

**COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER FOR MUNICIPAL AFFAIRS**

**STATE ACTION PLAN
2004-2005**

**CDBG
HOME
ESG
HOPWA**

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**COMMONWEALTH OF PUERTO RICO
EXECUTIVE SUMMARY/ ACTION PLAN
FISCAL YEAR 2004-2005**

The U.S. Department of Housing and Urban Development, Community Planning and Development (CPD) formula programs funds for Puerto Rico, at State level include: Community Development Block Grant, Emergency Shelter Grant, Housing Opportunities for People with AIDS and Home Investment Partnership Program as follows:

STATE AGENCY	PROGRAM	ALLOCATION 2004-05
OFFICE OF THE COMMISSIONER FOR MUNICIPAL AFFAIRS	CDBG	\$55,726,006
P.R. DEPARTMENT OF HOUSING	HOME	\$16,870,423
<ul style="list-style-type: none"> American Dream Downpayment Initiative-FY 2003 		\$498,685
P.R. DEPARTMENT OF FAMILY AFFAIRS	ESG	\$3,026,509
P.R. DEPARTMENT OF HEALTH	HOPWA	\$1,748,000

The lead agency for the Consolidated Plan strategy is the Office of the Commissioner for Municipal Affairs.

In accordance to the regulations at 24 CFR Part 91, one year Action Plan was prepared based on the specific needs and goals of local and state level following the Commonwealth of Puerto Rico Consolidated Plan strategy. All federal and state laws and regulations have been considered along with the strategic policy of the governor of Puerto Rico, Hon. Sila María Calderón, in the development of an operationally feasible document.

This Plan constitutes an application for federal funds, and at the same time is a planning document elaborated on participatory grounds, based on performance assessment, that serves as a strategic document in carrying out the contemplated programs.

In our effort to improve a pro-active citizen participation, we continue developing strategies, at State and local levels. The coordination by the Interagency Task Force

composed of the key staff of the four agencies that administer the programs encourages the active, on going participation process at all levels.

Citizen participation continually nourishes the planning and development process. Various strategies, such as the following, were developed to ensure that community needs and expectancies were taken into account:

- At the individual level, letters have been acknowledged and personal interviews have been conducted at State and local levels, where needs were reported and addressed. This helped the local government to have first hand communication with their citizens.
- Meetings with members of the private sector were held in order to acknowledge their needs and take into account their projections in accordance to the government's policy.
- Meetings have been held with non-for profit organizations to develop strategies regarding their active role in the community.
- Meetings were held with local government officials, in order to consider local policies and planning.

The Action Plan, in accordance to the Consolidated Plan, furthers three (3) basic national goals, mainly directed and developed to benefit particularly, low and moderate and very low-income individuals. These goals are:

- To expand economic opportunities.
- To provide a suitable living environment.
- To provide decent housing.

Trough the description of each program objective, the State explains how the distribution of funds will directly address priority needs and objectives, as described in the Consolidated Plan. It also addresses the necessary link between need and action as Stated in the Consolidated Plan, 24 CFR Part 91.

CDBG PROGRAM

The Office of the Commissioner for Municipal Affairs (OCMA) is the Agency responsible for administering the State CDBG Program. The mission of the State CDBG Program is to promote the improvement of the economic and physical environment in the non-entitlement small cities, for the benefit, primarily, of low and moderate income residents. The mission is achieved through a consolidated process that promotes coordination and participation of all the elements responsible for the development of the community.

For program year 2004-2005 the State CDBG Program, will allocate funds to 51 non-entitlement municipalities, using a basic allocation and a competitive method.

Consistent with the overall goals, funds will be available to assist eligible applicants in carrying out Community Development (Infrastructure, Public Facilities), Economic Development, Housing activities and Public Services that will benefit mostly low-income persons.

The State CDBG program objectives are:

- Support and encourage viable strategies to expand housing as well as economic opportunities for low and moderate income persons.
- Assist units of the local government and their communities in the development and implementation of plans and strategies to address the priority needs of low and moderate income persons.
- Coordinate and encourage, on an on going basis, the relationship between all the parties involved in the need/problem solving within our communities.
- Assist communities in administering community development initiatives, in order to achieve goals in a timely fashion.

The above priority needs and specific objectives are described in the State Consolidated Plan. The fiscal year 2004 distribution of funds addresses them.

HOME PROGRAM

The HOME Program (Home Investment Partnerships Act), established under Title II of the National Affordable Housing Act of 1990 was created to provide decent, safe and affordable housing to low and very-low income families, and to minimize rent burdens and deteriorating housing dwellings.

The goals of the PR Department of Housing (PRDH) and the State HOME Program are to:

- Promote housing development surrounded by a safe environment, articulated within an environmental, social, and economic context, and to expand the supply of affordable housing to benefit those sectors in need of a home, and to maximize the land use in an ordered atmosphere.
- Expand the supply of affordable housing for low and very low - income families by providing financial and technical assistance to qualified organizations or individuals for housing development or rehabilitation;
- Strengthen partnerships among all levels of government, municipalities, private sector and non-profit entities in the design and development of affordable housing;
- Promote and encourage the participation of community-based nonprofit organizations in addressing affordable housing needs and set-aside funds to assure their involvement in the housing strategies; and

- Provide financial and technical assistance to participating jurisdictions, including the development of model programs for low and very low - income families.

On February 10, 1992, HUD designated the Commonwealth of Puerto Rico eligible to participate in the State HOME Investment Partnerships Program. The PRDH became the agency of the Commonwealth of Puerto Rico nominated for the administration of the State HOME Program in accordance with 24 CFR Part 92.105. The Planning and Technical Services Division of the PRDH did have the responsibility to administer the Program until September 2002 when the Housing Development and Improvements Administration assume the direction of the State Home Program.



The **mission** of ADMV is to develop and improve the housing conditions in communities of extreme poverty and to promote the optimal use of land and the quality of life in order to contribute to increase the housing inventory for low and very low income persons.

The State HOME Program **objectives and priorities** for Puerto Rico, for Fiscal Year 2004-2005 are to:

- Provide subsidy for the rehabilitation of existing units for rental or homeownership,
- Provide funds to Community Housing Development Organizations (CHDOs) and private developers for new construction for sale or rent,

- Provide financial assistance to low-income homebuyers in order to assist them to reduce their mortgage loans to purchase a house.
- Assist eligible low-income families to become first-time homebuyers by providing down payment assistance and closing costs, pursuant Subtitle E of Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 as amended, better known as the *American Dream Downpayment Initiative*.
- Encourage and sponsor the development of projects to assist special needs population.
- Contribute to fulfill the strategic goals of the PR Department of Housing and the Commonwealth of Puerto Rico toward the new construction and rehabilitation of affordable, safe, and decent housing units for low and very-low income families.
- Encourage the participation of nonprofit community based organizations to become CHDOs. A 15% of the total allocation of the State HOME Program funds must be set aside for use by certified CHDOs, to fund housing that will be owned, developed or sponsored by these entities.
- Encourage local governments to support nonprofit organizations as housing developers with the objective to increase the number of housing units constructed and rehabilitated or managed by social and community oriented groups.
- Provide technical assistance to HOME funds subrecipients in the areas of participant's qualification, management, federal and local requirements, and eligible activities and costs, among other areas, as required in the 24 CFR Part 92. Including TA to entities regarding the initiative of the participation of Faith-Based Organizations in HUD programs.
- Complete the re-organization process of the State HOME Program and recruit the resources needed to reinforce all areas of the Program.
- Monitor activities as per monitoring guidelines and plan adopted pursuant the 24 CFR Part 92.
- Develop, implement and maintain effective and efficient systems, controls and procedures to improve and assure compliance with federal regulations in the management of all aspects of the State HOME Program.
- Assist municipalities (island-wide) in the development and implementation of plans and strategies to address their communities and urban centers housing needs; focusing in the following initiatives:

A. Special Communities

The Government of the Commonwealth of Puerto Rico enacted the Law No. 1 of March 1, 2001 for the Socioeconomic Development and Empowerment of the Special Communities of PR, which created the *Oficina de Comunidades Especiales*. The Act establishes the public policy to identify areas of extreme poverty, the coordination of services, and initiatives among public agencies, community organizations, and private sector. In addition, the Act establishes the assignment of resources for infrastructure and housing improvements. On the other hand, the Act presents the need to address social and health problems in order to improve the quality of life of the Special Communities. The Office of Special Communities is also directed to encourage and promote self-sufficiency and empowerment among the residents.

"*Comunidad Especial*" is a low, very low or extremely low income underserved area, geographically defined, characterized by an unequal access to resources obtained by other sectors of our society, with lack of infrastructure, living in deteriorated and dilapidated housing dwellings, adverse environmental or high risk conditions, with a diverse variety of social problems, among other unacceptable situations. There are 686 communities identified.

The Special Communities Program is funded with state funds managed by the Perpetual Trust Fund for Special Communities and are projected to match state, private, and federal funding, among them, HOME Program funds.

The Housing Development and Improvements Administration (ADMV) of the PR Department of Housing is the agency in charge of the housing component of the Special Communities program. An estimate of \$690,000,000 (from the Perpetual Trust Funds for Special Communities) was assigned to the PR Department of Housing for the development of affordable housing, infrastructure and other projects.

ADMV has the responsibility for the implementation and development of housing rehabilitation and development, infrastructure and public facilities within the 222 *Comunidades Especiales* that revealed multiple housing priorities such as: property titles, dilapidated and deteriorated homes, overcrowded housing dwellings, lack of infrastructure and utilities services, and high risk environmental conditions, among other needs. Likewise, ADMV will also contribute to the economic development and job creation in those communities by hiring residents for construction projects.

The PR Department of Transportation and Public Works (DTOP) is responsible for the development and improvement of infrastructure and public facilities of the rest of the Special Communities.

B. Revitalization of Urban Centers

Another initiative of the Government of the Commonwealth of Puerto Rico is the *revitalization of urban centers* around the Island, created by the Law No. 212 of 2002 for the Revitalization of Urban Centers. The need for creating livable cities will integrate several factors such as: special, economic, physical, environmental, and quality of living.

This action will contribute to consolidate urban uses and activities in the inner cities by the support of state and local governments.

The PR Department of Housing has undertaken the tasks of rehabilitate and develops new housing units in partnership with municipalities and the DTOP, which is the agency responsible for this initiative. This component is fundamental for the renewal of the urban centers. The projects will be developed with state, local and federal funds.

One of the most effective resources for implementing this initiative is the HOME Program, which will benefit low-income families to obtain decent, secure and affordable housing in the urban centers

The PRDH has initiated the coordination process for housing development in the available locations in the urban centers. The housing projects complement the urban revitalization strategies, in accordance with the Memorandum of Agreement between the PRDH and the Urbanism Area of the PR Department of Transportation and Public Works.

Currently, there are sixteen (16) housing projects located in eleven (11) municipalities, with an estimated investment of more than \$33,000,000.

The PRDH and the DTOP are planning to begin the construction of nine (9) urban projects by the June 2004.

Urban Center Projects *

Urban Center Project / Location	Investment	Estimated Housing Units	Planning Phase	Design Phase	Projected Initiation of Construction
Aibonito <i>Aibonito Phase I</i>	\$3,000,000	40	✓		September 04
Arecibo <i>Apartamentos Buenos Aires</i>	\$1,051,803	11		✓	June 04
Coamo <i>Calle Santaella</i>	Not determined	3		✓	June 04
<i>Calle Barbosa</i>	Not determined	10		✓	June 04
<i>Calle José I. Quintón</i>	Not determined	16		✓	June 04
<i>Apartamentos Umpierre</i>	\$2,352,607	24		✓	August 04
Culebra <i>Apartamentos Pedro Márquez</i>	\$943,618	8		✓	June 04
<i>Apartamentos Fulladosa</i>	\$1,410,802	18		✓	June 04
Humacao <i>Avenida Font Calero</i>	\$1,676,442	18		✓	June 04
Jayuya <i>Altos del Río</i>	\$4,410,778	60		✓	June 04
Luquillo <i>Centro Urbano</i>	\$2,100,000	36	✓		August 04
Mayagüez <i>Rehabilitación Antiguo Edif. Tienda Paco</i>	\$666,451	8	✓		September 04
<i>Centro Urbano Mayagüez</i>	Not determined	Not determined	✓		September 04
San Germán <i>Comunidad Sal Si Puedes</i>	\$4,989,231	50		✓	August 04
Toa Alta <i>Residencias Altos del Toa</i>	\$7,245,000	120	✓		August 04
Yauco <i>Jardín del Paraíso</i>	\$3,499,834	45		✓	June 04
Total	\$33,346,566	467			

- Information provided by the Planning and Technical Services Division of the PRDH.

HOPWA PROGRAM

The Puerto Rico Department of Health (PRDOH) is the agency responsible for defining and implementing AIDS service and treatment policies in Puerto Rico. The program "Housing Opportunities for Persons with AIDS" (HOPWA) is administered by the Special Projects Office under the jurisdiction of the Central Office for AIDS Affairs and Communicable Diseases (OCASET). The former manages all HIV/AIDS programs, including the Ryan White Title II Program.

Both HOPWA and Ryan White Title II provide funding for a vast array of services to the HIV/AIDS population in Puerto Rico. The two programs provide complementary services to all HIV patients in the island.

The PRDOH has as a general goal to facilitate adequate housing through the planning, coordination, and implementation of housing assistance and supportive services for the HIV/AIDS population provided by HOPWA funds. This goal will be accomplished by the participation of all sponsored entities (community-based organizations, consortia, and local government offices).

As objectives, the Special Projects Office will:

- develop strategies and procedures to measure clients and project sponsors' needs;
- provide capacity building and technical assistance on budget, programmatic, and fiscal aspects of project sponsors;
- develop monitoring procedures to evaluate the organization's performance;
- perform ongoing monitoring activities to evaluate fiscal, program, and clients' provision of services.

Ninety seven percent (97%) of HOPWA funds will be allocated to non-profit organizations, mainly community based organizations, located throughout the island, with experience serving the HIV/AIDS population and local government units (municipalities).

The services that the HOPWA program will sponsor are divided into two (2) major areas:

- **Housing Assistance** (Eligible activities: short-term facilities [i.e., shelters] and short term rent, mortgage and utilities payment);
- **Supportive Services** (Eligible activities: such as, but not limited to, case management, nutritional and mental health services, home health care, adult day care and hospice).

The eligible participants must be HIV/AIDS patients and meet the low -income range of the Metropolitan Statistical Areas (EMSAs) of Puerto Rico median income.

ESG PROGRAM

The Puerto Rico Department of the Family administers the Emergency Shelter Grants Program for the Commonwealth of Puerto Rico. Under the ESG Program Assistance will be provided according to following major categories of eligible activities:

- Rehabilitation and conversion of building for the use as emergency shelter or transitional housing for the homeless;
- Essential services (up to 30% of ESG funds);
- Operating cost
- Prevention (up to 30% of ESG funds. Financial assistance and supportive service that may be provide to help prevent persons from becoming homeless).
- Administrative Cost (up to 5% for administering the grant).

Homelessness presents a serious problem impacting all areas of Puerto Rico's economy, social structure, and health sector. In Puerto Rico, officials have fewer and less sophisticate resources with which to measure the homeless problem. In 1997, **The Puerto Rico Coalition for the Rights of the Homeless** report estimates that there are over 29,000 homeless individuals throughout the Commonwealth. Our data collection efforts have been insufficient to task, but the significant evidence that the counted homeless and the score of as yet uncounted homeless suffer for: **mental illness, substance abuse, HIV/AIDS, Hepatitis B and Tuberculosis**. It is estimates that over 80% of the homeless population suffer from some kind of mental illness.

In December 1998, the Telemarketing Solutions Corporation conducted a survey in all the 78 municipalities of the island to study the homeless population. A sample of approximately 3,191 homeless people participates in the survey. Some of the survey's findings are:

1. The homeless population in Puerto Rico is dynamic and fluid.
2. The population may divide in three different groups. These groups include the forty-seven percent (47%) of the homeless population living in the street; forty-six percent (46 %) in transitional housing and only six (6%) in emergency shelters.
3. The average age of the homeless person in Puerto Rico is 34.2 year.

Most of the homeless who need shelter, transitional housing, support, and other services are abusing drugs and/or alcohol, and can not take maximum advantage of the services available without receiving detoxification and treatment to promote their rehabilitation. In addition, this population encounters barriers in services because of the lack of documentation, such as social security card, birth certificate, veteran status, etc, necessary to receive services. This is attributed to the fact that the majority of the homeless individuals are addicts.

In 2000 the firm Estudios Técnicos performed a study of the homeless subpopulations and disclosed these statistics:

- 76.9% - Persons with Substance Abuse Problems
- 58% - Persons with a Criminal Record
- 56.00%-Persons with Mental Illness
- 15.3% - Homeless Veterans
- 11.3% - HIV Patients
- 10.4% - Victims of Domestic Violence

The Puerto Rico Commission for Implementation of Public Policy on the Homeless or the Puerto Rico State Commission (PRSC) conducted an Island Wide Homeless One-Day Census in May 28th, 2003. The Count in the Municipality of Caguas and the Correctional Administration was carried on a different date. The total number of sheltered and unsheltered homeless counted throughout Puerto Rico was 7,071. Based on secondary sources including the methodology used for estimating street dwelling homeless in the 1990 Census (Elizabeth Martin et al., *Issues in the Use of a Plant-Capture Method for Estimating the Size of Street Dwelling Population*) the homeless population is higher than that counted. In the Plant Capture Method, the Office of the Census researchers placed "Plants" (Observers dressed as homeless to assess the effectiveness of the Count.) In New Orleans they counted 67% of the "Plants", New York 37%, Los Angeles 33% and in Chicago 7%. With this information we can extrapolate the total street dwelling population in Puerto Rico to be between 10,554 and 101,014. Also, the One Day Count found that:

- The 80% of the homeless were masculine and 20% feminine;
- The majority of the homeless were between 26 and 46 years old;
 - 20.3% with 33-39 years old
 - 19.1% with 26-32 years old
 - 15.9% with 40-46 years old.

(Please, refer to the Enclosure 1 for more details.)

We recognize that the needs of the homeless person in Puerto Rico are diverse and wide-ranging. Unfortunately, these needs are often not met, or met inadequately.

The Puerto Rico Department of Family pursues the following ESG program objectives:

- To increase the number and quality of the emergency shelter and transitional housing facilities for homeless individual and families.
- To operate these facilities and provide essential services.
- To help prevent homelessness.

The Commonwealth of PR's ESG program will provide funds for the renovation, major rehabilitation or conversion of buildings to be used as emergency shelters for the homeless; shelter operating expenses such as utilities, rent, equipment, etc.; limited

essential services that included medical, social, psychological and nutritional counseling and certain activities to prevent homelessness, in accordance with 24CFR part 576. Priorities established by the State include;

- Families (single mothers)
- Homeless
- Drugs and alcohol abused persons
- HIV
- Domestic violence victims
- Elderly

**COMMONWEALTH OF PUERTO RICO
STATE ACTION PLAN
FISCAL YEAR 2004-2005**

CITIZEN PARTICIPATION

The State Action Plan for 2004 was developed by a consolidated team composed by members of the agencies that administer the programs of the CPD, under the guidance of the Office of the Commissioner for Municipal Affairs, (Acronyms OCMA).

The information about needs and priorities related to assist housing, health services and social services (including those focused on services to elderly persons, homeless, persons with disabilities and persons with HIV/AIDS) was obtained as part of the consolidated agency task force and citizen participation planning process.

The State conducted several activities to promote citizen participation and provided adequate information about the Action Plan. Participants had the opportunity to ask questions and express opinions in all areas related to the housing and community needs, existing and new strategies and the proposed Action Plan for housing and community development.

The public hearing was held on March 5, 2004, with the participation of 208 citizens, 99 organizations that receive ESG Funds were invited to participate by the Puerto Rico Department of the Family. The Department of Health invited 20 organizations to participate of the public hearing. A notification was mailed to local jurisdictions. The attendees were encouraged to comment about housing, economic and community development needs/priorities and submit comments during the 30-days comment period. A panel constituted by the Commissioner and Sub-Commissioner of OCMA, ESG Program, HOME Program and HOPWA Program staff provided information about the Action Plan and the proposed method of distribution for each formula program. OCMA received comments from organizations such as: government's agencies, local governments, community leaders' non profits organizations and concerned citizens.

During the hearing the attendees obtained copy of the newspaper advertisement of funds distribution. A sign language specialist was present to provide services, if needed, to persons with disabilities.

Copies of the Action Plan were available at the following locations:

Municipal Federal Affairs Office	78 Municipalities
OCMA	1
PRHD	1
PRFAD	1
PRHD	1

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

- Consulted with majors and staff from units of local government.
- Engaged in community development planning activities.
- Provided extensive technical assistance to majors, staff, and interested parties in connection with community development programs.
- Required local governments 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 citizen participation process throughout the year, by workshops, seminars and direct contact.

OCMA encourages public comments. Written comments could be sent to:

The Office of the Commissioner of Municipal Affairs
Office of Federal Affairs
P.O. Box 70167
San Juan, P.R. 00936-8167

Fax: 763-5970

For more information to order a copy of 2004-2005 Annual Action Plan, citizen could call OCMA at 754-1600.

RESOURCES

Federal Resources

The State allocation of Funds for FY 2004-2005 follows:

HUD CPD Resources	
Program	Allocation
Community Development Block Grant	\$55,726,006.00
HOME Investment Partnerships Program	\$16,870,423.00
• American Dream Downpayment Initiative FY 2003	\$ 498,685.00
Housing Opportunities for Persons With AIDS	\$ 3,026,509.00
Emergency Shelter Grant	\$ 1,748,000.00
Total	\$77,869,623.00

Other Federal Resources

Other Federal Resources	
Source of Funds	Type of Funds
HUD Public Housing program	Provides funds for the construction, maintenance, and rehabilitation of public Housing Units. Allocation is \$591,798,757.
HUD Section 8 program	Provides funds for tenant based and project-based rental assistance, administered by ARCO (Administración para la Revitalización de Comunidades) Allocation is \$47,256,000.
Ryan White Funds	Provides funds for the HIV/AIDS patients administered by the Puerto Rico Department of Health. The amount of \$1,120,548.00 will be available in 2004-2005.

Other Funding Sources

State funds from the executive and legislative branch and municipal funds will be available and used to assist the development of HUD funded activities, plus maximizing HUD funds.

Specific Program Narratives- Resources

OFFICE OF THE COMMISSIONER FOR MUNICIPAL AFFAIRS

FEDERAL RESOURCES- CDBG

Under CDBG, the following funds will be available to assist the development of activities:

Section 108 Loans Guarantee	Provide the State with an efficient source of financing to meet needs in non-entitlement areas administered by OCMA. \$278,630,030 CDBG funds are available to apply in the loan program.
Disaster Recovery Initiative Grant	Provided \$15,172,960 for disaster mitigation. Administered by OCMA. Actually the obligated balance is \$1,870,476.91.

PUERTO RICO DEPARTMENT OF HOUSING

FEDERAL RESOURCES- HOME Grant Funds

The Government of the Commonwealth of Puerto Rico will receive \$16,870,423 of HOME Program funds for FY 2004-2005. HOME funds will be allocated for the development and rehabilitation of affordable housing for low and very low-income families. The PR Department of Housing will allocate HOME funds as follows:

Grant Funds by Activity for FY 2004-2005

HOME Program Activities	Allocation	%
New construction for sale	\$6,284,232	37%
Rehabilitation or new construction for rent	\$3,711,493	22%
Homebuyer assistance	\$2,530,563	15%
Community Housing Development Organizations- CHDOs (<i>Set-aside</i>)	\$2,530,563	15%
State HOME Program administration activities	\$1,687,042	10%
Community Housing Development Organizations- CHDOs (<i>Operating expenses</i>)	\$126,530	1%
Total	\$ 16,870,423	100%

As shown above HOME Program funds will be distributed among the eligible activities as established in the 24 CFR Part 92.

In addition, the PRDH will receive the amount of \$498,685 under the *American Dream Downpayment Initiative* (ADDI), to be administered by the HOME Program to assist first-time homebuyers.

Program Income

Program income is the gross income received by the PJ, sub recipient or State 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 to assist homebuyers, and if needed, to cover administrative cost, not exceeding 10% of the total amount generated.

The State 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 State 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.

Other specific considerations will be taking into account according to 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. The PJ's management accounting and reporting system allows tracking those proceeds and take the proper actions.

As of December 2003, the State HOME Program has a balance of **\$20,852** of **program income** to be used for administrative activities, in accordance with HOME Program requirements and regulations.

In addition, the State HOME Program has the amount of **\$66,627** of **recaptured funds**. Those funds will be used in housing activities for which a drawdown is requested. Since recaptured funds are, a return of those originally invested, that amount will not be used for administrative or planning costs.

OTHER FEDERAL RESOURCES

Other federal sources of funds to address housing needs through the PR Department of Housing are from Public Housing and Section 8 Programs.

For FY 2004-2005, the estimated consolidated budget of the PR Public Housing Administration is approximately \$337 millions. Of that amount, \$318,600 are from federal programs.

Other Federal Resources (Estimates)

Sources of Funds	Amount	Description
Public Housing Programs	\$318,600,000	Funds will be used for PRPHA operational costs and maintenance, modernization and improvements of public housing projects island wide.
Section 8 Program Housing Choice Voucher Program	\$47,256,000	Estimated budget will be allocated to assist low-income families and victims of the domestic violence to rent a home.

The Community Revitalization Administration (Administración para la Revitalización de la Comunidades (ARCO), created by Law 211 of September 30, 1995 will receive approximately \$47,256,000 of HUD's Housing Choice Voucher Program (Section 8) to benefit domestic violence victims and low-income families in need of a home for rent. ARCO is the agency designated by the Hon. Ileana Echogoyen, PRDH Secretary to administer Section 8 Program.

HUD approved the Administrative Plan for Homeownership prepared by the PRDH Section 8 Program to benefit eligible participants to purchase a home. This is another initiative regarding the promotion of homeownership and self-sufficiency activities.

OTHER RESOURCES

Private Sources

For the new construction or rehabilitation of rental or sale activities, private developers must demonstrate their financial capability and resources for the development of the housing projects.

Private banking institutions are contributing in the development of affordable housing providing financing up to 80% of housing costs, to homebuyers that qualify for a loan mortgage, in order to make feasible the acquisition.

Non-federal Public Sources

The PR Department of Housing counts with public resources from the Commonwealth of Puerto Rico and the legislative branches for the development of affordable housing to benefit low and very low-income families and individuals such as:

Programs by Agency

AGENCY	PROGRAM	DESCRIPTION
ADMV	<i>Rehabilitación en su Sitio</i>	Provides rehabilitation assistance to families living in communities classified in <u>Zone M</u> by the PR Planning Board. (M=mejoras: improvements)
	<i>Vivienda a Bajo Costo</i>	Housing development services provided to communities located in parcels owned by ADMV.
	<i>Vivienda para Envejecientes</i>	Relocation assistance for elderly citizens living in unsuitable housing conditions.
	<i>Mejoras Físicas Permanentes</i>	Assist communities in need of infrastructure improvements.
	<i>Desarrollo y Mejoramiento Comunitario y Familiar</i>	Evaluates applications for the distribution, adjudication and sale of parcels. Provides property titles to <i>usufructuarios</i> , occupants, or land tenants.
	<i>Renacer Viequense</i>	Provides assistance for housing rehabilitation and new construction in various communities in Vieques.
Autoridad Financiamiento de la Vivienda (AFV)	<i>La Llave para tu Hogar</i>	Assists homebuyers for down payment assistance and related costs.
	<i>Nuevo Hogar Seguro</i>	Construction of new secure housing dwellings. Provides assistance for the relocation of

AGENCY	PROGRAM	DESCRIPTION
		families or individuals living in high-risk environmental areas.
	Direct Loans	Provides loans to eligible persons to acquire or rehabilitate their homes.
	Subsidy for Affordable Housing Law 124	Direct subsidy to homebuyers to be applied to down payment.
	Permanent Financing-Tax Credits	
	Mortgage Insurance	
PR Department of Housing	Assistance for Domestic Violence Victims	Provides assistance to women victims of domestic violence.
	Low-Income Housing Tax Credits - Law 140	Credits applicable to rental projects.
	Tax Credits for Housing Infrastructure - Law 98	
	<i>Fideicomiso Perpetuo para las Comunidades Especiales</i>	New construction and housing rehabilitation. Development of infrastructure and public facilities within the 222 <i>Comunidades Especiales</i> that revealed multiple housing priorities such as: property titles, dilapidated and deteriorated homes, overcrowded housing dwellings, lack of infrastructure and utilities services, and high risk environmental conditions, among other needs.
	Law 173	Rental Assistance for the elderly.
PR Public Housing Administration (AVP)	Law 131	Provides public housing eligible residents the opportunity to become homeowners for \$1.00.

AGENCY	PROGRAM	DESCRIPTION
	PR Government Development Bank	AVP negotiated a Loan
Community Revitalization Administration (ARCO)	General Fund	Promotes economic and social development among public residents and special communities in order to reduce dependency from the government and increase self-sufficiency. Provides housing options for low income families.

It is necessary to point out that permanent financing for HOME assisted homebuyers could be processed through the Puerto Rico Housing Finance Authority. The homebuyer purchase assistance will be granted directly to low-income families.

Leveraging Resources

The State HOME Program will continue leveraging HOME Program funds for rental projects that are eligible for Low Income Housing Tax Credits (LIHTC), giving preferences to those projects as well as applicants for the local investment tax credit. Law No. 140 was enacted on October 21, 2001, better known as *Law for Income Tax Credits for the Investment in Housing Construction and Rehabilitation for Rental to Low and Moderate Income Families*.

In addition, the PR Department of Housing is combining HOME funded projects with the Perpetual Trust Fund for the Special Communities, Section 8 Project-Based Rental Assistance, and State Law 173 funds— Elderly Rental Assistance, created to support and maintain affordable rental projects for low-income families and elderly citizens, among other available funds.

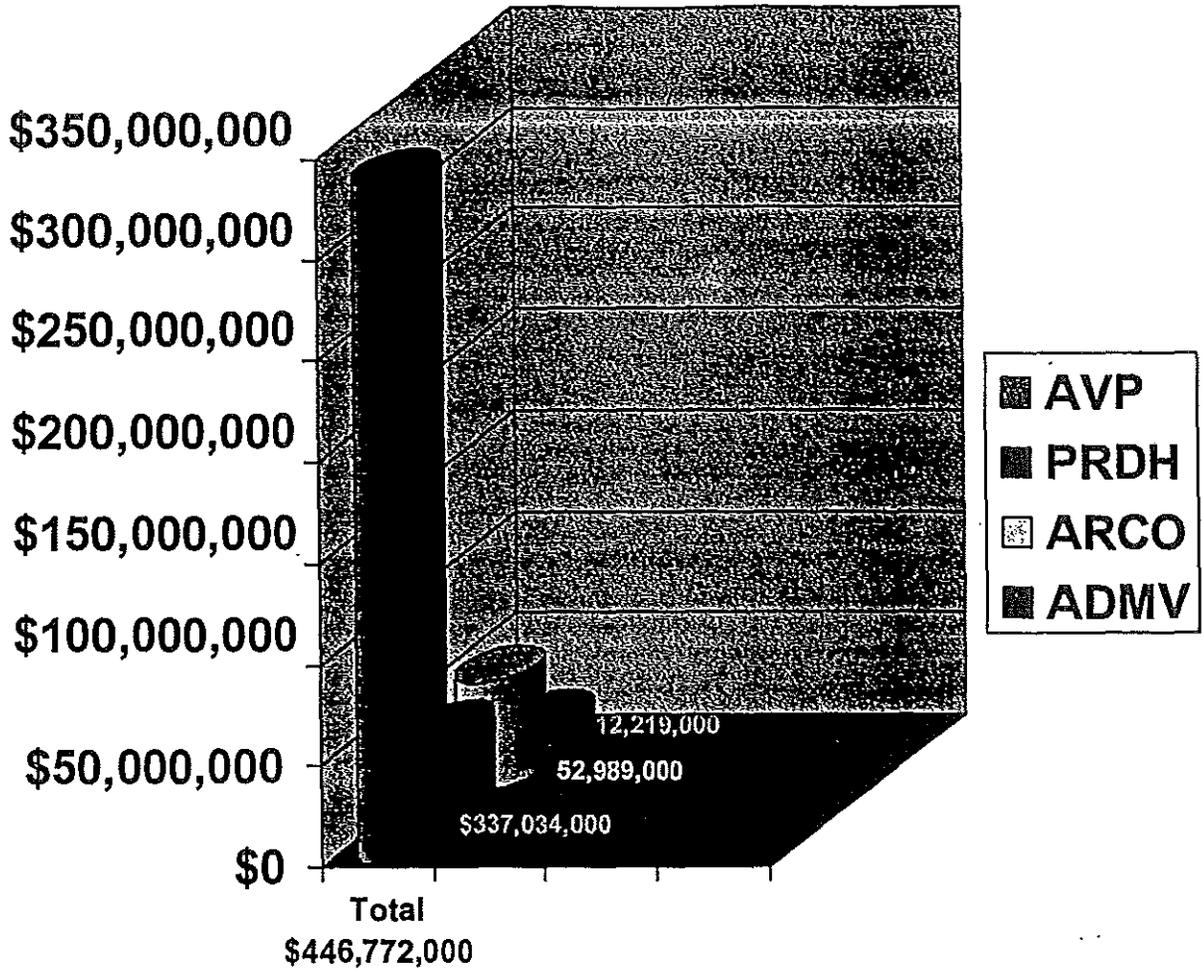
A good example of a project financed with various sources of funds is the *“Egida de las Enfermeras en San Juan”*. This project is in the process to be developed with combined funds from the HOME Program, Section 8, and Tax Credits.

The Secretary of the PR Department of Housing has continued executing Memorandums of Understanding (MOUs) with various municipalities and agencies as an initiative towards creating partnerships and leveraging resources for the development of affordable and secure housing dwellings.

PR Department of Housing budget and Projections for Fiscal Year 2004-2005

The recommended budget for the PRDH for FY 2004-2005 is \$446,722,000. This amount includes funds from the General Budget, legislative contributions, revenues, Federal funds, Special State Funds, and other.

**PR Department of Housing
Budget
FY 2004-2005**



The Puerto Rico Department of Housing and its appointed agencies have positively influenced the construction industry in Puerto Rico through its subsidy programs for the development of affordable housing.

AGENCY	AFFORDABLE HOUSING UNITS		
	FY 2004-2005		
	Completed	In Process	Program
PRDH / AFV	9,967	11,632	La Llave para tu Hogar, Law 124, Hogar Seguro
ADMV	1,958	737	New construction
ADMV / AFV	15,315	N/I	Property Titles, La Llave para tu Hogar, Comudides Especiales
ADMV Comunidades Especiales	N/I	8,835	New construction, rehabilitation, and contracting process
AVP	N/I	8,316	Modernization of 51 Public Housing Projects

Among other initiatives, under Law 173, the PRDH has finished 138 housing units for the elderly, and 219 are under development. On the other hand, 133 units for elderly and for working families are currently under development in the Santurce Revitalization Project.

PUERTO RICO DEPARTMENT OF HEALTH - HOPWA

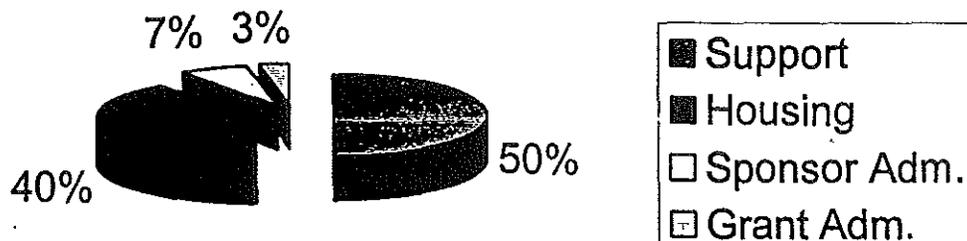
The Puerto Rico Department of Health (PRDOH) is the agency responsible for defining and implementing AIDS service and treatment policies in Puerto Rico. The program "Housing Opportunities for Persons with AIDS" (HOPWA) is administered by the Special Projects Office under the jurisdiction of the Central Office for AIDS Affairs and Communicable Diseases (OCASET). The former manages all HIV/AIDS programs, including the Ryan White Title II Program.

FEDERAL RESOURCES:

Both HOPWA and Ryan White Title II provide funding for a vast array of services to the HIV/AIDS population in Puerto Rico. The two programs provide complementary services to all HIV patients in the island.

The PRDOH has allocated 97 per cent (97%) of HOPWA funds to non-profit organizations, local governmental agencies, and a majority of community-based organisms located throughout the island that has experience serving the HIV/AIDS population. The following figure shows the distribution of funds.

Distribution of Puerto Rico HOPWA Funds 2004-05



To plan and coordinate the implementation of housing assistance and supportive services program funded under the PRDOH HOPWA Program, to benefit the HIV/AIDS population in Puerto Rico, with the collaboration of the HOPWA program of the municipality of San Juan, members of Consortia and other service providers sponsored by the Ryan White CARE Act, community based organizations and representatives of the HIV/AIDS community.

As objectives, the Special Projects Office will:

- Develop strategies and procedures to measure clients and project sponsors' need;
- Provide capacity building and technical assistance on budgetary, programmatic, and fiscal aspects of project sponsors;
- Develop monitoring procedures to evaluate the organization's 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 services.

The services that the HOPWA program will sponsor are divided into two (2) major areas:

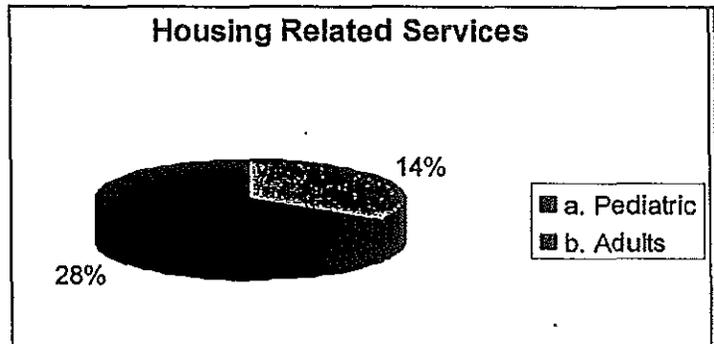
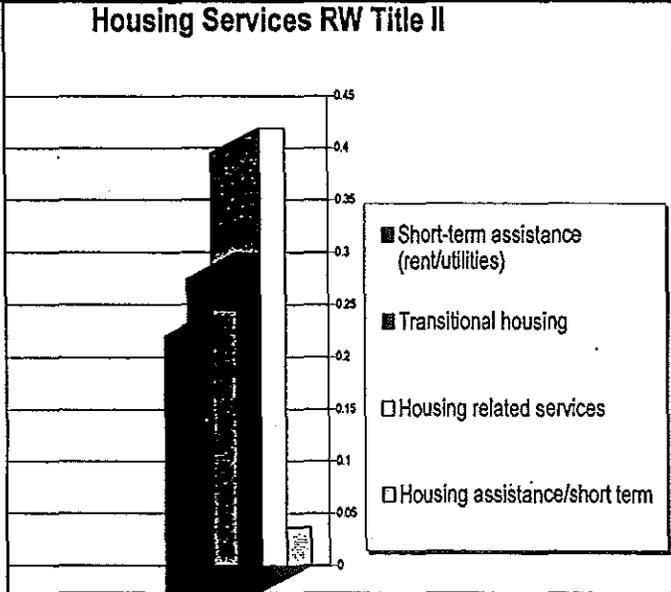
- **Housing Assistance** (Eligible activities: short-term facilities (i.e., shelters) and short term rent, mortgage and utilities payment);
- **Supportive Services** (Eligible activities: such as, but not limited to, case management, nutritional and mental health services, home health care, adult day care and hospice).

The eligible participants must be HIV/AIDS patients and meet the low -income range of the Metropolitan Statistical Areas (EMSAs) of Puerto Rico median income.

FY 2004 Ryan White's budget for housing and emergency assistance is presented in the following table "Ryan White II Federal Grant Allocations for Short-term Assistance and Housing Services".

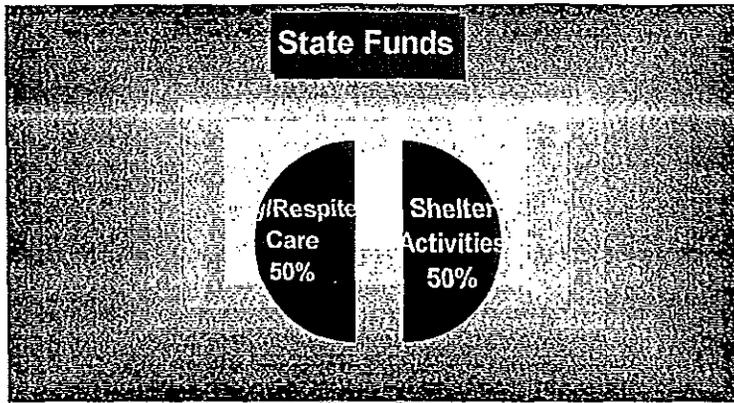
**RYAN WHITE TITLE II FEDERAL GRANT ALLOCATION
FOR SHORT-TERM ASSISTANCE AND HOUSING SERVICES**

CATEGORIES	BUDGET
Short-term assistance (Rent / utilities)	24%
Transitional housing	30%
Housing related services	(42%)
a. Pediatric	14%
b. Adults	28%
Housing assistance/short-term	4%
Total	100%



OTHER RESOURCES

Legislative funding is also received by the PRDOH to provide services to homeless persons who live with AIDS. Fifty per cent (50%) of the budget is directed to provide day care/respice services to the homeless HIV population and the remaining fifty per cent (50%) is directed to shelter activities for the same population.



State Funds for HIV Homeless Patients

Legislative Funds

Shelter activities 50.00%
Day/Respice Care 50.00%

State Funds \$2,000,000.00

Members of the Consortia and other service providers sponsored by the Ryan White Title II program, as well as community-based organizations and representatives of the HIV/AIDS community participate in the planning, development, and implementation of provided services.

PUERTO RICO DEPARTMENT OF THE FAMILY – ESG

FEDERAL RESOURCES

The allocation of ESG Funds for FY 2004-2005 follows:

Emergency Shelter Grant	\$ 3,026,509.00
*Funds Reprogrammed (2000-2001)	1,015,568.12
TOTAL	\$4,042,477.12

Reprogramming of Funds

A reconciliation of the financial information of the Program for years 2000-2001 disclosed a residue of funds. The Family Department is going to reprogram it to distribute with the grant of 2004.

The Puerto Rico Department of Family administers the Commonwealth of Puerto Rico Emergency Shelter Grants Program. Under the ESG Program Assistance will be provided according to following major categories of eligible activities:

- Rehabilitation and conversion of building for the use as emergency shelter or transitional housing for the homeless;
- Essential services (up to 30% of ESG funds);
- Operating cost
- Prevention (up to 30% of ESG funds. Financial assistance and supportive service that may be provide to help prevent persons from becoming homeless).
- Administrative cost (up to 5% for administering the grant).

The Puerto Rico Department of the Family purses the following ESG program objectives:

- To increase the number and quality of the emergency shelter and transitional housing facilities for homeless individual and families.
- To operate these facilities and provide essential services.
- To help prevent homelessness.

The Commonwealth of PR's ESG program will provide funds for the renovation, major rehabilitation or conversion of buildings to be used as emergency shelters for the homeless; shelter operating expenses such as utilities, rent, equipment, etc.; limited essential services that included medical, social, psychological and nutritional counseling and certain activities to prevent homelessness, in accordance with 24CFR part 576. Priorities established by the State include;

- Families (single mothers)
- Homeless
- Drugs and alcohol abused persons
- HIV
- Domestic violence victims
- Elderly

PROGRAM INCOME

A. THE STATE CDBG PROGRAM

Section 104(j) of the Act, excludes from the definition of Program Income the amount retained by the unit of general local government up to \$25,000 per year. Therefore in accordance with the law, OCMA does not require non-entitlement municipalities to return income less than \$25,000, provided that it is retained to continue the activity for which such income was derived. Nevertheless OCMA must be informed in writing.

Program Income of \$25,000 or over, earned by the municipality after project completion and Program close-out, retains its federal identity and must be reported to OCMA. This program income will be re-assigned to the same municipality for eligible activities. The Municipality must follow all the requirements and procedures of the State CDBG program designed for the use of that Program Income, as stated in "Memorando Circular 2003-24 dated November 24, 2003, witch still updated.

- Municipalities must report program income or the lack of it to OCMA on January 31, each year.
- The use of the Program Income will be reviewed, established and approved by OCMA and the municipality.
- An application for the specific use of program income must be submitted by municipalities to OCMA before the 31st of March of the year in witch the above mentioned report was submitted.
- If the municipality does not submit the application OCMA will recapture the funds and transfer them to the CDBG line of credits to be considered in the next year allocation.

B. THE STATE HOME PROGRAM

Program income is the gross income received by the PJ, sub recipient or State 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 to assist homebuyers, and if needed, to cover administrative costs, not exceeding 10 % of the total amount generated.

The State 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 State 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.

Other specific considerations will be taken into account according to 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. The PJ's management accounting and reporting system allows tracking those proceeds and take the proper actions.

As of December 2003, the State HOME Program has a balance of **\$20,852** of **program income** to be used for administrative activities, in accordance with HOME Program requirements and regulations.

RECAPTURE OF FUNDS

A. STATE CDBG PROGRAM

All municipalities are subject to OCMA policy of recapture. The following funds will be recaptured and transferred to the emergency fund:

- Unobligated funds from FY 1993 to 2001
- Sanctioned funds for inadequate performance
- Funds from unallowable costs
- Contingency Funds from FY 1996-2001 not expended

Excluded from this policy are projects funds pertaining to solid waste activities (this must have OCMA'S approval).

B. STATE HOME PROGRAM

The State HOME Program has the amount of **\$66,627** of **recaptured funds**. Those funds will be used in housing activities for which a drawdown is requested. Since recaptured funds are, a return of those originally invested, that amount will not be used for administrative or planning costs.

MATCHING REQUIREMENTS

A. STATE CDBG PROGRAM

The State will subtract an administrative cost of \$100,000 plus 2% of the total grant amount (subject to state mach) for costs it incurre in carrying out its CDBG administrative responsibilities in accordance with 24CFR 570.489.

B. STATE ESG PROGRAM

Each organization that receives ESG funds must match dollar-for-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 a current rate of the minimum salary wage per hour. Volunteers providing professional services such as medical or legal services are valued at the reasonable and customary rate in the community.

TECHNICAL ASSISTANCE STATE CDBG PROGRAM

The state will use up to 1% of its grant to provide technical assistance to local governments and non-profit organizations, either directly or through contractors, to assist them in carrying out community development activities.

METHOD OF DISTRIBUTION

I- CDBG PROGRAM

The Office of the Commissioner for Municipal Affairs is the State administrator of the CDBG Program for non-entitlement municipalities. CDBG funds are allocated to promote the improvement of the economic and physical environment, for the benefit of low and moderate income residents. The mission of the State CDBG Program is achieved through a consolidated process that promotes coordination and participation of all the elements responsible for the development of the community.

The following section describes the policies and procedures that will be followed by the State to distribute the State CDBG funds for Fiscal Year 2004-2005.

The CDBG funds for 2004-2005 will be allocated as follows:

Distribution	Allocation
Funds to be distributed among 51 non-entitlement municipalities:	\$54,054,486.00
Basic Grant 17,955,000	
Competitive Grant 34,199,486	
Emergency 700,000	
Reimburse Interest Program (RIP) 700,000	
Homeownership 500,000	
State Administration (2%)	\$1,114,520.00
Technical Assistance (.82%)	\$457,000.00
State Administrative Responsibility	100,000.00
Total	\$55,726,006.00

To apply for funds municipalities must submit OCMA one proposal for Basic Grant and one for the Competitive Fund.

A. Eligible Activities and National Objectives

Eligible activities under the State CDBG Program are those listed in Section 105(a) Title I of the Housing and Urban Development Act of 1974, as amended. Each activity must meet one of the national objectives: benefit low and moderate-income persons, elimination of slums and blight areas or imminent threats to the health and safety of the community.

All applications for FY 2004-2005 State CDBG funds must establish that not less than 70 percent of the State CDBG funds will benefit low and moderate-income persons.

Projects, which do not meet eligibility requirements under Section 105(a) of Title I of the Housing and Urban Development Act of 1974, as amended, will not be considered.

B. Deadline for submissions

Application kit for the Basic Grant and Competitive Fund will be available since March 5, 2004 at the Office of the Commissioner for Municipal Affairs (OCMA), area for Federal Programs. An original proposal must be submitted for each grant, according to the following deadlines.

a. Basic Grant and Competitive Fund – May 21, 2004

If the application is hand delivered, it must be received and logged at OCMA, #255 Ponce de Leon Avenue, Banktrust Plaza, 6th floor, Hato Rey, PR 00936-8167, as follows:

- Basic Grant and Competitive Fund May 21, 2004 4:30 pm, if mailed postmarked by May 21, 2004.
- b. Emergency Fund applications may be submitted at any time during Program year 2004-2005 in accordance to the requirements contained in Part F- Method of Distribution, item (c).

C. Application documents

- a. The following documents must be part of the application package. One point will be subtracted for each missing document.
 - Compliance Certification of the Prohibition of use of Federal Funds for Lobbying, pursuant to Section 319 of the Department of Interior appropriations Act of 1990.
 - Compliance Certification of Residential Anti-displacement Assistance Plan.
 - Compliance Certification of 49 CFR 29.600 (subpart f) Drug Free requirements.
 - Compliance Certification of Title 6 Civil Right Act 42USC 2000D Fair Housing Act. 42 USC 3601-20 (General Assurances).
 - Compliance Certification of Excessive Force Prohibition, pursuant to Section 5/9 of Public Law 101-140, the HUD Appropriations Act.

- Compliance Certification of the Uniform Relocation Act. Real Property Acquisition Policy Act. The 1970 Sec. 570.496 a (b). Federal Implementing Regulation ACT 49CFR Part. 24 Sec. 104D the Title I 570.496 a (d) Sec. 105 (a) (ii) Title I. (General Assurances)
- Compliance Certification of Applicant/Recipient Disclosure Update Report CFR24 Part 12 Subpart (c) Section 102. Department of Housing and Urban Development Reform Act 1989 subpart c of 24CFR part 4.
- Copy of the Public Hearing transcription of the Community Development and Housing Needs.
- Copy of the Public Hearing attendance record. If there was not public attendance the municipality must certify it.
- Certification of Information Veracity pursuant to format provided by OCMA.

D. General Responsibilities for Local Government Units

Units of local government, eligible for assistance under the State CDBG for 2004-2005, are subject to participation requirements:

- Must have completed an inventory of needs by category, established priorities and have held a public hearing before submitting the document and the State CDBG application.
- Must have followed the citizen participation plan, as described by the State.
- Projects must be according to the need proposed by the citizens and the priorities established by the municipalities.
- Must have complied with Title I Housing and Community Development Act of 1974 as amended, and all the applicable laws and regulations concerning the CDBG Program, administered by the State. (See certification and applications guidelines).

E. Additional requirements

a. Compliance evidence with Citizen Participation requirements includes:

- **Copy of the announcement of public hearing, with visible date and the newspaper name. Effort to promote citizen participation must be considered by the Municipality.**

b. **A detailed project breakdown according to OCMA's Memorandum dated July 6, 2001 and July 12, 2001.**

The following requirements are applicable only for the **Competitive Proposal**:

- Projects must not exceed the maximum amount for each category.
- Competitive Proposal must not exceed \$1,112,000.00.

F. Method of Distribution

BASIC FUND BF	COMPETITIVE FUND (CF)					EMER- GENCY	HOME- OWNER- SHIP	RIP
	COMMUNITY DEVELOPMENT	ECONOMIC DEVELOPMENT	HOUSING	PUBLIC SERVICE	ADMINIS- TRATION CF			
\$350,000 MAX.	\$500,000 MAX	\$300,000 MAX	\$200,000 MAX	\$50,000 MAX.	\$62,000.00			
PROPOSAL NOT HIGHER THAN \$1,462,000 (\$350,000 + \$1,112,000 CF) THE NUMBERS BELOW ARE PER CATEGORY								
\$17,955,000	\$17,000,000	\$6,700,566	\$5,336,920	\$2,000,000	\$3,162,000	\$700,000	\$500,000	\$700,000

The Grant will be distributed as follows:

a. Basic Grant – \$17,955,000.00

The amount of \$17,955,000.00 will be equally distributed between the 51 municipalities, limited to \$350,000 for each one. An additional amount of 15% for the municipalities of Vieques and Culebra will be allocated according to the State Law 50 approved on January 13, 2004.

The municipalities must submit an application. OCMA will review the applications to verify that the activities are eligible. Proper technical assistance will be provided to each municipality to prepare the proposals. In the event that a non-eligible project is submitted, OCMA will require the municipality to review the application and re-submit an eligible project. This applies **only** to the Basic Grant Application.

- The following breakdown will be considered:
 - Administration - \$ 63,000.00
 - Public Service - \$ 52,500.00
 - Any Eligible Project - \$234,500.00
 - TOTAL \$350,000.00

If the municipality does not include the Public Service category (\$52,500.00) this amount could be allocated to any other eligible category, for a total amount of \$287,000.00.

b. Competitive Funds - \$34,199,486

The amount to be distributed under each category depends upon the total funding awarded to qualified eligible applications.

Remaining funds in any category will be reassigned to eligible applications; in the following strict order; Community Development (Public Infrastructure and Public Facilities), Economic Development and Housing and Public Service.

If a municipality fails to indicate the category for a proposed project or indicates more than one category OCMA will determine the category to be selected according to the project description. The municipality will abide by this determination.

Please be advised that if the budget **breakdown**, as required, is not included with the proposal, **the project will not be considered.**

In determining the appropriate amount, OCMA reserves the right to eliminate or approve lesser funds than requested, based on the following review requirements:

- All applicable laws and regulations of the State CDBG requirements, used to evaluate each specific proposed project.
- The Guidelines of the College of Engineers and Land Surveyors of Puerto Rico and the project breakdown which includes; cost of material, labor, equipment, insurance, administrative, and other cost, related to the project to determine reasonable project cost.
- Past performance of the local government units.
- Cost/Benefit analysis of the proposed project.
- Project's previous balance.
- Timely fund's expenditure.
- Poor description of activities to be developed.

The priorities to be funded by the State as determined through its consultation and citizen participation processes, are addressed in the method of distribution, in the following order:

- Community Development
- Economic Development
- Housing
- Public Service

1. Community Development
Guidance Amount \$17,000,000.
Grant Size Limit per municipality \$500,000.

- a. Public Infrastructure:

These funds are available to assist units of local government in carrying out significant community infrastructure improvement projects that meets a national objectives, outlines in 24 CFR 570.208.

Funds available under this category must be used for the development of public infrastructure. This includes the installation/connection of utilities such as water and sewer lines, electricity, telephone, and drainage systems. Includes, but is not limited to, construction projects such as streets, sidewalks, curbs, gutters, road construction and reconstruction, repaving, bridge construction, asbestos removal and others.

Construction projects must start within six months from the date of released funds and the applicant will be given a maximum of 18 months to complete the project.

- b. Public Facilities:

These funds are available to assist communities in carrying out projects, eligible under Section 105 (a) of the Act, aimed to improve living conditions and general welfare of low and moderate-income persons, such as, but not limited to, construction or reconstruction of community centers, recreational facilities, parks, libraries, firehouses, civil defense shelters, public schools, parking lots and others. As specifically describes in regulations.

Construction projects must start within six months from the date of the release of funds and the applicant will be given a maximum of 18 months to complete the project.

2. Economic Development
Guidance Amount \$6,700,566.
Grant Size Limit per municipality \$300,000.

These funds are intended to promote the design and implementation of economic development strategies at the local level; thus, expanding commercial activity, revitalizing commercial deteriorated areas, in order to produce or increment program income and promoting new permanent job opportunities, or its retention.

The main objective is to break the cycle of government dependency through economic self-sufficiency strategies. The units of local

government shall encourage the participation of different sectors of the community, public, private, profit and non-profit organizations.

Funds available under this category must be used to carry out eligible activities under Section 105 (a) of the Act that are part of an economic development project which satisfies aforementioned criteria.

An application under the economic development category shall demonstrate that at least 51% of the jobs computed on a full time equivalent basis, involve the employment creation/retention or will be available to low and moderate-income persons. For an activity that retains jobs the municipality must document the jobs that will be lost without the CDBG assistance and that the job is known to be held or will be available to low and moderate-income persons.

Throughout this category, development undertaken with State CDBG funds must be appropriate to carry out an economic development project. The municipality should review all projected sources of financing necessary to carry out the economic development project. All participating parties providing those funds have affirmed their intention to make the funds available and the participating parties have the financial capacity to provide funds. It should demonstrate that each project has a reasonable expectation of success, as described in the evaluation/process selection criteria section of the plan, that it has the capacity of generating program income and create or retain a job or two part time jobs for each \$35,000 of CDBG funds invested. Projects not meeting these requirements will be deemed ineligible.

Construction projects must be able to start within six months from the date of the release of funds, and the applicant will be given a maximum of 18 months to complete the project.

3. Housing Projects

Guidance Amount \$5,336,920.

Grant Size Limit per municipality \$200,000.

The funds awarded are for activities related to housing for low and moderate-income persons.

Funds available under this category must be used for:

- a. Land acquisition for housing development purpose. - Projects must demonstrate evidence of commitment for future housing development with other regulatory agencies and/or institutions.
- b. Infrastructure development for housing Projects- Projects with evidence of commitment for future housing development with other regulatory agencies and/or institutions. Must be able to start

within six months from the date of the release of funds and the applicant will be given a maximum of 18 months to finish.

- c. Moderate Housing Rehabilitation- The rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety. Must be able to start within six months from the date of the release of funds and the applicant will be given a maximum of 18 months to finish.

Please be aware that:

- Project must comply with the “Guia Operacional de Rehabilitación Moderada de Vivienda”.
- Housing Quality Standards (Section 8) are not required.
- Projects must comply with a minimum of \$1,000 and a maximum of \$5,000 – Exceptions to this rule must be approved by OCMA.
- Projects under this category must assure compliance with the Puerto Rico Uniform Building Code (UBC), specifically in regard to hurricane winds resistance.
- Projects must start within six months from the date of the release of funds and completed in 18 months maximum.

4. Public Service

Guidance Amount \$2,000,000.

Grant Size Limit per municipality: \$50,000 or 15% of the total amount received by the municipality allocated under competitive categories.

This category has been established to fund projects addressing needs related to: public safety in communities of high criminal incidence; homeless and special needs population; community's public services and facilities, including but not limited to, crime prevention, health care, services to homeless persons, counseling, fair housing activities, drug abuse, prevention, education, training, energy conservation, recreational needs and other activities described at section 105(a) of the Act. All activities must be designed in accordance to the strategy developed to address the needs of special groups and to assure the maximum development of the community.

Program Administration (Local Governments)

Guidance Amount \$3,162,000.

Grant Size Limit per municipality: \$62,000. or the 18% of the total amount received by the municipality allocated under competitive category.

Administration funds may be withheld if municipality is found to be non-compliant with OMB-A-133. The municipality should submit in their proposal the federal office budget

c. Emergency Fund
Guidance Amount \$700,000.

Grant Size Limit: Up to \$700,000. in a case to case basis will determine the amount to be assigned.

This category is aimed at providing a solution or alleviate to problems of an urgent nature that were not evident at the time of the regular grant application process. Special consideration will be given to the following: The extent, to which a serious threat to public health or safety is documented, is of recent origin, or which recently became urgent. A certification from the Local Civil Defense and the State Civil Defense Agency must be presented to establish the emergency.

Applications for emergency funds may be submitted anytime during the 2004-2005 Program Year according to needs.

Projects must be able to start immediately and applicants have a maximum of 90 days to complete the activity and satisfy the identified need. An extension of the time may be provided on a case-to-case basis. If the funds are not used in the term provided, will be recapture by OCMA.

Application Procedures under the Emergency Fund Category:

1. Requirements

- Emergencies must be recognized on "non-entitlement" municipalities where low income people have suffered damages.
- An official certification of the emergency must be provided by the State and Municipal Agency for the Puerto Rico Emergency Management Agency.
- The OCMA application must be properly completed and submitted by the Mayor to the Commissioner.

2. Submission Deadline

- The Mayor must submit the petition for Emergency Funds within a period of seventy two hours (72) after the event has occurred, except under extraordinary circumstances or another valid cause.

3. Evaluation Process

- The Commissioner has designed the Evaluation Committee for the Emergencies Proposal (ECPE), composed of The Sub commissioner, Auxiliary Commissioner of the Federal Fund Division, a Federal Proposal Specialist and the Engineering Consultant. They will establish the criteria and procedures to be used in the evaluation. The ECPE may require an ocular

inspection of the impacted area to determine the reason of the petition. All projects must meet the national objectives requirements contained in 24 CFR 570.208. As soon as the petition from the affected municipalities is received the, (ECPE), will analyze it according to the criteria that has been previously established within a period of seventy two hours (72) or less, after the emergency has occurred. The evaluation/ recommendation will be considered by the Commissioner or the person assigned, for a final decision.

After the distribution is completed among all funding categories, any remaining funds including recaptured funds will be placed under the Emergency Fund, and used to satisfy future emergency requests. Please refer to OCMA's "Circular Informativa" dated August 12, 2002 regarding the procedure in the distribution of Emergency Funds.

d. Reimbursement of Interest Program (RIP) / "Fomento Económico Municipal (FEM)" \$700,000

Title 14 of the Autonomous Municipalities Act, authorizes State agencies and the municipal governments to execute interagency agreements, for the public interest and benefit of any municipal jurisdiction, as a means of providing economic development incentives to attract new investments, expand or retain current investment, that will create, expand, or retain employment of persons of low and moderate income. OCMA has allocated \$700,000 of the State CDBG funds for the RIP and selected the EDB as the loan processor, through an interagency agreement. Making clear that, if needed, OCMA may choose another bank for loan processing and this economic strategy will maintain its full validity and capacity.

For the administration of this economic development program OCMA and the Municipalities agree to the following:

The municipality will provide an incentive, which consists of a subsidy payment to supplement the interest payments of a loan. In selecting businesses, to benefit under this authority, the municipality shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods.

The municipality will refer to the Bank any applications, for any legal economic activity, located within its boundaries that could create or retain permanent jobs, where at least 51 percent of the jobs, computed on a full time equivalent basis, involve the employment of low and moderate-income persons. To qualify, the activity must meet the following criteria:

- (i) For an activity that creates jobs, the loan petitioner must document to the municipality that at least 51 percent of the jobs will be held by, or will be available to, low and moderate-income persons.

(ii) For an activity that retains jobs, the loan petitioner must document to the municipality that the jobs would actually be lost without the loan, supported by the interest incentive payment provided in the State CDBG Program assistance and that either or both of the following conditions apply with respect to at least 51 percent of the jobs at the time the CDBG assistance is provided:

- The job is known to be held by a low or moderate-income person; or
- Jobs can be reasonably created or there could be reasonable expectation of job creation for low, and moderate within the following two years.
- The assisted business will take actions to ensure that low and moderate-income persons will receive first consideration for filling such jobs.

The interest subsidy grant will be limited to one-third (1/3) of life term of the loan, 3 years or \$75,000.00 which ever is less.

To request for the interest reimbursement the applicant must submit to the municipality the following:

- Bank certification of loan good standing.
- Department of Labor quarterly report.
- Copy of the contract between the applicant and the municipality.

The municipality will request OCMA to release the funds for the repayment with copies of the documents received from the applicant. OCMA, after assuring compliance, will release the funds and the municipality will make the payment to the applicant, who will sign a receipt.

The interest subsidy payment will be computed according to the following:

# new or retained positions	% interest subsidy payment
9 or more	75
4-8	50
1-3	25

- Once the municipality has obtained the required documents will review the applications to verify compliance with all applicable CDBG regulations and program objectives. Once compliance is confirmed the municipality will enter into a sub-recipient contract with the applicant.
- The municipality will only approve interest subsidy payments for loans in good standing, within the time period established in the contract with the municipality.

If the loan is granted without compliance of the terms and conditions here in stated, OCMA and the municipality will not approve the release of funds.

The municipality will keep record of all loans and each and every transaction, for monitoring purposes by local and federal authorities.

e. Homeownership Initiative Program \$500,000

Under this initiative the State CDBG program has targeted low-income population historically discouraged from homeownership or excluded from finance market due to the lack of understanding of 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 of Homeownership Initiative is specifically intended to provide assistance to families pursuing homeownership.

On the other hand, an amount of Technical Assistant 2003 State CDBG funds has been designated to provide intensive homeownership training to non-entitlement municipalities of Puerto Rico. The training activities will be directed to enhance the capacity of the municipalities to coordinate and promote buyers access to homebuyers education, counseling, home inspection, financing products and other areas. Specifically, the training outcome is for the municipalities to develop the tools necessary to do an aggressive marketing and outreach strategies designed to expand the existing markets to the underserved of those not served at all, helping families move to homeownership.

General Guidance under this category:

- Applications may be submitted throughout 2004 program year. The State will consider the applications on a case-to-case basis.
- Funds will provide direct assistance for 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 \$3,000.
- Specifically the use of funds under this category is limited to low and moderate income families.
- This 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, municipalities must distribute the funds according to the general guidance requirements and applicable laws and regulations.
- Each municipality will be responsible to qualify and provide technical assistance, maintain documentation in files and keep informed OCMA's Homeownership Coordinator until cases are closed.

Selection Criteria

- To be eligible for assistance the municipality must submit a list of the low and/ or moderate selected potential participants and their payment capacity, if any.
- Municipalities must determine eligibility in accordance to homeownership and CDBG regulations. OCMA will examine compliance in order to approve the release of the funds.

Method of Distribution

- During the first eighteen (18) months, while homeownership initiative is implemented in the municipality and the municipal employees are trained, each one of the fifty-one (51) non-entitlement municipalities will be able to request up to \$9,800.
- Once the eighteen (18) months period is ended, the balance of the homeownership initiative program fund will be divided between the fifty-one (51) non-entitlement municipalities in equal parts, which will be available to the municipalities for twelve (12) months.
- After the twelve (12) months period, the remaining balance will be granted to the municipalities according to the qualified applications submitted to OCMA. OCMA's Homeownership Coordinator will assure that highest number of municipalities will benefit.

f. State Administration \$1,114,520.

A total of \$1,114,520.00 (2% of total grant) will be allocated for State program administration. The State may use \$100,000 plus up to 2% of its CDBG allocation for costs it incur in carrying out its CDBG administrative responsibilities provided each CDBG dollar over the \$100,000.00 is matched with a dollar from State's own resources.

g. State Administrative Responsibility

A total of \$100,000 will be allocated for carrying out administrative responsibilities in accordance to 24 CFR 470.489.

h. Technical Assistance \$457,000.

The State may use up to 1% of its grant to provide technical assistance to local governments to assist them in carrying out community development activities in accordance to Set Asite HCDA 106 (d) (5), reference in CPD Notice 99-09.

i. Evaluation Process

All competitive applications will be evaluated as follows:

- The committee will determine the eligibility of the projects, if the application is complete and in compliance with the requirements established for each category. Eligible applications will proceed to Step 1.
- Step 1. The OCMA Federal Program Personnel, the Assistant Commissioner for Federal Programs and the Consultant Engineer will function as the State CDBG evaluation Committee.
- Step 2. The evaluation committee, following the outlined selection criteria, will rate eligible applications. 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 3. The consultant engineer will determine the reasonableness of cost, using the guidelines of the College of Engineers and Surveyors. Also a breakdown of the project which includes cost of materials, labor, equipment, insurance, project administration cost and other will be evaluated.

Upon completion of Step 3, Staff of Auxiliary Assistant Commissioners designated to be part of the process, and the Consulting Engineer, will meet, as OCMA's Review Committee, to ensure conformity with the parameters established in the Plan. This Committee will review the rating determinations, pursuant to step 2, for each application listed for consideration.

Finally, the State CDBG Committee will rank the rated project applications in priority funding order, by category.

Only project applications receiving scores above 50% of the total points will be considered for funding, based on the availability of funds assigned to each category.

Applicants are cautioned to carefully consider their needs by the Committee and to request the minimum amount of State CDBG funds required. The demonstrated capacity to expend the funds is evaluated by OCMA. 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 reasonable cost analysis the time expenditure and cost-benefit of the project.

Each project contained in the application will be given a separate impact rating as part of the selection criteria.

In case of ties at the funding line, OCMA will break them using the program impact rating as the first option; the second option will be the score on performance; and the third option will be the last unemployment rate assigned to the municipality by the Department of Labor and the fourth option will be the higher percentage of the low and moderate income persons of the municipality.

j. Selection Criteria

(a.) Performance: 63 Points

Past administrative performance will be taken into consideration when evaluating the application. It will be an important criterion in assessing the effectiveness of the proposed program. Factors included in the evaluation of performance are: Expenditure Rate (20 maximum points to be awarded), Quarterly Financial Reports (8 maximum points to be awarded), Status of OMB A-133 Single Audit (10 maximum points to be awarded), Close Out of Previous Program Years (10 maximum points to be awarded) and Program Income Report (5 maximum points to be awarded) Monitoring. (10 maximum points to be awarded)

(b.) Unemployment Rate vs. Labor Force (7 points)

(c.) Citizen Participation Process (30 points)

Effectiveness of the proposed projects must be in accordance to citizen participation. Efforts to promote citizens participations must be considered by the municipality.

k. Project Impact: Total Points 100

Points will be awarded taking in consideration the following elements:

- Results to be achieved.
 - Viability of the project.
 - Number of beneficiaries.
 - Actions necessary to fully resolve the need.
 - Reasonableness of cost analysis (breakdown).
 - Increase of economic activity.
 - Project Phase.
1. Under the **Community Development Category**, the following factors are used to evaluate the elements described above:
- Feasibility (Points to be awarded 50)-- Points will be awarded considering Environmental documents submitted to proper Agencies. (Maximum points 10), Previous years disbursements (for multi-years projects) (10 Points) Evidence of site municipal domain or ownership; a certification by the Municipal Property Comptroller must be submitted-(10 Points). Project surrounding description –brief description of the adjacent surroundings must be submitted in order to determine viability and area impact of the project.(10 points) Phase pertaining to the application. (10 points)
 - Number of Beneficiaries (Maximum points to be awarded 30)- Points will be awarded based on the percent of low and moderate income persons the project will benefit.
 - Other Actions (Maximum points to be awarded 20)
 - Community impact by activities undertaken by project development. (10 points)
 - Provisions carried out by the municipality in order to obtain additional sources for the project. (10 points)
2. Under the **Economic Development Category**, the following factors are used to evaluate the elements previously described:
- Feasibility (Maximum points to be awarded 50)- Points will be awarded considering: (1) Environmental documents submitted to proper Agencies (10 Points), (2) Activities that promote the commercial activity and revitalization of deteriorated areas (10 Points), (3) The extent of evidence demonstrating the project feasibility, such as the

commitment of other resources.-The municipality should review all projected sources of financing necessary to carry out the economic development project. The municipality should verify that sufficient sources of funds have been identified to finance the project; all participating parties providing those funds have affirmed their intention to make the funds available; and the participating parties have the financial capacity to provide the funds (10 Points), (4) Previous years disbursements (for multi-year projects) (10 Points), (5) Project surrounding description - brief description of the adjacent surroundings must be submitted in order to determine viability and area impact of the project. A certification by the municipal Property Comptroller must be submitted.(10 points)

- Job Opportunities (Maximum points to be awarded 15)- Points will be awarded considering the creation or retention of full time permanent jobs computed on a full time equivalent basis, which involves the employment. The recipient must document that at least 51% of the jobs will be held by or will be available to low and moderate-income persons living within project's services area. The municipality must submit the jobs list. There must be at least one permanent job or two part time jobs created or retained per \$35,000 of CDBG funds invested.
- Number of Beneficiaries- (Maximum points to be awarded 30)- Points will be awarded based on the percent of low and moderate income benefit of the project.
- Other Actions (Maximum points to be awarded 5 points). Points will be awarded based on project phase. A brief description of the phases of the project must be provided for a clear understanding.

3. Under the **Housing Category**, the following factors will be used to evaluate the elements previously described:

- Feasibility (Points to be awarded 40)-- Points will be awarded considering:
 - Environmental documents submitted to proper Agencies. (10 Points)
 - Certification of compliance with the UBC requirements. (10 Points)
 - Previous years disbursements for multi years projects 2000-2002 (10 Points)
 - Project phase pertaining to the application (10 Points)

- Number of Beneficiaries- (Maximum points to be awarded 30)- Points will be awarded based on the percent of low and moderate income persons the project will benefit.

Other actions (Maximum points to be awarded 30)

- Project impact in the area where the activities will be undertaken (10 Points)
- Operational Guide of the project (10 Points)
- Provisions carry out by the municipality in order to obtain additional sources for the project (10 Points)

4. Under the **Public Services Category** the following factors are used to evaluate the elements previously described:

- Feasibility (Maximum points to be awarded 30)-- Points will be awarded considering innovative projects (10 Points), previous years disbursements (10 Points). The public service must be, either a new service or a quantifiable increase in the level of a service. (10 Points)
- Number of Beneficiaries- (Maximum points to be awarded 30)- Points will be awarded based on the percent of low and moderate income persons the project will benefit.
- Other actions (Maximum points to be awarded 40)- Points will be awarded based on that each public service project submit an estimated detailed budget.(10 Points) Activities undertaken must identify the clientele served (10 Points) Points will be awarded considering efforts to solve the need in this phase.(10 Points) Operational guide for the new projects, must be submitted. (10 Points)

I. Technical Assistance (Municipalities)

Prior to the application deadline, OCMA will provide technical assistance, to all units of local government and non-profit organizations. Specific technical assistance will be provided regarding funding application requirements. Technical assistance, seminars and workshops will be provided on an ongoing basis on specific needs.

m. Other Matters:

Under no circumstances OCMA will accept, from an applicant, unsolicited information regarding the application, after the application deadline has passed.

After the proposal has been approved OCMA will notify applicants, in writing, any technical deficiency that needs to be corrected in applications that would not change, in any way, the outcome of the rating process.

Section 108-Loan Guarantee of Non-entitlement Units for General Local Government

The Section 108 Loan Guarantee is not subject to the method of distribution of funds of the CDBG program. Section 910, of the National Affordable Housing Act 1991 (NAHA), expanded the Section 108 Loan Guarantee program to non-entitlement communities in States. As required in Section 104(a) of the Act, we are including the guidelines, regarding our determination to aid non-entitlement municipalities, in applying for guaranteed loan fund under subpart M.

- **Available guarantee amount-**

Maximum funding allowed: \$278,630,030
Total amount of loan approved: \$17,800,000
Available guarantee amount: \$260,830,030

- a. **Eligible Activities**

Section 108 provides the State CDBG Program with an efficient source of financing, to meet needs in non-entitlement areas. Due to the formula distribution provisions of the Act, this allows loans in an amount of up to five times the present allocation. OCMA must ensure that any State CDBG funds that are pledged for a particular Municipality does not affect CDBG funds for other units of local governments. To avoid payment default, OCMA requires municipal government to present other collaterals, besides the required by HUD, in order to secure the payment of the loan. If OCMA deems necessary a Memorandum of Agreement/Understanding with Economic Development Bank (EDB), Tourism Company, PRIDCO, "Fomento Económico" or any other agency will be executed to review applications to determine risks factors. Specific requirements of feasibility, business plan and others are required for this assessment in order to assure OCMA of project feasibility.

Section 108 funds will be used for eligible activities regarding rehabilitation, physical development projects, that promote the economic development in accordance to Section 105(a) of the Act. For the purposes of determining eligibility, the State CDBG rules and requirements must be followed. All projects must either, principally 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 total number of low and moderate income persons living within then project's service area. If the project serves a low and moderate income community, the amount

borrowed must result in a proportionate level of benefit to low and moderate income persons living within the serviced area. Municipalities are required to have available accounting books and fiscal/budget documents for OCMA's inspection and evaluation to ensure repayment capacity.

b. Application Requirements:

The Municipality must comply with the following requirements, in order to be able to submit an application for participation in the program:

- Have completed at least, the pending single audits including the corresponding to FY 2002-2003. The subsequent program years shall be contracted before the submission of the proposal.
- Shall not have major findings of single audits and monitoring pending of corrective actions for more than 180 days. A certification from the monitoring and audit units shall be issued. Before the submission of the application to HUD, a monitoring review must be conducted, to the municipality.
- Must have closed out program years up to 1999. Closed out must be certified by OCMA.
- Shall pledge municipal revenues from property taxes (CRIM), and any other municipal taxes (Patentes) as a guarantee pursuant to the contract between the municipality and OCMA.
- Additionally from the underlying pledge of the CDBG funds the Section 108 program requires that each loan be collateralized. Requires description of the collaterals for the Section 108 loan and, if applicable, the proposed collaterals for the project debt. Collaterals might be:
 - A first or second lien on real property;
 - A lien on machinery or equipment;
 - The pledge of an income stream;
 - A pledge of future tax increments.
- All projects must have final design and endorsement by concerned agencies, before submission to HUD.
- Provide an estimated project schedule, indicating the point in which the Section 108 financing will need to be in place.

Applications for the Section 108 Loan Guarantee Program may be submitted throughout the 2004 State CDBG Program Year. The State CDBG Section 108 Program Specialist will consider the applications

after a preliminary review. After the review and approval of OCMA's staff, an invitation to apply for Section 108 Loan Guaranteed funds will be extended to the Municipality. An application must meet all State CDBG Program requirements. In addition, the following information must be provided:

- Evidence of efforts made to obtain feasible alternative sources of financing and that such sources were either not available or were insufficient to satisfy the financing needs.
- Sufficient financial information and projections to allow assessment of the repayment capacity and project feasibility.
- Documentation and methodology used to determine low-income job creation or retention.
- Evidence of resolution passed by the municipality authorizing the submission of the application.
- HUD concerning collaterals and repayment on a case-by-case basis may require additional conditions.
- A feasibility study (studio de viabilidad) must be provided, for the proper determination.

c. Loan Default Consequences:

In the event of default OCMA may choose to recover the indebted amount from any of the collaterals, from the Basic Grant awarded to the municipality or from any other applicable state or federal municipal funds.

II- HOME Program

The State HOME Program has developed and implemented procurement and contracting procedures to ensure equal participation of minorities, entrepreneur women, small businesses and firms, and other professionals in the development of affordable housing activities and projects.

The outreach strategy to assure equal participation of minority businesses enterprises and individuals will be the competitive method, to the maximum extent possible. This will ensure the fair and unbiased contracting procedures that allow a foremost opportunity of open competition and absence of conflicts of interests.

The State HOME Program will allocate the estimated amount of \$16,870,423 to the diverse eligible activities. The method for distributing HOME funds to local governments, developers, and CHDOs will be by request for proposals (RFP). The proposal will be the official application for HOME funds.

The proposal guidelines, federal state requirements, and the evaluation factors were available subsequently in a Seminar on Development of Affordable Housing delivered on March 18, 2004 for municipalities, developers and CHDOs.

To be considered, all applications for the development of housing construction or rehabilitation to benefit low and very low income families must meet eligibility requirements pursuant the 24 CFR Part 92 and the State HOME Program criteria.

The Proposals Evaluation Committee, designated by the Secretary of the PR Department of Housing, Hon. Ileana Echegoyen, will evaluate applications to HOME funds. Award points to eligible proposals will be based on specific rating factors. Those factors include local and federal considerations and State HOME Program's evaluation criteria, such as:

- Completed Application Form
- Project description
- Site control
- Statement of how the project will meet with priorities of the PR Department of Housing and the Commonwealth of Puerto Rico
- Market analysis and affirmative marketing strategies
- Capabilities and previous experience of the firm/organization
- Financing sources (levering plan) and economic feasibility
- Planning and design phase (status of local and federal constructions permits, environmental assessment)
- Other

In selecting from among eligible applications, consideration will be given to the:

- Extent to which the proposal will serve a demonstrated need and priority;
- Determination of eligibility activity, type of assistance requested and compliance with federal and state regulations;
- Projects to be developed in Urban Centers and Special Communities;
- Degree to which the proposal leverages private investment or other funding sources;
- Likelihood of successful project completion, including consideration of the market analysis, prior experience of the applicant, and the viability of the completion schedule;
- Developer experience and qualifications. Debarred contractors or developers and / or entities with serious previous citizens claims or those included in HUD monitoring or audit findings will be automatically excluded;
- Planning and design phase / site control;
- Project evaluation as per Subsidy Layering guidelines: before committing funds, the PR Department of Housing and the Evaluation Committee must analyze sources and use of funds, to determine funds needed to develop the project;
- Determination of cost-effectiveness and project feasibility;
- Environmental assessment;
- Legal review

Additional factors might as well be included taking into consideration activity's requirements and PR Department of Housing priorities.

The PRDH could make **exceptions** to municipalities or state governmental agencies that need HOME funds. The State HOME Program could receive unsolicited proposals any time during the FY. However, the request for HOME funds and applicable documentation must be completed by solicitants. The request for funds will be referred to the Proposals Evaluation Committee, according to the State HOME Program procedures and requirements for their recommendations.

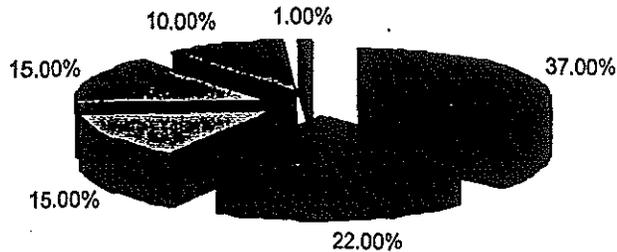
A. Distribution of Funds to Address Priority Needs

HOME Investment Partnership Program

The Puerto Rico Department of Housing concurs with HUD's commitment to promote and increase homeownership among low and very low-income families. With HOME Program funds, the PRDH is encouraging and supporting the development of housing projects for sale and by assisting families that want to acquire a house. Fifty percent of the HOME funds assigned for FY 2004-2005 will be distributed among projects and assistance directed to benefit homebuyers. The PRDH expects to assist approximately 568 families during FY 2004-2005 in all HOME funded activities.

The information that follows presents a description of the State HOME Program activities and the distribution of funds to address priority needs.

**Distribution of HOME Funds
Fiscal Year 2004-2005**



■ New Const. Sale	■ Rental
■ Homebuyer	■ CHDO Set-Aside
■ Administration	■ CHDO Operational

a) New Housing Construction for Sale

Allocation: \$6,284,232

The objective of this activity is to promote and support the development of affordable housing to increase the inventory and to provide decent, safe and sanitary housing dwellings to low and very-low income families improving their quality of life.

HOME funds will be used to provide incentives to developers in order to reduce the loan mortgages. This activity will be developed in accordance to eligible activities and projects costs, pursuant 24 CFR Parts 92.205, and 92.206, and local and federal property standards and construction requirements as established in the 24 CFR Part 92.251. All families benefited with HOME funds will meet income requirements as stated on the 24 CFR Part 92.203 and 92.254.

The incentive or subsidy for developers must be used for eligible constructions hard and soft costs. The determination of subsidy per unit will be based on the subsidy layering analysis up to \$40,000 per unit.

b) Rehabilitation or New Construction of Rental Housing

Allocation: \$3,711,493

This activity makes possible the rehabilitation or new construction of housing dwellings for rent, in order to benefit low and very low- income families that do not have the capacity to assume a mortgage or are not interested to purchase a home, as established in the 24 CFR Parts 92.203 and 92.252. The amount to be invested per-unit will be in accordance with subsidy layering analysis pursuant 24 CFR 92.250. The construction or rehabilitation must comply with property and rehabilitation standards as required in the 24 CFR Part 92.251 and with local construction codes and requirements.

Eligibility requirements for rent and occupancy are based on the family income determination as defined by Section 8 Program and restrictions of period of occupancy (affordability period). HOME Program requirement triggers compliance with income limits and affordability period. The State HOME Program will verify property requirements, property standards, and eligible costs, among other federal and state considerations.

In addition, property owners (landlords) must comply with rent requirements established by HUD. The rents are published every year for each area at: www.hud.gov/cpd/home/limits/rent/rentlimt.html.

c) Homebuyer Assistance

Allocation: \$2,530,563

Regarding homeownership, the activity consists of facilitating the acquisition of housing units by granting State HOME Program funds to homebuyers in order to reduce loan mortgages. Permanent financing for homebuyers who benefit from these projects could be processed through the Puerto Rico Housing Finance Administration. The homebuyer purchase assistance will be granted directly to low-income families. Eligibility determination for prospective homebuyers will be based on the annual gross income parameters of low-income families (80% or less of median income limits for the area), ability to pay and family composition.

The average subsidy per family will be \$25,000. However, the subsidy will fluctuate from \$1,000 to \$40,000. Exceptions in the maximum amount will be considered and evaluated, since most of HOME Program solicitants are low or very low-income persons/families.

Families interested in purchasing a house may also consider applying to *La Llave Para tu Hogar*, a PR Department of Housing initiative that provides subsidies up to \$15,000 to qualified first time homebuyers. In addition to the local subsidy, the first-time homebuyers could be benefited with subsidies from the *American Dream Downpayment Initiative* with downpayment and closing cost assistance up to the greatest of the 6% of the purchase price or \$10,000.

d) Community Housing Development Organization (CHDO) – Set aside

Allocation: \$2,530,563

The 24 CFR Part 92.300 establishes that participating jurisdiction must reserve not less than 15% of the HOME Program allocation for investment in non-for-profit housing organizations to benefit low and very low income families.

Community Housing Development Organizations (CHDO's) are not-for-profit community based entities established to develop, acquire, administer, or sponsor housing for persons of low and very low income with the assistance of HOME funds. The State HOME Program must certify the organization as a CHDO. Prior to committing funds the State HOME Program will reassure that the entity meets the criteria pursuant 24 CFR Part 92.2:

Legal status under state laws, composition of Board of Directors, organizational mission, administrative capacity and experience are the major areas to be evaluated before certifying an organization as a CHDO.

HOME Program funds will be granted for acquisition and/or rehabilitation of housing, new construction, and project pre-development loans, among other eligible costs. Eligible CHDO activities and projects costs, will meet the 24 CFR Parts 92.205, and 92.206 and local and federal property standards and construction requirements as established in the 24 CFR Part 92.251. All families benefited with HOME funds must comply with income requirements as stated on the 24 CFR Parts 92.203 and 92.254, and Part 92.252 regarding rental-housing qualifications.

e) State HOME Program Administration Activities

Allocation: \$1,687,042

The 10% of the total allocation of HOME Program funds for FY 2004-2005 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.

f) CHDO Operating Expenses

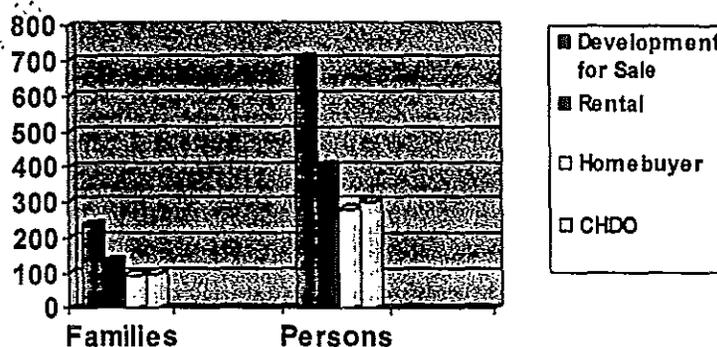
Allocation: \$126,530

A total of \$126,530 will be allocated for operating expenses of Community Housing Development Organizations, such as: salaries, wages, rent, utilities equipment, materials and other related expenses stipulated in the 24 CFR Part 92.208.

g) Rehabilitation or New Construction of Housing by Homeowners

It is necessary to point out that the State HOME Program is not assigning funds for Rehabilitation or New Construction by Owner Activity for FY 2004-2005. The program is working with the remaining funds from previous years in order to assist those families in the waiting list.

Projections for Assistance by Activity



However, the State HOME Program will receive new cases only if they comply with one of the *urgent priorities* for assistance:

- Houses destroyed by fire
- Families living in high risk of environmental conditions
- Over deteriorated living conditions of high risk
- Persons with physical impediments that need reasonable accommodation

Proposed Accomplishments with HOME Program Funds by Activity

HOME Program Activity	Allocation	Average Subsidy*	Low- income Families to Assist	Estimated persons (3 per family)
New Construction for Sale	\$6,284,232	\$25,000	251	754
Rehabilitation or New Construction for Rent	\$3,711,493	\$25,000	184	445
CHDO	\$2,530,563	\$25,000	101	303
Homebuyer Assistance	\$2,530,563	\$27,000	93	279
Total			629	1,781
* The maximum amount of HOME subsidy will be \$40,000.				

h. American Dream Downpayment Initiative (ADDI)

1. Downpayment Assistance
Allocation: \$498,685

The American Dream Downpayment Act was enacted on December 16, 2003 under Subtitle E of Title II of the Cranston Gonzalez National Affordable Housing, as amended. The main objective of the ADDI is to promote homeownership among first time homebuyers with targeted assistance to residents and tenants of public housing.

Downpayment charges and closing costs commonly represent one of the principal obstacles of low-income families to acquire a home. The State HOME Program and the PR Housing and Finance Authority will create a partnership to provide downpayment assistance, mainly to public housing residents, and Section 8 tenants, which visit the *Centro de Gestión Única* (Client Service Center), to apply for all the PRDH programs' assistance, specifically for homeownership benefits.

The Center receives citizens from all sectors. It is an effective way to outreach the targeted population. In addition, the State Home Program will coordinate the ADDI

assistance, with PRDH's Section 8 Program and PRPHA in order to benefit their clientele.

The State HOME Program will provide pre and post purchase housing counseling in order to ensure that ADDI funds will be used for downpayment and other eligible closing costs, and will be responsible for the income eligibility certifications. The PJ will assure compliance with ADDI and HOME Program requirements.

In order to qualify as eligible, participants must meet the following requirements:

- must be first time homebuyer, and
- their annual income must be below 80% of the median income limits of the area.

The amount of assistance to be provided should not exceed the greatest of 6% of the purchase price or \$10,000. The downpayment and closing costs may include fees for: appraisal, title evidence, credit reports, filing of legal documents, among others.

With the ADDI allocation, the State HOME Program expects to assist approximately 66 low-income families.

Table 6: Proposed Accomplishments with American Dream Downpayment Funds

ADDI Allocation	Downpayment Assistance and Closing Costs	Low- income Families to Assist	Estimated persons (3 per family)**
\$498,685	\$7,500 per household*	66	198
<i>Average downpayment costs according to HUD's estimates.</i>			
<i>** Family members per household according to the 2000 US Census.</i>			

The type of clientele that request assistance in the PRDH is mostly low and very low income families without sufficient resources and financial capacity to acquire a house. Downpayment charges and closing costs commonly represent one of the principal obstacles of low-income families. The State HOME Program understands that the maximum amount permissible (\$10,000) will be needed for most of the families. However, it may vary case by case.

With an ADDI subsidy for downpayment of \$7,500, the State HOME Program expects to benefit 198 persons. The ADDI funds will be used in combination with other state and federal funds to assist low-income families to accomplish their goal to become homeowners.

III. HOPWA PROGRAM

Availability of funds for FY 2004-2005: **\$1,748,000.00**

HOPWA funds will be allocated by the PRDOH to selected project sponsors with experience providing services to persons living with HIV/AIDS. Funds availability will be announced through a Request for Proposals (RFP) published in major newspapers of Puerto Rico. Interested

project sponsors will submit proposals to be evaluated on a competitive basis, in accordance with the request for proposals (RFP) and a Grant Writing Guidance.

Funds will be granted for a twelve (12) months period, beginning July 1, 2004, and ending on June 30, 2005.

Proposals received must meet the following requirements to be considered:

- Applications from private non-profit organizations and local government units (municipalities) located outside the San Juan-Caguas-Guaynabo EMSA will be accepted;
- Non-profit organizations must be duly registered at the Puerto Rico Department of State;
- Non-profit organizations must have a minimum of one (1) year providing services to the HIV/AIDS population;
- Non-profit organizations must provide a copy of their last financial external audit.
- Priority populations: An assessment will be made to determine if proposals submitted address priority populations service needs, as established by the 2003 HIV Prevention Community Planning Group (CPG) Comprehensive Plan. Services should be focused to HIV/AIDS homeless people or in risk of becoming homeless.

A. Evaluation of Proposals: A team of Health Services Evaluators will evaluate the proposals with a standard instrument to assure uniformity and impartiality. The maximum value for this criterion is (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 (100) points' basis (Proposal evaluation). New projects will be selected on a (125) points' basis; (Proposal evaluation plus a site visit).

B. Acceptance of proposals: The organizations that their proposals have been accepted will be notified through mail. Also, they will be informed about the documents that are required by the PRDOH Contracts Office. Contracts will be granted to project sponsors when all the required documents have been submitted.

For Fiscal Year (FY) 2004-2005, HOPWA grant funds will be allocated as follows:

a. Housing Assistance Program (40%)*

Eligible Activities:

1. Short term rent, mortgage, and utilities payment
2. Short-term facility (Shelter)

b. Support Services Program (50%)*

Eligible Activities:

- Home Health Care
- Health Care
- Adult Day Care
- Hospice
- Case Management

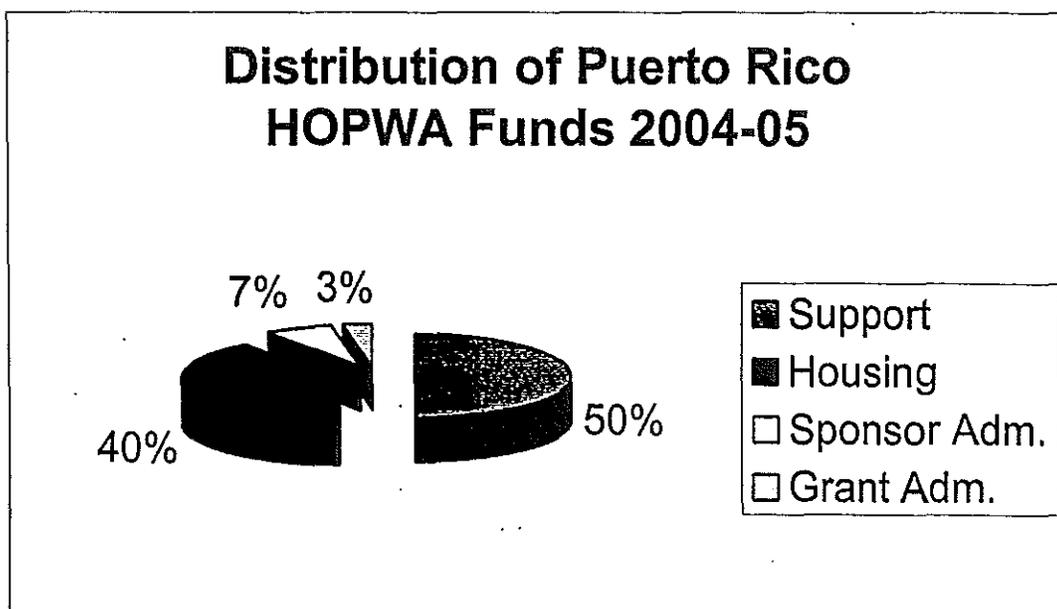
- Mental Health Services
- Nutritional Services

c. Projects Sponsors' Administrative costs (7%)

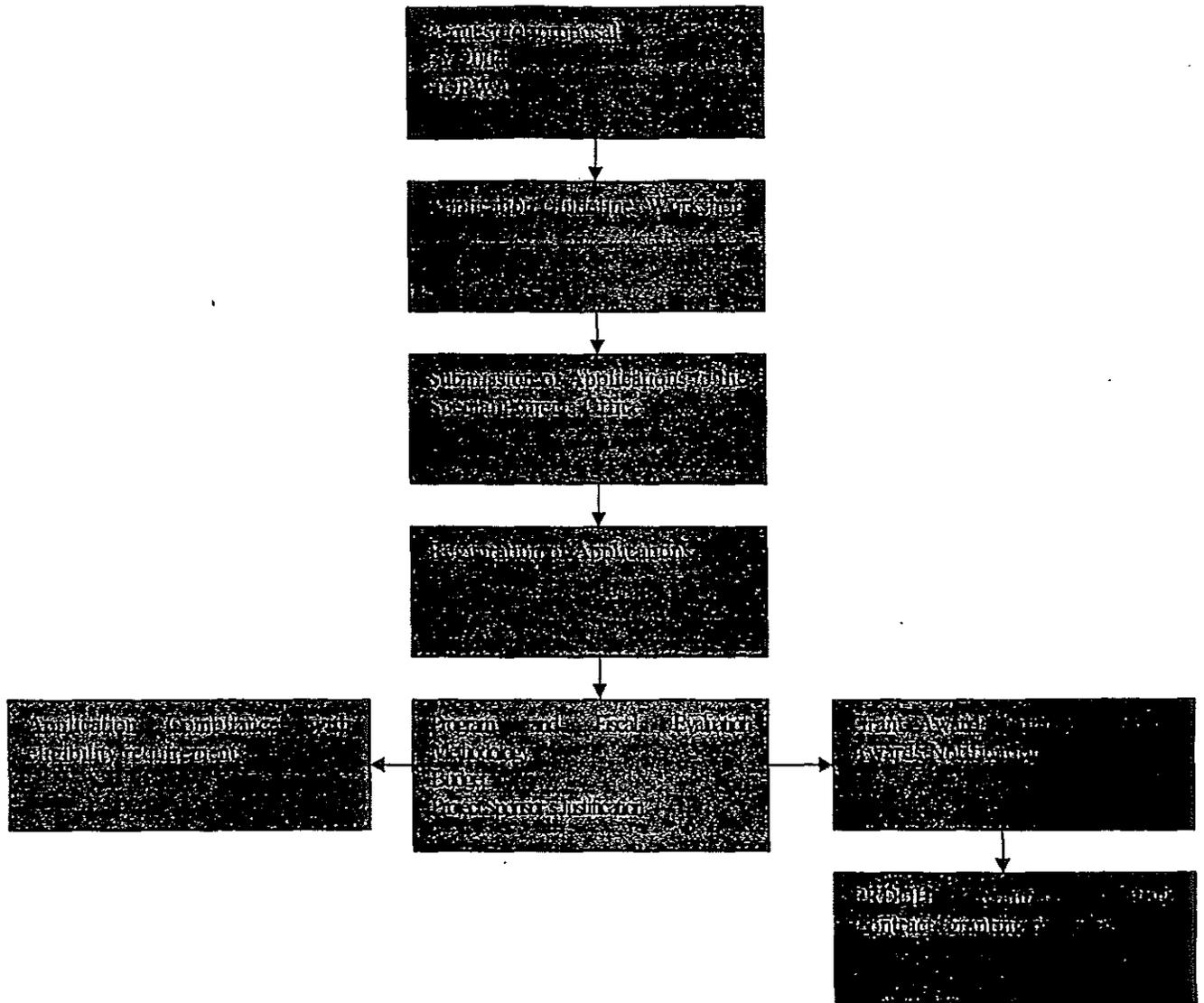
d. Grantee Administrative costs (3%)

* These are approximate percentages due to the new redistribution of municipalities within the Puerto Rico area, and a higher demand for supportive services, including Rehabilitation and Psychosocial services due to high rates of drug and alcohol abuse.

The following figures show both the distribution of funds and the evaluation process of the received proposals by the Puerto Rico Department of Health.



C. EVALUATION PROCESS



IV. ESG Program

A. Public Announcement of Funds Availability/RFP Process

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.

1. Application Requirements

An application kit is distributed to the municipalities and /or non-profit organizations interested in applying. A Memorandum outlining relevant information pertaining to the ESG Program regulations, including definition of eligible activities as well as the general basic requirements to be completed by applicants are part of the kit. These general requirements include:

- A questionnaire pertaining to the organization's qualifications, history and services rendered to the homeless.
- A detailed summary of fund requested and other sources of funds received by the organization.
- A detailed narrative description of the project/proposal.
- Other requirements such as those, which are specific to continuation projects or new applicants, are also found among the documents of the application kit.
- Applicants to be considered for funding must address one or more of the following Puerto Rico's ESG program objectives/priorities: homeless, addicts, HIV, domestic violence, families and elderly.

2. Population to be served

Priorities	Estimated Persons 2004-2005
Homeless	19,900
Addicts	8,000
HIV	2,000
Domestic Violence	2,900
Families	90
Elderly	950
TOTAL	33,840

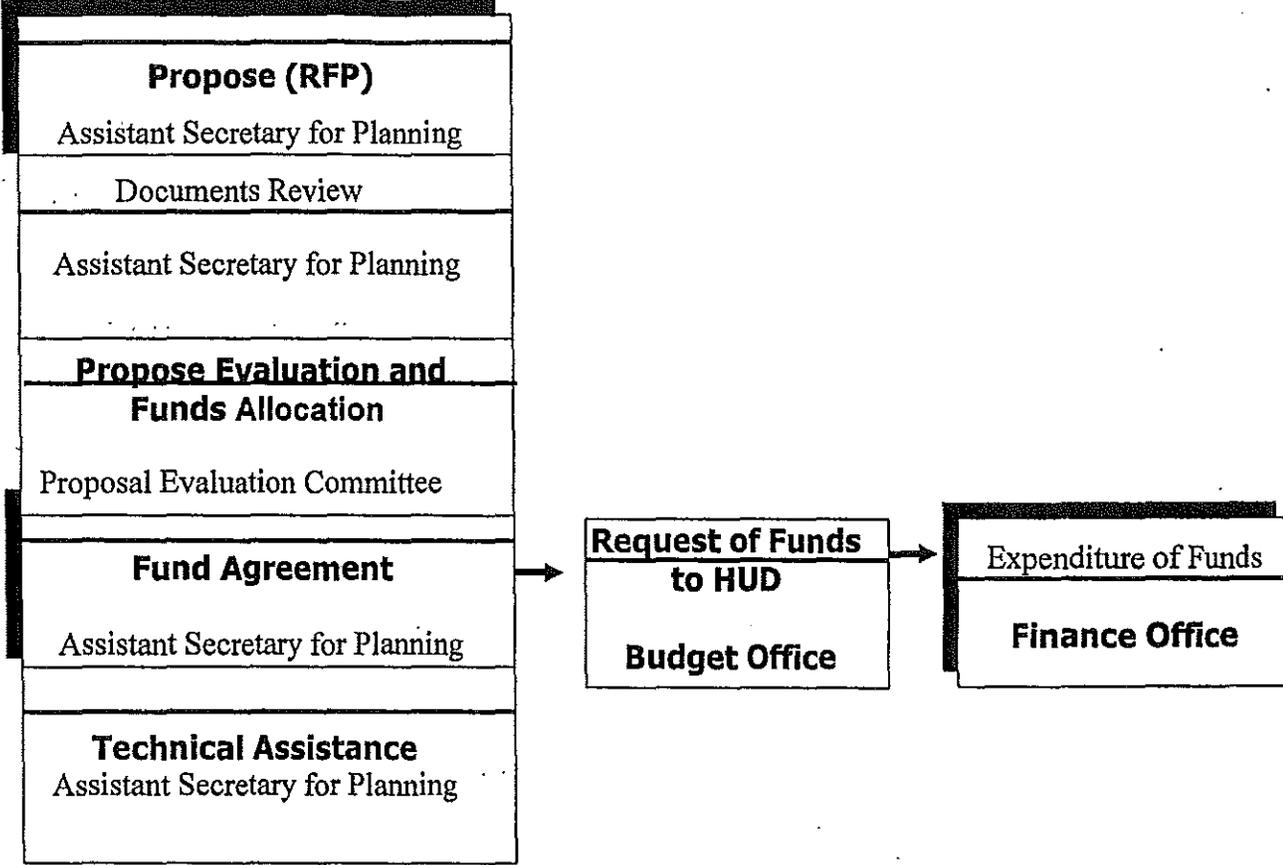
3. Reprogramming of Funds

A reconciliation of the financial information of the Program for the years 2000-2001 disclosed a residue of funds. The Department of the Family is going to reprogram it to distribute with the grant of 2004.

4. Evaluation of Proposals

A Proposal Evaluation Committee designated by the Secretary of the Department of the Family evaluates the proposals. The evaluation criteria are based on the requirements of the laws and regulations governing the ESG program. Recommendations/information is provided to the ESGP Evaluation Committee by personnel of the Department, which have the responsibility of administering the fund and monitoring recipients. These recommendations pertain to the administrative capacity and quality of services rendered by the applicants. The final amount allocated will be based on the points of the evaluation and final determination of the Committee regarding the capacity of administration and services rendered by the applicant/organization. Please refer to the Evaluation Format in the next pages.

ESG FUND DISTRIBUTION PROCESS
2004-2005



The Assistant Secretary for Planning is in charge to approve the changes in the authorized budget.

EMERGENCY SHELTER GRANT PROGRAM (ESG)

EVALUATION CRITERIA
GRANT NUMBER _____

NAME OF ENTITY _____

POPULATION _____

SERVICES _____

NUMBER OF PARTICIPANT _____

I. Documents Required	Are they included?		Expiration Date (If apply)	Comments
	Yes	No		
1. Letter of Intention of Collaboration with the Department of Family				
2. Good Standing				
3. Certificate of Incorporation				
4. Certification of the CRIM (SPANISH ACRONYM)				
5. Certification of the Department Labor: a. Disability and Unemployment Insurance b. Chauffeur Insurance				
6. Certification of the Firemen				
7. Environmental Health License				
8. Policy of Property				
9. Certification of the Income Tax Exemption				
10. License of ASSMCA (Spanish acronym) (If Apply)				
11. License of the Department of Family (If Apply)				
12. Permit of ARPE (Spanish acronym) (If Apply)				
13. State Insurance Fund Policy				
14. Resolution of the Corporative or Municipality Assembly				
15. Public Responsibility Insurance That Include the Department of Family as part of the assured				
16. Financial Statements/Annual Reports certified by a CPA (Certified Public Accountant)				
17. List of Board of Directors (name, address, telephone and place of employment)				

II. Programmatic Criteria			OBSERVATIONS
1.	Experience in Similar Projects		
2.	Services Category		
	a) Shelter		
	▪ Emergency		
	▪ Transitional		
	b) Day Care Center		
	c) Meal Distribution		
3.	Working Plan		
	a) Necessity Definition		
	b) Services		
	c) Activities		
4.	Clientele Definition		
	a) Interrelation of the project with the established priorities		
SUBTOTAL			
III. General Criteria			
1.	Member of a Coalition for the Homeless		
2.	Administrative Organization (description)		
3.	Meetings of the Board of Directors (frequent of the meetings,)		
4.	Administrative Capacity of the Entity (Procedures and Human Resources)		
SUB TOTAL			
IV. Funds for Operation			
1.	Availability of other sources of resources (Fiscal, Human)		
2.	Budget		
	a) Income Resources (Matching Funds)		
	b) Funds Requested*		
SUBTOTAL			

*Renovation has special criteria (historic preservation, photography and description of areas to be renovated).



PROPOSAL NUMBER _____

**EMERGENCY SHELTER PROGRAM
EVALUATION CRITERIA**

NAME OF ENTITY _____
SERVICES _____

POPULATION _____
NUMBER OF PARTICIPANT _____

CRITERIA	DATES	OBSERVATIONS
I. CRITERIA/REGULATION DOCUMENTS*		
1. CERTIFICATE OF INCORPORATION		
2. LIST OF BOARD OF DIRECTORS (name, address, telephone)		
3. LETTER OF INCOME TAX EXEMPTION		
4. FINANCIAL STATEMENTS/ANNUAL REPORTS		
5. CRIM (SPANISH ACRONYM) CERTIFICATION		
6. PERMITS		
A. Firemen		
B. ARPE (Spanish acronym)		
C. Environmental Health		
D. ASSMCA (Spanish acronym)		
7. STATE INSURANCE FUND POLICY		
8. CERTIFICATE THAT STRUCTURE IS LEAD FREE		
II. GENERAL CRITERIA		Puntuacion
		OBSERVATIONS
1. INTERRELATION OF THE PROJECT WITH THE ESTABLISHED PRIORITIES		
2. EXPERIENCE IN SIMILAR PROJECTS		
3. ADMINISTRATIVE CAPACITY OF THE ENTITY (Procedures, Human Resources)		
4. AVAILABILITY OF OTHER SOURCES OF RESOURCES (Fiscal, Human)		
SUB TOTAL		
III. ADDITIONAL CRITERIA		
1. BUDGET		
A. Sources of Income (Matching)		
B. Funds requested		
SUB TOTAL		
IV. CRITERIA OF CONTINUATION PROJECTS **		
1. COMPLIANCE OF QUARTERLY REPORTS		
2. PROGRESS REACHES OR SURPASSES THE BUDGET LEVEL (CAPER)		
SUBTOTAL		
GRAND TOTAL		

Rev. March/2003 _____

Signatures _____

HOMELESS AND OTHER SPECIAL NEEDS ACTIVITIES

Continuum of Care

After the newly elected government of Puerto Rico assumed office in 2001, Governor Sila María Calderón designated the first members of the Commission for the Implementation of the Public Policy on Homeless Persons of Puerto Rico (PR State Commission or PRSC) which had been created by PR Law 250 on August 18, 1998 as a collaborating body to coordinate and direct CoC development for the Commonwealth of Puerto Rico (CPR). The Puerto Rico Department of Family (PRDF), is the lead agency of the Commission for the homeless persons in Puerto Rico.

There is the estimate of **1655 sheltered** and **5,416 unsheltered homeless individuals** (See **Enclosure I**) based on the One-Time, One-Day Census carried out under the auspices of the PRSC in May of 2003. Based on research studies carried out in 2000 and 2003 ("Estudios Técnicos"), well over 50% are chronic homeless. For this reason, most of the strategies and action steps implemented by the PRSC member organizations to street and sheltered homeless, undoubtedly address chronic homeless populations. Significant progress was made in the past year in establishing a collaborative service infrastructure under the leadership of the PRSC, integrating a broad gamut of public and private stakeholders in the planning of strategies to end chronic homelessness in Puerto Rico. One of the main advancement is the submission of the proposal for the 2003 Continuum of Care (COc) funds to the Federal Department for Housing and Urban Development (HUD) on July,2003. They approved this proposed for 12.4 million for nine project as part of the strategies to end chronic homeless in Puerto Rico.

The Current Chronic Homelessness Strategy of the PRSC to end chronic homelessness in Puerto Rico includes:

- Continued expansion of stakeholders involved in collaborative planning and service development.
- Work toward the continued expansion of state and municipal government agencies and private entities that place homeless populations as a priority for services and develop formal public policies directed to the elimination of chronic homelessness by the end of this decade.
- Continued education and awareness-building activities to reduce stigma and combat the criminalization of homelessness and promote more humane and respectful treatment of the homeless so that public policies that are developed are adequately implemented in the community.

- Continued education and advocacy to achieve greater commitments by public and private funders of fiscal, physical, and human resources to housing and comprehensive supportive services to eliminate chronic homelessness.
- Continued capacity building of community-based (including faith-based) providers so that managerial staff and Boards of Directors gain knowledge and skills regarding housing development financing, more effective service infrastructure building, better capacity utilization for chronic homeless persons.
- Continued development of the Homeless Management Information System (HMIS) for service planning and management decision-making, tracking of populations served through the various systems, monitoring and quality assurance.
- Continued identification and work with more advanced Community Base Organizations (CBO's) in the development of transitional and permanent supportive housing for homeless populations, emphasizing chronic homeless populations.

The current strategies include work with agencies that serve populations at high risk of becoming homeless, such as correctional institutions, substance abuse and mental health institutions and rehabilitation programs and others, to ensure the development (where none exist), revision and full implementation of discharge policies so that the populations served do not become homeless upon discharge. While all applicants for CoC funding make a commitment to have such discharge policies in place, there is a need to ensure follow-up and after-care programs that reduce homelessness and the revolving door that many of the chronic homeless experience constantly throughout most of their lives. Please refer to **Enclosure II**.

LISTING OF THE NAMES AND TYPES OF ORGANIZATIONS INVOLVED IN THE CoC

Specific Names of CoC Organizations/Persons	Geographic Area	Subpopulations Represented (G, SMI, SA, Y, VETS, HIV, DV)
STATE AGENCIES/ REPRESENTATIVES:		
1. Department of the Family	Balance of State	G, SA, Y, HIV, DV
2. State Police Department	Balance of State	G
3. Department of Health	Balance of State	G, HIV/AIDS
4. Department of Education	Balance of State	G,Y,(including handicapped)
5. Housing Department	Balance of State	G
6. Department of Labor & Human Resources	Balance of State	G, Vets (persons with handicaps)
7. Department of Corrections & Rehabilitation	Balance of State	G,SA
8. Mental Health & Anti-Addiction Serv. Admin..	Balance of State	SMI, SA, HIV/AIDS, Y
9. Office of the Governor	Balance of State	G
10. Puerto Rican Office of the Ombudsman for Veteran's Affairs	Balance of State	VETS
11. OCMA	Balance of State	G
12. Office for the Coordination of Services for Disadvantaged Communities	Balance of State	G (Low Income Residents)
13. Offices for Drug Control	Balance of State	G, SA, HIV/ AIDS
PRIVATE SECTOR:		
<u>For Profit:</u>		
Triple SSS Insurance	Balance of State	G
Resources Inc.	Balance of State	G
Mercedes Rodríguez	Balance of State	G
<u>Non-Profit Organizations:</u>		
Golstein & Levis Foundation	Balance of State	G
Coalition for the Support of Homeless Persons of San Juan	San Juan, PR	SA, HIV/ AIDS, Y, SMI, VETS, DV
Office of The Archbishop of San Juan	San Juan, PR	G, SA, HIV/ AIDS, Y, SMI, VETS, DV
Hogar Padre Bernard	San Juan, PR	G, SA, HIV/ AIDS, Y, SMI, VETS, DV
Puente de Paz	Sabana Seca	SA
Casa Ismael	Toa Baja	G
Hogar Fortaleza del Caido	Loiza	SA, VETS, Y, HIV
Hogar Agua y Vida en el Pesiendo	Corozal	HIV, DV, SA, VETS
Casa de Todos	Yauco	DV
PUEDEM	Manatí	SA
Hogar de Envejecientes Irma Fe Pol	Lares	G

Specific Names of CoC Organizations/Persons	Geographic Area	Subpopulations Represented (G, SMI, SA, Y, VETS, HIV, DV)
STATE AGENCIES/ REPRESENTATIVES:		
Méndez		
Centro Deambulante Utuado	Utuado	HIV, SA
Hogar Divino Niño Jesús	Toa Baja	G
Posada san Felipe	Arecibo	G
Casa de la Bondad	Humacao	G
Centro de Envejecientes Manuel Acevedo Rosario	Camuy	G
Fondita Divino Niño Jesús	Aibonito	G
La Fondita Juan Bosco		
Programa Mano Amiga	Comerio	G
Silo Misión Cristiana	Vega Baja	G
Hogar Carmen Laura	Carolina	G
Teen Challenge	Arecibo	SA
Hogar Santa María	Carolina	SMI, V, SA, DV
Hermanas Carmelitas Teresa de San José	Loiza	Y
El Verde Home Care	Rio Grande	G
Hogar Eugenia	Carolina	G
Casa Betsan	Utuado	G
Alianza Amor	Lares	G
Hogar Geriátrico Emanuel	Camuy	G
Ministerio de Restauración Cristo Mi Fortaleza	Yabucoa	G
Carolans Home	Rio Grande	SA
Sociedad San Vicente de Paul	Vega Baja	SMI, VA
Fundación UPENS	Vega Baja	SA, HIV, Y
Hogar Santa Maria Eufrasia	Arecibo	DV, Y
Hogar de Niños Fe, Amor y Esperanza	Quebradillas	Y
Centro Deambulantes Genesaret	Añasco	SA
Teen Challenge	Corozal	HIV, SA, Y
The Rock City of Refugee	Las Piedras	SA
La Tierra Prometida del Centro de Rehabilitación Cristiano	Aibonito	SA
Hogar Nuevo Pacto	Juncos	SA
Hogar Colinas Verdes	Lares	HIV, DV, VA
Hogar Crea	Manatí	SA

a. Summary of strategies for ending chronic homelessness in Puerto Rico

An assessment of the existing system of services for homeless individuals and families in Puerto Rico took place through meetings with the service agencies to identify shortcomings or gaps, establish goals and carry out strategies and action steps intended to address these shortcomings and gaps. This assessment is being done by representative of a cross section of stakeholders (currently 35) of the various agencies that serve homeless throughout Puerto Rico and who are involved in, and committed to, meeting the needs of homeless persons and resolving the problem of chronic homelessness in the Island. Both public and private entities, private businesses (bank, Insurance companies) and ex-homeless persons are represented on the Commission for the Implementation of Public Policy on Homelessness (PRSC) which meets monthly.

The PRSC plans to continue to meet the needs of its agency representatives through the coordination of training and technical assistance activities coordinated with federal agencies as HUD, HHS and Veterans Affairs, all currently targeting efforts to the elimination of chronic homelessness in this decade. Local organizations have a need to develop their capacity to access resources that often go unused at municipal, state and federal levels, and to evidence accountability in the use of these resources. The PRSC will continue to promote capacity building and to monitor the development of these organizations, as well as other municipal governments and CBO's throughout Puerto Rico as it has over the past year.

The PRSC also plans to continue to coordinate, and collaborate more closely, with the Association and the Federation of Mayors and the Coalitions of Community Based Organization (CBO's) working toward the goal of eliminating chronic homeless. This Commission is carrying out collaborative planning of strategies directed to eliminating chronic Homelessness Island wide, in Puerto Rico.

There is the estimate of **1655 sheltered** and **5,416 unsheltered homeless individuals** (See **Enclosure I**) based on the One-Time, One-Day Census carried out under the auspices of the PRSC in May of 2003. Based on research studies carried out in 2000 and 2003 ("Estudios Técnicos"), well over 50% are chronic homeless. For this reason, most of the strategies and action steps implemented by the PRSC member organizations to street and sheltered homeless, undoubtedly address chronic homeless populations. Significant progress was made in the past year in establishing a collaborative service infrastructure under the leadership of the PRSC, integrating a broad gamut of public and private stakeholders in the planning of strategies to end chronic homelessness in Puerto Rico. One of the main advancement is the submission of the proposal for the 2003 Continuum of Care (COc) funds to the Federal Department for Housing and Urban Development (HUD) on July, 2003. They approved this proposed for 12.4 million for nine project as part of the strategies to end chronic homeless in Puerto Rico.

The Puerto Rico Department of the Family during 2004-2005 will:

- Unify the guides and procedures that the recipient of the ESG funds use and will put into practice the Manual of Regulations for ESG Organizations.
- Measure the efficiency and effectiveness of the services provided by the organizations by means of monitories, and progress reports.
- Review the monitoring guidelines according with the Manual of Regulations for ESG Organizations.
- Strengthen the technical assistance to the ESG organizations.
- Review the ESG Funds Application and Evaluation Format according to the recommendations of the Evaluation Committee.

HOME PROGRAM

The State HOME Program encourages and sponsors the development of projects to assist special population. Among the priorities established in the program are to provide preference to persons with disabilities and to elderly individuals, taking into consideration the special needs of this type of population, such as social and medical services in the vicinity, and most of all their housing needs.

The PR Department of Housing participates in meetings with the Developmental Deficiencies Council, Interagency Public Policy Homeless Council, Mental Health Council, among others and have an active role in the processes of evaluation, planning, and services delivery to these groups.

On the other hand, the State HOME Program provides HOME funds to CHDOs and developers for the construction and rehabilitation of affordable housing to sell or rent to benefit elderly and persons with disabilities and homeless individuals.

Regarding homelessness, an interagency committee was created, as a result of the Government of the Commonwealth of PR efforts to address homelessness among families with children. Some of the agencies and offices participating in this effort are: the Governor's Office, PR Department of Housing, PR Department of the Family, Office of the Commissioner for Municipal Affairs, PR Department of Health, State Mental Health, Head Start, Veterans Services Administration, PR Department of Labor, State-level Homeless Services Administrators-Continuum-of-Care, Advocacy organizations, PR Department of Education and other.

During the month of January 2004, the team members of the interagency committee participated in a Homeless Policy Academy seminar, celebrated in Miami, Florida. The State HOME Program Director, as the official representative of the PRDH, in the Committee took part in the development of the *Puerto Rico Action Plan for Homelessness among Families with Children*. The HOME Program is actively participating in working meetings to collaborate in the development of the strategies for the implementation of the action plan.

The goals of the Homeless Policy Committee are:

- Increase political will, interagency collaboration, and advocacy.
- Enhance systems and program capacity and integration.
- Develop a strong planning, research, and evaluation infrastructure.

Some of the planned actions included in the action plan are to work with local governments, and high-level officials of the Government of PR to allocate funds for housing services in order to increase the inventory and quality of housing and other services to benefit homeless families with children.

The PR Department of Housing public policy is focused in the goal that no individual with disabilities or special needs, for the only reason of said limitation is discriminated against, denied the benefits or be excluded from the participation in any program or activity receiving federal and/or local funds. Accessibility in the design, construction, rehabilitation, removal of architectural and communications barriers will be guaranteed in all activities developed by the HOME Program.

In addition, the PRDH is aware that elderly individuals are more predispose to rent than to acquire a house. To that effect, the State HOME Program will allocate 20% of the total allocation

to develop rental housing. In addition, special attention is given to solicitants with a family member with physical or mental disabilities that applies for rehabilitation or new construction in order to properly address their needs for a reasonable accommodation.

The PR Department of Housing and the State HOME Program guarantee that all projects developed with HOME funds comply with federal regulations regarding accessibility for special needs population:

- For rental projects with five (5) or more assisted housing units, State HOME Program assure that, 5% or more dwellings will be accessible to individuals with mobility impairments and 2% for persons with sensory disabilities.
- The State HOME Program gives special attention to assure that owners of projects will provide information regarding the availability of accessible housing units in order to reach individuals with disabilities. This requirement is stipulated in the contract agreements.

During fiscal year 2004-2005, the State HOME Program will benefit special needs persons (mostly elderly citizens), among others by providing rental housing. The following projects were approved and currently are under development:

Rental Projects under Development

Location	Project	Units
Bayamón	Miguel Plaza Elderly	82
Culebra	Pedro Márquez Apartments	6
Culebra	Apartamento Fulladosa	8
Lares	Elderly Housing	12
Loiza	Loiza Home for the Elderly	120
Manatí	Edén Dorado	12
Juana Díaz	Apartamentos Tití Lydia	4
Juana Díaz	Apartamentos El Dorado	83
Vega Baja	Apartamentos Suárez Sandín	22
San Juan	Colegio y Égida de Enfermeras Prácticas	82
Total		431

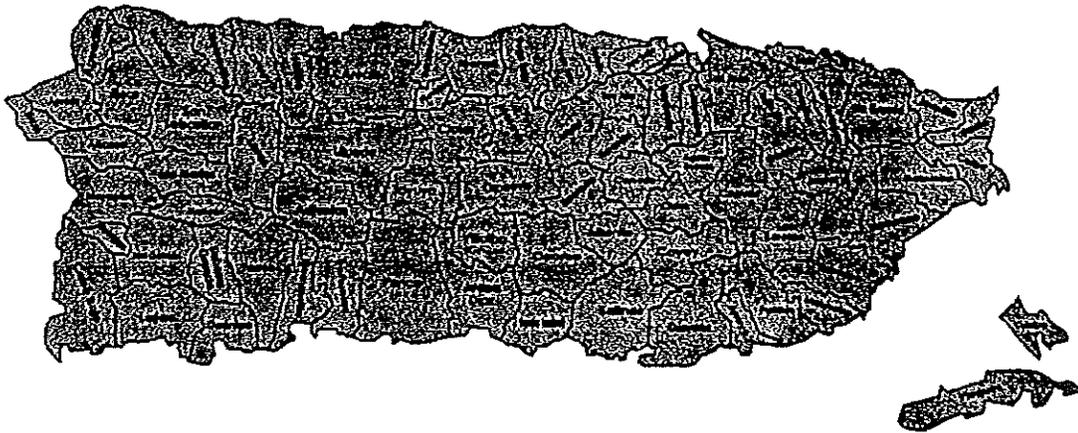
GEOGRAPHIC DISTRIBUTION

CDBG PROGRAM

Funds under the FY 2004-2005 will be distributed to benefit low and moderate income persons of the 51 non-entitlements based on the Low and Moderate Income Data Summary.

According to the State Law 50 approved on January 30, 2004, an allocation of 15% over the total amount awarded, will be granted to the municipality of Vieques and Culebra due to geographic factors beyond their control.

Geographic Distribution of Entitlement and Non-Entitlement Municipalities Accordingly of the 2000 Census



■ Entitlement ■ Non-Entitlement

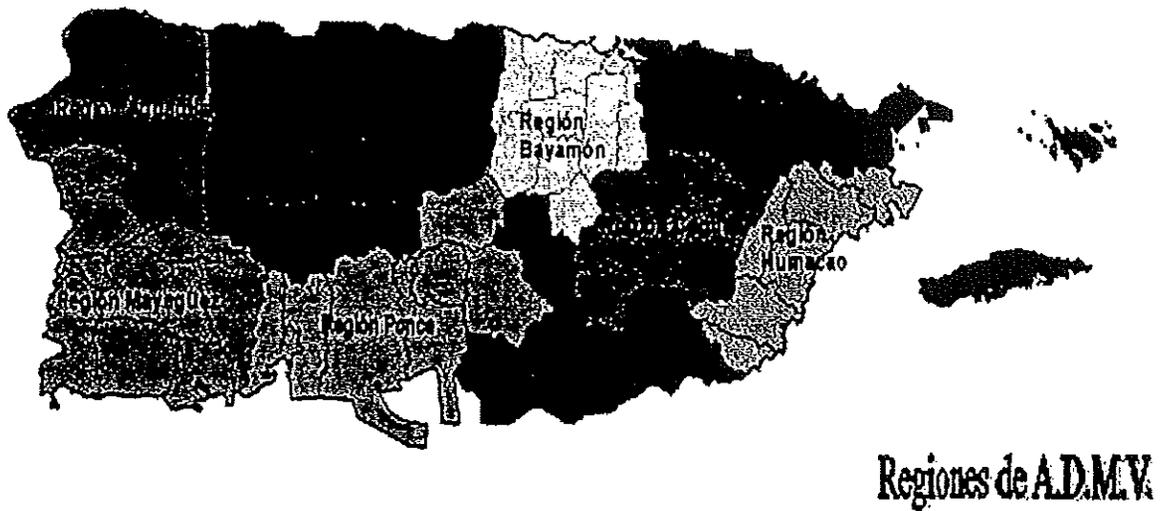
HOME PROGRAM

The Puerto Rico Housing Department will provide HOME Program assistance island wide during fiscal year 2004-2005. The housing needs all over Puerto Rico are evident.

Sources such as the Demand of Housing Study sponsored by the PR Bankers Association, the Comprehensive Housing Affordability Strategy (CHAS) data and other information obtained in the 11th Congress of Affordable Housing of PR confirms the housing problems in the Island.

The HOME Program direct assistance will be concentrated around Puerto Rico were a demand of affordable housing development is taking place. The outreach efforts and clients services are more effective since the citizens can apply for assistance at the Regional or Local Offices of ADMV.

There are eleven (11) Regional Offices of ADMV in Puerto Rico:



Distribution of Municipalities by ADMV Regional Offices

Regional Office	Municipalities
Aguadilla	Aguada, Aguadilla, Isabela, Las Marías, Moca, Quebradillas, Rincón, San Sebastián
Arecibo	Arecibo, Barceloneta, Camuy, Ciales, Florida, Hatillo, Lares, Manatí, Morovis, Vega Baja
Bayamón	Bayamón, Cataño, Comerío, Corozal, Dorado, Guaynabo, Naranjito, Toa Alta, Toa Baja, Vega Alta
Caguas	Aguas Buenas, Caguas, Cayey, Cidra, Gurabo, San Lorenzo
Carolina	Canóvanas, Carolina, Culebra, Fajardo, Loíza, Luquillo, Río Grande, Trujillo Alto, Vieques
Guayama	Aibonito, Arroyo, Guayama, Patillas, Salinas, Santa Isabel
Humacao	Ceiba, Humacao, Juncos, Las Piedras, Maunabo, Naguabo, Yabucoa
Mayagüez	Añasco, Cabo Rojo, Guánica, Hormigueros, Lajas, Maricao, Mayagüez, Sabana Grande, San Germán, Yauco
Ponce	Barraquitas, Coamo, Guayanilla, Juana Díaz, Orocovis, Peñuelas, Ponce, Villalba
Utüado	Adjuntas, Jayuya, Utüado
San Juan	San Juan

Furthermore, there are ten (10) local offices located in: San Sebastian, Vega Baja, Toa Baja, Vega Alta, Fajardo, Vieques, Naguabo, Guánica, Coamo, and Salinas. In addition, the ADMV Mobile Unit provides services directly in the communities.

The following table shows the approximately number of units under development or rehabilitation with HOME assistance by region.

Distribution of HOME Program Assistance by Region
(Projects under development from prior years funds as of February 2004)

Regions	Projects by Activity				Total Projects	Total Units
	New Construction or Rehabilitation for Rent	Homeowner Rehabilitation	CHDO	New Construction for Sale		
Aguadilla	1	22	2	13	38	251
Arecibo	3	27	0	8	38	189
Bayamón	3	7	0	0	10	97
Caguas	0	1	2	1	4	48
Carolina	2	6	0	3	11	250
Guayama	0	5	0	3	8	203
Humacao	0	2	0	2	4	39
Mayagüez	1	3	1	1	6	83
Ponce	2	2	0	2	6	225
Utua	2	4	0	3	9	143
San Juan	1	3	0	1	5	85
Total	15	82	5	37	139	1,613

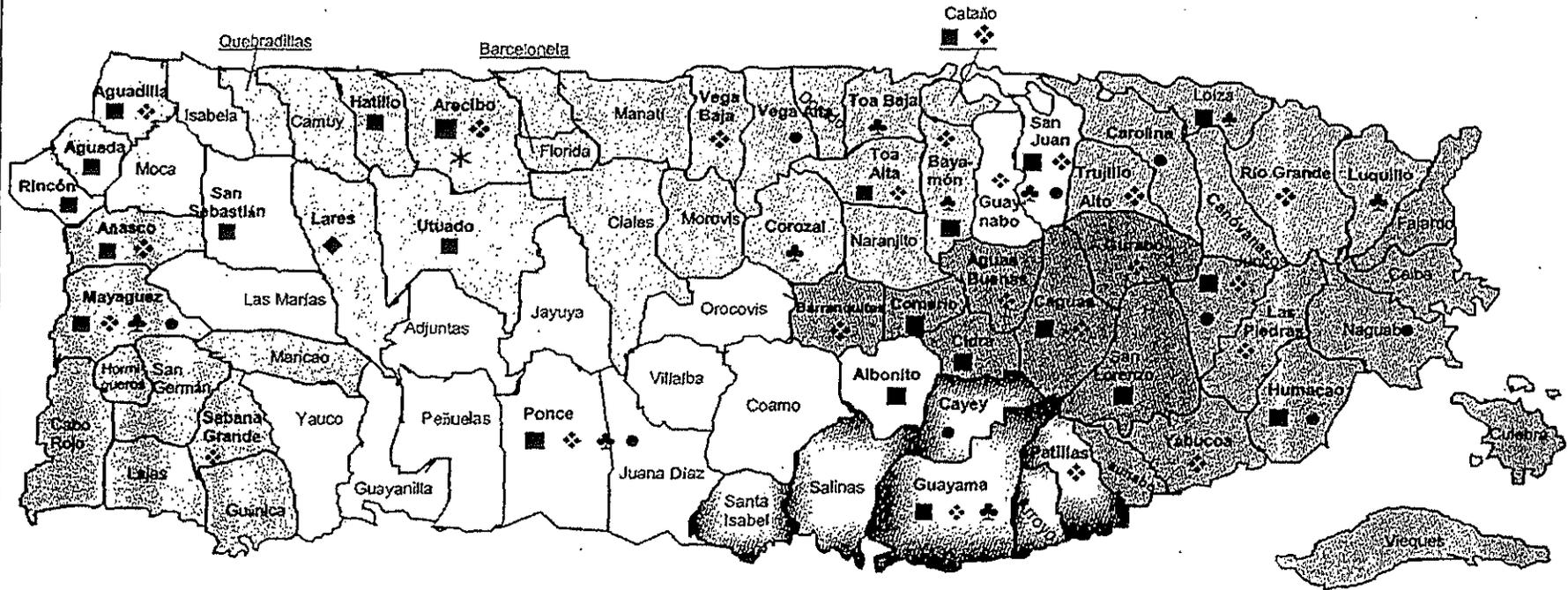
ESG PROGRAM

Funds covered under FY 2004-2005 Action Plan are stated for island-wide availability. The Program does not have any geography distribution requirement. A map follows the geographic area where the ESG organizations are located. Please refer to the next page for the ESG facilities.

a. Population to be served

Priorities	Estimated Persons 2004-2005
Families (single mothers)	90
Homeless	19,900
Drugs and alcohol abused persons	8,000
HIV	2,000
Domestic Violence Victims	2,900
Elderly	950
TOTAL	33,840

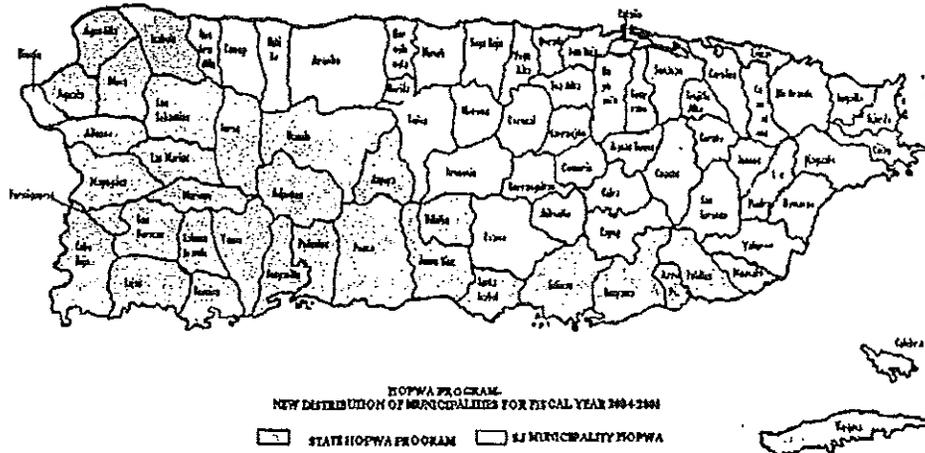
Geographic Distribution of the ESG Organization



Legend:

- | | | |
|--------------------------------|---------------------|-----------------------------|
| ■ Homeless | ♣ HIV/SIDA | ◆ Elderly |
| ◈ Drugs/Alcohol Rehabilitation | ● Domestic Violence | * Families (Single Mothers) |

HOPWA PROGRAM



The U.S. Department of Housing and Urban Development (HUD) issued on October 14, 2003, Notice CPD-03-11 regarding the Designation of Eligibility for Formula Allocations under the Housing Opportunities for Persons with AIDS (HOPWA) Program in fiscal year 2004. The purpose of this notice is to designate states and units of local government that are eligible to receive an allocation of program funds under the formula component of the Housing Opportunities for Persons with AIDS (HOPWA) program. The designations apply the new standards and definitions for Metropolitan Statistical Areas (MSAs) and Metropolitan Divisions recently adopted by the Office of Management and Budget (OMB) when on June 6, 2003, issued OMB Bulletin No. 03-04, *Revised Definitions of Metropolitan Statistical Areas, New Definitions of Metropolitan Statistical Areas and Combined Statistical Areas and Guidance on Uses of Statistical Definitions of these Areas*. HUD is implementing the provisions of this bulletin as it relates to the HOPWA program for determining eligible metropolitan statistical areas (EMSAs), including the use of Metropolitan Divisions in allocating formula funds. The notice is applicable to all recipients of formula allocations under FY 2004 HOPWA grants.

Although no new designations were made for Puerto Rico, a new service area was designated for the Puerto Rico Department of Health (PRDOH) FY 2004 HOPWA formula grant award. Three (3) municipalities (i.e. Ceiba, Fajardo and Luquillo) were added to the prior service area served by the PRDOH, and fourteen (14) municipalities were cut from the prior service area served by the PRDOH (i.e. Aibonito, Arecibo, Barranquitas, Caguas, Camuy, Cayey, Ciales, Cidra, Gurabo, Hatillo, Maunabo, Orocovis, Quebradillas and San Lorenzo). The HOPWA program of the municipality of San Juan (HOPWA-San Juan) will now served these (14) municipalities. Please see new distribution of municipalities in the map attached.

This new distribution of municipalities is the result of information provided by the AIDS Surveillance data reported to and confirmed by the Centers for Disease Control and Prevention (CDC) as of March 31st of the immediately preceding fiscal year, that is, as of March 31, 2003.

The PRDOH HOPWA program initiated conversations with representatives of HOPWA-San Juan to develop a new plan of distribution of funds awarded to community based organizations located in the municipalities that were cut from the prior service area of the PRDOH. To accomplish this, there are plans to work in coordination with HOPWA-San Juan several tasks, among them, coordinating meetings with CBOs, and conducting a need assessment to determine actual needs of the HIV/AIDS population living inside and outside the San Juan EMSA. The PRDOH HOPWA program will also provide this information to current sponsored projects via a written communication.

OTHER ACTIONS

This section describes the state's plans for the next year, to address underserved needs, foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing), remove barriers to affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, develop institutional structures, and enhance coordination between public and private housing and social service agencies and foster public housing resident initiatives.

Efforts to address underserved needs:

Congress amended the National Affordable Housing Act 1990, to authorize HUD to condition assistance to States and local governments, based upon their barrier removal strategies. Federal funding agencies are increasingly requiring eligible localities to design and implement housing affordable strategies.

On March 1st. 2001, the Governor of Puerto Rico, Honorable Sila Maria Calderon, enacted and approved a law to benefit low income special communities. Its improvement is based upon the communities own manifestations of needs. Citizen participation on public and private decision making on matters that may affect their communities is crucial. The municipalities within the law parameters, rendered lists identifying the special communities in their jurisdictions.

State and local governments with the involvement of the private sector, are making efforts to provide affordable housing. Various strategies are being used; on the supply side, the cost of providing housing units in the non-market category is being reduced by incentives that reduce the cost of land to developers, by local tax measures by improving the infrastructure and by expediting the permit process, among others. On the demand side, home acquisition is being facilitated through programs that subsidize interest payments or the mortgage down payment. In addition, housing programs are subsidizing monthly rental payments to low-income families.

a. Removing Housing Barriers for Persons with AIDS Syndrome (PWAS)

An overall plan to attend housing needs and to remove housing barriers for persons with the HIV-AIDS, comprise certain fundamental elements, which include:

- A continuum of housing and service options that addresses the diverse range of people needing assistance, including families, drug abusers seeking treatment, and persons of all cultures and backgrounds;
- Allowing and encouraging residents to live "normal" lives, while still meeting health and other service needs;
- Providing flexibility in the provision of services to accommodate the fluctuating needs of PWAS;
- Providing services or adequate home care to avoid unnecessary and costly stays in acute care settings.

Efforts will continue to assure that housing for PWAS provides them as much control over their environment as possible. Most PWAS want to care for themselves for as long as they can. The challenge is to provide housing that meets the physical needs of the individual yet promoting and facilitating independent living.

As the number of people diagnosed with AIDS continues to rise, the scarcity of appropriate housing becomes more and more acute. Housing for persons with AIDS does not always need to be a new construction or exclusively for people with AIDS. It is often possible to adapt current facilities, including the private homes where PWAS already live, to meet their needs.

b. Removing Housing Barriers for Low-Income Families by the Puerto Rico Department of Housing.

Some of the barriers confronted by the PR Department of Housing and the State HOME Program to provide, in a timely manner, affordable housing to underserved population is related to the following factors:

- The lack of appropriate infrastructure limits the construction of housing in many parts of the Island.
- The burdensome building codes and permits requirements.
- The number of requirements, the cost of complying with such requirements, and the time necessary to complete the permitting process, cause an increase in project costs and delays.
- The type and sometimes-excessive documentation required at local level to qualify families to receive services. For example, an elderly person of 70 years old that lives in a remote community in the center of the Island is required to submit a certification of depth from the Department of the Family regarding child support payments.
- The restrictive federal requirements regarding ownership evidence or reasonable equivalent of ownership interest. Some other forms of ownership are not permitted under the HOME Program such as: *usufruct*- a kind of ownership interest more restrictive than 50-year-old leasehold contract.
- The strictness and inflexibility of income qualifications if a family surpasses by a \$1.00 the income limits for the area.

c. Foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing)

To reduce costs and foster affordable housing, the State HOME Program will match HOME Program funds for rental projects that are eligible for Low Income Housing Tax Credits (LIHTC). Preferences will be given to projects in LIHTC state allocation; as well as applicants for the local investment tax credit created by Law No. 140 of October 21,

2001, (*Law for Income Tax Credits for the Investment in Housing Construction and Rehabilitation for Rental to Benefit Low and Moderate Income Families*).

In addition, the PR Department of Housing will also combine HOME funded projects with Section 8 Project-Based Rental Assistance, and State Law 173 – Elderly Rental Assistance, created to support and maintain affordable rental projects for low-income families and elderly citizens.

d. Actions to Remove Barriers to Affordable Housing

The PR Department of Housing has taken the following steps to minimize barriers to provide affordable housing to underserved citizens:

- The PR Department of Housing has established a Customer Services Center at its headquarters for the delivery of counseling and assistance to applicants for the diverse services provided by the agency. In the Center the solicitant of housing services completes the application. The counselor provides advise on the type of assistance that is eligible, such as: *La Llave para tu Hogar*, ADMV On-site Rehabilitation, Home Program, Section 8, Direct Loan Program, Public Housing, Down payment Assistance, Mortgage Insurance Program, *Comunidades Especiales*, Domestic Violence Victims Program, Law 173- Elderly Rental Assistance, Interest Subsidy, among other related services.

The citizens are allowed to complete their applications electronically; therefore, a permanent record is available for follow-up and status.

The PR Department of Housing programs could be accessed on the Internet at www.vivienda.gobierno.pr/programs.asp

- The PR Department of Housing has coordinated with the pertinent agencies the identification of infrastructure deficiencies and plans and/or possibilities to improve said deficiencies to determine projects viability and be able to provide practical alternative of development future projects.
- Law 124 of 1993, as amended -*Vivienda de Interés Social*, establishes as affordable a housing dwelling whose value does not exceed the \$70,000. Currently, Project 2604 of the Senate of Puerto Rico is under the consideration of the Legislature of Puerto Rico in order to increase to \$80,000 the value of a single housing to be considered of social interest and to \$90,000 of multifamily housing.

This measurement will assure that the PRDH maintains a flow of affordable housing inventory so that more people can acquire their home. This initiative was born from the reality that each day the construction costs and land acquisition in Puerto Rico is higher, which obstructs the development of houses at a cost of \$70,000.

- The high costs of housing development in Puerto Rico, the non-availability of decent and safe houses for low and moderate income have been determining factors for the State HOME Program.

- The PJ uses the parameter allowed by the HOME Program regulations and subsidizes units that do not exceed 95% of the value of FHA, according to the need of the specific area. The reality of Puerto Rico is that the costs of development and the reduce availability of affordable housing exceed the unitary value of \$70,000.
- The ADMV, as the administering agency of the State HOME Program has diversified the clients services to its 10 regional offices. Initial interviews of homeowners who request assistance for rehabilitation are made in the regions as well as the initial orientation. The technicians pre-qualify the applicants and refer eligible cases to the Central Office of the HOME Program in order to continue the process. This action accelerates the attention of the clients.
- In addition, the ADMV, through the on-going *Community Impact* activities provides information about the PR Department of Housing and other governmental agencies regarding their services, programs, and fill applications to citizens around the Island with housing and other needs.

e. Action to Foster and Maintain Affordable Housing

In order to promote and preserve affordable housing, the State HOME Program will ensure that HOME rules regarding affordability period will be observed, as stipulated at 24CFR Part 92.254. The assisted properties will remain affordable and available for low-income families. Restrictions to sale during the affordability period will be included in deeds or agreements. Resale provisions will be used to assure that the assisted housing unit remains affordable even if it will be acquired by another family (it must be low-income). Adequate controls are in place to enforce HOME resale or recapture provisions.

The HOME-assisted units must meet the affordability requirements for no less than the applicable period specified in the following table, beginning after the project completion. It is also related to the resale of the property. It will be applied depending on the type of project.

HOME Funds	Affordability Period
Under \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The aforementioned affordability period requirements are enforced through contract agreements. The restrictions and convenience on the property is part of the conditions to receive the HOME assistance.

f. Actions to Evaluate and reduce lead-based paint hazards

CDBG Program

Title X of the 1992 Housing and Community Development Act established new requirements for Lead-Based Paint Hazard evaluation. 24 CFR Part 35, dated September 15, 1999, describes the requirements for notification, evaluation and reduction of lead-based paint hazards in federally owned residential properties, and federal assistance housing. This new requirement applies to the four programs included in the Consolidated Plan, specifically assisted units built before 1978. Specific requirements are state for rehabilitation activities, tenant-based rental assistance, new construction by owners, project-based rental assistance, acquisition of units, and public housing.

An interagency committee has been formed and will continue to evaluate the impact of the new regulations on the assisted activities covered by the Consolidated Plan. This committee is composed by state personnel from the Office of the Commissioner of Municipal Affairs, Puerto Rico Department of Housing, Puerto Rico Family Department, Puerto Rico Department of Health and representatives of local governments. This committee will identify and municipal representatives define future actions to comply with the Regulations Stated at 24 CFR Part 35.

Puerto Rico has not enacted legislation regarding lead based paint hazard nevertheless as effect, the federal lead paint regulation is enforced. The Quality Board certifies private contractors to train and certify lead paint inspector.

Under the interagency agreements established with the Housing Bank for Puerto Rico and Section 8 Program of the Puerto Rico Housing Department, these entities must participate actively in educating the public regarding the LBP program, and in providing orientation to owners of priority houses that are targeted for assessment and abatement efforts. Although temporary relocation is not anticipated, both owners and tenants of priority housing will require orientation on the potential risks of the assessment and abatement actions, legal rights and responsibilities, potential health risks in the case of positive test results, lead poisoning examination procedures, and treatment services if poisoning is determined.

A data collection and recording system will be developed in accordance with HUD's "LBP: Guidelines for Hazard Identification and Abatement". All Information related to field sample and quality control analysis, including data on referrals of units for testing the HOME and Section 8 programs, type of assessment, equipment, personnel, methods, procedures and results will be collected and entered into a data system which will be developed by a contractor. If verification laboratory testing is conducted, such laboratories will be carefully selected on the basis of prior experience with the LBP Hazard Reduction Program of the PRPHA. These laboratories will be required to maintain records and report all data regarding the laboratory itself, its methods, and the conditions under which tests are performed, as well as all test results at every stage of the process.

Data will be collected at least quarterly from records of collaborating programs and agencies on housing units, owners and tenants impacted by the project, and reports on activities related to the project.

Existing data collection forms developed by the PRHA will be utilized until a computerized system and supplemental forms are developed.

HOME Program

The PR Department of Housing through the PR Public Housing Administration (PRPHA) has implemented a pro-active approach to reduce lead-based paint hazards in residential projects across the Island, such as:

- Visual assessment for deteriorated paint in units built before 1978
- Initial and annual HQS inspections
- Data collection from residents and governmental health and environmental agencies to detect or identify the existing or possible risks
- Disclose information among residents of lead-based paint hazards
- Stabilization, removal and disposal of dangerous material

The State HOME Program will assure that all housing units assisted with HOME funds must comply with the 24 CFR Part 35. The Technical Unit of the HOME Program is responsible for evaluation, visual assessment, HQS inspections and paint testing (when necessary) in order to comply with lead-based paint requirements and other applicable federal environmental laws and regulations.

ESG Program

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

g. Reduce number of families with low poverty levels

The Government of Puerto Rico, its departments, agencies, municipalities, and instrumentalities will make every effort to:

- Share the responsibility to promote Puerto Rico
- Create jobs and economic growth
- Design and implement more affordable housing programs
- Offer exemplary health care
- Develop a better educational system
- Generally create an environment, which will allow for the empowerment of those who are economically disadvantaged.
- Improve the quality of life of the low-income communities

h. Develop institutional structure, and enhance coordination between public and private housing and social service agencies

The Housing delivery system and its resources are best understood in terms of the institutional structure through which housing programs are implemented. The housing delivery system's success is ultimately measured by whether it produces enough units so that all people actually have safe, decent, and affordable housing. The institutional structure through which housing objectives are to be achieved includes those government agencies accountable for housing and economic development, as well as private industry and not-for-profit organizations. The programs provided by this intricate network are capable of satisfying the needs of the community.

GOVERNMENT COMPONENTS OF THE INSTITUTIONAL STRUCTURE	
Component	Role
United States Department of Housing and Urban Development	Addresses the housing problems of low income families and individuals by providing funds for Section 8 rental assistance, seeding local and corporate investment in housing, and housing assistance for homeless, elderly, disabled persons, and persons with HIV/AIDS.
United States Rural Development Administration	Provides funds for rural housing projects
Federal National Mortgage Association (FNMA or Fannie Mae)	Provide credit to the conventional mortgage market.
Federal Home Loan Mortgage Corporation (FHLC or Freddie Mac)	Provide credit to the conventional mortgage market.
Government National Mortgage Association (GNMA, or Ginnie Mae)	Provides liquidity to the secondary mortgage market, and attracts capital to the residential mortgage markets. Helps increase the supply of affordable housing by guaranteeing securities issued by private lenders backed by pools of residential mortgages insured by the Federal Housing Agency, the Department of Veterans Affairs, and the Rural Housing Service.
Puerto Rico Department of Housing	Provides assistance to private industry and not-for-profit organizations for development and/or rehabilitation projects. Administers the Section 8 rental assistance program.
Puerto Rico Housing Finance Authority	By Law 103 of August 11, 2001, the Puerto Rico Housing Finance Corp., a subsidiary of the Government Development Bank for Puerto Rico, is designated to be the Puerto Rico Housing Finance Authority and the Puerto Rico Housing Bank and Financing Agency is dissolved. In addition, its powers, faculties, allegations and assets are transferred to the Puerto Rico Housing Finance Authority. Provides financing, either directly or through private banking, for the acquisition of housing by persons and/or families of low and moderate income. Facilitates financing for housing development by private developers, and makes economic development loans.
Puerto Rico Planning Board	Controls or approves land use and zoning.

GOVERNMENT COMPONENTS OF THE INSTITUTIONAL STRUCTURE	
Component	Role
Puerto Rico Regulations and Permits Administration	Regulates and permits development, and enforces zoning regulations.
Puerto Rico Department of Labor	Administrates training and job placement programs to assist low-income unemployed or underemployed persons.
Puerto Rico Government Development Bank	Facilitates financing for housing development by private developers, and makes economic development loans.
FEMA	Provides funds for urgent needs
FTA	Provides funds for transportation and infrastructure
Economic Development Administration (EDA)	Provides funds oriented to activities which create employment.

- **Private Industry**

Since the private sector plays a consequential role in providing affordable housing, the Government of Puerto Rico will continue to encourage public-private partnerships designed to coordinate and leverage the resources required to provide affordable housing.

- **Developer/Builder/Owner Sector**

Develops the private housing stock and supports public and subsidized housing development, for households with moderate, middle and high income, housing is delivered only by the private sector.

- **Financing Sector**

Provide the primary financing source of housing development and related activities, also conducts community-lending operations in response to the Community Reinvestment Act.

- **Not-for-profit organizations**

There are several not-for-profit organizations that provide a variety of services regarding housing, as well as social support services to persons/families with special needs and low or no-income persons.

Various institutions and not-for-profit organizations have developed considerable expertise in the housing field. Nevertheless, the development of tight coordination and cooperation between local governments and these organizations is obviously necessary for a successful development and the management of affordable housing projects.

i. Public Housing Needs

The PR Department of Housing through the Puerto Rico Public Housing Administration and its programs encourage, facilitate, and support residents to develop their capacities and potential in order to improve their quality of life.

Homeownership

Currently, the Property Acquisition and Sales Bureau of the PRPHA is administrating the sales activities of public housing units among the residents. The main purpose of the Bureau is to advice, motivate, and make possible that public housing residents acquire their own home.

The following table presents the homebuyer programs of the PRPHA and the clientele served by this activity as of February, 2004:

PRPHA Homebuyer Programs

Homebuyer Programs	Units	
	Sold	Available
<i>Future Housing Opportunity (Turnkey III-HUD):</i> During the period of rental, the family is compensated by crediting the rental payments to the "mortgage", based on their income.	1,357	80
<i>Section 5(h) Homeownership Program-HUD:</i> This program provides PHAs the authority to sell selected public housing units. The resident has the opportunity to purchase the unit with a discount (less than the market value).	1,991	119
<i>Law 131 of July 1st, 1975:</i> Provides public housing eligible residents the opportunity to become homeowners for only \$1.00.	2,381	20
Total	5,729	219

The Property Acquisition and Sales Bureau of the PRPHA has seven (7) additional proposals approved by HUD, under Section 5(h) Program. Among its goals for FY 2004-2005 is to sell 771 units.

During FY 2004-2005, the PRPHA will develop a Socio-Economic Study among the residents of 41 public housing projects all over PR in order to identify the residents that have the economic capacity to assume the homebuyers responsibilities.

Residents Organizations

Up to date, the Organization and Training Bureau of the PRPHA has certified 248 Resident Councils and has continued coordinating the development of 23 additional organizations.

In addition, they developed the Regulations for the Management of the Residents Activities Funds, and Regulations to Create, Organize, and Operate the Counseling Board of Residents of the PRPHA.

The resident organizations respond to the needs and interests of the community. In addition, are aware of the importance to have a representative that acts as a liaison and canalizes their problems and needs at the administrator agent and the PRPHA levels.

The mission of the resident organizations is to provide and coordinate community services to promote and improve economic and social development, self-sufficiency, community participation, among other activities.

j. Affirmative Marketing and Minority Outreach.

The State HOME Program revised and fully implemented the Affirmative Fair Housing Plan to affirmatively market housing projects island wide.

The Puerto Rico Department of Housing's policy not discriminate against any person on the grounds of race, color, national origin, religion, sex, handicap, or familial status, under any project or activity funded, in whole or in part, with HOME or any other housing funds.

As such, the State HOME Program is committed to take measures to ensure non-discriminatory treatment, outreach, and access to program resources. As part of the federal requirements, all recipients or sub recipients must adopt affirmative marketing procedures for all housing projects with five (5) or more assisted units.

The State HOME Program by applying the fair housing requirements is affirmatively further fair housing by:

- Promoting fair housing choices for all citizens,
- Providing opportunities for housing assistance, for qualified persons regardless of race or color, sex religion, disability, familial status and national origin,
- Promoting housing that is structurally accessible and usable by all persons, including persons with disabilities,
- Fostering compliance with nondiscrimination provisions of the Fair Housing Act and other rules and regulations by providing technical assistance and training to all HOME Program recipients,
- Monitoring housing owners, contractors, developers, and sub recipients to ensure continued compliance with fair housing regulations.

The State HOME Program will require that owners of projects, with a minimum of five (5) units receiving HOME funds assistance must comply with the following requirements:

- The owner must display the Equal Housing Opportunity logo and the fair housing poster in an area visible to the public.

- All sub recipients, developers; owners shall follow procedures and inform the public, potential tenants, homebuyers of Equal Housing Opportunity.(See Appendix 2 for Fair Housing Booklet- English and Spanish versions)
- If HOME assisted units are advertised during the period of affordability, the logo of Equal Housing Opportunity must be in the advertisement.
- 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

k. The Affirmative Marketing Plan requires:

- 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

I. Minority/Women's Business Outreach

CDBG PROGRAM

The Office of the Commissioner of Municipal Affairs has the responsibility to ensure that non-entitlement municipalities comply with the Civil Rights laws and their policies.

Our objective is to ensure an affirmative action plan to protect individuals from discrimination in the areas of housing, employment, business opportunities, and government's benefits. Therefore, OCMA is responsible of monitoring the municipalities to determine their compliance with the laws.

The actions taken by the agency are described as follows:

- Ensuring that municipalities comply with the requirements to communicate and inform the non-employment discrimination act requirements to the population with special needs.
- To ensure that municipalities provide training and employment opportunities to qualified handicapped persons, whenever possible.
- Ensure municipalities take affirmative action to contract and subcontract local businesses.
- Carryout monitoring reviews and evaluations of direct benefit projects at local levels to ensure the participation of minority groups such as: people with disabilities, women heads of households, and elderly persons.
- To ensure that municipalities comply with the dissemination of information and enforcement of the Fair Housing Act requirements from the organizations that deal with financing, renting and sales transactions.

The action undertaken to affirm Fair Housing by the State and municipalities are described as follow:

- Promoting the law by sending the brochure titled "Fair Housing is your Right" to inform home seekers and the general public of nondiscrimination policies.
- Promoting technical assistance of the Fair Housing Law has been continued to municipalities by our Civil Rights Specialist.

- Copy of the Fair Housing Law has been given to the municipalities in order to deal with the rental, selling and financing of housing in their municipalities.
- Several meetings were held to discuss Fair Housing topics and strategies.
- Workshops and state conferences have been provided on a continual base to educate all municipal personnel working directly with Fair Housing Rights.

A review of the Analysis of Impediments to Fair Housing will be conducted with the Consolidated Plan 2005, as require by the regulations.

HOME PROGRAM

The State HOME Program is taking measures to ensure non-discriminatory treatment, outreach and access to program resources. It has developed contracting procedures to guarantee a fair treatment and participation in contract or subcontract processes. This applies to employment and contracting, as well as to marketing and selection of program participants. The PR Department of Housing ensures the inclusion of minority and women owned businesses and entities.

The PRDH promotes businesses opportunities to ensure a competitive and objective procedure for contracting by developing informational materials regarding activities and requirements of the program, publishing the requests for proposals and qualifications in a general circulation newspaper, developing an evaluation procedure and designating a proposal evaluation committee that assures objectivity and equal participation in the selection process, among other initiatives.

To assure citizen participation the State HOME Program will invite local governments, non-for-profit organizations, and developers to participate in the Annual Action Plan Public Hearing to be celebrate on March 5, 2004. The Public Hearing is coordinated by the Office of the Commissioner for Municipal Affairs (OCMA) as the leading agency of the Consolidated Plan.

Furthermore, the final Annual Action Plan for fiscal year 2004-2005 will be available for citizens' comments at the HOME Program offices for its revision.

PROGRAM SPECIFIC REQUIREMENTS

CDBG Program

The state's funds distribution method is explained in this document, under program section. It describes all criteria used to select applications from local governments for funding; including the relative importance of the criteria, and its description of how all CDBG resources will be allocated, among all funding categories, the threshold factors and grant size limits.

HOME Program

Resale Provisions

The housing units assisted with HOME Program funds must remain affordable for a period of 5 years if the funds granted per unit are less than \$15,000.00; 10 years if more than \$15,000.00 but less than \$40,000.00 is provided; and 15 years if the subsidy is more than \$40,000.00. All new construction will have an affordability period of 20 years.

Resale of the property during the affordability period will trigger repayment of the direct home assistance to the homebuyer. The State HOME Program will require **full or partial repayment** of funds when resale occurs during the affordability period if there is, sufficient net proceeds to guarantee the homebuyer investment. The net proceed is the sales price, minus loan repayment and closing costs. The State HOME Program will also share net proceeds when surpasses State HOME Program and homeowner investment.

The homebuyer investment will be repaid before the HOME investment is recaptured. It includes the following:

- **Down payment.**
- **Closing costs paid by the homebuyer.**
- **The corresponding amortization portion to the principal made from the monthly payments.**
- **Home improvements investment.**

After the homebuyer investment is recovered, the State HOME Program will recuperate its full investment. When the net proceed is insufficient the HOME investment will be repaid if sufficient proceeds are available.

If after recapturing the investment there is remaining proceeds, the homebuyer should also reimburse such amount proportional to the years they were affordable, according to the following table.

# of Years	Percentage of Proceeds to Reimburse
0-5	100%
6-10	75%
11-15	25%
16-20	10%

The sale and mortgage deeds will incorporate restrictions to assure that homebuyers will comply with the affordability period and other HOME Program requirements, such as:

- The property must constitute the principal and sole residence for the homebuyer and cannot be rented or destined for a use other than residential.
- 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 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.

Maximum Property Value

For new construction of housing assistance with HOME Funds, the maximum sales price per unit will be between \$70,000 and \$110,000. The price per unit will be established by region and by payment capacity of the home buyer. On existing units for new homebuyer, a property may not exceed 95 percent of the median purchase price for that type of single-family housing of the area, as established by FHA 203(b).

The value of HOME assisted property after rehabilitation must not exceed 95 percent of the median purchase price area as per FHA's 204(b) mortgage maximums limits, as required by HOME.

Maximum per-unit subsidy amount

The minimum amount of HOME funds is an average of \$1,000 per unit assisted. The maximum per-unit subsidy amount allocated will be determined an analysis of required subsidy submitted for consideration on the applicant's proposal. The criteria for evaluation of the request will be based on the housing needs identified by for municipality on the Census, the level of poverty, as well as the level of housing distress: housing problems, inadequate housing of the area. Maximum amount granted will not exceed HUD determination on Section 221(d)(3) program limits.

Minimum subsidy threshold has been established by the PJ from \$15,000 to \$40,000 per unit.

HOPWA Program

The eligible participants must be HIV/AIDS patients and meet the low-income range of the Metropolitan Statistical (EMSAs) of Puerto Rico median income.

The method of selecting project sponsors is explained under the Program section of this document.

ESG Program

The Commonwealth of PR's ESG program will provide funds for the renovation, major rehabilitation or conversion of building to be used as emergency shelters for the homeless; shelter operating expenses such as utilities, rent, equipment, etc.; limited essential services that included medical, social, psychological and nutritional counseling and certain activities to prevent homelessness, in accordance with 24 CFR Part 576.

The process for awarding grants to State recipients and a description of how the State intends to make its allocation available to units of local government and nonprofit organizations is explained under the Program section of this document.

MONITORING

CDBG Program

The Office of the Commissioner for Municipal Affairs has established standards and procedures to monitor activities carried out in furtherance of the Plan, to ensure compliance with laws and regulations of the CDBG Program.

The Office of the Commissioner for Municipal Affairs will use on site monitoring, remote monitoring along with technical assistance on an on going basis focusing on, but not limited to, the following:

- Compliance with contract requirements and deadlines for all guarantees.
- Work progress and completion of projects.
- Compliance with established goals.
- Ways to improve grant administration.

The Office of the Commissioner for Municipal Affairs 2004-2005 Monitoring Plan includes the following:

A. Regular Monitoring Review

- Open Programs Years Up to present, covering:
 - Financial Management
 - Project Development/ Administration
 - Quarterly Fiscal Reports
 - Compliance with law and regulations of Acquisition and Relocation, Environmental Review, Labor Standards, Civil Rights, Procurement, Section 504, etc.
 - Section 108 Program
 - Disaster Recovery Program
 - Follow up on corrective Action Plan of special monitoring review

The following risk factors will determine the priorities for monitoring:

- Municipalities Applying for Section 108 Loan Guarantee Program
- Close-out programs
- Rate of Expenditure
- Use of program income
- Compliance with Single Audits
- Status of the projects
- Disaster Recovery Program
- Municipalities with the Reimbursement of Interest Program (RIP)

The following monitoring schedule is considered.

JULY-OCTOBER 2004	NOVEMBER 2004-FEBRUARY 2005
Aguas Buenas	Adjuntas
Barceloneta	Aibonito
Barranquitas	Arroyo
Cabo Rojo	Ceiba
Camuy	Coamo
Hatillo	Culebra
Guanica	Gurabo
Loíza	Hormigueros
Maricao	Isabela
Orocovis	Juncos
	Lajas
	Lares
	Luquillo
	Sabana Grande
	Santa Isabel
	Vega Alta
	Villalba
	Yabucoa
	Yauco

During program year 2004-2005 OCMA will continue bringing Technical Assistance and Follow-Up to the Corrective Action Plan, proposed by the municipality in prior Monitoring Reviews and the Sigle Audit.

HOME Program

The State HOME Program has prepared a Monitoring Plan to address all HOME funded activities and to determine whether HOME funds are being used in accordance with 24 CFR Part 92 and other federal requirements.

The goal of the Home Program Monitoring Plan is to determine if housing assistance is being delivered to low and very low-income families in accordance with HOME requirements. This will be executed by identifying administrative and operational deficiencies in all eligible activities and encourage to make the applicable corrective actions in order to prevent and avoid fraud or mismanagement with HOME program funds.

The main objectives of the monitoring reviews include:

- Preventing fraud and mismanagement of HOME funds,
- Assuring that low income citizens receive housing related services,
- Ensuring timely use of funds,
- Assuring compliance with HOME Program rules and regulations,
- Assuring that housing assisted with HOME funds meets quality standards, and
- Identifying technical assistance needs.

The State HOME Program will use the risk factor assessment by point system to determine which organization and/or area will be monitored with priority. The risk factors the HOME Program will take into consideration for the assessment are:

- Entity not monitored previously
- Previous monitoring findings / outstanding issues
- Performance problems
- Project issues
- Other

The Monitoring Plan highlights the following areas to which it should be pay special attention:

- Program areas for in-depth monitoring
- Monitoring steps and procedures
- Coordination
- Procedures for the preparation of reports
- Documentation compliance
- Follow up activities

It is the responsibility of the State HOME Program to evaluate the effectiveness and efficiency of the use of HOME funds and to determine how well services are being provided. It is a tool to detect technical assistance needs and areas to improve.

The State HOME Program fulfilling with the 24 Code of Federal Regulation Part 92 will monitor the following activities:

Monitoring Schedule

Activities	Evaluation	Reviews	Month	Sample
New construction for sale	<ul style="list-style-type: none"> ▪ Payments ▪ Labor Standards 	6	May-Nov.	Projects underway with \$600,000 or more in HOME Program grant.
Rehab. or new construction for rent	<ul style="list-style-type: none"> ▪ Rents ▪ Tenants eligibility ▪ Documentation 	4	June-July	A representative sample
CHDO	<ul style="list-style-type: none"> ▪ Documentation ▪ Payments 	6	March-June	CHDO's with performance problems.

The State HOME Program expects to develop 16 monitoring reviews during Fiscal Year 2004-2005.

ESG Program

The Puerto Rico Department of Family (DF) has the responsibility of providing any technical assistance required pertaining to the application process. An Information/Guidance/Workshop/Conference takes place at the Department for all applicants.

It is responsible for making sure that the ESG recipient compliance with ESG Program statutory and regulatory requirements enhances the management capacity and uses the funds effectively to assist homeless individuals and families.

The DF has designed and adopted Monitoring Guidelines. A risk assessment will be conducted for 2004 Monitoring Plan on an on-going basis. The monitoring process to ensure the compliance will be:

- On-site visit as an opportunity both to measure a recipient's performance and to provide technical assistance;
- Tracking system of the grant awarded, activities and performance;
- Review the uses of funds to determine that non-profit agencies conform to the requirement of 24 the CFR Part 576 and other federal regulation.

The monitoring schedule for the 2004 –2005 is as follows:

Emergency Shelter Block Grant Program Monitoring Schedule

2004-2005

Projects	Month	Projects	Month
7	July 2004	7	January 2004
7	August 2004	8	February 2005
7	September 2004	8	March 2005
7	October 2004	8	April 2005
7	November 2004	8	May 2005
7	December 2004	8	June 2005

HOPWA Program

The Puerto Rico Department of Health (PRDOH) will conduct an ongoing process of reviewing and documenting program performance, administrative activities, and expenditures of the project sponsors contracted under HOPWA funds. The monitoring process includes reviews of:

ADMINISTRATIVE REPORT ACTIVITIES

- Compliance with the audit
- Compliance with federal and local laws to operate
- On time monthly statistics
- On time yearly statistics
- On time invoicing

CONTRACT COMPLIANCE and PROGRAM PERFORMANCE

- Revision of the grant's conditions compliance
- Revision of the obligation of services contracted
- Hired well-qualified staff requirement
- Offer appropriate and timely referrals
- Adequate provision of services in a timely manner

PROVIDERS PROGRESS

One Site visit per year that has the following components:

Entrance interview

Individual interviews with administrative and direct service personnel and clients

Check compliance with *recordkeeping, nondiscrimination and equal opportunity and confidentiality* legal requirements

Review of clients' records to verify *time limits* requirements (Housing Assistance Program)

Facility assessment to determine compliance with *habitability standards* required by the legislation (Housing Assistance Program)

Exit interview

CORRECTIVE ACTION (if needed) and follow up of the correction plan

A corrective action plan will be work out with providers who did not achieve the programmatic and fiscal standards stated in the Code of Federal Regulations 24 Part 574 – Housing Opportunities for Persons with AIDS (HOPWA). For providers that achieve a satisfactory performance, the ongoing measurement and reporting of results can be an effective stimulus for continuous quality improvement.

PERFORMANCE MEASUREMENT

HUD is encouraging each CPD formula program grantee to develop and use state or local performance measurement system. Performance measurement is an organized process for gathering information to determine how well programs and projects are meeting needs, and then using that information to improve performance and better target resources.

CDBG PROGRAM

OCAM will be developing a system in order to evaluate the use of CDBG funds. Two components will be considered: productivity and program impact.

Productivity will reflect the level of efficiency and Program impact will reflect to which activities yield the desired outcomes in the community or in the life of persons assisted.

Performance measurement will determine how CDBG funds:

- Benefit low and moderate income persons.
- Created and retained jobs.
- Increment affordable housing.
- Increase economic development.

The measurement system when fully developed will be used as a self-evaluation tool.

HOME PROGRAM

The State HOME Program recognizes the performance measurement system as a management tool. In terms of affordable housing it is included in this Action Plan the proposed accomplishments with HOME Program funds by activity. The principal parameters that will be used to measure performance are:

- Increase the supply of affordable housing
- Number of low-income families/persons benefited with HOME Program funds
- Number of units constructed and rehabilitated
- HOME funds committed and disbursed among program activities
- Improvements in the living conditions of low and very low income families
- Decrease or eliminate the number of complaints
- Other

The measurement system, when fully developed, will also be used as a self-evaluation tool in order to improve performance. However, the PJ is using the available statistical data as an indicator of improvements or weaknesses of the State HOME Program.

ESG PROGRAM

The Department of Families (DF) will evaluate the performance measurements system in use according to the Notice CPD-03-09.

HOPWA PROGRAM

The Puerto Rico Department of Health (PRDOH) is the agency responsible for defining and implementing AIDS policy in Puerto Rico . The Program "Housing Opportunities for persons with AIDS" (HOPWA); the main objective of the Program during Federal Fiscal year 2004-2005 is to impact (500) participants that will benefit from Housing assistance and support services. This services will be provided by organization been sponsored by HOPWA funds. These services will be presented through mortgage payment, rent payment, day care services, hospice among others. To accomplish these objectives, these organizations will received technical assistance and training section upon request.

**COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER FOR MUNICIPAL AFFAIRS**

**STATE ACTION PLAN
2004-2005**

ANNEXES

**CDBG
HOME
ESG
HOPWA**

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LIST OF NON-ENTITLEMENT MUNICIPALITIES

ADJUNTAS	LARES
AGUADA	LAS MARIAS
AGUAS BUENAS	LAS PIEDRAS
AIBONITO	LOIZA
AÑASCO	LUQUILLO
ARROYO	MARICAO
BARCELONETA	MAUNABO
BARRANQUITAS	MOCA
CAMUY	MOROVIS
CATAÑO	NAGUABO
CEIBA	NARANJITO
CIALES	OROCOVIS
COAMO	PATILLAS
COMERIO	PEÑUELAS
COROZAL	QUEBRADILLAS
CULEBRA	RINCON
DORADO	SABANA GRANDE
FLORIDA	SALINAS
GUANICA	SAN LORENZO
GUAYANILLA	SANTA ISABEL
GURABO	UTUADO
HATILLO	VEGA ALTA
HORMIGUEROS	VIEQUES
JAYUYA	VILLALBA
JUNCOS	YABUCOA
LAJAS	



Leda. Bárbara M. Sanfioranzo
Comisionada

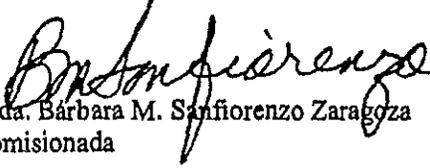
"La mano amiga de los municipios"

Ledo. Angel M. Castillo
Sub Comisionado

CIRCULAR INFORMATIVA

23 de febrero de 2004

A TODOS LOS ALCALDES Y DIRECTORES DE PROGRAMAS FEDERALES


Leda. Bárbara M. Sanfioranzo Zaragoza
Comisionada

VISTA PUBLICA PLAN DE ACCION 2004

La Oficina de la Comisionada de Asuntos Municipales (OCAM), es responsable de la preparación del Plan de Acción Anual en coordinación con las siguientes agencias que administran fondos federales; HOME (Departamento de la Vivienda), ESG (Departamento de la Familia), HOPWA (Departamento de Salud) y CDBG (OCAM).

Con el propósito de cumplir con esta responsabilidad, la OCAM publicó el 18 de febrero de 2004, en la página 33 del Periódico Primera Hora, el Aviso a la Vista Pública que se celebrará como sigue:

Vista Pública

Día: 5 de marzo de 2004
Hora: 9:00 A.M.
Lugar: Administración de Compensación
Accidentes de Automóviles (ACAA)
Edificio ACAA, Piso 6, Auditorio
Arterial Hostos Esq. Avenida Chardon,
Hato Rey, Puerto Rico

En esta Vista se discutirán aspectos importantes del borrador del Plan de Acción 2004, la participación ciudadana y el método de distribución. La asistencia del Director de Programas Federales es compulsoria.

P O BOX 70167 San Juan, P. R. 00936 - 8167 Tel: (787) 754 - 1600 Fax (787) 753 - 8254

A TODOS LOS ALCALDES
VISTA PUBLICA PLAN DE ACCION 2004
23 DE FEBRERO DE 2004
PAGINA 2

El borrador del Plan de Acción 2004, estará disponible el *5 de abril de 2004*, en nuestra agencia. El *5 de mayo de 2004* es el último día para someter los comentarios al Plan de Acción.

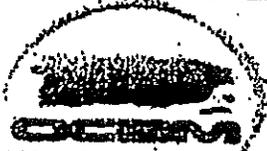
Esperamos poder saludarlos personalmente en esta ocasión.

Para aclarar cualquier duda, favor comunicarse con el Sr. Eduardo G. Barada Oliveras, Comisionado Auxiliar del Area de Programas Federales, al teléfono 754-1600, extensión 266 ó 267.

Anejo

EOB/jp/MEMO2100VP04

ESTADO LIBRE ASOCIADO DE PUERTO RICO



Oficina del Comisionado de Asuntos Municipales

Aviso Público

AVISO DE VISTA PUBLICA SOBRE EL PLAN DE ACCION 2004 PROPUESTO A SOMETERSE AL DEPARTAMENTO FEDERAL DE VIVIENDA (HUD)

La Gobernadora de Puerto Rico, Hon. Sila M. Calderón, ha sido notificada por parte del Departamento Federal de Vivienda (HUD), que es elegible para recibir la cantidad aproximada de \$78,924,515.00 mediante asignación de fórmula consolidada correspondiente al año 2004. Estos fondos están disponibles para atender las necesidades de vivienda, desarrollo comunal económico y de servicios públicos, a través de los siguientes programas:

<p>1. Asignación en Bloque al Estado para el Desarrollo Comunal "Community Development Block Grant" (CDBG) Agencia: Oficina del Comisionado de Asuntos Municipales (OCAM) Cantidad: \$55,722,000.00 Actividades: Obras Públicas, facilidades públicas, actividades dirigidas a atender las necesidades de vivienda, desarrollo comunal, servicios públicos y aquellos que promuevan el desarrollo económico. Clientela a Servir: Residentes de los 51 municipios "non-entitlement".</p>	<p>3 Oportunidades de Vivienda para Personas Afectadas por el Virus VIH/SIDA "Housing Opportunities for Persons with AIDS" (HOPWA) Agencia: Departamento de Salud, Programa de Asuntos del SIDA y Enfermedades Transmisibles (PASST) Cantidad: \$17,000,000.00 Actividades: Servicios de apoyo y asistencia de vivienda para personas con VIH/SIDA y sus familias. Residentes bajo la nueva designación geográfica establecida por HUD, "Eligible Metropolitan Statistical Area" (EMSA) de San Juan y los restantes municipios de Puerto Rico.</p>
<p>2. Donativo para Alojamiento de Emergencia para Desplazados "Emergency Shelter Grant" (ESG) Agencia: Departamento de la Familia Cantidad: \$1,000,000.00 Actividades: Servicios médicos y de apoyo, asesoramiento y provisión de facilidades de albergues de emergencia. Clientela a Servir: Organizaciones sin fines de lucro y los 78 municipios de Puerto Rico.</p>	<p>4. Oportunidades de Vivienda "Home Investment Partnership" (HIP) Agencia: Departamento de la Vivienda Cantidad: \$18,000,000.00 Actividades: Rehabilitación y asistencia de vivienda en colaboración con el sector privado, agencias de gobierno y organizaciones sin fines de lucro. Clientela a Servir: Residentes de los 78 municipios de Puerto Rico.</p>

El Plan de Acción 2004 es un concepto que combina los procesos de planificación, solicitud de fondos y preparación de informes de los programas mencionados en un solo documento, lo que permitirá atender la necesidad (prioridades) identificadas por las comunidades de una forma integrada.

El objetivo es el desarrollo de comunidades urbanas viables, proveyendo viviendas y facilidades adecuadas y expandiendo las oportunidades económicas para personas de ingresos bajos y moderados. Se propiciará la participación de las unidades de gobierno local, los ciudadanos, organizaciones sin fines de lucro, entidades cívicas privadas y agencias de gobierno en el proceso de identificación de necesidades y desarrollo e implementación del referido plan. A los fines de dialogar sobre los objetivos antes mencionados y obtener el insumo sobre las prioridades, se invita a los alcaldes de los municipios, funcionarios municipales, agencias públicas, organizaciones sin fines de lucro y público en general a participar de la siguiente:

VISTA PUBLICA

DIA: 5 DE MARZO DE 2004
 HORA: 9:00 A. M.
 LUGAR: ADMINISTRACION DE COMPENSACION
 ACCIDENTES DE AUTOMOVILES (ACAA)
 EDIFICIO ACAA, PISO 6 AUDITORIO
 ARTERIAL HOSTOS ESQ. AVENIDA CHARDON,
 HATO REY PR

En esta Vista Pública se consultará a los municipios "non-entitlement" sobre el método de distribución de fondos para el Programa de Asignación en Bloque para el Desarrollo Comunal (Community Development Block Grant (CDBG) conforme el Título I de la Ley de Vivienda y Desarrollo Comunal de 1974, según enmendada, y el 24 CFR-Sección 91.110.

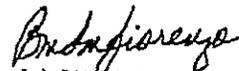
OCAM informa que emitió una petición de extensión en el límite de tiempo para gastar los fondos del donativo "Disaster Recovery Initiative", según la enmienda a leerse en las Vistas Públicas.

Se informa además, que este Plan propuesto estará disponible para la revisión de las agencias de gobierno, unidades de gobierno local, ciudadanos y personas interesadas desde el día 5 de abril de 2004, durante las horas laborales en la Oficina del Comisionado de Asuntos Municipales, Área de Programas Federales, Edificio Banktrust, Sexto Piso, Avenida Ponce de León #255, Hato Rey, Puerto Rico, en las agencias participantes del Plan Consolidado, en las Casas Alcaldías y las Bibliotecas Públicas de los municipios "entitlement" y los siguientes 51 municipios "non-entitlement" que se mencionan a continuación:

Adjuntas, Aguada, Aguas Buenas, Aibonito, Añasco, Barceloneta, Barranquitas, Cemuy, Cataño, Ceiba, Ciales, Coamo, Comerío, Corozal, Culebra, Dorado, Florida, Guánica, Guayanilla, Gurabo, Hatillo, Humacao, Jayuya, Juncos, Lajas, Lare, Las Marías, Las Piedras, Loíza, Luquillo, Maricao, Manabo, Moca, Morovis, Naguabo, Naranjito, Orocovis, Pajitas, Peñuelas, Quebradillas, Rincón, Sabana Grande, Salinas, San Lorenzo, Santa Isabel, Utuado, Vega Alta, Vieques, Villalba y Yabucoa.

Las personas interesadas deberán presentar por escrito sus ponencias durante esta vista pública o enviarlas a la dirección abajo indicada. El lugar seleccionado para llevar a cabo la vista es uno de fácil acceso a personas con impedimentos físicos. Además se proveerá intérprete a personas con impedimentos auditivos. Para información adicional puede comunicarse al (787) 754-1600, extensiones 266, 302 ó 290, por la red Internet www.ocam.gobierno.pr o por correo postal al GPO Box 70167, San Juan, Puerto Rico 00936-8167. Comentarios sobre el Plan de Acción 2004 propuesto, no serán aceptados posterior al 5 de mayo de 2004. Este aviso se publica en conformidad con el Título 24 del Código de Rentas Federales, Parte 91-115.

Hoy, 18 de febrero de 2004.


 Lidia Bárbara M. Sanfrento Zaragoza
 Comisionada

Autorizada por la Comisión Estatal de Elecciones
 Caso Núm. CEB SA-04-1512



Leda. Bárbara M. Sanflorencia
Comisionada

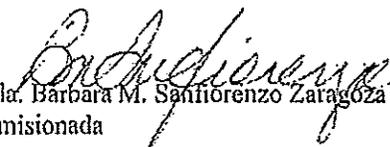
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Ledo. Ángel M. Castillo
Sub Comisionado

CIRCULAR INFORMATIVA

9 de marzo de 2004

**A TODOS LOS ALCALDES Y
DIRECTORES DE PROGRAMAS FEDERALES
DE LOS MUNICIPIOS "NON-ENTITLEMENT"**


Leda. Bárbara M. Sanflorencia Zaragoza
Comisionada

ASISTENCIA TECNICA PARA LA PREPARACION DE PROPUESTAS

La División de Administración de Programas Federales, de la Oficina del Comisionado de Asuntos Municipales (OCAM), cumpliendo con la responsabilidad de ofrecer adiestramiento a los municipios, ha programado asistencia técnica para la preparación de las propuestas del Programa CDBG. La misma será ofrecida en tres (3) regiones y tendrá duración de un día.

Los participantes serán los Alcaldes, Directores de Programas Federales y/o cualquier otro empleado municipal de la Oficina de Programas Federales que participe en la preparación de la propuesta. La asistencia del Director de Programas Federales es compulsoria. De ser imposible asistir el día asignado, deberá comunicarse con nuestra oficina para ofrecerle una fecha alterna en otra región.

Adjunto información detallada de la organización de la asistencia técnica. Además, se incluye una lista de los municipios asignados por región. Es necesario que confirmen la asistencia al facsímil (787) 763-5970, no más tarde del 15 de marzo de 2004.

Cualquier duda sobre el particular, puede comunicarse con la Sra. Rosa Acevedo, Analista de Propuestas Federales, al (787) 754-1600, extensión 279.

RAJ/20EM0017

Anejos

P O BOX 70167 San Juan, P. R. 00936 - 8167 Tel: (787) 754 - 1600 Fax (787) 753 - 8254



Leda. Bárbara M. Sanfiorenzo
Comisionada
Leda. Angel M. Castillo
Sub Comisionado

"La mano amiga de los municipios"

**ASISTENCIA TECNICA
DATA CENSAL 2000
PROGRAMA CDBG
2 DE ABRIL DE 2004**

MUNICIPIO DE DORADO

1. BARCELONETA
2. BARRANQUITAS
3. CAMUY
4. CATAÑO
5. CIALES
6. CÓROZAL
7. CULEBRA
8. DORADO
9. FLORIDA
10. HATILLO
11. ISABELA
12. LARES
13. MOROVIS
14. OROCOVIS
15. QUEBRADILLAS
16. UTUADO
17. VEGA ALTA
18. VIEQUES

RAJp2LREGIONESMEM0127

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Leda, Bárbara M. Sanfiorenzo
Comisionada
Leda, Ángel M. Castillo
Sub Comisionado

"La mano amiga de los municipios"

**ASISTENCIA TECNICA
DATA CENSAL 2000
PROGRAMA CDBG
1 DE ABRIL DE 2004**

MUNICIPIO DE GUANICA

1. *ADJUNTAS*
2. *AGUADA*
3. *AÑASCO*
4. *CABO ROJO*
5. *COAMO*
6. *GUAYANILLA*
7. *GUANICA*
8. *HORMIGUEROS*
9. *JAYUYA*
10. *LAJAS*
11. *LAS MARIAS*
12. *MARICAO*
13. *MOCA*
14. *PEÑUELAS*
15. *RINCON*
16. *SABANA GRANDE*
17. *SALINAS*
18. *SAN GERMAN*
19. *SAN SEBASTIAN*
20. *SANTA ISABEL*
21. *VILLALBA*
22. *YAUCO*

RAJPA REGIONES MEMO127



Leda, Bárbara M. Sanfiorenzo
Comisionada
Leda, Angel M. Castillo
Sub Comisionado

"La mano amiga de los municipios"

**ASISTENCIA TECNICA
DATA CENSAL 2000
PROGRAMA CDBG
31 DE MARZO DE 2004**

MUNICIPIO DE JUNCOS

1. AIBONITO
2. AGUAS BUENAS
3. ARROYO
4. CEIBA
5. COMERIO
6. GUAYAMA
7. GURABO
8. JUNCOS
9. LAS PIEDRAS
10. LOIZA
11. LUQUILLO
12. MAUNABO
13. NAGUABO
14. NARANJITO
15. PATILLAS
16. SAN LORENZO
17. YABUCOA

R36/LREGIDNESMEMIO327



Lcda. Bárbara M. Sanfiorenzo
Comisionada

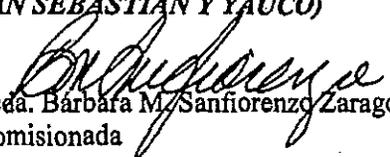
"La mano amiga de los municipios"

Lcdo. Angel M. Castillo
Sub Comisionado

CIRCULAR INFORMATIVA

25 de marzo de 2004

**A LOS ALCALDES Y DIRECTORES DE PROGRAMAS FEDERALES
DE LOS NUEVOS MUNICIPIOS "ENTITLEMENT" 2004
(CABO ROJO, GUAYAMA, ISABELA, SAN GERMAN,
SAN SEBASTIAN Y YAUCO)**


Lcda. Bárbara M. Sanfiorenzo Zaragoza
Comisionada

ASISTENCIA TECNICA RELACIONADA CON DATA CENSAL 2000

La División de Administración de Programas Federales, de la Oficina del Comisionado de Asuntos Municipales (OCAM), cumpliendo con la responsabilidad de ofrecer adiestramiento a los municipios, ha programado asistencia técnica sobre los cambios en Data Censal 2000. La misma será ofrecida en tres (3) regiones y tendrá duración de un día.

Los participantes serán los Alcaldes, Directores de Programas Federales y/o cualquier otro empleado municipal de la Oficina de Programas Federales que participe en la preparación de la propuesta y/o transacción del Programa. La asistencia del Director de Programas Federales es compulsoria. De ser imposible asistir el día asignado, deberá comunicarse con nuestra oficina para ofrecerle una fecha alterna en otra región.

Adjunto información detallada de la organización de la asistencia técnica. Además, se incluye una lista de los municipios asignados por región. Es necesario que confirmen la asistencia al facsímil (787) 763-5970, no más tarde del 30 de marzo de 2004.

Cualquier duda sobre el particular, puede comunicarse con la Sra. Rosa Acevedo, Analista de Propuestas Federales, al (787) 754-1600, extensión 279.

YQ/MEMO3196

Anejos

P O BOX 70167 San Juan, P. R. 00936 - 8167 Tel: (787) 754 - 1600 Fax (787) 753 - 8254

ENCLOSURE I

REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

CHARACTERISTICS OF THE HOMELESS IN PUERTO RICO, BY MUNICIPALITIES YEAR 2003

Characteristics	1/ TOTAL	Adjuntas	Aguada	Aguadilla	Aguas Buenas	Albionito	Anasco	Arecibo	Arroyo	Barceloneta	Barranquitas	Bayamon	Cabo Rojo	Caguas	Camuy	Canovanas	Carolina
	7,071	5	47	245	10	29	38	356	19	20	374	18	205*	42	96	199	
Masculine	5,188	3	40	193	7	25	29	273	17	17	310	15		40	85	161	
Femenine	1,335	2	7	52	3	4	9	83	2	3	64	3		2	11	38	
Less Than 18	152							25			3					2	
19-25	881		2	20			2	59	1	9	72			1	8	15	
26-32	1,248		5	37	1	7	2	58		4	96			7	17	36	
33-39	1,325		5	46	1	4	7	68	5	3	97	1		12	30	51	
40-46	1,036	3	9	46	6	5	7	45	3	1	47	4		10	14	33	
47-52	704	2	8	34	1	7	9	34	3	1	26	5		5	6	31	
53-58	496		6	20		3	6	32	6	2	15	2		3	8	10	
59-65	398		6	20		1	3	18	1		10	3		4	7	16	
66 or more	263		6	19	1	2	2	16			7	3			6	4	
did not say	19			3				1								1	
Scars	1,068		2	42			6	55			58	1		3	21	19	
Lacerations	930		1	30			1	32			53	3		4	15	22	
Tattoos	1,551	5	4	50			6	79			60	1		2	28	40	
User of																	
Alcohol	1,224		6	49	1		2	49			33	7		6	35	38	
Drugs	2,927		7	96	4		6	114			167	1		8	62	107	

1/The sum of the characteristics doesn't match the total because in some municipalities the data doesn't exist.

* Information provided by the Coalición Criolla de Cuidado Continuo a Personas sin Hogar de Caguas

REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

CHARACTERISTICS OF THE HOMELESS IN PUERTO RICO, BY MUNICIPALITIES YEAR 2003

Characteristics	Catano	Cayey	Ceiba	Ciales	Cidra	Coamo	Comerio	Corozal	Culebra	Dorado	Fajardo	Florida	Guánica	Guayama	Guayanilla	Guaynabo
	206	61	3	1	149	19	55	50	-	16	70 **	19	-	146	7	59
Masculine	141	47	3	1	132	15	51	42		16		19		113	5	54
Femenine	65	14			17	4	4	8						33	2	5
Less Than 18	3	5			2			1						10		
19-25	15	8			34	2	5	11		2		1		20		15
26-32	32	3		1	29	9	6	8		1		3		23		16
33-39	51	16			26	5	13	16		2		3		26		13
40-46	40	11	1		21	1	18	5		3		1		21	2	10
47-52	30	4			15		6	5		4		3		18	2	4
53-58	25	2	1		13		4	4		1		4		15	1	1
59-65	7	10	1		7	1	1			2		4		7	2	
66 or more	3	2			2					1				5		
did not say						1	2							1		
Scars	47	7			25		6	11				1		32	1	16
Lacerations	22	4			11			6		1		1		4		7
Tattoos	58	4			52		17	22		2		4		31	1	16
User of																
Alcohol	97	20	1		47		15	20		8		4		17	2	5
Drugs	137	35	2		99		29	34		4		5		21		12

** Information provided by the Community Relations Office and the Community Protection Councils of the Police of Puerto Rico based on a count made on Thursday, September 18, 2003 using the same methodology.

REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

CHARACTERISTICS OF THE HOMELESS IN PUERTO RICO, BY MUNICIPALITIES YEAR 2003

Characteristics	Gurabo	Hatillo	Hormigueros	Humacao	Isabela	Jayuya	Juana Diaz	Juncos	Lajas	Lares	Las Marias	Las Piedras	Loiza	Luquillo	Manati	Maricao
	76	9	4	84	89	7	18	128	5	11	5	38	252	17	52	-
Masculine	64	7	4	49	73	6	13	101	5	9	5	35	182	14	38	
Femenine	12	2		35	16	1	5	27		2		3	70	3	14	
Less Than 18	2			20	4			5							1	
19-25	7			11	8		2	16				7	24		5	
26-32	14	4		14	12	1	10	32				9	28	1	13	
33-39	16	4		6	6		3	21		2		6	37	3	14	
40-46	17	1		13	16	4	2	14	2	1	2	4	31	5	4	
47-52	9			5	11			24	1	2		5	28	3	9	
53-58	5			4	16		1	8	1	2	3		12	1	5	
59-65	2		3	5	14	2		7	1	2		5	26	4	1	
66 or more	4		1	6	2			1		2		2	65			
did not say													1			
Scars	7			3	8		2	20	1		1	2	13	5	12	
Lacerations	16	1		3	7			56	1		1		1	3	14	
Tattoos	21	7		3	18	1	5	22	1		1	8	13	1	21	
User of																
Alcohol	26		1	20	22	4	1	18	1	2	2	20	55	10	5	
Drugs	51	5		15	36	1	16	77		1	1	9	90	4	21	

REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

CHARACTERISTICS OF THE HOMELESS IN PUERTO RICO, BY MUNICIPALITIES YEAR 2003

Characteristics	Maunabo	Mayaguez	Moca	Morovis	Naguabo	Naranjito	Orocovis	Patillas	Penuelas	Ponce	Quebradillas	Rincon	Rio Grande	Sabana Grande	Salinas	San German
	30	145	15	9	33	21	4	32	12	456	40	23	189	13	64	24
Masculine	30	115	12	8	18	13	4	30	12	368	40	22	155	11	49	18
Femenine		30	3	1	15	8		2		88		1	34	2	15	6
Less Than 18									24	1			2	1		
19-25	4	17		3	8	1	2	6		96	12	4	25	1	5	2
26-32	7	26	1		9	3		4		83	11	2	63	2	7	3
33-39	8	17	1	1	8	8		2	3	80	4	1	36	1	11	3
40-46	6	23	10	1	2	1	1	2	1	64	5	2	33	4	9	1
47-52	2	23	1		2	3			2	36	3	3	10	1	6	3
53-58	1	10	1	2	1	2	1	6		23	1	4	12		9	5
59-65	2	19	1	1	2	2		6	5	28	3	6	5		8	5
66 or more		9		1				6	1	22		1	4	2	8	2
did not say		1			1	1							1			
Scars	4	22	1		5	4	1			124	4		24	2		3
Lacerations	5	24			5	1		1		65	3	1	60	6		6
Tattoos	10	39			7	3	1	3		183	3	6	11	1		1
User of																
Alcohol	9	14	6	3	6	6	2	16	4	113	3	9	31	1		4
Drugs	10	53	4	2	18	11	2	3	1	262	25	7	101	1		10

REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

CHARACTERISTICS OF THE HOMELESS IN PUERTO RICO, BY MUNICIPALITIES YEAR 2003

Characteristics	San Juan	San Lorenzo	San Sebastian	Santa Isabel	Toa Alta	Toa Baja	Trujillo Alto	Utuado	Vega Alta	Vega Baja	Vieques	Villalba	Yabucoa	Yauco	Correctional Population
	1,797	53	68	35	18	35	25	66	53	71	12	1 ****	89	7	272 ****
Masculine	1,379	47	62	32	7	29	21	57	39	49	12		86	4	
Femenine	418	6	6	3	11	6	4	9	14	22			3	3	
Less Than 18	37							2	1	1					
19-25	213	11	6	4	6	7	5	9	10	22			18	2	
26-32	363	7	10	14	1	8	10	10	11	18	3		31	2	
33-39	405	12	10	7	7	7	4	10	16	16	4		23	1	
40-46	314	7	12	4	2	4	2	13	9	7	1		12	1	
47-52	212	6	9	3	1	1	1	6	4	2	2		2		
53-58	137	5	12	3	1	3	2	6	1	2	2		1	1	
59-65	80	5	8			1		3	1	2			2		
66 or more	31		1			4	1	7		1					
did not say	5														
Scars	360	5	9	2	7	10	3	18	6	8	1		18		
Lacerations	350	1	10	9	10	7	3	13		19			10	1	
Tattoos	506	8	18	3		15	11	17	17	15			67	2	
User of															
Alcohol	233	3	23	9	5	10	3	31	3	4	8		14	2	
Drugs	904	12	19	13	12	17	17	29	22	37	5		48	5	

*** Information provided by OCAM

**** Information provided by the Department of Correction and Rehabilitation

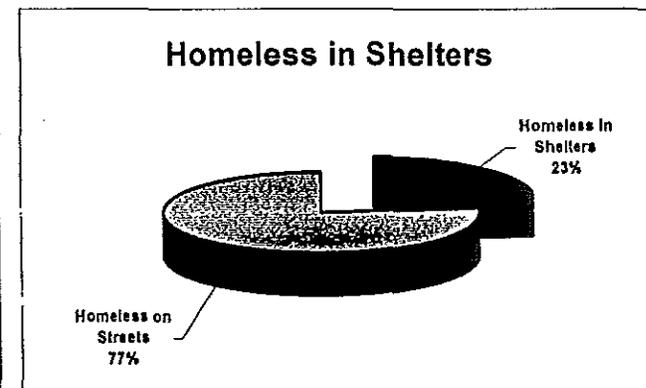
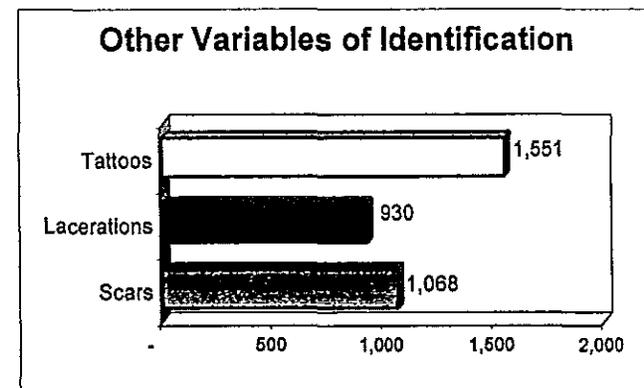
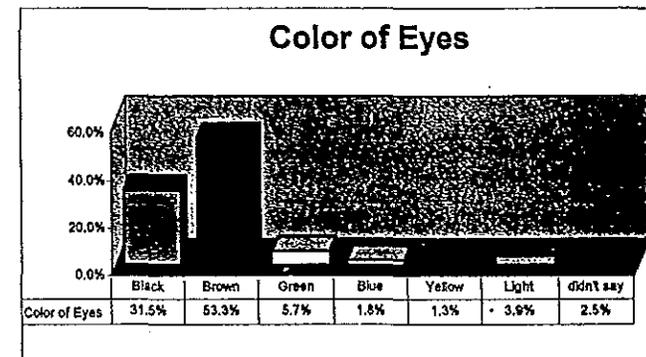
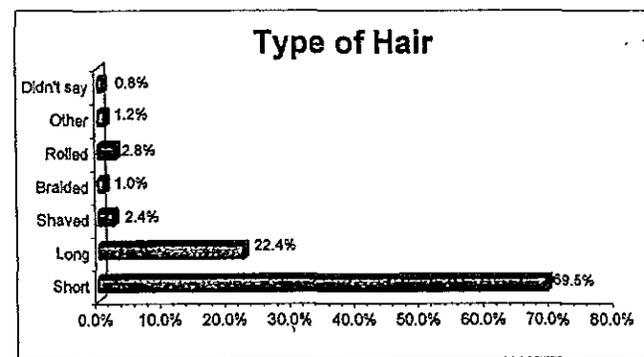
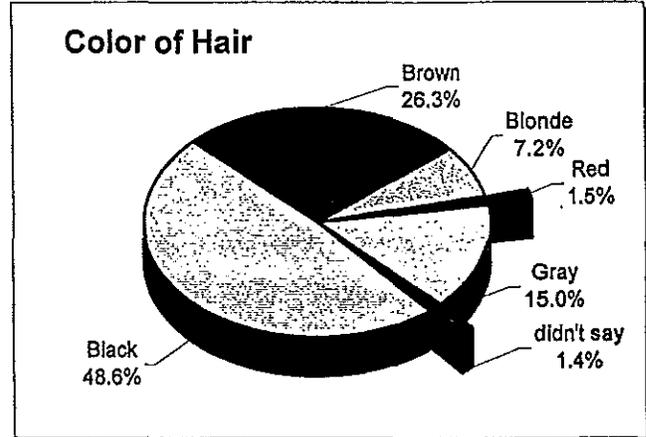
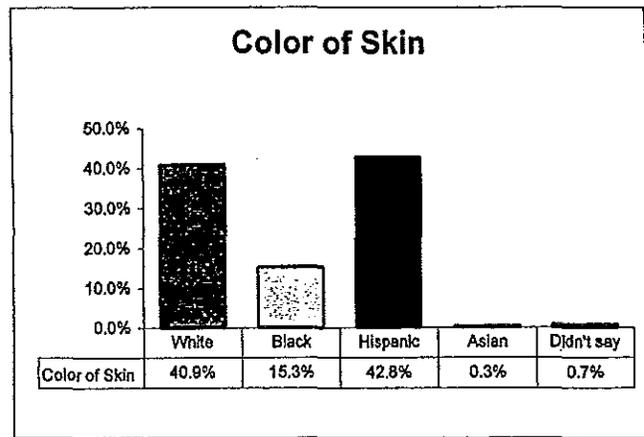
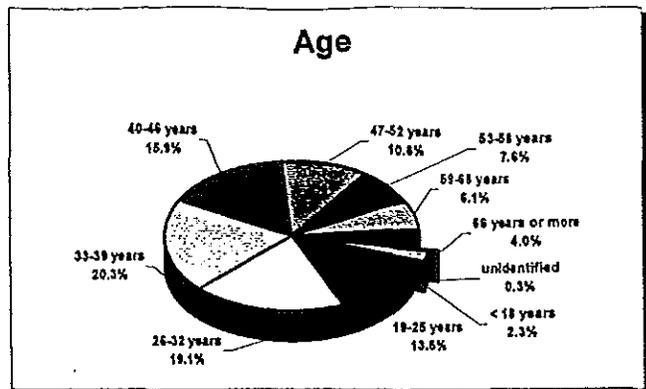
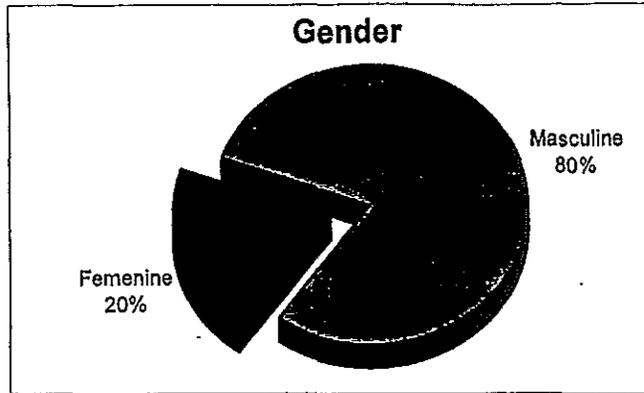
REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

HOMELESS IN SHELTERS THE DAY OF THE COUNT MAY 28, 2003

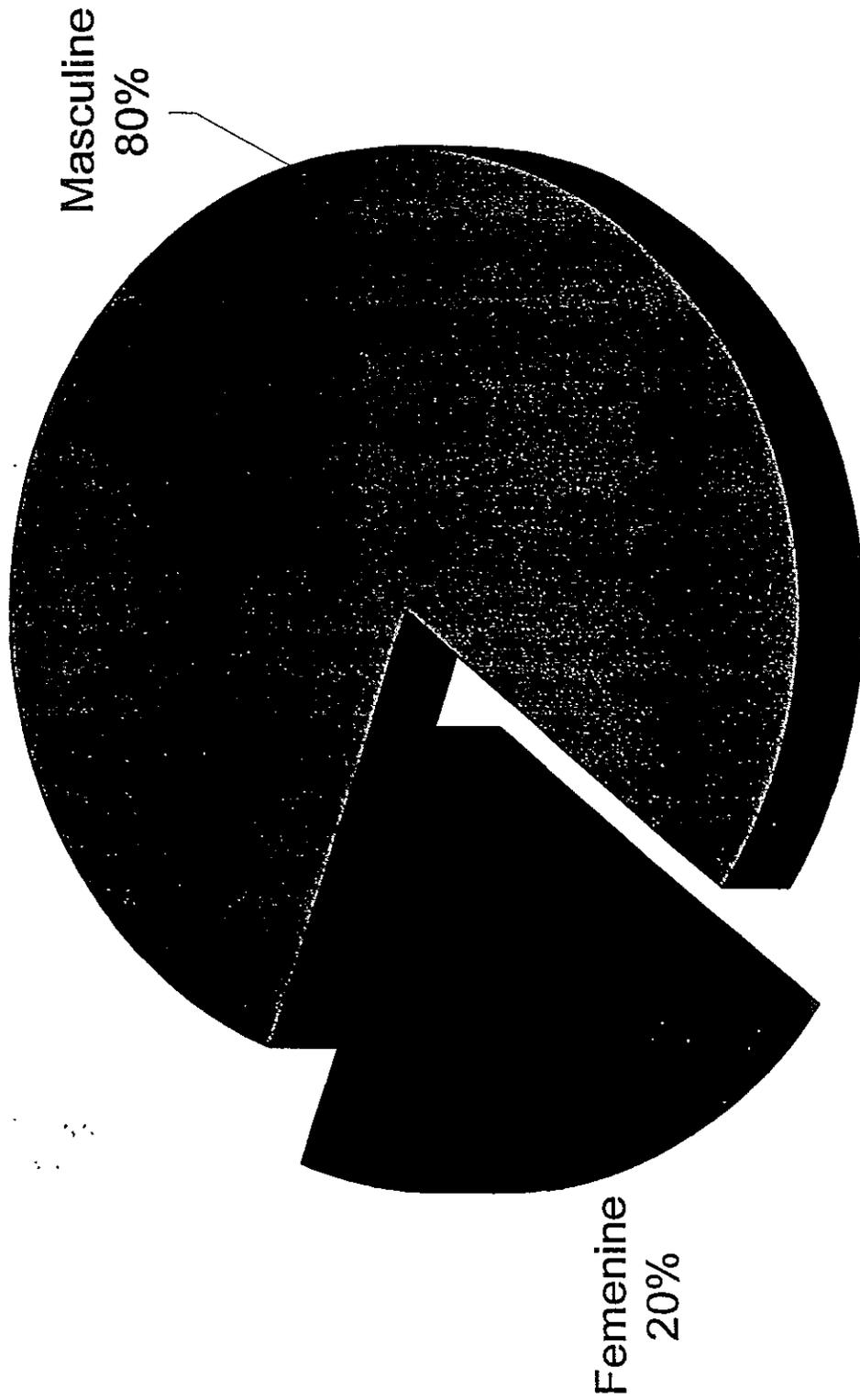
Homeless	TOTAL	Aguadilla	Arecibo	Bayamón	Carolina	Guayama	Humacao	Mayaguez	Ponce	Utueo	San Juan
Total	1,655	172	98	36	17	138	109	86	130	26	843
Gender											
Masculine	1,261	172	60	26	15	120	74	66	114	18	631
Femenine	394	35	38	10	2	18	35	20	16	8	212
Age											
Less Than 18	73	0	15	0	0	10	20	0	4	2	22
19-25	170	15	5	9	0	18	23	4	29	4	63
26-32	268	28	6	10	3	15	20	10	23	6	147
33-39	330	36	17	9	4	20	10	11	26	6	191
40-46	318	37	18	3	1	19	14	18	17	4	187
47-52	202	18	10	4	5	15	7	16	16	2	109
53-58	124	11	14	1	0	21	4	4	11	0	58
59-65	99	14	7	0	4	11	5	14	1	1	42
66 or more	62	10	5	0	0	8	6	9	3	1	20
did not say	9	3	1	0	0	1	0	0	0	0	4
Color of Skin	1,655	172	98	36	17	138	109	86	130	26	843
White	785	79	67	12	8	68	49	28	51	13	410
Black	186	13	5	9	2	15	15	12	10	1	104
Hispanic	666	79	25	13	7	55	44	44	69	11	319
Asian	6	0	0	2	0	0	0	1	0	1	2
did not say	12	1	1	0	0	0	1	1	0	0	8
Color of Hair	1,655	172	98	36	17	138	109	86	130	26	843
Black	774	80	57	23	10	67	45	41	68	7	376
Brown	463	39	26	9	2	39	34	17	34	7	256
Blonde	133	6	8	3	0	18	10	8	3	7	70
Red	36	2	1	0	0	0	5	0	6	0	22
Gray	226	39	5	1	5	14	14	17	16	5	110
did not say	23	6	1	0	0	0	1	3	3	0	9
Color of Eyes	1,655	172	98	36	17	138	109	86	130	26	843
Black	478	48	49	15	6	68	23	37	12	7	213
Brown	944	105	36	13	10	48	61	31	103	12	525
Green	87	3	5	2	0	7	4	5	6	2	53
Blue	42	4	2	2	0	0	4	2	1	1	26
Yellow	21	0	4	2	0	1	0	2	1	1	10
Light	56	9	1	2	1	13	6	5	5	3	10
did not say	28	3	1	0	0	1	11	4	2	0	6
Type of Hair	1,655	172	98	36	17	138	109	86	130	26	843
Short	1,209	124	77	25	13	99	78	67	107	10	609
Long	345	34	17	7	1	24	25	15	16	9	197
Shaved	35	8	0	3	1	8	0	1	3	4	7
Braided	10	0	2	1	0	1	1	0	0	2	3
Rolled	28	3	0	0	2	2	0	1	0	1	19
Other	16	3	1	0	0	4	0	1	3	0	4
did not say	12	0	1	0	0	0	5	1	1	0	4
Scars	296	24	20	10	2	21	11	4	22	10	172
Lacerations	125	20	3	9	0	4	9	13	3	8	56
Tattoos	444	33	20	9	3	30	26	13	39	6	265
User of:											
Alcohol	181	41	6	2	4	30	20	5	6	16	51
Drugs	574	74	14	10	7	20	15	21	46	17	350

REPORT OF THE COUNT OF HOMELESS AND PERSONS WITHOUT SHELTER IN PUERTO RICO

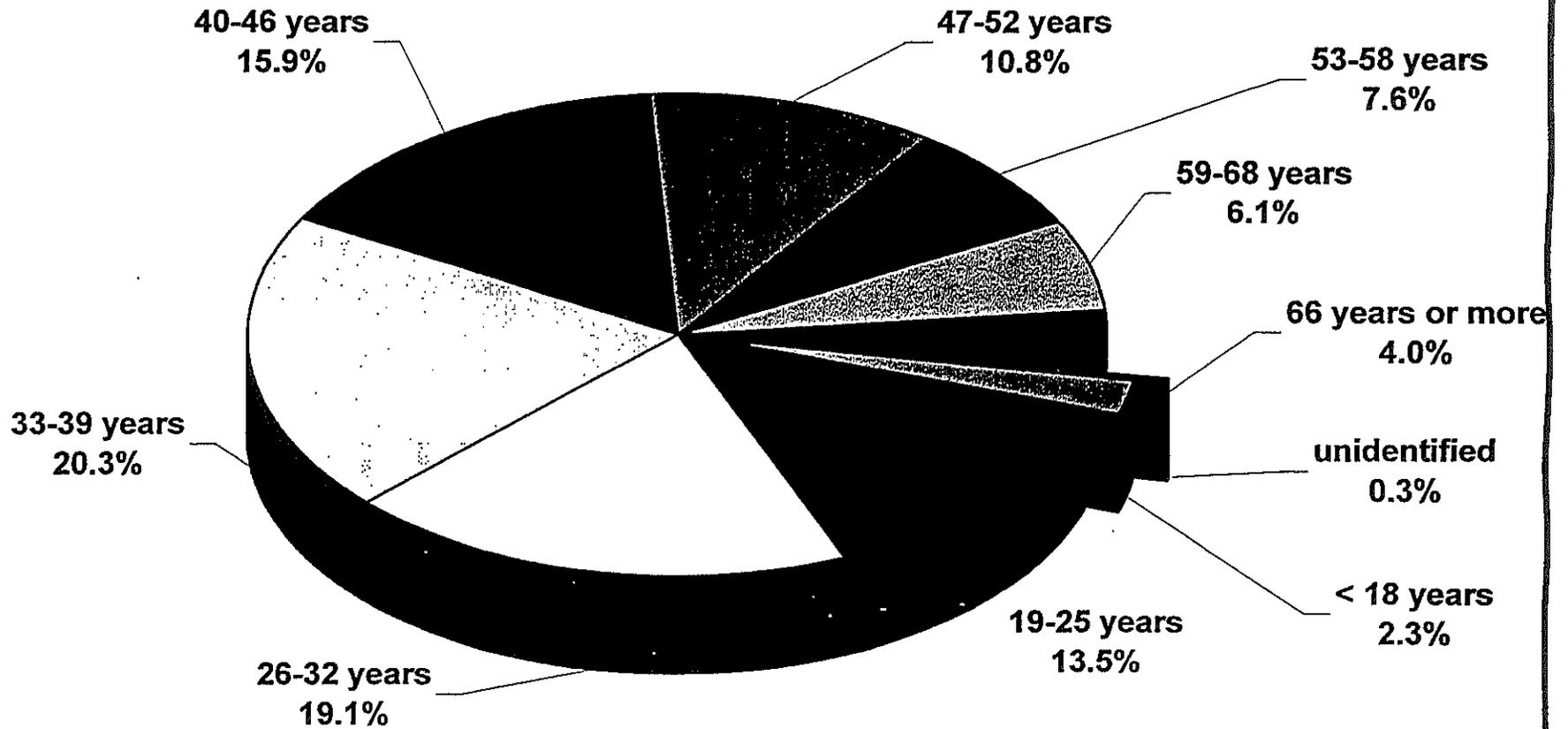
CHARACTERISTICS OF THE POPULATION PUERTO RICO 2003



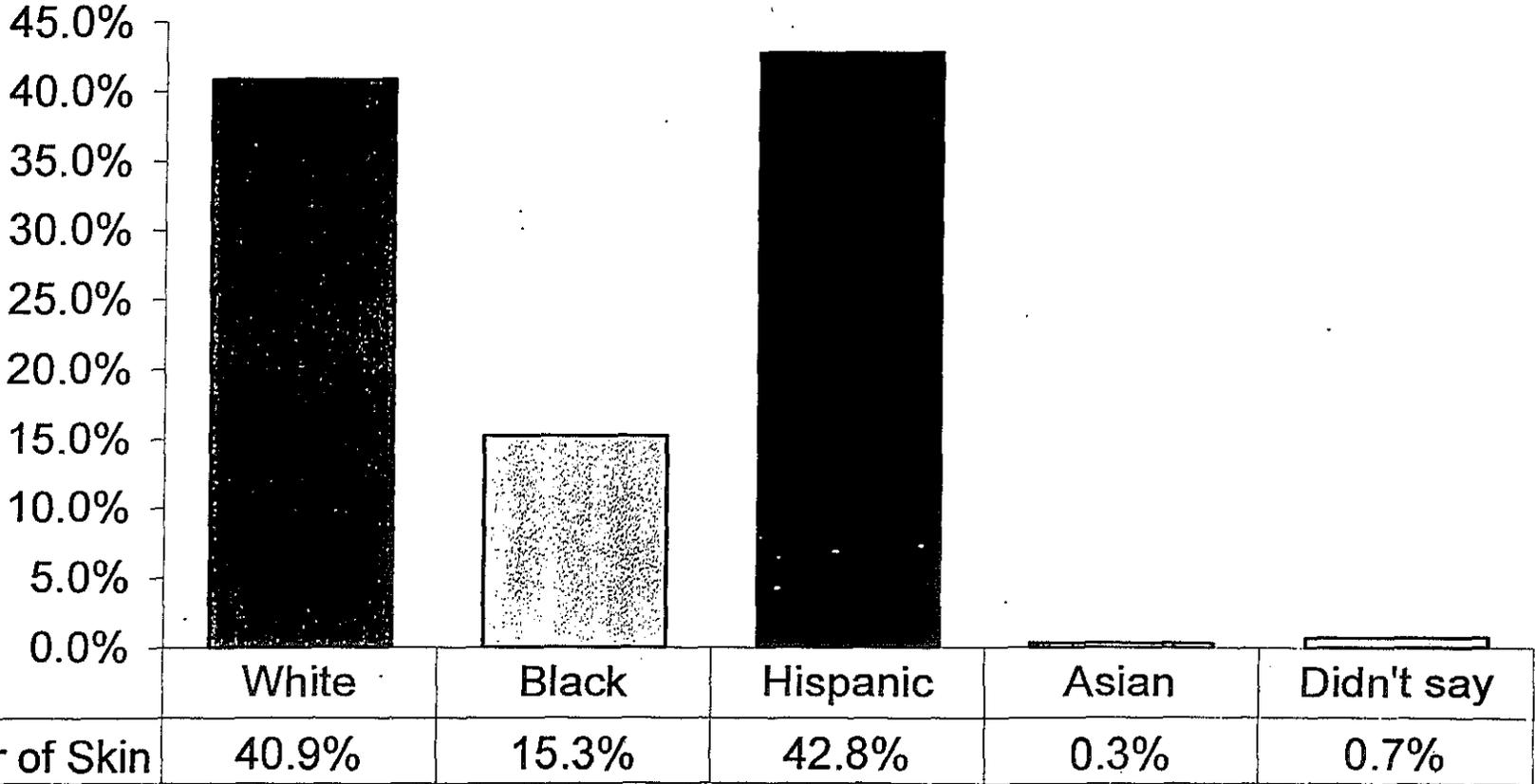
Gender



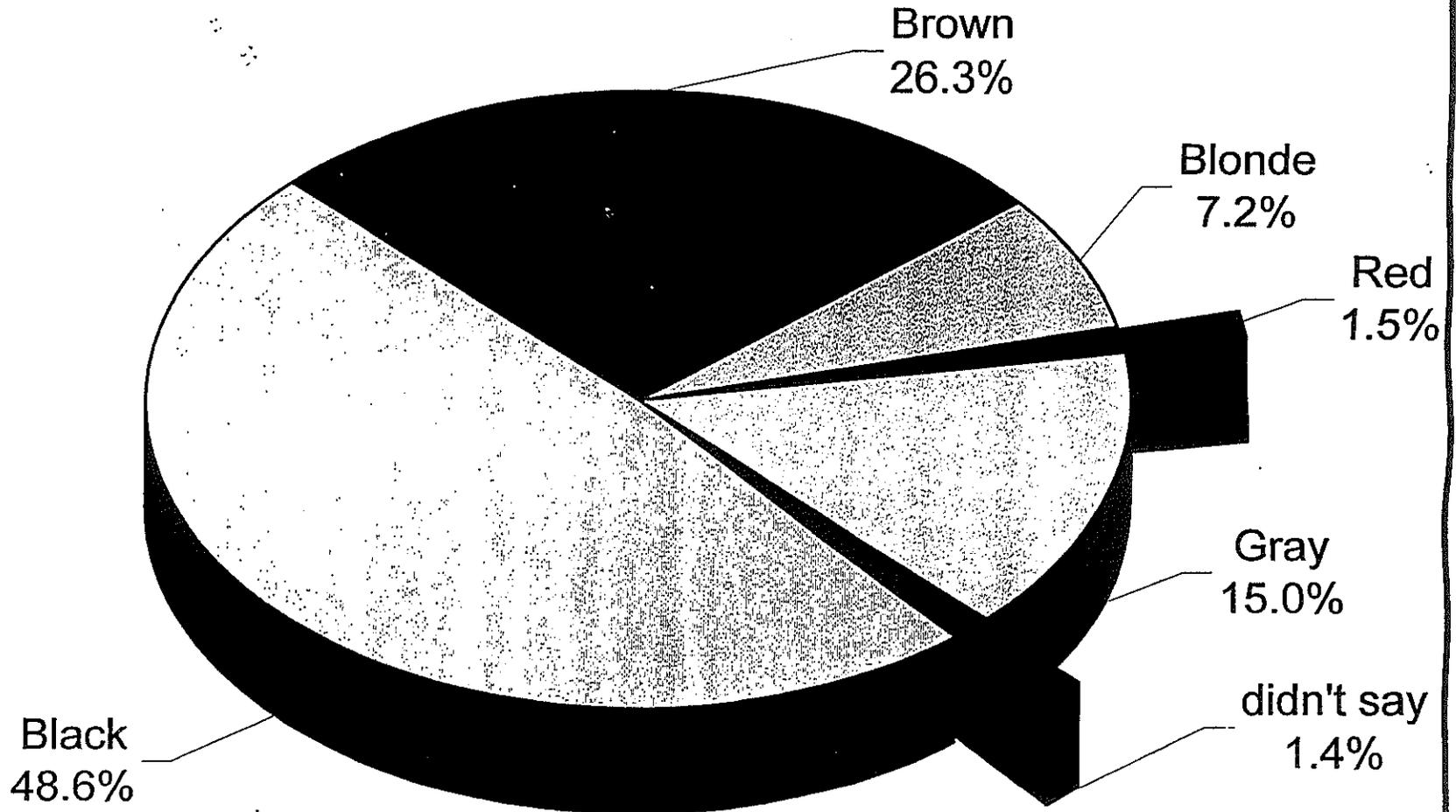
Age



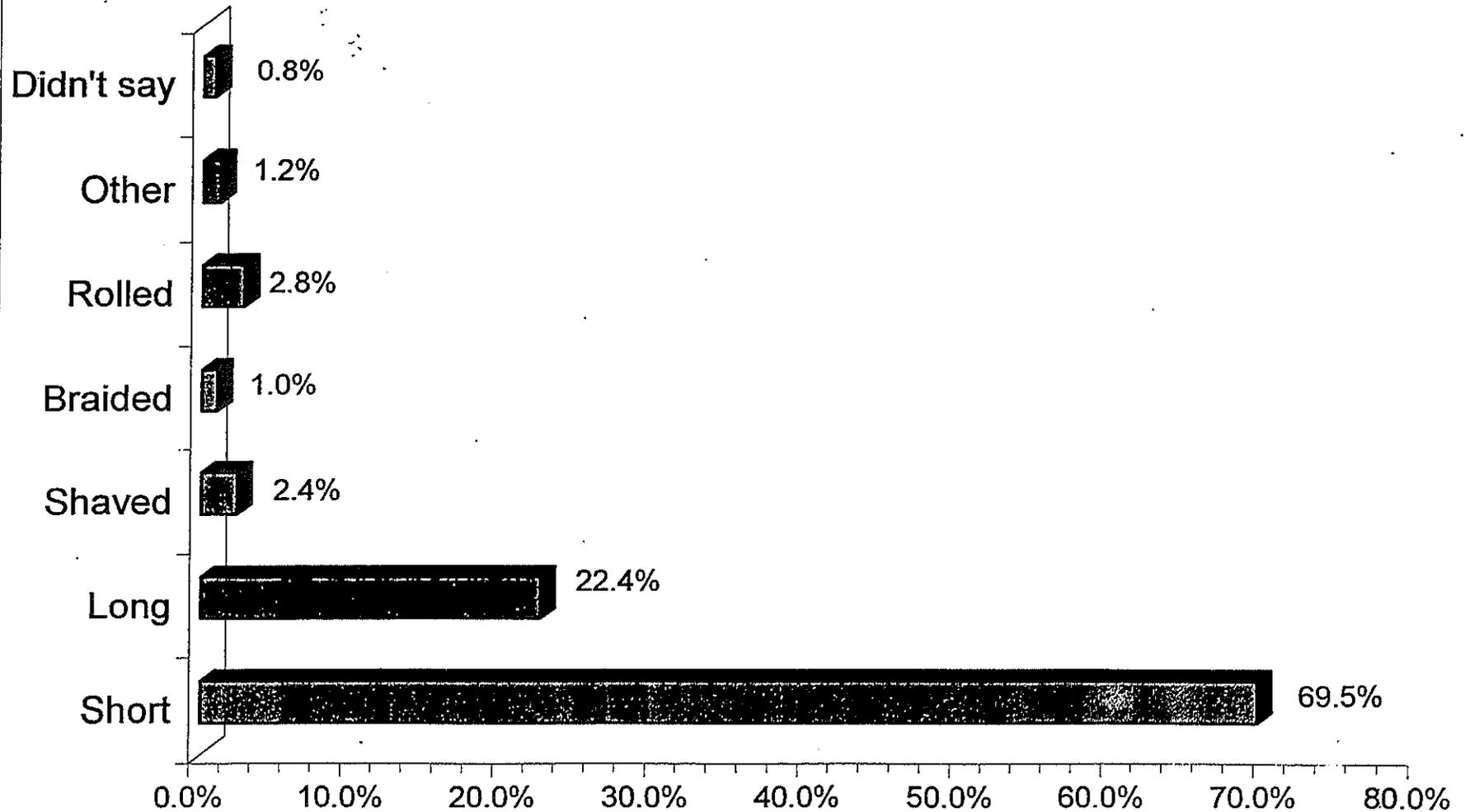
Color of Skin



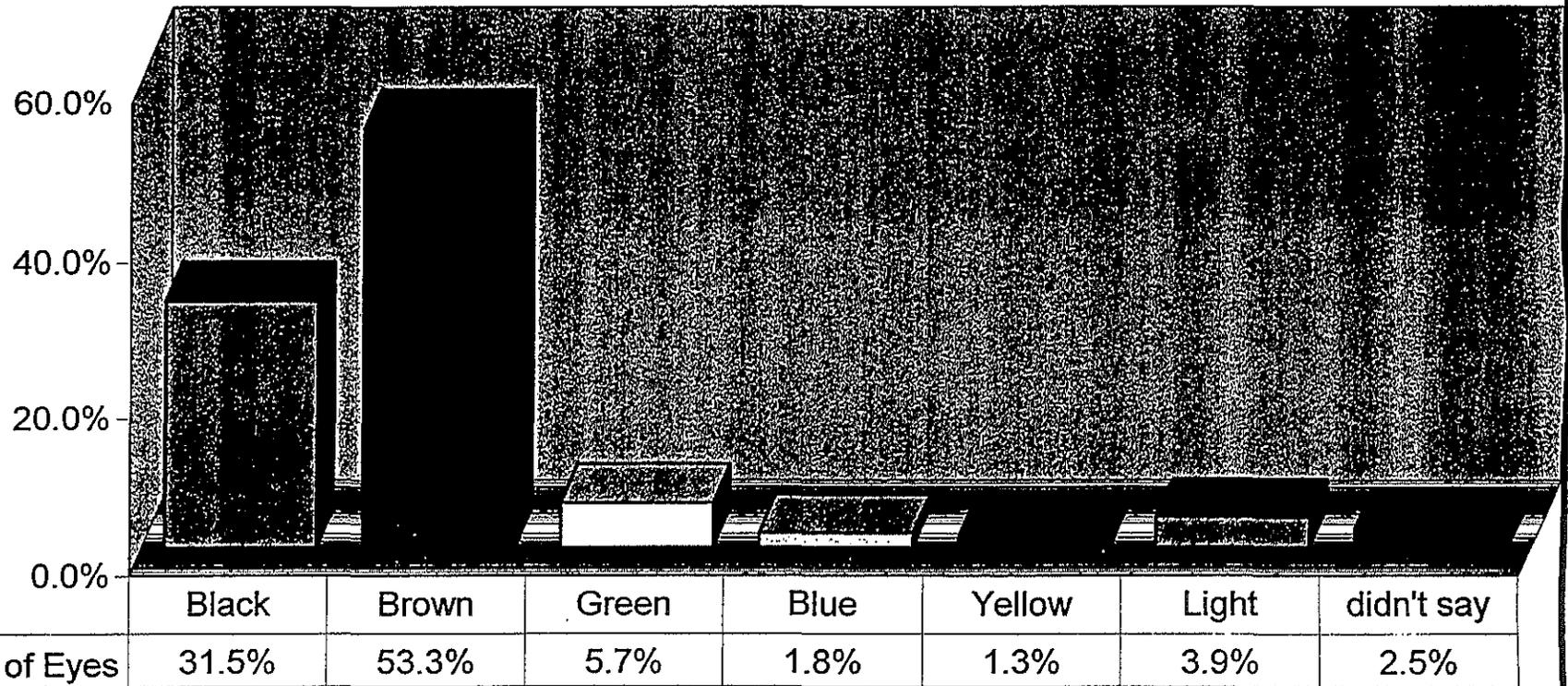
Color of Hair



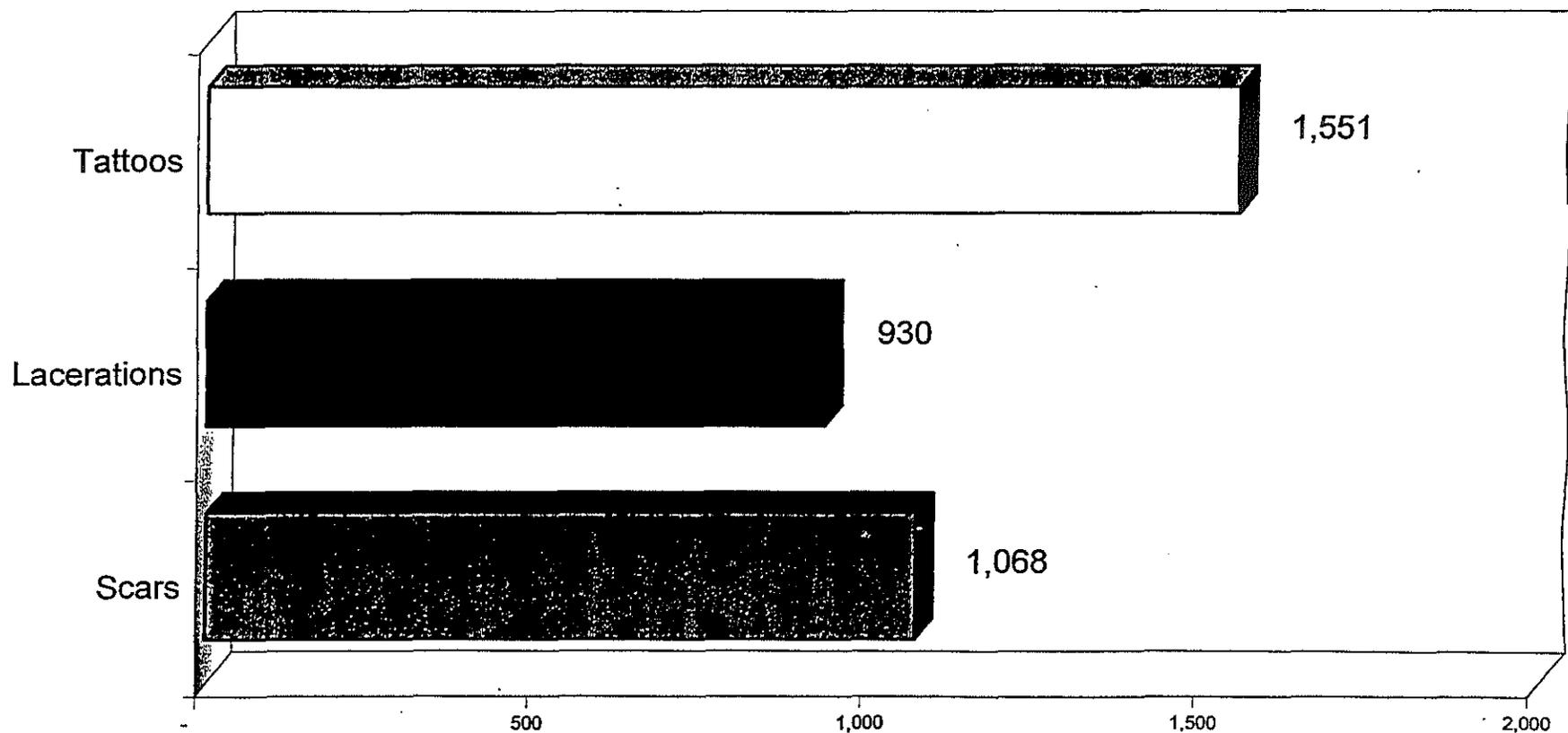
Type of Hair



Color of Eyes

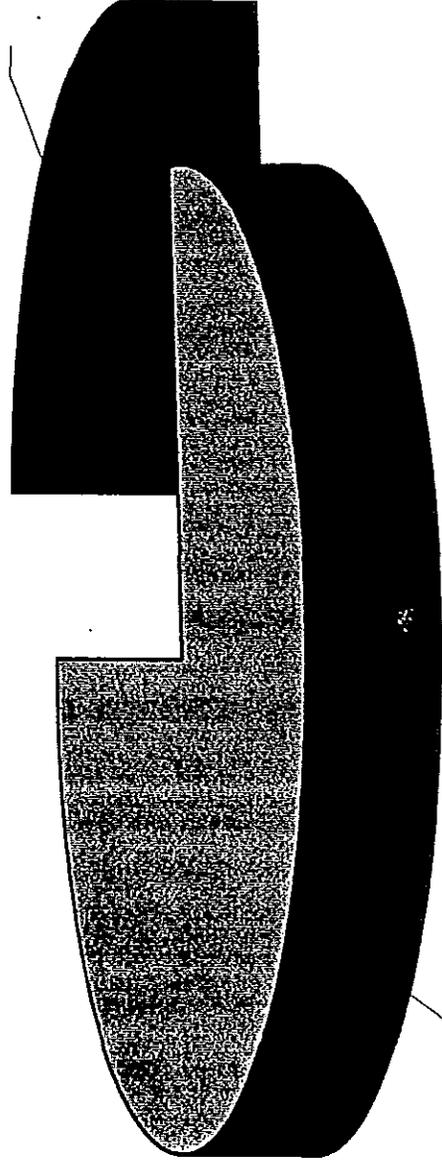


Other Variables of Identification



Homeless in Shelters

Homeless in
Shelters
23%



Homeless on
Streets
77%

ENCLOSURE II

DEPARTMENT OF FAMILY

CONTINUUM OF CARE (CoC) WORKING PLAN

GOAL: END CHRONIC HOMELESSNESS	ACTION STEPS	RESPONSABLE/S PERSON/ORGANIZATION	TARGET DATES
<p>Goal 1: To create 128 units of Supportive Housing for chronic homeless, with a special emphasis on SMI and SA.</p>	<p>An inventory of prospective supportive housing facilities is to be completed. Based on approved CoC, the MHAASA will complete rehabilitation of school facility in the Fajardo area, design service structure, recruit and hire staff, purchase and install equipment, identify and recruit homeless individuals with SMI and/or SA and inaugurate a 60-bed Transitional Housing Program.</p> <p>Based on approved CoC proposals, in Cayey, set up service infrastructure for S+C projects; identify & recruit chronic homeless to benefit; provide rental vouchers for existing facilities identified for S+C for 35, and units, respectively; monitor & provide services as per approved plans.</p> <p>Based on approved CoC proposal, in Mayaguez, develop the first SHP permanent housing 33-bed facility for chronic homeless, rehabilitating an existing facility, setting up permanent supportive housing service infrastructure, training staff to change culture from a Transitional to a Permanent housing setting, identifying occupants from their own and other service settings, and inaugurate and carry out service and housing plans.</p>	<p>PRSC, through Planning Committee will complete the inventory of prospective supportive housing & disseminate results to providers.</p> <p>MHAASA will be responsible for the development of the Fajardo Transitional Housing.</p> <p>Municipal Governments of San German, Cayey and Hormigueros will be responsible for developing S+C projects in their respective areas.</p> <p>Estancia Corazon, Inc. of Mayaguez, PR will be responsible for developing this SHP project in the Western area of the Island.</p>	<p>December 2003</p> <p>September, 2003 to March, 2005</p> <p>September, 2003 to December, 2004 and then on-going</p> <p>September, 2003 to March, 2005 and then on-going services.</p> <p>September, 2003 to March, 2005</p>
<p>Goal 2: To convert 200 of current of Emergency Shelter beds into Supportive Housing that meets the comprehensive needs of chronic homeless.</p>	<p>Based on approval of 2003 CoC proposals, Emergency Shelters in Rio Grande and Guaynabo, PR will convert 60 beds to Transitional Housing for chronic homeless, one for women and one for men. This conversion will entail:</p> <ol style="list-style-type: none"> 1. Rehabilitation of the facilities; 2. Development of service infrastructure; 3. Retraining of staff; 4. Recruit occupants from their own and other provider's chronic homeless populations; 	<p>Association of Families and Friends of Patients with AIDS (AFAPS) in Rio Grande in the Hogar de Ayuda al Refugio from Guaynabo will be responsible for carrying out the conversion of ESG programs to Transitional Housing Programs.</p>	<p>September, 2003 to March, 2005</p>

GOAL: END CHRONIC HOMELESSNESS	ACTION STEPS	RESPONSABLE/S PERSON/ORGANIZATION	TARGET DATES
	<p>5. Inaugurate and provide housing and supportive services as planned</p> <p>Meetings will be held to provide orientation to existing ESG providers about the benefits of providing Supportive Housing to fill unmet service needs.</p> <p>Provide TTA to ESG recipients about permits required, financial packaging and service delivery related to Supportive Housing.</p> <p>Organize, coordinate and provide training & technical assistance to ESG providers on 2004 CoC Application process, budgeting and housing and service provision.</p> <p>Based on approvals, convert Emergency Shelters into Supportive Housing.</p>	<p>PR Department of the Family under the ESG Program</p> <p>Representatives of the PR Department of Housing</p> <p>Goldstein-Levi Foundation in coordination with the PRSC and HUD</p> <p>All ESG grantees approved in FY 2004</p>	<p>September, 2003 to May, 2004</p> <p>September, 2003 to March, 2004</p> <p>September, 2003 to May, 2004</p> <p>September, 2003 to May, 2004</p> <p>May, 2005 and on-going</p>
<p>Goal 3: To engage at least 3,000 hard to reach chronic homeless in services and supportive housing through an innovative health based outreach strategy.</p>	<p>Based on the approval of the 2003 CoC proposal, a Transitional Housing Project for 24 homeless persons with severe health needs will be established in facilities of the Health Department.</p> <p>Ambulatory health services will be provided directly to the homeless in the community, through mobile units.</p> <p>Coordination will be done with other service providers to reach chronic homeless so they access health services & to identify & refer for other services</p>	<p>PR Department of Health in collaboration with the Mental Health & Anti-Addiction Services Administration.</p> <p>PR Department of Health in collaboration with the Mental Health & Anti-Addiction Services Administration.</p> <p>PRSC member agencies, local homeless coalitions & municipal governments</p>	<p>Remodeling by June, 2004 & inauguration by October, 2004</p> <p>Purchase by 2/04 Service initiation by March, 2004</p> <p>March 2004 and on-going</p>
<p>Goal 4: Close the back door to homelessness through improved discharge planning and the provision of 150 targeted supportive housing units for discharged chronic homeless including inmates, SMI, SA and others.</p>	<p>Rehabilitate an existing Correctional facility in Peñuelas, PR, as a 75-bed Transitional Housing facility to prevent homeless ex-convicts from moving directly from correctional facilities to the streets (54% of chronic homeless in PR have a criminal record), entailing:</p> <ol style="list-style-type: none"> 1. Identifying all homeless in penal institutions & design selection criteria; 2. Development of intensive service infrastructure based on client needs; 3. Recruit, hire & train staff; 4. Purchase & install equipment & supplies; 	<p>PR Department of Corrections and Rehabilitation will be responsible for the development of this Transitional Housing Program to prevent homelessness among discharged inmates in collaboration with a network of employment, education, social, health and other services.</p>	<p>Sept. 2003 to March 2005</p>

GOAL: END CHRONIC HOMELESSNESS	ACTION STEPS	RESPONSABLE/S PERSON/ORGANIZATION	TARGET DATES
	<p>5. Inaugurate & provide services.</p> <p>Plan, coordinate and carry out policy dialogues with MHAASA SA and SMI treatment directors, hospital and other institutional programs that attend chronic homeless to develop and implement discharge policies to prevent homelessness.</p>	<p>PRSC Prevention and Training Committee and Mental Health Sub-Committee will be responsible for coordinating with the various settings & for completing this action step.</p>	<p>Sept. 2003 to June 2004</p>

**Application for
Federal Assistance**
DUNS NUMBER
140991105

U.S. Department of Housing
and Urban Development

OMB Approval No. 2501-0017 (exp. 03/31/2005)

1. Type of Submission <input checked="" type="checkbox"/> Application <input type="checkbox"/> Preapplication		2. Date Submitted 17-05-2003	4. HUD Application Number	
		3. Date and Time Received by HUD	5. Existing Grant Number	
			6. Applicant Identification Number	
7. Applicant's Legal Name COMMONWEALTH OF PUERTO RICO		8. Organizational Unit OFFICE OF THE COMMISSIONER OF MUNICIPAL AFFAIRS		
9. Address (give city, county, State, and zip code) A. Address: PO BOX 70167 B. City: SAN JUAN C. County: D. State: PUERTO RICO E. Zip Code: 926		10. Name, title, telephone number, fax number, and e-mail of the person to be contacted on matters involving this application (including area codes) A. Name: EDUARDO G. BARADAS OLIVERAS B. Title: AUXILIARY COMMISSIONER FOR FEDERAL FUNDS DIVISION C. Phone: 787-763-0675 D. Fax: 787-763-5970 E. E-mail: EBARADA@OCAM.GOBIERNO.PR		
11. Employer Identification Number (EIN) or SSN		12. Type of Applicant (enter appropriate letter in box)		A
13. Type of Application <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Renewal <input type="checkbox"/> Revision If Revision, enter appropriate letters in box(es) <input type="checkbox"/> <input type="checkbox"/> A. Increase Amount B. Decrease Amount C. Increase Duration D. Decrease Duration E. Other (Specify)		A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School District		I. University or College J. Indian Tribe K. TDHE L. Individual M. Profit Organization N. Non-profit O. Public Housing Authority P. Other (Specify)
		14. Name of Federal Agency U.S. Department of Housing and Urban Development		
15. Catalog of Federal Domestic Assistance (CFDA) Number Title: SMALL CITIES Component Title: CDBG PROGRAM		16. Descriptive Title of Applicant's Program ELEGIBLE ACTIVITIES OF THE STATE COMMUNITY BLOCK GRANT		
17. Areas affected by Program (cities, counties, States, Indian Reservation, etc.) NON-ENTITLEMENTS MUNICIPALITIES				
18a. Proposed Program start date	18b. Proposed Program end date	19a. Congressional Districts of Applicant PUERTO RICO	19b. Congressional Districts of PUERTO RICO Program	
20. Estimated Funding: Applicant must complete the Funding Matrix on Page 2.				
21. Is Application subject to review by State Executive Order 12372 Process? A. Yes <input type="checkbox"/> This preapplication/application was made available to the State Executive Order 12372 Process for review on. Date _____ B. No <input checked="" type="checkbox"/> Program is not covered by E.O. 12372 <input type="checkbox"/> Program has not been selected by State for review.				
22. Is the Applicant delinquent on any Federal debt? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If "Yes," explain below or attach an explanation				

Funding Matrix

The applicant must provide the funding matrix shown below, listing each program for which HUD funding is being requested, and complete the certifications.

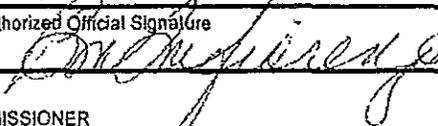
Grant Program*	HUD Share	Applicant Match	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	Total
CDBG STATE PROGRAM	55726006							55726006
Grand Totals	55726006							55726006

* For FHIPs, show both initiative and component

Certifications

I certify, to the best of my knowledge and belief, that no Federal appropriated funds have been paid, or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or Member of Congress, an officer or employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

To the best of my knowledge and belief, all data in this application are true and correct and the certifications made on Assurances and Certifications (HUD form 424-B) attached to this application or currently on file in the Department, are a material representation of the fact upon which reliance shall be placed when this transaction was made and entered into

23. Authorized Official Signature 	Name (printed) BARBARA M. SANFIORENZO ZARAGOZA, ESQ
Title COMMISSIONER	Date (mm/dd/yyyy) 17/5/2004

**Application for
Federal Assistance
DUNS NUMBER
136941841**

U.S. Department of Housing
and Urban Development

OMB Approval No.2501-0017 (exp. 03/31/2005)

1. Type of Submission

Application Preapplication

2. Date Submitted April 13, 2004	4. HUD Application Number
3. Date and Time Received by HUD	5. Existing Grant Number
	6. Applicant Identification Number DUNS # 136941841

7. Applicant's Legal Name Commonwealth of Puerto Rico		8. Organizational Unit Puerto Rico Department of Housing	
9. Address (give city, county, State, and zip code) A. Address: 606 Barbosa Avenue B. City: San Juan C. County: D. State: Puerto Rico E. Zip Code: 928		10. Name, title, telephone number, fax number, and e-mail of the person to be contacted on matters involving this application (including area codes) A. Name: Noemí Cardona- Tomassini B. Title: HOME Program Director C. Phone: (787) 274-2804 D. Fax: (787) 274-2822 E. E-mail: lespada2@vivienda.gobierno.pr	
11. Employer Identification Number (EIN) or SSN		12. Type of Applicant (enter appropriate letter in box) A A. State I. University or College B. County J. Indian Tribe C. Municipal K. Tribally Designated Housing Entity (TOHE) D. Township L. Individual E. Interstate M. Profit Organization F. Intermunicipal N. Non-profit G. Special District O. Public Housing Authority H. Independent School District P. Other (Specify)	
13. Type of Application <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Renewal <input type="checkbox"/> Revision If Revision, enter appropriate letters in box(es) <input type="checkbox"/> <input type="checkbox"/> A. Increase Amount B. Decrease Amount C. Increase Duration D. Decrease Duration E. Other (Specify)		14. Name of Federal Agency U.S. Department of Housing and Urban Development	
15. Catalog of Federal Domestic Assistance (CFDA) Number 14 - 239 Title: Component Title:		16. Descriptive Title of Applicant's Program Eligible activities under the HOME Program. Develop and support affordable housing for rental, homeownership and rehabilitation to benefit low and very-low income families.	
17. Areas affected by Program (boroughs, cities, counties, States, Indian Reservation, etc.) Entitlement and non-entitlement municipalities			
18a. Proposed Program start date	18b. Proposed Program end date	19a. Congressional Districts of Applicant	19b. Congressional Districts of Program
20. Estimated Funding: Applicant must complete the Funding Matrix on Page 2.			
21. Is Application subject to review by State Executive Order 12372 Process? A. Yes <input type="checkbox"/> This preapplication/application was made available to the State Executive Order 12372 Process for review on: Date _____ B. No <input checked="" type="checkbox"/> Program is not covered by E.O. 12372 <input type="checkbox"/> Program has not been selected by State for review.			
22. Is the Applicant delinquent on any Federal debt? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If "Yes," explain below or attach an explanation.			

Funding Matrix

The applicant must provide the funding matrix shown below, listing each program for which HUD funding is being requested, and complete the certifications.

Grant Program*	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	Total
HOME Investment Partnership Program	\$16,870,423								\$16,870,423
American Dream Downpayment Initiative- 2003	\$498,685								\$498,685
Grand Totals	\$17,369,108								\$17,369,108

* For FHIPs, show both initiative and component

Certifications

I certify, to the best of my knowledge and belief, that no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-L.L.L. Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage of the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

This application incorporates the Assurances and Certifications (HUD-424B) attached to this application or renews and incorporates for the funding you are seeking the Assurances and Certifications currently on file with HUD. To the best of my knowledge and belief, all information in this application is true and correct and constitutes material representation of fact upon which HUD may rely in awarding the agreement.

23. Signature of Authorized Official <i>Deanna Echegoyen</i>	Name (printed) Ileana Echegoyen -Santalla
Title Secretary of the PR Department of Housing	Date (mm/dd/yyyy) 5/21/04

**Application for
Federal Assistance**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2501-0017 (exp. 03/31/2005)

DUNS NUMBER
090406737

1. Type of Submission

Application Preapplication

2. Date Submitted 5-May-04	4. HUD Application Number
3. Date and Time Received by HUD	5. Existing Grant Number
	6. Applicant Identification Number

7. Applicant's Legal Name Commonwealth of Puerto Rico	8. Organizational Unit Puerto Rico Department of Family
--	--

9. Address (give city, county, State, and zip code) A. Address: PO Box 11398 B. City: San Juan C. County: Puerto Rico D. State: E. Zip Code: 00910-1398	10. Name, title, telephone number, fax number, and e-mail of the person to be contacted on matters involving this application (including area codes) A. Name: Ileana Sánchez Figueroa Assistant Secretary C. Phone: 787-294-0730 D. Fax: 787-0744 E. E-mail: lsanchez@familia.gobierno.pr
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11. Employer Identification Number (EIN) or SSN	12. Type of Applicant (enter appropriate letter in box) A A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School District I. University or College J. Indian Tribe K. TDHE L. Individual M. Profit Organization N. Non-profit O. Public Housing Authority P. Other (Specify)
13. Type of Application <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Renewal <input type="checkbox"/> Revision If Revision, enter appropriate letters in box(es) <input type="checkbox"/> <input type="checkbox"/> 1. Increase Amount B. Decrease Amount C. Increase Duration 2. Decrease Duration E. Other (Specify)	

14. Name of Federal Agency U.S. Department of Housing and Urban Development
--

5. Catalog of Federal Domestic Assistance (CFDA) Number 14 -- 231	16. Descriptive Title of Applicant's Program Puerto Rico Department of Family Emergency Shelter Grant (ESGP)
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7. Areas affected by Program (cities, counties, States, Indian Reservation, Entire Puerto Rico)

8a. Proposed Program start date	18b. Proposed Program end date	19a. Congressional Districts of Applicant	19b. Congressional Districts of Program
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0. Estimated Funding: Applicant must complete the Funding Matrix on Page 2.

1. Is Application subject to review by State Executive Order 12372 Process?
 A. Yes This preapplication/application was made available to the State Executive Order 12372 Process for review on: Date _____
 B. No Program is not covered by E.O. 12372
 Program has not been selected by State for review.

2. Is the Applicant delinquent on any Federal debt? No
 Yes If "Yes," explain below or attach an explanation.

Funding Matrix

The applicant must provide the funding matrix shown below, listing each program for which HUD funding is being requested, and complete the certifications.

Grant Program*	HUD Share	Applicant Match	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	Total
Emergency Shelter Grant	3,026,509							
Grand Totals	3,026,509							

* For FHIPs, show both initiative and component

Certifications

I certify, to the best of my knowledge and belief, that no Federal appropriated funds have been paid, or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or Member of Congress, an officer or employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

To the best of my knowledge and belief, all data in this application are true and correct and the certifications made on Assurances and Certifications (HUD form 424-B) attached to this application or currently on file in the Department, are a material representation of the fact upon which reliance shall be placed when this transaction was made and entered into.

23. Authorized Official Signature

Name (printed)

Yolanda Zayas, MSW

Title Secretary

Date (05/04/2004)

Application for Federal Assistance

OMB Approval No. 0348-0043

DUNS NUMBER 105817142

1. Type of Submission Application Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction <input type="checkbox"/> Non-Construction	2. Date Submitted (mm/dd/yyyy)	Applicant Identifier
	3. Date Received by State (mm/dd/yyyy)	State Application Identifier
	4. Date Received by Federal Agency (mm/dd/yyyy)	Federal Identifier

5. Applicant Information

Legal Name Commonwealth of Puerto Rico	Organizational Unit Puerto Rico Department of Health
Address (give city, county, State, and zip code) P.O. Box 70184 San Juan, PR 00936	Name and telephone number of the person to be contacted on matters involving this application (give area code) Héctor M. López de Victoria Ramos (787) 274-5582

6. Employer Identification Number (EIN) (xx-yyyzzzz) 66 - 0433481	7. Type of Applicant (enter appropriate letter in box) A A. State J. Private University B. County K. Indian Tribe C. Municipal L. Individual D. Township M. Profit Organization E. Interstate N. Nonprofit F. Inter-municipal O. Public Housing Agency G. Special District P. Other (Specify) H. Independent School Dist. I. State Controlled Institution of Higher Learning
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8. Type of Application:
 New Continuation Revision
 If Revision, enter appropriate letter(s) in box(es):
 A. Increase Award B. Decrease Award C. Increase Duration
 D. Decrease Duration Other (specify)

9. Name of Federal Agency
Housing and Urban Development (HUD)

10. Catalog of Federal Domestic Assistance Number (xx-yyy)
 Title: 14 - 241
 Housing Opportunities for Persons with AIDS (HOPWA)

11. Descriptive Title of Applicant's Project
Eligible Activities under the HOPWA Program

12. Areas Affected by Project (cities, counties, States, etc.)
Puerto Rico - Statewide

13. Proposed Project		14. Congressional Districts of	
Start Date (mm/dd/yyyy) 07/01/2004	Ending Date (mm/dd/yyyy) 06/30/2005	a. Applicant Puerto Rico	b. Project Puerto Rico

15. Estimated Funding

Complete form HUD-424-M, Funding Matrix

16. Is Application Subject to Review by State Executive Order 12372 Process?

a. Yes This pre-application/application was made available to the State Executive Order 12372 Process for review on:
Date (mm/dd/yyyy) _____

b. No Program is not covered by E.O. 12372
or Program has not been selected by State for review.

17. Is the Applicant Delinquent on Any Federal Debt?
 Yes If "Yes," attach an explanation No

18. To the best of my knowledge and belief, all data in this application/pre-application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.

a. Typed Name of Authorized Representative John V. Rullán, MD, FACPM	b. Title Secretary	c. Telephone Number (include Area Code) (787) 274-7602
d. Signature of Authorized Representative <i>John V. Rullán</i>		e. Date Signed (mm/dd/yyyy)

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form SF-424 (7/97)
Prescribed by OMB Circular A-102

Federal Assistance Funding Matrix

The applicant must provide the funding matrix shown below, listing each program for which Federal funding is being requested, and complete the certifications.

Program*	Applicant Share	Federal Share	State Share	Local	Other	Program Income	Total
Housing Opportunities for Persons with AIDS (HOPWA)	\$0	\$1,748,000	\$0	\$0	\$0	\$0	\$1,748,000
Grand Totals							\$1,748,000

* For FHIPs, show both initiative and component

Instructions for the HUD-424-M

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This form is to be used by applicants requesting funding from the Department of Housing and Urban Development for application submissions for Federal assistance.

Enter the following information:

Program: The HUD funding program you are applying under.

Applicant Share: Enter the amount of funds or cash equivalent of in-kind contributions you are contributing to your project or program of activities.

Federal Share: Enter the amount of HUD funds you are requesting with your application.

State Share: Enter the amount of funds or cash equivalent of in-kind services the State is contributing to your project or program of activities.

Local Share: Enter the amount of funds or cash equivalent of in-kind services your local government is contributing to your project or program of activities.

Other: Enter the amount of other sources of private, non-profit, or other funds or cash equivalent of in-kind services being contributed to your project or program of activities.

Program Income: Enter the amount of program income you expect to generate and contribute to this program over the life of your award.

Total: Please total all columns and fill in the amounts.

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;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

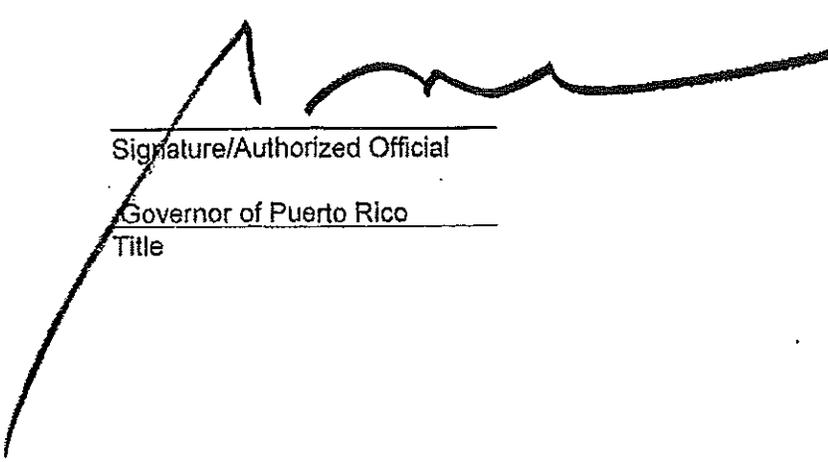
Anti-Lobbying -- To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

Authority of State – The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

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.



Signature/Authorized Official

Governor of Puerto Rico
Title

10 MAY 2004

Date

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded 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 these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee 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, and other financial resources are not available);

2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2002 , 2003, and 2004. (A period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
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.

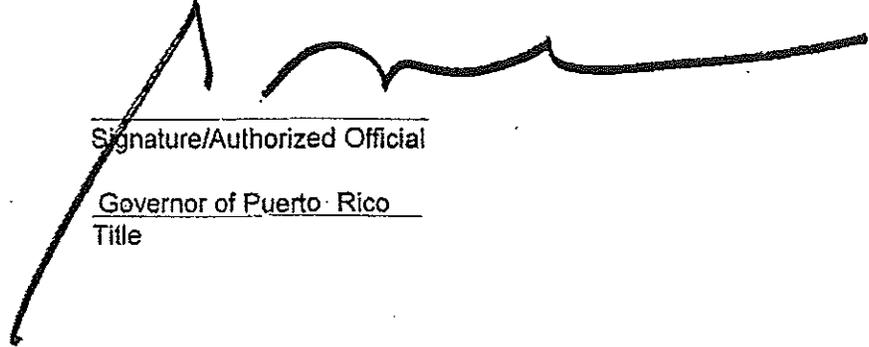
It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an 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 3601-3619), and implementing regulations.

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

A large, stylized handwritten signature in black ink, starting with a sharp upward stroke and ending with a long horizontal tail.

Signature/Authorized Official

Governor of Puerto Rico
Title

10 MAY 2004

Date

Specific HOME Certifications

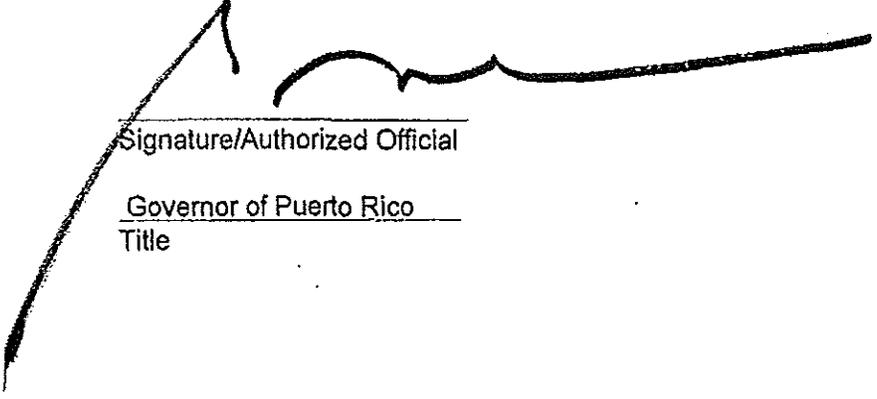
The State certifies that:

Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Appropriate Financial Assistance -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;



Signature/Authorized Official

Governor of Puerto Rico
Title

10 MAY 2004
Date

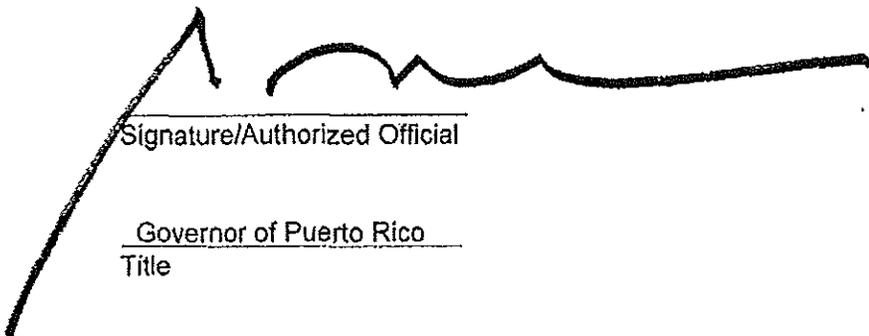
HOPWA Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.



Signature/Authorized Official

10 MAY 2004
Date

Governor of Puerto Rico
Title

**STATE GRANTEE
EMERGENCY SHELTER GRANTS PROGRAM
FY 2004 CERTIFICATIONS**

I, Sila M. Calderón, Governor, (name and title) authorized to act on behalf of the State of Puerto Rico, certify that State will ensure compliance by units of general local government and nonprofit organizations to which it distributes funds under the Emergency Shelter Grants Program with:

- (1) The requirements of 24 CFR 576.21(a)(4) which provide that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services meet the following standards: (A) that the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) that the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) that there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) that the assistance must not supplant funding for preexisting homeless prevention activities from any other sources.
- (2) The requirements of 24 CFR 576.25(b)(2) concerning the submission by nonprofit organizations applying for funding of a certification of funding of a certification of approval of the proposed project(s) from the unit of local government in which the proposed project is located.
- (3) The requirements of 24 CFR 576.53 concerning the continued use of buildings for which Emergency Shelter Grant funds are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services, concerning the population to be served.
- (4) The building standards requirements of 24 CFR 576.55.
- (5) The requirements of 24 CFR 576.56, concerning assistance to the homeless.
- (6) The requirements of 24 CFR 576.57, other appropriate provisions of 24 CFR Part 576, and other applicable Federal law concerning nondiscrimination and equal opportunity.
- (7) The requirements of 24 CFR 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

STATE GRANTEE
EMERGENCY SHELTER GRANT PROGRAM
FY 2004 CERTIFICATIONS
PAGE 2 OF 2

- (8) The requirements of 24 CFR 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
- (9) The requirements of 24 CFR 576.56(a) and 576.65(b) that grantees 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 Emergency Shelter Grants Program and that the address or location of any family violence shelter project assisted with ESG funds will not be made public, except with written authorization of the person or persons responsible for the operation of the shelter.
- (10) The requirement of that recipients involve, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of the these facilities as provided by 24 CFR 576.56(b)(2).
- (11) The new requirement of the McKinney-Vento Act, 42 U.S.C. 11301, to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols 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. I further understand that State and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of State and local resources.

I certify that the State will comply with the requirements of 24 CFR Part 23 concerning the Drug Free Workplace Act of 1988.

I certify that the State will comply with the provisions of, and regulations and procedures applicable under 24 CFR 576.57(e) with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related authorities as specified in 24 CFR Part 58 as applicable to activities of nonprofit organizations funded directly by the State. The State also agrees to assume the Department's responsibility and authority as set forth in 24 CFR 576.57(e) for acting on the environmental certifications and request for the release of funds submitted to the State by local government recipients.

STATE GRANTEE
EMERGENCY SHELTER GRANT PROGRAM
FY 2004 CERTIFICATIONS
PAGE 3 OF 3

I certify that the State will ensure the provision of the matching funds required by 24 CFR 576.51 and 42 U.S.C. 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.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under State law, and that the State possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.

BY:



Signature and Date

10 MAY 2004

Hon. Sila M. Calderón

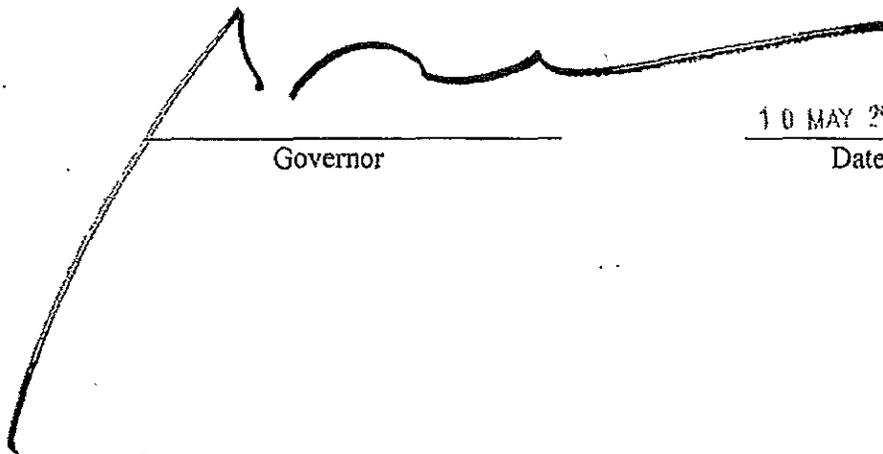
Typed Name of Signatory

Governor of Puerto Rico

Title

NON-DISCRIMINATION POLICY

The Commonwealth of Puerto Rico adopts procedures and policies to assure non-discrimination based on race, sex, color, physical or mental disability, nationality, religion, marital status, age and political affiliation, in programs and activities receiving federal financial assistance from the Department of Housing and Urban Development, under the Consolidated Action Plan.



Governor

10 MAY 2004

Date

Funding Approval/Agreement
 Title I of the Housing and Community
 Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in Item 5 of Standard Form 424) Commonwealth of Puerto Rico	3. Grantee's 9-digit Tax ID Number 66-047890	4. Date use of funds may begin (mm/dd/yyyy) 07/01/2004
2. Grantee's Complete Address (as shown in Item 5 of Standard Form 424) PO Box 70167 San Juan, P.R. 00926	5a. Project/Grant No. 1 B-04-DC-72-0001	6a. Amount Approved \$55,726,006
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Carmen R. Cabrera	Grantee Name Honorable Sila M. Calderon
Title Director, Community Planning and Development	Title Governor
Signature <i>Carmen R. Cabrera</i>	Signature <i>[Signature]</i>
Date (mm/dd/yyyy) 06/20/2004	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian COBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 05/17/2004	10. check one: <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy) 07/01/2004	
9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2004			
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	FY (2004)	FY ()	FY ()
b. Funds now being Approved	\$55,726,006		
c. Reservation to be Cancelled (11a minus 11b)	\$55,726,006		

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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**Funding Approval Under the
Stewart B. McKinney Homeless Assistance Act**

1. NAME OF APPLICANT COMMONWEALTH OF PUERTO RICO	2. GRANT NUMBER S-04-MC-72-0001
3. APPLICANT ADDRESS (Street, City, County, State, and Zip) DEPARTMENT OF THE FAMILY COMMONWEALTH OF PUERTO RICO PO BOX 11398 SAN JUAN, PR 00910-1398 TIN # 66-0433481	4. DATE OF APPLICATION 05/14/2004
	5. DATE APPLICATION RECD 05/14/2004
	6. FUNDING APPROVAL <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> AMENDMENT NO.

7. AMOUNT OF EMERGENCY SHELTER GRANTS PROGRAM FUNDS APPROVED

a. Amount of ESGP Funds Currently Reserved for this Applicant \$3,026,509

b. Amount of ESGP Funds Now Being Approved for this Applicant \$3,026,509

c. Amount of Reservation to be canceled (Line 7a minus 7b) _____

8. SPECIAL CONDITIONS (Check applicable box)

a. 1 Not Applicable

b. 2 Attached

9. DATE APPLICANT NOTIFIED FUNDING HAS BEEN AUTHORIZED
AUG 10 2004

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Carmen R. Cabrera

BY
Carmen R. Cabrera

TITLE
Director, Community Planning and Development

DATE
06/30/04

HUD ACCOUNTING USE ONLY											
BROCH	TAG	PROGRAM	1	A	RES	AREA	DOCUMENT NO	PROJECT NUMBER			
1	4	9	12	13	14	16	18	23	30	35	
CATEGORY	AMOUNT 1					EFFECTIVE DATE	F	AMOUNT 2			SCHEDULE NO
38	41	45	50	54	60	61	65	70	74	78	

Grant No.: S-04-MC-72-0001
Official Contact Person: Honorable Yolanda Zayas Santana
Telephone No: 787-294-4900
FAX: 787-294-0732
E-mail Address: decamp@coqui.net
Tax ID No: 66-0478790
Unit of Government No.: _____

FY 2004 STATE GOVERNMENT GRANT AGREEMENT
EMERGENCY SHELTER GRANTS PROGRAM

This Grant Agreement is made by and between the United States Department of Housing and Urban Development (HUD) and the Commonwealth of Puerto Rico, the Grantee, for FY 2004 of the Emergency Shelter Grants Program in the amount of \$3,026,509. The grant authorized by Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11301 (1988), as amended (the "Act"). In addition, the grant operates through HUD's regulations at 24 CFR Part 576, as now in effect and as may be amended from time to time, which are incorporated as part of this Agreement.

In reliance upon the Consolidated Plan and certifications, the Secretary agrees, upon execution of the Grant Agreement, to provide the Grantee with the agreed grant funds. The grantee must comply with requirements for record keeping and annual performance reporting to HUD within 90 days after the close of its consolidated program year, as required by 24 CFR 91.520. This includes the periodic information collected through HUD's Integrated Disbursements and Information System (IDIS). The grantee's IDIS reporting must include information on grant activities, project sponsors, project sites, and beneficiaries (including racial and ethnic data on participants). This information will be used for program monitoring and evaluation purposes.

The Grantee agrees to comply with all applicable laws and regulations in distributing funds provided under this Grant Agreement and to accept responsibility for ensuring compliance by sub-recipient entities which may receive funding assistance.

The Grantee agrees to comply with the provisions of the environmental requirements of 24 CFR Part 58 as applicable under 24 CFR 576.57(e) with respect to funds provided under this Grant Agreement.

The Grantee further agrees to provide sufficient detail on matching funds so as to identify the specific sources and amounts of the funds as required by 42 USC 11375(a)(1).

This Grant Agreement is hereby executed by the Parties on the dates set forth below their respective signatures, as follows:

UNITED STATES OF AMERICA
Secretary of Housing and Urban Development

By: Carmen R. Cabrera 06/30/04
Signature and Date

Carmen R. Cabrera
Typed Name of Signatory

Director, CPD
Title

GRANTEE
Commonwealth of Puerto Rico

By: [Signature]
Signature and Date

Hon. Sila M. Calderon
Typed Name of Signatory

Governor
Title

Funding Approval and HOME Investment Partnerships Agreement
Title II of the National Affordable Housing Act

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development

OMB Approval No. 2506-0171
 (Exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

1. Participant Name and Address PR Department of Housing 606 Barbosa Avenue San Juan, P.R. 00928		2. Participant Number M-04-SG-72-0100	
		3. Tax Identification Number 66-0478790	
		4. Appropriation Number See #18 below	
		5. FY (yyyy) 2004	
6. Previous Obligation (Enter "0" for initial FY allocation)		\$	
a. Formula Funds		\$	
b. Community Housing Development Org. (CHDO) Competitive		\$	
7. Current Transaction (+ or -)		\$ 17,369,108	
a. Formula Funds		\$ 17,369,108	
1. CHDO (For deobligations only)		\$	
2. Non- CHDO (For deobligations only)		\$	
b. CHDO Competitive Reallocation or Deobligation (see #18 below)		\$	
8. Revised Obligation		\$	
a. Formula Funds		\$	
b. CHDO Competitive Reallocation		\$	
9. Special Conditions (check applicable box) <input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Attached		10. Date of Obligation (Congressional Release Date) (mm/dd/yyyy) 1 / 1 / 2004	

This Agreement between the Department of Housing and Urban Development (HUD) and the Participating Jurisdiction/Entity is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Participating Jurisdiction's /Entity's approved Consolidated Plan submission/Application and the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Participating Jurisdiction/Entity upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Participating Jurisdiction's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Participating Jurisdiction's/Entity's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Participating Jurisdiction/Entity without the Participating Jurisdiction's/Entity's execution of the amendment or other consent. The Participating Jurisdiction/Entity agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Participating Jurisdiction agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

11. For the U.S. Department of HUD (Name and Title of Authorized Official) Carmen R. Cabrera, CPD Director		12. Signature <i>Carmen R. Cabrera</i>	13. Date 1 / 1
14. For the Participating Jurisdiction/Entity (Name and Title of Authorized Official) Honorable Sila Maria Calderon, Governor		15. Signature <i>[Signature]</i>	16. Date 1 / 1

17. Check one:
 Initial Agreement Amendment # _____

Source of Funds	Appropriation Code	PAS Code	Amount	
FY 2004 HOME	864/60205	HMC	\$16,870,423	
FY 2003 ADDI	863/60205	HMC	\$ 498,685	CHDO Competitive Reallocation

form HUD-40093 (04/2004)

DEPARTMENT OF HEALTH
Grant No.: PRH04F999
Tax ID No.: 66-0478790

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS
GRANT AGREEMENT**

This Grant Agreement is made by and between the United States Department of Housing and Urban Development (HUD) and the Commonwealth of Puerto Rico.

This Agreement will be governed by the following, as they from time to time may be amended: AIDS Housing Opportunity Act, 42 USC Secs 12901 to 12912 (the Act), the Housing Opportunities for Persons with AIDS Program 24 CFR Part 574 (the Regulations); all of which are incorporated herein as part of this Agreement.

The terms "Grant" or "Grant Funds" mean the funds provided under this Agreement. The term "Application" means the application submissions on the basis of which a Grant was approved by HUD, including the certifications and assurances and any information or documentation required to meet any grant award conditions. The Application is incorporated as part of this Agreement.

In reliance upon the Application, HUD agrees, upon execution of this Grant Agreement, to provide Grant Funds to Grantee in the amount of \$ 1,748,000.

Grantee agrees to and will ensure that each Project Sponsor agrees to:

- (1) operate the program in accordance with the requirements of the applicable HUD regulations;
- (2) conduct an ongoing assessment of the housing assistance and supportive services required by the participants in the program;
- (3) assure the adequate provision of supportive services to the participants in the program; and
- (4) comply with such other terms and conditions, including record keeping and reports (which must include racial and ethnic data on participants) for program monitoring and evaluation purposes, as HUD may establish for purposes of carrying out the program in an effective and efficient manner.

Grantee further agrees that it shall supply HUD with all available, relevant information necessary for HUD to perform any required environmental review pursuant to HUD regulations at 24 CFR Part 50 (as amended by the Regulations) for each property to be acquired, rehabilitated, converted, leased, repaired or constructed with Grant Funds; it shall carry out mitigating measures required by HUD or select alternate eligible property; and it shall not acquire, rehabilitate, convert, lease, repair or construct property, or commit HUD or other funds to such program activities with respect to any such property, until it has received notice from HUD that the environmental review is complete.

A default shall consist of any use of Grant Funds for a purpose other than as authorized by this Agreement, noncompliance with the Act or Regulations, any material breach of the Agreement, failure to expend Grant Funds in a timely manner, or misrepresentations in the Application submissions which, if known by HUD, would have resulted in a Grant not being provided. Upon due notice to the Grantee of the occurrence of any such default and the provision of a reasonable opportunity to respond, HUD may take one or more of the following actions:

- (a) direct the Grantee to submit progress schedules for completing approved activities;
- (b) issue a letter of warning advising the Grantee of the default, establishing a date by which corrective actions must be completed and putting the Grantee on notice that more serious actions will be taken if the default is not corrected or is repeated;
- (c) direct the Grantee to suspend, discontinue or not incur costs for the affected activity;
- (d) reduce or recapture the grant;
- (e) direct the Grantee to reimburse the program accounts for costs inappropriately charged to the program;
- (f) other appropriate action including, but not limited to, any remedial action legally available, such as affirmative litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions and any other available remedies.

No delay or omissions by HUD in exercising any right or remedy available to it under the Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Grantee default.

This Grant Agreement is hereby executed by the Parties on the dates set forth below their respective signatures, as follows:

UNITED STATES OF AMERICA
Department of Housing and Urban Development
By: The Secretary

Carmen R. Cabrera

By: CARMEN R. CABRERA

DIRECTOR, CPD DIVISION

(Title)

06/30/04

(Date)

COMMONWEALTH OF PUERTO RICO
Eligible Metropolitan Statistical Area

By: HONORABLE SILA M. CALDERON
Governor

(Date)

PUBLIC COMMENTS

COMMENTS AND RESPONSES MUNICIPAL GOVERNMENTS		
JURISDICTION	COMMENT	RESPONSE
Mayor Edwin García Feliciano Municipality of Camuy	During the Public Hearing the Mayor requested that the State HOME-Program consider to increase the assistance for the family residents at Extension Villa del Carmen, in Camuy.	During the Public Hearing, Representatives from the PRDH reply that the acquisition of dwelling units is an eligible activity of the Home Program. The PRDH have addressed the issue directly and will be reviewing the eligibility of participants for its qualifications as soon as the required information is submitted by the Mayor.

ADMINISTRACIÓN DE DESARROLLO Y MEJORAS DE VIVIENDA

8 de marzo de 2004

Hon. Edwin García Feliciano
Alcalde de Camuy
PO Box 539
Camuy, PR 00627

Estimado señor García Feliciano:

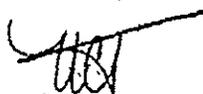
Según conversáramos en las Vistas Públicas el 5 de marzo de 2004 la adquisición de unidades existentes es una actividad elegible del Programa HOME. A petición suya estamos en la disposición de evaluar el caso de la Extensión Villa del Carmen.

Cabe señalar que en carta enviada el 5 de mayo de 2003 le solicitamos información sobre los casos y al día de hoy no la hemos recibido (ver anejo). No obstante, el pasado 23 de junio de 2003 personal de nuestra oficina le solicitó un estudio socio económico para determinar el subsidio por familia de forma preliminar.

Una vez recibamos el mismo se podrá determinar la viabilidad de otorgar subsidio a los ciudadanos de dicho proyecto. Es importante que recibamos respuesta lo antes posibles ya que los fondos son limitado y la actividad de asistencia a compradores es una de gran demanda.

Para información adicional puede comunicarse con Stefanny Piña al (787) 274-2811.

Cordialmente,


Noemí Cardona Tomassini
Directora
Programa HOME

Anejo

Avenida Barbosa 606, Edificio Juan C. Cordero, Río Piedras, PR - P O Box 21365 San Juan, PR 00928-1365
Tel. (787) 274-2525


ADMINISTRACIÓN DE DESARROLLO Y MEJORAS DE VIVIENDA



5 de mayo de 2003

Hon. Edwin García Feliciano
Alcalde
PO Box 539
Camuy, Puerto Rico 00827

**ASUNTO: DETERMINACIÓN DE ELEGIBILIDAD PROGRAMA HOME- RESIDENTES
URBANIZACIÓN EXT. VILLA DEL CARMEN**

Estimado señor García Feliciano:

Acuso recibo de su comunicación del 16 de abril de 2003 en la cual solicita una aportación de \$5,000 por solicitante para el proyecto de referencia.

Con el propósito de aclarar dudas con respecto a la documentación requerida para la pre-calificación de los solicitantes, es pertinente indicarle que el Programa HOME tiene que cumplir con la reglamentación establecida en el 24 CFR Parte 92.

A esos efectos se debe levantar un expediente por caso y evidenciar, conforme a los criterios de HUD, la calificación al Programa. Los requisitos de evaluación por ingreso utilizados por R-G Mortgage no necesariamente son los mismos del Programa HOME.

Agradeceremos la información que nos pueda ofrecer de los ciudadanos para las cuales el donativo de La Llave para tu Hogar no es suficiente para sufragar la compra de su vivienda. De esta forma podremos evaluar a las familias que realmente necesitan la intervención del Programa HOME y completar las solicitudes correspondientes.

De necesitar más información, favor comunicarse a nuestras oficinas, a su conveniencia.

Cordialmente,

Illia Espada Gollia
Ayudante Especial

Avenida Barbosa 606, Edificio Juan C. Cordero, Río Piedras, PR • P O Box 21385 San Juan, PR 00928-1365
Tel. (787) 274-2525



ESTADO LIBRE ASOCIADO DE PUERTO RICO
Gobierno Municipal de Camuy
Oficina del Alcalde



16 de abril de 2003

Sra. Julia Torres
Directora Ejecutiva
Departamento de la Vivienda
San Juan, Puerto Rico

Estimada señora Torres:

¡Saludos cordiales para usted!

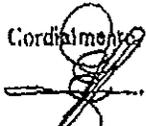
El próximo lunes 21 de abril de 2003, estaremos celebrando una reunión con los residentes de la Urbanización Extensión Villa del Carmen, del barrio Puente de Camuy, donde le explicaremos el Programa de Donativo la Llave para tu Hogar.

Traigo ante su atención, sin embargo, una preocupación de que con este donativo se quedarían por debajo las expectativas que tenían estos residentes, que eran de unos \$20,000.00.

Mucho me gustaría que usted evaluara la posibilidad de que el Programa Home pueda aportar \$5,000.00 adicionales a cada residente de manera tal que ellos asuman el resto de la Hipoteca.

Sin otro particular al cual hacer referencia, quedo

Cordialmente,


Edylin García Feliciano
Alcalde

mir

*M. Cardona
en este barrio
23/ 4/03*

P.O. Box 539, Camuy, PR 00627 / Tel. (787) 898-2333 / Facsimil (787) 898-1126 / E-mail: alcaldecamuy@centroweb.net

*Francisco
Romero
25/4/03*

