

**CITY OF BILOXI
AGENDA ITEM
FACT SHEET**

Item No.:

4 F

Council Meeting Date:

July 5, 2016

ITEM TITLE: RESOLUTION

INTRODUCED BY: Mayor Andrew "FoFo" Gilich

CONTACT PERSON: David Nichols, CAO

 Gerald Blessey, City Attorney & Counsel for Economic Development

SUMMARY EXPLANATION:

Amended and Restated Resolution Authorizing and Directing the Issuance of a Tax Increment Limited Obligation Bond of the City Of Biloxi, Mississippi, in the Maximum Principal Amount of Twenty-Six Million Five Hundred Thousand Dollars (\$26,500,000), to be Designated City of Biloxi, Mississippi Tax Increment Limited Obligation Refunding Bond, Series 2016 (Biloxi, Mississippi Refunding Project) for the Purpose of Defeating and Refunding Some or All of the Outstanding Maturities of the City's Tax Increment Limited Obligation Refunding Bond, Series 2006A (Biloxi, Mississippi Refunding Project), Dated October 31, 2006; and for Related Purposes.

Resolution

Ordinance _____

Public Hearing _____

Routine Agenda _____

Exhibits for Review

Contract

Minutes _____

Plans/Maps _____

Deed _____

Lease _____

Other (Specify): Exhibit A: Redevelopment Project Sites; Exhibit B: Form of Series 2016 TIF Bond; Exhibit C: Form of Amended and Restated Tax Pledge Agreement; Exhibit D: Form of Amended and Restate Interlocal Cooperation Agreement

Submittal Authorization:

Council President _____

Mayor

STAFF RECOMMENDATION: Staff recommends approval

COUNCIL ACTION: Motion By: _____ Second By: _____

Vote:	<u>Councilmember</u>	<u>Yes</u>	<u>No</u>	<u>Other</u>	<u>Councilmember</u>	<u>Yes</u>	<u>No</u>	<u>Other</u>
	Lawrence	___	___	___	Tisdale	___	___	___
	Gines	___	___	___	Glavan	___	___	___
	Newman	___	___	___	Fayard	___	___	___
	Deming	___	___	___				

ACTION TAKEN:

GB/rq 070516cleg



Date: June 29, 2016

To: Mayor Andrew "FoFo" Gilich
All Councilmembers for the City of Biloxi

From: Gerald Blessey

Re: Series 2016 TIF Bond

As City Attorney for the City of Biloxi, I have reviewed the attached contract and resolution for the City Council Agenda, to wit:

1. Form of Series 2016 TIF Bond;
2. Form of Amended and Restated Tax Pledge Agreement;
3. Amended and Restate Interlocal Cooperation Agreement; and
4. Amended and Restated Resolution Authorizing and Directing the Issuance of a Tax Increment Limited Obligation Bond of the City Of Biloxi, Mississippi, in the Maximum Principal Amount of Twenty-Six Million Five Hundred Thousand Dollars (\$26,500,000), to be Designated City of Biloxi, Mississippi Tax Increment Limited Obligation Refunding Bond, Series 2016 (Biloxi, Mississippi Refunding Project) for the Purpose of Defeasing and Refunding Some or All of the Outstanding Maturities of the City's Tax Increment Limited Obligation Refunding Bond, Series 2006A (Biloxi, Mississippi Refunding Project), Dated October 31, 2006; and for Related Purposes.

(the "Contracts" and the "Resolution"). It is my opinion that the Contracts and Resolution comply with applicable Mississippi law, and I approve these Contracts as to form.

Should you have any questions, please direct to me.


Gerald Blessey, City Attorney

Attachments: Final Drafts of Contracts and Resolution described above

RESOLUTION NO. _____

AMENDED AND RESTATED RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF A TAX INCREMENT LIMITED OBLIGATION BOND OF THE CITY OF BILOXI, MISSISSIPPI, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWENTY-SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$26,500,000), TO BE DESIGNATED CITY OF BILOXI, MISSISSIPPI TAX INCREMENT LIMITED OBLIGATION REFUNDING BOND, SERIES 2016 (BILOXI, MISSISSIPPI REFUNDING PROJECT) FOR THE PURPOSE OF DEFEASING AND REFUNDING SOME OR ALL OF THE OUTSTANDING MATURITIES OF THE CITY'S TAX INCREMENT LIMITED OBLIGATION REFUNDING BOND, SERIES 2006A (BILOXI, MISSISSIPPI REFUNDING PROJECT), DATED OCTOBER 31, 2006; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council of the City of Biloxi, Mississippi, acting for and on behalf of said City of Biloxi, Mississippi, and on behalf of Harrison County, Mississippi, hereby find, determine, adjudicate and declare as follows:

1. (a) In addition to any words and terms elsewhere defined herein, the following capitalized terms have the following meanings when used herein, unless another meaning is plainly intended:

"**Act**" means collectively, Sections 21-45-1 et seq. and Section 31-27-1 et seq., Mississippi Code of 1972, as amended.

"**Agent**" means the Paying Agent, Authentication Agent or Registration Agent, whether serving in any one or all capacities, and shall at all times during which the Series 2016 TIF Bond is outstanding be the named Trustee under the Indenture.

"**Assessment Certificate**" means the Assessment Certificate of the Tax Assessor as required by Section 21-45-21, Mississippi Code of 1972, as amended, under which the Tax Assessor, on behalf of the City and the County, will certify as to the value of the Original Assessed Value, Current Assessed Value, Captured Assessed Value and the Tax Increment as each relates to the Redevelopment Project and the Redevelopment Project Sites, and improvements thereon, and which Assessment Certificate further sets forth the estimated amount of additional City and County ad valorem taxes available for debt service on the Series 2016 TIF Bond.

"**Authorized City Representative**" means the Mayor, the Clerk or any other representative of the City authorized by the Governing Body of the City to

act on behalf of the City in connection with the issuance of the Series 2016 TIF Bond and the Series 2016 Bank Bonds, including the execution of all documents and certificates in connection thereto.

"Bank" means the Mississippi Development Bank, a public corporation of the State created pursuant to the Bank Act, which is the purchaser of the Series 2016 TIF Bond.

"Bank Act" means Sections 31-25-1 et seq., Mississippi Code of 1972, as amended.

"Bank Bond Purchase Agreement" means the Bank Bond Purchase Agreement by and among the Bank, the City and the Underwriter, under which the Underwriter will agree to purchase the Series 2016 Bank Bonds.

"Board" means the Board of Supervisors of Harrison County.

"Bond Counsel" means Wise Carter Child & Caraway, P.A., Gulfport Mississippi.

"Bond Resolution" means this resolution, which amends and restates Resolution No. 221-16 adopted by the City Council of the City on May 17, 2016.

"Captured Assessed Value" means, with respect to any year, the incremental increase in assessed value of the real and personal property subject to taxation by the City and real property subject to taxation by the County constituting the Redevelopment Project Sites and improvements thereon when the Original Assessed Value is subtracted from the Current Assessed Value for such year.

"Chancery Clerk" means the Chancery Clerk of the County, who is also the Clerk of the Board.

"City" means the City of Biloxi, Mississippi.

"Clerk" means the Municipal Clerk of the City.

"County" means Harrison County, Mississippi, acting by and through its Board.

"Current Assessed Value" means the assessed value of the Redevelopment Project Sites and all improvements thereon that constitute real property subject to taxation by the City and County, along with personal property subject to taxation by the City, as determined by the Tax Assessor as of January 1 of each year, said determination of value being made pursuant to the

assessment records on file in the office of the Tax Assessor, as certified by the Tax Assessor.

"Governing Body" means the Mayor and City Council of the City.

"Indenture" means, together, the Indenture of Trust dated as of October 1, 2006 between the Bank and the Trustee, as supplemented by the First Supplemental Indenture of Trust to be dated on or prior to October 1, 2016 (the "First Supplemental Indenture"), under which the Series 2016 Bank Bonds will be issued.

"Interlocal Cooperation Agreement" means, together, the Interlocal Cooperation Agreement dated as of April 1, 1999 between the City and the County, as amended on October 23, 2006, and as subsequently amended and restated, as authorized by this Bond Resolution, by that certain Amended and Restated Interlocal Cooperation Agreement dated the date of its execution and delivery, by and between the City and the County.

"Mayor" means the Mayor of the City.

"Original Assessed Value" means the assessed value of the real property subject to the City and County ad valorem taxation and personal property subject to City ad valorem taxation that constitutes a part of the Redevelopment Project Sites and improvements thereon as determined by the Tax Assessor as of January 1, 1997.

"Paying Agent" means the Trustee under the Indenture and any bank, trust company or other institution hereafter designated by the Governing Body for the payment of the principal of and interest on the Series 2016 TIF Bond.

"Pledge Agreement" means the Tax Pledge Agreement dated as of October 1, 2006, between the City and the County under which the County pledged to the City a portion of the Tax Increment resulting from the taxation of the Captured Assessed Value by the County for County ad valorem tax purposes, as the same may be amended and restated, as authorized by this Bond Resolution, by that certain Amended and Restated Tax Pledge Agreement, dated the date of its execution and delivery, by and between the City and the County, confirming that the Tax Increment shall be used to pay a portion of the principal and interest on the Series 2016 TIF Bond along with the fees and expenses of the Agent.

"Public Improvement Project" means the construction of infrastructure improvements, right-of-way acquisition and relocation costs within the City in

order to construct an outer traffic loop connecting U.S. Highway 90, Caillavet Street, Bayview Avenue and Oak Street, to improve traffic flow and alleviate traffic congestion within the City.

"Purchaser" means the Bank.

"Record Date" means the fifteenth day of the calendar month preceding a date of payment of principal of or interest on the Series 2016 TIF Bond.

"Redevelopment Plan" means, together, the City of Biloxi Tax Increment Financing Redevelopment Plan, November, 1997, and the Harrison County Tax Increment Financing Redevelopment Plan, November, 1997, as each may be amended from time to time.

"Redevelopment Projects" means the improvements constructed on the Redevelopment Project Sites namely, the Imperial Palace Casino Hotel and Parking Garage, the Beau Rivage Casino Hotel and Parking Garage, the Grand Casino of Biloxi Hotel and Parking Garage Expansion, the Casino Magic Hotel and Parking Garage, the Isle of Capri Hotel and Parking Garage, and the Palace Casino Hotel and Parking Garage as described in (i) the Tax Increment Financing Plan (Traffic Flow and Thoroughfare Improvement Plan Project), November 1997, City of Biloxi, Mississippi, and approved by the Governing Body of the City on December 9, 1997, as amended on July 20, 1999 and (ii) the Tax Increment Financing Plan (Traffic Flow and Thoroughfare Improvement Plan Project), December, 1997, Harrison County, Mississippi and approved by the Board on December 15, 1997, as amended on March 8, 1999; such improvements are located on the Redevelopment Project Sites.

"Redevelopment Project Sites" means the parcels of real property described in **Exhibit A** to this Bond Resolution upon which the Redevelopment Projects and other improvements have been constructed.

"Refunding Project" means to use the proceeds of the Series 2016 TIF Bond to (a) prepay, defease and refund all or a portion of the outstanding maturities of the Series 2006A TIF Bond, (b) pay the costs of issuance of the Series 2016 TIF Bond and the Series 2016 Bank Bonds, (c) pay for credit enhancement for the Series 2016 Bank Bonds, and (d) fund a debt service reserve fund for the Series 2016 Bank Bonds.

"Registered Owner" means the Bank or its registered assigns.

"Registration Agent" means the Trustee under the Indenture which is authorized and directed to register the Series 2016 TIF Bond in the name of the

Registered Owner upon initial delivery and issuance of the Series 2016 TIF Bond.

"Series 1999 Bonds" means the bonds of the City issued in the original principal amount of \$12,000,000, dated October 1, 1999.

"Series 2002 Bonds" means the bonds of the City issued in the original principal amount of \$23,000,000, dated November 1, 2002.

"Series 2006 Bond Resolution" means Resolution 515-06 of the City dated October 10, 2006 under which the Series 2006A TIF Bond was secured, issued and delivered.

"Series 2006A TIF Bond" means the City's bond issued pursuant to the Series 2006 Bond Resolution in the principal amount of Thirty-One Million Six Hundred Eighty-Five Thousand Dollars (\$31,685,000), dated October 31, 2006 and presently outstanding in the principal amount of Twenty-Five Million Six Hundred Forty-Five Thousand Dollars (\$25,645,000).

"Series 2016 Bank Bonds" means the Twenty-Six Million Five Hundred Thousand (\$26,500,000) maximum principal amount of Mississippi Development Bank Special Obligation Refunding Bonds, Series 2016 (Biloxi, Mississippi Refunding Project) to be dated on or prior to October 1, 2016.

"Series 2016 Bond Fund" means the fund of the City provided for in Section 10 hereof.

"Series 2016 Refunding Project Fund" means the fund by that name created pursuant to Section 12 hereof.

"Series 2016 TIF Bond" means the bond to be issued by the City pursuant to this Bond Resolution.

"State" means the State of Mississippi.

"Tax Assessor" means the Tax Assessor of Harrison County, Mississippi.

"Tax Certificate" means the federal tax certificate of the City delivered pursuant to Section 17 hereof.

"Tax Increment" means (a) the added increments of City ad valorem tax revenue resulting from the taxation of the Captured Assessed Value of the real

and personal property and improvements thereon located on and contained within and forming a part of the Redevelopment Project Sites, and (b) the added increments of County ad valorem tax revenue resulting from the taxation of the Captured Assessed Value of the real property contained within and forming a part of the Redevelopment Project Sites and improvements thereon in an amount equal to the lesser of (i) \$1,200,000 per year, or (ii) not to exceed one-half (½) of the annual debt service of the Series 2016 TIF Bond, which together shall be used to pay the principal of and interest on the Series 2016 TIF Bond together with the annual fees and expenses of the Agent but shall not include ad valorem taxes on personal property of the County nor ad valorem taxes for school district purposes.

"Tax Increment Financing Plan" means, together, the (i) Tax Increment Financing Plan, Traffic Flow and Thoroughfare Improvement Plan Project, November, 1997, City of Biloxi, Mississippi approved by the Governing Body on December 9, 1997, as amended through the date hereof in accordance with the Act, and (ii) the Tax Increment Financing Plan, Traffic Flow and Thoroughfare Improvement Plan Project, November, 1997, Harrison County, Mississippi approved by the Board on December 15, 1997, as amended through the date hereof in accordance with the Act.

"Tax Increment Surplus" means the remainder of the additional City and County ad valorem tax receipts derived from taxation of the Captured Assessed Value of the real property contained within and forming a part of the Redevelopment Project Sites and improvements thereon and the City ad valorem tax receipts derived from taxation of the Captured Assessed Value of the personal property within and forming a part of the Redevelopment Projects, after deducting the Tax Increment, which surplus shall be withheld proportionately by the City and the County and used for any lawful municipal purpose as authorized by Section 21-45-21 of the Act.

"Tax Intercept Agreement" means the Tax Intercept Agreement to be entered into between the Bank and the City under which the City will pledge additional tax revenue defined as Tax Monies therein and in the Indenture, which Tax Monies will provide additional security for the Series 2016 TIF Bond and the Series 2016 Bank Bonds.

"TIF Bond Purchase Agreement" means the TIF Bond Purchase Agreement under which the Bank will agree to purchase the Series 2016 TIF Bond from the City.

"Trustee" means The Peoples Bank, Biloxi, Mississippi or any other entity serving as Trustee under the Indenture.

"Underwriter" means Piper Jaffray & Co., Memphis, Tennessee.

(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 such words and terms.

2. (a) The Governing Body of the City, and the Board of the County, each a public body corporate and politic and a municipality as defined in Title 21, Chapter 45, Section 3, Mississippi Code of 1972, as amended, are authorized and empowered by the Constitution and Statutes of the State, including Section 21-45-1 through 21-45-21, Mississippi Code of 1972, as amended, to undertake and carry out redevelopment projects within an area determined by the Governing Body of the City and the Board of the County to be in need of development and/or redevelopment and designated as appropriate for a redevelopment project, in accordance with redevelopment and tax increment financing plans adopted by the Governing Body of the City and the Board of the County.

(b) The County has designated the City to act on behalf of itself and the County in connection with the construction of the Public Improvement Project, the issuance of the Series 2006A TIF Bond, and the Series 2016 TIF Bond, and has executed the Interlocal Cooperation Agreement, as amended, expressing its intentions and designation, which Interlocal Cooperation Agreement, as amended, will be submitted for approval by the Attorney General of the State.

(c) The City and County have executed a Pledge Agreement under which the County has agreed to pledge to the City from County ad valorem taxation of the real property that constitutes a part of the Redevelopment Project Sites and improvements thereon in an amount equal to the lessor of (i) \$1,200,000 annually, or (ii) one half (½) of the annual debt service on the Series 2006A TIF Bond, for the purpose of paying a portion of the principal of and interest on the Series 2006A TIF Bond and the fees and expenses of the Agent.

3. (a) The Governing Body of the City has heretofore adopted and approved the City's Redevelopment Plan, and Tax Increment Financing Plan, as amended, after conducting a public hearing on each as required by the Act.

(b) The Board of the County has heretofore adopted and approved the County's Redevelopment Plan and Tax Increment Financing Plan, as amended, after conducting a public hearing on each as required by the Act.

4. The City, acting for and on behalf of itself and the County, desires to afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation and redevelopment of the City by private enterprise, and in order to utilize appropriate private and public resources to eliminate and prevent development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted areas, and to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of the Redevelopment Plan, the City encourages rehabilitation and clearance and redevelopment of portions of the City described in the Redevelopment Plan by carrying out a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with the Redevelopment Plan, demolition and removal of buildings and improvements, and construction of improvements necessary for carrying out the redevelopment objectives in accordance with the Redevelopment Plan, and, as part of such program, the City from time to time is authorized to issue bonds to finance and refinance all or part of the costs (including costs of acquiring real estate) of constructing or reconstructing streets, utilities and other site improvements essential to the preparation of sites for uses in accordance with the Redevelopment Plan and public improvements to encourage private development in accordance with the Redevelopment Plan.

5. The City desires to issue and sell the Series 2016 TIF Bond for the purpose of providing financing for the Refunding Project.

6. The Governing Body has heretofore issued the Series 2006A TIF Bond to defease and advance refund the Series 1999 Bonds and the Series 2002 Bonds to defray the cost of a portion of the Public Improvement Project.

7. As an inducement to the City to issue the Series 2016 TIF Bond and to apply the proceeds thereof to fund the cost of the Refunding Project, the City and the County will pledge the Tax Increment, which shall be pledged and dedicated to and sufficient for the payment of principal of and interest on the Series 2016 TIF Bond and the fees and expenses of the Agent; and

8. The City is authorized to incur debt under the Bank Act and has determined and adjudicated that the best interest of the City will be served by providing additional

security for the Series 2016 Bank Bonds in order to reduce the net interest costs of the Series 2016 TIF Bond and accordingly, has agreed to enter into the TIF Bond Purchase Agreement with the Bank as an inducement for the Bank to issue the Series 2016 Bank Bonds and apply the proceeds thereof to the purchase of the Series 2016 TIF Bond in order to provide funds necessary for the Refunding Project.

9. In order to evidence its debt to the Bank under the TIF Bond Purchase Agreement, the City will (i) issue the Series 2016 TIF Bond of which the Trustee, as assignee of the Bank, will be the Registered Owner; and (ii) provide such other security as shall be required by the Bank including but not limited to a pledge of the Tax Monies as such term is defined in the Indenture.

10. The Governing Body is authorized and empowered by the provisions of the Act to issue the Series 2016 TIF Bond in the form and manner hereinafter provided for by the Act.

11. It has now become necessary to make provision for the preparation, execution and issuance of the Series 2016 TIF Bond in the maximum principal amount of Twenty-Six Million Five Hundred Thousand Dollars (\$26,500,000).

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

SECTION 1. Pledge of Revenues; Security. (a) In consideration of the purchase and acceptance of the Series 2016 TIF Bond by the Purchaser, this Bond Resolution shall constitute a contract between the City, the Registered Owner of the Series 2016 TIF Bond and the registered owners of the Series 2016 Bank Bonds.

(b) For the purpose of effecting and providing for the payment of the principal of and interest on the Series 2016 TIF Bond and the fees and expenses of the Agent as the same shall respectively mature and accrue, pursuant to Section 21-45-13 of the Act there is hereby irrevocably pledged so long as the Series 2016 TIF Bond remains outstanding:

- i. the avails of the Tax Increment authorized herein as the same is received by the City and the County; and
- ii. the amounts held on behalf of the City in the funds and accounts established herein, namely the

Refunding Project Fund and the Series 2016 Bond Fund.

(c) For the purpose of effectuating and providing for the payment of the principal of and interest on the Series 2016 TIF Bond and the fees and expenses of the Agent as the same shall respectively mature and accrue, there shall be and continue to be levied and collected, so long as the Series 2016 TIF Bond remains outstanding, a direct and continuing City and County ad valorem tax upon all of the taxable real property and improvements thereon within the geographical limits of the Redevelopment Project Sites and City ad valorem tax on personal property within the geographical limits of the Redevelopment Project Sites. Between March 1 and March 15 of each year, all of the receipts from the levy and collection of said ad valorem tax that represent the Tax Increment shall be withheld by the Tax Collector of the County and paid over to the Clerk of the City and the Chancery Clerk of the County who jointly shall, by October 15th of each year, or, if the City shall elect to pay interest semi-annually as provided below, by April 15th and October 15th of each year, pay over all or a part of such Tax Increment to the Agent in an amount determined by the Agent to be sufficient to pay the annual principal and interest payment due on the Series 2016 TIF Bond along with the fees and expenses of the Agent, which amount shall be a credit to the Series 2016 Bond Fund created pursuant to Section 10 hereof, taking into account any funds that may be on deposit in the Series 2016 Bond Fund. Any such moneys so paid to the Agent to the credit of the Series 2016 Bond Fund shall be expended only as provided in Section 10 hereof. The Tax Increment Surplus, determined after payment of the annual principal and interest payments on the Series 2016 TIF Bond, shall be withheld proportionately by the City and the County and used for any purpose authorized by law.

(d) Nothing in this Bond Resolution shall be construed as a guarantee on the part of the State to pay the principal or interest on the Series 2016 TIF Bond nor shall County ad valorem taxes on personal property nor school district ad valorem taxes be pledged to the payment of the Series 2016 TIF Bond. **NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE SERIES 2016 TIF BOND TO THE CONTRARY, THE SERIES 2016 TIF BOND IS NOT A GENERAL OBLIGATION OF THE CITY OR THE COUNTY AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE CITY OR COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR THE COUNTY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY OR THE COUNTY.**

(e) Should there be a failure in any year to comply with the requirements of this Section, such failure shall not impair the right of the Registered Owner of the Series 2016 TIF Bond to subsequently receive payments of principal of and interest on the Series 2016 TIF Bond from the avails of the Tax Increment or the Pledge Agreement, or amounts in the funds and accounts named in subsection (b).

SECTION 2. Authorized Amount. The Series 2016 TIF Bond is hereby authorized and ordered to be prepared and issued in the maximum principal amount of Twenty-Six Million Five Hundred Thousand Dollars (\$26,500,000) to evidence the debt of the City to the Bank pursuant to the TIF Bond Purchase Agreement and this Bond Resolution. The proceeds of the Series 2016 TIF Bond shall be used to provide funds necessary for the Refunding Project.

SECTION 3. The Series 2016 TIF Bonds; Redemption; Payments under the Series 2016 Bank Bonds.

(a) Payments of interest on the Series 2016 TIF Bond shall be made by check or draft mailed to the Registered Owner, and payments of principal shall be made to the Registered Owner on the dates and in the amounts as set forth in Subsection 3(b) and payment of the final maturity on the Series 2016 TIF Bond on November 1, 2027 shall be made upon presentation and surrender thereof at the principal office of the Agent. Payments of interest and principal shall be made in lawful money of the United States of America.

(b) **The Series 2016 TIF Bond.** The Series 2016 TIF Bond shall be registered as to both principal and interest; shall be dated the date of issuance and delivery thereof; shall be issued in the form of one (1) typed bond, serially maturing in the principal amounts set forth below; shall bear interest from the date thereof at the same rate or rates borne by the Series 2016 Bank Bonds payable on November 1 of each year commencing November 1, 2016, and on each succeeding November 1 thereafter (or semi-annually with respect to interest on May 1 and November 1 of each year, commencing no later than May 1, 2017, at the election of the Mayor with the advice of the City's Financial Advisor) until the outstanding principal amount and interest shall have been paid in full; and shall mature and become due and payable, subject to redemption as set forth below, on November 1, in the years and in the principal amounts as follows, as may be adjusted in the TIF Bond Purchase Agreement:

YEAR (Nov. 1 Maturity)	AMOUNT (Subject to Adjustment)
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2017	\$1,390,000
2018	1,625,000
2019	1,680,000
2020	1,745,000
2021	1,810,000
2022	1,885,000
2023	1,985,000
2024	2,080,000
2025	2,185,000
2026	2,295,000
2027	2,405,000

(c) The Series 2016 TIF Bond shall bear interest at the same rates of interest borne by the Series 2016 Bank Bonds and shall be subject to redemption at the times, in the amounts and subject to the requirements of the Series 2016 Bank Bonds as set forth in the Indenture.

(d) Prior to the fifteenth (15th) day of October of each year, commencing October 15, 2016 and continuing up to and including October 15, 2027, and, if the City shall elect to pay interest semi-annually as provided above, prior to the fifteenth (15th) day of each April and the fifteenth (15th) day of each October, commencing no later than April 15, 2017 and continuing up to and including October 15, 2027, the City shall deposit with the Agent an amount equal to the principal and interest payments due on the next succeeding May 1 or November 1, as the case may be, to be deposited in the Series 2016 Bond Fund created pursuant to Section 10 hereof. If the City fails to make such deposit, the Agent, in its capacity as Trustee under the Indenture, shall immediately exercise its rights and privileges set forth in the Tax Intercept Agreement.

(e) Each deposit into the Series 2016 Bond Fund and each payment of the principal of and interest on the Series 2016 TIF Bond shall constitute an equal and corresponding deposit into the General Account of the General Fund under the Indenture from which the Agent will make payment on the Series 2016 Bank Bonds as required by and set forth in the Indenture.

SECTION 4. Execution and Delivery. (a) The Series 2016 TIF Bond shall be executed by the manual signature of the Mayor and countersigned by the manual signature of the Clerk, with the seal of the City imprinted or affixed thereto. In case any official of the City whose signature or a facsimile of whose signature shall appear on the

Series 2016 TIF Bond shall cease to be such an official before the delivery or reissuance thereof, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(b) The Series 2016 TIF Bond shall bear interest at the same rate or rates as borne by the Series 2016 Bank Bonds but shall not bear a greater overall maximum interest rate to maturity than eleven percent (11%) per annum, and shall mature in the amounts and on the dates hereinabove set forth; each maturity shall bear interest at the same rates of interest borne by the Series 2016 Bank Bonds of corresponding maturity; and the same serial maturities shall bear the same rate of interest from date to maturity.

(c) The Series 2016 TIF Bond shall be delivered to or as directed by the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of the sale and award of the Series 2016 Bank Bonds by the Bank and the City, together with a complete transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the Series 2016 TIF Bond, and the final, unqualified approving opinion of Bond Counsel.

(d) Prior to or simultaneously with the delivery by the Agent of the Series 2016 TIF Bond, the City shall file with the Agent:

- i. a copy, certified by the Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance, sale and validation of the Series 2016 TIF Bond;
- ii. an authorization to the Agent, signed by the Mayor or other Authorized City Representative, to authenticate and deliver the Series 2016 TIF Bond to the Purchaser; and
- iii. an original executed copy of the Interlocal Cooperation Agreement, the Pledge Agreement, the Assessment Certificate, the Tax Intercept Agreement, the TIF Bond Purchase Agreement, the Bank Bond Purchase Agreement and such other documents and certificates as may be reasonably requested by the Agent.

(e) At delivery, the Agent shall authenticate the Series 2016 TIF Bond and deliver it to the Purchaser thereof upon payment of the purchase price of the Series 2016 TIF Bond to the City.

SECTION 5. The Paying, Registration and Authentication Agent. (a) The Paying Agent, which is also designated as the Authentication Agent and Registration Agent, and which may be the same bank, trust company or national banking association, shall at all times be the Trustee under the Indenture under which the Series 2016 Bank Bonds are issued and shall serve, resign or be removed subject to and as provided in the Indenture.

(b) The City shall pay or reimburse the Agent for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to trustees, paying agents, and bond registrars, subject to agreement between the City and the Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Agent, shall be made by the City on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body.

(c) Any corporation or association into which an Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Agent hereunder and vested with all the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the City or the successor Agent, anything herein to the contrary notwithstanding, provided only that such successor Agent shall be satisfactory to the City and eligible under the provisions of the Indenture.

SECTION 6. Form of the Series 2016 TIF Bond. The Series 2016 TIF Bond shall be in substantially the form set forth in **Exhibit B** hereto, with such appropriate variations, omissions and insertions as are approved by the Mayor and Clerk, their execution thereof signifying their approval.

SECTION 7. Mutilated, Lost or Stolen Bonds. In case the Series 2016 TIF Bond shall become mutilated or be stolen, destroyed or lost, the City shall cause to be authenticated and delivered a new Series 2016 TIF Bond of like date, number, maturity

and tenor in exchange and substitution for and upon cancellation of such mutilated Series 2016 TIF Bond, or in lieu of and in substitution for such Series 2016 TIF Bond stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a Series 2016 TIF Bond stolen, destroyed or lost, his filing with the City or Registration evidence satisfactory to them that such Series 2016 TIF Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the City or Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote.

SECTION 8. Designation of Registered Owner. The Registered Owner of the Series 2016 TIF Bond shall be the Bank or the Trustee as its designee or assignee.

SECTION 9. Transfer. The Series 2016 TIF Bond shall be transferable only in the records of the City and as permitted by the Indenture, upon surrender thereof at the office of the Agent together with a written instrument of transfer satisfactory to the Agent duly executed by the Registered Owner or its attorney duly authorized in writing. Upon the transfer of the Series 2016 TIF Bond, the City, acting through its Agent, shall issue in the name of the transferee a new Series 2016 TIF Bond of the same aggregate principal amount and maturity and rate of interest as the surrendered Series 2016 TIF Bond.

In all cases in which the privilege of transferring the Series 2016 TIF Bond is exercised, the Agent shall authenticate and deliver a Series 2016 TIF Bond in accordance with the provisions of this Bond Resolution.

SECTION 10. The Bond Fund. There is hereby established a fund to be known as the "Series 2016 Bond Fund." The Series 2016 Bond Fund shall be held by the Agent in the name of the City to be used solely for the payment of the principal of and interest on the Series 2016 TIF Bond, and the payment of the Agent's fees in connection therewith. There shall be deposited into the Series 2016 Bond Fund:

- i. The accrued interest and premium, if any, received upon delivery of the Series 2016 TIF Bond or the Series 2016 Bank Bonds as and when the same shall be received:

- ii. Transfers made to the Series 2016 Bond Fund pursuant to Section 11 hereof including the funds subject to the Pledge Agreement;
- iii. Any income received from investment of monies in the Series 2016 Bond Fund and from investments made pursuant to Section 15 hereof;
- iv. Surplus funds remaining in the Series 2016 Refunding Project Fund;
- v. Any other funds available to the City or the County which may be lawfully used for payment of the principal of and interest on the Series 2016 TIF Bond, and which the Governing Body, in its discretion, may direct to be deposited into the Series 2016 Bond Fund.

As long as any principal of, premium, if any, or interest on the Series 2016 TIF Bond or the Series 2016 Bank Bonds remains outstanding and/or other obligations of the Bank remain outstanding under the Indenture, the Clerk is hereby irrevocably authorized and directed to withdraw from the Series 2016 Bond Fund sufficient monies to make the payment necessary (the "Payments") to pay (i) the principal of, premium, if any, and interest coming due on the Series 2016 Bank Bonds no later than the fifteenth (15th) day of the calendar month next preceding each principal or interest payment date, and (ii) any additional Payments necessary and required as obligations of the City under the Indenture, and to transfer same immediately to the Trustee. The Trustee shall deposit all Payments received in the General Account of the General Fund of the Indenture, or such other fund or account in the Indenture as so directed in the Indenture.

SECTION 11. Payment of the Series 2016 TIF Bond. (a) As provided in Section 1 hereof, the Agent shall deposit all moneys received by it from the City or the County, including but not limited to funds derived through the Pledge Agreement and the Tax Increment portion of the receipts from the levy and collection of the City and County ad valorem tax upon the taxable real property and City ad valorem tax upon personal property within and constituting a part of the Redevelopment Projects, the Redevelopment Project Sites and improvements thereon, but excluding the proceeds of the Series 2016 TIF Bond and the Tax Increment Surplus, into the Series 2016 Bond Fund.

(b) With respect to each principal and interest payment date for the Series 2016 TIF Bond or the Series 2016 Bank Bonds, and as long as any principal of and interest on the Series 2016 TIF Bond remains outstanding, the Agent is hereby irrevocably authorized and directed to withdraw from the Series 2016 Bond Fund an amount which shall equal the amount necessary to make the payment required on such principal and interest payment date and to pay the Registered Owner of the Series 2016 TIF Bond as it appears on the registration books of the City maintained by the Agent along with the fees and expenses of the Agent, which payment will be sufficient to pay the principal of and interest on the Series 2016 Bank Bonds then due and such other fees and amounts owing under the Indenture. Each payment on the Series 2016 TIF Bond required or provided for under this Bond Resolution shall represent and be an equal and corresponding payment on the corresponding Series 2016 Bank Bonds as required or provided for under the Indenture.

SECTION 12. The Refunding Project Fund. There is hereby established a fund to be known as the "Series 2016 Refunding Project Fund," which fund shall be established by the City with the Agent. The principal proceeds received upon the sale of the Series 2016 TIF Bond, exclusive of accrued interest, if any, and net of the costs, fees and expenses incurred by the City in connection with the authorization, issuance, sale, validation and delivery of the Series 2016 TIF Bond and the Series 2016 Bank Bonds (the amount of which shall be deposited to the Bond Issuance Expense Account under the Indenture), shall be deposited in the Refunding Project Fund and used for the sole purpose of paying and redeeming the Series 2006A TIF Bond on the first available date of redemption or as may be otherwise directed by the City or the Bank. Such purchase price shall be transferred to the Trustee for deposit to the Redemption Account of the Indenture at least 31 days prior to the intended date of redemption. Notwithstanding the foregoing, the City may direct that the purchase price be paid directly to the Trustee for deposit to the Redemption Account or, if an escrow agreement is deemed necessary or desirable in connection with completing the Refunding Project and is permitted by the Indenture, then the City may direct that the purchase price be deposited as provided in the escrow agreement. Any Authorized City Representative is hereby authorized to execute and deliver an escrow agreement for and on behalf of the City for the foregoing purpose.

SECTION 13. Disposition of Surplus Funds. The City expects that all of the proceeds (within the meaning of Treasury Regulation Section 1.148-1(b)) of the Series 2016 TIF Bond and the Series 2016 Bank Bonds will be spent for the purposes of the issues within 90 days of their issuance.

SECTION 14. Debt Service Reserve Fund. The City hereby authorizes the creation of a Debt Service Reserve Fund, and the creation of any subaccount thereunder, in the Indenture if, in the sole discretion of the Bank, the Bank finds and determines that a Debt Service Reserve Fund would be in the best interest of the City and the Bank in connection with selling the Series 2016 Bank Bonds.

SECTION 15. Investment of Funds. So long as an Event of Default has not occurred or is continuing, moneys in the Refunding Project Fund, the Series 2016 Bond Fund, and all other accounts created pursuant to this Bond Resolution, if any, shall be invested by the City in Investment Securities (as defined in the Indenture) to the extent permitted under the laws of the State for the investment generally of money of the City. Any income received from said investments shall be properly credited to the fund from which the investment was initially made. The Agent shall solely determine the amounts to be deposited by the City and County into the Series 2016 Bond Fund as required by Section 10 hereof, taking into account funds on deposit in the Series 2016 Bond Fund along with projected investment income derived from investment of funds on deposit in the Series 2016 Bond Fund.

SECTION 16. Record Date. Principal of and interest on the Series 2016 TIF Bond shall be paid when due pursuant to Section 3 hereof to the Registered Owner as of the applicable Record Date at the address appearing in the registration records of the Agent. Any such address may be changed by written notice from the Registered Owner to the Agent by certified mail, returned receipt requested, or such other method as may be subsequently prescribed by the Agent, such notice to be received by the Agent no later than the 15th day of the calendar month preceding the applicable principal or interest payment date to be effective as of such date.

SECTION 17. Tax Covenant. (a) In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2016 TIF Bond and the Series 2016 Bank Bonds, and for no other purpose, the City covenants to comply with each applicable requirement of the Internal Revenue Code of 1986, as amended (the "Code"). In furtherance of the covenant contained in the preceding sentence, the City agrees to comply with the Tax Certificate to be executed by the City on the date of the issuance and delivery of the Series 2016 TIF Bond and the Series 2016 Bank Bonds, as such Tax Certificate may be amended from time to time.

(b) The City covenants and agrees with the Trustee and the holders of the Series 2016 TIF Bond and the Series 2016 Bank Bonds that the City shall not take any

action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Series 2016 TIF Bond or the Series 2016 Bank Bonds, would cause the Series 2016 TIF Bond or the Series 2016 Bank Bonds to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 (a) and 148(a), respectively, of the Code, or any successor provisions.

(c) The City shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Series 2016 TIF Bond or the Series 2016 Bank Bonds pursuant to Section 148(f) of the Code from amounts available therefor.

For purposes of rebate calculations, the City elects to use a Bond Year beginning on November 2 and ending on November 1 of each year.

It is understood that with the approval of Bond Counsel, the rebate calculations with respect to the Series 2016 Bank Bonds may be used to comply with the obligations of the City set forth herein with respect to the rebate calculations in connection with the Series 2016 TIF Bond.

(d) Upon the authentication and delivery of the Series 2016 TIF Bond or the Series 2016 Bank Bonds, the City shall furnish to the Trustee the Tax Certificate signed by an Authorized City Representative to the effect that, on the basis of the facts, estimates and circumstances in existence on the date of such authentication and delivery, it is not expected that the proceeds of the Series 2016 TIF Bond nor the Series 2016 Bank Bonds will be used in a manner that would cause such Series 2016 TIF Bond or the Series 2016 Bank Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and Treasury Regulations thereunder, and in such Tax Certificate the City shall set forth such facts and circumstances which may be in brief and summary terms, and shall state that to the best of the knowledge and belief of such Authorized City Representative, there are no other facts or circumstances that would materially change the expectations expressed in such certificate.

(e) Notwithstanding any other provisions of this Bond Resolution to the contrary, so long as it is necessary in order to maintain the exclusion from gross income for federal income tax purposes under Section 103(a) of the Code of interest on the Series 2016 TIF Bond and the Series 2016 Bank Bonds, the covenants contained in this Section shall survive the payment of such bonds and the interest thereon, including any payment or defeasance thereof pursuant to Article IV of the Indenture.

SECTION 18. Parity Bonds. The City has heretofore issued the Series 2006A TIF Bond for the purpose of advance refunding the Series 1999 Bonds and the Series 2002 Bonds. The Series 1999 Bonds and Series 2002 Bonds are no longer outstanding. The Series 2016 TIF Bond shall be on a parity to the Series 2006A TIF Bond and entitled to the same rights, privileges, benefits, pledge of revenues, remedies and security applying to the Tax Increment as defined in the Series 2006 Bond Resolution, except for such security as may be provided by any financial guaranty insurance policy issued by a bond insurance company and security provided by a surety bond specific to the Series 2006A TIF Bond.

SECTION 19. The Pledge Agreement. The Pledge Agreement between the City and the County is hereby approved, and any Authorized City Representative is hereby authorized and directed to execute such Pledge Agreement for and on behalf of the City. All provisions of the Pledge Agreement when executed as authorized herein shall be incorporated herein and shall be deemed to be a part of this Bond Resolution fully and to the same extent as if separately set out verbatim herein, which Pledge Agreement shall be in substantially the form attached hereto as **Exhibit C**, with such completions, changes, insertions and omissions as shall be approved by the officers executing and delivering the same.

SECTION 20. The Assessment Certificate. The Clerk is hereby authorized and directed to obtain from the Tax Assessor the Assessment Certificate in appropriate form and as may be required by Section 21-45-21, Mississippi Code of 1972, as amended.

SECTION 21. Call Series 2006A TIF Bond for Redemption. Upon delivery of the Series 2016 TIF Bond, any Authorized City Representative is hereby authorized and directed to provide for the payment of principal of and interest on and the redemption of the Series 2006A TIF Bond. The City hereby directs the Bank, pursuant to Section 4.01(a) of the Indenture, to take any and all steps necessary to defease and redeem the Series 2006A TIF Bond on or prior to November 1, 2016.

SECTION 22. Authorization of Execution of Related Documents. Any Authorized City Representative is hereby authorized and directed to execute, deliver, seal and attest for and on behalf of the City such other ancillary documents and certificates (including, without limitation, a Tax Certificate) as may be necessary to carry out fully the issuance of the Series 2016 TIF Bond and the Series 2016 Bank Bonds and the other transactions herein authorized.

SECTION 23. Approval of Interlocal Cooperation Agreement. The Interlocal Cooperation Agreement between the City and the County is hereby approved, and any Authorized City Representative is hereby authorized and directed to execute such Interlocal Cooperation Agreement for and on behalf of the City. All provisions of the Interlocal Cooperation Agreement when executed as authorized herein shall be incorporated herein and shall be deemed to be a part of this Bond Resolution fully and to the same extent as if separately set out verbatim herein, which Interlocal Cooperation Agreement shall be in substantially the form attached hereto as **Exhibit D**, with such completions, changes, insertions and omissions as shall be approved by the officers executing and delivering the same.

SECTION 24. Prepayment of the Series 2016 TIF Bond and Termination of the Bond Resolution. (1) Unless an Event of Default (as defined herein) has occurred and is continuing, the City shall have the option to direct the Bank and the Trustee to call for redemption the Series 2016 Bank Bonds, in whole or in part, as and to the extent provided in the Indenture. Any redemption of the Series 2016 Bank Bonds shall constitute an equal and corresponding redemption of the City's Series 2016 TIF Bond. If the Series 2016 Bank Bonds are called for redemption, in whole or in part, under the Indenture, a payment shall be made by the City in the amount of principal plus accrued interest and all other fees due hereunder and under the Indenture to effectuate said redemption and such payment by the City for that purpose shall constitute an equal and corresponding payment and redemption of the City's Series 2016 TIF Bond.

(2) If, after the City exercises its option to redeem the Series 2016 TIF Bond, no Series 2016 Bank Bond remains Outstanding, the Indenture is discharged, and the City has satisfied all of its obligations hereunder and under the Series 2016 TIF Bond, the Trustee and the Bank shall execute and deliver to the City such instruments as the City reasonably determines are necessary to terminate this Bond Resolution. All further obligations of the City hereunder shall thereupon terminate.

(3) The City shall pay to the Trustee at least five (5) days prior to the discharge date an amount equal to the Trustee's and Agent's fees and expenses under the Indenture accrued and to accrue until final payment and redemption of the Series 2016 TIF Bond and all other advances, fees, costs and expenses reasonably incurred and to be incurred on or before the termination date by the Trustee and Agent under the Indenture; and

(4) On the termination date, a closing may be held at the principal office of the Trustee, or any other office mutually agreed upon.

Upon termination of this Bond Resolution as provided for in this Section, the Bank will cause the Trustee to deliver a release of the Indenture and the estate created thereunder and under the Series 2016 TIF Bond, and all further obligations of the City hereunder.

SECTION 25. City's Obligations Unconditional. The City will not suspend or discontinue any payments on the Series 2016 TIF Bond from the Tax Increment, and will perform and observe all of its other agreements in this Bond Resolution, and will not terminate this Bond Resolution for any cause, including but not limited to the invalidity or unenforceability or lack of due authorization or other infirmity of this Bond Resolution or the Series 2016 TIF Bond, or lack of right, power or authority of the Bank to enter into the TIF Bond Purchase Agreement, eviction by paramount title, commercial frustration of purpose, bankruptcy or insolvency of the Bank or the Trustee, change in the tax or other laws or administrative rulings or action of the United States of America or of the State or any political subdivision thereof, or failure of the Bank to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Bond Resolution or the Series 2016 TIF Bond, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the payments on the Series 2016 TIF Bond and other amounts payable by the City hereunder shall be paid in full when due to the extent of the Tax Increment available therefor without any delay or diminution whatever.

SECTION 26. Assignment of the Bank's Rights. As security for the payment of the Series 2016 Bank Bonds, the Bank will pledge the amounts payable hereunder and under the Series 2016 TIF Bond and assign, without recourse or liability, to the Trustee, the Bank's rights under this Bond Resolution and under the Series 2016 TIF Bond. The rights pledged and assigned by the Bank hereunder will include the right to receive payments hereunder and the Bank and the City will agree to make said payments directly to the Trustee. The City herewith assents to such assignment and will make payments under this Bond Resolution to the extent of the Tax Increment available therefor directly to the Trustee, or as directed by the Trustee, without defense or set-off by reason of any dispute between the City and the Trustee.

SECTION 27. Annual Budget. The City shall, by the beginning of any fiscal year (October 1 through September 30), prepare and file with the Trustee its annual budget showing estimated operating expenses, debt service and revenues for the City for such fiscal year. Such annual budget may set forth such additional material as the

City may determine and may be amended during the fiscal year if determined necessary by the City or as a result of unforeseen circumstances.

SECTION 28. Events of Default. Any one or more of the following events is an Event of Default under this Bond Resolution, and the Term "Event of Default" wherever used herein, means any one of the following events, whatever the reason for such default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

(1) if the City shall fail to make any payment when due under this Bond Resolution; or

(2) if the City shall fail to observe and perform or shall breach any other covenant, condition or agreement on its part under this Bond Resolution for a period of sixty (60) days after mailing of a notice to the City by the Bank or the Trustee specifying such default or breach and requesting that it be remedied; and provided that if the failure stated in the notice cannot be corrected within sixty (60) days, the Bank and Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within thirty (30) days and is diligently pursued for an additional thirty (30) days; or

(3) if any representation or warranty made by the City in this Bond Resolution, or by an officer or representative of the City in any document or certificate furnished to the Trustee or the Bank in connection with this Bond Resolution, shall prove at any time to be, in any material respect, incorrect or misleading as of the date made and failure to remedy the same for a period of sixty (60) days after mailing of a notice to the City by the Bank or the Trustee specifying such default or breach and requesting that it be remedied; and provided that if the failure stated in the notice cannot be corrected within sixty (60) days, the Bank and Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within thirty (30) days and is diligently pursued for an additional thirty (30) days; or

(4) the occurrence of an event of default under the Indenture, the Pledge Agreement, the Interlocal Cooperation Agreement or the Tax Intercept Agreement which is not cured within the time period provided therefor, if any.

SECTION 29. Remedies. Whenever any Event of Default shall have occurred and be continuing any one or more of the following remedial steps may also be taken to the extent permitted by law:

(a) the Trustee or the Bank may take whatever action at law or in equity may appear necessary or appropriate to collect all sums then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement, covenant, representation or warranty of the City, under this Bond Resolution, the Series 2016 TIF Bond or any related instrument; or to otherwise compensate the Bank, Trustee or Bondholders for any damages on account of such Event of Default; and

(b) the Bank (without the prior written consent of the Trustee if the Indenture Trustee is not enforcing the Bank's right in a manner to protect the Bank or is otherwise taking action that brings adverse consequences to the Bank) may take whatever action at law or in equity may appear necessary or appropriate to enforce its rights under this Bond Resolution.

SECTION 30. Section Headings. The section headings contained in this Bond Resolution have been prepared for convenience only and are not part of this Bond Resolution. They shall not be taken as an interpretation of any provision of this Bond Resolution.

SECTION 31. Notices. All notices required to be given pursuant to the resolution shall first be given by facsimile or electronic transmission followed by certified mail to the following parties at the following address:

(i) If to the City:

City of Biloxi, Mississippi
140 Lameuse Street
Biloxi, Mississippi 39533
Attention: City Administrator

with a copy to the Clerk at the same address

(ii) If to the Agent or Trustee:

The Peoples Bank, Biloxi, Mississippi
758 Vieux Marche

Biloxi, Mississippi 39530
Attention: Corporate Trust

(iii) If to the Bank:

Mississippi Development Bank
735 Riverside Drive
Suite 300
Jackson, Mississippi 39202
Attention: Executive Director

SECTION 32. Conflicting Proceedings. All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this Bond Resolution shall become effective upon the adoption hereof. This Bond Resolution amends and restates in its entirety Resolution No. 221-16 adopted by the City Council of the City on May 17, 2016.

EXHIBIT A

REDEVELOPMENT PROJECT SITES

Redevelopment Project Sites

Parcels*

Imperial Palace

1309H-02-006.000

1309H-02-006.002

1410C-01-021.000

1410C-01-020.000

Golden Nugget

1510M-01-013.004

1510M-01-013.001

1510M-01-013.002

1510M-01-016.000

Palace Casino

1510L-01-096.000

1510L-01-098.000

1510L-01-101.000

1510L-01-092.000

1510L-01-095.000

1510L-01-101.002

New Margaritaville

1510L-02-120.001

1510L-02-137.000

1510L-02-138.000

1510L-02-138.001

1510L-02-157.000

1510L-02-158.001

1510L-02-159.000

1510M-01-016.000

1510M-01-023.000

1510M-01-023.002

1510M-02-139.000

1510M-01-018.000

Beau Rivage

1410K-02-012.000

1410K-02-014.000

1410L-02-003.000

1302-05-001.007

Redevelopment Project Sites

1401-33-002 .000
1402-04-003.000
1410E-02-018.000
1410F-06-103.000
1410F-06-145.000
1410L-03-002.000
1410L-03-004.000
1410L-03-005.000
1410L-03-006.000
1410K-02-012.001
1410L-03-007.000

Harrah's

1410H-04-078.000
1410I-02-034.000
1410I-04-013.000
1410I-04-014.000
1410I-04-015.000
1410I-04-016.000
1410I-04-010.000
1410P-01-005.000
1510M-01-024.000
1510M-01-25.001
1510M-01-25.3
1510M-01-25
1510M-01-025.002
1410I-03-003.000
1410I-03-004.000
1410I-04-017.000
1410I-04-018.000
1410I-04-019.000
1410I-04-028.000
1410I-04-082.000
1410I-04-083.000
1410P-01-002.000
1410P-01-002.001
1410P-01-005.000
1410P-01-004.000

*Information obtained from Harrison County Tax Assessor's Website, www.co.harrison.ms.us; Parcel Nos.

EXHIBIT B

FORM OF SERIES 2016 TIF BOND

EXHIBIT B TO BOND RESOLUTION

FORM OF SERIES 2016 TIF BOND

**UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF BILOXI, MISSISSIPPI
TAX INCREMENT LIMITED OBLIGATION REFUNDING BOND, SERIES
2016
(BILOXI, MISSISSIPPI REFUNDING PROJECT)**

NO. R- _____ \$ _____

Interest Rate	Maturity Date	Original Issue Date	Date of Authentication
(as set forth below)	(as set forth below)	_____, 2016	_____, 2016

Registered Owner: The Peoples Bank, Biloxi, Mississippi, as
Trustee, as Assignee of the Mississippi
Development Bank

Principal Amount: _____

The City of Biloxi, located in Harrison County, Mississippi ("City"), a body politic, existing and organized under the laws of the State of Mississippi ("State"), acknowledges itself to owe and, for value received, hereby promises to pay in lawful money of the United States of America the principal amounts set forth below on the corresponding maturity dates, but only from the sources referred to herein and not otherwise. Final payment of principal shall be made upon the presentation and surrender of this Bond on November 1, 2027 at the principal office of The Peoples Bank, Biloxi, Mississippi, or its successor, as paying agent ("Paying Agent") for this Tax Increment Limited Obligation Refunding Bond, Series 2016 (Biloxi, Mississippi Refunding Project) of the City (this "Bond").

The City further promises to pay, in lawful money of the United States of America, interest on such principal amounts from the date of this

Bond or from the most recent interest payment date to which interest has been paid at the applicable rate of interest set forth below on November 1 of each year, and on each November 1 thereafter (each, an "Interest Payment Date") until the outstanding principal amount shall have been paid in full, but only from the sources referred to herein and not otherwise.

This Bond shall be payable as to principal on November 1 of each year in the years and principal amounts, and such portions of principal shall bear interest at the rates of interest per annum, as hereinafter set forth:

YEAR	AMOUNT	RATE OF INTEREST
<i>(November 1 Maturity)</i>		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2023		
2024		
2025		
2026		
2027		

Payments of the principal amount of this Bond and interest thereon shall be made to the registered owner hereof who shall appear in the registration records of the City maintained by the Paying Agent who is also the registration agent ("Registration Agent") as of the 15th day of the calendar month preceding the applicable Interest Payment Date.

Payments of interest on this Bond, and payments of principal other than the final payment of principal, shall be made by check or draft delivered or mailed to such registered owner at its address as it appears on such registration records. Payments of principal shall be noted on the face of this Bond by the Paying Agent and the final payment of principal on November 1, 2027 shall be made upon presentation and surrender hereof at the principal office of the Paying Agent. The registered owner

hereof may change such address by written notice to the Registration Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Registration Agent, such notice to be received by the Registration Agent not later than the 15th day of the calendar month preceding the Interest Payment Date that it is intended to be effective.

This Bond is registered as to both principal and interest and is issued in the form of a single typed bond with annual maturities set forth on the face hereof in the aggregate authorized principal amount of _____ Dollars (\$_____) to provide funds necessary to (a) prepay, defease and refund all or a portion of the outstanding maturities of the Series 2006A TIF Bond, (b) pay the costs of issuance of the Series 2016 TIF Bond and the Series 2016 Bank Bonds, (c) pay for credit enhancement for the Series 2016 Bank Bonds, and (d) fund a debt service reserve fund for the Series 2016 Bank Bonds (the "Refunding Project"). "Series 2006A TIF Bond" means the bond issued pursuant to the Resolution 515-06 of the City dated October 10, 2006, in the principal amount of Thirty-One Million Six Hundred Eighty-Five Thousand Dollars (\$31,685,000), dated October 31, 2006 and currently outstanding in the principal amount of _____ Million _____ Thousand Dollars (\$_____).

The estimated cost of the Refunding Project is _____ Dollars (\$_____), which will be funded with the proceeds of this Bond.

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 21-45-1 to 21-45-21 and Section 31-27-1 et seq., Mississippi Code of 1972 (together, the "Act"), and by the further authority of proceedings duly had by the Mayor and City Council of the City including a resolution adopted _____, 2016 ("Series 2016 TIF Bond Resolution"). The Series 2016 TIF Bond Resolution constitutes a contract between the City, the registered owner of this Bond and the registered owners of the Series 2016 Bonds (as hereinafter defined).

This Bond may be transferred or exchanged by the registered owner hereof in person or by his attorney duly authorized in writing at the principal office of the Registration Agent but only in the manner and subject to the limitations set forth in the Series 2016 TIF Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond will be issued.

The City and Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

Payment of principal of and interest on this Bond is secured by an irrevocable pledge of the Tax Increment (as hereinafter defined) and by a pledge of the amounts held on behalf of the City in the funds and accounts established under the Series 2016 TIF Bond Resolution.

This Bond is and will continue to be payable as to principal and interest out of and secured by an irrevocable pledge of a portion of the avails of a direct and continuing ad valorem tax to be levied annually upon the incremental increase in assessed value of all taxable real and personal property with respect to the City and only real property with respect to Harrison County, Mississippi (the "County") within and forming a part of the Redevelopment Project Sites and improvements thereon.

Such "Tax Increment" (as hereinafter defined) is pledged to the payment of the principal of, and interest on, this Bond and the fees and expenses of the Paying Agent pursuant to the Series 2016 TIF Bond Resolution of the City and through a Tax Pledge Agreement dated as of October 1, 2006 between the City and the County, as amended and restated on _____, 2016, and such pledge is irrevocable until such time as the principal of, and interest on, this Bond are paid in full, whether at maturity or otherwise.

"Tax Increment" means (a) the added increments of City ad valorem tax revenue resulting from the taxation of the Captured Assessed Value of the real and personal property and improvements thereon located on and contained within and forming a part of the Redevelopment Project Sites, and (b) the added increments of County ad valorem tax revenue resulting from the taxation of the Captured Assessed Value of the real property contained within and forming a part of the Redevelopment Project Sites and improvements thereon in an amount equal to the lesser of (i) \$1,200,000 per year or (ii) one half (1/2) of the annual debt service on this Bond, which together shall be used to pay the principal of and interest on this Bond, together with the annual fees and expenses of the Paying Agent on this Bond, but shall not include ad valorem taxes on personal property of the County nor ad valorem taxes for school district purposes.

"Captured Assessed Value" means the incremental increase in assessed value of the real and personal property subject to taxation by the

City and real property subject to taxation by the County constituting the Redevelopment Project Sites and improvements thereon when the Original Assessed Value is subtracted from the Current Assessed Value.

"Current Assessed Value" means the assessed value of the Redevelopment Project Sites and all improvements thereon that constitute real property subject to taxation by the City and the County, along with personal property subject to taxation by the City, as determined by the Tax Assessor of the County as of January 1 of each year, said determination of value being made pursuant to the assessment records on file in the office of the Tax Assessor, as certified by the Tax Assessor.

"Original Assessed Value" means the assessed value of the real property subject to City and County ad valorem taxation and personal property subject to City ad valorem taxation that constitutes the Redevelopment Project Sites and improvements thereon, as certified by the Tax Assessor of the County as of January 1, 1997.

"Redevelopment Projects" means the improvements constructed on the Redevelopment Project Sites, namely, the Imperial Palace Casino Hotel and Parking Garage, the Beau Rivage Casino Hotel and Parking Garage, the Grand Casino of Biloxi Hotel and Parking Garage Expansion, the Casino Magic Hotel and Parking Garage, the Isle of Capri Hotel and Parking Garage, and the Palace Casino Hotel and Parking Garage as described in (i) the Tax Increment Financing Plan (Traffic Flow and Thoroughfare Improvement Plan) November, 1997, City of Biloxi, Mississippi and approved by the Governing Body of the City on December 9, 1997, as the same has been amended in accordance with the Act through the date hereof, and (ii) the Tax Increment Financing Plan (Traffic Flow and Thoroughfare Improvement Plan Project), December 1997, Harrison County, Mississippi, and approved by the Board of Supervisors of the County on December 15, 1997, as the same has been amended in accordance with the Act through the date hereof.

"Redevelopment Project Sites" means the parcels of real property described in Exhibit A to the Series 2016 TIF Bond Resolution of the City upon which the Redevelopment Projects and other improvements have been constructed.

The City will duly and punctually pay the principal of, premium, if any, and interest on this Bond at the dates and places and in the manner mentioned in the Series 2016 TIF Bond Resolution, according to the true intent and meaning thereof. Notwithstanding any schedule of payments on this Bond, the City agrees to make payments upon this Bond and be

liable therefor at such times and in such amounts (including principal, premium, if any, and interest) so as to provide for payment when due of the principal of, premium, if any, and interest on the [\$_____] Mississippi Development Bank Special Obligation Refunding Bonds, Series 2016 (Biloxi, Mississippi Refunding Project), dated _____, 2016 (the "Series 2016 Bonds") outstanding under the Indenture of Trust dated as of October 1, 2006 by and between the Mississippi Development Bank and The Peoples Bank, Biloxi, Mississippi, as trustee ("Trustee"), as amended and supplemented by that certain First Supplemental Indenture dated as of _____, 2016 (as so amended and supplemented, the "Indenture"), whether upon a scheduled Interest Payment Date, at maturity or by mandatory redemption or optional redemption. Payments of principal of and interest on this Bond shall constitute an equal and corresponding payment of principal and interest on the Series 2016 Bonds.

This Bond is subject to redemption at the times, in the amounts and subject to the same requirements as apply to the Series 2016 Bonds as set forth in the Indenture.

THIS BOND IS NOT AN OBLIGATION OF THE STATE OF MISSISSIPPI AND THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BOND IS NOT GUARANTEED BY THE STATE OF MISSISSIPPI. NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE SERIES 2016 TIF BOND RESOLUTION TO THE CONTRARY, THIS BOND IS NOT A GENERAL OBLIGATION OF THE CITY OR THE COUNTY AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE CITY OR COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR THE COUNTY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY OR THE COUNTY. THIS BOND IS A LIMITED OBLIGATION OF THE CITY AND THE COUNTY SECURED TO THE EXTENT SET FORTH HEREIN BY THE INCREMENTAL INCREASE IN AD VALOREM TAX REVENUES RECEIVED BY THE CITY AND COUNTY FROM LEVYING AN AD VALOREM TAX ON THE REAL AND PERSONAL PROPERTY WITH RESPECT TO THE CITY AND ONLY REAL PROPERTY WITH RESPECT TO THE COUNTY WHICH CONSTITUTES A PART OF THE REDEVELOPMENT PROJECTS, REDEVELOPMENT PROJECT SITES AND IMPROVEMENTS THEREON. AD VALOREM TAX REVENUES RECEIVED ON PERSONAL PROPERTY BY THE COUNTY OR FOR SCHOOL DISTRICT PURPOSES ARE NOT PLEDGED TO THE PAYMENT OF THIS BOND.

This Bond is the only evidence of indebtedness issued and outstanding under the Series 2016 TIF Bond Resolution. This Bond has been purchased by the Mississippi Development Bank, has been assigned to the Trustee under the Indenture, is registered in the name of the Trustee and is non-transferrable except as provided in the Series 2016 TIF Bond Resolution and in the Indenture.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Series 2016 TIF Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Authentication Agent.

(Remainder of page left blank intentionally.)

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts, and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, in order to make the same a legal and binding obligation of the City according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name and on its behalf by the manual signature of the Mayor of the City, countersigned by the manual signature of the Clerk of the City, under the seal of the City, all as of this the _____ day of _____, 2016

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

COUNTERSIGNED:

By: _____
Municipal Clerk

(SEAL)

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is one of the Bond described in the within mentioned Series 2016 TIF Bond Resolution and is the Tax Increment Limited Obligation Refunding Bond, Series 2016, of the City of Biloxi, Mississippi.

**THE PEOPLES BANK
BILOXI, MISSISSIPPI**
As Authentication Agent

By: _____
Authorized Officer

Date of Registration and Authentication

REGISTRATION AND VALIDATION CERTIFICATE

STATE OF MISSISSIPPI
COUNTY OF HARRISON
CITY OF BILOXI

I, the undersigned Municipal Clerk of Biloxi, Mississippi, do hereby certify that the within Bond has been duly registered by me as a limited obligation of said City pursuant to law in a book kept in my office for that purpose and the issuance of the Bond was confirmed by a validation decree of the Chancery Court of the Second Judicial District of Harrison County, Mississippi, rendered on the _____ day of _____, 2016.

Municipal Clerk

(SEAL)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Name and Address of Assignee)

(Insert Social Security Number or other Tax Identification Number of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____, attorney, to transfer the within Bond on the records kept for registration thereof, with full power of substitution in the premises.

Signature Guaranteed

(Bank, Trust Company, or Transfer Agent)

Date of Assignment

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular manner, without alteration or any change whatever.

Signature Guaranteed:

Authorized Officer

EXHIBIT C

FORM OF PLEDGE AGREEMENT

AMENDED AND RESTATED TAX PLEDGE AGREEMENT

This Amended and Restated Tax Pledge Agreement is made and entered into as of _____, 2016 (the "Amended Tax Pledge Agreement") between Harrison County, Mississippi (the "County") acting by and through its Board of Supervisors (the "Board") and the City of Biloxi, Mississippi (the "City") acting by and through its Mayor and City Council (the "Governing Body") and amends and restates that certain Tax Pledge Agreement dated as of October 1, 2006 between the County and the City (the "Tax Pledge Agreement") as follows:

RECITALS:

1. Sections 21-45-1 et seq., Mississippi Code of 1972, as amended (the "Act"), and Sections 17-13-1 et seq. of the Mississippi Code of 1972, as amended (the "Interlocal Cooperation Act"), authorize the City and the County, acting jointly or severally, to exercise the powers and authority set forth in the Act.

2. The City has heretofore adopted its Tax Increment Redevelopment Plan, November, 1997, and has approved the Tax Increment Financing Plan (Traffic Flow and Thoroughfare Improvement Plan Project) on December 9, 1997 (as amended through the date hereof, the "City TIF Plan") and approved the issuance of the City's Tax Increment Limited Obligation Bonds, in the maximum principal amount not to exceed \$35,000,000 (the "Original TIF Bonds"), which Original TIF Bonds were refunded in 2006 from the proceeds of the City's Tax Increment Limited Obligation Refunding Bond, Series 2006A (the "Series 2006A TIF Bond") and the City's Taxable Tax Increment Limited Obligation Bonds, Series 2006B (the "Series 2006B TIF Bonds" and, together with the Series 2006A TIF Bond, the "Series 2006 TIF Bonds"). The Series 2006 TIF Bonds were issued pursuant to City Resolution No. 515-06 adopted by the Governing Body of the City on October 10, 2006 (the "Series 2006 TIF Bond Resolution").

3. The County has heretofore adopted the County's Tax Increment Redevelopment Plan, December 1997, and a Tax Increment Financing Plan (Traffic Flow and Thoroughfare Improvement Plan Project) on December 15, 1997, as amended pursuant to an August 1999 Amendment, a June 2011 Amendment, a 2012 Amendment and an April 2014 Amendment, and has approved the issuance by the City of the City's Original TIF Bonds and the Series 2006 TIF Bonds.

4. The Series 2006B TIF Bonds have been paid in full and are no longer outstanding. To achieve interest rate savings, the City and County both now desire to refund and defease some or all of the outstanding maturities of the Series 2006A TIF Bond via the issuance by the City, on behalf of the City and the County, of its Tax

Increment Limited Obligation Refunding Bond, Series 2016 in the maximum principal amount of \$_____ (the "Series 2016 TIF Bond"), a portion of the proceeds of which will be used to refund and defease some or all of the outstanding maturities of the Series 2006A TIF Bond (the "Refunding Project"). The Series 2016 TIF Bond will be issued pursuant to a bond resolution of the City in substantially the form attached hereto as EXHIBIT A (the "Series 2016 TIF Bond Resolution").

5. The City and County are parties to an Interlocal Cooperation Agreement dated as of April 1, 1999, as amended October 23, 2006, under which the respective duties and obligations of each are set forth, which Interlocal Cooperation Agreement, as amended, was submitted to and approved by the Attorney General of the State of Mississippi (the "State") as required by the laws of the State and is in full force and effect and which by its terms endures until the Series 2006 TIF Bonds and any bonds of the City issued to refund the Series 2006 TIF Bonds are paid in full.

6. The Interlocal Cooperation Agreement, as amended, among other things, provided for the County to provide additional security and payment for the Series 2006 TIF Bonds by the County's pledge of a portion of the added incremental increases of ad valorem tax revenue annually assessed by the County against certain real property and improvements thereon.

7. As authorized by the Interlocal Cooperation Agreement, as amended, the City and the County have heretofore entered into the Tax Pledge Agreement pursuant to which the County has irrevocably pledged to the City, for payment of a portion of the principal of and interest on the Series 2006 TIF Bonds and the fees and expenses of the Paying Agent for the Series 2006 TIF Bonds, the added incremental increase in County ad valorem taxes levied against the real property and improvements thereon constituting the Redevelopment Project Sites and improvements thereon as defined and described in the Series 2006 TIF Bond Resolution in an amount equal to the lesser of (i) \$1,200,000 per year, or (ii) one-half(1/2) of the annual debt service on the City's Series 2006 TIF Bonds. By its terms, the County's pledge made pursuant to the Tax Pledge Agreement endures until the entirety of the Series 2006 TIF Bonds (and any bonds issued to refund the Series 2006 TIF Bonds) and the fees and expenses of the Paying Agent for the Series 2006 TIF Bonds are paid in full.

8. The City and the County now desire to amend and restate the Tax Pledge Agreement as herein provided to affirm and reaffirm their commitment to provide additional security for payment of the Series 2016 TIF Bond upon the defeasance of the Series 2006 TIF Bonds.

9. The Series 2006 TIF Bonds, the Series 2016 TIF Bond and any bonds of the City issued to refund any such bonds are herein referred to collectively as the "TIF Bonds."

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and City hereby agree as follows:

Section 1. The Pledge. In order to provide additional security and payment of the City's TIF Bonds, the County hereby irrevocably pledges to the City for payment of a portion of the principal of and interest on the TIF Bonds and the fees and expenses of any Paying Agent for the TIF Bonds, the added incremental increase in County ad valorem taxes levied against the real property constituting the Redevelopment Project Sites and improvements thereon described in the Series 2016 TIF Bond Resolution in an amount equal to the lesser of (i) \$1,200,000 per year, or (ii) one-half (1/2) of the annual debt service on the City's TIF Bonds. The amount of the tax revenues pledged pursuant to this Amended Tax Pledge Agreement shall be determined by the Assessment Certificate of the Tax Assessor of Harrison County, Mississippi executed in connection with the issuance of the Series 2016 TIF Bond, subject to annual adjustment based on any change in the millage rate as annually determined by the Board. County ad valorem taxes on personal property or for school district purposes shall not be subject to the pledge of ad valorem taxes set forth herein. The Series 2016 TIF Bond shall never be a general obligation of the City or of the County or be secured by the full faith, credit and taxing power of the City or of the County.

Section 2. Priority Use of Ad Valorem Tax Proceeds. Upon receipt of the incrementally increased amount of City and County ad valorem taxes resulting from the taxation of the Redevelopment Project Sites and improvements thereon, an amount equal to the lesser of (i) \$1,200,000 per year or (ii) one-half (1/2) of the annual debt service on the City's TIF Bonds of the incrementally increased amount of ad valorem tax revenues of the County shall be used annually to pay a portion of the principal of and interest on the TIF Bonds and the remainder of such debt service shall be paid annually by the City's incrementally increased amount of ad valorem taxes generated from taxation of the real and personal property that constitute the Redevelopment Project Sites and improvements thereon, without limitation. Notwithstanding the foregoing, if sufficient funds or permitted investment securities have been deposited with the Paying Agent to defease any TIF Bonds of any series, such TIF Bonds will thereafter be entitled to payment only out of the funds and investments so deposited, subject to compliance with all provisions of the applicable bond resolution or other documents governing such defeasance.

Section 3. Term of the Pledge. The pledge of tax revenues made pursuant to the Tax Pledge Agreement, as amended by this Amended Tax Pledge Agreement, is irrevocable until such time as the entirety of the principal of and interest on the TIF Bonds and the fees and expenses of the Paying Agent for any such bonds are indefeasibly paid in full, whether at maturity or otherwise.

Section 4. Duties of the City Clerk and Chancery Clerk. The Municipal Clerk and Chancery Clerk shall, after consultation with the Tax Collector of the County, jointly determine during the month of March of each year:

- i. the ad valorem tax revenue available for debt service with the advice and counsel of the Tax Assessor of Harrison County;
- ii. the amounts necessary to pay the principal of and interest on the TIF Bonds and the fees and expenses of the Paying Agent when each respectively becomes due and payable after consulting the Paying Agent who shall credit any funds on deposit in the Bond Fund for such TIF Bonds;
- iii. how the tax revenues will be invested until such time as the revenues are needed to pay debt service on the TIF Bonds; and
- iv. an equitable distribution of surplus funds, if any.

If the tax revenues are less than the amounts required to pay debt service, each Clerk shall immediately put their respective Board or Governing Body on notice of such deficit.

As provided in the Series 2016 TIF Bond Resolution, between March 1 and March 15 of each year, all of the receipts from the levy and collection of said ad valorem tax that represent the Tax Increment (as defined in the Series 2016 TIF Bond Resolution) shall be withheld by the Tax Collector and paid over to the Municipal Clerk of the City and the Chancery Clerk of the County who jointly shall, by [October 15th] of each year, pay over all or a part of such Tax Increment to the Paying Agent for the Series 2016 TIF Bond in an amount determined by the Paying Agent to be sufficient to pay the annual principal and interest payment due on the Series 2016 TIF Bond along with the fees and expenses of the Paying Agent, which amount shall be a credit to the Series 2016 Bond Fund created under the Series 2016 TIF Bond Resolution, taking into account any funds that may be on

deposit in the Series 2016 Bond Fund. Any such moneys so paid to the Paying Agent to the credit of the Series 2016 Bond Fund shall be expended only as provided in the Series 2016 TIF Bond Resolution.

Section 5. (a) Representations and Warranties of the County. The County represents and warrants that this Amended Tax Pledge Agreement has been duly authorized by all necessary action on the part of the Board and upon its execution and delivery by County and the City will constitute a legal, valid and binding obligation of the County, enforceable against the County in accordance with its terms and provisions except as may be limited by bankruptcy laws or other creditors' rights in general.

(b) Representations and Warranties of the City. The City represents and warrants that this Amended Tax Pledge Agreement has been duly authorized by all necessary action on the part of the Governing Body of the City and upon its execution and delivery by the City and the County will constitute a legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms and provisions except as may be limited by bankruptcy laws or other creditors' rights in general.

Section 6. Provisions of Tax Pledge Agreement to Continue in Effect. All references in the Tax Pledge Agreement to the Series 2006 TIF Bonds shall be deemed to include the Series 2016 TIF Bond and any other TIF Bonds, and all references to the Tax Pledge Agreement shall mean the Tax Pledge Agreement as amended hereby, except in each case where the context clearly requires otherwise. Except as amended by this Amended Tax Pledge Agreement, the Tax Pledge Agreement shall remain in full force and effect in accordance with its terms.

Section 7. Execution in Counterparts. This Amended Tax Pledge Agreement may be executed by the parties hereto in separate counterparts, all of which taken together shall be deemed to constitute one and the same instrument. One or more counterparts of this Amended Tax Pledge Agreement may be delivered via telecopy or electronic transmission with the intention that they shall have the same effect as an original executed counterpart hereof.

SINGATURES ON FOLLOWING PAGES

IN WITNESS WHEREOF, the parties hereto have caused this Amended Tax Pledge Agreement to be duly executed and delivered by their officers thereunto duly authorized as of the date and year first above written.

HARRISON COUNTY, MISSISSIPPI

By: _____
President, Board of Supervisors

Attest:

By: _____
Chancery Clerk

Approved:

Tim Holleman, County Attorney

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

Attest:

By: _____
Municipal Clerk

Approved:

Gerald Blessey, City Attorney

EXHIBIT D

FORM OF INTERLOCAL COOPERATION AGREEMENT

EXHIBIT D

FORM OF INTERLOCAL COOPERATION AGREEMENT

AMENDED AND RESTATED INTERLOCAL COOPERATION AGREEMENT

This Amended and Restated Interlocal Cooperation Agreement (this "Amendment") is made and entered into as of _____, 2016, by and between the **City of Biloxi, Mississippi**, a municipal corporation organized and existing under the laws of the State of Mississippi, acting by and through its Mayor and City Council (the "City"), and **Harrison County, Mississippi**, a political subdivision of the State of Mississippi, acting by and through its Board of Supervisors (the "County") and amends and restates that certain Interlocal Cooperation Agreement dated as of April 1, 1999 between the City and the County (as previously amended through the date hereof, the "Interlocal Cooperation Agreement") as follows:

RECITALS:

WHEREAS, the City and the County are each authorized to exercise the authority set forth in Section 21-45-1 et seq., Mississippi Code of 1972, as amended (the "Act");

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act of 1974, Sections 17-13-1 et seq., Mississippi Code of 1972, as amended (the "Code"), counties and municipalities may make the most efficient use of their powers by cooperating and contracting with one another 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 government units;

WHEREAS, Section 17-13-7 of the Code provides that the City and County may contract to jointly exercise and carry out any power, authority or responsibility exercised or capable of being exercised by a local government unit;

WHEREAS, the City has heretofore adopted its Tax Increment Financing Redevelopment Plan, 1997 (the "City Redevelopment Plan") and conducted a public hearing thereon on December 9, 1997, as required by the Act;

WHEREAS, the City has heretofore adopted its Tax Increment Financing Plan, Traffic Flow and Thoroughfare Improvement Plan Project, November, 1997 (the "City Original TIF Plan") and conducted a public hearing thereon on December 9, 1997, as required by the Act;

WHEREAS, the City has previously conducted public hearings on and approved, all in accordance with the Act, an August 1999 Amendment, a June 2011 Amendment, a January 2012 Amendment and a 2014 Amendment to the City Original TIF Plan (the City Original TIF Plan as so amended, the "City TIF Plan");

WHEREAS, the County has heretofore adopted its Tax Increment Redevelopment Plan of 1997 (the "County Redevelopment Plan") and conducted a public hearing thereon on December 8, 1997, as required by the Act;

WHEREAS, the County has heretofore adopted its Tax Increment Financing Plan, Traffic Flow and Thoroughfare Improvement Plan Project, 1997 (the "County Original TIF Plan") and conducted a public hearing thereon on December 15, 1997, as required by the Act;

WHEREAS, the County has previously conducted public hearings on and approved, all in accordance with the Act, an August 1999 Amendment, a June 2011 Amendment, a 2012 Amendment and

an April 2014 Amendment to the County Original TIF Plan (the County Original TIF Plan as so amended, the "County TIF Plan");

WHEREAS, the City Redevelopment Plan, the City TIF Plan, the County Redevelopment Plan and the County TIF Plan were originally adopted in order to create a financing mechanism which would allow the City to issue its Tax Increment Financing Bonds in the principal amount not to exceed \$35,000,000 in two or more series in order to generate funds sufficient to defray the cost of the improvements set forth in the City's Traffic Flow and Thoroughfare Improvement Plan adopted by the City on August 19, 1997;

WHEREAS, the City has heretofore issued its (i) Tax Increment Limited Obligation Bonds (Traffic Flow and Thoroughfare Improvement Plan Project) Series 1999, dated October 1, 1999, in the principal amount of \$12,000,000, and (ii) Tax Increment Limited Obligation Bonds (Traffic Flow and Thoroughfare Improvement Plan Project) Series 2002, dated November 1, 2002 in the principal amount of \$23,000,000 (collectively, the "Original TIF Bonds");

WHEREAS, the City and the County entered into the Interlocal Cooperation Agreement in connection with the issuance of the Original TIF Bonds to provide additional security for the payment of the Original TIF Bonds;

WHEREAS, as security for the Original TIF Bonds (i) the City pledged all of its incremental increase in the City ad valorem tax revenues on the real and personal property derived from the development of the properties identified and set forth in the City TIF Plan including but not limited to the properties then known as the Imperial Palace Casino, the Beau Rivage Casino, the Grand Casino of Biloxi Hotel and Parking Garage and the Casino Magic Hotel (collectively, the "Phase I Casino Development") and (ii) the County pledged its incremental increase in County ad valorem tax revenues on the real property constituting the Phase I Casino Development described in the County TIF Plan in an amount equal to the lesser of (i) \$1,200,000 or (ii) one half (½) of the annual debt service payments on the Original TIF Bonds;

WHEREAS, the City and the County determined in 2006 that it was in the public interest to defease and refund the Original TIF Bonds by the issuance by the City, on behalf of the City and the County, of its Tax Increment Limited Obligation Refunding Bond, Series 2006A (Biloxi, Mississippi Refunding Project) and Tax Increment Limited Obligation Refunding Bond, Series 2006B (Biloxi, Mississippi Refunding Project) (together, the "Series 2006 TIF Bonds"), and the City did defease and refund the Original TIF Bonds with a portion of the proceeds of the Series 2006 TIF Bonds;

WHEREAS, in connection with the issuance of the Series 2006 TIF Bonds, the City and the County amended the Interlocal Cooperation Agreement to affirm or reaffirm their commitment to provide security for the Original TIF Bonds and the Series 2006 TIF Bonds;

WHEREAS, the April 2014 Amendment to the City TIF Plan and the County TIF Plan allowed for the issuance by the City of up to an additional \$2,000,000 in tax increment junior lien limited obligation bonds for the Margaritaville Casino Resort Project described therein;

WHEREAS, the City and the County have heretofore supplemented the Interlocal Cooperation Agreement pursuant to a Supplemental Interlocal Cooperation Agreement dated as of May 5, 2014 (the "Supplemental Interlocal Cooperation Agreement") in connection with the City's issuance of its \$1,995,000 Tax Increment Junior Lien Limited Obligation Bonds, Series 2014 (Margaritaville Casino Resort Traffic Flow and Thoroughfare Improvements Project) (the "2014 Junior Lien Bonds") pursuant to

which the City and the County pledged certain taxes for payment of the 2014 Junior Lien Bonds, subject to the prior lien of the Series 2006 TIF Bonds;

WHEREAS, the City and County now desire to defease and refund all or certain maturities of the outstanding Series 2006 TIF Bonds by using a portion of the proceeds of the City's Tax Increment Limited Obligation Refunding Bond, Series 2016 (Biloxi, Mississippi Refunding Project) in the maximum principal amount of \$26,500,000, dated the date of issuance (the "Series 2016 TIF Bond"), for the purpose of defeasing and refunding all or certain maturities of the Series 2006 TIF Bonds;

WHEREAS, it is in the public interest and the public convenience and necessity that (i) the outstanding Series 2006 TIF Bonds be defeased and refunded by the issuance by the City, on behalf of the City and the County, of the Series 2016 TIF Bond, and (ii) the City and County again affirm their commitment to provide additional security for the Series 2016 TIF Bond pursuant to a further amendment to the Interlocal Cooperation Agreement;

WHEREAS, the Series 2016 TIF Bonds will be sold to the Mississippi Development Bank (the "Bank") and serve as security for the Bank's Special Obligation Refunding Bonds, Series 2016 (Biloxi, Mississippi Refunding Project) in the maximum principal amount of \$26,500,000, dated the date of issuance (the "Series 2016 Bank Bonds");

WHEREAS, the City and County desire to amend and restate their Interlocal Cooperation Agreement pursuant to Sections 17-13-1 et seq. of the Code for the purpose of affirming its application to the Series 2016 TIF Bond;

WHEREAS, the governing bodies of each of the City and County have approved this Amendment as to form and authorized its execution with such changes, deletions and additions as shall be approved by their respective authorized officers, their execution thereof signifying their approval.

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

Section 1. Duration. This Amendment shall be in force and effect until the Series 2016 TIF Bond and any bonds of the City issued to defease and refund the Series 2016 TIF Bond are paid in full.

Section 2. Purpose. The purpose of this Amendment is to define the responsibilities of each of the City and County with respect to defeasing and refunding all or certain maturities of the Series 2006 TIF Bonds (the "Refunding Project").

Section 3. Statutory Authority. The City and County are authorized to jointly exercise and carry out any power, authorities and responsibilities to be exercised by each of them pursuant to the terms of this Amendment by Section 21-45-3 of the Act.

Section 4. Administration. This Amendment shall be administered as a joint undertaking of the City and County. A separate entity is not created under this Amendment. The City and County hereby designate the City as having the responsibility for administration of this undertaking and the City is hereby designated as the primary party in interest in carrying the Refunding Project forward including but not limited to the issuance of the Series 2016 TIF Bond or other debt obligations to provide funds to defray the cost of the Refunding Project.

The City and the County shall have access to all records pertaining to the Refunding Project and shall be invited to participate in all related activities undertaken relating to the financing of the Refunding Project.

Section 5. Pledge of Taxes. To provide security and payment for the Series 2016 TIF Bond or other debt obligations, the City will pledge all or a sufficient amount of the added incremental increase of ad valorem tax revenue on real and personal property which constitute the Redevelopment Project Sites (as defined in the Resolution 515-06 of the City authorizing the Series 2006 TIF Bonds) and improvements thereon through the documents used in connection with the issuance of the Series 2016 TIF Bond or other debt obligations, all as provided in Section 21-45-21 of the Act. The County will provide additional security and payment for the Series 2016 TIF Bond or other debt obligations by pledging, through a Tax Pledge Agreement or other similar document, the added incremental increases of ad valorem tax revenue on real property which constitutes the Redevelopment Project Sites and improvements thereon an amount equal to the lesser of (i) \$1,200,000 per year or (ii) one-half (½) of the annual debt service payment on the Series 2016 TIF Bond issued by the City to pay the cost of the Refunding Project. The Series 2016 TIF Bond shall never be a general obligation of the City or of the County or be secured by the full faith, credit and taxing power of the City or of the County.

Section 6. Issuance of Series 2016 TIF Bond. The Series 2016 TIF Bond shall be issued in the amount necessary to defray the cost of the Refunding Project but not exceeding the maximum aggregate principal amount of Twenty-Six Million Five Hundred Thousand Dollars (\$26,500,000).

Section 7. Termination. Subject to Section 1, this Amendment may be terminated upon the mutual written agreement of both the City and County.

Section 8. Change in Scope of Refunding Project; Approval of Series 2016 TIF Bond. It is agreed that the scope of the Refunding Project may be changed only with the concurrence of the City and the County and that the County may review the documents prepared in connection with the issuance of the Series 2016 TIF Bond in advance of the City's issuing the Series 2016 TIF Bond.

Section 9. Joint Undertaking. This Amendment is a joint undertaking for and on behalf of the City and County with the City having herein been designated as having the responsibility for the administration of this joint undertaking. There shall be no staffing of this joint undertaking nor any joint board created for the administration of this joint undertaking.

Section 10. Amendment. This Amendment may be further amended at any time by the mutual consent of both the City and County by an agreement entered into pursuant to the provisions of Section 17-13-1 et seq., of the Mississippi Code of 1972, as amended, subject to, unless the Series 2016 TIF Bond has been paid in full, an opinion of bond counsel that such amendment does not impair the security for the Series 2016 TIF Bond.

Section 11. Agreement to be Filed. An executed copy of this Amendment shall be filed with the Chancery Clerk of Harrison County and the Secretary of State of the State of Mississippi.

Section 12. Effective Date. This Amendment has been approved by the governing bodies of the City and County and will be effective upon its approval by the Attorney General of the State of Mississippi (provided that, pursuant to Section 17-13-11 of the Code, the failure by the Attorney General to disapprove the Agreement within 60 days of its submission to him shall constitute approval thereof).

Section 13. The Interlocal Cooperation Agreement. The Interlocal Cooperation Agreement dated as of April 1, 1999 between the City and County executed in connection with the

issuance of the Original TIF Bonds, as previously amended on October 10, 2006, remains in full force and effect except to the extent amended hereby and this Amended and Restated Interlocal Cooperation Agreement is for the sole purpose of reaffirming the commitment of the County to provide additional security to the issuance of the Series 2016 TIF Bond.

Section 14. The Supplemental Interlocal Cooperation Agreement. The Supplemental Interlocal Cooperation Agreement shall remain in full force and effect without amendment.

WITNESS the signature of the Mayor and Clerk of the City of Biloxi, Mississippi, on this the ____ day of _____, 2016.

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

ATTEST:

By: _____
Municipal Clerk

APPROVED:

Gerald Blessey, City Attorney

WITNESS the signature of the President and Clerk of the Board of Supervisors of Harrison County, Mississippi, on this the ____ day of _____, 2016.

**BOARD OF SUPERVISORS OF
HARRISON COUNTY, MISSISSIPPI**

By: _____
President

ATTEST:

By: _____
Chancery Clerk

APPROVED:

Tim Holleman, County Attorney