COMMUNITY DEVELOPMENT BLOCK GRANT - MITIGATION

Overview and Timeline
 HUD rules for new CDBG-MIT program are located in two Federal Register notices for Puerto Rico: the main notice at 84 FR 45838 and the Puerto Rico allocation notice at 85 FR 4676.
Mitigation activities are those that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

- HUD, 84 FR 45838
Mitigation activities must meet the four key HUD requirements listed below. The HUD definition referenced in item 1 below was introduced in the previous slide. The additional three requirements are further described in the following four slides.

1. Must meet the HUD definition of mitigation activities.

2. Address the current and future risks as identified in the grantee’s Mitigation Needs Assessment of most impacted and distressed areas.

3. Must be CDBG-eligible activities under title I of the Housing and Community Development Act of 1974 (HCDA) or otherwise eligible/approved to a waiver or alternative requirement.

4. Must meet a national objective, including additional criteria for mitigation activities and Covered Projects (as defined by HUD).
All 78 municipalities considered HUD Most Impacted and Distressed

2 - MUST ADDRESS CURRENT AND FUTURE RISK IN MID AREAS

Projects will not qualify for funding unless they directly relate to an unmet need identified in the multi-hazard risk assessment. This risk assessment is built on the FEMA Hazard Mitigation Planning (HMP), planning framework.

MULTI-HAZARD RISK ASSESSMENT

Risk-based Mitigation Needs Assessment that identifies analyzes all current and future disaster risks

Must consult with HMGP-eligible jurisdictions, including the State Hazard Mitigation Officer (SHMO)

Must use the most recent risk assessment completed through the FEMA HMP

If a jurisdiction is currently updating an expired HMP, the grantee must consult with the agency
CDBG-MIT is based on the same regulatory framework as CDBG-DR and largely follows the same regulatory requirements for eligible activities – but differs in that activities must serve a mitigation purpose.
### 3 - CDBG ELIGIBLE ACTIVITIES (Continued)

The activities listed here are examples of eligible use of funds from the Mitigation Federal Register Notice. Determining eligible activities, eligible subrecipients, and allocations to different programs is part of the planning process. These details will be included in the Action Plan.

<table>
<thead>
<tr>
<th>PLANNING</th>
<th>HOUSING</th>
<th>ECONOMIC DEVELOPMENT</th>
<th>INFRASTRUCTURE</th>
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</thead>
<tbody>
<tr>
<td><strong>Potential activities may include:</strong></td>
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<tr>
<td>✓ Support for local and regional functional land-use plans</td>
<td>✓ Buyouts (potentially accompanied by additional housing or homeownership assistance for relocated families)</td>
<td>✓ Assistance to businesses for the installation of disaster mitigation improvements and technologies</td>
<td>✓ Regional investments in risk reduction to develop disaster-resistant infrastructure</td>
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<td>✓ Master plans</td>
<td>✓ Elevation (which may be accompanied by rehabilitation, reconstruction, or new construction activities to support resilient housing)</td>
<td>✓ Financing to support the development of technologies, systems and other measures to mitigate future disaster impacts</td>
<td>✓ Upgrading of water, sewer, solid waste, communications, energy, transportation, health and medical, and other public infrastructure to address specific, identified risks</td>
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<td>✓ Historic preservation plans</td>
<td>✓ “Hardening” of commercial areas and facilities</td>
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<td>✓ Financing multi-use infrastructure; and</td>
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<td>✓ Comprehensive plans</td>
<td>✓ Financing critical infrastructure sectors to allow continued commercial operations during and after disasters</td>
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<td>✓ Green or natural mitigation infrastructure development</td>
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<tr>
<td>✓ Community recovery plans</td>
<td>✓ Flood proofing; and wind, water, fire, earthquake retrofitting or “hardening” of single- and multifamily units</td>
<td>✓ Community recovery plans</td>
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<tr>
<td>✓ Resilience plans</td>
<td>✓ Development of building codes, zoning ordinances, and neighborhood plans</td>
<td>✓ Resilience plans</td>
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New national objective criteria for CDBG-MIT include the following:

- **New urgent need mitigation (UNM) national objective.** Requires activities to result in measurable and verifiable reductions in the risk of loss of life and property from future disasters and yield community development benefits.

- **No elimination of slum and blight (S&B) conditions** without approval from HUD, because this national objective generally is not appropriate in the context of mitigation activities.

- **Low- and moderate-income (LMI) priority.** Proposed mitigation programs and projects must prioritize the protection of low-and-moderate income individuals. No less than 50% of Grant must benefit LMI.

CDBG-MIT does not require a “tie-back” to a specific event, but must meet criteria set by HUD for mitigation.
Covered Projects are defined for Puerto Rico as an infrastructure project having a total project cost of $50 million or more, with at least $25 million of CDBG funds (CDBG, CDBG-DR and/or CDBG-MIT).

A Covered Project requires the completion of a Benefit Cost Analysis (BCA).

Covered Projects must be added to the original Action Plan or by substantial amendment, which each include a public comment period.
Mitigation planning is underway. PRDOH is evaluating mitigation opportunities that ensure a resilient future for the Island. The agency is committed to data-informed investments in high-impact projects that will reduce risks attributable to past and future disasters.

PRDOH is committed to leading a robust stakeholder and public engagement effort beginning May 2020 through August 2020 to develop the initial plan, then continuing engagement opportunities through final submission to HUD.

Upon HUD’s approval of the plan, PRDOH will continue stakeholder engagement by standing up a Citizen Advisory Group to provide increased transparency in the implementation of CDBG–MIT funds.
PRDOH is engaging with public agencies, municipalities, federal partners, NGOs, academic community, the private sector and the people of Puerto Rico. Input from all these stakeholders will be considered as part of Action Plan development.
The timeline here shows the progress of Action Plan activities extending through December 3, 2020 – an extension date set by HUD in consideration of COVID-19 impacts on public engagement. The planning timeline includes four months of rigorous stakeholder engagement, two public hearings before the Action Plan draft is posted for public comment and three additional public hearings during the comment period.
CONTACT US

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