

NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

February 7, 2011

Mississippi Development Authority
Post Office Box 849
Jackson, Mississippi 39205
601-359-3449

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the Mississippi Development Authority (MDA). The MDA is providing funding to the Mississippi State Port at Gulfport (Port), which will carry out the project.

REQUEST FOR RELEASE OF FUNDS

On or about February 28, 2011 the MDA will submit a request to the Department of Housing and Urban Development (DHUD) for the release of Community Development Block Grant (CDBG) Disaster Recovery Grant funds under Title 1 of the Housing and Community Development Act of 1974, as amended, to undertake a project known as the 24-Acre Fill, New Tenant Terminals and Infrastructure Project at the Port (collectively, the "Project"). The Project involves the necessary work to fill the final 24 acres of Mississippi Sound water bottoms (Phase III) authorized by Department of the Army Permit MS96-02828-U ("84-Acre Fill Permit"); to fill the West Pier to +25 feet to make the Port facilities resistant to storm surge; and to construct new tenant terminals and infrastructure. The Project completes Phase III of the 84 Acre Fill Permit; provides for the long-term recovery of the operating capacity of the Port; provides protection against future tropical storm surge events by elevating the West Pier to +25 feet; establishes a solid infrastructure foundation for current and future operations of the Mississippi State Port Authority ("MSPA"); and provides job opportunities for low-to-moderate income persons. The United States Army Corps of Engineers (USACE) issued Modification 5 to the 84-Acre Fill Permit on December 13, 2010, which authorizes

the commencement of Phase III. The Project does not involve the filling of any open water bottoms beyond the completion of those permitted for fill in 1998 and does not propose any expansion of the Port beyond the currently permitted footprint. The purpose for new tenant terminals and infrastructure and raising the Port (West Pier) to +25 feet is due to the destruction caused by Hurricane Katrina of tenant terminals and infrastructure and the need to reduce the threat of future storms. Elevating the Port to +25 feet to provide protection from future storms necessarily requires construction of new tenant terminals and infrastructure. Further, on April 15, 2009, the Federal Emergency Management Agency issued a Conditional Letter of Map Revision which addressed, in part, the raising of the existing Port to an elevation of +25 feet. Upon completion, the Project will have substantial independent utility irrespective of any future, proposed expansion, and it will be constructed whether or not any proposed expansion project is constructed in the future. The proposed Project is located on Port property south of U.S. 90 and on fill and structures authorized by Permit MS96-02828-U.

The total estimated Project cost for the completion of the Project is \$481,000,000. The Project will be funded entirely by CDBG funds. Expected funds necessary to complete the Project by category follow: \$71,000,000 for fill; \$176,000,000 for infrastructure, and \$234,000,000 for new tenant terminals and facilities. The Project site is located on Port property south of U.S. 90 and in the near shore waters of the Mississippi Sound, immediately adjacent to the Port of Gulfport West Pier, in Section 9, Township 8 South, Range 11 West, Harrison County, Mississippi.

FINDING OF NO SIGNIFICANT IMPACT

The Mississippi Development Authority has determined that the Project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is

contained in the Environmental Review Record (ERR) on file at MDA located at 239 N. Lamar Street, Jackson, MS 39201, and is available for review and may be examined or copied weekdays from 8:00 A.M. to 5:00 P.M.

PUBLIC COMMENTS

Any individual, group, or agency disagreeing with this determination or wishing to comment on the Project may submit written comments to MDA as well as DHUD, to ensure that all comments receive full consideration. All comments received by February 25, 2011 will be considered by the MDA prior to DHUD authorizing the request for release of funds. Comments must be prepared and submitted in accordance with the required procedure (24CFR Part 58) and shall be addressed to Mr. Daron Wilson, Mississippi Development Authority, P.O. Box 849 Jackson MS 39205, or submitted electronically to disasterrecoverycomments@mississippi.org. Comments should specify which Notice they are addressing.

RELEASE OF FUNDS

The MDA certifies to DHUD that Daron Wilson in his capacity as Director, PMO Disaster Recovery Division, consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. DHUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the MDA to use DHUD Program Funds.

OBJECTIONS TO RELEASE OF FUNDS

DHUD will consider objections to its release of funds and the MDA's certification received by February 25, 2011 or for a period of fifteen days following the anticipated submission date or its

actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the MDA; (b) the MDA has omitted a step or failed to make a decision or finding required by DHUD regulations at 24 CFR Part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs, or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by DHUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality.

Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to Mr. Scott Davis, Director of Disaster and Special Issues, 451 7th Street S.W., Washington, DC 20410. Potential objectors should contact DHUD to verify the actual last day of the objection period.

Daron Wilson
Director, PMO Disaster Recovery Division
Mississippi Development Authority

February 10, 2011