



State of Mississippi

TATE REEVES
Governor

MISSISSIPPI DEVELOPMENT AUTHORITY

William V. Cork
Executive Director

February 10, 2026

Mayor Bobby Cox
City of Ocean Springs
1018 Porter Avenue
Ocean Springs, Mississippi 39564

Mr. Jim Hardin
OHOS Development, LLC
929 Washington Avenue
Ocean Springs, Mississippi 39564

RE: Final Site Visit of the Completed 1515 Government Street Project

Dear Mayor Cox & Mr. Hardin.:

On Thursday, November 20, 2025, MDA conducted the final project inspection for the 1515 Government Street Project undertaken by OHOS Development, LLC and the City of Ocean Springs. The project applied for funding in the summer of 2019. The application requested \$8.75 million in GCRF funding on a \$26.5 million project budget to build 15 residential units, 7,500 square feet of retail space, a boutique hotel, a public parking garage and green space at the project site. In July 2020, the project was appropriated \$2 million in GCRF funds. As a result, the project was put back in the portal that summer for additional funds; in which, an additional \$6 million in GCRF funds was awarded in July 2021. Following the second award, a representative of OHOS Development submitted the required Project Update Packet for both appropriations. The packets explained the build out of the project with available funds, the project budgets and performance metrics. The updated project was nearly identical to what was placed in the portal; the key change was a slightly smaller parking garage to meet city building codes and available project funds. The parking garage was changed from 4-stories with 309 spaces to 3-stories and 219 spaces and the garage art would no longer be projected onto the building but painted on the

façade. MDA approved both applications and their budget breakdowns at our January 27, 2022 board meeting. The grant funds were reimbursed to OHOS Development between 2022 and 2024 as the project progressed to completion.

In the spring of 2025, MDA was made aware that the parking garage had been completed, the remaining buildings were nearing completion and that the majority of the amenities were scheduled for a summer opening. MDA staff conducted a site visit on April 24, 2025, to see that the parking garage was complete and being used by the contractors on site and the contractors were completing the buildout of the hotel, hotel restaurant, residential units and the retail spaces. MDA staff discussed with the developer's representative about the status of the performance metrics and due dates for both of the grants. He was also advised that MDA would make another visit once the entire project was complete and open to the public.

This final inspection was conducted during the November 2025 visit. During the visit, MDA staff was able to document the completion of the project, including signage on the garage, businesses operating in the retail spaces, food vendors in the food court, the hotel was open to guests, the restaurant was open and was fully booked most nights of the week and the residential units were under individual ownership. MDA staff met with the developers and representatives of the City following the tour of the facilities to discuss the close-out process. MDA was aware that the transfer of the parking garage has not been completed. Per the grant agreement and all the subsequent amended and restated versions, the garage would be transferred to the City pursuant to a long-term lease. MDA staff advised that the execution of the long-term lease, as proposed in the memorandum between OHOS Land, LLC, OHOS Development, LLC and the City of Ocean Springs, dated August 17, 2021, is the final step required to close out the project. The project must be complete by June 30, 2026 and no extensions on this date will be granted. Therefore, OHOS Development and the City of Ocean Springs must finalize and execute the long-term lease on the parking garage prior to June 30, 2026.

We are thankful to both the City of Ocean Springs and OHOS Development for investing in the vibrant downtown in Ocean Springs and look forward to a continued partnership for many more years to follow. If you have any questions, I can be reached via phone at (601) 359-2058 or through email at swright@mississippi.org.

Sincerely,



Sarah Wright

Bureau Manager