AN ACT TO CREATE THE SMART GROWTH ECONOMIC DEVELOPMENT INFRASTRUCTURE ACT FOR THE PURPOSE OF PROVIDING FINANCIAL ASSISTANCE TO QUALIFIED DISTRESSED COUNTIES FOR CERTAIN INFRASTRUCTURE NEEDS; TO PROVIDE THAT SUCH ASSISTANCE SHALL BE IN THE FORM OF LOANS OR LOANS CONVERTIBLE TO GRANTS UPON THE SATISFACTION OF CERTAIN CONDITIONS; TO PROVIDE THAT THE PROGRAM SHALL BE ADMINISTERED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO CREATE THE SMART GROWTH ECONOMIC DEVELOPMENT INFRASTRUCTURE FUND; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. This act shall be known as the Smart Growth Economic Development Infrastructure Act.

SECTION 2. (1) As used in this act:

(a) "Fund" means the Smart Growth Economic Development Infrastructure Fund established pursuant to this section.

(b) "Qualified distressed county" means a county that has developed in consultation with the municipalities located within the county and submitted to the executive director a local strategic plan for economic development that has been approved by the executive director and:

(i) For which the average rate of unemployment for the most recent eighteen-month period for which data are available, is greater than one hundred fifty percent (150%) of the average rate of unemployment for the entire state during that same period; or

(ii) For which the average per capita personal income for the most recent twenty-four-month period for which data are available is equal to or less than sixty-seven percent (67%) of the average personal per capita income for the entire state during that same period.
(c) "Executive director" means the executive director of the Mississippi Development Authority.

(d) "MDA" means the Mississippi Development Authority.

SECTION 3. (1) There is established the Smart Growth Economic Development Infrastructure Program for the purposes of providing financial assistance to counties as provided in this section. Assistance under this program shall consist of loans from the fund or loans from the fund that are convertible in whole or in part to a grant upon the satisfaction of specified conditions, all upon terms specified by MDA.

(2) Except as otherwise provided in this section, the executive director may approve financial assistance from the fund to a qualified distressed county for the purposes of financing the costs of acquisition, improvements and rehabilitation of land for industrial sites and parks, development of water and sewer lines, shell building, infrastructure serving existing retail and office oriented center occupying at least four hundred thousand (400,000) square feet on a limited basis of no more than one (1) per jurisdiction, and other needed infrastructure projects.

(3) (a) In addition to any other requirement for an application for financial assistance under this section, an application for financial assistance under this section shall include for each project:

(i) A marketing plan designed to market the project to prospective businesses and a statement of planned marketing expenditures as a percent of the total financial assistance amount requested; and

(ii) A site plan for the project that is consistent with the county's local strategic economic development plan as to the location and type of project.

(b) The executive director may not approve financial assistance for a project under this act unless he approves the
marketing plan and site plan for the project submitted with the application.

(4) (a) Each loan agreement under this section shall include a provision for repayment of principal to begin only after the project is initially occupied.

(b) The executive director may include in a loan agreement under this section a provision for payment of interest to begin only after the project is initially occupied.

(c) All payment of principal or interest on any loan made pursuant to this act shall be deposited into the fund.

(5) The qualified or distressed county or municipality applying for assistance shall:

(a) Certify that it supports the project and that the proposed financial assistance is consistent with the qualified distressed county’s plan for economic development; and

(b) Provide to MDA details of the qualified distressed county’s support for participation in the project.

(6) In approving financial assistance, the executive director shall consider the aggregate amount of financial assistance that may already have been provided for a particular qualified distressed county under this section and under any other state economic development program to ensure that no particular qualified distressed county benefits disproportionately from financial assistance under this section.

(7) MDA may develop a local strategic plan for economic development in a qualified distressed county in consultation with a municipal corporation in that county if:

(a) The qualified distressed county has not developed a local strategic plan for economic development; or

(b) The qualified distressed county has developed a local strategic plan for economic development but is not actively pursuing financial assistance from the fund.
(8) A municipal corporation located in a qualified distressed county may:

(a) Apply for financial assistance from the fund in a manner consistent with the plan developed by MDA in consultation with the municipal corporation if the qualified distressed county has not developed a local strategic plan for economic development;

or

(b) Apply for financial assistance from the fund in a manner consistent with the plan developed by the qualified distressed county if the qualified distressed county has developed a local strategic plan for economic development but is not actively pursuing financial assistance from the fund.

(9) MDA shall adopt all rules and regulations necessary to implement the provisions of this act.

SECTION 4. There is created in the State Treasury a special fund to be known as Smart Growth Economic Development Infrastructure Fund into which shall be deposited any money designated for deposit therein and any repayment of principal and interest on loans made pursuant to the provisions of this act. Money in the fund shall be used for the purposes provided for in this act. The fund shall be administered by MDA and money in the fund shall be expended upon appropriation by the Legislature. Unexpended amounts remaining in the fund at the end of the state fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the fund shall be deposited to the credit of the fund.

SECTION 5. This act shall take effect and be in force from and after July 1, 2002.