MISSISSIPPI DEVELOPMENT INFRASTRUCTURE PROGRAM

2010 GUIDELINES

DEVELOPMENT INFRASTRUCTURE PROGRAM

The Mississippi Development Infrastructure Program (DIP), administered by the Mississippi Development Authority (MDA) is designed for making grants or loans to counties or municipalities (Local Sponsors) to finance infrastructure projects to promote economic growth in the State of Mississippi (State). Counties and municipalities are encouraged to use these funds in connection with other State and federal programs. Funding for grants and loans to Local Sponsors is derived from the issuance of State bonds. DIP was enacted by the State Legislature during the Regular 1993 Session.

ELIGIBILITY

Eligible Applicants

The local governing authority of the county or municipality is eligible for the DIP program. Projects must be directly related to the construction, renovation, or expansion of a new or expanded industry.

Eligible Projects

Eligible projects financed with DIP must be publicly owned. All contracts and purchases shall be made in accordance with normal bid and purchase laws of a municipality or county. Eligible projects include, but are not limited to:

- Drainage systems
- Energy facilities (power generation and distribution)
- Sewer systems
- Transportation facilities directly affecting the site, including roads, bridges, rail lines, or pipelines
- Water supply systems
- Marine structures
- Land improvements

Eligible projects should benefit the following types of industries:

- Manufacturing and processing
- Large distribution facility
- Service support to agriculture, aquaculture, and mariculture
- Service support to manufacturing and processing
- Telecommunications and data processing
- Corporate headquarters and operations centers
- Research and development
- Tourism

APPLICATION REQUIREMENTS

The application that is submitted by a local sponsor must include:

- Purpose of the proposed grant or loan
- Resolution of authorization of the local sponsor to apply for DIP funds.
- A Statement of willingness to comply with non-discrimination and equal employment opportunity requirements.
- Current employment levels at the project site and estimated increase, if any, as a result of financing the project.
- Submit a budget page showing the total cost of the project, a description of the local sponsor's investment in the project, and all public and private sources of funding that have been secured and that will be utilized exclusively for the project.
- Timeline for implementation and completion of the project, evidencing an expeditious completion of the project
- Last three (3) years of the company's audited financial statements or a letter of credit from a financially insured financial institution.
- Engineering cost estimates and other pertinent documentation

KEY POINTS

- Mississippi Development Infrastructure Program funds may not be used for working capital, gaming enterprises, general expenditures, which would normally be covered under a local sponsor's general operation budget, or for administrative expenses.
- A limited amount of funds may be used for engineering/architectural cost. The amount of these professional services will limited to an amount **not to exceed 10% of the DIP grant or loan award amount**.
- As such, all funds awarded must be spent for improvements within the scope of the original project description as stated in the grant or loan application.
- Additionally, if the recipients complete their project for less than the amount awarded, the excess funds can be requested for additional project work as long as there is no change from the scope of the original project
- No approved applicant be allowed to use excess funds to pay for the project costs that vary from the original project description.
- All requested changes and variances from the original application should be made in writing and will be reviewed by MDA on a case by case basis.

APPLICATION PROCESS

Any local sponsor seeking funding should contact an MDA project manager with the EIB Division for an in-state company, or the Global Division for an out-of-state company. After the initial evaluation, should the manager determine the project meets MDA standards, they will contact the Community Services Division (CSD) to discuss the project and check on availability of funds. Then upon request, the local sponsor should send the following information to CSD.

1. Project proposal
2. Engineering cost estimate
3. Budget page

Upon review of your proposal, MDA may issue a letter inviting a DIP application. The letter will state the amount of DIP funds that can be applied for and the requirements. An application will be made available to you at that time.

SELECTION PROCESS

The process used for evaluating, selecting, and funding applications is based on the following:

1. Eligibility
2. Project readiness
3. Company's financial condition

One (1) original of the application must be submitted to the Community Services Division of MDA, Development Infrastructure Program, Post Office Box 849, Jackson, MS 39205. DIP is open-ended and applications are invited as long as funds are available. It should be noted that the Executive Director of MDA may at his discretion commit DIP funds to projects prior to an application being submitted to MDA, if a specific project is involved and timing of the award would have direct effect on the location and expansion of the project.

GENERAL GRANT TERMS

- The program intent is to stimulate growth and economic development in the State.
- The maximum amount, which may be awarded to any one local sponsor, will be $150,000.

CONDITIONS FOR DISBURSEMENT OF FUNDS

- A grant agreement or loan documents will be executed between the local sponsor and MDA.
- All funds will flow through the local sponsor.
- MDA will release DIP program funds for services rendered, or a reimbursement basis, for approved eligible cost of the project incurred.
- Fund may only be drawn down once a month.
- Local sponsors will have three (3) years from the date of the agreement to request reimbursement for DIP funds. Failure to implement and complete the project may result in the agreement being voided and funds de-obligated.

AUDITING AND MONITORING

Funds provided under the Mississippi Development Infrastructure Program are subject to audit by the Mississippi State Auditor's office. Additionally, MDA will also monitor all projects to ensure compliance with the original application submitted. MDA intends to use up to three percent (3%) of the DIP funds available for staff to monitor projects and provide technical assistance.

STATUTE

The Development Infrastructure Program is authorized under Section 57-61-36, MS Code, Annotated.

ADDITIONAL INFORMATION

Program inquiries and applications should be directed to:

Mississippi Development Authority
Community Services Division
Post Office Box 849
Jackson, Mississippi 39205
Telephone: (601) 359-3179 Fax: (601) 359-3108

These guidelines may be amended by MDA at anytime. MDA, in its discretion, may temporarily waive any requirement of the guidelines to the extent that the result of such waiver is to promote the public purpose of the Act and is not prohibited by State law.

EXHIBIT A
COUNTY GOVERNMENT
RESOLUTION OF AUTHORIZATION

The Board of Supervisors (the "Board") acting for and on behalf of _____ County, Mississippi, (the "County") took up for consideration the matter of authorizing and approving a grant/loan on behalf of the County from the Mississippi Development Authority (the "MDA") for the purpose of completing infrastructure related to _____ and thus enhancing economic development through the creation of jobs.

Thereupon Supervisor _____ offered and moved the adoption of the following resolution:

RESOLUTION OF THE BOARD OF SUPERVISORS OF ____ COUNTY, MISSISSIPPI, TO AUTHORIZE AND APPROVE THE PRESIDENT OF THE BOARD, ON BEHALF OF THE COUNTY ENTERING INTO A GRANT/LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT AUTHORITY IN ORDER TO RECEIVE A GRANT/LOAN ON BEHALF OF THE COUNTY FROM THE MISSISSIPPI DEVELOPMENT AUTHORITY IN AN AMOUNT NOT TO EXCEED DOLLARS

($_____) FOR THE PURPOSE OF COMPLETING INFRASTRUCTURE RELATED TO _____ AND THUS ENHANCING ECONOMIC DEVELOPMENT THROUGH THE CREATION OF JOBS.

WHEREAS, the Mississippi Business Investment Act, Sections 57-61-1 et. seq., of the Mississippi Code of 1972, as amended, (the "Act") was enacted for the purpose of promoting business and economic development in the state of Mississippi (the "State") through job producing programs and by providing loans and grants to counties to assist in securing investment by private companies locating in the State; and

WHEREAS, pursuant to Section 57-61-36 of the Act, MDA is authorized to make a grant to the County for the purpose of completing infrastructure related to and thus enchanting economic development through the creation of jobs; and

WHEREAS, pursuant to the Act and the guidelines adopted by MDA, the County has filed an application with MDA for a grant/loan to complete infrastructure related to__ ; and

WHEREAS, based on the application, the Act and the guidelines, MDA has agreed to provide a grant/loan to the County for the purposes set forth; and

WHEREAS, before the grant/loan can be processed, a Grant/Loan Agreement must be entered into by the County and MDA, setting out the terms and conditions of the grant/loan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY, AS FOLLOWS:

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

Section 2. That the Board of Supervisors of _____ County, Mississippi, is now fully authorized and empowered under the provisions of Sections 57-61-1 et. seq., of the Mississippi Code of 1972, as amended, to proceed with the execution of the Grant/Loan Agreement with MDA.

Section 3. That the President and Clerk of the Board are hereby authorized and directed to execute any and all documents and certificates as may be necessary in order to consummate the transaction contemplated by the resolution and upon execution, each of the documents and certificates shall be legal, valid, and binding obligations of the County enforceable in accordance to the terms of each.

Supervisor _____ seconded the motion to adopt the foregoing Resolution, and the vote thereupon was as follows:

Supervisor _____ voted _____
Supervisor _____ voted _____
Supervisor _____ voted _____
Supervisor _____ voted _____
Supervisor _____ voted _____

The motion having received the foregoing vote of the Governing Body, the Board President declared the motion carried and the Resolution adopted, on this the day of _____, 2010.

(SEAL)

_____
PRESIDENT, BOARD OF SUPERVISORS
_____COUNTY, MISSISSIPPI

_____
CHANCERY CLERK

EXHIBIT B
MUNICIPAL GOVERNMENT
RESOLUTION OF AUTHORIZATION

The Mayor and Board of Aldermen (the "Governing Body") acting for and on behalf of the City of _____, Mississippi, (the "Municipality") took up for consideration the matter of authorizing and approving a grant/loan on behalf of the Municipality from the Mississippi Development Authority (the "MDA") for the purpose of completing infrastructure related to _____ and thus enhancing economic development through the creation of jobs.

Thereupon Alderman _____ offered and moved the adoption of the following resolution:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF_____, MISSISSIPPI, TO AUTHORIZE AND APPROVE THE MAYOR, ON BEHALF OF THE CITY, ENTERING INTO A GRANT/LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT AUTHORITY IN ORDER TO RECEIVE A GRANT ON BEHALF OF THE CITY FROM THE MISSISSIPPI DEVELOPMENT AUTHORITY IN AN AMOUNT NOT TO EXCEED _____ DOLLARS ($_____) FOR THE PURPOSE OF COMPLETING INFRASTRUCTURE RELATED TO _____ AND THUS ENHANCING ECONOMIC DEVELOPMENT THROUGH THE CREATION OF JOBS.

WHEREAS, the Mississippi Business Investment Act, Sections 57-61-1 et. seq., of the Mississippi Code of 1972, as amended, (the "Act") was enacted for the purpose of promoting business and economic development in the state of Mississippi (the "State") through job producing programs and by providing loans and grants to municipalities to assist in securing investment by private companies locating in the State; and

WHEREAS, pursuant to Section 57-61-36 of the Act, MDA is authorized to make grants/loans to the Municipality for the purpose of completing infrastructure related to _____ and thus enhancing economic development through the creation of jobs; and

WHEREAS, pursuant to the Act and the guidelines adopted by MDA, the Municipality has filed an application with MDA for a grant/loan to complete infrastructure related to ____; and

WHEREAS, based on the application, the Act and the guidelines, MDA has agreed to provide a grant/loan to the Municipality for the purposes set forth; and

WHEREAS, before the grant/loan can be processed, a Grant/Loan Agreement must be entered into by the Municipality and MDA, setting out the terms and conditions of the grant/loan.

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

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

Section 2. That the Mayor and Board of Aldermen of the City of _____, Mississippi, is now fully authorized and empowered under the provisions of Sections 57-61-1 *et. seq.,* of the Mississippi Code of 1972, as amended, to proceed with the execution of the Grant/Loan Agreement with the Department.

Section 3. That the Mayor and Clerk of the Board are hereby authorized and directed to execute any and all documents and certificates as may be necessary in order to consummate the transaction contemplated by the resolution and upon execution, each of the documents and certificates shall be legal, valid, and binding obligations of the Municipality enforceable in accordance to the terms of each.

Alderman _____ seconded the motion to adopt the foregoing Resolution and after the same had been read and considered section by section and put to a roll call vote, the results was as follows:

Alderman _____	voted _____
Alderman _____	voted _____
Alderman _____	voted _____
Alderman _____	voted _____
Alderman _____	voted _____

The motion having received the foregoing vote of the Governing Body, the Mayor declared the motion carried and the Resolution adopted, on this the _____ day of _____, 2010.

_____

MAYOR,
CITY OF _____, MISSISSIPPI

(SEAL)

_____

CITY CLERK