



Katrina Supplemental CDBG Funds

For

State Historic Preservation Programmatic
Mitigation

HAP Phase I and Phase II Technical
Modification #10

CDBG Disaster Recovery Program

July 18, 2008

Mississippi Development Authority
HAP Phase I and Phase II Technical Modification 10

Overview

The Mississippi Development Authority (“MDA”) submits this Homeowner Assistance Program Phase I and Phase II Technical Modification 10 to the Final Partial Action Plan approved by HUD on April 1, 2006. MDA Has determined that this does not represent a major modification to the plan requiring formal submission to HUD. The nature, purpose, scope and beneficiaries of the Partial Action Plan remain the same subsequent to the modification. Additionally, this technical modification will not negatively impact potential beneficiaries who have applied for assistance under this program.

State Historic Preservation Programmatic Mitigation

The first modification pertains to the allocation of \$2.5 million for the State Historic Preservation Programmatic Mitigation Plan. These funds will be provided to the Mississippi Department of Archives and History, the State Historic Preservation Office (“SHPO”), and will be used for the State to meet its certification requirements under the National Historic Preservation Act (“NHPA”) and to augment the SHPO’s Hurricane Relief Grant Program for Historic Preservation. These funds will be used to assist property owners and other applicants in the counties of Hancock, Harrison, Jackson, and Pearl River in the rehabilitation of Katrina-damaged historic properties, especially those listed on the National Register of Historic Properties (“NRHP”) maintained by the United States Department of the Interior, those designated by SHPO on its inventory of historic places, and those locally-designated historic places and districts. A portion of the funds will also be used to carry out other programmatic mitigation measures where adverse effects have already taken place or cannot be avoided.

MDA will consult with SHPO to develop and approve a schedule of distribution of funds. It is anticipated that the funds will be disbursed within three (3) years after receipt of funds, in conformity with the Programmatic Agreement (“PA”) between MDA, SHPO, the Mississippi Band of Choctaw Indians (“MBCI”), and the Advisory Council on Historic Preservation (“ACHP”), as amended. Upon disbursement of all funds, SHPO will prepare a report on the disbursement of the funds, which will be submitted to all signatories of the PA.

Eligible activities under this project which have been identified through consultation among the signatories are:

- Assisting property owners and other applicants in the rehabilitation of Katrina-damaged historic properties in Hancock, Harrison, Jackson, and Pearl River Counties;
- Additional archaeological survey that refines existing GIS-based archaeological mapping and predictive models within the four county area;

Mississippi Development Authority
SHPO Funding and Programmatic Mitigation
July 18, 2008

- Targeted archaeological excavation within the four county area;
- Purchase of lands in the State of Mississippi containing significant archaeological or historic sites to protect these for the future and to mitigate adverse effect which have already taken place or cannot be avoided;
- Development of one or more public education projects on the archaeological and above-ground heritage within the four county area.

These eligible activities are consistent with eligible activities as defined by applicable regulations or in which a waiver has been approved by HUD. Eligible activities not listed above must be approved by MDA before being undertaken.

Elevation Requirements for Historic Properties

The second modification involves a clarification of one of the criteria for an elevation grant. HAP Program I Technical Modification Number 7, issued on June 18, 2007, stated that a grant recipient's elevation "must meet the proposed FEMA developed Hurricane Katrina Surge Inundation and Advisory Base Flood Elevation ('ABFE') at the time the agreement is signed." The purpose of this requirement was to ensure that FEMA elevation standards were met and that the property would qualify for coverage under the National Flood Insurance Program ("NFIP").

However, it has come to MDA's attention that FEMA gives special consideration to the unique value of our nation's historic properties and historic districts. FEMA's NFIP regulations provide significant relief from the standard requirements of the NFIP in order to help preserve important historic properties. Specifically, historic structures do not need to meet floodplain management requirements under this program so long as historic structures maintain their historic designation. They also do not need to meet the new construction, substantial improvement, or substantial damage requirements of the program. This exclusion from standard requirements was provided as an incentive for property owners to maintain the historic character of designated historic buildings.

"Historic structures" are defined within the NFIP (Code of Federal Regulations, CFR 44 - Emergency Management and Assistance, Part 59) as any structure that is:

1. *Listed individually in the National Register of Historic Places (a listing maintained by the Department of the Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing in the National Register of Historic Places. (This includes buildings that are determined to be eligible for listing in the National Register by the Secretary of the Interior. Specifically, this eligibility determination states that a particular building, structure, district, site, or object meets National Register Criteria for Evaluation, although the property is not formally listed.)*
2. *Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a*

Mississippi Development Authority
SHPO Funding and Programmatic Mitigation
July 18, 2008

district preliminarily determined by the Secretary to qualify as a registered historic district;

3. *Individually listed on a State inventory of historic places in states where historic preservation programs which have been approved by the Secretary of the Interior; or*
4. *Individually listed on a local inventory of historic places in communities with historic preservation programs that have been certified as either a) by an approved State program as determined by the Secretary of the Interior, or b) directly by the Secretary of the Interior in States without approved programs.*

Thus, according to FEMA regulations, as long as a building retains its historic status following the rehabilitation project, these historic buildings are not required to be “substantially improved” as defined in the NFIP code. This exemption is applicable to finished floor elevations, requirements for windows and doors, and also other construction-related aspects covered by the adopted, prevailing building code.

The purpose of a grantee’s compliance with the ABFE was to ensure that FEMA regulations were met. Since FEMA has granted this narrow variance which will allow these properties to receive coverage under the NFIP, MDA hereby recognizes that variance and will allow such designated properties to receive grants without having to meet the ABFE standard. Indeed, to do otherwise and to require these properties to elevate would create adverse effect to the historic site as set forth in the NHPA and related law.

To further this effort, the requirements of the PA, and to maintain the historic designation of these properties, MDA will consult with SHPO on a case by case basis. Furthermore, SHPO’s Historic Architect is anticipated to provide assistance to property owners and local officials on the best way to minimize or avoid adverse effects and meet the requirements of the local historic district guidelines. Owners of historic properties will design their elevation projects to avoid adverse effects to its historic qualities by using principles outlined in a set of “Elevation Design Guidelines,” that will be developed by MDA and approved by the SHPO. These Guidelines will create approaches to elevation that would mitigate adverse effects to historic buildings by elevating them in a manner consistent with the principles conveyed in the *Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*.

National Objectives

This modification is designed to be consistent with the primary objective of providing funds for local projects with activities that meet one of the following national objectives of the Housing and Community Development Act of 1974, as amended:

- Benefits to Low/Moderate Income Persons
- Slums or Blight
- Urgent Needs

Mississippi Development Authority
SHPO Funding and Programmatic Mitigation
July 18, 2008

Environmental

MDA has determined that due to the nature and design of this program, these actions are subject to environment and Section 106 reviews administered by MDA. MDA will ensure all properties will be reviewed for all necessary environmental and cultural resource regulations. Funds will not be provided to applicants until all Environmental review topics have been reviewed and certified by MDA as complete.