



Residential Renewal and  
Renovation District (3RD)  
Tax Exemption Information  
2019

### **Pascagoula Residential Renewal and Renovation District Tax Exemption:**

Utilizing Miss. Code Ann. 17.21.5, 27.31.31 and 27.31.32, the Pascagoula Residential Renewal and Renovation (3RD) District Tax Exemption Policy was established to promote private investment and residential growth and revitalization within the City of Pascagoula. The Exemption will allow an exemption that is up to 100 percent of municipal ad valorem taxes (excluding School Taxes) for a maximum period of ten (10) years for residential developments including new structures and improvements to existing structures located within the 3RD. The exemption is limited to the increases in the amount (or increased value of improvements) of City ad valorem taxes caused by the new construction or renovation structures.

### **Residential Tax Exemption Facts:**

- The tax exemption may be granted for up to 100%.
- The tax exemption is only applicable to the **increase** in assessed City ad valorem taxes resulting from the higher value with improved property.
- The residence must be located within the boundaries of one of the following districts:
  - Central Business District, Historic Districts, or Urban Renewal District. These districts may be provided a tax exemption for a period up to 7 years. Projects with Historic Districts or Properties must comply with Historic Preservation Commission requirements.
  - Residential Renewal Districts. These districts may be provided a tax exemption for a period up to 10 years.
  - Residential Renovation Districts. These districts may be provided a tax exemption for a period up to 10 years.
- This Exemption can apply to a new residence or an existing residence.
  - The minimum investment for a renovation project is \$30,000.
  - The minimum investment for a new construction project is \$150,000.
- Single Family, Townhomes, Condominiums, and similar fee simple, owner occupied structures are eligible for the tax exemption. Rental property can be considered in certain cases.
- The tax exemption is transferrable if the property is conveyed during the exemption period.
- The tax exemption is not intended to be used for rental properties. Consideration may be given for improvements to existing rental properties if significant aesthetic, safety, and functional improvements are provided. New rental projects may be considered, as well. Pascagoula currently has a higher than average number of rental properties and some are in a state of disrepair. Efforts to improve the existing rental housing stock or construct additional rental units will be considered on a case by case basis.

## **How to Apply:**

An application for residential tax exemption in the 3RD is enclosed (Exhibit C). Complete this application **PRIOR** to beginning construction or renovation. Along with the application for a building permit, tax exemption applications should be submitted to the Planning, Building, and Code Enforcement Department.

The 3RD Tax Exemption Policy is structured to provide the City Council complete discretion for approving each application up to 100% for a maximum period of seven to ten years (depending on the requirements of a particular district). The City strives to leverage this incentive to facilitate reconstruction and redevelopment that have been and continue to be affected by the current economic climate and high cost of insurance. In order to maximize the potential of this opportunity, the City staff will consider the criteria below when recommending the level and term of a tax exemption. The Director of Planning and Building will evaluate applications and make recommendations to City Council.

The following point system will be used in staff evaluations:

- Investment – 20 points
  - Value or overall costs of the improvements
  - Projected increased assessed value of finished product
  - Multiple projects or sites
  - Existing condition of property
- Community need for development – 10 points
  - Is the project within an area identified as a primary area? (Residential Renewal and Renovation Districts)
  - Is the project within an area identified as a secondary area? (CBD, Historic and Urban Renewal)
  - Owner occupied or rental residential
- Aesthetics– 15 points
  - Degree of aesthetic and overall quality of the structure

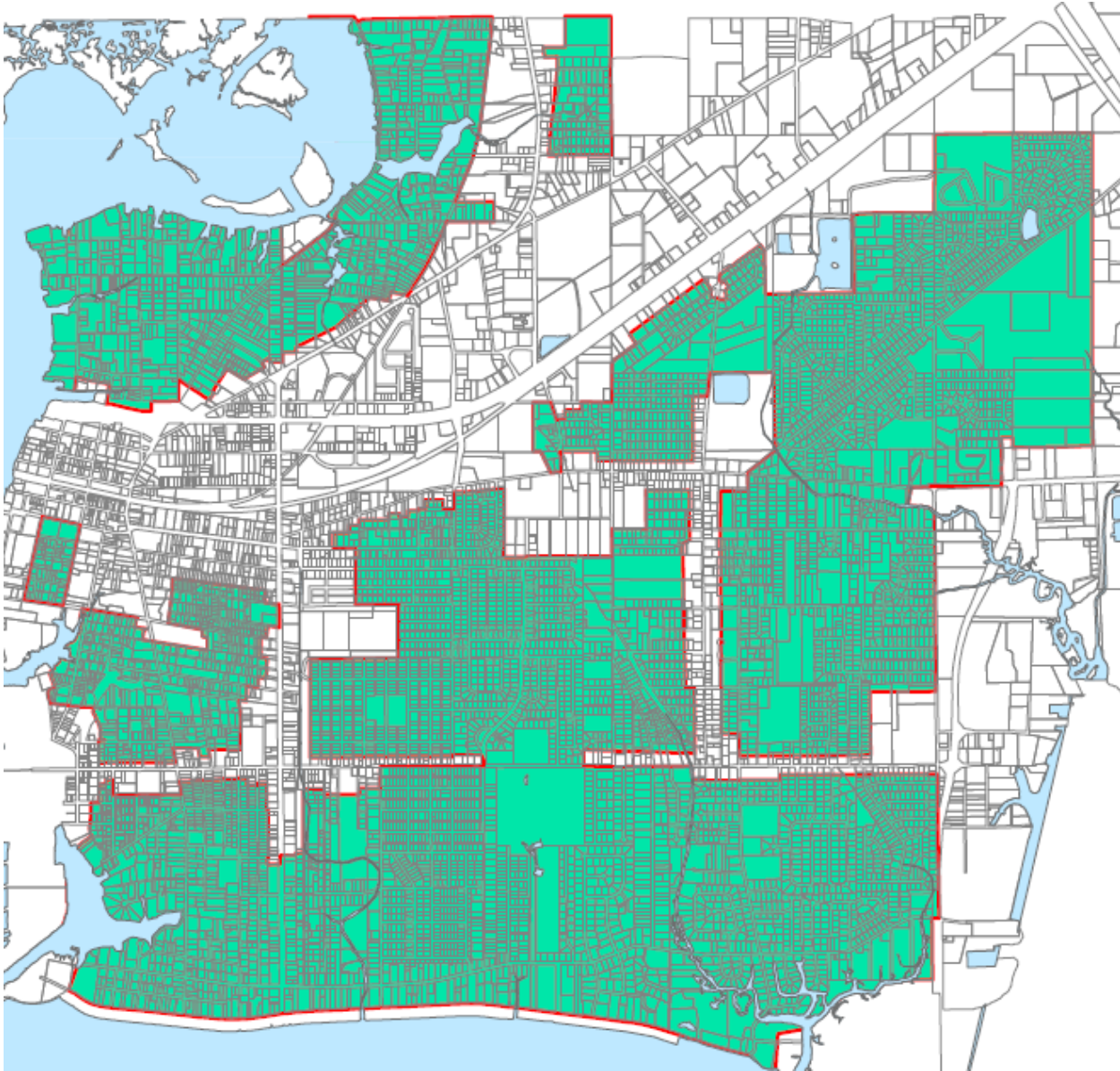
Total Possible Score – 45 points

**For more information, contact:**

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**EXHIBIT A**

**Residential Renewal and Renovation District**



**EXHIBIT B**

**Urban Renewal District**



EXHIBIT C



**Residential Tax Exemption Application**

Name of Applicant: \_\_\_\_\_

Applicant Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_ Is this an existing residence? YES NO

Project Address: \_\_\_\_\_

Value of Renovation/Construction Costs: \$ \_\_\_\_\_

Projected value of finished product: \$ \_\_\_\_\_

How long has the building/site been vacant? \_\_\_\_\_ Is the development in the CBD? YES NO

Is the project within the Residential Renewal District? YES NO

Is the project within the Residential Renovation District? YES NO

Is the project within the Urban Renewal District? YES NO

Will the project be Owner Occupied or Rental? OWNER RENTAL

**Building plans are required to evaluate a residential tax exemption application. Please submit these to the Director of Planning and Building once developed.**

*By signing below, I hereby confirm that I am an authorized representative of the applicant and that the information provided is truthful to the best of my knowledge. Furthermore, I understand that this tax exemption will be approved or denied, or the exemption term or amounts reduced at the sole discretion of the City Council of the City of Pascagoula as per the Order by which the tax exemption policy was established.*

Signature of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_