



Mississippi Development Authority

Economic Development Program

Amendment 4 Modification 5
Program Funding Reallocation

September 1, 2011

**Mississippi Development Authority
Economic Development Program
Amendment 4 Modification 5
Program Funding Reallocation**

Overview

This Action Plan Modification pertains to the reprogramming of portions of the \$5.058 billion allocation in Community Development Block Grant (“CDBG”) funding from the U.S. Department of Housing and Urban Development (“HUD”) as part of the \$5.48 billion federal appropriation through the Emergency Supplemental Appropriation Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-148) and to the additional use of portions of the \$423,036,059 allocation in CDBG funding from HUD as part of the \$5.48 billion federal appropriation through the Emergency Supplemental Appropriation Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234). These monies have been designated by Congress for “necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to Hurricanes Katrina, Rita, or Wilma.” These funds are being administered by the Mississippi Development Authority (“MDA”) for the State of Mississippi.

Background

Pursuant to the above captioned Public Laws and implementing CDBG waivers and alternative requirements issued by HUD, MDA issued its first Partial Action Plan in March of 2006, which created the Homeowners Assistance Program designed to provide Mississippi’s Coastal residents recovery grants based on the damage inflicted on their home by Katrina’s storm surge. Since that time, MDA has issued numerous partial action plans to address various vital aspects of recovery, including the rebuilding Mississippi’s devastated economy. In this effort, on December 15, 2006, HUD accepted MDA’s Economic Development Program Action Plan (Amendment 4 Partial Action Plan)(“ED Action Plan”), outlining the severity of destruction to the state’s economy as a result of Hurricane Katrina and providing various loan and grant programs to address those needs.

The story of Mississippi’s recovery has been one of great progress to date. Because of an essential emphasis on housing, the state’s affordable housing stock now exceeds pre-Katrina levels. Furthermore, with the establishment of the new Neighborhood Home Program (Long Term Workforce Housing Action Plan, Amendment 6 Modification 3), the remaining damage to homes of low to moderate income citizens is being addressed in an unprecedented fashion.

However, despite the best efforts undertaken by the various ED Action Plan programs, the Mississippi Gulf Coast has not yet returned to pre-Katrina employment numbers. Hindering the renewal here have been the twin obstructions of the greatest economic collapse since the Great Depression and the BP oil spill disaster. Therefore, six years after the storm, the most critical

Program	Prior Allocation	Reallocated Amount	Revised Allocation Effective 9-1-2011
Homeowner's Assistance	\$ 2,013,064,059	\$ (4,302,823)	\$ 2,008,761,236
Elevation Grants	\$ 46,500,000	\$ (6,656,678)	\$ 39,843,322
Public Housing	\$ 128,200,000	\$ (21,171,361)	\$ 107,028,639
Small Rental	\$ 226,900,000	\$ -	\$ 226,900,000
Long Term Workforce Housing	\$ 329,500,000	\$ (12,219,545)	\$ 317,280,455
Water/Wastewater Infrastructure	\$ 631,075,000	\$ (3,000,000)	\$ 628,075,000
Building/Code Inspectors Grant	\$ 9,500,000	\$ (194,313)	\$ 9,305,687
Ratepayer/Windpool	\$ 440,000,000	\$ -	\$ 440,000,000
Economic Dev. Grants/Loans	\$ 341,182,000	\$ 62,595,763	\$ 403,777,763
Community Revitalization Grants	\$ 251,600,000	\$ (1,133,221)	\$ 250,466,779
Tourism	\$ 5,000,000	\$ (215,320)	\$ 4,784,680
GO Zone	\$ 42,400,000	\$ (118,988)	\$ 42,281,012
Planning Grants	\$ 10,000,000	\$ (154,956)	\$ 9,845,044
Port of Gulfport	\$ 621,100,000	\$ -	\$ 621,100,000
Hancock Co LTR/Ground Zero	\$ 197,600,000	\$ (9,168,610)	\$ 188,431,390
Fraud Investigation/Contractor Fraud	\$ 5,000,000	\$ -	\$ 5,000,000
Low-Inc. Housing Tax Cr. Asst. Fund	\$ 25,000,000	\$ (4,259,948)	\$ 20,740,052
State Administration	\$ 157,600,000	\$ -	\$ 157,600,000
Total	\$ 5,481,221,059	\$ 0	\$ 5,481,221,059

¹ **Public Housing:** Of the amount reallocated, only \$8,239,108 is available now; the remaining \$12,932,253 related to tax credit payments will not be available until after December 31, 2011.

Non-substantial Amendment

This reallocation does not add or delete any activities from the existing action plans nor does it change any of the planned beneficiaries of any of those activities. Therefore, the reallocation is a non-substantial amendment to the action plans and is effective immediately as upon transmittal to HUD. It is noted that this reallocation has been submitted to HUD as of September 1, 2011. See Common Waivers for the Katrina CDBG Grantees (71 FR 7666, 73 FR 46312).