

**Mississippi Development Authority
Long Term Workforce Housing Action Plan
Amendment 4 Non-Substantial Modification 8
Program Funding Reallocation
Date: July 8, 2014**

Overview

This Non-Substantial Modification pertains to the reprogramming of portions of the \$5.48 billion total allocation in Community Development Block Grant (“CDBG”) funding from the U.S. Department of Housing and Urban Development (“HUD”) to the State of Mississippi, with \$5.058 billion coming from the federal appropriation through the Emergency Supplemental Appropriation Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-148) and \$423,036,059 coming from the 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

Since receiving the 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. This modification addresses the need for additional funding for the completion of the Neighborhood Home Program (“NHP”).

Purpose

The purpose of this modification is to reallocate a total of \$13,100,000 from the programs listed in the table below into NHP. This is being done to ensure that NHP is fully funded to meet the existing program demands. As MDA completes the program, it is encountering some of the most difficult challenges to date. The current applicant population is 75% elderly and disabled and fall into the lowest income percentages. They received very little assistance from any sector after Hurricane Katrina. Their unmet housing needs are very acute and very complex in nature, thus adding to project costs.

It must be noted that this reallocation will not impact the intended beneficiaries, planned activities, and on-going projects of the programs from which these funds are being transferred.

For all the foregoing reasons, MDA will reprogram \$13,100,000 of CDBG funds to NHP as follows:

Program	Prior Allocation	Amount Reallocated	Revised Allocation
Long Term Workforce Housing Program	\$233,310,811	(\$3,000,000)	\$230,310,811
Small Rental Assistance Program	\$216,390,012	(\$6,600,000)	\$209,790,012
Public Housing Program	\$105,200,673	(\$3,500,000)	\$101,700,673
Neighborhood Home Program	\$164,279,644	\$13,100,000	\$177,379,644

It should further be noted that upon the completion of NHP, the state reserves the right to reallocate any remaining CDBG funds to any of its then existing programs through the established process.

Non-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. 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, effective July 8, 2014.