



GOVERNMENT OF PUERTO RICO

Central Recovery and Reconstruction Office of Puerto Rico

Date: October 20, 2020

To: Government of Puerto Rico Agencies, Municipalities, and Private Non-Profit Organizations

From: Ivelysse Lebrón Durán, State Hazard Mitigation Officer (SHMO)
Central Recovery and Reconstruction Office (COR3)

Re: Notice of Funds Availability: FEMA-4473-DR-PR (Earthquakes)

Authority

After Hurricane Maria, in need for a centralized entity to lead the coordination of the long-term recovery and reconstruction planning and execution process for the Government of Puerto Rico, the Governor of Puerto Rico issued Executive Order 2017-065 (as amended, by Executive Orders 2017-069 and 2020-014) to create the Central Recovery and Reconstruction Office of Puerto Rico ("COR3"). The COR3 was created as a division within the Puerto Rico Public Private Partnership Authority ("P3 Authority").

On August 16, 2019, the Governor appointed Mr. Ottmar Chávez Piñero, as the Governor's Authorized Representative (GAR) and Executive Director of COR3, to ensure that the COR3 has full visibility and leadership within the long-term recovery and reconstruction process.

As part of the commitment of the Governor to make every recovery process transparent, effective, and efficient, the COR3 provides an additional layer of oversight to ensure full compliance with all applicable laws and regulations, including the corresponding laws and regulations of the Hazard Mitigation Grant Program (HMGP). In such regard, pursuant to the Executive Order that created the COR3, as amended, said Office is responsible before FEMA, and provides oversight and monitoring to the HMGP in terms of procurement, recovery strategy, legal and regulatory support, grants claim review, project formulation, and data management.

Program Summary

COR3 hereby announces the availability of HMGP funds as a result of the Federal Disaster Declaration for the Earthquakes (FEMA-4473-DR-PR).

HMGP funding is authorized by Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). This post-disaster funding helps the Government of Puerto Rico to implement hazard mitigation measures to reduce or eliminate long-term risk to people and property from natural hazards.

The amount of HMGP funding available to the Government of Puerto Rico is derived from the total of

federal disaster assistance provided under the disaster declaration. As a result of the Earthquakes, on July 21, 2020, FEMA notified the Government of Puerto Rico of the establishment of the 6-month funding lock-in limit. The amount available in federal hazard mitigation funding for this disaster is \$75,000,000.

Funding Priority

The Government of Puerto Rico has prioritized the available HMGP funds to protect the federal investment in Puerto Rico's public infrastructure.

For FEMA-4473-DR-PR, HMGP projects will be developed as part of the overall recovery process. Eligible HMGP projects will be identified and project applications completed as part of the sub-recipient's recovery process, and in conjunction with the identification of permanent repair/replacement/restoration project development. Where possible and feasible, HMGP funding will be aligned with and will support both permanent repair/replacement/restoration scope of work and Section 406 mitigation scope of work development.

For the purposes of HMGP, and in accordance with 44 CFR, §206.433(b), the Government of Puerto Rico has established priorities for the selection of mitigation projects to receive HMGP funding. Projects presented by the following Municipalities impacted directly by the Earthquakes will have priority over the rest: Adjuntas, Aguada, Añasco, Arecibo, Barceloneta, Cabo Rojo, Ciales, Coamo, Corozal, Guánica, Guayanilla, Jayuya, Hormigueros, Juana Díaz, Lajas, Lares, Las Marías, Maricao, Mayagüez, Moca, Morovis, Orocovis, Peñuelas, Ponce, Sabana Grande, Salinas, San Germán, Santa Isabel, Utuado, Villalba, Vega Alta, and Yauco.

Cost Share Requirement

The non-federal cost share required for FEMA-4473-DR-PR HMGP projects is the twenty-five percent of the total cost of the project.

Letters of Intent to Participate

COR3 hereby informs that, to select Letters of Intent (LOIs) to be developed under FEMA-4473-DR-PR, it will use the same data base that was used to evaluate and select the approximately 3,191 LOIs that in estimated costs (\$79.3B) surpassed the amount of funding available to develop formal proposals under Hurricane María Disaster. Accordingly, the LOIs are ranked based on the following nine criteria: 1) conformance with State and Local Mitigation Plans, 2) technical feasibility, 3) project's effectiveness, 4) protection of a facility that offers a critical service, 5) protection of critical infrastructure, 6) project mitigates climate change and reduction of future risk, 7) benefit to the community, 8) protection of federal investment and 9) duration of the project.

Minimum HMGP Eligibility

This section provides eligibility criteria for the HMGP grant program.

Eligible Sub-Applicants

An eligible Applicant for HMGP is defined in 44 CFR, §206.434(a) as:

- State and local governments
 - Local government applicants for project sub-grants must have an approved local mitigation plan prior to receive HMGP sub-grant funds; and
- Private non-profit organizations that own or operate a private non-profit facility as defined in 44 CFR, §206.221(e)
 - A qualified conservation organization as defined by 44 CFR, §80.3(h) is the only private non-profit organization eligible to apply for acquisition or relocation for open space projects

Eligible Activities

Projects may be of any nature that will result in protection to public or private property. The activities for which implementation has already been initiated or completed prior to project obligation, are not eligible. Based on 44 CFR, §206.434(d)(2) and (e), the Government of Puerto Rico will prioritize the following eligible activities for HMGP:

- Property Acquisition and Structure Demolition
- Mitigation Reconstruction
- Dry Floodproofing of Historic Residential Structures
- Dry Floodproofing of Non-residential Structures
- Generators
- Localized Flood Risk Reduction Projects
- Non-localized Flood Risk Reduction Projects
- Structural Retrofitting of Existing Buildings
- Non-structural Retrofitting of Existing Buildings and Facilities
- Wind Retrofit for One- and Two-Family Residences
- Infrastructure Retrofit

- Safe Room Construction
- Soil Stabilization
- Miscellaneous/Other
- Aquifer and Storage Recovery**
- Flood Diversion and Storage**
- Floodplain and Stream Restoration**
- Green Infrastructure**

**Indicates that any proposed action will be evaluated on its own merit against program requirements. Eligible projects will be approved provided funding is available.

Minimum Project Criteria

Section 206.434(c) of the 44 CFR requires the following eligibility criteria for any project funded under the HMGP:

- The project must be in conformance with both the state and local hazard mitigation plan;
- The project must have a beneficial impact on the designated disaster area, whether or not located in the designated area;
- The project must be in conformance with 44 CFR, Part 9 (Floodplain Management and Protection of Wetlands) and other applicable environmental and historic preservation laws, regulations, Executive Orders, and agency policy;
- The project must solve a problem independently or constitute a functional portion of a solution where there is assurance that the project as a whole will be completed;
 - Projects that merely identify or analyze hazards or problems are not eligible;
- Be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster. The project application must demonstrate this by documenting that the project:
 - Addresses a problem that has been repetitive, or a problem that poses a significant risk to public health and safety is left unsolved;
 - Will not cost more than the anticipated value of the reduction in both direct damages and subsequent negative impacts to the area if future disasters were to occur;
 - Has been determined to be the most practical, effective, and environmentally sound alternative after consideration of a range of options;
 - Contributes, to the extent practicable, to a long-term solution to the problem it is intended to address; and
 - Considers long-term changes to the areas and entities it protects and has manageable future maintenance and modification requirements.

Technical Assistance

Eligible HMGP sub-applicants will be provided with technical assistance through COR3's sector teams. For questions regarding this notice, please contact Ivelysse Lebrón Durán, State Hazard Mitigation Officer: hmgp-pr@cor3.pr.gov