



GOBIERNO DE PUERTO RICO

Oficina Central de Recuperación y Reconstrucción de Puerto Rico

Disaster Recovery Summary Sheet #3

Hazard Mitigation Grant Program (HMGP)

Frequent Asked Questions

1) What is the HMGP?

The HMGP is a state-administered post-disaster hazard mitigation grant program. The grant is awarded to Puerto Rico's COR3 (as the applicant/recipient), who is responsible for administering the grant and the program. The program is authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

2) What are the criteria for projects under the HMGP?

There is a minimum of five criteria that must be met for a proposed project to be considered eligible for HMGP funding:

- The project must conform to both the state and local hazard mitigation plans.
- The project must provide a beneficial impact on the disaster area.
- The project must meet all applicable environmental and historic preservation requirements, laws, and regulations.
- The project must solve a problem independently or be a functional portion of a solution where there is assurance that the entire project will be completed.
- The project must be cost-effective.

Additionally, for projects funded under the Hurricane Maria declaration, Puerto Rico will prioritize funding for those projects that protect the federal investment in Puerto Rico's public infrastructure. All projects must support this prioritization to be considered for HMGP funding.

3) What types of projects can HMGP fund?

Projects may be of any type that mitigates future damage or loss from natural hazards. Examples of eligible project types include:

- Property acquisition/relocation/demolition;
- Structure retrofits (wind, seismic, or flood);
- Structure elevation;
- Mitigation reconstruction;
- Emergency power for critical facilities/actions;
- Utility hardening/protection;
- Minor or localized flood control; or
- Post-disaster building code enforcement to support the reconstruction process.

HMGP cannot be used to fund projects that are the legal responsibility of a federal agency, or to mitigate property that is not the legal responsibility of the sub-recipient. For projects funded under Hurricane Maria, funding will be prioritized to protect the federal investment in Puerto Rico's public infrastructure.

4) Who is eligible to apply for HMGP funds?

Eligible applicants for HMGP sub-awards are state government entities, local government entities, federally-recognized tribes or tribal organization, and some private non-profit entities. Individuals and for-profit entities are not eligible to apply for funding under the HMGP, though an eligible applicant may apply on their behalf.

5) What if my local mitigation plan is expired? Can I still apply for HMGP funding?

Yes. For HMGP, the requirement to have a plan is effective when funds are obligated by FEMA, not when a sub-applicant applies for funding. Sub-applicants may identify and develop projects even if their local mitigation plans are expired and are encouraged to do so. The Puerto Rico Planning Board has hired a contractor to begin updating all local plans in Puerto Rico, starting in early 2019. The plans will be updated based on their expiration date. Neither the SHMO nor FEMA may waive the requirement to have a local mitigation plan, nor can they extend the approval period for a plan. The SHMO is working closely with the Planning Board to begin the plan update process.

6) Do HMGP projects have a cost share?

Yes. The Stafford Act allows FEMA to fund up to 75% of eligible costs and activities under the grant. The remaining 25% must be funded through eligible non-federal sources. For projects funded under the Hurricanes Irma and María declarations, Puerto Rico will use CDBG-DR funding to satisfy the non-federal cost share requirement. Therefore, subrecipients of HMGP funding will not be required to provide the non-federal cost share.

7) How much money is available in the HMGP?

The amount of funding available for HMGP is limited and is dependent on a number of factors. HMGP funding is derived from the amount of FEMA funding provided under the Public Assistance Program, the Individual Assistance Program, and eligible Mission Assignments. FEMA has established a formula that determines the amount of funding the recipient will receive. For Hurricane Maria, FEMA estimates the Government of Puerto Rico will receive approximately \$2.9B in HMGP funds from FEMA, which will require a match of approximately \$1.1B, for a total of approximately \$4B in available hazard mitigation grant funding. This is the largest HMGP grant in FEMA history.

8) What is the requirement for cost-effectiveness for HMGP projects?

All projects funded under either the HMGP must be documented to be cost-effective, meaning that the project will save more in avoided losses and future damages than it will cost in current dollars to implement. This is done through the calculation of a benefit-cost ratio (BCR), which is the numerical expression of the project's cost-effectiveness. The BCR is calculated by dividing the project's total benefits by its total costs.

The HMGP program uses a standardized methodology to document a project's cost-effectiveness, FEMA's Benefit-Cost Toolkit (Version 5.3). The BCA Toolkit consists of modules, categorized by natural hazards and project types. The BCA Toolkit may be downloaded here: <https://www.fema.gov/benefit-cost-analysis>. Technical assistance for cost-effectiveness determinations is available to all applicants. Please contact the State Hazard Mitigation Officer to request assistance (hmgp-pr@cor3.pr.gov).

9) How can I apply for HMGP funds and when is the deadline for submitting an HMGP application?

For Hurricane Maria, the majority of HMGP applications will be identified through the Sector Teams as part of solutions and referred to the State Hazard Mitigation Officer. For those projects that are not related to hurricane damage or FEMA-eligible permanent work, please contact the State Hazard Mitigation Officer for direction (hmgp-pr@cor3.pr.gov). As of now, **HMGP applications must be submitted to FEMA by October 31, 2019.**

10) Who should I contact with additional questions?

Please contact Jose Valenzuela at jvalenzuela@cor3.pr.gov for additional questions.

Sources: [FEMA Hazard Mitigation Assistance Guidance \(February 27, 2015\)](#)