

## Jul 1, 2011 thru Sep 30, 2011 Performance Report

**Grant Number:**  
B-11-DN-28-0001

**Obligation Date:**  
02/25/2011

**Grantee Name:**  
State of Mississippi

**Award Date:**

**Grant Amount:**  
\$5,000,000.00

**Contract End Date:**  
02/25/2014

**Grant Status:**  
Active

**Reviewed By HUD:**  
Reviewed and Approved

**QPR Contact:**  
No QPR Contact Found

### Disasters:

#### Declaration Number

NSP

### Summary of Distribution and Uses of NSP Funds:

#### 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information:  
**Name (Last, First)** Williams, Caldon  
**Email Address** cwilliams@mississippi.org  
**Phone Number** 601-359-3179  
**Mailing Address** Mississippi Development Authority  
 Community Services Division  
 Post Office Box 849  
 Jackson, Mississippi, 39205

#### 2. Areas of Greatest Need

##### Map Submission

The target area maps generated at the HUD NSP3 Mapping Tool can be accessed through the NSP3 Substantial Amendment to 2010 One-Year Action Plan via the following link: <http://www.mississippi.org/index.php?id=681>

##### Data Sources Used to Determine Areas of Greatest Need

**Describe the data sources used to determine the areas of greatest need.**

##### Response:

The areas of greatest need were determined through the use of data from Realty Trac, the U.S. Bureau of Labor Statistics and the HUD Foreclosure Need Website combined with the availability of suitable foreclosed multi-family properties. In particular, the HUD NSP3 Mapping Tool (which identifies an area's Foreclosure Related Needs Score by considering rates of foreclosures, delinquencies, and subprime loans within a census tract) was used to determine areas that exceed the State's minimum threshold score of 15 as identified by HUD. The use of targeted areas with a Foreclosure Related Needs Score in excess of the State's minimum threshold ensures that only areas which fall in the top 20% of areas most affected by the foreclosure crisis in Mississippi will be considered.

Given Mississippi's total allocation of \$5,000,000, in order to make a significant impact in any area as encouraged by the NSP3 Program Design Guidebook, it will be necessary to concentrate the NSP3 funds into one or two suitable multi-family projects.

##### Determination of Areas of Greatest Need and Applicable Tiers

**Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.**

##### Response:

The goal of Mississippi NSP3 Program, administered by the Mississippi Development Authority (MDA), is to make the most positive impact possible with the \$5,000,000 in NSP3 allocation and to make 100% of the projects funded for those beneficiaries who fall at or below 50% area median income. Based on this goal, MDA cre data, income data, unemployment data, housing cost data, NSP1 investment, geographic data, and various program types.

According to the annual report Out of Reach 2010 published by the National Low Income Housing Coalition, the demand for rental housing continues to increase as more and more people are either forced out of ownership due to foreclosure or choose to rent rather than own in light of the tightening credit markets and now obvious risks involved with homeownership. Approximately 50% of low-income American households are renters who oftentimes have lower incomes than owners and pay a larger proportion of their income on housing costs and utilities. This makes them more vulnerable to a weak job market than traditional homeowners. As a result of the increased number of unemployed and number of households that have been foreclosed upon, a larger number of households will be searching for a decent, affordable place to rent.

Census data show that a significant number of renter's experience severe housing cost burdens, with housing costs consuming more than 50% of their family income. Federal standards indicate that affordable housing should consume no more than 30% of family income. Data from the Consumer Expenditure Survey (produced by the U.S. Department of Labor, Bureau of Labor Statistics) indicates that families that pay more than half their income for housing are more likely than others to live in housing with serious physical condition problems. Such problems may include lack of functional plumbing, inadequate heating, or exposed electrical wiring.

After review of the data, and in light of Mississippi's high percentage of low-income households, MDA has determined that a multi-family rental housing program, which ties the rehabilitation of foreclosed multi-family property to long-term affordability, is both the most efficient use of NSP3 funding and will achieve the greatest positive impact. Further, in an effort to create the most concentrated effect possible, as encouraged by NSP3 guidelines, MDA will choose a single project for funding.

Based on these decisions, MDA has chosen two target areas of greatest need which:

- (1) Have a NSP3 Neighborhood Score in excess of Mississippi's Minimum Threshold NSP3 Score of 15.
- (2) Are areas that have persistently high rates of unemployment, which HUD advises may be most impacted by rental strategy.
- (3) Has available foreclosed multi-family property suitable for rehabilitation to create long-term affordable housing for beneficiaries at or below 50% of AMI.

The first area is located in and around Greenwood, MS and resulted in a NSP3 Neighborhood Score of 16.95. The second area is located in and to the north and east of Jonestown, MS and resulted in a NSP3 Neighborhood Score of 15.2 (The NSP3 Planning Data for both areas, generated by the NSP3 Mapping Tool, is attached).

No jurisdictions within the state, including entitlement communities, were excluded as possible areas of greatest need.

### 3. Definitions and Descriptions

#### Definitions

##### Blighted Structure

Mississippi Code of 1972 as amended does not provide for a definition of blighted structure. If applicable, respective local individual ordinance definitions will be used. TeSaeoMsisipudrsalw 43-35-3 (i) has defined blighted area to mean an area which by reason of the presence of substantial number of slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency **exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes**, or any combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use. If such blighted area consists of open land, the conditions contained in the proviso in subsection (d) of Section 43-35-13 shall apply. Any disaster area referred to in subsection (g) of Section 43-35-13 shall constitute a blighted area.

##### Affordable Rents

The State of Mississippi shall define affordable rents to mean the fair market rent for a particular area for existing fair housing for comparable units in the area as published and updated by HUD annually.

#### Descriptions

##### Long-Term Affordability

**The State of Mississippi (MDA) shall ensure continued affordability for NSP assisted housing to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed upon homes and residential properties remain affordable to individuals or families whose income do not exceed 120% of area median income or, for units originally assisted with funds under requirements of Section 2301 (f)(3) (A)(ii), to remain affordable to individuals and families whose incomes do not exceed 50% of the area median income.**

If NSP funds assist a property that was previously assisted with HOME funds, but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure pursuant to 24 CFR part 92, the State or grantee must revive the HOME affordability restriction for the greater of the remaining period of HOME affordability or the continuing affordability requirements of this program. Affordability restrictions will be defined in the written agreements.

##### Housing Rehabilitation Standards

NSP3-assisted residential properties will comply with all applicable federal, state and local rehabilitation standards, laws, codes and other requirements pertaining to the provision of housing safety, quality and habitability, in order to sell, rent or redevelop such properties. At minimum, the following requirements will be met as outlined in the NSP3 Notice:

- (a.) All gut rehabilitation (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must meet the standards for a Energy Star Qualified new home.
- (b.) All gut rehabilitation of mid or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASRA) Standard 90.1-2004 Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
- (c.) Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.
- (d.) Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.
- (e.) Rehabilitation activity must meet the requirements of the 2003 International Existing Building Code or the most current code adopted by the community in the selected project area.
- (f.) Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, and fires).
- (g.) NSP3 sub-grantees will be strongly encouraged to implement any energy efficient and environmentally-friendly green building components that are economically feasible.

### 4. Low-Income Targeting

#### Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

**Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.**

#### Response:

At least \$4,500,000 or 90% of the total NSP3 appropriation shall be made available to families and individuals whose household incomes are at or below 50% of AMI.

#### Meeting Low-Income Target

**Provide a summary that describes the manner in which the low-income targeting goals will be met.**

#### Response:

The total NSP3 allocation for the State of Mississippi is \$5,000,000 and of that, at least \$4,500,000 shall be used to target those whose incomes do not exceed 50% of the local AMI. The State of Mississippi shall make available at least 90% of NSP3 funds for housing individuals and families whose incomes do not exceed 50% of area median income. This on-going crisis affects homeowners and renters alike. Research shows that because of foreclosures, displaced residents have had to find alternate housing and living situations that often prove undesirable. The allocation of funds to this income population ensures that the largest number of residents in the target community have a safe and affordable place to live.

## 5. Acquisition and Relocation

### Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., less or equal to 80% of area median income)? NO

If yes, fill in the table below.

#### Question

The number of low- and moderate-income dwelling units (i.e., less or equal to 80% of area median income) reasonably expected to be demolished or converted as a direct result of NSP3 activities:

Number of Units: 100

The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.  
Number of Units: 100

## 6. Public Comment

### Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.

#### Response:

The State of Mississippi published an announcement regarding the appropriation of NSP3 funds and proposed activities included in a draft of the Substantial Amendment in a newspaper of general circulation. A copy of the Substantial Amendment was made available to the public during a 15-day comment period on the Mississippi Development Authority's website located at [www.mississippi.org/csd](http://www.mississippi.org/csd). Notification was also provided to local units of government, community housing development organizations and other interested parties in an instruction by the Mississippi Development Authority, Community Services Division. Written comments were invited and accepted by the Mississippi Development Authority, Community Services Division, Post Office Box 849, Jackson, MS 39205-0849.

### Summary of Public Comments Received.

The summary of public comments received can be accessed through the NSP3 Substantial Amendment to 2010 One-Year Action Plan via the following link: <http://www.mississippi.org/index.php?id=681>

## 7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled Activity Number 4, Activity Number 5, Activity Number 6, and Activity Number 7. If you are unsure how to delete a table, see the instructions above.)

The field labeled Total Budget for Activity will populate based on the figures entered in the fields above it.

Consult the NSP3 Program Design Guidebook for guidance on completing the Performance Measures component of the activity tables below.

### ACTIVITY NUMBER 1

#### Activity Name

Multi-family Rental Housing

#### Uses

Select all that apply:

Eligible Use A: Financing Mechanisms

Eligible Use B: Acquisition and Rehabilitation (X)

Eligible Use C: Land Banking

Eligible Use D: Demolition

Eligible Use E: Redevelopment

### DBG Activity or Activities

24 CFR 570.201 (a) acquisition, (i) relocation

24 CFR 570.202 eligible rehabilitation and preservation activities for homes and other residential properties

### National Objective

Funds allocated for this activity will meet the national objective benefiting low-income persons below 50% AMI, as defined in the NSP3 Notice.

### Activity Description

Activity will involve the acquisition and rehabilitation of a foreclosed multi-family rental property in one of the two designated census tracts referenced in Section 2 Areas of Greatest Need. The target area selected for funding will give priority emphasis and consideration to a community in which the NSP3 investment will:

- (a.) Prevent further decline of property values in the surrounding area and become the catalyst of neighborhood stabilization and revitalization
- (b.) Decrease the number of dilapidated and/or vacant housing units
- (c.) Attract new residents to the target area
- (d.) Enhance the affordability of rental housing that will remain desirable for the longest period of time
- (e.) Increase the availability of energy-efficient rental housing
- (f.) Optimize economic activity, to the greatest extent possible, and the number of jobs created or retained that will provide other long-term economic benefits.

### General Terms under which NSP3 Assistance will be provided to Selected Area of Greatest Need

In order to expedite the effective use of NSP3 funds, the State of Mississippi will, at its discretion, award funds to an experienced developer with a proven track record in comprehensive development and management services of multi-family residential rental properties. The developer must have the capacity to identify, acquire and rehabilitate an eligible property within the area of greatest need in accordance with regulations specified in the NSP3 Notice and the State of Mississippi Substantial Amendment within the statutory expenditure timelines.

The developer will be required to propose a plan to correct any lead-based paint and/or environmental hazards, correct code violations, mechanical and physical deficiencies, provide property upgrades and improvements, including energy star and green building enhancements to increase the property value and marketability. The State will require the developer to leverage NSP3 funds with other available resources that are mutually supportive of

neighborhood revitalization.

Upon approval of the developer's construction plan, the State will, at its discretion, execute a written agreement with the developer for a 0% to 10% interest loan, forgivable at maturity, to acquire and rehabilitate the property. The developer will be reimbursed for eligible architect-certified construction costs associated with the rehabilitation of the property. Payments will be based on construction performance for documented, obligated and incurred costs.

#### **Specific Activity Requirements**

##### **Discount Rate**

The foreclosed-upon multi-family residential rental property acquired under this NSP activity will be at a discount from the current market-appraised value of the property.

##### **Range of Interest Rates**

A range of interest rates from 0% to 10% will, at the State's discretion, be applied to NSP3 funds.

##### **Relocation**

NSP3-assisted property acquisitions shall be in compliance with the requirements set forth under the Tenant Protection Act of 2009 regarding the proper treatment of bona fide tenants and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA).

##### **Period of Affordability**

The duration of the period of affordability for acquisition and rehabilitation of the multi-family residential rental activity shall be determined by a portion of NSP3 private funds invested in the property per unit.

The period of affordability for rental housing will be enforced by a deed restriction and is not related to the term of any loan or mortgage, or any transfer of ownership except that affordability requirements terminate upon foreclosure or transfer in lieu of foreclosure. For purposes of the grant agreement, the Land Use Restriction Agreement shall be one and the same as the Deed Restriction.

##### **Duration or Term of Assistance**

The duration of the assistance will be regulated by HOME Program affordability requirements outlined in 24 CFR 92.252, as updated annually.

##### **Tenure of Beneficiaries**

NSP3 funds expended in this activity will be used for rental by beneficiaries, whose income does not exceed the 50% area median income.

##### **Vicinity Hiring**

The developer will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of the NSP3 funded project or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 project. For purposes of NSP3, HUD defines vicinity as each neighborhood identified by the State of Mississippi as being the areas of greatest need. Small business means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as outlined in 42 U.S.C. 5302(a)(23).

##### **Section 3 of the HUD Act of 1968**

The developer will develop a plan to provide job training, employment, and contract opportunities for low or very-low income residents in connection with the NSP3 project in their neighborhood.

##### **Section 504 of the Rehabilitation Act of 1973**

The developer will comply with Section 504 which prohibits discrimination on the basis of disability in any program, service or activity that receives federal financial assistance. Reasonable efforts will be made to ensure the accessibility of all program services. If the developer has 15 or more employees a responsible employee will be designated to adopt grievance procedures, notify participants, beneficiaries, applicants and employees of nondiscriminatory policies.

##### **Program Income**

Rents generated from NSP3 assisted property in this activity will not be considered program income.

##### **Location Description**

This activity will be located within one of two areas of greatest need selected for funding based on HUDuser.org foreclosure data. Specific addresses, blocks and/or neighborhoods are unknown at this time.

##### **Budget**

Source of Funding	Dollar Amount
NSP3	\$4,900,000.00
Other funding source	\$0.00
<b>Total Budget for Activity</b>	<b>\$4,900,000.00</b>

##### **Performance Measures**

Approximately 100 households whose incomes are at or below the 50% area median income will benefit from NSP3 funds.

##### **Projected Start Date**

The anticipated start date of this activity will be within 90 days of selecting the property to be funded.

##### **Projected End Date**

The project will end within 3 years of the date funds become available to the State of Mississippi, as defined in the NSP3 Notice.

##### **Responsible Organization**

Name	To Be Determined
Location	To Be Determined
Administrator	
Contact Info	To Be Determined

#### **ACTIVITY NUMBER 2**

##### **Activity Name**

Planning and General Administration

##### **Use**

Select all that apply:

Eligible Use A: Financing Mechanisms

Eligible Use B: Acquisition and Rehabilitation

Eligible Use C: Land Banking  
 Eligible Use D: Demolition  
 Eligible Use E: Redevelopment

**CDBG Activity or Activities**

24 CFR 570.206 (a),(b),(c),(e),(f),(g) Payment of reasonable administrative costs and carrying charges related to the planning and execution of NSP3 housing activities (not including costs eligible under 24 CFR 570.201 through 24 CFR 570.204 which are eligible as activity costs).

**National Objective**

Administrative funds will be used to meet the national objective benefiting low-income persons as defined in the NSP3 Notice.

**Activity Description**

The State of Mississippi, MDA will use up to 10 percent of the NSP3 funds for the planning and administration of program activities. Administrative costs will include staffing for overall program management, reporting and other direct and indirect charges.

In accordance with OMB Circular A-87, Attachment B, paragraph 31, HUD is allowing grantees to incur pre-award costs. Therefore, the State of Mississippi may, at its discretion allow designated sub-grantees to incur pre-award costs with HUD approval. This will be determined prior to award being made.

**Location Description**

Mississippi Development Authority  
 Community Services Division  
 501 North West Street  
 Jackson, Mississippi 39201

**Budget**

Source of Funding	Dollar Amount
NSP3	\$100,000.00
Other funding source	\$0

**Total Budget for Activity**  
**\$100,000.00**

**Performance Measures**

N/A - Administrative Costs Only

**Projected Start Date**

The projected start date for the program is February 15, 2011.

**Projected End Date**

The projected end date for the program is February 15, 2014.

**Responsible Organization**

Mississippi Development Authority  
 Community Services Division  
 Post Office Box 849  
 Jackson, MS 39205

**Administrator Contact Info**

Steve Hardin, Division Director  
 Caldon Williams, NSP Bureau Manager  
 (601) 359-3179

**8. Certifications**

**Certifications for State and Entitlement Communities**

(1) Affirmatively furthering fair housing. The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) Anti-displacement and relocation plan. The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) Anti-lobbying. The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) Authority of jurisdiction. The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) Consistency with plan. The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) Acquisition and relocation. The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) Section 3. The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) Citizen participation. The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) Following a plan. The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. (Only States and entitlement jurisdictions use this certification.)

(10) Use of funds. The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) The jurisdiction certifies:

- a. That all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) Excessive force. The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) Compliance with anti-discrimination laws. The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) Compliance with lead-based paint procedures. The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) Compliance with laws. The jurisdiction certifies that it will comply with applicable laws.

(16) Vicinity hiring. The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) Development of affordable rental housing. The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

#### **How Fund Use Addresses Market Conditions:**

##### **Ensuring Continued Affordability:**

###### *Long-Term Affordability*

The State of Mississippi (MDA) shall ensure continued affordability for NSP assisted housing to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed upon homes and residential properties remain affordable to individuals or families whose income do not exceed 120% of area median income or, for units originally assisted with funds under requirements of Section 2301 (f)(3) (A)(ii), to remain affordable to individuals and families whose incomes do not exceed 50% of the area median income. If NSP funds assist a property that was previously assisted with HOME funds, but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure pursuant to 24 CFR part 92, the State or grantee must revive the HOME affordability restriction for the greater of the remaining period of HOME affordability or the continuing affordability requirements of this program. Affordability restrictions will be defined in the written agreements.

##### **Definition of Blighted Structure:**

###### *Blighted Structure*

Mississippi Code of 1972 as amended does not provide for a definition of blighted structure. If applicable, respective local individual ordinance definitions will be used. The State of Mississippi under state law 43-35-3 (i) has defined blighted area to mean an area which by reason of the presence of substantial number of slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use. If such blighted area consists of open land, the conditions contained in the proviso in subsection (d) of Section 43-35-13 shall apply. Any disaster area referred to in subsection (g) of Section 43-35-13 shall constitute a blighted area.

##### **Definition of Affordable Rents:**

###### *Affordable Rents*

The State of Mississippi shall define affordable rents to mean the fair market rent for a particular area for existing fair housing for comparable units in the area as published and updated by HUD annually.

##### **Housing Rehabilitation/New Construction Standards:**

###### *Housing Rehabilitation Standards*

NSP3-assisted residential properties will comply with all applicable federal, state and local rehabilitation standards, laws, codes and other requirements pertaining to the provision of housing safety, quality and habitability, in order to sell, rent or redevelop such properties. At minimum, the following requirements will be met as outlined in the NSP3 Notice:

- (a.) All gut rehabilitation (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must meet the standards for a Energy Star

Qualified new home.

(b.) All gut rehabilitation of mid or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).

(c.) Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.

(d.) Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.

(e.) Rehabilitation activity must meet the requirements of the 2003 International Existing Building Code or the most current code adopted by the community in the selected project area.

(f.) Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, and fires).

(g.) NSP3 sub-grantees will be strongly encouraged to implement any energy efficient and environmentally friendly green building components that are economically feasible.

#### Vicinity Hiring:

##### Vicinity Hiring

The developer will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of the NSP3 funded project or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 project. For purposes of NSP3, HUD defines vicinity as each neighborhood identified by the State of Mississippi as being the areas of greatest need. Small business means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as outlined in 42 U.S.C. 5302(a)(23).

#### Procedures for Preferences for Affordable Rental Dev.:

##### Grantee Contact Information:

##### NSP3 Program Administrator Contact Information:

Name (Last, First) Williams, Caldon  
 Email Address cwilliams@mississippi.org  
 Phone Number 601-359-3179  
 Mailing Address Mississippi Development Authority  
 Community Services Division  
 Post Office Box 849  
 Jackson, Mississippi, 39205

#### Overall

	This Report Period	To Date
Total Projected Budget from All Sources	N/A	5,000,000
Total CDBG Program Funds Budgeted	N/A	5,000,000
Program Funds Drawdown	1,664,681	2,201,368.6
Program Funds Obligated	0	5,000,000
Program Funds Expended	1,667,924.1	2,204,611.69
Match Contributed	0	165,142.72
Program Income Received	0	0
Program Income Drawdown	0	0

#### Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected):		0%
Overall Benefit Percentage (Actual):		0%
Minimum Non-Federal Match	0	165,142.72
Limit on Public Services	750,000	0
Limit on Admin/Planning	500,000	94,093.54
Limit on State Admin	0	94,093.54

#### Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	500,000	100,000

#### Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	1,250,000	4,900,000

#### Overall Progress Narrative:

As of September 30, 2011, \$97,336.63 has been expended in the State Administration Activity. Of that total, \$47,709.39 was drawn while \$50,952.48 was expended during this quarter. Cumulatively, \$2,107,275.06 has been expended in the Multi-family Program Activity, while during this quarter, \$1,616,971.62 was drawn and expended. To date, \$2,204,611.69 has been expended in both JPL - Greenwood, Inc. Activities, \$1,667,924.10 of which was expended during this quarter.

As of September 30, 2011, construction has been initiated on all 100 units. As of the end of the quarter, 16 units have been completed.

To date, JPL - Greenwood, Inc. expended \$165,142.72 in match funds for this activity.

### Project Summary

Project#, Project Title

	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
<b>9999, Restricted Balance</b>	0	0	0
<b>NSP 001, Multi-Family Residential Housing Program</b>	1,616,971.62	4,900,000	2,107,275.06
<b>NSP 002, Administration</b>	47,709.38	100,000	94,093.54

### Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
NSP 002	Administration	<a href="#">B-11-DN-28-0001</a>	<a href="#">B-11-DN-28-0001 - Administration</a>
9999	Restricted Balance	No activities in this project	
NSP 001	Multi-Family Residential Housing Program	<a href="#">N1807-11-042-JPL01 R</a>	<a href="#">JPL- Greenwood, Inc. Rehabilitation</a>

## Activities

#### Grantee Activity Number:

B-11-DN-28-0001

#### Activity Title:

B-11-DN-28-0001 - Administration

#### Activity Category:

Administration

#### Activity Status:

Under Way

#### Project Number:

NSP 002

#### Project Title:

Administration

#### Projected Start Date:

03/01/2011

#### Projected End Date:

02/15/2014

#### National Objective:

N/A

#### Completed Activity Actual End Date:

#### Responsible Organization:

Mississippi Development Authority

#### Benefit Type:

N/A

Total Projected Budget from All Sources  
 Total CDBG Program Funds Budgeted  
 Program Funds Drawdown  
 Program Funds Obligated  
 Program Funds Expended  
 Mississippi Development Authority  
 Match Contributed  
 Program Income Received  
 Program Income Drawdown

#### Jul 1 thru Sep 30, 2011

N/A  
 N/A  
 47,709.38  
 -400,000  
 50,952.48  
 0  
 0  
 0  
 0

#### To Date

100,000  
 100,000  
 94,093.54  
 100,000  
 97,336.63  
 46,384.15  
 0  
 0  
 0

### Activity Description:

Administration funds will be used to meet the national objective benefiting low-income persons as defined in the NSP3 Notice. The State of Mississippi, MDA, will use up to \$500,000 or 10 percent of the NSP3 funds for planning and administration of program activities. Administrative costs will include staffing for overall program management, reporting and other direct and indirect charges.

During the quarter ending September 30, 2011, the JPL - Greenwood, Inc. Administration Activity was decreased from \$500,000 to \$100,000 by \$400,000. The funds were relocated to the JPL - Greenwood, Inc. Rehabilitation Activity, which was increased from \$4,500,000 to \$4,900,000 by \$400,000.

### Location Description:

Mississippi Development Authority  
 Community Services Division  
 501 North West Street  
 Jackson, Mississippi 39201

**Activity Progress Narrative:**

MDA continues to provide the NSP3 developer technical assistance with programmatic issues. As of September 30, 2011, \$97,336.63 has been expended in the State Administration Activity. Of that total, \$47,709.39 was drawn while \$50,952.48 was expended during this quarter.

**Activity Location:**

Address	City	State	Zip
No Activity Locations Found			

**Other Funding Sources Budgeted - Detail**

Match Sources	Amount
No Other Match Funding Sources Found	

**Other Funding Sources**

Other Funding Sources	Amount
No Other Funding Sources Found	

**Grantee Activity Number:**

N1807-11-042-JPL01 R

**Activity Title:**

JPL- Greenwood, Inc. Rehabilitation

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Under Way

**Project Number:**

NSP 001

**Project Title:**

Multi-Family Residential Housing Program

**Projected Start Date:**

03/01/2011

**Projected End Date:**

02/15/2014

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Completed Activity Actual End Date:**

**Responsible Organization:**

Mississippi Development Authority

**Benefit Type:**

Direct Benefit (Households)

	Jul 1 thru Sep 30, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	4,900,000
<b>Total CDBG Program Funds Budgeted</b>	N/A	4,900,000
<b>Program Funds Drawdown</b>		
<b>Program Funds Obligated</b>	1,616,971.62	2,107,275.06
<b>Program Funds Expended</b>	400,000	4,900,000
<b>Mississippi Development Authority</b>	1,616,971.62	2,107,275.06
<b>Match Contributed</b>	0	165,142.72
<b>Program Income Received</b>	0	0
<b>Program Income Drawdown</b>	0	0

**Accomplishments Performance Measures**

	This Report Period Total	Cumulative Actual Total / Expected Total
<b># of Properties</b>	16	16/100
<b>#Energy Star Replacement Windows</b>	91	91/568
<b>#Additional Attic/Roof Insulation</b>	16	16/14
<b>#Replaced thermostats</b>	16	16/101
<b>#Replaced hot water heaters</b>	16	16/101
<b>#Light Fixtures (indoors) replaced</b>	16	16/732
<b>#Light fixtures (outdoors) replaced</b>	16	16/182
<b>#Refrigerators replaced</b>	16	16/101
<b>#Low flow toilets</b>	16	16/101
<b>#Low flow showerheads</b>	16	16/100
<b># ELI Households (0-30% AMI)</b>	0	0/95

	This Report Period Total	Cumulative Actual Total / Expected Total
<b># of Housing Units</b>	16	16/100
<b># of Multifamily Units</b>	16	16/100

**Beneficiaries Performance Measures**

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	5	0	5	5/0	0/0	5/100	100
# Renter Households	5	0	5	5/0	0/0	5/100	100

**Cumulative Race Total**

Direct Benefit (Households)	This Report Period			Cumulative Actual Total		
	Owner Total Hispanic/Latino	Renter Total Hispanic/Latino	Total Households Total Hispanic/Latino	Owner Total Hispanic/Latino	Renter Total Hispanic/Latino	Total Households Total Hispanic/Latino
Black/African American Households	0	0	5	0	5	0
Female	0	4	4	0	4	4

**Activity Description:**

A subgrant in the amount of \$4,500,000 was awarded to JPL - Greenwood, Inc. for the acquisition and rehabilitation of a 100-unit foreclosed upon multi-family residential housing complex in Greenwood, Mississippi. The rental property will be occupied by beneficiaries whose incomes do not exceed 50% of the local area median income (AMI). The allocation of funds to this income population ensures that the largest number of residents in the targeted community have a safe and affordable place to live.

During the quarter ending September 30, 2011, the JPL - Greenwood, Inc. Administration Activity was decreased from \$500,000 to \$100,000 by \$400,000. The funds were relocated to the JPL - Greenwood, Inc. Rehabilitation Activity, which was increased from \$4,500,000 to \$4,900,000 by \$400,000.

**Location Description:**

Williams Landing  
2900 Browning Road  
Greenwood, Mississippi 38930

**Activity Progress Narrative:**

The lead abatement and asbestos removal has been completed with the exception of five (5) units and the office complex. Work on these areas is ongoing and will be completed in the first month of the third quarter. The office has been temporarily located in unit 2 A during this process. HUD has cleared sixteen (16) units for Section 8 rental assistance. The new access road has been cleared of sod and ready for the start of grading and asphalt paving. Overall construction progress is moving along in an orderly fashion.

To date, rehabilitation has been completed on 16 of the 100-unit multi-family residential housing complex. All 16 units were completed during this quarter. 5 of the units completed this quarter are fully leased. Cumulatively, \$2,107,275.06 has been expended in the Multi-family Program Activity, while during this quarter, \$1,616,971.62 was drawn and expended.

To date, JPL - Greenwood, Inc. expended \$165,142.72 in match funds for this activity.

Performance Measures reflect unit accomplishments rather than actual number of appliances, light fixtures, low flow toilets, etc. Performance Measures will be reported in the next period for this actual number of accomplishments.

**Activity Location:**

Address	City	State	Zip
No Activity Locations Found			

**Other Funding Sources Budgeted - Detail**

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources	Amount
No Other Funding Sources Found	