

ORDINANCE NO. 2314

ORDINANCE TO AMEND THE **BILOXI LAND DEVELOPMENT ORDINANCE**,
SPECIFICALLY TO CREATE A NEW OVERLAY ZONING DISTRICT CLASSIFICATION
TO BE KNOWN AS THE
HEALTH CARE INDUSTRY OVERLAY DISTRICT ZONE

WHEREAS, on Thursday, July 7, 2016, the Biloxi Planning Commission held a public hearing in the Auditorium of the Dr. Martin Luther King, Jr., Municipal Building, 676 Dr. Martin Luther King, Jr. Boulevard, Biloxi, Mississippi, to hear Case No. 16-023-PC, City of Biloxi, with respect to a proposed **Text Amendment** to the Biloxi Land Development Ordinance; and

WHEREAS, the Planning Commission members were apprised of the particulars of this case, being made cognizant of the fact that as per Section 23-2-4(A)(2)b of the Biloxi Land Development Ordinance, the Administration of the City of Biloxi proposed a Text Amendment to the Biloxi Land Development Ordinance, as addressed within Planning Commission Case No. 16-023-PC, City of Biloxi; and

WHEREAS, it is the intent of this Text Amendment to create a new **Health Care Industry Overlay District Zone**—an overlay district zone which will encourage health care related businesses to locate or expand within a qualified Health Care Industry Zone situated in the City of Biloxi, as authorized by the Mississippi Health Care Industry Zone Act of 2012 (re: House Bill 1537) passed by the Mississippi Legislature to expand access to high quality medical care for Mississippi residents, and also, to increase the number of health care jobs in the state of Mississippi, and as such, the following amendments to the Land Development Ordinance have been proposed:

Article 23-10 Definitions and Interpretation

Section 23-10-2 Terms and Uses Defined

Health Care Industry Overlay District Zone -

An overlay district zone which will encourage health care related businesses to locate or expand within a qualified Health Care Industry Zone situated in the City of Biloxi, as authorized by the Mississippi Health Care Industry Zone Act of 2012 (re: House Bill 1537).

Article 23-3: Zoning Districts

Section 23-3-5 (F) Health Care Industry Overlay District Zone

A **Health Care Industry Overlay District Zone**, as authorized by state statute, allows for qualified businesses to enjoy certain tax advantages upon locating within said Health Care Industry District Zone, as follows:

1. An area within a five-mile radius of a health care facility with Certificate of Need for acute care hospital beds in a region where there are three contiguous counties which have Certificates of Need for more than 375 acute care hospital beds; and /or
2. An area located within five miles of a hospital that will be constructed before July 1, 2017, and that involves a minimal capital investment of 250 million dollars.

(1) Purpose

The Health Care Industry Overlay District Zone is hereby established to provide notice of those areas of the City of Biloxi which qualify for consideration of certain incentives offered through the Mississippi Health Care Industry Zone Incentive Program. Under the terms of that Act, the Mississippi Development Authority (MDA) will certify those certain businesses deemed eligible to receive the following incentives through the Mississippi Health Care Industry Incentive Program:

- (a) An accelerated 10 year state income tax depreciation deduction;
- (b) A sales tax exemption for equipment and materials purchased from the date of the project's certification until three months after the facility is completed.
- (c) In addition, the city and county may grant a property tax "fee in lieu" for 10 years for any certified project with an investment of more than \$10 million or a 10- year ad valorem tax exemption, at the city and/or county's discretion.
- (d) Certified companies can also qualify for other Mississippi incentive programs.

(2) Applicability

The Mississippi Health Care Industry Zone Incentive Program is designed to benefit medical service providers and businesses engaged in: Medical Supply; Biologics; Laboratory Testing; Medical Product Distribution; Diagnostic Imaging; Biotechnology; Pharmaceutical Research and Development; and Medical Equipment or Medicine Production and related manufacturing or processing.

For a health care-related business to qualify for assistance through the Mississippi

Health Care Industry Zone Incentive Program, MDA must certify that the business meets the minimum requirements of the program and that the project advances health care opportunities in the state. Certification must be obtained before the project is announced and prior to the start of construction and hiring. Certified businesses must create at least 25 new full-time jobs or involve an investment of \$10,000,000.00 to qualify for this program.

The Mississippi Health Care Industry Zone Incentive Program will remain in effect from July 1, 2012 through June 30, 2022, unless extended by the Legislature.

(3) Official Map

The specific area(s) to be included within the Health Care Industry Overlay District Zone in Biloxi will be addressed via a separate Zoning Map Amendment; and

WHEREAS, on July 7, 2016, the Biloxi Planning Commission, after some discussion, voted to recommend approval of the proposed changes to the City of Biloxi Land Development Ordinance, as offered; and

WHEREAS, the Biloxi City Council, after careful review of the minutes of the Planning Commission's public hearing held to discuss the definition of a **Health Care Industry Overlay District Zone** and the layout of the addition of **Article 23-3: Zoning Districts - Section 23-3-5 (F) Health Care Industry Overlay District Zone**, hereby adopts the report and findings of the Biloxi Planning Commission and, in so doing, determines that the Text Changes proposed to the City of Biloxi Land Development Ordinance, as presented, are appropriate.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, THAT **ARTICLE 23-10 – SECTION 23-10-2 TERMS AND USES DEFINED; AND ARTICLE 23-3 – SECTION 23-3-5(F) HEALTH CARE INDUSTRY OVERLAY DISTRICT ZONE OF THE LAND DEVELOPMENT ORDINANCE**, BE REVISED TO ALTER LANGUAGE AS FOLLOWS:

Section 1. **Definition and Interpretation**

Article 23-3: Zoning Districts – Section 23-10-2 Terms and Uses Defined; and

WHEREAS, the proposed modifications and changes to the Land Development Ordinance include the following:

Article 23-10 Definitions and Interpretation

Section 23-10-2 Terms and Uses Defined

Health Care Industry Overlay District Zone -

An overlay district zone which will encourage health care related businesses to locate or expand within a qualified Health Care Industry Zone situated in the City of Biloxi, as authorized by the Mississippi Health Care Industry Zone Act of 2012 (re: House Bill 1537).

Article 23-3: Zoning Districts

Section 23-3-5 (F) Health Care Industry Overlay District Zone

A **Health Care Industry Overlay District Zone**, as authorized by state statute, allows for qualified businesses to enjoy certain tax advantages upon locating within said Health Care Industry District Zone, as follows:

1. An area within a five-mile radius of a health care facility with Certificate of Need for acute care hospital beds in a region where there are three contiguous counties which have Certificates of Need for more than 375 acute care hospital beds; and /or
2. An area located within five miles of a hospital that will be constructed before July 1, 2017, and that involves a minimal capital investment of 250 million dollars.

(1) Purpose

The Health Care Industry Overlay District Zone is hereby established to provide notice of those areas of the city of Biloxi which qualify for consideration of certain incentives offered through the Mississippi Health Care Industry Zone Incentive Program. Under the terms of that Act, the Mississippi Development Authority (MDA) will certify those certain businesses deemed eligible to receive the following incentives through the Mississippi Health Care Industry Incentive Program:

- (a) An accelerated 10 year state income tax depreciation deduction;
- (b) A sales tax exemption for equipment and materials purchased from the date of the project's certification until three months after the facility is completed.
- (c) In addition, the city and county may grant a property tax "fee in lieu" for 10 years for any certified project with an investment of more than \$10 million or a 10- year ad valorem tax exemption, at the city and/or county's discretion.
- (d) Certified companies can also qualify for other Mississippi incentive programs.

(2) Applicability

The Mississippi Health Care Industry Zone Incentive Program is designed to benefit medical service providers and businesses engaged in: Medical Supply; Biologics; Laboratory Testing; Medical Product Distribution; Diagnostic Imaging; Biotechnology; Pharmaceutical Research and Development; and Medical Equipment or Medicine Production and related manufacturing or processing.

For a health care-related business to qualify for assistance through the Mississippi Health Care Industry Zone Incentive Program, MDA must certify that the business meets the minimum requirements of the program and that the project advances health care opportunities in the state. Certification must be obtained before the project is announced and prior to the start of construction and hiring. Certified businesses must create at least 25 new full-time jobs or involve an investment of \$10,000,000.00 to qualify for this program.

The Mississippi Health Care Industry Zone Incentive Program will remain in effect from July 1, 2012 through June 30, 2022, unless extended by the Legislature.

(3) Official Map

The specific area(s) to be included within the Health Care Industry Overlay District Zone in Biloxi will be addressed via a separate Zoning Map Amendment; and

SECTION 2. All other sections of said Chapter 23 of the Code of Ordinances of the City of Biloxi, Mississippi, shall remain in full force and effect.

SECTION 3. This ordinance shall become effective thirty days from and after its passage and publication with law.

The foregoing Ordinance having first been reduced to writing, was read by the Clerk and moved by Councilmember Glavan, seconded by Councilmember Tisdale, and was adopted by the following vote:

| | | | | |
|-------|----------|---------|-------|------|
| YEAS: | Lawrence | Tisdale | NAYS: | None |
| | Gines | Glavan | | |
| | Newman | Fayard | | |
| | Deming | | | |

The President then declared the Ordinance adopted this the 27th day of September, 2016.

(SEAL)

ATTEST:

/s/Karen Brashier

III

CLERK OF THE COUNCIL

THE COUNCIL

ADOPTED:

/s/ Robert L. Deming

PRESIDENT OF

Submitted to and approved by the Mayor, this the 29th day of September, 2016.

APPROVED:

/s/Andrew "FoFo" Gilich

MAYOR