

Aldermen approve TIF bonds for projects

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Grand scale redevelopment and all the funds included were the hot issues during public hearings before the Board of Aldermen at City Hall Tuesday night.

The aldermen on Tuesday moved ahead with a tax increment financing (TIF) bonds to help fund infrastructure improvements necessary to develop Cotton Mill Marketplace, a \$155 million development that includes a convention center, a hotel, student housing, restaurants and a cinema.

The project site is 25 acres anchored around the Cooley building on Russell Street and extending around Highway 12 to Spring Street.

TIF bonds are based on an increase in revenue in sales and property taxes as a result of the projects with which the city has made agreements. The Board of Aldermen voted 6 to 1 to issue the TIF bonds, with Ward 6 Alderman Roy Perkins voting against the measure.

Bonds, which have yet to be issued, are not paid until these projects are built, running and are able to generate proposed funds for the city.

Developers for the project brought back what they said was positive news from the International Council of Shopping Centers annual Global Retail Real Estate Convention (RECon).

"Despite the overall concern in the retail market, we had a very good convention," said D. Brooks Holstein, founder of Comvest Properties LLC of Biloxi, which is collaborating with Nicholas Properties LLC of Ridgeland to develop Cotton Mill Marketplace.

"Was there any other place in Starkville considered for this project," longtime Starkville native Dorothy Isaac asked the developers. "I've been here 49 years and I would like to see more development with Wards 6 and 7; no one looks at us and we are quality homeowners."

"This land was originally a redevelopment district, and when we first came down here, we saw identified a need of university and student related housing and retail," said Holstein. "The main entrance to the university didn't present a good image to the city or the university."

Bethany Stich, assistant professor of political science and public administration at Mississippi State, publicly commended city officials for looking at "unique financing" of TIF bonds.

"But as we develop, we don't want to see Starkville to continue developing poorly," Stich said referring to a lack emphasis placed on safe transit and walking systems.

Holstein said that Russell Street would become a major road entrance and two parking decks would add substantial parking volume.

"We're also building walkways to connect Cotton Mills with the Cotton District," he said.

Long-time resident Harry Cole presented a series of comments he called rhetorical questions for the Board of Aldermen. "Are we going to do an internal audit or believe someone trying to sell us something," said Cole, referring to property assessments of the project site.

David Thornell, past president and CEO of the Greater Starkville Development Partnership said that TIF bonds are the very best way to finance a project of this magnitude.

"I know them (the developers of Cotton Mills) to be very smart and do what they say, and I know they will be 110 percent successful," said Thornell.

When the project was first presented to the Board of Aldermen during an executive session, a \$90 million advance for the city was projected as a result of this project's success.

Middleton Market Place

Officials also moved ahead with a TIF plan for a redevelopment and expansion of the shopping center on the corner of Highway 12 and Louisville.

Middleton Market Place, a proposed development that includes a Fairfield Inn, shopping centers and restaurants, could give the city an annual increase of \$300,000 in sales tax, developers say.

The cumulative amount of these bonds will not exceed \$2.1 million.

The board also authorized an interlocal agreement with Oktibbeha County for the Middleton Marketplace Project bonds and accepted proposals to enter into TIF district agreements for security and reimbursement with Starkville 12, LLC and LEWKO Properties, both developers of the project.

Editor's note: Other business of the Board of Aldermen will be published in Thursday's edition of the Starkville Daily News.

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