

**ORDER AUTHORIZING THE RESCINDING OF
TAX EXEMPTION BY E.H. HOLDINGS, LLC**

WHEREAS, Section 17-21-5 of the Mississippi Code of 1972 authorizes municipal governing authorities, in their discretion, to grant exemptions from ad valorem taxation, except ad valorem taxation for school district purposes, for new structures, or improvements to or renovations of existing structures located in the designated Central Business District of the municipality, for a period of not more than seven (7) years from the date of completion of the new structure or improvement to or renovation of the existing structure for which the exemption is granted; and

WHEREAS, the City Council, on or about January 18, 2011, established a policy for the granting of such exemptions; and

WHEREAS, E.H. Holdings, LLC, made application to the City Council for preliminary approval of an exemption request for construction of improvements on certain property in the Central Business District that were expected to equal or exceed \$2,500,000 in value; and

WHEREAS, the City Council, by a resolution dated May 20, 2014, granted preliminary approval for the tax exemption request made by E.H. Holdings, LLC; and

WHEREAS, the improvements to the real property were complete and a resolution for final approval of the tax exemption was adopted on August 5, 2014 to commence on December 31, 2014; and

WHEREAS, E.H. Holdings, LLC, is the owner in fee simple of the real property located at 2221 Denny Avenue and bearing Parcel Identification No. 41703206.020, which parcel is the site of the improvements; and

WHEREAS, on or about February 26, 2019, the business ceased operations at the described location; and

WHEREAS, Section 7. Of the Order establishing the tax exemption policy of the City of Pascagoula adopted on adopted January 18, 2011, states that “should the applicant subsequently terminate the use of the building or structure subject to the exemption, or abandon same with no intent to carry on the business for which the exemption was granted, then in such event, the exemption allowed hereunder shall be

terminated and the property in question shall be subject to full taxation the same as if no exemption were ever in fact granted, from and after the termination of such use as determined by the Director of Planning and Building.”

WHEREAS, The Director of Planning and Building has concluded that the operation of the International House of Pancakes (IHOP) has terminated its operations at the above referenced address and cessation of the exemption is required.

NOW, THEREFORE, BE IT ORDERED AS FOLLOWS:

SECTION 1. All the statements made in the foregoing preambles are incorporated herein and found to be factual.

SECTION 2. The request of E.H. Holdings, LLC, for the property now known as “International House of Pancakes (IHOP)” and located at 2221 Denny Avenue and bearing Parcel No. 41703206.020 was granted certain tax exemptions for a period of seven (7) years commencing December 31, 2014.

SECTION 3. The exemption granted was approved for eighty (80) percent of the City of Pascagoula ad valorem taxes on the value of the improvements made to the parcel by E.H. Holdings, LLC, exclusive of any taxes imposed for School District purposes.

SECTION 4. On or about February 26, 2019, the business ceased operations, was vacated and offered for sale or lease.

SECTION 5. The exemption provided to E.H. Holdings, LLC, as described above is hereby rescinded as of January 1, 2019.

SECTION 6. The City Clerk shall file this order in a book kept in the Clerk’s office for that purpose and a copy of this order shall likewise be filed with the Chairman of the Mississippi Bureau of Revenue, the State Auditor of Public Accounts and the Jackson County Tax Assessor.