GOVERNMENT OF PUERTO RICO LA FORTALEZA SAN JUAN, PUERTO RICO

Administrative Bulletin Number: OE-2020-063

EXECUTIVE ORDER OF THE GOVERNOR OF PUERTO RICO, HON. WANDA VÁZQUEZ-GARCED, ESTABLISHING SPECIAL PROVISIONS FOR THE GRANTING OF STANDING TO APPLICANTS IN TRANSACTIONS CONDUCTED THROUGH THE SINGLE BUSINESS PORTAL IN CONNECTION WITH THE RECONSTRUCTION OF ELIGIBLE HOMES UNDER THE R3 PROGRAM, FUNDED WITH CDBG-DR FUNDS.

WHEREAS: On September 4, 2017, then Governor of Puerto Rico, Hon. Ricardo A. Rosselló-Nevares, issued Administrative Bulletin No. OE-2017-045 declaring a state of emergency in Puerto Rico as a result of the impending passage of Hurricane Irma and its potential impact on Puerto Rico's public safety, utilities, economic activity, and social wellbeing.

WHEREAS: On September 5, 2017, the Government of the United States of America declared a state of emergency for Puerto Rico under FEMA-3384-EM.

WHEREAS: On September 17, 2017, under Administrative Bulletin OE-2017-047, then Governor of Puerto Rico, Hon. Ricardo A. Rosselló-Nevares, declared another state of emergency for Puerto Rico as a result of the impending strike of Hurricane Maria on the Island. Hurricane Maria passed through Puerto Rico on September 20, 2017 as a Category 5 hurricane.

WHEREAS: In light of the above, on September 20, 2017, the United States Government declared Puerto Rico a disaster area by means of Major Disaster Declaration DR-4339.

WHEREAS: Hurricanes Irma and Maria caused far-reaching damages in Puerto Rico. Thousands of structures were affected as a result of the strong winds and heavy rainfall. The homes of thousands of Puerto Ricans were affected to a greater or lesser extent by these two hurricanes. A large number of houses are still visibly deteriorated and, therefore, in urgent need of repair or rebuilding.

WHEREAS:The Puerto Rico Department of Housing (PRDOH) is the government
agency responsible for administering the Community Development
Block Grant – Disaster Recovery (CDBG-DR). The United States
Congress approved CDBG funds for Puerto Rico's recovery in the
aftermath of the devastation caused by Hurricanes Irma and Maria.

WHEREAS: The CDBG-DR Program includes several programs aimed at assisting in the recovery of housing, infrastructure, and economic and cross-sectional revitalization of the Island. One of these programs is the Home Repair, Reconstruction, or Relocation Program (R3 Program). With a multimillion-dollar CDBG-DR fund allocation, the



program's purpose is to provide eligible homeowners the necessary assistance to repair their homes or to rebuild those properties which have been significantly affected, provided that the structures are not located in high-risk areas. Eligible homeowners whose houses are located in high-risk areas shall be able to relocate.

WHEREAS: According to Regulation No. 9081 of June 7, 2019, Joint Regulation for Evaluation and Issuance of Development, Land Use, and Business Operation Permits (Joint Regulation), homeowners shall apply for a building permit, which includes all construction work under the R3 Program. Therefore, pursuant to Section 2.1.9.5 of the Joint Regulation, regarding the subject of standing, the documentation to prove homeownership and to meet the requirements of the R3 Program includes: Public Deed, Registration Certificate, Declaration of Heirship or Petition for Registration of Heirs; Title Certification issued by the Department of Housing; or a Court Judgment or Ruling.
WHEREAS: Any applicant who requires methods other than the ones listed above shall be referred to the PRDOH Title Clearance Program in order to obtain a clear title for their property, as required by the Joint

WHEREAS:The R3 Program received approximately 27,000 applications, 2,307of which were referred to the Title Clearance Program.

Regulation.

WHEREAS: A large number of applications referred to the Title Clearance Program are peculiar in that they are jointly and indivisibly owned by other persons who do not necessarily occupy the property, nor were they present at the property during Hurricanes Irma and Maria. For several circumstances, contacting these co-owners and obtaining their approval has not been easy, which, in turn, has delayed the process to obtain the necessary certification of property titles in order to fulfill the requirements of the Joint Regulation.

WHEREAS: The Permits Management Office (OGPe, for its Spanish acronym) and Autonomous Municipalities in Categories I to V are responsible for reviewing the applications received through the Single Business Portal (SBP), in accordance with the provisions of Act No. 161-2009 ("Puerto Rico Permit Process Reform Act" or Act 161-2009) and the Joint Regulation.

WHEREAS: The Statement of Motives of Act No. 20-2017, as amended ("Puerto Rico Public Safety Department Act" or Act 20-2017) shows that the discussion of the issue of public safety in Puerto Rico has been focused mainly on the social, economic, cultural, and political aspects. Article 6.10 (b) and (c) of Act 20-2017 empowers the Governor to, upon declaring a state of emergency or disaster, "establish or modify

state regulations, orders, plans, or measures for emergencies or disasters as deemed necessary during the state of emergency or disaster." Any regulations enacted and any orders issued during a state of emergency or disaster shall have the force of law for the duration of said state of emergency or disaster. Likewise, the Governor may bring into force any state regulations, orders, plans, or measures for situations of emergency or disaster, or may modify them based on her judgment.

WHEREAS: Despite the state of emergency existing in Puerto Rico, we are at the beginning of the hurricane season, which meteorologists have predicted will be an active one. Furthermore, the CDBG-DR Program was created by virtue of Administrative Bulleting No. OE-2017-045 and Administrative Bulletin OE-201-047, in connection with the state of emergency declarations issued for Puerto Rico in the aftermath or Hurricanes Irma and Maria, respectively.

WHEREAS: In addition to the above, we have been experiencing earthquakes and their constant aftershocks on a daily basis since late December 2019, particularly on the Island's the southwestern region. On June 23, 2020, a magnitude 4.63 earthquake shook the northern and northeastern areas of Puerto Rico. Afterwards, in the early hours of June 28, 2020, a magnitude 4.9 struck the Island's southern region, followed by a magnitude 4.5 earthquake in the afternoon.

WHEREAS: The impending hurricane season and the constant earthquakes further increase the vulnerability of hundreds of thousands of Puerto Rican homes. Thousands of houses are still waiting for reconstruction as part of the R3 Program.

WHEREAS: It is imperative that the requirements laid down in the Joint Regulation be more flexible in order to streamline the reconstruction processes under the R3 Program.

THEREFORE: I, WANDA VÁZQUEZ-GARCED, Governor of Puerto Rico, by virtue of the powers inherent to my office and the authority vested in me by the Constitution and the Laws of the Government of Puerto Rico, hereby DECLARE and ORDER the following:

Section 1: This Executive Order shall apply to the Department of Economic Development and Commerce's Permit Management Office and to Autonomous Municipalities in Categories I to V, which are in charge of reviewing the applications submitted through the SBP and granting standing to applicants, in accordance with Section 2.1.9.5 of the Joint Regulation.

Section 2: In all transactions conducted through the SBP that are subject to analysis by the OGPe or by a Category I to V Autonomous

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Municipality regarding an application for housing reconstruction or repair under the R3 Program, the submission of a Certificate of Ownership including the time they lived in the affected property and an explanation of the circumstances that prevent a regular verification of ownership from being performed shall be enough to fulfill the standing requirement. Said Certification of Ownership shall include a statement certifying that one of the following circumstances apply: (1) there is no other natural or legal person who is entitled to claim the property; (2) the other natural or legal person entitled to claim the property also agrees to participate as co-applicant to the R3 Program; (3) the other natural or legal persons with ownership rights over the property could not be located after reasonable efforts were made to contact them. The Certification shall release PRDOH and OGPe from any claim that may arise over the property.

Section 3: This Executive Order in no way grants ownership to applicants. It only seeks to grant them standing to move forward a request that will be assessed on its merits, without requiring the consent of the property's co-owners at this stage in the process. The OGPe and Autonomous Municipalities in Categories I to V are released from any liability in all analyses based on this Order.

Section 4: This Executive Order does not hold PRDOH or OGPe liable with regard to any claim related to the property that is the subject of any work performed under the R3 Program.

Section 5: The Puerto Rico Planning Board is hereby ordered, in accordance with the power and authority conferred by its Enabling Act, Act No. 75 of June 24, 1975, as amended, to issue a Decision immediately, based on what has been stated herein and in keeping with any other past or future Decision related to the issues addressed herein.

Section 6: <u>REPEAL</u>. This Executive Order supersedes any other executive order that may be inconsistent with the provisions herein, to the extent of such inconsistency.

Section 7: <u>VALIDITY</u>. This Executive Order shall enter into force immediately and shall remain in force until amended or repealed by a subsequent executive order or by law, or until the end of the emergency that is the subject of this Executive Order or the resumption of operations, whichever occurs first.

Section 8: <u>NON-CREATION OF ENFORCEABLE RIGHTS.</u> This Executive Order is not intended to create any rights, substantive or procedural, enforceable at law or equity, by any person or entity, in any matter, civil, criminal, or administrative, against the Government of Puerto Rico or its agencies, officials, employees, or any other person.

Section 9:



PUBLICATION. This Executive Order must be filed immediately with the Department of State and the widest possible publication is hereby ordered.



IN TESTIMONY WHEREOF, I hereby issue this Executive Order under my signature and cause the Great Seal of the Government of Puerto Rico to be affixed in San Juan, Puerto Rico, on this <u>20th</u> day of August of 2020.

WANDA

ANDA VÁZQUEZ GARCED GOVERNOR

Enacted in accordance with the law on this <u>20th</u> day of August of 2020.

ELMER L. ROMÁN-GONZÁLEZ

SECRETARY OF STATE

