



*Sr. Omar Negrón Juárez, MBA*  
Comisionado

*"La mano amiga de los municipios"*

June 15, 2009

Mr. José Rubén Rivera  
Director CPD  
U.S. Department of Housing  
and Urban Development  
Edificio Parques Las Americas I  
235 Federico Costas St., Suite 200  
San Juan, PR 00918

Dear Mr. Rivera:

Enclosed the State Action Plan for Disaster Recovery Funds 2008 available to the Commonwealth of Puerto Rico related to severe storms and flooding (FEMA-1798-DR-PR).

If you or any member from your staff needs additional information, please contact Mr. Juan Carlos Díaz Galarza, Assistance Commissioner for Federal Programs at (787) 763-0675.

Cordially,

  
Juan C. Cruz Rodríguez  
Acting Commissioner

Enclosure



**COMMONWEALTH OF PUERTO RICO  
OFFICE OF THE COMMISSIONER OF MUNICIPAL AFFAIRS**

# **ACTION PLAN FOR DISASTER RECOVERY 2008**

**SEVERE STORMS AND FLOODING  
(1798-DR-PR)**

GRANT ALLOCATION FOR PUERTO RICO: \$17,982,887

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## INTRODUCTION

This Action Plan provides the planning and execution procedures necessary to ensure the rapid implementation of the disaster recovery grant programs and ensure conformance with provisions of the **Pub. L. 110-329** and follows the requirements of Federal Register Notice Docket No. FR-5256-N-01 to receive the **\$17,982,887** of Community Development Block Grant, **Disaster Recovery Funds available to the Commonwealth of Puerto Rico** related to:

Severe storms, flooding, (FEMA-1798-DR-PR)

These funds were appropriated under the Consolidated Security Disaster Assistance, and Continuing Appropriations Act 2005, to address mayor disaster declared by the President October 1, 2008.

During the three day period of September 21-23, 2008, parts of Puerto Rico suffered from one of the most catastrophic flooding events of the season to date. The flooding affected many municipalities island wide. The torrential rainfall resulted in severe flooding to rivers, streams, and roads, causing sinkholes, land/mudslides, and structural collapses mainly across the southern half of the island. Specifically, the heaviest rainfall, and most severe effects, occurred across the municipalities of Cabo Rojo, Guayama, Humacao, Patillas, Ponce, and Yabucoa, where in some locations, totals approaching 30 inches of rainfall fell in a three-day period, ending at 8 am Tuesday, September 23, 2008.

The heavy rainfall and subsequent flooding were a direct result of a large tropical disturbance that moved slowly west across the island. On occasion, tropical disturbances may develop into tropical depressions and, upon further intensification, get named by named by the National Hurricane Center (NHC) as a tropical storm and/or hurricane. While the National Weather Service (NWS) in San Juan and the NHC closely monitored the system for possible organization into a named storm, multiple reconnaissance flights flown through the disturbance revealed no closed, low-level surface circulation, which was needed to satisfy the definition of a tropical depression. It was not until 5 pm Thursday, September 25, 2008 when the system, located about 380 miles north northwest of San Juan, Puerto Rico, was named Tropical Storm Kyle.

The strongest effects of the tropical disturbance were first felt in Puerto Rico on Sunday, September 21, 2008. The most intense rainfall occurred in the 24-hour period starting at 8 am Sunday, September 21, 2008 through 8 am September 22, 2008, with the highest rainfall rates occurring during the overnight hours from sunset on Sunday to sunrise on Monday. The largest rainfall amounts for the 24-hour period ending 8 am Monday, September 22, 2008 were 22.03 inches in Patillas, 20.00 inches in Guayama, 16.00 inches in Cabo Rojo, 14.83 inches in Yabucoa, and 10.81 inches in Ponce. For the combined three-day period, some of these numbers increase further with 29.83 inches in Patillas, 21.86 inches in Yabucoa, 20.52 inches in Ponce, and 17.82 inches in Cabo Rojo. Lesser, but just as significant, amounts, ranging from 5-15 inches of rain, fell across much of the island. The torrential rainfall seen across the island was immediately seen across the extensive river network in Puerto Rico. Some rivers, including the Río Gurabo, saw water levels rise in excess of 25 feet in less than 12 hours. Parts of the island that were spared the worst of the rain included the northern and northwestern coast, where only moderate rain showers were experienced.



The total rainfall amounts recorded from this event are unique in that the 29.83 inches seen in Patillas exceeds the weekly rainfall of 27.13 inches measured in Juana Díaz during the October 1985 flood event.

The 24-hour rainfall totals ending at 8 am Monday, September 22, 2008, which encompassed parts of the southeastern section of the island, including the municipalities of Patillas and Guayama, exceeded 200-year 24-hour rainfall totals. Specifically for Patillas, the recorded rainfall amount approaches the 500-year 24-hour rainfall totals. Along the southwestern section of the island, Cabo Rojo's 24 hour rainfall also exceeded the 100-year return period.

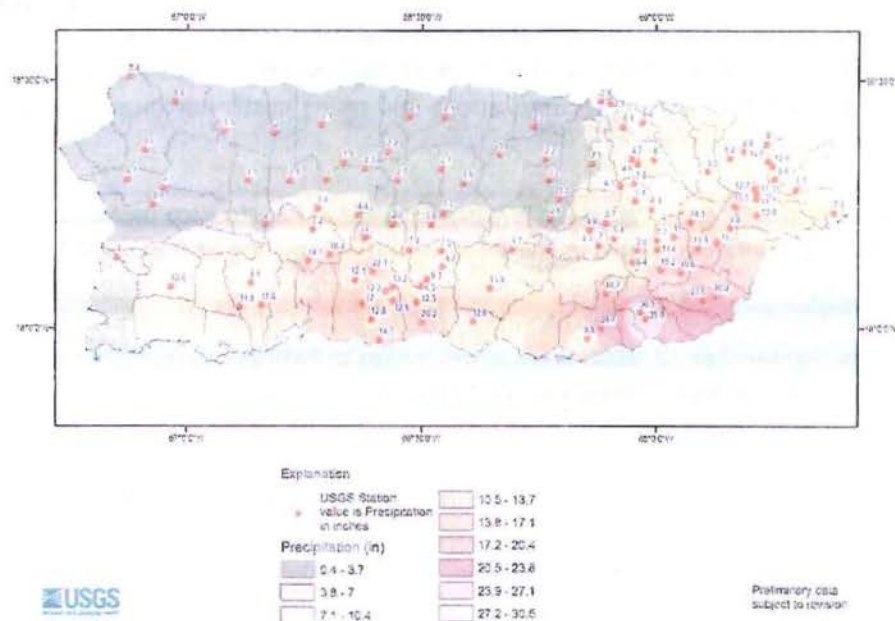
Across the southern municipalities of Puerto Rico, Ponce and Yauco's 24-hour rainfall rates exceeded the 10-year 24-hour rainfall totals, Juana Díaz exceeded the 25-year rainfall totals, and Yabucoa, along the southeast coast, exceeded the 25-year rainfall totals.

The resultant flooding had considerable effects on the local population. An estimated 630 people in the affected areas were evacuated to shelters. In addition to structural damage caused by the flood waters, agricultural damage was sustained by coffee, plantains, and other minor crops. In response to the significant flooding, federal authorities issued a disaster declaration for portions of the island.

Intermittent periods of rain persisted across Puerto Rico during the days following the peak flood event, exacerbating conditions in municipalities previously affected by the floods. It was not until the night of September 27<sup>th</sup> that drier air moved into Puerto Rico.

Source: National Weather Bureau.

Precipitation totals September 20-23, 2008, Puerto Rico

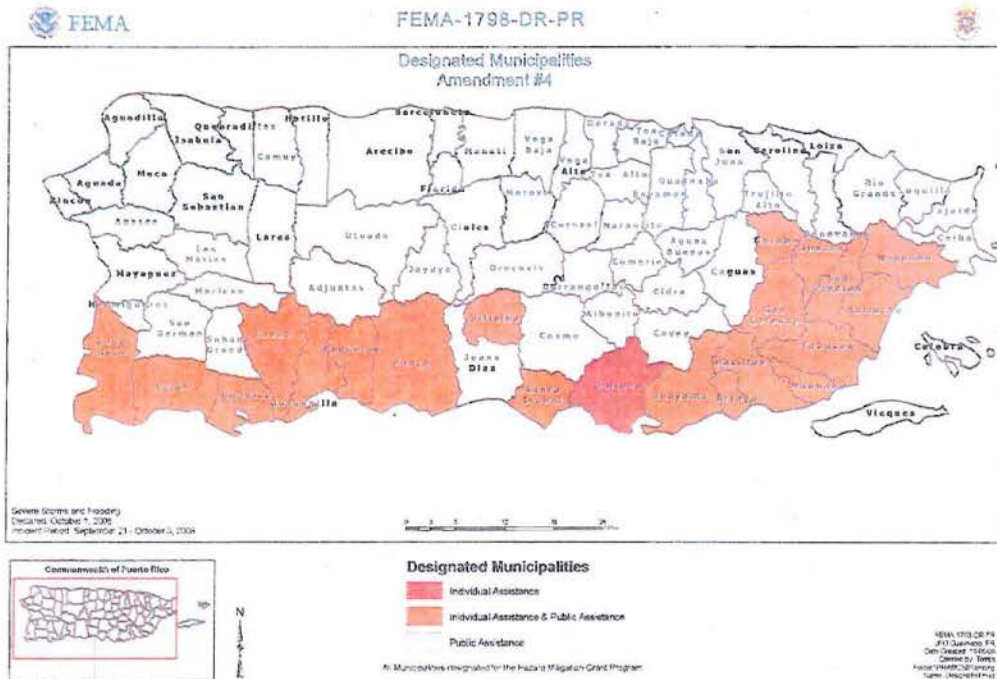




Affected Municipalities

1. Adjuntas	14. Naguabo
2. Arroyo	15. Patillas
3. Cabo Rojo	16. Peñuelas
4. Guánica	17. Ponce
5. Guayama	18. Sabana Grande
6. Guayanilla	19. Salinas
7. Gurabo	20. San Germán
8. Humacao	21. San Lorenzo
9. Juncos	22. Santa Isabel
10. Lajas	23. Utuado
11. Las Marías	24. Villalba
12. Las Piedras	25. Yabucoa
13. Maunabo	26. Yauco

The following map shows the municipalities that were declared disaster zone.



**REPORTED FEMA DAMAGES AND RECOVERY NEEDS RESULTING FROM FEMA DR-1798-PR**

The severe storm and flooding had considerable effects on the local population. An estimated 630 people in the affected areas were evacuated to shelters. In addition to structural damage cause by the flood waters, agricultural damage was sustained by coffee, plantains, and other minor crops. In response to the significant flooding, federal authorities issued a disaster declaration for portions of the island. Intermittent periods of rain persisted across Puerto Rico during the days following the peak flood event, exacerbating conditions in municipalities previously affected by the floods. It was not until the night of September 27th that drier air moved into Puerto Rico.

The response of the government of Puerto Rico towards this event began with the commencement of the emergency and continued until recovery operations were initiated. The operations were devoted primarily to the protection of life and property. The recovery began as soon as the emergency conditions permitted the recovery operations to restore systems to normal. Short term recovery actions were taken to assess damages and to return normal life systems to operating standards. This action will continue until both short and long range operations are completed. Agencies and Departments of the local government continued functioning in their normal roles as required meeting the conditions generated by said emergency.

The Federal Emergency Agency and the Commonwealth of Puerto Rico delivered support to the affected individuals and business in their recovery process. As part of this process 36,159 homes were inspected to verify related damages, resulting in the approval of disaster relief funds under FEMA. The Disaster Recovery Centers (DRCS) provided assistance to 35,511 residents from the 26 disaster declared municipalities supporting them in the application process and providing information about the available disaster assistance programs.

The small business administration (SBA) issued 7,453 low interests, long term loan applications to home owners, renters and businesses of all sizes, to help repair or replace damaged personal property.

**FUNDING RESOURCES FOR DISASTER RECOVERY****A. Severe Storm flooding DR-1798-PR**

As of April 21, 2009, as result of the September 21-23-2008 severe storms and flooding event the recovery efforts performed from both the Commonwealth of Puerto Rico and other Federal and Voluntary Agencies have resulted in the following:

- **Individual and Household grant (IHP) program** - A total of \$29,520,690.08 has been approved under the FEMA IHP. The IHP provides assistance to individuals and families to meet disaster related needs and necessary expenses by insurance, federal, commonwealth or voluntary agency disaster assistance programs. In the Housing Program (HP) out of 35,020 referrals 8,467 were found to be eligible and the amount of \$12,189,397.35 was approved

- **Voluntary Organizations** -The voluntary organizations have processed 7,079 special needs cases.-
- **Public Assistance (Infrastructure)**- The FEMA Public Assistance Infrastructure Program has approved \$5,883,549.62 in aid to the commonwealth agencies and twenty-six (26) municipalities for the cost of rebuilding damaged infrastructure that may include debris removal, approved cost of emergency measures and repair and bridges, parks, water control facilities and utilities.
- **US Small Business Administration (SBA)**- SBA has approved 551 disaster loans for a total of \$7,679,800.00 in disaster related loans. SBA loans may be available to homeowners, renters and businesses of all sizes to cover damage and personal property damage that is not fully compensated by insurance or other sources.

As of 04/21/09 the disaster aid funds approved under the Public assistance Program-1798-DR were distributed as follows:

Source: <http://www.fema.gov>.

<b>DEBRIS REMOVAL</b>	<b>870,837.74</b>
<b>EMERGENCY AND PROTECTIVE MEASURES</b>	<b>34,636.81</b>
<b>ROAD SYSTEMS AND BRIDGES</b>	<b>4,998,450.57</b>
<b>PARKS AND RECREATIONAL AND OTHER</b>	<b>265,092.73</b>
<b>TOTAL</b>	<b>6,159,019.85</b>

The most recent summary states that over 6,159,019.85 million has been approved in federal disaster assistance to eligible applicants in the 26 declared municipalities. This aid included grants for basic needs, essential repairs, alternate housing and other disaster related needs not met by other assistance programs.

## **PUBLIC CONSULTATION PROCESS**

The Office of the Commissioner of Municipal Affairs of the Commonwealth of Puerto Rico is responsible for the administration of the \$17,982,887.00 for the Community Development Block Grant (CDBG) Disaster Recovery Funds, recovery efforts related to FEMA DR1798-PR. To develop the Action Plan as required by regulation abroad ongoing consultation process assured that citizen participation has been implemented as clearly stated in the Citizen Participation Plan of the Commonwealth of Puerto Rico.

The Commonwealth of Puerto Rico Action Plan for Disaster Recovery of 2008 was made available to citizens, affected municipalities and other interested residents via publication on the Office of the Commissioner for Municipal Affairs' website as well as through email notification. **The plan was published on June 1, 2009. Citizens were provided with 7 day from the publication of the draft to present comments to the document. Notification of the Draft Action Plan's availability was published in a newspaper of general circulation ("Primera Hora" on May 29, 2009).** No comments regarding the Action Plan on the seven period were received. OCMA will continue to utilize its website to provide reasonable opportunity for citizen comment and ongoing citizen access information on the use of the Disaster Recovery Funds.

## **OVERALL RECOVERY PLAN**

Disaster response has been typically characterized as following a cyclical process which encompasses four stages: preparedness, impact response, and recovery (both short and long term), mitigation and prevention. Recovery from the adverse effects of natural disaster is often long and difficult and in many cases never fully achievable. The US Department of Housing and Urban Development's Disaster Recovery Assistance helps communities which receive Presidential declarations by providing "gap funding" for recovery activities that have not been addressed by insurance proceeds, federal assistance or any other funding source.

HUD Disaster Recovery funds are intended to support the activities of other Federal agencies and cannot be used for reimbursable activities, or activities for which funds are made available by the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA). It has become more important than ever to ensure that available resources for relief and development are used in the most cost-effective manner through investment in preparedness and prevention. This will decrease the number of people or areas vulnerable to disaster and lead to timely and well planned relief interventions that can reduce the severity of the emergency's impact and lead to a more effective use of available resources.

The funds under this Disaster Recovery Assistance Action Plan will be used for long-term recovery, and mitigation in the communities of greatest needs under Disaster Declaration FR-1798- DR-PR of Puerto Rico.

## **PROMOTION OF SHORT TERM/LONG TERM RECOVERY**

### **Short Term Recovery**

Puerto Rico has a combined state/municipal level disaster recovery mechanism coordinated through the Puerto Rico State Emergency Management Administration (PRSEMA) the Municipal Emergency Management Agencies and the Office of Management and Budget.

In the event of an emergency anywhere in the Island the Municipalities are responsible for first response to the emergency, under the direction of the Local Emergency Management Coordinator. The Local Coordinator works with PRSEMA to determine the immediate level of assistance.

Puerto Rico has a team that coordinates and supplements the efforts of the Municipalities. For Individual Assistance, State agencies coordinate teams that include staffs from Housing, Family and Labor Departments, Red Cross and other Non-Governmental Organizations (NGO's) to provide immediate assistance to individuals.

For Public Assistance, teams from Department of the Family, the Puerto Rico Department of Housing and Office of Management and Budget (Government Authorized Representative) work with local officials to document the damages and to begin the plans for recovery.

### **Long Term Recovery**

It is the Policy of the Governor of Puerto Rico to promote land use planning at the local level. The state believes that land use decisions must originate with local government with input from state and federal partners.

In response to the flooding, state and federal agencies are providing tools such as enhanced floodplain mapping to aid Municipalities in making decisions. The long-term mission is to build, sustain, align, and leverage relationships developed during the recovery efforts, effectively coordinate the identification and prioritization of long-term needs of communities, and to fund eligible projects in order to recover from the disasters.

**METHOD OF DISTRIBUTION**

Following the priorities established by the overall recovery plan the Office of the Commissioner for Municipal Affairs will distribute \$17,982,887 using a basic allocation and competitive allocation. The description of the method of distribution is described in the following paragraphs:

**A. Basic Allocation- Grant Size Limit:**

Up to a maximum of \$417,291.24 per municipality including administrative costs. Will be distributed to affected municipalities (\$417,291.24 X 26 municipalities = **\$10,849,572.24**).

1. Planning and Administration Cost - A total of \$899,144.35 is set aside for the disaster recovery grant administration. The administrative costs will be shared by the state and the Municipalities (**\$449,272.11 for OCMA** and the remaining amount to be distributed to eligible municipalities under basic allocation grant). **Planning and administration costs will be allowed up to a maximum of 2.5% percent, according to the total amount allocated in the approved grant. The funds must be used for program administrative cost.**
2. National Objectives- Eligible activities are those listed in Section 105(a) Title I of the housing and Urban Development Act of 1974, as amended. Each activity must meet one of the national objectives benefit low and moderate income persons, elimination of slums and blights areas or imminent threats to the health and safety of the community.

The use of grant funds will be related to the covered disaster. In addition to being eligible under **42 U.S.C. 5170 (a)** or this notice and meeting a CDBG national objective, activities funded under this notice will also be related to disaster relief, long-term recovery, and mitigation in communities affected by Presidentially declared disasters occurring between September 21, and September 23, 2008.

3. Eligible Activities- Disaster recovery funds can be used only for Housing and Infrastructure activities. Other CDBG eligible uses are not permitted under this plan.
  - Housing Activity Category- If the municipality is interested in carrying out housing activities they must comply with the following:
    - i. Housing Rehabilitation - of units affected as a direct result of the disaster (s).
    - ii. Acquisition of new or existing unit- to relocate low and moderate income families affected as a direct result of the disaster(s).
    - iii. Construction of new housing- to replace damaged or destroyed units as a direct result of the disaster(s).



- Specific Housing Activities Requirements
  - i. Housing Rehabilitation- Units to be rehabilitated must comply with Housing Rehabilitation Standards. If housing units that will be rehabilitated are located in flood areas the recipient's must obtain and maintain flood insurance as required under applicable Federal Law. Owner has also a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance.
  - ii. Acquisition of existing housing must meet Housing Quality Standards - The maximum cost of construction will be in accordance with the HOME program limits established by the Puerto Rico Department of Housing.
  - iii. Construction of new housing- The maximum cost of construction will be in accordance with the HOME program limits established by the Puerto Rico Department of Housing. A model plan for new housing unit should be submitted with the proposal.
  - iv. Land acquisition is not considered under this grant.
  
- Infrastructure Activity Category- Municipalities may request CDBG funds for improvement to the municipal infrastructure qualified as right of way construction or rehabilitation of:
  - i. 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).
  - ii. Sidewalks: this activity refers to the construction or rehabilitation of sidewalk improvements. Sidewalk improvements include the installation of trash receptacles, trees, benches, and lighting.
  - iii. 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.
  - iv. 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.



4. General Requirements:
  - The Municipality must be in the declared Disaster(s) list.
  - No Municipality may receive disaster CDBG recovery grant assistance with respect to any disaster loss that has been addressed by insurance proceeds, federal assistance or any other funding source.
5. Each application must include the following information, in order to be considered for funding:
  - Description/Narrative of the project and related activities.
  - National Objectives and compliance with at least 50% low and moderate income requirements.
  - Location and census map. Indicate if the project is located in flood plain area.
  - Justification of the project in regard to declared disaster area and mitigation result.
  - Identify special needs population pertaining to your housing needs identify. (Elderly, Handicapped Single Mothers HIV/SIDA Terminally Illness, Battered Spouses and Battered Children.) (Housing Only)
  - Family Income and Family size should be provided. Section 8 Income limits will be taken in consideration. If the housing unit is overcrowding the municipal government should include this information. (Housing Only)
  - Project schedule/Time Table within 24 months from approval date should be provided
  - Budget Breakdown of the project including any professional services.
  - Budget Breakdown of planning and administrative cost.
  - Evidence of Citizen Participation. (In accordance with the applicable citizen participation Plan).
  - Residential Anti displacement and Relocation Plan if applicable
  - A certification from the family must be obtained by the municipality, certifying that the family is owner and was resident of the housing unit at the moment of the disaster(s) and do not have any other property.
6. To determine the appropriate amount, OCMA reserves the right to approve less funds than requested, based on the following:
  - All applicable laws and regulations of the State CDBG requirements, used to evaluate each specific proposed project.
  - The Guidelines of the College of Engineers and Land Surveyors of Puerto Rico and the project breakdown in which includes: cost of material, labor, equipment, insurance, administrative and other cost related to the project to determine reasonable project cost.
7. Municipal governments must comply with Environmental Requirements and Regulations.

**B. Competitive Round - \$6,683,742.45**

The amount of \$6,683,742.45 has been allocated for the disaster recovery competitive round. Funding under each category will be limited to the cap established under each category. The following table shows the distribution of funds for the Competitive Funds, the established caps, and maximum amount to be approved under each category:

Category	CAP	LIMITS
Infrastructure	\$4,083,742.65	\$400,000*
Housing	2,600,000.00	\$200,000*
	<b>\$6,683,742.65</b>	<b>\$600,000</b>

If a municipality fails to indicate the category for a proposed project or indicates more than one category OCMA will determine the category to be selected according to the project description. The municipality will abide by this determination.

The submission of the budget breakdown is mandatory as required in OCMA's Memorandums dated July 6, 2001 and July 12, 2001. For the pavement of municipal roads, the municipality should use the instructions provided in the Informative Circular 2007-23 of November 26, 2007.

In determining the appropriate amount, OCMA reserves the right to eliminate or approve lesser funds than requested, based on the following review requirements:

- Compliance of the State CDBG requirements.
- Compliance of the College of Engineers and Land Surveyors of Puerto Rico Guidelines, including the project breakdown detailing: cost of material, labor, equipment, insurance, administrative overhead, and other cost, related to the project to determine reasonable project cost.
- Past performance of the non-entitlement municipality. (ACA letter for entitlement municipalities)
- Cost/Benefit analysis of the proposed project.
- Timely fund's expenditure. (Entitlement Municipalities must present an timeliness IDIS report)
- Inadequate or incomplete description of activities to be developed.

1. General Requirements:
  - The Municipality must be in the declared Disaster(s) list.
  - No Municipality may receive disaster CDBG recovery grant assistance with respect to any disaster loss that has been addressed by insurance proceeds, federal assistance or any other funding source.
2. Each competitive application must include the following information, in order to be considered for funding:
  - Description/Narrative of the project and related activities.
  - National Objectives and compliance with at least 50% low and moderate income requirements.
  - Location and census map. Indicate if the project is located in flood plain area.
  - Justification of the project in regard to declared disaster area and mitigation result.
  - Identify special needs population pertaining to your housing needs identify. (Elderly, Handicapped Single Mothers HIV/SIDA Terminally Illness, Battered Spouses and Battered Children.) (Housing Only)
  - Family Income and Family size should be provided. Section 8 Income limits will be taken in consideration. If the housing unit is overcrowding the municipal government should include this information. (Housing Only)
  - Project schedule/Time Table within 24 months from approval date should be provided
  - Budget Breakdown of the project including any professional services.
  - Budget Breakdown of planning and administrative cost.
  - Evidence of Citizen Participation (in accordance with the applicable citizen participation Plan).
  - Residential Anti displacement and Relocation Plan if applicable
  - A certification from the family must be obtained by the municipality, certifying that the family is owner and was resident of the housing unit at the moment of the disaster(s) and do not have any other property.
3. To determine the appropriate amount, OCMA reserves the right to approve less funds than requested, based on the following:
  - All applicable laws and regulations of the State CDBG requirements, used to evaluate each specific proposed project.
  - The Guidelines of the College of Engineers and Land Surveyors of Puerto Rico and the project breakdown in which includes: cost of material, labor, equipment, insurance, administrative and other cost related to the project to determine reasonable project cost.
4. Municipal governments must comply with Environmental Requirements and Regulations.
5. If the Municipalities fail to present projects under any one of the eligible categories funds will be allocated to other eligible category.

## **The Evaluation Process**

The applications submitted under the competitive round will be evaluated by an in-house committee appointed by the Commissioner a month before the date of commencement of the evaluation process. The Consultant Engineer provides technical assistance to the committee. Once the determination is made, the application will proceed with the following steps.

Step 1- The Evaluation Committee will follow the outlined selection criteria, to rate the applications submitted. After rating is completed, the evaluation will be reviewed and discussed by the committee to ensure uniformity. The committee will then, prepare a listing of project applications that will receive further consideration.

Step 2 - The consultant engineer will determine cost reasonability using the guidelines of the College of Engineers and Surveyors and the budget breakdown detailing the cost of materials, labor, equipment, insurance, project administration cost and any other relevant matter related to the project that will be evaluated.

Upon completion of Step 2, the evaluating committee will evaluate compliance with the parameters established in the Plan. The Committee will review the rating determinations, pursuant to step 2, for each application listed for consideration.

Finally, the Committee will rank by category, the rated applications by weight points. The applications rated above the top 50% of the percentile will be considered for funding, based on the availability of funds assigned to each category. The final decision for the project approval is bestowed in the Commissioner. His decision will be final and unappeasable.

Applicants are cautioned to carefully consider their project needs and to request the minimum amount of State CDBG funds required. OCMA will evaluate the capacity of the applicant to expend the funds requested. OCMA may reduce or eliminate the grant amount in proportion to the amount the municipality is estimated capable to expend, based on past performance, the reasonable cost analysis, the time expenditure and cost-benefit of the project.

Each project contained in the application will be given a separate rating as part of the selection criteria. In case of ties at the funding level, that will not affect the sequential order of the rating, OCMA will break the tie adding the points awarded in the General Performance Review for each municipality, and as a last resource, in case the tie continue, will use the recorded entry of the application at OCMA, ranking the date and time the application was received at the reception desk.

### ***The Evaluation Criteria General Overall Performance***

The first criteria to be evaluated are the overall performance of the municipality. This evaluation will be added to the points granted to the projects by each category, as a whole, to determine the overall competitiveness of the application, in case of a tie in the evaluation outcome. The points awarded in each category and ratings are granted as they are announced in the evaluation criteria, meaning that no partial points are given under any circumstances.

Past and present administrative performance will be taken into consideration when evaluating the application. It will be an important criterion in assessing the effectiveness of the municipality to carry out the proposed activities. Under the General Overall Performance, the municipality could obtain 50 points. No minimum grade has been established for this review.

The categories of review of the General Overall Performance are:

<b>Category</b>	<b>Maximum Points</b>
Timelines	20
Single Audit Report	10
Closeout	20
<b>Total Points</b>	<b>50</b>

## OVERALL GENERAL PERFORMANCE OF THE MUNICIPALITY TIMELINESS

Timeliness		
Criteria	Description	Maximum Points
<b>Expenditure Rate*</b>	The municipality reached the 1.5 timeliness ratio by May 1, 2009	20
	The municipality reached the 2.5 timeliness ratio by May 1, 2009	10
	The municipality did not reach the 2.5 timeliness ratio by May 1, 2009	0

**Maximum points to be awarded under expenditure rate factor are points 20.**

\* For Entitlement municipalities OCAM will use IDIS (CO4PR56)

## SINGLE AUDIT

Single Audit Report		
Criteria	Description	Maximum Points
<b>Presentation of the Single Audit Report (SAR)</b>	SAR FYE 07 was presented and filed with OCMA* in or before March 31, 2009 and no findings made.	10
	The municipality did not present the SAR to OCMA* in or before March 31, 2009.	0

**The maximum points that will be awarded under the Presentation of the Single Audit Report (SAR) factor are 10 points including the bonus points.**

\* For Entitlement municipalities they must demonstrate that the report was submitted to HUD.

## CLOSEOUT-NON ENTITLEMENT MUNICIPALITIES

Closeout Non Entitlement		
Criteria	Description	Maximum Points
<b>Close Out of Program Years</b>	The municipality closed 5 or more PYs since PY-2000	20
	The municipality closed 3 to 4 PYs since PY 2000.	10
	The municipality closed 1-2 PYs since PY 2000.	7
	The municipality did not close any PYs PY 2000.	0

**The maximum points that will be awarded under Close Out of Program Years factor are 20 points.**

## CLOSEOUT-ENTITLEMENT MUNICIPALITIES

### Closeout Entitlement

The Entitlement municipalities are not required to close out their program years. OCMA will use IDIS report PR02- List of Activities by Program Year and Project to rate this factor. Entitlement municipalities must present a copy of the report with the proposal. Points will be awarded in the following way:

<b>Closeout Entitlement</b>		
<b>Criteria</b>	<b>Description</b>	<b>Maximum Points</b>
<b>Close Out of Program Years</b>	IDIS PR02 reports show \$0 balance for 5 or more PYs since PY-2000	20
	IDIS PR02 reports show \$0 balance for 3 or 4 PYs since PY-2000	10
	IDIS PR02 reports show \$0 balance for 1 or 2 PYs since PY-2000	7
	IDIS PR02 reports did not show a \$0 balance for any PR since PY-2000.	0

**The maximum points that will be awarded under Close Out of Program Years factor are 20 points.**



## Infrastructure Category- Evaluation Criteria

Under the Infrastructure Category the following criteria would be used to evaluate the weighted competitiveness of the application. Any application under this category could obtain a maximum grade of 50 points. No bonus points are awarded for this category.

### EVIDENCE OF SITE CONTROL

Criteria	Description	Maximum Points
Evidence of Site Control	The proposed site is owned by the municipality, certified by the Finance Director.	20
	Owned by other public agency, certified by a lease agreement.	10

The maximum points that will be awarded under Evidence of Site Control factor are 20 points.

### DIRECT BENEFIT OF PROJECT

Criteria	Description	Maximum Points
Direct Benefit Analysis	Does the project benefits more than 90%* of LMI persons?	10
	Does the project benefits more than 80% of LMI persons?	8
	Does the project benefits more than 70% of LMI persons?	6
	Does the project benefits more than 60% of LMI persons?	4
	Does the project benefits more than 51% of LMI persons?	2

The maximum points that will be awarded under the Direct Benefit Analysis factor are 10 points.

\*As demonstrated by the LMI data of the Blocks Group were the project is located.

## COST REASONABILITY

Criteria	Description	Maximum Points
<b>Cost Reasonability</b>	Reasonability Cost reasonability will be evaluated, based on the budget breakdown submitted in the application. Once the reasonability of the construction budget is established, the cost effectiveness of the project will be calculated dividing the cost by square feet. The calculated cost effectiveness ratio will be ranked from the lower cost per square feet to the higher cost per square feet for the category. Once the ranking is established, the points will be awarded according the ranking obtained.	Upper 50% of the percentile  20 points
		Lower 50% of the percentile  10 points

The maximum points that will be awarded under the Cost Reasonability factor are 20 points.

## Housing Category- Evaluation Criteria

Under the Economic Assistance for Housing Rehabilitation Category the following criteria would be used to evaluate the weighted competitiveness of the application. Any application under this category could obtain a maximum grade of 50 points.

Criteria	Description	Maximum Points
<b>Source of Funds Commitments</b>	Total development costs of the project are leveraged over the rate of 1:1 Non CDBG/CDBG funds.	20
	Total development costs of the project are leveraged in the rate of 1:1 Non CDBG/CDBG funds.	15
	Total development costs of the project are leveraged in the rate of 5:1 Non CDBG/CDBG funds.	10
	Total development costs of the project are leveraged in the rate of 25:1 Non CDBG/CDBG funds.	7
	Total development costs of the project are leveraged in the rate of 1:1 Non CDBG/CDBG funds.	5

The maximum points that will be awarded under the Source of Funds Commitments factor are 20 points.

Criteria	Description	Maximum Points
<b>Cost/Benefit</b>	Cost/Benefit (C/B) will be evaluated by the Evaluating Committee based on the budget submitted in the application and the expected number of households that will be benefited from the activity. Once the C/B is established, the ratio will be ranked from the lower C/B to the higher C/B. Once the ranking is established, the points will be awarded according the ranking obtained.	Upper 50% of the percentile
		20 points
		Lower 50% of the Percentile
		10 points

The maximum points that will be awarded under the Cost/Benefit factor are 20 points.

Criteria	Description	Maximum Points
<b>Homeowner Housing Rehabilitation Manual</b>	Submission of Homeowner Housing Rehabilitation Manual	10
	No submission of Homeowner Housing Rehabilitation Manual	0

The maximum points that will be awarded under the Homeowner Housing Rehabilitation Manual factor is 10 points.



**Technical assistance**

OCMA provides technical assistance on an ongoing basis on assessed specific needs to all municipalities if so requested prior to the application deadline.

**Unsolicited Information**

Under no circumstances OCMA will accept unsolicited information regarding the applications submitted after the application deadline. Prior to the application approval, OCMA will notify applicants in writing of any technical deficiency that need to be corrected in the applications that would not change, in any way, the outcome of the rating process.

**F. General Responsibilities for Local Governments Units:**

Units of local governments, eligible for assistance under the Disaster Recovery Program are subject to participation requirements:

1. Must have completed an inventory of needs by housing and infrastructure category, established priorities before submitting the application.
2. Must disseminate the activity information in bulleting boards, municipal offices and department and any other mean established in the existing citizen participation plan. Please be aware that the period of comments will be only 7 days from the date of the dissemination of the public notice.
3. Project must be according to the need proposed by the citizens and the priorities established by the municipalities.
4. All activities must comply with Title I Housing and Community Development Act of 1974, as amended, and all the applicable laws and regulations concerning the Disaster Recovery Program, administered by the State. (See Certifications and application guidelines)

**G. Deadline for submission:**

Application kits for the Basic Grant and Competitive Round should be available from June 9, 2009 at OCMA's web page: [www.ocam.gobierno.pr](http://www.ocam.gobierno.pr)

An original application must be submitted for each category (Basic Allocation and Competitive Round), signed with blue ink. Copies of the documents should be presented in digital form in a compact disc (CD) in WORD format without password protection, no later than June 19, 2009, at 4:15 pm, the latest.

If an application is hand delivered, it must be received and logged at:

Office of the Commissioner of Municipal Affairs  
MCS Plaza, 6th Floor  
255 Ponce de Leon Avenue  
Hato Rey, PR 00936-8167

If the application is mailed, it should be postmarked by June 19, 2009 with return receipt service.

**Promotion of the Removal of Regulatory Barriers to Reconstruction**

Puerto Rico State will promote the removal of regulatory barriers to reconstruction by encouraging local governments to expedite reconstruction permitting processes. This may include abating/removing permit fees, requiring fewer permits, or other means necessary to ensure reconstruction is a viable activity when an eligible need is present.

**Promotion of High Quality, Durable, Energy Efficient, and Mold Resistant Construction Methods**

All newly constructed or rehabilitated housing units must meet all locally adopted and enforced building codes, standards, and ordinances. All housing activities shall be designed to achieve maximum energy efficiency to the extent that this can be accomplished on a cost-effective basis, considering construction and operating costs over the life cycle of the structure. The use of energy efficiency in Housing must be encouraged and will include the following:

- Solar water heaters
- Lighting - Lighting accounts for about 12% of residential energy expenditures. Choosing ENERGY STAR qualified lighting options offers significant savings.
- Use of Compact Fluorescent Lighting
- Installation of Energy Star Lighting Fixtures
- Installation of Low flow faucets
- Installation of Low flow shower
- Installation of low flow toilets

Construction methods shall be encouraged in compliance with local building codes and mold resistance construction materials.

**Provision of Adequate, Flood-Resistant Housing for All Income Groups that Lived in the Disaster Impacted Areas**

The State will mitigate the unmet affordable housing needs in disaster-impacted communities, if it uses a portion of its CDBG supplemental appropriation, through voluntary acquisition, rehabilitation, and homebuyer assistance. The potential for providing assistance to the needs of persons with disabilities will be considered for all new construction, reconstruction, and rehabilitation.

**MONITORING STANDARDS AND PROCEDURES****Monitoring Program**

This Program was prepared to provide the Office of the Commissioner for Municipal Affairs with a uniform tool to evaluate the operations of the CDBG Program at the participating municipalities. The program is modified depending on the circumstances, needs and objectives the assignment.

Before starting the evaluation, the supervisor of the Director's office and the monitor in charge will review the program and based on the information gathered and Knowledge of the municipality's operations will determine if any area of the program need to be change or modified to suit the assignment.

OCMA will oversee all activities and expenditures of the Disaster Recovery funds consistent with the established CDBG monitoring procedures to ensure full accountability. OCMA will develop revised monitoring checklist appropriate for the Disaster Recovery funding and applicable waivers and alternative requirements.

Monitoring activities will be performed through on-site visits and desk reviews and will include the following:

1. §91.325(A) (1). Affirmatively furthering fair housing.
2. §91.325(a) (3).drug-free workplace.
3. §91.325(a) (4). Anti-lobbying.
4. §91.325(a) (5). Authority of the State to carry out the program.
5. §91.325(a) (7). Acquisition and relocation, except as waived.
6. §91.325(b) (1). Citizen participation, except as waived.
7. §91.325(b) (2). Consultation with local governments.
8. §91.325(B) (%). Compliance with antidiscrimination laws.
9. §91.325(b) (6) Excessive force.
10. §91.325(b) (7). Compliance with applicable law

**Steps the state will take to avoid or mitigate occurrences of fraud, abuse, and mismanagement.**

The Office of the Commissioner of Municipal Affairs will provide technical assistance to municipalities and undertake administrative and monitoring activities to ensure compliance with applicable federal requirements.

**National Objective**

All activities must meet one of the three national objectives set out in the Housing and Community Development Act (addresses slum and blight, urgent need, or primarily benefits LMI persons). At least 50% of the Supplemental Funding will be used for activities that meet the National Objective of primarily benefiting persons of low- and moderate-income.

**Administrative Costs**

Municipalities are strongly encouraged to minimize their administrative costs so that the amount available for program activities will be maximized. To promote this goal, the amount of allowable administrative costs will be capped at a reasonable amount for each of the various activity categories.

**Program Changes through Contract Amendments**

All Municipalities will be encouraged to carefully plan projects that meet the stated requirements and to specify activities, associated costs, and proposed accomplishments and beneficiaries in order to reduce the need for amending contracts. Municipalities must contact OCMA prior to requesting an amendment or contract modification that affects the budget, activities, beneficiaries, or time frame for accomplishing the proposed activities. Substantial amendments may be cause to review the entire Application submitted to determine if the project is meeting its stated goals and its timelines.

**Documentation**

The use of the disaster funding is contingent upon certain requirements, and both the state and Municipalities will be expected to certify that these requirements will be met or carried out. The Mayor, or designee authorized by the local governing authority of the Municipal Assembly will be required to certify in writing that the grant will be carried out in accordance with applicable laws and regulations or funds will be reallocated to other municipalities.

In addition, Municipalities will be required to submit or maintain documentation that fully supports the application that is submitted to the State. Failure to document that the project is needed as a result of the disaster(s), or to mitigate the effects of future disasters, will result in an application being declared ineligible. If this discovery is made after an award has been made, the contract with the local government will be terminated and the local government will have to repay any funds received to that point.



**Reporting**

Each Municipality must report on a form provided by OCMA on the status of the activities undertaken and the funds drawn. Additional reporting requirements (i.e., annual audits, contractual obligations and minority business enterprise reports, as applicable) will be specified in the Grant Agreement.

**Citizen Complaints**

All Municipalities should establish procedures for responding to citizens' complaints regarding to activities carried out utilizing these funds. Citizens should be provided with an appropriate address, phone number, and times during which they may submit such complaints. In accordance with the State approved citizen participation plan the Municipalities should provide a written response to every citizen complaint within 15 working days of the complaint.

**Regulatory Requirements**

Municipalities must comply with fair housing, nondiscrimination, labor standards, and environmental requirements applicable to the CDBG Program, as follows:

- **Fair Housing:** Each Municipality will be required to take steps to affirmatively further fair housing; and when gathering public input, planning, and implementing housing related activities, will include participation by neighborhood organizations, community development organizations, social service organizations, community housing development organizations, and members of each distinct affected community or neighborhood which might fall into the assistance category of low and moderate income communities.
- **Nondiscrimination:** Each Municipality will be required to adhere to the State's established policies which ensure that no person be excluded, denied benefits or subjected to discrimination on the basis race, color, national origin, religion, sex, familial status, and/or physical and mental handicap under any program funded in whole or in part by Federal CDBG funds. Municipalities will be required to document compliance with all nondiscrimination laws, executive orders, and regulations.
- **Labor Standards:** Each Municipality will be required to oversee compliance with Davis-Bacon Labor Standards and related laws and regulations. Regulations require all laborers and mechanics employed by contractors or subcontractors on CDBG funded or CDBG assisted public works construction contracts in excess of \$2,000, or residential construction or rehabilitation projects involving eight or more units are paid wages no less than those prescribed by the Department of Labor and in accordance with Davis Bacon Related Acts.

- Environmental: Specific instructions concerning environmental requirements at 24 CFR Part 58 will be made available to all Municipalities. Some projects may be exempt from the environmental assessment process, but all Municipalities will be required to submit a Request for Release of Funds and Certification. Funds will not be released for expenditure until the awarding agency is satisfied that the appropriate environmental review has been conducted. Municipalities will not use CDBG disaster recovery funds for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR Part 55.
- All suspected cases of fraud or abuse will be reported to the Office of the OIG and Office of the Puerto Rico Comptroller

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**Attachment: A- FEMA CERTIFICATION**

FEMA, Designated Counties for Puerto Rico Severe Storms and Flooding

Page 1 of 1



**Designated Counties for Puerto Rico Severe Storms and Flooding**

**Disaster Summary For FEMA-1798-DR, Puerto Rico**

**Declaration Date:** October 1, 2008

**Incident Type:** Severe Storms and Flooding

**Incident Period:** September 21, 2008 - Oct. 03, 2008

**Individual Assistance**

*(Assistance to individuals and households):*

The municipalities of Arroyo, Cabo Rojo, Guanica, Guayama, Guayanilla, Gurabo, Humacao, Juncos, Lajas, Las Piedras, Maunabo, Naguabo, Patillas, Peñuelas, Ponce, Salinas, Santa Isabel, San Lorenzo, Villalba, Yabucoa, and Yauco.

**Public Assistance**

*(Assistance to State and local governments and certain private nonprofit organizations for emergency work and the repair or replacement of disaster-damaged facilities):*

Adjuntas, Guayama, Humacao, Las Marías, Las Piedras, Maunabo, Naguabo, Patillas, Ponce, Sabana Grande, San German, Santa Isabel, Utuado, and Yabucoa Municipalities.

**Hazard Mitigation Grant Program**

*(Assistance to State and local governments and certain private nonprofit organizations for actions taken to prevent or reduce long term risk to life and property from natural hazards):*

All municipalities in the Commonwealth of Puerto Rico are eligible to apply for assistance under the Hazard Mitigation Grant Program.

**Other:**

Additional designations may be made at a later date after further evaluation

More information about Puerto Rico Severe Storms and Flooding

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Attachment: B- PUBLIC ANNOUCEMENT

PRIMERA MORA - 19 de mayo de 2009

# AVISOS SUBASTAS

## AVISO PUBLICO



ESTADO LIBRE ASOCIADO DE PUERTO RICO  
COMISIONADO DE ASUNTOS MUNICIPALES  
**AVISO PÚBLICO**  
RESPONSABILIDAD DE PLAN DE ACCIÓN PROPUESTO  
AL PLAN DE RECUPERACIÓN DE DESASTRES 2008

El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos, conocido como el Programa Federal de Reconstrucción de Puerto Rico de 2008, es el resultado de la Ley 107-060 del 20 de febrero de 2008, que otorga a los municipios de Puerto Rico el acceso a los fondos federales para la recuperación de los daños causados por el huracán "Felix" el 12 de septiembre de 2007. El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008. El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008.

El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008.

El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008.

El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008.

El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008.

Oficina del Comisionado de Asuntos Municipales  
División de Administración de Emergencias Federales  
C12064  
CANA, Box 70367  
San Juan, Puerto Rico 00976-0367

Clara Nequín Juárez  
Comisionada

El Plan de Acción Propuesto de Responsabilidad de Plan de Acción Propuesto de los Estados Unidos es el resultado de las recomendaciones de los municipios de Puerto Rico que se presentaron al Comité de Asesoramiento de los Estados Unidos para el Plan de Reconstrucción de Puerto Rico el 12 de febrero de 2008.

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**Attachment: C- CERTIFICATIONS**

