
Towards a Just Recovery: CDBG-DR Funds and Forced Displacements

Introduction

The economic crisis, austerity, and rising inequality has displaced nearly 14% of our population in the last decade. In the aftermath of hurricanes Irma and María, the government continues to adopt policies that will increase forced displacements. The Housing Repair, Reconstruction or Relocation Program proposed in the Puerto Rico's Action Plan for the use and management of the funds allocated under the Community Development Block Grant for Disaster Recovery (CDBG-DR) will be imperative for the fair recovery of the island. This program could allow thousands of families to finally repair or rebuild their homes. However, under current policies, many communities are at risk of being excluded from this opportunity. According to the current regulation, all housing that is located within flood zones or are susceptible to landslides may benefit. Those people will only be eligible for relocation.

This policy disproportionately affects impoverished and black communities, who will be displaced and left with few alternatives to find decent housing in Puerto Rico. The economic crisis, austerity and increase in inequality has already displaced 14% of our population in the last decade. Recovery should not be justification for more displacements!

Current policies promote displacements

New flood zone map

The Federal Emergency Management Agency (FEMA) and the Planning Board of Puerto Rico extended the areas designated as floodplains. As a general rule, FEMA does not provide assistance to governments for infrastructure projects in flood areas. The funds can be conditioned to the fact that there are no structures in flood areas. Homes in flood zones are required to purchase insurance under the National Flood Insurance Program in order to obtain federal benefits, such as guaranteed FHA mortgages or disaster assistance, which many people cannot afford

CDBG-DR Action Plan

\$ 9.7 billion in CDBG-DR funds have been approved for Puerto Rico. The Action Plan does not meet federal requirements. Among other elements, it does not include a clear policy on minimization of displacement of people or entities. Other than the Action Plan's vagueness, the Department of Housing intends to adopt identical implementation guidelines for 27

programs that are totally different from one another and require clear parameters in order to ensure decent housing and fair recovery.

Austerity

There are many ways to displace communities. The closures of schools and hospitals, the increase in rents, the deterioration of infrastructure, and the lack of economic opportunities are some of the many triggers that cause the abandonment of communities. Austerity promotes the speculation of foreign investors that benefit from tax exemptions and visitor's economy schemes that end up buying the lands of the impoverished. Gentrification displaces and substitutes local populations.

Opportunity Zones

This mechanism offers exemptions to investors who make projects in disadvantaged areas. Without clear parameters or demands for accountability, this benefit could lead to projects that favor gentrification and displace poor communities.

Know your numbers

- Around 300,000 houses were affected by hurricanes Irma and Maria
- FEMA denied 62% of the applications for assistance and nearly 8 out of 10 appeals.
- Two-thirds of people in Puerto Rico who got housing repair grants from FEMA received less than \$3,000
- The median assistance grant was \$1800.00
- 200,000 houses are in flood zones
- 49% of the houses are in areas susceptible to landslides
- 98% of the island is identified as an opportunity zone
- 22 municipalities have identified communities that are at risk of being displaced
- More than 260 days have passed since the first \$ 1.5 billion CDBG-DR funds were assigned and communities have not yet seen a dime

Our work

Basic rights in just recovery

Ayuda Legal Puerto Rico has identified some basic rights that could guarantee a just recovery. These include the right to decent housing, the right of people to stay or return to their communities whenever it is a safe alternative, the right not to suffer discrimination in the processes of reconstruction and recovery, the right to decide where they want to live, the right to a safe environment and the right to effective participation.

Prevention of forced displacements project

This project seeks to educate about one's rights before, during, and after a forced displacement. Our efforts include developing an anti-displacement handbook, a community protocol against the risk of displacement, and workshops on the legal mechanisms that carry out displacements.

Jornada de Participación Comunitaria

This initiative establishes coalitions with communities and organizations who demand just recovery. It is geared to educate about CDBG-DR funds, promote human rights advocacy regarding the right to housing and community participation.

We need to act now!

It is urgent to act in order to guarantee that at-risk communities remain protected. We demand that the government adopts human rights standards to address precarious housing, relocations and the impact of natural and man-made risks on communities. The public policy changes proposed here are affirmative steps in this direction:

Adopt a prevention and minimization of displacement policy:

The Government must adopt a policy to prevent and minimize displacement before initiating projects or allocating funds. This policy should consider measures of adaptation and mitigation of risks as an alternative to relocation and limit displacement only to the necessary properties in order to guarantee their safety, ensuring that the displaced persons' rights are protected, especially their right to participate in the decision-making process, as well as the right to have decent, safe and affordable housing.

Construction and repair in flood zones and landslides

It is necessary to amend the eligibility criteria for assistance that prevents the repair and reconstruction of the structures that located in floodplains, passage of floods of bodies of water or in areas susceptible to landslides. Risk adaptation and mitigation measures must be evaluated in order to ensure safe housing without forcing the displacement of people. For example, the rule of building 2 feet on the 1% elevation of the flood level can be adopted. This would allow poor communities in these areas to repair their homes without being forced to leave their lands.

Remove barriers that prevent access to the recovery funds

It is imperative that the government facilitates access to CDBG-DR funds. Currently, grassroots organizations and communities face extreme barriers when trying to access the CDBG-DR funds. Such obstacles include onerous requirements (such as a bid-bonds or requiring a reimbursement to community based organizations), highly technical and complex application processes, and lack of adequate information and data. The Department of Housing must establish specific and clear guidelines on how, when and who can access the CDBG-DR funds.