and Economic Development Tax. It is projected that Phase 1 currently contributes \$165,000 annually to the City’s Tourism and Economic Development Tax. Development of Phase 3 may result in additional special taxes to the City.

4. Pledge: To secure the TIF Bonds, the City will pledge the City Tax Increment and the County will pledge the County Tax Increment, and the City may pledge the Phase 2 Tourism Revenues, all as set forth in Article I, Section B and as more particularly described in the Development Agreement.

5. Amount of TIF Bonds to be Issued: To induce the development of Phase 2, the City and the County may issue TIF Bonds in one or more taxable or tax-exempt series in the amount necessary to net the Developer a reimbursement of up to \$12,500,000, but the total principal amount of TIF Bonds shall not exceed \$15,500,000; accordingly the principal amount of the TIF Bonds to be issued shall be limited to that amount which can be repaid by the City Tax Increment plus the County Tax Increment payable over twenty (20) years and may also include that portion of Phase 2 Tourism Tax but only if the Phase 2 Tourism Tax is necessary to issue TIF Bonds sufficient to net the Developer up to \$12,500,000.

ARTICLE IV
THE OBJECTIVE OF THE TAX INCREMENT FINANCING PLAN

The primary objective of this TIF Plan is to serve the public convenience and necessity by participating in the Project and by inducing the development of Phase 2. This TIF Plan will provide financing to construct Infrastructure Improvements necessary to transform Phase 2 from underdeveloped real estate into a regional shopping center that creates jobs and increases the revenues for the City, County and School District. The Infrastructure Improvements will be constructed in accordance with the standards, codes and ordinances of the City. The Project will provide for the health and welfare of the public by providing for safe and adequate roadway improvements, adequate utilities such as water, gas, sanitary sewer, and drainage systems.

ARTICLE V
A STATEMENT INDICATING THE NEED AND PROPOSED USE OF THE TAX INCREMENT FINANCING PLAN IN RELATIONSHIP TO THE REDEVELOPMENT PLAN

The use of tax increment financing is an inducement that will result in the development of vacant and underdeveloped prime property in the City and the County. The proposed use of

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this TIF Plan is to provide a financing mechanism for the installation and construction of Infrastructure Improvements necessary to induce development within the TIF District and serve the public who will utilize and benefit from the development of the Project.

ARTICLE VI

A STATEMENT CONTAINING THE COST ESTIMATE OF THE REDEVELOPMENT PROJECTS, PROJECTED SOURCES OF REVENUE TO MEET THE COSTS, AND TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED

A. COST ESTIMATE OF REDEVELOPMENT PROJECTS

1. Phase 1 represents an estimated private investment in excess of \$15,000,000. The development of Phase 2 represents a private investment of approximately Forty Million Dollars (\$40,000,000). The development of Phase 3 could represent an investment of \$22,000,000. The proceeds of the TIF Bonds will be used to pay the cost of constructing various Infrastructure Improvements for Phase 2 as more particularly described in Article I, Section B.
2. The installation and construction of the Infrastructure Improvements will be undertaken to provide for the public convenience, health, and welfare and the success of Phase 2 and the TIF District as a whole. The retail developments planned for Phase 2 will complement the City and County's plans for Phase 3.
3. Proceeds of the TIF Bonds may also be used to fund capitalized interest and/or a debt service reserve fund, if necessary, as permitted under the Act.

B. PROJECTED SOURCES OF REVENUE TO MEET COSTS: The Developer will secure financing to install and construct Phase 2. The City will pledge the City Tax Increment and the County will pledge the County Tax Increment to secure the TIF Bonds.

C. TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED:

1. To secure the TIF Bonds, the City will pledge the City Tax Increment, and the County will pledge the County Tax Increment, and the City may pledge the Phase 2 Tourism Revenues, all as set forth in Article I, Section B and as more particularly described in the Development Agreement.
2. To induce the development of Phase 2, the City and the County may issue TIF Bonds in one or more taxable or tax-exempt series in the amount necessary to net the Developer a reimbursement up to \$12,500,000, but the total principal amount of TIF Bonds shall not exceed \$15,500,000; accordingly the principal amount of the TIF Bonds to be issued shall be limited to that amount which can be repaid by the City Tax Increment plus the County Tax Increment payable over twenty (20) years and may also include that portion of Phase 2 Tourism Tax but only if the Phase 2 Tourism Tax be necessary to issue TIF Bonds sufficient to net the Developer up to \$12,500,000.

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3. The amount and timing of the issuance of the TIF Bonds are subject to further proceedings of the City and in accordance with the Development Agreement and the Act.

ARTICLE VII
REAL PROPERTY TO BE INCLUDED IN TAX INCREMENT FINANCING DISTRICT

The real property included in the TIF District from which the ad valorem real and personal property tax revenues will be generated to finance the TIF Bonds is described below, and in the map attached hereto as Exhibit A. Pursuant to the TIF Act, the Original Assessed Value is the assessed value of the TIF District property as of January 1 of the year the 2006 TIF Plan was adopted. Those values for the entire 109-acre TIF District are as follows:

2006 True Value:	\$403,500.00
2006 Assessed Value:	\$ 60,525.00
City Tax at 28.05 mills:	\$ 1,698.00
County Tax at 57.21 mills:	\$ 3,463.00
School District Tax at 46.10 mills:	\$ 2,790.00

ARTICLE VIII
DURATION OF THE TAX INCREMENT FINANCING PLAN’S EXISTENCE

This TIF Plan shall remain in effect and existence from its approval for a term of not less than twenty-five (25) years or for as long as there are TIF Bonds outstanding, whichever is longer.

ARTICLE IX
ESTIMATED IMPACT OF TAX INCREMENT FINANCING PLAN UPON THE REVENUES OF ALL TAXING JURISDICTIONS IN WHICH THE REDEVELOPMENT PROJECTS ARE LOCATED

A. **AD VALOREM TAX INCREASES:** The development of the Project will result in significant ad valorem tax increases for the City, the County, and the School District. The following are estimates of new ad valorem tax revenues with the tax revenues set forth in Article VII prorated among the Phases on a per acre basis. Note that school taxes cannot be used for TIF and are included for informational purposes only. Based on the assumption that the City acquires Phase 3, there will be no ad valorem taxes generated by Phase 3.

PHASE I 12 Acres				
	Millage*	2006	Completed	Increase
City	37.8	\$187	\$61,928	\$61,741
County	69.27	\$381	\$113,486	\$113,105
School	65.04	\$307	\$106,556	\$106,249
TOTAL:	172.11	\$875	\$281,970	\$281,095
<i>*Millage rates have changed since 2006. These are the rates for Tax Year 2024 (due by 02/01/2025)</i>				

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PHASE II 32 Acres				
	Millage*	2006	Completed	Increase
City	37.8	\$498	\$214,317	\$213,819
County	69.27	\$1,017	\$392,745	\$391,728
School	65.04	\$819	\$368,762	\$367,943
TOTAL:	172.11	\$2,334	\$975,824	\$973,489
*Millage rates have changed since 2006. These are the rates for Tax Year 2024 (due by 02/01/2025)				

- B. **RETAIL SALES:** The annual sales for Phase 1 are estimated to be \$8,630,193, with annual State sales taxes of \$604,114 and annual rebates to the City of \$111,761. The Developer projects that the annual sales generated by Phase 2 will reach approximately \$59,350,000. Based on anticipated sales, annual sales taxes to the State from Phase 2 are projected to be \$4,154,500 and annual sales tax rebates to the City are projected to be \$768,583.
- C. **SPECIAL TAXES:** It is anticipated that upon completion Phase 2 will generate \$405,000 annually pursuant to the City’s 3% Tourism and Economic Development Tax. It is projected that Phase 1 currently contributes \$165,000 annually to the City’s Tourism and Economic Development Tax. Development of Phase 3 may result in additional special taxes to the City.

The pledge of the TIF Revenues and the sizing of the TIF Bonds are both set forth in Articles I, VI and XII of this TIF Plan.

ARTICLE X

A STATEMENT REQUIRING THAT A SEPARATE FUND BE ESTABLISHED TO RECEIVE AD VALOREM TAXES, SALES TAX REBATES, AND THE PROCEEDS OF ANY OTHER FINANCIAL ASSISTANCE

A separate fund entitled the “Tax Increment Bond Fund: Covenant Crossing Project” shall be established by the City to receive ad valorem taxes, sales tax rebates, special taxes, and any other funds received or collected in connection with this TIF Plan.

ARTICLE XI

THE GOVERNING BODY OF THE CITY SHALL BY RESOLUTION FROM TIME TO TIME, DETERMINE (i) THE DIVISION OF AD VALOREM TAX RECEIPTS, IF ANY, THAT MAY BE USED TO PAY FOR THE COST OF ALL OR ANY PART OF A REDEVELOPMENT PROJECT(S); (ii) THE DURATION OF TIME IN WHICH SUCH TAXES MAY BE USED FOR SUCH PURPOSES; (iii) IF THE GOVERNING BODY SHALL ISSUE BONDS FOR SUCH REDEVELOPMENT PROJECT(S); AND (iv) SUCH OTHER RESTRICTIONS, RULES AND REGULATIONS AS IN THE SOLE DISCRETION OF THE GOVERNING BODY OF THE CITY SHALL BE NECESSARY IN ORDER TO PROMOTE AND PROTECT THE PUBLIC INTEREST.

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Through the adoption of this TIF Plan, the Governing Body of the City acknowledges the above and shall adopt the necessary resolutions when deemed necessary and appropriate for the implementation of this TIF Plan.

ARTICLE XII
PLAN OF FINANCING

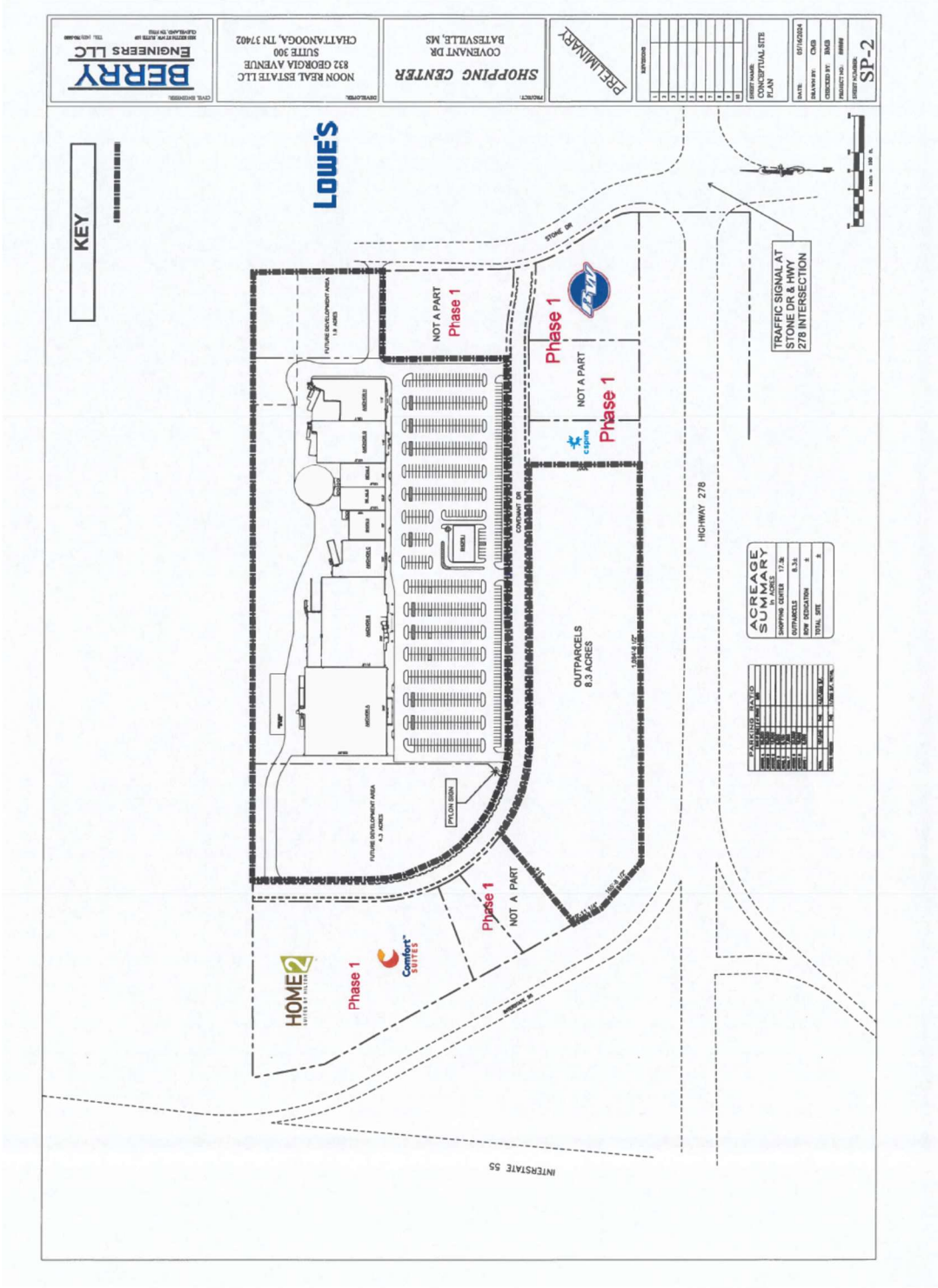
- A. **SECURITY FOR THE TIF BONDS:** This TIF Plan provides that the City may issue up to Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) in TIF Bonds in one or more taxable or tax-exempt series, which will be secured by the pledge of the TIF Revenues and may include the Phase 2 Tourism Tax.
- B. **FURTHER PROCEEDINGS OF THE CITY:** The City, in its sole discretion, shall take such further actions as required for the implementation of this TIF Plan.
- C. **AMOUNT AND TIMING OF ISSUANCE:** The amount and timing of the issuance of each series of TIF Bonds shall be determined solely by the City and pursuant to further proceedings of the City. The total amount of the TIF Bonds shall not exceed Fifteen Million Five Hundred Thousand Dollars (\$15,500,000). The TIF Bonds may be issued in one or tax-exempt or taxable series for a term not to exceed twenty (20) years.

SEPTEMBER 27, 2024

EXHIBIT A

TIF DISTRICT

SEPTEMBER 27, 2024



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IN RE: **REGIONAL ECONOMIC DEVELOPMENT ACT
AGREEMENT- REDA**

The Mayor and Board of Aldermen (the “Governing Body”) of the City of Batesville, Mississippi (the “City”) took up for consideration the matter of the Regional Economic Development Act Agreement (Covenant Crossing Project). After a discussion of the subject, Alderman Morrow offered and moved the adoption of the following resolution:

**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE
CITY OF BATESVILLE, MISSISSIPPI, APPROVING AND
AUTHORIZING THE EXECUTION AND DELIVERY OF THE
REGIONAL ECONOMIC DEVELOPMENT ACT AGREEMENT
(COVENANT CROSSING PROJECT).**

WHEREAS, the Governing Body of the City, acting for and on behalf of the City, hereby finds, determines, adjudicates and declares as follows:

- 1. It is in the public interest and in the interest of the citizens of the City to enter into the Regional Economic Development Act Agreement (Covenant Crossing Project) (the “Agreement”) with Panola County, Mississippi, a copy of which is attached hereto and made a part hereof as **EXHIBIT A**.
- 2. The City is authorized to enter into the Agreement by Sections 21-45-1 through 21-45-21 and Sections 57-64-1 through 57-64-27, Mississippi Code of 1972 (the “Act”), as amended and is entering into the Agreement for the reasons and to accomplish the purposes set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY AS FOLLOWS:

SECTION 1. This resolution is adopted pursuant to the Act and other applicable laws of the State of Mississippi.

SECTION 2. The Agreement, in the form submitted to this meeting and attached hereto as Exhibit A, shall be, and is hereby, approved in substantially said form. The Governing Body hereby authorizes and directs the Mayor of the City and the City Clerk to execute and deliver the Agreement with such changes, insertions, and omissions as may be approved by such officers, said execution being conclusive evidence of such approval.

SECTION 3. The Mayor and City Clerk are hereby authorized, upon approval and execution by Panola County, Mississippi, and directed to make application to the Mississippi Development Authority for approval of the alliance described in the Agreement and to submit such agreements and other documents and to take necessary or appropriate actions, including publishing any required notices, for accomplishing the purposes set forth in the Agreement.

SECTION 4. All ordinances, resolutions or orders of the Governing Body in conflict with this resolution shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

SECTION 5. For cause, this resolution shall become effective immediately upon the adoption thereof.

Alderman Land seconded the motion to adopt the foregoing resolution, and the roll call vote was as follows:

Alderman Teddy Morrow	voted: <u>aye</u>
Alderman Bill Dugger	voted: <u>aye</u>
Alderman Bobby Walton	voted: <u>aye</u>
Alderman Stan Harrison	voted: <u>aye</u>
Alderman Dennis Land	voted: <u>aye</u>

The motion having received the affirmative vote of a majority of all of the members of the Governing Body present, the Mayor declared the motion carried and the resolution adopted on this the 27 day of September, 2024.

Attest:

CITY OF BATESVILLE, MISSISSIPPI

City Clerk

By: HAL FERRELL, MAYOR

SEPTEMBER 27, 2024

EXHIBIT A

REGIONAL ECONOMIC DEVELOPMENT ACT AGREEMENT

REGIONAL ECONOMIC DEVELOPMENT ACT AGREEMENT
(COVENANT CROSSING PROJECT)

This Regional Economic Development Act Agreement (this “Agreement”) is made and entered into as of September 27, 2024, by and between the City of Batesville, Mississippi (the “City”), a municipal corporation organized and existing under the laws of the State of Mississippi (the “State”), and Panola County, Mississippi, a political subdivision of the State (the “County”).

RECITALS:

WHEREAS, the City and the County agree, find, and determine as follows:

(a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

“Act” shall mean together, the REDA Act and the TIF Act.

“Agreement” shall mean this Regional Economic Development Act Agreement (Covenant Crossing Project).

“Alliance” shall mean the regional economic development alliance created by this Agreement, pursuant to the REDA Act.

“Bond Payments” shall mean payments of principal of, premium, if any, and interest on the Bonds, and Paying Agent charges pertaining to the Bonds and such charges or payments for reserve funds, bond insurance, a guaranty, a letter of credit and/or any other payments provided for in the Bond Resolution to secure the Bonds, and specifically including any prepayments of principal on the Bonds.

“Bond Resolution” shall mean the bond resolution adopted by the City authorizing and directing the issuance of the Bonds pursuant to the authority under the Act.

“Bonds” shall mean the tax increment financing bonds of the City issued in one or more taxable or tax-exempt series, including refunding bonds thereof, in the maximum aggregate principal amount of not to exceed \$15,500,000 to finance the Costs of the Project, which includes the costs of the Improvements and associated fees and expenses of issuing such bonds and shall include any bonds issued to refinance same.

“Chancery Clerk” shall mean the Chancery Clerk of the County.

“City” shall mean the City of Batesville, Mississippi.

“City TIF Revenues” shall mean (i) all of the increased ad valorem taxes of the City generated from the Project within the TIF District, including personal property located therein, (ii) all of the City’s increased sales tax rebates generated from the Project within the TIF District, and may include (iii) City Tourism Taxes generated from Phase 2 of the Project within the TIF District.

“City Tourism Taxes” means the City’s Tourism and Economic Development Tax generated by Phase 2 of the Project pursuant to Senate Bill 2518, Local and Private Legislation, Regular Session 2023. It is the City’s intention that the City Tourism Taxes will only be used in the event that TIF Revenues are insufficient to issue Bonds in an amount necessary for the Developer to net not less than \$12,500,000 for reimbursement of the costs of the Improvements.

“Clerk” shall mean the City Clerk of the City.

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“Costs of the Project” shall mean all of the costs of site preparation and other start-up costs; costs of the Improvements, all costs of construction; costs of land and any rights or interests therein, easements, franchises, origination fees, permits, approvals, licenses and certificates; costs of environmental corrective actions or maintenance; costs of engineering, surveying, environmental, geotechnical, architectural and legal services; financing charges and interest prior to and during construction; costs of the creation of a debt service reserve; the costs of such other reserves as maybe reasonably required for the Project; and other eligible costs pursuant to the Act.

“County” shall mean Panola County, Mississippi.

“County Exceptions” means the millage dedicated to (i) the Panola County School Board, (ii) County roads and bridges, (iii) County Reappraisal Costs pursuant to Miss. Code Ann. Section 27-39-325, and (iv) the Northwest Mississippi Community College.

“County TIF Revenues” shall mean all of the increased additional County ad valorem taxes generated from the Project within the TIF District, including personal property located within the TIF District (excluding the County Exceptions).

“Developer” means Noone Batesville, LLC, a Mississippi limited liability company, or any entities related thereto, or any successor or assigns thereof, which is the developer of the Project.

“Development Agreement” shall mean the Development Agreement between the City and the Developer dated as of September 27, 2024.

“Final Bond Payment Date” shall mean the date on which all of the Bond Payments have been made, whether before, on or after the last scheduled Principal Payment Date.

“Improvements” shall mean any or all of the costs of certain public and private improvements relating to the Project, which will be used to pay the cost of acquiring, installing or constructing various public or privately owned infrastructure improvements, including but not limited to, installation, rehabilitation and/or relocation of utilities such as water, sanitary sewer; construction, renovation, or rehabilitation of drainage improvements, roadways, curbs and gutters, sidewalks, site improvements, on-site parking, paving and other related parking lot improvements; relocation, acquisition or construction of electrical lines, lighting, signalization, buildings, and land, if necessary therefor; acquisition of land, structures or improvements within the TIF District necessary to the development of the Project; selling or leasing of property acquired by the City within the TIF District for not less than fair market value for uses in accordance with the TIF Plan; landscaping of rights-of way; for other purposes authorized pursuant to the TIF Act and REDA Act; related architectural and engineering fees, attorney’s fees, TIF Plan preparation fees, issuance costs, capitalized interest, and other related soft costs, all as may be authorized by the Act

“Payment Date” shall mean any date on which interest or principal and interest on the Bonds is scheduled to be made.

“Phase 2” means the Developer’s commercial retail development and related amenities, including a shopping center with retail and other ancillary uses, and may also include a hotel(s) and restaurants, together with infrastructure to support the development and use of same that will be operated by the Developer and known as the Covenant Crossing Project.

“Principal Payment Date” shall mean any Payment Date on which principal is scheduled to be paid (including for this purpose any advancement of maturity pursuant to a mandatory sinking fund payment).

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“Project” shall mean the projects described in Exhibit A, attached hereto and made a part hereof.

“REDA Act” shall mean the Regional Economic Development Act, Sections 57-64-1 through 57-64-27, Mississippi Code of 1972, as amended.

“Revenues” shall mean the City TIF Revenues and the County TIF Revenues generated by the Project within the TIF District. “Revenues” also includes any investment income from such monies, and any other revenues obtained by the Alliance for the payment of the Bond Payments. All or a portion of the Revenues will be diverted to the payment of the Bonds under the TIF Plan in accordance with Section 11 herein.

“TIF Act” shall mean the Tax Increment Financing Act, Sections 21-45-1 through 21-45-21, Mississippi Code of 1972, as amended.

“TIF District” shall mean the Project property area included in the TIF Plan.

“TIF Plan” shall mean the *Tax Increment Financing Plan, Covenant Crossing Project, City of Batesville, Panola County, Mississippi, September 2006, as Amended and Restated August 2024*, approved by the County on September 27, 2024, and by the City on September 27, 2024.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

(c) The Developer desires to acquire land, acquire, redevelop or construct buildings, infrastructure, utilities, roads, parking and other related Improvements constituting the Project, on land and property within the County and within the corporate limits of the City.

(d) The City desires to issue the Bonds to reimburse the Developer for a portion of acquisition and construction of the Costs of the Project, which includes the costs of the Improvements, in order to promote regional economic development, assist in the creation of jobs and to promote the economic, social, and general welfare of both the City and the County.

(e) Pursuant to the provisions of the REDA Act, counties and municipalities may make the most efficient use of their powers by cooperating and contracting with one another in an alliance to their mutual advantage, and thereby provide services and facilities which will accord best with the geographic, economic, population, and other factors to best serve the needs and development of such local governmental units.

(f) The governing authorities of the City and the County desire to enter a joint effort to make the most efficient use of their powers and enable them to promote economic development and to assist in the creation of jobs and to promote the general welfare of the City and County and the citizens of each.

(g) In order that the Bonds may be issued, sold, and the payment of the Bonds properly provided for, it is necessary that the term of this Agreement shall extend through the Final Bond Payment Date, not to exceed twenty (20) years from the dated date of the Bonds.

(h) In order to provide the Improvements for the Project and to enable its acquisition and construction by the Developer, it is necessary and in the public interest for the City to cooperate with the County by entering into this Agreement pursuant to the REDA Act.

(i) It is agreed and understood that the City and County have approved the TIF Plan and established the TIF District in order to provide for the issuance and sale of the Bonds by the

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City to finance the Improvements for the Project, and it is agreed and understood that the City may, in its discretion, include as sources of payment for the Bonds and pledge to the extent deemed necessary and appropriate all or any portion of the Revenues.

(j) The City and the County desire to enter this Agreement for the purposes of (i) financing the costs of the Improvements and (ii) satisfying the requirements of the Act.

(k) It is necessary for the City and the County to enter into this Agreement pursuant to the Act to enable the City to issue and sell the Bonds, and to provide for the securing of the Bonds and the payment of the Bond Payments.

(l) The Act authorizes the City to issue the Bonds for the financing of the Costs of the Project, which includes the costs of the Improvements associated with the Project.

(m) Subject to the terms of the Development Agreement, the City will issue the Bonds on behalf of the City and County in a total principal amount not to exceed \$15,500,000 for the purpose of financing the Costs of the Project, which includes the costs of the Improvements associated with the Project. The Bond Payments shall be the responsibility of the City, shall be determined as described in the Development Agreement, and shall be payable from the Revenues. The City will secure its portion of the Revenues by diverting the City Tax Increment necessary to satisfy the allocation set forth in Section 12 hereinbelow, and the County agrees that it will secure its portion of the Revenues by diverting the County Tax Increment necessary to satisfy the allocation set forth in Section 12 hereinbelow.

(n) It is in the best interests of the citizens of the City that the City enter and execute this Agreement.

(o) It is in the best interests of the citizens of the County that the County enter and execute this Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE ABOVE AND THE MUTUAL BENEFITS ACCRUING TO THE CITY AND THE COUNTY, THE CITY AND THE COUNTY HEREBY AGREE AS FOLLOWS:

SECTION 1. Duration. This Agreement shall be in force and effect until terminated in accordance with the provisions of Section 6 hereof.

SECTION 2. Purpose. The purpose of this Agreement is to define the respective responsibilities of the City and the County with regard to the financing of the Costs of the Project, which includes the cost of Improvements, and the payment of the Bonds.

SECTION 3. Organization; Statutory Authority. There will be no separate legal or administrative entity created pursuant to this Agreement. The City and County are authorized by the Act to jointly exercise and carry out the powers, authorities, and responsibilities to be exercised by each of them pursuant to the terms of this Agreement.

SECTION 4. Administration.

(a) This Agreement shall be administered as a joint undertaking of the City and the County. A separate entity is not created under this Agreement. All the staffing pertaining to the acquisition and construction of the Improvements, to the extent applicable, and the issuance of the Bonds will be provided by the City. The City and the County hereby designate and authorize the City to exercise all powers needed to carry out and assist in the development of the Improvements, including but not limited to the powers to issue the Bonds to finance the costs of the Improvements, and to reimburse the Developer or any contractor hired by or with the approval of the City, from proceeds of the Bonds, for any advances made by the Developer to

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acquire and construct the Improvements in anticipation of the issuance of the Bonds all pursuant to the Act and subject to the terms of the Development Agreement.

(b) The City and County have adopted the TIF Plan and created the TIF District. The City shall issue the Bonds for the purpose of financing the Costs of the Project, which includes the cost of the Improvements. The Bond Payments shall be the sole responsibility of the City and shall be paid from the Revenues received for the City and the County.

(c) The City will establish a budget which may be included as a part of the City's budget for the receipts and expenditures pertaining to the Improvements and the Bond Payments. The Clerk is designated to receive, disburse, and account for the Revenues.

(d) The City has entered into the Development Agreement that provides for the dedication and conveyance to the City of any and all public infrastructure, if any, included among the Improvements constructed, caused to be constructed, or acquired by the Developer. Some of the Improvements may not be dedicated by the Developer to the City, but instead will be owned and maintained by the Developer.

(e) The City and the County shall have the right, at their request, to review and approve the plans and specifications for all public infrastructure among the Improvements. The City and the County shall have access to all records pertaining to the acquisition and construction of all public infrastructure among the Improvements, and no changes which materially affect the overall scope thereof will be initiated without the written consent of the City and the County.

(f) Pursuant to Section 2(e) of the Development Agreement, the City has agreed to establish and deposit the City Sales Tax Increment, the City Ad Valorem Tax Increment and the County Tax Increment, excluding the County's Exclusions, into a reserve fund in the amounts and at the times provided in the Development Agreement.

In order to comply with the Development Agreement and deposit the County Tax Increment, excluding the County's Exclusions, the City will provide written notices (a "Payment Notice") to the Chancery Clerk and the County Administrator no later than sixty (60) days prior to February 2025, the City a certificate of the Tax Assessor of the County setting forth the actual County Tax Increment, excluding the County's Exclusions, to be deposited into the Reserve Fund. After the TIF Bonds are issued, the City shall provide Payment Notices to the Chancery Clerk and the County Administrator no later than sixty (60) days prior to, and in no event, no later than sixty (60) days after (i) the receipt of the certificate of the Tax Assessor of the County setting forth the actual County Tax Increment, excluding the County's Exclusions, and the actual City Tax Increment and (ii) each interest and principal payment date on the TIF Bonds of the debt service payment due and payable by the County, which such debt service payment shall be paid by the County to the City within forty-five (45) days of the receipt of each Payment Notice. Failure to give such timely notice to either the Chancery Clerk or the County Administrator shall not affect the validity of the County's obligations and responsibilities under this Agreement.

SECTION 5. Operation of Alliance and the Improvements. The operation of the alliance and of the Improvements shall be as described in Section 4 of this Agreement and as may be otherwise provided herein.

SECTION 6. Termination. This Agreement will terminate upon the Final Bond Payment Date. The term of the Bonds will not exceed twenty (20) years from the dated date thereof.

SECTION 7. Amendment. This Agreement may be amended at any time by the mutual consent of the City and the County pursuant to a written agreement consistent with the

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provisions of the Act. No such amendment shall have a material adverse effect on the ability of the City to make the Bond Payments.

SECTION 8. Administration of Issuance of Bonds. The authority to issue the Bonds pursuant to the Act and the administration of the Bond Payments is provided for in Section 4 hereof.

SECTION 9. Manner of Acquiring, Holding and Disposing of Property; Cooperation Concerning Property Matters. (a) The manner of acquiring, holding and disposing of real and personal property is provided for in Section 4 hereof.

(b) The County will grant to the City any necessary construction and maintenance easements on property on which the County can grant such rights to aid in the acquisition and/or construction of the Improvements.

SECTION 10. Terms and Conditions That Will Cause Alliance to Be Terminated. The Alliance will be terminated on the Final Bond Payment Date.

SECTION 11. Manner in Which the Costs of the Improvements Shall be Shared. The City and the County have adopted the TIF Plan creating the TIF District, and the City shall issue the Bonds for the purpose of financing the Improvements associated with the Project. The Bond Payments shall be the responsibility of the City and shall be paid from the Revenues. It is agreed that the City and County shall contribute to the Revenues their respective incremental increase in revenues from the TIF District, all as described in Section 12. In the event that increased sales taxes of the City, coupled with increased ad valorem taxes of the City and the County, are sufficient for the Bond Payment, and surplus monies remain, then any surplus shall be returned to the parties in proportion to the amounts contributed.

SECTION 12. Security for Bond Payments & Principal Amount. It is agreed and understood that in order for the City to provide for the issuance and sale of the Bonds to finance the Improvements for the Project, City and the County will, subject to the terms of the Development Agreement:

(a) Pledge to the security of the Bonds the City Tax Increment, the County Tax Increment, except the County Exemptions, generated within the TIF District; and, if necessary the City Tourism Tax.

(b) Issue the Bonds in one or more taxable or tax-exempt series in an aggregate principal amount not to exceed \$15,500,000 that is determined by the City using (1) one hundred percent (100%) of the City Tax Increment, generated by the Project within the TIF District, plus (2) one hundred percent (100%) of the County Tax Increment, excluding the County Exemptions, generated by the Project within the TIF District; and (3), if necessary, an amount up to one hundred percent (100%) of the City Tourism Tax in the event that TIF Revenues are insufficient to issue Bonds in an amount necessary for the Developer to net not less than \$12,500,000 for reimbursement of the costs of the Improvements

(c) The City and County agree to execute such documents necessary to affect their pledge as to the security for the Bonds as may be reasonably required by the issuing documents for the Bonds.

SECTION 13. Effective Date; Approvals; Filing. This Agreement will be effective from and after the last to occur of the following: (a) this Agreement has been executed by all parties hereto, (b) the approval of this Agreement by the Mississippi Development Authority and the Mississippi Attorney General has been obtained, and (c) this Agreement has been filed with the Chancery Clerk and the Mississippi Secretary of State. The initial term of this Agreement shall commence on the effective date hereof and extend through the Final Bond Payment Date. The

SEPTEMBER 27, 2024

City shall not schedule the term of the Bonds to be longer than twenty (20) years from the dated date of the Bonds.

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WITNESS the signatures of the duly authorized officers of the City and the County as of the date first above written.

PANOLA COUNTY, MISSISSIPPI

By: _____
**President of the Board of
Supervisors**

ATTEST:

Chancery Clerk
(SEAL)

CITY OF BATESVILLE, MISSISSIPPI

By: _____
Mayor

ATTEST:

City Clerk
(SEAL)

SEPTEMBER 27, 2024

EXHIBIT A
TIF PROJECT

PHASE 1: Phase 1 represents an estimated private investment in excess of \$15,000,000 which created construction jobs while with an estimated payroll of approximately \$3,000,000. Phase 1 currently employs a number of people, and Phase 1 will likely increase employment in the City as additional lots are developed. Annual payroll cannot be determined at this time due to market factors and the range of job skill level. The City's annual real and personal property taxes generated by Phase 1 are \$61,928. The County's annual real and personal property taxes generated by Phase 1 are \$113,486. The Panola County School District's (the "School District") annual real and personal property taxes generated by Phase 1 are \$90,663. The annual sales tax rebates to the City generated by Phase 1 are approximately \$111,761 annually. Based on these rebates, annual sales taxes to the State from Phase 1 are \$604,114 and annual sales are estimated to be \$8,630,193. The City's 3% Tourism and Economic Development Tax from Phase 1 is estimated to be \$165,000. Further development of Phase 1 will expand the tax base of the City, the County, and the School District; however specific uses have not been identified at this time.

PHASE 2: Phase 2 represents an estimated private investment of approximately Forty Million Dollars (\$40,000,000) which will create construction jobs, and upon completion Phase 2 will create approximately 300 new permanent full-time and part-time jobs. Annual payroll cannot be determined at this time due to market factors and the range of job skill level. The City's annual real and personal property taxes generated by Phase 2 are projected to increase by \$213,819. The County's annual real and personal property taxes generated by Phase 2 are projected to increase by \$391,728. The School District's annual real and personal property taxes generated by Phase 2 are projected to increase by \$367,943. The Developer projects that the annual sales generated by Phase 2 will reach approximately \$59,350,000. Based on anticipated sales, annual sales taxes to the State from Phase 2 are projected to be \$4,154,500 and annual sales tax rebates to the City are projected to be \$768,583. The City's 3% Tourism and Economic Development Tax is projected to increase by \$405,000 as a result of sales from Phase 2. The development of Phase 2 will expand the tax base of the City, the County, and the School District.

PHASE 3: The City and County propose to use the land in Phase 3 for the development of a sports complex and recreational attraction, which may include ball fields, tennis courts, designated parking areas, restroom and concession facilities, a disc golf course and walking trails among other amenities. Phase 3 represents an investment of \$22,000,000, and the uses proposed by Phase 2 will complement the City's plans for Phase 3 as a sports complex and recreational attraction.

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IN RE: **RESOLUTION APPROVING DEVELOPMENT
AGREEMENT AND REIMBURSEMENT AGREEMENT**

There came on for consideration the matter of approving a development and reimbursement agreement in connection with the issuance of tax increment financing bonds of the City of Batesville, Mississippi and after a discussion of the subject matter, Alderman Morrow offered and moved the adoption of the following resolution:

**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE
CITY OF BATESVILLE, MISSISSIPPI APPROVING THE FORM OF AND
AUTHORIZING THE EXECUTION AND DELIVERY OF A
DEVELOPMENT AND REIMBURSEMENT AGREEMENT BETWEEN
SAID CITY AND NOON BATESVILLE, LLC IN CONNECTION WITH A
COMMERCIAL DEVELOPMENT WITHIN SAID CITY; AND FOR
RELATED PURPOSES.**

WHEREAS, Sections 21-45-1 et seq., Mississippi Code of 1972, as amended (the “TIF Act”), authorizes municipalities and counties in the State of Mississippi to undertake and carry out development and redevelopment projects as defined therein with the use of tax increment financing as set forth in detail in the TIF Act and also to carry out such projects jointly with other local governmental units, including foreign governmental units from other states, pursuant to Sections 57-64-1 et seq., Mississippi Code of 1972, as amended (the “REDA Act,” and together with the TIF Act, the “Act”); and

WHEREAS, the Mayor and Board of Aldermen (the “Governing Body”) of the City of Batesville, Mississippi (the “City”) acting for and on behalf of the City is also authorized by the TIF Act to issue tax increment financing bonds to finance such redevelopment projects; and

WHEREAS, after notice and public hearing, on September 27, 2024, the City adopted and approved the *Tax Increment Financing Plan, Covenant Crossing, City of Batesville, Panola County, Mississippi, September 2006, as Amended and Restated August 2024* (the “Amended TIF Plan”) and, in connection therewith, Noon Batesville, LLC, a Mississippi limited liability company, (the “Developer”) proposes to acquire and redevelop approximately 32 acres located in the TIF District as described in the TIF Plan by constructing or causing to be constructed thereon a shopping center with, in addition to retail and ancillary uses, may also include a hotel(s) and restaurants, together with infrastructure to support the development and use of same (collectively, “Phase 2”); and

WHEREAS, the Developer has requested that the City issue its tax increment financing bonds, in one or more taxable or tax-exempt series in an amount sufficient to net the Developer up to Twelve Million Five Hundred Thousand Dollars (\$12,500,000) but in no event shall said bonds exceed a total of Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) (the “TIF Bonds”), to the extent allowed by law, to pay the cost of installation and construction of various infrastructure improvements within the TIF District or servicing the TIF District, including the installation, rehabilitation and/or relocation of utilities such as water, sanitary sewer; construction, renovation, or rehabilitation of drainage improvements, roadways, curbs and gutters, sidewalks, site improvements, on-site parking, paving and other related parking lot improvements; relocation, acquisition or construction of electrical lines, lighting, signalization, buildings, and land, if necessary therefor; acquisition of land, structures or improvements within the TIF District necessary to the development of Phase 2; selling or leasing of property acquired by the City within

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the TIF District for not less than fair market value for uses in accordance with this TIF Plan; landscaping of rights-of way; related architectural and engineering fees, attorney’s fees, issuance costs, capitalized interest, and other related soft costs, all as may be authorized by the Act, any other purposes authorized pursuant to the certificate of public convenience and necessity, issued pursuant to the REDA in connection with Phase 2 (collectively the “Infrastructure Improvements”), which Infrastructure Improvements may be constructed or installed within the TIF District or land adjacent to and/or serving the TIF District; and

WHEREAS, Governing Body has received a Development and Reimbursement Agreement between the City and the Developer together with all exhibits thereto (the “Development Agreement”), setting forth the agreement of the City and the Developer in connection with (a) the construction and installation of Phase 2, (b) the construction and installation of the Infrastructure Improvements by the Developer; and (c) the reimbursement of the Developer for a portion of the Developer’s expenditures in connection with the construction and installation of the Infrastructure Improvements from the sale and issuance of the TIF Bonds, from time to time; and

WHEREAS, the Development Agreement is in appropriate form and is an appropriate document for the purposes identified; and

WHEREAS, in order to proceed with the sale and issuance of the TIF Bonds and the financing of the Infrastructure Improvements, it is necessary to approve the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. The recitals contained in this resolution are incorporated herein as findings.

SECTION 2. This resolution is adopted pursuant to the Act and the Constitution of the State of Mississippi.

SECTION 3. The Governing Body, acting for and on behalf of the City, hereby authorizes the City to enter into the Development Agreement by and between the City and the Developer.

SECTION 4. The form of the Development Agreement in the form submitted to this meeting and attached hereto as Exhibit 1 shall be, and the same hereby is, approved in substantially said form. The Mayor of the City (the “Mayor”) and the City Clerk are hereby authorized and directed to execute and deliver the Development Agreement on behalf of the City with such changes, insertions and omissions as may be approved by such officers, said execution being conclusive evidence of such approval.

SECTION 5. The Mayor and the City Clerk are hereby authorized and directed to execute such other documents, instruments and papers and to do such acts and things as may be necessary or advisable in connection with the TIF Bonds, the Infrastructure Improvements and Phase 2, subject to subsequent approval and ratification by the Governing Body.

DEVELOPMENT AGREEMENT

SEPTEMBER 27, 2024

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This Development and Reimbursement Agreement (this “Agreement”) is dated as of September 27, 2024, and is between the **CITY OF BATESVILLE, MISSISSIPPI** (the “City”), a municipal corporation organized and existing under the laws of the State of Mississippi (the “State”) and **NOON BATESVILLE, LLC**, a Mississippi limited liability company (together with its successors and assigns, the “Developer”).

WITNESSETH:

WHEREAS, the Mississippi Tax Increment Financing Act, Section 21-45-1 *et seq.*, Mississippi Code of 1972, as amended from time to time (the “TIF Act”), authorizes municipalities and counties in the State to undertake and carry out redevelopment projects as defined therein with the use of tax increment financing as set forth in the TIF Act and to use the Regional Economic Development Act, Section 57-64-1 *et seq.*, Mississippi Code of 1972, as amended from time to time (the “REDA Act”), which authorizes cities and counties to create regional economic development alliances to assist developers in funding a redevelopment project with a regional impact in accordance with the REDA Act and to enter into interlocal cooperation agreements with cooperating governing bodies to assist developers in funding redevelopment projects pursuant to Section 17-13-1 *et seq.*, Mississippi Code of 1972, as amended from time to time (the “Interlocal Act” and together with the TIF Act and the REDA Act, the “Act”); and

WHEREAS, as authorized by the Act, the City and Panola County, Mississippi (the “County”) intend to enter into a regional economic development act agreement or an interlocal cooperation agreement as provided for in the Interlocal Act, pursuant to which the City and the County will agree to pledge the TIF Revenues (as defined below) for payment of debt service on the tax increment financing bonds, if and when issued; and

WHEREAS, the City duly approved its *Tax Increment Financing Redevelopment Plan, City of Batesville, Mississippi, 1992, as Amended and Restated, July 2003* (the “City Redevelopment Plan”) on July 15, 2003, as authorized by the TIF Act; and

WHEREAS, the County duly approved its *Tax Increment Financing Redevelopment Plan, Panola County, Mississippi, 2006* (the “County Redevelopment Plan” and together with the City Redevelopment Plan, the “Redevelopment Plan”) on July 3, 2006; and

WHEREAS, after notice and public hearing on September 19, 2006, the City, acting by and through its Mayor and Board of Aldermen (the “Governing Body”), adopted a resolution approving the *Tax Increment Financing Plan Covenant Crossing Project, City of Batesville, Mississippi, September 2006* (the “2006 TIF Plan”); and

WHEREAS, the 2006 TIF Plan established a 109-acre tax increment financing district (the “TIF District”) within which Covenant Logistics, LLC (the “Original Developer”) proposed to develop or cause to be developed commercial and residential mixed-use developments together with the infrastructure required to support same; and

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WHEREAS, the City, the County and the Original Developer have determined that it is in the best interest of each party that the Original Developer withdraw from participating in the development of the TIF District and that the City and the County pursue inducements with other developers for the development of all or a portion of the TIF District; and

WHEREAS, the Developer proposes to acquire and redevelop approximately 32 acres located in the TIF District, as more particularly described in **Exhibit A** attached hereto (the “Phase 2 Site”) by constructing or causing to be constructed a shopping center which, in addition to retail and ancillary uses, may also include hotel(s) and restaurants, together with infrastructure to support the development and use of same (collectively, “Phase 2”); and

WHEREAS, subject to further proceedings of the City, the 2006 TIF Plan permitted the issuance of not to exceed \$1,850,000 in tax increment financing bonds to be issued to reimburse the Original Developer for the cost of acquiring and/or constructing certain infrastructure improvements described below to assist the Original Developer in the redevelopment of the TIF District; and

WHEREAS, pursuant to that Settlement Agreement and Release of Claims, dated November 6, 2023, the Original Developer, the City and the County have settled all the Original Developer’s claims to any proceeds of any bonds issued pursuant to the 2006 TIF Plan; and

WHEREAS, the Original Developer has sold the Phase 2 Site to Nolan West, or Nolan West’s representative, who now intends to sell the Phase 2 Site to the Developer; and

WHEREAS, to induce the Developer’s acquisition of the Phase 2 Site and the development of Phase 2, the Developer has requested that the City and the County adopt an amended and restated TIF Plan that provides for the development of Phase 2, increases the amount of bonds that may be issued and participation by the County to enter into either (a) an interlocal agreement with the City pursuant to the Interlocal Act (the “Interlocal Agreement”) or (b) a REDA agreement with the City pursuant to the REDA Act; and

WHEREAS, on September 5, 2024, the City adopted a resolution giving notice of its intention to hold a hearing to consider approval of the “Tax Increment Financing Plan, Covenant Crossing, City of Batesville, Panola County, Mississippi, September 2006, as Amended and Restated August 2024” (the “Amended TIF Plan”) to express its intent at a future time or times to issue tax increment financing bonds in one or more taxable or tax-exempt series in a total principal amount not to exceed Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) (the “TIF Bonds”), all as provided by the Act; and

WHEREAS, the Amended TIF Plan was developed in conformity with the Redevelopment Plan; and

WHEREAS, on September 11, 2024, the City published a Notice of a Public Hearing on the Amended TIF Plan, and on September 27, 2024, the Governing Body held a public hearing on the Amended TIF Plan, all as required by the Act, after which the Governing Body adopted a resolution giving final approval to the Amended TIF Plan and authorizing the issuance of the TIF Bond for the purposes of acquiring and constructing the Infrastructure Improvements, as defined below; and

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WHEREAS, on September 3, 2024, the County adopted a resolution giving notice of its intention to hold a hearing to consider approval of the Amended TIF Plan to express its intent to participate at a future time or times with the City in the City’s issuance of the TIF Bonds, all as provided by the Act with the TIF District for the purpose of constructing Phase 2; and

WHEREAS, on September 11, 2024, the County published a Notice of a Public Hearing on the Amended TIF Plan, and on September 27, 2024, the County held a public hearing on the Amended TIF Plan, all as required by the Act, after which the County adopted a resolution giving final approval to the Amended TIF Plan to assist in the development of Phase 2 and its participation jointly with the City, pursuant to the Interlocal Act and/or the REDA Act; and

WHEREAS, proceeds from the TIF Bonds will be used to pay a portion of the cost of acquiring, installing or constructing various public or privately owned infrastructure improvements, including but not limited to, installation of utilities such as water, sanitary sewer, and gas lines; relocation of utilities; installation and relocation of electrical services; construction, renovation, or rehabilitation of drainage improvements, construction of roadways, curbs and gutters, sidewalks, site improvements, on-site parking, paving and other related parking lot improvements; acquisition and construction of buildings and the acquisition of land if necessary therefore; construction of electrical lines, lighting, signalization, and the acquisition of land, if necessary therefor; acquisition of and development of land, structures or improvements within the TIF District necessary to the development of Phase 2; landscaping of rights-of way; related architectural and engineering fees, attorney’s fees, Amended TIF Plan preparation fees, issuance costs, capitalized interest, and other related soft costs, all as may be authorized by the TIF Act and the REDA Act (collectively, the “Infrastructure Improvements”), said Infrastructure Improvements described herein above may be acquired, constructed or installed within the TIF District or land adjacent to and serving the TIF District; and

WHEREAS, the Developer proposes to develop Phase 2, or cause Phase 2 to be developed, and the City intends to support Phase 2 and to allow a portion of the proceeds from the TIF Bonds to be used to reimburse the Developer, or its designees, for the costs of the Infrastructure Improvements related to Phase 2 in a principal amount necessary to reimburse the Developer an amount not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000) for eligible Infrastructure Improvements; and

WHEREAS, the Amended TIF Plan provides, among other things, that the TIF Bonds will be secured by a pledge of (a) one hundred percent (100%) of the City’s incremental ad valorem tax increases from the real and personal property within the TIF District (the “City Ad Valorem Tax Increment”), (b) all of the City’s incremental increases in sales tax rebates generated within the TIF District (the “City Sales Tax Increment” and together with the City Ad Valorem Tax Increment, the “City Tax Increment”); and (c) if determined necessary, the incremental increase in the City’s current 3% Tourism and Economic Development Tax from only the development of Phase 2 (the “Phase 2 Tourism Tax”). The City Ad Valorem Tax Increment and the City Sales Tax Increment are hereinafter referred to as the “City Tax Increment.” **In no event shall the City commit any of the 3% Tourism and Economic Development Tax from any sales except for sales resulting from the development of Phase 2; and**

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WHEREAS, in addition to the City Tax Increment, the Amended TIF Plan provides that the TIF Bonds will be additionally secured by a pledge of all of the incremental increase in the County’s ad valorem tax revenues generated from the real and personal property located in and constituting the TIF District (the “County Tax Increment” and together with the City Tax Increment, the “TIF Revenues”), except for millage dedicated to South Panola School District (the “County School”), Roads and Bridges, Northwest Mississippi Community College, County Reappraisal Costs pursuant to Miss. Code Ann. Section 27-39-325, and County-wide Fire District millage (collectively the “County Exclusions”); and

WHEREAS, the principal amount of the TIF Bonds to be issued by the City to support the Infrastructure Improvements related to Phase 2 will not exceed \$15,500,000 and be determined based on (a) one hundred percent (100%) of the City Ad Valorem Tax Increment, (b) one hundred percent (100%) of the City Sales Tax Increment, (c) one hundred percent (100%) of the County Tax Increment, excluding the County Exclusions, and (d) if necessary, such incremental increase of the Phase 2 Tourism Tax; and

WHEREAS, the Developer will undertake the acquisition and commence construction of the Infrastructure Improvements and Phase 2 in one or more phases prior to the issuance of the Bonds, and when such Bonds are delivered, the City will reimburse the Developer, or its designee, for expenditures for the Infrastructure Improvements incurred up to that time and then will subsequently reimburse the Developer, or its designee, for future expenditures for the Infrastructure Improvements all as set forth herein, subject in all respect to compliance by the Developer with the terms and provisions of this Agreement, the TIF Plan, and the Act; and

WHEREAS, as required by the TIF Act, this Agreement is being executed and delivered in order to set forth the agreements between the parties hereto with respect to the Developer being reimbursed for its expenditures for the Infrastructure Improvements in connection with Phase 2 when the TIF Bonds are sold and delivered and with respect to bond issuance fees and expenses that the City may be required to incur prior to and in anticipation of the sale and delivery of the TIF Bonds; and

WHEREAS, this Agreement is authorized by and being executed in order to comply with Section 21-45-9 of the TIF Act; and

WHEREAS, this Agreement incorporates by reference all of the related terms and conditions of the TIF Plan.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE CITY, THE COUNTY, AND THE DEVELOPER HEREBY AGREE AS FOLLOWS:

1. Obligations of the Developer: The Developer agrees to:

- (a) acquire the Phase 2 Site and shall timely construct Phase 2 or cause the construction of Phase 2 to be substantially completed, including the Infrastructure Improvements, which the Developer anticipates Phase 2 will be substantially completed and placed in service (or substantially placed in service) by April of 2026. Prior to the delivery of any series of TIF Bonds, the acquisition and construction of all or any portion of Phase 2 by the Developer will be at the

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Developer's own costs, and any portion of the Infrastructure Improvements for which the Developer seeks reimbursement shall be completed.

(b) maintain separate itemized records on the costs of Phase 2 and the Infrastructure Improvements for which the Developer seeks reimbursement in a manner to aid the City in accounting for costs eligible for reimbursement under this Agreement and the Act, shall continue to maintain such records for the life of the TIF Bonds and shall make such records available to the City and the City's auditor. The Developer also agrees that if an audit is conducted which requires additional records to support the findings of any audit, the Developer will cooperate in providing additional records to the auditor of the City;

(c) execute all appropriate documents necessary to complete the sale and issuance of the TIF Bonds;

(d) the Developer must submit a reimbursement requisition to the City in substantially the form attached hereto as **Exhibit B** requesting reimbursement for eligible Infrastructure Improvements from TIF Bond proceeds (the "Requisition"); and

(e) to the extent within the Developer's sole control, all buildings that the Developer constructs or causes to be constructed located within the Phase 2 Site of the TIF District shall be constructed to use natural gas purchased from the City as the primary source of energy for heating said buildings.

2. **Obligations of the City:** The City agrees to:

(a) to issue the TIF Bonds to defray the costs of the Infrastructure Improvements of Phase 2 in one or more taxable or tax-exempt series, as may be reasonably determined by the City in a principal amount issued to provide for the Infrastructure Improvements (i.e. the calculation determine sizing of the TIF Bonds to support the financing of Infrastructure Improvements related to Phase 2, the costs of issuance of the TIF Bonds and, to the extent necessary, amounts reasonably required to fund a capitalized interest fund and a debt service reserve fund) shall be based on amounts to retire both principal and interest out of: (i) one hundred percent (100%) of the City Ad Valorem Tax Increment; (ii) one hundred percent (100%) of the City Sales Tax Increment, (iii) one hundred percent (100%) of the County Tax Increment, excluding the County's Exclusions, and (iv) if necessary, up to one hundred 100% of the Phase 2 Tourism Tax; or an amount necessary to reimburse the Developer not to exceed \$12,500,000 for Infrastructure Improvements submitted to the City in the form of the requisition in **Exhibit B**, attached hereto, but in no event shall the principal amount of the TIF Bonds exceed \$15,500,000;

(b) will deliver the TIF Bonds in one or more series as soon as the Developer is able to demonstrate to the reasonable satisfaction of the City that the projected TIF Revenues will provide moneys sufficient to make the payments of principal and interest for each series of TIF Bonds issued, which shall be based on, but not limited to, the following information: (i) a certificate of the Mississippi Department of Revenue providing information regarding the actual City Sales Tax Increment, and (ii) a certificate of the Tax Assessor of the County, regarding the actual City Ad Valorem Tax Increment and the County Tax Increment, excluding the County Exclusions; (iii) in the City's reasonable discretion, projections of future City Ad Valorem Tax

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Increment and, as applicable, County Ad Valorem Tax Increment, by the Tax Assessor of the County (which projection may be obtained prior to the property on which said ad valorem tax revenues are projected being placed on the tax rolls of the County), or in the City's reasonable discretion by a financial advisor or consultant knowledgeable and experienced in making such projections, (iv) in the City's reasonable discretion, projections of future City Sales Tax Increment by a financial advisor or consultant knowledgeable and experienced in making such projections; and (v) the Developer submits the Requisition to the City; in no event shall the TIF Bonds, the proceeds of which will be used to defray the cost of Infrastructure Improvements related to Phase 2, be issued in an amount that would require the annual payment on such series of TIF Bonds to exceed the annual amount available to the City and the County from those revenues specified in Paragraph 2 (a) above;

(c) within a reasonable time after adoption of all proceedings of the City required by the Act for the sale and issuance of the TIF Bonds, the parties agree that the TIF Bonds will be submitted for validation under the provisions of Sections 31-13-1, et seq., Mississippi Code of 1972, as amended, and the City agrees to prosecute said validation proceedings and secure therein a final decree of the Chancery Court of Panola County, Mississippi, validating the TIF Bonds;

(d) The City's obligation to reimburse the Developer under this Agreement is further limited to the actual costs to design, finance, install and construct the Infrastructure Improvements, and the City's obligation to expend funds or reimburse is expressly limited to funds available from TIF Bond proceeds derived from the sale and delivery of the TIF Bonds and available after distribution in accordance with this Agreement and the Act; and

(e) Establish the Reserve Fund.

(1) In accordance with Section 21-45-21(3) of the Act, from and after the approval of the Amended TIF Plan until the TIF Bonds are issued, the City will establish a "Reserve Fund."

(2) (i) City Sales Tax Increment: Beginning in October 2024 and each month thereafter until the TIF Bonds are issued, the City will deposit an estimate of the City Sales Tax Increment into the Reserve Fund based on 1/12th of the City Sales Tax Increment reflected on the most recent certificate of the Mississippi Department of Revenue ("MDOR") (which is currently for the 12-month period ending August 31, 2023). In the event the City does not receive monthly payments of its sales tax rebates from the State, the payments will be made from funds received as soon as possible after the City's receipt thereof. Any variations between the City Sales Tax Increment as reflected on the MDOR's certificate and deposits representing the estimated City Sales Tax Increment will be reconciled as soon as possible based upon the City's receipt of an updated certificate from MDOR. (ii) City Ad Valorem Tax Increment and County Ad Valorem Tax Increment: Beginning February 2025, the City will deposit the City Ad Valorem Tax Increment and the County Tax Increment into the Reserve Fund based on a certificate of the Tax Assessor of the County, regarding the actual City Ad Valorem Tax Increment and the County Tax Increment, excluding the County Exclusions.

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(3) It is the parties' intention that the Reserve Fund be used for the following purposes: (A) funding, as may be required by the purchaser of the TIF Bonds, a debt service reserve fund for the TIF Bonds; (B) funding a reserve for capitalized interest, if any, for the TIF Bonds; (C) paying costs of issuance; and (D) to reimburse the Developer for eligible TIF expenses.

(4) If TIF Bond proceeds are used to pay for part or all of a debt service reserve fund, to the extent permitted by State and federal law and regulations, then any portion of the TIF Revenues not used towards funding a debt service reserve fund shall next be used for costs of issuance, including capitalized interest, if required.

(5) The remaining TIF Revenues not otherwise used for a debt service reserve fund, costs of issuance, capitalized interest shall next be used for reimbursement to the Developer for an amount not to exceed \$12,500,000 in eligible expenses, and then shall be used by the City and County for any lawful purpose.

(6) Additionally, to the extent permitted by State and federal law and regulations, the final payment on the TIF Bonds shall be made from the TIF Revenues, if sufficient.

(7) Funds accrued in the debt service reserve fund, if any, shall be released to the Developer to the extent the Developer has not been reimbursed the full amount submitted on this Requisition for allowable expenses of the Infrastructure Improvements.

(8) The parties agree that the City shall further document in the bond resolution to be adopted by the City in order to issue and sell the TIF Bonds (the "Bond Resolution") the use of funds in the Reserve Fund established by the City. If upon the issuance of the TIF Bonds, the purchaser of the TIF Bonds does not require a debt service reserve fund, the parties agree that the Bond Resolution shall provide the order of the use of funds on deposit in the Reserve Fund shall be as follows: (A) capitalized interest, if any, (B) costs of issuance, (C) reimbursement to the Developer for eligible Infrastructure Improvements made by the Developer or on behalf of the Developer in connection with the acquisition and construction of the Infrastructure Improvements by requisition therefor, as described in **Exhibit B**, in the principal amount not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000), and (D) released to the City and the County for use for any lawful purpose.

3. The TIF Bonds shall be issued upon the completion of the obligations of the Developer and the requirements contained in Paragraph 2(b) hereof:

- (a) in a principal amount that will not exceed \$15,500,000;
- (b) that can be repaid by the City over a term not to exceed twenty (20) years;
- (c) using a reasonable marketable interest rate, as reasonably determined by the City;
- (d) secured by the Tax Increment, and the Phase 2 Tourism Tax if necessary; and

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(e) so that the Developer nets up to \$12,500,000 in one or more series as provided for in Paragraph 2(e)(3) through (8).

In no event shall the TIF Bonds be issued in an amount that would require the annual payment on such series of TIF Bonds to exceed the projected annual amount available to the City and County from those revenues specified in Paragraph 2(b).

4. The Developer acknowledges that the City and the County have entered into that certain REDA Agreement, dated September 27, 2024, which sets forth the City's and the County's joint and mutual efforts to be performed in connection with the TIF Plan, the TIF District and the TIF Bonds.

5. The City and the Developer agree that at such time as one or more series of the TIF Bonds are sold and delivered, the City shall deposit and apply TIF Bond proceeds in the maximum principal amount of Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) in the same order as provided in Section 2(e)(3) through (8).

6. The Developer hereby acknowledges and agrees the City is not authorized to use its general funds to pay any part of the cost of the Infrastructure Improvements or cost and expense incurred in connection with issuing the TIF Bonds, and that the City's obligation to expend funds or reimburse the Developer to pay for the acquisition, construction and installation of the Infrastructure Improvements is limited to the proceeds of any series of the TIF Bonds. The Developer further acknowledges and agrees that if the TIF Bonds are not sold and delivered, no resulting liability shall accrue to either the City or the County irrespective of expenditures made by the Developer in connection with the acquisition or construction and installation of Phase 2. However, the City agrees to use its best reasonable efforts to, but cannot guarantee that it will, issue the TIF Bonds and to provide the monies described hereinabove for reimbursement of the eligible Infrastructure Improvements. In the event any series of TIF Bonds cannot be sold in the open market, the City will sell said series of TIF Bonds to the Developer on terms and conditions reasonably acceptable to the City.

7. The Developer acknowledges and agrees that it assumes the risk of proceeding with the acquisition of Phase 2 Site and construction of Phase 2, which includes the Infrastructure Improvements prior to the issuance and sale of the TIF Bonds. The Developer further acknowledges that the City's sole source of funds available to reimburse the Developer for such costs is the Developer's reimbursement portion of the TIF Bonds.

8. Prior to any reimbursement, the Developer will present a description of any portion of the Infrastructure Improvements to be dedicated to the City, if any, or if no property is to be dedicated to the City, the Developer shall so inform the City prior to any reimbursement. Contingent on same being constructed in compliance with the City standards, codes and ordinances, the City agrees to accept maintenance responsibility for that part, if any, of the Infrastructure Improvements that is dedicated to the City. Any non-dedicated Infrastructure Improvements shall remain the property of the Developer or other private party and shall be maintained by the Developer or such other private party.

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9. The City covenants and agrees to use its best efforts to issue the TIF Bonds in the amounts, for the purposes and at the times contemplated herein, and covenants and agrees that the TIF Bonds will be issued unless the issuance thereof is prevented by rule of law, commercial inability to issue such TIF Bonds or by the lack of sufficient projected TIF Revenues to provide for the debt service on the TIF Bonds, or a series thereof in the minimum amount provided for hereunder, as may reasonably be determined by the City in accordance with the facts and circumstances existing at the time. Subject to the terms and conditions of this Agreement, the City hereby agrees that it will make reasonable efforts to issue and deliver the TIF Bonds in a timely manner and represents to the Developer that subject to (1) construction, completion and operation of the portion of the Infrastructure Improvements for which the Developer will seek reimbursement and (2) availability of adequate TIF Revenues to provide any debt service coverage required for such TIF Bonds, the City currently knows of no reason why the TIF Bonds will not be issued and delivered.

10. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed to the addresses set forth below:

If to the City:

City of Batesville, Mississippi
Attention: Shonna Weaver
103 College Street
Batesville, MS 38606
(With a copy to the City Attorney: Colmon Mitchell
PO Box 1586
Batesville, MS 38606)

If to Developer:

Noon Batesville, LLC
715 Market Street, Ste 203
Chattanooga, TN 37402

11. Neither the Developer nor the City shall assign its obligations or interests in this Agreement without prior written consent of the other, which consent shall not be unreasonably withheld or delayed; provided however, that the Developer may form a single-purpose entity to develop (or cause to develop) Phase 2 or portions of Phase 2, and Developer represents and warrants that said affiliate will be under common control and ownership of the Developer. Accordingly, the Developer may assign its rights under this Agreement to the aforementioned entity without the prior written consent of either the City or the County. The Developer shall notify the City and the County in writing of any such assignment no later than thirty (30) days after such assignment.

12. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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SEPTEMBER 27, 2024

13. If any provision of this Agreement shall be deemed to be or shall in fact be invalid, inoperative or unenforceable, the same shall not affect any other provisions or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

14. This Agreement has been made by the City and the Developer and no person other than the foregoing and their successors and assigns shall acquire or have any right under or by virtue of this Agreement.

15. The Developer acknowledges that the City and the County have each engaged bond counsel for this Project and agrees that all reasonable costs incurred by the City and County associated with issuance of TIF Bonds for Phase 2, including, but not limited to, the legal costs associated with the adoption and implementation of the Amended TIF Plan and related agreements, inspection costs, legal fees and expenses and bond issuance costs shall be paid or reimbursed to the City and the County, as applicable (the “Costs of Issuance”) from the proceeds of the TIF Bonds. The parties agree that the Costs of Issuance shall not exceed five percent (5%) of the par amount of any series of TIF Bonds. Additionally, the Developer shall pay attorneys’ fees incurred by any of the parties in connection with the enforcement of any of the provisions of this Section. This Section shall survive the termination of this Agreement.

16. This Agreement shall become effective upon the execution and acceptance hereof by the parties hereto and shall be valid and enforced in accordance with its terms and State law from and after the time of such execution and acceptance until its termination which shall not exceed ten (10) years from the date of this Agreement.

17. This Agreement shall be governed as to validity, construction and performance by the Constitution and the laws of the State.

[The remainder of this page is intentionally left blank. Execution page to follow.]

DULY EXECUTED on the day and year first written hereinabove.

Attest: CITY OF BATESVILLE, MISSISSIPPI
City Clerk By: Mayor

STATE OF MISSISSIPPI
COUNTY OF

Personally appeared before me, the undersigned authority in and for the said county and state, on this day of , 2024, within my jurisdiction, the within named Hal Ferrell and Shonna Weaver, who acknowledged they are the Mayor and City Clerk, respectively, of the City of Batesville, Mississippi, and that for and on behalf of said City and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized so to do.

My Commission Expires: Notary Public

SEPTEMBER 27, 2024

NOON BATESVILLE, LLC
A Mississippi limited liability company

BY: _____
Name: _____
Title: _____

STATE OF _____

COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, on this ____ day of _____, 2024, within my jurisdiction, the within named _____, who acknowledged s/he is a _____ of Noon Batesville, LLC and that for and on behalf of said limited liability company and as its act and deed, executed the above and foregoing instrument, after first having been duly authorized so to do.

Notary Public

My Commission Expires:

[Execution Page to Development and Reimbursement Agreement]

EXHIBIT A
LEGAL DESCRIPTION OF PHASE 2 SITE

SEPTEMBER 27, 2024

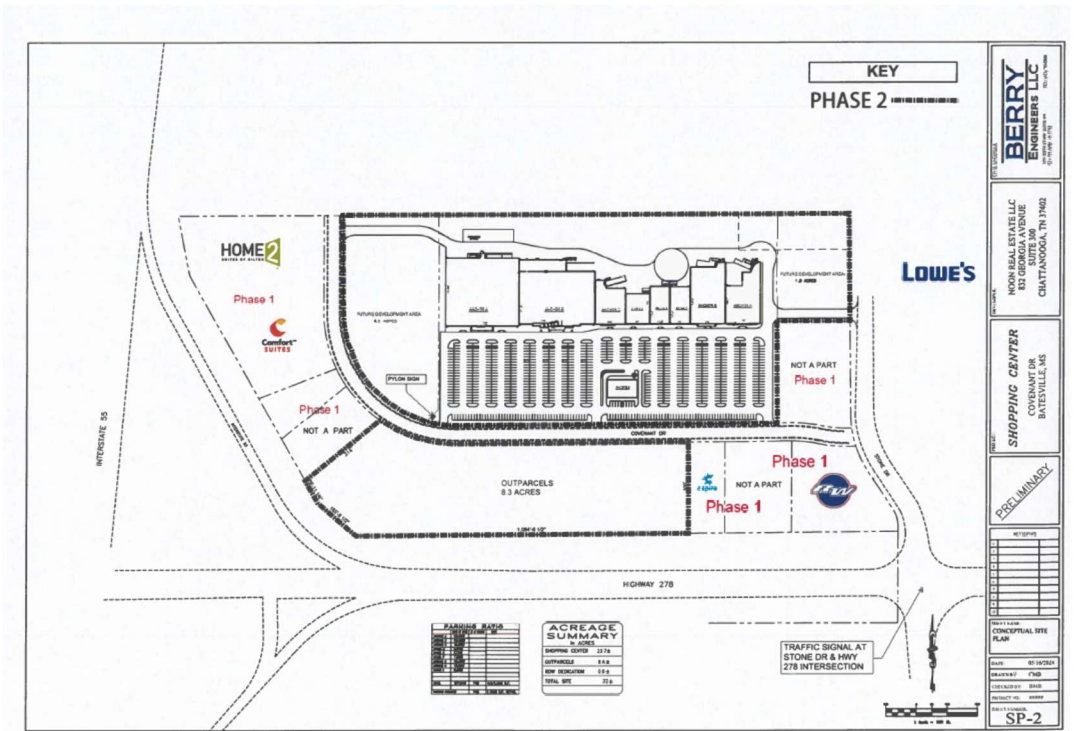


EXHIBIT B: FORM OF REQUISITION

Not to Exceed \$15,500,000 | City of Batesville, Mississippi
Tax Increment Limited Obligation Bonds, Series 20__
(Covenant Crossing Project)

REQUISITION FOR PAYMENT

The undersigned duly authorized representative of Noon Batesville LLC (the “Developer”), hereby requests the City of Batesville, Mississippi (the “City”), to reimburse or to pay the designated payee for the following costs or other amounts to be paid from the Construction Fund:

(a)	Acquisition	\$	
(b)	Building or Construction Costs	\$	
(c)	Other Authorized Costs	\$	
	Total Costs to be Paid or Reimbursed:	\$	

Attached hereto are copies of statements for acquisition transactions and/or invoices or statements from a contractor, vendor, supplier or other payee or other document for authorized costs of Phase 2 to document the amounts requisitioned herein.

I hereby certify that:

- The amounts to be paid from the City’s Construction Fund have been paid or incurred by the undersigned in the amounts specified herein.
- No requisition with respect to such amounts has previously been delivered to the City.
- The amounts set forth in this requisition have been properly expended or incurred for costs of Infrastructure Improvements for Phase 2 and such amounts have been paid.
- The undersigned has no notice of any vendor’s, mechanic’s or other liens or right to liens, chattel mortgages, conditional sales contracts, security interests or other contracts or obligations which should be satisfied or discharged before payment of such obligation is made.

All defined terms shall have the meaning ascribed to each as set forth in the Bond Resolution of the City dated _____, 2-__.

WITNESS the due execution of this requisition this, the ____ day of _____, 202__.

NOON BATESVILLE LLC
A Mississippi limited liability company
By: _____
Title: _____

APPROVED:
CITY OF BATESVILLE, MISSISSIPPI
By: _____
Title: _____

SEPTEMBER 27, 2024

Upon motion duly made and seconded, the meeting was adjourned to reconvene at 1:00 o'clock p.m., Tuesday, October 1, 2024, at the City Hall at 103 College Street, Batesville, Mississippi.

In accordance with Section 25-41-7, Mississippi Code of 1972, as amended, a notice of said regular meeting has been posted in the City Hall and a copy of said notice follows these minutes.

Mayor

Clerk of the Mayor and Board of Aldermen
Of the City of Batesville, Mississippi

SEPTEMBER 27, 2024

**NOTICE OF PLACE, DATE, HOUR AND SUBJECT MATTER
OF A REGULAR MEETING OF THE MAYOR AND
BOARD OF ALDERMEN OF THE CITY OF BATESVILLE, MISSISSIPPI**

The regular meeting of the Mayor and Board of Aldermen of the City of Batesville, Mississippi, shall be held on the following subject matter at the following place, date, and hour, to-wit:

Place: City Hall, 103 College Street, Batesville, MS 38606

Date: On the 1st day of October, 2024

Hour: 1:00 p.m.

Subject Matter: To transact any and all business that may be transacted at the regular meeting of the Mayor and Board of Aldermen on the first and third Tuesdays of each month.

The meeting may be conducted through teleconference or video means. Participation is available to the general public at said location