

# Congress of the United States

Washington, DC 20510

June 16, 2023

The Honorable Marcia L. Fudge  
Secretary, U.S. Department of Housing and Urban Development  
451 7<sup>th</sup> Street, S.W.  
Washington, DC 20410

Dear Secretary Fudge,

We write today to ensure that the U.S. Department of Housing and Urban Development (HUD) understands and fully considers the damage done during the fires and subsequent floods in New Mexico in 2022, including the Hermit's Peak Calf Canyon (HPCC) fire.

Beginning in April 2022, a series of wildfires spread across the State of New Mexico, including the McBride and Nogal Fires, the Cerro Pelado Fire, and the Hermit's Peak/Calf Canyon (HPCC) Fire – the latter of which started as a prescribed burn and holdover fire by the U.S. Forest Service. These four fires spread across the state in a devastating wildfire season that quickly became the worst in New Mexico's history. The fires destroyed generational homes and agricultural lands that New Mexicans relied on to feed their families, and the burn scar left the already-damaged areas vulnerable to intense flooding and mudflows during following monsoon seasons. This has drastically transformed the landscape of many primarily agrarian and rural areas, resulting in widespread devastation to communities with little to no safety net.

We worked together last Congress to pass legislation to establish the Hermit's Peak/Calf Canyon Fire Claims Office (Claims Office), and deliver \$3.95 billion in direct assistance to the communities, families, and businesses impacted by the Hermit's Peak/Calf Canyon Fire. This legislation will ensure that families can begin to be made whole.

However, we also know that the support that the Hermit's Peak/Calf Canyon Fire Assistance Act provides is not enough to meet the full needs of the affected areas. This is especially true with respect to the areas damaged by the McBride Fire, Nogal Fire, and Cerro Pelado Fire, which will not receive additional FEMA assistance through this legislation.

That is why we fought to ensure New Mexico would be eligible for the Community Development Block Grant – Disaster Recovery (CDBG-DR) funding in the FY23 end of year spending package. FEMA support alone will not be able to fully address the damages from New Mexico's worst ever fire season—CDBG-DR support is necessary.

Through the review of best available data, the New Mexico Department of Homeland Security and Emergency Management identified a minimum of \$242 million in unmet recovery needs which require support through the CDBG-DR program. Some of the state's unmet needs that will not be eligible for FEMA recovery funding include:

- Between \$95,283,980.00 – \$189,254,625.84 for housing needs;
- Between \$118,000,412.00 – \$1,286,200,000.00 for infrastructure needs;
- Between \$2,741,043.10 – \$27,410,431.00 for economic development needs;
- And between \$26,721,205.00 – \$39,312,805.00 for planning and capacity building.

We understand that HUD is required to consider the extent of how insurance, disaster loans from the Small Business Administration (SBA), and assistance from FEMA will meet the needs of the community before it determines whether an affected area should receive CDBG-DR funding in order to avoid duplicating benefits. We fully support this position, however, the impacted communities cannot wait years while FEMA assistance and the Claims Office awards are finalized before CDBG-DR funding is allocated. We would encourage you to partner with FEMA and the Claim's Office as other federal agencies have done to ensure that funding is distributed in a fair and efficient way.

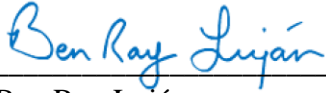
The areas impacted by these fires have a high concentration of low-income families—many of whom have been living on the same land for generations. In times of disaster, we commit to helping the people who need it most, and HUD CDBG-DR plays an essential role in delivering much-needed resources to the families and communities that need it. While we are open to looking at waivers to allow the State can use their existing CDBG allocation to address fire damages in unique ways, additional funding dedicated specifically to disaster response will also be necessary to meet the current unmet needs.

We request answers to the following questions:

- When will HUD notify the State of New Mexico on how much CDBG-DR funding they will receive in response to the 2022 fires?
- Is there any additional information from FEMA, SBA, the State of New Mexico, the federal delegation, or other sources that HUD needs in order to make a determination?
- Has HUD been coordinating directly with FEMA in assessing the impact of the funds FEMA will provide, given the significant administrative costs to standing up the claims office, and the delayed timeline to deliver that funding to communities?
  - Does the timeline in which FEMA will provide support at all affect HUD's timeline or allocation?
- Are the Hermit's Peak/Calf Canyon Fire, McBride Fire, Nogal Fire, and Cerro Pelado Fire all being assessed separately for their individual eligibility for CDBG-DR?

Thank you for your work to serve New Mexicans. We look forward to continuing to work together to bring much-needed relief to affected families and communities across our state.

Sincerely,



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Ben Ray Luján  
United States Senator



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Martin Heinrich  
United States Senator



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Teresa Leger Fernández  
Member of Congress



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Melanie Stansbury  
Member of Congress



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Gabe Vasquez  
Member of Congress