

**REGIONAL ECONOMIC DEVELOPMENT ALLIANCE AGREEMENT
(SOUTHAVEN TOWNE CENTER PROJECT)**

This Regional Economic Development Alliance Agreement (the "Agreement") is made and entered into this the 7th day of October, 2003 by and between the Mayor and Board of Aldermen of the City of Southaven, Mississippi, a municipal corporation organized and existing under the laws of the State of Mississippi, (the "City") and the Board of Supervisors of DeSoto County, Mississippi, a political subdivision of the State of Mississippi (the "County").

RECITALS:

WHEREAS, pursuant to the provisions of the Regional Economic Development Act, cited as Section 57-64-1, *et seq.*, Mississippi Code of 1972, as amended, (the "REDA Act"), local government units of the state are authorized to make the most efficient use of their powers and resources by enabling them to cooperate and contract with other local government units, on a basis of mutual advantage, to share the cost of, and revenues derived from, a project, as defined in the REDA Act, and thereby provide services and facilities in a manner pursuant to forms of governmental organization that will accord the best geographic, economic, population and other factors influencing the needs in economic development of the local government units; and

WHEREAS, the authority granted under the REDA Act and the purposes to be accomplished thereby are proper governmental and public purposes and that the resulting economic benefits to the state are of paramount importance; and

WHEREAS, projects contemplated under the REDA Act are to provide multi-jurisdictional economic development benefits, including but not limited to industry, distribution, commerce, tourism, healthcare and other purposes in which the public purpose and interest of the people of the state is served; and

WHEREAS, the costs and revenues connected with a project under the REDA Act shall

both be shared by the City and the County; and

WHEREAS, pursuant to the REDA Act any power, authority or responsibility exercised or capable of being exercised by a local government unit of the state may be exercised and carried out jointly with any other local government unit of the state to the extent that the laws of the United States permit such joint exercise or enjoyment; and

WHEREAS, pursuant to the REDA Act any bonds issued in connection with a project shall be of any type permissible to be issued by the City or the County without limitation; and

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

WHEREAS, the City adopted a Tax Increment Financing Plan for the Southaven Towne Center Project (the "City TIF Plan") as required by the TIF Act on May 6, 2003; and

WHEREAS, the County adopted a Tax Increment Financing Plan for the Southaven Towne Center Project (the "County TIF Plan") as required by the TIF Act on May 5, 2003; and

WHEREAS, the City and County desire to form a Regional Economic Development Alliance (the "Alliance") pursuant to the REDA ACT for the purposes of (i) assisting in the development of the Southaven Towne Center Project (the "Project") and providing the financing of various infrastructure and site improvements and the acquisition of rights of way as needed in connection therewith and (ii) to satisfy the requirements of the REDA Act and the TIF Act.

WHEREAS, the governing bodies of each the City and the County have approved this Agreement as to form; and

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

Section 1. Duration. The Alliance shall be in full force and effect until the City's

REDA/TIF Bonds to be issued in connection with the Project are paid in full.

Section 2. Purpose. The purpose of this Agreement is to define the responsibilities of each the City and the County with respect to the development of the Project as described and set forth in the City TIF Plan, the County TIF Plan, and the Mississippi Regional Alliance Development Program Alliance Certificate Application, and the financing of certain infrastructure and site improvement in connection with the Project and the acquisition by the City of such rights of way as may be necessary for said infrastructure improvements.

Section 3. Administration. The Alliance shall be administered as a joint undertaking of the City and the County. A separate entity is not created under this Agreement. The City and the 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 financing and constructing the Project including, but not limited to, the issuance of the REDA/TIF Bonds to provide funds to defray the cost of the infrastructure and site improvement, and the cost of needed rights of way, to cause the Project to be designed and constructed and to submit an application to the Mississippi Development Authority for a Certificate of Public Convenience and Necessity pursuant to the REDA Act. The City Clerk of the City is hereby designated to receive, disburse and account for all funds of the Alliance.

The City and the County shall have access to all records pertaining to the Project and shall be invited to participate in all related activities undertaken relating to the construction of the Project and financing the infrastructure, site improvements and rights of way acquisitions. No changes which affect the overall scope of the Project will be initiated without the written consent of the City and the County. The Project shall be constructed entirely within the corporate limits of the City.

The Alliance shall possess all powers and authority as set forth in the REDA Act.

Section 4. Pledge of Taxes. To provide security and payment for the REDA /TIF Bonds, the City will pledge a portion of the added increment of ad valorem taxes on real property described in the TIF Plan and sales taxes collected within the TIF Financing District as defined in the City TIF Plan and through the documents used in connection with the issuance of the REDA/TIF Bonds, all as provided in the REDA Act and the TIF Act. The County will provide additional security and payment for the Bonds to be issued by the City by pledging through a Pledge Agreement, or other similar document, a portion of the added increment of the ad valorem tax on the real property and personal property described in the County TIF Plan and located in the TIF Financing District defined in the County TIF Plan, as more fully set forth in the Pledge Agreement.

Section 5. Termination. The Alliance may not be terminated until the City's REDA /TIF Bonds issued in connection with the Project are paid in full. After that time the Alliance may be terminated upon the mutual written agreement of both the City and the County.

Section 6. Joint Undertaking. The Alliance is a joint undertaking for and on behalf of the City and the County with the City having herein been designated as having the responsibility for the administration of the Alliance. There shall be no staffing of the Alliance nor any joint board created for the administration thereof.

Section 7. Amendment. This Agreement may be amended at any time by the mutual consent of both the City and the County by an agreement entered into pursuant to the provisions of the REDA Act.

Section 8. Submission For State Approval and Filing. An executed copy of this Agreement shall be filed with the Chancery Clerk of DeSoto County, Mississippi, the Secretary of State of the State of Mississippi and the State Department of Audit. A copy of this Agreement shall be submitted to the Attorney General of the State of Mississippi who shall determine

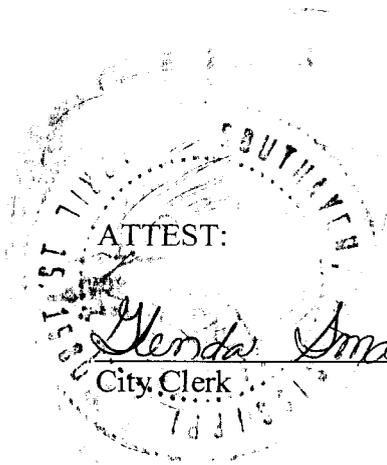
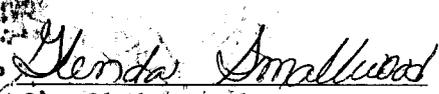
whether the Agreement is in proper form and compatible with the laws of the state.

Section 9. Effective Date. This Agreement shall be effective upon the approval by the governing bodies of the City and County and the Attorney General of the State of Mississippi.

WITNESS the signature of the Mayor and Board of Aldermen of the City of Southaven, Mississippi on this the 7th day of October, 2003.

THE MAYOR AND BOARD OF ALDERMEN OF
THE CITY OF SOUTHAVEN, MISSISSIPPI

BY: 
Greg Davis, Mayor


ATTEST:

City Clerk

WITNESS the signature of the President and Clerk of the Board of Supervisors of DeSoto County, Mississippi on this the 8th day of October, 2003.

BOARD OF SUPERVISORS OF
DESOTO COUNTY, MISSISSIPPI

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By: Donald Clifton
President

ATTEST:

W.A. Davis
Chancery Clerk



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CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. RA003

The Mississippi Development Authority (the "Authority"), having made due investigation and determination concerning the Regional Alliance Development Program Application (the "Application") filed by the City of Southaven, Mississippi (the "City") and DeSoto County, Mississippi (the "County") requesting authority (a) to create a Regional Economic Development Alliance (the "Alliance") for the purpose of assisting in the development of the Southaven Towne Center Project and providing financing of various infrastructure and site improvements in connection therewith (the "Project") and (b) to issue Bonds (the "Bonds") of the City acting for and on behalf of itself and the County (the "Bonds") to provide financing for the cost of the Project, does hereby issue to the City and the County this **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. RA 003** (the "Certificate"); and does hereby find, determine and adjudicate as follows:

Subject to and conditioned upon approval by the Attorney General of Mississippi and the filings required pursuant to Section 57-64-23, Mississippi Code of 1972, as amended, the Application is hereby approved as presented, and the City and County are hereby authorized to create and operate the Alliance as set out and described herein; however, this Certificate shall expire twelve (12) months from the date hereof unless within that time the Alliance shall have been created.

The Authority, acting pursuant to the provisions of the Regional Economic Development Act, being Sections 57-64-1 through 57-64-27, Mississippi Code of 1972, as amended (the "REDA Act"), does hereby fix and determine the rights, powers and duties of the City and County conferred by this Certificate and the manner in which they shall be exercised as set out hereinafter, subject to the provisions, limitations and restrictions set out hereinafter. The City and County are hereby authorized to exercise the power and authority granted by and set forth in the REDA Act and the TIF Act, as defined below:

(a) The City, acting for and on behalf of itself and the County, is hereby authorized to issue the Bonds in the maximum principal amount of \$8,500,000.00 for a term not to exceed fifteen (15) years to finance the costs of the Project. The City is hereby authorized to expend the proceeds from the sale of the Bonds for this purpose as well as any and all legal and other costs and fees associated with the issuance and sale of the Bonds.

(b) The City will issue the Bonds pursuant to the authority granted by and the provisions of the REDA Act and the Tax Increment Financing Act, Sections 21-45-1 et seq., Mississippi Code of 1972, as amended (the "TIF Act").

(c) In order to provide security and for the payment for the Bonds, the City, as authorized by the REDA Act and the TIF Act, is hereby authorized to pledge all or a portion of the added increment of ad valorem taxes on the real and personal property described in the Tax Increment Financing Plan for the Southaven Towne Center Project (the "City TIF Plan") as adopted by the City on May 6, 2003, and sales tax collected within the TIF Financing District as defined by the City TIF Plan. The County is hereby authorized to provide additional security and payment for the Bonds to be issued by the City by pledging through a Pledge Agreement, or other similar

document, all or a portion of the added increment of ad valorem tax on real property and personal property described in the Tax Increment Financing Plan for the Southaven Towne Center Project (the "County TIF Plan") as adopted by the County on May 5, 2003.

(d) The City may use a portion of the bond proceeds for acquisition of rights-of-way as necessary for construction of infrastructure in connection with the Project.

(e) Any acquisition of right of way will be in accord with all laws governing same.

(f) The following expenditures, other than payment of costs and fees in connection with the issuance of the Bonds, are hereby approved and may be made or reimbursed with the Bond proceeds and are costs of the project as defined in the REDA Act:

1. Installation of utilities such as water, sanitary sewer, and natural gas lines
2. Relocation of utilities
3. Installation of storm drainage
4. Construction of roadways with curb and gutter
5. Installation of traffic signalization and signage
6. Site improvements
7. Grading
8. Geopier foundations
9. Landscaping rights-of-way
10. Acquisition of rights-of-way as necessary for construction of infrastructure described hereinabove
11. Other costs as set out in the City TIF Plan and the County TIF Plan

If the governing body of the City or County fails or refuses to follow the requirements made by the Authority in this Certificate, then the members of the governing body of the local government unit voting for such failure or refusal shall be individually and personally liable until they have been out of office for one (1) year, and liable upon their official bonds for any loss that the local government unit may sustain by reason of such failure or refusal to follow such requirements, and in addition may be compelled by injunction to comply with such requirements.

WITNESS THE SIGNATURE AND SEAL of the Mississippi Development Authority, hereto affixed by its duly authorized officer, this the 18th day of September, 2003.



Approved by

J. Stephen Hale

J. Stephen Hale
Executive Director

P BK 102 PG 113

There being no further business to come before the Mississippi Development Authority, lawfully assembled in a called meeting,

IN WITNESS WHEREOF and in accordance with the power and authority conferred upon the Department by Senate Bill 2925, Regular Session of the Mississippi Legislature, Laws of 1988, I, J. STEPHEN HALE, Executive Director of the Mississippi Development Authority, do hereby approve the attached Certificate on this, the 18th day of September 2003.



J. STEPHEN HALE
Executive Director



STATE MS. - DESOTO CO.
FILED

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BK 102 PG 105
W.E. DAVIS CH. CLK.