

**Mississippi Development Authority  
Public Housing Program**

**KCDBG Disaster Recovery  
Action Plan Amendment 1  
Modification 4**

**Public Housing Program Recovery Action Plan  
Amendment 1 – Modification 4**

**Background and Scope**

This modification to the Public Housing Program Recovery Action Amendment 1 pertains to an additional use of the \$5.058 billion allocation to Mississippi from HUD resulting from the \$11.5 billion federal appropriation through HR 2863 to the states of Mississippi, Louisiana, Alabama, Florida and Texas. These monies have been designated by Congress for “disaster relief, long-term recovery and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005.” The State of Mississippi also received a \$423,036,059 allocation in CDBG funding from HUD as part of the \$5.2 billion federal appropriation through the Emergency Supplemental Appropriations 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”.

The Mississippi Development Authority (MDA) submits this Modification 4 to the final Public Housing Program Recovery Action Plan Amendment 1 that was approved by HUD on August 31, 2006. The MDA has determined that this represents a major modification to the action plan, requiring formal submission to HUD and submittal for public comment. The nature, purpose, scope and beneficiaries are defined in this modification.

**Program Purpose**

Mississippi’s Public Housing Program provides long-term recovery assistance by replacing critical public housing that existed prior to the storm on at least a “one-for-one” basis.

The Public Housing Program was developed and funding allocations to the housing authorities were determined utilizing costs estimates to repair, rehabilitate, and rebuild public housing units under the conditions as they existed at the time. This modification will provide additional funds to public housing authorities to complete their rebuilding efforts that have not been met through the initial allocation of funds. To request for additional funds, housing authorities must have exhausted all other funding sources and demonstrate need for additional funds to complete a proposed project. The total proposed for this modification is \$4,000,000.00.

**Available Funds**

MDA is increasing the funds allocated to this activity from \$106 million to \$110 million. These additional funds will be redirected from Phase II of the Homeowner’s Assistance program. MDA began accepting Phase II applications nearly two years ago and closed out the application process in March of 2008. Over 8,900 applicants benefitted from this demand driven program designed to assist low/mod income individuals. To date \$498M has been disbursed.

**Table 1 – Reallocation of Homeowners Assistance Program (Phase II)**

<b>Program</b>	<b>Current Program Allocations/Action Plans</b>	<b>Reallocation of Funds</b>	<b>Proposed Program Allocations</b>
<b>Public Housing</b>	<b>\$ 106,000,000</b>	<b>\$ 4,000,000</b>	<b>\$ 110,000,000</b>
<b>Community Revitalization</b>	<b>\$ 235,000,000</b>	<b>\$ 17,600,000</b>	<b>\$ 252,600,000</b>
<b>Gulf Coast Regional Infrastructure</b>	<b>\$ 611,075,000</b>	<b>\$ 30,000,000</b>	<b>\$ 641,075,000</b>
<b>Homeowner's Assistance Program - Phase II</b>	<b>\$ 604,601,697</b>	<b>\$ (51,600,000)</b>	<b>\$ 553,001,697</b>

The additional funds allocated to the Public Housing Program through this modification will not be subject to the *Calculation of Funding* requirements as defined in Public Housing Program Recovery Partial Action Plan Amendment 1.

**Overview**

**Eligible Activities and National Objectives**

Eligible activities included in this modification include rehabilitation, reconstruction, and new construction of housing in the form of a Public Housing Program. The program meets the national objective of low and moderate-income persons because of income restrictions placed on occupancy in public housing units.

This action plan is designed to be consistent with the primary objective of providing funds for 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 – Give maximum feasible priority to activities that will benefit low and moderate-income persons
- Slums or Blight – Aid in the prevention or elimination of slums or blight
- Urgent Needs – Meet other community development needs having a particular urgency.

### **Eligible Applicants**

Five Mississippi Gulf Coast Housing Authorities located in Jackson, Hancock and Harrison counties suffered serious damage as a consequence of Hurricane Katrina. Bay St. Louis, Biloxi, Long Beach, Region VIII, and Waveland housing authorities will be eligible for funds through this modification. Applicant eligibility remains the same as defined in the Public Housing Program Recovery Partial Action Plan Amendment 1.

### **Threshold Requirements**

The activities shown in the original project application and subrecipient agreement must meet a national objective. All activities must relate to the consequences of Hurricane Katrina. These requirements must be adequately documented to support that the activity meets the thresholds and is an eligible activity in order to be considered for funding.

### **Project Eligibility**

Each project requesting additional Public Housing Program funds must meet the criteria as defined below:

1. The housing authority must have previously submitted to MDA a Letter of Intent for the proposed project.
2. The housing authority must demonstrate the need for additional funds through one of the following methods:
  - a. All of the PHA's original funding allocation as defined by Public Housing Program Recovery Partial Action Plan Amendment 1 has been obligated by MDA.
  - b. Available funds from the original allocation as defined by Public Housing Program Recovery Partial Action Plan Amendment 1 have been proposed for projects that are already under review and pending final approval and award by MDA.
  - c. Any available funds from the original allocation as defined by Public Housing Program Recovery Partial Action Plan Amendment 1 will be committed to the proposed project and additional funds will be required to completely fund the project.
3. The housing authority must submit a proposal in writing requesting additional funds and provide the following documentation:
  - a. Project description
  - b. Project budget
  - c. Project timeline
  - d. Demonstration of funding need based on one of the methods described above.

### **Award of Funds**

Projects determined to be eligible for additional funds will be considered for funding on a case by case basis until all funds are exhausted.

### **Complaint Referral**

Complaints alleging a specific violation of a statutory requirement, including Congressional inquiries, received by HUD at the Headquarters, Regional, or Field Office level will be forwarded to the appropriate State office for the response.

### **Appeals**

MDA will establish an appeals policy for applicants to appeal the award decision, compliance notifications and the demand notification for lack of plan compliance by recipient.

### **Fair Housing**

The State has a current Analysis of Impediments (AI) to Fair Housing, which was submitted to HUD in December 2008. This study reflects impacts caused by Hurricane Katrina. Many of the identified impediments have been or will be addressed in Housing Action Plans.

The State certifies that it will affirmatively further fair housing through conducting and implementing the AI and that it will maintain records reflecting the analysis and actions taken.

### **Environmental**

MDA has determined that due to the nature and design of this program, these actions are subject to an environmental review administered by MDA. MDA will be the Responsible Entity (RE) for obtaining compliance with HUD environmental laws and implementing regulations as provided at 24 CFR Part 58.5 and 58.6. MDA will be responsible for ensuring that the environmental review is completed and approved by HUD prior to requesting a release of funds before HUD funds are committed to the project. MDA will complete the environmental assessments and the required notices and Request for Release of Funds (RROF). All other environmental assessments will be completed by MDA. Public Housing Authorities should not commit funds, regardless of source, prior to a notice from MDA that a Request for Release of Funds (RROF) has been obtained from HUD. Any such commitment of funds without an RROF might jeopardize any subsequent use of CDBG funds under this Action Plan.

### **Citizen Participation Plan**

MDA will solicit public comments to this modification for 15 days.

### **Minority and Women's Businesses**

MDA encourages subrecipients to provide the opportunity for participation to minority and women's businesses. Grant subrecipients shall comply with MDA's policy regarding this issue.

### **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 of the action plan.

### **Public Comments**

This proposed amendment – Amendment 1 Modification 4 is submitted for public comment. Copies are available on the internet at [www.mississippi.org](http://www.mississippi.org) or upon request to MDA via the public comment submission process noted below. Written comments regarding this proposed modification may be mailed to MDA, Post Office Box 849, Jackson, MS 39205, Attention: Disaster Recovery, or sent via facsimile to (601)359-9280. Comments may also be submitted online to [recovery@mississippi.org](mailto:recovery@mississippi.org). Comments must be received no later than June 3, 2009 at 5:00 p.m. Central Standard Time. Changes may be made at that time and the final amendment to the Action Plan will then be submitted to HUD for approval.

The public comment period ended on June 3, 2009 and no comments were received.