



**Government of Puerto Rico
Department of Housing**

PUBLIC NOTICE

INTENTION TO AMEND THE PUERTO RICO STATE COMMUNITY DEVELOPMENT BLOCK GRANT ACTION PLAN FOR PROGRAM YEAR 2021 TO ADD ADDITIONAL ALLOCATED FUNDS

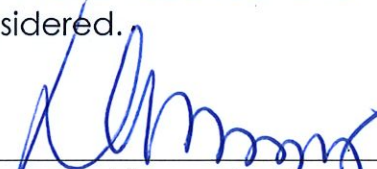
Based on the regulation in the 24 CFR 91.505, 24 CFR 91.115(c)(2) and (i), and the flexibilities provided by the US Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG) Program and Consolidated Plan Requirements to facilitate the incorporation of increased funding as a result of an allocation error for FY 2021, the Puerto Rico Department of Housing (PRDoH) would like to notify municipalities, citizens, and other interested entities, of its intention to amend the Program Year (PY) 2021 State Community Development Block Grant (CDBG) Action Plan. The purpose of this amendment is to add additional allocated funds.

A copy of this amendment will be available at <https://www.vivienda.pr.gov>.

In line with the flexibilities provided by HUD, Citizens, municipalities, and entities interested in providing comments will have three (3) calendar days from this publication, until July 2, 2021.

Written comments will be accepted via e-mail at:
cdbg-municipal@vivienda.pr.gov

Comments received after the period designated in this notice will not be considered.



William Rodríguez Rodríguez, Esq.
Secretary

Published today, June 29, 2021

BACKGROUND

On May 13, 2021, the United States Department of Housing and Urban Development (**HUD**) informed the Government of Puerto Rico about a correction in the amount of funds allocated for the State CDBG PY 2021.

Public Law 116-260 contains FY 2021 funding for HUD's Office of Community Planning and Development's (**CPD**) formula programs, including CDBG. After issuing the original allocation announcement letters, HUD discovered an error in the formula calculation for the CDBG program. The correction of this error resulted in an increase in the allocation for Puerto Rico's State CDBG PY 2021. Puerto Rico's original CDBG allocation was \$23,435,538. The corrected amount of allocated available funds for Puerto Rico's State CDBG PY 2021 is \$23,780,802.

The purpose of this document is to amend the CDBG Annual Action Plan for PY 2021 to add these additional allocated funds, and thus adjust the allocation included in the action plan.

PUBLIC PARTICIPATION

24 CFR 91.505 requires notification to the public when changes substantially amend an Annual Action Plan. Substantial amendments to the consolidated plan are subject to the citizen participation requirement in the grantee's citizen participation plan, that provides a period of no less than 30 days for comments. According to the flexibilities provided by HUD, there must be a reasonable opportunity to comment of at least 3 days. Therefore, citizens, municipalities, and entities interested in commenting on the amendment will have 3 calendar days from the date of this publication June 29, 2021, until July 2, 2021.

Written comments will be accepted at cdbg-municipal@vivienda.pr.gov.

AMENDMENT

For purposes of distributing the State CDBG PY 2021 corrected allocation, PRDoH will be using the formula established in Puerto Rico's Act No. 137-2014, as amended. Thus, funds will be equally allocated to all municipalities, except for Vieques and Culebra, where both will receive an additional 15% above the Equal Allocation Grant. PRDoH, as administrator of the CDBG State Program, will keep 3% of grants for administration.

Distribution	CDBG Original Allocation for Program Year 2021	CDBG Corrected Allocation for Program Year 2021
TOTAL ALLOCATION	\$23,435,538	\$23,780,802
State Planning and Administration	\$703,066.29	\$713,423.90
Allocation to municipalities for eligible activities, including administration	\$22,432,471.71	\$22,767,378.10
Emergency Fund	\$300,000	\$300,000.00

Based on this method of distribution, the State CDBG PY 2021 corrected allocation to municipalities will be the following:

Municipalities	CDBG Corrected Allocation for Program Year 2021
Non-entitlement municipalities (49 municipalities)	\$443,808.54
Non-entitlement municipalities (Vieques and Culebra)	\$510,379.82

Funds may be used for CDBG eligible activities, including administration (17%), public services (up to 15%), housing, public facilities and economic development (assistance to microenterprises), among others, in accordance to the Program's Action Plan and the guidelines to be published by the PRDoH. As well funds can be used within these activities for projects to prepare, prevent and respond to COVID-19.

Breakdown for Non-entitlement municipalities (49 municipalities)	
Administration (up to 17%)	\$75,447.45
Public service project (up to 15%)	\$66,571.28
Other projects	\$301,789.81
Total Allocation	\$443,808.54
Breakdown for Non-entitlement municipalities (Vieques and Culebra)	
Administration (up to 17%)	\$86,764.57
Public service project (up to 15%)	\$76,556.97
Other projects	\$347,058.28
Total Allocation	\$510,379.82

SUMMARY OF PUBLIC COMMENTS AND PRDoH's RESPONSE