

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN (THE "GOVERNING BODY") OF THE CITY OF STARKVILLE, MISSISSIPPI (THE "CITY"), SUPPORTING COTTON MILL HOTEL GROUP LLC (THE "DEVELOPER"), A FULL SERVICE HOTEL DEVELOPMENT PROJECT WITH GUEST AMENITIES (THE "PROJECT"), AND ACKNOWLEDGING THAT SALES TAX COLLECTED FROM THE PROJECT WILL BE DIVERTED TO THE SALES TAX REBATE FUND (THE "REBATE FUND") FOR A PERIOD OF UP TO FIFTEEN (15) YEARS, OR WHEN THE AGGREGATE AMOUNT OF THIRTY PERCENT (30%) OF THE APPROVED PROJECT COSTS BY THE MISSISSIPPI DEVELOPMENT AUTHORITY ("MDA") INCURRED BY DEVELOPER FOR THE PROJECT HAS BEEN PAID OR WHICHEVER SHALL OCCUR FIRST, PURSUANT TO SECTION 57-26-1 ET SEQ. MISSISSIPPI CODE OF 1972, AS AMENDED; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and Board of Aldermen (the "Governing Body") of the City of Starkville, Mississippi (the "City"), acting for and on behalf of the City, hereby finds and determines as follows:

1. The Governing Body has determined that pursuant to the provisions of the Mississippi Tourism Project Incentive Program Act, as set forth in Section 57-26-1, *et seq.*, Mississippi Code of 1972, as amended (the "Tourism Act") and the Mississippi Development Authority's (the "MDA") Tourism Tax Rebate Program Guidelines (the "Tourism Guidelines") (the "Tourism Act" and "Tourism Guidelines" together the "Tourism Program"), Cotton Mill Hotel Group, LLC, a Mississippi limited liability company, by and through its Members (the "Developer"), proposes to develop a full service hotel development project and Azlin's Restaurant (the "Tourism Project") within the City and in connection therewith will make application to the MDA for the benefits provided by the Tourism Program.
2. The Governing Body acknowledges, pursuant to the Tourism Program, that Eighty Percent (80%) of the sales tax collected from the Tourism Project will be diverted to the Mississippi Tourism Sales Tax Rebate Fund (the "Rebate Fund") for a period of up to fifteen (15) years or when the aggregate amount of Thirty Percent (30%) of certain approved costs by the MDA incurred by the Developer for the Tourism Project has been paid or whichever shall occur first.
3. The Governing Body acknowledges that on June 17, 2008 it approved a Tax Increment Financing Plan entitled Tax Increment Financing Plan, Cotton Mill Marketplace Project, Starkville, Mississippi, June 2008 (the "TIF Plan") which constitutes a qualified plan under the act.

4. The Governing Body acknowledges that under the "TIF Plan" the city has pledged to the Developer up to seventy-five percent (75%) of the retail sales tax rebate from the State generated by the construction and development of the Project in the Cotton Mill Hotel portion of the TIF District.

5. The Developer has represented, and the Governing Body acknowledges, that in consideration of this Resolution, the Developer shall not pursue or apply for the sales tax rebate under the TIF Plan to the City for the Tourism Project, or any additional sales tax rebates under the TIF plan.

6. The Governing Body acknowledges that the Tourism Project is projected to have a significant capital investment sufficient to meet the requirements of the Tourism Program and will provide a significant impact to and upon the economy of the City, the County, the University, and the surrounding region.

7. The City is in full support of the Tourism Project and supports the application by Developer to MDA for the benefits allowed pursuant to the Tourism Program.

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

SECTION 1. That all the findings of fact made and set forth in the preamble of this Resolution shall be in the same and are hereby declared and adjudicated to be true and correct.

SECTION 2. That the City fully supports the Tourism Project and the application of Cotton Mill Hotel Group, LLC to the MDA for the benefits allowed pursuant to the Tourism Program and acknowledges and agrees that Eighty Percent (80%) of the sales tax collected from the Tourism Project, which shall have a significant capital investment sufficient to meet the requirements of the Tourism Program, will be diverted to the Rebate Fund for a period of up to fifteen (15) years, or when the aggregate amount of Thirty Percent (30%) of the approved MDA Tourism Project Costs incurred by Developer for the Tourism Project has been paid or whichever shall occur first.

SECTION 3. That the City shall commit to its obligations under this Resolution provided that the Developer is in compliance with the applicable MDA regulations, schedules, timelines and guidelines governing the duties and obligations of Cotton Mill Hotel Group, LLC.

SECTION 4. That the Mayor of the City is authorized to execute any and all necessary documents and clarifications required or requested by MDA for the qualification of the Tourism Program.

The above and foregoing Resolution, after having been first reduced to writing, was introduced by Board member seconded by Board member and was adopted by the following vote, to-wit:

YEAS:

NAYS:

ABSENT:

The motion having received the affirmative vote of a majority of the Board members present, the Mayor declared the motion carried and the resolution adopted, on this the day of May 2017.

(SEAL)

ATTEST:

ADOPTED:

MAYOR

The above and foregoing Resolution having been submitted to and approved by the Mayor, this the day of May 2017.

ATTEST:

APPROVED:

CITY CLERK