



Mississippi Development Authority

Economic Development Program
Amendment 4 Modification #11

Homeowner Assistance Program
Modification #21

Small Rental Assistance Program
Amendment 1 Modification #3

Port of Gulfport Restoration Program
Amendment 5 Modification #3

Program Funding Reallocation
February 20, 2017

Mississippi Development Authority Program Funding Reallocation

Overview

This Substantial Modification pertains to the additional use of the \$5.058 billion 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 109-148). 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 Hurricanes Katrina, Rita, or Wilma."

Background

Since receipt of its portion of CDBG funds after Hurricane Katrina, the State of Mississippi's overall recovery plan focused on three priorities: recovering housing stock, retaining and recruiting jobs within the storm impacted counties, and rebuilding and strengthening public infrastructure/facilities in designated disaster areas. As Mississippi's long-term recovery needs continually evolve and are reevaluated, KCDBG funds must be reallocated to service Post-Katrina population and development trends.

This Substantial Modification reallocates \$3.4 million to the Katrina Community Revitalization Program which was approved under Amendment 4 to the Economic Development Action Plan. In addition, \$4.66 million will be reallocated to State Administration. See chart in the next section for specific programs and funding amounts. This funding comes from the following action plans:

- Homeowners Programs Action Plan approved under the initial action plan
- Housing for Renters Action Plan approved under Amendment 1
- Economic Development Action Plan (Port of Gulfport Restoration Program) approved under Amendment 5

Purpose

As the existing programs are nearing completion, unused funds are available for other recovery needs within the impacted areas. This modification reallocates funds to the Katrina Community Revitalization Program for a project designed to mitigate the sewer system overflows caused by repeated stormwater intrusion within the City of Moss Point. These sewage system overflows result in untreated sewage being spilled onto the ground which constitutes a threat to the public health and safety of the citizens of Moss Point. These overflows are primarily located in areas comprised predominately of low to moderate income households. These issues need to be addressed to mitigate additional damages and hardship that would result from future storms.

Program	Current Allocation	Adjustment	Revised Allocation
Small Rental Assistance Program	209,838,368.50	(1,066,503.83)	208,771,864.67
Homeowner Assistance Program	2,010,860,616.05	(147,871.13)	2,010,712,744.92
Elevation Grant Program	37,433,912.50	(1,337.51)	37,432,574.99
Port of Gulfport Program	576,800,000.00	(2,200,000.00)	574,600,000.00
Katrina Community Revitalization Program	318,524,998.42	3,415,712.47	321,940,710.89

In addition, the unobligated funds from the Port of Gulfport Restoration Program and the savings realized under the Fraud Grant will be reallocated to State Administration. As new projects are being funded, additional administration costs will be incurred to maintain the programs, as well as to close out the grant activities.

Program	Current Allocation	Adjustment	Revised Allocation
Fraud Prevention & Investigation Program	5,540,000.00	(56,080.66)	5,483,919.34
Port of Gulfport Program (current allocation carried forward from above)	574,600,000.00	(4,600,000.00)	570,000,000.00
State Administration	144,842,923.21	4,656,080.66	149,499,003.87

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.

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 February 20, 2017, with the public comment period ending 14 days later on March 5, 2017. Written comments regarding this proposed modification could be mailed to MDA at:

Mississippi Development Authority
Post Office Box 849
Jackson, MS 39205
Attention: Disaster Recovery Division

Comments could also be submitted via facsimile to (601)359-9280 or via email to disasterrecoverycomments@mississippi.org.

No comments were received regarding this modification.