



IV.D. Narrative Information Sheet

1. Applicant Identification:

- a. **Municipality of Isabela, Puerto Rico**
P.O. Box 507 Isabela, P.R. 00662
(787) 872-2100

2. Funding Requested:

- a. Assessment Grant Type: Community-wide Assessment Grant
b. Federal Funds Requested: \$500,000

3. Location:

- a. Municipality of Isabela
b. Isabela
c. Puerto Rico

4. Target Area and Priority Site/Property Information

- a. Target Area: Eastern District (ED)
b. The Eastern District is contained within portions of **Census Tracts 72071410404, 72071410500, 72071410701, and 72071410704** consists, primarily, of the southeastern limit of downtown Isabela, and extending east and south to the Galateo Bajo Ward just before the Guajataca State Forest. Located in the eastern sector of Isabela, the ED is the most urbanized area of the Municipality, and where most commercial and industrial activity occurs.
c. Priority Sites Addresses:
i. Industrial Site 1 – Industrial Avenue, Isabela, PR 00662
ii. Industrial Site 2 – Industrial Avenue, Isabela, PR 00662
iii. School #1 – Galateo Bajo Ward, Isabela, PR 00662
iv. School #2 – PR4477, Isabela, PR 00662
v. Lot for Housing – PR112, Isabela, PR 00662

5. Contacts:

- a. Project Director:
Luis García Sanchez, Director of Management and Development
Municipality of Isabela
P.O. Box 507 Isabela, P.R. 00662
(787) 872-2100 ext. 1901
desarrollo@isabela.com.pr

b. Chief Executive/Highest Ranking Elected Official
 Miguel E. Méndez Pérez, Mayor
 P.O. Box 507 Isabela, P.R. 00662
 (787) 872-2100
 alcalde@isabela.com.pr

6. Population: Municipality of Isabela – 42,856 (US 2020 Decennial Census)

7. Other Factors Checklist

Other Factors	Page#
Community population is 10,000 or less.	
The applicant is, or will assist, a federally recognized Indian tribe or United States territory.	
The priority site(s) is impacted by mine-scarred land.	
The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).	
The priority site(s) is in a federally designated flood plain.	
The reuse of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy.	Page 3
The reuse of the priority site(s) will incorporate energy efficiency measures.	Page 3
The reuse strategy or project reuse of the priority site(s) considers climate adaptation and/or mitigation measures.	Page 3
At least 30% of the overall project budget will be spent on eligible reuse/area-wide planning activities, as described in Section I.B., for priority site(s) within the target area(s).	
The target area(s) is located within a community in which a coal-fired power plant has recently closed (2012 or later) or is closing.	

8. Letter from the State or Tribal Environmental Authority.

a. Letter from the Puerto Rico Department of Environmental and Natural Resources is attached.

9. The Municipality of Isabela is not making any claims for confidential, privileged, or sensitive information, in this application/document.



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF NATURAL AND ENVIRONMENTAL RESOURCES

- 8 NOV 2023

Hon. Miguel Méndez Pérez
Mayor
Municipality of Isabela
P.O BOX 366147
San Juan, Puerto Rico 00936-6147

Honorable Mayor Méndez Pérez:

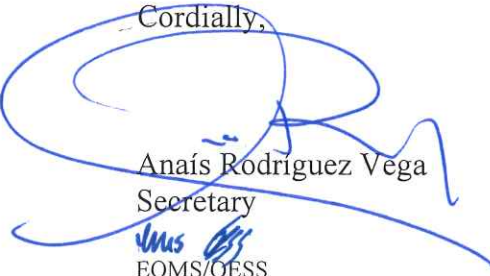
**ACKNOWLEDGMENT LETTER FOR THE INTENTION TO APPLY FOR FY-24 US
EPA BROWNFIELD'S PROGRAM FOR A COMMUNITY-WIDE HAZARDOUS
SUBSTANCES ASSESSMENT AT THE MUNICIPALITY OF ISABELA, PUERTO RICO**

The Department of Natural and Environmental Resources (DNER) Superfund Program has received a letter from the Municipality of Isabela informing us of its intention to apply for a Brownfields Community-Wide Brownfields Assessment Grant. DNER acknowledges and supports the initiative taken by the municipality.

The inventory development, assessment, cleanup and redevelopment of Brownfields sites will provide an opportunity to enhance the social, economic and environmental conditions in this municipality. DNER encourages the municipality to maintain an open communication with federal and state agencies and to request any support needed.

If you have any questions, please feel free to contact Edwin O. Malavet-Santiago, Environmental Emergencies Response Area Manager, at (787) 999-2200, extensions 5900, 5915 or by email at edwin.malavet@drna.pr.gov.

Cordially,


Anaís Rodríguez Vega
Secretary
EOMS/OESS

C Teresita Rodríguez, USEPA

1 Project Area Description & Plans for Revitalization, a. Target Area & Brownfields, i. Overview of Brownfield Challenges & Description of Target Area: Founded in 1819, the coastal Municipality of Isabela (municipality) in northwestern Puerto Rico (PR), 65 miles west of San Juan, has a population of 42,856 (US 2020 Decennial Census). Eligible activities will be conducted within municipality limits. Our municipality once thrived as a seaport and agricultural community, centered on livestock, sugarcane, coffee, tobacco, and fruit. In the 1970's, industrialization boomed, creating thousands of jobs and financial success, in part, due to Section 936 (936 exemption) of the US tax code, which incentivized US companies to operate in PR through valuable tax exemptions. The US government eliminated this incentive in 2006, causing companies to leave PR for more tax-friendly countries. Hurricanes (Maria-2017 & Fiona-2022) severely impacted Isabela, intensifying extreme socioeconomic and financial pressures. Damaged properties released chemicals like lead paint, petroleum, and other environmental hazards. Power and water services were discontinued for months and over 7,000 homes and 25% of commercial properties were badly damaged or destroyed. PR's unstable economy coupled with climate-change induced natural disasters contributed to the demise of Isabela's commercial and residential vitality. These conditions led to job losses and population decline as people left for the US mainland for employment. These losses, including 1,000 skilled labor jobs, drove Isabela into a deep recession lasting over 15 years. Well-known companies (e.g., Timberland and Monsanto) had facilities in Isabela and their departure was a devastating blow. These challenging conditions resulted in numerous brownfields in our community and caused redevelopment to slow as already limited resources were reallocated to more urgent needs. Unfortunately, many businesses could not reopen after the hurricanes, and the 936 exemption repeal forced more businesses to close and residents to leave. Now, our biggest challenge is attracting and retaining commerce, in part, due to the many brownfields in the municipality. The worst-hit area, where redevelopment investment has the greatest potential, is our target area, the Central District.

Target Area: The Central District (CD) - At 2.5 square miles, the CD (portions of Census Tracts 4104.04, 4105, 4107.01, and 4107.04) is bordered by the southeastern limit of downtown Isabela, and extends east and south to the Galateo Bajo Ward, adjoining the Guajataca State Forest. Located in eastern Isabela, the CD is the most urbanized area of the municipality, and where most commercial and industrial activity occurs. For this reason, the CD was hardest hit by the economic pressures caused by the elimination of the 936 exemption and the devastation of the hurricane. The CD workforce decreased by 27% from 2010-2020 (2020 Census). Those still working are earning significantly less and their Median Household Income (MHI) is just over 1/4 that of the US (see 2.a.ii). From 2017 to 2021, population in the CD decreased by 17.6%. Residents who remained are recovering from a decade of losses and enduring a difficult job market with dozens of employers unable to reopen businesses after the economic decline, in turn, driving our unemployment to 6.8% compared to 3.7% (August 2023, Dept. of Labor [most recent date available]). Past economic struggles brought brownfield challenges: abandoned buildings, legacy pollution (Table 1), blight, increased crime, and strain on public resources. Brownfields add to financial burdens (reduced income, increase poverty, lower tax revenue and wages, etc. – 2.a.i) and health disparities (higher cancer rates and infant mortality – 2.a.ii(2)) on CD residents. As the gateway to the eastern metropolitan area, the CD is where commerce and tourism are concentrated. Our Revitalization Plans (1.b.) recognize the need for modern development in the CD. We have put the pieces in place to implement a strategy of creating modern mixed-use development, commercial investment, and housing on brownfield sites that balances social, economic and environmental interests to create sustainable, lasting development. We are making an effort to address priority brownfields (1.a.ii) and leverage additional funding for this hardest hit part of our community. Since the economic downturn, the federal government made a significant investment to facilitate redevelopment and resilience in PR, including the CD, but much of these funds remain unusable until EPA grant funded environmental assessment and cleanup (if needed) is completed on the properties targeted for reuse. Once priority sites are redeveloped, our economy will no longer be influenced by the negative impacts of brownfields.

1.a.ii. Description of the Priority Brownfield Site(s): Our priority sites (Table 1) offer the greatest opportunity to trigger successful reuse/resurgence in the target area. However, other brownfields are also present in the CD (approx. 25 totaling ±48 acres). The historical/current uses, likely environmental issues, potential health effects from exposure to these sites, and planned reuses are listed below.

Table 1 – Priority Brownfields Sites and Impacts (Census Tracts 4104.04, 4105, 4107.01, and 4107.04)

Priority Sites, Size & Proximity to Target Area Residents	Historic Use/Current Use & Condition/Planned Reuse	Suspected Contaminants / Environmental Concerns*
Industrial Site 1 – Industrial Avenue, 5.7 acres, adjoins low income & minority residential	Former Industrial Site / Vacant, reusable structure / Business Incubator and commercial space	VOCs, PAHs, PCBs, metals, asbestos, petroleum
Industrial Site 2 - Industrial Avenue, 7.1 acres, within low income & minority residential	Paper manufacturing site / Vacant structure / Governmental services & commercial facilities	VOCs, PAHs, PCBs, metals, asbestos, petroleum
School #1 - Galateo Bajo Ward 0.5 acres, adjoins low income & minority residential	Former school / Vacant building, reusable structure / Commercial development and office space	VOCs, PAHs, asbestos, lead paint, petroleum
School #2 – PR4477, 1.1 acres, adjoins low income & minority residential	Former School / Vacant building, reusable structure / Commercial development and office space	VOCs, PAHs, asbestos, lead paint, petroleum
Former Commercial – PR112, 14.1 acres, adjoins low income & minority residential	Commercial lot / Vacant lot of land, unregulated solid waste landfill / Public Housing Complex	VOCs, PAHs metals, PCBs, petroleum

**The Agency for Toxic Substances and Disease Registry (ATSDR), identifies these contaminants as threats to human health. Health threats include: skin damage, liver, kidneys, heart, spleen, nervous, respiratory, hormonal, blood, and immune systems, and may also cause neurological damage, birth defects and cancer (www.atsdr.cdc.gov).*

These highest priority sites meet the community’s immediate needs, align with revitalization plans, and redevelopment is imminent due to funding already committed (**\$30M has already been secured** through commitments from the municipality and private investors to redevelop residential and commercial assets and low-income housing on target area sites (1.c.i)). When these brownfields closed, 530 jobs were lost, students were forced to travel long distances to new schools, and potential pollutants, blight, and unsafe buildings became a threat to area residents. Addressing these brownfields will allow us to increase our low-income housing stock through the redevelopment of the Former Commercial site. A business incubator and office space at Industrial Site 1 aligns with our goal to reinvigorate our business sector, creating stable, high paying jobs for residents, and will launch sustainable new companies.

1.a.iii. Identifying Additional Sites: If grant funds remain after addressing the target area/priority sites, we may choose to invest grant funding on properties outside the CD (but within the census tracts noted in Table 1) that become a priority during the grant period. Additional sites will be identified using the brownfield inventory and community and stakeholder input and will be prioritized based on how similar demographic and environmental justice conditions around additional sites are to the CD. Like the CD, demographics in the rest of the areas in the census tracts mentioned have significant environmental justice challenges and are considered disadvantaged (99th percentile for low income, 96th percentile for unemployment, 92nd percentile for wastewater discharge, and 97st for poverty per EPAs CEJST).

1.b. Revitalization of the Target Area, i. Reuse Strategy & Alignment with Revitalization Plans: The 2020 Fiscal Plan for the Municipality and the 2019 Hazardous Mitigation Plan (Revitalization Plans) specify the reuse of existing vacant and underutilized urban space as a key initiative, especially for commerce and housing in the CD. Consistent with our Revitalization Plans, we will diversify and modernize our employment sectors to minimize the impacts of future job cutbacks/closures and create a business incubator, housing, and commercial development. This will add support services for the commercial base of the area and residential options needed in the CD. It has become increasingly important to protect public and private assets against the effects of climate change-induced weather events, including government offices, infrastructure, and residential areas. Our Revitalization Plans call for land reuse that addresses economic and environmental concerns while addressing equity issues for residents, primarily low-income residents and minorities. With funding already secured, reuse activities will directly address our need for more jobs and residential options and will encourage people to return to Isabela to participate in the restoration of our community and enjoy the redevelopment benefits.

Isabela is requesting \$500,000, most of which will be used for Phase I and Phase II Environmental Site Assessments (ESAs), providing the initial, highest risk investment necessary for brownfields reuse. This approach will trigger further environmental and redevelopment work with other funding as noted in 1.c.i. For example, plans are underway to redevelop the Former Commercial site into a new 100-unit housing complex, bringing \$10M in private investment and \$5M in public funds into the CD where they are most needed, once environmental assessment work is completed. Putting redevelopment resources in the heart of the target area will set an example and maximize the likelihood of growth and reuse in this struggling portion of our community. Redevelopment of the Industrial Sites 1 and 2 will meet another important reuse goal (new commercial development, a business incubator, and a new local government office building), and the municipality is confident that these sites will be quickly

utilized due to their location. An estimated 250 permanent, high-paying jobs will be created when Industrial Sites 1 and 2 are repurposed. Our community will have access to more commercial development, external support from community partners, capital for business startups, and a strong network of entrepreneurs, which is the source of our past progress and success. Construction jobs will be created, and permanent jobs will be in place as redevelopment of the priority sites is completed (1.b.ii).

1.b.ii Outcomes & Benefits of Reuse Strategy: The full redevelopment of Table 1 priority sites creates an estimated 600 construction jobs, 330 permanent jobs, 100 low-income housing units, modern commercial development, an estimated \$2.3M in annual tax revenue, and eliminate threats to less fortunate and vulnerable residents. Industrial Site 2 has over \$11M in funding from both the municipality and private investors committed to redevelopment once environmental investigation funds are secured. Redevelopment of the Industrial Site 1 will remove environmental contamination (VOC's, PAHs, metals, asbestos, lead paint, and petroleum) and eliminate a health hazard to the nearby neighborhood. Removing blight will help end criminal activity (2.a.i) that is lured by abandoned property. Once this site is redeveloped into a business incubator and commercial space, it will become an affordable and flexible lease space for offices, while offering support and cooperative services for new businesses in Isabela and neighboring municipalities, rekindling the entrepreneurial spirit that once thrived here. New businesses and capital investment in office and commercial space at Schools #1 and #2, and Industrial Site 2 will create more high paying jobs and increase tax revenue.

Redevelopment of our priority sites will create affordable and sustainable housing, improve economic competitiveness of the CD, create sustainable, commercial developments and jobs (workforce development), increase land recycling opportunities by remediating/reducing legacy pollution, and leverage current and future investments. Residents and commercial property owners will benefit from increased property value, improved energy efficiency, and lower maintenance costs associated with new construction. This will create jobs, repatriation, and increased wages for Isabela residents. New, energy efficient construction on priority sites, including the use of solar and LEED certification, will reduce energy usage and operating cost on sites where new construction is planned (Former Commercial site and Industrial Site 2). All redevelopment will be consistent with the Puerto Rico "Renewable Energy Act" (Act 82, 2010) for stimulating the development of renewable energy and the Net Metering Program (Act No. 103, 2012), incentivizing the use of green energy infrastructure.

EPAs investment in brownfields in the CD will help meet Justice40 goals by creating energy efficient, sustainable development, conserving and preserving greenfields, improving health by reducing exposure to contaminants, and turning brownfields into assets. This will deliver justice to disadvantaged residents (due to low-income, high minorities, distressed neighborhoods, disproportionate exposure to environmental impacts from brownfields, etc.).

1.c. Strategy for Leveraging Resources, i. Resources Needed for Site Reuse: Target area redevelopment funding is well secured for two priority sites. **Private sector funding has been pledged to construct a housing complex (100 units) on the Former Commercial site (\$10M in reuse funding committed), and the municipality intends to use the already acquired federal funding to invest in the redevelopment of the Industrial Site 1 and 2 (\$18M combined) and the Schools (\$2M combined) once risk of the environmental unknowns is eliminated.** In addition, Isabela is eligible for and will seek additional funding from the following sources that support anticipated assessment, cleanup, infrastructure, and redevelopment: EPA Brownfield Clean-up and Multipurpose grant funds (up to \$5M/\$1M), US Dept. of Agriculture Rural Economic Development Loans and Grants (\$300K grants/\$1M in loans for community and economic development aid), Community Development Block Grants (CDBG), CDBG-DR (Disaster Relief) of which over \$8.6M is available to Isabela for demolition, infrastructure, and economic development of brownfields, Federal Emergency Mgmt. Agency (FEMA) (over \$10M available for hurricane-related clean-up and redevelopment), US Economic Development Administration (USEDA), Dept. of Transportation (DOT) grants, and new funding opportunities/incentives available in the future. Funding from these resources is available for remediation, demolition, site development, infrastructure improvements, streetscape improvements, building rehabilitation, job training, etc., to encourage and complete our reuse strategies. Should EPA funds be awarded for environmental assessment, the EPA grant funding qualifies as required match to CDBG-DR, FEMA, and other funding discussed above, further leveraging resources for brownfields redevelopment. Additionally, some funding sources require environmental assessment prior to becoming

available and would be unlocked with the use of EPA assessment funds on the properties.

We will also seek funds from the Puerto Rico Economic Incentives Act, which will be used to encourage investment and development of commercial businesses as planned for some of our priority brownfields. All target properties are located within an Opportunity Zone (OZ), and we will market brownfields as excellent tax shelters under OZ tax incentives, attracting private funds in our low-income areas. As properties are assessed, it will stimulate partnerships with many agencies (U.S. Dept. of Housing and Urban Development (HUD), FEMA, PR Dept. of Housing, PR Dept. of Economic Dev. & Commerce, etc.) to fill funding gaps such as demolition funding and reuse incentives, ensuring successful redevelopment. A detailed funding plan will be developed based on individual status and eligibility for each brownfield site or area as assessment projects are realized. CDBG, CDBG-DR, and FEMA funds were just recently released, and we will seek to utilize them immediately. Other funding noted above will also be sought as it becomes available. These funds coupled with the EPA Assessment Grant will enable us to realize and document revitalization success within the next 2-4 years.

1.c.ii. Use of Existing Infrastructure: Our Revitalization Plans emphasize the build-out of existing parcels and rehabilitation and infill development before additional land development. For example, the buildings on Industrial Site 2 and the Former Commercial properties are in excellent condition, thus redevelopment will be quickly accomplished once environmental assessment is complete. Modern utility infrastructure is available to the priority sites and in the target area (3-phase electricity, natural gas, water and sewer services, telephone, and fiber optic service), providing connectivity to new development. Infrastructure damaged by hurricanes has since been repaired and is robust enough to handle the added capacity required by planned reuses and will utilize existing services and other infrastructure (roads, curb cuts, parking, & nearby utilities), reducing site reuse costs. With revitalization ranging from residential to industrial, existing infrastructure will allow for easy access for commercial/industrial development, enabling residents to work and live in the same neighborhood, creating a walkable community. All priority sites in 1.a.ii adjoin or are near heavily traveled PR112, one of Isabela's main roads. Additional funding for roads, trails, or other infrastructure necessary for planned reuse will be sought from the US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant program, the Infrastructure and Jobs Act, commonwealth funds (when available), and CDBG funds.

2. Community Need & Community Engagement, a. Community Need, i. The Community's Need for Funding: Isabela does not have the funds for site assessment in our budget. The only available resource to address brownfield assessments is federal funding. A large portion of our community is low income, with **53.6% of CD residents are impoverished (2021 ACS) and MHI is significantly lower than the US (2.a.ii.)**, making investment in our brownfields an impossibility. After over 15 years of setbacks and significant economic decline, we have fewer jobs, reduced tax revenues, damaged municipal buildings and infrastructure, and limited local government resources. The recession has also left the territorial government with no resources to commit to brownfields reuse. Locally, we estimate tax losses to be over \$2.5M annually, and more than 1,400 jobs were cut in the aftermath of the 936 Exemption and the hurricanes. The municipality operates on a \$16.6M annual budget, which cannot fully fund essential services, let alone much needed infrastructure repair and maintenance. Simply collecting debris from the hurricanes cost over \$5M (nearly 1/3rd of our annual budget). Moreover, local governments in PR do not have funding resources commonly available to local governments on the mainland (e.g., Tax Increment Financing). Incentivizing redevelopment through payment of environmental due diligence is attractive to developers, but we have no tools at a local or territorial level. Brownfield sites add to the financial burden borne by residents, suppressing residential property values, and adding to municipal expenditures through reduced tax base and additional public safety services to brownfield sites for criminal activity as indicated by the high concentration of crime in the CD (70% of total crime of Isabela).

2.a.ii. Threats to Sensitive Population, (1) Health or Welfare of Sensitive Populations: According to the 2021 ACS, 53.6% of CD residents are living in poverty, and MHI is \$16,889, 1/4 of the United States (\$69,021). Residents suffer dramatic wage disparities, as observed with our sensitive populations, such as children and the elderly (36.2% of the CD population – 2021 ACS), with 58.6% of children and 54.2% of elderly populations suffering from poverty (Table 2). Isabela has a high percentage of minorities, more evident in the CD, where 99.8% of the population is minority. Contaminant pathways from brownfields (e.g., vapor intrusion, groundwater and surface water used for drinking, irrigation, and surface soil exposure) are a threat to our neighborhoods. Historic development did not consider

environmental impacts on nearby neighborhoods, now, contaminants suspected in our brownfields (Table 1) are potentially causing harm, raising significant environmental justice issues. Our priority sites are believed to be impacted with metals, VOCs, PAHs, PCBs, lead paint, asbestos, and other contaminants known to cause various cancers, asthma, and low birth weight which are experienced by Isabela’s residents at a higher rate than the nation (see 2.a.ii(2)). Further, these concerning sites are

Table 2	US ¹	PR ¹	CD ¹
Median Household Income	\$69,021	\$21,963	\$16,889
Percent Minority	40.6%	99.1%	99.8%
Individuals Living in Poverty	12.6%	42.7%	53.6%
Children Living in Poverty	17.0%	56.3%	58.6%
Elderly Living in Poverty	9.6%	38.5%	54.2%
¹ Stats from 2021 ACS			

adjacent hospitals, neighborhoods, and recreational facilities, introducing health threats to vulnerable patients and children. The proximity of brownfields to low-income neighborhoods drives down housing values, suppresses commercial investment, poses health risks, and limits residents’ access to adequate employment, resulting in a distinct disadvantage to CD residents. This grant will better inform us of the

environmental conditions at our brownfields by considering impacts on neighboring properties when developing reuse plans. Reduction of exposure risk, elimination of contamination sources, improvement of ecological health and livability principles will be incorporated.

2.a.ii(2) Greater Than Normal Incidence of Disease & Adverse Health Conditions: Sites such as the Industrial Site 1 and 2 are impacted by petroleum. According to the Center for Disease Control (CDC), exposure to petroleum affects the liver, while PAHs and nitrates are linked to colon and rectal cancer. Liver & bile duct cancer incidences in Isabela are 18% higher than in PR, while colon/rectal cancer rates are 24% higher. In addition, metals and VOCs on CD sites, like the Schools #1 and #2, may be contributing to renal cancers in residents, which are 10% higher in Isabela than in PR (all cancer stats from PR Central Cancer Registry). CDC research shows that exposure to asbestos can cause lung cancer and respiratory disease. The incidence of lung and bronchus cancer in Isabela is 16% higher than in PR. The Aguadilla region (which includes Isabela) ranks 2nd highest in Puerto Rico for asthma incidence and death, while Puerto Rico ranks 10th highest in incidence in the US (CDC). 45.9% of the housing stock was built prior to 1980 according to the 2021 ACS and older homes have a greater risk for high lead levels from paint. Mercury, lead, and other metals, as well as VOCs, PAHs, and petroleum constituents are believed to be present on priority sites. These are a threat to unborn children and infants, and the infant mortality rate and low birthweight rate in PR are 25% and 22% higher than the US according to the CDC . Although infant mortality, low birth weight and asthma data is not available at the municipality level, this data is representative of Isabela. Each priority sites contains at least one of these contaminants, and every priority site adjoins low-income and minority neighborhoods potentially directly linking adverse health conditions to underserved communities.

Because of the presence of toxic chemicals and their inevitable impact on the environment near residents’ homes, many operating commercial and industrial facilities add to the environmental threat. Currently, there are 45 Isabela properties that have environmental records in the EPA’s EnviroFacts database. **Identification and removal of environmental contaminants at brownfields in our community will reduce exposure, therefore decreasing high incidences of disease and other poor health outcomes that our environmentally overburdened community currently experiences.**

2.a.ii(3) Environmental Justice (a) Identification of Environmental Justice Issues: The public health impact from target area brownfields and industrial operations, and their proximity to impoverished and minority residents has disproportionately exposed them to environmental pollutants, resulting in an inability to improve or in some cases, maintain their health and wellbeing. The EPA’s EJScreen tool indicates that the CD residents are in the 69th and 86th percentile for lead paint exposure, the 85th to 97th percentile for toxic releases to air, and 87th and 99th percentile for wastewater discharge toxicity indicator compared to PR and US respectively. The Climate and Economic Justice Screening Tool (CEJST) identified all of Isabela and the CD as a disadvantaged community in the energy, housing, workforce development, and wastewater categories due to high unemployment and poverty, low educational attainment, energy cost, wastewater discharge, and lack of indoor plumbing. These conditions have a direct impact on the health, prosperity, and wellbeing of CD residents, as evidenced by their poor health (2.a.ii(2)), poverty status (2.a.ii(1)), exposure to environmental contaminants, etc. Our brownfield reuse

strategy will improve the welfare of residents by eliminating the health risk they pose.

2.a.ii(3)(b) Advancing Environmental Justice: Brownfield assessment, cleanup, and reuse strategies will improve the welfare of our residents by identifying and eliminating the health risk they pose. The EPA grant will play an important role in this, reducing threats by funding environmental investigations needed to trigger stalled cleanup and end disinvestment in the CD. Development of a business incubator and office space (Industrial Site 1) will increase jobs in the target area, which will create gainful employment for disadvantaged residents, reduce unemployment and poverty, and increase household income. Job creation will attract new residents, increase tax revenue, and reverse population loss. The Former Commercial site redevelopment plan, when complete, will add 100 affordable housing units to accommodate the population growth and meet our low-income housing needs. More housing improvements will be made utilizing other federal programs (e.g., CDBG) to fund lead paint abatement and more residential improvement. A new government office and commercial space, through the redevelopment of Industrial Site 2 and the schools will bring increased employment, a stronger network of business owners, and higher wages. New development on brownfield properties will create a sense of pride and ownership of the neighborhood, incentivizing further investment and increasing property values. Funding from an EPA grant will help stimulate investment in brownfields by funding environmental due diligence, a common stumbling block for land recycling in our community, improving the economic status and health of residents near brownfields. **Health indicators such as increased cancer, liver disease, asthma, and low birth weight (2.a.ii(2)) will no longer be influenced by environmental impacts caused by target area brownfields. This will be accomplished in areas where the underserved, such as low income and minority populations are highly concentrated, supporting environmental justice goals.** To minimize the displacement of underserved residents and businesses, reuse plans will include affordable housing for all income levels, competitive-wage jobs, and the attraction of potential consumers through commercial development. Residents will be involved in the planning through community engagement, where their input into brownfield design and reuse will be sought. Reuse plans will always preserve federally subsidized housing programs.

2.b. Community Engagement, i. Project Involvement & ii Project Roles: Several community partners will support our brownfields program (Table 3). This assemblage of organizations is best suited to engage at a grass roots level. They also have regional influence and local ties, maximizing the benefits they bring to the project. A brownfield committee is being assembled from these and other entities, including members of the public, to provide input into the inventory and site prioritization, redevelopment plans, economic development, and community engagement efforts, among others. The committee plans to meet 2-4 times/year to discuss our brownfields program.

Table 3 – 2.b.ii – Project Partners and Roles

Name of organization/ entity/group	Point of Contact (name, email & phone)	Specific involvement in the project or assistance provided
Junta de la Comunidad	Juanita Castro (787) 733-2160 centropasolaspedras@gmail.com	A grassroots citizens group in Isabela, including people in the target area. The organization will help involve the community in outreach activities related to the program, including site selection & reuse planning.
Lazos de Amor	Elizabeth Moya 787-387-7182 info@fundacionlazosdeamor.org	Local organization dedicated to serving elderly, youth, & underserved people in Isabela. With strong ties to the community, Lazos de Amor will assist with outreach, gather feedback from the community, and provide input on residential reuse.
CocoPR	Veronica Nieves 787-608-0922 conservacioncostera@gmail.com	Local grassroots organization representing residents impacted by brownfields in the target area who will disseminate information about the brownfield program & assist with site reuse & remediation planning.
Comunidad Ambiental del Pastillo	Brenda de la Cruz (787) 356-6648	Organization in Isabela dedicated to cleaning up, preserving, & conserving land in the municipality. They will be involved in the cleanup planning & reuse designs of the assessed brownfields.
Club de Leones	Amilcar Gonzalez (787)-718-4131 PO Box 1617, Isabela, PR, 00662	Community organization in PR since 1936, deeply involved with social & economic development on the island. They will help identify stakeholders, coordinate outreach activities and provide site selection/reuse input.

2.b.iii. Incorporating Community Input: Isabela has a well-established community involvement program that we will maintain for this grant. **A total of 8-12 public meetings will be held during the 4-year grant** to maintain stakeholder engagement and continue to gather input on site selection, prioritization, assessment needs, cleanup decisions, mitigation measures for the cleanup and

redevelopment planning. In Addition, 2-4 brownfield committee meetings will be held each year. Public outreach events advertised through municipal and partner websites, newspapers, radio, and social media (earned media and other low-cost/no cost, or in-kind methods) will ensure that the entire community has an opportunity to provide input. When social distancing or other restrictions limit in-person community meetings, we will follow existing recommendations/guidance including EPA's Office of Land and Emergency Management *Socially Distant Engagement Ideas for EPA Brownfield Grant Applicants* that discusses Virtual Tools (online meeting platforms, social media, QR codes, web page or email updates, etc.) and Non-Digital Approaches (phone or conference calls, flyers, newspaper ads, local TV, and radio, etc.). The community participants will be updated on progress throughout the grant and be able to share input through comment opportunities on municipal and partner websites. For residents with limited internet or cellular network access, paper surveys will be available at local businesses, enabling community input without access to digital resources. Because we have a large non-English speaking population, Isabela has multi-lingual staff to interpret presentations and translate documents in Spanish and English. We have begun engaging target area residents, business owners, and community advocates to solicit their input regarding our brownfield project and will continue to do so during the grant period. A public meeting will be held in the second quarter of the grant period to discuss goals, planned activities, and a schedule for future community involvement. For subsequent meetings, personal invitations will be sent to residents directly impacted by priority sites, neighborhood groups, lenders, area businesses, and developers to maximize stakeholder engagement. We will contact regional developers to bring awareness of the reuse opportunities brownfield sites offer, and when identified, they will attend public meetings to share their redevelopment plans. Isabela staff will catalog stakeholder input for reference when determining assessment and redevelopment priorities. We will involve stakeholders in the decision-making process regarding prioritization, assessment, site marketing, cleanup planning, and feedback on reuse. When stakeholder input is received, we will evaluate it against our development goals and available resources, adopting feedback that feasibly meets these criteria.

3. Task Descriptions, Cost Estimates, & Measuring Progress, a. Description of Tasks/Activities &

Outputs: Isabela will begin activities immediately upon award confirmation, working to prepare a Work Plan approved by the EPA PM/PO. No subawards or participant support costs are planned. After the Cooperative Agreement period begins, Isabela and its QEP will complete the following tasks:

Task/Activity 1: Program Management, Training Support, Brownfield Inventory/Prioritization

i. Project Implementation: Isabela staff will travel to the Puerto Rico Brownfields Week and the National Brownfields Conference, participate in calls, meetings, and correspondence between Isabela, QEP, EPA, etc. to manage the grant's Cooperative Agreement. 8-12 public meetings to update communities on the brownfield assessment progress and seek public input and involvement; supplies: printed flyers, advertising, postage, etc. We will complete Quarterly, DBE, Annual reports, and ACRES database entries, and will carefully track contractor costs, comparing to the budget, expenditures, project progress, and milestones to ensure the timely expenditure of grant funds within the prescribed 4-year project period. Isabela, with QEP support, will continue to develop a brownfield inventory and will use it as a tool to help accomplish brownfield reuse goals. Inventoried sites will be prioritized based on the following criteria, as discussed with the stakeholders: 1) reuse potential, 2) potential for environmental or human health impact and environmental justice (EJScreen and/or CEJST), and 3) community input. Additional sites will be identified by Isabela, community leaders, local governments, redevelopment investors, and through community outreach. Priority will be granted to sites within areas identified as disadvantaged by EJScreen and/or CEJST and sites near residential areas that pose health risks to underserved communities. Priority will also be considered for sites that have a higher chance of redevelopment and a greater economic impact potential within our target area.

ii. Schedule: QEP will be selected through a competitive bidding process (compliant with federal procurement regulations - 2 CFR 200.317 - 200.326 and "Brownfield Grants: Guidance on Competitively Procuring a Contractor – May 2023") before Cooperative Agreement begins; correspondence will occur at least monthly (more frequently as specific project activities require) throughout the grant; update and prioritize brownfield inventory the first 2 quarters, then as necessary for the remainder of the grant; ACRES updates will be conducted at least quarterly throughout the grant.

iii. Task/activity Leads: Isabela & QEP

iv. Outputs: Travel-Municipal staff to regional/national brownfields conferences/meetings; prioritized

inventory; project performance reports: 16 Quarterly Reports, ACRES entries, 4 DBE reports, 4 annual financial reports, etc.; calls, meetings, and correspondence between Isabela, QEP, EPA, etc. to manage the grant's Cooperative Agreement.

Task/Activity 2: Environmental Investigation

i. Project Implementation: Prior to applying for site eligibility, we will prepare and execute an access agreement for each site being considered. Eligibility determinations will be completed under this task, and the QEP will complete Phase I ESAs on sites selected by Isabela. All Phase I ESAs will be conducted in accordance with the applicable ASTM standard (E1527-21) and the All-Appropriate Inquiry (AAI) rule. Areas of focus will include those identified as priority sites listed in Table 1. The QEP will prepare a Quality Assurance Project Plan (QAPP) as well as Sampling & Analysis Plans (SAP) for EPA approval, and Health & Safety Plans (HASP). Once approved, the QEP, directed by Isabela, will complete Phase II ESAs based on environmental conditions identified in the preceding Phase I ESAs.

ii. Schedule: Obtain site access, request eligibility determinations & finalize site access to initial sites for investigation-early 2nd Quarter of Grant period; Begin Phase I ESAs-2nd Quarter of Grant period; Submit QAPP to EPA for review/approval; QAPP approval & Phase II ESAs begin-3rd Quarter of Grant period; all Phase I ESAs completed-end of 15th Quarter of Grant period; all Phase II ESAs completed, and final contractor invoices submitted-45 days before end of grant period.

iii. Task/activity Leads: Isabela & QEP

iv. Outputs: 12 Phase I ESAs; QAPP and SAP/HASP; estimated 9-11 Phase II ESAs.

Task/Activity 3: Clean-up/Reuse Planning:

i. Project Implementation: The QEP, directed by Isabela, will prepare site specific clean-up plans/documents, including: Analysis of Brownfield Cleanup Alternatives, remediation plans, site closure letter requests, clean-up funding development, and site reuse visioning, as needed (1.c.i).

ii. Schedule: Prepared after Phase I and II ESAs are complete, contamination is present, and cleanup is even necessary. Task 3 activities will continue throughout the grant.

iii. Task/activity Leads: Isabela & QEP

iv. Outputs: 6-10 cleanup planning and/or reuse documents and 1 design charette/visioning session.

Task/Activity 4: Community Outreach & Involvement:

i. Project Implementation: 8-12 public meetings will be held during the grant to update the community on ESA progress and seek public input/involvement. Print and mail material for project/site information and marketing documents will also be funded under this task. The municipality will complete this task, assisted by the QEP, who will manage the technical aspects of the community outreach program and will attend/participate in outreach events. Social media outlets and other online media will be developed/maintained, and outreach efforts will inform the public on the progress of investigation/cleanup planning activities and provide marketing resources for future development. Additional sites will be identified during public community outreach meetings. These meetings will be focused on public engagement including what sites the community views as a priority for redevelopment. Priority will be granted to sites identified by underserved communities, especially when those sites are within areas identified as disadvantaged by the EJSscreen and/or CEJST.

ii. Schedule: 2-4 brownfield committee meetings planned per year and 2-3 public meetings planned per year with the 1st planned for the 2nd Quarter of the grant period.

iii. Task/activity Leads: Isabela & QEP

iv. Outputs: 8-12 public meetings to update the community on the brownfield assessment progress and seek public input and involvement; 8-16 brownfield committee meetings to provide input into the inventory and site prioritization, reuse plans, economic development, and community engagement efforts; supplies: printed flyers, advertising, postage, etc.

We will work diligently to assure startup activities are completed per the tasks and schedule above. The municipality will allocate all grant funds to project properties before the final quarter of the grant period to assure that grant task activities are completed before the end of the 4-year Cooperative Agreement contract. Because there is a high demand for assessments and site access has already been obtained for two of the priority sites in Table 1, it is likely that funds will be spent prior to the end date. We are proactively communicating with representatives of privately-owned brownfields to gain access and resolve issues in anticipation of this grant funding as well as non-grant funded assessment activities. Such communication initiates the process for eventual property transfer and redevelopment. These

discussions create a positive dialog between property owners, local government, and impacted citizens.
3.b. Cost Estimates: We will allocate \$407,100 to Phase I and II ESAs (or 81.4% of total grant funding assigned to ESAs). The costs outlined in Table 4 were developed anticipating tasks necessary to efficiently identify, characterize, and plan for the remediation of the priority sites listed in Table 1.

Table 4 Budget	Budget Categories ¹	1. Program Mgmt, Training Support, Inv / Prioritization	2.Phase I / II ESAs	3. Clean-up / Reuse Planning	4. Community Outreach & Involvement	Budget Category Total
Direct Costs	Travel	\$4,000	0	0	0	\$4,000
	Supplies	0	0	0	\$325	\$325
	Contractual ²	\$20,995	\$407,100	\$55,000	\$12,580	\$495,675
TOTAL BUDGET		\$24,995	\$407,100	\$55,000	\$12,905	\$500,000

¹Table 4 only includes budget categories with costs. ²In accordance with Federal, State, and local procurement regulations.

Tasks will be completed at the anticipated unit costs with the following anticipated outputs/outcomes:

1. Program Management & Training Support, Inventory/Prioritization: \$24,995 – **Travel:** Attend National Brownfield Conf.: airfare x 2 @ \$1,400, 2 rooms, 3 nights lodging @ \$1,700, meals @ \$650, ground transportation @ \$250 = \$4,000, Municipality staff time for administering the grant will be provided as in-kind support, **Contractual:** total \$20,995, includes approximately 125 hrs. \$85/hr. = \$10,625 for inventory, & approximately 122 hours \$85/hr. = \$10,370 for program mgmt.

2. Env. Investigation: \$407,100 – **Contractual:** 12 Phase I ESAs at an average cost of \$3,800 each = \$45,600, & 9-11 Phase II ESAs at an estimated cost of \$30,000-\$45,000 (depending on site complexity/environmental conditions) = \$361,500 (@ \$36,150 average cost). Though our budget will support 12 Phase I's and 9-11 Phase II ESAs, we understand that large sites may need more investment requiring us to realign the budget during the grant period. Areas of focus will include those already determined in the inventories as priority sites listed in 1.a.ii.

3. Clean-up & Reuse Planning: \$55,000 – **Contractual:** 6-10 ABCAs/clean-up plans expected to cost \$5,000 each = \$40,000. 1 Design Charette expected to cost \$15,000 each = \$15,000.

4. Community Outreach & Involvement: \$12,905 – **Supplies:** printed flyers, advertising, grant fact sheets, outreach visual aids, advertising, postage, etc. = \$325, **Contractual:** approx. 148 hours at an estimated \$85/hr. = \$12,580.

3.c. Plans to Measure & Evaluate Environmental Progress & Results: We will track, measure, and evaluate progress through meeting minutes, Quarterly and Annual Financial Reports, quarterly review/analysis of grant performance, ACRES entries, and completion of Work Plan tasks. If planned outputs/outcomes are not achieved or milestones/project schedule outlined in 3.a. are not being met, we will create a corrective action plan to identify deficiencies and make the adjustments necessary to achieve the anticipated outputs on schedule. Further, the grant will have the following measurable outcomes: sites/acreage assessed, jobs created/retained, redevelopment complete, number of parcels, acreage made ready for greenspace/recreation, and leveraged monies. These and other statistics will be included in quarterly reports and ACRES submittals as data becomes available, which will allow the EPA to better evaluate and highlight the grant program's progress and success. At the close of the grant, Isabela will provide a final report to the EPA and our residents summarizing project outputs and outcomes. After evaluation of sites is done, it is in Isabela's best interest that redevelopment happens, and as such, close monitoring of subsequent actions will be done diligently. Outputs and outcomes following the close of the grant will be uploaded to EPA's ACRES page for continued monitoring of the program's success.

4. Programmatic Capability & Past Performance, a. Programmatic Capability, i. Organizational Capacity, ii. Organizational Structure & iii Description of Key Staff: Isabela's Dept. of Management and Development (DMD) will manage this grant. DMD will handle most programmatic management activities and will seek assistance from a QEP, as needed. This office previously managed many other economic development resources valued at over \$35M in the past 11 years, including those listed in 4.b.ii(1). The DMD, supported by other municipal staff, has the technical, financial, and administrative ability and capacity to implement this grant successfully. Engineer Luis Garcia Sanchez, Director of DMD will serve as the Project Manager and will handle day-to-day programmatic tasks, oversee/manage the work performed by the QEP, and will lead community outreach activities. Mr. Garcia has been with Isabela for 4 years with extensive grant management experience. He has 26 years of project management experience with budgets over \$12M. He has been integral to the success of many other grant programs in which Isabela has participated, including those listed in 4.b.ii(1), and has extensive experience

managing grant activities for the municipality. Mr. Garcia will be assisted by Mr. Luis Gonzalez, Special Assistant to the Mayor, who will provide administrative support. Mr. Gonzalez has over 14 years of experience managing economic development programs within the municipality and seeks reuse opportunities for sites without secured redevelopment. Isabela’s Director of Finance, Sandra Figueroa, will serve as the Grant Financial Manager and will be responsible for accounting and financial reporting. She has provided these services for 16 years on many other grant and loan programs benefiting the municipality. Ms. Figueroa will be assisted by the Isabela Dept. of Finance staff. The assigned staff have all worked for the municipality for at least 4 years. Our workforce is stable with little staff turnover and has the capacity to effectively manage this grant. This team will be supported by other municipal departments including finance, utilities, engineering, the legal department, and the office of the mayor.

4.a.iv. Acquiring Additional Resources: The aforementioned staff will oversee the QEP procurement process as well as the acquisition of additional resources. Through a competitive bidding/procurement process, we will select a QEP according to federal procurement regulations (2 CFR 200.317 through 200.326 and “Brownfield Grants: Guidance on Competitively Procuring a Contractor – May 2023”) and experience conducting environmental investigation and working with the PR Department of Natural and Environmental Resources (DNER). We will make every effort to contract with Disadvantaged Business Enterprises and consultants/contractors who employ disadvantaged people, when possible, and require our QEP to make every effort to do the same. Isabela will also engage with Invest in Puerto Rico, a nonprofit investment promotion organization created by law, via Act 13–2017 to increase investment in the region. The team and execution plan outlined above will ensure timely and successful expenditure of funds within the 4-year project. As appropriate, we will utilize visioning sessions and other assistance/advice offered by the Technical Assistance for Brownfields (Region 2 TAB) to maximize the incorporation of community input. We will work with the PR Small Business Administration (PRSBA) to identify small businesses in the area with strong labor practices vetted by the PRSBA as qualified to perform remediation activities. We will invite vetted contractors through the competitive bidding process noted above. We will also work with Pathstone (see 2.b.ii) to link our community members to job opportunities related to the investigation, remediation, redevelopment, and ultimate reuse of brownfields.

4.b. Past Performance & Accomplishments, ii. Has Not Received an EPA Brownfields Grant but has Received Other Federal or Non-Federal Assistance Agreements, (1) Purpose & Accomplishments: Isabela has not received an EPA Brownfields grant; however, we have received relevant federal/non-federal assistance agreements. Table 5 lists some agreements received in the past 5 years.

Table 5 – Past Federally Funded Assistance Agreements

Awarding Agency	Project	\$ Received	Accomplishments/Outputs/Outcomes/Measures of Success
Community Development Block Grant – Disaster Relief (CDBG-DR)	Public and Commercial facilities rehabilitation	\$2,346,096	Provided building materials assistance to rehabilitate several important commercial and public facilities in the municipality. Improvements were made to public ways of access.
Federal Emergency Mgmt. Agency (FEMA) (2017-2019)	Public way and storm drain rehabilitation	\$7.5M	Excavation and removal of landslides and debris; rehabilitation of storm drains; re-pavement of the road.
Community Development Block Grant	Improvements to community sectors’ infrastructure	\$3,821,227	Repaired streets, pavements, rights-of-way of several sectors in the municipality, including the re-pavement of approximately 5 miles of street.
HUD Section 8 Program	Low Income Housing Assistance	\$1,852,605	Provided 86 safe and affordable housing units to low-income and elderly residents (five years).

4.b.ii(2) Compliance with Grant Requirements: All funding assistance agreement terms and conditions were met for the above-mentioned projects, including reporting of the number of residential units constructed and who/where/how many received section 8 vouchers under the HUD program, financial reports, quarterly progress reports, and final reports were completed. HUD quarterly and final reports are similar to the EPA Brownfields Grant program’s and are due at the same time; therefore, a coordinated effort will be used to create a synergy in reporting outputs/outcomes of both when we have funding from these programs simultaneously. **All goals, outputs, and outcomes (Table 4) in the workplans of the previous grants were achieved, and reports discussed were completed in a timely manner.** Because goals, outputs, and outcomes were met without incident, no corrective measures were necessary or taken. The municipality was fully compliant with the terms and conditions of these grant programs and follows all reporting and performance protocols.

III.B. Threshold Criteria for Assessment Grants

III.B.1 Applicant Eligibility

The Municipality of Isabela meets the definition of a Local Government under 2 CFR 200.64 and is a political subdivision of Puerto Rico. It is therefore eligible to apply for and receive U.S. EPA Brownfields Assessment Grant funding.

III.B.2 Community Involvement

Involving our community and soliciting feedback regarding Brownfields activities and redevelopment plans are essential to our community's Brownfields program's success. Communication is a two-way process, and our ultimate goal is to keep the community informed and involved so they remain aware of potential concerns, questions and solutions. 8 to 12 outreach events (2-3 per yr.) will be held throughout the grant period to maintain stakeholder engagement and continue to gather public input on site selection and prioritization, assessment needs, cleanup decisions, mitigation measures from cleanup/redevelopment activity, and reuse planning. Outreach events, open to the general public, will be advertised through municipal and partner websites, local papers, radio, and social media platforms (earned media and other low-cost, no-cost or in-kind methods) ensuring that the entire community has an opportunity to provide input. When social distancing or other restrictions limit in-person community meetings, we will follow existing recommendations/guidance including EPA's Office of Land and Emergency Management *Socially Distant Engagement Ideas for EPA Brownfield Grant Applicants* that discusses Virtual Tools (online meeting platforms, social media, QR codes, web page or email updates, etc.) and Non-Digital Approaches (phone or conference calls, flyers, newspaper ads, local TV, and radio, etc.). See Section IV.E.2.b. of the Narrative/Ranking Criteria for further information.

III.B.3 Expenditure of Existing Grant Funds

This criterion is not applicable as the Municipality of Isabela is not a current EPA Brownfields Assessment Grant recipient.

III.B.4 Contractors and Named Subrecipients

The Municipality of Isabela has not procured/named any contractors or subrecipients.