



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

Mr. Jesse S. Palacios  
Corporate Director  
Northern Mariana Housing Corporation  
P.O. Box 500514  
Saipan, MP 96950-0007

Dear Mr. Palacios:

The Department is approving the Commonwealth of the Northern Mariana Islands' Action Plan for Community Development Block Grant disaster recovery (CDBG-DR) funds appropriated by the Supplemental Appropriations for Disaster Relief Act, 2018, Public Law (P.L.) 115-254 and Additional Supplemental Appropriations for Disaster Relief Act, 2019, P.L. 116-20. On January 27, 2020, the Department announced in a *Federal Register* Notice the allocation of \$3.8 billion CDBG-DR funds for the purpose of assisting in long-term recovery from major disasters that occurred in 2017, 2018, and 2019. The Commonwealth of the Northern Mariana Islands was allocated \$243,946,000 from this appropriation and identified the Northern Mariana Housing Corporation as its administrative agency for the funds. This letter transmits the enclosed CDBG-DR grant agreements for \$243,946,000, which will be administered under the following grant numbers: B-19-DV-69-0001 in the amount of \$188,652,000 and B-19-DV-69-0002 in the amount of \$55,294,000.

Consistent with the January 27, 2020 Notice, the Northern Mariana Housing Corporation submitted the CDBG-DR Action Plan to HUD on August 31, 2020, which includes activities to assist in long-term recovery from major disasters. Subsequently, at the Department's request, the Northern Mariana Housing Corporation submitted revisions on October 3, 2020, which addressed all *Federal Register* Notice requirements for approval and must be made available to the public on the grantee's website. Posting the Action Plan gives the public and other key stakeholders the opportunity to review the Action Plan.

The submitted Action Plan proposes several projects and programs that meet the requirements of the *Federal Register* Notice. The list of CDBG-DR funded programs and respective budgets are in the CDBG-DR Disaster Allocation Table below.

**Table 1: CDBG-DR Disaster Allocation**

Activity	Allocation	% of Allocation
Housing Programs	\$113,362,000	46%
Infrastructure Programs	\$105,881,835	43%
Economic Revitalization	\$8,660,000	4%
Planning	\$3,943,347	2%
Administration	\$12,098,818	5%
<b>Total Allocation</b>	<b>\$243,946,000</b>	<b>100.0%</b>

The Department also takes this opportunity to highlight that at least 70 percent of funds must be used to support activities benefiting low- and moderate-income persons. Further, the January 27, 2020 Notice requires grantees to primarily consider and address unmet housing needs. A grantee may also allocate funds to address unmet economic revitalization and infrastructure needs, but in doing so, the grantee must identify how unmet housing needs will be addressed or how its economic revitalization or infrastructure activities will contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas. Additionally, the State must expend at least 80 percent of the total award amount within the HUD-identified “most impacted and distressed” areas as defined in the applicable *Federal Register* Notice.

The Commonwealth of the Northern Mariana Islands must execute the enclosed grant agreements to obligate the CDBG-DR funds. Please sign and return a copy for HUD’s signature by email to [disaster\\_recovery@hud.gov](mailto:disaster_recovery@hud.gov). The date of HUD’s signature on the grant agreement is the date on which the funds are obligated. All funds obligated to activities authorized pursuant to the tourism waiver and alternative requirement established by HUD at 85 FR 60821 must be disbursed within two years of the first draw for these tourism activities. All other funds obligated for this grant must be expended within the six years of the obligation date of this grant agreement.

The Department remains committed to assisting the Northern Mariana Housing Corporation in its efforts to address the Commonwealth of the Northern Mariana Islands’ recovery needs and looks forward to working with you and your staff to achieve this goal. If you have any questions regarding the information in this letter, please contact Jessie Handforth Kome, Director, Office of Block Grant Assistance, at (202) 708-3587.

Sincerely,

John Gibbs  
Acting Assistant Secretary

Enclosures