

FEMA Approves Millions in Community Disaster Loans for Earthquake-Affected Municipalities

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These funds are in addition to the more than \$300 million in loans granted to municipalities following the damage caused by Hurricane María

GUAYNABO, Puerto Rico – The Federal Emergency Management Agency (FEMA) announced the approval of nearly \$90 million in low-interest Community Disaster Loans, known as CDLs, to assist the municipalities affected by the 2020 earthquakes in their long-term recovery.

Twenty-five municipalities in the south, center and west of the island benefitted from this federal assistance, which ended on June 30. All municipalities that applied for the loan and submitted the required documentation were approved.

“The earthquakes certainly transformed the economic landscape of many municipalities that were simultaneously dealing with the aftermath of Hurricane María. The loans serve as tools that, together with the support of the Government of Puerto Rico, help stabilize operations in the municipalities and reactivate local economies,” said Puerto Rico Federal Disaster Recovery Coordinator, José G. Baquero.

The CDL Program provides funding for operational expenses to assist local governments that have incurred a significant loss of revenue due to a declared disaster. This operational disruption often negatively affects the ability of towns to provide essential municipal services.

The funds will provide economic relief to municipalities such as San Germán, which worked in coordination with FEMA to obtain approval of this loan.

“The municipalities have seen their finances affected by the loss of income, so the loan is very important because it will help us to continue providing services to our



people, and to ensure that our employees have the job security they deserve. We appreciate FEMA's commitment," said Virgilio Olivera Olivera, Mayor of San Germán.

For his part, Aguada Mayor Christian Cortés Feliciano said that the fiscal challenges faced by the island were aggravated by the emergencies caused by the natural disasters and the COVID-19 pandemic. "This loan will help us subsidize operating expenses, stabilize our finances and outline a path to recovery where we can sustain ourselves with our own funds and fully comply with our obligations. I am convinced that with proper planning, hard work and a shared sense of resolve, we will move forward," said the mayor.

In addition, Manuel A. Laboy Rivera, Executive Director of the Central Office for Recovery, Reconstruction and Resilience (COR3), mentioned that hurricane season has already begun, and all municipalities must have the human capital required to deal with any emergency that may arise. "We will continue to work hand in hand with the mayors, as well as with state and federal agencies to be facilitators between them and the various types of assistance provided by FEMA," Laboy Rivera said.

To learn more about Puerto Rico's recovery from the earthquakes visit fema.gov/disaster/4473.

