

SUBSTANTIAL AMENDMENT TO THE 2008 DISASTER RECOVERY ACTION PLAN (DR-08 & Disaster Recovery Enhancement Fund (DREF))

The Office of the Commissioner of Municipal Affairs (OCAM) is amending its Action Plan for the 2008 Disaster Recovery Program in the following ways:

- Modify the activities for the Disaster Recovery grant and their allocation by municipality.
- Modify the activities for the Disaster Recovery Enhancement Fund and their allocation by municipality.
- Add a new activity for the Municipality of Cabo Rojo.
- All other sections of the plan remain unchanged.

PUBLIC PARTICIPATION

According to federal regulations in, *Federal Register Vol. 74, No.29 Feb.2009*, notification to the public is required regarding changes that substantially amend an Action Plan. HUD is waiving the traditional requirement for citizen participation under CDBG, as to allow the publication period for no less than 7 calendar days of public comment. This final amendment will be posted in OCAM's official website along with a summary of citizen comments received within the 7-day comment period.

The announcement of this amendment will be published on December 1, 2015, thus, the period for comments will end on December 8, 2015. Once comments are received, the final amendment will be published in OCAM's website, along with a copy to HUD's San Juan Local Office. A copy of this amendment will be available in OCAM's website and also a hardcopy could also be obtained from OCAM's office at Área de Programas Federales, Edificio MCS Plaza, Ave. Ponce de León #255, Piso 6, Hato Rey, Puerto Rico.

Citizens can submit their comments via OCAM's website (www.ocam.pr.gov) via email trosado@ocam.pr.gov or by mail to the following address:

Oficina del Comisionado de Asuntos Municipales
Área de Programas Federales (CDBG)
PO Box 70167
San Juan, Puerto Rico 00936-8167

Comments should be directed to Mrs. Tomasita Rosado, Deputy Director of Federal Programs.

CHANGES TO THE ACTION PLAN

The Commonwealth of Puerto Rico was originally awarded \$17,982,887.00 under Public Law (P.L.) 110-329 to assist in addressing the long-term recovery impacts from the 2008 disasters. The State's Disaster Recovery Action Plan was approved by HUD on September 17, 2009. Additionally, on September 28, 2010, HUD notified The Commonwealth of Puerto Rico an additional award in Community Development Block Grant (CDBG) disaster recovery funds for \$12,000,000. The award responded to the Commonwealth's identification of eligible activities under the Disaster Recovery Enhancement Fund (DREF). The combined allocation of these funds provided OCAM with a total of \$29,982,887.00 under both appropriations.

During the past months OCAM has recaptured several remaining balances (*sobrantes*) and unused CDBG-DR funds from participating municipalities. The recaptures include funds from the Basic Allocation Grant, Competitive Fund Grant and the DREF Grant. See the table below for a complete description of recaptures by activity and municipality. Such funds have been recaptured following OCAM's Disaster Recovery Recapture Policy as outline in the Action Plan:

RECAPTURE POLICY

Any funds recaptured by OCAM from the participating municipalities, will be distributed to other municipalities that participated under the program. This may include any funds willingly returned by the municipalities. The method of redistribution is to be governed by the general performance of the municipalities (expenditure rate and project's balance) within the Disaster Recovery Program, or by specific need criteria (disaster related unmet needs and already identified projects), according to the program's purpose and objective.

Since several of the projects proposed by the municipalities were not developed, OCAM has recaptured such funds to allow the Municipality of Cabo Rojo to complete their proposed Disaster Recovery project. Due to the constraint in the original distribution of funds, Cabo Rojo's project was partially funded with Disaster Recovery Funds. The project will be completed essentially in three phases. The initial phase of the project consists of design and technical evaluation, a second phase of land acquisition to allow the easement for the water canal across the residential units, and a third phase for the construction of the water canal. The project will be funded via the original Cabo Rojo Disaster Recovery 2008 grant allocations and the recapture funds from this amendment. The proposed improvements will mitigate future damages from heavy rainfalls in the Pole Ojeda community, as residential properties will be less prone to damage. The project will serve as a mitigation measure for the community as a whole, no individual repairs on damaged properties will be performed.

Following OCAM's recapture of unused DR-08 funds, the Municipality of Cabo Rojo will receive an additional \$1,378,885.56 to assist the development of the final phase of the water infrastructure project. The first phase was mostly budgeted for design and technical evaluation, thus, the subsequent phases will provide for the acquisition of land and the construction of the water canal in Pole Ojeda ward.

As detailed in the following table, the funds recaptured from DR-08 activities will be zeroed and the funds will be transferred to the Cabo Rojo project (*Improvement of Stormwater Infrastructure upstream of Pole Ojeda*).

| Summary of Recaptured Funds | Recaptured Amount |
|--|---------------------|
| Basic Allocation AB-DR-08 Projects | \$ 387,625.12 |
| DREF Program | 986,202.00 |
| Competitive Funds Allocation FC-DR-08 Projects | 5,058.44 |
| Total Recapture | 1,378,885.56 |

The Municipality of Cabo Rojo was not part of the original DREF distribution of funds, yet, the municipality benefited from the original DR-08 allocation. Other participating municipalities from the original DREF allocation have not provided additional unmet needs; hence, OCAM is redistributing recapture funds to municipalities which show unmet needs from the original Disaster Recovery allocation. This amendment modifies the eligible activities established in the Disaster Recovery Enhancement Fund (DREF) Action Plan, to include the infrastructure activities established in the Disaster Recovery 2008 Action Plan. This will allow the construction of the water canal, which passes through the residential properties affected by the event. This activity will provide for the individual mitigation of residential properties and will make them less prone to damage, as required in the DREF eligible activities.

- Infrastructure Activity Category- improvement to the municipal infrastructure qualified as right of way construction or rehabilitation of:
 - Flood and Drainage Facilities: This activity refers to the construction or rehabilitation of flood control or irrigation projects (e.g., retention ponds or catch basins).
 - Sidewalks: this activity refers to the construction or rehabilitation of sidewalk improvements. Sidewalk improvements include the installation of trash receptacles, trees, benches, and lighting.
 - Street Improvements: this activity refers to the construction or rehabilitation of street projects that may include street drains, storm drains, curb and gutter work, tunnels, bridges, and the installation of street lights and signs.
 - Water/Sewer Improvements: this category refers to the construction or rehabilitation of water and sewer installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants.

All other sections of the initial amendment remain unchanged.

CHANGES IN THE ALLOCATION OF FUNDS

Programa AB-DR 2008

| Municipality | Activity Number | Project Description | Recaptured Amount |
|--------------|-----------------|--|----------------------|
| Guayanilla | 08-AB-DR-27-001 | Housing Rehab | \$ 0.10 |
| Guayanilla | 08-AB-DR-27-ADM | Admin | \$ 565.00 |
| Las Piedras | 08-AB-DR-39-001 | Infrastructure project- gutter improvements (cunetones) | \$ 0.90 |
| San German | 08-AB-DR-57-001 | Infrastructure project - retaining wall | \$ 13.42 |
| San German | 08-AB-DR-57-ADM | Admin | \$ 0.90 |
| Santa Isabel | 08-AB-DR-60-002 | Infrastructure project- street repavement | \$ 273,291.24 |
| Patillas | 08-AB-DR-50-003 | Infrastructure project- bridge improvement, retaining wall | \$ 105,893.91 |
| Humacao | 08-AB-DR-69-001 | Infrastructure project- street repavement | \$ 7,815.00 |
| Humacao | 08-AB-DR-69-ADM | Admin | \$ 4.65 |
| Gurabo | 08-AB-DR-28-002 | Infrastructure project- retaining wall | \$ 39.50 |
| Utua | 08-AB-DR-62-001 | Housing Rehab | \$ 0.50 |
| Total | | | \$ 387,625.12 |

DREF Program

| Municipality | Activity Number | Project Description | Recaptured Amount |
|--------------|-----------------|-------------------------|----------------------|
| Gurabo | 08-DREF-28-001 | Housing Buy-out program | \$ 163,202.00 |
| Gurabo | 08-DREF-28-002 | Demolition | \$ 23,000.00 |
| Santa Isabel | 08-DREF-60-001 | Housing Buy-out program | \$ 800,000.00 |
| Total | | | \$ 986,202.00 |

FC-DR- 08 Program

| Municipality | Activity Number | Project Description | Recaptured Amount |
|-------------------------|-----------------|---|--------------------|
| Santa Isabel | 08-FC-DR-60-001 | Infrastructure project- street repavement | \$ 0.47 |
| Utua | 08-FC-DR-62-001 | Infrastructure project- water drainage | \$ 0.26 |
| Las Piedras | 08-FC-DR-39-002 | Infrastructure project- street repavement | \$ 0.60 |
| Patillas | 08-FC-DR-50-002 | Infrastructure project- street repavement | \$ 0.38 |
| Yabucoa | 08-DC-DR-67-003 | Infrastructure project- street repavement | \$ 0.02 |
| San Lorenzo | 08-FC-DR-58-001 | Housing Construction | \$ 1,069.99 |
| San Lorenzo | 08-FC-DR-58-002 | Demolition | \$ 0.70 |
| Villalba | 08-FC-DR-66-001 | Infrastructure project- water drainage | \$ 3,426.82 |
| Gurabo | 08-FC-DR-28-007 | Housing Rehab | \$ 559.20 |
| Total FC-DR-2008 | | | \$ 5,058.44 |

Total recaptured: \$1,378,885.56

New Distribution of Funds for Cabo Rojo DR-08

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|--|-----------------|--|------------------------|
| Cabo Rojo | 08-AB-DR-10-001 | Phase I - Design and technical evaluation for future construction of water diversion canal for flood risk mitigation in Pole Ojeda Community, Barrio Llanos Costa, Cabo Rojo | \$ 277,291.24 |
| Cabo Rojo | 08-FC-DR-10-001 | Phase II - Acquisition of land for future construction of water diversion canal for flood risk mitigation in Pole Ojeda Community, Barrio Llanos Costa, Cabo Rojo | \$ 405,058.44 |
| Cabo Rojo | 08-AB-DR-10-003 | Phase III - Acquisition of land for future construction of water diversion canal for flood risk mitigation in Pole Ojeda Community, Barrio Llanos Costa, Cabo Rojo | \$ 387,625.12 |
| Cabo Rojo | 08-DREF-10-001 | Phase IV - Construction of water diversion canal for flood risk mitigation in Pole Ojeda Community, Barrio Llanos Costa, Cabo Rojo | 986,202.00 |
| Cabo Rojo Total Disaster Recovery Allocation for Water Infrastructure project | | | \$ 2,056,176.80 |