



U. S. Department of Housing and Urban Development

Jackson Field Office, Southeast / Caribbean
Dr. A. H. McCoy Federal Building, Room 910
100 West Capitol Street
Jackson, Mississippi 39269-1096

February 15, 2011

Mr. Gray Swoope
Executive Director
Mississippi Development Authority
P.O. Box 849
Jackson, MS 39205

RECEIVED
FEB 17 2011

MDA
COMMUNITY SERVICES DIV

Dear Mr. Swoope:

Enclosed are three copies of the Funding Approval and Grant Agreement and HUD Form 7082 (Grant Agreement) for Neighborhood Stabilization Program 3 (NSP3) grant funds allocated to the State of Mississippi. The Department has approved your jurisdiction's substantial action plan amendment for the NSP3 funds in the amount of \$5,000,000.00 and looks forward to working with you as your jurisdiction begins to implement its NSP3 program.

The NSP3 program is authorized by Section 1497 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), Title XII of Division A of the American Recovery and Reinvestment Act of 2009, and Sections 2301-2304 of the Housing and Economic Recovery Act of 2008 (HERA). Please note that under the terms of this agreement, NSP3 grantees have 24 months from the date of HUD's execution of the Grant agreement to expend half of the NSP3 Grant amount, and 36 months to expend the total NSP3 Grant amount. Please execute the agreements and return two executed copies to HUD as quickly as possible to ensure that you have the maximum time available to use the NSP3 funds. Grant Agreements should be returned to this office at the following address:

U.S. Department of Housing and Urban Development
Community Planning and Development Division
100 W. Capitol Street, Room 910
Jackson, MS 39269-1096

Grant Agreements must be signed by an authorized official of the grantee. Upon receipt of the executed Grant Agreement, HUD will immediately forward the fully executed Grant Agreement to the Department's accounting operations center in order to make the funds available on the grantee's line of credit. Please recall that NSP3 funds will be available through HUD's Disaster Recovery Grant Reporting (DRGR) system, not the Integrated Disbursement and Information System (IDIS). If you have questions regarding DRGR, please contact the DRGR help desk at DRGR_Help@hud.gov. HUD will notify grantees when NSP3 funds are available for drawdown through DRGR.

Grantees must comply with reporting requirements established by HUD and OMB (including all revisions to such reporting requirements) and the Federal Funding Accountability and Transparency Act. It is imperative that grantees regularly update DRGR with program performance information. HUD will closely monitor quarterly report submissions and will aggressively pursue grantees that fail to report in a timely manner. Grantees are also reminded that each quarterly report must be posted on their web sites so that the public may have ready access to the information.

HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination.

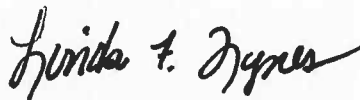
This Grant Agreement may be amended only with the prior written approval of HUD.

Grantees are reminded that:

- A copy of the final approved substantial action plan amendment must be maintained on the website that NSP3 grantee's official website. Grantees are also reminded that they are required to post quarterly performance reports to their websites concurrent with their submission to HUD.
- NSP-funded activities are subject to applicable provisions of the HUD Environmental Review Procedures. In this regard a request for release of funds must be approved by HUD prior to the obligation or utilization of funds for NSP3 activities.
- The Grant Agreement requires grantees to submit information on performance measurement as established by the Secretary for activities undertaken with NSP3 grant funds.
- As a recipient of HUD funds, federal law requires that you ensure your plan benefits all members of your community, without regard to race, color, national origin, sex, religion, familial status, or disability. You should take affirmative steps to ensure that no person is denied the benefit of housing or housing-related services for any of the foregoing reasons.
- Providing false, fictitious or misleading information with respect to the administration of NSP funds may result in criminal, civil or administrative prosecution under 18 U.S.C. 1001, 18 U.S.C. 1343, 31 U.S.C. 3729, 31 U.S.C. 3801, or another applicable statute.

The Department is pleased to have this opportunity to work with your jurisdiction through the Neighborhood Stabilization Program and we are available to assist with your implementation of the program.

Sincerely,



Linda F. Tynes
Director, Community Planning and
Development Division

Enclosures (sent to Mr. Steven C. Hardin, Community Services Division Director)

cc: Mr. Manning McPhillips, Chief Administrative Office
Mr. Steven C. Hardin, Community Services Division Director
Ms. Caldon Williams, NSP Bureau Manager

**FUNDING APPROVAL AND GRANT AGREEMENT FOR
NEIGHBORHOOD STABILIZATION PROGRAM 3 (NSP3) FUNDS
AS AUTHORIZED AND APPROPRIATED UNDER THE WALL STREET
REFORM AND CONSUMER PROTECTION ACT OF 2010, AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009 AND THE HOUSING
AND ECONOMIC RECOVERY ACT OF 2008
(PUBLIC LAWS 111-203, 111-005 and 110-289)**

NSP3 GRANTEE: State of Mississippi

NSP3 GRANT NUMBER: B-11-DN-28-0001

NSP3 GRANT AMOUNT: \$5,000,000.00

NSP3 APPROVAL DATE: February 15, 2011

NSP3 EXPENDITURE DEADLINE (2 YEAR): February 15, 2013

NSP3 EXPENDITURE DEADLINE (3 YEAR): February 15, 2014

1. This Grant Agreement between the U.S. Department of Housing and Urban Development (HUD) and the State of Mississippi (Grantee) is made pursuant to the authority of section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203 (July 21, 2010)) (Dodd-Frank Act), title XII of Division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5 (February 17, 2009)) (Recovery Act) and sections 2301 – 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA). The program established pursuant to section 2301-2304 of HERA is known as the “Neighborhood Stabilization Program” or “NSP.” The term “NSP2” refers to the second appropriation of NSP funds provided under the Recovery Act. The additional allocation under the Frank Dodd Act represents the third round of Neighborhood Stabilization Program funding and is referred to as “NSP3.” Notice of Formula Allocations and Program Requirements for Neighborhood Stabilization Program Formula Grants (Docket No. FR-5447-N-01, October 19, 2010) (NSP3 Notice); the Dodd-Frank Act; the Recovery Act; HERA; the Grantee’s application for NSP3; the HUD regulations at 24 CFR Part 570 (as modified by the NSP3 Notice as now in effect and as may be amended from time to time) (Regulations); and this Funding Approval, including any special conditions, constitute part of the Grant Agreement. In the event of a conflict between a provision of the Grantee’s Application and any provision of this Grant Agreement, the latter shall control.

2. The Grantee shall comply with reporting requirements established by HUD and OMB (including all revisions to such reporting requirements) and the Federal Funding Accountability and Transparency Act (Pub. L. 109-282) (including implementing guidance).
3. Subject to the provisions of this Grant Agreement, HUD will make NSP3 Grant Funds in the amount of \$5,000,000.00 available to the Grantee upon execution of this Grant Agreement by the parties. Of that amount, \$1,250,000.00 must be used to house individuals or families whose incomes do not exceed 50 percent of area median income, pursuant to Dodd-Frank Act. The Grantee shall have 24 months from the date of HUD's execution of this Grant Agreement to expend half of the NSP3 Grant amount pursuant to the requirements of this Agreement, the Dodd-Frank Act, the Recovery Act, HERA and the NSP3 Notice, as amended. The Grantee shall have 36 months from the date of HUD's execution of this Grant Agreement to expend the total NSP3 Grant amount pursuant to the requirements of this Agreement, the Dodd-Frank Act, the Recovery Act, HERA and the NSP3 Notice, as amended. The NSP3 Grant Funds may be used to pay eligible costs arising from eligible uses incurred after the NSP3 Approval Date provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-award planning and general administrative costs may not be paid with funding assistance except as permitted in the NSP3 Notice, as amended. Other pre-award costs may not be paid with funding assistance except as permitted by 24 CFR 570.200(h); for purposes of NSP3, such costs are limited to those incurred on or after the date that the NSP3 Notice was published by HUD.
4. The Grantee agrees to assume all of the responsibilities for environmental review, decisionmaking, and actions, as specified and required in regulations issued by the Secretary pursuant to section 104(g) of Title I of the Housing and Community Development Act, as amended (42 U.S.C. 5304) and published in 24 CFR Part 58.
5. The Grantee agrees that it will demolish or convert units using NSP3 funds only to the extent and scope described in the NSP3 substantial amendment. The Grantee agrees that under no circumstances will NSP3 funds be used to demolish any public housing (as defined in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a)).
6. The Grantee agrees to comply with the Recovery Act provisions concerning tenant protections applicable to NSP3 acquisitions of foreclosed property. The Grantee must document its efforts to ensure that the initial successor in interest (ISII) in a foreclosed upon dwelling or residential real property (typically, the initial successor in interest in property acquired through foreclosure is the lender or trustee for holders of obligations secured by mortgage liens) has provided bona fide tenants with the notice and other protections outlined in the Recovery Act. The Grantee will not use NSP3 funds to finance the acquisition of property from any initial successor in interest that failed to comply with applicable requirements unless the Grantee assumes the obligations of such initial successor in interest with respect to bona fide tenants. If the Grantee elects to assume such obligations, it may only do so if the tenant is still occupying the property and will provide any tenant displaced as a result of the NSP3 funded acquisition with the

assistance outlined in 24 CFR 570.606. If the Grantee knows that the ISII did not comply with the NSP tenant protection requirements and vacated the property contrary to the NSP requirements, NSP3 funds cannot be used to acquire such properties.

7. The Grantee further acknowledges its responsibility for adherence to all applicable terms and conditions of this grant award by sub-recipient entities and contractors, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration.
8. This Grant Agreement may be amended only with the prior written approval of HUD. In considering proposed amendments to this Grant Agreement, HUD shall also review, among other things, whether the amendment is otherwise consistent with the Dodd-Frank Act, the Recovery Act, HERA, the NSP3 Notice, as amended, and the Regulations.
9. The Grantee may not amend its Grantee Submission other than as described above; however, such amendments will be subject to the requirements of the NSP3 Notice and any revisions HUD may make to the NSP3 Notice (or any successor Notice or regulation).
10. The Grantee must respond in writing to any citizen complaint within 15 working days, if feasible, and send a copy of the response to HUD. The Grantee shall at all times maintain an up-to-date copy of its Grantee Application, including all amendments approved by HUD, on its Internet website. Further, the Grantee shall maintain information on all drawdowns, deposits, and expenditures of grant funds and program income under this Funding Approval and Grant Agreement and any other records required by 24 CFR 570.506 and the NSP3 Notice, as amended, in its files and shall make such information available for audit or inspection by duly authorized representatives of HUD, HUD's Office of the Inspector General, or the Comptroller General of the United States.
11. The Grantee is advised that providing false, fictitious or misleading information with respect to NSP3 Grant Funds may result in criminal, civil or administrative prosecution under 18 USC § 1001, 18 USC § 1343, 31 USC § 3729, 31 USC § 3801 or another applicable statute.
12. Close-out of this grant shall be subject to the provisions of 24 CFR 570.509 or such close-out instructions as may hereafter be issued by HUD specifically for NSP3 grants.

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Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

1. Name of Grantee (as shown in item 5 of Standard Form 424) State of Mississippi		3a. Grantee's 9-digit Tax ID Number: 64-6000736	3b. Grantee's DUNS Number: 809399686	4. Date use of funds may begin (mm/dd/yyyy): 02/15/11
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) Post Office Box 849 Jackson, MS 39205 86x0344		5a. Project/Grant No. 1 Neighborhood Stabilization 3		6a. Amount Approved \$5,000,000.00
		5b. Project/Grant No. 2		6b. Amount Approved
		5c. Project/Grant No. 3		6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Linda F. Tynes		Grantee Name Manning McPhillips	
Title Director, Community Planning and Development		Title Chief Administrative Officer	
Signature <i>Linda F. Tynes</i>		Signature <i>Manning McPhillips</i>	
Date (mm/dd/yyyy) 02/15/11		Date (mm/dd/yyyy) 2/15/11	

7. Category of Title I Assistance for this Funding Action (check only one) <input type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 01/24/11	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy)	
11. Amount of Community Development Block Grant		9c. Date of Start of Program Year (mm/dd/yyyy) 02/15/11	
		a. Funds Reserved for this Grantee	FY (2011) \$5,000,000
		b. Funds now being Approved	FY () \$5,000,000
		c. Reservation to be Cancelled (11a minus 11b)	FY ()

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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ADDENDUM TO GRANT AGREEMENT FOR NSP3

In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the Central Contractor Registration (CCR) database, and the Federal Funding Accountability and Transparency Act, including Appendix A to Part 25 of the *Financial Assistance Use of Universal Identifier and Central Contractor Registration*, 75 Fed. Reg. 55671 (Sept. 14, 2010)(to be codified at 2 CFR part 25) and Appendix A to Part 170 of the *Requirements for Federal Funding Accountability and Transparency Act Implementation*, 75 Fed. Reg. 55663 (Sept. 14, 2010)(to be codified at 2 CFR part 170).