

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **Federal Gov't Grants \$1.1 Million for Disaster Recovery in Puerto Rico Opportunity Zones.**

The U.S. Economic Development Administration (EDA) is awarding a \$1.1 million grant to the University of Puerto Rico to hire three Disaster Recovery Coordinators to execute disaster recovery efforts throughout the entire Commonwealth.

The project, to be located in a Tax Cuts and Jobs Act designated Opportunity Zone, will be matched with \$266,400 in local investment.

“The disaster recovery coordinators hired at the University of Puerto Rico will serve as liaisons between local, state, and federal partners to further advance recovery efforts and rebuild the local economy back stronger than ever before,” said U.S. Secretary of Commerce Wilbur Ross.

In 2018, EDA made \$587 million available to eligible grantees in communities impacted by natural disasters in 2017, such as Hurricane Maria, which devastated Puerto Rico.

Opportunity Zones have become the buzzwords in Puerto Rico in recent months, but they have not generated the hoped for \$600 million in investments that the central government was projecting.

The federal program provides tax benefits for those investing in distressed, low-income communities nationwide. Puerto Rico has also enacted its own Opportunity Zone law; hence, investors can benefit from the tax incentive at both the federal and commonwealth levels. About 98 percent of Puerto Rico has been designated by the federal government as eligible for Opportunity Zone investments.

Eligible projects include multi-family housing, including student dorms; tourism-related businesses; educational and health facilities; tech incubators; and other types of commerce.

**Rosario Fajardo, The Weekly Journal Apr 10, 2020**