

MISSISSIPPI SMALL MUNICIPALITIES AND LIMITED POPULATION COUNTIES GRANT PROGRAM (SMLPC)

2026

GUIDELINES & IMPLEMENTATION MANUAL



COMMUNITY INCENTIVES DIVISION MISSISSIPPI DEVELOPMENT AUTHORITY

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SMALL MUNICIPALITIES AND LIMITED POPULATION COUNTIES GRANT PROGRAM

The Mississippi Small Municipal and Limited Population County Grant Program (“SMLPC”), administered by the Mississippi Development Authority (“MDA”), is designed for making grants to small municipalities and limited population counties or natural gas districts ("Eligible Applicants") to finance projects to promote economic growth in the State of Mississippi ("State"). Funding for grants to Eligible Applicants is derived from appropriations or funds otherwise made available by the Mississippi State Legislature.

The Small Municipalities and Limited Population Counties Grant Program is authorized under Section 57-1-18 et seq., MS Code, Annotated.

Eligibility

Eligible Applicants

Small municipalities, limited-population counties, and natural gas districts, as further defined below, are eligible to apply to MDA.

- Small Municipality – an incorporated municipality in the State of Mississippi with a population of ten thousand (10,000) or less according to the most recent federal decennial census at the time the application is submitted. The term “small municipality” also includes a “municipal historical hamlet” as defined in Section 17-27-5 of the Mississippi Code of 1972. (Municipal Historical Hamlet- means former city, town, or village with a population of less than six hundred (600) inhabitants)
- Limited Population County - means a county in the State of Mississippi with a population of thirty thousand (30,000) or less according to the most recent federal decennial census at the time the application is submitted.
- Natural Gas Districts - means districts created by law and meeting the same requirements as small municipalities.

NOTE: Census Designated Place (CDP’s) on the official list ([TIGERweb State-based Census Designated Place Files - Current](#)) are not eligible.

Eligible Projects

The intent of the program is to stimulate growth and economic development in small communities throughout the State. MDA will prioritize applications that promote private sector permanent, non-construction job creation and/or retention and promote private sector capital investment.

Eligible projects for funding by SMLPC include the following as set forth in the *Eligible Projects* list:

- Highways, streets, roadways, bridges, sidewalks, and related infrastructure improvements
- Utilities and related infrastructure improvements
- Airfields, airports, and related infrastructure improvements
- Acquisition of equipment
- Acquisition of real property and development of real property, including, but not limited to, improvements on same
- Any other project determined to be eligible by MDA.

NOTE: All eligible projects must be *publicly owned*.

Priorities

Eligible projects must be publicly owned and adhere to program selection priorities set forth in the *Selection Priorities* list.

- Priority #1: Economic Development Improvements- Projects that include water, sewer, street and drainage improvements for the benefit of site development, industrial parks, business districts, tourism destinations, and projects that improve the competitiveness of a community.
- Priority #2: Downtown Improvements- Projects that improve the downtown areas including: sidewalks, lighting, façade improvements beautification improvements (i.e. waste receptacles, stop signs, street signs, landscaping, awnings, etc.), and other downtown improvements as approved by MDA.
- Priority #3: Non-economic development related water, sewer, street and drainage improvements.
- Priority #4: Purchase, construction or rehabilitation of public buildings to include town halls, libraries, police stations, fire stations, community centers, courthouses, and other publicly owned buildings as approved by MDA.

General Provisions

The maximum grant amount which may be awarded to any one applicant will be \$1,000,000.

Each application will be evaluated on its own merit to meet the intent of the program. All projects must be related to MDA Eligible Priorities.

Match Preference

While *match is not a required component* of the application, preference will be given to those applicants with demonstrated match commitment in the competitive process. *If an applicant wishes to earn match preference points*, communities with a population of 3,500 or less will be required to have a minimum 10% match and communities with a population greater than 3,500 will be required to have a minimum 20% match.

Those with an actual cash match commitment consisting of either *local funds fully committed to the project or private development funds committed to the project will be awarded a fifteen (15) point preference*. Those who can demonstrate a *match amount through other project costs actually expended and covered by either public or private entity at the time of application may be awarded up to an additional ten (10) points* to the project score. Such other costs may include, but are not limited to, administrative, engineering, architectural, inspection, and legal costs. Such costs must have been expended within the past twelve (12) months prior to application submittal. *If an Eligible Applicant can clearly demonstrate additional funds (public or private) actually committed to the project at the time of application beyond the referenced match percentages, up to an additional five (5) points may be awarded to the project score*.

All match commitments must be demonstrated through documentation submitted at the time of application as set forth under the *Application Requirements* which require all documentation to be provided in Portable Document Format (pdf) via the web portal.

SMLPC funds may not be used for working capital, general expenditures, which would normally be covered under an Eligible Applicant's general operation budget, ad valorem taxes, or for project related soft costs such as administrative, engineering, architectural, inspection, legal, etc. SMLPC projects may not start prior to Grant Agreements being executed between the parties.

The SMLPC Program is a competitive program. As such, all funds awarded must be spent on activities within the scope of the original project description as stated in the grant application. Therefore, changes in scope will *not* be allowed.

Mississippi Employment Protection Act

Eligible Recipients must ensure that it and its contractors, subcontractors, and subrecipients are in compliance with the "Mississippi Employment Protection Act" through registration and participation in the "E-Verify System," the federal employment status verification system for all newly hired

employees. The Eligible Recipient will maintain all documentation showing compliance with this requirement and provide such upon request. Through this process, the Eligible Recipient will ensure that any person assigned to perform project services meets the employment eligibility requirements of all federal and state immigration laws.

Application Process

To apply for the Small Municipalities and Limited Population Counties Grant Program, a completed application that is submitted by an eligible applicant must include:

- The name, address, and contact information of the applicant and identification of how the applicant meets the requirements of being an Eligible Applicant.
- The name, company/firm, address, and contact information for any individual who assisted the Eligible Applicant in the preparation and submission of the application.
- The name and address of any benefiting entities, if different.
- A detailed description of the project and narrative explaining how it meets one of the eligible project categories set forth under the *Eligible Projects* and how it relates to one of the priorities of the *Selection Priorities*.
- The amount of required match funds and any other funding, public or private, that have been secured and that will be utilized exclusively for the project.
- Cost estimate for the project submitted by an engineer, architect, or appropriate official on their letterhead as a signed and stamped original
- Timeline for implementation and completion of project within (2) years of grant award.
- A proposed budget for the project completed on the MDA budget sheet which can be found on the MDA website

Eligible Applicants must provide at the time of application all supporting documentation in the Portable Document Format (pdf) via the web portal. No documents will be accepted once the submission deadline has passed and the portal is closed.

Among the documents which should be submitted are the following:

- Project maps, construction drawings, blueprints, and/or related project renderings
- Engineering documentation, which must be on the engineer's letterhead and with his/her stamp or seal and signature
- Executed copy of the local unit of government's resolution of authorization to apply for grant funds
- Executed copy of the local unit of government's resolution committing matching funds to the project (if applicable)
- Bank statements, financial commitment letters, loan documents, documentation of other grant funds, and related records documenting additional funds, if any, committed to completing the project
- Records of any property acquisitions, including, but not limited to, closing documents, offers to acquire property, and commitments to acquire property

- Documentation of public support for the project, including records of public hearings held, letters of support (including, but not limited to, public officials, local businesses, chambers of commerce, community organizations, associations, non-profit entities, and individual citizens), petitions, resolutions from public agencies and entities, and related documentation.

The Applicant must submit applications through the MDA SMLPC Application Portal and submit one complete electronic copy, including all supporting documentation to CIDprocessing@mississippi.org. All required attachments submitted must be clear and easy to read.

Application Submittal Period via the online portal: September 28th- October 30, 2026

Applications must be submitted via the MDA Application Portal.

No other application form will be accepted.

Application Submittal Portal Link: <https://mdaportal.intake.horne.com/>

Scoring and Approval Process

MDA will evaluate each application to determine if the project meets program criteria. Any application that does not contain information sufficient for review will not be considered for funding.

Following application review to determine eligibility, including that the applicant is an eligible applicant and that the project meets the SMLPC purpose, the application will be submitted to a scoring committee to be scored based on the following criteria:

Scoring Criteria	Point Range	Total Maximum Points
Priority 1	5-25	25
Priority 2	5-20	20
Priority 3	5-15	15
Priority 4	5-10	10
Match Commitment Made	15	15
Match of funds already expended on the project at the time of application	10	10
Additional funds above required match clearly demonstrated	5	5
Total Possible Points		100

Following the scoring process, MDA will make recommendations to the Governor of the State of Mississippi for funding.

Award Process

Once the Governor, or his/her designee, makes the final determinations regarding the awards, MDA will issue a binding agreement to be executed by the awarded Eligible Applicant for the specific project set forth in the application.

Any expenses incurred by Eligible Applicant prior to execution of the grant agreement will not be reimbursed by MDA from grant funds, except for those expenses specifically allowed by the Act.

The Eligible Applicant shall have two (2) years from the date of the award to spend the funds under SMLPC.

All funded projects are required to enter the construction phase within 12 months of the award date. Where construction has not begun within 12 months, the applicant must satisfactorily demonstrate why the project should be kept open, or the award may automatically be voided.

Procurement

Eligible Recipients and any benefiting party of the grant funds must adhere to and follow Mississippi state procurement laws, as found in Chapter 7 of Title 31 of the Mississippi Code and those regulations, procedures, and guidelines adopted by the Mississippi Department of Finance and Administration.

Minority and Women Owned Business Enterprises

The Mississippi Development Authority (MDA) encourages the maximum opportunity for increased participation by local Minority and Women-Owned Business Enterprises (MBE/WBE) in the procurement of goods and services. The Mississippi Development Authority Small and Minority Business Division at <https://mmbr.mississippi.org> and the Mississippi APEX Accelerator at <https://msapexaccelertor.org> can provide technical assistance with MBE/WBE outreach efforts.

Disbursement of Funds

SMLPC is a competitive program. All funds awarded must be spent on improvements within the scope of the original project description as stated in the grant application. No reimbursement will be allowed for any costs or expenses outside the scope of the project. Additionally, all funds will flow through the local unit of government or gas district.

MDA will release SMLPC program funds for services rendered, on a reimbursement basis, for approved eligible costs incurred for the project.

Recipients will have two (2) years from the date of the grant agreement to spend the SMLPC funds. Failure to implement and complete the project within that time frame may result in the agreement being voided and funds de-obligated.

Requests for Cash

SMLPC funds are requested by using the project specific Request for Cash (RFC) form provided for each awarded project. This form will be provided to the Grantee and/or their Grant Administrator once the executed grant agreement has been received by the MDA's Community Incentives Division (CID). The RFC form provides the necessary information about the recipient, project and budget, along with the required signatures to authorize the request. The form is pre-filled with the project's approved budget line items, municipality name and address assigned to the grantee provided DFA vendor number, and the MDA assigned project number. The costs reported must be equal to the amount requested and disbursed including any matching funds, which must be expended at a proportionate rate with the grant funds. In addition, adequate invoices and other certified documentation must be submitted with these forms and prior to approval of disbursement of funds. Completed RFC forms and supporting documentation must be submitted through the CID Smartsheet program using the Cash Request link provided to the Grantee and/or Grant Administrator. You must use this CID provided RFC form for your project- no additions or subtractions from the form should be made. If you require an additional copy of your project's Request for Cash form, please contact your CID program manager.

An Authorized Signatory Letter must be sent prior to or no later than with the *first* RFC and at any time there is a change in administration. The Authorized Signatory Letter will advise CID of the authorized signatories for the SMLPC project. If at any time there is a change in administration, a new authorized signatory letter must be submitted. Any RFC received with signatures other than those authorized by the signatory letter on file will be returned to the grantee for correction.

All forms submitted must be accurately completed or the request cannot be processed and will be returned to the recipient. Forms submitted with errors will delay the process and greatly impact the turnaround time for funds being released because all information must be verified and approved for payment prior to submission to the Department of Finance and Administration. According to State Statute, 45 days are allowed for the processing of cash requests. If after the 30th day payment has not been received, please contact the Program Manager to check on the status of your request.

Requests for Cash overlapping the State's fiscal year (June 30th) or the sub-recipient's fiscal year must be separated into two separate requests.

All requests for construction expenses must include an itemized invoice/pay application approved by the project engineer/architect.

Contract Modifications

The CID must approve all contract amendments, modifications or extensions prior to any action being taken by the grantee. SMLPC grant recipients must submit correspondence and documentation associated with the request signed under the original signature of the chief elected official or appointed executive officer, supporting the need for the change(s) or extension.

NOTE: CID must approve any changes to the original budget prior to local action. Failure to have approval may result in an ineligible activity, which may result in the repayment of grant funds to MDA.

Contract Extensions

Contract extensions past the two-year contract period may be requested, but requests must be made by the grantee's authorized signatory and must be accompanied by documentation from the project engineer/architect (for construction projects) with thorough justification as to why the project was not completed within the required two-year timeframe and must include the new timeline for completion in order to be considered.

CID will consider contract modification and extension requests submitted and issue a written decision to the grantee. If the request is granted, CID will provide an amendment to the grant agreement or other appropriate written modification, which must be executed by both the grantee and CID before the modification and/or amendment will be considered effective. No amendments, modifications, or extensions will be considered legally effective until the process is completed with executed amendments and/or modifications in place between the parties. Any action taken before the completion of this process will be considered a violation of the terms of the grant agreement and appropriate action will be taken, including, but not limited to, cancellation of the grant agreement and a demand for repayment of funds, if appropriate.

CID will *not* approve a complete change of scope after an award has been made. No approved applicant will be allowed to use excess funds to pay for the project costs not accounted for in the original project description. Additionally, if the recipients complete their project for less than the amount awarded, the excess funds can be requested to be used for additional project work if there is no change from the scope of the original project.

Reporting

CID will require quarterly reporting on the status of the SMLPC project. Reports shall include current progress on the project including: project milestones, any issues encountered, deviations from the original timeline submitted at application, narrative as to how the grantee intends to move the project forward in a timely manner, new project timelines as needed, any updates/progress of the project since the previous quarterly report, etc. Issues not accurately reported on the quarterly reports could jeopardize future requests for modifications, contract extensions and/or project funding. Any late reports may result in the return of any subsequent RFC submitted to CID.

Quarterly Report Due Dates: Quarterly reports will be due at the end of the month following the end of each calendar quarter.

Quarter 1 (January 1st through March 31st) due April 30th

Quarter 2 (April 1st through June 30th) due July 31st

Quarter 3 (July 1st through September 30th) due October 31st

Quarter 4 (October 1st through December 31st) due January 31st

Monitoring

Funds provided under the SMLPC are subject to audit by MDA, the Mississippi State Auditor, and other state agencies with such authority. Furthermore, CID will conduct periodic monitoring of SMLPC projects to ensure compliance with all laws, regulations, grant terms, performance metrics, and other applicable project goals and measures.

During the life of the project or at project completion, a CID compliance officer will contact the grantee to determine a date for the monitoring visit. CID Compliance will provide applicants with written notice at least seven (7) days in advance of said monitoring. MDA/CID reserves the right to conduct monitoring or auditing without notice upon reasonable suspicion of waste, fraud, or abuse involving state funds. All Eligible Applicants must fully cooperate with monitoring and auditing of the project, including, but not limited to, providing access to all books, records, documents, and information associated with the project, whether in written or electronic form, whether held by the grantee or by any entity in relationship to the grantee, such as grant administrators, benefitting businesses, banks, or other individuals or organizations.

CID will conduct a final monitoring and audit as part of the closeout process to ensure completion of the project within the scope set forth by the grant agreement, within the budget established by the grant agreement, and in compliance with all laws, regulations, grant terms, performance metrics, and other applicable project goals and measures.

Close-Out Process

Close-Out Packages bearing the original signatures of the designated signatory officials are due to CID within 30 days after completion of the project or 60 days from the termination date of the contract.

The close-out process encompasses a series of activities to verify that SMLPC funds have been properly spent and that the local sponsor has completed the elements of its project in a timely and acceptable manner.

The grant recipient must submit all financial, performance, and other reports required as a condition of the grant.

The tasks involved in closing out a grant include:

1. Resolution of all monitoring findings;
2. Submission of close-out report (one original copy); and
3. Submission of Certificate of Completion (one original signed copy)

The close-out process should begin when the following criteria have been met or will be met shortly.

1. All costs to be paid with program funds have been paid, including any unsettled third-party claims.
2. The recipient has fulfilled all its responsibilities under the Funding Agreement. This includes injection of all local cash and in-kind services, other State and/or Federal funding, all private investment, and job creation/retention (where applicable).
3. All performance metrics have been achieved and documented.
4. All final permits or licenses for the project have been secured.

Delays in completing the grant close-out can result in the denial of future requests with MDA.

The close-out package must be fully executed by the grantee and submitted to CID along with an executed Certificate of Completion. It should be noted that incorrect and/or incomplete close-out packages will be returned for corrections and will significantly delay the closing of the grant.

File Maintenance

Maintaining an efficient filing system is critical to the administration and monitoring of your project. A successful monitoring experience hinges on the quality with which the local sponsor maintains its filing system and the ease of obtaining information from those files.

When establishing a file system, local sponsors should consider using two categories to set up their files: (1) grant files and (2) project files. The grant files should contain documentation and information that relate to the overall funding and administration of your project. The project files should contain specific documentation and information pertaining to the SMLPC project (such as design and construction of the project) and should be maintained for a minimum of five (5) years from grant closeout or for the period required as specified by governing regulations, whichever is greater.

These guidelines may be amended by MDA at any time. MDA, at its discretion, may temporarily waive any requirement of the guidelines to the extent that the result of such waiver is to promote the public purpose of the Act and is not prohibited by State Law.
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