

## Revised Guidelines for CDBG-DR IPG Program Published; Application Process Begins

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### PRACTICE AREAS

- Federal Funding Programs

### An McV Recovery Financing Alert

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On August 2, 2021, the Puerto Rico Department of Housing (“PRDOH”) published their revised guidelines to the CDBG-DR Economic Development Investment Portfolio for Growth (“IPG”) program and started its application process.

Pursuant to the latest amendment to the CDBG-DR Action Plan, the objective of the IPG program is to develop a series of projects that will transform Puerto Rico, resulting in large-scale commercial or industrial development in a broad range of economic development activities and sectors.

Some of the economic development projects recognized by PRDOH in the CDBG-DR Action Plan, include, but are not limited to:

- Commercial developments that generate high impact economic activity, such as shipping distribution centers or office buildings, industrial/manufacturing complexes such as factories, industrial parks and R&D laboratories, hotels, and public commercial spaces such as convention centers or parking garages; and
- Infrastructure developments to support large economic revitalization activities, such as: transportation facilities (new roads, street rehabilitation, sidewalk improvements, streetlights, parking facilities, streetscape improvements, etc.), and water, sewer, and drainage improvements directly supporting an economic revitalization activity.

Under the IPG program, PRDOH will award up to \$50,000,000 in partially forgivable loans to qualifying projects, including those meeting certain specific requirements under the guidelines, such as benefit to low-to-moderate income persons, local funding participation, additional job creation, and use of local suppliers. The loans may not exceed forty percent (40%) of a project’s total costs, including, among others, the development budget (hard and soft costs), and cost of issuance.

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Please note that the due date to submit the application to PRDOH under the IPG Program is August 31, 2021, and must be filed online at <https://cdbg-dr.pr.gov/iframes/IGP.html>.

The IPG Guidelines may be accessed on this link.

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