

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1185

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

14 SECTION 1. (1) Acting on behalf of the Department of
15 Finance and Administration, the Mississippi Development Authority,
16 subject to the provisions of subsection (6) and the approval of
17 the Secretary of State, is authorized to lease for a period not to
18 exceed sixty (60) years with an option to renew not to exceed
19 twenty (20) years all of the land, formerly known as the "Old
20 School for the Blind," located north of Eastover Drive in the City
21 of Jackson, Hinds County, Mississippi, and more particularly
22 described as follows:

23 Starting at a concrete monument that is the SE corner of
24 the SW 1/4 of the SW 1/4 of Section 24, T6N, R1E in the
25 First Judicial District, Hinds County, Mississippi, run
26 thence N 00°-01' E along the line between the E 1/2 and
27 the W 1/2 of the SW 1/4 of Section 24, T6N, R1E for a
28 distance of 194.40 feet to a point on the north line of
29 Eastover Drive, as said drive is now laid out and
30 improved, the point of beginning.

31 Run thence N 56°-46' W along said north line of said
32 Eastover Drive for a distance of 3.02 feet to the P.C.

33 of a curve to the left with a radius (chord) of 5769.65
34 feet (angle of curve was omitted, 04°-00'-0r"); Run
35 thence along said curve and said north line of Eastover
36 Drive for a distance of 402.91 feet to the P.T. of said
37 curve; Run thence N 60°-46' W along said north line of
38 said Eastover Drive for a distance of 684.92 feet to a
39 point on the east right-of-way line of U.S. Highway No.
40 51, as said highway is now laid out and improved, Run
41 thence N 29°-14' E along said east right-of-way line of
42 U.S. Highway No. 51 for a distance of 1422.24 feet to a
43 point; Run thence N 87°-06' E for a distance of 251.28
44 feet to a point on the line between the E 1/2 and the W
45 1/2 of the SW 1/4 of Section 24, T6N, R1E, and also
46 being a point on the south line of share 1 of the Mosal
47 partition; Run thence S 00°-01' W along said line
48 between the E 1/2 and the W 1/2 of the SW 1/4 of Section
49 24, T6N, R1E for a distance of 1796.17 feet to the point
50 of beginning.

51 All the above described land being situated in the W 1/2
52 of the SW 1/4 of Section 24, T6N, R1E in the First
53 Judicial District of Hinds County, Mississippi, and
54 being wholly within the corporate limits of the City of
55 Jackson and containing 22.822 acres.

56 (2) (a) The property described in subsection (1) shall be
57 leased for private redevelopment to result in the highest and best
58 use as determined by the Mississippi Development Authority and to
59 ensure that the property is used in a manner that will not
60 interfere with the operation of the Mississippi School for the
61 Blind or the Mississippi School for the Deaf; provided that such
62 redevelopment shall be a mixed-use development consisting of
63 commercial, residential and retail space, with an investment of
64 not less than One Hundred Million Dollars (\$100,000,000.00). The

65 Mississippi Development Authority is authorized to negotiate all
66 aspects of the lease.

67 (b) It is the intent of the Legislature that such
68 property will be leased to a private developer for the benefit of
69 creating value while also preserving the local environment,
70 promoting growth in the area and generating a constant revenue
71 stream for the State of Mississippi.

72 (c) The Mississippi Development Authority is authorized
73 to make such terms and agreements as may be reasonably necessary
74 to effect such intent to ensure a fair and equitable return to the
75 state.

76 (d) The lessee of the property shall be allowed to
77 sublease all or a portion of such property under the terms and
78 conditions agreed to by the Mississippi Development Authority.

79 (3) Oil, gas and mineral rights in the property shall be
80 reserved to the State of Mississippi, and no provision of the
81 lease may provide otherwise.

82 (4) Nothing in this section shall be construed to authorize
83 the sale or transfer of title to the property described in
84 subsection (1).

85 **SECTION 2.** (1) For purposes of this section and Section 3
86 of this act, "Old School for the Blind Land" means the land
87 described in Section 1 of this act.

88 (2) At any time after the first fifteen (15) years of the
89 term of any residential lease or sublease of Old School for the
90 Blind Land, the then present lessee may obtain from the
91 Mississippi Development Authority a new sixty-year lease on the
92 terms and conditions contained in the then current lease form
93 approved for use in residential leases with the exception of rent.
94 Rent under such sixty-year leases will be payable on the same
95 annual payment date as rent under the lease being renewed. The

96 annual rental under the new lease will be determined in accordance
97 with the terms of the then current lease form.

98 (3) A reasonable nonrefundable fee may be charged for
99 preparation of the renewal lease. The lessee will be responsible
100 for obtaining the consent of any mortgage holder to the lease
101 modification.

102 (4) At any time a lessee is found to be in default or in
103 breach of the terms and conditions contained in the lease, the
104 Mississippi Development Authority shall give thirty (30) days'
105 written notice to such lessee before terminating the lease. Such
106 notice shall be by certified mail and shall specifically state the
107 default or breach. If the lessee does not cure the default or
108 breach within thirty (30) days of such notice, then the
109 Mississippi Development Authority shall give written notice to the
110 holder of any mortgage or deed of trust on the leasehold and such
111 holder shall thereupon have thirty (30) days to cure the default
112 or breach before the lease is terminated.

113 **SECTION 3.** (1) Any holder of a lease of Old School for the
114 Blind Land that is not a residential lease subject to Section 2 of
115 this act, shall have the right, exclusive of all other persons, to
116 renew the lease at fair market value at any time prior to
117 expiration of the lease.

118 (2) Other than the right of a lessee to renew at fair market
119 value, nothing in this section is intended to limit or restrict
120 the right of the Mississippi Development Authority to negotiate
121 terms of any lease in furtherance of any of the purposes
122 authorized by this section and in a manner deemed favorable to the
123 state.

124 (3) (a) Prior to entering into any nonresidential lease
125 under this section, whether a new or renewal lease, the
126 Mississippi Development Authority shall obtain at least one (1)
127 appraisal from a competent appraiser establishing the fair market

128 rental value of the land, exclusive of improvements made by the
129 leaseholder or any predecessor in title, and, except as otherwise
130 provided in paragraph (b) of this subsection, the land shall not
131 be leased for an amount less than the fair market rental as
132 determined by the appraiser. The Mississippi Development
133 Authority may require such other terms as it deems advisable. The
134 cost of the appraisal shall be paid by the Mississippi Development
135 Authority and may be included in the costs of lease renewal to be
136 reimbursed by the lessee.

137 (b) The lessee may obtain an appraisal from a certified
138 real estate appraiser establishing the fair market rental value of
139 the land. If the fair market rental value of the land established
140 in such appraisal differs from the fair market rental value of the
141 land established in the appraisal obtained by the Mississippi
142 Development Authority, the land shall not be leased for an amount
143 less than the average of the fair market rental value established
144 by the two (2) appraisals.

145 (4) For the purposes of this section, "terms" means rent,
146 rent escalation clauses, rental adjustment periods and method of
147 determination, term of years, permitted use, condition of
148 improvements, removal of improvements, compliance with rules and
149 regulations and other matters typically addressed in a commercial
150 lease.

151 (5) In the event a lessee has not obtained a new lease
152 pursuant to the provisions of this section, any preemptive right
153 of the lessee to lease the property shall be extinguished upon
154 expiration of the lease, and, if required by the terms of the
155 lease and at the option of the Mississippi Development Authority,
156 the lessee shall remove all improvements and other structures on
157 the property immediately upon termination of the lease.

158 **SECTION 4.** Section 27-33-17, Mississippi Code of 1972, is
159 amended as follows:

160 27-33-17. The meaning of the words "own," "owned,"
161 "ownership" and similar words, for the purpose of this article,
162 shall be limited to real estate, and to title, as follows:

163 (a) "Fee title," meaning inheritable title (whether by
164 inheritance, gift or purchase), limited to only ownerships known
165 as (1) "absolute" (freehold), or (2) "tenancy for life" (life
166 estate), or (3) "tenancy in common," "joint tenancy," "joint
167 ownership" and "common title"; the conditions of none of which may
168 be restricted during the life of the owner as to possession,
169 occupancy and use; and the words "joint owner," "joint tenant" or
170 "joint tenancy" when used in this article shall include "tenant in
171 common," "tenancy in common" and "estate in common," unless a
172 different meaning is clearly indicated by the context.

173 (b) "An express trust of record," meaning a trust
174 created in express terms in a recorded deed, will or other
175 writing, with reference to the land to which it applies, the
176 beneficiary of which trust is the head of a family, who under the
177 terms of the trust, is entitled to and does occupy and use the
178 property as a home, which property is assessed for taxation to the
179 beneficiary and on which property the beneficiary pays the taxes,
180 unless otherwise provided in the trust.

181 (c) "School lands legally leased," meaning a legal
182 lease of school land which is perpetually renewable, or school
183 land legally leased for a term of ten (10) years or more under the
184 provisions of Section 211 of the Mississippi Constitution, the
185 owner of which lease is the head of a family who is entitled to
186 and does occupy and use the property as a home, and who renders
187 the property for assessment and pays the taxes thereon, as
188 required by law.

189 (d) "Pearl River Valley Water Supply District lands
190 legally leased," meaning a legal lease of lands owned in fee by
191 the Pearl River Valley Water Supply District, an agency of the

192 State of Mississippi, for a period of twenty (20) years or more,
193 with the option of renewal for successive periods of ten (10)
194 years, to a person, individually or in joint tenancy, who is the
195 head of a family and is entitled to and does occupy and use the
196 property as a home, and who renders the property for assessment
197 and pays the taxes thereon, as required by law.

198 (e) "Mississippi-Yazoo Delta Levee Board lands legally
199 leased," meaning a legal lease of lands owned in fee title by the
200 Mississippi-Yazoo Delta Levee Board, an agency of the State of
201 Mississippi, for a period of five (5) years or more, with the
202 option of renewal for successive periods of five (5) years, to a
203 person, individually or in joint tenancy, who is the head of a
204 family and is entitled to and does occupy and use the property as
205 a home, and who renders the property for assessment and pays the
206 taxes thereon, as required by law. This exemption shall include
207 all leases in existence that were entered into prior to July 1,
208 1992.

209 (f) If title is held by deed or other grant, such
210 instrument shall be dated and acknowledged on or before January 1
211 of the year for which homestead exemption is applied and shall be
212 filed for record with the chancery clerk on or before January 7 of
213 the year for which homestead exemption is applied and the book and
214 page of such recordation shall be noted on the application. If
215 title is held by will, inheritance, adverse possession or any
216 means other than grant, same may be proved by affidavit, citation
217 of any court record, or such other evidence as may be required by
218 the commission. However, nothing shall prevent homestead
219 exemptions where it shall be shown that title was derived through
220 inheritance and the recording evidence otherwise necessary was
221 later recorded.

222 (g) "Fraternal or benevolent organization land legally
223 leased," meaning a legal lease of land from any fraternal or

224 benevolent organization owning land exempt from ad valorem
225 taxation under the provisions of Section 27-31-1, leased for ten
226 (10) years or more or for life, the owner of which lease is a head
227 of a family who is entitled to and does occupy and uses the
228 property as a home, and who renders the property for assessment
229 and pays the tax thereon, as required by law. This paragraph
230 shall not apply to any leased land if the dwelling located thereon
231 is owned by the fraternal or benevolent organization.

232 (h) "A remainder interest in the dwelling and eligible
233 land," meaning an interest held by the children of a testator in a
234 dwelling and the eligible land on which it is located, created by
235 the express terms of the will of the testator, in which the
236 children of the testator are granted the use of property only upon
237 the death or remarriage of the spouse of the testator or the
238 occurrence of certain other contingencies and such dwelling and
239 the eligible land on which it is located is assessed for taxation
240 to the children of the testator and on which dwelling and eligible
241 land the children of the testator pay the taxes thereon, as
242 required by law.

243 (i) "Old School for the Blind land legally subleased,"
244 meaning a legal sublease of land leased pursuant to Section 1 of
245 House Bill No. 1185, 2007 Regular Session, subleased for twenty
246 (20) years or more, the owner of which lease is a head of a family
247 who is entitled to and does occupy and uses the property as a
248 home, and who renders the property for assessment and pays the tax
249 thereon, as required by law.

250 **SECTION 5.** Section 27-33-19, Mississippi Code of 1972, is
251 amended as follows:

252 27-33-19. The word "home" or "homestead" whenever used in
253 this article shall mean the dwelling, the essential outbuildings
254 and improvements, and the eligible land assessed on the land roll
255 actually occupied as the primary home of a family group, eligible

256 title to which is owned by the head of the family, a bona fide
257 resident of this state, and when the dwelling is separately
258 assessed on the land roll for the year in which the application is
259 made, subject to the limitations and conditions contained in this
260 article. And the meaning of the word is hereby extended to
261 specifically include:

262 (a) One or more separate, bona fide dwellings and the
263 land on which they are located, each occupied under eligible
264 ownership rights by the widow or the widower, or the children of a
265 deceased parent, each separate home being property or a portion of
266 property owned by a deceased person whose estate has not been
267 distributed or divided or vested in a person or persons for life.
268 But in each case the property for which exemption is sought may
269 not be more than the applicant's inherited portion, and must be
270 accurately described on the application and the conditions
271 explained in writing. But the heirs may elect to accept one (1)
272 homestead for the estate. The home occupied by the surviving
273 spouse as provided by the laws of this state shall be preferred
274 over the homes claimed by the children, and the exemption to any
275 other heir shall not exceed the remaining amount obtained by
276 deducting the assessed value of the surviving spouse's portion
277 from the assessed value of the whole, divided by the number of
278 heirs other than the surviving spouse. Each heir claiming
279 exemption shall meet the requirements as to occupancy, residence
280 and head of a family, and no part of the undivided inherited lands
281 shall be combined with other lands and included in a homestead
282 exemption under this article except in the case of the surviving
283 spouse.

284 (b) One or more separated dwellings and eligible land,
285 not apartments, occupied each by a family group as a bona fide
286 home, eligible title to which entire property is held jointly by
287 purchase or otherwise by the heads of the families, and each joint

288 owner shall be allowed exemption on the proportion of the total
289 assessed value of all the property, equal to his fractional
290 interest (except as otherwise provided in paragraph (r) of this
291 section), provided no part of the jointly owned property shall be
292 exempted to a joint owner who has been allowed an exemption on
293 another home in the state.

294 (c) A dwelling and eligible lands owned jointly or
295 severally by a husband and wife, if they are actually and legally
296 living together. But if husband and wife are living apart, not
297 divorced, as provided by paragraphs (c) and (d) of Section
298 27-33-13, jointly owned land shall not be included except that the
299 dwelling occupied as a home at the time of separation shall be
300 eligible if owned jointly or severally.

301 (d) The dwelling and eligible land on which it is
302 located, owned and actually occupied as a home by a minister of
303 the gospel or by a licensed school teacher actively engaged whose
304 duties as such require them to be away from the home for the major
305 part of each year, including January 1, provided it was eligible
306 before such absence, and no income is derived therefrom, and no
307 part of the dwelling claimed as a home is rented, leased or
308 occupied by another family group, and when the home is eligible
309 except for the temporary absence of the owner.

310 (e) The dwelling and the eligible land on which it is
311 located, consisting of not more than four (4) apartments; provided
312 (1) if one (1) apartment is actually occupied as a home by the
313 owner the exemption shall be limited to one-fourth (1/4) the
314 exemption granted pursuant to this article, or (2) if the dwelling
315 and land is owned by four (4) persons and the four (4) owners each
316 occupy one (1) apartment as a home, the exemption shall be granted
317 equally to each owner; provided revenue is not derived from any
318 part of the property except as permitted by paragraphs (g) and (h)
319 of this section. If the dwelling and the eligible land on which

320 it is located consists of not more than three (3) apartments, and
321 one (1) apartment is actually occupied as a home by the owner, the
322 exemption shall be limited to one-third (1/3) the exemption
323 granted pursuant to this article, or if the dwelling and land is
324 owned by three (3) persons and the three (3) owners each occupy
325 one (1) apartment as a home, the exemption shall be granted
326 equally to each owner; provided revenue is not derived from any
327 part of the property except as permitted by paragraphs (g) and (h)
328 of this section. If the dwelling and the eligible land on which
329 it is located consists of not more than two (2) apartments and one
330 (1) apartment is actually occupied as a home by the owner, the
331 exemption shall be limited to one-half (1/2) the exemption granted
332 pursuant to this article, or if the dwelling and land is owned by
333 two (2) persons and the two (2) owners each occupy one (1)
334 apartment as a home, the exemption shall be granted equally to
335 each owner; provided revenue is not derived from any part of the
336 property except as permitted by paragraphs (g) and (h) of this
337 section.

338 (f) The dwelling and eligible land on which it is
339 located, actually occupied as the bona fide home of a family group
340 owned by the head of the family whereof five (5) and not more than
341 six (6) rooms are rented to tenants or boarders, and where there
342 are rented rooms and an apartment, the apartment shall be counted
343 as three (3) rooms; provided the exemption shall be limited to
344 one-half (1/2) the exemption granted pursuant to this article.

345 (g) The dwelling and eligible land being the bona fide
346 home of a family group owned by the head of the family used partly
347 as a boarding house, or for the entertainment of paying guests, if
348 the number of boarders or paying guests does not exceed eight (8).

349 (h) The dwelling and eligible land being the bona fide
350 home of a family group owned by the head of the family wherein
351 activity of a business nature is carried on, but where the

352 assessed value of the property associated with the business
353 activity is less than one-fifth (1/5) of the total assessed value
354 of the bona fide home; provided, however, that when the owner's
355 full-time business is located in the bona fide home of the head of
356 the family, such owner shall be limited to one-half (1/2) of the
357 exemption granted pursuant to this article.

358 (i) The dwelling and the eligible land on which it is
359 located and other eligible land even though ownership of and title
360 to the dwelling and the land on which it is located has been
361 conveyed to a housing authority for the purpose of obtaining the
362 benefits of the Housing Authorities Law as authorized by Sections
363 43-33-1 through 43-33-53 or related laws.

364 (j) A dwelling and the eligible land on which it is
365 located owned by a person who is physically or mentally unable to
366 care for himself and confined in an institution for treatment
367 shall be eligible notwithstanding the absence of the owner unless
368 the home is excluded under other provisions of this article. The
369 exemption is available for a period of ten (10) years from the day
370 of confinement.

371 (k) The dwelling and the eligible land on which it is
372 located owned by two (2) or more persons of a group, as defined in
373 paragraph (f) of Section 27-33-13, when two (2) or more of the
374 group have eligible title, or if the group holds a life estate, a
375 joint estate or an estate in common; provided the title of the
376 several owners shall be of the same class.

377 (l) A dwelling and the eligible land on which it is
378 located under a lease of sixty (60) years by the Pearl River
379 Valley Water Supply District at the reservoir known as the "Ross
380 Barnett Reservoir" actually occupied as the home or homestead of a
381 family or person as defined heretofore in this article. However,
382 no such family group or any other person heretofore qualified and
383 defined in this article shall be allowed to establish more than

384 one (1) home or homestead for the purpose and intent of this
385 article.

386 (m) Units of a condominium constructed in accordance
387 with Section 89-9-1 et seq., Mississippi Code of 1972, known as
388 the "Mississippi Condominium Law," and actually occupied as the
389 home or homestead of a family or person as defined heretofore in
390 this article. However, no such family group or any other person
391 heretofore qualified and defined in this article shall be allowed
392 to establish more than one (1) home or homestead for the purpose
393 and intent of this article.

394 (n) A dwelling and the eligible land on which it is
395 located held under a lease of ten (10) years or more or for life,
396 from a fraternal or benevolent organization and actually occupied
397 as the home or homestead of a family or person as defined
398 heretofore in this article. No such family group or any other
399 person heretofore qualified and defined in this article shall be
400 allowed to establish more than one (1) home or homestead for the
401 purpose and intent of this article.

402 (o) A dwelling being the bona fide home of a family
403 group owned by the head of the family and located on land owned by
404 a corporation incorporated more than fifty (50) years ago and in
405 which the homeowner is a shareholder, and which corporation owns
406 no land outside Monroe and Itawamba Counties. No family group or
407 any other person heretofore qualified and defined in this article
408 shall be allowed to establish more than one (1) home or homestead
409 for the purpose and intent of this article.

410 (p) A dwelling and the eligible land on which it is
411 located under a lease of five (5) years or more by the
412 Mississippi-Yazoo Delta Levee Board actually occupied as the home
413 or homestead of a family or person as defined pursuant to this
414 article. However, no such family group or any other person
415 qualified and defined pursuant to this article shall be allowed to

416 establish more than one (1) home or homestead for the purpose and
417 intent of this article. The definition shall include all leases
418 in existence that were entered into prior to July 1, 1992.

419 (q) A dwelling and the eligible land on which the
420 spouse of a testator is granted the use of such dwelling for life
421 or until the occurrence of certain contingencies and the children
422 of such testator are granted a remainder interest in the dwelling
423 and eligible land. Such dwelling and eligible land will only
424 qualify as a home or homestead if (i) the spouse of the testator
425 would otherwise qualify as head of a family if the interest were a
426 tenancy for life (life estate) and (ii) the dwelling and eligible
427 land is actually occupied as the home of the spouse of the
428 testator. The children of the testator shall be allowed to
429 establish an additional homestead for purposes of this article.

430 (r) A dwelling and the eligible land actually occupied
431 as the bona fide home of a family group. If a person has been
432 granted use and possession of a home in a divorce decree, that
433 individual is eligible for full exemption, regardless of whether
434 the property is jointly owned.

435 (s) A dwelling being the bona fide home of a family
436 group located on land owned by a corporation incorporated more
437 than forty (40) years ago and in which the head of the family
438 group is a shareholder, and which corporation owns no land outside
439 Lee County, Mississippi. No family group or any other person
440 qualified and defined in this article shall be allowed to
441 establish more than one (1) home or homestead for the purpose and
442 intent of this article.

443 (t) The floor or floors of a building used solely for
444 the residence of a family group when the building is owned by the
445 head of the family and another floor or floors of the building are
446 used for business activity.

447 (u) A dwelling being the bona fide home of a family
448 group located on land owned by an incorporated club and in which
449 the head of the family group is a shareholder, and which
450 incorporated club owns no land outside Union County, Mississippi;
451 provided, the incorporated club pays all ad valorem taxes levied
452 on the land upon which the dwelling is located. No family group
453 or any other person qualified and defined in this article shall be
454 allowed to establish more than one (1) home or homestead for the
455 purpose and intent of this article.

456 (v) A dwelling and the eligible land on which it is
457 located under a sublease of twenty (20) years or more on land
458 leased pursuant to Section 1 of House Bill No. 1185, 2007 Regular
459 Session, actually occupied as the home or homestead of a family or
460 person as defined pursuant to this article. However, no such
461 family group or any other person qualified and defined pursuant to
462 this article shall be allowed to establish more than one (1) home
463 or homestead for the purpose and intent of this article.

464 **SECTION 6.** This act shall take effect and be in force from
465 and after its passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY,
2 ACTING ON BEHALF OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION,
3 TO LEASE FOR A CERTAIN NUMBER OF YEARS THE PROPERTY FORMERLY KNOWN
4 AS THE "OLD SCHOOL FOR THE BLIND" WHICH IS LOCATED NORTH OF
5 EASTOVER DRIVE IN THE CITY OF JACKSON, HINDS COUNTY, MISSISSIPPI;
6 TO REQUIRE THE PROPERTY TO BE LEASED FOR PRIVATE REDEVELOPMENT
7 RESULTING IN ITS HIGHEST AND BEST USE; TO PROVIDE FOR THE RENEWAL
8 OF RESIDENTIAL AND NONRESIDENTIAL PROPERTY LEASES; TO AMEND
9 SECTIONS 27-33-17 AND 27-33-19, MISSISSIPPI CODE OF 1972, TO ALLOW
10 HOMESTEAD EXEMPTION FOR PERSONS WHO SUBLEASE SUCH LAND FROM THE
11 LESSEE AND OCCUPIES AND USES THE PROPERTY AS A HOME; AND FOR
12 RELATED PURPOSES.