

Mississippi Development Authority
Port of Gulfport Restoration Program Action Plan
Amendment 5 – Modification 2
December 11, 2014

Overview

This Substantial Modification to the Port of Gulfport Restoration Program (“PGRP”) Action Plan¹, being Amendment 5 – Modification 2, 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 and Scope

Since receiving CDBG funds after the devastation of Hurricane Katrina, the State of Mississippi’s overall recovery plan has focused on three priorities: (1) recovering housing stock, (2) retaining and recruiting jobs within the storm-impacted counties, and (3) rebuilding and strengthening public infrastructure/facilities in designated disaster areas.

In October 2010, MDA launched a new program – the “Neighborhood Home Program” (“NHP”)(Long Term Workforce Housing Action Plan Amendment 6 Modification 3). To provide for funding for NHP, Program Funding Allocation Modification #17 was adopted on October 28, 2010. This Modification contained the following provision:

In addition, \$40 million dollars in CDBG funds will be maintained in a reserve fund under the Port of Gulfport Restoration Program to cover over subscriptions in the “Neighborhood Home Program.”

Following this, MDA transferred the \$40 million dollars held in the reserve fund from PGRP Action Plan through a non-substantial modification – Long Term Workforce Housing Action Plan Amendment 6 – Modification 5 – which was issued on October 22, 2012.

MDA now believes that additional funding may be necessary to ensure that all remaining eligible NHP applications are addressed. For this reason, MDA wishes to establish a new reserve fund in the amount of \$6,500,000 under the PGRP Action Plan. MDA plans to draw against this reserve fund and move money to the NHP Action Plan as needed and as will be evidenced by non-substantial technical modifications.

¹ A copy of the PRGP Action Plan and all modifications to it in English, Spanish and Vietnamese can be found at <http://www.msdisasterrecovery.com/index.php/action-plans/port-at-gulfport-restoration-program>.

Purpose

The purpose of this modification is to reinstate a reserve fund in the amount of \$6,500,000 under the PGRP Action Plan to be drawn against as needed for NHP, thus ensuring that NHP is fully funded to meet existing program demands. To that end, MDA has determined that it is necessary for additional resources to be dedicated to NHP in order to serve all remaining eligible applicants. It is anticipated that no additional funds will be needed for NHP after the creation of this reserve as it will sufficiently address NHP's needs. Upon completion of NHP, the remaining CDBG dollars in the reserve fund would be unencumbered for use by PGRP.

Substantial Amendments

MDA recognizes that adding or deleting an activity or changing the planned beneficiaries of an activity will constitute a substantial change requiring an amendment to the action plan. Under this definition, MDA has determined that this change does represent a substantial modification to the PGRP Action Plan requiring public comment and formal submission to HUD. The nature, purpose, and scope of the PGRP Action Plan remain the same subsequent to the modification. This modification merely addresses the need for additional funding for the completion of NHP.

Citizen Participation

This proposed Substantial Modification was submitted for public comment in English, Spanish and Vietnamese versions to the website at www.msdisasterrecovery.com on December 11, 2014, with the public comment period ending 14 days later on December 25, 2014. No comments were received.