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# 2009 STATE ACTION PLAN FOR THE CDBG, HOME, ESG AND HOPWA

Luis G. Fortuño  
Governor

May 15, 2009

US DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
2009 JUL -2 P 1:51  
*[Handwritten signature]*



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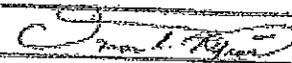
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**FORMA 424 - CDBG**

OMB Number: 4040-0034  
Expiration Date: 01/31/2010

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		
*2. Type of Application * If Revision, select appropriate letter(s) <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision *Other (Specify) _____		
3. Date Received: May 15, 2009		4. Applicant Identifier:
5a. Federal Entity Identifier:		5b. Federal Award Identifier:
State Use Only:		
6. Date Received by State:		7. State Application Identifier:
<b>8. APPLICANT INFORMATION:</b>		
*a. Legal Name: Office of the Commissioner for Municipal Affairs		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 660433481		*c. Organizational DUNS: 140991105
d. Address:		
*Street 1: <u>PO Box 70167</u>		
Street 2: _____		
*City: <u>San Juan</u>		
County: <u>San Juan</u>		
*State: <u>PR</u>		
Province: _____		
*Country: <u>USA</u>		
*Zip / Postal Code: <u>00939-9167</u>		
e. Organizational Unit:		
Department Name: Area of Federal Programs		Division Name:
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <u>Mr.</u> *First Name: <u>Juan Carlos</u>		
Middle Name: _____		
*Last Name: <u>Díaz Galarraga</u>		
Suffix: _____		
Title: <u>Assistant Commissioner for Federal Programs</u>		
Organizational Affiliation:		
*Telephone Number: 787-764-1800		Fax Number: 787-763-5970
*Email: <u>joiaz@ocam.gobierno.pr</u>		

OMB Number: 4740-0004 Expiration Date: 01/31/2009	
Version 02	
<b>Application for Federal Assistance SF-424</b>	
<b>16. Congressional Districts Of:</b>	
*a. Applicant: Puerto Rico	*b. Program/Project: Puerto Rico
<b>17. Proposed Project:</b>	
*a. Start Date: 07/01/2009	*b. End Date: 06/30/2010
<b>18. Estimated Funding (\$):</b>	
*a. Federal	\$47,805,716
*b. Applicant	_____
*c. State	_____
*d. Local	_____
*e. Other	_____
*f. Program Income	_____
*g. TOTAL	\$47,805,716
<b>19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b>	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on 08/15/2009 <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input type="checkbox"/> c. Program is not covered by E.O. 12372	
<b>20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)</b>	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
21. "By signing this application, I certify (1) to the statements contained in the list of certifications" and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances" and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 210, Section 1001) <input checked="" type="checkbox"/> "I AGREE"	
"The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions"	
<b>Authorized Representative:</b>	
Prefix: Hon.	*First Name: Omar
Middle Name: E.	
*Last Name: Neorón Juéico	
Suffix: _____	
*Title: Commissioner	
*Telephone Number: 787-274-8313	Fax Number: 787-753-8254
*Email: onegron@ccam.gobierno.pr	
*Signature of Authorized Representative: 	*Date Signed: 15/5/09

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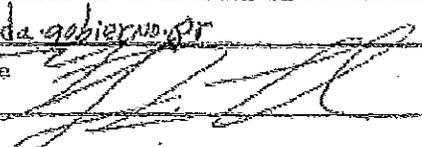
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## FORMA-424 - HOME

OMB Number: 4040-0004  
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424		Version 02
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<input type="checkbox"/> Preapplication		<input type="checkbox"/> New
<input checked="" type="checkbox"/> Application		<input checked="" type="checkbox"/> Continuation *Other (Specify) _____
<input type="checkbox"/> Changed/Corrected Application		<input type="checkbox"/> Revision
3. Date Received:	4. Applicant Identifier:	
5a. Federal Entity Identifier:		5b. Federal Award Identifier:
State Use Only:		
6. Date Received by State		7. State Application Identifier
8. APPLICANT INFORMATION:		
*a. Legal Name: PR Department of Housing		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 66-0258579		*c. Organizational DUNS: 136941841
d. Address:		
*Street 1:	PO Box 21365	
Street 2:	_____	
*City:	San Juan	
County:	_____	
*State:	Puerto Rico	
Province:	_____	
*Country:	_____	
*Zip / Postal Code	00920-1365	
e. Organizational Unit:		
Department Name: PR Department of Housing		Division Name: HOME Program
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix:	Mr.	*First Name: Nicolas Fed
Middle Name:	_____	
*Last Name:	Morel	
Suffix:	_____	
Title:	Executive Director	
Organizational Affiliation:		
*Telephone Number: (787) 274-2527 x5263		Fax Number: (787) 274-2519
*Email: rmorel@gobierno.pr		

OMB Number: 40-10-0004  
Expiration Date: 01/31/2009

<b>Application for Federal Assistance SF-424</b>		<b>Version 02</b>
<b>16. Congressional Districts Of:</b>		
*a. Applicant: Puerto Rico	*b. Program/Project: Puerto Rico	
<b>17. Proposed Project:</b>		
*a. Start Date: July 1st, 2009	*b. End Date: June 30, 2010	
<b>18. Estimated Funding (\$):</b>		
*a. Federal	518,440,768	
*b. Applicant	_____	
*c. State	_____	
*c. Local	_____	
*e. Other	_____	
*f. Program Income	_____	
*g. TOTAL	518,440,768	
<b>*19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b>		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____ <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input type="checkbox"/> c. Program is not covered by E. O. 12372		
<b>*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)</b>		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties (11 U.S.C. Code, Title 218, Section 1001)</b> <input checked="" type="checkbox"/> ** I AGREE ** The list of certifications and assurances, or an Internet site where you may obtain this list, is contained in the announcement or agency specific instructions		
<b>Authorized Representative:</b>		
Prefix: Hon _____	*First Name: Yesel _____	
Middle Name: _____		
*Last Name: Cardero-Lebrón _____		
Suffix: _____		
*Title: Secretary		
*Telephone Number (787) 274-2527 x 8403	*Fax Number (787) 768-9263	
*Email: <u>yescardero@vivienda.gobierno.pr</u>		
*Signature of Authorized Representative 		*Date Signed: May 13, 2009

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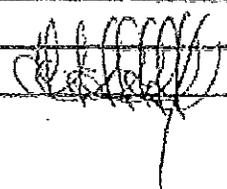
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**FORMA 424 - ESG**

OMB Number: 4040-0001  
Expiration Date: 01/31/2009

<b>Application for Federal Assistance SF-424</b>		<b>Version 02</b>																
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*1. Type of Submission:		*2. Type of Application	* If Revision, select appropriate letter(s)															
<input type="checkbox"/> Preapplication		<input type="checkbox"/> New																
<input checked="" type="checkbox"/> Application		<input checked="" type="checkbox"/> Continuation	*Other (Specify)															
<input type="checkbox"/> Changed/Corrected Application		<input type="checkbox"/> Revision	_____															
3. Date Received May 16, 2009		4. Applicant Identifier:																
5a. Federal Entity Identifier:		5b. Federal Award Identifier:																
State Use Only:																		
6. Date Received by State:		7. State Application Identifier:																
<b>8. APPLICANT INFORMATION:</b>																		
*a. Legal Name: Puerto Rico Department of Family Affairs																		
*b. Employer/Paypayer Identification Number (EIN/TIN): 860707856		*c. Organizational DUNS: 825272664																
*d. Address:																		
*Street 1:	P.O. Box 11300																	
*Street 2:	_____																	
*City:	San Juan																	
*County:	San Juan																	
*State:	PR																	
*Province:	_____																	
*Country:	USA																	
*Zip / Postal Code:	00910-1300																	
*e. Organizational Unit:																		
Department Name: Department of the Family		Division Name: Secretariat for Planning and Information																
*f. Name and contact information of person to be contacted on matters involving this application:																		
Prefix:	Mr.	*First Name:	Maria															
Middle Name:	de Cerna																	
*Last Name:	Castro																	
Suffix:	_____																	
Title:	Asistance Secretary of Planning and Information																	
Organizational Affiliation:																		
*Telephone Number: 787-234-4900		*Fax Number: 787-294-0744																
*Email: mdcerna@familia.gobierno.pr																		

OMB Number: 4040-0004  
 Expiration Date: 01/31/2009

<b>Application for Federal Assistance SF-424</b>		Version 02
16. Congressional Districts Of:		
*a. Applicant: Puerto Rico	*b. Program/Project: Puerto Rico	
17. Proposed Project:		
*a. Start Date: 07/01/2009	*b. End Date: 06/30/2010	
18. Estimated Funding (\$):		
*a. Federal	\$3,114,520	
*b. Applicant	_____	
*c. State	_____	
*d. Local	_____	
*e. Other	_____	
*f. Program Income	_____	
*g. TOTAL	\$3,114,520	
19. Is Application Subject to Review By State Under Executive Order 12572 Process?		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on 06/16/2009 <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input type="checkbox"/> c. Program is not covered by E. O. 12372		
20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)		
<input checked="" type="checkbox"/> ** I AGREE		
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions		
Authorized Representative:		
Prefix: Honorable _____	*First Name: Yanitsla _____	
Middle Name: _____		
*Last Name: Mirzary Mendez _____		
Suffix: _____		
*Title: Secretary		
*Telephone Number: 787-294-4500	Fax Number: 787-294-0744	
*Email: ymirzary@familia.gobierno.pr		
*Signature of Authorized Representative: 	*Date Signed: _____	

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**FORMA 424 - HOPWA**



## EXECUTIVE SUMMARY FOR THE CDBG PROGRAM [91.320(b)]

### Objectives and Outcomes Identified in the Plan

The 2009 Annual CDBG Action Plan (AAP) is the fifth annual plan that update the strategic plan prepared by the Office of the Commissioner for Municipal Affairs (OCMA) establishing the continuance of the housing and community development goals for the State's CDBG five-year Consolidated Plan (CP-2005-2009) which address the Commonwealth of Puerto Rico housing and community development needs. The purpose of the AAP is to:

1. Summarize the state's five-year priorities and strategies for housing, community development, and economic development;
2. Describe what the state proposes to do to further the five-year priorities and strategies of the Consolidated Plan;
3. Explain the state's method for distributing for the CDBG Program;
4. List the resources available to the non-entitlement municipalities and the state to further the five-year strategies;
5. Report on specific items required by the U.S. Department of Housing and Urban Development (HUD), such as lead-based paint actions and removal of barriers to affordable housing; and
6. Review citizen comments about the 2009 AAP responding to citizen comments

The AAP for 2009 summarizes categories and priorities for the distribution of \$47,805,716 in CDBG funds in the categories established in TABLE I, below:

**TABLE I  
USE OF CDBG FUNDS FOR PY 2009**

Use of Funds (category)	Allocation
Basic Allocation	\$17,955,000
Competitive Round	\$26,916,545
Emergency	\$1,000,000
Economic Development	\$500,000
State Administration	\$956,114
Technical Assistance	\$478,057
<b>Total</b>	<b>\$47,805,716</b>

Additional funding could be available through the program year (PY) from recaptured funds from previous CDBG awards to the non-entitlement municipalities and any funds reallocated by HUD to the state. No program income will be collected by OCMA to be distributed by the state during PY 2009.

Performance Outcome:

Creating Suitable Living Environments relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. This outcome relates to activities that are intended to address a wide range of issues faced by low- and moderate-income persons, from physical problems with their environment, such as poor quality infrastructure and public facilities, to social issues such as crime prevention, literacy, or elderly health services. National objectives LMA, LMC and URG will be related to this objective.

The investment in community development benefits low-income persons developing activities that are aimed at improving communities and neighborhoods, helping to make them livable or viable eliminating deteriorating conditions through multiple activities or services that sustain the communities and neighborhoods.

- C. Economic Development Priority: Foster the sustainability of the business and industrial sector—and as a result—assist in the economic development of the non-entitlement communities and people.

Strategies:

1. Promote, through investment of CDBG funds (and any incentive funds and credits), the retention and expansion of existing businesses in the non-entitlement municipalities and the startup of new businesses.
2. Provide entrepreneurial assistance to micro enterprises and other small entrepreneurial enterprises through investment of CDBG funds.

Performance Outcome:

Creating Economic Opportunities applies to activities related to economic development, commercial revitalization, or job creation. National objective LMJ will be related to this objective.

The investment in economic development benefits low-income persons providing new or retaining jobs, leveraging public and private investments in such projects, in order to stimulate the revitalization of the community.

The 2009 AAP details specific objectives and performance measurements to meet the goals outlined in the priorities, strategies, and performance outcomes. In addition, the AAP includes a detailed method of distribution, which outlines the state's proposal to distribute funds to address needs.

OCMA has created a manual "Outcome Performance Measurement System" to better measure accomplishments of activities funded with CDBG. Those activities include: Public Facilities or Infrastructure; Owner Occupied Rehabilitation; Down Payment Assistance; Job Creation; Job Retention; and Business Assistance. An explanation of OCMA's Outcome Performance Measurement System is included in the AAP. Specific outcome statements and indicators as required

The investment in affordable housing benefits low and moderate households preserving the quality of the existing affordable housing stock, assisting additional household becoming homeowners and enhancing the understanding of fair housing laws, through outreach and education.

- Under the 2005 Disaster Recovery Program, 137 housing units were rehabilitated and 19 were constructed for long-term recovery and mitigation in the communities to attend the devastation caused by severe storm, flooding and landslides.

#### Public Services

In order to improve the quality of public services rendered to low and moderate income persons and those with special needs we attended multiple activities for the purpose of create suitable living environment.

- A total of 3,294 senior citizens received the direct benefit for home care services.
- A total of 34,336 low and moderate income persons received the benefit for community's services, and health care services.
- Four (4) projects were completed to attend the needs of crime prevention that benefit 58,620 low and moderate income persons.
- The activities to attend educational needs were benefited 2,002 youth and children.

#### Public Facilities and Improvements

Community development activities for the purpose of creating suitable living environment are divided in two mayor categories: Public Facilities and Public Improvements to the municipal infrastructure.

- In regard to the public facilities 51 projects were completed for the construction or rehabilitation of; parks and recreational areas, neighborhood facilities, youth centers, libraries, cemetery and public parking facilities. A total of 335,993 low and moderate income persons received the direct benefit.
- In regard to the public improvements activities 74 projects were completed for pavement of gravel streets, solid waste, the installation of curbs, gutters and sidewalks, water and sewer lines, and flood and drainage. A total of 272,870 low and moderate income persons received the direct benefit.

#### Economic Development

- The State continues with the Reimbursement Interest Program for the purpose of creating economic opportunities. The amount of \$2,254,733.00 has been obligated for the interest subsidy payments from the allocated funds of \$ 2,365,000.00. At present, 116 loans applications have been approved that represent 1,439 persons assisted with jobs. The Economic Development Bank has financed \$45.5 millions in commercial projects at the non-entitlement municipalities.

**TABLE II**  
**OPTIONAL TABLE 3A- SUMMARY OF SPECIFIC ANNUAL OBJECTIVES**

Specific Obj. #	Outcome/Objective Specific Annual Objective	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>DH- AFFORDABILITY OF DECENT HOUSING</b>						
DH-2.1	2.1.1 Downpayment and closing assistance for acquisition and existing housing for low income homeownership. (MC #13)	Direct financial assistance to homebuyers.	2005	5	5	100.00%
			2006	8	37	462.50%
			2007	10	74	740.00%
			2008	15		0.00%
			2009	20		0.00%
			MULTI-YEAR GOAL			58
<b>DH-3 SUSTAINABILITY OF DECENT HOUSING</b>						
DH-3.1	3.1.1 Homeowner rehabilitation of housing units from substandard conditions. (MC# 14)	Owner occupied units rehabilitated.	2005	800	465	58.13%
			2006	900	927	103.00%
			2007	1,000	957	95.70%
			2008	1,100		0.00%
			2009	1,200		0.00%
			MULTI-YEAR GOAL			5,000
<b>EO-1 AVAILABILITY/ACCESSIBILITY OF ECONOMIC OPPORTUNITY</b>						
EO-1.1	1.1.1. Jobs created under economic development (MC # 17C) Commercial building, acquisition, construction, rehabilitation.	Jobs Created	2005	300	500	166.67%
			2006	600	632	105.33%
			2007	900	-	0.00%
			2008	1,200		0.00%
			2009	1,500		0.00%
			MULTI-YEAR GOAL			4,500
	1.1.2 Jobs created under economic development. (MC # 18C). Micro-enterprise Assistance	Jobs Created	2005	150	280	186.67%
			2006	155	187	120.65%
			2007	160	18	11.25%
			2008	165		0.00%
			2009	170		0.00%
MULTI-YEAR GOAL			800	485	60.63%	
<b>SL-1 AVAILABILITY/ACCESSIBILITY OF SUITABLE LIVING ENVIRONMENT</b>						
SL-1.1	1.1.1. Senior citizen assisted. (MC# 05A)	Public Services	2005	1,000	1,450	145.00%
			2006	1,500	2,104	140.27%
			2007	2,000	3,294	164.70%
			2008	2,500		0.00%
			2009	3,000		0.00%
			MULTI-YEAR GOAL			10,000
	1.1.2 Youth services assisted. (MC # 05D)	Public Services	2005	2,500	2,786	111.44%
			2006	3,000	3,790	126.33%
			2007	3,500	1,842	52.63%
			2008	4,000		0.00%
			2009	4,500		0.00%
MULTI-YEAR GOAL			17,500	8,418	48.10%	

Specific Obj. #	Outcome/Objective Specific Annual Objective	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
SL-1.3	1.2.7. Persons for which access to new or improved child care centers were provided. (MC # 03M)	Public Facilities	2005	20	-	0.00%
			2006	25	30	120.00%
			2007	30	-	0.00%
			2008	35		0.00%
			2009	40		0.00%
		MULTI-YEAR GOAL	150	30	20.00%	
	1.2.8. Persons for which access to acquisition of real property were provided. (MC # 01)	Public Facilities	2005	35,000	32,000	91.43%
			2006	40,000	46,855	117.14%
			2007	45,000	-	0.00%
			2008	50,000		0.00%
			2009	55,000		0.00%
		MULTI-YEAR GOAL	225,000	78,855	35.05%	
	1.2.9. Persons for which access to new or improved senior centers were provided. (MC # 03A)	Public Facilities	2005	7,500	-	0.00%
			2006	8,000	-	0.00%
			2007	8,500	17,634	207.46%
			2008	9,000		0.00%
			2009	9,500		0.00%
		MULTI-YEAR GOAL	150	17,634	207.46%	
	1.2.10 Persons for which access to a new or improved parking facilities were provided. (MC # 03G)	Public Facilities	2005	15,000	-	0.00%
			2006	20,000	-	0.00%
			2007	25,000	31,236	124.94%
			2008	30,000		0.00%
			2009	35,000		0.00%
		MULTI-YEAR GOAL	200,000	31,236	124.94%	
	1.3.1. Persons for which access to new or improved water/sewer facilities were provided. (MC # 03J)	Public Facilities	2005	9,000	9,100	101.11%
			2006	9,500	9,539	100.41%
			2007	10,000	-	0.00%
2008			10,500		0.00%	
2009			11,000		0.00%	
MULTI-YEAR GOAL		50,000	18,639	37.28%		
1.3.2. Persons for which access to new or improved sidewalks facilities were provided. (MC # 03L)	Public Facilities	2005	15,000	18,000	120.00%	
		2006	20,000	20,470	102.35%	
		2007	25,000	10,030	0.00%	
		2008	30,000		0.00%	
		2009	35,000		0.00%	
	MULTI-YEAR GOAL	125,000	48,500	38.80%		
1.3.3. Persons for which access to new or improved flood drain facilities were provided. (MC # 03I)	Public Facilities	2005	7,500	7,550	100.67%	
		2006	8,000	8,840	110.50%	
		2007	8,500	5,619	0.00%	
		2008	9,000		0.00%	
		2009	9,500		0.00%	
	MULTI-YEAR GOAL	42,500	22,009	51.79%		

## HOME PROGRAM EXECUTIVE SUMMARY [91.320 (b)]

### Introduction

The PR Department of Housing (**PRDH**) is the Commonwealth's Executive Department created by Commonwealth Law 97 on June 10, 1972, as amended.

From November 4, 2005 to January 23, 2006, the Governor of Puerto Rico issued Administrative Orders OE-2005-68 and OE-2006-03 transferring ARCO's (Administración para la Revitalización de Comunidades) and ADMV's (Administración para el Desarrollo y Mejoras de Viviendas) assets under direct control of the Housing Secretary. To this day, the **PRDH** is organized under the Office of the Secretary and Under Secretary of Housing in six secretariats<sup>1</sup>, four major offices<sup>2</sup> and a customer service center.

Planning and administration of the **Commonwealth HOME Program** (now the *HOME Program*) falls under the directorship of the Secretariat for Assisted Housing and Community Development.

The mission of the **PRDH** is:

- to increase the affordable housing stock in the island,
- to properly administer the assets in public housing,
- and to provide the subsidies needed to low and moderate income families and individuals that will allow them to occupy a sound, safe and sanitary dwelling, that should enhance their quality of life and self sufficiency.

### Objectives and Outcomes Identified in the Plan

No formal notice on the availability for the 2009 funding has been made by the Deputy Assistant Secretary for Community Planning and Development (CPD) of the US Department of Housing and Urban Development (**HUD**) to the Governor of the Commonwealth of Puerto Rico. Therefore, the 2009 allocation will be the same 2008 allocation made in the amount of \$16,539,629 to the **PRDH** for the *HOME Program*. The **PRDH** is responsible for the overall planning and administration of the *HOME Program*, and to this end, responsible for the method of distribution of these funds to the interested municipalities, developers, community housing development organizations (**CHDO**) and individuals through out the island of Puerto Rico.

The affordable housing goals of the *HOME Program*, now under the Assistant Secretariat for Assisted Housing and Community Development, are shown in **TABLES IV** and **V**, in the next pages. These goals are contained in the 2005-09, 5-Year Housing Strategy (**5YHS**), reflecting thus the expected performance measure goals targeted by the **PRDH**.

<sup>1</sup> Legal Affairs, Finances and Information Systems, Project Development and Management (former ADMV), Planning and Technical Services, Human Resources and Auxiliary Services and Assisted Housing and Community Development (former ARCO).

<sup>2</sup> Internal Auditing, Communications and Public Relations, Security and Emergency Coordination and Administrative Services.

## Evaluation of Past Performance

Past performance is quoted from the 2007 Annual Community Assessment issued by HUD in November 17, 2008. The following is a summary of some of the accomplishments reached by the **PRDH**.

- In PY 2007, the **PRDH** complied with the FY 2006 commitment and reservation of CHDO set-aside funds, and the disbursement of PY 2003 grant funds.
- **HOME** funds were used in the production of affordable Homeownership, rental units and for substantial rehabilitation of owner-occupied single-family housing units. According to the summary of accomplishment, the **PRDH** assisted 157 new Homebuyers through direct down-payment and closing costs financial assistance, and in the substantial rehabilitation of 14 owner-occupied single family housing units.
- The **PRDH** placed its effort in the production of rental housing as a change in priority to address the increasing demand of rental housing units. In PY 2007, the **PRDH** reported the production of 463 rental housing units. Based on the annual action plan, the **PRDH** exceeded its expected outcome in the production of rental housing units.
- The review disclosed that the **PRDH** is in compliance with income targeting requirements. **HOME** program funds were used to address the housing needs of extremely low, very low, and low income households. In the production of rental housing unit a 100 percent of the units were occupied by households at or below 50 percent of median income.
- With respect to the area of audit and financial management, the **PRDH** is in compliance with the single audit requirements. At the moment of the assessment there are no audit findings. The review of IDIS report PR27 shows that the **PRDH** is within the ten percent limitation for grant administration.
- In the geographic distribution and expenditure of **HOME** funds, the **PRDH** provided a complete description by municipality including maps on the amount of **HOME** funds allocated and disbursed by area. According the CAPER, the **PRDH** committed the amount of \$26,461,257, and disbursed the amount of \$23,184,942.

**TABLE V** titled **ACCUMULATED PROGRESS THROUGH THE 5 YEAR HOUSING STRATEGY (5YHS) FOR PYS 2005-09** below provides a statistical presentation to the accomplishments and performance met by the **HOME** Program during PYS 2005-07 in terms of the annuals goals established for the third year of the **5YHS**.

## ESG EXECUTIVE SUMMARY

### Description of the Emergency Shelter Grant Program (ESGP)

The Department of the Family (DF) administers the Emergency Shelter Grant Program (ESGP) for the Commonwealth of Puerto Rico. The direct administration of the Program is at the highest management level in the Department, under the Assistant Secretariat of Planning and Information (ASPI). The Emergency Shelter Grant Program is designed to be the first step in a continuum of assistance to prevent homelessness and to enable homeless individuals and families to move toward independent living and self sufficiency. The objectives of the Program are:

- To increase the quantity and quality of emergency and transitional shelter facilities for homeless individuals and families;
- To operate shelter facilities and provide essential services;
- To help prevent homelessness

The ESG Program may be used for the following major eligible activities categories: (1) Rehabilitation and Conversion of a building to be used as emergency shelter or transitional housing for the homeless; (2) Essential Services, (3) Operating Cost and (4) Prevention Services. The Puerto Rico Homeless 2007 Census indicates that most homeless population in Puerto Rico is categorized by individuals with the following special needs: chronic homeless, individuals with substance abuse, severe mentally ill, HIV/AIDS; Victims of Domestic Violence and Elderly.

The U.S Department of Housing and Urban Development (HUD) has informed the Department of the Family that the total fund allocation for Fiscal Year 2009 is of **\$3,114,520**. ESG's funding allocation will be distributed as follow: \$124,580 to support rehabilitation and conversion of shelter facilities, \$934,356, to support essential services for the homeless, \$1,463,824.40 to support the operation of shelters, \$436,033 to provide homeless prevention services, and \$155,726 for Program Administration. Also, an additional \$803,052 of reallocated funds from 2003 to 2007 Fiscal Year will be distributed.

#### Use of Funds

For Program Year (PY) 2006 \$3,257,085 was distributed to 65 non-profit organizations, \$2,582,501 from the PY 2006, and \$539,384 reallocated funds from PY 2000-2002: 12,597 individuals and families at risk of becoming homeless were served with allocated and the reallocated funds.

For Program Year 2007, \$3,747,755 was distributed to 87 non-profit Organizations and Municipalities; \$2,937,275 from PY 2007 and \$1,810,480 reallocated funds from year 2000, 2003, 2004, 2005, 2006: 16,029 homeless individuals and 1,482 individuals/families at risk of becoming homeless.

For Program Year 2008, \$4,140,386.78 was distributed to 89 non-profit Organizations and Municipalities; \$3,122,992 from PY 2008 and \$1,017,394.78 reallocated funds from year 2001 to 2007.

## EVALUATION OF PAST PERFORMANCE

The Department of the Family certifies that it has complied with the goals and objectives established in the Consolidated Plan. The following Table describes the total of individuals/families by priority group and individuals/families at risk to become homeless that benefited from consolidated funded activities during Program Year 2007.

**TABLE VII**  
**TOTAL OF INDIVIDUALS/FAMILIES BY PRIORITY GROUP AND**  
**INDIVIDUALS/FAMILIES AT RISK TO BECOME HOMELESS**

<i>PRIORITY GROUPS</i>	2007
Chronic Homeless	11,385
Substance Abuse	2,978
Homeless with HIV/AIDS	311
Victims of Domestic Violence	1,335
Elderly	20
<b>Sub total Homeless</b>	<b>16,029</b>
• At risk to become homeless	1,482
<b>Total Homeless/ at risk to become homeless</b>	<b>17,511</b>

## OTHER ACCOMPLISHMENTS

The ASPI implemented the following administrative and internal procedures changes that positively affected the homeless population.

### **Established Collaborative a Relationship with Community Based Organizations**

- The Department of the Family integrated Coalition representatives and Successful Leaders Organizations into our Technical Assistance Trainings.
- The Department continued revising internal procedures to make funds more accessible and agile to the Organizations that receive ESG funds.
- Also, continued providing ongoing technical assistance in administrative and programmatic matters.

submitted and processed in the system the Single Audit according to this obligation.

In response to HUD's rule based on the 2002 President's Executive Order 13279, requiring equal treatment of faith-based organizations indicating that these are eligible for HUD funding on equal footing with any other organization, HUD acknowledges and encourages the Department of the Family to continue the excellent work reported in the 2007 Consolidated Annual Performance Report (CAPER). The allocation of funds to Faith Base Organizations (FBO) on Program Years (PY) 2006 to, 2008 was as follow:

**TABLE VIII  
FUNDS ALLOCATED TO FAITH BASE ORGANIZATIONS  
(FBO) PY 2006-2008**

Program Year	Total Organizations	Funds Allocated Faith Based Organizations	Faith Based Organizations	%
2006	67	787,246	16	20
2007	87	1,461,206	34	39
2008	87	785,461	25	29

The PRDOH would fund two (2) categories for service delivery and two (2) for planning and program administration. Funding to be distributed for the 2009 Action Plan is shown in TABLE I below.

**TABLE IX  
HOPWA ACTIVITIES TO BE FUNDED FOR PY 2009**

Category	Activities	Allocation 09	PYF*
<b>ADMINISTRATION</b>	State Administration	\$51,283.83	\$ 122,211.00
	Sponsor Administration	82,909.00	-
<b>HOUSING ACTIVITIES</b>			
Permanent Housing	STRUM	278,000.00	100,000.00
“ “	TBRA	221,100.00	200,000.00
“ “	Chronically Mentally	100,000.00	-
Temporary Housing	Shelters	146,954.00	78,000.00
Transitional Housing with Supportive Services	Treatment Services D&A	160,000.00	75,000.00
“ “	Hospice	170,000.00	75,000.00
<b>SUPPORTIVE SERVICES</b>			
“ “	Case Management	48,000.00	70,034.00
“ “	Day Care	238,000.00	100,700.00
“ “	Health Services	20,000.76	-
“ “	Nutritional Services	169,183.41	30,000.00
“ “	Psychology Services	24,030.00	-
		<b>\$1,709,461.00</b>	<b>\$850,945.00</b>

\*Previous Years Funds

As objectives, the Office for Housing Services would:

- Continue to develop strategies and procedures to measure clients and project sponsors' need;
- Provide capacity building and technical assistance on budget, program and fiscal aspects of project sponsors;
- Develop monitoring procedures to evaluate the organizations performance;
- Perform on going monitoring activities to evaluate fiscal, program, and clients' provision of services;
- Establish guidelines and procedures to measure the efficiency and effectiveness of the services rendered;
- The services that the PRDOH HOPWA program will sponsor are the following:
  - Housing Assistance Services (Temporary housing, transitional housing with supportive services, and permanent housing);
  - Support Services (Day care, nutrition, health, and psychology and case management).

## **CITIZEN PARTICIPATION [91.320 (b)]**

### ***Description of the Lead Agency***

The Office of the Commissioner for Municipal Affairs (OCMA) was created under Chapter XIX of State Act Num. 81 of August 30 of 1991, as amended. The office has the responsibility to advise and regulate the municipal governments into their autonomous development process so they could achieve a major degree of fiscal autonomy within a sound framework of municipal administration.

The Office of the Commissioner of Municipal Affairs is the lead agency charged by the Governor of Puerto Rico with the responsibility for overseeing the development of the consolidated plan and the significant aspects of the process by which it was developed.

### ***Other agencies involved in the process***

In fulfilling its primary role, the Office of the Commissioner of Municipal Affairs with the tutelage of a private consultant and through an Interagency Committee constituted with representatives from the Department of The Family, Department of Health, and Department of Housing – established direction and supervised the processes of organization, identification of needs, collection and processing of information, liaison, coordination and preparation of the Annual Action Plan. Upon establishment of the Interagency Committee, priorities and target dates were set to address each stage of the Consolidated Plan process.

### **Description of the Development of the Plan and Efforts to Broaden Public Participation**

In compliance with 24 CFR Section 91.325 (b) (2) OCMA:

- Consulted with the majors and program staff from the non-entitlement municipalities the housing and community development needs identified by them.
- Provided in the OCMA web page the links for technical assistance to majors, staff, and interested parties in connection with the housing and community development programs available to them.
- Required non-entitlement municipalities to identify its community development and housing needs, including the needs of low-income and moderate income families, and the activities to be undertaken to meet the needs through the four agencies.

OCMA maintains an on-going public participation process throughout the year, providing workshops, seminars and direct contact to the mayors and their Federal Affairs Officers, as well any private citizen interested to learn and know about the CDBG program. The municipalities are the first point of contact for citizen participation.

The Department of the Family invited the Organizations and Municipalities currently receiving funds, Coalitions and the Chana and Samuel Levis Foundation through e-mails.

The Request for Proposal of the ESG funds was held on March 18, 2009. An application kit was distributed to the Municipalities and non-profit Organizations interested in applying. The Request

### Summary of Citizen Comments or Views and Responses Provided on the Plan

The following table shows the oral comments presented during the Public Hearing, as a response to OCMA and the other State Agencies presentations:

**TABLE XII**  
**INQUIRIES AND RESPONSES OF THE PUBLIC HEARING PRESENTATIONS**

Program	Commentator	Comment	Response
HOME	Hon. Edwin García, mayor of Camuy.	Requested flexibility on the title ownership for the homeowner rehabilitation activity.	He was advised that title ownership is a HOME Program requirement.
HOME	Rolando Ramos, President of the CHDO Association.	Requested fair treatment to the CHDOs and the PR Department of Housing limited its authority towards the compliance of federal program regulations.	Mr. Camacho invited the president to pursue these issues in a staff meeting toward the improvement of the communication link between the parties.
HOPWA	Representatives of the Municipalities of Toa Baja and Canóvanas	The representative asked if the Municipality of Toa Baja could request funds for the new fiscal year.	HUD establishes the geographic areas covered by State HOPWA and San Juan Municipality area. The PRDOH receives block funds and distributes them to the municipalities assigned to it. If there are residual funds, the State HOPWA could cover other areas outside its boundaries.
CDBG	Hon. Maritza Melendez, mayor of Naguabo.	Discrepancies between the local and federal environmental review process. The mayor indicated that the PREQB is requesting documents that are not consistent with the existing guidelines of the same agency.	The federal environmental review process is separated from the local process. The requirements established by local agencies are not controlled by OCMA. Although this comment is not related to the Consolidated Plan the Commissioner will address the issues presented in the letter with the director of the PREQB.

Program	Commentator	Comment	Response
NSP	Rolando Ramos, President of the CHDO Association.	Requested information regarding the NSP program and the role that the CHDO's will play in the implementation of the program,	It was explained that the current NSP use is under review and that an amendment will be published allowing the Municipalities to access the funds directly from OCAM. Regarding the role of the CHDO, the amendment allow that Municipalities work directly with the organizations for the implementation of the program,

In response to the comments presented by the mayor of the Municipality of Camuy, the requirements of the CDBG Housing Rehabilitation Program were amended.

#### **Additional Efforts of the PRDF to Promote Citizen Participation**

The PRDF met the participation requirement through the Office of the Commissioner of Municipal Affairs (OCAM) which advertised a public hearing in a newspaper of general circulation, to provide to the participant information about the Action Plans for the ESG, HOME, and HOPWA Programs.

The PR Department of the Family has made special efforts to keep the non-profit organizations informed and properly oriented regarding the availability of funds. An availability of funds/Request for Proposals announcement is published in two Spanish newspapers of wide circulation throughout the Island. Also, on PY 2009 the PRDF informed the PR Homeless Coalitions the availability of funds so that they could communicate the information to their members.

For Fiscal Year 2009 the Department of the Family will continue strengthening the citizen participation and technical assistance to the ESG organizations by:

- Providing additional technical assistance for the Request for Proposal 2009.
- Sponsoring workshops to help the ESG organizations to become self-sufficient and to develop good business practices, especially in the financial, management and reporting systems.
- Providing technical Assistance to ESG organizations regarding Monitoring, particularly, beneficiary eligibility, performance measures and progress report.
- Sponsoring cross-training among Organizations and community leaders.

The Department of the Family will also continue self-evaluating its process to keep making available to the ESG recipients funds and other program assistance available in an expeditious way.

Other federal resources available to OCMA for distribution among the non-entitlement municipalities are the Section 108 Loan Guarantee. 24 CFR Part 540 Sub part M titled "Loan Guarantee" allows OCMA to issue in loan guarantees under Section 108 of the Housing and Community Development Act of 1974, as amended, up to 5 times the amount of the last CDBG allocation to assist the non-entitlement municipalities to make significant investments for the physical and economical revitalization of their communities. For PY 2009 the municipalities of Dorado, Camuy, Jayuya, Juncos, Maunabo and San Lorenzo have a portfolio of \$26,666,000 in 108 funds, limiting the authority of OCMA to make new guarantees to \$197,935,900.

On November 21, 2007 OCMA approved Circular Num. 2007-11 allowing the non-entitlement municipalities to retain the program income earned by them. Section 104(j) of the Act, excludes from the definition of Program Income the amount retained by the non-entitlement municipality which is on the threshold of \$25,000 or less per year. Therefore in compliance with federal law and regulations, OCMA does not require non-entitlement municipalities to return income of \$25,000 or less, provided that such revenue should be accounted as miscellaneous revenue. The municipality is free to expend, with no further limitation the program income. Nevertheless OCMA must be informed through the quarterly financial reports issued to the agency, the nature and disposition of all revenues collected by the municipality in order to determine compliance of the Program Income Rule.

Program income over \$25,000 earned by the municipality after project completion and program close-out, retains its federal identity and must be reported to OCMA, nevertheless, the non-entitlement municipalities are allowed to retain it, and use it in any eligible CDBG activity with the authorization of OCMA.

Instructions regarding the reporting and expenditure of program income are posted at: <http://www.gobierno.pr/OCAM/ProgramaCDBG/Cumplimiento/ProgramIncome.htm>. or the first the municipalities are required to transmit their program income estimates and reports through OCMA's e-mail address.

### **Recapture of Funds**

The non-entitlement municipalities are subject to OCMA policy on recapture of disallowed funds. Once any disbursement made by the municipality is disallowed the municipality will be required to return it by check from non federal funds in behalf of the Secretary of the Treasury and OCMA will allocate such funds to other eligible activities.

### **Matching Requirements**

Section 24 CFR 570.489 (a) (1) establish the responsibility of the Commonwealth of Puerto Rico to pay from its own resources all administrative costs incurred by the state in carrying out its responsibilities for the administration of the State CDBG Program, except that the state may use CDBG funds to pay such costs in an amount not to exceed \$100,000 plus 50 percent of such costs in excess of \$100,000. The required amount is covered by the general budget of OCMA.

- Actual Numeric accomplishments accumulated from program years 2005, 06, 07, & 08.
- Percentage of the goals completed for the period 2005-2008.

The Specific Annual Objectives established for PY 2009, correspond to the 5th year of OCMA 5 Year Housing and Community Development Strategy (5YHCDS) for the 2005-2009 Consolidated Plan.

Program income is the gross income received by the PJ, sub recipient or Commonwealth recipient, directly generated from the use of **HOME** Program funds and must be expended in eligible activities before additional **HOME** funds are drawn down. The **PRDH** will allocate program income, recapture and repayment funds to fund any activity on line before requesting any draws from the letter of credit.

The Commonwealth **HOME** Program will comply with federal regulations pursuant 24 CFR Part 92.503 that specifies that:

- Program income received must be deposited in the **HOME** Investment Trust Fund account, unless, the Commonwealth **HOME** Program permits the recipient or sub recipient to retain and use the program income for another **HOME** projects. A written agreement will be required.
- The PI collected will be allocated as a reserve account for the activity draws.

Other specific considerations will be taken regarding the **HOME** Program requirements:

- Upon the termination of a Written Agreement, the future program income or that readily available must be returned to the PJ.

The PJ will maintain records that identify sources and use of funds, including program income. MART allows tracking those proceeds and take the proper actions.

#### **Other Federal Resources**

In addition to the Community Planning and Development Formula Grant, the **PRDH** will receive from the Indian and Public Housing Formula Grant, an estimated amount of \$358,202,930 to assist 224,104 residents living in 55,712 public housing units, distributed from:

Public Housing Operating Fund	\$204,165,876
Public Housing Capital Fund	140,154,533
HOPE VI	13,882,521
<b>TOTAL</b>	<b>\$358,202,930</b>

and \$41,474,000 to assist 8,000 Section 8 households administered now by the Assistant Secretariat for Assisted Housing and Community Development.

Apart from the Commonwealth allocation, the Puerto Rico Housing Finance Authority will receive an estimated allocation of \$5,854,000 for Nuevo Hogar Seguro and \$119,465,000 for their own Section 8 Housing Choice Voucher Program and their project base rental assistance program.

repopulate the centers developing housing projects, communal areas, parks and recreational facilities.

- Developing new financing mechanisms to increase the offer of available housing units.

#### Programs of the Puerto Rico Housing Finance Authority

##### *Subsidy Program for Social Interest Housing - Act 124*

Act No. 124 of December 10, 1993, as amended, created a new subsidy program for low income housing.

- The Department of Housing of the Commonwealth of Puerto Rico approves the Rules and Regulations for the Program while the PRHFA manages it.
- The subsidy is applicable to new construction of refurbished project undertaken by private developers.
- PRHFA grants a subsidy directly to eligible buyers, up to a maximum of 2% of the selling price, to be applied to the down payment and a subsidy for the monthly payments depending on income or family composition.
- The financing is provided by private banks.
- The selling price of the housing units in between \$80,000 and \$100,000
- PRHFA contracted the services of a planner and an engineer to work in the Program
- PRHFA performs the pre-evaluations for the projects that apply to the Program
- PRHFA follows up on projects submitted to the Puerto Rico Planning Board for approval
- PRHFA coordinates with other agencies to speed up the permitting processes of projects.
- The Authority promotes the promptness; uniformity and coherence among the agencies granting permits.

##### *New Secure Housing Program*

- Act No. 92 of August 4, 2001 designated the Puerto Rico Housing Finance Authority as the government entity in charge of managing the financial assistance granted under this program, previously managed by the Puerto Rico Infrastructure Financing Authority (PRIFA).
- Provides for the relocation of residents living in flooding areas or in areas prone to landslides through the consolidation of funds, using Federal and Commonwealth Funds.
- Agreements with the private banks to qualify possible residents.
- Identification of new land lots to construct housing developments.
- Reductions in the construction cost of the projects
- The program is in compliance with the timeframe established by FEMA to qualify possible residents.

##### *Section 42 of the Internal Revenue Code:*

- Provides financing through the sale of tax credits to United Commonwealths investors.
- The product of the sale contributes to create and preserve rental housing units.
- The Federal Tax Credit Program receives each year nearly \$8.2 million, which generates an

- Mortgage loans for construction, improvements, acquisition of land and construction, and refinancing without remainder balance with the objective of reducing the interest rate of the loan.
- The Authority grants loans of up to \$90,000 at 6.5% interest per year.
- Applicants can have a gross annual income of up to \$45,000.
- Closing expenses are partially subsidized if the applicant qualifies for the Key to your HOME Program.

#### *First Time Home Buyers Trust (5.4%)*

- A tax-exempt bond issue is sold to generate funds for the refinancing of mortgage loans for first-time HOME buyers.
- In August 2001 the Authority sold its most recent bond issue in the tax-exempt market. This issue generated a total of \$77 million that have already been used to grant mortgage loans at a 30 year term, and 5.4% interest, FHA guaranteed. In addition, \$25 million were produced by a short term Note.

#### *Subsidy Housing Administration*

The Authority is the housing agency in Puerto Rico charged with the responsibility of relocating the families who live in Section 8 Program housing units whose owners chose to discontinue the unit from participating in the Program. These families receive a Section 8 Housing Voucher that allows them to identify another housing unit for rent in the private market that complies with federal safety standards and use them to rent such unit.

The Housing Vouchers that are not assigned to residents of the Section 8 Program because the families no longer qualify are used to assist other qualifying families in Puerto Rico. This has allowed the Authority to increase the number of Section 8 Vouchers granted to 1,138 units and has permitted us to assist not only families already in the Section 8 Program, but other families with the same needs for housing on the Island. As of March 2004, the Authority was managing nearly 2,280 units under the Section 8, Housing Vouchers and Moderate Rehabilitation Program.

#### *Subsidy Contracts Administration*

The Authority was chosen by the US Department of Housing and Urban Development (HUD) to manage the subsidy contract for all Section 8 projects in Puerto Rico. Through this program, the projects' managements are monitored to insure the quality of life of the residents and the adequate use of the federal funds.

In addition, the Authority is responsible of making the subsidy payments to the project owner, renovating the subsidy contract for the projects, approving and processing the rent increases, monitoring that any deficiencies found in the projects during physical inspections are corrected and carrying out administrative audits of the projects each year.

**SUMMARY OF THE SPECIFIC ANNUAL OBJECTIVES**

The **PRDH** concurs with HUD’s commitment to promote and increase Homeownership among low and very low-income families. Nevertheless the priorities established in the original Strategic Plan shifted from Homeownership to rental housing development because the changes in the rental housing market. Thus, the **PRDH** is encouraging and supporting the construction of affordable rental housing to assist low-income families to obtain decent, safe, sanitary, and affordable rental housing. This objective will be attained through the acquisition, rehabilitation, and new construction of rental housing, strengthening public-private partnerships among federal and Commonwealth agencies, community housing development organizations, private developers, financial institutions and local governments.

Through PY 2009, the Commonwealth **HOME** Program expects to assist 445 households with the **HOME** funds allocated, as presented in **TABLE III**. **TABLE XV** titled **OPTIONAL TABLE 3A- SUMMARY OF SPECIFIC ANNUAL OBJECTIVES** below is the HUD template that shows the specific annual objectives arranged by: Outcome/Objective, Source of Funds, Performance Indicator, Program Year, Expected Numbers for PYs 2005-2009, Actual Numbers for PY 2005-07 and the Percentage Completed as PYs 2005-2007. These are the Specific Annual Objectives established for PY 2009, corresponding to the 5<sup>TH</sup> year of the **PRDH 5YHS** for the 2005-2009 Consolidated Plan after the amended made in PY 2007.

At the end of PY 2007 the **PRDH** goal towards the increase of affordable housing is 67.79%, 7.79% over the average goal of 60.00% in the third period of the **5YHS**.

**TABLE XV**  
**OPTIONAL TABLE 3A- SUMMARY OF SPECIFIC ANNUAL OBJECTIVES**

Specific Obj. #	Outcome/Objective Specific Annual Objective	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>DH-2 Affordability of Decent Housing</b>							
2.2.1	Construction of affordable housing units for low income Homeownership	HOME	Homeownership units constructed or acquired with rehabilitation	2005	156	-	0.00%
				2006	150	99	66.00%
				2007	150	-	0.00%
		PRIVATE		2008	150	-	0.00%
				2009	150	-	0.00%
				MULTI-YEAR GOAL		756	99
2.2.2	Downpayment and closing cost assistance for the acquisition of existing housing for low income Homeownership	HOME	Direct financial assistance to Homebuyers	2005	89	83	93.26%
				2006	75	106	141.33%
				2007	75	157	209.33%
		PRIVATE		2008	75	-	0.00%
				2009	75	-	0.00%
				MULTI-YEAR GOAL		389	346
2.2.3	Construction of affordable housing units for rental occupancy	HOME	Rental units constructed	2005	70	80	114.29%
				2006	66	311	471.21%
				2007	66	463	701.52%
		PRIVATE		2008	66	-	0.00%
				2009	66	-	0.00%
				MULTI-YEAR GOAL		334	854

## RESOURCES FOR THE ESG PROGRAM [91.320 (d)]

The Department of the Family (DF) of the Commonwealth of Puerto Rico will receive **\$3,114,520** of ESG funds for Fiscal Year (FY) 2009, and will reallocate **\$803,052** funds from previous years. Also, the DF will make available to Organizations any funds identified later in the fiscal year. This allocation will be administered by the DF, which is the State Executive Department responsible for the planning and administration of these funds, and the distribution of the funds to non-profit organizations and municipalities that provide services to the homeless in Puerto Rico.

The Program estimate to serve **17,601 homeless** allocated and reallocated the funds to approximately **87 Organizations and Municipalities** for the activities of Rehabilitation, Renovation and Conversion, Essential Services, Operational Cost, Prevention of Homelessness and the administrative costs of the Program.

**TABLE XVI  
ESTIMATED DISTRIBUTION BY PROGRAM ACTIVITIES**

ACTIVITY	ALLOCATION FUNDS	CARRY-OVER FUNDS					TOTAL	INDIVIDUALS	PROJECTS
		\$ 803,052.00							
	2009	2003	2004	2005	2006	2007			
Rehabilitation, Renovation and Conversion	124,580.80	-	-	-	-	-	\$124,580.80	100	3
Essential Services	934,356.00	43,728.00	10,058.61	45,148.25	24,622.45	277,968.52	1,335,881.83	8,698	30
Operational Cost	1,463,824.40	43,728.00	10,058.61	45,148.25	24,622.45	277,968.52	1,865,350.23	5,443	46
Prevention	436,033.00	-	-	-	-	-	436,033	3,360	16
Administrative Cost*	155,726.00	-	-	-	-	-	\$155,726	n/a	0
<b>TOTAL</b>	<b>\$3,114,520</b>	<b>\$87,456</b>	<b>\$20,117</b>	<b>\$90,297</b>	<b>\$49,245</b>	<b>\$555,937</b>	<b>\$3,917,572</b>	<b>17,601</b>	<b>87</b>

\*One (1%) percent of the administrative costs will be available to distribute to award Municipalities.

### Federal and State Resources

The Department of the Family receives other federal and state resources (FY 2009) and will receive an estimated of **\$2,404,031,268** from the Federal Department of Agricultural (USDA), Department of Health and Human Services (HHS), and Department of Labor (DOL) to provide services such as Nutrition Assistance (NAP), Soup Kitchen, Temporary Assistance to Needy

PROGRAM	FEDERAL	STATE	TOTAL	DESCRIPTION
Head Start	116,868,002	1,679,176	118,547,178	Head Start and Early Head Start are comprehensive child development programs that serve children from birth to age 5, pregnant women, and their families. They are child-focused programs and have the overall goal of increasing the school readiness of young children in low-income families.
Disability Determination	15,327,023	0	15,327,023	To determine eligibility to disabled persons that requests the Social Security benefits.
<b>TOTAL</b>	<b>\$2,128,094,092</b>	<b>275,937,176</b>	<b>\$2,404,031,268</b>	

\* According to the information provided by the Administrations and the Secretariat

There are other state funds that the DF receive and will continuing receiving. An estimated of **\$6,393,500** will be allocated to the **Department of the Family** from the Legislature of the **Commonwealth of Puerto Rico** to be donated to nonprofit organization that provide services to needy persons, families, protection to abused child, and the homeless.

**TABLE XVIII  
OTHER STATE RESOURCES**

PROGRAM	AMOUNT	DESCRIPTION
Legislative Award	\$6,143,500	To delegate funds to non profit organizations that provide services to needy persons, families, homeless, protection from child abuse, elderly and disabled person.
PR State Commission (PRSC)	250,000	For staff and consultants to guide effective planning process of the Commission to eliminate the chronic homelessness. The planning processes continued for the preparation of the CoC application for 2007.
<b>TOTAL</b>	<b>\$6,393,500</b>	

### **MATCHING FUNDS**

Each organization that receives ESG funds must match dollar-to-dollar the funding provided with funds from other public or private sources. Recipients may use any of the following in calculating the amount of matching funds provided:

- Cash;
- The value or fair rental value of any donated material or building;
- The value of any lease on a building;
- Any salary paid to staff to carry out the program of the recipient; and
- The value of the time and services contributed by volunteers to carry out the program of the recipient at the current rate of the minimum salary per hour. Volunteers providing professional services such as medical or legal services are valued at the reasonable and customary rate in the community.

## ACTIVITIES FOR THE CDBG PROGRAM [91.320 (d)]

### Description of the Method for Distributing Funds to Local Governments

CDBG funds are allocated to assist non-entitlement municipalities in Puerto Rico to develop housing and community development activities that comply with Section 105 of the Housing and Community Development Act of 1974, as amended. Each activity must meet the eligibility requirements of Section 105 of the Act plus the national objectives, as to give maximum feasible priority to activities which will carry out the national objectives of benefit to low and moderate income families or aid in the prevention or elimination of slums or blight; the projected use of funds may also include activities which the Commonwealth of Puerto Rico certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. Consistent with the foregoing, each non-entitlement municipality under the State CDBG Program must ensure, and maintain evidence, that each of its activities assisted with CDBG funds meets one of the three national objectives as contained in its certification. The criteria for determining whether an activity addresses one or more of these objectives are contained at 24 CFR 570.483 (b), (c) or (d).

These resources will be allocated among the 51 non-entitlement municipalities in the island for housing and community development activities. The allocation for the non-entitlement municipalities will reach 97% of the 2009 budget, distributing 39% of the total grant equally among all municipalities. Vieques and Culebra will receive an additional 15% above the basic allocation grant each. Under this plan 58% of the funds will be made available for competitive grants to be awarded to non entitlement municipalities. In addition OCAM will allocate 2% of the grant for an emergency fund and 1% for economic development activities.

The following table shows the distribution of CDBG funds by category:

**TABLE XIX  
USE OF CDBG FUNDS FOR PY 2009**

<b>Use of Funds (category)</b>	<b>Allocation</b>
Basic Allocation	\$17,955,000.00
Competitive Round	\$26,916,545.00
Contingency	\$1,000,000.00
Economic Development	\$500,000.00
State Administration	\$956,114.00
Technical Assistance	\$478,057.00
<b>Total</b>	<b>\$47,805,716.00</b>

Execution of the STATE CERTIFICATIONS providing for:

- Affirmatively Further Fair Housing
- Anti-displacement and Relocation Plan
- Drug Free Workplace
- Anti-Lobbying
- Authority of State
- Consistency with plan, and
- Section 3

Execution of the Specific CDBG Certifications providing for:

- Citizen Participation
- Consultation with Local Governments
- Local Needs Identification
- Use of Funds
- Excessive Force
- Compliance with Anti-discrimination laws
- Compliance with Special State Laws

These model certifications will be provided by OCMA, as a template to be filled and signed by the mayor.

### ***Mandatory Requirements***

#### **Citizen Participation Requirements and Responsibilities for Non-Entitlement Municipalities**

The non-entitlement municipalities eligible for assistance under the State CDBG Program for PY 2009, are subject to the citizen participation requirements. These requirements are mandatory and include the following items:

- Must have followed the citizen participation plan, as approved by OCMA.
- The municipality will submit with the application a certification that has fully complied with its citizen participation plan, and would also submit a copy of the plan if it has been amended after the last one filed with OCMA.
- The municipality should celebrate two (2) public hearings

The first public hearing will collect the housing and communities needs expressed by the community.

The second public hearing will be the response of the municipality to the pressing needs of the community and must present a completed inventory of housing and community development needs organized by eligible categories, compliance of national objectives, priority need, specific objective, funding priority and expected performance measurement.

review the applications to verify that the requested funds for the activities planned by the municipalities are eligible. In the event that a non-eligible activity is submitted under the basic grant application, OCMA will permit the municipality to review the application and re-submit a new eligible activity. This concession is permitted only for the Basic Grant. The following table addresses the established limits of the application for the Basic Grant.

**TABLE XX  
CAPS FOR CDBG ALLOCATION UNDER THE BASIC GRANT**

Category	Non-Entitlement Allocation	Vieques and Culebra Allocation
Public Service	\$52,500	\$60,375
Any Eligible Activity	\$234,500	\$269,675
Administration	\$63,000	\$72,450
<b>Total</b>	<b>\$350,000.00</b>	<b>\$402,500.00</b>

Under the Basic Grant OCMA will allow the non-entitlement municipalities to request funds for any eligible activity with the following limitations:

- Purchase real estate for the construction of any eligible activity unless the municipality documents that they have the funds committed for the construction of the project.
- Purchase heavy equipment to be used at the sanitary landfill, only if it is on operation.

If the municipality does not include the Public Service category (\$52,500 and \$60,375 for Vieques and Culebra) this amount may be allocated to any other eligible category, for a total amount of \$287,000 for the non-entitlement municipalities and \$330,050 for Vieques and Culebra. This option includes funding housing rehabilitation.

**Competitive Round - \$26,916,545**

The amount of \$26,916,545 has been allocated for the competitive round. Funding under each category will be limited to the cap established under each category. Unallocated funds in any category will be reassigned to eligible Community Development Category.

The following table shows the distribution of funds for the Competitive Funds, the established caps, and maximum amount to be approved under each category:

**TABLE XXI  
CAPS FOR CDBG ALLOCATION UNDER THE COMPETITIVE ROUND**

Category	CAP	LIMITS
Community Development	\$18,034,086	\$400,000*
Housing	\$3,768,316	\$75,000*
Public Service	\$3,229,985	\$68,000
Administration	\$1,884,158	\$36,431
	<b>\$26,916,545</b>	<b>\$579,431</b>

- Centers for the Disabled/Handicapped: this activity refers to the construction or rehabilitation of group homes or centers for the disabled.
- Child Care Centers/Facilities for Children: this activity refers to the construction or rehabilitation of daycare centers and Head Start pre-school centers.
- Facilities for AIDS Patients: this activity refers to the construction or rehabilitation of buildings for treatment or temporary housing for people who are HIV positive or who have AIDS.
- Fire Station/Equipment: this activity refers to the construction or rehabilitation of fire station, including the purchase of fire trucks, ambulances, and rescue equipment.
- Health Facilities: this activity refers to the construction or rehabilitation of physical and mental health facilities.
- Homeless Facilities: this activity refers to the construction, conversion, renovation, or rehabilitation of shelters for the homeless, including shelters for battered spouses, including transitional housing and SROs (single room occupancy units) for the homeless.
- Neighborhood Facilities/Community Centers: this activity refers to to the construction or rehabilitation of structures that will be used for social services or for multiple purposes, including recreation, and that are principally designed to serve a neighborhood. Such facilities may include libraries and public schools.
- Parking Facilities: this activity refers to the construction or rehabilitation of off-street parking lots and parking garages.
- Parks, Recreational Facilities: this activity refers to the construction or rehabilitation of any activity involving the development of an open space area or a facility to be used principally for recreation purposes.
- Senior centers: this category refers to the construction or rehabilitation of senior citizen centers. This type of facility is described as serving "senior citizens and the disabled".
- Youth Centers/Facilities: this activity refers to the construction or rehabilitation of facilities that will be used primarily to provide day care services for teenage youth (ages 13 to 19), including after school activities. This includes playground and recreation facilities that are a part of youth centers/facilities.

### *Improvement to the Municipal Infrastructure*

Non-entitlement municipalities may request CDBG funds for improvement to the municipal infrastructure qualified as right of way construction or rehabilitation of:

- Flood and Drainage Facilities: This activity refers to the construction or rehabilitation of flood control or irrigation projects (e.g., retention ponds or catch basins).
- Sidewalks: this activity refers to the construction or rehabilitation of sidewalk improvements. Sidewalk improvements include the installation of trash receptacles, trees, benches, and lighting.
- Street Improvements: this activity refers to the construction or rehabilitation of street projects that may include street drains, storm drains, curb and gutter work, tunnels, bridges, and the installation of street lights and signs.
- Water/Sewer Improvements: this category refers to the construction or rehabilitation of water and sewer installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants.

- Homeownership Assistance

No new allocation is made for this activity. An uncommitted balance of \$382,896 from PY 2008, as April 30, 2009 is still available for the homeownership assistance. This activity has been targeted to identify low-income families that have been discouraged to become homeowners because they do not have the savings in hand for the downpayment and closing costs, but could pay an affordable monthly mortgage, if they have the opportunity to buy their own home. These homemakers need the assistance to enter the housing market, understanding the financing structure of the market and the underwriting policies. Many of the potential homebuyers don't have the access or sufficient knowledge to take full advantage of Federal assistance offered for homeownership. Therefore, the funding for the homeownership activity is specifically intended to provide assistance to families pursuing homeownership, in a non-entitlement municipality.

At the closing of the PY, OCMA should be able to report the following performance measurements:

- \$ Leverage by CDBG funds invested
- Number of households by income limit
- Number of units occupied by race, ethnicity and disability
- Number of homebuyer household receiving assistance
- Number of those served who are first-time homebuyers
- Of first-time homebuyers, the number of households receiving housing counseling
- Number of households receiving downpayment assistance and/or closing cost assistance

*General Guidance under this category*

Applications may be submitted throughout PY 2009. The State will consider the applications on a case-to case basis.

Funds will provide direct assistance for 50% of the down-payment and closing costs to facilitate homeownership. The municipality, at its discretion, will determine the amount to be granted to each qualified family up to a maximum of \$5,000.

Specifically the use of funds under this category is limited to low and moderate income families.

CDBG funding may be applied in combination with other applicable federal/or state funding. There is no prohibition against using other federal, local and state, subsidized financing or Section 8 homeownership voucher in conjunction with this grant.

Once awarded, the non-entitlement municipalities must distribute the funds according to the general guidance requirements and applicable laws and regulations.

Each non-entitlement municipalities will be responsible to qualify and provide technical

- Fair housing services (e.g., counseling on housing discrimination) when the non-entitlement municipality indicates that a national objective will be met. In order to request funds under this activity, the municipality should have a Fair Housing Plan approved by OCMA.
- Child Care Services that will benefit children (generally under age 13), including parenting skills classes.
- Health Services activities include operation of neighborhood clinics, post-rape counseling, vermin abatement services (also known as "vector control"), and other activities designed to serve the health needs of residents.
- Abused and Neglected Children for daycare or other services exclusively for abused and neglected children.
- Mental Health Services for activities designed to address the mental health needs of residents of the community provided by specialized organizations.
- Screening for Lead-Based Paint/Lead Hazards Poisoning for activities designed primarily to provide screening for (not removal of) lead-based paint and other lead poisoning hazards for housing units built before 1978 that will be occupied by children under 6 years old.

All activities must be designed in compliance to the strategy developed by the municipality that will meet the needs of low and moderate income persons; addressing there special needs and to assure the maximum development of the community.

#### *Program Administration (Non-entitlement Municipalities)*

This line item budget covers the administrative expenses for the activities approved under the competitive round, arranged by title of the account, number of the account and the allocated budget. For PY 2009 the State CDBG Allocation is in the amount of \$1,776,865 with a grant limit per Municipality of \$36,431.

If the municipality is not in compliance with OMB-A-133 Circular, the administrative funds may be withheld.

#### *Economic Development*

Economic development is a priority of the Commonwealth of Puerto Rico. A total of \$500,000 will be allocated for this activity to support the Reimbursement of Interest program for microenterprises development that is underwritten by the Economic Development Bank. CDBG funds intended for economic development should provide a public benefit of at least \$35,000 per job created or retained. The project is coordinated with the Economic Development Bank (EDB) for Puerto Rico with the objective to incentive the creation or retention of financially trouble enterprises that could demonstrate has a reasonable expectation of success, as described in the application/evaluation/process established by the EDB. If the application is approve is because the enterprise has the capacity to create or retain a job or two part time jobs for each \$35,000 of CDBG funds invested in the activity.

To this effect OCMA will continue financing the program and the EDB would continue to be the

- Whether businesses assisted under certain IDIS Matrix Codes
  - Should list the applicable matrix code:
    - 17A for Commercial Industrial Land Acquisition
    - 17B for Commercial Industrial Infrastructure Development
    - 17C Commercial Industrial Building Acquisition, Construction, Rehabilitation
    - 17D Other Commercial/Industrial Improvements
    - 18A Economic Development Direct Financial Assistance to For-Profits
    - 18C for Micro-Enterprise Assistance
- For the creation of new employment the following information should be provided
  - Total no. of jobs to be created by the activity
  - No. of jobs with employer sponsoring health care
  - No. of persons who were unemployed that will take the job created
  - No. of jobs by EDA job classifications
- For the retention of existing employment
  - Total no. of jobs that will be retained by the activity
  - No. of jobs with employer sponsoring health care
  - No. of jobs by EDA job classifications
- For businesses
  - It is a new businesses assisted?
  - It is an existing businesses assisted?
    - It is an expanding business?
    - It is a relocating business?
  - It is a businesses with commercial façade or business building rehab assistance?
  - It is the business that will provide goods/services to meet needs of a service at a special community?

### *Emergency Fund*

This is the last priority of the Commonwealth of Puerto Rico. Applications under this category are submitted only when an emergency arise and is qualified as an urgent need.

The activities designed to meet community development needs having a particular urgency follows the same criteria as established in 24 CFR 570.483 (d). Funds to assist the municipalities to attend sudden emergencies with CDBG funds will be provided with **\$1,000,000**. The grant limit per Municipality is made in a case by case basis up to \$100,000, depending on the damages quantified per occurrence within the municipal jurisdiction. The objective of this category is to provide a temporary solution to alleviate problems of urgent nature that occur during the regular grant application process.

Special consideration will be given to those applications for the Emergency Fund that present a serious threat to public health or safety is documented, as of recent origin, or which recently became urgent. A certification from the Municipal Emergency Management Office should be accompanied with a corroborating and valid certification from the State Emergency Management Agency, indicating the nature of the emergency and the date of such emergency. It is the

### *State Administration*

The amount of **\$956,114** (2% of the CDBG grant) will be allocated for the State program administration. The expenditure of the first \$100,000 expended could be disbursed without any matching requirement, allowing the state to match no less than \$856,114 from State Funds.

### *Technical Assistance*

OCMA will use up to 1.0% of its grant in the amount of **\$478,057** to provide technical assistance to non-entitlement municipalities that will assist them in carrying out the housing and community development activities in compliance with the Set Aside HCDA Section 106 (d) (5), referenced in CPD Notice 99-09. OCMA will use these funds to offer the annual seminar to the non-entitlement municipalities on planning and administration of the State CDBG Program, specialized technical assistance conducted at OCMA facilities, and professional service contracts to offer specialized technical assistance to the non-entitlement municipalities.

### **The Evaluation Process**

The applications submitted under the competitive round will be evaluated by an in-house committee appointed by the Commissioner a month before the date of commencement of the evaluation process. The Consultant Engineer provides technical assistance to the committee. Once the determination is made, the application will proceed with the following steps.

Step 1. The Evaluation Committee will follow the outlined selection criteria, to rate the applications submitted. After rating is completed, the evaluation will be reviewed and discussed by the committee to ensure uniformity. The committee will then, prepare a listing of project applications that will receive further consideration.

Step 2. The consultant engineer will determine cost reasonability using the guidelines of the College of Engineers and Surveyors and the budget breakdown detailing the cost of materials, labor, equipment, insurance, project administration cost and any other relevant matter related to the project that will be evaluated.

Upon completion of Step 2, the evaluating committee will assess' compliance with the parameters established in the Plan. The Committee will review the rating determinations, pursuant to step 2, for each application listed for consideration.

Finally, the Committee will rank by category, the rated applications by weight points. The applications rated above the top 50% of the percentile will be considered for funding, based on the availability of funds assigned to each category.

Applicants are cautioned to carefully consider their project needs and to request the minimum amount of State CDBG funds required. OCMA will evaluate the capacity of the applicant to expend the funds requested. OCMA may reduce or eliminate the grant amount in proportion to the amount the municipality is estimated capable to expend, based on past performance, the

Criteria	Description	Maximum Points
Quarterly Financial Reports (QFR)	QFR were presented on time during the Jan-Dec 2008 period.	10
	Bonus Point awarded if the Municipality presented the QFR from Jan-March 2009 no later than April 30, 2009.	5
	No QFR was presented to OCMA from Jan-Dec 2008	0

The maximum points that will be awarded under the Quarterly Financial Reports factor are 15 points including the bonus points.

Criteria	Description	Maximum Points
Presentation of the Single Audit Report (SAR)	SAR FYE 07 was presented and filed with OCMA in or before March 31, 2009 and no findings made.	10
	Corrective Action Plan (CAP) for the findings raised in the SAR has been presented	5
	Bonus points awarded if 50% of the findings made in the SAR have been cleared in the CAP.	3
	The municipality did not present the SAR to OCMA in or before March 31, 2009.	0

The maximum points that will be awarded under the Presentation of the Single Audit Report (SAR) factor are 10 points including the bonus points.

Criteria	Description	Maximum Points
Close Out of Program Years	The municipality closed 5 or more PYs since PY-2000	10
	The municipality closed 3 to 4 PYs since PY 2000.	5
	The municipality closed 1-2 PYs since PY 2000.	3
	The municipality did not close any PYs PY 2000.	0

The maximum points that will be awarded under Close Out of Program Years factor are 10 points.

Under the Community Development Category, which includes activities related to public facilities and the municipal infrastructure, the following criteria would be used to evaluate the weighted competitiveness of the application. Any application under this category could obtain a maximum grade of 50 points. No bonus points are awarded for this category.

**COMMUNITY DEVELOPMENT ACTIVITIES INCLUDING  
PUBLIC FACILITIES AND MUNICIPAL INFRASTRUCTURE**

<b>Criteria</b>	<b>Description</b>	<b>Maximum Points</b>
<b>Need Assessment</b>	Submission of the need assessment presented in the public hearing and the analysis made to assist this community development need. Please refer to the citizen participation requirements in other part of this plan.	10
	No analysis submitted	0

**The maximum points that will be awarded under the Need Assessment factor are 10.**

<b>Criteria</b>	<b>Description</b>	<b>Maximum Points</b>
<b>Evidence of Site Control</b>	Owned by the municipality, certified by the Finance Director.	10
	Owned by other public agency, certified by a lease agreement.	5

**The maximum points that will be awarded under Evidence of Site Control factor are 10 points.**

<b>Criteria</b>	<b>Description</b>	<b>Maximum Points</b>
<b>Direct Benefit Analysis</b>	Does the project benefits more than 90% of LMI persons?	10
	Does the project benefits more than 80% of LMI persons?	8
	Does the project benefits more than 70% of LMI persons?	6
	Does the project benefits more than 60% of LMI persons?	4
	Does the project benefits more than 51% of LMI persons?	2

**The maximum points that will be awarded under the Direct Benefit Analysis factor are 10 points.**

## HOUSING

Under the Economic Assistance for Housing Rehabilitation Category the following criteria would be used to evaluate the weighted competitiveness of the application. Any application under this category could obtain a maximum grade of 40 points.

Criteria	Description	Maximum Points
<b>Housing Needs</b>	Submission of the housing needs presented in the public hearing and the analysis made to assist the homeowner's needs.	10
	No analysis submitted.	0

**The maximum points that will be awarded under the Housing Needs factor are 10 points.**

Criteria	Description	Maximum Points
<b>Source of Funds Commitments</b>	Total development costs of the project are leveraged over the rate of 1:1 Non CDBG/CDBG funds.	10
	Total development costs of the project are leveraged in the rate of 1:1 Non CDBG/CDBG funds.	8
	Total development costs of the project are leveraged in the rate of .5:1 Non CDBG/CDBG funds.	6
	Total development costs of the project are leveraged in the rate of .25:1 Non CDBG/CDBG funds.	4
	Total development costs of the project are leveraged in the rate of .1:1 Non CDBG/CDBG funds.	2

**The maximum points that will be awarded under the Source of Funds Commitments factor are 10 points.**

provided in "Guía Operacional" de los CHDO's revised for PY 2009. It is expected to assist 2 new certified CHDOs.

For the first year of operation, the CHDOs could request up to \$10,000. For second and subsequent years, CHDOs could ask up to \$50,000 or 50% of their operating budget, whatever is lower.

For projects under construction the developer fee will be recognized as a credit for operating expenses in lieu of CHDO funds.

7. Activity Name: HOME Program Planning and Administration

HOME Allocation: \$1,844,076

Description: The scope of this activity is to provide the framework that will support the planning and administrative roles exclusively for the HOME Program.

10% of the total allocation of HOME Program funds for PY 2008 will be used to cover reasonable administrative and planning costs for general management and coordination of the program, and other eligible costs in accordance with 24 CFR Part 92.207.

#### **Description of Areas of Minority Concentration**

No areas of minority concentration have been identified as 95.1% of the ethnic group is considered Puerto Rican followed by a 2.8% as other Hispanic or Latino for 98.9%.

In terms of race 80.5% of the censuses population in Puerto Rico identified themselves as White, 8% as Black or African American and 6.8% as some other race.

**FIGURE II - Ad Announcing Availability of Funds for Emergency Shelter Grant**

2.

Recorrido de países	<input type="checkbox"/> Nuevo Día <input type="checkbox"/> Primera Hora <input type="checkbox"/> Otros _____	<input checked="" type="checkbox"/> El Vocero <input type="checkbox"/> San Juan Star Pág. <u>14</u>	
Fecha 17-3-09			

**Ad Announcing of the Availability of Funds for Emergency Shelter Grant.**  
**El Vocero, Tuesday March 17, 2009**

  
**DEPARTAMENTO DE LA FAMILIA**  
 SECRETARÍA AUXILIAR DE PLANIFICACIÓN  
 SAN JUAN, PUERTO RICO

**AVISO PÚBLICO**

**Disponibilidad de Fondos  
Programa de Albergue de  
Emergencia para Desahuciados (ESG)**

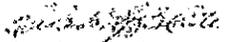
El Departamento de la Familia invita a las Organizaciones No Gubernamentales (ONG) y a los gobiernos municipales que ofrecen servicios a personas sin hogar a solicitar fondos disponibles bajo el Programa de Albergue de Emergencia para Desahuciados (ESG).

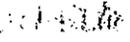
Toda entidad interesada debe comparecer a la orientación el 18 de marzo 2009 a las 8:30 a.m. La misma se llevará a cabo en el Departamento de la Familia, Edificio Lila Mayoral, Ave. Duroso #300, Hato Rey. Salón de Conferencia, 2do Piso.

La fecha límite para recibir la solicitud de fondos es el 21 de abril de 2009, de 8:00 a.m. a 4:30 p.m. en la Secretaría Auxiliar de Planificación, 6to Piso o enviársela a la siguiente dirección:

**DEPARTAMENTO DE LA FAMILIA**  
**SECRETARÍA AUXILIAR DE PLANIFICACIÓN**  
**APARTADO 11398**  
**SAN JUAN, PUERTO RICO 00910-1398**

Para información adicional, favor de llamar al 204-4000, Ext. 2014, 2100 ó 2095.

  
 Gladys López Belmonte Sub Secretarío

  
 Maria de Carmo Castro Secretarío Auxiliar

- Fund projects that address severe shortages in services to the homeless with clearly defined methods to measure the outcomes of these services.
- Support project that best assist persons in moving through the Continuum of Care toward independent living.
- Support projects that will carry out homeless prevention activities.
- Support projects in jurisdictions where comprehensive support and ancillary services are available and accessible to homeless individuals.
- Support projects that can be completed in a timely manner, with measurable outcomes, within budget, and in compliance with all applicable federal and state requirements.

For Program Year 2009 the Department of the Family is determined that projects with the following characteristics will be considered priorities:

- Projects that provide services to chronic homeless
- Emergency and transitional shelter facilities
- Services for underserved populations
- Services for a special need population without services in the community
- Programs that promote activities to generate income for the participants
- The Organization has a Transitional or Permanent housing program

These priorities are not in ranking order. Projects with the above mentioned characteristics will have additional points in the criteria evaluation form.

Funds covered under PY 2009 Action Plan are stated for island-wide availability. The Program does not have any geographic distribution requirement. Since funds are distributed through a competitive process an estimate of the ultimate geographic distribution cannot be predictable.

#### **Description of areas of minority concentration**

No areas of minority concentration have been identified as 95% of the ethnic group is considered Puerto Rican followed by a 2.8% as other Hispanic or Latino for 98.9%.

In terms of race 80.5% of the censured population in Puerto Rico identified themselves as White, 8% as Black or African American and 6.8% as some other race.

#### **b. Proposal Review and Project Selection**

Selection of the homeless projects for funding is one of the most crucial activities ASPI performs. Each year, ESG entitlement funds are distributed through a competitive Request for Proposals (RFP) process to local public and private organizations that serve the homeless population.

## FUNDS TO BE DISTRIBUTED AMONG PROGRAM CATEGORIES

The information below presents a description of the ESG Program activities and a estimated distribution of funds to address priority needs, specific objectives and performance measurements, considering the operation of the Program for the last three years. The final allocation of funds depends on the total entities that present a Request of Proposal for the 2009 ESG funds and the entities determined eligible by the Evaluation Committee.

1. Activity Name: Rehabilitation and conversion of building for use as emergency shelter or transitional housing for the homeless

ESG Allocation: \$124,580.80

Description: **Major rehabilitation** means rehabilitation costs in excess of 75 percent of the value of the building before rehabilitation.

**Conversion** means a change in the use of building to an emergency shelter for the homeless, where the cost of conversion and any rehabilitation costs exceed 75 percent of the value of the building after conversion.

**Renovation** means rehabilitation that involves costs of 75 percent or less of the value of the building before renovation.

Each recipient shall certify that, it will -

- a. In the case of assistance involving major rehabilitation or conversion, maintain any building for which assistance is used under this part as a shelter for homeless individuals and families for not less than a 10-year period; or
- b. in the case of assistance involving rehabilitation (other than major rehabilitation or conversion), maintain any building for which assistance is used under this part as a shelter for homeless individuals and families for not less than a 3-year period.

It is expected that 3 organizations create housing with new / improved availability for 100 homeless stabilized due to access to overnight shelter or other emergency housing support for the purpose of providing decent suitable living environments.

It is expected that 30 organizations create housing with new / improve availability for 8,698 homeless stabilized due to access to overnight shelter or other emergency housing support for the purpose of providing decent suitable living environments.

3. Activity Name: Operational Costs
- ESG Allocation: \$1,463,824.40
- Description: The term "operating costs" means expenses incurred by an entity operating a facility for homeless with respect to:
- a. the administration, maintenance, repair, and security of such housing; and
  - b. utilities, fuels, furnishings, and equipment for such housing.

The legislation and regulations specify various eligible operating costs related to the provision of emergency and transitional housing.

#### Eligible Activities

Payment for shelter maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings. Staff salaries (including fringe benefits) paid under the operating costs category are limited to 10 percent of the grant. Maintenance and security salary costs are not subject to the 10 percent standard. For example, a grantee receiving a \$75,000 ESG grant would be able to pay only \$7,500 (or 10 percent of that amount) for operational staff costs.

It is expected that 40 organizations create housing with new / improved availability for 5,443 homeless stabilized due to access to overnight shelter or other emergency housing support for the purpose of providing decent suitable living environments.

4. Activity Name: Prevention
- ESG Allocation: \$436,032.80
- Description: Homeless prevention means activities or programs designed to prevent the incidence of homelessness, including (but not limited to):

## **ACTIVITIES FOR THE HOPWA PROGRAM [91.320 (d)]**

### **Description of the Method of Distribution**

**Description of the method for distributing funds to local governments and nonprofit organizations to carry out the activities to be undertaken by the state, using funds that are expected to be received under formula allocations (and related program income) and other HUD assistance during the program year**

HOPWA funds will be allocated by the PRDOH to selected project sponsors from non-profit organizations with experience providing services to persons living with HIV/AIDS. Funds availability will be announced through an open request for Proposals (RFP) published in a major newspaper of Puerto Rico. Interested sponsors will submit proposals to be evaluated on a competitive basis, in compliance with a Request for Proposal (RFP) and a Grant Applications Guidance that has been prepared for this purpose.

In addition, the HOPWA Program will continue to sponsor the activity "Tenant-based rental assistance" to address the need for rental housing assistance of the HIV/AIDS population living in the municipalities outside the San Juan Eligible Metropolitan Statistical Area (EMSA). The availability of these funds will be notified in a separate RFP for municipal governments. Applications from the above mentioned municipalities would be accepted if submitted in compliance with the RFP and the Grant Application Guidance. Applications received from non-profit organizations should have been qualified as HOPWA Project Sponsors.

### **Evaluation of Grant Applications**

A team of Health Service Evaluators will evaluate the applications with a standard instrument to assure uniformity and impartiality. The maximum value for this criterion is one hundred (100) points. Site visits to organizations that are requesting funds for new projects will be conducted. This criterion will be based on the facilities' adequacy as observed by the Health Services Evaluators. The maximum value for this criterion is (25) points.

Continuation projects will be selected on a hundred (100) points (Proposal evaluation). New projects will be selected on a one hundred twenty five (125) points (Proposal evaluation plus a site visit).

### **Acceptance of proposals**

For FY 2009 the PRDOH will accept Applications Island wide, including those sponsors from the SJESMA. Nevertheless, the eligible applications from the PRESMA will receive a preference code that will assure priority funding after the application is evaluated. The applications received from the SJESMA will receive a holding code, meaning that these applications will be funded if there are any unallocated funds from the sponsors from the priority code. All the applications will be evaluated by the same standards and criteria. The only difference stands in a geographic criteria established by the Office of Management and Budget (OMB) 2003.

Expected Benefits: 76 patients

Outcome statement: # of HIV/AIDS households receiving TBRA for transitional housing with supportive services for the purpose of affordability of decent housing.

Description: This activity is composed two services: Institutional Hospice and Transitional Housing for Drugs and Alcohol Abuse

**Institutional Hospice** is a service directed to persons living with HIV/AIDS who are terminally ill and who need intensive care for limited period of (12) months. This service includes as its core components the provision of meals, bedroom, case management, nursing, nutritional evaluation, medical assistance and nutritional services and mental health.

**Transitional Housing for Drugs and Alcohol Abuse Treatment** is a service provided to HIV/AIDS patients who are introduced to treatment to reduce or eliminate the abuse of these substances. The treatment will be provided in an inpatient health service setting for a limited period of time that could not exceed two years (24) months for each patient. This service includes the following core components: the provision of meals, bedroom, case management, nursing, mental health assistance, and drug and alcohol addiction counseling.

The services described above are going to be contracted with community based organizations and municipal government identified in the category of permanent housing.

Activity Name: **Permanent Housing**

HOPWA Allocation: \$221,100.00 from FY-2009 and prior year \$200,000 for total of \$421,100.

Limit per Grant: \$60,157.14

Number of Grants: 7

Expected Benefits: 223

Outcome statement: # of HIV/AIDS households receiving TBRA for permanent housing for the purpose of affordability of decent housing.

Description: This activity is composed **three** services: tenant based rental assistance, Short Term Rent Utilities Mortgage (STRUM) and Chronically Mentally Housing

- A. **Tenant Based Rental Assistance** under this activity; the selected municipalities will administer tenant based rental assistance (TBRA) following the instructions in the manual established for this purpose. The participating municipalities will provide priority from their waiting list any listed patient that is waiting award for the issuance of a voucher. The housing assistance payment will be issued according to the payment standard for the locality.

2. Activity Name: **Supportive Services**

Description: The following supportive services as defined by 24 CFR 574.300(b) (7) will be funded by the HOPWA Program: day care, nutritional services, case management. The purpose of this activity is to provide services that will address the most basic and immediate needs of the HIV/AIDS patients that are homeless or in need of receiving complementary services where temporary, transitional, and permanent housing assisted services are available. These supportive services will also strengthen the provision of the other housing assisted services mentioned.

**Day care:** This activity will consist of the provision of meals, recreational, physical and occupational therapies, and nursing services to the HIV/AIDS patients.

HOPWA Allocation: \$238,000.00 from FY-2009 and prior years \$100,700 for total funds \$338,700

Limit per Grant: \$84,675

Number of Grants: 4

Expected Benefits: 360 patients

Outcome statement: #of HIV/AIDS households receiving day care as supportive service for the purpose of sustainability of decent housing

**Nutritional Services:** This activity consist of the provision of meals by a community based organization specialized in preparing and distributing frozen meals designed to address the nutritional needs of the HIV/AIDS patients.

HOPWA Allocation: \$169,183.41 from FY-2009 and prior years \$30,000 for total funds \$199,183.41

Limit per Grant: \$66,394.47

Number of Grants: 3

Expected Benefits: 13,028 patients

Outcome statement: # of HIV/AIDS households receiving nutritional services as supportive service for the purpose of sustainability of decent housing

**Case Management:** This activity will link patients with health care, psychosocial and other services. Key activities include:  
1) Initial assessment of service needs;  
2) Development of an individualized and comprehensive service plan;  
3) Coordination of services required to implement the plan and client monitoring to assess the efficacy of the plan; and  
4) Periodic re-evaluation and adaptation of the plan as

4. Activity Name: **PRHD Administrative Expenses**

HOPWA Allocation: \$51,283.83 from FY-2009 and prior years \$122,211.00 for total of \$173,495.16.

Description: This activity will provide support to the administrative framework of the HOPWA Program within the Housing Service Office Furthermore management area program and purchase of equipment needed for the program. Three percent of the total grant amount will be dedicated to pay for administrative costs relating to managing grant award and allocating money to projects sponsored, in accordance with 24 CFR 574.300(b)(10)(i).

Please refer to Table 2-B Consolidated Plan Listing of Projects HUD Table 3C

The table below illustrates the weighting of the awarding points for the proposals received under the method of distribution. Continuation projects could receive a maximum of 100 points and new projects submitted by new applicants might receive 125 points adding the site visit as additional criteria. The scoring system is based in a 100% grade.

ITEMS FOR CONTINUING PROJECTS	POINTS
Cover page	1.0
Letter of Transmittal	2.0
Description of the Organization	2.0
Administrative Capacity	3.0
Organization's Financial Stability	4.0
Board of Directors	1.0
Operational Capability	4.0
Strategic Plan: Mission, Goals, Objectives	4.0
Scope of Work	10.0
Need Assessment	7.0
Service Area	1.0
Policy on HOPWA Program Compliance	4.0
Services Offered by the Organization	4.0
Demographics of the Persons Served	3.0
Services to be Provided	4.5
Action Plan	25.0
Service Unit Costs	10.0
Expenditures on Professional Services	2.0
Monthly Service Expenditures	8.0
Agreements and Commitments from the	-

## OUTCOMES FOR THE CDBG PROGRAM [91.320 (e)]

### Outcome Measures

The Performance Measurement System established by OCMA is organized around the four type of activities funded with the State CDBG program. These are:

- Housing;
- Economic development;
- Public services; and
- Public facilities.

The outcome statement is constructed using the objectives and outcomes recommended by HUD in the several documents issued to this effect.

For instance the objectives selected are:

***Creating Suitable Living Environments*** relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. This objective relates to activities that are intended to address a wide range of issues faced by low- and moderate-income persons, from physical problems with their environment, such as poor quality infrastructure and public facilities, to social issues such as crime prevention, literacy, or elderly health services. National objectives LMA, LMC and URG will be related to this objective.

***Providing Decent Housing*** covers the wide range of housing activities that are undertaken with CDBG funds, focusing in homebuyer activity and homeowner rehabilitation. National objective LMH will be related to this objective.

***Creating Economic Opportunities*** applies to activities related to economic development, commercial revitalization, or job creation. National objective LMJ will be related to this objective.

The outcomes selected to complete the statement are:

***Availability/Accessibility*** applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities, making the basic of daily living available and accessible to low- and moderate-income people where they live.

***Affordability*** applies to activities that provide affordability in a variety of ways to low- and moderate-income people lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household.

***Sustainability*** applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low-and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or

**Table 3C (Annual Action Plan)**

Through PY 2009, the State CDBG Program expects to assist 1,040,280 persons, with the CDBG funds allocated, as presented in the next TABLE XXII, which is Table 3C, the HUD template that shows the ANNUAL ACTION PLAN PLANNED PROJECT RESULTS arranged by Outcomes and Objectives, Performance Indicators, Expected Number and Activity Description.

**TABLE XXII**

Annual Action Plan Planned Project Results			
Outcomes and Objectives	Performance Indicators	Expected Number	Activity Description
DH-2 Affordability of Decent Housing	Direct financial assistance to homebuyers	20	13 Direct homeownership assistance
DH-3 Sustainability of Decent Housing	Owner occupied units rehabilitated	1,200	14 A Single family rehabilitation
EO-1 Availability/Accessibility of Economic Opportunities	Jobs Created	20	18C Micro enterprise assistance
SL-1 Availability/Accessibility of Suitable Living Environment	Public Facilities	55,000	01 Acquisition of real property
		50,000	03 Public facilities and improvement
		50,000	03 E Neighborhood facilities
		350,000	03F Parks and recreational facilities
		25,000	03H Solid waste disposal
		9,500	03I Flood drain facilities
		11,000	03J Water and sewer facilities
		400,000	03K Street improvements
		35,000	03L Child care center
SL-1 Availability/Accessibility of Suitable Living Environment	Public Services	8,500	05 General public service
		3,000	05A Senior citizens assistance
		4,500	05D Youth services
		35,000	05I Crime awareness
		2,500	05M Health services
<b>*Use one of 9 outcome/objective categories</b>			
	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

## **OUTCOMES FOR THE HOME PROGRAM [91.320 (e)]**

The measures of the Commonwealth **HOME** program performance system (PMS) are incorporated into the method of distribution established in the 5 YHS.

This means that for any activity funded through any category in the method of distribution (e.g., CHDO activity, Homebuyer activity, rental housing, and Homeowner activity) the performance data is collected regardless of the type of project that is awarded.

The system recognizes that the activities may be undertaken for different purposes but achieve the same type of results. With this system, the **HOME** Program can specify the type of outcomes that could be anticipated for any activity based in budget constrictions.

The indicators used by the **HOME** PMS are based on data collected from the contracts awarded by project or activity focused on the performance indicators set in IDIS. The use of a single standardized set of data, regardless of the size of the project means that the **HOME** program could report to HUD in the same language, "rolling up" the results from Puerto Rico to the many other participating jurisdictions from across the country into a set of overall national results by program.

The PMS pursued by the **HOME** program is to incorporate the system into MART, once the modifications to the application are completed. Currently, MART is a Management, Accountability and Reporting Tool that allow the staff of the **HOME** program entered data on project management and accounting. The accounting data is linked to EMPHASYS which is the payee system for the PR Department of Housing. MART reconciles the accounting data with the drawdown made from IDIS and checks issued by EMPHASYS.

This task would be carried out in two stages. The first stage is a manual entry in EXCEL of the project profile. For each category, the project profile will provide the quality control data needed to collect and report the performance expected by the activity. The project profile would be Exhibit I for the project contract. Once entered the data in ACCESS, this application would provide the statistical analysis needed to evaluate the expected performance for the **HOME** Program.

The second stage of the system is the entry of the PMS data collected in MART. Once the PMS data is entered in MART, the application could report on: type of project, project status, physical address, name of the municipality the project is located, postal address, name of the participant receiving the **HOME** assistance, matrix code, number of units developed, number of **HOME** assisted units, affordability period, IDIS activity number, size of household, gender of the head of household, budget allocated to the project, funds disbursed, obligated funds, funds available to draw, family income limit, etc. The module flexibility of the application allows program staff to make any modification to the system as needed and to process and produce any kind of report with the data entered in MART.

The reporting capability of MART allow Program Staff to allocate and review budget decisions, to trace funds disbursement, review the housing production and program benefits comparing the

**OUTCOMES FOR THE ESG PROGRAM [91.320 (e)]**

**STATEMENT OF SPECIFIC ANNUAL OBJETIVES**

The DF is the committed with the objectives of ESG to increase the number and quality of the emergency shelter and transitional housing for homeless individuals and families, to operate these facilities and provide essential services and to help prevent homelessness.

On Program Year 2009, the ESG Program expects to serve **17,601 homeless** with the ESG allocated and reallocated funds to approximately **87 Organizations and Municipalities**. Next **TABLE XXV** is a HUD template that shows the specific annual objectives arranged by:

- Outcome/Objective
- Source of Funds
- Performance Indicator
- Program Year
- Expected Numbers for years 2005-2009
- Actual Numbers for FY 2007 and the
- Percentage Completed for 2007.

These are the Specific Annual Objectives established for PY 2009, corresponding to the fourth year of the DF 5YHS for the 2005-2009 Consolidated Plan.

**TABLE XXV  
OPTIONAL TABLE 3A- SUMMARY OF SPECIFIC ANNUAL OBJECTIVES**

Specific Obj. #	Outcome/Objective Specific Annual Objective	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>DH-1 Availability/Accessibility of Decent Housing</b>							
DH-1.1	1.1.1 Provide Shelter and non residential services to an estimated of 17,000 homeless persons.	ESG	Homeless Shelter Emergency housing	2005	39,695	16,109	40.58%
				2006	17,038	12,597	0.00%
				2007	17,000	16,029	0.00%
				2008	17,000		0.00%
				2009	17,000		0.00%
MULTI-YEAR GOAL					107,733	-	0.00%
<b>DH-2 Affordability/Decent Housing</b>							
DH-2.1	2.1.1 Prevent Homeless to an estimated of 1,400 non-homeless households.	ESG	Homeless prevention	2005	1400	1,330	95.00%
				2006	1400	5,606	0.00%
				2007	1400	1,482	0.00%
				2008	1400		0.00%
				2009	1400		0.00%
MULTI-YEAR GOAL					7,000		19.00%

the performance of the entities are evaluated according to the RSP as well as the program as a whole.

The management of the data is done manually and covers the outputs stated in **TABLE XXVII** and the fields required by IDIS. These fields are: Project Title, Activity Name, Purpose of the Project, Project Description and Purpose of the Activity, and Services Provided.

The reporting capability of the system allows the Program to allocate the funds according to the performance of the entities, review the annual goals, estimate the use of ESG funds according to the certainty of the data reported and follow up program compliance. Also this information is used by the PR State Commission (PRSC), in the preparation of the Balance of State (BoS) Exhibit 1 for the Continuum of Care, as well as for other purposes.

The Program currently is working in adopting an automated ACCESS application to facilitate gathering the data provided by the ESG entities. We are also, coordinating with the organizations that will be implementing the incorporation in the Homeless Information System (HMIS) the data required in the PMS of the ESGP. This action will simplify the process of performance indicators data collection to the ESG entities.

Next table named shows data on the Performance Evaluation Report for the ESG Program.

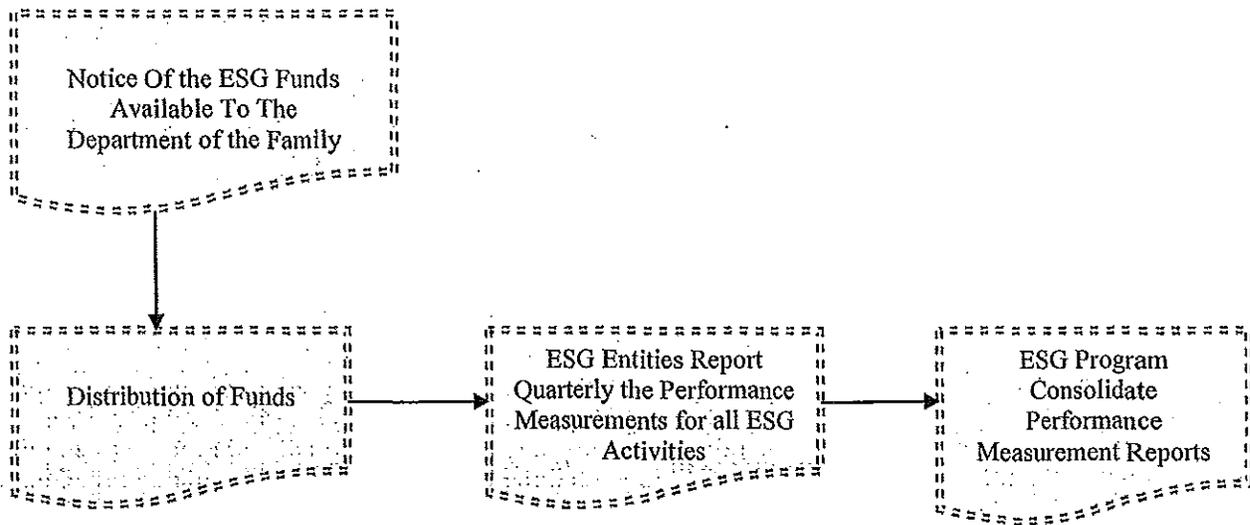
**TABLE XXVII - SUMMARY OF PERFORMANCE MEASUREMENT FOR AVAILABILITY AND AFFORDABILITY OF DECENT HOUSING OF ESG PROGRAM**

PLANNED WORK		INTENDED RESULTS		
INPUT	ACTIVITIES	OUTPUTS	OUTCOMES	IMPACT
\$124,580 estimated to assign.	Rehabilitation and conversion of building for use as emergency shelter or transitional housing for homeless	<b>RESIDENTIAL</b> (Emergency or Transitional Shelter) ___ adults served ___ children served ___ individual households unaccompanied 18 years old and over by sex ___ family households with children headed by single 18 years old and over by sex ___ family households with children headed by single under 18 years old and over by sex ___ family households with children headed by two parents 18 years old and over by sex ___ family households with children headed	3 shelters and services available and accessible to the homeless.	3 organizations created housing available and accessible to the homeless for the purpose of providing decent suitable living environments.

PLANNED WORK		INTENDED RESULTS		
		___ adults and children served  Racial/Ethnic Characteristics  ___ persons Hispanics ___ persons non-Hispanics		
\$934,356 estimated to assign.	Essential services to address the needs of homeless persons living on the street, in emergency shelter or in transitional housing.	<b>RESIDENTIAL</b> (Emergency or Transitional Shelter)  ___ adults served ___ children served  ___ individual households unaccompanied 18 years old and over by sex  ___ family households with children headed by single 18 years old and over by sex  ___ family households with children headed by single under 18 years old and over by sex  ___ family households with children headed by two parents 18 years old and over by sex  ___ family households with children headed by two parents under 18 years old and over by sex  ___ family households with no children  Subpopulation ___ persons chronically homeless ___ persons severely mentally ill ___ chronic substance abuse ___ persons with other disabilities ___ veterans ___ persons with HIV/AIDS	30 shelters and services available and accessible to the homeless.	30 organizations create housing available and accessible to the homeless for the purpose of provide decent suitable living environments.

PLANNED WORK		INTENDED RESULTS		
		by sex <input type="checkbox"/> family households with children headed by single 18 years old and over by sex <input type="checkbox"/> family households with children headed by single under 18 years old and over by sex <input type="checkbox"/> family households with children headed by two parents 18 years old and over by sex <input type="checkbox"/> family households with children headed by two parents under 18 years old and over by sex <input type="checkbox"/> family households with no children		
		Subpopulation <input type="checkbox"/> persons chronically homeless <input type="checkbox"/> persons severely mentally ill <input type="checkbox"/> chronic substance abuse <input type="checkbox"/> persons with other disability <input type="checkbox"/> veterans <input type="checkbox"/> persons with HIV/AIDS <input type="checkbox"/> victims of domestic violence <input type="checkbox"/> elderly  Type of shelter <input type="checkbox"/> persons housed in barracks <input type="checkbox"/> persons housed in group/large house <input type="checkbox"/> persons housed in scattered site apartment <input type="checkbox"/> persons housed in single family detached house <input type="checkbox"/> persons housed in single room occupancy		

**FIGURE VI  
PERFORMANCE MEASUREMENT FOR AVAILABILITY AND  
AFFORDABILITY OF DECENT HOUSING OF ESG PROGRAM**



Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>DH-3 Sustainability of Decent Housing</b>							
DH-3.1	3.1.1 Short term rental, utilities and mortgage payments	HOPWA	Homeless prevention	2005	80	85	106.25%
				2006	90	400	444.40%
		OTHER		2007	100		0.00%
				2008	110		0.00%
				2009	120		0.00%
				MULTI-YEAR GOAL	500	485	96.80%
	3.1.2 Nutritional services to HIV/AIDS patients	HOPWA	Public services	2005	50	68	136.00%
				2006	60	56	93.33%
		OTHER		2007	70		0.00%
				2008	80		0.00%
				2009	90		0.00%
				MULTI-YEAR GOAL	350	124	35.42%
	3.1.3 Day care services to HIV/AIDS patients	HOPWA	Public services	2005	25	34	136.00%
				2006	30	48	160.00%
		OTHER		2007	35		0.00%
		2008		40		0.00%	
		2009		45		0.00%	
			MULTI-YEAR GOAL	175	82	46.85%	
3.1.4 Case management to HIV/AIDS patients	HOPWA	Public Services	2005	250	298	46.85%	
			2006	270	200	119.20%	
	OTHER		2007	290	0	74.07%	
			2008	300		0.00%	
			2009	300		0.00%	
					1,410	498	35.31
					3,310	784	23.68

The above table has not been updated and will be completed during FY 2009.

### The Performance Measurement System for the HOPWA Program

The Performance Measurement System (PMS) established by the PRDOH is organized around the housing activity and the support services that could be funded with the State HOPWA program. The outcome statement is constructed using the objectives and outcomes recommended by HUD in June 15, 2006 in the several documents posted in the Internet issued to this effect.

For instance the decent housing objectives is selected because, this objective covers three housing activities that are undertaken with HOPWA funds, focusing into the affordability of short term, transitional and permanent housing with or without supportive services to the patients of HIV/AIDS.

### **Short Term Rental Mortgage Utilities (STRMU)**

- Total number of households receiving STRMU assistance, broken down by:
  - The number that received mortgage assistance.
  - The number that received assistance in the prior reporting year; and
  - The number that received assistance in the prior two reporting years.
- Total number of persons receiving STRMU assistance, broken down by:
  - The number of persons with HIV/AIDS; and
  - The number of other family members.
- Number of persons receiving assistance by gender, age, race, and ethnicity.
- Number of households receiving HOPWA assistance by income category.
- Prior living situation of household.
- Number of households exiting the program, by destination or life event.
- Total STRMU expenditures.

### **Supportive Services**

- The number of persons receiving support services in coordination with housing assistance, broken down by:
  - The number of persons with HIV/AIDS; and
  - The number of other family members.
- The number of persons receiving supportive services only, broken down by:
  - The number of persons with HIV/AIDS; and
  - The number of other family members.
  - The amount expended on each service activity.
- The number of persons placed in jobs through supportive service expenditures (e.g., case management, employment assistance).

### **Permanent Housing Placement**

- Total number of households receiving housing placement assistance.
- Total housing placement expenditures.
- Number of households receiving housing information services.
- Total expenditures.

The correlation of the objective and outcome will produce an outcome statement that will allow the PRDOH report the benefits of the State HOPWA Program including type of activity, outcome statement, specific indicator and activity classification.

The chart shown in FIGURE VII, demonstrate the relationship of the performance measurement system within the method of distribution of the HOPWA Program, which is activated once the Notice of Fund Availability is announce to the Governor of Puerto Rico.





new Secretariat with the responsibility to canalized those services that will continue to guide the social and economical development of the residents living in the public housing communities.

With the legal basis established, the Secretary of Housing order the reorganization of the **PRDH**, consolidating within one Secretariat the federal and Commonwealth housing assistance provided to low income individuals and their community at large. Now, under one seat, the HUD programs are guided and broaden its mission to service the housing needs of the citizens of Puerto Rico.

The **PRDH** will continue the intergovernmental coordination and cooperation between the Commonwealth's agencies and the federal government in its efforts to produce and preserve affordable housing within the Island, pursuing the goals and objectives for preserving the supply of affordable housing and promoting community development activities, as set forth in the **5YHS**.

#### **Enhance Coordination between Public and Private Housing and Social Service Agencies**

With this new perspective, the **PRDH** will continue to conduct and foster open participation, including supportive assistance, with the goal of facilitating meaningful involvement. It will work to increase participation at all levels, especially among extremely low and very-low income groups, as well as those traditionally under-represented, involving organizations, which represent need populations across the Island.

The **PRDH** recognizes the importance of partnering or collaborating with other agencies to help serve its housing needs. Non-profit organizations play an important role in the provision of affordable housing, supportive housing and social services, and economic development activities. Local organizations, with direct public contact, have a clear view and understanding of the **PRDH's** housing and human services needs. Such organizations are an essential part of the institutional structure, and typically serve in one or more of the following capacities:

- They are eligible to receive public and private funds or resources targeted at serving need populations,
- They are legally restricted or structured by organizational charter to serve lower income or specific needs population,
- They are identified by regulation, program or otherwise allowed to undertake certain governmental programs serving need populations or,
- They are daily contact with, represent or advocate on behalf of certain populations in need.

Private sector participants in the preservation or development of the **PRHD's** housing

Toward this end, the **PRDH** will encourage coordination among these providers. Of particular note is the on-going communication between the PRHD and such organizations in the areas of fair housing, program policy and funding requests. Through these types of working partnerships, the **PRDH** can ensure that available resources are used to their fullest potential.

No exception is the private sector. They are a key element in the planning, financing, construction and marketing of affordable housing. They are partners in the continuous discussion of the most pressing needs of the community.

### **Address the Needs of Public Housing**

The Commonwealth **HOME** Program does not provide financial assistance to any troubled public housing agency in Puerto Rico.

The San Juan HUB Office of Public Housing reports that the Puerto Rico Public Housing Administration (PRPHA), that owns 55,712 dwelling units in 338 public housing projects across the island, with the exception of the Municipality of Culebra, is presently designated a Standard PHA on the Public Housing Assessment System (PHAS). The factors considered by the system are: management, physical and financial performance and compliance. The San Juan Hub Office of Public Housing (Field Office) also considered qualitative factors. The PRPHA is in compliance with statutes, and the rules of governance provide acceptable representation of resident concerns and representation on the Board of Commissioners.

Nevertheless, six objectives have been Commonwealth by the PRPHA in their 2009 PHA Plan. These are:

1. Increase the availability of decent, safe and affordable housing, as the agency expand the supply of assisted housing by means of modernizing and preserving the existing housing stock, reducing public housing vacancies, leveraging private or other public funds to create additional housing opportunities, acquiring or building units or developments, identification of vacant or underutilized land within the PRPHA or Commonwealth agencies to develop affordable housing, apply for rental vouchers, increase Homeownership opportunities, among others.
2. Improve the quality of life of the tenants assisted through the improvement of the public housing management, increasing the residents satisfaction in the areas of maintenance, repair, communication, safety, services and neighborhood appearance, modernize public housing units, demolish or dispose of obsolete public housing, replace public housing units, provide Homeownership initiatives, develop and implement "Greenhouse" initiatives, and develop affordable housing.
3. Expand the tenants housing choices by implementing a public housing site-based waiting list by AMP's.

## **OTHER ACTIONS FOR THE ESG PROGRAM [91.320(j)]**

### **Actions to Evaluate and Reduce Lead Based Paint Hazards**

The Department of the Family will require to the ESG organizations that provided housing or other services regularly frequented by children less than 6 years old age a certification that the property where they provide the services to the homeless is free of lead-base hazard from a qualified professional. Also, we will encourage the recipients to use ESG funds for testing and for abatement procedures.

### **Actions to Reduce the Number of Poverty Level Families**

The DF will continue enforcing its Mission Statement which establishes it is the Department's mission "to facilitate the empowerment and self-sufficiency of the persons, families and the communities; promoting their strengthening sensibly, and respectful of theirs needs and aspirations for development and peace".

To reach this mission, the reduction of the number of poverty level families in Puerto Rico is a primary goal of the Department of the Family. The programs described in Table XVIII are implemented island-wide to help reduce further socio-economic deterioration for those in poverty.

### **Reduce the number of poverty level families**

The PRDOH strategy to reduce the number of poverty level families whose household are HIV/AIDS patients is to improve the housing services rendered to them. The HOPWA plan covers all the housing venues that a HIV/AIDS patient might need to reach in order to focus in their medical treatment.

### **Develop institutional structure**

FIGURE IV below shows that the Secretary of Health has full oversight of the operations of the agency, placing under the Office of the Under Secretary of Health the general operation of the agency. Below the Under Secretary are placed the offices of the Assistant Secretariats which are divided in six branches that report directly to the Under Secretary of Health. Within these six assistant secretariats the Assistant Secretary for Disease Prevention was placed. In this secretariat the agency established OCASET which is the Spanish acronym for Central Office for AIDS and Transmissible Diseases Affairs. This Office has the role to promote and maintain the link between the agency and the faith based and community organizations that offer direct services to HIV/AIDS patients. This by the means of identifying necessities, planning, request of funds, coordination for the implantation of activities and keep record of all projects and programs subsidized originated from fund provided by Ryan White Care Act, Housing Opportunities for Person with AIDS (HOPWA) and legislative funds assigned for day care and shelter for homeless.

- They provide the social/community service components as a complementary network to the State programs.
- Non-profit organizations have a long, positive history of cooperation with the municipal and state agencies. The State HOPWA program seeks to expand opportunities for nonprofit organizations, particularly newer organizations, to engage now in housing development for the HIV/AIDS patients. This is an alternative to promote an affordable rental housing market.

**Address the needs of public housing (including providing financial or other assistance to troubled public housing agencies)**

No HOPWA funds are committed to address the needs of public housing.

**Encourage public housing residents to become more involved in management and participate in homeownership**

No HOPWA funds are committed to encourage public housing residents to become more involved in management and participation in homeownership.

The non-entitlement municipalities should comply first with the following administrative requirements, in order to receive the authorization to submit an application for participation in the LGA program.

- Status of the monitoring reports. The municipality with open monitoring reports will not be able to present a 108 application.
- Must have closed up to the 2006 PY.
- Timely presentation of the single audit report.
- Reach a timeliness ratio of 2.5 by June 30, 2009.

Once the administrative requirements are cleared, the Section 108 Program Specialist would prepare for the Commissioner, the letter of invitation to the applicant, to submit the LGA application. In such letter, the applicant would be advised to fulfill the following requirements.

The application must meet the State LGA Program requirements. In addition, the following information must be provided:

- A statement of policy which will describe the project concept, timetable and source of funds. For economic development activities, that are based in it's own revenue for the repayment of the loan, a feasibility study is mandatory, in order to evaluate its cash flow for repayment of the loan.
- Estimated project schedule, indicating the point in which the Section 108 financing will be needed to be in place.
- Financial information and cash flow projections to allow assessment of the repayment capacity and project feasibility.
- Documentation of the methodology to asses benefits to low-income persons.
- Evidence of the municipal legislature resolution authorizing the submission of the LGA application.
- Certification that the environmental review record for the project is underway.
- Execution of the LGA certifications required by HUD.
- The community development objectives the applicant proposes to pursue with the guaranteed loan funds, as stated in the State Consolidated Plan.
- The activities the applicant proposes to carry out with the guaranteed loan funds. Each activity must be described in sufficient detail, including the specific provision under which it is eligible and the national objective to be met: to benefit low moderate-income persons or aid in the elimination or prevention of slums and blight, or meet other community development needs having a particular urgency.
- The amount of guaranteed loan funds expected to be used, and location, to allow citizens to determine the degree to which they will be affected. The proposed application must indicate which activities are expected to generate program income. The application must also describe where citizens may obtain additional information about proposed activities.

The applicant should describe the proposed collaterals that would secure the Section 108

## PROGRAM SPECIFIC REQUIREMENTS FOR HOME PROGRAM [91.320 (k)]

### Description of Other Forms of Investment

In compliance with 24 CFR 92.205 (b) (1), the PRDH will not use other forms of investment for the HOME Program other than the award of a grant to provide incentives to develop and support affordable rental housing and Homeownership affordability through the acquisition (including assistance to Homebuyers), new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations.

In addition HOME funds will be use to provide payment of reasonable administrative and planning costs; and to provide for the payment of operating expenses of community housing development organizations.

### Refinancing Guidelines to Refinance Existing Debt Secured by Multifamily Housing that is being rehabilitated with HOME Funds

No Commonwealth HOME funds will be used to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds based rental assistance.

### Description of the Recapture Guidelines for the Homebuyer Activity

The PRDH policy adopted to ensure affordability in compliance with 24 CFR 92.254 titled Qualification as Affordable Housing: homeownership, is the Resale Option as established in 24 CFR (a) (5) (ii).

For many potential Homebuyers, the biggest barrier to Homeownership is the downpayment and closing costs. While they may have a steady income that would allow them to make monthly payments, they do not have the means to save for the upfront costs of purchasing a HOME. In these cases, HOME funds can be provided to create an affordable stock of housing for any prospective low income Homebuyer.

In order to assure the maintenance of the affordable housing stock, the HOME program does set affordability periods that relate to the resale of the property. These periods are based on the amount of HOME funds provided for the property, in compliance with the Table below.

TABLE XXXI  
TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HOME Funds	Homeownership	Rental
Under \$15,000	5 years	5 years
\$15,000 - \$40,000	10 years	10 years
Over \$40,000	15 years	15 years
New Construction	Not Applicable	20 years

- (b) That the funding raised by the mortgage refinancing would be use for **HOME** improvements, approved by the **HOME** Program and that no cash will be use for other means;
  - (c) That the refinancing would improve the current mortgage payment, either lowering the monthly installments, interest rate or maturity term.
- (4) The PRHD would conduct periodic inspections on the **HOME** assisted housing during the affordability period to verify program compliance.
  - (5) Resale of the property should be authorized in advanced by the **PRDH**, and such offering should be made only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale price at resale should provide the original **HOME**-assisted owner a fair return on investment (including the Homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income Homebuyers.
  - (6) The **HOME** equity and any increase in the appraised value of the property should be kept in the property, to help meet the affordability criteria for the new Homebuyer.
  - (7) The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.
  - (8) **PRDH** may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

**Description of the Local Market Conditions that led to Use the of HOME Funds for the TBRA Program**

No Commonwealth **HOME** funds will be used to provide tenant based rental assistance.

**Description of the Policy and Procedures it will Follow to Affirmatively Market Housing Containing Five or More HOME-Assisted Units**

The Commonwealth **HOME** Program revised and adopted the Affirmative Fair Housing Plan guidelines for rental projects island wide.

The **PRDH**'s policy request to rental and planned development project owners to not discriminate against any person on the grounds of race, color, national origin, religion,

- The owner or sub recipient must demonstrate compliance with Fair Housing requirements and will maintain information of the race, gender, and ethnicity of applicants and participants.
- Applicants for **HOME** Program funds for the development or rehabilitation of housing units for sale or rent must submit a marketing plan to attract prospective Homebuyers or tenants regardless of religion, gender, disability or other characteristic and form HUD 935.2-Affirmative Fair Housing Marketing Plan

The Affirmative Marketing Plan should include the following data:

- Use of minority-owned media as part of the marketing efforts,
- English language other than Spanish should be used where necessary,
- Methods of informing the public and potential beneficiaries about fair housing laws. The advertisement message should be easily understood by target groups in the area, and should not imply restrictions for any specific group,
- Maintenance of records to evidence actions taken to affirmatively market **HOME**-assisted units and to assess marketing effectiveness, and
- Methods to respond to complaints and remedial steps to resolve situations, among other relevant actions. (HUD-903. Housing Discrimination Complaint).
- The developers, owners or other sub recipients of **HOME** funds may well use form HUD-903 to file and respond to beneficiaries' housing discrimination complaints.

The following laws and regulations are to be complied with, as a means to achieve fair housing, equal access and equal opportunities:

- Section 504 of the Rehabilitation Act of 1973
- Architectural Barriers Act of 1968
- Section 119 of the Rehabilitation, Comprehensive Services and Developmental Disabilities of 1978
- Americans with Disabilities Act of 1990
- Fair Housing Act
- Davis Bacon and related acts
- Equal Employment Opportunity, Executive Order 11246
- Women's Business Enterprise: Executive Orders 11625, 12432 and 12138
- Section 3 of the Housing and Urban Development Act of 1968

**PROGRAM SPECIFIC REQUIREMENTS FOR ESG PROGRAM [91.320 (k) (4)]**

The PRDF has made special efforts to keep the non-profit organizations informed and properly oriented regarding the availability of funds. An availability of funds/Request for Proposals announcement is published in two Spanish newspapers of wide circulation throughout the Island. Also, on PY 2009 the DF will communicate to the PR Homeless Coalitions the availability of the funds with the purpose that they communicated the information to theirs members.

**Discharge Policy**

The Department of the Family will be reviewing procedures of discharge policy through the "Concilio Multisectorial" created by Act-Num. 130 approved in November 2007.

2. Copy of the current PHA Plan approved by HUD. The approved plan could be the either the Standard or the Streamlined format.
3. Copy of the current Administrative Plan approved by HUD or the HOPWA Program.
4. Copy of the current Single Audit Report filed with HUD and copy of the corrective actions taken if any findings were made to the Housing Choice Voucher Program.

### **Eligibility Criteria for Faith-Based and Community Organizations**

In order to a Faith-Based and Community Organizations be eligible to request HOPWA funds under any of the categories of: temporary housing, transitional housing with supportive services, short-term rental, utility and mortgage assistance and supportive services such as day care, nutritional services, health, psychology and case management, the entity should be recognized as a HOPWA sponsor. The designation runs for four years. For first time certification the entity should present the documentation mention below.

The requirements to be certified as a HOPWA Sponsor are:

- Any Faith-Based and Community Organizations located at any municipality in the Island of Puerto Rico, including Vieques and Culebra is eligible to be certify as a HOPWA Sponsor.
- The entity must be registered in the State Department and filed all the annual reports required by the agency.
  - Should present the Good Standing Certificate
- The bylaws and/or charter must indicate that the entity main objective is to offer services to HIV/AIDS patients.
  - Should present copy of the corporate charter, bylaws or a Board of Director's Resolution indicating the goals and objectives of the entity toward servicing the HIV/AIDS patients.
- Composition of the Board of Director
  - Should present the record of the board members by: name, occupation, mailing address, telephone number, and group representation.
  - No less than 1/3 of the board members should represent HIV/AIDS patients.
- Must have a certified financial management system.
  - Certification from an external certified public accountant that the organization accounting and financial system met compliance of 24 CFR 84.21 "Standards for Financial Management Systems".
  - Must have a Strategic Plan approved by the Board of Directors establishing the mission, vision, objectives and goals towards servicing the HIV/AIDS patients.
  - Should present the organization profile on past performance, including federal and non federal funding awarded towards

## **MONITORING FOR THE CDBG PROGRAM (91.330)**

### **Standards and Procedures to Monitor Activities Carried Out In Furtherance of the Plan**

For PY 2009 OCMA established standards and procedures that would use to monitor activities carried out in the 2009 Action Plan. The standards established considered six important elements. These are:

- Risk Analysis

The risk analysis is undertaken at the end of the PY to evaluate the performance carried out by the non-entitlement municipalities. The statistics lifted provide an scenario on their performance, thus ranking such performance as: High Risk, Medium Risk and Low Risk.

- Calendar

OCMA prepares an annual calendar on the type of monitoring that they will perform according the data provided by the Risk Analysis. High Risk municipalities will be scheduled for field monitoring reviews, while Medium Risk are scheduled for field or desk review, depending on their ranking. Low Risk municipalities are schedule for desk review,

- Desk Review

This is the standard use for Low Risk and those Medium Risk municipalities that their actions could be monitor through telephone inquiries. Any request for documentation could be transmitted through mail, fax, e-mail or personally. With this technique OCMA expects to clear the task in agenda without any complication.

- Field Review

This is the standard use for High Risk and those Medium Risk municipalities that their actions warrant a field visit. The monitoring official is in the field verifying documentation on any project or activity, interviewing municipal officials and contractors if needed. Findings made are presented to the Assistant Commissioner before the preparation of the monitoring report.

- Preparation of the Monitoring Report

The Monitoring Report is prepared 30 days after the exit conference. In this conference an explanation of the issues worked and findings made is presented to the mayor. The report mentions the concerns, question costs and disallowed costs, if any, were found during the field visit. The municipality has 30 days to clear any

**Actions It Will Use To Ensure Long-Term Compliance with Housing Codes**

Housing codes are enforced following the Housing Rehabilitation Guideline adopted by OCMA. The non-entitlement municipalities conduct two inspections on the property: at the filing of the application and a second inspection at the termination of the activity. These two inspections document the improvements made to the housing unit, ensuring long-term compliance with housing codes

**Actions to Be Taken To Monitor Its Subrecipients**

It is the policy of OCMA to operate the State CDBG Program on its own, so, there will not be no subrecipients to monitor for the PY.

circumstances which are expected to lead to a permanent increase in the program's goals for future years.

In addition, all program division heads are required to report to the **HOME** Director any significant alterations or changes (which will be realized or put into effect for more than 6 months) in terms of funds obligated and rate of funds expended.

By the end of the quarter, each program division head submit to the **HOME** Director their reports as well as identify any additional corrective action proposed to ensure conformance with the goals and strategies reported in the Consolidated Plan. Changes in the scope of any of the activities planned or underway, deletion or addition of a Consolidated Plan activity and changes which result in a funding reduction greater than 30% of a total activity category shall be reported immediately to the **HOME** Director.

The **HOME** Director will review each report submitted to determine the impacts of the identified changes on the five-year plan. If necessary, he will consult with the division heads to bring the program activities into conformance with the Consolidated Plan or to revise the provisions of the Consolidated Plan accordingly. In addition, through the review of these reports, the **HOME** Director will determine if a "Substantial Amendment" must be submitted to HUD.

The goal to insure compliance with the **HOME** Program requirements is to determine if housing assistance is being delivered to low and very low-income families. This will be executed by identifying administrative and operational deficiencies in all eligible activities and to make the applicable corrective actions in order to prevent and avoid fraud or mismanagement with **HOME** program funds. Remote monitoring will be conducted on those activities that do not present a risk factor, such as the Homebuyer activity. On-site monitoring will be conducted at all rental activity and the construction of affordable housing for sale and rental, as well the Homeowner and rental rehabilitation activities and Homeowner occupancy. These activities are considered as high risk.

### **Actions to Monitor Program's Performance in Meeting its Goals and Objectives**

The actions taken to insure compliance on the PY 2009 **HOME** funded activities are:

#### **Rental Occupancy**

##### *Record-keeping*

- Documentation of the rental projects should be monitor for the duration of the affordability period according to the random sample based in the size of the project.
- Records of its regular inspections of each rental project.
- *Property standards:* The owner records should show that the **HOME-**

- The property could be available to a buyer whose family qualifies as a low-income family and the unit will be its principal residence.
- It is totally prohibited to sell, lease, donate or execute a permutation of the property without previous consent of the PRDH. If the beneficiary does not comply with the stipulated requirements, he will be obligated to reimburse the total of **HOME** funds assigned.

### **Project development**

For housing construction projects for rental or for sale, monitoring begins at project predevelopment phase and continues through the period of affordability.

For example, at predevelopment, environmental land use issues and constructions permits should be cleared before the commitment of **HOME** funds.

During construction, the Commonwealth **HOME** Program will require progress reports (weekly, monthly, quarterly, or with each draw request) that flag any pending or anticipated problems on the construction progress of the project.

Regular meetings, to discuss issues and provide any technical assistance, will be held at least every four months, including periodic site visits to evaluate progress.

Project schedule will be monitor closely, pursuing the following issues:

1. Is the project on schedule and have all major milestones been met?
2. If the project has been completed, are required annual reviews and recertifications planned and scheduled for the coming year?

Regarding project accomplishments, the following issues will be pursuing:

1. Is the project meeting standards established in the written agreement?
2. Are costs on target?
3. Are the number of units proposed being produced?
4. If applicable, is the quality of the construction acceptable?
5. If the project is finished, have the **HOME**-assisted units been rented/sold to income-eligible households?

To insure compliance with the timeliness of expenditures and commitments the Fiscal Division has establish the monthly fiscal review report, as a reporting tool that shows the actual rate of expenditures for the program. This is a worksheet prepared in EXCEL that

**TABLE XXXII**  
**SCHEDULE OF RENTAL PROJECT MONITORING**

<b>OWNER</b>	<b>PROJECT NAME</b>	<b>MUNICIPALITY</b>	<b>H</b>	<b>U</b>
	<b>SAMPLE</b>			
Privado	APARTAMENTOS ROSA II	San Juan	40	20%
Privado	LA MERCED ELDERLY	San Juan	50	20%
Private	APARTAMENTOS ROSA I	San Juan	60	20%
Private	HOGAR AMPARO	San Juan	75	20%
Private	ELIZABETH MARIE APARTMENT	Adjuntas	5	50%
Private	APARTAMANENTOS Santa Paula	Juana Díaz	4	100%
Private	Edificio Marrero	Morovis	5	50%
Private	LOS GEMELOS	Utua	5	50%
Private	Aptos. Oscar	Lares	6	50%
Private	Aptos. Cecilia	Juana Díaz	4	100%
Private	APARTAMENTOS ESTANCIA VILLAMIL	Hatillo	6	50%
Private	Aptos. Amelia	Comerio	6	50%
Private	Aptos. Salich	Juana Díaz	8	50%
Private	Aptos. Ortiz	Juncos	8	50%
Private	Edificio Zemog	Ponce	12	50%
CHDO	REMANSO DE LA ESPERANZA	Caguas	26	20%
CHDO	LA FONDITA DE JESUS	San Juan	25	50%
CHDO	HOGAR LA PIEDAD	Caguas	26	20%
Private	JARDINES DE LOIZA	Loiza	27	50%
CHDO	VILLAS DEL PEREGRINO (MUN. CAGUAS)	Caguas	40	20%
Private	Colegio y Egida de Enfermeras Practicas	San Juan	81	20%
CHDO	PENINSULA HOUSES	San Juan	102	20%
Private	LOIZA HOME FOR THE ELDERLY (FASE II)	Loiza	120	20%
CHDO	YAUCO ELDERLY HOUSING	Yauco	136	20%

An accepted "rule-of-thumb" is to inspect at least 15 % to 20 % of the **HOME**-assisted units in a project, and a minimum of one unit in every building.

Property standards apply to the common areas and the building's exterior, not only the **HOME** units. Any deficiencies seen in these areas must be addressed.

It is the policy of the **PRDH** to operate the **HOME** Program on it's own, so, their will not be any subrecipient to monitor for the program year.

## **MONITORING FOR THE HOPWA PROGRAM (91.230)**

### **Standards and procedures that it will use to monitor activities carried out in furtherance of the plan**

The PRDHTH is preparing two monitoring manuals that will provide the standards and procedures to monitor the Annual Action Plan activities set forth by HUD in 24 CFR 91.230. The first manual relates to the tenant based rental assistance carried out by the municipalities and the second manual relates to the activities conducted by the Project Sponsors. These two manuals define the monitoring criteria that will be use to review the activities carried out by the sponsors furthering the goals and objectives of the 5-Year Strategic Plan for the State HOPWA Program for PY's 2005-2010.

### **Actions to be taken by the State to monitor its performance in meeting its goals and objectives set forth in its Consolidated Plan and steps/actions being taken to insure compliance with program requirements**

- 1) The PRDHTH will monitor the terms and conditions of its contract with the Project Sponsor, assisting in the administration of the HOPWA funding. This includes: compliance with the timeframe of the agreement, rate of expenditures, eligibility of expenses, and implementation of eligible activities under the HOPWA Program. In addition, this includes ensuring that HOPWA funds are distributed in an unbiased, equitable, and consistent manner.
- 2) Students from the Graduate School of Public Health will participate in the HOPWA Proposal Evaluation Committee to evaluate the proposals submitted by the Project Sponsors in terms of the HOPWA requirement and completeness for funding.
- 3) Program Staff, along with the Project Sponsor receiving HOPWA funds, will visit their projects in order to ensure service provision according to the contracts, accomplishment of all terms and conditions of the contracts, and verify proper documentation on client eligibility, rent restrictions, and disbursements. In so doing, the PRDHTH will take issues of client confidentiality into consideration.
- 4) Project Sponsors receiving HOPWA funding will be required to submit quarterly reports, including statistical information that will be entered into the IDIS system and the Performance Measurement System adopted by the PRDHTH.
- 5) When necessary, an HIV/AIDS Housing Needs Assessment will be undertaken to update the extent of need for affordable housing and supportive services by the HIV/AIDS affected community.
- 6) When needed, organizations with a high risk profile will be addressed to the Office of Internal Audits of the PRDOH for evaluation and further recommendations.

## STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

**Affirmatively Further Fair Housing --** The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

**Anti-displacement and Relocation Plan --** It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

**Drug Free Workplace --** It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Establishing an ongoing drug-free awareness program to inform employees about -
  - (a) The dangers of drug abuse in the workplace;
  - (b) The grantee's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
  - (a) Abide by the terms of the statement; and
  - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

*James P. McCall*      *May 15, 2009*

Signature/Authorized Official

Date

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GOVERNOR

Title

Check  if there are workplaces on file that are not identified here; The certification with regard to the drug-free workplace required by 24 CFR Part 24, subpart F.

9. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C.812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

3. Special Assessments The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

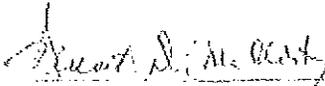
It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3610), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.

  
Signature/Authorized Official

May 15 2009  
Date

Acting  
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**ESG Certifications**

The State seeking funds under the Emergency Shelter Program (ESG) certifies that it will ensure that its recipients of ESG funds comply with the following requirements:

**Major rehabilitation/conversion --** In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major, the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

**Essential Services and Operating Costs --** Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

**Renovation --** Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

**Supportive Services --** It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, local, and private assistance for such individuals.

**Matching Funds --** It will obtain matching amounts required under 24 CFR 576.51 and 42 USC 11375, including a description of the sources and amounts of such supplemental funds, as provided by the State, units of general local government or nonprofit organizations.

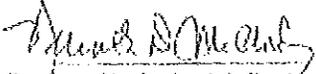
**Confidentiality --** It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

**Homeless Persons Involvement --** To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

**Consolidated Plan --** It is following a current HUD-approved Consolidated Plan or CHAS.

**Discharge Policy --** It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

**HMIS --** It will comply with HUD's standards for participation in a local Homeless Management Information System and the collection and reporting of client-level information.

  
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May 15, 2009  
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Date





**EXHIBIT III**  
**SUMMARY OF CITIZEN COMMENTS OR VIEWS ON THE PLAN**

The following are the responses to the comments made to the draft plan.

Program	Commentator	Comment	Response
CDBG	Iris Carrasquillo Consultant	The comments made by the Mayor of Naguabo were not addressed in the final plan.	The responses to the mayor comments are included in the final version presented to HUD.
CDBG	Iris Carrasquillo Consultant	If OCMA has derogated the Policy Regarding Program Income in the Competitive round.	The program income policy is still in effect.
CDBG	Iris Carrasquillo Consultant	During the Consolidated Plan Public hearing an amendment to the Existing Citizen Participation Plan was requested to the Municipalities. This request is inconsistent with the Certification required by the Competition Process in which Municipalities must certify that the Citizen Participation Plan is current and has not been amended without OCMA authorization.	The Changes requested by OCMA are officially requested and part of the Annual Action Plan. Municipalities must amend their plan in order to be eligible for funding.
CDBG	Iris Carrasquillo Consultant	The description of the Economic Assistance for housing rehabilitation appears to be a material donation program. In addition the plan does not require compliance with any housing rehabilitation standard.	It is correct that the description included in the plan convert the program into a material donation. CDBG program regulations do not require that units rehabilitated with CDBG funds comply with local codes and standards and/or are adequate, safe and sanitary.

**EXHIBIT IV**  
**SUBSIDIES PER PROJECT DEVELOPMENT**

MSA	MUNICIPALITIES	Sale Price	Subsidy
Aguadilla	Aguada, Aguadilla, Añasco, Isabela, Lares, Moca, Rincón and San Sebastián	\$90,000	\$45,895
		105,000	60,895
		120,000	75,895
Arecibo	Arecibo, Camuy and Hatillo	\$90,000	\$45,895
		105,000	60,895
		120,000	75,895
Barranquitas	Aibonito, Barranquitas, Ciales, Maunabo, Orocovis and Quebradillas	\$90,000	\$45,895
		105,000	60,895
		120,000	75,895
Caguas	Caguas, Cayey, Cidra, Gurabo and San Lorenzo	\$90,000	\$37,197
		105,000	52,197
		120,000	67,197
Fajardo	Ceiba, Fajardo and Luquillo	\$90,000	\$24,962
		105,000	39,962
		120,000	54,962
Guayama	Arroyo, Guayama and Patillas	\$90,000	\$43,123
		105,000	58,123
		120,000	73,123
Mayagüez	Hormigueros and Mayagüez	\$90,000	\$40,160
		105,000	55,160
		120,000	70,160
Non-Metro	Adjuntas, Coamo, Culebra, Jayuya, Las Marías, Maricao, Salinas, Santa Isabel, Utuado and Vieques	\$90,000	\$49,460
		105,000	64,460
		120,000	79,460
	Only Culebra and Vieques	125,000	84,460
Ponce	Juana Díaz, Ponce and Villalba	\$90,000	\$33,660
		105,000	48,660
		120,000	63,660
San Germán	Cabo Rojo, Lajas, Sabana Grande and San Germán	\$90,000	\$33,660
		105,000	48,660
		120,000	63,660
San Juan	Aguas Buenas, Barceloneta, Bayamón, Canovanas, Carolina, Cataño, Comerío, Corozal, Dorado, Florida, Guaynabo, Humacao, Juncos, Las Piedras, Loiza, Manatí, Morovis, Naguabo, Naranjito, Río Grande, San Juan, Toa Alta, Toa Baja, Trujillo Alto, Vega Alta, Vega Baja and Yabucoa.	\$90,000	\$24,962
		105,000	39,962
		120,000	54,962
	Only Bayamón, Guaynabo and San Juan	125,000	59,962
Yauco	Guánica, Guayanilla, Peñuelas and Yauco	\$90,000	\$33,660
		105,000	48,660
		120,000	68,660

**EXHIBIT V**  
**SUBSIDIES PER HOMEBUYER ASSISTANCE**

MUNICIPALITIES	MSA	Sale Price	Subsidy Range
Aguada, Aguadilla, Aibonito, Añasco, Barranquitas, Cabo Rojo, Ciales, Guánica, Guayanilla, Hormigueros, Isabela, Lajas, Lares, Maunabo, Mayagüez, Moca, Orocovis, Peñuelas, Quebradillas, Rincón, San Sebastián, Sabana Grande, San Germán and Yauco.	Aguadilla, Barranquitas, Mayagüez San Germán and Yauco	\$90,000	\$1,000-\$55,000
		\$105,000	\$1,000-\$65,000
		\$120,000	\$1,000-\$70,000
Ceiba, Fajardo, Luquillo, Aguas Buenas, Barceloneta, Bayamón, Canóvanas, Carolina, Cataño, Comerío, Corozal, Dorado, Florida, Guaynabo, Humacao, Juncos, Las Piedras, Loíza, Manatí, Morovis, Naguabo, Naranjito, Río Grande, San Juan, Toa Alta, Toa Baja, Trujillo Alto, Vega Alta, Vega Baja and Yabucoa.	Fajardo and San Juan	\$90,000	\$1,000-\$45,000
		\$105,000	\$1,000-\$55,000
		\$120,000	\$1,000-\$60,000
Arecibo, Caguas, Camuy, Cayey, Cidra, Gurabo, Hatillo, Juana Díaz, Ponce, San Lorenzo and Villalba	Arecibo, Caguas and Ponce	\$90,000	\$1,000-\$45,000
		\$105,000	\$1,000-\$60,000
		\$120,000	\$1,000-\$65,000
Adjuntas, Arroyo, Coamo, Culebra, Guayama, Jayuya, Las Marías, Maricao, Patillas, Salinas Santa Isabel, Utuado and Vieques.	Guayama and Non-Metro	\$90,000	\$1,000-\$65,000
		\$105,000	\$1,000-\$70,000
		\$120,000	\$1,000-\$75,000