

RESOLUTION NUMBER: 26

SERIES 2023-2024

PRESENTED BY: ADMINISTRATION

EXTRAORDINARY SESSION

RESOLUTION TO AUTHORIZE THE MAYOR OF JUNCOS, HON. ALFREDO ALEJANDRO CARRION, TO REQUEST A LOAN UNDER THE COMMUNITY DISASTER LOAN PROGRAM OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FOR A MAXIMUM AMOUNT OF \$ 5,000,000, TO RECEIVE AND MANAGE THESE FUNDS; AND FOR OTHER PURPOSES.

A Resolution authorizing Mayor of Juncos Hon. Alfredo Alejandro Carrión to request a loan under the Community Disaster Loan Program of Federal Emergency Management Agency. The Municipal Code of Puerto Rico recognizes the municipalities' autonomy in the exercise of their legal, economic and administrative powers over matters relating to the general welfare of their inhabitants. Municipal autonomy shall be exercised without prejudice to the powers and faculties of the Legislative Assembly to determine matters relating to the regime and function of municipalities, as established in Section 1 of Article VI of the Constitution of Puerto Rico. The Legislative Assembly shall grant the necessary powers.

WHEREAS: Article 1.018 -Powers, Duties and General Functions of the Mayor, of the aforementioned law, provides that the Mayor may, among other things: "Process, with the consent of the Municipal Legislature and in accordance with this Code, everything related to the contracting of municipal loans."

WHEREAS: Law 107-2020, supra, imposes the legal obligation on the Mayor to present to the Municipal Legislature some specific projects by mandate of law. In this regard, Article 1.010 (a) states: "(a) Submit for consideration and approval by the Municipal Legislature the draft ordinances and resolutions required by law."

WHEREAS: The Municipal Code of Puerto Rico imposes duties and obligations on the Municipal Legislature that are contained in Article 1.039. Subsection h specifically states: "(h) Authorize the contracting of loans, in accordance with the provisions established in this Code, other laws, special laws, applicable regulations, and corresponding federal laws."

WHEREAS: Due to the effects of Hurricane Fiona, the Municipality of Juncos is projecting substantial revenue losses necessary for the continued operations of essential government services including, but not limited to, and public safety and garbage collection services; and

WHEREAS: The Federal Emergency Management Administration (FEMA), through its Community Disaster Loan Program (CDL Program), makes available low interest loans to help offset substantial revenue losses until such time as recovery efforts lead to restored revenues sources; and

WHEREAS: The Municipality of Juncos is interested in submitting to FEMA a consideration request for a CDL Program loan in the amount of \$5,000,000, that must be repaid no later than 5 years after the execution of the note, and will be used as revenue in support of annual budgets as permitted by the Municipality Autonomous Law, as amended (Law 81 of August 30, 1991); and

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WHEREAS: The described law permits local governments to accept such loan proceeds and anticipate same in support of their annual budgets; and

WHEREAS: (1) The interest rate of the loan will be equal to the 5 year maturities based on the United States Treasury obligations in effect on the date the Promissory Note is executed by FEMA; (2) The loan may be forgiven under certain circumstances; and (3) Whatever portion of the loan not forgiven will be repaid at a time when economic recovery has broadened the base of revenues in support of the budget; and

WHEREAS: Refraining to accept such a loan would irresponsibly forgo relief available to the residents of the Municipality of Juncos, at a time when relief is critically needed;

THEREFORE: RESOLVED BY THE MUNICIPAL LEGISLATURE IN JUNCOS, PUERTO RICO, AND MEETING IN AN ORDINARY SESSION, TODAY NOVEMBER 29, 2023 THE FOLLOWING:

SECTION 1: The Municipal Legislature of Juncos authorizes the Mayor, Hon. Alfredo Alejandro Carrion or his/her authorized representative to begin all the necessary steps to present to FEMA the formal Request for a Loan of the CDL Program for an amount not to exceed \$ 5,000,000;

SECTION 2: If FEMA approves the loan, the Municipal Legislature authorizes the Mayor to receive and administer these funds, as provided by the Community Disaster Loan Program;

SECTION 3: That the Mayor is hereby authorized and designated as representative of the Municipality and as such may and will provide any additional information, as required, including all the guarantees contained in the request.

SECTION 4: With respect to such request and receipt of funds, the Municipality of Juncos in accordance with the requirements of the Community Disaster Loan Program of FEMA shall comply with the following:

- A. A contract with FEMA, in a manner and manner acceptable to the Director of the Agency, for payment of the amount requested and compliance with any other obligation required or acquired, as a condition of receiving the loan proceeds.
- B. Commit re-payment funds that the Municipality may be receiving in the future.
- C. Request an amount of funds not to exceed \$ 5,000,000.

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- D. Authorize the Finance Director to create a sinking fund account that will be used to amortize the CDL service debt.
- E. Establish a payment period that does not exceed a term of five (5) years.
- F. Provide, at the discretion of the Director of FEMA, any other type of guarantee that it deems appropriate.

SECTION 5: That the Mayor is hereby authorized to sign any contract and / or agreement with the Director of FEMA in relation to said request and is also authorized to review and obligate such funds requested pursuant to said contract and / or agreement.

SECTION 6: To the extent that all or any or any of the actions authorized by this means have been carried out and / or executed by the Mayor, all are ratified and confirmed.

SECTION 7: Any ordinance, resolution or any of its parts that may be in conflict with this, are hereby repealed.

SECTION 8: Copy of this Resolution duly approved by the Municipal Legislature of Juncos will be sent to the Director of Finance, to the Municipal Secretary, to the authorized officials of FEMA Community Disaster Loans Program and any other agency with interference in the process.

SECTION 9: This resolution will take effect immediately once signed by the Mayor.

APPROVED BY THE MUNICIPAL LEGISLATURE OF JUNCOS, PUERTO RICO, ON THE 29 DAY OF NOVEMBER 2023.


YADARA LEBRÓN LÓPEZ
PRESIDENT
MUNICIPAL LEGISLATURE


JARELIS SERRANO RODRÍGUEZ
SECRETARY
MUNICIPAL LEGISLATURE

APPROVED BY THE MAYOR OF THE AUTONOMOUS MUNICIPALITY OF JUNCOS, PUERTO RICO, ON THE 29 DAY OF NOVEMBER 2023.


ALFREDO ALEJANDRO CARRIÓN
MAYOR

CERTIFICATION

I, **JARELIS SERRANO RODRÍGUEZ**, Secretary of the Municipal Legislature of Juncos, Puerto Rico, **CERTIFY:**

That the preceding is a true and accurate copy of **RESOLUTION NUMBER 26, SERIES 2023-2024**, approved by the **Municipal Legislature** in the Extraordinary Session of November 29, 2023. With the affirmative votes of the following Legislators:

HON. YADARA LEBRÓN LÓPEZ

HON. RENÉ QUIÑONEZ PEÑA

HON. ELÍ S. MORALES MORALES

HON. JUAN DE JESÚS DÍAZ

HON. MELVIN DE JESÚS FLORES

HON. YESENIA GARCÍA ALEJANDRO

HON. CARLOS L. MILIÁN LÓPEZ

HON. ELSIE ALEJANDRO OYOLA

HON. MARÍA D. MÁRQUEZ MASSAS

HON. MARGARITA VÉLEZ TORRES

HON. RODOLFO MARTÍNEZ VELÁZQUEZ

VIVIANA M. NAVAS HERNÁNDEZ

HON. MARÍA A. AMALBERT MILLÁN

ABSENT -0-

ABSENT EXCUSED -3-

Hon. Juanita Torres Peña
Hon. José O. Reyes Mojica
Hon. Carlos González Cay

ABSTENTION -0-

IN FAVOR -13-

AGAINST -0-

And, **FOR THE RECORD**, this **CERTIFICATION** was issue, in Juncos, Puerto Rico, on November 30, 2023.


JARELIS SERRANO RODRÍGUEZ
SECRETARY
MUNICIPAL LEGISLATURE

DEPARTMENT OF HOMELAND SECURITY
Federal Emergency Management Agency
LOCAL GOVERNMENT RESOLUTION - COLLATERAL SECURITY

OMB Control Number: 1660-0083
Expiration: 10/31/2026

RESOLUTION

BE IT RESOLVED BY Municipal Legislature OF Gobierno Municipal de Juncos
(Governing Body) (Public Entity)

THAT we pledge the following listed collateral security to the Federal Emergency Management Agency (FEMA) on the
Promissory Note for a Community Disaster Loan for \$ 5,000,000.00
executed on _____, 20 23 pursuant to Section 417 of the

Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended, and FEMA Regulation, 44 CFR 206, Subpart K. We further understand that failure to repay any outstanding principal and related interest on those portions of the loan which do not qualify for loan cancellation as determined by FEMA or any successor agency will result in forfeiture of as much as the listed collateral security as is necessary to collect such outstanding principal and interest. (List the collateral security below. Use additional sheets if needed.)

The promissory note is payable from and secured by a pledge of the applicant's revenues for each fiscal year while any of the loan is outstanding.

Passed and approved this Twenty Ninth day of November, 20 23.

Yanis D. Maigán Masón
(Name and Title)
Elsie Alfonsina Peña
(Name and Title)
Rodolfo Martínez Velázquez
(Name and Title)

CERTIFICATION

I, Yadara Lebrón López, duly appointed and President of
The Municipal Legislature of Juncos (Title)
do hereby certify that the above is a true and correct copy of a
resolution passed and approved by the Municipal Legislature of Gobierno Municipal de Juncos
(Governing Body) (Public Entity)
on the Twenty Ninth day of November, 20 23.

DATED: _____

President of the Municipal Legislature of Juncos (Official Position) Guillermo (Signature)

[SEAL]

RECORDED

I, Jareli Arano-Rodriguez, Municipal Legislature Secretary, a responsible and
(Name) (Title)

authorized official of Gobierno Municipal de Juncos, do hereby attest that the
(Public Entity)

Collateral Security Resolution which accompanies this form has been duly recorded at Session Room of
the Legislature of Juncos
(Indicate where Recorded)

The Collateral Security Resolution was recorded on the Twenty Ninth day of November, 20 23.

DATED: Municipal Legislature of Juncos Secretary (Official Position) [Signature] (Signature)

[SEAL]

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