



STATE OF MISSISSIPPI
HALEY BARBOUR, GOVERNOR
MISSISSIPPI DEVELOPMENT AUTHORITY
Gray Swoope
EXECUTIVE DIRECTOR

LONG TERM WORKFORCE HOUSING MEMORANDUM

DATE: August 10, 2010

SUBJECT: Rehabilitative/Construction Services Special Condition Policy

- I. BACKGROUND:** Within the Long Term Workforce Housing (LTWH) contracts between Mississippi Development Authority (MDA) and Sub-recipients/Sub-grantees (collectively "Sub-recipient(s)") that are contracted to conduct rehabilitation/reconstruction and construction activities are special condition provisions variously entitled, "Special Conditions Prior to Construction/Rehabilitative Services," "Special Condition Prior to Construction," or "Special Conditions Prior to Rehabilitation." For rehabilitation/reconstruction activities the special condition(s) required that prior to allocation or expenditure of KCDBG funds for rehabilitation and/or reconstruction of a housing unit, other than legal expenses, the Sub-recipient had to provide to MDA deeds and property tax receipts evidencing clear ownership of property submitted for rehabilitation activities, verification of income, and proof of needed services, such as damage assessments and financial need proof. For construction activities, the special condition(s) required deeds and property tax receipts evidencing clear ownership of property submitted for construction activities to be provided to MDA prior to allocation or expenditure of KCDBG funds for construction. Both types of special conditions required that the sub-recipient obtain written clearance from MDA that these special conditions were met. By letter in April 2010, a number of affected sub-recipients were notified that the written clearance is no longer required and that a program policy would be forthcoming.
- II. POLICY:** The following is hereby issued as a Policy by MDA and is incorporated into the LTWH contracts with sub-recipients:
- A.** Submission to MDA of deeds, tax receipts, verification of income and/or proof of needed services prior to allocating or expending KCDBG funds for the rehabilitation (including reconstruction) or new construction of a housing unit is no longer required.
 - B.** Written clearance by MDA of the section of the LTWH contract entitled, "Special Conditions Prior to Construction/Rehabilitation," or "Special Condition Prior to

Construction,” or “Special Conditions Prior to Rehabilitation.” (collectively, “Special Conditions provision”) no longer will be provided.

- C. Sub-recipients affected by this policy are required to retain the documentation listed in their respective applicable Special Conditions provision in their project files for monitoring purposes.
 - D. Site-specific Environmental Assessment clearance letters or forms (“EA Clearance”) will continue to be distributed by MDA to Sub-recipients once the site(s) have received applicable agency approvals. Upon receipt of the EA Clearance from MDA, a sub-recipient may begin rehabilitative, reconstructive or constructive services, as applicable, on the approved site(s) in accordance with their LTWH contract.
- III. REQUIRED ACTION:** The policy should be provided to all appropriate staff and maintained on file for future references.
- IV. CONTACT:** Questions concerning this policy should be addressed to Lynn Seals, Program Manager at 601-359-2905.