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**Mississippi Development Authority
Economic Development Program
Amendment 4 Technical (Non-Substantial) Modification 7
Program Funding Reallocation**

Overview

This Technical 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). 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 Hurricane Katrina. These funds are being administered by the Mississippi Development Authority ("MDA") for the State of Mississippi.

Background

Since receipt of its portion of CDBG funds after Hurricane Katrina, the State of Mississippi's overall recovery plan has focused on three overall priorities: recovering housing stock, retaining and recruiting jobs within the storm-impacted counties, and rebuilding and strengthening public infrastructure/facilities in designated disaster areas. Though overwhelmingly weighted to Mississippi's most storm-damaged Coastal counties, both the federal and state governments have consistently recognized that Hurricane Katrina did not stop at the shoreline but continued inland, with hurricane force winds causing a wide-track of varied destruction along a northeasterly route through Mississippi. CDBG funds have been allocated through the "Go Zone" Revitalization Grants Program to address the Hurricane Katrina related impacts and needs in 43 specifically designated Presidentially declared disaster counties.

Purpose

As Mississippi's post-Katrina recovery needs have evolved, reprogramming of available CDBG funds between the various recovery programs occasionally becomes necessary. As some projects have been completed under budget or terminated, monies may be targeted toward other recovery needs within the other Katrina impacted counties.

The purpose of this non-substantial action plan modification is to reallocate \$12.5 million in uncommitted funds from the Economic Development Program into the Go Zone Revitalization Grants Program. These funds will be used to address unmet water and wastewater services in Rankin County for a low and moderate income area. This reallocation will not impact any of the Economic Development Projects that are awarded and/or under contract.