

Un nuevo comienzo, un nuevo Puerto Rico.



# 2018-2019 Annual Action Plan

GOVERNMENT OF PUERTO RICO  
Presented to the  
U.S. Department of Housing and Urban Development  
June 2018

HON. RICARDO ROSSELLÓ NEVARES  
GOVERNOR



## Contents

Executive Summary.....	2
AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b) .....	2
PR-05 Lead & Responsible Agencies - 91.300(b) .....	15
AP-10 Consultation - 91.110, 91.300(b); 91.315(l) .....	17
AP-12 Participation - 91.115, 91.300(c) .....	25
Expected Resources .....	32
AP-15 Expected Resources – 91.320(c)(1,2) .....	32
Annual Goals and Objectives .....	40
AP-25 Allocation Priorities – 91.320(d).....	43
AP-30 Methods of Distribution – 91.320(d)&(k).....	45
AP-35 Projects – (Optional).....	72
AP-38 Project Summary .....	72
AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii) .....	73
AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii) .....	75
AP-50 Geographic Distribution – 91.320(f).....	76
Affordable Housing .....	80
AP-55 Affordable Housing – 24 CFR 91.320(g) .....	80
AP-60 Public Housing - 24 CFR 91.320(j).....	83
AP-65 Homeless and Other Special Needs Activities – 91.320(h) .....	88
AP-70 HOPWA Goals – 91.320(k)(4) .....	94
AP-75 Barriers to affordable housing – 91.320(i) .....	95
AP-85 Other Actions – 91.320(j) .....	97
Program Specific Requirements.....	102
Appendix .....	107

# Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

The PY 2018-18 Annual Action Plan represents year three of the 2015-2020 Consolidated Plan approved by the U. S. Department of Housing and Urban Development (HUD). This Plan is the Puerto Rico State Government housing and community development official application for HUD entitlement grants and proposes programs and services to be funded during the State 2018-19 fiscal year. There are five (5) sources of federal program funds in this application:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Emergency Solutions Grant (ESG)
- Housing Trust Fund (HTF)

The leading role in the PR-State consolidated effort was undertaken by the Office of the Commissioner of Municipal Affairs (OCMA). The main consolidated stakeholders in this initiative are the Puerto Rico Housing Finance Authority (PRHFA), the PR-State Department of Health and the PR-State Department of Family. The 5-Year Consolidated Plan primary objectives are the following:

- to increase the availability, accessibility, and affordability of decent housing,
- the creation of suitable living environments, and
- the promotion of economic opportunity for low- and moderate-income individuals.

Although the OCMA acts as leading agency for the planning and preparation phases of the PY 2018 Annual Action Plan, during the program year OCMA will step down as the PR-State Government Consolidated Lead Agency and the newly created Office for the Socioeconomic and Community Development (ODSEC) will be assuming the Consolidated State leading role. This newly created Department will drive the new State Government Public Policy vision of identifying, defining and implementing the communities socioeconomic development actions through the establishment of service strategies that address the immediate and basic needs of the communities and their residents and align available resources for this common and targeted goals.

The annual action plan for the planned program year represents the beginning of a new public policy in the PR-State government. The *Plan para Puerto Rico* represents the new state governmental vision for conducting the state governmental business within the Puerto Rico jurisdiction. The Plan is a master proposal for the Island socioeconomic transformation and is base in a commitment with an on-going progress culture, produced from actions of innovation and global best practices.

The plan includes a series of general objectives and guiding principles that will lead the vision of the State public policy. These objectives are:

- Development and protection of the human resources;
- Fostering Economic Development;
- Promotion of opportunities for the development of local businesses able to compete in the global markets;
- Promote the creation of local wealth;
- Positioning Puerto Rico as a global investment destiny;
- Create high quality and well paid jobs opportunities;
- Develop a secure, educated, healthier and sustainable society;

As the PR-State housing and community development official strategy, the PY 2018-19 Annual Action Plan will be aligned to the new state vision and the guiding principles of the state public policy will be applied to the use of the CDBG, HOME, ESG, HOPWA and HTF funds. The proposed use of the resources must address the direct need of the low-income citizens and communities and interest groups is the base that will allow the State Government to progress in the implementation process of the described new public policy visions.

## **2. Summarize the objectives and outcomes identified in the Plan**

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The Plan identifies programs and activities that will be used toward meeting the housing and consolidated overarching goals. As required by HUD, each activity is linked to one of three federal program objectives:

- decent housing;
- suitable living environment; or,
- economic development.

Each objective is matched with one of three outcomes:

- availability/accessibility;
- affordability; or,
- sustainability.

The annual activities that will enable the State to achieve these outcomes and objectives in PY 2018-19 as listed below.

### **Provide Decent Housing**

- Provide street outreach, supportive services and emergency shelter;
- Provide homeless prevention and rapid rehousing assistance;
- Provide housing assistance and supportive services to HIV population;
- Support homeownership by providing down payment and closing cost assistance;
- Address the need of substandard housing by supporting rehabilitation of rental housing;
- Increase the supply or preserve affordable rental housing by supporting rehabilitation and production of housing, prioritizing special needs projects;
- Increase the supply of affordable housing by supporting the participation of CHDOs; and,
- Promote the development of special needs projects, which are those that provide supportive services.

### **Create a Suitable Living Environment**

- Improve the quality of special needs populations, in particular the elderly, by supporting homecare services;
- Provide support services for youth, victims of domestic violence, and employment counseling;
- Improve safety and livability of neighborhoods by investing in public facilities, infrastructure and urban renewal; and,
- Set-aside funds for emergency relief.
- Promotion of crime awareness and prevention

### **Expand Economic Opportunity**

- Promote the development of microenterprises;
- Invest in public facilities that support business development; and,
- Create and retain jobs to low and moderate income persons.

The following table includes a description of the specific goals and summary information regarding the outcome and objectives identified on the plan:

## Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Decent Housing	2015	2019	Homeless	Statewide	Homelessness Prevention	ESG: \$1,464,873	Homelessness Prevention: 7139 Persons Assisted
2	Provide Decent Housing (B)	2015	2019	Homeless	Statewide	Homelessness Prevention	ESG: \$1,095,451	Homelessness Prevention: 2,457 Persons Assisted
3	Provide Decent Housing (C)	2015	2019	Affordable Housing Non-Homeless Special Needs	Statewide	Housing	HOPWA: \$2,034,912 HOME: \$200,000	Tenant-based rental assistance / Rapid Rehousing: 32 Households Assisted HIV/AIDS Housing Operations: 377 Household Housing Unit
4	Create Suitable Living Environments	2015	2019	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development- Public Services	CDBG: \$2,810,852	Public service activities other than Low/Moderate Income Housing Benefit: 569 Persons Assisted
5	Create Suitable Living Environments (B)	2015	2019	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development- Public Faciliti Non-housing Community Development- Public improvem	CDBG: \$18,776,238	Other: 200000 Other
6	Provide Decent Housing (D)	2015	2019	Affordable Housing	CDBG- Non-entitlement communities Statewide	Housing	CDBG: \$2,299,163 HOME: \$2,700,000	Homeowner Housing Rehabilitated: 800 Household Housing Unit  Housing Rehabilitated (Techo Dorado) :31 Housing Units
7	Expand Economic Opportunity	2015	2019	Economic development	CDBG- Non-entitlement communities	Non-housing Community Development- Economic Develo	CDBG: \$135,869	Jobs created/retained: 4 Jobs Businesses assisted: 2 Businesses Assisted
8	Provide Decent Housing (E)	2015	2019	Affordable Housing	Statewide	Housing	Housing Trust Fund: \$125,336	Direct Financial Assistance to Homebuyers: 3 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	Create Suitable Living Environments (C)	2015	2019	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development-Public Faciliti Non-housing Community Development-Public improvem	CDBG: \$300,000	Other: 300 Other
10	Provide Decent Housing (F)	2015	2019	Affordable Housing	Statewide	Housing	HOME: \$3,300,000	Direct Financial Assistance to Homebuyers: 73 Households Assisted
11	Provide Decent Housing (G)	2015	2019	Affordable Housing	Statewide	Housing	HOME: \$5,918,457 Housing Trust Fund: \$1,002,686	Rental units rehabilitated: 46 Household Housing Unit

**Table 1 – Goals Summary**

### Evaluation of past performance

The following is a snapshot of the past performance of the State based on the 2015-2016 CAPER.

This is the annual report regarding progress made in PY 2016-2017, the second year of the Puerto Rico State 2015-2019 Consolidated Plan of Housing and Community Development. During Program Year 2016 the State have available a total of \$38,693,784 plus carryover funds. Line item breakdown of resources made available and expenditures for CDBG can be seen in Attachment 2: CDBG Financial Report. According to IDIS PR07 report during program year 2016 a total of \$52,824,512.42 were disbursed for eligible activities.

The following table shows the resources available during PY 2016:

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	\$23,621,984	\$31,088,024
HOME	HOME	\$8,911,175	\$15,020,481
HOPWA	HOPWA	\$1,821,603	\$2,368,929
ESG	ESG	\$4,011,503	\$4,347,077
Housing Trust Fund	Housing Trust Fund	\$327,519	\$0

The following table shows the Goals and outcomes of the State in carrying out the Housing and Community Development strategies of the 2015-2019 Consolidated Plan and 2016 annual Action Plan:

Table 1- Summary of Goals and Outcomes

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Create Suitable Living Environments	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	2500	48155	1,926.20%	500	46018	9,203.60%
Create Suitable Living Environments (B)	Non-Housing Community Development	CDBG: \$	Other	Other	1000000	195590	19.56%	200000	0	0.00%
Create Suitable Living Environments (C)	Non-Housing Community Development	CDBG: \$	Other	Other	1500	0	0.00%	300	0	0.00%
Expand Economic Opportunity	Economic development	CDBG: \$	Jobs created/retained	Jobs	60	85	141.67%	12	69	575.00%
Expand Economic Opportunity	Economic development	CDBG: \$	Businesses assisted	Businesses Assisted	60	97	161.67%	12	42	350.00%
Provide Decent Housing	Homeless	ESG: \$	Homeless Person Overnight Shelter	Persons Assisted	25000	2037	8.15%			
Provide Decent Housing	Homeless	ESG: \$	Homelessness Prevention	Persons Assisted	4600	2964	64.43%	4600	2964	64.43%
Provide Decent Housing (B)	Homeless	ESG: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	10000	453	4.53%	1880	1896	100.85%
Provide Decent Housing (C)	Affordable Housing Non-Homeless Special Needs	HOPWA: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	575	268	46.61%	115	583	506.96%
Provide Decent Housing (C)	Affordable Housing Non-Homeless Special Needs	HOPWA: \$	HIV/AIDS Housing Operations	Household Housing Unit	185	152	82.16%	135	108	80.00%
Provide Decent Housing (C)	Affordable Housing Non-Homeless Special Needs	HOPWA: \$	Other	Other	3750	414	11.04%			
Provide Decent Housing (D)	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	3650	1585	43.42%	730	1585	217.12%
Provide Decent Housing (E)	Affordable Housing	CDBG: \$	Homeowner Housing Added	Household Housing Unit	250	10	4.00%	50	10	20.00%
Provide Decent Housing (F)	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	125	168	134.40%	25	81	324.00%
Provide Decent Housing (G)	Affordable Housing	HOME: \$ / Housing Trust Fund: \$327519	Rental units constructed	Household Housing Unit	2500	57	2.28%	502	53	10.56%
Provide Decent Housing (H)	Affordable Housing	HOME: \$	Rental units constructed	Household Housing Unit	600	0	0.00%	120	4	3.33%

The following table shows the number of households supported during 2016 program year:

	<b>One-Year Goal</b>	<b>Actual</b>
Number of households supported through Rental Assistance	120	186
Number of households supported through The Production of New Units	501	168
Number of households supported through Rehab of Existing Units	806	1,693
Number of households supported through Acquisition of Existing Units	0	178
<b>Total</b>	<b>1,427</b>	<b>2,225</b>

In program year 2016, the State achieved the affordable goals proposed in the annual action plan. However, some of the special populations goals were not achieved. The main reason for not achieving the goals and outcomes was the reduction in available resources.

## **Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The State Citizen Participation Plan provides a framework and process by which the PR-State consolidated planning efforts comply with the citizen participation requirements published by the U.S. Department of Housing and Urban Development (HUD). This Citizen Participation Plan is prepared and implemented in accordance with the guidance provided in HUD Regulations 24 CFR Part 91.110. It is the policy of ODSEC to effectively incorporate meaningful citizen participation and consultation processes into the Consolidated Plan needs analysis and strategic decision-making process. This action ensures adequate citizen involvement in the planning, implementation and evaluation of its housing and community development programs with a special emphasis on the participation of low- and moderate-income persons, Local and State government agencies and community organizations. As a result of this policy towards encouraging and facilitating a wide-range participation of residents and stakeholders in the development of all HUD required consolidated planning documents, the OCDSEC develops the Five-Year Consolidated Plan, Annual Action Plans, Substantial Amendments, and the Consolidated Annual Performance and Evaluation Report (CAPER). The primary purpose of the participation will be in the identification of needs, allocation of funding, and program recommendations related to the consolidated planning process.

During the preparation and planning phases of the included Annual Action Plan, the following citizen participation actions took place:

### **PUBLIC HEARINGS NOTICE AND INVITATIONS**

**Public Hearing Notice:** posted a public notice on the *Nuevo Día* newspaper on the edition for Sunday, February 25, 2018. It invited the general population to participate of the Public Hearings for the PY 2018 CDBG, HOME, ESG, HOPWA and HTF Programs Annual Action Plan. Complying with the Consolidated Plan regulations, the hearings were held at least two (2) weeks after the notice was published.

Also, the public notice was posted in the Official ODSEC's Web Page and Facebook. This action expanded the outreach efforts with the objective of increasing the citizen feedback, buy-in and support of the Consolidated Plan activities.

As required by the regulations the State held a public hearing during the Citizen Participation process of the PY 2018 Annual Action Plan. The meeting was held in the following date and venue:

- Public Hearing: Monday, March 12, 2018, 9:00 a.m. at the 8<sup>th</sup> floor Conference Room of the World Plaza Building located in 268 Muñoz Rivera Avenue at Hato Rey, P.R.

The public hearing was attended by 121 individuals. State Agencies CPD Program officials (CDBG,HOME,ESG, HOPWA, HTF) made a presentation of the Consolidated Plan process, and the Citizen

Participation and an explanation of each program and requirements. The presentation included a description of: objectives; content of the Plan, the planning process and its integration; consultation process; identification of needs; design of strategies; the Citizen participation process, the applicable distribution process and due dates for the Action Plan. The agencies officials provide an overview presentation of other federal funds services programs available in the agencies to assist economic disadvantaged population to meet their socioeconomic needs. Attendees were allowed to present proposals and comments about the needs of their community and how can they be addressed in the plan. All information collected at the public hearings, was analyzed and considered in the plan.

Copies of all the public notices, the webpage notice and attendance sheet are included in the Appendix Section.

### **Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The AP-12 section of the plan summarizes the comments received during the Annual Plan development process and the responses by the State.

### **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments were reviewed and integrated into the plan.

### **7. Summary**

The PY 2018 Annual Action Plan is the Puerto Rico State Government comprehensive housing affordability strategy and community development plan and an application for funding under the HUD's Community Planning and Development formula grant programs. The Plan includes strategic activities to address the State housing, economic and community development needs for the aforementioned period of time. The State is an Entitlement Community for the Community Development Block Grant (CDBG Program), for the Emergency Solutions Grant Program (ESG Program), for the Housing Opportunities for Persons with AIDS Program (HOPWA Program) and a participating jurisdiction for the HOME Investment Partnership Program (HOME Program) and the Housing Trust Fund Program (HTF Program).

The plan is prepared in accordance with the 24 CFR Part 91, Consolidated Submissions for Community Planning and Development Programs. The PY 2017 Plan is the third plan prepared and submitted under the HUD's e-Conn Planning Suite System. Specifically, the plan includes strategies to be undertaken under the previously mentioned formula grant programs.

The Plan has three (3) statutory objectives established by HUD to address the needs of the low to moderate income individuals. The specific statutory objectives are:

- Providing Decent and Affordable Housing;
- Creating a Suitable Living Environment; and
- Expanding Economic Opportunities

The overall goal of the State plan is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low and moderate-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

The distribution by program is the following:

### **CDBG PROGRAM**

The State CDBG allocation for PY 2018 amounts to \$24,363,783. This program provides funding for housing, community, and economic development, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico.

The allocation for non-entitlement municipalities will be equally distributed among the municipalities, with the exception of the islands of Vieques and Culebra, which both will receive an additional 15% above the Equal Allocation Grant. This method follows the distribution established via the enactment of local Law 137-2014, as amended. The following is the proposed allocation:

<i>Allocation for 49 Municipalities</i>	
Administration	\$ 77,300.00
Public Service	\$ 68,206.00
Other Eligible Project (Housing, Community Development, Economic Development, Etc.)	\$ 309,200.21
<b>TOTAL</b>	<b>\$ 454,706.21</b>

<b><i>Vieques and Culebra</i></b>	
Administration	\$ 89,443
Public Service	\$ 78,920
Other Eligible Project (Housing, Community Development, Economic Development, Etc.)	\$ 357,770
<b>TOTAL</b>	<b>\$ 526,133</b>

<b><i>Municipalities</i></b>	
Emergency Fund	\$300,000

<b><i>ODSEC</i></b>	
Administration	\$730,913

## **ESG PROGRAM**

The Emergency Solutions Grant Program is administered by the Puerto Rico Department of the Family (PRDF). Every two years, the PRDF uses a distribution method in which an award is granted for a two (2) year period, subject to an evaluation of the first year and the availability of funds. PRDF will continue to make PY2018 ESG Program funds through a contract renewal process in which current and eligible subrecipients: local governments and non-profit organizations must present a letter of intention with evidence of compliance with eligibility requirements for continuation of grant funds and a written or digital proposal, as established for the Department, describing the scope of the services to be provided.

Based on the first allocation for FY2017 the PRDF estimates for next Fiscal Year 2018 a budget of \$3,572,861.00. Funding is intended to serve the seventy-eight (78) Municipalities across the island within the ten (10) Regions of the Department of the Family. PRDF's Regions are located in Aguadilla, Arecibo, Bayamón, Caguas, Carolina, Guayama, Humacao, Mayaguez, Ponce, and San Juan. Non-profit Organizations and Municipalities that comply with the requirements and evaluation criteria established on this plan will be eligible to receive funds under the following activities:

Activity	Allocation	Percent Allocated	Caps	Eligible Applicant
Outreach and Shelter	\$1,464,873.00	40.5%	60.00%	Municipalities and Non-Profit Organizations
Prevention	1,095,451.00	31%	N/A	
Rapid Re-Housing	\$714,572.00	20%		
Data Collection (HMIS)	\$30,000.00	1%		
Administration	267,965.00	7.50%	7.50%	Department of the Family Municipalities and Non-Profit Organizations
Total	<b>\$3,572,861.00</b>	100%		

## HOME PROGRAM

The PRHFA will receive \$13,798,286.00 in HOME funds for PY 2018. All resources will be allocated to provide incentives for meeting the goal of developing and supporting 179 affordable rental and homeownership housing units. This will be achieved through the Direct Loan Program, Homebuyer Assistance, TBRA (Nuevo Comienzo), Techo Dorado, and Rental Rehabilitation / New Construction for Rental. These eligible costs include site improvements, conversion, demolition, and other expenses such as financing costs and relocation expenses of displaced persons, families, businesses, or organizations. Funds will also be allocated to provide down payment assistance to homebuyers. Housing must be permanent or transitional and serve both low and very low-income families, according to the applicable qualifying standard associated to each activity. The distribution of HOME funds for PY 2018 is shown below.

GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018	
<b>Assigned Budget:</b>	\$13,798,286.00
<b>State Administration:</b>	\$1,379,829
<b>Tenant Based Rental Assistance</b>	\$200,000
<b>Financial Assistance to Homebuyers</b>	\$3,300,000
<b>Homeownership Rehabilitation or Reconstruction</b>	\$5,918,457
<b>Techo Dorado (Rehabilitation or new construction by owner)</b>	\$2,700,000
<b>Direct Loan Program</b>	\$300,000

## HOPWA PROGRAM

The Housing Opportunities for Persons with AIDS (HOPWA) Program provides housing assistance and supportive services for low-income persons living with HIV/AIDS and their families. HOPWA funds are received by the Puerto Rico Department of Health to be distributed to Eligible Project Sponsors that include Municipal Governments and Non-Profit Organizations.

Funds for PY 2018 will continue to be administered by the Municipality of San Juan. The Municipality will be responsible for its management, and distribution to sub recipients. The distribution of the funds to potential sub recipients will be conducted using a competitive Request for Proposal process. Due to the law restrictions, administrative funds will not be distributed to sub recipients. The competition will distribute funds for the provision of housing and other activities. If remainder funds are available after distribution, distribution of funds will not require a new competitive process but will be distributed among organizations and municipalities that previously submitted their proposals.

Activity	Allocation	Percentage
Administration Puerto Rico Department of Health	\$61,047	3%
Administration (City of San Juan)	\$138,170	7%
Tenant Based Rental Assistance	\$678,756	33%
“Delivery Cost TBRA”	\$27,198	1%
Community Residences and + STRMU (Emergency Assistance)	\$734,331	36%
Supportive Services and Rent Deposits	\$395,410	19%
<b>Total</b>	<b>\$2,034,911.00</b>	

## HOUSING TRUST FUND (HTF) PROGRAM

The PRHFA will receive \$1,253,357 in HTF funds for PY 2018. The resources will be allocated for Multifamily Rental New Construction/Rehabilitation and for Single Family Homebuyer Assistance. The funds will be distributed as follow:

<b>GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018</b>
<b>Assigned Budget:</b> \$1,253,357
<b>Distribution by Category:</b>
State Administration: \$125,336
Multifamily Rental New Construction/Rehabilitation \$1,002,686 (80%)
Single Family Homebuyer Assistance: \$125,336 (10%)

## PR-05 Lead & Responsible Agencies - 91.300(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	PUERTO RICO	Office for the Socioeconomic and Community Develop
HOPWA Administrator	PUERTO RICO	Puerto Rico Department of Health/ Municipality of San Juan (MSJ)
HOME Administrator	PUERTO RICO	Puerto Rico Housing Finance Authority (PRHFA)
ESG Administrator	PUERTO RICO	Puerto Rico Department of Family (PRDF)

**Table 2 – Responsible Agencies**

### Narrative

As established by Local Law (Act 10, 2017) the lead agency of the 2018-2019 Annual Action Plan is the Office for the Socioeconomic and Community Development (ODSEC). This agency coordinates all efforts toward the development of the housing and community development strategies that the PR-State government included on its five-year Consolidated Plan and executed annually on its action plan. In addition, ODSEC is responsible for the administration of the PR-State CDBG Program allocation.

In this effort, the ODSEC is supported by three (3) State agencies, that are responsible to act as HUD grantees and administrators for the Community Planning and Development Programs. These agencies are the Puerto Rico Housing Finance Authority (PRHFA) for the HOME and HTF Programs, the Department of Family for the ESG Program and the Department of Health for the HOPWA Program. In the case of the HOPWA Program, although the Health Department is the State HOPWA grantee, the Municipality of San Juan acts as the program administrator due a collaborative agreement signed between the parties back in year 2010 that is due on June 30, 2018.

### Consolidated Plan Public Contact Information

In compliance with the provisions of Section 91.115 of Title 24 of the Code of Federal Regulations and under Part I of the Law of Housing and Community Development of 1974, as amended, copies of the State Annual Action Plan 2018 will be available from the date of its publication, for review and submitting comments in the Internet at <http://www.odsec.pr.gov/Pages/default.aspx> and during working hours in the following locations:

- Office for the Socioeconomic and Community Development (CDBG Program), Federal Programs Division, 1208 Av. Franklin Delano Roosevelt, San Juan
- Puerto Rico Housing Finance Authority (HOME and HTF Programs), Edificio Juan C. Cordero, Avenida Barbosa #606, 3<sup>rd</sup> Floor, Río Piedras, Puerto Rico.
- Puerto Rico Department of Family (Planning Division), Edificio Lila Mayoral Ave. Barbosa #306, Piso 5, Hato Rey, Puerto Rico.
- Puerto Rico Department of Health (HOPWA), Calle Periferal #1, Frente a Hospital de Psiquiatría, Centro Médico San Juan, Puerto Rico.

***Comments to the plan should be addressed to:***

Name: Mr. Jesús Vélez Vargas  
Position: Executive Director, ODSEC  
1208 Avenida Franklin D Roosevelt, San Juan Puerto Rico 00920  
San Juan, Puerto Rico  
Telephone: (787) 977-7060  
jvelez@odsec.pr.gov

***Questions regarding consolidated planning may be addressed to:***

Mr. Aida Gracia  
CDBG Program Coordinator  
(787) 977-7060 ext. 2004  
agracia@odsec.pr.gov

## **AP-10 Consultation - 91.110, 91.300(b); 91.315(l)**

### **1. Introduction**

ODSEC is committed to undertake a Community Planning and Development process that is open and that considers the input of communities, stakeholders and residents statewide. The 2018 program year will start the beginning of the reconstruction of Puerto Rico due to the impact of Hurricane Maria. ODSEC is aware of the importance of the CPD resources for the recovery of the Island and understands that consultation must be open and honest in order to allocate the resources to the most needed.

The 2018-2019 annual action plan represents a collective effort from the State to obtain the views of the Municipalities, Private, nonprofit, and public organizations, the private sector and other stakeholders. To obtain their views the state contacted them via letter, email, Facebook and other available means. These parties were requested to discuss housing and community development needs in their communities and to identify barriers and constraints regarding housing and community development needs in Puerto Rico.

The establishment of effective partnerships among the consolidated plan stakeholders and interested parties, offers a wide range of benefits to the plan institutional structure. All consolidated plan stakeholders have key data, financing, and other resources with which, the lead agency can align the goals and programs. In addition, the State can leverage other public and private resources such economic development, transportation, and public health funding. Further, establishing strong relationships provides greater opportunity across all parties, including the low and moderate income population groups and the communities.

### **Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies**

During the preparation of the Plan ODSEC assumed a leadership role and enhanced the coordination between the Public and Assisted Housing providers, the State Health, Mental Health and services agencies. Multiple meetings were held to discuss the strategies to be included on the 2018 plan in lieu of the recent disaster event and the need to reallocate the resources efficiently to address the need and to prevent the duplication of benefits. Taking into consideration that the recent hurricanes will have an effect on the proposed 5-year goals and objectives the ODSEC requested the housing, health and public services Agencies comments on actual needs and changes in priorities.

Although the ODSEC complies with the regulations citizen participation and consulting minimum requirements, it promotes and undertakes ongoing consultation, collaboration and interaction efforts throughout the program year. The objective behind these efforts is to develop strategic and accountable partnerships among the stakeholders that will lead to achieve greater results. Continued communication among the parties will allow to assess effectiveness of programs throughout the year, and what may be improved in future planning cycles. Based on this communication and feedback, the ODSEC may prioritize further consultation based on partnerships that will help to implement specific projects and activities. Building partnerships with stakeholders around shared priorities provides a strong foundation that supports continued collaboration.

This document represents a collective effort from a comprehensive array of State and private organizations. Coordination with all stakeholders was achieved during the public hearings, by consulting organizations by email, letters, and conversations during the process. In addition, the ODSEC held various meetings to obtain the views of the CPD Grantees enhancing coordination between the main housing and service providers throughout the commonwealth.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

The Department of the Family will continue participating actively within the CoCs. Currently, the State ESG Director is an active Board member of both CoCs which facilitates the integration of ESG into the CoC planning process. Meetings with both CoCs are held regularly. They continue collaborating to maintain veterans functional at zero to prevent and eradicate the situation of homeless veterans. Similarly, the Department is actively participating of the coordinated entry system committee where different strategies are developed to prevent and eradicate the situation of homeless youth and families with children, as well as families and youth at risk of homelessness. To assure integration and participation of ESG's subrecipients, Organizations and Municipalities will continue requiring participating in CoC's subcommittees of their area and participating of the coordinated entry system. Participation and collaboration with the Coordinated Entry System (CES) will be one of the evaluation criteria of the Annual Evaluation Report of ESG subrecipients. CoCs written standards are considered within the ESG written standards and the annual evaluation of its subrecipients.

As part of the Department consolidated responsibilities it defines and designs the homeless population service strategy with the objective of addressing the main and core housing and supportive service needs of this population. In the other hand, the homeless coalitions are responsible to develop a long-term strategic plan and manage a year-round planning effort that addresses the identified needs of homeless individuals and households; the availability and accessibility of existing housing and services; and the opportunities for linkages with mainstream housing and services resources.

In addressing the needs of the homeless population, the above described parties collaborate and interact through a multi-layered service model that involves the non-profit organizations, faith-based initiatives, and other available statewide services entities. The homeless strategy encourages active participation of community-wide agencies and providers to meet the full spectrum of needs of the homeless as well as to identify gaps and priorities in the provision of services to homeless persons. The critical components of the Continuum of Care Strategy include:

- Outreach, intake and assessment
- Emergency Shelter
- Transitional Housing
- Supportive Services
- Rapid Re-Housing
- Permanent Housing
- Homeless Prevention

For PY 2017, Puerto Rico received a total of \$18,715,977 in Continuum of Care allocated funds. PRDF expects a similar allocation for next FY2018. These resources will be distributed among the two (2) described homeless coalitions. With this funding the homeless strategy will be able to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly re-house homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

On the other hand, this year the CoCs implemented several changes in the methodology of the 2017 Point in Time (PIT) count. Particularly, the 2017 vs. 2015 unsheltered PIT Count methodology included an expanded pre-count mapping to identify gathering sites. The added questionnaire for homeless youth, 18 to 24 years, was used to capture data on this subpopulation, including foster care and/or juvenile justice system involvement, history of mental health/substance abuse disorder, income source, services being received, having been requested to exchange sexual favors for housing or goods, and reason for homelessness.

Data quality changes including the use of the Coordinated Entry System (CES) from outreach were used to identify geographical areas and contact with LGBTT advocates to access gathering sites of this subpopulation. The success of the CES, with CoC providers, in promoting housing of unsheltered populations resulted in the count of a lesser number of unsheltered homeless in 2017 than in 2015. Also the CoC's successful Veterans Functional Zero effort impacted on the PIT count results, showing a significant reduction in homeless veterans in 2017 compared to 2015.

Furthermore, the CoC coordinated with youth serving organizations, including LBGTT youth, and the Homeless Program of the PR Department of Education to identify homeless youth in the PIT count. During the planning process, collaborating stakeholders that do outreach to homeless youth provided input on potential survey sites, reviewed the questionnaire for homeless youth, were trained as volunteers for data collection, and participated in data analysis. Invitations for PIT participation were published through media to youth and stakeholders, and contact was made with universities to invite participation of students, the homeless youth volunteers being trained and serving as PIT count volunteers. The CoC surveyed providers and municipalities about gathering sites of homeless youth, and worked with universities, youth-serving organizations and other stakeholders to identify and select locations where homeless youth could be identified.

Additionally, the CoC PR-502 and CoC-503 carried out extensive Functional Zero efforts to reduce the number of chronic homeless and veterans experiencing homelessness, involving dozens of stakeholder organizations serving these populations, including peers, as well as all members of the CoCs in committees. Input from this expanded group helped identify gathering sites and locations where they could be located. HMIS data was used to identify chronic homeless individuals and families with the longest time homeless and greatest needs, as well as to identify families with children and veterans experiencing homelessness. Volunteers were trained on approaches and techniques to survey these populations of priority in the PIT Count, and volunteers were matched to survey in the PIT count the subpopulations with which they had experience. The CoC also offered and publicized health and other service fairs as part of the PIT count to attract homeless persons for the PIT count.

The results of the PIT count will be considered for the design and develop of new strategies to serve the homeless population.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

As required by the ESG Regulation, on March 26, 2018, the Puerto Rico Department of the Family sent a written consultation survey to members of the CoC – PR 502 and CoC – PR 503 requesting information on:

1. Allocation of resources in terms of services, populations and needs
2. Performance standards for and evaluating outcomes of projects and activities assisted by ESG funds
3. Funding, policies, and procedures for operating and administering any Homeless Management Information System (HMIS)

In addition, the State invited both CoC to participate in the Annual Action Plan Public Hearing. PRDF is in the process of gathering and analyzing the survey results.

**2. Agencies, groups, organizations and others who participated in the process and consultations**

**Table 3 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	PR Department of Housing
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Market Analysis Lead-based Paint Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The agency was consulted through written communication. As a result the Agency provided input for the development of the plan.
2	<b>Agency/Group/Organization</b>	Puerto Rico Public Housing Authority
	<b>Agency/Group/Organization Type</b>	Housing PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The agency was consulted through written communication. As a result the Agency provided input for the development of the plan.

3	<b>Agency/Group/Organization</b>	PR Department of Family
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Child Welfare Agency Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Agency was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.
4	<b>Agency/Group/Organization</b>	Puerto Rico Housing Finance Authority (PRHFA)
	<b>Agency/Group/Organization Type</b>	Housing Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Agency was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.

5	<b>Agency/Group/Organization</b>	Puerto Rico Department of Health
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Health Agency Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment HOPWA Strategy Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Non-Homeless Special NeedsHOPWA StrategyStrategic and public policy changes that will affect the low income population.
6	<b>Agency/Group/Organization</b>	MUNICIPIO DE SAN JUAN
	<b>Agency/Group/Organization Type</b>	Housing Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment HOPWA Strategy Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Municipality of San Juan was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.

**Identify any Agency Types not consulted and provide rationale for not consulting**

All required agencies were consulted during the planning and preparation phases of this Annual Action Plan and during the preparation of the Five Years Consolidated Plan.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Coalicion de Coaliciones	As part of the consultation process the State consulted with the coalition regarding the: 1) Allocation of resources in terms of services, populations and needs; 2)Performance standards for and evaluating outcomes of projects and activities assisted by ESG funds; 3)Funding, policies, and procedures for operating and administering any Homeless Management Information System (HMIS)The state plan is consistent with strategies of CoC.
Puerto Rico State Public Policy	Office of the Governor	The Annual Action plan was prepared and developed in consistency with the Puerto Rico State Public Policy established by the Office of the Governor.

**Table 4 - Other local / regional / federal planning efforts**

**Narrative**

The 24 CFR Part 91.110 provides the framework for the State to undertake a wide consultation process as an integral part of the statewide planning and preparation phases of the 2015-2019 Consolidated Plan and related Annual Action Plan. Through the consultation process, the ODSEC was able to obtain key programmatic and service data from agencies that provide assisted housing, health services, social and fair housing, and those that serve the chronically homeless and address lead-based paint hazards. Also, consultation with local governments in non-entitlement areas of the state is required.

The consultation strategy of the State, assist in the following planning elements:

- Incorporate local data into planning process and validate the accuracy of this data;
- Gather input on priority needs and target areas;
- Increase coordination among consultation partners;
- Leverage Consolidated Plan activities with other public and private funding sources and Programs;
- Expand upon the outreach efforts of existing planning processes; and
- Increase citizen feedback, buy-in, and support of Consolidated Plan activities.

## **AP-12 Participation - 91.115, 91.300(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

For the preparation of the 2018-2019 annual action the ODSEC followed the approved citizen participation process and went beyond the regulatory minimums and promoted a wide range engagement of all interested parties, offering opportunities for involvement to all segments of the population in the planning process. The planning process efforts was guided by transparency and promoted freedom of access to the contents of the draft plan. All municipal governments and CPD sister agencies were invited to participate at the public hearing and to provide comments on the proposed actions. Each agency posted the hearing and documents on their respective webpages, and ODSEC used social media to promote the process.

The following actions were taken as part of the Citizen Participation process:

**Mailing database:** a stakeholder database containing all contact information of nonprofit organizations, municipalities, and other interested parties and groups was used. This information was used to generate a direct invitation by email for the parties to actively participate in the Annual Plan public hearing.

**Public Hearing Notice:** posted a public notice on the *Nuevo Día* newspaper on the edition for Sunday, February 25, 2018. It invited the general population to participate of the Public Hearings for the PY 2018 CDBG, HOME, ESG, HOPWA and HTF Programs Annual Action Plan. Complying with the Consolidated Plan regulations, the hearings were held at least two (2) weeks after the notice was published.

Also, the public notice was posted in the Official ODSEC's Web Page and Facebook. This action expanded the outreach efforts with the objective of increasing the citizen feedback, buy-in and support of the Consolidated Plan activities.

As required by the regulations the State held a public hearing during the Citizen Participation process of the PY 2018 Annual Action Plan. The meeting was held in the following date and venue:

- Public Hearing: Monday, March 12, 2018, 9:00 a.m. at the 8<sup>th</sup> floor Conference Room of the World Plaza Building located in 268 Muñoz Rivera Avenue at Hato Rey, P.R.

The public hearing was attended by 121 individuals. State Agencies CPD Program officials (CDBG, HOME, ESG, HOPWA, HTF) made a presentation of the Consolidated Plan process, and the Citizen Participation and an explanation of each program and requirements. The presentation included a description of: objectives; content of the Plan, the planning process and its integration; consultation process; identification of needs; design of strategies; the Citizen participation process, the applicable distribution process and due dates for the Action Plan. The agencies officials provide an overview presentation of other federal funds services programs available in the agencies to assist economic

disadvantaged population to meet their socioeconomic needs. Attendees were allowed to present proposals and comments about the needs of their community and how can they be addressed in the plan. All information collected at the public hearings, was analyzed and considered in the plan.

Copies of all the public notices, the webpage notice and attendance sheet are included in the Appendix Section.

**Public Comment Period:** The State provided a 30 days' public comment period on the draft plan. A notice was published on the \_\_\_\_\_, on \_\_\_\_\_, 2018 edition. Citizens were encouraged to present comments on the draft plan during the 30 days period that ended on XXX, \_\_\_\_\_, 2018. The 2018-2019 draft plan was made available at ODSEC web page for the review by the general population and all interested parties. In addition, the plan was available for review at the following locations:

- Office for the Socioeconomic and Community Development (CDBG Program), Federal Programs Division, 1208 Av. Franklin Delano Roosevelt, San Juan
- Puerto Rico Housing Finance Authority (HOME and HTF Programs), Edificio Juan C. Cordero, Avenida Barbosa #606, Floor 3, Río Piedras, Puerto Rico.
- Puerto Rico Department of Family (Planning Division), 185 Edificio Roosevelt Plaza, Piso 1, Hato Rey, Puerto Rico.
- Puerto Rico Department of Health (HOPWA), Calle Periferal #1, Frente a Hospital de Psiquiatría, Centro Médico San Juan, Puerto Rico.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Newspaper Ad	Minorities  Non-English Speaking - Specify other language: Spanish  Persons with disabilities  Non-targeted/broad community  Residents of Public and Assisted Housing	Invitation to Public Hearing. A notice was published on the February 25, 2018 edition of Nuevo Día inviting citizen to the Consolidated Plan Public Hearing. In addition the notice was posted on the OCMA web page.	None	N/A	<a href="http://www.odsec.gobierno.pr">www.odsec.gobierno.pr</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
2	Internet Outreach	Minorities  Non-English Speaking - Specify other language: Spanish  Persons with disabilities  Non-targeted/broad community  Residents of Public and Assisted Housing	An email was sent to non-municipalities and other interested parties inviting them to the Public Hearings.	N/A	N/A	<a href="http://www.odsec.gobierno.pr">www.odsec.gobierno.pr</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
3	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>The public hearing was attended by 121 individuals. In the hearing, State Agencies CPD Program officials made a presentation of the Consolidated Plan process, the Citizen Participation Process and of each federal funded program administered by the Agencies.</p>	<p>Belinda Hill, in representation of the COC PR-502 indicated that no CDBG funds were made available for NPO. Franco Barroco (Green Ponce Corporation-Utuado) proposed the creation of a CBDO for domestic garbage recycling and if funds were available.</p>	<p>Mr. Jesus Velez indicated that under the CDBG-DR program ODSEC will request funding on behalf of NPO.</p> <p>Mr. Barroco was oriented of the eligibility of the activity and that the State will evaluate the proposal.</p>	

4	Newspaper Ad	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>After the PY 2018 draft of the Annual Action Plan was prepared, the State promoted a 30 days public comment period. A public notice was published in the _____, on _____, 2018 edition. The draft was made available for the general population and all interested parties for comments and recommendations. No comments were received. The draft was made available for the general population and all interested</p>		N/A	<p>www.odsec.gob bierno.pr</p>
---	--------------	--	---	--	-----	------------------------------------

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			parties for comments and recommendations. The public comment period ended on _____, 2018.			
5	Letter to CoC	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	N/A	See AP-10	See AP-10	

**Table 5 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

For the PY 2018, HUD allocated to the PR-State a total of \$45,023,199 among all CPD Programs. Specifically, the allocation by programs is: \$24,363,783 for the CDBG Program activities; \$13,798,286 for the HOME Program activities, \$2,034,912 for the HOPWA Program activities, \$3,572,861 for the ESG Program activities and \$1,253,357 for the Housing Trust Fund activities.

All funds were allocated to address the affordable housing needs of the low and moderate income persons and special needs population, the public services needs of the special needs population, the homeless housing and supportive service's needs, the non-housing community development needs, the prevention of homelessness actions of families and/or individuals, the low income economic development needs among other eligible service activities within the Puerto Rico State jurisdiction.

In addition to the 2018 resources the State estimates that it will have available the following resources (based on IDIS PR01 Dated 04/09/2018):

- CDBG Previous Year Resources (PR01)- \$58,387,467.09
- HOME Previous Years EN and CR Resources- \$15,683,502.43
- HOPWA Previous Years – \$1,437,118.44
- HTF Previous Years-\$1,210,679.00

The following table includes a description of the Resources for PY 2018:

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$24,363,783	0	\$58,387,467.09	82,751,250	\$24,363,783	Funding will be used for housing, community, and economic development activities, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$13,798,286		\$15,683,502.43	\$29,481,788.43	\$13,798,286	Funds will be allocated to provide incentives for meeting developing and supporting affordable rental and homeownership housing units. This will be achieved through new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities for rent and sale projects (funding for sale projects will be for CHDO's - set aside only).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$2,034,912	0	\$1,437,118.44	3,472,030	\$2,034,912	Funds will be distributed among municipalities and nonprofit organizations for the provision of housing assistance and supportive services for low-income persons living with HIV/AIDS
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$3,572,861	0	6,420,991	9,993,852	\$3,572,861	Funds will be used primarily for, Outreach, Emergency, Shelter activities, and secondly to Homelessness Prevention, Rapid Re-housing

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab	\$1,253,357		1,210,679.00	2,464,036	\$1,253,357	The Housing Trust Fund (HTF) is a new affordable housing production program that will complement existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families.

**Table 6 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

During this program year Puerto Rico was hard hit by Hurricanes Irma and Maria. Due to the catastrophic damage caused by the hurricanes Puerto Rico was provided with two CDBG-DR allocations totaling \$20 billion. These funds are crucial to put forth the vision for the new, more resilient Puerto Rico that the state want to construct for our future generations.

The Puerto Rico Department of Housing (PRDOH) has been appointed by the Governor of Puerto Rico as the responsible agency to administer the CDBG-DR grant program in close collaboration with the Central Office of Recovery, Reconstruction and Resilience (COR3). More information on the plan can be obtained at <http://www.cdbg-dr.pr.gov/>.

To undertake the affordable housing and non-housing community development actions, the PR-State government combines a series of diverse public funding streams available to address the needs of the general population, including those of low and moderate-income levels. The continue reduction in the level of allocation of the HUD CPD funds has increased the amount of local resources that the State government invests in undertaking service activities toward addressing the needs of the economically

disadvantaged population within the jurisdiction.

The CDBG regulations requires the Government of Puerto Rico to match administration costs beyond \$100,000. The CDBG match will be covered by ODSEC general budget. The non-entitlement municipalities that receive CDBG funds, will provide leverage to their projects in the form of in-kind services and equity from municipal, state, and other federal funds. In some instances, private donations are available to the non-entitlement municipalities for the development of municipal facilities or services.

As per the ESG Program match requirements, the State must comply with the 24 CFR 576.201 of the ESG Program regulations. The program dispositions states that, except the first \$100,000 of the fiscal year grant, the PR-State government must make matching contributions to supplement the ESG Program in an amount that equals the amount of ESG funds provided by HUD.

The Department of Family will be requesting ESG Program sub-recipients to make matching contributions to assist the Department to meet the program match requirements. The sub-recipients match contributions may be obtained from any source, including any Federal source other than the ESG Program, as well as State, Local, and Private Sources.

The match requirements will be a condition to be met by the nonprofit organizations and municipalities during the Request for Proposal process undertaken to allocate the ESG Program funds to the local level service structure.

However, in extreme cases, PRDF may also choose to exercise the right to use match forgiveness in the amount of only \$100,000 per grant year. This waiver may be provided to sub-recipients who have difficulty meeting their full match requirement only when providing disaster related services, shelter or housing. It will be at the discretion of PRDF to exercise this waiver and to identify the sub-recipients who may benefit from its execution.

The following funds will be available during PY 2018 to support the ESG activities:

**OTHER FEDERAL AND STATE RESOURCES (FY-2018)\***

PROGRAM	FEDERAL	STATE	TOTAL	DESCRIPTION
Continuum of Care of Puerto Rico (CoC-502)	\$414,094.00		\$414,094.00	Planning Funds for supervising, administrating and monitoring projects within the 24 Municipalities of the CoC-502 area and to monitoring performance of ESG subrecipients.

Nutritional Assistance Program (PAN Spanish Eponymous)				Provides supplemental income to families in need in order to address their nutritional needs.
Temporary Assistance to Needy Families (TANF)				Provides economic assistance to none and low income persons and families to help them fulfill basics needs.
Social and Economic Rehabilitation of the Family (PRES, Spanish Eponymous)				Helps poor families become self-sufficient. Provides care and protection to children for their constructive development. Also, provide support to individuals and families who offer social work services and intervention in child adoption, abuse, domestic violence and care and protect the elderly and the disabled. Furthermore, to work in community development, emphasizing prevention.
Child Support	19,543.00	10,333.00	29,876.00	To ensure that the father and mother provide alimony to their child.
Elderly Support	0	499	499.00	Ensures that people aged 60 years or more that are in need of sustenance or livelihood obtain alimony from their legally responsible direct descendants. Establishes alimony orders by the administrative procedures of mediation or court proceedings. Locates descendants whose whereabouts are unknown and require them to comply with their obligation to provide sustenance to their relatives
Child Care				To assist low- income families with child care in order to: 1. Promotes parental choices that empower working parents to make their own decisions on the type of child care that best suits their needs;

				2. Provides consumer education information to help parents make informed choices about child care; 3. Provides child care to parents trying to achieve independence from public assistance.
Head Start				Head Start and Early Head Start are comprehensive child development programs that serve children from birth to age 5, as well as pregnant women and their families. They are child-focused programs that aim to improve school readiness of young children in low-income families.
Disability Determination	13,000,000.00			Determines the eligibility of handicapped persons who request Social Security benefits.
<b>TOTAL</b>				

**OTHER STATE RESOURCES**

<b>PROGRAM</b>	<b>AMOUNT</b>	<b>DESCRIPTION</b>
Legislative Award	\$302,000.00	To delegate funds to two nonprofit organizations that provides services to needy persons, families, and the homeless; as well as protection to abused children, the elderly and disabled people.
<b>Grand Total</b>		

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The Puerto Rico Housing Finance owns multiple properties statewide. The abandoned properties are often perceived as a problem but the State understands that they are an opportunity for redevelopment. The State will implement a strategy to restore the abandoned properties to productive use and to address the need of persons affected by Hurricane Maria. This will require a commitment

from different governmental agencies its residents and its neighborhood organizations. The State is committed and will articulate a long-term vision for the community and lay out the strategies to achieve that vision.

Non-entitlement municipalities occasionally donate land or property in support of activities designed to address the needs identified in the plan as part of their contribution to locally administered programs.

### **Discussion**

To undertake the PR-State housing and community development strategies, the State Consolidated Plan Agencies receives annual allocations from the HUD CPD-Programs. For the PY 2018 the Agencies expects to receive a combine total of \$45,023,199. This amount of funding is invested in actions to develop, execute, sustain, and support effective service strategies designed to improve the living conditions of the low and moderate income population and their communities.

As an important component of the Consolidated Plan strategy, the PR-State maximize the availability of public resources with complementary local funding streams that, in addition to leverage the federal resources, assists in the compliance with any federal match requirements applicable to the programs.

This Consolidated Plan serves as the PR-State tool to engage and support community development strategies and to foster actions toward providing affordable housing opportunities to the low-income population, quality public services activities to the special needs population, improving the communities living conditions by creating suitable living environments and to address the housing and supportive services needs of the homeless population.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Decent Housing	2015	2019	Homeless	Statewide	Homelessness Prevention	ESG: \$1,464,873	Homelessness Prevention: 7139 Persons Assisted
2	Provide Decent Housing (B)	2015	2019	Homeless	Statewide	Homelessness Prevention	ESG: \$1,095,451	Homelessness Prevention: 2,457 Persons Assisted
3	Provide Decent Housing (C)	2015	2019	Affordable Housing Non-Homeless Special Needs	Statewide	Housing	HOPWA: \$2,034,912 HOME: \$200,000	Tenant-based rental assistance / Rapid Rehousing: 32 Households Assisted HIV/AIDS Housing Operations: 377 Household Housing Unit
4	Create Suitable Living Environments	2015	2019	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development-Public Services	CDBG: \$2,810,852	Public service activities other than Low/Moderate Income Housing Benefit: 569 Persons Assisted
5	Create Suitable Living Environments (B)	2015	2019	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development-Public Facilities Non-housing Community Development-Public improvem	CDBG: \$18,776,238	Other: 200000 Other
6	Provide Decent Housing (D)	2015	2019	Affordable Housing	CDBG- Non-entitlement communities Statewide	Housing	CDBG: \$2,299,163 HOME: \$2,700,000	Homeowner Housing Rehabilitated: 800 Household Housing Unit  Housing Rehabilitated (Techo Dorado) :31 Housing Units

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Expand Economic Opportunity	2015	2019	Economic development	CDBG- Non-entitlement communities	Non-housing Community Development-Economic Develo	CDBG: \$135,869	Jobs created/retained: 4 Jobs Businesses assisted: 2 Businesses Assisted
8	Provide Decent Housing (E)	2015	2019	Affordable Housing	Statewide	Housing	Housing Trust Fund: \$125,336	Direct Financial Assistance to Homebuyers: 3 Households Assisted
9	Create Suitable Living Environments (C)	2015	2019	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development-Public Faciliti Non-housing Community Development-Public improvem	CDBG: \$300,000	Other: 300 Other
10	Provide Decent Housing (F)	2015	2019	Affordable Housing	Statewide	Housing	HOME: \$3,300,000	Direct Financial Assistance to Homebuyers: 73 Households Assisted
11	Provide Decent Housing (G)	2015	2019	Affordable Housing	Statewide	Housing	HOME: \$5,918,457 Housing Trust Fund: \$1,002,686	Rental units rehabilitated: 46 Household Housing Unit

**Table 7 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Provide Decent Housing
	<b>Goal Description</b>	Street outreach, supportive services and emergency shelter
2	<b>Goal Name</b>	Provide Decent Housing (B)
	<b>Goal Description</b>	Provide homeless prevention and rapid rehousing assistance
3	<b>Goal Name</b>	Provide Decent Housing (C)
	<b>Goal Description</b>	Provide housing assistance and supportive services to HIV population, other low income persons including abused and battered women.

4	<b>Goal Name</b>	Create Suitable Living Environments
	<b>Goal Description</b>	Social needs (public service)
5	<b>Goal Name</b>	Create Suitable Living Environments (B)
	<b>Goal Description</b>	Community Development (Infrastructure and public facilities)
6	<b>Goal Name</b>	Provide Decent Housing (D)
	<b>Goal Description</b>	Rehabilitation of units
7	<b>Goal Name</b>	Expand Economic Opportunity
	<b>Goal Description</b>	Economic Development
8	<b>Goal Name</b>	Provide Decent Housing (E)
	<b>Goal Description</b>	Homeownership assistance
9	<b>Goal Name</b>	Create Suitable Living Environments (C)
	<b>Goal Description</b>	Emergency relief
10	<b>Goal Name</b>	Provide Decent Housing (F)
	<b>Goal Description</b>	Down payment and closing costs assistance
11	<b>Goal Name</b>	Provide Decent Housing (G)
	<b>Goal Description</b>	Rehabilitation and production of rental housing

## AP-25 Allocation Priorities – 91.320(d)

### Introduction:

Funding allocation priorities are based on the needs and particular strategies of each program. The next section discusses the rationale for each of the consolidated plan programs.

The PY 2018 Annual Action Plan allocation priorities are driven by the information obtained during the Citizen Participation process. Also, the information gathered through the consultation process was considered and included in the decision-making process of allocating the available CPD resources. The combination of both processes provided the citizens, the communities, the agencies and interested parties with a meaningful opportunity to actively determine where the housing and community development resources were allocated.

To validate the information gathered from the citizen participation and consultation process, the ODSEC also took into consideration the results of the five-year Consolidated Plan Needs Assessment report. This section of the plan, in conjunction with the information gathered through consultations and the citizen participation process, provides a clear picture of the State needs related to affordable housing, special needs housing, community development, and homelessness. This evaluation process allows ODSEC and Consolidated State Agencies to identify the highest priorities among the identified housing and community development needs.

HUD regulations provide that 3% of the CDBG allocation plus \$100,000 can be used for administration and technical assistance for the State administered program. In 2018, this equates to \$730,913.48. For the ESG program the Department of the Family will allocate \$267,964 for state administrative purposes, \$3,655 for subgrantees administration, and \$106,975 for HMIS.

The following table includes a description of the funding allocation priorities resulted from the evaluation of the information gathered:

### Funding Allocation Priorities

	Provide Decent Housing (A) (%)	Provide Decent Housing (B) (%)	Provide Decent Housing (C) (%)	Create Suitable Living Environments (D) (%)	Create Suitable Living Environments (B) (%)	Provide Decent Housing (D) (%)	Expand Economic Opportunity (%)	Provide Decent Housing (E) (%)	Create Suitable Living Environments (C) (%)	Provide Decent Housing (F) (%)	Provide Decent Housing (G) (%)	Provide Decent Housing (H) (%)	Total (%)
CDBG	0	0	0	12	77	9	1	0	1	0	0	0	100
HOME	0	0	20	0	0	5	0	0	0	11	47	17	100
HOPWA	0	0	100	0	0	0	0	0	0	0	0	0	100
ESG	66	34	0	0	0	0	0	0	0	0	0	0	100
Housing Trust Fund	0	0	0	0	0	0	0	11	0	0	89	0	100

**Table 8 – Funding Allocation Priorities**

## **Reason for Allocation Priorities**

Due to hurricane Maria some of the funded activities will provide preferences to individual and families with unmet needs. The method of distribution section details the specific of the preferences provided.

The proposed distribution of funds included in this Annual Action Plan is based on the information data regarding demographic environments, market conditions and geographic areas needs resulted from the combination of the citizen participation actions, the consultation process, and the Consolidated Plan Needs Analysis section.

The described processes provide opportunities to share data and expand available information useful to determine the housing and community development needs and priorities which are a key component of effective planning for HUD's CPD low and moderate-income programs.

The evaluation and analysis of the information resulted from the aforementioned processes, provided the Consolidated State Agencies officials with the needed perspective to better understand the priority needs and allocate the available CPD resources to service activities directed to address the identified needs. Also, provided the officials with the information needed to align complementary resources streams and maximize the use of the available funds within the community to address the needs of the low-income persons and their communities.

## **How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?**

The proposed distribution of funds was prepared in accordance with the needs presented during the hearings and are consistent with the Consolidated Plan.

## AP-30 Methods of Distribution – 91.320(d)&(k)

### Introduction:

The Consolidated Plan regulations, specifically in 24 CFR 91.320, establishes the dispositions regarding the content of an Annual Action Plan. Among the components of the Plan, the PR-State must provide a description of the method for distributing funds to local governments and nonprofit organizations to carry out activities, or the activities to be undertaken by the State, using the funds that are expected to be received under the formula allocations and other HUD assistance during the PY 2017.

At a minimum, the Methods of Distributions must include the reasons for the allocation priorities, how the proposed distribution of funds will address the priority needs and specific objectives included in the Consolidated Plan and must describes any obstacles to addressing underserved needs.

The full explanation of the Methods of Distribution to be used during this program year are included in the Appendix Section.

### Distribution Methods

**Table 9 - Distribution Methods by State Program**

<b>1</b>	<b>State Program Name:</b>	CDBG
	<b>Funding Sources:</b>	CDBG HOPWA HOME ESG Housing Trust Fund

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The State CDBG allocation for PY 2018 amounts to \$24,363,783. This program provides funding for housing, community, and economic development, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico.</p> <p>The allocation for non-entitlement municipalities will be equally distributed among the municipalities, with the exception of the islands of Vieques and Culebra, which both will receive an additional 15% above the Equal Allocation Grant. This method follows the distribution established via the enactment of local Law 137-2014, as amended.</p> <p>The following is the proposed allocation:</p> <p>Allocation for 49 Municipalities  Administration \$81,789  Public Service \$68,157  Other Eligible Project (Housing, Community Development, Economic Development, Etc.) \$304,435  TOTAL \$454,381</p> <p>Vieques and Culebra  Administration \$94,636  Public Service \$78,864  Other Eligible Project (Housing, Community Development, Economic Development, Etc.) \$352,257  TOTAL \$525,756.73</p> <p>Municipalities  Emergency Fund \$300,000</p> <p>ODSEC  Planning and Administration \$730,913.48</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
---	---

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Under Act 137 of 2014 (as amended by Law 10, 2017) the Commonwealth of Puerto Rico established that all non-entitlement municipalities will receive the same amount of CDBG funds, with the exceptions of Vieques and Culebra, which will receive an additional 15%. Thus, under this method of distribution municipalities will receive the same share of CDBG funds with no need for a competitive round.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
--	--

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>The Application manuals and other material are available on the PROFE system.</p> <p><u>Proposal Requirements</u></p> <p>Submission of a budget breakdown is mandatory as required in OCMA’s Memorandum issued on July 6, 2001 for construction projects. For other projects under economic development, municipalities must still submit an estimated budget breakdown, which could include expected beneficiaries and detailed costs of the project.</p> <p>In determining an appropriate amount, ODSEC reserves the right to adjust requested funds, based on review of compliance with the following requirements:</p> <ol style="list-style-type: none"> <li>1. Compliance with the State CDBG requirements (Fair Housing and Citizen Participation).</li> <li>2. Compliance with the College of Engineers and Land Surveyors of Puerto Rico Guidelines, including the project breakdown detailing: cost of material, labor, equipment, insurance, administrative overhead, and other costs related to the project in order to determine reasonable project cost.</li> <li>3. Inadequate or incomplete description of activities to be developed.</li> <li>4. Past performance of the non-entitled municipality (open findings).</li> <li>5. Timely expenditure of funds (i.e. more than three (3) times the grant for its current program year, open activities for program year 2010 and earlier).</li> <li>6. All parameters established on section 1 (above)</li> </ol> <p>All activities must be designed in compliance with the strategy developed by the municipality which should meet the needs of low and moderate income individuals, addressing their special needs and ensuring maximum community development. The optional 15% Public Service Cap is based on the total CDBG State grant.</p> <p><b>Application Submission</b></p> <p>Application kits or Request for Proposals will be available on June 22, 2018. The proposals and all its components and supporting documentation will be submitted (uploaded) on or before July 31,</p>
---	--

	<p>2018 to ODSEC via PROFE (no later than 11:59 p.m.) as registered by the system.</p> <p>Applications for the Emergency Fund may be submitted at any time during Program Year 2018 as long as they comply with the requirements presented on Circular Letter Num. 2013-09 of May 21, 2013, and any other requirement that applies.</p> <p>Municipalities could submit applications for Section 108 loan and must follow the <i>Procedimiento de Solicitud y Administración de Préstamos Garantizados Sección 108</i>.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not applicable- Please refer to ESG Program</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not Applicable- See HOPWA Section</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The State CDBG allocation for PY 2018 amounts to \$24,363,783.00 will be distributed among eligible categories of the program.</p> <p>No more than 20% of the CDBG funds will be allocated for eligible Administrative and Planning Activities (3% by ODSEC and 17% by the Municipalities); up to 15% of the CBDG funds can be allocated for Public Service purposes and the remaining of the funds can be allocated for housing, community development and economic development related activities.</p> <p>All CDBG eligible activities. Eligible activities under the State CDBG Program are listed on Section 105 (a) of Title I of the Housing and Community Development Act of 1974, as amended. Each activity must meet one of the national objectives as to benefit low and moderate-income persons (24 CFR 570.483 (b)), pursue the elimination of slums and blighted areas (24 CFR 570.483 (c)), or activities designed to address a particular urgency that poses an imminent threat to the health and safety of the community (24 CFR 570.483 (d)). Each activity should correlate with a matrix code, national objective and CDBG citation.</p> <p>All applications for Program Year 2018 State CDBG funds must establish that no less than 70% of State CDBG funds will benefit LMI persons. Projects which do not meet eligibility requirements under Section 105(a) of Title I of the Housing Development Act of 1974, as amended, will not be considered.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Under Act 137 of 2014 (as amended by Law 10, 2017) the Commonwealth of Puerto Rico established that all non-entitlement municipalities will receive the same amount of CDBG funds, with the exceptions of Vieques and Culebra, which will receive an additional 15%. Thus, under this method of distribution municipalities will receive the same share of CDBG funds with no need for a competitive round.</p>

	<b>What are the outcome measures expected as a result of the method of distribution?</b>	The expected outcomes measures are included on the appendix section.
2	<b>State Program Name:</b>	Emergency Solutions Grant Program
	<b>Funding Sources:</b>	ESG

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The Emergency Solutions Grant Program is administered by the Puerto Rico Department of the Family (PRDF). Every two years, the PRDF uses a distribution method in which an award is granted for a two (2) year period, subject to an evaluation of the first year and the availability of funds. PRDF will continue to make PY2018 ESG Program funds through a contract renewal process in which current and eligible subrecipients: local governments and non-profit organizations must present a letter of intention with evidence of compliance with eligibility requirements for continuation of grant funds and a written or digital proposal, as established for the Department, describing the scope of the services to be provided.</p> <p>The ESG allocation for Program Year 2018 is \$3,572,861.00. Funding is intended to serve the seventy-eight (78) Municipalities across the island within the ten (10) Regions of the Department of the Family. PRDF's Regions are located in Aguadilla, Arecibo, Bayamón, Caguas, Carolina, Guayama, Humacao, Mayaguez, Ponce, and San Juan. Non-profit Organizations and Municipalities that comply with the requirements and evaluation criteria established on this plan will be eligible to receive funds under the following activities:</p> <ul style="list-style-type: none"> <li>• Outreach and Shelter \$1,464,873.00 (40.5%)</li> <li>• Prevention \$ 1,095,451.00 (31%)</li> <li>• Rapid Re-Housing \$714,572.00 (20%)</li> <li>• Data Collection (HMIS) \$30,000.00 (1%)</li> <li>• Administration \$267,965 (7.5%)</li> <li>• Total \$3,572,861.00</li> </ul>
---	---

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>For purposes of carrying out the process of awarding contracts, a committee is appointed in charge of evaluating the performance of the organizations and municipalities. This Committee has a diverse composition with representation of the personnel of the ESG Program as well as the Office of the Assistant Secretary for Planning. Additionally, external members are invited to the Committee. The evaluation that is conducted by the Committee is centered on the performance during the program year, based on the criteria described above and their corresponding weights. The result is a total score per organization and municipality. Once the score is determined, the organizations and municipalities are ranked according to such score. The final allocation is determined based on the amount of funds available and the score obtained.</p> <p>De-obligated funds during the Program Year will be distributed according through a competitive process among those organizations that provide services related to the needs and priority areas identified by the Department of Family. The specific criteria for the evaluation of the projects will be announced with the request for proposals. These will be based on the consultation conducted among the CoCs members, the needs identified in the consolidated plan and emerging needs identified during the program year. In terms of the process for the determination of the final distribution, the Department of Family will use a similar approach to the one described above, in which a Committee evaluates and ranks the organizations before determining the allocation.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the <b><u>Appendix Section</u></b>.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable to the ESG Program- (see CDBG section Above)</p>

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Since program year 2011, the Puerto Rico Department of the Family uses a distribution method in which an award is granted for two (2) year period, subject to an evaluation of the first year and the availability of funds. During PY 2018, eligible organizations and units of local governments will be initiating their second program year of the two-program year cycle. While, unused funds available during the Program Year will be distributed according to the needs identified by the Department of the Family.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not Applicable- See HOPWA Section</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The following are the ESG Program distribution by funding categories:</p> <ul style="list-style-type: none"> <li>• Outreach and Shelter      \$1,464,873.00 (40.5%)</li> <li>• Prevention                      \$ 1,095,451.00 (31%)</li> <li>• Rapid Re-Housing              \$714,572.00 (20%)</li> <li>• Data Collection (HMIS)        \$30,000.00 (1%)</li> <li>• Administration                 \$267,965 (7.5%)</li> <li>• Total      \$3,572,861.00</li> </ul>

<b>Describe threshold factors and grant size limits.</b>	No grant size limits are established for the ESG Program funds distribution.
--	--

<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Non profit organizations and units of local government that are awarded ESG funds, are expected to comply with the following outcome measures, depending in the different types of projects:</p> <p>Outcome Measures</p> <p>OUTREACH</p> <ul style="list-style-type: none"> <li>• Number of people receiving services</li> <li>• Number of people who left the program</li> <li>• Percentage of people who committed (engaged) to receive services</li> <li>• Percentage of people who fulfilled their service plan</li> <li>• Percentage of people who increased their income from any source</li> <li>• Percentage of people located in emergency shelter</li> <li>• Percentage of people located in temporary shelter</li> <li>• Percentage of people placed in permanent housing</li> </ul> <p>EMERGENCY SHELTER</p> <ul style="list-style-type: none"> <li>• Number of people who entered emergency shelter</li> <li>• Number of people who left the program</li> <li>• Percentage of people who fulfilled their service plan</li> <li>• Percentage of people who increased their income from any source</li> <li>• Percentage of people who entered transitional housing</li> <li>• Percentage of people who stayed in the shelter for less than three months</li> <li>• Percentage of people who stayed in the shelter for more than three months</li> <li>• Percentage of people placed in permanent housing</li> </ul> <p>PREVENTION</p> <ul style="list-style-type: none"> <li>• Number of people receiving prevention services.</li> <li>• Number of people who left the program</li> <li>• Number of people receiving economic assistance</li> <li>• Percentage of people who received housing relocation services and stabilization services during the service period</li> </ul>
---	---

		<ul style="list-style-type: none"> <li>• Percentage of people who met their service plan</li> <li>• Percentage of people who increased their income from any source</li> <li>• Percentage of people placed in permanent housing</li> </ul> <p>RAPID RE- HOUSING</p> <ul style="list-style-type: none"> <li>• Number of people receiving RRH services.</li> <li>• Number of people who left the program</li> <li>• Number of people receiving economic assistance</li> <li>• Percentage of people who received housing relocation services and stabilization services during the service period</li> <li>• Percentage of people who fulfilled their service plan</li> <li>• Percentage of people who increased their income</li> <li>• Percentage of people placed in permanent housing</li> </ul> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section</p>
3	<b>State Program Name:</b>	HOME Investment Partnership Program
	<b>Funding Sources:</b>	HOME

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The PRHFA will receive \$13,798,286.00 in HOME funds for PY 2018. All resources will be allocated to provide incentives for meeting the goal of developing and supporting 179 affordable rental and homeownership housing units. This will be achieved through the Direct Loan Program, Homebuyer Assistance, TBRA (Nuevo Comienzo), Techo Dorado, and Rental Rehabilitation / New Construction for Rental. These eligible costs include site improvements, conversion, demolition, and other expenses such as financing costs and relocation expenses of displaced persons, families, businesses, or organizations. Funds will also be allocated to provide down payment assistance to homebuyers. Housing must be permanent or transitional and serve both low and very low-income families, according to the applicable qualifying standard associated to each activity. The distribution of HOME funds for PY 2018 is shown below.</p> <ul style="list-style-type: none"> <li>• Administration                    \$1,379,829</li> <li>• Direct Loans                        \$300,000</li> <li>• Homebuyer                            \$3,300,000</li> <li>• TBRA                                    \$200,000</li> <li>• Techo Dorado                        \$2,700,000</li> <li>• Rental Development                \$5,918,457</li> </ul> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
---	---

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>As part of the joint efforts and on-going initiatives that relate to the 2015-2019 Puerto Rico State Housing Plan, the Puerto Rico Housing Finance Authority (Authority) will make the activity of Construction and Rehabilitation of Rental Housing under the HOME Investment Partnership Program (HOME) Action Plan (AP) a component of the forthcoming Notification of Funds Availability the Authority will issue. The NOFA intends to leverage funds from multiple sources under joint selection and underwriting criteria compatible with the AP and the Low-Income Housing Tax Credit's (LIHTC) Qualified Allocation Plan (QAP) in order to maximize the use of public and private funds channeled to affordable rental projects meeting the housing needs and goals established in the State Housing Plan. Nonetheless, any representation and/or guideline contained in the NOFA will not be intended to, nor it statutorily could, modify or supersede the Authority's responsibility to comply with HOME requirements. Under the NOFA the HOME Program might implement a consolidated application for the HOME, LIHTC, which will combine the requirements of the programs to promote the development of multifamily rental projects.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p> <p>Other activities will be delivered by the PRHFA in accordance with the applicable regulations.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable to the HOME Program- (see CDBG section Above)</p>

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not applicable to the HOME Program- see ESG section Above.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not applicable to the HOME Program - See HOPWA Section.</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The information that follows presents a description of the HOME Program activities and the criteria used for the distribution of funds addressing the priority needs, specific objectives, and performance measurements mentioned above. The minimum investment required by HOME activity is \$1,000 per unit.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>

	<p><b>Describe threshold factors and grant size limits.</b></p>	<p>No grants size limits will be applied to proposed housing development projects. For Homebuyer Financial Assistance activities the cap are a minimum of \$1,000 and a maximum of \$45,000 will be available for eligible homebuyers. The Director of the Home Program will evaluate on case by case basis the amount of subsidy needed to acquired or maintain an affordable housing unit.</p>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The following are the HOME Program Outcome Measures:</p> <ul style="list-style-type: none"> <li>• Direct Loans                      \$300,000 – A total of 4 households</li> <li>• Homebuyer                              \$3,300,000 – A total of 73 homebuyers</li> <li>• TBRA                                      \$200,000 – A total of 32 renters households</li> <li>• Techo Dorado                      \$2,700,000 – A total of 31 housing units</li> <li>• Rental Development              \$5,918,457 – A total of 39 housing units.</li> </ul>
4	<p><b>State Program Name:</b></p>	<p>Housing Opportunities Persons With AIDS</p>
	<p><b>Funding Sources:</b></p>	<p>HOPWA</p>

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The Housing Opportunities for Persons with AIDS (HOPWA) Program provides housing assistance and supportive services for low-income persons living with HIV/AIDS and their families. HOPWA funds are received by the Puerto Rico Department of Health to be distributed to Eligible Project Sponsors that include Municipal Governments and Non-Profit Organizations.</p> <p>Funds for PY 2018 will continue to be administered by the Municipality of San Juan. The Municipality will be responsible for its management, and distribution to sub recipients. The distribution of the funds to potential sub recipients will be conducted using a competitive Request for Proposal process. Due to the law restrictions, administrative funds will not be distributed to sub recipients. The competition will distribute funds for the provision of housing and other activities. If remainder funds are available after distribution, distribution of funds will not require a new competitive process but will be distributed among organizations and municipalities that previously submitted their proposals.</p> <p>The availability of the RFP guide was announced during the public hearing (documents were available on March 13, 2018. Proposals were due on April 13, 2018. The Municipality of San Juan will select sub recipients from Municipalities, Faith-Based, and other Community Based Organizations that provide services to the HIV/AIDS populations. Interested sub recipients will submit proposals to be evaluated on a competitive basis, in compliance with the RFP and Application Guidelines.</p> <p>For the purpose of this Plan the Puerto Rico EMSA will include the 78 municipalities for unobligated funds and the PR-EMSA Municipalities for the HOPWA grant.</p>
---	---

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The following evaluations factors will be used to evaluate the proposals presented by potential sub recipients. An evaluation committee selected by the Municipality of San Juan will evaluate the applications with a standard instrument that will take into consideration: HIV/AIDS population within the proposed service area, level of experience of the proponent party, use of funds history by the proponent party and performance history of the proponent party. All criteria have the same weight in the evaluation process. The maximum value for a proposal is one hundred (100) points. The following are the areas of evaluation and its relative weight:</p> <p>NON Profit subrecipients</p> <ul style="list-style-type: none"> <li>• Transmittal Letter -3 Points</li> <li>• Description organization- 6 Point</li> <li>• Financial and Programmatic Background -6 Point</li> <li>• Past Performances -10 Point</li> <li>• Services to be provided -10 Points</li> <li>• Needs Analysis -18 Points</li> <li>• Action Plan- 25 Points</li> <li>• Budget - 20 Points</li> <li>• Required Documents -2 Points</li> <li>• Total 100</li> </ul> <p>Municipal subrecipients</p> <ul style="list-style-type: none"> <li>• Transmittal Letter - 2 Points</li> <li>• General Information Municipality -2 Points</li> <li>• Description of the Municipality Capacity - 25 Points</li> <li>• Financial and Programmatic Background - 6 Points</li> <li>• Proposed Project Description - 20 Points</li> <li>• Action Plan -20 Points</li> <li>• Budget -20 Points</li> <li>• Performance -5 Points</li> </ul>
--	--

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable to the HOPWA Program- (see CDBG section Above)</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not applicable to the HOPWA Program- see ESG section Above</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>For PY 2018 the Municipality of San Juan will accept island-wide applications, including potential sub recipients from the San Juan Eligible Metropolitan Statistical Area (SJ-EMSA). Priority will be given to potential sub recipients that are not included in the SJ-EMSA. Applicants located in the San Juan EMSA that are currently receiving HOPWA funds from the Municipality of San Juan cannot receive State HOPWA funds for the same purpose and uses.</p> <p>All the applications will be evaluated by the same standards and criteria.</p> <p>No proposals that combine housing and support services will be accepted during the PY 2018. If the organization wishes to provide support services in a housing project it must submit one proposal for the support service and another for the housing.</p> <p>Support services eligible costs include:</p> <ul style="list-style-type: none"> <li>• Nutritional Services</li> <li>• Day care</li> <li>• Case Management</li> <li>• Mental Health</li> <li>• Medical services</li> <li>• Any supportive service combined with housing</li> </ul> <p>All sub-recipients are required to register with Dun and Bradstreet to obtain a DUNS number, if they have not already done so. In addition, they need to be registered on the System for Award Management (SAM).</p>
---	---

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The HOPWA Program funds will be distributed in the following categories:</p> <ul style="list-style-type: none"> <li>• Administrative Activities: 10%</li> <li>• TBRA Activities and related: 36%</li> <li>• Housing related Activities: 31%</li> <li>• Supportive Services Activities: 23%</li> </ul> <p>The final distribution by individual activity is:</p> <ul style="list-style-type: none"> <li>• Administration Salud \$61,047.06</li> <li>• Administration San Juan \$138,169.91</li> <li>• TBRA \$708,081.97</li> <li>• Delivery Cost TBRA \$28,321.80</li> <li>• Operation Costs STRMU \$632,344.01</li> <li>• Supportive Services \$466,947.26</li> </ul>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>No grant size limits are established for the HOPWA Program funds distribution.</p>

	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The following are the HOPWA Program Outcome Measures:</p> <ul style="list-style-type: none"> <li>• Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family - 75 Households</li> <li>• Tenant-based rental assistance - 274 Households</li> <li>• Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds - 100 housing units</li> <li>• Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds -500 housing units</li> </ul>
5	<p><b>State Program Name:</b></p>	<p>Housing Trust Fund</p>
	<p><b>Funding Sources:</b></p>	<p>Housing Trust Fund</p>

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The PRHFA will receive \$883,160 in HTF funds for PY 2018. The resources will be allocated for Multifamily Rental New Construction/Rehabilitation and for Single Family Homebuyer Assistance. The funds will be distributed as follow:</p> <p><b>GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018</b></p> <ul style="list-style-type: none"> <li>• Assigned Budget: \$1,253,357</li> <li>• Distribution by Category:</li> <li>• State Administration \$125,336</li> <li>• Multifamily Rental New Construction/Rehabilitation \$1,002,686</li> <li>• Single Family Homebuyer Assistance: \$125,336</li> </ul> <p>Description of the Method to Distribute HOME and HTF Funds for Construction and Rehabilitation of Rental Housing</p> <p>As part of the joint efforts and on-going initiatives that relate to the 2014-2018 Puerto Rico State Housing Plan, the Puerto Rico Housing Finance Authority (Authority) will make available the Housing Trust Fund Activities of Rental Housing along the HOME Investment Partnership Program (HOME) Action Plan (AP). Funds will be awarded to eligible applicants following a competitive process. The competitive process will follow the criteria established in the HTF Allocation Plan.</p> <p>The PRHFA will receive \$883,160 in HTF funds for PY 2018. Funds will be allocated to provide incentives for meeting developing and supporting affordable rental housing units. This will be achieved through new construction or rehabilitation of non-luxury housing with suitable amenities for rent.</p> <p><b>Eligible Applicants</b></p> <p>The PRHFA is not limiting the potential pool of applicants for the HTF program. Thus, PRHFA will allow developers, non-profits and other organizations to apply for HTF funds. However, applicants must be able to participate in PRHFA funding round (NOFA). Applicants must comply with the requirements established in 24 CFR 93.2. These requirements are integral to the basic threshold criteria described in the tables below. It is important to note that applications must demonstrate that participants understand the specific requirements of the HTF program and that even if HTF</p>
---	--

	<p>funds are combined in a project with multiple funding sources, HTF unit(s) must be assisted only via HTF eligible activities (24 CFR 93.200).</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Applications requesting <b>HOME and HTF</b> funds will be evaluated based on joint rating factors, once applicants have satisfied the basic threshold requirements. Those factors include local considerations and State <b>HOME and HTF</b> Program’s criteria, such as: Project location; project characteristics; project owner/developer characteristics; financing characteristics; special needs projects; Housing needs and additional criteria for rental housing projects.</p> <p>See the appendix for a description of the scoring <b>method</b> and selection criteria that was specifically developed for the HTF Program. The criteria is presented below to facilitate the <b>description of the priority funding factors</b>. The QAP and PRHFA NOFA will be used to determine the final scores and funding recommendations.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable to the HTF Program- (see CDBG section Above)</p>

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not applicable to the HTF Program- see ESG section Above.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not applicable to the HTF Program- see HOPWA section Above.</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The HTF Program funds will be distributed in the following categories: Distribution of HTF Funds</p> <ul style="list-style-type: none"> <li>• Multifamily Rental New Construction/Rehabilitation \$ 1,002,686 - 80%</li> <li>• Single Family Homebuyer Assistance \$125,336 - 10%</li> <li>• Administration \$125,336 - 10%</li> <li>• Total \$1,253,357 -100%</li> </ul> <p>The HTF resources will be allocated for particular projects that serve HTF tenant population; these could include special needs population.</p>

<p><b>Describe threshold factors and grant size limits.</b></p>	<p>PRHFA will use the maximum per unit subsidy standards adopted by the State <b>HOME</b> Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216. For the PY 2017 an application or proposal will include the Basic Threshold Requirements and the additional requirements as outlined originally in the previous JANOFA efforts.</p> <p>The initial basic qualifications will be evaluated by the State HOME program personnel. If the project does not meet requirements for completeness, the applications will not be received. If received, only those applications that meet the joint basic threshold requirements and qualifications would be further considered for evaluation under joint the Point Ranking System.</p> <p>The project location and the targeted population will be key factors in determining the grant size limit.</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The outcomes measures of the HTF program are included on the appendix section.</p>

**Discussion:**

The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.

## AP-35 Projects – (Optional)

### Introduction:

Project-level detail will be included once subrecipients develop their activities.

#	Project Name

Table 10 – Project Information

### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

As previously described in this Annual Action Plan, the reasons for allocation priorities during the PY 2018 Annual Action Plan is the results obtained from the combination of the citizen participation and consultation process and the Consolidated Plan Needs Assessment analysis. The assessment resulted in the need of affordable housing activities to address the needs of the low and moderate income persons and in the investment of available funding in activities toward the needs of non-housing community improvement projects.

Also, homeless housing and supportive services actions and public service activities to address the needs of the special needs population groups were among the community priority needs resulted from the evaluation and analysis process undertaken.

In terms of any obstacles to addressing the needs of the underserved population still the lack of sufficient available resources to address the needs of the described population continues to be the main obstacle that the State and local government units faces in a daily basis.

## AP-38 Project Summary

### Project Summary Information

## **AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

Yes

### **Available Grant Amounts**

#### **Available Grant Amounts**

Loan Guarantees (LGA) under Section 108 of Title I of the Housing and Community Development Act of 1974, as amended, is not subject to the method of distribution of funds as set forth for the CDBG program. Section 910, of the National Affordable Housing Act of 1991 (NAHA), as amended, extended the Section 108 Loan Guarantee program to non-entitlement communities nationwide. As required in Section 104(a) of the Act, we are including the guidelines, regarding the determination to assist non-entitlement municipalities, in applying for guaranteed loan fund under 24CFR Subpart M. Non-entitled municipalities will be eligible to apply for Section 108 Loans as long as they comply with all regulatory requirements and ODSEC program guidelines.

#### **Available Grant Amounts**

#### **Estimated Availability of Funds for PY 2018- \$102,542,915**

Section 108 provides the State CDBG Program with an additional source of financing, to meet housing and community development needs for the non-entitlement municipalities. The Act allows HUD to issue government bonds that would guarantee up to five times the current CDBG allocation to ODSEC. To secure the loans issued, ODSEC must ensure that any State CDBG funds that are pledged for a particular non-entitlement municipality does not affect prospective CDBG allocations for the remaining non-entitlement municipalities. To avoid payment default, ODSEC requires the municipal administration to present other collaterals, besides the required by HUD, in order to secure the re-payment of the loan. If ODSEC deems necessary a Memorandum of Collaboration could be executed with any governmental financing agencies, such as the Governmental Development Bank for Puerto Rico (GDB) and EDBPR. Further consultation could be made with the Tourism Company, the Industrial Development Corporation, the Puerto Rico Economic Development Administration and any other agency that could review the applications to determine risks factors. Specific requirements of feasibility, business plan and other supporting documents are required to make the financial assessment of the project in order to assure ODSEC the feasibility of the project.

Section 108 funds should be requested for economic development activities, or activities in support of

economic development (24 CFR 570.703), including:

- Property acquisition
- Rehabilitation of publicly owned properties
- Housing rehabilitation eligible under the CDBG program
- Special economic development activities under the CDBG program,
- Payment of issuance costs associated financing loans 108
- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities
- Reserves to pay debt service on the Section 108 loan
- Other related activities, including demolition and removal, relocation, interest payments, and insurance costs.

For the purposes of determining eligibility, the State CDBG rules and requirements should be observed in full compliance. ODSEC will evaluate the proposed activities on a case by case basis. The agency will also consider if the proposed project could generate income or has any other sources to assure debt repayment. Such measures will guarantee the long term sustainability of the project.

## **Acceptance process of applications**

### **Application Requirements**

- The first requirement prior to the submission of a LGA application is the transmittal of a letter of intention to submit a 108 LGA Application to ODSEC. The Federal Programs Division at ODSEC will receive the letter of intent and commence the administrative requirement review first. Once the administrative review is completed, the non-entitlement municipality will be authorized to submit an application for Section 108 Loan Guarantee. Applications for the Section 108 Loan Guarantee Program may be submitted throughout PY 2018.
- The non-entitlement municipalities should comply with several administrative requirements, in order to receive the authorization to submit an application for participation in the LGA program.
- Requirements include: Status of monitoring reports, up to date Single Audit Reports, closing of previous program years (only last 5 PY can be open), no open findings, timeliness, among others.
- Municipalities can request up to a maximum of 5 times their CDBG allocation with a ceiling of \$2,000,000 per municipality.

For a more specific set of requirements and a detailed description of eligible activities, please see ODSEC Process Guideline for Section 108 Program.

**AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

**State’s Process and Criteria for approving local government revitalization strategies**

## **AP-50 Geographic Distribution – 91.320(f)**

### **Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed**

As the PR-State Consolidated Plan leading agency, the ODSEC is responsible to address the non-housing community development needs of the Non-Entitlement municipalities within the State jurisdiction. By this mean, the ODSEC is responsible to oversee that all CDBG program investment related to non-housing community development are made in eligible economically low income geographic areas.

By eligible low income geographic areas, ODSEC defines those geographic areas where, at least fifty-one percent of the population (in accordance with HUD CPD's Updated LMISD or low income surveys), are members of families whose incomes do not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families. Exception could be made by HUD to establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

As per the concentration of minorities within the State geographic areas, the 5-Yr. ACS Demographic and Housing Estimates (2011-2015) shows that ninety-nine percent of the statewide population are from hispanic or latino origins and that from this percentage, ninety-five percentage are from Puerto Rican origins.

### **DISPROPORTIONATELY GREATER NEED**

The Consolidated Plan identified that Low and moderate income Blacks and Asians have disproportionate greater needs. The percentage of Asians that have one or more of four housing problems is 68% among 0-30% AMI, 100% among 30%-50% AMI and 97% among 50%-80% AMI. In the jurisdiction as a whole households the percentages of those having one or more of four housing problems are much less (60% among 0-30% AMI, 53% among 30%-50% AMI and 47% among 50%-80% AMI). Among Blacks, 68% of those in the 0-30% AMI bracket has one or more of four housing problems, 81% among 30%-50% AMI and 58% among 50%-80% AMI. However, as previously stated the sizes of the Black and Asians populations with problems is very small (or in the hundreds). See (Discussion section below) for areas where assistance shall be directed.

### **Compliance with 70% Requirement**

The regulations require the State to use no less than 70 percent of the CDBG funds received during a period specified by the state, not to exceed three years, will be used for activities that benefit persons of low and moderate income persons. The ODSEC will require to all Non-Entitlement municipalities that

receive CDBG funds allocation during the PY 2018 to invest the non-housing community development funds in economically eligible low income areas. Also, the ODSEC will require the municipalities to certify that not less than seventy percent of the individuals benefited with CDBG funded activities complies with the low-income eligibility.

**CDBG**

In 2017 the Government of Puerto Rico enacted Law 10-2017. Under this act the central government determined the allocation for non-entitlement municipalities under the State CDBG Program. With this legislation all non-entitlement municipalities will receive the same share of CDBG funds, with the exception of Vieques and Culebra, which will receive an additional 15%. The municipalities will continue to define the specific allocation of such funds. The ultimate geographic distribution of the CDBG funds is made by the non-entitlement municipalities once they complete their own citizen and consultation process.

**ESG, HOME, HOPWA and HTF**

The ESH, HOME, HOPWA and HTF programs accepts proposal and provide funding for project Islandwide.

**Geographic Distribution**

Target Area	Percentage of Funds
CDBG- Non-entitlement communities	56
Statewide	44

**Table 11 - Geographic Distribution**

**Rationale for the priorities for allocating investments geographically**

As previously presented in the Annual Action Plan, the projects included for the PY 2018 are created to address the priority needs and specific objectives identified in the 5-Yr. Consolidated Plan. In addition, all projects are associated with one or more priority needs and one or more goals. Therefore, the priorities for the investment related with targeted geographic areas are related with non-housing community development activities that address the goals and objectives of the Consolidated Plan. The Non-Entitlement municipalities proposing this type of projects must invest the CBDG monies in eligible

low-income areas, as defined by HUD.

## **Discussion**

The overarching goal of the Department of Housing and Urban Development's Community Planning and Development (CPD) programs covered by the Consolidated Plan is "to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities," principally for low- and moderate-income persons. In order to achieve the provision of suitable living environments within the low and moderate income communities, the ODSEC encourages non-entitlement municipalities to undertake non-housing community development activities.

These activities are designed to create, expand and/or improve the physical conditions of communities public facilities located within the benefited low and moderate income communities. As previously stated, an eligible low income community is a geographic area where, at least fifty-one percent of the population, are members of families whose incomes do not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.

The following Communities Municipalities has been identified by the states as priority areas with disproportionately greater need and minority concentration:

Suárez comunidad, Loíza Municipio  
Loíza zona urbana, Loíza Municipio  
Vieques comunidad, Loíza Municipio  
Yaurel comunidad, Arroyo Municipio  
Buena Vista comunidad (Arroyo Municipio), Arroyo Municipio  
Palo Seco comunidad, Maunabo Municipio  
Playa Fortuna comunidad, Luquillo Municipio  
Emajagua comunidad, Maunabo Municipio  
Lamboglia comunidad, Patillas Municipio  
Culebra zona urbana, Culebra Municipio  
Esperanza comunidad, Vieques Municipio  
Arroyo zona urbana, Arroyo Municipio  
Vieques zona urbana, Vieques Municipio  
Maunabo zona urbana, Maunabo Municipio  
Daguao comunidad, Naguabo Municipio  
Comunas comunidad, Yabucoa Municipio  
Playita comunidad (Salinas Municipio), Salinas Municipio  
Luquillo zona urbana, Luquillo Municipio  
Las Ochenta comunidad, Salinas Municipio  
Gurabo zona urbana, Gurabo Municipio  
Ramos comunidad, Luquillo Municipio  
Coquí comunidad, Salinas Municipio

Duque comunidad, Naguabo Municipio  
Naguabo zona urbana, Naguabo Municipio  
San Antonio comunidad (Dorado Municipio), Dorado Municipio  
Patillas zona urbana, Patillas Municipio  
Aguas Claras comunidad, Ceiba Municipio  
Playita comunidad (Yabucoa Municipio), Yabucoa Municipio  
Ceiba zona urbana, Ceiba Municipio  
Celada comunidad, Gurabo Municipio  
Capitanejo comunidad  
Santa Clara comunidad, Aguas Buenas Municipio  
Central Aguirre comunidad, Salinas Municipio  
Parcelas de Navarro comunidad, Gurabo Municipio  
Río Blanco comunidad, Naguabo Municipio  
Breñas comunidad, Vega Alta Municipio  
Tallaboa comunidad, Peñuelas Municipio  
Salinas zona urbana, Salinas Municipio  
Coco comunidad, Salinas Municipio  
Mariano Colón comunidad  
La Fermina comunidad  
Santo Domingo comunidad, Peñuelas Municipio  
Vega Alta zona urbana, Vega Alta Municipio  
Yabucoa zona urbana, Yabucoa Municipio  
Dorado zona urbana, Dorado Municipio  
Cataño zona urbana, Cataño Municipio  
Coamo Municipio (part)  
Río Lajas comunidad, Dorado Municipio  
Juncos zona urbana, Juncos Municipio  
Indios comunidad, Guayanilla Municipio  
Martorell comunidad, Yabucoa Municipio  
Monserrate comunidad  
Ceiba comunidad  
Vega Alta Municipio (part)  
El Negro comunidad, Yabucoa Municipio  
Aceitunas comunidad, Moca Municipio

Municipalities and subgrantees shall provide priority to the above areas when undertaking the eligible activities.

## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

**Introduction:**

The 2015-2019 5-Yr. Consolidated Plan of the PR-State includes the provision of decent housing as one of the main objectives to be achieved through the activities included in the referred plan. This particular objective includes a series of goals that at large includes the following:

- Housing activities directed to address the needs of the homeless persons;
- Housing activities directed to address the needs of the special needs populations;
- Promote activities directed to preserve and increase the stock of affordable housing units;
- Promote activities toward the ownership of low income persons of their housing units

To achieve these goals, the PR-State government propose a series of housing activities directed to address the housing and supportive services needs of the low-income population, which will comply with the PR-State responsibility of providing safe, decent and sanitary housing units that enable this population group to live with dignity and independence.

The following table includes a description of the number of households that will be benefited from the housing assistance activities proposed in this PY Annual Action Plan:

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	2,917
Non-Homeless	1,025
Special-Needs	750
Total	4,692

**Table 12 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	3,337
The Production of New Units	500
Rehab of Existing Units	805
Acquisition of Existing Units	0
Total	4,642

**Table 13 - One Year Goals for Affordable Housing by Support Type**

**Discussion:**

ESG will provide will allocate funds for homeless prevention and rapid rehousing activities. NPOs and

municipalities may use ESG funds to provide housing relocation and stabilization services and short-and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place allowed by the regulation. ESG funds may also be used to provide housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. Meanwhile HOPWA will provide tenant based rental assistance (TBRA), and short term rent mortgage utility assistance (STRMU) for persons with special needs.

The HOME and CDBG Program provides the highest share of housing assistance, hence will provide the biggest outcomes for supported households during the year. Yet, the CDBG program can provide funding for infrastructure in support of housing, and public facilities. Such actions must be prioritized first in the local government. The HOPWA and ESG programs provides the largest assistance to the homeless and special needs population.

During the preparation of the 5-Yr. Consolidated Plan, the Needs Assessment and Market Analysis outline levels of relative need in the area of affordable housing for the low-income population in Puerto Rico. This level of need drive the State strategy created to address the immediate housing needs of the economically disadvantage persons in the Island. The main objective of this strategy is investing available resources in service activities that enhance access to affordable housing to the programs eligible low income population groups. By this mean, low-income persons have the opportunities to stabilize their housing conditions and reduce the risk of homelessness.

To accomplish this objective the PR-State Consolidated agencies determine to promote affordable housing service activities in the following way:

- CDBG funding will be invested in the creation of housing rehabilitation opportunities for owner occupied units or units to be occupied by low income persons;
- ESG funding will be invested in the creation of housing opportunities and supportive services for homeless population and individuals at the brink of homelessness;
- HOME funding will be invested in the creation of homeownership opportunities as well as tenant based rental assistance opportunities for low-income persons;
- HOPWA funding will continue to be invested in the creation of rental assistance opportunities for HIV/AIDS individuals and their immediate families, as well as transitional housing and supportive services for homeless individuals with HIV/AIDS persons
- HTF funding will be invested on Multifamily Rental New Construction/Rehabilitation and Single Family Homebuyer Assistance.

These consolidated housing activities fully engage and leverage additional mainstream housing assistance available within the PR-State public service structure. The State Housing Choice Voucher Program, commonly known as Section 8 Program, allow very low-income families to choose and lease or purchase safe, decent, and affordable privately-owned rental housing. The State Public Housing Program

provides decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

As part of the State Government public policy and governmental vision, stable housing is an important tool in helping households achieve other life outcomes, and the PR-State Consolidated Plan Agencies are committed to work toward providing low-income families access to these opportunities.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

The public housing activities within the PR-State jurisdiction are funded through two (2) main funding streams of HUD Office of Public and Indian Housing. These funding streams are the Housing Choice Voucher Program (HCVP) and the Public Housing Program.

The HCVP, also known as Section 8 Program, allows very low-income families to choose and lease or purchase safe, decent, and affordable privately-owned rental housing. In the other hand, the Public Housing Program provides decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. Within the PR-State Government, both programs are administered and managed by the PR Public Housing Administration (PR-PHA), a subsidiary agency of the State Department of Housing. For the public housing complexes, the PR-PHA has management agreements with Private Sector Administrators Firm that are responsible of the daily operation of the projects.

Under the State Government new public policy, the funds allocated to the PR-State public housing initiatives becomes a high priority among the consolidated plan housing and community development strategy. Puerto Rico is facing the most critical economic recession in modern history that has resulted in structural problems, economic shocks and weak public finances. This scenario has yielded a decade of stagnation, outmigration and debt. Under this circumstances, the new public policy seeks to promote initiatives toward aligning available resources into unified and targeted impact strategies. As part of the development of the institutional structure of the Consolidated Plan strategy, the State Department of Housing fully engage and leverage these mainstream housing assistance programs to the Consolidated Plan housing initiatives. This management vision allows the Department to align the available resources to a unified and targeted housing strategy that results in maximize the impact of the public funds invested in housing initiatives.

This section describes the actions that the PR-State will take to address the needs of the public housing population groups during the planned PY 2018.

### **Actions planned during the next year to address the needs to public housing**

No CPD funded activity will exclusively serve any of the Public Housing projects located within the Municipality boundaries. Nevertheless, the local public policy service strategy includes the public housing population among the service delivery groups that benefits of the Municipality's public services and community development activities. Various activities included in the 2018 action plan benefit the

public housing residents, among them:

## **CDBG**

### **Public Services**

- Home Care Assistance
- Academic Tutoring
- Sports and Recreational activities

### **Public Facilities**

- Park and recreational facilities
- Water Parks

### **Infrastructure**

- Repavement of Municipal roads

## **HOME**

Residents are offered the opportunities to acquire affordable housing units

## **HOPWA**

Supportive services are provided to PH residents that are HIV/AIDS

## **Other Services**

In addition, Municipal governments provide services to the Public Housing Residents. Among the

services are:

- Educational services at the Head Start Centers
- Sport Clinics
- Summer Camps
- Cultural Activities
- Fines Arts workshops
- College Board workshops
- Adult Education
- Educational grants to high school students
- School supplies

As part of the PHA Plan actions proposed to improve the living conditions of the public housing residents and projects, the following activities will be undertaken by the Puerto Rico Public Housing Authority during the PY 2018:

- Homeownership initiatives will be offered to public housing residents with the objective of assisting them to acquire an affordable housing unit and obtain the unit title;
- The PR-PHA will promote economic and social self-sufficiency initiatives with the objective of fostering the residents to develop their occupational skills, to improve their educational level, and to assist them in obtaining a job opportunity as a strategy to achieve economic independence;
- The PR-PHA will create the *Tenant Participation Fund Program*, a new initiative that seeks to improve the public services alternatives offered to the public housing residents. This initiative will promote full participation by the residents in the process of determining their community needs and identifying the service proposals that better fits the empowerment and self-sufficiency needs of the residents;
- Through the PR-State Agencies components and the local governments, the PR-PHA will coordinate public services actions to address the basic and essential needs of the population and communities. Among the initiatives toward this objective is the *Servi Movil* concept. This concept seeks to bring the basic and essential public services programs to the housing complex. This includes the development of health fairs, job fairs, universities fairs, recreational and sports fairs, among the other governmental services;
- The PR-PHA will continue undertaking extraordinary improvements actions in public housing projects to improve the physical conditions of the projects and the housing units. In particular, the new State Government will give emphasis to the rehabilitation and modernization of the Elderly Public Housing Projects.

ODSEC took on the additional role of certifying the Consistency of the PRPHA Agency Plan with the State Consolidated Plan. ODSEC will benefit from reviewing the PRPHA Plan by obtaining information on PHA waiting lists. The data will assist ODSEC in both its future site and market studies and in future program

planning.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

The State public housing strategy includes policies to promote social and economic self-sufficiency among the housing complexes residents. A key element within this strategy is achieve resident engagement and community leadership within the housing projects. Through the engagement of the residents, the PR-PHA and the Private Administrators Firm will be able to understand the residents views of their community, particularly the community needs and assets and how the residents view that socio-economic improvements can be achieved.

As previously stated, during the course of the PY 2018, the PR-PHA will undertake the *Tenant Participation Fund Program and the Servi Movil* initiative as part of the commitment that the State Government has with the public housing communities to improve their living conditions and engage them in the development of the management activities of their complexes and communities.

As per the participation of homeownership actions, the PR-PHA will promote *Casa Mía*, a new concept to promote homeownership within the low and moderate families in Puerto Rico. This housing initiative will engage the participation of the non-profit sector the mortgage business sector, among other components, to assure the acquisition and occupation of housing units by low income persons and/or families.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

As of June 30, 2016, the PR-PHA performance was standard under the HUD-Public Housing standards. Although no problems are in sight that can cause a decrease in the level of performance of the Agency, if needed the State Government Consolidated Plan Agencies will be available to provide technical assistance, management and financial consultant activities, programmatic and operational advice and capacity building actions, toward the Agency managerial and performance improvement.

#### **Discussion:**

The State Public Housing strategy is a key element among the PR State Government housing and community development policy. The main responsibility of the public housing initiative falls under the PR-PHA, a subsidiary agency of the State Housing Department, one of the main components of the PR-State Consolidated Plan Institutional Structure.

Under the new State Government vision and the economic hardship and constraints affecting the overall economic system, the alignment and maximization in the use of available resources for common and unified strategies plays an important role in the Housing and Consolidated Plan Strategies and

## Initiatives.

As a special need population group, the State Government through the PR Department of Housing will be responsible to develop strategic actions to address a number of interrelated community challenges in the areas of education, health, human services, affordable housing job training and creation and other public service offerings. Only with the commitment of promoting the alignment of resources and the maximization of its use, the strategy could achieve positive changes among the public housing communities and improve the living conditions of their residents.

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

The PR-State strategy behind the homeless initiative is from a network perspective in which collaboration, integration and partnerships will continue to be fostered to implement activities to prevent, reduce and end homelessness. This collaborative effort will also have the intention of streamlining the funding sources within the partnered organizations in order to promote a more effective utilization of the community wide available resources to address the needs of the individuals and families experiencing homelessness.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

According to the Point in Time Census (PIT) 2017 there are 3,501 homeless persons in Puerto Rico; seventy three (73%) are unsheltered and thirty one (31%) are considered chronic homeless. Seventy six (76%) of the homeless population are men while twenty four (24%) are women. Homeless individuals are mainly located at the Municipalities of San Juan, Ponce, Arecibo, Caguas, Mayaguez, Guayama, Bayamón, Vega Baja, Guaynabo, Humacao and Aguadilla. Based on the data the State Department of Family, PR Government ESG Grantee, will continue supporting outreach, engagement, intake and initial assessment services to unsheltered persons activities that local governments and nonprofit organizations undertake during the PY 2018. The financial support of these organizations will be provided through the allocation of the ESG Program funding.

Through this component, the Department will support the provision of essential services necessary to reach out to unsheltered homeless individuals; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

Among the eligible activities that the Department will support are the following activities: engagement; case management; emergency and mental services; transportation services; housing search and placement, housing stability and case management and services for special needs populations. To enforce in our subrecipients the need to reduce the number of homeless individuals and families the ESG program established in its standards that street outreach activities must include the case management component to assure that services focus not only on satisfying the basic needs, but also stabilizing physically and emotionally the individuals and placing in some type of housing modality. Also, Street Outreach Projects must provide outreach services at least three times a week and services will be provided based on the client's needs. The DF is very committed to increase the number of persons

served under this category and to reduce the time that homeless individuals are on the streets.

The ESG program will continue supporting innovative special projects targeted to provide outreach services for chronic homeless and emergency shelters in Municipalities of high demand. Currently, the ESG program has within its outreach's subrecipients two mobile units that provides direct services for the homeless population in San Juan (26%) and Bayamón (4%), two of the first-ten Municipalities with more homeless individuals.

Finally, the Department of Family will continue supporting low barriers emergency shelters, particularly only projects with 80% or more of bed utilization rate, will be considered to renew their proposals. It is expected that subrecipients works towards to removing administrative, institutional and programmatic barriers that limit access to emergency shelters. As well, the Department continues encouraging its subrecipients, the inclusion of permanent housing as a goal in the services plans since the first day a homeless person enters a shelter.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The Consolidated Plan strategies for the State Department of Family homeless protocol are set forth by the Puerto Rico Law Number 130. As is established in Article 4 of the Law, "the Government of Puerto Rico recognizes the need to foster, plan, and carry out services and facilities to attend the needs of these persons, to enable their participation in the Puerto Rican community and allow them to lead a productive and social life. Services must be offered in a integrated manner, promoting the vision of a continuum of care system that guarantees the uninterrupted offering of services and housing, sharing responsibilities for such an important matter among the various sectors".

As part of this responsibility, the Department supports the operation of Emergency Shelter facilities throughout the Island. These types of facilities provide a safe and decent alternative to the streets for a determined period of time for a family or individual who is homeless, in addition to providing access to case management, health care assessment and referral services. This emergency placement includes meals, sleeping arrangements, and access to phone and mail services. Before the conclusion of the period of time limitation, each family or individual will have completed an assessment to determine self-sufficiency goals and housing needs. A family can then be referred to transitional housing, move to permanent supportive housing, or move into other low-income housing. Each client agrees to the conditions of stay within the facility and agrees to work on a case plan designed to make self-sufficiency possible.

According to PIT 2017 only twenty seven (27%) of the homeless are sheltered. To increase the number of persons who are placed in emergency shelters, this PY2018 the Department of the Family will support low barriers emergency shelters. It has been established in the ESG standards that emergency shelters admission's procedures have to reflect a housing first approach. Also, the DF will support emergency shelters with eighty (80%) average rate utilization bed occupancy. ESG's subrecipients will continue to be provided with plenty technical assistance to reduce the time of individuals in emergency shelters.

Individual planning services are also set as requirements in the ESG standards and should focus placing individuals in some type of housing before ninety (90) days.

Funding for emergency shelters comes mainly from the State's ESG program. These funds also are made available through the RFP process previously described. Funds may be used for renovation of emergency shelter facilities and the operation of those facilities, as well as supportive services for the residents, which could include Case Management, Child Care, Education, Employment Assistance and Job Training Activities, Legal, Mental Health, Substance Abuse Treatment, Transportation, and Services for Special Populations.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The 24 CFR Section 576.104 of the ESG Program regulations includes the dispositions regarding the Rapid Re-housing Assistance Component of the program. According to the Puerto Rico's Point in Time Census (PIT) 2017 there are 3,501 homeless persons; (73%) are unsheltered and (31%) are considered chronic homeless. Some of the reasons for becoming homeless are substance abuse (31%), family problems (23%), economic hardships (15%), alcohol abuse (6%), mental health conditions (6%), unemployment (5%), domestic violence (3%), housing eviction (2%), exiting from jail (.6%), and housing fire (.5%). Projects targeted to work with special populations such as alcohol and substance abuse, mental health and domestic violence matters are set as priority projects for allocating funds. Also, based on the PIT 2017 data, sixty (60%) of the total ESG grant is distributed to provide outreach and emergency shelters activities. Individuals and families facing housing evictions and economic hardships are targeted through prevention and rapid re-housing activities. These funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. The rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization services requirements, the short- and medium-term rental assistance requirements and the written standards and procedures established under the program regulations.

All ESG funds allocated for this component will be available to nonprofit organizations and municipalities through an extraordinary RFP process. As part of the administration of the ESG Program for PY2018 the Department will undertake these new eligibility criteria as part of the administration of the ESG Program during the PY 2017.

The Current Homelessness Strategy to end chronic homelessness in Puerto Rico includes strategies directed towards persons who are currently homeless, as well as that in risk of becoming homeless. These include:

- Expansion of stakeholders involved in collaborative planning and service development within targeted areas with high prevalence of chronic homeless persons, in full compliance with PR Law 130-2007.
- Efforts to implement existing, and obtain new, commitments from Mayors to participate in 10-year planning processes to end chronic homeless
- Development and implementation of specific action steps with state and municipal governments that have established the elimination of chronic homelessness as a priority, such as supportive housing development, providing homeless family's public housing in municipalities that administer their own public housing projects, providing vouchers for permanent housing in those municipalities that administer voucher programs, coordinating supportive services to promote retention in permanent and supportive housing, including the development of mini-enterprises for homeless self-employment, etc.
- Implementation of specific action steps to improve access to services, reduce stigma and combat the criminalization of homelessness, based on the awareness that has been developed in policy and decision-makers, resulting in policy changes to reduce the time for elimination of criminal records, give priority to homeless populations applying for mainstream services, and others.
- Education and advocacy to increase the number of public and private funding sources for housing and supportive services for chronic homeless, emphasizing those with SA/MH conditions.
- Increased capacity building of municipal government representatives to partner with community-based organizations in the development, financing and delivery of services to chronic homeless.
- Emphasis on continuing education to professionals working with homeless individuals to improve sensitivity and humane treatment as well as the level of intensity and quality of services needed by the chronic homeless to achieve their recovery and promote self-sufficiency over time, including the inclusion of curricular content related to homelessness in pre-service training of Police Cadets and in courses of public and private high schools.
- Continue with the implementation of the HMIS - currently under San Juan's Coalition and the Coalition of Coalitions.
- Collaborate with the San Juan's Coalition, the Coalition of Coalitions, and the entities that comprise the CoC in order to strengthen homelessness data gathering processes, and the consistency of information provided by organizations.
- Identification and work with public and private housing developers to target homeless in the development of permanent supportive housing to improve housing accessibility and service infrastructures for the chronic homeless.
- Provision of Rapid Rehousing assistance

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Puerto Rico's Point in Time Census (PIT) 2017 shows that there are 3,501 homeless persons; 73% are unsheltered and 31% are considered chronic homeless. Some of the reasons for becoming homeless are substance abuse (31%), family problems (23%), economic hardships (15%), alcohol abuse (6%), mental health conditions (6%), unemployment (5%), domestic violence (3%), housing eviction (2%), exiting from jail (.6%), and housing fire (.5%). It is essential to support prevention activities to avoid individuals becoming homeless.

The State is committed to provide the necessary assistance to prevent individuals and families to become homeless. Under this component, ESG Program funds are used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place not meant for human habitation. This assistance may be provided to individuals and families who meet the criteria under the "at risk of homelessness" definition and have an annual income below 30 percent of median family income for the area, as determined by HUD. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing relocation and stabilization services requirements, the short-term and medium-term rental assistance requirements and the written standards and procedures established by the program regulations.

This FY2018 the DF will continue supporting Rapid Re-Housing and Prevention activities, particularly providing case management, housing placement and stabilization services for individuals and families affected by the Hurricanes Irma and María, for special projects targeted to the mental health populations and for any other unmet need identified by PRDF. Individuals and families facing housing evictions and economic hardships will also be attended through these activities.

The Department of the Family will continue the alliance with the "*Administración de Servicios de Salud Mental y contra la Adicción*" (ASSMCA) and non- profits to provide homeless with mental health conditions with permanent housing through prevention and rapid re-housing assistance. Currently, the Department of the Family has a Memorandum of Agreement in place with ASSMCA to provide prevention and rapid re-housing assistance to homeless who are either exiting mental health institutions or are literally homeless. In those cases, de DF provides the rental assistance and case management while ASSMCA provides the mental health service to the individuals. The DF will also continue supporting

innovative outreach such as mobile units used as an emergency shelters.

## **Discussion**

The provision of housing and supportive services to the homeless population is one of the main goals among the housing and community development strategies of the PR-State Government during this consolidated period. In leading this effort, the PR Department of Family administers the ESG Program allocation, which is used to make grants to Municipalities and Nonprofit Organizations for the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for the homeless, and for homelessness prevention and rapid re-housing assistance. Through this initiative, the Department leads the role toward the goal of ending homelessness in the State jurisdiction.

**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	75
Tenant-based rental assistance	115
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	100
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	500
<b>Total</b>	<b>790</b>

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction:**

The enactment of public statutes, ordinances, regulations, administrative procedures and/or processes could have a negative effect in the cost to produce and/or maintain an affordable housing stock in the local market. In its continuously public responsibility, the State must deal with taking actions to ameliorate the effects that existing policies could have in promoting affordable housing initiatives.

Among the common policies that have an effect as a barrier to affordable housing in the local housing market, we can describe land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. Under the current Government structure, some of these policies are enacted at the local government level. Therefore, the State Government must deal with some jurisdictional level establishment in order to take care of the possible limitations that such policies represent to the affordable housing markets.

As previously stated in this plan, the State Government is currently putting in place a new public policy vision with the objective of promoting the sustainable development of Puerto Rico and addressing the deep economic and financial recession that had stall the Island economic development for the last decade. The *Plan para Puerto Rico* includes a series of strategies and initiative that promotes a change of vision in the form of managing the public sector and in the way the State Government conducts its public business.

Through the described plan, the State Government proposes to take actions that leads to the economic development of the Island in all business sectors including the housing markets. In this section, the ODSEC will present which of the proposed public policies address the needs of ameliorating the effect that enacted public policies have in the affordable housing market in Puerto Rico.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

Many of the common policies that have a direct effect in the production and development of affordable housing units are related with permits process and land use planning process. To address most of the practices that are considered barriers for the production and development of affordable housing units, the Government vision must be from a planning and land use management context.

It is well known that, in Puerto Rico, the permits process is one of the multiple reasons for the economic stagnation experienced by the Island. A very high deficient and ineffective permits process, has contributed to the general economic recession experienced by the Puerto Rico industrial sector for the last decade. To address the policies that are considered barriers for affordable housing actions, the new

public policy of the PR State Government is proposing the establishment of a Single Point Permits Office, that will have the responsibility of streamlining the permits process and create a friendly and effective mechanism that assist in improving the business environment in the Island, including the business model for housing development actions.

Other factor that the State Government will be addressing through the new government vision is the land use policies. Through the creation and implementation of a Strategic Planning Program, the State Government will be creating medium and long period plans relating to the land space ordainment within the Island. The State Land Use Plan will be revised to align it to the Municipalities Local Land Use and Ordainment Plans. This initiative will have the effect of eliminating existing confronting policies for land use and will promote flexibility in the establishment of polices concerning the use of the land and the promotion of project development throughout the Island, including housing related activities.

In addition, the State Government policy is promoting the establishment of affordable housing policies to benefit low income and special needs population groups. Among the proposed policies is the *Casa Mía* initiative that promote the establishment of an incentive program to facilitate the acquisition of an existing housing unit to low income worker's families, the *Nuevo Comienzo* initiative that proposed the provision of rent subsidies to women who are victims of domestic and gender violence actions and the *Egida del Siglo 21* initiative, an activity proposing the rehabilitation and modernization of elders housing projects.

The first two (2) of the described affordable housing initiative will also have the effect of promoting the acquisition and occupation of existing housing units that currently are vacant and available within the housing market in Puerto Rico. The vacancy of housing units has been arising in the last years due to the significantly migration wave that the Island has been experiencing. With initiative like the described, the State Government purpose of stabilizing communities that have suffered from significantly vacancy in their housing units and will limit the probability of abandonment of the communities housing stock.

### **Discussion:**

To tackle and ameliorate the effect of the actions that commonly are considered barriers for the development and establishment of affordable housing actions, the PR State Government is proposing pro-active initiatives that will foster activities to provide housing units to low income and special needs population groups. These actions consider planning and permits policies that will facilitate the undertaking of activities directed to address the housing needs of the economically disadvantaged individuals, as well as the creation of new initiatives toward the provision of incentives for acquisition, lease and/or rehabilitation purposes by low income worker families and/or special needs population groups.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

In this Section of the Annual Action Plan for PY 2018, the ODSEC will include a description of the actions that the PR-State government it will undertake to foster and maintain a stable affordable housing stock; to reduce the risk of exposure to lead based paint hazards; to reduce the number of poverty-level families; to develop the institutional structure and to enhance coordination between public and private housing and social service agencies.

### **Actions planned to address obstacles to meeting underserved needs**

As part of the State Government vision, the Consolidated Plan Agencies will be providing economic assistance and incentives to address the housing and socioeconomic needs of the underserved population groups. Under Puerto Rico current economic scenario, the lack of resources among the low income and underserved population is the main reason to obstacle the socioeconomic stability of these groups within the general society.

The particular actions that will be taken by the Agencies are:

- The State Department of Housing will be responsible to provide rent financial assistance to eligible low income families and/or individuals and rent assistance and the creation of economic development actions within the public housing projects to improve the economic and living conditions of this segment;
- The PRHFA will provide homeownership assistance to low income persons interested to acquire an affordable housing units;
- The ODSEC will make available CDBG funds for housing rehabilitation actions of low income owner occupied units within the Non-Entitlement municipalities of the Island. This action will promote improve the physical conditions of the low-income housing stock in the Municipalities;
- The State Department of Health, through the Municipality of San Juan Housing and Community Development Department, will promote tenant based rent assistance activities for HIV/AIDS individuals and their families. In addition, transitional housing and supportive services will be made available for HIV/AIDS homeless individuals reach out by Nonprofit Organizations providing housing and supportive services to this population.
- The State Department of Family will make available ESG funds for the provision of housing activities services for homeless individuals and/or at risk homelessness individuals. These assistances will be provided through Nonprofit Organizations and municipalities around the Island. In addition, the Department will strongly support the efforts of the Homeless Continuum of Care Coalitions operating within the Island jurisdiction and that are responsible to request and distribute Continuum of Care funding to address the basic and immediate needs of the

homeless population in Puerto Rico.

Additional efforts, from administrative and planning management actions, will be taken in order to improve the permits process and land use policies that will allow the promotion of actions to facilitate affordable housing initiative around the Island.

The Commonwealth is also taking tax measures to support affordable housing programs. For example, in 2014 the Commonwealth imposed a 2% special tax on Money Transmitting Business on money transmission processed or completed electronically or by check, fund Law 173 “Housing Rental and Improvement Subsidy Program for Low-Income Elderly Persons”.

Regarding CDBG, some of the most urgent needs of non-entitlement communities are infrastructure, housing rehabilitation and economic development. To expedite funding allocation and expenditure, the Commonwealth of Puerto Rico assigned by Law an equal amount of CDBG funds to non-entitlement municipalities, except for Vieques and Culebra that are granted 15% in additional funding. Based on their local knowledge, these units of local government decide the activities they want to support. ODSEC’s new policy is also a strategy to shift scarce municipal human and administrative resources from proposal writing activities to program implementation and compliance. Moreover, this action will allow ODSEC personnel to dedicate more time to technical assistance and oversight activities.

### **Actions planned to foster and maintain affordable housing**

As previously stated the provision of economic assistance to rehabilitate, acquisition and rent affordable housing units is the main action that the PR State Consolidated Plan Agencies will be undertaken to foster and maintain a healthy and stable affordable housing stock within the local housing market.

In addition, pro-active actions leading to promote the re-use and re-occupation of existing vacant housing units within the low-income communities of Puerto Rico, will promote the expansion of the low-income housing stock, will promote re-population actions in communities that has suffered of a high level of migration and will avoid the deterioration and abandonment of communities creating a public safety and health problems within the Municipalities.

The State Government is also proposing actions toward supporting the creation of housing activities under a cooperative business model. As part of the support that the new public policy will provide to the Puerto Rico Cooperative Movement, housing projects will be supported as part of this government economic development vision.

The main action of the Commonwealth is the use of a mechanism of a Unified NOFA. This strategy seeks leveraging expertise with funds and resources available for housing and community development from different programs to support the policies of the State Housing Plan.

The state will use HOME and HTF funds particularly through homebuyer assistance programs and single

family rehab to foster and maintain affordable housing. Moreover, the state plans to use HOME funds to leverage other state projects which will increase the affordable housing inventory. The use of HOME resale and recapture provisions will support the affordability of such projects in the long-run.

Additionally CDGB housing activities (Rehab, CDBG-DR Affordable rental housing, NSP) will serve to maintain the affordable housing stock in Puerto Rico.

### **Actions planned to reduce lead-based paint hazards**

The PRHFA have a pro-active approach to reduce lead-based- paint hazards in residential projects across the Island, such as:

1. Professional assessment for deteriorated paint in units built before 1978
2. Initial and annual HQS inspections
3. Disclose information among residents of lead-based paint hazards
4. Stabilization, removal and disposal of dangerous materialThe State HOME Program has contracted companies to provide technical assistance for the evaluations, visual assessment, HQS inspections and paint testing (when necessary) for the housing units that will be rehabilitated with HOME funds in order to comply with lead-based paint requirements and other applicable federal environmental laws and regulations.

Housing providers funded through HUD provide decent, safe, and sanitary housing to their residents. Part of this responsibility is to protect these residents, particularly children under age six, from the health risks of lead-based paint. Public Housing Authorities (PHAs) and landlords protect these families by complying with HUD's lead-based paint regulations.

With respect to the Housing Choice Voucher Program (HCVP), the Lead Safe Housing Rule (LSHR) applies only to units constructed prior to 1978 occupied (or intended to be occupied) by a child under age six, the common areas servicing those units and exterior painted surfaces associated with those units and common areas. The Lead Disclosure Rule (LDR) applies to disclosure of lead-based paint and lead-based paint hazards in most housing constructed prior to 1978 ("target housing") at sale or lease, whether or not they are or will be occupied by a child, and whether it is federally assisted or not.

Target Housing is generally, housing constructed before 1978. Housing for the elderly, and housing for persons with disabilities, are not target housing, unless a child under 6 years old resides or is expected to reside in that housing, in which case, the housing is target housing. All zero-bedroom dwellings are not target housing. In jurisdictions which banned the sale or use of lead-based paint before 1978, HUD may use an earlier date for determining target housing. Refer to Lead Compliance Toolkit, Housing

Choice Voucher Program, HUD's Lead-Based Paint Regulations (24 CFR Part 35).

### **Actions planned to reduce the number of poverty-level families**

In order to reduce the number of poverty-level families the PR-State Government will coordinate the following effort:

- Continue to create training and workforce development opportunities through the investment of funds of the Workforce Innovation and Opportunities Act (WIOA) Program. This funds are committed to assist low income individuals in acquiring the technical knowledge and developing the work skills needed to effectively transitioning to the job market;
- Continue to support the Universities and Technical College community in providing educational opportunities to low and moderate income students with the objective of improving their academic skills and achieved to be hire in the local and/or regional job market;
- Provide financial housing subsidies to low and moderate income households in order to alleviate the cost burden effect that housing has in the economic status of the families;
- Continue to support private investment in the development of affordable housing projects;
- Continue to provide Tenant Based Rent Assistance to HIV/AIDS individuals and family members;
- Continue to invest Section 8 funds in assisting eligible households in their rental needs;
- Promote the creation of Public-Private Alliances, as a business model to promote economic development activities, to create and maintain jobs opportunities and expand the business activities base around the Island;
- Support the active participation of the Cooperatives Sector within strategic regional projects as a tool to create job opportunities, promote local investment and promote an increase in the regional business activities throughout the Island.

### **Actions planned to develop institutional structure**

During the preparation of the Consolidated Plan the ODSEC, as Lead Agency, envisioned to carry out the designed housing, community, economic development, homeless and special population strategy from an inclusive and collaborative point of view through the Consolidated Stakeholders network. Using the leading role of the ODSEC, the PR State Government will continue to encourage the active participation of these entities in order to meet the needs of the very low to moderate income persons and their communities.

Strategic meetings, working meetings, oversight activities, among other follow-up activities, will be undertake in order to continue strengthen and developing strategic and accountable partnerships among the Institutional Structure of the housing and community development activities within the State Government structure.

### **Actions planned to enhance coordination between public and private housing and social**

## **service agencies**

During the preparation of the Consolidated Plan the ODSEC, as Lead Agency, envisioned to carry out the designed housing, community, economic development, homeless and special population strategy from an inclusive and collaborative point of view through the Consolidated Stakeholders network. Using the leading role of the ODSEC, the PR State Government will continue to encourage the active participation of these entities in order to meet the needs of the very low to moderate income persons and their communities.

Strategic meetings, working meetings, oversight activities, among other follow-up activities, will be undertake in order to continue strengthen and developing strategic and accountable partnerships among the Institutional Structure of the housing and community development activities within the State Government structure.

### **Discussion:**

The PR-State Government will continue to use CPD funds to achieve the goals and objectives of the Consolidated Plan. In achieving these goals and objectives, the State will integrate to the CPD allocated funds, additional public funding streams and will leverage communitywide available funding to maximize the resources toward the provision of services to the most in need population groups.

The maximization in the use of available funding within the community, will require the development of strategic and accountable partnerships with all Consolidated Plan Community Stakeholders as part of the institutional structure created toward delivering the basic and essential public services to address the needs of the low-income population segments.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction:

Section 104(j) of the Act and Federal Register Vol. 77 No. 78, April 23rd, 2012 (Final rule) excludes from the definition of Program Income an amount of \$35,000 per year or less. Therefore, in compliance with federal laws and regulations, ODSEC does not require non-entitlement municipalities to return income up to \$35,000 provided that such revenue is counted as miscellaneous revenue. Nonetheless, ODSEC must be informed through quarterly financial reports issued to the agency of the nature and disposition of all revenues collected by the municipality, in order to determine compliance with the Program Income Rule.

Instructions regarding the reporting and expenditure of program income are posted at: <http://www.odsec.pr.gov>. The municipalities are required to send their program income estimates and reports through e-mail, fax, or PROFE.

Currently ODSEC does not hold CDBG funds of program income. It does not expect to receive any program income above the threshold in the following year.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	300,000
---	---------

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

70.00%

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.320(k)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

In compliance with 24 CFR 92.205 (b) (1), the **PRHFA** will use other forms of investment allowed by the pertaining **HOME** Program regulation, when appropriate. Other forms of investment include, but are not limited to, the award of a grant to provide incentives or a direct loan to develop and support affordable rental housing and Homeownership affordability through the acquisition (including assistance to Homebuyers), new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations.

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

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

**Resale and Recapture Provisions**

The **HOME** Program will ensure that **HOME** rules regarding affordability will be observed, as stipulated at 24 CFR 92.254 for Homeownership. The assisted properties will meet affordable housing requirements. Thus, properties will provide modest housing, be acquired by a low-income family as its principal residence and meet affordability requirements for a specific period of time. Affordability restrictions for both Resale and Recapture provisions, as discussed below, will be included in the written agreements executed by the homebuyer and the PRHFA and will be enforced via deed restrictions separately recorded, and a soft second mortgage over the property.

The PRHFA will use both Resale and Recapture provisions. Resale provisions will only be used in cases in which HOME assistance has been awarded as development subsidy and will not be used to

reduce the purchase price of the unit and in cases in which the permanent and primary financing for the acquisition would be affected due to the lender's policies regarding the treatment of the Recapture provisions. It has been the PRHFA's experience that certain institutions equate subsidies awarded in lieu of Recapture provisions as payable loans and therefore must be considered when calculating the property's Loans to Value Ratio. Under these circumstances and when the Loans to Value Ratio exceeds the ratio authorized under the primary lender's policies, the developer or CHDO may request the sale of the HOME assisted unit under the Resale provisions. In any such case the developer or CHDO must seek the PRHFA's prior written approval before selling the unit using Resale provisions.

Recapture provisions will not be used when a project receives only a development subsidy and is sold at fair market value, instead, resale provisions will be used.

Adequate controls are in place, particularly as revised deed restrictions and periodic inspections, to enforce **HOME** resale or recapture provisions. The abovementioned provisions and restrictions will also apply to CHDO's in the same manner. The PRHFA will determine which type of provision to use with CHDO's. Such determination will be included in the written agreement with the CHDO's.

**See Recapture Provisions Below:**

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The Resale or Recapture Guidelines that assures the affordability of units acquired with HOME funds are included below.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HOME Program funds will not be used to refinance existing debts.

**Emergency Solutions Grant (ESG)  
Reference 91.320(k)(3)**

- 1. Include written standards for providing ESG assistance (may include as attachment)**

The ESG standards are included on the Appendix Section of this plan.

- 2. If the Continuum of Care has established centralized or coordinated assessment system**

**that meets HUD requirements, describe that centralized or coordinated assessment system.**

Both PRCoC-502 and PRCoC-503 have established a Coordinated Entry System.

The PRCoC-502 Coordinated Entry System named Derecho a Techo is in the first phase of implementation. The use a comprehensive coordination of the services available through the CoCPR502 community and other leaders within the geographic area including 24 Municipalities. Through their outreach program they identify the most vulnerable homeless individuals and offers services conducive to obtaining housing. The CE is a hybrid since it has an easy access office from 8:00 a.m. to 8:00 p.m. Mondays through Fridays, a toll-free number, a mobile case management office and three access point partners. During the second phase and additional two more access points will participate in order to insure the entire geographic area is covered. Participants' needs are prioritized considering crisis situations and conditions such as chronic homelessness, domestic violence, mental illness and substance abuse, resulting in a better match of services. Individuals are evaluated with a standardized intake assessment form in order to ensure equal access and confirm the immediate needs of the individual.

The PRCoC-503 Coordinated Entry System (CES) named "Sistema Coordinado de Acceso" is also in the first phase of implementation. The CES uses a comprehensive coordination of the services available through the CoCPR-503 community, network of homeless and mainstream housing and supportive service providers and other leaders within the geographic area, including of 54 municipalities. By implementing a comprehensive "Housing First-Assertive Community Treatment Intervention", which includes outreach workers, community advocates, housing navigators, a community "Alternative Integrated Clinic" with primary, behavioral and substance abuse services, and case management. The CES identify the most vulnerable homeless individuals and offers services conducive to obtaining housing. The CES operates an emergency hotline available 24 hours a day 7 days a week, case management office and two access points located in Caguas and Ponce. Participants' needs are prioritized considering their level of prioritization based on chronicity and urgency, crisis situations and conditions such as chronic homelessness, domestic violence, mental illness and substance abuse, resulting in a better match of services and housing options. Individuals are evaluated with a standardized intake assessment form in order to ensure equal access and confirm the immediate needs of the individual.

**3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).**

Please refer to Section AP-30, *Method of Distribution*, of this Plan for a complete description of how ESG Program funds are distributed among eligible Entities.

**4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

The State Department of Family complies with 24 CFR Section 576.405 requirements. The required homeless representation is met through the following actions:

Homeless population is represented in different entities:

- Multisectoral Council: Under Law 130: 2 homeless
- The PR-502 three chairs on the board for representatives of homelessness.
- PR-503 CoC have two chairs at least two (2) representatives of the homeless population, who are or have experienced homelessness.

**5. Describe performance standards for evaluating ESG.**

The performance standards of the program, will evolve over the next few years as the ESG Rule is fully implemented and as ESG sub-grantees improve their program outcomes through the evaluation of HMIS data and through integration of ESG services into their local Continuum of Care.

# Appendix

## Appendix 1-ESG Leverage

## APPENDIX 1- LEVERAGE FUNDING

The following funds will be available during PY 2018 to support the ESG activities:

**OTHER FEDERAL AND STATE RESOURCES (FY-2018)\***

PROGRAM	FEDERAL	STATE	TOTAL	DESCRIPTION
Continuum of Care of Puerto Rico (CoC-502)	\$414,094.00		\$414,094.00	Planning Funds for supervising, administrating and monitoring projects within the 24 Municipalities of the CoC-502 area and to monitoring performance of ESG subrecipients.
Nutritional Assistance Program (PAN Spanish Eponymous)				Provides supplemental income to families in need in order to address their nutritional needs.
Temporary Assistance to Needy Families (TANF)				Provides economic assistance to none and low-income persons and families to help them fulfill basics needs.
Social and Economic Rehabilitation of the Family (PRES, Spanish Eponymous)				Helps poor families become self-sufficient. Provides care and protection to children for their constructive development. Also, provide support to individuals and families who offer social work services and intervention in child adoption, abuse, domestic violence and care and protect the elderly and the disabled. Furthermore, to work in community development, emphasizing prevention.
Child Support	19,543.00	10,333.00	29,876.00	To ensure that the father and mother provide alimony to their child.
Elderly Support	0	499	499.00	Ensures that people aged 60 years or more that are in need of sustenance or livelihood obtain alimony from their legally responsible direct descendants. Establishes alimony orders by the administrative procedures of mediation or court proceedings. Locates descendants whose whereabouts are unknown and require them to comply with their obligation to provide sustenance to their relatives
Child Care				To assist low- income families with child care in order to: 1. Promotes parental choices that empower working parents to make their own decisions on the type of child care that best suits their needs; 2. Provides consumer education information to help parents make informed choices about child care;

PROGRAM	FEDERAL	STATE	TOTAL	DESCRIPTION
				3. Provides child care to parents trying to achieve independence from public assistance.
Head Start				Head Start and Early Head Start are comprehensive child development programs that serve children from birth to age 5, as well as pregnant women and their families. They are child-focused programs that aim to improve school readiness of young children in low-income families.
Disability Determination	13,000,000.00			Determines the eligibility of handicapped persons who request Social Security benefits.

**OTHER STATE RESOURCES**

PROGRAM	AMOUNT	DESCRIPTION
Legislative Award	\$302,000.00	To delegate funds to two nonprofit organizations that provides services to needy persons, families, and the homeless; as well as protection to abused children, the elderly and disabled people.

**Appendix 2- Method of Distribution CDBG, ESG, HOME, HOPWA and  
HTF**

## **AP-30 Distribution Methods**

**Distribution Methods by State Program  
(CDBG, ESG, HOME, HTF and HOPWA)**

## CDBG PROGRAM

### 1. DESCRIBE THE STATE PROGRAM (CDBG) ADDRESSED BY THE METHOD OF DISTRIBUTION.

The State CDBG allocation for PY 2018 amounts to \$24,363,783. This program provides funding for housing, community, and economic development, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico.

The allocation for non-entitlement municipalities will be equally distributed among the municipalities, with the exception of the islands of Vieques and Culebra, which both will receive an additional 15% above the Equal Allocation Grant. This method follows the distribution established via the enactment of local Law 137-2014, as amended. The following is the proposed allocation:

<i>Allocation for 49 Municipalities</i>	
Administration	\$ 77,300.00
Public Service	\$ 68,206.00
Other Eligible Project (Housing, Community Development, Economic Development, Etc.)	\$ 309,200.21
TOTAL	\$ 454,706.21

<i>Vieques and Culebra</i>	
Administration	\$ 89,443
Public Service	\$ 78,920
Other Eligible Project (Housing, Community Development, Economic Development, Etc.)	\$ 357,770
TOTAL	\$ 526,133

<i>Municipalities</i>	
Emergency Fund	\$300,000

<i>ODSEC</i>	
Administration	\$730,913

As of now, the municipalities will continue to define the specific activities for such funds. Therefore, the ultimate allocation of CDBG funds will be made by non-entitlement municipalities themselves as long as they complete their own citizen and consultation process and comply with federal, state and ODSEC's regulations. Moreover, for the purposes of determining eligibility of each activity, the State CDBG rules and requirements should be observed in full compliance.

ODSEC will evaluate the proposed activities on each proposal on a case-by-case basis. In determining a final amount, ODSEC reserves the right to adjust requested funds, based on review of compliance with the following requirements:

1. Compliance with the State CDBG requirements (Fair Housing and Citizen Participation);
2. Compliance with the College of Engineers and Land Surveyors of Puerto Rico Guidelines, including the project breakdown detailing: cost of material, labor, equipment, insurance, administrative overhead, and other costs related to the project in order to determine reasonable project cost;
3. Inadequate or incomplete description of activities to be developed;
4. Past performance of the non-entitled municipality; and,
5. Timely expenditure of funds.

#### Past Performance and Allocation of funds

The allocation of funds will be subjected to an evaluation of past performances of the Municipalities. Local Law 137-2014 authorize ODSEC to recapture or cancel the CDBG allocation if the Municipality failed to comply with a Federal or State regulation applicable to the program.

#### Conditions for Cancellation of 2018-2019 funds

The allocation for PY 2018-2019 can be cancelled, if any, of the following noncompliance conditions are identified:

1. The Municipality has open activities for program year 2012 and earlier.
  - If the stalled project is not completed no later than six (6) months after HUD's approval of the Action Plan 2018-19, Completed means that 100% of the funds were disbursed; and,
  - If the Municipality reprogramed the funds to a new project, the new created project needs to be completed no later than six (6) months after HUD's approval of the Action Plan 2018-19 (100% of the funds disbursed).
2. Timeliness is more than three (3) times the grant for its current program year;
  - ODSEC will evaluate if the amount of undisbursed CDBG funds (Cut-off Date June 30, 2018) of the non-entitlement municipality is more than three (3) times the 2017 program year grant amount. If the timeliness level is above three times the last allocation of Program Year 2017-2018, the Municipality will not receive the 2018-2019 Allocation;

- The Municipality will have six (6) months after HUD's approval date of the Action Plan 2018-19 to improve its disbursement level to below 3 times the grant amount for the last program year.
3. Fail to comply with the condition(s) required for the closeout of the NSP grant including the sale (or rental) of the housing units developed with NSP funds;
    - By June 30, 2018 the Municipality needs to sell all the units acquired and rehabilitated with NSP Funds; or,
    - By June 30, 2018 the Municipality needs to complete any public facility developed with NSP Funds, unless the lack of performance has resulted from factors beyond the municipality's reasonable control and the project can be completed by project closeout date; and,
    - The Municipality will have until September 30, 2018 to sell or rent the housing units acquired and rehabilitated with NSP Funds.
  4. Fail to comply with the condition required for the closeout of Disaster Recovery 2008;
    - All the periodic reports have been submitted;
    - All monitoring findings have been addressed;
    - To comply with the performance standard the Municipality will have six (6) months after HUD's approval date of the Action Plan 2018-19 to:
      - Submit all pending reports
      - Close all pending findings
  5. Open findings of the Section 108 program (monitoring) or owed funds due to annual payments not reimbursed to ODSEC.
    - a. The Municipality must reimburse ODSEC the amount owed no later than six (6) months after HUD's approval date of the Action Plan 2018-19; or,
    - b. Positively addressed, in full compliance, all monitoring findings no later than six (6) months after HUD's approval date of the Action Plan 2018-19.
  6. If a Municipality owes funds to ODSEC due to noncompliance with the CDBG regulations and/or have received a letter requiring the reimbursement of funds, the following will apply:
    - The Municipality will have to reimburse the amount owed to ODSEC no later than six (6) months after HUD's approval date of the Action Plan 2018-19. The reimbursement must be with non-federal funds.
    - The Municipality and ODSEC will have to execute a repayment agreement no later than six (6) months after HUD's approval date of the Action Plan 2018-19.

Municipalities will have six (6) months after HUD's approval date of the Action Plan 2018-19, to cure the identified deficiencies or non-compliance elements before their pre-allocated funds by virtue of law get reallocated to other non-entitlement municipalities in full compliance. Therefore, until the Municipality is deemed to be in full compliance by ODSEC, the 2018-2019 agreement will not be executed. Funds that are not allocated on or before six (6) months after

HUD's approval date of the Action Plan 2018-19, due to lack of compliance will be reallocated to the existing Emergency Fund.

Criteria for recapture and repayment of funds

The non-entitlement municipalities are subjected to ODSEC recapture policy concerning those funds which have not been used for a period of five (5) years or longer.

ODSEC could recapture allocations with unexpended nor disbursed balances from program year earlier than 2012. Any funds recaptured under this condition will be reallocated to the existing Emergency Fund.

Municipalities must prepare proposals in accordance with Circular Memorandum 2013-09 "*Procedimiento Enmendado Para Determinar Elegibilidad De Los Proyectos Bajo La Categoria Del Fondo De Emergencia De CDBG*". Proposals evaluation are subject to the content of the same Circular Memorandum. Municipal Governments can present projects under the Emergency funds for projects that do not exceed \$100,000.

Proposal Requirements

In order to request the 2018 CDBG assistance, non-entitlement municipalities are required to prepare and submit to ODSEC, an application that complies with the requirements of this plan. The 2018 CDBG allocation is distributed among the following categories:

Allocation to Municipalities	\$23,332,870
Emergency Fund	\$300,000
State Administration	\$730,913
Total	\$24,363,783

The maximum amount to be provided to the municipalities (without any recaptured amount) is the following:

Maximum allocation per municipality	\$454,706.21
Maximum allocation for Vieques and Culebra	\$526,133.00

Projects and activities presented by Municipalities will need to comply with the established caps of the program (Administration 17% and 15% Public Services (optional)). Each municipality will be required to describe each project to be undertaken during the program and to establish its eligibility. Municipalities are not required to fund administration or public services activities.

Citizen Participation Requirement

Municipalities need to comply with the following citizen participation requirements:

- Certify that followed the Citizen Participation Plan as approved by ODSEC. The application must include a certification signed by the Mayor indicating that it has fully complied with

its Citizen Participation Plan. If the Citizen Participation Plan was revised, the Municipality must include its current plan with the application.

- The municipality should celebrate two (2) public hearings; with at least ten days apart from each other. During the first public hearing the Municipality will gather information on housing and community development needs as expressed by the community.
- During the second public hearing the municipality must respond to the needs of the community by describing the proposed project to be included on the proposal to be presented to ODSEC. The description of the project must include how it is consistent with the CDBG eligible categories included on this plan, how the project complies with one of the three CDBG national objectives, the funding allocation, and expected performance measurement.

The invitation to the two (2) hearings can be included in the same public notice. The notice should be published on a newspaper of general or regional circulation within ten (10) days from the day of the hearing. A ten-day period should be allowed between first and second hearing.

A copy of the public notice must be included with the proposal. The copy of the notice will be printed on an 8.5" x 11" page, with the date of publication and the name of the newspaper clearly visible. The municipality should address, in writing, the efforts made to foster citizen participation with such evidence included.

#### Fair Housing Certification

As required by 24 CFR 570.904, each municipality must identify and certify the efforts to provide fair housing. The proposal shall include a Statement of Actions to Affirmatively foster Fair Housing, certified by the mayor, which includes the actions to be taken by the municipality to assure ongoing compliance with federal fair housing laws.

#### Proposal evaluation (All dates were adjusted after the allocation date)

The Municipalities are required to submit its 2018 proposal, and all the supporting documentation, using the PROFE system by July 31, 2018. If the Municipality fails to provide such documentation, the proposal will not be evaluated and will not receive its 2017-2018 allocation. The corresponding allocation will be allocated to the Emergency Funds and will be made available to municipalities.

#### National Objectives

The CDBG funds described herein are allocated to assist non-entitlement municipalities in Puerto Rico in order to carry out housing and community development activities that comply with Section 105 of the Housing and Community Development Act of 1974, as amended. Each activity must meet the eligibility requirements, plus the national objectives, in order to benefit low and moderate income families, aid in the prevention or elimination of slums or blighted areas and address an urgent need designated as such by the Government of Puerto Rico or the Federal Government.

Consistent with the above, each non-entitlement municipality under the State CDBG Program must be able to prove that activities financed with CDBG funds meet one of the three national objectives as described above. Furthermore, the criteria for determining whether an activity addresses one or more of these objectives are contained in 24 CFR 570.483 (b), (c) or (d).

**2. DESCRIBE ALL OF THE CRITERIA THAT WILL BE USED TO SELECT APPLICATIONS AND THE RELATIVE IMPORTANCE OF THESE CRITERIA.**

Under Act 137 of 2014 (as amended by Law 10, 2017) the Commonwealth of Puerto Rico established that all non-entitlement municipalities will receive the same amount of CDBG funds, with the exceptions of Vieques and Culebra, which will receive an additional 15%. Thus, under this method of distribution municipalities will receive the same share of CDBG funds with no need for a competitive round.

**3. IF ONLY SUMMARY CRITERIA WERE DESCRIBED, HOW CAN POTENTIAL APPLICANTS ACCESS APPLICATION MANUALS OR OTHER STATE PUBLICATIONS DESCRIBING THE APPLICATION CRITERIA? (CDBG ONLY)**

The Application manuals and other material is available on the PROFE system.

Proposal Requirements

Submission of a budget breakdown is mandatory as required in ODSEC's Memorandum issued on July 6, 2001 for construction projects. For other projects under economic development, municipalities must still submit an estimated budget breakdown, which could include expected beneficiaries and detailed costs of the project.

In determining an appropriate amount, ODSEC reserves the right to adjust requested funds, based on review of compliance with the following requirements:

1. Compliance with the State CDBG requirements (Fair Housing and Citizen Participation).
2. Compliance with the College of Engineers and Land Surveyors of Puerto Rico Guidelines, including the project breakdown detailing: cost of material, labor, equipment, insurance, administrative overhead, and other costs related to the project in order to determine reasonable project cost.
3. Inadequate or incomplete description of activities to be developed.
4. Past performance of the non-entitled municipality (open findings).
5. Timely expenditure of funds (i.e. more than three (3) times the grant for its current program year, open activities for program year 2010 and earlier).
6. All parameters established on section 1 (above)

All activities must be designed in compliance with the strategy developed by the municipality which should meet the needs of low and moderate income individuals, addressing their special needs and ensuring maximum community development. The optional 15% Public Service Cap is based on the total CDBG State grant.

#### **Application Submission**

Application kits or Request for Proposals will be available on June 22, 2018. The proposals and all its components and supporting documentation will be submitted (uploaded) on or before July 31<sup>st</sup>, 2018 to ODSEC via PROFE (no later than 11:59 p.m.) as registered by the system.

Applications for the Emergency Fund may be submitted at any time during Program Year 2018 as long as they comply with the requirements presented on Circular Letter Num. 2013-09 of May 21, 2013, and any other requirement that applies.

Municipalities could submit applications for Section 108 loan and must follow the *Procedimiento de Solicitud y Administración de Préstamos Garantizados Sección 108*.

**4. DESCRIBE THE PROCESS FOR AWARDING FUNDS TO STATE RECIPIENTS AND HOW THE STATE WILL MAKE ITS ALLOCATION AVAILABLE TO UNITS OF GENERAL LOCAL GOVERNMENT, AND NON-PROFIT ORGANIZATIONS, INCLUDING COMMUNITY AND FAITH-BASED ORGANIZATIONS. (ESG ONLY)**

Not applicable- Please refer to ESG Program

**5. IDENTIFY THE METHOD OF SELECTING PROJECT SPONSORS (INCLUDING PROVIDING FULL ACCESS TO GRASSROOTS FAITH-BASED AND OTHER COMMUNITY-BASED ORGANIZATIONS). (HOPWA ONLY)**

Not Applicable- See HOPWA Section.

**6. DESCRIBE HOW RESOURCES WILL BE ALLOCATED AMONG FUNDING CATEGORIES.**

The State CDBG allocation for PY 2018 amounts to \$24,363,783 will be distributed among eligible categories of the program.

No more than 20% of the CDBG funds will be allocated for eligible Administrative and Planning Activities (3% by ODSEC and 17% by the Municipalities); up to 15% of the CDBG funds can be allocated for Public Service purposes and the remaining of the funds can be allocated for housing, community development and economic development related activities.

All CDBG eligible activities. Eligible activities under the State CDBG Program are listed on Section 105 (a) of Title I of the Housing and Community Development Act of 1974, as amended. Each activity must meet one of the national objectives as to benefit low and moderate-income persons (24 CFR 570.483 (b)), pursue the elimination of slums and blighted areas (24 CFR 570.483 (c)), or

activities designed to address a particular urgency that poses an imminent threat to the health and safety of the community (24 CFR 570.483 (d)). Each activity should correlate with a matrix code, national objective and CDBG citation.

All applications for Program Year 2018 State CDBG funds must establish that no less than 70% of State CDBG funds will benefit LMI persons. Projects which do not meet eligibility requirements under Section 105(a) of Title I of the Housing Development Act of 1974, as amended, will not be considered.

The following is a description of each CDBG category eligible to obtain funds under this plan. **All eligible activities of the CDBG program will be considered for funding.** ODSEC will allow non-entitlement municipalities to request funds for any of the eligible activities illustrated in the next section:

## **COMMUNITY DEVELOPMENT**

Community development activities are divided in two Major Categories: (1) Public Facilities and Improvements, and (2) Improvement to the Municipal Infrastructure. All Community Development projects must comply with the following requirements:

- Complete the forms provided by ODSEC
- Provide a detailed cost estimate "breakdown", according to the Information on the Circulars of July 6 and 9 of 2001 and the Informative Circular 2007-23 of November 26, 2007, related to resurfacing projects.
- Certification of substantial control or ownership (deed or lease).
- Certification that the project is located on an eligible block group or census tract (where 51% or more of the population is within the low-income limit).
- Detailed description of the origin and use of other funds.

### **1. Public Facilities and Improvements**

The non-entitlement municipalities may request CDBG funds for public facilities and improvements, including the construction or rehabilitation of:

- Abused and Neglected Children's Facilities: this activity refers to the construction or rehabilitation of buildings that serve as daycare centers, treatment centers, or temporary housing for abused and neglected children.
- Asbestos Removal: this activity refers to the removal of asbestos material or asbestos remaining in order to improve any public facility.
- Centers for the Disabled/Handicapped: this activity refers to the construction or rehabilitation of group homes or centers for the disabled.
- Child Care Centers/Facilities for Children: this activity refers to the construction or rehabilitation of daycare centers and Head Start pre-school centers.
- Facilities for AIDS Patients: this activity refers to the construction or rehabilitation of buildings for treatment or temporary housing for people who are HIV positive or have AIDS.
- Fire Station/Equipment: this activity refers to the construction or rehabilitation of fire stations, including the purchase of fire trucks, ambulances, and rescue equipment.
- Health Facilities: this activity refers to the construction or rehabilitation of physical and mental health facilities.
- Homeless Facilities: this activity refers to the construction, conversion, renovation, or rehabilitation of shelters for the homeless and battered spouses, and including transitional housing and SROs (single room occupancy units) for the homeless.
- Neighborhood Facilities/Community Centers: this activity refers to the construction or rehabilitation of structures that will be used for social services or for multiple purposes such as recreation, and are mainly designed to serve a neighborhood. Such facilities may include libraries and public schools.

- **Parking Facilities:** this activity refers to the construction or rehabilitation of off-street parking lots and parking garages.
- **Parks, Recreational Facilities:** this activity refers to the construction or rehabilitation of an open space area or a facility to be mainly used for recreational purposes.
- **Senior centers:** this category refers to the construction or rehabilitation of senior citizen centers. This type of facility is described as serving "senior citizens and the disabled".
- **Youth Centers/Facilities:** this activity refers to the construction or rehabilitation of facilities that will be primarily used to provide day care services for teenage youth (ages 13 to 19), including after- school activities. These include playground and recreational facilities that are part of youth centers/facilities.
- The construction of centers for free-internet access for professional, educational and research purposes.
- The acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements as outlined in Section 105(a)(2) of the Housing and Community Development Act of 1974 (HCDA). i.e. Installation of fixed solar waste collection cans and depositories for the managing of waste in public sites.

## **2. Improvement to the Municipal Infrastructure**

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

- **Flood and Drainage Facilities:** This activity refers to the construction or rehabilitation of flood controls or irrigation projects (e.g., retention ponds or catch basins).
- **Sidewalks:** this activity refers to the construction or rehabilitation of sidewalks. Sidewalk improvements include the installation of trash receptacles, trees, benches, and lighting.
- **Street Improvements:** this activity refers to the construction or rehabilitation of street projects that may include street drains, storm drains, curb and gutter work, tunnels, bridges, and the installation of street lights and signs.
- **Water/Sewer Improvements:** this category refers to the construction or rehabilitation of water and sewer installation, or replacement of water lines, sanitary sewers, storm sewers, or fire hydrants.
- The acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements as outlined in Section 105(a)(2) of the Housing and Community Development Act of 1974 (HCDA). i.e. Installation of solar panels in waste landfills and other waste depositories for the generation of renewable energy.

## **NON-HOUSING COMMUNITY DEVELOPMENT**

### **1. Public Service**

The non-entitlement municipalities could use funds under the category of Public Service to complement any activity that assists homeless persons, including drug and alcohol counseling, meals-on-wheels, daycare, and to provide additional funding to ESG-funded essential services and HOPWA-funded supportive services in their jurisdiction. These include the operating costs of Homeless/AIDS Patients Programs and the cost of operating homeless/AIDS services.

This category is limited to a 15% cap, and includes the following activities:

- Senior services that will be provided to elderly persons (e.g., meals-on-wheels, dial-a-ride, homecare assistance) and services provided for victims of Alzheimer's disease or persons with disabilities, regardless of age.
- Legal aid to low and moderate-income individuals including tenant/landlord counseling provided to help prevent or settle disputes between tenants and landlords, and preparation of affidavits.
- Youth Services for teenagers (ages 13 to 19) that include, for example, recreational services limited to teenagers or a teen counseling program, including transportation services and substance abuse recovery programs, as well as preventive/educational activities.
- Services for battered and abused spouses for programs that serve adults or families.
- Counseling for employment training and placement that increases self-sufficiency. These include literacy, independent living skills, job training, and employment services activities.
- Crime prevention and educational programs.
- Fair housing services (e.g., counseling on housing discrimination) when the non-entitlement municipality indicates that a national objective will be met. In order to request funds for this activity, the municipality should have a Fair Housing Plan approved by ODSEC.
- Child Care Services that benefit children (generally under age 13), including parenting courses.
- Health Services activities include operating neighborhood clinics, post-rape counseling, vermin abatement services (also known as "vector control"), and other activities designed to serve the health needs of residents.
- Daycare or other services exclusively for abused and neglected children.
- Mental Health Services provided by specialized organizations to address the mental health needs of the community.
- Screening for Lead-Based Paint/Lead Hazards Poisoning for activities primarily designed to provide screening for (not removal of) lead-based paint and other lead poisoning hazards in housing units built before 1978 that will be occupied by children under 6 years of age.
- Energy conservation projects Specific requirements for this activity:

- Complete the forms outlined in ODSEC 's RFP
- It must be a new activity or reflect increased level of service for people of low and moderate income
- Municipality must submit the Operational Guide for each of these projects.
- Detailed description of the origin and use of other funds.

## **HOUSING ACTIVITIES**

### **1. Moderate Housing Rehabilitation**

The applications for the housing rehabilitation category must clearly indicate how they will eliminate the specific conditions detrimental to the health and safety of the household (this could include households under rent agreements). Municipalities must follow ODSEC's specific application rules and procedures. (It is important to note that under the housing rehabilitation activity municipalities may submit rehabilitation projects where the works are carried out by municipal crews, and therefore, a substantial proportion of the project is directed to the purchase of construction materials.)

The municipality is expected to be able to start the housing rehabilitation immediately once the date of the release of funds is issued to them by ODSEC, if applicable.

An amount up to \$25,000 (maximum) are the thresholds established for housing rehabilitation activities. Exception of this rule will be evaluated by ODSEC, on a case by case, basis. Each municipality will be required to assure completion of the rehabilitation of every housing unit.

The municipality must follow the Moderate Housing Rehabilitation Guideline adopted by ODSEC, which requires conducting two inspections on the property: one at the filing of the application and a second inspection upon completion of the activity. These two inspections will document (via photographs) the improvements made to the housing unit.

At the closing of the Program Year, ODSEC should be able to report the following performance measurements:

- Dollars Leveraged per CDBG funds invested;
- Number of households assisted;
- Number of households by income limit;
- Number of units occupied by race, ethnicity, and disability;
- Number of units occupied by elderly households;
- Number of units brought from substandard to standard condition;
- Number of units meeting Energy Star standards;
- Number of units brought into compliance with the lead-safe housing rule;
- Number of units made accessible (compliant with Section 504 for persons with disabilities) ODSEC will reserve the right to adjust the funds requested for Moderate Housing Rehabilitation if the municipality keeps any unexpended balances from previous program years.

## **2. Homeownership**

This activity has been targeted to identify low-income families that have been discouraged from becoming homeowners because they do not have savings for down-payment and closing costs, but could pay an affordable monthly mortgage if given the opportunity to buy their own home.

Therefore, funding for the homeownership activity is specifically intended to provide assistance to families pursuing homeownership in a non-entitlement municipality. This category provides direct assistance up to a maximum of \$2,500 of the down-payment and up to a maximum of \$5,000 for closing costs to any qualified individual under the CDBG rules. The use of funds under this category is limited to low and moderate income families which are first-time homebuyers. The participants must be employed or be recipients of permanent and recurrent income (i.e. Social Security income). The Section 8 Income Limits will be used to determine the eligibility of participants.

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

Once awarded, non-entitlement municipalities must distribute funds according to the general guidance requirements and applicable laws and regulations. The municipalities must determine eligibility in compliance with homeownership and CDBG regulations.

Each non-entitlement municipality will be responsible for qualifying and providing technical assistance, maintaining documentation in files, and keeping ODSEC's Homeownership Coordinator informed until cases are closed.

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

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

### **ECONOMIC DEVELOPMENT ACTIVITIES:**

#### **1. Public Facility for Business or Commercial Use**

Economic development is a priority of the Government of Puerto Rico. The objective of this category is to provide funding for the construction, rehabilitation or installation of publicly-owned property to create commercial space to be used to foster the development of

microenterprises as per Section 105(a)(2). Applicants are cautioned to carefully consider their project needs. ODSEC will evaluate project implementation based on the development program submitted by the municipality.

The activity to be developed by the Municipality shall comply with either one of the following:

- The rehabilitated property must create or retain jobs, of which 51% must go to individuals who, prior to employment in the assisted business, were classified as having low or moderate income (L/M Income Jobs); or
- The limited clientele category is used as a way to qualify specific activities when the person owning or developing the microenterprise is LMI.
- An area benefit activity is one that benefits all residents in a particular service area, where at least 51 percent of the residents are LMI persons. If this criterion is used, area of service must be documented.

The Municipality shall select one of those standards in order to document its compliance with the National Objective.

Program income resulting from the rental of commercial spaces in the Public Facility for commercial use is subjected to the applicable CDBG regulations in 24 CFR 570.489(e). ODSEC will issue further compliance guidance on this subject.

## **2. Microenterprise Assistance Program**

The Program is targeted to promote the development of new and existing microenterprises; and to incentivize self-employment among individuals in the jurisdictions covered by non-entitlement municipalities as stated in Section 105(a)(22).

Eligible microenterprise activities include the provision of:

1. Grants to qualified microenterprises.
2. Technical assistance, advice, and business services to owners of microenterprises and persons developing microenterprises;
3. General support to owners of microenterprises and persons developing microenterprises including child care, transportation, counseling and peer support groups. The Program is targeted to promote the retention or the development of new and existing microenterprises. To qualify as a microenterprise, the business must be a commercial enterprise that has five (5) or fewer employees, one or more of whom owns the enterprise. Economic activity must be held in the Municipality's jurisdiction.

Proposals of participating municipalities must comply with each of the following basic requirements.

4. Compliance with the State CDBG requirements; and,
5. The financing assistance must promote the startup of new microenterprises as well as retention and expansion of existing microenterprises in non-entitlement municipalities.

### **3. Special Economic Development Program**

This activity has been designed to provide assistance to small businesses via special economic development activities (Section 105(a)(17)& 105(a)(14)). A “small business” is usually defined by the number of employees or overall sales level. For purposes of the CDBG program, small businesses have more than five (5) employees, a business with fewer than 5 employees, including the owner, is designated as a “microenterprise.” The CDBG regulation makes reference to Section 3(a) of the Small Business Act of 1958, which establishes specific employment or sales standards for each industry. For most business categories, businesses with 500 or fewer employees are considered small, although in some industry categories business can have up to 1,500 employees and still be considered a small business.

These activities include:

- Acquiring; constructing; reconstructing; rehabilitating or installing commercial or industrial buildings; structures and other real property; equipment and improvements.
- Assisting a private, for-profit business through recoverable grants and technical assistance. The activity to be developed by the Municipality shall comply with either one of the following:
- The rehabilitated property must create or retain jobs, of which 51% must go to individuals who, prior to employment in the assisted business, were classified as having low or moderate income (L/M Income Jobs); or
- An area benefit activity is one that benefits all residents in a particular service area, where at least 51 percent of the residents are LMI persons.

CDBG assistance to a for-profit business under Section 105 (a)(14) – (17) and 24 CFR part 570.203 Special Economic Development triggers the requirements for the optional underwriting guidelines and mandatory Public Benefit standards as set forth in 24 CFR 570.482(f) & (g). States and units of Local General Government are responsible for ensuring that a minimum level of public benefit is obtained when CDBG funds are used for special economic development projects, and public facilities projects undertaken for economic development purposes.

#### **PAYMENT OF NON-FEDERAL SHARE**

In compliance with the Housing and Community Development Act and the CDBG regulation, ODSEC will allow Municipalities to use CDBG funds to pay the non-Federal share required in connection with another Federal grant-in-aid program under certain conditions.

The use of CDBG funds for this activity is conditioned by the fact that the project to be supported is eligible under the CDBG regulations. All of the CDBG program CAPS (Public Services, Jobs per Investment, etc.) and conditions (eligibility, national objectives, etc.) apply to the use of the funds.

## **PROGRAM ADMINISTRATION AT THE MUNICIPALITY LEVEL**

This line item budget covers eligible planning and administration activities approved under each proposal and should be arranged by the title of the account, number of the account, and allocated budget up to the maximum of 17% per grant. If the project is fully completed, the Municipality may transfer remaining funds to the administration activity, but no greater than 17% of the total allocation. The municipalities must use ODSEC's chart of accounts.

## **EMERGENCY FUND**

The activities designed to meet urgent community development need to follow the same criteria established in 24 CFR 570.483 (d). Funds to assist the municipalities in attending sudden emergencies with CDBG funds will be provided with a limit per Municipality of up to \$100,000, depending on the damages quantified per occurrence within the municipal jurisdiction. The objective of this category is to provide a temporary solution to alleviate urgent problems that occur during the regular grant application process.

Emergency Fund applications must document a serious threat to public health or safety, of recent origin or which recently became urgent. A certification from the Municipal Emergency Management Office should be accompanied with a corroborating and valid certification from the State Emergency and Disaster Management Agency, alternatively a signed Executive Order, indicating the nature and date of such emergency. It is the responsibility of the State to validate the nature of the emergency.

As long as funds are available, a municipality may request emergency funds anytime during the year. Applications under this category are submitted only when an emergency arises and qualifies as an urgent need.

Non-entitlement municipalities are eligible to submit an emergency application that will be evaluated on a case by case basis. Emergencies must be recognized independently of the area of occurrence. Emergencies in non-low and moderate income areas could be financed up to 30% of the funds available in the Emergency Fund, in compliance with Section 24 CFR 570.483 (d).

The non-entitlement municipality Finance Director will certify that the Treasury of the Municipality does not have any funds available to pay for the emergency work, and no other resources from the State or Federal Government are available to the municipality to attend such emergency.

Applications for emergency funds may be submitted anytime during PY 2017. The Mayor can submit the petition for Emergency Funds no later than fifteen (15) days after the event has occurred, except under extraordinary circumstances or another valid cause, properly filed and accepted by ODSEC as an exception. Then the Municipality will have fifteen (15) additional days to submit a detailed proposal.

**Projects must be able to start immediately, and applicants have one hundred eighty (180) days to complete the activity and satisfy the identified need.** Those activities that require federal or state studies, permits, and/or consultation processes with any regulatory agency and cannot be completed within the regulatory period of time, will be evaluated on a case by case basis. **If funds are not used in the term provided, they will be recaptured by ODSEC, no extension will be provided.**

If the project is not commenced within a period of 60 days from the date of the registration of the contract with the Comptroller Office, the funds will be subject to a potential recapture by ODSEC.

The application must be properly completed and submitted by the Mayor to ODSEC, either hand-delivered or by certified mail, with return receipt and including the original certifications issued by the State and Municipal Agencies for Emergency Management.

The evaluation process will be conducted by an evaluating committee designated by the agency head. The committee will use the criteria and procedures established by ODSEC for this category and available upon request. The committee may conduct a field inspection of the impacted area to assess the damages claimed in the request. All projects under this category must meet one of the national objectives contained in 24 CFR 570.483 (b) (1) or (d).

As soon as the petition from the affected municipalities is received, the committee will analyze the application for emergency funds that has been received. The evaluation/recommendation will be considered for final decision by the head of the agency or other designated person.

**7. DESCRIBE THRESHOLD FACTORS AND GRANT SIZE LIMITS.**

Under Act 137 of 2014 (as amended by Law 10, 2017) the Commonwealth of Puerto Rico established that all non-entitlement municipalities will receive the same amount of CDBG funds, with the exceptions of Vieques and Culebra, which will receive an additional 15%. Thus, under this method of distribution municipalities will receive the same share of CDBG funds with no need for a competitive round.

**8. WHAT ARE THE OUTCOME MEASURES EXPECTED AS A RESULT OF THE METHOD OF DISTRIBUTION?**

The following are the Outcome Measures by Program Activity Category:

Goal Name	Needs Addressed	Goal Outcome Indicator	%
Create Suitable Living Environments	Non-housing Community Development-Public Services	500 Persons	12%
Create Suitable Living Environments (B)	Non-housing Community Development-Public Facilities	200,000 Persons	77%
Provide Decent Housing (D)	Housing	242 Household Housing Unit	9%
Expand Economic Opportunity	Non-housing Community Development-Economic Development	Jobs created/retained: 12 Jobs	1%
		Businesses assisted: 12 Businesses Assisted	
Create Suitable Living Environments (C)	Non-housing Community Development-Public improvements	Other: 300 Other	1%

## ESG PROGRAM

### 1. DESCRIBE THE STATE PROGRAM (ESG) ADDRESSED BY THE METHOD OF DISTRIBUTION.

The Emergency Solutions Grant Program is administered by the Puerto Rico Department of the Family (PRDF). Every two years, the PRDF uses a distribution method in which an award is granted for a two (2) year period, subject to an evaluation of the first year and the availability of funds. PRDF will continue to make PY2018 ESG Program funds through a contract renewal process in which current and eligible subrecipients: local governments and non-profit organizations must present a letter of intention with evidence of compliance with eligibility requirements for continuation of grant funds and a written or digital proposal, as established for the Department, describing the scope of the services to be provided.

Based on the first allocation for FY2017 the PRDF estimates for next Fiscal Year 2018 a budget of \$3,572,861.00. Funding is intended to serve the seventy-eight (78) Municipalities across the island within the ten (10) Regions of the Department of the Family. PRDF's Regions are located in Aguadilla, Arecibo, Bayamón, Caguas, Carolina, Guayama, Humacao, Mayaguez, Ponce, and San Juan. Non-profit Organizations and Municipalities that comply with the requirements and evaluation criteria established on this plan will be eligible to receive funds under the following activities:

Activity	Allocation	Percent Allocated	Caps	Eligible Applicant
Outreach and Shelter	\$1,464,873.00	40.5%	60.00%	Municipalities and Non-Profit Organizations
Prevention	1,095,451.00	31%	N/A	
Rapid Re-Housing	\$714,572.00	20%		
Data Collection (HMIS)	\$30,000.00	1%		
Administration	267,965.00	7.50%	7.50%	Department of the Family Municipalities and Non-Profit Organizations
Total	<b>\$3,572,861.00</b>	100%		

The following table shows the requirements and evaluation criteria for Fiscal Year 2018.

<b>REQUIREMENTS TO APPLY FOR FUNDS OF ESG-2018 (BY INVITATION OF THE GRANTEE)</b>	<b>DEFINITION</b>	
1. Experience using ESG funds	Has used funds for the past two years (ESG-2016 and ESG-2017) under the components which they are requesting funding.	
2. Experience managing more than one component	Outreach, Emergency Shelter, Prevention and Rapid re-housing. If the entity has handled one of these two components: prevention or rapid re-housing the proposal shall be considered to request for the other component.	
3. Expenditure Flow	Having spent 80% of the ESG-2016 funds.	
4. It plans to serve all the municipalities located under its Region	Map of the regions of the Department of the Family. (Attachment 2)	
5. Satisfactory Compliance of the HMIS	Compliance with HMIS system data entry.	
6. Do not have questioned costs in ESG Program		
7. Have not returned funds during the past two years program ESG-2015 and ESG-2016.		
<b>IF THE ENTITY DOES NOT MEET ONE OR MORE OF THESE CRITERIA TO APPLY FOR FUNDING WILL BE CONSIDERED INELIGIBLE.</b>		
<b>CRITERIA OF EVALUATION ESG-2018</b>	<b>DEFINITION</b>	<b>VALUE</b>
1. Expenditure Flow	Having spent 80% or more of the funds by components.	
2. The entity has a line of credit to manage funds		
3. Capacity to match funds	They must present a detailed certification of staff that will offer the service if ESG funds are not awarded.	

4. Capacity of the entity to obtain equity	Evidence of the entity capacity to raise private funding.	
5. Project Performance according to HMIS	50% or more on performance measurements related to the location of participants in permanent housing or increase of income.	
6. Number of people served	The number of individuals and families projected to receive services in the Region must be reasonable.	
7. Cost effectiveness of the project	Cost per participant = number of people to attend by component between the funds requested.	
8. Certification of participation with the Coordinated Entry System (CES)	Accept referrals and attends participants through CES.	
9. Attend one or more priorities in the Action Plan.		
<ul style="list-style-type: none"> <li>• Provide services to people affected by the hurricanes Irma or Maria</li> </ul>		
<ul style="list-style-type: none"> <li>• Outreach</li> </ul>		
<ul style="list-style-type: none"> <li>• Shelter low barriers</li> </ul>	Entities must have beds occupancy of 80% or above.	
<ul style="list-style-type: none"> <li>• Mental Health</li> </ul>		
<ul style="list-style-type: none"> <li>• Emergency Shelter</li> </ul>		
<ul style="list-style-type: none"> <li>• Domestic Violence Shelters</li> </ul>		

Complying with the citizen participation regulation, PRDF will evaluate the results of the Consultation with the Continuum of Care as well as comments received after the publication of the Consolidated Action Plan publication.

Since program year 2011 (October) the Puerto Rico Department of the Family uses a distribution method in which an award is granted for two (2) year period. Applications received are evaluated in accordance with a uniform method and ranked according to the points awarded by the evaluation committee. The evaluated proposals are then examined by a distribution committee that determines which proposals will be selected in accordance with the priorities established in the Consolidated Plan.

Applicants will have to demonstrate willingness and capacity to be accountable for any funds received through monitoring and oversight of any proposed subcontracted nonprofit agency.

Applicants will use the DF's written procedures in place to ensure accountability for both their staff and any sub-grantees. Potential grantees must demonstrate they have the experience and capacity to administer the funds they receive and the accountability and established written procedures and standards in place to ensure that funds are only used for ESGP eligible activities with ESGP eligible clients. Applicants will be required to collaborate and show a history of collaboration with CoCs and the Coordinated Entry System.

Once the proposals are awarded a one-year contract is signed including a conditional second year extension based on an annual performance evaluation.

On the other hand, unused available funds during the Program Year will be distributed to special projects according to the needs identified by the Department of the Family. For the distribution of these funds new proposals will be accepted, subject to the criteria established by the DF.

In both instances the application process or funding proposals, will be made digitally or printed, as established by the Department through written communication.

As mentioned, once the proposals are awarded a one-year contract is signed including a conditional second year extension based on the following criteria:

#### **USE OF REALLOCATION FUNDS**

Due to the devastation that Hurricane Irma and Maria many individuals and families of Puerto Rico currently faces many challenges that needs to be addressed. In order to serve those affected by both Hurricanes for FY2018 PRDF will subcontract a third party agent to administrate unused funds from previous years 2012-2016. The ESG regulation mainly requires funding to be administrated on a reimbursement basis. However, many local Non-Profits Organizations and Municipalities have sustained deep reductions in capital and do not have the funding to be able to operate their projects as required. Thus, using a third-party entity with the infrastructure to act as the fiscal agent and potentially award advances is an advantageous option to get funding to Non-Profits doing critical work in hard hit areas of Puerto Rico quickly.

PRDF will also work with a third-party fiscal agent to complete an expedited decision-making process (per a disaster funding policy). PRDF and the third-party entity will select awardees based on the most current and pressing needs demonstrated in the community.

The following Disaster Policy will be implemented to serve individuals and families affected by Hurricanes Irma and María during this FY2018.

#### **DISASTER FUNDING POLICY**

PRDF seeks to be a strong partner for local geographies affected by natural disasters. In these situations, PRDF will try to leverage resources under its purview to provide support to vulnerable homeless individuals and families. The PRDF will use ESG funds to support homeless or at risk of homelessness individuals impacted by natural disasters.

In order to provide flexible and meaningful support, PRDF reserves the right to focus grant funding (both pre and post NOFA funding) and corresponding eligible component types to the most impacted areas. In these situations, PRDF will sub-award Municipalities and/or Non-Profit Organizations to address direct deficits to existing programs, provide temporary support to expand program occupancy or fund a new activity such as street outreach or case management that can be utilized on the street or in temporary shelters to move new and existing clients into permanent housing. The activities funded must support areas impacted by natural disasters, and align with HUD's regulations related to the Emergency Solutions Grant and with the local policies and procedures.

PRDF will temporarily modify its proposal's rating and ranking process to award new funding allocations to areas affected by the disaster. These changes will serve two purposes: First, it acknowledges that areas affected by disasters may not have the bandwidth to put forward applications. Second, it allows the DF to address funding to the areas that were most affected and will have the greatest impact.

Subject to HUD regulations, in extreme cases, PRDF may also choose to exercise the right to use match forgiveness in the amount of only \$100,000 per grant year. This waiver may be provided to sub-recipients who have difficulty meeting their full match requirement only when providing disaster related services, shelter or housing. It will be at the discretion of PRDF to exercise this waiver and to identify the sub-recipients who may benefit from its execution.

PRDF will work to identify a local entity that can serve as a third party fiscal agent for administration of the Emergency Solutions Grant. The third-party entity will share responsibilities as followed:

PRDF will also work with a third-party fiscal agent to complete an expedited decision-making process (per a disaster funding policy). PRDF and the third-party entity will select awardees based on the most current and pressing needs demonstrated in the community. The third party fiscal agent will then perform key administrative management functions for PRDF to ensure that funding is spent down in alignment with regulations and according to grant terms. PRDF will announce an RFP to select a qualified entity to provide these services.

In addition to the ESG Program funds, the Department will continue working in collaboration with the two (2) Continuum of Care Homeless Coalitions operating in the Island. In this effort, the

Department supports and promotes community wide commitment to the goal of ending homelessness; supports the provision of funding for efforts by nonprofit providers and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; supports the promotion of access to and effect utilization of mainstream programs by homeless individuals and families; and promotes the optimization of self-sufficiency among individuals and families experiencing homelessness.

#### **DUPLICATION OF BENEFITS**

Each ESG Organization or Municipality providing rental and utilities assistance to homeless or at risk individuals and families affected by the Hurricanes Irma or María will be subject to the Duplication of Benefit (DOB) policy. Particularly, ESG subrecipients will refer cases to the Coordinated Entry System (CES) of the Continuum of Care to assess the best housing option for the family, based on housing availability, vulnerability and needs of the family. The CES and subrecipients will establish operational procedures which contain detailed provisions identifying the documents to be provided by applicants for assistance, as well as the procedures for how these documents will be verified. The first step of the DOB calculation for each program will be to determine the amount of funds previously received or made available to assist with disaster needs related to Hurricanes Irma and María. During the intake/application process, persons receiving ESG financial assistance will be required to disclose all sources of disaster recovery assistance received and/or anticipated to receive due to the natural disaster.

#### **2. DESCRIBE ALL OF THE CRITERIA THAT WILL BE USED TO SELECT APPLICATIONS AND THE RELATIVE IMPORTANCE OF THESE CRITERIA.**

For purposes of carrying out the process of awarding contracts, a committee is appointed in charge of evaluating the performance of the organizations and municipalities. This Committee has a diverse composition with representation of the personnel of the ESG Program as well as the Office of the Assistant Secretary for Planning. Additionally, external members are invited to the Committee. The evaluation that is conducted by the Committee is centered on the performance during the program year, based on the criteria described above and their corresponding weights. The result is a total score per organization and municipality. Once the score is determined, the organizations and municipalities are ranked according to such score. The final allocation is determined based on the amount of funds available and the score obtained.

De-obligated funds during the Program Year will be distributed according through a competitive process among those organizations that provide services related to the needs and priority areas identified by the Department of Family. The specific criteria for the evaluation of the projects will be announced with the request for proposals. These will be based on the consultation conducted among the CoCs members, the needs identified in the consolidated plan and emerging needs identified during the program year. In terms of the process for the determination of the final distribution, the Department of Family will use a similar approach to the one described above, in which a Committee evaluates and ranks the organizations before determining the allocation.

**3. IF ONLY SUMMARY CRITERIA WERE DESCRIBED, HOW CAN POTENTIAL APPLICANTS ACCESS APPLICATION MANUALS OR OTHER STATE PUBLICATIONS DESCRIBING THE APPLICATION CRITERIA? (CDBG ONLY)**

Not applicable to the ESG Program- (see CDBG section Above)

**4. DESCRIBE THE PROCESS FOR AWARDING FUNDS TO STATE RECIPIENTS AND HOW THE STATE WILL MAKE ITS ALLOCATION AVAILABLE TO UNITS OF GENERAL LOCAL GOVERNMENT, AND NON-PROFIT ORGANIZATIONS, INCLUDING COMMUNITY AND FAITH-BASED ORGANIZATIONS. (ESG ONLY)**

Since program year 2011, the Puerto Rico Department of the Family uses a distribution method in which an award is granted for two (2) year period, subject to an evaluation of the first year and the availability of funds. During PY 2017, eligible organizations and units of local governments will be initiating their first program year of the two-program year cycle. While, unused funds available during the Program Year will be distributed according to the needs identified by the Department of the Family. For the distribution of these funds new proposals will be accepted, subject to the criteria established by the DF.

**5. IDENTIFY THE METHOD OF SELECTING PROJECT SPONSORS (INCLUDING PROVIDING FULL ACCESS TO GRASSROOTS FAITH-BASED AND OTHER COMMUNITY-BASED ORGANIZATIONS). (HOPWA ONLY)**

Not Applicable- See HOPWA Section.

**6. DESCRIBE HOW RESOURCES WILL BE ALLOCATED AMONG FUNDING CATEGORIES.**

The following are the ESG Program distribution by funding categories:

- |                          |                |         |
|--------------------------|----------------|---------|
| • Outreach and Shelter   | \$1,464,873.00 | (40.5%) |
| • Prevention             | \$1,095,451.00 | (31%)   |
| • Rapid Re-Housing       | \$714,572.00   | (20%)   |
| • Data Collection (HMIS) | \$30,000.00    | 1%      |
| • Administration         | \$267,965.00   | (7.50%) |

**7. DESCRIBE THRESHOLD FACTORS AND GRANT SIZE LIMITS.**

No grant size limits are established for the ESG Program funds distribution.

**8. WHAT ARE THE OUTCOME MEASURES EXPECTED AS A RESULT OF THE METHOD OF DISTRIBUTION?**

Non profit organizations and units of local government that are awarded ESG funds, are expected to comply with the following outcome measures, depending in the different types of projects:

<b>Outcome Measures</b>
<b>OUTREACH</b>
Number of people receiving services
Number of people who left the program
Percentage of people who committed (engaged) to receive services
Percentage of people who fulfilled their service plan
Percentage of people who increased their income from any source
Percentage of people located in emergency shelter
Percentage of people located in temporary shelter
Percentage of people placed in permanent housing
<b>EMERGENCY SHELTER</b>
Number of people who entered emergency shelter
Number of people who left the program
Percentage of people who fulfilled their service plan
Percentage of people who increased their income from any source
Percentage of people who entered transitional housing
Percentage of people who stayed in the shelter for less than three months
Percentage of people who stayed in the shelter for more than three months
Percentage of people placed in permanent housing
<b>PREVENTION</b>
Number of people receiving prevention services.
Number of people who left the program
Number of people receiving economic assistance
Percentage of people who received housing relocation services and stabilization services during the service period
Percentage of people who met their service plan
Percentage of people who increased their income from any source
Percentage of people placed in permanent housing
<b>RAPID RE- HOUSING</b>
Number of people receiving RRH services.
Number of people who left the program
Number of people receiving economic assistance
Percentage of people who received housing relocation services and stabilization services during the service period
Percentage of people who fulfilled their service plan
Percentage of people who increased their income
Percentage of people placed in permanent housing

Goal Name	Needs Addressed	Goal Outcome Indicator	%
Provide Decent Housing	Homelessness Prevention/Outreach/Shelter	4,600 Persons Assisted	66%
Provide Decent Housing (B)	Homelessness Prevention	1,880 Households Assisted	34%

## HOME PROGRAM

### 1. DESCRIBE THE STATE PROGRAM (HOME) ADDRESSED BY THE METHOD OF DISTRIBUTION.

The PRHFA will receive \$13,798,286.00 in HOME funds for PY 2018. All resources will be allocated to provide incentives for meeting the goal of developing and supporting 179 affordable rental and homeownership housing units. This will be achieved through the Direct Loan Program, Homebuyer Assistance, TBRA (Nuevo Comienzo), Techo Dorado, and Rental Rehabilitation / New Construction for Rental. These eligible costs include site improvements, conversion, demolition, and other expenses such as financing costs and relocation expenses of displaced persons, families, businesses, or organizations. Funds will also be allocated to provide down payment assistance to homebuyers. Housing must be permanent or transitional and serve both low and very low-income families, according to the applicable qualifying standard associated to each activity. The distribution of HOME funds for PY 2018 is shown below.

GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018	
<b>Assigned Budget:</b>	\$13,798,286.00
<b>State Administration:</b>	\$1,379,829
<b>Tenant Based Rental Assistance</b>	\$200,000
<b>Financial Assistance to Homebuyers</b>	\$3,300,000
<b>Homeownership Rehabilitation or Reconstruction</b>	\$5,918,457
<b>Techo Dorado (Rehabilitation or new construction by owner)</b>	\$2,700,000
<b>Direct Loan Program</b>	\$300,000

### 2. DESCRIBE ALL OF THE CRITERIA THAT WILL BE USED TO SELECT APPLICATIONS AND THE RELATIVE IMPORTANCE OF THESE CRITERIA.

As part of the joint efforts and on-going initiatives that relate to the 2015-2019 Puerto Rico State Housing Plan, the Puerto Rico Housing Finance Authority (Authority) will make the activity of Construction and Rehabilitation of Rental Housing under the HOME Investment Partnership Program (HOME) Action Plan (AP) a component of the forthcoming Notification of Funds Availability the Authority will issue. The NOFA intends to leverage funds from multiple sources under joint selection and underwriting criteria compatible with the AP and the Low-Income Housing Tax Credit's (LIHTC) Qualified Allocation Plan (QAP) in order to maximize the use of public and private funds channeled to

affordable rental projects meeting the housing needs and goals established in the State Housing Plan. Nonetheless, any representation and/or guideline contained in the NOFA will not be intended to, nor it statutorily could, modify or supersede the Authority's responsibility to comply with HOME requirements. Under the NOFA the HOME Program might implement a consolidated application for the HOME, LIHTC, which will combine the requirements of the programs to promote the development of multifamily rental projects.

Outreach for program funds is based on the methodology for open market competition. A notice of HOME funds to be released under the NOFA will be published in a general circulation newspaper. The number, nature and location of public hearings will be announced in the Notice. Any interested qualifying parties may submit an application to finance their project. This process assures equal participation of any party in the affordable housing business.

Announcement and application: HOME will announce and publish in a general circulation newspaper the quantity of funds to be released and the proposal submission deadline. The announcement could be jointly with other funding programs (if available) according to PRHFA Annual Plan and government Plan.

Interested applicants could obtain HOME information and application form at PRHFA's office or its site, [www.afv.pr.gov](http://www.afv.pr.gov). The proponents must submit applications according to the corresponding procedures and deadlines.

Please note that it should be at PRHFA's sole discretion to award Home funds to any Participant (which has requested or not HOME funds), based on the merits of the project, available funds, specific needs of the cycle, economic conditions, in order to promote the new construction/rehabilitation of low-income housing projects. This will also apply to projects requesting 4% tax-exempt bonds, where, depending of the merits and conditions of the project, HOME funds might be awarded. Although projects under the 4% tax-exempt bonds are not presently subject to a competitive cycle, HOME funds might be awarded. As of today, \$1,000,000,000 in private activity bond volume-related 4% tax-exempt credits are available.

The public hearing is announced with the publication of the NOFA, inviting all interested parties to attend the conference in order to learn in advance about the requirements established to access all programs funds. Once the application dates are established, the proponents submit their applications in a competitive method, ensuring the fair and unbiased contracting procedure that allows a foremost opportunity of open competition and the absence of conflicts of interests. Because the method of distribution of the State HOME Program runs as a competitive process, the PJ cannot predict the geographic distribution of the assistance.

As presented earlier, the State HOME Program will allocate the amount of \$9,619,282 for the eligible activities established in the 5YHS, amended accordingly to reflect funding changes and the needs and policy priorities announced in the State Housing Plan 2014-2018. Additional details are provided in the 2015-2019 Consolidated Plan and State Housing Plan. The method for distributing HOME funds to local governments, developers, CHDOs, minority groups, and small businesses will be through the submittal of an application.

The applications for housing construction and rehabilitation must benefit low and very low-income families. The subsidy requested should be enough, without exceeding the maximum per unit subsidy standards adopted by the State HOME Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216; and for Homeownership housing, the proposal should allow prospective homeowners to be eligible in compliance of 24 CFR 92.217, among other Federal requirements and the State HOME Program criteria.

The HOME Program designated employee will receive the applications and will refer them for the corresponding analysis. Upon completion of the analysis, the HOME Program Director will determine which applicants comply with the minimum threshold requirements and therefore can proceed with the point ranking evaluation.

Applications requesting HOME funds will be evaluated based on joint rating factors. Those factors include but are not limited to local considerations and State HOME Program's criteria, such as:

- project location;
- project characteristics;
- housing needs characteristics;
- project developer characteristics;
- financing characteristics; and
- supportive services.

#### Project Evaluation and Selection

To be considered for an allocation of HOME Funds, the applicant must submit a complete application with the following information and documents. Incomplete applications will not be accepted for evaluation or scoring.

Complete applications will be reviewed for compliance with the basic threshold requirements set forth below:

BASIC THRESHOLD REQUIREMENTS
Authority's HOME Program application and inspection fees: <ul style="list-style-type: none"><li>• CHDOs: \$0.00</li><li>• ½ of 1% of requested amount; with a minimum payment of \$2,500 and a maximum of \$10,000. This is a non-refundable and non-transferable payment.</li><li>• \$50 per HOME unit during the HOME compliance period. This amount will be due and payable by January 31 of each year.</li></ul>
2. Application's Agreement and Certification was: <ul style="list-style-type: none"><li>• Signed by the Owner, the President or Secretary of the General Partner.</li><li>• Person who signed is a duly authorized officer of the applicant (as evidenced by an applicable resolution).</li><li>• Document shows corporate seal (Please, make sure the seal is legible in digital documents).</li></ul>

BASIC THRESHOLD REQUIREMENTS

3. Submitted certified copies of the organizational documents of **all entities** (for example: owner, general partners, sponsors, developer, officers, members, etc.) involved in the project, including:

a) Certificate of Incorporation (in USA and PR, as might apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor.

b) Articles of Incorporation for the following entities: Owner, Developer, General Partner/Manager and Sponsor.

c) Partnership (or Operating) Agreement of the entity to claim ownership of the Project (LP, LLC, etc.), as may apply, indicating cash contributions by the General Partner(s) and/or Limited Partner(s).

d) IRS form SS-4, Application for Employer Identification Number, or other evidence indicating taxpayer identification number for the following entities: Owner, Developer, General Partner/Manager and Sponsor.

e) Names, addresses and telephone numbers of officers, members, directors, principal stockholders or managing partner of the following entities: Owner, Developer, General Partner/Manager and Sponsor.

f) The owner, developer and their shareholders, directors, officers and partners, as applicable, with previous participation in the program, must demonstrate (through a certification letter from the Director of the Authority's Audit and Compliance Department) that they comply with Section 42/HOME requirements and that, as of the most recent audit/compliance review, there is no outstanding finding of noncompliance (including any fees due to the Authority) in another project that received Tax Credits/HOME funds and in which they have an interest or participation.

g) Financial statements (**updated within six months of the application**) of the owner, developer, general partners, sponsors and principal officers of each entity. Financial statements will be **audited** if they belong to juridical persons; **compiled** or **revised** if they belong to natural persons. In case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$500,000.00

h) Certificate of Authorization of US Foreign Limited Liability Company from PR Department of State (as it may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor.

i) Good Standing Certificate (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor.

j) Company by-laws and internal rules for the following entities: Owner, Developer, General Partner/Manager and Sponsor.

k) Organizational chart of project structure identifying Owner, Developer, General Partner/Manager and/or Sponsor and any other related entity.

l) Certification attesting that Owner, Developer, General Partner/Manager and Sponsor or any grantee or contractor at any tier to any of the stated parties is not currently debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs subject to 2 CFR part 2424 and are not included on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

**BASIC THRESHOLD REQUIREMENTS**

The owner, developer, general contractor and their respective shareholders, directors, officers and partners, as applicable, must demonstrate via sworn statement (*affidavit*) that:

they have not been involved in any way (either personally or as shareholders, directors, officers, members or partners of a corporation, partnership or other form of business organization or joint venture) in any other project for which the Authority has provided any financing and /or grant (as lender, conduit, custodian of funds, or otherwise) and in which a default notice under the terms and conditions of the applicable financing documents has been issued and not cured. All previous must also evince via sworn statement that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority or its employees. Any conflict of interest will immediately disqualify the applicant of any participation in the Authority/HOME programs.

Any identity of interest with any other party involved with the project has been identified and explained in the application package.

they have not been involved or are in any conflict of interests (fact or appearance) in any way (either personally or as shareholders, directors, officers, general contractors or partners of a corporation, partnership or other form of business organization or joint venture) with the Authority or its employees. Any conflict of interest will immediately disqualify the applicant with regard to any of the Authority's programs.

Projected income & expenses schedule and a pro-forma cash flow, for the applicable compliance period, showing a feasible operation and certified by the proposed management agent.

Designer's Preliminary Opinion Letter with the Fair Housing Act Accessibility Requirements Checklist completed by the designer.

Applicant demonstrates readiness to proceed, through submission of:

Certification of the percentage of construction completion prepared by the resident inspector and lender's inspector for projects under construction. Both reports are required. **(Be advised that existing construction might affect the environmental review and eventual assignment of HOME Funds).**

Unexpired evidence of site control (99 years or more is required for lease contracts under HOME-AP).

Unexpired Construction Permit, Green Construction Permit or Notification of Construction Permit issued by the applicable permitting office and agencies endorsement letters, as applicable.

Written unqualified endorsement from the Mayor of the Municipality where the project will be located. The letter must indicate any other municipal assistance that the project will receive.

Technical Assistance or Final Determination Letter from the State Historic Preservation Office (36 CFR 800).

Wetland Inventory Map from the US Fish and Wildlife Service (Wetlands Protection-Executive Order 11990). The project location must be identified in the map. The project must be out of any wetland or a mitigation measure should have been completed and approved by the Corps of Engineers or the Department of Natural Resources.

FEMA Map (Floodplain Management Act (24 CFR 55, Executive Order 11988)

The project location must be identified in the NFIP map. The project must be located out of the 100-year floodplain, coastal high hazard areas and Floodways. If the project is located in the 100-year

BASIC THRESHOLD REQUIREMENTS
floodplain, an approved letter of map amendment (LOMA) or letter of map revision (LOMR) by FEMA must be submitted.
USFWS Map (Coastal Barrier Resources Act (24.CFR 58.6(b)(2)). The project location must be identified in the map. Federal assistance may not use in the Coastal Barrier Resources System.
Certification of consistency filed with the State Coastal Management Program, if required.
Technical Assistance or Final Determination Letter from the U.S. Fish & Wild Life Service-Department of Interior -(Endangered Species Act (50 CFR 402). The technical assistance shall indicate that no endangered species are affected by the project. If mitigation required as per Final Determination, must specify expected timeframe and cost for required actions.
<p>Noise Study for any proposed project of new construction, major rehabilitation, or conversion located:</p> <ul style="list-style-type: none"> <li>• 1,000 feet of a major noise source, road or highway</li> <li>• 3000 ft. of a railroad; or</li> <li>• 5 miles of a civil airport</li> </ul> <p>Noise Study must be in accordance to the requirements set forth in the American National Standard Method for the Physical Measurement of Sound. The result of the noise level must comply with the acceptable noise level of 65 decibels established in 24 CFR 51.100 Noise Abatement and Control. The Noise Study must comply with the HUD Noise Guidebook. Day/Night Noise Electronic Assessment Tool. (<a href="https://www.onecpd.info/resource/313/hud-noise-guidebook/">https://www.onecpd.info/resource/313/hud-noise-guidebook/</a>).</p>
Archaeological, if required by the SHPO pursuant to its review under Section 106, or if required by the Institute of Puerto Rican Culture (ICP), or copy of the recommendation issued by the ICP as part of the construction permit consultancy process evidencing that the study is not required.
Hydraulic/Hydrologic Study, if the project meets the conditions established under The Department of Natural and Environmental Resources' Administrative Order No. 2013-12, or a certification issued by a civil engineer attesting that the study is not required.
<p>Resumes, applicable licenses and contracts with the Development team in place:</p> <ul style="list-style-type: none"> <li>• Architect/Designer</li> <li>• General Contractor</li> <li>• Resident Inspector</li> <li>• Management Agent</li> <li>• Consultant Agent</li> </ul>
Final construction drawings and outline specifications certified by the licensed professional (project architect or engineer in charge of design) submitted to the competent permitting office.
Construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328 (form not required), certified by the proposed general contractor or project designer.

BASIC THRESHOLD REQUIREMENTS

Conditional or firm financing commitment, specifying terms of each financing source. Projects with permanent financing other than the Authority's will need a letter of intent from the financial institution. The letter should detail:

- amount and term of the loan;
- fixed interest rate;
- non-recourse nature of the loan;
- amortization period;
- prepayment penalties; and
- agreements governing the various reserves which are capitalized at closing

Phase I environmental assessment report. (Must comply with ASTM E 1527-13 or any updated version promulgated by ASTM which meets the requirements of the EPA's AAI regulations).

Comprehensive market study report by an Authority approved provider that is also unaffiliated to the developer (**prepared within six months of the application**).

Appraisal report of site and project performed by an Authority approved appraiser unaffiliated to the developer (**prepared within six months of the application**).

For rehabilitation and acquisition/rehabilitation projects, a comprehensive capital needs assessment report prepared by a licensed architect or engineer unaffiliated to the developer that includes: an opinion of proposed construction budget and assesses the condition, among other, of site, structural systems (roof, bearing walls and columns, foundations), plumbing systems, electrical systems, fire protection systems, building envelope and insulation, interiors (including units and common areas); and mechanical systems; in projects with more than 26 units, it must specify the remaining useful life of major systems; and paint testing and/or risk assessment report, for substantial rehabilitation projects.

Site selection standards checklist evidencing compliance with 24 CFR 983.57(e).

Project timeline for project activities including specific benchmarks for acquisition, assembly of the development team, completion of plans and specifications, completion of financial approvals, municipal approvals, building permits, project construction start date, completion date and the estimated date of lease-up.

Certification by owner attesting compliance with restrictions on real property acquisition or rehabilitation under the URA, and 49 CFR 24.101(b).

Letter of intent to sign the Land Use Restrictive Covenant Agreement for the HOME program, including: designation of HOME-assisted units (24 CFR 92.252(j)); occupancy of assisted units (24 CFR 92.216(a) and 92.252(a) and (b)); initial and ongoing rent restrictions (24 CFR 92.252(a) through (c) and (f)); tenant eligibility (24 CFR 92.203 and 92.252(h) and (i)); and period of affordability (24 CFR 92.252(e)).

Certification from applicant as to Federal, State, or Local subsidies received or expected to be received for the development and operation of the project. If executed, copies of subsidy/grant contracts or commitment letters must be submitted with the application.

<b>BASIC THRESHOLD REQUIREMENTS</b>
If the project has, or will have, Federal, State, or Local subsidies copies of the contracts or firm commitment letters must be attached to the owner's subsidy certification, as applicable.
Detail sources and uses of funds schedule and projected cash flow during construction period.
<b>ADDITIONAL TRESHOLDS REQUIREMENTS</b>
1. "Non Profit Organizations ( <b>NP</b> ) requesting funds from the Community Housing Development Organization (CHDO) Set-Aside must file an independent application to be certified as an organization within the meaning of 24 CFR 92.2, Subpart A, and comply with the following requirements:
The NP is organized under State or local laws, as evidenced by a Certificate of Organization issued by the State Department.
No part of its earnings, inure to the benefit of any member, founder, contributor, or individual as evidenced by its Articles of Incorporation.
Evidence that it is a qualified organization by including copy of the IRS document designating the NP as a 501(c)(3) or 501(c)(4) entity; is classified as a subordinate of a central organization non-profit under section 905; or is a wholly-owned entity that is regarded as an entity separate from its exempted owner for tax purposes.
The NP is not affiliated with or controlled, nor receives direction from individuals, or entities seeking profit from the organization.
Evidence that the NP has among its purposes the provision of decent housing that is affordable to low and moderate-income people.
Evidence that the NP conforms to the financial accountability standards of 24 CFR 84.21, "Standards for Financial Management Systems".
Evidence of demonstrated capacity for carrying out activities assisted with HOME funds; and that the NP has a history of at least one year of serving the community within which housing to be assisted with HOME funds is to be located.
The NP maintains at least one-third of its governing board's membership for residents of low-income community residents or elected representatives of low-income neighborhood organizations or, if chartered by a State or local government or sponsored or created by a for-profit organization, complies with applicable membership restrictions; and provides a formal process for low-income beneficiaries to advise on its activities regarding affordable housing projects.
If the owner, developer or sponsor applies under the Authority's HOME program Community Housing Development Organization (CHDO) set aside must include evidence of such application meeting the requirements in 24 CFR 92.300(a)(2) to (4), as applicable.

BASIC THRESHOLD REQUIREMENTS
Projects financed by Rural Housing Services/ HUD 202 Program or any other federal, state or local program funding-source not included under the NOFA must submit reservation or commitment letter with the application. The letter must identify the funding amount.
Affirmative Fair Housing Marketing Plan.
Projects with tax exempt financing, certifications from: financing institution stating the tax exempt status of the obligations to be issued to finance the Project, and Owner's Tax Attorney and/or CPA opinion regarding this matter.

The initial basic qualifications will be evaluated by PRHFA. If the project do not meet requirements for completeness, the applications will not be received. If received, only those applications that meet the joint basic threshold requirements and qualifications would be further considered for evaluation under joint the Point Ranking System.

**Point Ranking System**

The HOME Program Director will determine which applicants comply with the minimum threshold requirements and therefore can proceed with the point ranking evaluation. PRHFA will consider qualified applications for HOME Funds after a project satisfies all basic threshold requirements, using the Point Ranking System established hereinafter to determine the allocation of HOME Funds. The project can accumulate up to 100 points on the Point Ranking System and a minimum of 30 points to be further considered for an allocation of HOME Funds.

The Authority reserves the right not to reserve or allocate HOME funds to any applicant, regardless of that applicant's point ranking, if the Authority determines, subject to program requirements, that a reservation is not in line with the purpose and goals of the State Housing Plan or this Action Plan; the applicant's proposed project is not financially viable; there is not a substantial likelihood that the project will be able to execute in a timely manner; or the project do not comply with any other applicable requirement. The information that might be weighed to make such determination includes, but is not limited to, comments of officials of local governmental jurisdictions, the market appropriateness of the project, market's information other than the submitted market study, and the prior experience of sponsor or its representatives with multifamily projects.

Every sponsor, developer, owner, or consultant attests to the correctness of the information provided as a condition to rank the project's application according to the Point Ranking Criteria. Failure to uphold the information submitted or the representation made to support the application's evaluation and ranking throughout the allocation process will result in a finding of noncompliance and limited participation in further rounds for every person, developer, owner or consultant which participates in the project's application. The Authority might pursue any other available or enforceable remedies under federal or state laws, regulations and or any applicable professional code of ethics.

Point Ranking Evaluation		Score
I	<b>Project Location</b>	Up to 12 pts
I.1	<b>Location.</b> Project located within one of the following areas:	Up to 5 pts
	5 points: Urban area defined as: Central Urban Area in the Planning Board's <i>Reglamento de la Infraestructura en el Espacio Público</i> ; or Urban Center designated by the Department of Transportation and Public Works or adopted under an Urban Center Area Plan; or a state designated Historical Zone or federally designated Historical District.	5
	<b>Documentation required:</b> certification of location by a licensed land surveyor; physical address and coordinates. Any project property straddling the limit of the designated urban area will be considered as located within.	
	The portion of a census tract outside an urban area that has a rate of:	
	20% or less below poverty line.	3
	More than 20% and less than 30% below poverty line.	2
	More than 30% and less than 40% below poverty line.	1
	<b>Documentation required:</b> certification of location by a licensed land surveyor; census tract number; census tracts "% Below Poverty Line" as per the Federal Financial Institutions Examination Council's (FFIEC) 2015 Census Report. Any project property straddling the limit of the designated census tract will be considered as located within.	
	The zone of influence around an Urban Train Station, as defined under section 3(e) of Law 74-1965, as amended.	1
	<b>Documentation required:</b> certification of location by a licensed land surveyor; physical address and coordinates. Any project property straddling the limit of the zone of influence will be considered as located within.	
I.2	<b>Desirable Activities</b>	Up to 7 pts
I.2.1	<b>General.</b> Projects located within 500 meters of the following amenities will be awarded a point each, up to 5 points:	Up to 5 pts
	Town square of an urban center.	1
	Public park (must incorporate a passive non-sports area).	1
	Traditional town market ( <i>plaza de mercado</i> ).	1
	Public or licensed elementary, middle or high school.	1
	Shopping center (100,000 square feet or more of net commercial space; no other listed use is eligible if located within a shopping mall).	1
	Grocery store or supermarket with meat, produce and dairy.	1
	Hospital, diagnostic and treatment center (CDT) or federally qualified health center.	1
	Pharmacy.	1
	Federal post office.	1
	Public transit terminal (bus, <i>públicos</i> ).	1

Point Ranking Evaluation		Score
	<b>Documentation required:</b> map certified by a licensed land surveyor attesting to location of the facilities and the distance along a walkable public pathway or roadway between the project's main pedestrian entrance and the closest point of a town square or park facility or a public entrance to any target facility (in case of a shopping mall, to the commercial concourse or a big box-type facility entrance). If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project. Amenities must also be referenced by the market study.	
<b>I.2.2</b>	<b>Targeted.</b> Projects targeted to the following special needs populations located within 500 meters of the following amenities will be awarded a point for each one, up to 2 points:	Up to 2 pts
	Single headed household:	
	Grocery store with WIC contract.	1
	Licensed or chartered child-care facility.	1
	<b>Documentation required:</b> name and physical address of facilities; verification of inclusion in the WIC Vendor Registry published at wicpuertorico.com; child care facility charter issued by ACUDEN.	
	Elderly household:	
	Physician or dental office.	1
	Civic center or voluntary work facility.	1
	<b>Documentation required:</b> name and physical address of facilities.	
	Homeless (as defined under HEARTH Act):	
	Certified WIOA training center.	1
	ASSMCA licensed public or private institution for the ambulatory treatment of mental disabilities, drug addiction or substance dependency.	1
	<b>Documentation required:</b> name and physical address of facilities; authorization for WIOA training center issued by Local Workforce Development Area; copy of license issued by ASSMCA.	
	<b>Documentation required:</b> map certified by a licensed land surveyor attesting to location of facilities and distance along a walkable public pathway or a roadway between the project's main pedestrian entrance and the public entrance to any target facility. If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project. Amenities must also be referenced by the market study.	
<b>I.3</b>	<b>Undesirable Activities.</b> Even if compliant with required environmental review, projects will be discounted one point for each one of the listed undesirable activities, up to 5 points, if located:	Down by as many as 5
	Within one-eight mile of a:	
	Junkyard.	-1
	Landfill or dumpsite.	-1
	Industrial site.	-1
	Airport.	-1
	Wastewater treatment plan.	-1
	Adjoining a property which is or contains a:	
	Gas station.	-1

Point Ranking Evaluation		Score
	Auto repair, paint or tire repair shop.	-1
	Woodworking shop.	-1
	Unabated nuisance, as declared by a Municipality.	-1
	<b>Documentation required:</b> map prepared by a licensed land surveyor certifying due diligence by identifying any of the listed nuisances within the established distance measured along the shortest straight line between the project lot and the nuisance property. In case of a scattered-site project, the distance will have to be certified from the closest point of the project's lot closest to the identified nuisance.	
<b>II</b>	<b>Project Characteristics</b>	Up to 52 pts
<b>II.1</b>	<b>Infill or nuisance.</b> Projects will be awarded one point if proposed to develop an infill site or a site expropriated as part of a nuisance abatement process; and one additional point, up to 5 points, for each non-contiguous infill site or expropriated as part of a nuisance abatement process that is incorporated into a scattered-site project, located within an area with a radius no larger than one-quarter mile. An infill site shall be defined as a site that is bound on all except one of its sides, or two of its sides in case of a corner-type property, by adjoining built-up properties, and that has immediate access to existing public infrastructure of roads, water, sewer, and power.	Up to 5 pts
	<b>Documentation required:</b> aerial photograph for each infill site showing adjoining properties; cadastral numbers of properties; nuisance abatement completed by Municipality supported by property deed and certification provided by Municipality.	
<b>II.2</b>	<b>Historic property.</b> A substantial rehabilitation project site is located in or incorporates a state designated historic property, federally designated historic place or a contributing resource to a federally designated Historic District.	3
	<b>Documentation required:</b> Act citation or Planning Board's Resolution number and date in case of state designated properties; listing in the National Register of Historic Places, in case of federally designated properties; State Historic Preservation Office's (SHPO) certification of contributing resource.	
<b>II.3</b>	<b>Adaptive reuse.</b> The residential use is an adaptive reuse of an existing non-residential property.	1
	<b>Documentation required:</b> appraisal certifying present land use of the property.	
<b>II.4</b>	<b>Site Characteristics.</b>	Up to 9 pts
<b>II.4.1</b>	<b>Mobility.</b> Projects (or the totality of the building sites, in the case of scattered-site projects), that incorporate improvements aimed at facilitating the mobility of its residents and promoting public transportation will be awarded up to 4 points, as follows:	Up to 4 pts
	The project provides an accessible and dedicated pedestrian network within the project site to connect the building(s) main pedestrian entrance(s) with egress points on all property sides adjoining a public street.	1
	<b>Documentation required:</b> site plan certified by the project's designer identifying the proposed improvements.	
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of all non-conforming sidewalks in the perimeter of the project site adjoining a public roadway, in compliance with applicable accessibility standards and local codes.	1

Point Ranking Evaluation		Score
	<b>Documentation required:</b> a separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes; approval from Municipality and competent transit authority, if applicable; letter from competent authority attesting the improvement is not a required off-site.	
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of transit pull-offs or public transit stops and required signage in any point of the roadway perimeter of the project site; or the provision or improvement of the sidewalks, crosswalks, refuge islands, and required signage to connect an off-site existing public transit stop with the project site, in compliance with applicable accessibility standards and local codes.	1
	<b>Documentation required:</b> a separate architectural drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes; approval from Municipality and competent transit authority, if applicable; letter from competent authority attesting the improvement is not a required off-site.	
	The project provides an enclosed (covered, secured room within the building limits) bicycle storage facility for residents on the ground floor with at least one bicycle rack space for every two units; and an unenclosed bicycle storage facility accessible to visitors with at least one bicycle rack space for every 10 vehicle-parking spaces.	1
	<b>Documentation required:</b> ground floor plan certified by the project's designer showing location and capacity of facilities.	
<b>II.4.2</b>	<b>Urban Considerations.</b> A proposed development that strengthens and improves the neighborhood's general urban character may be awarded one point for each one of the following criteria, up to 5 points, as follows:	Up to 5 pts
	The project achieves the maximum allowable gross floor area, housing density and/or height under applicable code provisions.	1
	<b>Documentation required:</b> table with applicable code provisions, maximum parameters and project parameters certified by the project's designer.	
	The parking spaces and service areas are screened from any public sidewalk or roadway by green hedges, fences or walls with a void-to-solid area ratio of 1 or less.	1
	<b>Documentation required:</b> site plan and elevation details certified by the project's designer identifying visual barriers and certifying compliance.	
	The building(s) main entrance(s) open(s) to the sidewalk of an adjoining public roadway.	1
	<b>Documentation required:</b> site plan certified by the project's designer showing the location of the building's main entrance(s).	
	The commercial spaces offered to the project tenants serve the general public and can be directly accessed from a public space.	1

Point Ranking Evaluation		Score
	<b>Documentation required:</b> entry-level floor plan certified by the project's designer identifying commercial spaces and access from a public space; deed identifying commercial use.	
	The project dedicates an open garden or plaza to public use connected to or adjoining a sidewalk or roadway.	1
	<b>Documentation required:</b> site plan certified by the project's designer identifying public space, area and relation to a sidewalk or roadway; documentation supporting property dedication to public use.	
<b>II.5</b>	<b>Building Characteristics.</b>	Up to 10 pts
<b>II.5.1</b>	<b>Unit Mix.</b> Projects might earn up to 2 points for a unit mix preferring 2-bedroom units as follows:	Up to 2 pts
	75% or more non elderly 2-bedroom units	2
	50% or more non elderly 2-bedroom units	1
	<b>Documentation required:</b> floor plans certified by the project's designer; project pro-forma.	
<b>II.5.2</b>	<b>Accessibility.</b> Exceeding the allocation required under 24 CFR 8.22(b), projects could earn up to 3 points for the amount of fully accessible units for mobility disabilities (compliant with requirements applicable to Type A dwellings as defined under section 1003 of ICC ANSI A117.1 (2009)), as follows:	Up to 3 pts
	At least 20% of total units are fully accessible units for mobility disabilities.	3
	At least 15% of total units are fully accessible units for mobility disabilities.	2
	At least 10% of total units are fully accessible units for mobility disabilities.	1
	<b>Documentation required:</b> floor plans and elevations certified by the project's designer showing accessibility features; designer's certification of compliance; designer's opinion letter specifying compliance; affirmative marketing plan in provided Fair Housing format.	
<b>II.5.3</b>	<b>Building Amenities.</b> Projects will be awarded one point, up to 5 points, for each one of the following building or unit features benefiting all units and, if applicable, not required by code or a permit authority:	Up to 5 pts
	Centrally located courtyard or patio with an area of no less than 30 sq. ft. per unit directly accessible from the main entrance(s) of the building(s).	1
	Community or meeting center with and area of no less than 15 sq. ft. per unit, with kitchen and public bathrooms.	1
	Open balcony in each unit with an area of no less than 24 sq. ft.	1
	Equipped exercise room or rooms with an aggregate area of no less than 300 sq. ft.	1
	Common laundry or laundries equipped with at least a washer-dryer pair per 15 units or washer/dryer combo provided in each unit.	1
	Equipped playground outdoor area with visual control from the main entrance.	1
	Night shift security guard.	1
	Trash chutes (for mid or high rise facilities).	1
	Storm windows or shutters in all units.	1

Point Ranking Evaluation		Score
	Ceiling fans for all bedrooms and living room areas.	1
	<b>Documentation required:</b> floor plans and elevations certified by the project's designer showing designated spaces and floor area; designer's certification of compliance.	
II.6	<b>Innovative Design.</b> The Authority favors projects that advance the State Housing Plan's policy that seeks to identify, adopt and implement design, construction and rehabilitation standards and technologies that are appropriate for the Island's climate, aimed at reducing construction costs and promoting energy efficiency.	Up to 14 pts
II.6.1	<b>Cost Containment.</b> The Authority's total development cost for new construction averages close to \$232,504 for non-elderly units and \$180,632 for elderly; substantial rehabilitation averages close to \$167,552 and \$130,771, respectively. Projects that demonstrate the capacity to effectively curb costs while complying with applicable standards, threshold requirements and minimum scoring, might earn up to 5 points, as follows:	Up to 5 pts
	Total development cost per unit more than 20% below the applicable benchmark.	5
	Total development cost per unit more than 15% below the applicable benchmark.	3
	Total development cost per unit more than 10% below the applicable benchmark.	1
	<b>Documentation required:</b> construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328, certified by the proposed general contractor or project designer; project development costs; construction cost estimate prepared and certified by a third-party (licensed architect or engineer, Professional Cost Estimator or a Certified Cost Professional); Sources and Uses of Funds; required fees to cover the Authority's third-party assessment of proposed cost estimates.	
II.6.2	<b>Energy Efficiency.</b> Projects might earn up to 9 points by advancing energy efficiency and green design best-practices and protocols, as follows:	Up to 9 pts
	A point each will be awarded for any project that specifies and factors-in the initial costs of any the following:	Up to 5 pts
	All appliances initially placed in common areas and apartments, and/or building envelope products (specifically: refrigerators, bath fans, clothes washers-dryers, and/or windows, doors, and skylights), as well as their replacement are specified to be Energy Star-qualified.	1
	Kitchen range directly vents to exterior and all hoods vent to the exterior tampered; Energy Star qualified bath fan where required with timer or humidistat.	1
	Energy Star qualified light fixtures throughout.	1
	All initial water conserving appliances and fixtures and their on-going replacements conform to or exceed the EPA's Water Sense standards for toilets, kitchen faucets, bathroom faucets, and showerheads.	1
	Recycling space and equipment, including recycling bins for each apartment.	1
	<b>Documentation required:</b> architectural drawings specifying spaces, equipment and/or systems required; <b>designer's certification of compliance;</b> construction cost estimates identifying initial cost of equipment; proposed covenant provision for on-going replacements adopting most current program standard.	
	Construction permit is a Green Construction Permit ( <i>Permiso de Construcción Verde</i> ) from OGPe.	3

Point Ranking Evaluation		Score
	<b>Documentation required:</b> Copy of Green Construction Permit from OGPe.	
	An Enterprise Green Communities' pre-build or a LEED Neighborhood Development Plan certification completed at date of application.	1
	<b>Documentation required:</b> Copy of certification.	
II.7	<b>Construction Readiness.</b> Project has one of the following:	Up to 10 pts
	Unexpired construction permit or notification of approval of the construction permit.	10
	<b>Documentation required:</b> Document issued by the Permits Management Office (OGPe), an Autonomous Municipality or a <i>Profesional Autorizado</i> .	
III	<b>Housing Needs Characteristics</b>	Up to 9 pts
III.1	<b>Income Targeting.</b> A project might earn 3 points if at least 50% of the units in the project are targeted for households with incomes at 50% AMI.	3
	<b>Documentation required:</b> Restrictive covenant agreement provision; tenant selection procedures.	
III.2	<b>Targeted Units.</b> A project will be awarded up to 3 points if it sets-aside the applicable percentage of units for any of the following special populations categories identified in both the State Housing Plan and the Consolidated Plan: elderly households (62 years and older); homeless persons or families as defined under the HEARTH Act; single headed households; persons with HIV/AIDS:	Up to 3 pts
	At least 75% of total project unit's set-aside for the targeted group during the length of the HOME compliance period.	3
	At least 50% of total project unit's set-aside for the targeted group during the length of the HOME compliance period.	2
	At least 25% of total project unit's set-aside for the targeted group during the length of the HOME compliance period.	1
	<b>Documentation required:</b> restrictive covenant agreement provision recording the targeted set-aside for the length of the compliance period; for permissible target populations under the applicable provisions of the programs subsidizing the project, an affirmative marketing plan in the provided Fair Housing format and tenant selection procedures.	
III.3	<b>Preservation.</b> To strengthen the State Housing Plan policies that seek to maintain the stock of affordable rental housing, a substantial rehabilitation project that meets the threshold expenditure level established under IRC 42(c)(3)(A)(ii), might earn up to 3 points, if:	Up to 3 pts
	The project curbs the risk of loss due to physical condition by replacing more than one major building component, which includes roof, bearing wall, floor or foundation structures; plumbing system; electrical system; fire prevention and safety system; vertical transportation; or building envelope.	2
	<b>Documentation required:</b> Comprehensive capital needs assessment certified by a licensed architect or civil engineer including the identification of the condition of major building systems and the extent of required code compliance retrofitting.	
	The project curbs a significant risk for market conversion of a tax credit or otherwise rent-assisted property; or preserves a comparable level of existing project-based rental subsidies that will expire within two years of the application date.	1
	<b>Documentation required:</b> Housing market study must demonstrate the capacity of the project to compete for market rate tenants; copy of existing HAP, if applicable.	
IV	<b>Project Developer Characteristics</b>	Up to 9 pts

Point Ranking Evaluation		Score
<b>IV.1</b>	<b>Experience.</b> Developer, General Partner or Managing Partner can demonstrate successful record and full compliance participating in same capacity in the development of Tax Credit projects in Puerto Rico. Up to 6 points, a point will be awarded for each documented project, up to a maximum of 3 projects, for each one of the following comparable characteristics:	Up to 6 pts
	If proposing to use only HOME, project demonstrating utilization of HOME program or in combination with other programs; if proposing to use HOME in combination with any other federal or state program, project utilization of HOME combined with Tax Credits, project-based rental assistance or another federal or state program subsidizing development costs, long-term operations or providing long-term rental assistance.	Up to 3 pts
	Similar or deeper share of income targeted populations.	Up to 3 pts
	<b>Documentation required:</b> Copy of IRS form 8609 for LIHTC projects; relevant project documentation; letter certifying compliance issued by the Authority or the Department of Housing.	
<b>IV.2</b>	<b>Financial Strength.</b> Developer, general partner and manager partner have:	Up to 3 pts
	Combined current liquid assets equivalent to the greater of one million dollars (\$1,000,000) or 5% of the total development costs.	2
	<b>Documentation required:</b> Compiled or revised financial statements certified by a licensed accountant; sources and uses of funds.	
	Combined net worth equivalent to the greater of three million dollars (\$3,000,000) or 15% of total development costs.	1
	<b>Documentation required:</b> Compiled or revised financial statements certified by a licensed accountant; sources and uses of funds.	
<b>V</b>	<b>Financing Characteristics</b>	Up to 13 pts
<b>V.1</b>	<b>Funds Leveraging.</b> The leveraging of capital funding from public grants or non-financing sources, other than those being managed by the Authority, the Department of Housing or the Municipalities is encouraged by awarding a project up to 5 points as follows:	Up to 5 pts
	At least 15% of the total development cost covered by other sources of public funding.	5
	At least 10% of the total development cost covered by other sources of public funding.	3
	<b>Documentation required:</b> Sources and uses of funds; binding commitment, agreement or award documentation.	
<b>V.2</b>	<b>Local Government Funding.</b> Up to 5 points are awarded for projects that leverage local government capital funding through cash contributions, land donated or discounted, site or off-site improvements, grants, or a municipal construction tax abatement which is granted to the project and is not available under a local or state statute of general application, with a total value of:	Up to 5 pts
	At least 5% of the total development cost.	5
	At least 3% of the total development cost.	3
	At least 1% of the total development cost.	1
	<b>Documentation required:</b> sources and uses of funds; binding commitment, agreement, contract, award or documentation supporting property transaction or construction tax abatement.	

Point Ranking Evaluation		Score
V.3	<b>Operating Expenses.</b> Project might be awarded 1 point if it meets the corresponding operating expense requirement on a per-unit per-annum (PUPA) basis in the first year:	1
	For developments with 79 units or less, a PUPA not less than \$3,000 but not more than \$3,600.	
	For developments with 80 to 120 units, a PUPA not less than \$2,900 but not more than \$3,400.	
	For developments with 121 units or more, a PUPA not less than \$2,800 but not more than \$3,400.	
	<b>Documentation required:</b> Certification provided by the management agent.	
V.4	<b>State Funding.</b> Projects which have been contributed federal or State-owned land for redevelopment will be awarded 2 points.	2 pts
	<b>Documentation required:</b> Copy of long-term lease agreement, deed, or letter of commitment.	
VI	<b>Supportive Services</b>	Up to 5 pts
VI.1	<b>Supportive Services.</b> To advance the public policy of the State Housing Plan to increase the provision supporting services by integrating agencies that provide these services and coordinate their actions to support permanent housing for populations with special needs, any project might earn up to 5 points for sustaining a funding allocation for the provision of supportive services of the type: 1) authorized under a federally subsidized program and that can be funded with resources obtained directly as a grantee in competitive or demonstrative grants, or as a recipient of any admissible operational assistance ( <i>i.e.</i> , CoC, VASH, GPD, SSVF, Veteran Per Diem, CDBG, HOPWA, FSS Program, etc.), or indirectly as sub-grantee or provider, or by contracting the services of a sub-grantee or provider, of any state or municipally managed program ( <i>i.e.</i> , ADFAN's CSGB, VRA's Independent Living, ASSMCA's Homeless and Chronic Mental Health, ADFAN's Adult and Person with Disabilities Services, Medicaid's Home and Community-Based Service Waivers, among other); or 2) contracted for a certified Assisted Living facility under Act 244-2003, as follows:	
	Up to 5% of the project's annual operational cost for the length of the compliance period of affordability.	5
	Up to 3% of the project's annual operational cost for the length of the compliance period of affordability.	3
	Up to 1% of the project's annual operational cost for the length of the compliance period of affordability.	1
	<b>Documentation required:</b> Pro-forma; agreement provisions specifying operational budget commitment; if available, binding commitment, agreement or award documentation. On-going compliance will have to be demonstrated through: financial reporting evidencing compliance with funding commitment; and supporting documentation of managed, contracted or purchased services funded or authorized by any federally subsidized program; relevant reporting under Act 224-2003.	
<b>Maximum Score</b>		<b>100</b>
VII	<b>Tie-Breaking Criteria</b>	
	Will favor the project that is the readiest to proceed.	
	Will favor the project that is located in an urban area as defined in I.1.	
	Will favor the project with highest average debt service coverage ratio (ADSCR).	

Point Ranking Evaluation		Score
	Will favor the project that is located in a QCT and contributes to a concerted Community Revitalization Plan consistent with the policies of the Commonwealth or of a Municipality. Endorsement from competent entity must be provided, if case arises.	
	Will favor the project that is located in a non-metropolitan Municipality with the least amount of HOME funds allocated from the Authority's HOME program for Construction and Rehabilitation of Rental Housing.	

An applicant may submit a written petition for reconsideration to the Executive Director of the Puerto Rico Housing Finance Authority (PRHFA) within ten (10) calendar days after the notification by mail of the letter denying the application. A copy of the petition for reconsideration must be filed with the PRHFA HOME Program.

The PRHFA shall consider the petition for reconsideration within ten (10) calendar days of filing. If the PRHFA makes a determination upon the merits of the petition for reconsideration, the term to petition for judicial review shall commence as of the date of the notification by mail of the final determination. If the PRHFA takes no action with respect to the petition for reconsideration within ten (10) calendar days of filing, the petition for reconsideration shall be deemed to have been denied outright and the term for judicial review shall commence to run as of that date.

An applicant adversely affected by a decision of the PRHFA, may present a petition for review before the Court of Appeals within ten (10) calendar days after the notification by mail of the letter denying the application, or within ten (10) calendar days after the expiration of the term provided to the PRHFA to consider the petition for reconsideration.

The filing of a petition for reconsideration or a petition for judicial review shall not stop the PRHFA allocation of HOME Funds to successful applicant. The reconsideration and judicial review procedure provided herein shall be the exclusive proceeding to review the merits of a decision of the PRHFA regarding the allocation of HOME Funds pursuant to this Action Plan. Other regulations regarding formal or informal adjudicatory proceedings before the PRHFA are not applicable to HOME Funds allocation decisions.

Selection and notification (conditional): HOME will evaluate the projects according to their specifications, available funds, and their best use. A written notice will be sent to all proponents indicating whether they were selected or not, the results of the threshold evaluation and the score assigned to their proposals. The notice will not confirm the assistance amount and MUST be considered conditional in nature and pending the determinations of the subsidy layering and other reviews of the project.

**3. IF ONLY SUMMARY CRITERIA WERE DESCRIBED, HOW CAN POTENTIAL APPLICANTS ACCESS APPLICATION MANUALS OR OTHER STATE PUBLICATIONS DESCRIBING THE APPLICATION CRITERIA? (CDBG ONLY)**

Not applicable to the HOME Program- (see CDBG section Above)

**4. DESCRIBE THE PROCESS FOR AWARDING FUNDS TO STATE RECIPIENTS AND HOW THE STATE WILL MAKE ITS ALLOCATION AVAILABLE TO UNITS OF GENERAL LOCAL GOVERNMENT, AND NON-PROFIT ORGANIZATIONS, INCLUDING COMMUNITY AND FAITH-BASED ORGANIZATIONS. (ESG ONLY)**

Not applicable to the HOME Program- see ESG section Above.

**5. IDENTIFY THE METHOD OF SELECTING PROJECT SPONSORS (INCLUDING PROVIDING FULL ACCESS TO GRASSROOTS FAITH-BASED AND OTHER COMMUNITY-BASED ORGANIZATIONS). (HOPWA ONLY)**

Not applicable to the HOME Program - See HOPWA Section.

**6. DESCRIBE HOW RESOURCES WILL BE ALLOCATED AMONG FUNDING CATEGORIES.**

The information that follows presents a description of the HOME Program activities and the criteria used for the distribution of funds addressing the priority needs, specific objectives, and performance measurements mentioned above. The minimum investment required by HOME activity is \$1,000 per unit.

**ACTIVITY NAME: DOWN PAYMENT ASSISTANCE TO HOMEBUYERS**

**HOME Allocation: \$3,300,000**

**Description:** The scope of this activity is to promote the acquisition of existing affordable housing for homeownership tenure; increasing the supply of safe, sound and sanitary dwellings available to low income families and helping them to improve their quality of life.

**HOME** funds will be used to subsidized part of the down payment and closing costs to prospective homebuyers in order to reduce the monthly mortgage payments. The dwelling should met property standards set forth in CFR 92.251 and the homebuyer should met income targeting requirements set forth in sections 24 CFR 92.203 (income determination) and 24 CFR 92.217 (income targeting: Homeownership).

Permanent financing would be secure through a private financial institution or the Puerto Rico Housing Finance Authority. The subsidy per family is up to \$45,000.00.

Nevertheless, the amount of the subsidy to be awarded could be higher if the subsidy layering analysis done to the family in compliance with 24 CFR 92.250(b), justify a higher subsidy.

On this basis, the Government Program will be able to consider the approval of individual homebuyer activity with a sale price up to \$150,000.

In order to qualify as homebuyer, the applicant should meet the criteria mentioned below:

- a. To qualify as a low income family in the municipality where he/she is interested in purchasing the housing unit. Eligible families are Section 8, public housing, private tenants and married or unmarried couples looking to relocate because of marriage or job replacement. We encourage single parents, handicapped and elderly looking for secure housing opportunities. Income eligibility will be determined using Annual Gross Income as defined in 24 CFR Part 5. We also encourage occupation in Projects financed by the Puerto Rico Housing Finance Agency if of any interest by the solicitants of the Home Program.
- b. To look into the housing market and request a sale offering from the owner seller once the family has decided on a property.
- c. To request a pre-qualification from a mortgage bank, calculating the equity available for down payment, the amount of Home funds needed for down payment assistance and the monthly mortgage.
- d. To obtain the final eligibility and subsidy analysis form the Commonwealth Home Program, in order to obtain the final program commitment. Individualized analysis and criteria per family will take place in this step.
- e. To qualify in the Home Program solicitants must be living in Puerto Rico for at least one year.
- f. The homebuyer will execute a lien through covenants running with the property and deed restrictions for the affordable period, calculated for funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms). HOME assistance could be matched with any other state, federal or municipal subsidy.

**ACTIVITY NAME: TENANT BASED RENTAL ASSISTANCE**

**HOME Allocation: \$200,000**

**Description:** The scope of this activity is to promote rental housing vouchers for individual private housing. It will be targeted for households of victims of domestic violence. Home funds will be used for monthly rental payments and security deposit payment. The voucher will be active for 12 to 24 months, depending on the family's needs. The property should meet property standards set forth in CFR 92.251. The family has to be income eligible at the time of initial qualification and must comply HUD low income limit. At least 90% of the families must be at or below 60% of area median income. The PJ will assure that the applicant is income eligible prior to signing a contract for TBRA for the household.

- a. Income determination will be using HUD's annual income as defined in 24 CFR Part 5.
- b. The target group will be households of victims of domestic violence.
- c. Families must be residents of Puerto Rico for the past year.
- d. The activity will be handled in collaboration with other State Agencies.

**ACTIVITY NAME: HOMEOWNERSHIP REHABILITATION OR RECONSTRUCTION**

**HOME Allocation: \$2,700,000**

**Description:** The scope of this activity is to promote the rehabilitation of a substandard Homeowner unit, or the replacement of such unit if it is unsound or represents an environmental

hazard, in compliance with the housing rehabilitation standards. This would maintain the existing housing stock for Homeownership tenure, increase the supply of safe, sound, and sanitary dwellings available to low and very-low income families, and help them improve their quality of life. In order to meet the activity objective, the Commonwealth **HOME** Program will receive applications that comply with the Housing Rehabilitation Standards and under the following criteria:

- a. Very Low and Low income families
- b. In the case of minor or specialty repair if they are required to bring units up to applicable codes and standards and comply with minimum investment thresholds per HOME-assisted unit in a project;
- c. Moderate and substantial rehabilitation, which include rehabilitating all items that do not meet code or may involve substantial repairs throughout the home in order to bring it up to code and to improve the overall livability and functionality of the unit, given that subsidy limits established by Home are not exceeded (221 (d) (3).
- d. Non compliance of Section 8- Housing Quality Standards;
- e. Structural deterioration of the dwelling, for instance: current rehabilitation will exceed 25% but not 75% of the replacement cost of the unit;
- f. Architectural barrier removal for persons with physical impediments that need reasonable accommodation;
- g. Construction of additional bedrooms to clear overcrowding.

Very Low and Low-income families will receive a grant from the Commonwealth **HOME** Program depending of the number of bedrooms for the rehabilitation of the dwelling.

Any additional cost beyond the subsidy limit needed to complete the rehabilitation of the **HOME** would be obtained from a construction loan. An exception to this rule will be awarded to handicapped and elderly heads of households if they are not in the position to assume repayment of a construction loan.

**ACTIVITY NAME:** REHABILITATION OR CONSTRUCTION OF RENTAL HOUSING  
**HOME Allocation:** \$5,918,457

**Description:** **HOME** funds will be distributed as a grant to provide incentives or a direct loan to developers in order to reduce financing expenses in the construction loan.

The rental construction, rehabilitation, or conversion will be carried out in compliance with sections 24 CFR 92.205 (eligible activities), 92.206 (eligible project costs), 24 CFR 92.251, **HOME** Program property standards, and Commonwealth construction requirements. Eligible project costs will be evaluated by the **HOME** staff, with the Reasonable Cost Certification issued by the **HOME** Program.

The amount of the subsidy to be awarded will be granted after the subsidy layering analysis is done to the project in compliance with 24 CFR 92.250 (b).

For rental housing, 90 percent of the occupants of **HOME**-assisted rental units must have incomes that are 60 percent or less of the area median; and 20 percent of the units in each rental housing

project of five or more units must be occupied by tenant families with incomes at or below 50 percent of median income.

Enforcement of the affordability period, rent and occupancy requirements will be secured through covenants running with the property and deed restrictions. Covenants and deed restrictions may be suspended upon transfer by foreclosure or deed-in-lieu of foreclosure. Every **HOME**-assisted unit is subject to rent limits designed to help make rents affordable to low income households. These maximum rents are referred to as "**HOME Rents.**"

The **PRHFA** will annually announce the maximum monthly rents approved by HUD, as well as disclose the utilities allowances for **HOME**-assisted rental projects.

There are two **HOME** rents applicable to the **HOME** program:

High **HOME** Rents: Maximum **HOME** rents are the lesser of: the Section 8 Fair Market Rents (FMRs) (or area-wide exception rents) for existing housing; OR thirty (30) percent of the adjusted income of a family whose annual income equals 65 percent of median income.

Low **HOME** Rents: For properties with five or more **HOME** assisted units, at least 20 percent of **HOME**-assisted units must have rents which are no greater than:

- Thirty (30) percent of the tenant's monthly adjusted income, or thirty (30) percent of the annual income of a family, whose income equals 50 % of median income (Low **HOME** Rent), or if a project has a Federal or Commonwealth project-based rental subsidy and the tenant pays no more than 30 percent of his or her adjusted income toward rent, the maximum rent may be the rent allowable under the project-based rental subsidy program.
- Rental developers are advised that the payment standard applicable to the **HOME** Program is the High or Low **HOME** rent established by HUD for the market areas defined in Puerto Rico. The payment standard includes the utilities that should be paid by the landlord. In case the tenant pays any of these utilities, the contract rent executed by the tenant should discount the amount paid for such utilities. The **HOME** Program will use the utilities adopted by the PRHFA Section 8 Program.
- This activity significantly boosts the housing construction industry by developing new rental housing Island-wide.

**ACTIVITY NAME: HOME PROGRAM PLANNING AND ADMINISTRATION**

HOME Allocation: \$1,379,829

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

10% of the total allocation of HOME Program funds for PY 2018 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

**7. DESCRIBE THRESHOLD FACTORS AND GRANT SIZE LIMITS.**

No grants size limits will be applied to proposed housing development projects. For Homebuyer Financial Assistance activities the cap are a minimum of \$1,000 and a maximum of \$45,000 will be available for eligible homebuyers.

**8. WHAT ARE THE OUTCOME MEASURES EXPECTED AS A RESULT OF THE METHOD OF DISTRIBUTION?**

The following are the HOME Program Outcome Measures:

GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018			
Activity	Allocation	Percentage	Expected Goal
State Administration:	\$1,379,829	10.00%	N/A
Tenant Based Rental Assistance	\$200,000	1.45%	32
Financial Assistance to Homebuyers	\$3,300,000	23.92%	73
Homeownership Rehabilitation or Reconstruction	\$5,918,457	42.89%	44
Techo Dorado (Rehabilitation or new construction by owner)	\$2,700,000	19.57%	31
Direct Loan Program	\$300,000	2.17%	4

## HOPWA PROGRAM

### 1. DESCRIBE THE STATE PROGRAM (HOPWA) ADDRESSED BY THE METHOD OF DISTRIBUTION.

The Housing Opportunities for Persons with AIDS (HOPWA) Program provides housing assistance and supportive services for low-income persons living with HIV/AIDS and their families. HOPWA funds are received by the Puerto Rico Department of Health to be distributed to Eligible Project Sponsors that include Municipal Governments and Non-Profit Organizations.

Funds for PY 2018 will continue to be administered by the Municipality of San Juan. The Municipality will be responsible for its management, and distribution to sub recipients. The distribution of the funds to potential sub recipients will be conducted using a competitive Request for Proposal process. Due to the law restrictions, administrative funds will not be distributed to sub recipients. The competition will distribute funds for the provision of housing and other activities. If remainder funds are available after distribution, distribution of funds will not require a new competitive process but will be distributed among organizations and municipalities that previously submitted their proposals.

The availability of the RFP guide was announced during the public hearing (documents were available on March 13, 2018. Proposals were due on April 13, 2018. The Municipality of San Juan will select sub recipients from Municipalities, Faith-Based, and other Community Based Organizations that provide services to the HIV/AIDS populations. Interested sub recipients will submit proposals to be evaluated on a competitive basis, in compliance with the RFP and Application Guidelines.

For the purpose of this Plan the Puerto Rico EMSA will include the 78 municipalities for unobligated funds and the PR-EMSA Municipalities for the HOPWA grant.

### 2. DESCRIBE ALL OF THE CRITERIA THAT WILL BE USED TO SELECT APPLICATIONS AND THE RELATIVE IMPORTANCE OF THESE CRITERIA.

The following evaluations factors will be used to evaluate the proposals presented by potential sub recipients. An evaluation committee selected by the Municipality of San Juan will evaluate the applications with a standard instrument that will take into consideration: HIV/AIDS population within the proposed service area, level of experience of the proponent party, use of funds history by the proponent party and performance history of the proponent party. All criteria have the same weight in the evaluation process. The maximum value for a proposal is one hundred (100) points

The following table shows the criteria to be used for the evaluation of the proposals:

Non Profit Sub recipients		Municipal Sub recipients	
Criteria	Maximum Points	Criteria	Maximum Points
Transmittal Letter	3	Transmittal Letter	2
Description organization	6	General Information Municipality	2
Financial and	6	Description of the	25

Programmatic Background		Municipality Capacity	
Past Performances	10	Financial and Programmatic Background	6
Services to be provided	10	Proposed Project Description	20
Needs Analysis	18	Action Plan	20
Action Plan	25	Budget	20
Budget	20	Performance	5
Required Documents	2		
Total	100		100

**3. IF ONLY SUMMARY CRITERIA WERE DESCRIBED, HOW CAN POTENTIAL APPLICANTS ACCESS APPLICATION MANUALS OR OTHER STATE PUBLICATIONS DESCRIBING THE APPLICATION CRITERIA? (CDBG ONLY)**

Not applicable to the HOPWA Program- (see CDBG section Above)

**4. DESCRIBE THE PROCESS FOR AWARDING FUNDS TO STATE RECIPIENTS AND HOW THE STATE WILL MAKE ITS ALLOCATION AVAILABLE TO UNITS OF GENERAL LOCAL GOVERNMENT, AND NON-PROFIT ORGANIZATIONS, INCLUDING COMMUNITY AND FAITH-BASED ORGANIZATIONS. (ESG ONLY)**

Not applicable to the HOPWA Program- see ESG section Above.

**5. IDENTIFY THE METHOD OF SELECTING PROJECT SPONSORS (INCLUDING PROVIDING FULL ACCESS TO GRASSROOTS FAITH-BASED AND OTHER COMMUNITY-BASED ORGANIZATIONS). (HOPWA ONLY)**

For PY 2018 the Municipality of San Juan will accept island-wide applications, including potential sub recipients from the San Juan Eligible Metropolitan Statistical Area (SJ-EMSA). Priority will be given to potential sub recipients that are not included in the SJ-EMSA. Applicants located in the San Juan EMSA that are currently receiving HOPWA funds from the Municipality of San Juan cannot receive State HOPWA funds for the same purpose and uses.

All the applications will be evaluated by the same standards and criteria.

No proposals that combine housing and support services will be accepted during the PY 2018. If the organization wishes to provide support services in a housing project it must submit one proposal for the support service and another for the housing.

Support services eligible costs include:

- Nutritional Services
- Day care

- Case Management
- Mental Health
- Medical services
- Any supportive service combined with housing

All sub-recipients are required to register with Dun and Bradstreet to obtain a DUNS number, if they have not already done so. In addition, they need to be registered on the System for Award Management (SAM).

**6. DESCRIBE HOW RESOURCES WILL BE ALLOCATED AMONG FUNDING CATEGORIES.**

<b>Activity</b>	<b>Allocation</b>	<b>Percentage</b>
<b>Administration Puerto Rico Department of Health</b>	\$61,047	3%
<b>Administration (City of San Juan)</b>	\$138,170	7%
<b>Tenant Based Rental Assistance</b>	\$678,756	33%
<b>“Delivery Cost TBRA”</b>	\$27,198	1%
<b>Community Residences and + STRMU (Emergency Assistance)</b>	\$734,331	36%
<b>Supportive Services and Rent Deposits</b>	\$395,410	19%
<b>Total</b>	<b>\$2,034,911.00</b>	

**7. DESCRIBE THRESHOLD FACTORS AND GRANT SIZE LIMITS.**

No grant size limits are established for the HOPWA Program funds distribution.

**8. WHAT ARE THE OUTCOME MEASURES EXPECTED AS A RESULT OF THE METHOD OF DISTRIBUTION?**

The following are the HOPWA Program Outcome Measures:

- Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family - 75
- Tenant-based rental assistance - 115
- Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds - 100
- Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds -500

## HOUSING TRUST FUND (HTF) PROGRAM

### 1. DESCRIBE THE STATE PROGRAM (HTF) ADDRESSED BY THE METHOD OF DISTRIBUTION.

The PRHFA will receive \$1,253,357 in HTF funds for PY 2018. The resources will be allocated for Multifamily Rental New Construction/Rehabilitation and for Single Family Homebuyer Assistance. The funds will be distributed as follow:

GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018
<b>Assigned Budget:</b> \$1,253,357
<b>Distribution by Category:</b>
State Administration: \$125,336
Multifamily Rental New Construction/Rehabilitation \$1,002,686 (80%)
Single Family Homebuyer Assistance: \$125,336 (10%)

#### Description of the Method to Distribute HOME and HTF Funds for Construction and Rehabilitation of Rental Housing

As part of the joint efforts and on-going initiatives that relate to the 2014-2018 Puerto Rico State Housing Plan, the Puerto Rico Housing Finance Authority (Authority) will make available the Housing Trust Fund Activities of Rental Housing along the HOME Investment Partnership Program (HOME) Action Plan (AP). Funds will be awarded to eligible applicants following a competitive process. The competitive process will follow the criteria established in the HTF Allocation Plan.

The PRHFA will receive \$1,253,357 in HTF funds for PY 2018. Funds will be allocated to provide incentives for meeting developing and supporting affordable rental housing units. This will be achieved through new construction or rehabilitation of non-luxury housing with suitable amenities for rent.

#### Eligible Applicants

The PRHFA is not limiting the potential pool of applicants for the HTF program. Thus, PRHFA will allow developers, non-profits and other organizations to apply for HTF funds. However, applicants must be able to participate in PRHFA funding round (NOFA). Applicants must comply with the requirements established in 24 CFR 93.2. These requirements are integral to the **basic threshold** criteria described in the tables below. It is important to note that applications must demonstrate that participants understand the specific requirements of the HTF program and that even if HTF funds are combined in a project with multiple funding sources, HTF unit(s) must be assisted only via HTF eligible activities (24 CFR 93.200)

The Following table provides all the details of the scoring method and the required documentation:



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
<b>I.</b>	<b>Project Location</b>					<b>12</b>
I.1	<b>Location.</b> A project might be awarded <b>up to 5 points</b> if located within one of the following areas:			<b>5</b>	<b>5</b>	
	Urban area defined as: Central Urban Area in the Planning Board's <i>Reglamento de la Infraestructura en el Espacio Público</i> ; or Urban Center designated by the Department of Transportation and Public Works or adopted under an Urban Center Area Plan; or a state-designated Historical Zone or federally-designated Historical District. See Annex Q of the Application Package for Reference Maps.		<b>5</b>			
	Documentation required: Certification of location by a licensed land surveyor, physical address and coordinates. Any project property straddling the limit of the designated urban area will be considered as located within.	I.002				
	The portion of a census tract outside an urban area, that has a rate of:					
	20% or less below poverty line.		<b>3</b>			
	more than 20% and less than 30% below poverty line.		<b>2</b>			
	more than 30% and less than 40% below poverty line.		<b>1</b>			
	Documentation required: Certification of location by a licensed land surveyor. Any project property straddling the limit of the census tract will be considered as located within.	I.002				
	Documentation required: Census tract number; census tract's "% Below Poverty Line" as per the Federal Financial Institutions Examination Council's (FFIEC) 2015 Census Report. (Application, page 1).	G.001				
	The zone of influence around an Urban Train Station, as defined under section 3(e) of Law 74-1965, as amended.		<b>1</b>			
	Documentation required: Certification of location by a licensed land surveyor, physical address and coordinates. Any project property straddling the limit of the zone of influence will be considered as located within.	I.002				
I.2	<b>Desirable Activities</b>				<b>7</b>	
I.2.1	<b>General.</b> Projects located within a 500 meters of the following amenities will be awarded a point each, <b>up to 5 points</b> :			<b>5</b>		
	Town square of an urban center.		<b>1</b>			
	Public park (must incorporate a passive non-sports area).		<b>1</b>			
	Traditional town market ( <i>plaza de mercado</i> ).		<b>1</b>			
	Public or licensed elementary, middle or high school.		<b>1</b>			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Shopping center (100,000 square feet or more of net commercial space; no other listed use is eligible if located within a shopping mall).		1			
	Grocery store or supermarket with meat, produce and dairy.		1			
	Hospital, diagnostic and treatment center (CDT) or federally qualified health center (see www.hrsa.gov).		1			
	Pharmacy.		1			
	Federal post office.		1			
	Public transit terminal (bus, <i>públicos</i> ).		1			
	Documentation required: Map certified by a licensed land surveyor attesting to location of the facilities and the distance along a walkable public pathway or roadway between the project's main pedestrian entrance and the closest point of a town square or park facility or a public entrance to any target facility (in case of a shopping mall, to the commercial concourse or a big box-type facility entrance). If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project.	I.002				
	Amenities must also be referenced by the market study.	III.001				
I.2.2	<b>Targeted.</b> Projects targeted to the following special needs populations located within 500 meters of the following amenities will be awarded a point for each one, <b>up to 2 points.</b>			2		
	Assisted Living		1			
	Specific documentation required: Certification from PR Dept. of Housing pursuant to the dispositions of Law 244 of September 3, 2003					
	Single headed household:					
	Grocery store with WIC contract.		1			
	Licensed or chartered child care facility.		1			
	Specific documentation required: name and physical address of facilities.	I.002				
	Specific documentation required: Evidence of inclusion in the WIC Vendor Registry published at wicpuertorico.com.	I.003				
	Specific documentation required: Child care facility charter issued by ACUDEN.	I.004				
	Elderly household:					
	Physician or dental office.		1			
	Civic center or voluntary work facility.		1			
	Specific documentation required: Name and physical address of facilities.	I.002				
	Homeless (as defined under HEARTH Act):					



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	WIOA training center.		1			
	ASSMCA licensed public or private institution for the ambulatory treatment of mental disabilities, drug addiction or substance dependency.		1			
	Specific documentation required: Name and physical address of facilities.	I.002				
	Specific documentation required: Authorization for WIOA training center issued by Local Workforce Development Area.	I.005				
	Specific documentation required: Copy of license issued by ASSMCA.	I.006				
	Documentation required: Map certified by a licensed land surveyor attesting to location of facilities and distance along a walkable public pathway or a roadway between the project's main pedestrian entrance and the public entrance to any target facility. If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project.	I.002				
	Amenities must also be referenced by the market study.	III.001				
	Veterans		1			
I.3	<b>Undesirable Activities.</b> Even if compliant with required environmental review, projects <b>will be discounted</b> one point for each one of the listed undesirable activities, up to a maximum of 5 points, if located:				-5	-5
	Within one-eighth mile of a:					
	Junkyard.		-1			
	Landfill or dumpsite.		-1			
	Industrial site.		-1			
	Airport.		-1			
	Wastewater treatment plant.		-1			
	Adjoining a property which is or contains a:					
	Gas station.		-1			
	Auto repair, paint or tire repair shop.		-1			
	Woodworking shop.		-1			
	Unabated nuisance, as declared by a Municipality.		-1			
	Documentation required: Map prepared by a licensed land surveyor certifying due diligence by identifying any of the listed nuisances within the established distance measured along the shortest straight line between the project lot and the nuisance property. In case of a scattered-site project, the distance will have to be certified from the closest point of the project's lot closest to the identified nuisance.	I.002				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
<b>II</b>	<b>Project Characteristics</b>					<b>47</b>
II.1	<b>Infill or nuisance.</b> Projects will be awarded one point if proposed to develop an infill site or expropriated as part of a nuisance abatement process; and one additional point, <b>up to 5 points</b> , for each non-contiguous infill site or expropriated as part of a nuisance abatement process that is incorporated into a scattered-site project, located within an area with a radius no larger than one-quarter mile. An infill site shall be defined as a site that is bound on all except one of its sides, or two of its sides in case of a corner-type property, by adjoining built-up properties, and that has immediate access to existing public infrastructure of roads, water, sewer, and power.			<b>5</b>	<b>5</b>	
	Documentation required: Aerial photograph for each infill site showing properties.	III.001				
	Documentation required: Cadastral numbers of properties (Application, page 1).	G.001				
	Documentation required: Nuisance abatement completed by Municipality supported by property deed and certification provided by Municipality.	I.007				
II.2	<b>Historic property.</b> A substantial rehabilitation project site is located in or incorporates a state designated historic property, federally designated historic place or a contributing resource to a federally designated Historic District.		<b>3</b>			
	Documentation required: Act citation or Planning Board's Resolution number and date in case of state designated properties; listing in the National Register of Historic Places in case of federally designated properties; or State Historic Preservation Office's (SHPO) certification of contributing resource.	I.008				
II.3	<b>Adaptive reuse.</b> The residential use is an adaptive reuse of an existing non-residential property.		<b>1</b>			
	Documentation required: Appraisal certifying present land use of the property.	V.003				
II.4	<b>Site Characteristics.</b>			<b>9</b>	<b>9</b>	
II.4.1	<b>Mobility.</b> Projects (or the totality of the building sites, in the case of a scattered-site project), that incorporate improvements aimed at facilitating the mobility of its residents and promoting public transportation will be awarded <b>up to 4 points</b> , as follows:		<b>4</b>			
	The project provides an accessible and dedicated pedestrian network within the project site to connect the building(s) main pedestrian entrance(s) with egress points on all property sides adjoining a public street.		<b>1</b>			
	Documentation required: Site plan certified by the project's designer identifying the proposed improvements.	II.028				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of all non-conforming sidewalks in the perimeter of the project site adjoining a public roadway, in compliance with applicable accessibility standards and local codes.		1			
	Documentation required: A separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes.	II.029				
	Documentation required: Approval from Municipality and competent transit authority, if applicable.	II.030				
	Documentation required: Letter from competent authority attesting the improvement is not a required off-site.	II.031				
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of transit pull-offs or public transit stops and required signage in any point of the roadway perimeter of the project site; or the provision or improvement of the sidewalks, crosswalks, refuge islands, and required signage to connect an off-site existing public transit stop with the project site, in compliance with applicable accessibility standards and local codes.		1			
	Documentation required: A separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes.	II.029				
	Documentation required: Approval from Municipality and competent transit authority, if applicable.	II.030				
	Documentation required: Letter from competent authority attesting the improvement is not a required off-site.	II.031				
	The project provides an enclosed (covered, secured room within the building limits) bicycle storage facility for residents on the ground floor with at least one bicycle rack space for every two units; and an unenclosed bicycle storage facility accessible to visitors with at least one bicycle rack space for every 10 vehicle parking spaces.		1			
	Documentation required: Ground floor plan certified by the project's designer showing location and capacity of facilities.	II.010				
II.4.2	<b>Urban Considerations.</b> A proposed development that strengthens and improves the neighborhood's general urban character may be awarded one point for each one of the following criteria, <b>up to 5 points</b> , as follows:			5	5	
	The project achieves the maximum allowable gross floor area, housing density and/or height under applicable code provisions.		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Table with applicable code provisions, maximum parameters and project parameters certified by the project's designer.	II.032				
	The parking spaces and service areas are screened from any public sidewalk or roadway by green hedges, fences or walls with a void-to-solid area ratio of 1 or less.		1			
	Documentation required: Site plan and elevation details certified by the project's designer identifying visual barriers and certifying compliance.	II.010				
	The building(s) main entrance(s) open(s) to the sidewalk of an adjoining public roadway.		1			
	Documentation required: Site plan certified by the project's designer showing the location of the building's main entrance(s).	II.010				
	The commercial spaces offered to the project tenants serve the general public and can be directly accessed from a public space.		1			
	Documentation required: Entry-level floor plan certified by the project's designer identifying commercial spaces and direct access from a public space.	II.010				
	The project dedicates an open garden or plaza to public use connected to or adjoining a sidewalk or roadway.		1			
	Documentation required: Site plan certified by the project's designer identifying public space, area and relation to a sidewalk or roadway.	II.010				
	Documentation required: Documentation supporting property dedication to public use.	II.033				
II.5	<b>Building Characteristics.</b>					
II.5.1	<b>Unit Mix.</b> Projects might earn <b>up to 2 points</b> for a unit mix preferring 2-bedroom units as follows:			2	2	
	75% or more 2-bedroom units		2			
	50% or more 2-bedroom units		1			
	Documentation required: Floor plans certified by the project's designer.	II.010				
	Documentation required: Project proforma.	V.002				
II.5.2	<b>Accessibility.</b> Exceeding the allocation required under 24 CFR 8.22(b), projects could earn <b>up to 3 points</b> for the amount of fully accessible units for mobility disabilities (compliant with requirements applicable to Type A dwellings as defined under section 1003 of ICC ANSI A117.1 (2009)), as follows:			3	3	
	at least 20% of total units are fully accessible units for mobility disabilities.		3			
	at least 15% of total units are fully accessible units for mobility disabilities.		2			
	at least 10% of total units are fully accessible units for mobility disabilities.		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Floor plans and elevations certified by the project's designer showing accessibility features required by applicable criterion.	II.010				
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with criteria.	II.004				
	Documentation required: If requesting HOME, affirmative Fair Housing Marketing Plan (similar to Annex S of the Application Package).	III.002				
II.5.3	<b>Building Amenities.</b> Projects will be awarded one point, <b>up to 5 points</b> , for each one of the following building or unit features benefiting all units and, if applicable, not required by code or a permit authority:			5	5	
	Centrally located courtyard or patio with an area of no less than 30 sq. ft. per unit directly accessible from the main entrance(s) of the building(s).		1			
	Community or meeting center with and area of no less than 15 sq. ft. per unit, with kitchen and public bathrooms.		1			
	Open balcony in each unit with an area of no less than 24 sq. ft.		1			
	Equipped exercise room(s) with an area or aggregate area of no less than 300 sq. ft.		1			
	Common laundry (ies) equipped with at least a washer-dryer pair per 15 units or washer/dryer combo provided in each unit.		1			
	Equipped playground outdoor area with visual control from the main entrance.		1			
	Night shift security guard.		1			
	Trash chutes (for mid or high rise facilities).		1			
	Storm windows or shutters in all units.		1			
	Ceiling fans for all bedrooms and living room areas.		1			
	Documentation required: Floor plans and elevations certified by the project's designer showing designated spaces, equipment, and/or floor area.	II.010				
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with applicable design criteria.	II.004				
II.6	<b>Innovative Design.</b> The Authority favors projects that advance the State Housing Plan's policy that seeks to identify, adopt and implement design, construction and rehabilitation standards and technologies that are appropriate for the island's climate, aimed at reducing construction costs and promoting energy efficiency.				14	



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
II.6.1	<b>Cost Containment.</b> The Authority's total development cost for new construction averages close to <b>\$233,607</b> for non-elderly units and <b>\$176,221</b> for elderly; substantial rehabilitation averages close to <b>\$108,579</b> and <b>\$129,123</b> , respectively. Projects that demonstrate the capacity to effectively curb costs while complying with applicable standards, threshold requirements and minimum scoring, might earn <b>up to 5 points</b> , as follows:			5		
	Total development cost per unit more than 20% below the applicable benchmark.		5			
	Total development cost per unit more than 15% below the applicable benchmark.		3			
	Total development cost per unit more than 10% below the applicable benchmark.		1			
	Documentation required: Construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328 (form not required), certified by the proposed general contractor or project designer.	V.011				
	Documentation required: Construction cost estimate prepared by a third-party (licensed Architect or Engineer, Professional Cost Estimator or a Certified Cost Professional).	V.020				
	Documentation required: Project Development Costs (Application, pages 11 and 12).	G.001				
	Required fees to cover the Authority's third-party assessment of proposed cost estimates.					
	Documentation required: Sources and Uses (Application, page 15).	G.001				
II.6.2	<b>Energy Efficiency.</b> Projects might earn <b>up to 9 points</b> by advancing energy efficiency and green design best-practices and protocols, as follows:			9		
	A point each will be awarded for any project that specifies and factors-in the initial costs of any the following:					
	All appliances initially placed in common areas and apartments, and/or building envelope products (specifically: refrigerators, bath fans, clothes washers-dryers, and/or windows, doors, and skylights), as well as their replacement are specified to be Energy Star-qualified.		1			
	Kitchen range directly vents to exterior and all hoods vent to the exterior dampered; Energy Star qualified bath fan where required with timer or humidistat.		1			
	Energy Star qualified light fixtures throughout.		1			
	All initial water conserving appliances and fixtures and their on-going replacements conform to or exceed the EPA's Water Sense standards for toilets, kitchen faucets, bathroom faucets, and showerheads.		1			
	Recycling space and equipment, including recycling bins for each apartment.		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Architectural drawings specifying spaces, equipment and/or systems required.	II.010				
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with criteria.	II.004				
	Documentation required: Construction cost estimates identifying initial cost of equipment.	V.020				
	Documentation required: Proposed covenant provision for on-going replacements adopting most current program standard, included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	II.026 II.027				
	Construction permit is a Green Construction Permit ( <i>Permiso de Construcción Verde</i> ) from OGPe.		3			
	Documentation required: Copy of Green Construction Permit ( <i>Permiso de Construcción Verde</i> ) from OGPe.	II.012				
	An Enterprise Green Communities' pre-build or a LEED Neighborhood Development Plan certification completed at date of application.		1			
	Documentation required: Copy of certification.	II.034				
II.7	<b>Construction Readiness. Up to 5 points</b> if requesting only Tax Credits, and <b>up to 10 points</b> , if requesting HOME funds, will be awarded if the project has one of the following:			5	5	
	Unexpired construction permit or notification of approval of the construction permit.		5			
	Documentation required: Document issued by the Permits Management Office (OGPe), an Autonomous Municipality or a <i>Profesional Autorizado</i> .	II.012				
	Urbanization permit or notification of approval of the urbanization permit, recommendations from infrastructure agencies, along with threshold environmental applicable review format and Section 106 compliance, only if project does not require HOME funding.		3			
	Documentation required: Urbanization permit and infrastructure recommendations issued by OGPe, Autonomous Municipality or a <i>Profesional Autorizado</i> , as might apply.	II.012				
	Documentation required: Applicable environmental review format (Phase I ESA, Compliance Determination with a Statutory Checklist format (for projects requiring HOME funds or rental assistance, among other programs, Environmental Assessment) filing completed with OGPe and copy of any required notice related to the specific Federal law and authority review triggered under the Compliance Determination or the Notice of Finding of No Significant Impact under the Environmental Assessment.	II.023				
	Documentation required: Compliance document issued by SHPO (e.g. Letter of no adverse effect, letter of no historic property affected by undertaking, programmatic agreement, MOU).	II.013				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Recommendations from infrastructure agencies, along with threshold environmental applicable review format and Section 106 compliance, only if project does not require HOME funding.		1			
	Documentation required: Same as under previous criterion (except for copy of Urbanization Permit).					
<b>III</b>	<b>Housing Needs Characteristics</b>					<b>14</b>
III.1	<b>Income Targeting.</b> A project might earn 3 points if at least 50% of the units in the project are targeted for households with incomes at 50% AMI.		2	2	2	
	Documentation required: Proposed covenant provision for income targeting included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	II.026 II.027				
	Documentation required: Tenant selection procedures.	III.003				
III.2	<b>Targeted Units.</b> A project will be awarded <b>up to 3 points</b> if it sets-aside the applicable percentage of units for any of the following special populations categories identified in both the State Housing Plan and the Consolidated Plan: elderly households (62 years and older); homeless persons or families as defined under the HEARTH Act; single headed households; persons with HIV/AIDS. As follows:			3	3	
	if requesting Tax Credits, at least 75% of total project units set aside for the targeted group during the length of the extended use period, or the compliance period if the project is subjected to a qualified contract process or tenant homeownership conversion (right of first refusal); if requesting HOME funds at least 75% of total project units set aside for the targeted group during the length of the HOME compliance period.		3			
	if requesting Tax Credits, at least 50% of total project units set aside for the targeted group during the length of the extended use period, or the compliance period if the project is subjected to a qualified contract process or tenant homeownership conversion (right of first refusal); if requesting HOME funds at least 50% of total project units set aside for the targeted group during the length of the HOME compliance period.		2			
	if requesting Tax Credits, at least 25% of total project units set aside for the targeted group during the length of the extended use period, or the compliance period if the project is subjected to a qualified contract process or tenant homeownership conversion (right of first refusal); if requesting HOME funds at least 25% of total project units set aside for the targeted group during the length of the HOME compliance period; and if requesting PBV, 50% of total project units excepted.		1			
	Documentation required: Proposed covenant provision for income targeting included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package), and recording the targeted set-aside for the length of the affordability period.	II.026 II.027				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: If requesting HOME, Affirmative Fair Housing Marketing Plan (similar to Annex S of the Application Package).	III.002				
	Documentation required: if requesting only Tax Credits, tenant selection procedures.	III.003				
III.3	<b>Preservation.</b> To strengthen the State Housing Plan policies that seek to maintain the stock of affordable rental housing a substantial rehabilitation project that meets the threshold expenditure level established under IRC 42(c)(3)(A)(ii), might earn <b>up to 3 points</b> if:			3	3	
	The project curbs the risk of loss due to physical condition by replacing more than one major building component, which includes roof, bearing wall, floor or foundation structures; plumbing system; electrical system; fire prevention and safety system; vertical transportation; or building envelope.		2	2	2	
	Documentation required: Comprehensive capital needs assessment certified by a licensed architect or civil engineer including the identification of the condition of major building systems and the extent of required code compliance retrofitting.	II.024				
	The project curbs a significant risk for market conversion of the tax credit or otherwise rent-assisted property; or preserves a comparable level of existing project-based rental subsidies that will expire within two years of the application date.		1	1	1	
	Documentation required: Housing market study must demonstrate the capacity of the project to compete for market rate tenants; copy of existing HAP, if applicable.	III.001				
III.4	<b>Term.</b> If requesting Tax Credits, a project might earn <b>up to 3 points</b> for extending the term of affordability beyond the extended use period of thirty years for:			3	3	
	At least 10 more years.		3			
	At least 5 more years.		1			
	Documentation required: Letter of intent to extend the initial 15-year period of compliance with the Tax Credit program's income and rent restriction requirements for a minimum of 15 additional years and sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	II.026				
	Documentation required: Project proforma.	V.002				
	<b>Term.</b> If requesting NHTF, a project might earn <b>up to 3 points</b> for extending the term of affordability beyond the extended use period of thirty years for:					
	At least 10 more years.		3			
	At least 5 more years.		1			
	Documentation required: Letter of intent to extend the initial 30-year period of compliance with the NHTF income and rent restriction and sign the Land Use Restrictive Covenant Agreement .					



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Project proforma.					
III.5	<b>Homeownership Conversion.</b> If requesting Tax Credits, a project will be awarded 1 point if proposed to be converted to tenant homeownership (right of first refusal) for the residents after the compliance period expires.		1	1	1	
	Documentation required: Letter of intent to sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package, and reflecting a right of first refusal granted to the residents.	II.026				
	Documentation required: Syndication documents with conversion provisions.	III.004				
	Documentation required: Detailed plan with projections on maintenance, reserves, homeownership training, continued affordability, sales price calculation, lease and purchase agreements, and any other relevant information to demonstrate compliance with applicable regulations.	III.005				
III.6	<b>Public Housing Agency (PHA) Waiting Lists.</b> If requesting Tax Credits, any project included in any waiting list of a public housing agency (PHA) might earn 1 point.		1	1	1	
	Documentation required: Referral agreement with the correspondent PHA to include the project in any listing of public housing opportunities where households with tenant-based subsidies are welcomed and where the project's owner or management agent agrees to actively seek referrals from the public housing authority to apply for units at the project. Also, Annex S, specifying in item 8 that "the owners will rent the units of the project to eligible families referred by the PHA from its waiting list or from their own waiting list if the PHA cannot provide adequate candidates, as determined and requested on the PHA's Administrative Plan".	III.006				
<b>IV.</b>	<b>Project Developer Characteristics</b>					9
IV.1	<b>Experience.</b> Developer, General Partner or Managing Partner can demonstrate successful record and full compliance participating in same capacity in the development of tax credit/HOME projects in Puerto Rico. <b>Up to 6 points</b> , a point will be awarded for each documented project, <b>up to a maximum of 3 projects</b> , for each one of the following comparable characteristics:			6	6	
	If proposing to use only LIHTC or HOME, project demonstrating utilization of the respective LIHTC or HOME program, or in combination with other programs; if proposing to use LIHTC and HOME combined, or in combination with any other federal or state program, project utilization of similar program mix subsidizing development costs, long-term operations or providing long-term rental assistance.		1-3			
	Similar or deeper share of income targeted populations.		1-3			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Copy of HAP, IRS form 8609 for each project, as applicable.	IV.035				
	Documentation required: Relevant project documentation to support experience in particular project.	IV.036				
	Documentation required: Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.	IV.019 IV.020				
IV.2	<b>Financial Strength. Up to 3 points</b> might be awarded if developer, general partner and manager partner have:			3	3	
	Combined current liquid assets equivalent to the greater of one million dollars (\$1,000,000) or 5% of the total development costs.		2			
	Combined net worth equivalent to the greater of three million dollars (\$3,000,000) or 15% of total development costs.		1			
	Documentation required: Compiled or revised financial statements certified by a licensed accountant.	IV.016 IV.017				
	Documentation required: Sources and Uses (Application, page 15).	G.001				
<b>V.</b>	<b>Financing Characteristics</b>					13
V.1	<b>Funds Leveraging.</b> The leveraging of capital funding from public grants or non-financing sources, other than those being managed by the Authority, the Department of Housing or the Municipalities is encouraged by awarding a project <b>up to 5 points</b> as follows:			2	2	
	At least 15% of the total development cost covered by other sources of public funding.		2			
	At least 10% of the total development cost covered by other sources of public funding.		1			
	Documentation required: Sources and Uses (Application, page 15).	G.001				
	Documentation required: Binding commitment, agreement or award documentation.	V.008 V.010				
V.2	<b>Local Government Funding. Up to 5 points</b> are awarded to projects that leverage local government capital funding through cash contributions, land donated or discounted, site or off-site improvements, grants, or a municipal construction tax abatement which is granted to the project and is not available under a local or state statute of general application, with a total value of:			3	3	
	At least 5% of the total development cost.		3			
	At least 3% of the total development cost.		2			
	At least 1% of the total development cost.		1			
	Documentation required: Sources and Uses (Application, page 15).	G.001				
	Documentation required: Binding commitment, agreement or award documentation.	V.004 V.010				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Document required: If applicable Ordinance, Resolution or Bid supporting property transaction.	V.021				
	Document required: Evidence of site control by Owner: earnest money agreement, option or closing statement for land and/or buildings, title, deed or leasehold agreement (99 years or more, if requesting HOME), or equivalent for Municipal land transaction.	II.008				
	Document required: If applicable, documentation supporting construction tax abatement (Ordinance and/or Resolution).	V.022				
V.2	Financing with the Puerto Rico Housing Finance Authority			3	3	
	Interim and Permanent Financing		3			
	Interim or Permanent Financing		2			
	Documentation required: Sources and Uses (Application, page 15)					
	Documentation required: Binding commitment, agreement or application documentation.					
V.4	Financing insured by the Federal Housing Administration (FHA)		2	2	2	
	Documentation required: Firm commitment letter, or agreement documentation.					
V.5	State Funding. Projects which have been contributed federal & state-owned land for redevelopment will be awarded 2 points		2	2	2	
V.3	<b>Operating Expenses.</b> A project might be awarded 1 point if it meets the corresponding operating expense requirement on a per-unit per-annum (PUPA) basis in the first year:			1	1	
	For developments with 79 units or less, a PUPA not less than \$3,000 but not more than \$3,600.		1			
	For developments with 80 to 120 units, a PUPA not less than \$2,900 but not more than \$3,400.		1			
	For developments with 121 units or more, a PUPA not less than \$2,800 but not more than \$3,400.		1			
	Documentation required: Certification provided by the management agent.	V.023				
V.4	<b>State Funding.</b> Projects which have been contributed federal or state-owned land for redevelopment will be awarded 2 points.		2	2	2	
	Documentation required: Copy of long-term lease agreement, deed, or letter of commitment.	II.008				
VI.	<b>Supportive Services</b>					5



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
VI.1	<b>Supportive Services.</b> To advance the public policy of the State Housing Plan to increase the provision supporting services by integrating agencies that provide these services and coordinate their actions to support permanent housing for populations with special needs, any project might earn <b>up to 5 points</b> for sustaining a funding allocation for the provision of supportive services of the type: 1) authorized under a federally subsidized program and that could be funded with resources obtained directly as a grantee in competitive or demonstrative grants, or as a recipient of rental or operational assistance (i.e. CoC, VASH, GPD, SSVF, Veteran Per Diem, CDBG, 811, 202, HOPWA, FSS Program, etc.), or indirectly as sub-grantee or provider, or by contracting the services of a sub-grantee or provider, of any state or municipally managed program (i.e.: ADFAN's CSGB, VRA's Independent Living, ASSMCA's Homeless and Chronic Mental Health, ADFAN's Adult and Person with Disabilities Services, Medicaid's Home and Community-Based Service Waivers, among other); or 2) contracted for a certified Assisted Living facility authorized under Act 244-2003, as follows:			5	5	
	Up to 5% of the project's annual operational cost for the length of the compliance period of affordability.		5			
	Up to 3% of the project's annual operational cost for the length of the compliance period of affordability.		3			
	Up to 1% of the project's annual operational cost for the length of the compliance period of affordability.		1			
	Documentation required: Project proforma.	V.002				
	Documentation required: Letter of intent to sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package), and specifying operational budget commitment for supportive services.	II.026 II.027				
	Documentation required: If available, binding commitment, agreement or award documentation.	V.008 V.010				
	On-going compliance will have to be demonstrated through: financial reporting evidencing compliance with funding commitment; and supporting documentation of managed, contracted or purchased services funded or authorized by any federally subsidized program; relevant reporting under Act 224-2003.					
	<b>Total Score</b>					<b>100</b>
	<b>Minimum Required Score</b>		<b>30</b>			
<b>VII</b>	<b>Tie Breaking Criteria</b>					
VII.1	Will favor the project that is the readiest one to proceed.					
VII.2	Will favor the project that is located in an Urban Area.					
VII.3	Will favor the project with highest debt service coverage ratio (DSCR).					



Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
VII.4	Will favor the project that is located in a QCT and contributes to a concerted Community Revitalization Plan consistent with the policies of the Commonwealth or a municipality. Endorsement from competent entity must be provided, if case arises.					
VII.5	If requesting Tax Credits, will favor the project that is located in a Municipality with the longer elapsed period without tax credit allocation; if requesting HOME funds, will favor the project that is located in a non-metropolitan Municipality with the least amount of HOME funds allocated from the Authority's HOME program for Construction and Rehabilitation of Rental Housing; if requesting funds from both programs, preference will be given as listed: Tax Credits, HOME.					

**2. DESCRIBE ALL OF THE CRITERIA THAT WILL BE USED TO SELECT APPLICATIONS AND THE RELATIVE IMPORTANCE OF THESE CRITERIA.**

Applications requesting **HOME and HTF** funds will be evaluated based on joint rating factors, once applicants have satisfied the basic threshold requirements. Those factors include local considerations and State **HOME and HTF** Program's criteria, such as: Project location; project characteristics; project owner/developer characteristics; financing characteristics; special needs projects; Housing needs and additional criteria for rental housing projects.

See below for a description of the scoring **method** and selection criteria that was specifically developed for the HTF Program. The criteria is presented below to facilitate the **description of the priority funding factors**. The QAP and PRHFA NOFA will be used to determine the final scores and funding recommendations.



Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	SHPO.001	A detailed written description of the project, including: related activities to be carried out in conjunction with the project; estimated total development cost; project area in <i>cuerdas</i> or acres; and tax property identification number (cadastral number) of the property (ies).



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	SHPO.002	Project location marked on a U.S.G.S. Topographic Quadrangle Map outlining exact boundaries. Name of the Quadrangle MUST be indicated and the original scale maintained. Other types of maps <b>will not</b> be accepted (i.e.: flood, zoning, or tourist maps, aerial or satellite photographs, etc.).
n	n	SHPO.003	Site Plan, scale 1:2000 or larger, showing project property and vicinity. <b><u>A printed copy (size "11x17") must also be submitted.</u></b>
n	n	SHPO.004	Current photographs (taken from ground level) of the property and the project's area of potential effects (at a minimum, the area of the project and its surroundings) in TIFF, JPEG or PDF formats. <b><u>Printed color copies must also be submitted.</u></b> No Polaroid's or photocopies will be accepted.
n	n	SHPO.005	As-found or as-built plans of the building/structure(s) to be affected by the project. <b><u>Printed copies (size "11x17") must also be submitted.</u></b>
n	n	SHPO.006	Schematic or preliminary drawings (floor plans, elevations, sections) that show the proposed project design. <b><u>Printed copies (size "11x17") must also be submitted.</u></b>
n	n	G.001	Application Form.
n	n	G.001	Application's Agreement and Certification (page 25), signed by the Owner, the President or Secretary of the General Partner, and showing corporate seal that is also legible in digital documents.
n	n	G.002	Corporate Resolution certifying that the person who signed is a duly authorized officer of the applicant, authorized to sign the application.
n	n	G.001	Threshold Checklist Form.
n	n	G.001	Self Point-Ranking Evaluation.
n	n	G.001	Subsidy Layering Review (SLR) Parameters Checklist Form.
n	n	G.007	Application's transmittal letter.
	n		1. Authority's NHTF Program application and inspection fees:
			· CHDOs: \$0.00
			· ½ of 1% of requested amount; with a minimum payment of \$2,500 and a maximum of \$10,000. This is a non-refundable and non-transferable payment.
			· \$50 per HOME unit during the HOME compliance period. This amount will be due and payable by January 31 of each year.
		I	
	n	I.001	Site Selection Standards Checklist (Annex R).
		II	
n	n	II.004	Designer's Preliminary Certification (Annex J)



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
			Compliance with the Fair Housing Act ( <i>Civil Rights Act of 1968 - 42 U.S.C. 3601 et seq.</i> ) accessibility requirements certified through the Designer's opinion letters and completion of the Fair Housing Act Accessibility Requirements Checklist. Applicant must comply with the Americans with Disabilities Act of 1990 (104 Stat. 328). (Annex F: requirements checklist; Annexes J and N: models of certification letters).
n	n	II.005	Project timeline for project activities including specific benchmarks for acquisition, assembly of the development team, completion of plans and specifications, completion of financial approvals, municipal approvals, building permits, project construction start date, completion date and the estimated date of lease-up (Application, page 23).
n	n	II.006	Certification of the percentage of construction completion prepared by the Resident Inspector for projects under construction. (Caveat: existing construction might affect the environmental review and eventual allocation of HOME Funds).
n	n	II.007	Certification of the percentage of construction completion prepared by the lender's inspector for projects under construction. (Caveat: existing construction might affect the environmental review and eventual allocation of HOME Funds).
n	n	II.008	Evidence of site control: earnest money agreement, option or closing statement for land and/or buildings, title, deed or leasehold agreement (99 years or more, if requesting HOME).
	n	II.009	Certification by owner attesting compliance with restrictions on real property acquisition or rehabilitation under the URA, 49 CFR 24.101(b) detailing: number of persons (families, individuals, businesses or organizations) occupying the property on the date of the submission of the application; number of persons to be displaced, temporarily relocated, or moved permanently within the building or complex; estimated cost of relocation payments and services and sources of funding; and copy of the executed agreement with organization that will carry out the relocation activities.
n	n	II.010	Architectural drawings and specifications certified by the licensed professional (project architect or engineer in charge of the design process).
n		II.011	Recommendations of infrastructure issued by the OGPe and construction permit filed with competent entity.
	n	II.012	Unexpired Construction Permit, Green Construction Permit ( <i>Permiso de construcción Verde</i> ) or Notification of Construction Permit issued by the applicable permitting office and agencies' endorsements (Environmental Quality Board, Department of Natural and Environmental Resources, and Institute of Puerto Rican Culture, along with recommendations of infrastructure from agencies).
n	n	II.013	Pursuant to Section 106 - 36 CFR 800, State Historic Preservation Office's technical assistance or final determination letter. The technical assistance letter shall indicate that there are no historic properties or that no adverse effect on historic properties is associated with the undertaking or the agreed-to measures if such adverse effect is determined.
n	n	II.014	Wetland Inventory Map from the US Fish and Wildlife Service demonstrating project's location outside of any wetland, or a Wetland Preliminary Jurisdictional determination from the Corps of Engineers; indicating that the project does not affect wetland.
n	n	II.015	Project location must be identified in the NFIP map (FEMA Map) to demonstrate compliance with the Floodplain Management Act – 24 CFR 55, Executive Order 11988. The project must be located outside the 100-year floodplain, coastal high hazard areas and If the project is located inside the 100-year floodplain, FEMA's approval letter of map amendment (LOMA) or letter of map revision (LOMR) will be submitted.
n	n	II.016	Project location must be identified in the USFWS map to demonstrate compliance with the Coastal Barrier Resources Act of CBRA –24 CFR 58.6(b). Federal assistance may not be used in the CBRA system.



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	II.017	Pursuant to Sections 307(c) and (d) of the Coastal Zone Management Act, Certification of Consistency filed with the State Coastal Management Program, if required.
n	n	II.018	Pursuant to the Endangered Species Act – 50 CFR 402, technical assistance or final determination letter issued by the U.S. Fish & Wildlife Service of the Department of the Interior; it must indicate that the project does not affect endangered species.
n	n	II.019	Any project located within 1,000 feet of a major noise source, road or highway, 3,000 feet of a railroad, or 5 miles of a civil airport, must provide a Noise Study as per the requirements set forth in the American National Standard Method for the Physical Measurement for Sound. Resulting noise level must comply with the acceptable level of 65 decibels established in 24 CFR 51.100 – Noise Abatement and Control.
n	n	II.020	Soil survey, if project is for new construction or substantial rehabilitation requiring addition or expansion to structures.
n	n	II.021	Archeological, if required by the SHPO pursuant to its review under Section 106, or if required by the Institute of Puerto Rican Culture (ICP), or copy of the recommendation issued by the ICP as part of the construction permit consultancy process evidencing that the study is not required.
n	n	II.022	Hydraulic/Hydrologic, if the project meets the conditions established under The Department of Natural and Environmental Resources' Administrative Order No. 2013-12, or a certification issued by a civil engineer attesting that the study is not required.
n	n	II.023	1.1.1.1. Phase I environmental site assessment report and/or any other applicable environmental report. Must comply with ASTM E 1527-13 or any updated version as ASTM promulgates which meets the requirements of EPA's AAI regulations.
n	n	II.024	For rehabilitation and acquisition/rehabilitation projects, a comprehensive capital needs assessment report prepared by a licensed architect or engineer unaffiliated with the Developer, the Development or any other entity involved with the Project, that includes: an opinion of proposed construction budget and assesses the condition, among other, of site, structural systems (roof, bearing walls and columns, foundations), plumbing systems, electrical systems, fire protection systems, building envelope and insulation, interiors (including units and common areas); and mechanical systems; if requesting HOME funds for projects with more than 26 units, it must specify the remaining useful life of major systems, and include paint testing and/or risk assessment report for substantial rehabilitation projects.
			<b>THE AUTHORITY WILL NOT AWARD ANY ACQUISITION AND REHABILITATION PROJECT WITH 9% CREDITS UNLESS THE AUTHORITY, IN ITS SOLE DISCRETION AND TO THE COST OF THE APPLICANT, PERFORMS (EITHER BY ITSELF OR THROUGH ENGAGEMENT OF A REPUTABLE ACCOUNTING FIRM IN THE INDUSTRY) A THOROUGH FINANCIAL ANALYSIS EVIDENCING NON-FEASIBILITY OF THE PROJECT UNDER THE TAX EXEMPT BOND/4% TAX CREDIT PROGRAM</b>
	n	II.027	Letter of intent to sign the Land Use Restrictive Covenant Agreement including: designation of NHTF-assisted units); occupancy of assisted units ; initial and ongoing rent restrictions; tenant eligibility and period of affordability
		III	



**GOVERNMENT OF PUERTO RICO**  
Puerto Rico Housing Finance Authority

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	III.001	Comprehensive market study report (updated within six months of the application) performed by an approved provider unaffiliated with the Developer, the Development or any other entity involved with the Project, of the low-income housing needs in the area to be served, including: a statement of the competence of the market study provider, detailing education and experience of primary author and including statement of non-interest; a description of the proposed site and neighborhood, including physical attributes of site, surrounding land uses, and proximity to community amenities or neighborhood features including shopping, healthcare, schools, and transportation, among other; a map and photos of the subject site and surroundings showing location of community services; an overview of local economic conditions, including employment by sector, list of major employers, and labor force employment and unemployment trends over past 5-10 years; a description of the proposed development, detailing proposed unit mix (number of bedrooms, bathrooms, square footage, proposed rents, AMI level, utility allowances, and any utilities included in rent), proposed unit features and community amenities, and target population including age restrictions and/or special needs populations; demographic analysis of the number of households in the market area that are part of the target market (i.e., family, senior, disabled, etc.), income-eligible, and can afford to pay the rent, including a projected household base at placed in service date; geographic definition and analysis of the market area, including description of methodology used to define market area and map of market area including proposed site; analysis of household sizes and types in the market area, including households by tenure, income, and persons per household; a description of comparable developments in the market area, including any rental concessions these developments presently offer; a description of rent levels and vacancy rates of comparable properties in the market area, segmented by property type (market rate, Tax Credit, deep subsidy, high and low HOME rents, etc.) and with rents adjusted to account for utility differences and concessions or other incentives. Such description should include all existing Tax Credit, HOME and/or PBV developments in the primary market area and any planned additions to rental stock including recently approved Tax Credit, HOME and/or PBV developments; expected market absorption of the proposed rental housing, including capture/penetration rate analysis of target populations; a description of the effect on the market area, including the impact on Tax Credit, HOME, PBV and other existing affordable rental housing.
	n	III.002	Affirmative Fair Housing Marketing Plan (Annex S of the Application Package).
		<b>IV</b>	
n	n	IV.001	Organizational chart of project structure identifying Owner, Developer, General Partner/Manager and/or Sponsor and any other related entity.
n	n	IV.002	Articles of Incorporation for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1)
n	n	IV.003	Partnership (or Operating) Agreement of the entity to claim ownership of the Project (LP, LLC, etc.), as may apply, indicating cash contributions by the General Partner(s) and/or Limited Partner(s).
n	n	IV.004	Certificate of Incorporation (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.005	Certificate of Authorization of US Foreign Limited Liability Company from PR Department of State (as it may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.006	Good Standing Certificate (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.007	Company by-laws and internal rules for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	IV.008	Names, addresses, telephone numbers and email address of officers, members, directors, principal stockholders or managing partner of the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.009	<p>The owner, developer and their shareholders, directors, officers and partners, as applicable, must demonstrate via sworn statement (<i>affidavit</i>) that they have not been involved in any way (either personally or as shareholders, directors, officers, members or partners of a corporation, partnership or other form of business organization or joint venture) in any other project for which the Authority has provided any financing and /or grant (as lender, conduit, custodian of funds, or otherwise) and in which a default notice under the terms and conditions of the applicable financing documents has been issued and not cured. All previous participants must also evidence via sworn statement that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority, employees, officers or agents participating in any capacity in the procurement, selection, award, or the administration of a contract or agreement supported under the QAP or the NOFA. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Authority must neither solicit nor accept gratuities, favors, or anything of monetary value from proponents, awardees, contractors or parties to subcontracts. In order to ensure objective consultant performance and eliminate unfair competitive advantage, contractors that develop or participate in drafting specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing in any capacity for such procurements. Any conflict of interest will immediately disqualify the applicant of any participation in the Authority/HOME programs.</p> <p>Also, the developer shall identify and explain any identity of interest with any other party of the project.</p>
n	n	IV.010	IRS Form SS-4 or other evidence of the taxpayer identification number for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.016	Audited Financial Statements (updated within six months of the application) of the developer, general partners, managing members, owners, and sponsors of each entity; in case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$500,000.00. If an entity of new creation, CPA certification of a new entity, most recent statements, if within 6 months of the application.
n	n	IV.017	Compiled or Revised Financial Statements (updated within six months of the application; only applicable to natural persons) of the shareholders, directors, principals, officers, members and partners, as applicable, of the owner, developer, managing member, and general partner; in case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$500,000.00.



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
	n	IV.018	Certification attesting that Owner, Developer, General Partner/Manager and Sponsor will comply with: Executive Order 12432, Minority Business Enterprise Development; Executive Order 12138, Creating a National Women's Business Enterprise Policy; HUD's requirement for Economic Opportunities for Recipients of HUD Assistance (Section 3); Executive Order 11246, Equal Employment Opportunity (for all construction contracts of over \$10,000; Executive Order 11625, Prescribing Additional Arrangements for Developing and Coordinating a National Program for Minority Business Enterprises; payments of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (whether or not completed in stages); agreeing to the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates to be included in the contract; Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations' laws and regulations; and insurance coverage and requirements covering all operations related to the project.
n	n	IV.019	Statement (affidavit) sworn by owner, developer and their shareholders, directors, officers and partners, as applicable, attesting that they have not been involved in any way (either personally or as shareholders, directors, officers, members or partners of a corporation, partnership or other form of business organization or joint venture) in any other project for which the Authority has provided any financing and /or grant (as lender, conduit, custodian of funds, or otherwise) and in which a default notice under the terms and conditions of the applicable financing documents has been issued and not cured.
n	n	IV.020	Certification issued by the Authority's Audit and Compliance Office attesting that the owner, developer and their shareholders, directors, officers and partners, as applicable, with previous participation in the program, comply with Section 42/HOME requirements and that, as of the most recent audit/compliance review, there is no outstanding finding of noncompliance (including any fees due to the Authority) in another project that received Tax Credits/HOME funds and in which they have an interest or participation.
n	n	IV.021	Statement (affidavit) sworn by owner, developer and their shareholders, directors, officers and partners, as applicable, attesting that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority and any of its affiliates or their employees, officers or agents participating in any capacity in the procurement, selection, award, or the administration of a contract or agreement supported under the QAP or the NOFA; nor with any contractors that have developed or participated in drafting specifications, requirements, statements of work, and invitations for bids or requests for proposals. If requesting HOME funds, must also attest that complies with 24 CFR 92.356(f).
n	n	G.001	Identity of Interest (Application, page 4).
n	n	G.001	List of members of the Development Team (Application, page 22)
n	n	IV.022	Resume of the Architect/Designer indicating qualifications, address, telephone number and references of projects evidencing experience with the design of projects similar to the proposed development.
n	n	IV.023	Copy of contract with Architect/Designer.
n	n	IV.024	Copy of professional license of architect or engineer in charge of design.
n	n	IV.025	Resume of the General Contractor indicating qualifications, address, telephone number and references evidencing experience with the construction of projects similar to the proposed development.
n	n	IV.026	Copy of contract with General Contractor.
n	n	IV.027	Certification of Registry of Building Contractors issued by the Department of Consumer Affairs (DACO).



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	IV.028	Resume of the Resident Inspector indicating qualifications, address, telephone number and references evidencing experience with the construction inspection or management of projects similar to the proposed development.
n	n	IV.029	Copy of contract with Resident Inspector.
n	n	IV.030	Copy of professional license of architect or engineer of the Resident Inspector.
n	n	IV.031	Resume of the Management Agent indicating qualifications, address, telephone number and references evidencing experience with the management of projects similar to the proposed development, and management of Tax Credit and/or HOME assisted units.
n	n	IV.032	Copy of contract with Management Agent.
n	n	IV.033	Resume of the Consultant Agent, if applicable.
n	n	IV.034	Copy(ies) of contract with Consultant Agent(s), if applicable, that itemizes the services to be performed by each consultant and the amount of the consultant fee for each service or group of services.
		<b>V</b>	
n	n	G.001	Sources and Uses (Application, page 15)
n	n	V.001	Schedule of monthly cash flow during construction period, including capital contributions.
n	n	G.001	Schedule of projected income and expenses during operation certified by the proposed management agent (Application, page 18).
n	n	V.002	Pro-forma with income and expense cash flow, for a 20-year period if only requesting HOME-New Construction (term for Rehabilitations with HOME funds will vary depending on the funding per unit), or 30-year or any other restrictive compliance period, showing: a feasible operation; prepared according to the applicable program underwriting standards; all income, including commercial, residential and ancillary income, vacancy adjustment, the amount of Tax Credits, HOME funds, committed PBV and/or other governmental subsidies or contributions, private equity, as well as the amount of permanent financing based on the established parameters, that a project would be eligible to receive; all expenses, including partnership distributions, debt service, non-cash expenses such as depreciation and amortization of fees and principal; reserves; and certified by the proposed management agent.
n	n	V.003	Appraisal report of site(s) and structure(s) prepared by a licensed appraiser unaffiliated with the Developer, the Development or any other entity involved with the Project, and approved by the Authority, within six months of the application.
n	n	V.004	Written unqualified endorsement from the Mayor of the Municipality or the where the project will be located; letter must indicate any municipal assistance that the project will receive.
n	n	V.005	Letter of intent and/or commitment from interim and/or permanent financing source, other than the Authority, specifying: amount and term of the loan; fixed interest rate; non-recourse nature of the loan; amortization period; and pre-payment penalties.
n	n	V.006	Loan application to PRHFA on or prior to the Tax Credit or HOME application submittal, if requesting financing from the Authority.
n		V.007	Letter of intent from syndicator or direct investor evidencing available private equity and indicating the credit price, if requesting Tax Credits.
n	n	V.008	Contract or Firm Commitment letter indicating approval of funding issued by the Rural Development Housing Service of the US Department of Agriculture for projects that are financed or sponsored by the entity.



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	V.009	Certification as to federal, State, or local subsidies received or expected to be received for the development and operation of the project; if no such governmental assistance is to be provided at the time of the application or in the future, certification to that fact; and that should other governmental assistance be sought in the future, the Authority will be notified promptly.
n	n	V.010	Copy(ies) of the contracts or firm commitment letters must be attached to the owner's certification of federal, State, or local subsidies received or expected to be received for the development and operation of the project, as applicable.
n	n	G.001	Project Development Costs (Application, pages 11, 12 and 13)
n	n	V.011	Construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328 (form not required), certified by the proposed general contractor or project designer.
	n	V.012	Agreements governing any required reserves which are capitalized at closing, if a rehabilitation project.
n	n	V.017	Justification for exceeding any of the safe harbor parameters for general contractor fees but in no circumstance, in excess of the maximum allowable aggregate amount.
n	n	V.019	Written evidence for projects claiming and/or receiving (or not) tax exemptions (e.g., property tax waivers, rental income exemptions, etc.).
			<b>Experience.</b> If proposing to use o of HOME or NHTF Developer, General Partner or Managing Partner must demonstrate successful record and full compliance participating in same capacity in the development of HOME /NHTF projects in Puerto Rico.
			Documentation required: Relevant project documentation to support experience in particular project.
			Documentation required: Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.

**3. IF ONLY SUMMARY CRITERIA WERE DESCRIBED, HOW CAN POTENTIAL APPLICANTS ACCESS APPLICATION MANUALS OR OTHER STATE PUBLICATIONS DESCRIBING THE APPLICATION CRITERIA? (CDBG ONLY)**

Not applicable to the HTF Program- (see CDBG section Above)

**4. DESCRIBE THE PROCESS FOR AWARDING FUNDS TO STATE RECIPIENTS AND HOW THE STATE WILL MAKE ITS ALLOCATION AVAILABLE TO UNITS OF GENERAL LOCAL GOVERNMENT, AND NON-PROFIT ORGANIZATIONS, INCLUDING COMMUNITY AND FAITH-BASED ORGANIZATIONS. (ESG ONLY)**

Not applicable to the HTF Program- see ESG section Above.

**5. IDENTIFY THE METHOD OF SELECTING PROJECT SPONSORS (INCLUDING PROVIDING FULL ACCESS TO GRASSROOTS FAITH-BASED AND OTHER COMMUNITY-BASED ORGANIZATIONS). (HOPWA ONLY)**

Not applicable to the HTF Program- see HOPWA section Above.

**6. DESCRIBE HOW RESOURCES WILL BE ALLOCATED AMONG FUNDING CATEGORIES.**

The HTF Program funds will be distributed in the following categories:

<b>GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2018</b>
<b>Assigned Budget:</b> \$1,253,357
<b>Distribution by Category:</b>
State Administration: \$125,336
Multifamily Rental New Construction/Rehabilitation \$1,002,686 (80%)
Single Family Homebuyer Assistance: \$125,336 (10%)

The HTF resources will be allocated for particular projects that serve HTF tenant population; these could include special needs population.

**7. DESCRIBE THRESHOLD FACTORS AND GRANT SIZE LIMITS.**

PRHFA will use the maximum per unit subsidy standards adopted by the State **HOME** Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216. For the PY 2018 an application or proposal will include the Basic Threshold Requirements and the additional requirements as outlined originally in the previous JANOFAs efforts.

The initial basic qualifications will be evaluated by the State HOME program personnel. If the project does not meet requirements for completeness, the applications will not be received. If received, only those applications that meet the joint basic threshold requirements and qualifications would be further considered for evaluation under joint the Point Ranking System.

The project location and the targeted population will be key factors in determining the grant size limit.

**8. WHAT ARE THE OUTCOME MEASURES EXPECTED AS A RESULT OF THE METHOD OF DISTRIBUTION?**

The following are the HTF Program Outcome Measures:

The PRHFA expects to receive the HTF funding by late 2018 or at the beginning of 2019, therefore the 7 units constructed may be funded during a 12 month period after receiving the allocation.

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Provide Decent Housing (E)	2017	2019	Affordable Housing	Islandwide	Housing	HTF: \$125,336	Homeowner Housing added: 2 Household Housing Unit
11	Provide Decent Housing (G)	2017	2019	Affordable Housing	Islandwide	Housing	HTF \$1,002,686	Rental units constructed: 5 Household Housing Unit

## Appendix 3- ESG Standards



GOBIERNO DE PUERTO RICO

Departamento de la Familia

# Manual de Estándares para la Administración de los Fondos ESG



MAYO 2017

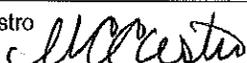
# MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

## TABLA DE CONTENIDO

	Página
I. INTRODUCCIÓN .....	1
II. TRASFONDO .....	2
III. PROPÓSITO .....	4
IV. APLICABILIDAD .....	4
V. DEFINICIONES .....	4
VI. ESTÁNDARES GENERALES .....	5
A. Población Elegible .....	5
B. Admisión y Evaluación Inicial .....	9
C. Coordinación de Servicios .....	14
D. Políticas para Eliminar Barreras .....	16
E. Actividades Religiosas .....	20
F. Plan de Servicios Individualizado .....	21
G. Manejo de Expedientes .....	21
H. Revisión Ambiental .....	25
I. Medidas de Desempeño Establecidas por HUD .....	25
J. Política de Terminación de Asistencia .....	26
K. Sistema de Querellas .....	29
L. Conflicto de Intereses .....	31
VII. ESTÁNDARES POR COMPONENTE .....	33
A. Alcance en la Calle .....	33
B. Albergue de Emergencia .....	38
C. Prevención y <i>Rapid Re-Housing</i> .....	58
D. <i>Homeless Management Information System (HMIS)</i> .....	77
E. Administrativo .....	81
VIII. ENMIENDA .....	83
IX. APROBACIÓN Y VIGENCIA .....	83

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 1 de 83

## I. INTRODUCCIÓN

El Departamento de la Familia de Puerto Rico recibe anualmente fondos de Programa *Emergency Solutions Grant (ESG)* del *Department of Housing and Urban Development (HUD)*, como parte del Plan Consolidado y el Plan de Acción Anual. Estos planes prescriben los requisitos legales de planificación y aplicación para los siguientes programas de subsidios: *Community Development Block Grant (CDBG)*; *HOME Investment Partnership (HOME)*; *Housing Opportunities for Persons with AIDS (HOPWA)* y *Emergency Solutions Grant (ESG)*. El Título 24 del Código de Regulaciones Federales 24 CFR 91.220 (l) (4) (i) y 24 CFR 576.400 (e) (1) establece como requisito que los recipientes de fondos del Programa ESG, también conocido en español como el Programa de Soluciones de Emergencia para Personas sin Hogar, implanten un mínimo de estándares escritos para proveer asistencia utilizando estos fondos.

Cónsono con la reglamentación de HUD, el Departamento de la Familia de Puerto Rico (DF), como recipiente de los fondos ESG, desarrolló un conjunto de estándares para la administración del Programa. A su vez, las entidades sin fines de lucro y municipios, que son subrecipientes de fondos ESG, deben cumplir consistentemente con los estándares aplicables a todos sus componentes de servicio.

Los estándares deben incluir como mínimo:

- A. Políticas y procedimientos para evaluar la elegibilidad de los individuos y familias que pueden recibir asistencia bajo ESG
- B. Normas para proveer servicios esenciales relacionados con el "alcance en la calle"
- C. Políticas y procedimientos para la admisión, referidos y alta por albergues de emergencia atendidos bajo ESG, incluyendo estándares sobre la duración del servicio, si los hay, y políticas para garantizar la seguridad de poblaciones especiales en albergues

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 2 de 83

- D. Políticas y procedimientos para evaluar, priorizar y reevaluar las necesidades individuales y familiares para proveerles servicios esenciales relacionados con albergues de emergencia
- E. Políticas y procedimientos para la coordinación entre los diferentes proveedores de servicios relacionados con vivienda
- F. Políticas y procedimientos para determinar elegibilidad de los individuos o familias sin hogar para recibir ayuda de prevención y *rapid re-housing*
- G. Mecanismos para determinar el porcentaje de alquiler de vivienda que cada participante del programa debe pagar, y asistencia para pagar el alquiler de vivienda y gastos de servicios de agua y electricidad bajo prevención y *rapid re-housing*
- H. Criterios para determinar cuánto tiempo se proporcionará asistencia de alquiler a un participante, y si se ajustará la cantidad a lo largo del tiempo
- I. Criterios para determinar el tipo, la cantidad y la duración de los servicios de estabilización y/o reubicación de viviendas a ser proporcionados a un participante del componente de prevención y *rapid re-housing*.

Estos estándares se establecen como normas básicas o mínimas para la implementación del Programa ESG. Estos ayudarán a asegurar que el Programa ESG sea administrado de manera justa y metódica.

## II. TRASFONDO

En el año 2009, la ley para atender asuntos de vivienda relacionada con personas sin hogar conocida como *McKinney-Vento Homeless Assistance Act* fue enmendada por la ley *Homeless Emergency Assistance and Rapid Transition to Housing Act* del 2009 (*HEARTH Act*). Con la nueva ley, se enmendó significativamente el *Emergency Shelter Grant*; que ahora se conoce

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 3 de 83

como *Emergency Solution Grant* (ESG); y además, se integró una nueva definición de personas sin hogar consistente y aplicable a todos los programas del Departamento de Vivienda y Desarrollo Urbano (HUD, por sus siglas en inglés).

En Puerto Rico, el Departamento de la Familia (DF) es la entidad designada por el Gobernador para la administración de este Programa. Los fondos de ESG se reciben anualmente a través de HUD, como parte del proceso del Plan de Acción Anual. El DF se rige por la Ley Núm.171 del 30 de junio de 1968, según enmendada y por el Plan de Reorganización Núm. 1 del 28 de julio de 1995, según enmendado. El Programa ESG está diseñado para identificar a individuos y familias sin hogar, así como aquellos en riesgo de perder su hogar, y proporcionar los servicios necesarios para ayudarles a recuperar rápidamente su estabilidad en vivienda permanente después de experimentar una crisis de vivienda.

La reglamentación del Programa ESG permite al DF delegar los fondos a entidades sin fines de lucro de base comunitaria y base de fe, y a municipios para que estos lleven a cabo actividades elegibles. Es responsabilidad de las entidades y los municipios administrar, coordinar, desarrollar y operar el proyecto subvencionado con fondos del Programa ESG cumpliendo en todo momento con los criterios de elegibilidad, normas y procedimientos establecidos por HUD y el DF. Las entidades podrán desarrollar sus protocolos para hacer cumplir las normas, siempre y cuando estos no violenten los estándares mínimos aquí establecidos.

Este documento contiene los estándares mínimos que deben cumplir las entidades que son subreceptores de fondos ESG. La reglamentación federal (CFR) aplicable a cada sección está colocada en forma de hipervínculo ('hyperlink'), en caso de que las entidades necesiten consultar la fuente original de la regulación o estándar. Los procedimientos detallados en torno a la implementación de estos estándares, así como los formularios a utilizarse, deberán ser

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 4 de 83

consultados en el Manual Operacional de ESG. El personal de la entidad que labora en el Programa ESG debe utilizar, tanto los estándares, como el Manual Operacional del Programa.

### III. PROPÓSITO

Este Manual tiene el propósito de establecer los estándares para la administración de los fondos ESG, por los cuales se registrarán las entidades subreceptores y el personal del Departamento de la Familia responsable de la adjudicación y monitoreo de su buen uso.

### IV. APLICABILIDAD

Los estándares mencionados en este Manual aplican a todas las entidades subreceptores de fondos del Programa ESG.

### V. DEFINICIONES

- A. **CoC** (*Concilium of Care*) – Programa adscrito al *Department of Housing and Urban Development (HUD)*, el cual promueve el compromiso de la comunidad para poner fin a la falta de vivienda, provee financiamiento a entidades que ofrecen servicios para reintegrar a individuos y familias sin hogar, entre otras funciones. En Puerto Rico existen dos CoC, conocidos como Balance del Estado (*CoC Puerto Rico Balance of Commonwealth, CoC PR 502*) y Coalición de Coaliciones (*CoC South/Southeast Puerto Rico, CoC PR 503*).
- B. **Entidad** – Incluye a las organizaciones sin fines de lucro de base comunitaria y base de fe y a los municipios.
- C. **HMIS** (*Homeless Management Information System*) - Es un sistema local de tecnología de la información utilizado para recopilar datos sobre la provisión de vivienda y servicios a personas y familias sin hogar y personas en riesgo de falta de vivienda.
- D. **Secretaría Auxiliar de Planificación e Informática** – Unidad de trabajo del Departamento de la Familia en donde se trabajan los asuntos relacionados a la administración de los fondos del Programa ESG.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 5 de 83

## VI. ESTÁNDARES GENERALES

Los siguientes estándares se establecen como normas básicas o mínimas aplicables a todos los componentes auspiciados por ESG. Estos estándares deben ser aplicados por todas las entidades que reciben fondos de ESG.

### A. POBLACIÓN ELEGIBLE

Los individuos y familias elegibles para recibir asistencia a través de los componentes de servicios del programa ESG deben ser personas sin hogar o en riesgo de perder su hogar, según definido por HUD. La siguiente tabla describe las características de cada categoría de persona sin hogar según establecidas por HUD:

**Tabla 1. Criterios para definir persona sin hogar**

#### **Categoría 1: Literalmente sin hogar**

Individuo o familia que carece de un lugar fijo, regular, y adecuado para pernoctar (pasar la noche), significando que:

- a. Tiene como residencia nocturna principal un lugar público o privado no apto para la habitación humana<sup>1</sup>
- b. Vive en un albergue público o privado designado para proveer ubicación temporera (incluyendo albergue de emergencia, vivienda transitoria, hoteles y moteles pagados por organizaciones caritativas o por programas federales, estatales o locales
- c. Está saliendo de una institución donde ha residido durante los pasados 90 días o menos y que residió en un albergue de emergencia o lugar no apto para la habitación humana inmediatamente antes de entrar a la institución.

<sup>1</sup> En términos generales, el término no apto para la habitación humana es una condición que hace imposible la vida en un lugar particular, residencia o sus alrededores. Algunos ejemplos incluyen, pero no se limitan a: carros, parques, aceras, edificios abandonados, estaciones de tren o guaguas, aeropuerto, áreas de acampar, etc. Por otro lado, también podría incluir una residencia que no tiene la capacidad para la instalación de utilidades (por ejemplo, tuberías de agua rotas, cablearía dañada, etc.).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxillar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 6 de 83

**Tabla 1. Criterios para definir persona sin hogar**

**Categoría 2: En inminente riesgo de deambulancia**

Individuo o familia que se encuentra en inminente riesgo de perder su residencia nocturna principal, y que:

- a. perderá la residencia dentro de los próximos 14 días a partir de la fecha de solicitud de asistencia como persona sin hogar,
- b. otra alternativa de residencia no ha sido identificada y
- c. carece de recursos o redes de apoyo necesarios para obtener otra vivienda permanente.

**Categoría 3: Persona sin hogar bajo otros estatutos federales**

Persona sola menor de 25 años de edad, o familias con jóvenes y niños, que de otra manera no cualifican como personas sin hogar bajo esta definición, pero:

- a. Es definida como persona sin hogar bajo otra reglamentación federal
- b. No ha tenido arrendamiento, interés propietario o acuerdo de ocupación en vivienda permanente durante los pasados 60 días anteriores a la solicitud de asistencia
- c. Ha experimentado inestabilidad persistente, medida por dos mudanzas o más durante los pasados 60 días
- d. Se espera que continúe en esta situación por un periodo de tiempo indeterminado debido a una necesidad especial o barrera

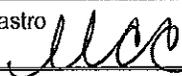
**Categoría 4: Huyendo / intentando huir de violencia**

Cualquier individuo o familia que:

- a. Está huyendo o intenta huir de una situación de violencia doméstica, violencia de pareja, agresión sexual o acoso
- b. No tiene otra residencia
- c. Carece de recursos o redes de apoyo para obtener otra vivienda permanente.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 7 de 83

La Tabla 2 describe los criterios para definir persona en riesgo de perder su vivienda según HUD:

**Tabla 2. Criterios para definir persona en riesgo de perder su hogar**

**Categoría 1: Individuos y familias**

- a. Tiene ingreso anual por debajo del **30%** de la mediana de ingreso familiar del área; **y**
- b. No tiene suficientes recursos o redes de apoyo inmediatamente disponibles para prevenir que tengan que moverse a un Albergue de Emergencia o cualquier otro lugar definido en la Categoría 1 de la definición de persona sin hogar; **y**
- c. Reúne una de las siguientes condiciones:
  1. Se ha movido por razones económicas en dos o más ocasiones durante los pasados 60 días anteriores a la solicitud de asistencia; **o**
  2. Está viviendo en la vivienda de otra persona debido a una situación económica; **o**
  3. Ha sido notificado de que su derecho a ocupar su vivienda actual o el lugar donde habita terminará dentro de los próximos 21 días a partir de la fecha de solicitud de asistencia; **o**
  4. Vive en un hotel o motel y cuyo costo no está siendo pagado por una organización caritativa o programa federal, estatal o municipal para personas de ingresos bajos; **o**
  5. Vive en un *Single Room Occupancy* (SRO) o apartamento eficiente, en el cual residen más de dos personas o viven en una unidad de vivienda más grande, en la cual viven más de una persona y media por habitación; **o**
  6. Está saliendo de una institución pública o sistema de cuidado; **o**
  7. Vive en una unidad de vivienda que tiene características asociadas con inestabilidad y en riesgo creciente de deambulancia, como ha sido identificado en el Plan Consolidado aprobado.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 8 de 83

**Tabla 2. Criterios para definir persona en riesgo de perder su hogar**

**Categoría 2: Jóvenes y Niños Solos**

- a. Joven o niño que no cualifica como persona sin hogar bajo la definición de persona sin hogar, pero cualifica como persona sin hogar bajo otra reglamentación federal.

**Categoría 3: Familias con Niños y Jóvenes**

- a. Joven solo que no cualifica como persona sin hogar bajo la definición de persona sin hogar, pero cualifica como persona sin hogar bajo la sección 725(2) del McKinney-Vento Homeless Assistance Act<sup>2</sup>, y cuyos padres o guardianes viven con él o ella.

Las entidades que reciben fondos de ESG deben asegurarse de que los individuos y familias que solicitan asistencia relacionada con vivienda cumplen con los criterios de elegibilidad y con la definición de persona sin hogar o en riesgo de perder su hogar. HUD requiere que la ubicación en alternativas de vivienda a través de ESG no esté condicionada a recibir servicios. Por lo tanto, individuos que han recibido órdenes del tribunal para ingresar a tratamiento bajo la Ley Núm. 408-2000 (Ley de Salud Mental) o la Ley Núm. 67-1993 (Ley de la Administración de Servicios de Salud Mental y Contra la Adicción) no son elegibles para recibir servicios financiados por ESG. Los fondos ESG deben ser utilizados para responder a situaciones de emergencia relacionadas exclusivamente con falta de vivienda y no como facilidades para tratamiento.

<sup>2</sup> Niños y jóvenes sin hogar significa: individuos que carecen de una residencia fija, regular y adecuada para pasar la noche; e incluye: (i) niños y jóvenes que comparten la vivienda de otras personas debido a la pérdida de vivienda, dificultades económicas o una razón similar; viven en moteles, hoteles, parques o áreas de acampar debido a la falta de una alternativa adecuada; viven en albergues de emergencia o transitorio; son abandonados en hospitales; o están esperando la ubicación en un hogar sustituto; (ii) niños y jóvenes que tienen como residencia nocturna principal un lugar público o privado no apto para la habitación humana; (iii) Niños y jóvenes que viven en carros, parques, espacios públicos, edificios abandonados, viviendas precarias, estaciones de autobús o tren o entornos similares; y (iv) niños migrantes que califican como personas sin hogar para los fines de este subtítulo, porque los niños viven en circunstancias descritas en las cláusulas (i) a (iii).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 9 de 83

## B. ADMISIÓN Y EVALUACIÓN INICIAL

Conforme con la reglamentación de HUD, 24 CFR 576.401 (a), el proceso de admisión para recibir servicios subvencionados por ESG, como mínimo incluirá un cernimiento (*screening*) inicial para determinar si el solicitante cumple o no con una de las definiciones categóricas de HUD de personas sin hogar o en riesgo de quedarse sin hogar. En caso afirmativo, el personal de la entidad realizará una evaluación del solicitante en persona para verificar su estatus como persona sin hogar, y determinar los componentes del servicio ESG para los que cualifican. Como estrategia para evaluar se utilizará la entrevista para verificar la elegibilidad y explorar las necesidades del solicitante, orientar sobre los procesos para la ubicación en un programa y los servicios que están disponibles. La ubicación de individuos y familias en un programa de vivienda estará centrada en la preferencia de la persona y sus necesidades.

Es importante aclarar que, siguiendo los requisitos establecidos en 24 CFR 576.400 (d-e), el proceso de admisión debe ser cónsono con el sistema coordinado de entrada (*Coordinated Entry System-CES*) adoptado por los CoCs). Una vez aprobado y adaptado el sistema coordinado de entrada, todas las entidades que reciben fondos de ESG deberán utilizarlo para hacer la entrada y evaluación inicial de sus participantes.

Los siguientes aspectos forman parte del proceso de admisión y evaluación inicial:

### 1. SISTEMA COORDINADO DE ENTRADA (COORDINATED ENTRY SYSTEM-CES)

El **sistema coordinado de entrada** es un proceso a ser diseñado por los CoC para facilitar el acceso de individuos y familias sin hogar a los servicios disponibles relacionados con vivienda. El objetivo principal de un sistema coordinado de entrada

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



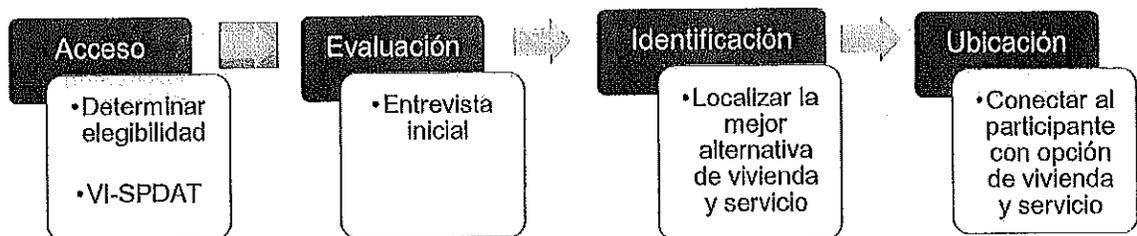
Revisado por: Oficina de Sistemas y  
Procedimientos

Página 10 de 83

es que la asistencia se distribuya lo más eficazmente posible y que sea de fácil acceso, sin importar dónde o cómo las personas se presenten para solicitar servicios. Un sistema de entrada coordinada efectivo es un componente crítico para apoyar los esfuerzos de cualquier comunidad para lograr la meta de prevenir y reducir la cantidad de personas sin hogar. Este sistema debe estar centrado en la persona, sus preferencias, y necesidades; debe proveer cernimientos estandarizados; utilizar herramientas de evaluación uniforme y; asegurar la ubicación del participante en el tipo de servicio que mejor responda a lo que desea y a sus necesidades.

De acuerdo con los requisitos de HUD [24 CFR 578.7 (a) (8)], una vez cada sistema de cuidado continuo – *Balance del Estado (CoC Puerto Rico Balance of Commonwealth, en adelante CoC PR 502) y Coalición de Coaliciones (CoC South/Southeast Puerto Rico, en adelante CoC PR 503* – haya desarrollado y adoptado su sistema coordinado de entrada, todos los proveedores de servicios deberán participar y utilizar las herramientas diseñadas para llevar a cabo la entrada o admisión de participantes de servicios relacionados a vivienda que reciben fondos de los CoC y ESG [24 CFR 576.400 (d)].

De forma general, un sistema coordinado de entrada debe consistir de los siguientes pasos<sup>3</sup>:



<sup>3</sup> Los pasos de un sistema coordinado de entrada puede variar según los acuerdos de los CoC. El *Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-SPDAT)* es una herramienta de evaluación integral y universal. Esta herramienta de cernimiento ofrece la oportunidad de tomar una decisión informada y objetiva basada en el nivel de necesidad de cada individuo o familia y agilizar las determinaciones de elegibilidad y ubicación de los participantes.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 11 de 83

Una vez aprobados estos sistemas por los CoCs, cada entidad que recibe fondos ESG o que tienen requerimientos reglamentarios de otros fondos de HUD para vivienda y servicios de apoyo para personas sin hogar deberá suscribirse y participar activamente en los procesos establecidos por el sistema coordinado de entrada, como medida de cumplimiento y ejecución. La falta de participación activa de un subreceptante de fondos ESG del sistema coordinado de entrada podrá ser razón para retirar o no otorgarle los fondos correspondientes del Programa ESG.

## 2. PRIORIDADES

Las entidades subvencionadas por ESG se acogerán a las prioridades del CoC al que pertenecen para la ubicación de individuos o familias con la opción de vivienda y servicio más apropiado. Según el plan estratégico a nivel federal - Opening Doors: Federal Strategic Plan to Prevent and End Homelessness, enmendado en el 2015, la meta es priorizar las siguientes poblaciones:

- a. Veteranos
- b. Personas sin hogar crónicas
- c. Jóvenes
- d. Familias con hijos

## 3. DOCUMENTACIÓN

En acuerdo con la reglamentación 24 CFR 576.500 (b), cuando un individuo o familia solicita servicios relacionados con vivienda, las entidades deben documentar el estatus de vivienda del solicitante. Los documentos que evidencien la determinación de elegibilidad deben ser incluidos en el expediente de los participantes. El orden de prioridad para la validación del estatus como persona sin hogar es el siguiente:

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 12 de 83



La determinación debe hacerse preferiblemente mediante certificaciones por terceros. Estas deben estar por escrito y pueden provenir de diversas fuentes. Por ejemplo: manejador de caso de otra entidad, trabajador de alcance en la calle, orden de protección, propietario de la vivienda donde reside el participante certificando fecha de desalojo, familiar o amigo que certifique que no podrá continuar ofreciendo alojamiento al participante, personal del municipio (no adscrito al Programa ESG) u oficial del orden público.

Las observaciones y certificación por parte del manejador de casos o la autocertificación de los participantes para determinar elegibilidad pueden utilizarse como documentación cuando la verificación por terceros no está disponible. Para quienes salen de una institución, además de solicitar la certificación como persona sin hogar, también debe mostrar:

- a. Evidencia de alta/salida o referido oral o escrito<sup>4</sup>; o
- b. Documentación en expediente que demuestre el esfuerzo del entrevistador para obtener el documento de evidencia de alta/salida y certificación del participante como que salió de una institución.

La siguiente tabla describe otros estatus de vivienda elegible y la evidencia requerida según el estatus:

<sup>4</sup> Es importante que el documento de salida de una institución certifique el tiempo que la persona estuvo en la institución y que era persona sin hogar previo a entrar a la institución.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar

Revisado por: Oficina de Sistemas y  
Procedimientos

Página 13 de 83

**Tabla 3. Evidencia requerida**

**Estatus de vivienda: En inminente riesgo de deambulancia**

**Tipo de evidencia:**

- Sentencia de desahucio por Tribunal; **o**
- Evidencia de que tiene que abandonar el motel u hotel porque no tiene los recursos económicos para permanecer allí; **o**
- Declaración oral verificada y documentada; **y**
- Certificación de que no se ha identificado otra residencia; **y**
- Declaración personal u otra documentación de que el individuo carece de los recursos financieros y el apoyo necesario para obtener vivienda permanente.

**Estatus de vivienda: Persona sin hogar bajo otros estatutos federales**

**Tipo de evidencia:**

- Certificación de la organización sin fines de lucro, estado o gobierno municipal que el individuo o jefe de familia que solicita asistencia reúne los criterios de deambulancia bajo otras reglamentaciones federales; **y**
- Certificación de que no ha tenido vivienda permanente en los pasados 60 días; **y**
- Certificación de otro individuo o jefe de familia, y otra forma de documentación disponible, de que se ha mudado en dos o más ocasiones en los pasados 60 días; **y**
- Documentación de necesidades especiales **o** dos barreras o más.

**Estatus de vivienda: Huyendo o intentando huir de violencia**

**Tipo de evidencia:**

- Declaración oral de la persona o jefe de la familia buscando asistencia y razón por la que están huyendo. Esta declaración puede ser documentada por una auto-certificación o por el manejador de caso; **y**
- Certificación de la persona que no se ha identificado otra vivienda; **y**
- Certificación personal u otra documentación que evidencie que no cuenta con los recursos financieros y las redes de apoyo para obtener otra vivienda permanente.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 14 de 83

Sin embargo, bajo ninguna circunstancia se negará acceso inmediato a un individuo o familia a un albergue o se negarán otros servicios de vivienda por falta de documentación que certifique la elegibilidad de un participante al momento de ser atendido. Tampoco se pedirá documentación adicional como: identificación, evidencia que certifique residencia legal, ingresos o empleo, plan médico, certificado de salud, certificado de antecedentes penales, y certificado de servicios de desintoxicación como requisito inicial para que el solicitante pueda acceder y recibir servicios relacionados con vivienda.

### C. COORDINACIÓN DE SERVICIOS

Los programas de asistencia dirigidos a personas sin hogar deben funcionar como redes de apoyo, cuyas responsabilidades incluyen la promoción del acceso y la utilización efectiva de los servicios por las personas sin hogar. Las entidades deben coordinar e integrar, en la medida de lo posible, sus recursos financiados por ESG con otros programas que sirven a personas sin hogar o en situación de riesgo de perder su hogar dentro de su área de servicio.

Los estándares mínimos para la conexión y coordinación con otros recursos consisten en ayudar a cada participante a obtener, en el caso que aplique, servicios de apoyo adecuados incluyendo:

- Vivienda permanente
- Tratamiento médico
- Servicios de salud mental
- Consejería

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: Marfa do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 15 de 83

- Supervisión
- Otros servicios necesarios para una vida independiente.

Esto dependerá de la elegibilidad del participante y los componentes de servicio ESG para los cuales la entidad recibe fondos.

Otros tipos de asistencia gubernamental y/o privada disponibles con los que se debe conectar a los participantes para promover la estabilidad en vivienda incluyen:

- *Medicaid*
- Seguro médico del estado
- Programa de Asistencia Nutricional Suplementaria
- *Women, Infants and Children (WIC)*
- *Head Start*
- Programa de Seguro de Desempleo Federal-Estatal
- Seguro de Incapacidad del Seguro Social (SSDI)
- Programa de Alimentos para el Cuidado de Niños y Adultos
- Programas dirigidos a Veteranos
- Otras asistencias disponibles

De igual manera, las actividades financiadas por fondos ESG (principalmente Albergues de Emergencia) se deben coordinar e integrar con los servicios y actividades que ofrecen los gobiernos municipales. Además, se debe establecer coordinación con las agencias y sectores agrupados bajo el Concilio Multisectorial en Apoyo a la Población sin Hogar, según establecido mediante la Ley Núm. 130-2007, Ley para crear el Concilio Multisectorial en Apoyo a la Población sin Hogar. Las agencias y sectores representados son:

- Departamento de la Familia
- Departamento del Trabajo y Recursos Humanos
- Departamento de Educación
- Departamento de Corrección y Rehabilitación

**MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG**

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 16 de 83

- Departamento de Salud
- Administración de Servicios de Salud Mental y Contra la Adicción (ASSMCA)
- Policía de Puerto Rico
- Oficina del Comisionado de Asuntos Municipales (OCAM)
- Coalición de Servicios a las Personas sin Hogar
- Empresas privadas representadas

**D. POLÍTICAS PARA ELIMINAR BARRERAS**

Las entidades deberán cumplir con requisitos de no discriminación, igualdad de acceso y alcance afirmativo, además de estándares para eliminar barreras en la entrada y provisión de servicios dirigidos a personas sin hogar. Los estándares mínimos incluyen:

**1. NO DISCRIMINACIÓN 24 CFR 6.4**

Las entidades deben asegurarse de que el uso de las instalaciones, la asistencia y los servicios están disponibles para todos, basados en la no discriminación. Ninguna persona será excluida de participar, se le negarán beneficios o estará sujeto a discriminación bajo cualquier programa o actividad financiada, en su totalidad o en parte, por fondos del gobierno federal por motivos de raza, color, religión, género, orientación sexual, edad, origen nacional, estatus migratorio, ascendencia, estado civil, discapacidad física o mental, porque la persona recibe asistencia pública estatal o federal o porque el individuo o familia es de un municipio diferente al que busca la asistencia.

**2. IGUALDAD DE ACCESO (Equal Access Interim Rule)**

La determinación de elegibilidad se realizará de acuerdo con los requisitos de elegibilidad provistos para cada programa por HUD. Las opciones de vivienda se pondrán a disposición sin importar la orientación sexual real o percibida, identidad de

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 17 de 83

género o estado civil. La ubicación de los participantes se determinará de acuerdo con la identidad de género con que se autoidentifique cada solicitante u ocupante, sin importar el sexo asignado al nacer u otros factores. Ningún dueño o administrador de una propiedad financiada con asistencia de HUD o entidad que reciba fondos de HUD puede indagar sobre la orientación o identidad de género de un solicitante o participante con el propósito de determinar la elegibilidad para recibir el servicio de vivienda. Ninguna agencia será eximida de esta reglamentación de HUD; no hay excepción para organizaciones de base de fe que reciben fondos de ESG.

Un albergue podrá preguntar por la orientación sexual o identidad de género de un participante solo cuando se refiere directamente a las áreas para dormir y/o baños compartidos, o para determinar el número de habitaciones que una familia pudiera utilizar.

Un albergue que recibe fondos ESG para las operaciones y/o servicios esenciales, y que sirve a las familias, no puede discriminar a base de su estado civil o preferencia sexual. Los albergues deben servir a los participantes elegibles, independientemente de si 1) los padres están casados, o 2) los padres son una pareja lesbiana, gay, o bisexual. No se acepta ninguna excepción.

**3. ACCESO AFIRMATIVO 24 CFR 576.407 (b)**

Los subrecipientes de fondos ESG deben dar a conocer y promover que el uso de las instalaciones, la asistencia y los servicios están disponibles para todas las personas de forma no discriminatoria. Las entidades deben tomar medidas apropiadas para asegurar una comunicación efectiva con las personas y promover información en la

**MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG**

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 18 de 83

comunidad sobre la ubicación de servicios, tipos de asistencia, accesibilidad para personas con discapacidad.

#### **4. SERVICIO CENTRADO EN LA PERSONA**

Servicio centrado en la persona se define como aquel servicio en el que el participante toma un rol activo en la identificación y priorización de sus necesidades de apoyo y servicios, y en el proceso de toma de decisiones en cuanto a los mismos. El manejador de caso o personal de la entidad que brinda el servicio directo debe servir como facilitador o guía del proceso. Sin embargo, como estándar mínimo se requiere que el participante sea quien determine en última instancia el tipo de servicio o apoyo que necesita. Brindar servicios desde un acercamiento centrado en la persona, promueve que el participante se apodere de su proceso de manera más proactiva.

#### **5. REDUCCIÓN DE BARRERAS**

Los individuos y familias que solicitan servicios relacionados con vivienda no serán excluidos de la asistencia debido a barreras percibidas, incluyendo, pero no limitado a, la falta de identificación personal, tarjeta de seguro social, empleo o ingreso, el consumo de drogas o alcohol, tener antecedentes penales o falta de plan médico, evidencia que certifique residencia legal, ingresos o empleo, falta de plan médico, certificado de salud. Los programas de vivienda reducirán sus barreras de evaluación en colaboración con el proceso coordinado de entrada una vez este sea establecido por los CoC. Se podrán considerar excepciones en caso de enfermedades contagiosas por aire (Ejemplo: tuberculosis) que puedan afectar la salud de los otros participantes que reciben servicio en la entidad.

**MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG**

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 19 de 83

## **6. ENFOQUE HACIA VIVIENDA PRIMERO**

Vivienda Primero es un modelo que ofrece a los individuos y familias sin vivienda acceso inmediato a vivienda permanente asequible sin requisitos clínicos, tales como: completar un tratamiento o evidenciar sobriedad, y con requerimientos mínimos para el ingreso. Vivienda Primero obtiene altos niveles de retención de vivienda, bajos retornos de personas a estar sin hogar, y reducciones significativas en el uso de servicios de crisis y en instituciones. Los estándares mínimos de Vivienda Primero incluyen los siguientes principios:

- a. La falta de vivienda es ante todo una crisis de vivienda y se puede abordar a través de la provisión de viviendas seguras y asequibles.
- b. Todas las personas sin hogar, independientemente de su historial de vivienda y la duración de la falta de vivienda, pueden lograr la estabilidad en vivienda permanente. Algunos pueden necesitar apoyo por un breve período de tiempo, mientras que otros pueden necesitar apoyo más intensivo y a largo plazo.
- c. Todo el mundo está "listo para tener vivienda". La sobriedad, el cumplimiento con determinado tratamiento o incluso la ausencia de historial criminal no son necesarios para tener éxito en la vivienda. Más bien, los programas de vivienda y los proveedores de vivienda deben estar "listos para atender a los participantes".
- d. Muchas personas experimentan una mejoría en su calidad de vida, en las áreas de salud, salud mental, uso de sustancias y empleo, como resultado de tener una vivienda.
- e. Las personas sin hogar tienen derecho a la autodeterminación y deben ser tratadas con dignidad y respeto.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 20 de 83

- f. La combinación exacta entre vivienda y servicios depende de las necesidades y preferencias de las personas.

**E. ACTIVIDADES RELIGIOSAS 24 CFR 576.400**

Los estándares mínimos relacionados con actividades basadas en la fe son:

1. Los proveedores que reciben fondos ESG no deben llevar a cabo actividades intrínsecamente religiosas como parte de los programas o servicios financiados por ESG. Tales actividades deben ser ofrecidas por separado de los programas y servicios financiados por ESG.
2. Una organización de base de fe que recibe fondos ESG puede conservar su independencia y puede continuar con su misión, siempre y cuando los fondos ESG no se utilicen para apoyar las actividades religiosas.
3. Una organización que recibe fondos ESG no discriminará en contra de un participante o potencial participante por su religión o sus creencias religiosas.
4. La participación de individuos o familias en actividades religiosas tiene que ser voluntaria. Estas actividades no pueden ser parte del plan de servicio de un participante como modalidad de tratamiento formal.
5. Los fondos ESG no se utilizarán para la rehabilitación de estructuras utilizadas específicamente para actividades religiosas, pero pueden ser usados para la rehabilitación de las estructuras que se utilizan para las actividades elegibles de ESG.
6. El uso de fondos de ESG para el pago de retiros espirituales, pago de meriendas para servicios religiosos, pago de recursos para llevar a cabo actos religiosos o proveer transportación para actividades religiosas está prohibido.

**MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG**

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 21 de 83

De constatar – mediante monitoria, visita ocular a la entidad y/o evidencia en documentos escritos – que la entidad está utilizando fondos de ESG para auspiciar actividades religiosas, podrá ser razón para retirar o no otorgarle los fondos correspondientes a ESG.

**F. PLAN DE SERVICIO INDIVIDUALIZADO**

Las entidades deben asegurar que a cada participante que recibe asistencia a través de fondos ESG se le diseña un plan de servicios individualizado. Este plan debe estar enfocado en la ubicación y estabilidad en vivienda permanente. Los manejadores de casos deben elaborar los planes junto al participante. El plan debe girar en torno a las metas del participante, pero enfocado hacia lograr vivienda permanente.

Los planes de servicio individualizado deben ser revisados al menos cada tres meses, excepto en el componente de *rapid re-housing* que será mensual. Sin embargo, el mismo podrá ser revisado antes, de acuerdo a la necesidad del participante.

**G. MANEJO DE EXPEDIENTES**

La creación y mantenimiento de expedientes es un aspecto importante en la administración de los proyectos de ESG. Se deben establecer y mantener expedientes con la documentación necesaria para determinar si se cumplen los requisitos de ESG. Por otro lado, la evaluación de desempeño del proyecto depende de la información sobre los servicios y actividades reportadas, y entradas al HMIS. Los estándares mínimos relacionados con los expedientes son:

1. Asegurar la entrada de datos de los participantes al HMIS en un periodo máximo de 48 horas calendario. Las entidades deben asegurarse de tener personal disponible para entrar los datos.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar 

Revisado por: Oficina de Sistemas y  
Procedimientos

Página 22 de 83

2. Las entidades deberán mantener los expedientes en un lugar seguro y con acceso limitado para el personal autorizado.
3. Los expedientes deben mantenerse por un periodo mínimo de 6 años a partir del último servicio.
4. Las entidades no podrán divulgar datos de un expediente a entes u agencias fuera del proyecto sin la autorización por escrito del participante; a menos que así lo permita la ley. Los participantes deberán dar su consentimiento informado para usar o compartir los datos si se utilizan para una investigación, educar e interpretación del público.
5. Verificar o certificar de forma impresa y/o electrónica que el individuo o familia es elegible para participar de los servicios y/o ayuda financiera, según las categorías establecidas.
6. Si luego de hacerle la evaluación se determina que el individuo o la familia es inelegible, se debe colocar el expediente en un archivo asignado para mantener los expedientes de participantes que son evaluados y clasificados como no elegibles. Dicho expediente se mantendrá por 6 años. Los requisitos de manejo de expediente y documentación de ESG estipulan que, para cada individuo y familia no elegible para recibir asistencia de ESG, el expediente debe incluir documentación del motivo de dicha determinación (Véase 24 CFR 576.500 (d)).

Como mínimo, los expedientes de los participantes deben contener lo siguiente, según aplique al tipo de programa de asistencia:

1. Certificación o verificación de que el individuo o familia es persona sin hogar o está en riesgo de perder la vivienda
2. Formulario firmado para autorizar la divulgación de información

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 23 de 83

3. Formularios correspondientes a la admisión y la evaluación de necesidades del individuo o familia
4. Evidencia de que el solicitante no tiene opciones de vivienda y carece de recursos suficientes para retener la vivienda
5. Plan individualizado de servicios
6. Evidencia de que los servicios de manejo de casos fueron provistos por lo menos mensualmente.
  - a. Se deben registrar todos los acercamientos realizados con cada participante y entrar la información a HMIS.
7. Cantidad y tipo de servicios esenciales provistos
8. Evidencia de referidos para obtener servicios y recursos básicos
9. Re-avalúo de elegibilidad
10. Notificación por escrito de que los servicios fueron terminados de acuerdo con 24 CFR 576.402 y/o 24 CFR 578.91.

Para los participantes bajo el componente **Alcance en la Calle**:

1. Se requiere que todas las entidades bajo ESG que reciben fondos para ofrecer Alcance en la Calle abran un expediente a cada participante en HMIS desde el primer contacto.
2. Luego, cuando haya un compromiso de parte del participante para recibir servicios, se documentarán todos los servicios ofrecidos.
3. Si a los 90 días de haber abierto el expediente, el Individuo o familia no aparece, se podrá cerrar el expediente y dar salida en el HMIS.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 24 de 83

Para los participantes bajo **Albergue de Emergencia:**

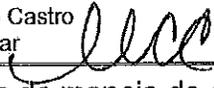
1. Para los albergues donde los participantes pasan la noche y tienen que salir por la mañana, la documentación se debe obtener cada noche.
2. Para los albergues diurnos se debe documentar la entrada y salida de los participantes cada día.
3. Si los participantes del programa pueden permanecer más de una noche, entonces la documentación debe ser obtenida en la primera noche que pasa en el albergue.
4. Evaluación visual relacionada con la pintura a base de plomo.
5. Luego de la entrevista inicial, los participantes del programa se volverán a evaluar según el caso vaya progresando o por lo menos cada treinta (30) días.

Para los participantes bajo **Prevención y Rapid Re-Housing:**

1. Verificación / certificación de que el participante del programa cumple con los requisitos de ingresos
2. Verificación de estándares de revisión ambiental (solo aplica para *Rapid Re-housing*)
3. Evaluación visual relacionada con la pintura a base de plomo
4. Documentación relacionada con el cumplimiento de la renta con el mercado justo y la razonabilidad de alquiler
5. Acuerdo de asistencia de alquiler firmado entre la entidad sub-recipiente y propietario
6. Contrato de arrendamiento firmado entre participante y propietario
7. Verificación de atrasos relacionados con renta de alquiler pendientes
8. Documentación de los pagos realizados a nombre del participante

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: Marfa do Carmo Castro  
Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 25 de 83

9. Las notas de manejo de casos deben evidenciar las gestiones realizadas dirigidas a la auto-suficiencia del participante y ubicación en vivienda permanente. El manejo de casos en *Rapid Re-Housing* se realizará mínimo una vez al mes.

10. El expediente debe incluir notas que verifican que se hizo el re-avalúo de elegibilidad por lo menos cada 3 meses para Prevención, o al menos 1 vez al año para Rapid Re-Housing.

#### H. REVISIÓN AMBIENTAL

A fin con la reglamentación 24 CFR 58, las entidades deben presentar su certificado de revisión ambiental para poder operar. Esta certificación también será requerida antes de rehabilitar, convertir o renovar un albergue o posible albergue y antes de proveer asistencia para alquiler. Las revisiones ambientales son aceptables por un periodo de cinco años. Los costos para llevar a cabo la revisión ambiental pueden ser financiados con fondos administrativos.

#### I. MEDIDAS DE DESEMPEÑO ESTABLECIDAS POR HUD

La Ley HEARTH (2009) en el artículo 427 describe los criterios establecidos por HUD para evaluar los sistemas que proveen asistencia relacionada con vivienda para personas sin hogar. El propósito de establecer estos criterios es fomentar el uso eficiente de los servicios dispuestos para las personas sin hogar, mejorando así la coordinación e integración de las ayudas disponibles, y fomentando la medición de progreso y éxito de las organizaciones subvencionadas. El buen desempeño de las entidades subvencionados por fondos ESG estará sujeto al cumplimiento de las medidas establecidas por HUD para

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 26 de 83

cada componente de servicio. Los estándares relacionados con las medidas de desempeño por componente se detallan más adelante en este documento<sup>5</sup>.

## J. POLÍTICA DE TERMINACIÓN DE ASISTENCIA

Se podrá terminar la asistencia a un participante de ESG si este viola los requisitos del Programa<sup>6</sup> o si deja de cumplir con los requisitos de elegibilidad (ej: cambios en el ingreso). Sin embargo, la terminación de asistencia debe ocurrir solamente en los casos más severos y después que otras medidas remediativas hayan sido consideradas. La terminación de asistencia debe llevarse a cabo mediante un proceso formal que reconozca los derechos del participante siguiendo el debido proceso de ley (24 CFR 576.402).

Las entidades deben hacer una distinción entre la terminación de asistencia para la vivienda y la terminación de otros servicios complementarios (ej: manejo de casos, mediación, asesoría legal). En los casos en que el individuo o la familia reciban otros servicios complementarios a la asistencia para la vivienda, la terminación de asistencia para la vivienda no necesariamente implica la terminación de los demás servicios complementarios. Esto, siempre y cuando el individuo o la familia continúen siendo elegibles para recibir dichos servicios complementarios y que los mismos estén vinculados con la estabilización u obtención de una nueva vivienda.

La terminación de asistencia no necesariamente impide que una entidad pueda volver a ofrecer en un futuro los mismos servicios complementarios y/o asistencia para la vivienda

<sup>5</sup> El Departamento de la Familia, en acuerdo con los CoC's, se reserva el derecho de revisar y/o modificar las medidas de desempeño anualmente.

<sup>6</sup> Rehusarse a recibir tratamiento de salud mental, uso de sustancias y/o rehusar participar de actividades religiosas, no deben ser razones para la terminación de asistencia.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 27 de 83

dicho participante. La entidad podrá volver a ofrecer los servicios al participante siempre y cuando se cumplan las siguientes condiciones:

1. Las causas que provocaron la terminación de asistencia sean resueltas
2. El participante cumpla con los criterios de elegibilidad
3. No haya excedido el tiempo máximo de duración del servicio
4. En el caso de Prevención o *Rapid Re-Housing* que hayan pasado 3 años

Una vez esté operando el sistema coordinado de entrada (*Coordinated Entry System*), en los casos de terminación de asistencia que lo ameriten, el participante deberá ser referido a dicho sistema para una reevaluación y ubicación en algún otro servicio o programa que sea parte del CoC. Así mismo, las entidades deben tomar las medidas necesarias para coordinar con distintas agencias de gobierno según los casos de terminación de lo requieran (es altamente recomendable que las entidades desarrollen sus políticas para manejar la terminación de asistencia sin violentar la reglamentación de HUD).

### **PROCESO PARA LA TERMINACIÓN DE ASISTENCIA**

La entidad deberá orientar de manera efectiva al participante sobre el proceso de terminación de asistencia y de revisión formal. Para que un proceso de terminación de asistencia sea considerado formal debe consistir mínimamente de lo siguiente:

1. Notificación escrita al participante que exprese claramente las razones de la terminación de asistencia.
2. Un procedimiento formal de revisión de la decisión en el cual el participante pueda expresar verbalmente o por escrito cualquier objeción. Este proceso de revisión debe llevarlo a cabo una persona que no sea la misma que tomó la determinación o un subordinado de esta.

**MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG**

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 28 de 83

3. Emitir una notificación escrita al participante con la decisión final.

**NOTIFICACIÓN ESCRITA DE TERMINACIÓN SE ASISTENCIA**

La notificación escrita de terminación de asistencia deberá incluir mínimamente lo siguiente:

1. La acción o decisión de la entidad
2. Las razones por las cuales se termina la asistencia
3. La fecha en que dicha acción o decisión es efectiva
4. El derecho de la familia o individuo a una explicación sobre la base de la decisión de la entidad
5. Los procedimientos para pedir una vista si la familia o el individuo disputa la acción o decisión
6. El tiempo límite para pedir la vista
7. A quién se dirigirá la petición para la vista
8. Una copia de los procedimientos de vista de la entidad

**PROCEDIMIENTO REVISIÓN FORMAL**

La revisión formal no puede ser realizada por la persona que tomó o aprobó la decisión bajo revisión, ni por un subordinado de dicha persona. Una petición para una revisión formal deberá ser recibida por escrito al cierre de las horas de oficina, no más tarde de diez (10) días calendario desde la fecha de la notificación emitida por la entidad. La revisión formal será programada dentro de diez (10) días calendario de la fecha de recibo de la petición. La entidad deberá notificar por escrito al participante lo siguiente:

1. La fecha y la hora de la vista
2. El lugar donde se celebrará dicha vista

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 29 de 83

3. El derecho de la familia o individuo de traer evidencia, testigos, abogados u otra clase de representación legal costado con su dinero
4. El derecho a revisar cualquier documento o evidencia en posesión de la entidad, sobre la cual se ha basado la acción propuesta y pagado por la familia, obtener copias de todos los documentos antes de la vista

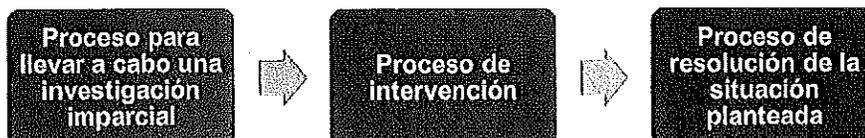
El participante podrá objetar verbalmente o por escrito la decisión. Se enviará una notificación de los hallazgos de la revisión por escrito al solicitante dentro de treinta (30) días calendario después de la revisión. Esta incluirá:

1. La decisión del oficial de la entidad
2. Una explicación de las razones para la decisión
3. El derecho del participante a iniciar un proceso judicial una vez concluya la revisión formal, si este entiende que se han violado sus derechos.

## K. SISTEMA DE QUERELLAS

Toda entidad financiada por fondos ESG deberá tener un procedimiento para manejar reclamaciones hechas por los participantes. La política para el manejo de reclamaciones debe garantizar un proceso justo y eficiente para presentar, atender y resolver las mismas. Para fines de los proyectos *subvencionados con fondos ESG*, cada entidad deberá regirse por la *política de reclamaciones del CoC (Sistema de Cuidado Continuo) al que pertenece. Por lo tanto, todo el personal de ESG debe estar al tanto de la política de reclamación del CoC al que pertenece su entidad.*

Los estándares mínimos para atender reclamaciones deben contener:



MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 30 de 83

Además, los siguientes aspectos deben ser considerados a la hora de manejar un proceso de reclamación:

1. Las denuncias verbales de primera o segunda mano pueden ser consideradas una reclamación.
2. Una notificación escrita por la persona y/o denuncia documentada para manejar un reclamo o queja es considerada como una reclamación.
3. La entidad debe asegurarse de que el reclamante conozca a cabalidad el proceso para someter la reclamación, y el proceso para objetarla si no estuviera satisfecho con la resolución de la misma.
4. Si la resolución proporcionada por la organización no fue satisfactoria para el reclamante, este puede presentar su reclamo por escrito al Departamento de la Familia, al CoC al que pertenece la entidad y/o al Concilio Multisectorial en Apoyo a la Población sin Hogar.
5. Si el reclamante no quiere que su nombre figure en cualquier documento, se protegerá su identidad.
6. Si el reclamante no está dispuesto a documentar la reclamación por escrito, algún representante del Departamento de la Familia, del CoC o del Concilio Multisectorial en Apoyo a la Población sin Hogar puede documentar lo sucedido.

Cada situación debe ser tratada con seriedad y sensibilidad, y se documentará en el expediente con fecha, hora, nombre del programa y la naturaleza del reclamo; así como cualquier acción tomada hacia la resolución. Todas las quejas o reclamaciones que incluyan adultos o niños vulnerables deben ser entregadas inmediatamente a las autoridades correspondientes.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 31 de 83

## L. CONFLICTO DE INTERESES

Según establecido por HUD (24 CFR 576.404) y el documento "Organizaciones Sin Fines de Lucro: Uso de la Propiedad y los Fondos Públicos" publicado por la Oficina del Contralor de Puerto Rico, los estándares mínimos relacionados a conflicto de intereses incluyen:

### 1. CONFLICTO DE INTERESES ORGANIZACIONALES

- a. Adoptar normas de conducta ética que apliquen a todo el personal, incluyendo al cuerpo directivo. Estas deben contener disposiciones que atiendan, entre otras, situaciones:
  - 1) Conflicto de interés, en apariencia o real
  - 2) Nepotismo<sup>7</sup>
  - 3) Favoritismo, aparente o real
- b. Se prohíbe a los empleados de la entidad participar en procesos, donde la persona o la familia de la persona, socio o cualquier organización que tenga interés financiero directo, pueda obtener beneficio de cualquier transacción financiada con fondos de este Programa.
- c. Además, se prohíbe la aceptación de remuneración, favores o cualquier pago de un contratista, consultor u otra entidad cuyos servicios sean prestados a la organización o municipio. El código debe contener disposiciones para evitar el nepotismo que aplique tanto al personal como a la junta de directores.
- d. La entidad no puede estar a nombre del director ejecutivo de la entidad o algún miembro específico de la junta de directores de la entidad.

<sup>7</sup> Se refiere a nepotismo como: usar el poder o la influencia para conceder el favoritismo a los parientes sin importar el mérito.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 32 de 83

e. Una persona no puede ocupar las posiciones de director ejecutivo y presidente de la junta de directores en una entidad.

2. CONFLICTO DE INTERESES INDIVIDUALES

a. Se prohíbe a cualquier persona, en una posición de toma de decisión o que haya ocupado un puesto en la entidad, que se beneficie u obtenga provecho personal de actividades financiadas con fondos ESG. Esta exclusión debe continuar por un año adicional una vez la persona ha dejado de trabajar en la entidad. Esto aplica a cualquier persona que sea empleado, agente, miembro de la junta de directores, consultor, funcionario o funcionario electo o designado de los municipios o entidad.

HUD puede otorgar una excepción caso a caso cuando determine que servirá para adelantar el propósito del Programa ESG y que promoverá el uso eficiente de los fondos. Al solicitar una dispensa la entidad debe proveer lo siguiente:

1. Un relevo de la naturaleza del conflicto acompañado por la evidencia mostrando que se ha revelado el conflicto públicamente y una descripción de cómo se llevó a cabo el proceso.
2. Una opinión del abogado de la entidad donde establezca que el interés para el cual solicita la excepción no violenta la ley local ni estatal.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 33 de 83

## VII. ESTÁNDARES POR COMPONENTE

### A. ALCANCE EN LA CALLE

Los servicios de **Alcance en la Calle** están diseñados para satisfacer las necesidades inmediatas de las personas sin hogar en lugares inhóspitos, conectándolos con albergues de emergencia, vivienda y/o servicios críticos como servicios de salud. El servicio de **Alcance en la Calle** debe estar centrado en localizar, identificar y establecer relaciones con las personas sin hogar que se encuentran en la calle con el objetivo de apoyarles en la obtención de una vivienda permanente y sostenible. Todo servicio de **Alcance en la Calle** estará acompañado de un manejo de casos.

#### 1. Participantes Elegibles

Los servicios de **Alcance en la Calle** deben estar dirigidos a individuos o familias cuya situación de vivienda sea cónsona con las siguientes categorías:

- a. **Categorías 1.a:** Individuos o familias que pasan la noche en un lugar público o privado, el cual no está diseñado para ser habitado por seres humanos. Esto incluye, pero sin limitarse, automóviles, parques, edificios abandonados, estaciones de tren o de autobuses, aeropuertos o áreas de acampar.
- b. **Categorías 4:** Cualquier individuo o familia que está huyendo o intenta huir de violencia doméstica; no tiene otra residencia; y carece de recursos o redes de apoyo para obtener otra vivienda permanente.

#### 2. Servicio en la Calle

Toda actividad y servicio de **Alcance en la Calle** deberá ser proporcionado directamente en la calle o en otros lugares no aptos para ser habitados por humanos.

Por lo tanto, no se pagará por actividades de alcance que se lleven a cabo en

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 34 de 83

facilidades, oficinas u organizaciones. Toda entidad que reciba fondos para ofrecer los servicios de alcance deberá ofrecer los mismos al menos tres (3) veces en semana. El itinerario de servicios será provisto en la solicitud de la propuesta. El Plan Individualizado de Servicios para los participantes debe estar enfocado en proveer alguna intervención apropiada relacionada con la obtención de vivienda.

3. Personal de Alcance

Las entidades deben asegurar que el personal destacado para ofrecer servicios de **Alcance en la Calle** esté debidamente adiestrado. El personal de alcance debe ser competente para identificar las necesidades y tener las destrezas para conectarse y vincularse de manera efectiva y empática con los individuos, según cada caso. Deberán estar enfocados y comprometidos en proveer asistencia inmediata, intervención y conexiones con programas de servicio para personas sin hogar y/o servicios sociales y de salud necesarios. El horario del personal de alcance debe ser flexible para que le permita responder a las necesidades de los participantes y atender los conflictos que se produzcan.

4. Duración del Servicio

Las entidades que reciben fondos para actividades de **Alcance en la Calle** deben proveer servicios de alcance a las personas y familias sin hogar durante el período que se le proporcionan los fondos ESG.

5. MEDIDAS DE DESEMPEÑO

Cónsono con HUD, los estándares mínimos relacionados a las medidas de desempeño como parte del componente de **Alcance en la Calle** son como se detallan en la Tabla

4.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 35 de 83

**Tabla 4. Medidas de Desempeño – Alcance en la Calle**

- Número de personas que recibieron los servicios
- Número de personas que salieron del programa
- Por ciento de personas que se comprometieron a recibir los servicios
- Por ciento de personas que tuvieron un Plan Individualizado de Servicios
- Por ciento de personas que cumplieron con su Plan Individualizado de Servicios
- Por ciento de personas que aumentaron sus ingresos de cualquier fuente
- Por ciento de personas ubicadas en albergue de emergencia
- Por ciento de personas ubicadas en albergue transitorio
- Por ciento de personas ubicadas en vivienda permanente

6. Actividades Elegibles

La Tabla 5 muestra las actividades elegibles para los servicios de **Alcance en la Calle**.

**Tabla 5. Actividades Elegibles para Alcance en la Calle**

**Servicios Esenciales**

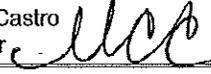
Los costos elegibles y estándares mínimos para proveer servicios de **Alcance en la Calle** son:

⇒ **Servicios de “Engagement”** – Estos servicios consisten en actividades para localizar, identificar, establecer relaciones con personas sin hogar con el propósito de proveer servicios de apoyo inmediato, intervención y referido a programas de ayuda para personas sin hogar, servicios sociales fundamentales y vivienda. Se considera que hay *engagement* cuando un individuo o familia se compromete a recibir los servicios que ofrece el programa. Las actividades elegibles como parte del “*engagement*” consisten de:

- Cernimiento de elegibilidad y evaluación de necesidades
- Servicios de intervención en crisis
- Atender necesidades de salud física crítica

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: Marfa do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 36 de 83

- Proveer alimentación
- Ropa, sábanas, artículos de aseo personal
- Referidos

⇒ **Manejo de Casos** – Las actividades de manejo de casos deben consistir en evaluar las necesidades de vivienda y de servicios, organizar, coordinar y supervisar la prestación de servicios individualizados para satisfacer las necesidades del participante. Los servicios elegibles y actividades son las siguientes:

- Evaluación Integrada según lo establezca el CoC
- Evaluación inicial, incluyendo la verificación y documentación de elegibilidad
- Consejería
- Coordinación de los servicios para obtener beneficios tanto federales como estatales
- Monitorear y evaluar el progreso de los participantes
- Desarrollar un plan individualizado de vivienda y servicios, dirigido hacia la obtención de una vivienda permanente y estable.

⇒ **Servicios de Salud de Emergencia** – Las actividades relacionadas con salud de emergencia son elegibles en la medida en que otros servicios y tratamientos adecuados no estén disponibles o sean inaccesibles en la comunidad. Esto incluye el tratamiento de salud ambulatorio provisto por profesionales de la salud que puedan trabajar en ambientes comunitarios, tales como: calles, parques, campamentos, etc. Entre los costos elegibles se consideran:

- Evaluar la condición de salud y desarrollar un plan de tratamiento
- Ayudar al participante a entender sus necesidades de salud
- Proveer tratamiento médico de emergencia y servicios de seguimiento
- Proveer medicamentos

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 37 de 83

⇒ **Servicios de Emergencia de Salud Mental** – Los servicios de salud mental son actividades elegibles en la medida en que otros servicios y tratamientos adecuados no estén disponibles o sean inaccesibles en la comunidad. El tratamiento debe ser ofrecido por un profesional con licencia para tratar condiciones de salud mental y que pueda ofrecer los servicios en ambientes comunitarios, tales como: calles, parques, etc. Los servicios de salud mental consisten en intervenciones de índole terapéutica, problemas personales, familiares o laborales, con el fin de solucionar el problema o mejorar las circunstancias tanto personales como familiares. Los tratamientos elegibles son:

- Intervenciones en crisis
- Prescripción de medicamentos psicotrópicos
- Orientaciones sobre el uso y manejo de medicamentos
- Combinaciones de enfoques terapéuticos para enfrentar múltiples problemas

⇒ **Transportación** – Los gastos de viaje elegibles son los incurridos por el personal de servicio de alcance (trabajadores sociales, médicos, profesionales de la salud u otros proveedores de servicio) para prestar el servicio directo contemplado en la reglamentación. Estos incluyen:

- Gastos para transportar a los participantes a lugares de servicios, tratamiento, albergue, vivienda u otra facilidad de servicio
- El costo de transportación pública de los participantes
- El pago de millaje al personal de servicios mientras utiliza su vehículo privado para prestar el servicio directo contemplado en la reglamentación
- La compra o alquiler de vehículos para transportar al personal de servicio o participantes elegibles
- El costo de gasolina, seguros, impuestos y mantenimiento del vehículo

⇒ **Servicios para poblaciones especiales 24 CFR 576.101 (a)(6)** – Los fondos de **Alcance en la Calle** pueden ser utilizados para servir a poblaciones con necesidades especiales de acuerdo con la definición de la reglamentación de HUD (jóvenes, víctimas de violencia doméstica, personas con VIH/SIDA, víctimas de violación, acoso, etc.).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 38 de 83

## B. ALBERGUE DE EMERGENCIA

Por **Albergue de Emergencia** se entiende cualquier instalación utilizada principalmente para proveer servicios de albergue temporero para personas sin hogar o poblaciones específicas sin hogar. Las camas financiadas por ESG no podrán ser reportadas bajo ningún otro fondo federal. Bajo **Albergue de Emergencia** no se puede requerir que los ocupantes firmen un contrato o acuerdos de ocupación para recibir servicios. Tampoco se cobrará cargo económico alguno a individuos o familias que participen de los servicios de **Albergue de Emergencia**.

### 1. Participantes Elegibles

Los servicios de **Albergue de Emergencia** deben estar dirigidos a individuos o familias que su situación de vivienda sea cónsona con las siguientes categorías:

- **Categoría 1:** literalmente sin hogar
- **Categoría 2:** en riesgo inminente de perder su hogar
- **Categoría 3:** persona sin hogar bajo otros estatutos federales
- **Categoría 4:** huyendo/intentando huir de violencia doméstica

Los fondos de **Albergue de Emergencia** pueden ser utilizados para servir a poblaciones con necesidades especiales de acuerdo con la definición de la reglamentación de HUD (jóvenes, víctimas de violencia doméstica, personas con VIH/SIDA, víctimas de violencia, acoso, etc.). Solamente las entidades que tengan un historial documentado de servir efectivamente a estas poblaciones podrán acceder a estos fondos. Las protecciones básicas establecidas a través del *Violence Against Women Act (VAWA)* aplican a las unidades de albergue de emergencia subvencionadas a través de ESG.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 39 de 83

Los proveedores de servicio de **Albergue de Emergencia** para familias no podrán denegar la admisión utilizando como criterio que haya menores de 18 años. De no haber espacios disponibles en el **Albergue de Emergencia**, la entidad podrá utilizar los fondos para vales de hotel o motel para el individuo o la familia hasta un periodo máximo de 30 días.

Los albergues de emergencia deben asegurarse de siempre tener una persona adiestrada que pueda hacer la entrada de los participantes e ingresar los datos a HMIS. La entrada de los datos debe hacerse en un periodo de 48 horas calendario.

## 2. Ambiente del Albergue

Las entidades, a través de su personal de servicio, deberán proveer un ambiente acogedor, seguro, cómodo, con respeto y dignidad para todos los participantes sin importar su procedencia. La ubicación de los participantes se determinará de acuerdo con la identidad de género con que se autoidentifique cada solicitante u ocupante, sin importar el sexo asignado al nacer u otros factores.

## 3. Operación de Albergue

Los fondos ESG podrán ser utilizados para mantenimiento (incluyendo reparaciones menores o rutinarias), alquiler, seguridad, servicios de agua y energía eléctrica, equipos, seguros, alimentos, mobiliario y materiales necesarios para la operación del albergue. Las actividades de mantenimiento:

- No añaden valor al edificio/propiedad
- No prolongan considerablemente la vida útil del edificio/propiedad
- No adaptan el edificio/propiedad para nuevos usos.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 40 de 83

Algunos ejemplos de actividades de mantenimiento podrían incluir actividades, tales como: sellado de un techo que gotea, arreglo de tubo roto, reemplazo de una ventana rota, arreglo de grieta en una acera, tapar hoyos en estacionamiento y la reparación de partes de una verja. De tener que recurrir en gastos significativos, debe consultar primero al DF para obtener la autorización.

4. Vivienda Primero

Todas las entidades que reciben fondos ESG deben seguir los principios del modelo de Vivienda Primero. Bajo este modelo, los participantes deben tener acceso a una vivienda permanente con la mayor agilidad posible. Las entidades que reciben fondos para **Albergue de Emergencia** deben documentar que sus participantes están recibiendo algún tipo de servicio coordinado conducente a la obtención de vivienda permanente.

5. Diferidos

Los programas de desviación de albergues son identificados por la *National Alliance to End Homelessness* como una práctica de prevención dirigida a personas que buscan entrar en un albergue. Esta práctica ayuda a individuos o familias que buscan albergue a identificar vivienda alternativa (como quedarse con amigos o familiares) en lo que se encuentra la vivienda más estable disponible. También permite conectar a individuos o familias con servicios y asistencia financiera para ayudarles a regresar a una vivienda permanente. Los casos diferidos tienen el potencial de reducir la demanda en los albergues de emergencia retrasando la entrada o evitando el tiempo de estadía por completo. Además, puede reducir el estrés y el trauma que la entrada a un albergue pueda causar en la vida cotidiana de un individuo o familia.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 41 de 83

## 6. Referidos

Los participantes que son ubicados en **Albergues de Emergencia** deben tener acceso a los servicios esenciales elegibles bajo el componente, ya sea mediante la prestación directa de servicios por parte de las entidades y/o referidos a otros recursos y proveedores de servicios.

## 7. Duración del Servicio

La estadía prolongada en albergues de emergencia se debe evitar en la medida de lo posible. El tiempo promedio que un participante debe permanecer en un **Albergue de Emergencia no debe exceder de 90 días** sin que se haya ubicado en vivienda permanente. Las entidades deben re-evaluar a los participantes de **Albergue de Emergencia**, de forma continua, para agilizar el tiempo en que se pueda ubicar en vivienda permanente.

Se dejará de ofrecer servicios de **Albergue de Emergencia** a los participantes en caso de que estos decidan salir o cuando han obtenido con éxito una vivienda segura y permanente. Se recomienda a los proveedores de servicios de albergue no concluir los servicios a individuos y familias que no han obtenido una vivienda permanente.

Una vez cada CoC haya desarrollado y adoptado su sistema de entrada coordinada, los programas de albergues de emergencia están obligados a trabajar estrechamente con los sistemas coordinados de entrada de las entidades para asegurar que los participantes se refieren a los recursos de vivienda más apropiados, incluyendo, pero no limitados a *Rapid Re-Housing* y Vivienda Permanente [24 CFR 576.400 (d)].

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 42 de 83

8. Separación Involuntaria de la Familia 24 CFR 576.102 (B)

Cualquier grupo de personas que se presentan juntos para recibir servicios relacionados a vivienda y se identifican como una familia, independientemente de la edad o de la relación u otros factores, se tienen que considerar como una familia y deben ser servidos juntos como tal.

Además, cualquier albergue que recibe fondos bajo ESG, incluyendo las organizaciones de base de fe, no pueden discriminar a un grupo de personas que se presenta como familia basado en su composición familiar (por ejemplo, adultos y niños o solo adultos), la edad de cualquier miembro de la familia, el estado de incapacidad de algún miembro de la familia, el estado civil, orientación sexual percibida o real, o identidad de género. La edad y el sexo de un niño menor de 18 años no deben ser utilizados como base para denegar la admisión de cualquier familia a cualquier albergue que recibe fondos ESG.

9. Seguridad y Protección 24 CFR 576.403 (B)

Las entidades que proveen servicios de **Albergue de Emergencia** deben crear políticas y procedimientos que proporcionen un ambiente seguro para los participantes de los albergues y el personal. Todos los participantes deben ser informados sobre medidas de seguridad básicas del albergue. El personal a cargo debe conocer las medidas de seguridad, reglas del albergue y protocolos a seguir en caso de una emergencia.

Cualquier **Albergue de Emergencia** que recibe asistencia para las operaciones del albergue también debe cumplir con estándares mínimos de seguridad, sanidad, y de privacidad. Los estándares mínimos incluyen, pero no se limitan a:

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 43 de 83

- a. **Estructura y materiales:** Los edificios tienen que estar estructuralmente firmes, de manera que no representen una amenaza a la salud y a la seguridad de los ocupantes, protegiendo a los residentes de cualquier peligro o amenaza. Cualquier renovación (incluyendo rehabilitación mayor y transformación) llevada a cabo con la ayuda de ESG debe considerar productos certificados como Energy Star y Water Sense.
- b. **Acceso:** Los albergues tienen que ser accesibles y con capacidad para ser utilizados sin tener que acceder al mismo a través de otra unidad. Los edificios han de proveer medios alternos para salir en caso de fuego
- c. **Espacio y seguridad:** Excepto aquellos albergues diseñados solo para uso durante el día, todo albergue debe proveer a cada residente espacio adecuado y seguridad tanto para ellos como para sus pertenencias. Cada participante debe tener una cama con sábanas limpias.
- d. **Calidad del aire:** El aire interior debe estar libre de contaminantes que pudiera poner en peligro o perjudicar la salud de los participantes. Cada habitación o espacio ha de ser provisto con ventilación natural o mecánica. Las estructuras han de estar libres de contaminantes en el aire que puedan representar una amenaza a la salud de los residentes.
- e. **Suministro de agua:** El suministro de agua en el albergue debe estar libre de contaminación.
- f. **Instalaciones sanitarias:** Cada participante debe tener acceso a instalaciones sanitarias que se encuentren en condiciones óptimas de operación, sean privadas, y adecuadas para al aseo personal.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 44 de 83

- g. **Ambiente Termal:** La vivienda ha de tener equipo adecuado para calefacción o enfriamiento de la unidad.
- h. **Iluminación y electricidad:** El albergue ha de tener iluminación adecuada ya sea natural o artificial. Dicha iluminación debe permitir llevar a cabo actividades en el interior del albergue y apoyar la salud y seguridad de los residentes. Además, debe tener la capacidad eléctrica suficiente para permitir el uso de enseres eléctricos sin causar peligros y riesgos de fuego.
- i. **Preparación de alimentos:** Si hay áreas para la preparación de alimentos, han de contener suficiente espacio y equipo para guardar, preparar y servir alimentos de manera sanitaria.
- j. **Las condiciones sanitarias:** El albergue debe estar en condiciones que no representen una amenaza a la salud del participante.
- k. **La seguridad contra incendios:** El albergue debe cumplir con las siguientes condiciones:
- 1) Tener al menos un detector de humo (de batería o alambrado) en condiciones apropiadas para su funcionamiento, en cada nivel de la unidad. En cuanto a seguridad contra incendios, cada unidad ha de tener al menos un detector de humo, en condiciones apropiadas para su funcionamiento, en cada nivel de la unidad. Los detectores han de estar colocados en los pasillos contiguos a las habitaciones. Si la unidad está ocupada por una persona con problemas de audición, los detectores han de tener un sistema de alarma diseñado para personas con impedimentos auditivos en cada habitación ocupada por una persona con problemas de audición.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 45 de 83

2) Las áreas públicas de todo albergue han de estar equipadas con detectores de humo; un número suficiente pero no menos de uno para cada área. Las áreas públicas incluyen pero no se limitan al "laundry", área de cuidado de niños, pasillos, escaleras y otras áreas comunes.

#### 10. Medidas de Desempeño

Cónsono con HUD, los estándares mínimos relacionados a las medidas de desempeño como parte del componente de **Albergue de Emergencia** son como se detallan en la Tabla 6.

**Tabla 6. Medidas de Desempeño – Albergue de Emergencia**

- Número de personas que ingresó en albergue de emergencia
- Número de personas que salieron del programa
- Porcentaje de personas que tuvieron un plan individualizado de servicios
- Porcentaje de personas que cumplieron con su plan individualizado de servicios
- Porcentaje de personas que aumentaron sus ingresos de cualquier fuente
- Porcentaje de personas que ingresaron en vivienda transitoria
- Porcentaje de personas que permanecieron en el albergue por menos de tres meses
- Porcentaje de personas que permanecieron en el albergue por más de tres meses
- Porcentaje de personas ubicadas en vivienda permanente
- Porcentaje de utilización de camas

La Tabla 7 muestra las actividades elegibles para los servicios de **Albergue de Emergencia**.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 46 de 83

**Tabla 7. Actividades Elegibles para el Albergue de Emergencia**

**SERVICIOS ESENCIALES**

Los siguientes servicios son elegibles como parte del componente de **Albergue de Emergencia**:

⇒ **Manejo de Casos** – Las actividades relacionadas al manejo de caso deben estar dirigidas a la evaluación de necesidades de vivienda y de servicios, organizar, coordinar y supervisar la prestación de servicios individualizados para satisfacer las necesidades del participante. Los servicios y actividades elegibles son las siguientes:

- Evaluación inicial, incluyendo verificar y documentar la elegibilidad
- Consejería
- Desarrollar y coordinar servicios para obtener beneficios tanto federales como estatales.
- Monitorear y evaluar el progreso de los participantes
- Proveer una evaluación de riesgo y un plan de seguridad para aquellas víctimas de violencia doméstica, abuso sexual, y acoso.
- Desarrollar un plan individualizado de vivienda y servicios, dirigido hacia la vivienda permanente.

⇒ **Cuido de niños** – Las actividades de cuidado son elegibles siempre y cuando los niños sean menores de 13 años o aquellos con discapacidades que podrán recibir el servicio hasta los 18 años. Los centros de cuidado deben estar licenciados por el Departamento de la Familia. Los costos elegibles son:

- Cuido
- Meriendas y comidas
- Actividades para el desarrollo de los menores

⇒ **Servicios de Educación** – Los servicios elegibles de educación son actividades dirigidas a la enseñanza y aprendizaje para que los participantes mejoren su capacidad para obtener y mantener una vivienda, reciban educación en salud, prevención de uso problemático de sustancias, alfabetización, y preparación para

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 47 de 83

el GED (*General Educational Development Test*) y diversas habilidades para la vida. Los costos elegibles son:

- o Educación en Salud
- o Prevención de uso de sustancias
- o Inglés
- o Cursos para obtener el cuarto año

⇒ **Asistencia en el empleo y adiestramiento** – Los costos para la asistencia relacionada con empleo y los programas de capacitación laboral son elegibles, incluyendo cursos presenciales y/o en línea; formación relacionada con el espacio de trabajo; y servicios para ayudar a las personas a obtener empleo, adquirir habilidades de aprendizaje y/o aumentar el potencial de ingresos. Las destrezas de aprendizaje incluyen: aquellas destrezas que pueden usarse para asegurar y retener un trabajo, incluyendo la adquisición de licencias vocacionales y/o certificados. Los servicios para asistir en la obtención de empleo consisten en: pruebas vocacionales, adiestramiento para la búsqueda de empleo, adiestramiento y tutorías especiales, libros y material didáctico, asesoramiento laboral y referidos a los recursos de la comunidad.

⇒ **Servicios ambulatorios de salud** – Los gastos elegibles son para tratamiento ambulatorio de condiciones médicas y deben ser provistos por profesionales médicos con licencia. Los fondos ESG solamente pueden ser utilizados para servicios de salud siempre y cuando los mismos estén inaccesibles o no estén disponibles en el área de servicio. Los fondos pueden ser utilizados para servicios de salud de emergencia tales como:

- o Evaluar la condición de salud y desarrollar un plan de tratamiento
- o Ayudar al participante a entender sus necesidades de salud
- o Proveer tratamiento médico de emergencia y de seguimiento
- o Proveer medicamentos
- o Proveer servicios dentales preventivos y no cosméticos

⇒ **Servicios Legales** – Los fondos pueden ser utilizados para contratar un abogado (pago por hora) para prestar servicios de asesoramiento legal para garantizar al

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 48 de 83

participante el derecho a obtener o mantener una vivienda. Si la organización tiene un abogado como parte de su personal podrá subvencionar el salario de este. No se podrán pagar servicios legales relacionados a inmigración, ciudadanía e hipotecas. No se podrán pagar gastos por adelantado ni contingentes. Los criterios para ofrecer los servicios legales serán los siguientes:

- o El programa provee hasta \$500,00 de costos de abogados (la facturación deberá ser por hora de servicio prestada)
- o Los servicios legales estarán relacionados con:
  - Manutención
  - Custodia
  - Paternidad
  - Emancipación
  - Separación
  - Órdenes de protección
  - Remedios civiles para poblaciones con necesidad especial
  - Apelaciones de veteranos
  - Reclamaciones por beneficios gubernamentales denegados
  - Órdenes de arresto

⇒ **Destrezas de Vida** – Estos servicios están dirigidos a ayudar al participante a funcionar de manera independiente en la comunidad. Las actividades para proveer destrezas de vida a los participantes podrán ser costeados con los fondos ESG. Las actividades elegibles son:

- o Manejo de presupuesto
- o Manejo del hogar
- o Manejo de conflictos
- o Compra de alimentos y artículos de primera necesidad
- o Nutrición
- o Transportación Pública
- o Paternidad/maternidad responsable

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 49 de 83

⇒ **Salud Mental** – Los servicios de salud mental son intervenciones terapéuticas dirigidas a problemas personales, familiares o laborales, con el fin de solucionar el problema o mejorar las circunstancias tanto personales como familiares. El servicio debe ser provisto por un profesional con licencia para trabajar condiciones de salud mental. Los fondos ESG podrán ser utilizados para estos fines en la medida en que los servicios de salud mental adecuados no estén accesibles o disponibles en la comunidad. Las actividades elegibles son:

- Intervención en crisis
- Prescripción de medicamentos psicotrópicos
- Orientaciones sobre el uso y manejo de medicamentos
- Orientaciones sobre combinaciones de enfoques terapéuticos para enfrentar múltiples problemas.

⇒ **Tratamiento uso problemático de sustancias** – Estos servicios deberán estar diseñados para prevenir, reducir, eliminar y evitar recurrencias (recaídas) relacionadas con el uso problemático de sustancias. Los servicios deben ser provistos por profesionales licenciados o certificados. Estos servicios solamente pueden ser provistos con fondos ESG siempre y cuando los mismos estén inaccesibles o no estén disponibles en el área de servicio. Las actividades elegibles son:

- Admisión y evaluación del participante
- Tratamientos ambulatorio hasta 30 días
- Consejería individual y grupal
- Pruebas de dopaje

**Los gastos de hospitalización para tratamientos de desintoxicación de drogas y alcohol son inelegibles.**

⇒ **Transportación** – Las actividades elegibles consisten en los costos de transporte de los viajes de un participante hacia y desde la asistencia médica, empleo, cuidado de niños u otras instalaciones de servicios esenciales elegibles. Las categorías de gastos elegibles de transportación incluyen:

- El costo de transportación pública de los participantes.

**MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG**

Validado por: María do Carmo Castro  
 Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
 Procedimientos

Página 50 de 83

- o El pago de millaje al personal de servicios mientras utiliza su vehículo privado para prestar el servicio directo contemplado en la reglamentación (se sugiere como herramienta la calculadora de DTOP).
- o La compra o alquiler de vehículos para transportar al personal de servicio o a los participantes.
- o El costo de gasolina, seguros, impuestos y mantenimiento del vehículo.

**SERVICIOS DE REHABILITACIÓN Y/O RENOVACIÓN DE FACILIDADES**

Toda renovación/rehabilitación de un albergue tiene que cumplir con los requisitos de evaluación ambiental establecidos por HUD en el 24 CFR 58. Además, la entidad que propone el proyecto deberá entregar el permiso de construcción <sup>8</sup> al Departamento de la Familia **antes de comenzar las obras** de renovación/rehabilitación para obtener la autorización para la liberación de fondos. Los fondos de ESG podrán cubrir la labor, materiales y otros costos necesarios para la rehabilitación o transformación de una estructura que será utilizada como un **Albergue de Emergencia**. Es requisito que el edificio sea propiedad del municipio o de la entidad sin fines de lucro que propone el proyecto.

**Período mínimo de uso de la estructura** – El periodo de utilización del edificio como albergue dependerá de los fondos ESG utilizados para la renovación de la estructura, en relación al costo del bien inmueble (establecido bajo tasación), según se describe en la siguiente tabla:

Rehabilitación y/o Renovación de Facilidades		
Subcomponente	Tiempo de uso requerido	Criterios
Rehabilitación mayor- La mano de obra, materiales, herramientas y otros costos de la mejora de los edificios, que no sean reparaciones menores o de rutina.	10 años	Rehabilitación de un albergue que conlleva costos mayores al 75% del valor del edificio antes de ser rehabilitado.

<sup>8</sup> El Permiso de Construcción se puede conseguir a través de la Oficina de Gerencia de Permisos (OGPe).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
 Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
 Procedimientos

Página 51 de 83

<b>Conversión</b> - un cambio en el uso de un edificio a un albergue de emergencia para personas sin hogar.	10 años	El costo de la transformación excede el 75% del valor del edificio después de la transformación.
<b>Renovación</b> - rehabilitación que implica costos del 75% o menos del valor del edificio antes de la rehabilitación.	3 años	Renovación de un albergue que conlleva costos de 75% o menos del valor del edificio antes de ser renovado.

En general, una actividad que agregue de forma sustancial al valor del edificio, prolongue su vida útil o lo adapte a usos nuevos sería considerada renovación o conversión. Dependiendo del costo de la renovación y valor del edificio se considerará una rehabilitación menor o una rehabilitación mayor. Las entidades que solicitan fondos para renovación, rehabilitación mayor o conversión deben:

- Incluir planes para la inspección de pintura a base de plomo si se sospecha que el albergue a ser rehabilitado contiene este material peligroso y/o si fue construido antes de 1978.
- Presentar el certificado de revisión ambiental.
- Presentar Permiso de Construcción.

Las actividades inelegibles relacionadas a renovación, rehabilitación y conversión son:

- Adquisición de bienes inmuebles
- Nueva construcción
- Limpieza de la propiedad para la demolición
- Administración de rehabilitación
- Capacitación del personal o actividades de recaudación de fondos asociadas con la rehabilitación
- Mantenimiento y reparación del edificio (podrían ser elegibles como parte de la operación de albergue).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 52 de 83

Bajo este componente se consideran los siguientes albergues:

1. **ALBERGUE DIURNO**

Los fondos de ESG pueden ser usados para **Albergues Diurnos** (los participantes no pernocan en la facilidad) que cumplan con los criterios bajo la definición de albergue de emergencia 24 CFR 576.102. Si el propósito principal de la entidad es brindar albergue temporal a las personas sin hogar en general o a subpoblaciones específicas, y no requiere que los ocupantes firmen contratos de arrendamiento o de ocupación, el **Albergue Diurno** cumple con la definición de Albergue de Emergencia y puede ser financiado como un Albergue de Emergencia en virtud de ESG. El objetivo principal debe ser evidente en las características del albergue.

Como mínimo, las personas sin hogar deben poder permanecer en la instalación durante las horas que esté abierto. Para que un **Albergue Diurno** use los fondos de ESG para servir como un Albergue de Emergencia, la entidad debe cumplir con los requisitos que se aplican a los sub-recipientes de ESG con respecto a los fondos y actividades de albergue. Solo se considerarán **Albergues Diurnos** si cumplen con lo siguiente:

- a. Cada participante debe ser evaluado para verificar la elegibilidad como persona sin hogar e identificar el tipo de asistencia y servicios que necesita. Esta evaluación debe realizarse de acuerdo con el 24 CFR 576.401 (a).
- b. La elegibilidad de cada participante y su estatus como persona sin hogar deben ser documentados de acuerdo con los requisitos del 24 CFR 576.500 (b).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxlliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 53 de 83

- c. Los datos del participante y de los servicios ofrecidos deben entrarse en el HMIS local. Esto debe ser completado de acuerdo con los requisitos en 24 CFR 576.400 (f).
- d. La entidad debe seguir los estándares escritos [requeridos bajo 24 CFR 576.400 (e)] relacionados con albergues de emergencia y servicios esenciales (servicios de salud mental, trabajo social, manejo de casos, enfermería y establecer un plan de servicio dirigidos a ubicar en vivienda permanente, etc.).
- e. Los costos de servicios como manejo de casos, servicios de salud mental, trabajo social, consejería, etc. proporcionados a personas sin hogar en el albergue serán elegibles bajo servicios esenciales, siempre y cuando los costos cumplan con la regla 24 CFR 576.100 (d) y 24 CFR 576.102.
- f. Los costos de proveer lavandería o comidas en el albergue serán elegibles bajo las operaciones de Albergue de Emergencia, siempre y cuando los costos cumplan con la regla 24 CFR 576.100 (d) y 24 CFR 576.102.

## 2. ALBERGUE TRANSITORIO

Los **Albergues Transitorios** están diseñados para proveer a familias o individuos vivienda provisional y servicios de apoyo necesarios para que puedan moverse a una vivienda permanente. La cláusula de excepción de HUD, conocida como *grandfather clause*, permite que las entidades que fueron financiadas en el año fiscal 2010 puedan ser elegibles para recibir fondos de ESG para albergues transitorios.

Todas las entidades que estén amparadas bajo la *grandfather clause* deberán cumplir con los estándares mínimos que aplican a los albergues de emergencia en las siguientes áreas:

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 54 de 83

- a. Participantes elegibles
- b. Ambiente del albergue
- c. Separación involuntaria de la familia<sup>9</sup>
- d. Seguridad y protección.

Toda entidad que ha recibido fondos de ESG **ininterrumpidamente** como **Albergue Transitorio** desde el año 2010 podrá continuar operando bajo esta clasificación. Sin embargo, los CoC y/o el DF podrán evaluar los proyectos de albergue transitorio para determinar si el programa debe ser reasignado bajo otro componente o modelo de servicio como por ejemplo: *rapid rehousing*. Los proyectos nuevos no podrán operar como albergue transitorio.

Los siguientes aspectos deben ser tomados en consideración al administrar fondos destinados a ofrecer servicios de **Albergue Transitorio**:

a. Participantes Elegibles

Los servicios de **Albergue Transitorios** deben estar dirigidos a individuos o familias cuya situación de vivienda sea cónsona con las siguientes categorías:

- 1) **Categoría 1**: literalmente sin hogar
- 2) **Categoría 2**: en riesgo inminente de perder su hogar
- 3) **Categoría 4**: huyendo/intentando huir de violencia doméstica

Los participantes que estén bajo la **Categoría 3** (persona sin hogar bajo otros estatutos federales) podrán ser elegibles para albergue transitorio si el CoC al que

<sup>9</sup> Cualquier grupo de personas que se presentan juntos para recibir servicios relacionados a vivienda y se identifican como una familia, independientemente de la edad o de la relación u otros factores, se tienen que considerar como familia y deben ser servidos juntos como tal [24 CFR 576. 102 (b)].

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 55 de 83

pertenece la entidad ha solicitado y recibido la aprobación de HUD para servir a esta población.

Los **Albergues Transitorios** deben priorizar las siguientes poblaciones:

- 1) Jóvenes que no estén emancipados
- 2) Personas huyendo/intentando huir de violencia doméstica
- 3) Personas que buscan recuperarse de alguna adicción

Toda entidad que bajo la *grandfather clause* opere como albergue transitorio, le aplicarán los mismos estándares que a los albergues de emergencia en términos de participantes elegibles, ambiente del albergue, separación involuntaria de la familia, seguridad y protección.

b. Duración del Servicio

Los fondos pueden ser utilizados para cubrir costos de vivienda y servicios de apoyo hasta un máximo de veinticuatro (24) meses. Los participantes del programa de vivienda transitoria deberán completar un acuerdo de arrendamiento por un término de, al menos, un (1) mes. El mismo debe ser renovado automáticamente al expirar, excepto cuando sea notificado por escrito con antelación por cualquiera de las dos partes, o hasta un máximo de 24 meses. Los servicios de apoyo deben estar disponibles en todo momento mientras el participante resida en el albergue transitorio.

Algunos servicios complementarios de seguimiento pueden ser provistos hasta seis (6) meses después que el participante deje de recibir los servicios de albergue transitorio.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 56 de 83

c. Limitaciones Aplicables a Albergues Transitorios 24 CFR 578.79

Una persona sin hogar puede permanecer en un **Albergue Transitorio** por un periodo mayor de veinticuatro (24) meses, si el participante no ha podido ser ubicado en una vivienda permanente y/o si requiere más tiempo de ajuste para prepararse para la vida independiente. Sin embargo, el DF puede discontinuar los fondos para los proyectos de **Albergue Transitorio** si más de la mitad de sus participantes permanecen en el proyecto por más de 24 meses.

La entidad debe tomar en consideración que, ubicar un participante o familia en un **Albergue Transitorio** podría afectar su elegibilidad para otros programas. Por ejemplo, las personas que están ubicadas en albergues transitorios, en ocasiones no cualifican para programas los de *rapid re-housing* financiados por CoC. En los casos de personas sin hogar crónicas, la ubicación en un **Albergue Transitorio** elimina su estatus de cronicidad. Esto podría limitar el acceso de esta población a servicios especializados de salud y/o vivienda permanente.

d. Medidas de Desempeño

Cónsono con HUD, los estándares mínimos relacionados a las medidas de desempeño como parte del componente de **Albergue Transitorio** son como se detallan en la Tabla 8:

**Tabla 8: Medida de Desempeño – Albergue Transitorio**

- Número de personas que ingresó en albergue de transitorio
- Número de personas que salieron del programa
- Por ciento de personas que cumplieron con su plan de servicios
- Por ciento de personas que aumentaron sus ingresos de cualquier fuente

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 57 de 83

**Tabla 8: Medida de Desempeño – Albergue Transitorio**

- Por ciento de personas que permanecieron en el albergue por menos de 24 meses
- Por ciento de personas que permanecieron en el albergue por más de 24 meses
- Por ciento de personas ubicadas en vivienda permanente

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
 Secretaria Auxiliar



Revisado por: Oficina de Sistemas y  
 Procedimientos

Página 58 de 83

**C. PREVENCIÓN Y *RAPID RE-HOUSING* 24 CFR 576.103 24 CFR 576.104**

Las actividades de **Prevención** están diseñadas para prevenir la entrada a albergues y promover la retención de vivienda. Mientras, las actividades de **Rapid Re-Housing** están diseñadas para mover a las personas sin hogar de forma rápida a una vivienda permanente. Estos dos componentes de servicio tienen algunas diferencias (ver Tabla 9); sin embargo, ambos ofrecen servicios de reubicación y estabilización, y asistencia financiera. Además, proveen para asistencia de alquiler a corto y mediano plazo.

**Tabla 9. Comparación entre Prevención y Rapid Re-Housing**

	 <b>Prevención</b>	 <b>Rapid Re-Housing</b>
<b>Participantes elegibles</b>	<ul style="list-style-type: none"> <li>• Categoría 2: en riesgo inminente de perder su hogar</li> <li>• Categoría 3: persona sin hogar bajo otros estatutos federales</li> <li>• Categoría 4: huyendo o intentando huir de violencia doméstica</li> <li>• <b>En riesgo de perder el hogar:</b> todas las categorías</li> <li>• Ingreso anual por debajo del <b>30%</b></li> </ul>	<ul style="list-style-type: none"> <li>• Categoría 1: literalmente sin hogar</li> <li>• Categoría 4: huyendo o intentando huir de violencia doméstica (si individuos o familia también están literalmente sin hogar)</li> </ul>
<b>Propósito</b>	<ul style="list-style-type: none"> <li>• <b>Prevenir o evitar</b> que personas con vivienda se queden sin hogar.</li> <li>• Ayudar a estas personas a <b>recuperar la estabilidad</b> en su vivienda actual u otra vivienda permanente</li> </ul>	<ul style="list-style-type: none"> <li>• Ayudar a las personas sin hogar que viven en la calle o en un albergue de emergencia en el proceso de transición a una vivienda permanente para que sea lo más rápido posible, y luego</li> <li>• Ayudar a estas personas a <b>lograr la estabilidad</b> en la vivienda</li> </ul>
<b>Re-evaluación</b>	<ul style="list-style-type: none"> <li>• Cada <b>3 meses</b></li> <li>• Debe tener un ingreso <b>igual o inferior a 30%</b> de la renta media del área geográfica donde vive, y</li> <li>• Carecer de recursos y red de apoyo</li> </ul>	<ul style="list-style-type: none"> <li>• Cada <b>12 meses</b></li> <li>• Debe tener un ingreso <b>igual o inferior al 30%</b> de la renta media del área geográfica donde vive, y</li> <li>• Carecer de recursos y red de apoyo</li> </ul>
<b>Actividades elegibles</b>	<ul style="list-style-type: none"> <li>• Servicios de reubicación y estabilización, y asistencia financiera</li> <li>• Asistencia de alquiler a corto y mediano plazo</li> </ul>	<ul style="list-style-type: none"> <li>• Servicios de reubicación y estabilización, y asistencia financiera</li> <li>• Asistencia de alquiler a corto y mediano plazo</li> </ul>

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 59 de 83

Los siguientes aspectos deben ser tomados en consideración al administrar fondos destinados a ofrecer servicios de **Prevención y Rapid Re-Housing**:

1. Elegibilidad por Ingresos

Durante la evaluación inicial se verificarán los ingresos del individuo o familia para determinar la elegibilidad de acuerdo a lo requerido por HUD para servicios de **Prevención** (no aplica a *Rapid-Re Housing*). Esta indagación es importante, ya que le permitirá al manejador de casos verificar los documentos entregados por el participante y así validar el ingreso anual. El ingreso del individuo o familia no podrá exceder el 30% de la mediana para el área geográfica y el tamaño familiar. Para facilitar la verificación de la mediana, HUD tiene disponible la calculadora de ingresos. Las entidades podrán utilizar la calculadora de ingresos como una herramienta para determinar la elegibilidad de ingresos, y la cantidad de asistencia para los beneficiarios de los programas.

Los estándares mínimos para la determinación del ingreso anual de un individuo o familia consisten en el cálculo de ingresos de acuerdo con 24 CFR 5.609. El ingreso anual se define como la suma de la cantidad de ingresos monetarios o la ausencia de estos. Los siguientes criterios serán utilizados para determinar el ingreso de la familia:

- a. Los ingresos pueden estar a nombre del jefe de familia o cónyuge (aunque esté temporalmente ausente) o bajo cualquier otro miembro de la familia.
- b. La cantidad proyectada que la familia recibirá en un período de 12 meses después de la admisión o reevaluación anual; y que no estén excluidos específicamente en 24 CFR 5.609 (c).

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 60 de 83

- c. Los ingresos anuales pueden ser las cantidades que se deriven (durante el período de 12 meses) de bienes a los que cualquier miembro de la familia tiene acceso. Cónsono con la reglamentación 24 CFR 5.609 (b), para determinar el ingreso máximo del grupo familiar se utilizará como guía lo siguiente:
- a. **Ingreso por empleo** - La cantidad completa de ingresos bruto que recibe el participante adulto antes de contribuciones y deducciones. Esto incluye ingresos de salarios, sueldos, propinas, bonificaciones, comisiones y otros.
  - b. **Ingresos de Negocios** - Ingreso neto devengado de la operación de un negocio o profesión.
  - c. **Ingreso por intereses y dividendos** - Ingresos por concepto de activos incluyendo los intereses de cuentas de cheques o de ahorros, intereses y dividendos de certificados de depósito, acciones o bonos, o ingresos provenientes de rentas de propiedad inmueble.
  - d. **Ingreso por pensión y retiro** - Ingreso mensual por concepto de beneficios de seguro social, anualidades, pólizas de seguros, retiro, pensiones, incapacidad o cualquier pago similar que reciba periódicamente la familia.
  - e. **Ingresos por incapacidad y/o desempleo** - Pago mensual de desempleo, incapacidad, seguro social por incapacidad, Fondo del Seguro del Estado.
  - f. **Asistencia Económica** - Ingreso mensual proveniente de agencias gubernamentales (TANF) excluyendo las cantidades designadas para albergue, utilidades, W/C, cupones de alimentos (asistencia nutricional o PAN) y cuidado de niños.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 61 de 83

g. **Pago por manutención, pensión "foster care"** - Ingresos por concepto de pensión de niños menores o pensión personal por concepto de divorcio y pagos por "foster care".

h. **Ingreso de las Fuerzas Armadas**- Ingresos por ser miembro de las fuerzas armadas de los Estados Unidos (Reserva, Guardia Nacional, ARMY, etc.).

Las entradas que se excluirán del cálculo de ingreso son las siguientes, según 24 CFR 5.609 (c):

a. **Ingresos de hijos menores** - Ingreso por el trabajo de los hijos menores de 18 años (incluyendo "foster kids").

b. **Ingresos por Cuidado Sustituto** - Ingresos recibidos por el cuidado de menores bajo el Programa de Cuidado Sustituto o por cuidado de adultos bajo el programa de "foster care" (usualmente incluye personas con discapacidad).

c. **Herencias y pagos de seguros** - Pagos globales por herencias, seguros, ganancias capitales, pagos por seguros médicos y de accidentes y compensación del trabajador, y arreglos económicos por pérdidas personales o patrimoniales.

d. **Reembolsos por gastos médicos** - Cantidades recibidas por la familia destinadas específicamente a reembolso o gastos médicos por cualquier miembro de la familia.

e. **Amas de llaves** - Ingreso por ser un ama de llaves viviendo en la unidad de vivienda donde provee servicio de apoyo.

f. **Becas a estudiantes** - La cantidad total de la asistencia económica a estudiantes pagada directamente al estudiante o a la institución educativa.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 62 de 83

g. **Paga especial a miembros de las fuerzas armadas en servicio activo** - El ingreso recibido por un miembro de la familia que está sirviendo en las fuerzas armadas.

h. **Pagos de autosuficiencia** - Los ingresos recibidos por lo siguiente:

- 1) Ingreso recibido como resultado de programas de adiestramiento financiados por HUD
- 2) Ingreso recibido por una persona con impedimentos que recibe ayuda bajo algún programa
- 3) Ingreso recibido por un participante en otros programas de asistencia pública como reembolso por los gastos que haya incurrido en (equipo especial, ropa, transportación, cuidado de niños) y que se otorgan solo para permitir la participación en un programa específico
- 4) Ingresos y beneficios que resulten de la participación de un miembro de la familia en programas de capacitación de empleo estatales o locales. Las cantidades excluidas por esta sección deben haberse recibido bajo programas de capacitación de empleo con metas y objetivos claramente definidos, y solo serán excluidas por el período durante el cual el miembro de la familia participe en el programa de capacitación de empleo.

i. **Regalos** - Dinero regalado, esporádico no recurrente y temporero.

j. **Ingresos de estudiantes a tiempo completo que son mayores de 18 años** - Ingreso de estudiantes a tiempo completo, y que son mayores de 18 años, que excedan los \$480. Si es el jefe de familia o el cónyuge se incluyen en su totalidad.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 63 de 83

- k. **Ingresos por hijos adoptivos** - Ingreso recibido como pago de asistencia para adopción que excedan los \$480 por cada niño adoptado.
- l. **Pagos periódicos diferidos o ingreso de seguro social suplementario** - Beneficios de seguro social que se reciban en un pago de una suma global o en posibles pagos mensuales.
- m. **Reembolsos por concepto de contribuciones sobre la propiedad** - Ingreso recibido por la familia como reembolso a la ley estatal de contribuciones sobre la propiedades.
- n. **Ingresos pagados por una agencia estatal para reducir el costo de los servicios** - El equipo necesario para que un miembro de la familia con impedimentos pueda seguir viviendo en el hogar.
- o. **Otras exclusiones federales** - Otros ingresos específicamente excluidos como ingreso para efectos de determinar elegibilidad o beneficios bajo una categoría DE PROGRAMAS DE ASISTENCIA POR ALGUNA OTRA LEY FEDERAL.

2. Seguridad y Protección 24 CFR 576.403 (B)

Las entidades que proveen servicios de vivienda permanente deben crear políticas y procedimientos que proporcionen un ambiente seguro para los participantes de los albergues y el personal. La entidad no puede usar los fondos de ESG para ayudar a un participante del programa a permanecer o mudarse a una vivienda que no cumpla con los estándares mínimos de habitabilidad y seguridad. Los estándares mínimos de seguridad y protección incluyen, pero no se limitan a:

- a. **Estructura y materiales** - La construcción de la vivienda tiene que estar estructuralmente firme, tal que no represente una amenaza a la salud y a la

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

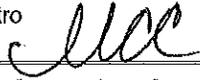
Página 64 de 83

seguridad de los ocupantes, protegiendo a los residentes de cualquier peligro o amenaza.

- b. **Acceso** - La vivienda tiene que ser accesible y con capacidad para ser utilizada sin tener que acceder a la misma a través de otra unidad.
- c. **Espacio y seguridad** - La vivienda debe proveer a cada residente espacio adecuado y seguridad tanto para ellos como para sus pertenencias.
- d. **Calidad del aire** - Cada habitación o espacio debe contar con ventilación natural o mecánica. La vivienda ha de estar libre de contaminantes en el aire que amenacen la salud de los residentes.
- e. **Suministro de agua** - El suministro de agua debe estar libre de contaminación.
- f. **Instalaciones sanitarias** - La vivienda deber contar con acceso a facilidades sanitarias que funcionen de manera apropiada, puedan ser utilizados en privado y que sean adecuados para la higiene personal, y para disponer de manera adecuada de desperdicios humanos.
- g. **Iluminación y electricidad** - La vivienda debe tener iluminación natural o artificial adecuada para permitir las actividades normales de interior, y apoyar la salud y la seguridad de los residentes. Debe tener la capacidad eléctrica suficiente para permitir el uso de enseres eléctricos sin causar peligros y riesgos de fuego.
- h. **Preparación y disposición de alimentos** - Las áreas para preparar alimentos han de contener suficiente espacio y equipo para guardar, preparar y servir alimentos de manera sanitaria.
- i. **Condiciones sanitarias** - La vivienda debe estar en condiciones que no representen una amenaza a la salud del participante.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 65 de 83

j. **Seguridad contra incendios** - La vivienda debe cumplir con las siguientes condiciones:

- 1) Tener una salida alterna en caso de incendio u otra emergencia.
- 2) Cada unidad deberá tener al menos un detector de humo (de batería o alambrado) en condiciones apropiadas para su funcionamiento, en cada nivel de la unidad ocupada. Los detectores han de estar colocados en los pasillos contiguos a las habitaciones. Si la unidad está ocupada por una persona con problemas de audición, los detectores han de tener un sistema de alarma diseñado para personas con impedimentos auditivos en cada cuarto ocupado por una persona con problemas de audición.

3. Habitabilidad de la Vivienda

El Programa ESG requiere que todas las unidades de vivienda estén en cumplimiento con los estándares de habitabilidad. Las entidades que reciben fondos ESG deberán inspeccionar las unidades y documentar la inspección. Ninguna entidad deberá comprometer o desembolsar fondos ESG para alquiler de vivienda hasta que la inspección esté realizada y la vivienda esté aprobada.

a. Inspección Visual de la Pintura Deteriorada para Determinar Riesgo de Plomo

Las entidades que reciben fondos de ESG son responsables de asegurarse que en las viviendas no haya materiales peligrosos que puedan afectar la salud o seguridad de los participantes/residentes (ej: pintura de plomo). Esto según los requerimientos identificados en 24 CFR 576.403 y 24 CFR 578.99(f), incluyendo la Política de Prevención de Envenenamiento por Pintura a Base de Plomo (42 USC 4821-4846) y la Política de Reducción de Riesgos Provocados por Pintura a Base

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 66 de 83

de Plomo en Residencias (42 USC 4851-4856). Es requisito que se realice la inspección de pintura de plomo en todas las unidades bajo ayuda, incluyendo aquellas unidades en las que solo se pagan las utilidades. Las viviendas que sufren mayor riesgo de contaminación por pintura a base de plomo son principalmente aquellas construidas antes del 1978. La inspección puede ser realizada por un empleado de la entidad o del municipio. Esta persona debe haber tomado y aprobado el curso de evaluación visual ofrecido por HUD. La certificación del empleado debe ser incluida como anejo al formulario de inspección en el expediente del participante. Para acceder al curso de evaluación visual puede ir a la siguiente dirección electrónica: <http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>.

b. Inspección Visual de Estándares de Habitabilidad

De igual manera, la estructura debe cumplir con estándares básicos de habitabilidad (ej: ventilación, iluminación y electricidad, espacio para preparación de alimentos, condiciones sanitarias, seguridad contra incendios, entre otras). La inspección de estándares de habitabilidad se debe llevar a cabo en aquellas unidades en las que el participante se muda por primera vez.

4. Notificación de Reparaciones al Dueño de la Vivienda

En caso de que la unidad de vivienda no cumpla con alguno de los estándares establecidos se deberá notificar al dueño de la unidad de las fallas para que este corrija las mismas. Será responsabilidad del dueño llevar a cabo las reparaciones en el tiempo requerido. Los siguientes aspectos serán considerados de emergencia y deben ser corregidos por el dueño o el residente (el que sea responsable) dentro de las 24 horas desde la notificación del Inspector:

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 67 de 83

- a. Falta de seguridad en la unidad
- b. Agua acumulada en el techo, con inminente peligro de derrumbe
- c. Filtraciones o inundaciones causadas por tubería defectuosa
- d. Problema de electricidad que pueda ocasionar choque eléctrico o fuego
- e. Falta de servicio de agua o electricidad
- f. Vidrios rotos que puedan ocasionar daños a personas
- g. Obstáculo que evite la entrada o salida de la unidad
- h. Falta de un inodoro en función

La entidad podrá conceder una extensión de un día adicional si la persona responsable no puede ser notificada o si es imposible hacer la reparación dentro del período de 24 horas.

5. Re-Evaluación de Elegibilidad

La siguiente tabla muestra los estándares mínimos para la re-evaluación de individuos y familias:

Tabla 10. Re-evaluación de Individuos y Familias

TIEMPO

- **Prevención** – los participantes deben ser re-evaluados al menos 1 vez cada 3 meses.
- **Rapid Re-Housing** – los participantes deben ser re-evaluados por ingresos al menos 1 vez al año.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 68 de 83

**Tabla 10. Re-evaluación de Individuos y Familias**

**ELEGIBILIDAD**

- En el caso de **Prevención** debe tener un ingreso **igual o inferior a 30%** de la renta media del área geográfica donde vive, según determinado por HUD, en el momento de la reevaluación anual; y
- Carecer de recursos y red de apoyo.

6. Medidas de Desempeño

Los estándares para las medidas de desempeño como parte del componente de **Prevención** son:

**Tabla 11. Medidas de Desempeño - Prevención**

- Número de personas que recibieron los servicios de prevención
- Número de personas que salieron del programa
- Número de personas que recibieron asistencia económica
- Por ciento de personas que recibieron servicios de relocalización de vivienda y servicios de estabilización durante el período de servicio
- Por ciento de personas que cumplieron con su plan de servicio
- Por ciento de personas que aumentaron sus ingresos de cualquier fuente
- Por ciento de personas que permanecieron en vivienda permanente

Los estándares para las medidas de desempeño como parte del componente de *Rapid Re-Housing* son:

**Tabla 12. Medidas de Desempeño – Rapid Re-Housing**

- Número de personas que recibieron los servicios de RRH
- Número de personas que salieron del programa
- Número de personas que recibieron asistencia económica
- Por ciento de personas que recibieron servicios de relocalización de vivienda y servicios de estabilización durante el período de servicio

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 69 de 83

**Tabla 12. Medidas de Desempeño – Rapid Re-Housing**

- Porcentaje de personas que cumplieron con su plan de servicio
- Porcentaje de personas que aumentaron sus ingresos
- Porcentaje de personas que se ubicaron en vivienda permanente

Las actividades elegibles para los componentes de **Prevención y Rapid Re-Housing** son las indicadas en la Tabla 13 a continuación:

**Tabla 13: Actividades elegibles para Prevención y Rapid Re-Housing**

**SERVICIO ELEGIBLE: ASISTENCIA DE ALQUILER**

Según establecido por HUD, se puede proporcionar a un participante hasta 24 meses de ayuda para el alquiler durante un período de 3 años, sujeto a las condiciones generales contenidas en el 24 CFR 576.103 y 24 CFR 576.104. Se podrá ofrecer asistencia de alquiler a corto-mediano plazo, pago de los atrasos de alquiler, o cualquier combinación de estas ayudas. Se requiere que las organizaciones y municipios certifiquen, y documenten la elegibilidad de los participantes **al menos, una vez cada tres meses**. La asistencia de alquiler puede ser "*tenant-based*" o "*project-based*". Al momento, todos los casos atendidos de Prevención y Rapid Re-Housing son *tenant-based*.

La asistencia "*tenant based*" permite a los participantes del programa seleccionar una unidad de vivienda. El individuo o familia debe mudarse dentro del área geográfica a la que la entidad ofrece servicios. Si el participante decide mudarse a otro lugar que no está dentro de la jurisdicción geográfica en la que opera el CoC del cual forma parte la entidad, el participante deberá darse de baja del sistema HMIS. De esta manera se evitan los duplicados de servicios que arroja el sistema HMIS.

La asistencia de alquiler bajo "*project-based*" requiere que la entidad, municipio o una agencia contratada identifique unidades de vivienda permanente que cumplan con los requisitos de ESG. En esta modalidad, la entidad firma un contrato de asistencia de alquiler con el propietario para reservar la unidad y hacerla disponible para alquiler a participantes elegibles del programa.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 70 de 83

Según dispuesto por HUD en 24 CFR 576.106, la asistencia de alquiler debe cumplir con los estándares del programa que incluyen:

Asistencia a corto plazo

- La ayuda **no puede exceder de tres meses** para cubrir el alquiler de la vivienda.
- Luego de 3 meses, si un participante necesita asistencia de alquiler para permanecer en la vivienda, este ha de ser evaluado para determinar su elegibilidad para recibir asistencia por 21 meses adicionales, bajo asistencia de alquiler a mediano plazo para un total de 24 meses.

Asistencia a mediano plazo

- La asistencia de alquiler a mediano plazo puede ser provista por un periodo de entre 4 y 24 meses.
- Ningún participante del programa puede recibir **más de 24 meses** de asistencia.
- Cada pago de renta se sustraerá del total de meses por los que se puede ofrecer la asistencia (24 meses)

Asistencia para pago de atrasos de alquiler

- La ayuda para pagar atrasos en renta **no puede exceder de 6 meses**. Se pagará el atraso de los últimos 6 meses según la factura. El pago por utilidades atrasadas se sustraerá del total de meses por los que se puede ofrecer la asistencia (24 meses).

Asistencia para cubrir gastos de moteles y hoteles

- Bajo el Programa ESG los fondos pueden ser utilizados para cubrir los gastos razonables de hoteles y moteles. El periodo máximo permitido por el programa es de 30 días, si no hay camas apropiadas de albergue disponibles y si se ha identificado vivienda de alquiler, pero la misma no está inmediatamente disponible. El pago máximo de hotel será de \$200.00 por noche.

Restricciones para proveer la asistencia de alquiler

- La asistencia de alquiler es posible solo si la cantidad del alquiler no excede el monto de mercado justo establecido (*Fair Market Rent*) por HUD, como se

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 71 de 83

dispone en 24 CFR 888, y conforme a la norma de razonabilidad de alquiler de HUD, según lo establecido en 24 CFR 982.507. **Es responsabilidad de la entidad buscar los estimados del *Fair Market Rent* anualmente.** Para conocer los estimados, las entidades también pueden usar la siguiente herramienta móvil: PD&R FMR/IL Lookup.

- En caso de que la vivienda tenga más de 5 habitaciones se utilizará la renta máxima de 4 cuartos añadiéndole un factor de aumento del 15% por cada habitación adicional. Las rentas se ajustarán anualmente según sean publicadas por HUD.
- Si el participante ocupa una vivienda de alquiler donde el pago mensual es mayor a los límites establecidos por HUD, deberá buscar otra vivienda que se considere asequible. No puede exceder los límites establecidos por la reglamentación federal para el municipio donde está ubicada la propiedad.
- Un participante no puede recibir pagos de asistencia de alquiler por parte de otro programa de vivienda local, estatal o federal para pagar alquiler durante el mismo periodo de tiempo que recibe ayuda del Programa ESG [24 CFR 576.196 (c)].

**Contrato de alquiler:** La asistencia de alquiler a corto y mediano plazo requiere un contrato de alquiler tanto entre la entidad y el propietario; así como uno entre el propietario y participante del programa. Las entidades están obligadas a hacer pagos de asistencia para alquiler solo a un propietario con quien la entidad ha entrado en un acuerdo de asistencia de alquiler. Un acuerdo de asistencia de alquiler es un documento separado al contrato de alquiler. El acuerdo de asistencia de alquiler debe establecer los términos bajo los que se proveerá la asistencia de alquiler, incluyendo los siguientes requisitos:

- En el primer pago se incluirá el primer y último mes de renta, además del depósito de fianza.
- Durante el término del acuerdo, el propietario debe notificar por escrito a la entidad sobre su intención de desahuciar al participante antes de iniciar cualquier trámite.
- Fecha de vencimiento de los pagos, el periodo de gracia y las penalidades, de haber alguna.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 72 de 83

- Si la asistencia de alquiler es "*tenant-based*" o "*project-based*"

El contrato con el propietario se considerará terminado y los pagos para alquiler cesarán si:

- El participante de programa se muda de la unidad para la cual tiene un contrato;
- El contrato entre el participante y el dueño se termina, y no es renovado; o
- El participante del programa es inelegible para recibir la ayuda de alquiler ESG.

**Pagos atrasados:** Las entidades deben hacer los pagos a tiempo a cada propietario conforme al contrato de arrendamiento. La entidad es responsable de pagar las multas por pagos atrasados en que ha incurrido. Sin embargo, no podrá utilizar fondos de ESG para pagar.

La entidad debe hacer los pagos a tiempo a cada propietario conforme a lo estipulado en el contrato de arrendamiento. El pago debe emitirse en un periodo **no mayor de 30 días**. No se podrá utilizar fondos de ESG para pagar penalidades.

#### **SERVICIO ELEGIBLE: ASISTENCIA FINANCIERA**

Sujeto a las condiciones generales en 24 CFR 576.103 y 24 CFR 576.104, los fondos ESG pueden ser utilizados para pagar a propietarios de vivienda, compañías de servicios públicos, y terceros. La asistencia financiera debe cumplir con los estándares del programa que incluyen:

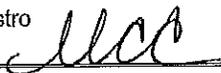
Tarifa de solicitud para alquiler: Los fondos ESG pueden pagar la tarifa de solicitud de viviendas de alquiler que cobra el propietario a todos los solicitantes.

Depósitos de seguridad: El pago por depósito de seguridad no excederá de dos (2) meses de alquiler de la vivienda (Un mes de depósito inicial y uno final). Cuando se emita un cheque para pagar el depósito del alquiler, el mismo se hará a nombre del arrendador.

Último mes de alquiler: El pago no excederá de un (1) mes de alquiler y se incluirán en el cálculo de la asistencia total del alquiler del participante.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 73 de 83

Depósito para pago de agua y energía eléctrica: Se puede pagar con fondos ESG la energía eléctrica (Autoridad de Energía Eléctrica) y el agua (Autoridad de Acueducto y Alcantarillado).

Pago por agua y energía eléctrica:

- Los pagos no deben exceder veinticuatro (24) meses por participante, incluyendo hasta seis (6) meses de pagos por agua o energía eléctrica atrasadas (se emitirá un solo pago para saldar la deuda).
- Los pagos a deudas atrasadas pueden incluir cargos adicionales debido al retraso; sin embargo no se podrá utilizar los fondos ESG para hacer pagos por penalidades.
- Un pago parcial cuenta como un (1) pago mensual.
- El pago solo se hará si la cuenta de la utilidad está a nombre del participante o un miembro de la misma familia.
- Los participantes no podrán recibir asistencia para el pago de agua o energía eléctrica por más de veinticuatro (24) meses en un periodo de tres (3) años.
- El pago por agua o energía eléctrica se hará conforme al Manual Operacional del Programa ESG.

Pago por mudanza: Los costos de asistencia para mudanza pueden ser gastos cubiertos con fondos ESG, tales como: alquiler de camiones, mudanza por una compañía, gastos de almacenaje o "storage" por un máximo de tres (3) meses o hasta que el participante del programa se encuentre en una vivienda, el que sea más corto. Todo pago por concepto de mudanzas se hará a nombre del proveedor.

La siguiente tabla muestra los gastos máximos de mudanza permitidos por el programa:

Subsidio máximo por mudanza, según el tamaño de la unidad de vivienda.	
Número de cuartos	Subsidio Mensual
Estudio ( <i>Efficiency</i> )	
0 cuarto	\$300
1 cuarto	\$350
2 cuartos	\$400
3 cuartos	\$450
4 cuartos	\$500

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxillar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 74 de 83

Los fondos de ESG pueden ser utilizados para pagar:

- Costos de mudanza, como el alquiler de camiones o la contratación de una compañía de mudanzas.
- Costos por espacio de "storage" o almacén temporero por hasta tres (3) meses, siempre que los costos se acumulen después de la fecha en que el participante del programa reciba la asistencia de servicios y antes de que el participante se traslade a una vivienda permanente.
- Los pagos de cuotas atrasadas de un almacén temporero o "storage" no son elegibles.

**SERVICIOS ELEGIBLES: RELOCALIZACIÓN DE VIVIENDA Y DE ESTABILIZACIÓN**

Los fondos de ESG pueden ser utilizados para brindar servicios dirigidos a obtener una vivienda de alquiler y lograr la estabilización de los participantes. Según dispuesto por HUD en 24 CFR 576.105 (b), las actividades de relocalización y estabilización deben cumplir con los estándares del programa, los cuales incluyen:

**Búsqueda y ocupación de viviendas** – El pago solo se hará para ayudar a los participantes a localizar, obtener y retener una vivienda permanente adecuada mediante la prestación de los siguientes servicios:

- Evaluación de barreras, necesidades y preferencias de vivienda
- Elaboración de un plan de acción para la localización de viviendas
- Búsqueda de vivienda
- Alcance y negociación con los propietarios
- Asistencia en la presentación de solicitudes de alquiler y en la comprensión de los contratos de arrendamientos
- Evaluación de la vivienda para el cumplimiento de los requisitos de ESG para la habitabilidad, la pintura a base de plomo y la razonabilidad del alquiler
- Asistencia en la obtención de servicios públicos y en la organización de mudanzas
- Asesoramiento a inquilinos

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 75 de 83

El pago de estos servicios no excederá de veinticuatro (24) meses durante un período de tres (3) años.

Unidades de Vivienda Inelegibles

El arrendamiento no puede ser aprobado si la unidad seleccionada es una de las siguientes:

- Unidad de vivienda con renta negativa
- Asilos de ancianos, pensiones y hogares que prestan cuidados a otras personas, y otras facilidades que prestan constantemente servicios psiquiátricos, médicos o de enfermería
- Hospedajes de universidades
- Unidades dentro de instituciones penales, reformativos, médicas, de salud mental, y similares ya sean públicas o privadas
- Unidades donde el dueño de la unidad sea familiar del participante
- Unidades que sean propiedad del municipio o del Estado Libre Asociado

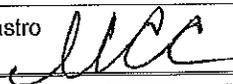
La entidad no podrá aprobar el arrendamiento si el propietario de la unidad es el padre, madre, hijo, abuelo, nieto, hermana o hermano de un miembro de la familia que está siendo asistida, a menos que la aprobación del arrendamiento permita que se le dé la unidad necesaria a un miembro de la familia que tenga impedimentos.

Manejo de casos para la estabilidad en vivienda – El pago solo se hará para evaluar, organizar, coordinar y supervisar la prestación de servicios individualizados para facilitar la estabilidad en vivienda del participante que reside en vivienda permanente o para ayudar a un participante a superar obstáculos inmediatos a través de los siguientes servicios:

- Uso del sistema coordinado de entrada una vez estén desarrollados y adoptados por los CoC.
- Evaluación Inicial
- Consejería
- Desarrollar, asegurar y coordinar servicios y obtener beneficios federales, estatales y locales.
- Seguimiento y evaluación del progreso de los participantes del programa

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 76 de 83

- Proporcionar información y referidos a otros proveedores.
- Desarrollar un plan individualizado de vivienda y servicios, incluyendo la planificación de una ruta hacia la estabilidad permanente de la vivienda.
- Realizar las reevaluaciones requeridas bajo 24 CFR 576.401 (b).

Mediación – Los fondos del ESG pueden pagar gastos para la mediación entre el participante del programa y el propietario o personas que viven con el participante, siempre que la mediación sea necesaria para evitar que el participante pierda la vivienda permanente en la que reside al momento.

Servicios Legales – Los fondos podrán ser utilizados para proveer servicios legales a individuos y familias participantes del programa. Los servicios incluyen asesoría legal y/o representación en procedimientos administrativos o judiciales relacionados a conflictos entre el propietario y los inquilinos. No se podrá prestar asesoría legal a propietarios de vivienda relacionados con ejecución de la vivienda o con cualquier otro asunto hipotecario. El programa provee hasta \$500.00 de costos de abogados.

Reparación del crédito – Los fondos de ESG pueden ser utilizados para pagar por asesoría sobre crédito y otros servicios necesarios para ayudar a los participantes del programa a tener habilidades críticas para manejar el presupuesto familiar, manejo de dinero, acceso a un informe de crédito personal gratuito y resolución de problemas de crédito personal. Esta asistencia no incluye el pago o modificación de una deuda.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxillar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 77 de 83

**D. HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)**

Es requisito federal que toda información de los participantes servidos por cualquiera de los componentes de Programa ESG sea entrada en un sistema de información conocido como el *Homeless Management Information System* (HMIS) desde el primer contacto [24 CFR 576.400 (F)]. El HMIS es un sistema computarizado para almacenar la información de las personas sin hogar servidas por los programas de HUD. Este sistema permite recopilar información de los participantes sin duplicar los beneficiarios, analizar patrones y evaluar la efectividad de los programas, cumplimentar los formularios establecidos y entrar la información al sistema. El DF proporcionará los recursos económicos para costear las licencias y aquellos gastos operacionales necesarios para cumplir con este requisito, siempre que los fondos sean autorizados por HUD.

Como estándar mínimo se requiere que todas las entidades que reciben fondos ESG deberán recopilar la información de los participantes, completar los formularios establecidos y entrar la información al sistema al menos 48 horas después de atender un caso. Solo cuando la entidad es un proveedor de servicios a víctimas de violencia de género o agresión sexual (según definido por la ley VAWA) se prohíbe la entrada de datos a nivel de cliente en un HMIS [24 CFR 576.107 (3)]. Como alternativa, se pueden utilizar los fondos de ESG o CoC para establecer una base de datos alterna que recoja datos comparables a nivel del participante a lo largo del tiempo y generar informes agregados no duplicados en base a los datos. La información entrada en una base de datos alterna no se debe ingresar directamente a un HMIS. La entidad es responsable de trabajar con el "lead" de HMIS para determinar si el sistema es una base de datos comparable. Esto

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 78 de 83

significa que se debe documentar que el sistema alterno cumple con todos los requisitos de HUD.

Por otro lado, la entidad será responsable de corregir los datos que el administrador del HMIS identifique en sus informes como datos nulos o incompletos. La entidad tendrá **un máximo de 30 días** para corregir cualquier situación en sus datos del HMIS a partir de recibir la carta para la acción correctiva. El incumplimiento con la entrada y/o calidad de los datos podrá ser razón para detener, reducir o no asignar fondos del Programa ESG.

Una vez desarrollados y adoptados los sistemas coordinados de entrada, se debe establecer la coordinación entre los proveedores de ESG y los CES para evitar la duplicación de servicios y datos de los participantes. Si faltara algún dato, será responsabilidad de la entidad que recibe al participante completar el expediente en HMIS.

#### 1. CONFIDENCIALIDAD Y DERECHOS DE PRIVACIDAD

Las agencias financiadas por ESG deben respetar todos los estándares de protección de la privacidad establecidos por las políticas de colaboración y procedimiento de HMIS, y las leyes y reglamentos federales y estatales pertinentes que protegen la confidencialidad de los registros de los participantes. Los expedientes confidenciales de los participantes solo se liberarán con el consentimiento del participante o del tutor del participante, a menos que se disponga otra cosa en las leyes y regulaciones.

Todos los expedientes escritos de solicitantes y participantes serán guardados bajo llave en un sitio que no sea accesible a empleados que estén autorizados a utilizar o revisar los mismos. Los expedientes nunca serán dejados sin atender o puestos en áreas comunes. Los manejadores de caso no discutirán información sobre el solicitante o su familia que esté incluida en un expediente, a menos que haya una razón oficial

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 79 de 83

para hacerlo. Discusiones inapropiadas sobre información de la familia o revelación inapropiada de información sobre la familia por el personal puede resultar en una acción disciplinaria y en una violación a las leyes federales de privacidad.

## 2. EXPLICACIÓN VERBAL

Antes de la evaluación inicial de cada participante, se debe proporcionar una explicación verbal sobre cómo la información del participante se entrará en una base de datos electrónica que almacena la información de los participantes y una orientación sobre el consentimiento del participante a divulgar información. Los participantes también deben ser informados que pueden ser removidos de la base de datos en cualquier momento por escrito o completando un formulario de revocación del consentimiento para proporcionar y revelar información.

## 3. CONSENTIMIENTO POR ESCRITO

Luego de ofrecer una explicación verbal, cada participante que se comprometa a tener su información personal entrada en HMIS debe firmar un formulario de consentimiento. Los participantes que no firmen el consentimiento se entran al HMIS usando solo un número identificador.

Las actividades elegibles para HMIS son las mencionadas en la Tabla 14.

**Tabla 14. Actividades Elegibles para HMIS**

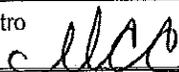
Las entidades pueden utilizar los fondos de ESG para pagar los siguientes costos elegibles como parte del componente de HMIS<sup>10</sup>:

- Compra o alquiler de equipo de computadoras
- Comprar software o licencias de *software*

<sup>10</sup> Al momento, el Departamento de la Familia solo paga por la licencia de HMIS. Cualquier gasto adicional debe ser aprobado mediante propuesta o autorización previa del Departamento de la Familia.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 80 de 83

**Tabla 14. Actividades Elegibles para HMIS**

- Comprar o alquilar de equipo, incluyendo teléfonos, máquinas de fax y muebles para los equipos
- Apoyo técnico
- Alquiler de oficinas
- Pagar los gastos de electricidad, gas, agua, servicio telefónico e internet de alta velocidad necesarios para operar o aportar datos al HMIS.
- El pago de salarios para la operación de HMIS, incluyendo:
  - Completar la entrada de datos
  - Monitorear y revisar la calidad de los datos
  - Completar análisis de datos
  - Reportar datos al "Lead" de HMIS
  - Capacitar al personal en el uso del HMIS o de una base de datos comparable
  - Implementar y cumplir con los requisitos de HMIS
- Pagar los costos del personal para viajar y asistir a capacitaciones auspiciadas y aprobadas por HUD sobre HMIS.
- Pagar los gastos de viaje del personal para llevar a cabo la entrada.
- Pagar honorarios del "Lead" de HMIS, si la entidad no es "Lead" de HMIS.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 81 de 83

E. **ADMINISTRATIVO 24 CFR 576.108**

El Programa ESG permite utilizar los fondos para cubrir gastos administrativos seleccionados. Según establece la reglamentación 24 CFR 576.100 (c), solo el 7.5% de los fondos delegados pueden ser utilizados para actividades administrativas por el Departamento de la Familia. El Departamento de la Familia, como recipiente de los fondos administrativos, puede compartirlos con sus sub-recipientes que figuran como gobiernos locales (municipios), así como con sub-recipientes que son organizaciones sin fines de lucro [24 CFR 576.108 (b)]. Esto incluye los gastos de personal y los gastos generales directamente relacionados con las actividades elegibles según los componentes de servicio establecidos en 24 CFR 576.101 a la 24 CFR 576.107. Los fondos de ESG solo pueden ser destinados para actividades que el Departamento de la Familia y HUD consideren elegibles, por lo que las entidades deben acogerse a las normativas (2 CFR 200). El modelo de distribución de fondos puede variar de un año a otro.

Los estándares mínimos relacionados con asuntos administrativos son:

1. Las entidades son responsables de la administración eficiente y efectiva de los fondos federales que reciben mediante la aplicación de buenas prácticas de administración.
2. Los fondos recibidos por las entidades solo serán utilizados para implementar el proyecto o proporcionar los servicios del proyecto en conformidad con el presupuesto y no serán utilizados para ningún otro propósito.
3. Las entidades subvencionados por fondos ESG deben administrar los fondos recibidos de acuerdo con los principios de costos aplicables en 2 CFR 200 (e).
4. Las entidades deben asumir la responsabilidad de administrar los fondos federales de una manera consistente con los acuerdos, los objetivos del programa, los términos y

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 82 de 83

condiciones del fondo federal, y procurar la razonabilidad de los gastos operacionales y costos.

5. Según, 2 CFR 200 404, se considera un costo razonable si este, en su naturaleza y cantidad, no excede el costo que incurriría una persona prudente en las circunstancias que prevalecían al momento de tomar la decisión de incurrir en dicho costo.
6. Para determinar la razonabilidad de un costo, se debe tener en cuenta:
  - a. Si el costo es de tipo generalmente reconocido como ordinario y necesario para el funcionamiento de la entidad o el desempeño adecuado y eficiente de los fondos.
  - b. Las restricciones o requisitos impuestos por factores, tales como: las buenas prácticas comerciales; negociación de libre competencia; leyes y reglamentos federales, estatales, locales, tribales y de otro tipo; y los términos y condiciones del fondo.
  - c. Precios de mercado de bienes o servicios comparables para la zona geográfica.
  - d. Si las personas involucradas actuaron con prudencia en las circunstancias considerando sus responsabilidades con la entidad, sus empleados, el público en general y el gobierno federal.

MANUAL DE ESTÁNDARES PARA LA ADMINISTRACIÓN DE LOS FONDOS ESG

Validado por: María do Carmo Castro  
Secretaría Auxiliar



Revisado por: Oficina de Sistemas y  
Procedimientos

Página 83 de 83

### VIII. ENMIENDA

Estos estándares pueden ser enmendados por disposición de la secretaria o su representante autorizado, cuando sea necesario. Toda modificación o enmienda propuesta tiene que cumplir con los requisitos de leyes y disposiciones reglamentarias vigentes que apliquen. Además, las enmiendas deben ser informadas a todas las entidades subrecipientes de los fondos ESG.

### IX. APROBACIÓN Y VIGENCIA

Estos estándares entrarán en vigor a partir de la fecha de aprobación y firma por la Secretaría del Departamento de la Familia.

15/ MAYO / 2017

Fecha



Lcda. Glorimar de L. Andújar Matos  
Secretaría

El "Manual de Estándares para la Administración de los Fondos  
*ESG*" se trabajó a petición de la Secretaría Auxiliar de  
Planificación e Informática del Departamento de la Familia.  
Toda pregunta o comentario sobre su contenido debe ser  
dirigido a la siguiente dirección postal:  
DEPARTAMENTO DE LA FAMILIA  
SECRETARÍA AUXILIAR DE PLANIFICACIÓN E INFORMÁTICA  
P. O. Box 11398  
San Juan, Puerto Rico 00910-1398

## **Appendix 4- HOME Recapture Provisions**

## Puerto Rico Housing Finance Authority - Recapture Provisions

The affordability restriction running with the deed will ensure that all of the HOME assistance to the homebuyer is recuperated. Recapture provisions will ensure that the property remains the beneficiary's principal residence for the term of the affordability. Thus, in case the recapture restriction is triggered, the PRHFA will recapture the entire amount of the HOME investment (net proceeds available from sale). Net Proceeds are defined as the sales price minus superior loan repayment and any closing costs. The PRHFA will not recapture more that is available from the net proceeds of the sale.

In the case of an investment from the homebuyer, in the form of additional funds for down payment and the amount of mortgage principal repaid, such amount could be recovered by the homebuyer if net proceeds are enough to cover the HOME- assistance. Thus, net proceeds will first cover the HOME assistance, secondly, any initial investments from the homebuyer and finally any surplus will be shared between the PRHFA and the beneficiary. The PRHFA will not considers any additional capital improvements made to the housing unit.

The PRHFA will share any appreciation in the value of the HOME-assisted unit with the homebuyer. Any amount in excess of net proceeds (surplus) will be shared on equal basis between the PJ and the program beneficiary (50% retained by the PJ and 50% to beneficiary). Such surplus will be treated as Program Income. If net proceeds are not enough to cover HOME assistance then the homebuyer will not recuperate their investment.

The affordability restrictions will not run against the developer's subsidy, hence, only direct subsidy is subject to recapture. Direct subsidy is the amount of HOME assistance- including any program income- that enabled the homebuyer to buy the unit (down payment, closing costs, interest subsidies, or other HOME-assistance). The direct subsidy also includes any assistance that reduced the purchase price from fair market value to an affordable price. Recaptured funds will be used in HOME eligible activities.

The **HOME**-assisted units must meet the affordability requirements for no less than the applicable period specified below, beginning after project completion or occupancy, whichever is last. Particularly, for rehabilitation and construction projects completion will be evidenced by the use and occupancy permit. For rental projects completion will be evidenced when the construction is finished. For homebuyer sales projects completion will be evidenced when the last unit is sold. If the homebuyer transfers the property, either voluntary or involuntarily, during the period of affordability, the PRHFA will recover all the HOME assistance from the net proceeds.

### TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HOME Investment per unit	Length of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The aforementioned affordability period requirements are enforced through a written agreement executed by the homebuyer and the PRHFA, and will be enforced via deed restrictions separately recorded, and a soft second mortgage over the property. The time limit for such lien will be determined by the amount of the subsidy granted by the State HOME Program, as shown in the above table.

The PRHFA will only approve refinancing for better rate and terms of the first mortgage, and immediate property repairs or improvements. Such approval requires the expressed written consent of PRHFA. The PRHFA will not approve debt consolidations or ‘cash-out’ refinance (other than for a nominal cash remainder that may be result from the adjustment of a closing date, etc.). Assisted households wishing to do a cash-out refinance during the affordability period should expect to repay the HOME-assistance.

**Description of the Resale Guidelines for the Homebuyer Activity:**

Provisions follow the requirements established in 24 CFR (a) (5) (i) to ensure affordability in compliance with 24 CFR 92.254 titled Qualification as Affordable Housing: homeownership.

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

TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HOME Investment per unit	Length of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The period of affordability will be based on the total amount of HOME funds invested in the housing, including any program income expended in the unit.

The resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original **HOME**-assisted owner a fair return on investment (including, the value of the original down payment, and the amount of mortgage principal repaid) and ensure that the housing will remain affordable to a reasonable range of low-income Homebuyers. The PRHFA will not considers any additional capital improvements made to the housing unit.

The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The **PRHFA** would announce in the restrictive covenants that may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

The term of affordability shall be secured in the written agreements executed by the homebuyer and the PRHFA and enforced via deed restrictions separately recorded, and a soft second mortgage over the property. The restrictive deed of trust would be presented at the corresponding office of the Department of Justice Property Register for presentation, qualification and inscription.

The recorded restricted deed of trust would include the following covenants on the land in two instances: in the fee title simple and in the **PRHFA** direct mortgage that will secure the affordability period of the assisted housing.

- (1) The housing must be the principal residence of the family throughout the affordability period established in the recorded deed. The Homebuyer would not rent the dwelling or use it in any other manner than the principal residence of the family.
- (2) The Homebuyer must meet the affordability requirements for not less than the applicable period specified in the previous table, beginning after project completion.
- (3) Refinancing of the first mortgage would be allowed if two of the following conditions are met:
  - (a) That the dwelling unit has been continuously occupied by the Homebuyer;
  - (b) That the funding raised by the mortgage refinancing would be used for **HOME** improvements, approved by the **HOME** Program and that no cash will be used for other means;
  - (c) That the refinancing would improve the current mortgage payment, either lowering the monthly installments, interest rate or maturity term.
- (4) The PRHFA would conduct periodic inspections on the **HOME** assisted housing during the affordability period to verify program compliance.
- (5) Resale of the property should be authorized in advanced by the **PRHFA**, and such offering should be made only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale price at resale should provide the original **HOME**- assisted owner a fair return on investment. The homebuyer's fair return on investment will be based in the percentage change of Puerto Rico's Consumer Price Index (CPI, as published by the Puerto Rico Department of Labor and Human Resources) over the period of ownership. Capital improvements will be valued based on actual costs of the improvements as documented by receipts. The housing will remain affordable to a reasonable range of low-income Homebuyers.
- (6) The **HOME** equity, other than homeowner's investment and any capital improvement, and any increase in the appraised value of the property should be kept in the property, to help meet the affordability criteria for the new Homebuyer.
- (7) The property must be sold to a homebuyer complying with the following criteria: A price that is affordable to a family at 75 percent 80 percent of the median income of Puerto Rico at the time of the transaction that will pay no more in PITI (the sum of loan payments of principal and interest, taxes and insurance) than 28-30 percent of annual (gross) income.
- (8) The affordability restrictions may terminate upon occurrence of any of the following

termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.

(9) PRHFA may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

## Appendix 5- HTF Plan



GOBIERNO DE PUERTO RICO  
Autoridad para el Financiamiento de la  
Vivienda de Puerto Rico



# Puerto Rico Housing Trust Fund (HTF) Allocation Plan 2018



## Table of Contents

HTF Allocation Plan .....	4
II.GRANTEE INFORMATION .....	4
III.CONSolidATED PLAN REQUIREMENTS .....	5
Citizen Participation Plan .....	5
Consolidated Plan Screen(s) revised.....	6
Introduction .....	6
<b>Summarize the objectives and outcomes identified in the Plan.....</b>	<b>7</b>
<b>Evaluation of past performance .....</b>	<b>7</b>
Summary of Public Comments.....	8
IV. STRATEGIC PLAN REQUIREMENTS.....	8
V. ANNUAL ACTION PLAN REQUIREMENTS .....	11
HTF Funding Priorities-§ 91.320(k)(5)(i) .....	24
Recipient Application Requirements- § 91.320(k)(5)(ii) .....	52
Performance Goals and Benchmarks- § 91.320(k)(5)(iii).....	52
VI. OTHER REQUIREMENTS .....	52
Maximum Per-unit Development Subsidy Amount- § 91.320(k)(5) and § 91.320(a) .....	52
Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b) .....	53
I. Health and Safety .....	54
II. Expected Useful Life (Capital Needs Assessment) .....	55
III. Major Systems.....	57
IV. Lead Based Paint.....	70
V. Accessibility.....	70
VI. Disaster Mitigation .....	71
VII. State and Local Codes, Ordinances, and Zoning Requirements.....	71
VIII. Uniform Physical Condition Standards (UPCS) .....	72
IX. Energy Efficiency .....	73
X. Historic Buildings.....	73

Resale and/or Recapture Provisions- § 91.320(k)(5)(v) and § 93.304(f) ..... 74  
HTF Affordable Homeownership Limits- § 91.320(k)(5)(vi) and § 93.305 ..... 74  
Refinancing of Existing Debt- § 91.320(k)(5)(viii) and § 93.201(b) ..... 75

## I. GENERAL INFORMATION

### HTF Allocation Plan

The Housing Trust Fund (HTF) Interim Rule (24 CFR Part 93) made the consolidated plan regulations at 24 CFR Part 91 applicable to the HTF. As a result, an HTF grantee (i.e., a State) must include HTF in its citizen participation plan (§ 91.115), strategic plan (§ 91.315), and annual action plan (§ 91.320). In addition, the State must submit to HUD for review and approval an HTF allocation plan with its annual action plan (§ 91.320(k)(5)). Also, as required in § 91.10, the HTF program must be administered by the State on the same program year it established for all grant programs covered by the consolidated plan.

The HTF allocation plan is an annual submission to HUD that describes how the State will distribute the HTF funds, including how it will use the funds to address its priority housing needs. The allocation plan also describes what activities may be undertaken with HTF funds and how recipients and projects will be selected.

## II. GRANTEE INFORMATION

State: Puerto Rico

FY 2018 HTF Allocation Amount: \$1,253,357

<b>Distribution of HTF Funds</b>		
Activity	\$	%
Multifamily Rental New Construction/Rehabilitation	\$1,002,686	80%
Single Family Homebuyer Assistance	\$125,336	10%
Administration	\$125,336	10%
<b>Total</b>	<b>\$1,253,357</b>	<b>100%</b>

Interested parties and applicants can receive more information about the HTF program in our web page:

<http://www.gdb-pur.com/principalsubsidiaries/housing-finance-authority.html>

Or by visiting our offices that are located at:

606 Barbosa Ave.  
Juan C. Cordero Bldg.  
Río Piedras PR 00919-0345  
Tel (787) 765-7577

Fax (787) 620-3521

### **III. CONSOLIDATED PLAN REQUIREMENTS**

#### **Citizen Participation Plan**

The state included the HTF Allocation Plan within the 2018 Consolidated Plan Public Hearing and related citizen participation process.

The consolidated plan regulation at § 91.115 requires the State to include HTF in its citizen participation plan. For the purposes of HTF, the State is required to make the following information available to the public:

- the amount of HTF assistance the State expects to receive,
- the range of activities the State may undertake, including the estimated amount that will benefit extremely low-income households, and
- the State’s plans to minimize displacement of persons and to assist any persons displaced.

## Consolidated Plan Screen(s) revised

*The following screen in the eCon Planning Suite consolidated plan template in IDIS were revised to include HTF.*

**ES-05 / AP-05 Executive Summary:** § 91.320(b)- *The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.*

### Introduction

The Annual Action Plan of the Commonwealth of Puerto Rico is the housing and community development plan required by the United States Department of Housing and Urban Development (HUD) to guide the distribution of its annual Community Planning and Development (CPD) formula grant funds.

HUD resources addressed by the Annual Action Plan include the state's Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA) and the Housing Trust Fund (HTF) programs.

The Office of the Commissioner of Municipal Affairs, created by Act No. 81-1991, as amended, is the lead agency appointed by the Governor of the Commonwealth of Puerto Rico to oversee the development of the consolidated plan and its related processes. The OCMA also administers the Community Development Block Grant Program (CBDG) for non-entitlement municipalities. Other agencies currently responsible for the administration of Programs are:

- The Puerto Rico Department of the Family, which administers the Emergency Solutions Grant Program (ESG);
- The Puerto Rico Department of Health, which administers the Housing Opportunities for Persons with AIDS Program (HOPWA) in conjunction with the Municipality of San Juan; and
- The Puerto Rico Housing Finance Authority, which administers the HOME Investment Partnerships Program (HOME) and the Housing Trust Fund program (HTF).

The *Annual Action Plan* addresses the community needs of the State Jurisdiction in the context of the goals and objectives of Title I of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, as amended. Based on the needs assessment, which required the undertaking of a research and consultation process, the State developed the set of goals, strategies and activities to be undertaken during Program Year 2018.

### **Summarize the objectives and outcomes identified in the Plan**

The goal of the Housing Trust Fund is to provide decent affordable housing to extremely low-income and very low income households and individuals.

### **Provide Decent Housing**

- Address the need of substandard housing by supporting construction of rental housing

### **Evaluation of past performance**

The HTF is not included in this section of the Consolidated Plan. The HTF is a new program to the Government of Puerto Rico, and thus, past performance cannot be evaluated as part of this Consolidated Plan.

**PR-15 Citizen Participation:** § 91.115 and § 91.300(c)- revise this screen to provide a summary of the citizen participation efforts made for HTF, including efforts to broaden public participation, a summary of citizen comments or views on the plan, and a written explanation of comments not accepted and the reasons why these comments were not accepted.

In compliance with the regulations the PRHFA undertook the following citizen Participation Process:

In collaboration with the lead agency we posted a public notice on the Wednesday, February 25, 2018. edition of Nuevo Día newspaper. The notice invited the general population to participate of the 2018-2018 Annual Action Plan and 2018-2018 HTF Public Hearings. Complying with the Consolidated Plan citizen participation regulations, the hearings were held at least two (2) weeks after the notice was published.

During the hearing we presented an estimated allocation (based on 2017 Program Year) for the Housing Trust Fund which are to be utilized for rehabilitation and new construction of new housing, targeting the extremely low-income population. The public hearing had a participation of 121 individuals and no comments were made during the hearing.

**Public Comment Period:** the State promoted a 30 days' public comment period of the HTF draft plan. A notice was published on the \_\_\_\_\_ newspaper, on \_\_\_\_\_, 2018 edition. A 30 days comment period was provided. The public comment period ended on \_\_\_\_\_, 2018.

### **Summary of Citizen Participation Process and consultation process**

The method implemented in order to broaden public involvement in the Substantial amendment to incorporate the HTF Program is:

### **Access to information and publishing of the Consolidated Plan amendments**

- Public Hearing: Monday, March 12, 2018, 9:00 a.m. at the 8<sup>th</sup> floor Conference Room of the World Plaza Building located in 268 Muñoz Rivera Avenue at Hato Rey, P.R.

The public hearing had a participation of 121 individuals. At the hearing, HTF Program officials at the state level made a presentation. Specifically, the presentation included a description of objectives; content of the Plan; the planning process and its integration; the community consultation process; identification of needs; design of strategies; the Citizen Participation process; the applicable method of distribution of the funds along the due dates for the Action Plan. Also, the presentation made to the attendees included detailed information, the national objectives, eligible activities and other general information regarding to the HTF program.

As a main objective of the Citizen’s Participation Process, attendees were allowed to present proposals and comments, although no comments were received at the hearing.

As a main objective of the Citizen’s Participation Process, attendees were allowed to present proposals and comments about the needs of their community and how can those be addressed in the plan.

**Summary of Public Comments**

To be completed after the public comment period.

**IV. STRATEGIC PLAN REQUIREMENTS**

*The State must amend the affordable housing section of the strategic plan to include specific objectives that describe proposed accomplishments the State hopes to achieve and must specify the number of extremely low-income families to which the State will provide affordable housing to (homeownership- § 93.302; rental- § 93.304) over a specific period of time. The State can complete this requirement by including HTF on the **SP-45 Goals screen**.*

The total number of rental units constructed includes the units for 5 years, but in the case of the Housing Trust Fund Program is only four years starting at PY 2016. The HTF program will target extremely low-income and very low-income households. For the third year (PY 2018) the HTF funds will be used for rental housing and administrative costs, not for homebuyer activities.

**Goals Summary Information**

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Provide Decent Housing (E)	2017	2019	Affordable Housing	Islandwide	Housing	HTF: \$125,336	Homeowner Housing added: 2 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
11	Provide Decent Housing (G)	2017	2019	Affordable Housing	Islandwide	Housing	HTF \$1,002,686	Rental units constructed: 5 Household Housing Unit

**SP-10 Geographic Priorities:** § 91.315(a)(1)- revise this screen to discuss how investments are allocated geographically.

**HTF**

The PRHFA will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b) (1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution. Estimation of the Percentage of Funds it Plans to Dedicate to Target Areas.

The HTF allocation for PY 2018 will be distributed to benefit very low and extremely low income families (see HTF Funding Priorities 91.320(k)(5)(i) for the definition). Section IV of the NOFA Ranking Self-Evaluation establishes a specific priority funding factor for developers or the applicants capacity to undertake tax credits/HOME projects. The term “full compliance and successful record” provides sufficient basis to determine the applicant’s capacity to obligate HTF funds and undertake activities in a timely matter.

**SP-25 Priority Needs:** § 91.315(a)(2)- revise this screen to indicate the general priorities for allocating investment of available resources among different needs.

**Table 1 – Priority Needs Summary**

1	<b>Priority Name</b>	Create and preserve Affordable Rental Housing
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Very Low Elderly Other Special Needs

<b>Geographic Areas Affected</b>	Islandwide
<b>Associated Goals</b>	Provide Decent Housing (G)
<b>Description</b>	<ul style="list-style-type: none"> <li>Address the need of substandard housing by the construction and rehabilitation of rental housing</li> </ul>
<b>Basis for Relative Priority</b>	Puerto Rico State Housing Plan, Community Participation, Consultations, needs assessment results and Program Performance.

**SP-30 Influence of Market Conditions:** § 93.315(b)- revise this screen to describe how the characteristics of the housing market influenced the State’s decisions regarding allocation priorities among the types of housing assistance.

<b>Affordable Housing Type</b>	<b>Market Characteristics that will influence the use of funds available for housing type</b>
New Unit Production	The excess inventory of housing in the Island and foreclosures do not support the production of new units for homeownership. However, there is a need for rental projects for very low and extremely low income persons, in particular elderly households, young couples and female headed households. The second greatest need in the Island is cost burden housing problems.
Rehabilitation	The greatest need is among low and moderate income households that live in substandard housing.
Acquisition, including preservation	The state will not acquire properties nor allocate funding for the preservation of affordable housing. Market conditions and budgetary constraints do not support assuming the risk associated to this activity. Moreover, regarding expiring contracts under Section 8, it is unlikely that developers will reposition their projects for the non-subsidized market.

**Table 2 – Influence of Market Conditions**

**SP-35 Anticipated Resources:** § 91.315(a)(4); § 91.320(c)(1) and (2)- revise this screen to identify the federal, state, local, and private resources expected to be available to the State to address priority needs and specific objectives identified in the strategic plan.

The Housing Trust Fund program annual allocation for 2018 is \$1,253,357.

**SP-45 Goals:** § 91.315(a)(4) and § 91.315 (b)(2)- revise this screen to summarize the State’s priorities and the specific goals it intends to initiate and/or complete within the term of the strategic plan. The State must also ensure its five year goals include any accomplishments due to HTF funds and must also enter the number of extremely low-income families to which the State will provide assistance with its HTF funds.

Description: The Goal Outcome indicator includes the 5 years rental units for the HOME program but the HTF goal only reflects the numbers for 4 years (2016-2019) because the first allocation for HTF was received in PY 2016. For the first year HTF the 90% of the allocation were allocated for rental housing and 10% for administrations costs, no homebuyer activities will be performed in PY 2016. For program year 2018 the PRHFA will allocate the resources as follow: 10 % Administration, 80% New Construction of Rehabilitation for Rental and 10% for Homebuyer assistance.

A total of 17 units will be constructed with the HTF allocation through the period of 2016-2019 for the rental activity. In addition, a total of 7 participants will be assisted with the HTF allocation through the period of 2016-2019 for the homebuyer assistance activity.

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Provide Decent Housing (E)	2017	2019	Affordable Housing	Islandwide	Housing	HTF: \$125,336	Homeowner Housing added: 2 Household Housing Unit
11	Provide Decent Housing (G)	2017	2019	Affordable Housing	Islandwide	Housing	HTF \$1,002,686	Rental units constructed: 5 Household Housing Unit

**V. ANNUAL ACTION PLAN REQUIREMENTS**

The State must include HTF in its annual action plan or amend the plan to include HTF information as required in § 93.320(k)(5). The action plan must include an HTF allocation plan that describes the distribution of HTF funds, and establishes the application requirements and selection criteria of applications submitted by eligible recipients that meet the State’s priority housing needs.

**AP-15 Expected Resources:** § 91.320(c)(1) and (2)- revise this screen to provide a concise summary of the federal resources expected to be available. The HTF resources added to the **SP-35 Anticipated Resources** screen will carry over to this screen.

## Anticipated Resources

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$24,363,783	0	\$58,387,467.09	82,751,250	\$24,363,783	Funding will be used for housing, community, and economic development activities, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$13,798,286		\$15,683,502.43	\$29,481,788.43	\$13,798,286	Funds will be allocated to provide incentives for meeting developing and supporting affordable rental and homeownership housing units. This will be achieved through new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities for rent and sale projects (funding for sale projects will be for CHDO's - set aside only).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$2,034,912	0	\$1,437,118.44	3,472,030	\$2,034,912	Funds will be distributed among municipalities and nonprofit organizations for the provision of housing assistance and supportive services for low-income persons living with HIV/AIDS
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$3,572,861	0	6,420,991	9,993,852	\$3,572,861	Funds will be used primarily for, Outreach, Emergency, Shelter activities, and secondly to Homelessness Prevention, Rapid Re-housing
Housing Trust Fund	public - federal	Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab	\$1,253,357		1,210,679.00	2,464,036	\$1,253,357	The Housing Trust Fund (HTF) is a new affordable housing production program that will complement existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families.

**Table 3 - Expected Resources – Priority Table**

**AP-20 Annual Goals and Objectives: § 91.320(c)(3) and (e)-** revise this screen to summarize the specific goals the State intends to initiate and/or complete within the term of the program year. Any HTF related goals and objectives entered on the **SP-45 Goals** screen will carry over to this screen.

The PRHFA expects to receive the HTF funding by August 2018, therefore the state expects to deliver 5 rental units to be constructed or rehabilitated and 2 units that will receive homebuyer assistance. The construction of the units is expected to start at the end of PY 2018 and the units are expected to be delivered by late PY 2019.

**Goals Summary Information**

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Provide Decent Housing (E)	2017	2018	Affordable Housing	Islandwide	Housing	HTF: \$88,316	Homeowner Housing added: 2 Household Housing Unit
11	Provide Decent Housing (G)	2017	2018	Affordable Housing	Islandwide	Housing	HTF: \$706,528	Rental units constructed: 5 Household Housing Unit

**AP-25 Allocation Priorities: § 91.320(d)-** revise this screen to describe the reasons for the State’s allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the strategic plan.

**Funding Allocation Priorities**

	Provide Decent Housing (%)	Provide Decent Housing (B) (%)	Provide Decent Housing (C) (%)	Create Suitable Living Environments (%)	Create Suitable Living Environments (B) (%)	Provide Decent Housing (D) (%)	Expand Economic Opportunity (%)	Provide Decent Housing (E) (%)	Create Suitable Living Environments (C) (%)	Provide Decent Housing (F) (%)	Provide Decent Housing (G) (%)	Provide Decent Housing (H) (%)	Total (%)
CDBG	15	0	0	80	0	0	5	0	0	0	0	0	100
HOME	100	0	0	0	0	0	0	0	0	0	0	0	100
HTF								10%			80%		100
HOPWA	100	0	0	0	0	0	0	0	0	0	0	0	100
ESG	100	0	0	0	0	0	0	0	0	0	0	0	100
Other CDBG-DR	0	0	0	0	0	0	0	0	0	0	0	0	0

Table 4 – Funding Allocation Priorities

**AP-30 Method of Distribution:** § 91.320(d) and (k5)- revise this screen to include a description of its method(s) for distribution for the “Other – Housing Trust Fund” selection based on the entry made on the **SP-35 Anticipated Resources** screen.

***Describe the state program addressed by the Method of Distribution.***

Description of the Method to Distribute HOME and HTF Funds for Construction and Rehabilitation of Rental Housing

As part of the joint efforts and on-going initiatives that relate to the 2014-2018 Puerto Rico State Housing Plan, the Puerto Rico Housing Finance Authority (Authority) will make available the Housing Trust Fund Activities of Rental Housing along the HOME Investment Partnership Program (HOME) Action Plan (AP). Funds will be awarded to eligible applicants following a competitive process. The competitive process will follow the criteria established in the HTF Allocation Plan.

The PRHFA will receive \$1,253,357 in HTF funds for PY 2018. Funds will be allocated to provide incentives for meeting developing and supporting affordable rental housing units. This will be achieved through new construction or rehabilitation of non-luxury housing with suitable amenities for rent.

**Eligible Applicants**

The PRHFA is not limiting the potential pool of applicants for the HTF program. Thus, PRHFA will allow developers, non-profits and other organizations to apply for HTF funds. However, applicants must be able to participate in PRHFA funding round (NOFA). Applicants must comply with the requirements established in 24 CFR 93.2. These requirements are integral to the **basic threshold** criteria described in the tables below. It is important to note that applications must demonstrate that participants understand the specific requirements of the HTF program and that even if HTF funds are combined in a project with multiple funding sources, HTF unit(s) must be assisted only via HTF eligible activities (24 CFR 93.200)

***Describe all of the criteria that will be used to select applications and the relative importance of these criteria.***

Applications requesting **HOME and HTF** funds will be evaluated based on joint rating factors, once applicants have satisfied the basic threshold requirements. Those factors include local considerations and State **HOME and HTF** Program’s criteria, such as: Project location; project characteristics; project owner/developer characteristics; financing characteristics; special needs projects; Housing needs and additional criteria for rental housing projects.

See below for a description of the scoring method and selection criteria that was specifically developed for the HTF Program. The criteria is presented below to facilitate the **description of the priority funding factors**. The QAP and PRHFA NOFA will be used to determine the final scores and funding recommendations.

***Describe how resources will be allocated among funding categories.***

The HTF resources will be allocated for particular projects that serve HTF tenant population; these could include special needs population.

***Describe threshold factors and grant size limits.***

PRHFA will use the maximum per unit subsidy standards adopted by the State **HOME** Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216. For the PY 2018 an application or proposal will include the Basic Threshold Requirements and the additional requirements as outlined originally in the previous JANOFA efforts.

The initial basic qualifications will be evaluated by the State HOME program personnel. If the project does not meet requirements for completeness, the applications will not be received. If received, only those applications that meet the joint basic threshold requirements and qualifications would be further considered for evaluation under joint the Point Ranking System.

The project location and the targeted population will be key factors in determining the grant size limit.

**AP-50 Geographic Distribution:** *§ 91.320(f)- revise this screen to describe the geographic areas of the state in which it will direct assistance during the ensuing program year and provide rationale for its priorities in allocating investment geographically.*

**HOME and Housing Trust Fund**

The **PRHFA** will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of the HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, the HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations requiring that resources be allocated in non-metropolitan areas. Estimation of the Percentage of Funds it Plans to Dedicate to Target Areas.

The HTF allocation for PY 2018 will be distributed to benefit very low and extremely low income families (see HTF Funding Priorities 91.320(k)(5)(i) for the definition).

**AP-55 Affordable Housing:** *§ 91.320(g)- revise this screen to specify goals for the number of homeless, non-homeless, and special needs households to be provided affordable housing within the program year.*

One Year Goals for the Number of Households to be Supported	
Homeless	-
Non-Homeless	6
Special-Needs	-
Total	6

**Table 5 - One Year Goals for Affordable Housing by Support Requirement**

**AP-65 Homeless and Other Special Needs Activities:** § 91.320(h)- *revise this screen to describe how HTF will help to address the State’s one-year goals and actions for reducing and ending homelessness, if applicable.*

The State is committed to provide the necessary assistance to quickly locate homeless individuals and families in permanent housing; and prevent individuals and families to become homeless. Based on that goal, the State will allocate funds for homeless prevention and rapid rehousing activities. NPOs and municipalities may use ESG funds to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place allowed by the regulation. ESG funds may also be used to provide housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

The HTF program is for very low income and extremely low income population, because of the population assisted it is possible to assist homeless individuals or at risk of homelessness.

**AP-75 Barriers to Affordable Housing:** § 91.320(i)- *revise this screen to describe how HTF will help with any actions the State’s will take during the next year to reduce barriers to affordable housing, if applicable.*

The State Housing Plan Implementation Committee is in the process of identifying policy changes that would promote affordable housing. The efforts of this group will be initially executed through a new Unified NOFA which provide incentives to ameliorate the negative effects of public policies that serve as barriers to affordable housing. i.e. by leveraging public land and targeting developmental costs, the NOFA could serve as a tool to remove the negative externalities of other public policies.

**Discussion**

The Commonwealth of Puerto Rico recognizes that certain policies and regulations represent a

barrier to affordable housing. To remove or ameliorate the negative of this policies and issues the Commonwealth will undertake the following actions:

- The Puerto Rico Planning Board, who's director is a member of the Housing Plan Implementation Committee (HIPC), is classifying urban land with adequate zoning and infrastructure to expedite housing development. This will benefit affordable housing developers by reducing the time and effort required to obtain building permits and reduce off-site cost requirements.
- The above initiative will also support planning efforts associated to infrastructure investments.
- To reduce land cost or any negative risks on land cost associated to land policy, as part of Housing Plan's actions, the Department of Housing is actively working with municipalities identifying land apt for affordable housing development that may be contributed under different favorable terms to reduce the development cost or capital requirements.
- To promote affordable housing development in urban areas that satisfy the needs of targeted populations, the PRHFA under the leadership of the Department of Housing is reviewing is Qualified Allocation Plan to favor projects that support Housing Plan's policies and actions.
- Related to the above, the Commonwealth is implementing a Unified NOFA strategy which is design to promote Housing Plan's policies.
- To increase the capacity of CHDOs and private housing development, the PRHFA has collaborated since 2013-14 with HUD local office and HUD consultants in training initiatives. Also the PRHFA is actively providing technical support to these organizations.
- Also, OCMA is developed the *Centro de Innovación Social* (Center of Social Innovation) to provide technical assistance to municipalities.

**AP-85 Other Actions:** *§ 91.320(j)- revise this screen to describe how HTF will help with any actions the State will take during the next year to carry out the following strategies outlined in the consolidated plan:*

### **Foster and maintain affordable housing**

The main action of the Commonwealth is the use of a mechanism of a Unified NOFA. This strategy seeks leveraging expertise with funds and resources available for housing and community development from different programs to support the policies of the State Housing Plan.

The state will use HOME funds particularly through homebuyer assistance programs and single family rehab to foster and maintain affordable housing. Moreover, the state plans to use HOME

funds to leverage other state projects which will increase the affordable housing inventory. The use of HOME resale and recapture provisions will support the affordability of such projects in the long-run.

In addition to the HOME funds, the PRHFA will use HTF funds for multifamily rental construction and rehab to maintain and provide affordable housing.

Additionally, CDGB housing activities (Rehab, CDBG-DR Affordable rental housing, NSP) will serve to maintain the affordable housing stock in Puerto Rico.

### **Evaluate and reduce lead-based paint hazards**

The PRHFA have a pro-active approach to reduce lead-based- paint hazards in residential projects across the Island, such as:

- Professional assessment for deteriorated paint in units built before 1978
- Initial and annual HQS inspections
- Disclose information among residents of lead-based paint hazards
- Stabilization, removal and disposal of dangerous material

PRHFA has contracted companies to provide technical assistance for the evaluations, visual assessment, HQS inspections and paint testing (when necessary) for the housing units that will be rehabilitated with HTF funds in order to comply with lead-based paint requirements and other applicable federal environmental laws and regulations.

Housing providers funded through HUD provide decent, safe, and sanitary housing to their residents. Part of this responsibility is to protect these residents, particularly children under age six, from the health risks of lead-based paint. Public Housing Authorities (PHAs) and landlords protect these families by complying with HUD's lead-based paint regulations.

With respect to the Housing Choice Voucher Program (HCVP), the Lead Safe Housing Rule (LSHR) applies only to units constructed prior to 1978 occupied (or intended to be occupied) by a child under age six, the common areas servicing those units and exterior painted surfaces associated with those units and common areas. The Lead Disclosure Rule (LDR) applies to disclosure of lead-based paint and lead-based paint hazards in most housing constructed prior to 1978 ("target housing") at sale or lease, whether or not they are or will be occupied by a child, and whether it is federally assisted or not.

Target Housing is generally, housing constructed before 1978. Housing for the elderly, and housing for persons with disabilities, are not target housing, unless a child under 6 years old resides or is expected to reside in that housing, in which case, the housing is target housing. All

zero-bedroom dwellings are not target housing. In jurisdictions which banned the sale or use of lead-based paint before 1978, HUD may use an earlier date for determining target housing. Refer to Lead Compliance Toolkit, Housing Choice Voucher Program, HUD's Lead-Based Paint Regulations (24 CFR Part 35).

The HTF program requires that before the ratification of a contract for housing sale or lease, Sellers and landlords must:

Give an EPA-approved information pamphlet on identifying and controlling lead-based paint hazards ("Protect Your Family From Lead In Your HTF" pamphlet)

Disclose any known information concerning lead-based paint or lead-based paint hazards. The seller or landlord must also disclose information such as the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces

Provide any records and reports on lead-based paint and/or lead-based paint hazards which are available to the seller or landlord (for multi-unit buildings, this requirement includes records and reports concerning common areas and other units, when such information was obtained as a result of a building-wide evaluation)

Include an attachment to the contract or lease (or language inserted in the lease itself) which includes a Lead Warning and confirms that the seller or landlord has complied with all notification requirements. This attachment is to be provided in the same language used in the rest of the contract. Sellers or landlords, and agents, as well as Homebuyers or tenants, must sign and date the attachment.

Sellers must provide Homebuyers a 10-day period to conduct a paint inspection or risk assessment for lead-based paint or lead-based paint hazards. Parties may mutually agree, in writing, to lengthen or shorten the time period for inspection. Homebuyers may waive this inspection opportunity.

As part of the actions for PY 2016, The PRHFA will conduct a review off its processes and procedures previously described.

All CDBG funded housing acquisition and rehabilitation, of pre-1978 units, will meet HUD's Lead-Based Paint Regulations. OCAM has recently developed new monitoring guides for CDBG-DR which establishes a new process for lead-based paint hazard evaluations. Moreover, OCAM internal CDBG guidelines will follow the procedures established for CDBG-DR housing activities.

OCAM will provide guidance on the lead based paint compliance requirements assuring that all the non-entitlement rehabilitation manuals filed in the agency, includes the actions the municipalities will take on this issue.

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

Due to the prevailing poverty rate in the state, the government has several programs which are targeted to eradicating poverty. The state will promote suitable living environments, particularly affordable housing, and coordination with non for profit organizations to promote the elimination of homelessness.

The policy of the Commonwealth of Puerto Rico is to eradicate poverty among the current generation, particularly infant and youth poverty, within 20 years. To achieve this goal the Commonwealth outlined the following actions:

1. Work closely with the “Oficina de la Coordinadora General para el Financiamiento Económico y la Autogestión (OFSA)” to reactivate Special Communities Administrative Council (Consejo Asesor de Comunidades Especiales) to support public involvement initiatives and improved communication between the Commonwealth and disadvantage communities.
2. Promote self-employed and business development initiatives to reduce unemployment to 10%.
3. Promote gender equality through different measures
4. Improve access to higher education by subsidizing the cost of the local college entrance exam, an initiative that benefits over 27,000 high school students and over 1,000 inmate population.
5. Increase access to health services by leveraging Medicare, Medicaid and local funds. Over 150,000 low income people benefited from this initiative.
6. Support the Community Microenterprises Program, a program which promotes economic development in disadvantage communities.

### **Develop institutional structure**

The Housing Plan Implementation committee is the main mechanism to develop the institutional structure currently in place to coordinate the development and implementation of the Consolidated Plan. HPIC’s structure - as previously described- facilitates the implementation of legal, regulatory or program solutions associated to the following: infrastructure, land policies, building regulations, municipal needs, administrative procedures and technical issues associated to relevant programs. Its structure supports a comprehensive approach to problem solution.

Moreover, it is important to maintain a year-long interagency committee focused on the development of the State Consolidated Plan and designate an active participant in the State Housing Plan Implementation Committee. Such participant will provide cohesiveness between specific housing policies and other community development initiatives.

Under CDBG, to expedite funding allocation and expenditure, the Commonwealth of Puerto Rico assigned by Law an equal amount of CDBG funds to non-entitlement municipalities, except for Vieques and Culebra that are granted 15% in additional funding. Based on their local knowledge, these units of local government decide the activities they want to support. OCMA’s new policy is also a strategy to shift scarce municipal human and administrative resources from proposal

writing activities to program implementation and compliance. Moreover, this action will allow OCAM personnel to dedicate more time to technical assistance and oversight activities.

### **Enhance coordination**

Under the leadership of the HPIC, the process of designing and implementing the Unified NOFA provides a mechanism to coordinate actions between key stakeholders associated to affordable housing and economic development. Currently, the Department of Housing, Public Housing Administration, OCMA, the Puerto Rico Planning Board, municipalities, among other agencies, are actively participating in the process. Meanwhile, during its public participation process, other public and private housing and social service agencies will have the opportunity to provide feedback and suggestions on the proposed mechanism.

No specific actions have been planned to enhance coordination between public and private housing and social service agencies with CDBG funds. However, in the process of developing the Action Plan, the agency reached out potential stakeholders- particularly those from the Non for profit sector- to promote their participation on the public hearings, and other processes related to Public Participation. Moreover, since municipalities provide several public service activities with CDBG funds, they coordinate with local non for profit service providers to deliver such services.

*In addition, the State must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles using HTF funds, if applicable.*

The main obstacles to meeting underserved needs are policy, administrative and fiscal issues that are affecting the development of affordable housing and program implementation in Puerto Rico. The main action that has been undertaken to address these obstacles is the development of the State Housing Plan and the establishment of the Housing Plan Implementation Committee (HPIC), as part of an agreement between The U.S. Department of Housing and Urban Development (HUD) and the Commonwealth of Puerto Rico. The HPIC will implement a Unified NOFA structured to channel funds to projects and initiatives which address the plan objectives. For example, the Unified NOFA is : promoting affordable housing development near areas with the following characteristics: job centers; rehabilitated streets which support multi-modal transportation and pedestrians; services for the elderly and other special needs population, such as health centers, pharmacies, supportive services and other key services for low-income individuals; and public facilities. Also, to address housing development costs and funding limitations, the Unified NOFA is targeting state and municipal land.

The Commonwealth is also taking tax measures to support affordable housing programs. For example, in 2014 the Commonwealth imposed a 2% special tax on Money Transmitting Business on money transmission processed or completed electronically or by check, fund Law 173 “Housing Rental and Improvement Subsidy Program for Low-Income Elderly Persons”.

Regarding CDBG, some of the most urgent needs of non-entitlement communities are infrastructure, housing rehabilitation and economic development. To expedite funding allocation and expenditure, the Commonwealth of Puerto Rico assigned by Law an equal amount of CDBG funds to non-entitlement municipalities, except for Vieques and Culebra that are granted 15% in additional funding. Based on their local knowledge, these units of local government decide the activities they want to support. OCMA's new policy is also a strategy to shift scarce municipal human and administrative resources from proposal writing activities to program implementation and compliance. Moreover, this action will allow OCAM personnel to dedicate more time to technical assistance and oversight activities.

## HTF Funding Priorities-§ 91.320(k)(5)(i)

The State is responsible for distributing HTF funds throughout the State according to its housing priority needs. In addition to revising the **AP- 30 Method of Distribution** screen in IDIS, the State must respond to the following questions.

*1. Will the State distribute HTF funds through grants to subgrantees? If yes, describe the method for distributing HTF funds through grants to subgrantees and how the State will make those funds available to units of general local governments. If no, state N/A. Please attach response if you need additional space.*

N/A

*2. Will the State distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe the eligibility requirements for applicants as defined in §93.2- definition of recipient. If no, state N/A. Please attach response if you need additional space.*

Yes.

The PRHFA will consider applications from potential recipients that “have demonstrated experience and capacity to conduct other Tax Credit/HOME projects as evidenced by its ability to:

- (i) Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development” (24 CFR 93.2 – Definition). The term “full compliance and successful record” provides sufficient basis to determine the applicants capacity to obligate HTF funds and undertake activities in a timely matter.

Due to the limited amount of HTF funds, is not viable for the initial HTF allocation to be distributed via a stand-alone funding round. Thus, the State will distribute HTF funds via its regular funding round, which includes other federal funding sources such as HOME, LIHCT, among others.

Under the abovementioned funding round, applicants will have to demonstrate with evidence that they have fulfilled the initial basic requirements established in the “Basic Threshold”. The PRHFA has created a specific set of requirements that HTF potential applicants must satisfy. Not complying with such requirements causes applicants to be disqualified. If applicants demonstrate fulfillment of basic threshold requirements, then the specific point ranking evaluation criteria will be applied to the proposed projects.

The basic threshold for the HTF establishes that applicant must demonstrate **experience**. “If proposing to use o of HOME or NHTF Developer, General Partner or Managing Partner must demonstrate successful record and full compliance participating

in same capacity in the development of HOME /NHTF projects in Puerto Rico.” To validate such assertion the applicant must submit “Relevant project documentation to support experience in particular project.” And “Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.”

The Following table provides a list of all the Basic Threshold Requirements for the HTF program (see table below).

The specific priority funding factors established for the HTF program are described in Section IV of the NOFA Ranking Self-Evaluation. This section establishes a specific priority funding factor for developers or the applicant’s capacity to undertake tax credit/HOME projects.

The following documents will be required to demonstrate the applicant’s capacity to undertake an HTF project:

- Copy of HAP, IRS form 8609 for each project, as applicable.
- Relevant project documentation to support experience in particular project.
- Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.

Moreover the NOFA Ranking Self-evaluation scoring system provides additional points for applicants who have financial capacity to undertake projects. Point ranking system requires a certain amount of liquid assets. The required documents include:

- Compiled or revised financial statements certified by a licensed accountant.
- Sources and Uses

Also, recipients must comply with PRHFA selection requirements as established in the HOME program/LIHTC QAP. Again, it is important to emphasize that entities must demonstrate organizational ability, financial capacity and knowledge of Federal, State and local housing program requirements. Recipient must demonstrate capacity to manage and operate an affordable rental housing program.

The following table provides all the details of the basic threshold requirements and documentation review:

 <b>GOVERNMENT OF PUERTO RICO</b> Puerto Rico Housing Finance Authority			
Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	SHPO.001	A detailed written description of the project, including: related activities to be carried out in conjunction with the project; estimated total development cost; project area in <i>cuerdas</i> or acres; and tax property identification number (cadastral number) of the property (ies).
n	n	SHPO.002	Project location marked on a U.S.G.S. Topographic Quadrangle Map outlining exact boundaries. Name of the Quadrangle <b>MUST</b> be indicated and the original scale maintained. Other types of maps <b>will not</b> be accepted (i.e.: flood, zoning, or tourist maps, aerial or satellite photographs, etc.).
n	n	SHPO.003	Site Plan, scale 1:2000 or larger, showing project property and vicinity. <b>A printed copy (size "11x17") must also be submitted.</b>
n	n	SHPO.004	Current photographs (taken from ground level) of the property and the project's area of potential effects (at a minimum, the area of the project and its surroundings) in TIFF, JPEG or PDF formats. <b>Printed color copies must also be submitted.</b> No Polaroid's or photocopies will be accepted.
n	n	SHPO.005	As-found or as-built plans of the building/structure(s) to be affected by the project. <b>Printed copies (size "11x17") must also be submitted.</b>
n	n	SHPO.006	Schematic or preliminary drawings (floor plans, elevations, sections) that show the proposed project design. <b>Printed copies (size "11x17") must also be submitted.</b>
n	n	G.001	Application Form.
n	n	G.001	Application's Agreement and Certification (page 25), signed by the Owner, the President or Secretary of the General Partner, and showing corporate seal that is also legible in digital documents.
n	n	G.002	Corporate Resolution certifying that the person who signed is a duly authorized officer of the applicant, authorized to sign the application.
n	n	G.001	Threshold Checklist Form.
n	n	G.001	Self Point-Ranking Evaluation.
n	n	G.001	Subsidy Layering Review (SLR) Parameters Checklist Form.
n	n	G.007	Application's transmittal letter.
	n		1. Authority's NHTF Program application and inspection fees:
			· CHDOs: \$0.00
			· ½ of 1% of requested amount; with a minimum payment of \$2,500 and a maximum of \$10,000. This is a non-refundable and non-transferable payment.



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
			\$50 per HOME unit during the HOME compliance period. This amount will be due and payable by January 31 of each year.
		I	
	n	I.001	Site Selection Standards Checklist (Annex R).
		II	
n	n	II.004	Designer's Preliminary Certification (Annex J)
			Compliance with the Fair Housing Act ( <i>Civil Rights Act of 1968 - 42 U.S.C. 3601 et seq.</i> ) accessibility requirements certified through the Designer's opinion letters and completion of the Fair Housing Act Accessibility Requirements Checklist. Applicant must comply with the Americans with Disabilities Act of 1990 (104 Stat. 328). (Annex F: requirements checklist; Annexes J and N: models of certification letters).
n	n	II.005	Project timeline for project activities including specific benchmarks for acquisition, assembly of the development team, completion of plans and specifications, completion of financial approvals, municipal approvals, building permits, project construction start date, completion date and the estimated date of lease-up (Application, page 23).
n	n	II.006	Certification of the percentage of construction completion prepared by the Resident Inspector for projects under construction. (Caveat: existing construction might affect the environmental review and eventual allocation of HOME Funds).
n	n	II.007	Certification of the percentage of construction completion prepared by the lender's inspector for projects under construction. (Caveat: existing construction might affect the environmental review and eventual allocation of HOME Funds).
n	n	II.008	Evidence of site control: earnest money agreement, option or closing statement for land and/or buildings, title, deed or leasehold agreement (99 years or more, if requesting HOME).
	n	II.009	Certification by owner attesting compliance with restrictions on real property acquisition or rehabilitation under the URA, 49 CFR 24.101(b) detailing: number of persons (families, individuals, businesses or organizations) occupying the property on the date of the submission of the application; number of persons to be displaced, temporarily relocated, or moved permanently within the building or complex; estimated cost of relocation payments and services and sources of funding; and copy of the executed agreement with organization that will carry out the relocation activities.
n	n	II.010	Architectural drawings and specifications certified by the licensed professional (project architect or engineer in charge of the design process).
n		II.011	Recommendations of infrastructure issued by the OGPe and construction permit filed with competent entity.
	n	II.012	Unexpired Construction Permit, Green Construction Permit ( <i>Permiso de construcción Verde</i> ) or Notification of Construction Permit issued by the applicable permitting office and agencies' endorsements (Environmental Quality Board, Department of Natural and Environmental Resources, and Institute of Puerto Rican Culture, along with recommendations of infrastructure from agencies).
n	n	II.013	Pursuant to Section 106 - 36 CFR 800, State Historic Preservation Office's technical assistance or final determination letter. The technical assistance letter shall indicate that there are no historic properties or that no adverse effect on historic properties is associated with the undertaking or the agreed-to measures if such adverse effect is determined.
n	n	II.014	Wetland Inventory Map from the US Fish and Wildlife Service demonstrating project's location outside of any wetland, or a Wetland Preliminary Jurisdictional determination from the Corps of Engineers; indicating that the project does not affect wetland.



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	II.015	Project location must be identified in the NFIP map (FEMA Map) to demonstrate compliance with the Floodplain Management Act – 24 CFR 55, Executive Order 11988. The project must be located outside the 100-year floodplain, coastal high hazard areas and if the project is located inside the 100-year floodplain, FEMA’s approval letter of map amendment (LOMA) or letter of map revision (LOMR) will be submitted.
n	n	II.016	Project location must be identified in the USFWS map to demonstrate compliance with the Coastal Barrier Resources Act of CBRA –24 CFR 58.6(b). Federal assistance may not be used in the CBRA system.
n	n	II.017	Pursuant to Sections 307(c) and (d) of the Coastal Zone Management Act, Certification of Consistency filed with the State Coastal Management Program, if required.
n	n	II.018	Pursuant to the Endangered Species Act – 50 CFR 402, technical assistance or final determination letter issued by the U.S. Fish & Wildlife Service of the Department of the Interior; it must indicate that the project does not affect endangered species.
n	n	II.019	Any project located within 1,000 feet of a major noise source, road or highway, 3,000 feet of a railroad, or 5 miles of a civil airport, must provide a Noise Study as per the requirements set forth in the American National Standard Method for the Physical Measurement for Sound. Resulting noise level must comply with the acceptable level of 65 decibels established in 24 CFR 51.100 – Noise Abatement and Control.
n	n	II.020	Soil survey, if project is for new construction or substantial rehabilitation requiring addition or expansion to structures.
n	n	II.021	Archeological, if required by the SHPO pursuant to its review under Section 106, or if required by the Institute of Puerto Rican Culture (ICP), or copy of the recommendation issued by the ICP as part of the construction permit consultancy process evidencing that the study is not required.
n	n	II.022	Hydraulic/Hydrologic, if the project meets the conditions established under The Department of Natural and Environmental Resources' Administrative Order No. 2013-12, or a certification issued by a civil engineer attesting that the study is not required.
n	n	II.023	1.1.1.1. Phase I environmental site assessment report and/or any other applicable environmental report. Must comply with ASTM E 1527-13 or any updated version as ASTM promulgates which meets the requirements of EPA’s AAI regulations.
n	n	II.024	For rehabilitation and acquisition/rehabilitation projects, a comprehensive capital needs assessment report prepared by a licensed architect or engineer unaffiliated with the Developer, the Development or any other entity involved with the Project, that includes: an opinion of proposed construction budget and assesses the condition, among other, of site, structural systems (roof, bearing walls and columns, foundations), plumbing systems, electrical systems, fire protection systems, building envelope and insulation, interiors (including units and common areas); and mechanical systems; if requesting HOME funds for projects with more than 26 units, it must specify the remaining useful life of major systems, and include paint testing and/or risk assessment report for substantial rehabilitation projects.
			<b>THE AUTHORITY WILL NOT AWARD ANY ACQUISITION AND REHABILITATION PROJECT WITH 9% CREDITS UNLESS THE AUTHORITY, IN ITS SOLE DISCRETION AND TO THE COST OF THE APPLICANT, PERFORMS (EITHER BY ITSELF OR THROUGH ENGAGEMENT OF A REPUTABLE ACCOUNTING FIRM IN THE INDUSTRY) A THOROUGH FINANCIAL ANALYSIS EVIDENCING NON-FEASIBILITY OF THE PROJECT UNDER THE TAX EXEMPT BOND/4% TAX CREDIT PROGRAM</b>
	n	II.027	Letter of intent to sign the Land Use Restrictive Covenant Agreement including: designation of NHTF-assisted units); occupancy of assisted units ; initial and ongoing rent restrictions; tenant eligibility and period of affordability
		III	



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	III.001	Comprehensive market study report (updated within six months of the application) performed by an approved provider unaffiliated with the Developer, the Development or any other entity involved with the Project, of the low-income housing needs in the area to be served, including: a statement of the competence of the market study provider, detailing education and experience of primary author and including statement of non-interest; a description of the proposed site and neighborhood, including physical attributes of site, surrounding land uses, and proximity to community amenities or neighborhood features including shopping, healthcare, schools, and transportation, among other; a map and photos of the subject site and surroundings showing location of community services; an overview of local economic conditions, including employment by sector, list of major employers, and labor force employment and unemployment trends over past 5-10 years; a description of the proposed development, detailing proposed unit mix (number of bedrooms, bathrooms, square footage, proposed rents, AMI level, utility allowances, and any utilities included in rent), proposed unit features and community amenities, and target population including age restrictions and/or special needs populations; demographic analysis of the number of households in the market area that are part of the target market (i.e., family, senior, disabled, etc.), income-eligible, and can afford to pay the rent, including a projected household base at placed in service date; geographic definition and analysis of the market area, including description of methodology used to define market area and map of market area including proposed site; analysis of household sizes and types in the market area, including households by tenure, income, and persons per household; a description of comparable developments in the market area, including any rental concessions these developments presently offer; a description of rent levels and vacancy rates of comparable properties in the market area, segmented by property type (market rate, Tax Credit, deep subsidy, high and low HOME rents, etc.) and with rents adjusted to account for utility differences and concessions or other incentives. Such description should include all existing Tax Credit, HOME and/or PBV developments in the primary market area and any planned additions to rental stock including recently approved Tax Credit, HOME and/or PBV developments; expected market absorption of the proposed rental housing, including capture/penetration rate analysis of target populations; a description of the effect on the market area, including the impact on Tax Credit, HOME, PBV and other existing affordable rental housing.
	n	III.002	Affirmative Fair Housing Marketing Plan (Annex S of the Application Package).
		<b>IV</b>	
n	n	IV.001	Organizational chart of project structure identifying Owner, Developer, General Partner/Manager and/or Sponsor and any other related entity.
n	n	IV.002	Articles of Incorporation for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1)
n	n	IV.003	Partnership (or Operating) Agreement of the entity to claim ownership of the Project (LP, LLC, etc.), as may apply, indicating cash contributions by the General Partner(s) and/or Limited Partner(s).
n	n	IV.004	Certificate of Incorporation (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.005	Certificate of Authorization of US Foreign Limited Liability Company from PR Department of State (as it may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.006	Good Standing Certificate (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.007	Company by-laws and internal rules for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	IV.008	Names, addresses, telephone numbers and email address of officers, members, directors, principal stockholders or managing partner of the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.009	<p>The owner, developer and their shareholders, directors, officers and partners, as applicable, must demonstrate via sworn statement (<i>affidavit</i>) that they have not been involved in any way (either personally or as shareholders, directors, officers, members or partners of a corporation, partnership or other form of business organization or joint venture) in any other project for which the Authority has provided any financing and /or grant (as lender, conduit, custodian of funds, or otherwise) and in which a default notice under the terms and conditions of the applicable financing documents has been issued and not cured. All previous participants must also evidence via sworn statement that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority, employees, officers or agents participating in any capacity in the procurement, selection, award, or the administration of a contract or agreement supported under the QAP or the NOFA. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Authority must neither solicit nor accept gratuities, favors, or anything of monetary value from proponents, awardees, contractors or parties to subcontracts. In order to ensure objective consultant performance and eliminate unfair competitive advantage, contractors that develop or participate in drafting specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing in any capacity for such procurements. Any conflict of interest will immediately disqualify the applicant of any participation in the Authority/HOME programs.</p> <p>Also, the developer shall identify and explain any identity of interest with any other party of the project.</p>
n	n	IV.010	IRS Form SS-4 or other evidence of the taxpayer identification number for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	IV.016	Audited Financial Statements (updated within six months of the application) of the developer, general partners, managing members, owners, and sponsors of each entity; in case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$500,000.00. If an entity of new creation, CPA certification of a new entity, most recent statements, if within 6 months of the application.
n	n	IV.017	Compiled or Revised Financial Statements (updated within six months of the application; only applicable to natural persons) of the shareholders, directors, principals, officers, members and partners, as applicable, of the owner, developer, managing member, and general partner; in case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$500,000.00.



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
	n	IV.018	Certification attesting that Owner, Developer, General Partner/Manager and Sponsor will comply with: Executive Order 12432, Minority Business Enterprise Development; Executive Order 12138, Creating a National Women's Business Enterprise Policy; HUD's requirement for Economic Opportunities for Recipients of HUD Assistance (Section 3); Executive Order 11246, Equal Employment Opportunity (for all construction contracts of over \$10,000; Executive Order 11625, Prescribing Additional Arrangements for Developing and Coordinating a National Program for Minority Business Enterprises; payments of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (whether or not completed in stages); agreeing to the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates to be included in the contract; Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations' laws and regulations; and insurance coverage and requirements covering all operations related to the project.
n	n	IV.019	Statement (affidavit) sworn by owner, developer and their shareholders, directors, officers and partners, as applicable, attesting that they have not been involved in any way (either personally or as shareholders, directors, officers, members or partners of a corporation, partnership or other form of business organization or joint venture) in any other project for which the Authority has provided any financing and /or grant (as lender, conduit, custodian of funds, or otherwise) and in which a default notice under the terms and conditions of the applicable financing documents has been issued and not cured.
n	n	IV.020	Certification issued by the Authority's Audit and Compliance Office attesting that the owner, developer and their shareholders, directors, officers and partners, as applicable, with previous participation in the program, comply with Section 42/HOME requirements and that, as of the most recent audit/compliance review, there is no outstanding finding of noncompliance (including any fees due to the Authority) in another project that received Tax Credits/HOME funds and in which they have an interest or participation.
n	n	IV.021	Statement (affidavit) sworn by owner, developer and their shareholders, directors, officers and partners, as applicable, attesting that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority and any of its affiliates or their employees, officers or agents participating in any capacity in the procurement, selection, award, or the administration of a contract or agreement supported under the QAP or the NOFA; nor with any contractors that have developed or participated in drafting specifications, requirements, statements of work, and invitations for bids or requests for proposals. If requesting HOME funds, must also attest that complies with 24 CFR 92.356(f).
n	n	G.001	Identity of Interest (Application, page 4).
n	n	G.001	List of members of the Development Team (Application, page 22)
n	n	IV.022	Resume of the Architect/Designer indicating qualifications, address, telephone number and references of projects evidencing experience with the design of projects similar to the proposed development.
n	n	IV.023	Copy of contract with Architect/Designer.
n	n	IV.024	Copy of professional license of architect or engineer in charge of design.
n	n	IV.025	Resume of the General Contractor indicating qualifications, address, telephone number and references evidencing experience with the construction of projects similar to the proposed development.
n	n	IV.026	Copy of contract with General Contractor.
n	n	IV.027	Certification of Registry of Building Contractors issued by the Department of Consumer Affairs (DACO).



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Housing Finance Authority**

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	IV.028	Resume of the Resident Inspector indicating qualifications, address, telephone number and references evidencing experience with the construction inspection or management of projects similar to the proposed development.
n	n	IV.029	Copy of contract with Resident Inspector.
n	n	IV.030	Copy of professional license of architect or engineer of the Resident Inspector.
n	n	IV.031	Resume of the Management Agent indicating qualifications, address, telephone number and references evidencing experience with the management of projects similar to the proposed development, and management of Tax Credit and/or HOME assisted units.
n	n	IV.032	Copy of contract with Management Agent.
n	n	IV.033	Resume of the Consultant Agent, if applicable.
n	n	IV.034	Copy(ies) of contract with Consultant Agent(s), if applicable, that itemizes the services to be performed by each consultant and the amount of the consultant fee for each service or group of services.
		<b>V</b>	
n	n	G.001	Sources and Uses (Application, page 15)
n	n	V.001	Schedule of monthly cash flow during construction period, including capital contributions.
n	n	G.001	Schedule of projected income and expenses during operation certified by the proposed management agent (Application, page 18).
n	n	V.002	Pro-forma with income and expense cash flow, for a 20-year period if only requesting HOME-New Construction (term for Rehabilitations with HOME funds will vary depending on the funding per unit), or 30-year or any other restrictive compliance period, showing: a feasible operation; prepared according to the applicable program underwriting standards; all income, including commercial, residential and ancillary income, vacancy adjustment, the amount of Tax Credits, HOME funds, committed PBV and/or other governmental subsidies or contributions, private equity, as well as the amount of permanent financing based on the established parameters, that a project would be eligible to receive; all expenses, including partnership distributions, debt service, non-cash expenses such as depreciation and amortization of fees and principal; reserves; and certified by the proposed management agent.
n	n	V.003	Appraisal report of site(s) and structure(s) prepared by a licensed appraiser unaffiliated with the Developer, the Development or any other entity involved with the Project, and approved by the Authority, within six months of the application.
n	n	V.004	Written unqualified endorsement from the Mayor of the Municipality or the where the project will be located; letter must indicate any municipal assistance that the project will receive.
n	n	V.005	Letter of intent and/or commitment from interim and/or permanent financing source, other than the Authority, specifying: amount and term of the loan; fixed interest rate; non-recourse nature of the loan; amortization period; and pre-payment penalties.
n	n	V.006	Loan application to PRHFA on or prior to the Tax Credit or HOME application submittal, if requesting financing from the Authority.
n		V.007	Letter of intent from syndicator or direct investor evidencing available private equity and indicating the credit price, if requesting Tax Credits.
n	n	V.008	Contract or Firm Commitment letter indicating approval of funding issued by the Rural Development Housing Service of the US Department of Agriculture for projects that are financed or sponsored by the entity.



**GOVERNMENT OF PUERTO RICO**  
Puerto Rico Housing Finance Authority

Required for LIHTC	Required for HOME	Doc Ref ID	National Housing Trust Fund Threshold Requirements and Documentation Review
n	n	V.009	Certification as to federal, State, or local subsidies received or expected to be received for the development and operation of the project; if no such governmental assistance is to be provided at the time of the application or in the future, certification to that fact; and that should other governmental assistance be sought in the future, the Authority will be notified promptly.
n	n	V.010	Copy(ies) of the contracts or firm commitment letters must be attached to the owner's certification of federal, State, or local subsidies received or expected to be received for the development and operation of the project, as applicable.
n	n	G.001	Project Development Costs (Application, pages 11, 12 and 13)
n	n	V.011	Construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328 (form not required), certified by the proposed general contractor or project designer.
	n	V.012	Agreements governing any required reserves which are capitalized at closing, if a rehabilitation project.
n	n	V.017	Justification for exceeding any of the safe harbor parameters for general contractor fees but in no circumstance, in excess of the maximum allowable aggregate amount.
n	n	V.019	Written evidence for projects claiming and/or receiving (or not) tax exemptions (e.g., property tax waivers, rental income exemptions, etc.).
			<b>Experience.</b> If proposing to use o of HOME or NHTF Developer, General Partner or Managing Partner must demonstrate successful record and full compliance participating in same capacity in the development of HOME /NHTF projects in Puerto Rico.
			Documentation required: Relevant project documentation to support experience in particular project.
			Documentation required: Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.

The Following table provides all the details of the scoring method and the required documentation:

		 <b>GOVERNMENT OF PUERTO RICO</b> Puerto Rico Housing Finance Authority				
Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
I.	<b>Project Location</b>					<b>12</b>
I.1	<b>Location.</b> A project might be awarded <b>up to 5 points</b> if located within one of the following areas:			<b>5</b>	<b>5</b>	



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Urban area defined as: Central Urban Area in the Planning Board's <i>Reglamento de la Infraestructura en el Espacio Público</i> ; or Urban Center designated by the Department of Transportation and Public Works or adopted under an Urban Center Area Plan; or a state-designated Historical Zone or federally-designated Historical District. See Annex Q of the Application Package for Reference Maps.		5			
	Documentation required: Certification of location by a licensed land surveyor, physical address and coordinates. Any project property straddling the limit of the designated urban area will be considered as located within.	I.002				
	The portion of a census tract outside an urban area, that has a rate of:					
	20% or less below poverty line.		3			
	more than 20% and less than 30% below poverty line.		2			
	more than 30% and less than 40% below poverty line.		1			
	Documentation required: Certification of location by a licensed land surveyor. Any project property straddling the limit of the census tract will be considered as located within.	I.002				
	Documentation required: Census tract number; census tract's "% Below Poverty Line" as per the Federal Financial Institutions Examination Council's (FFIEC) 2015 Census Report. (Application, page 1).	G.001				
	The zone of influence around an Urban Train Station, as defined under section 3(e) of Law 74-1965, as amended.		1			
	Documentation required: Certification of location by a licensed land surveyor, physical address and coordinates. Any project property straddling the limit of the zone of influence will be considered as located within.	I.002				
I.2	<b>Desirable Activities</b>				7	
I.2.1	<b>General.</b> Projects located within a 500 meters of the following amenities will be awarded a point each, <b>up to 5 points</b> :			5		
	Town square of an urban center.		1			
	Public park (must incorporate a passive non-sports area).		1			
	Traditional town market ( <i>plaza de mercado</i> ).		1			
	Public or licensed elementary, middle or high school.		1			
	Shopping center (100,000 square feet or more of net commercial space; no other listed use is eligible if located within a shopping mall).		1			
	Grocery store or supermarket with meat, produce and dairy.		1			
	Hospital, diagnostic and treatment center (CDT) or federally qualified health center (see <a href="http://www.hrsa.gov">www.hrsa.gov</a> ).		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Pharmacy.		1			
	Federal post office.		1			
	Public transit terminal (bus, <i>públicos</i> ).		1			
	Documentation required: Map certified by a licensed land surveyor attesting to location of the facilities and the distance along a walkable public pathway or roadway between the project's main pedestrian entrance and the closest point of a town square or park facility or a public entrance to any target facility (in case of a shopping mall, to the commercial concourse or a big box-type facility entrance). If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project.	I.002				
	Amenities must also be referenced by the market study.	III.001				
I.2.2	<b>Targeted.</b> Projects targeted to the following special needs populations located within 500 meters of the following amenities will be awarded a point for each one, <b>up to 2 points.</b>			2		
	Assisted Living		1			
	Specific documentation required: Certification from PR Dept. of Housing pursuant to the dispositions of Law 244 of September 3, 2003					
	Single headed household:					
	Grocery store with WIC contract.		1			
	Licensed or chartered child care facility.		1			
	Specific documentation required: name and physical address of facilities.	I.002				
	Specific documentation required: Evidence of inclusion in the WIC Vendor Registry published at wicpuertorico.com.	I.003				
	Specific documentation required: Child care facility charter issued by ACUDEN.	I.004				
	Elderly household:					
	Physician or dental office.		1			
	Civic center or voluntary work facility.		1			
	Specific documentation required: Name and physical address of facilities.	I.002				
	Homeless (as defined under HEARTH Act):					
	WIOA training center.		1			
	ASSMCA licensed public or private institution for the ambulatory treatment of mental disabilities, drug addiction or substance dependency.		1			
	Specific documentation required: Name and physical address of facilities.	I.002				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Specific documentation required: Authorization for WIOA training center issued by Local Workforce Development Area.	I.005				
	Specific documentation required: Copy of license issued by ASSMCA.	I.006				
	Documentation required: Map certified by a licensed land surveyor attesting to location of facilities and distance along a walkable public pathway or a roadway between the project's main pedestrian entrance and the public entrance to any target facility. If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project.	I.002				
	Amenities must also be referenced by the market study.	III.001				
	Veterans		1			
I.3	<b>Undesirable Activities.</b> Even if compliant with required environmental review, projects <b>will be discounted</b> one point for each one of the listed undesirable activities, up to a maximum of 5 points, if located:				-5	-5
	Within one-eight mile of a:					
	Junkyard.		-1			
	Landfill or dumpsite.		-1			
	Industrial site.		-1			
	Airport.		-1			
	Wastewater treatment plant.		-1			
	Adjoining a property which is or contains a:					
	Gas station.		-1			
	Auto repair, paint or tire repair shop.		-1			
	Woodworking shop.		-1			
	Unabated nuisance, as declared by a Municipality.		-1			
	Documentation required: Map prepared by a licensed land surveyor certifying due diligence by identifying any of the listed nuisances within the established distance measured along the shortest straight line between the project lot and the nuisance property. In case of a scattered-site project, the distance will have to be certified from the closest point of the project's lot closest to the identified nuisance.	I.002				
<b>II</b>	<b>Project Characteristics</b>					<b>47</b>



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
II.1	<b>Infill or nuisance.</b> Projects will be awarded one point if proposed to develop an infill site or expropriated as part of a nuisance abatement process; and one additional point, <b>up to 5 points</b> , for each non-contiguous infill site or expropriated as part of a nuisance abatement process that is incorporated into a scattered-site project, located within an area with a radius no larger than one-quarter mile. An infill site shall be defined as a site that is bound on all except one of its sides, or two of its sides in case of a corner-type property, by adjoining built-up properties, and that has immediate access to existing public infrastructure of roads, water, sewer, and power.			5	5	
	Documentation required: Aerial photograph for each infill site showing properties.	III.001				
	Documentation required: Cadastral numbers of properties (Application, page 1).	G.001				
	Documentation required: Nuisance abatement completed by Municipality supported by property deed and certification provided by Municipality.	I.007				
II.2	<b>Historic property.</b> A substantial rehabilitation project site is located in or incorporates a state designated historic property, federally designated historic place or a contributing resource to a federally designated Historic District.		3			
	Documentation required: Act citation or Planning Board's Resolution number and date in case of state designated properties; listing in the National Register of Historic Places in case of federally designated properties; or State Historic Preservation Office's (SHPO) certification of contributing resource.	I.008				
II.3	<b>Adaptive reuse.</b> The residential use is an adaptive reuse of an existing non-residential property.		1			
	Documentation required: Appraisal certifying present land use of the property.	V.003				
II.4	<b>Site Characteristics.</b>			9	9	
II.4.1	<b>Mobility.</b> Projects (or the totality of the building sites, in the case of a scattered-site project), that incorporate improvements aimed at facilitating the mobility of its residents and promoting public transportation will be awarded <b>up to 4 points</b> , as follows:		4			
	The project provides an accessible and dedicated pedestrian network within the project site to connect the building(s) main pedestrian entrance(s) with egress points on all property sides adjoining a public street.		1			
	Documentation required: Site plan certified by the project's designer identifying the proposed improvements.	II.028				
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of all non-conforming sidewalks in the perimeter of the project site		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	adjoining a public roadway, in compliance with applicable accessibility standards and local codes.					
	Documentation required: A separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes.	II.029				
	Documentation required: Approval from Municipality and competent transit authority, if applicable.	II.030				
	Documentation required: Letter from competent authority attesting the improvement is not a required off-site.	II.031				
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of transit pull-offs or public transit stops and required signage in any point of the roadway perimeter of the project site; or the provision or improvement of the sidewalks, crosswalks, refuge islands, and required signage to connect an off-site existing public transit stop with the project site, in compliance with applicable accessibility standards and local codes.		1			
	Documentation required: A separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes.	II.029				
	Documentation required: Approval from Municipality and competent transit authority, if applicable.	II.030				
	Documentation required: Letter from competent authority attesting the improvement is not a required off-site.	II.031				
	The project provides an enclosed (covered, secured room within the building limits) bicycle storage facility for residents on the ground floor with at least one bicycle rack space for every two units; and an unenclosed bicycle storage facility accessible to visitors with at least one bicycle rack space for every 10 vehicle parking spaces.		1			
	Documentation required: Ground floor plan certified by the project's designer showing location and capacity of facilities.	II.010				
II.4.2	<b>Urban Considerations.</b> A proposed development that strengthens and improves the neighborhood's general urban character may be awarded one point for each one of the following criteria, <b>up to 5 points</b> , as follows:			5	5	
	The project achieves the maximum allowable gross floor area, housing density and/or height under applicable code provisions.		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Table with applicable code provisions, maximum parameters and project parameters certified by the project's designer.	II.032				
	The parking spaces and service areas are screened from any public sidewalk or roadway by green hedges, fences or walls with a void-to-solid area ratio of 1 or less.		1			
	Documentation required: Site plan and elevation details certified by the project's designer identifying visual barriers and certifying compliance.	II.010				
	The building(s) main entrance(s) open(s) to the sidewalk of an adjoining public roadway.		1			
	Documentation required: Site plan certified by the project's designer showing the location of the building's main entrance(s).	II.010				
	The commercial spaces offered to the project tenants serve the general public and can be directly accessed from a public space.		1			
	Documentation required: Entry-level floor plan certified by the project's designer identifying commercial spaces and direct access from a public space.	II.010				
	The project dedicates an open garden or plaza to public use connected to or adjoining a sidewalk or roadway.		1			
	Documentation required: Site plan certified by the project's designer identifying public space, area and relation to a sidewalk or roadway.	II.010				
	Documentation required: Documentation supporting property dedication to public use.	II.033				
II.5	<b>Building Characteristics.</b>					
II.5.1	<b>Unit Mix.</b> Projects might earn <b>up to 2 points</b> for a unit mix preferring 2-bedroom units as follows:			2	2	
	75% or more 2-bedroom units		2			
	50% or more 2-bedroom units		1			
	Documentation required: Floor plans certified by the project's designer.	II.010				
	Documentation required: Project proforma.	V.002				
II.5.2	<b>Accessibility.</b> Exceeding the allocation required under 24 CFR 8.22(b), projects could earn <b>up to 3 points</b> for the amount of fully accessible units for mobility disabilities (compliant with requirements applicable to Type A dwellings as defined under section 1003 of ICC ANSI A117.1 (2009)), as follows:			3	3	
	at least 20% of total units are fully accessible units for mobility disabilities.		3			
	at least 15% of total units are fully accessible units for mobility disabilities.		2			
	at least 10% of total units are fully accessible units for mobility disabilities.		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Floor plans and elevations certified by the project's designer showing accessibility features required by applicable criterion.	II.010				
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with criteria.	II.004				
	Documentation required: If requesting HOME, affirmative Fair Housing Marketing Plan (similar to Annex S of the Application Package).	III.002				
II.5.3	<b>Building Amenities.</b> Projects will be awarded one point, <b>up to 5 points</b> , for each one of the following building or unit features benefiting all units and, if applicable, not required by code or a permit authority:			5	5	
	Centrally located courtyard or patio with an area of no less than 30 sq. ft. per unit directly accessible from the main entrance(s) of the building(s).		1			
	Community or meeting center with and area of no less than 15 sq. ft. per unit, with kitchen and public bathrooms.		1			
	Open balcony in each unit with an area of no less than 24 sq. ft.		1			
	Equipped exercise room(s) with an area or aggregate area of no less than 300 sq. ft.		1			
	Common laundry (ies) equipped with at least a washer-dryer pair per 15 units or washer/dryer combo provided in each unit.		1			
	Equipped playground outdoor area with visual control from the main entrance.		1			
	Night shift security guard.		1			
	Trash chutes (for mid or high rise facilities).		1			
	Storm windows or shutters in all units.		1			
	Ceiling fans for all bedrooms and living room areas.		1			
	Documentation required: Floor plans and elevations certified by the project's designer showing designated spaces, equipment, and/or floor area.	II.010				
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with applicable design criteria.	II.004				
II.6	<b>Innovative Design.</b> The Authority favors projects that advance the State Housing Plan's policy that seeks to identify, adopt and implement design, construction and rehabilitation standards and technologies that are appropriate for the island's climate, aimed at reducing construction costs and promoting energy efficiency.				14	



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
II.6.1	<b>Cost Containment.</b> The Authority's total development cost for new construction averages close to <b>\$233,607</b> for non-elderly units and <b>\$176,221</b> for elderly; substantial rehabilitation averages close to <b>\$108,579</b> and <b>\$129,123</b> , respectively. Projects that demonstrate the capacity to effectively curb costs while complying with applicable standards, threshold requirements and minimum scoring, might earn <b>up to 5 points</b> , as follows:			5		
	Total development cost per unit more than 20% below the applicable benchmark.		5			
	Total development cost per unit more than 15% below the applicable benchmark.		3			
	Total development cost per unit more than 10% below the applicable benchmark.		1			
	Documentation required: Construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328 (form not required), certified by the proposed general contractor or project designer.	V.011				
	Documentation required: Construction cost estimate prepared by a third-party (licensed Architect or Engineer, Professional Cost Estimator or a Certified Cost Professional).	V.020				
	Documentation required: Project Development Costs (Application, pages 11 and 12).	G.001				
	Required fees to cover the Authority's third-party assessment of proposed cost estimates.					
	Documentation required: Sources and Uses (Application, page 15).	G.001				
II.6.2	<b>Energy Efficiency.</b> Projects might earn <b>up to 9 points</b> by advancing energy efficiency and green design best-practices and protocols, as follows:			9		
	A point each will be awarded for any project that specifies and factors-in the initial costs of any the following:					
	All appliances initially placed in common areas and apartments, and/or building envelope products (specifically: refrigerators, bath fans, clothes washers-dryers, and/or windows, doors, and skylights), as well as their replacement are specified to be Energy Star-qualified.		1			
	Kitchen range directly vents to exterior and all hoods vent to the exterior dampered; Energy Star qualified bath fan where required with timer or humidistat.		1			
	Energy Star qualified light fixtures throughout.		1			
	All initial water conserving appliances and fixtures and their on-going replacements conform to or exceed the EPA's Water Sense standards for toilets, kitchen faucets, bathroom faucets, and showerheads.		1			
	Recycling space and equipment, including recycling bins for each apartment.		1			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Architectural drawings specifying spaces, equipment and/or systems required.	II.010				
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with criteria.	II.004				
	Documentation required: Construction cost estimates identifying initial cost of equipment.	V.020				
	Documentation required: Proposed covenant provision for on-going replacements adopting most current program standard, included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	II.026 II.027				
	Construction permit is a Green Construction Permit ( <i>Permiso de Construcción Verde</i> ) from OGPe.		3			
	Documentation required: Copy of Green Construction Permit ( <i>Permiso de Construcción Verde</i> ) from OGPe.	II.012				
	An Enterprise Green Communities' pre-build or a LEED Neighborhood Development Plan certification completed at date of application.		1			
	Documentation required: Copy of certification.	II.034				
II.7	<b>Construction Readiness. Up to 5 points</b> if requesting only Tax Credits, and <b>up to 10 points</b> , if requesting HOME funds, will be awarded if the project has one of the following:			5	5	
	Unexpired construction permit or notification of approval of the construction permit.		5			
	Documentation required: Document issued by the Permits Management Office (OGPe), an Autonomous Municipality or a <i>Profesional Autorizado</i> .	II.012				
	Urbanization permit or notification of approval of the urbanization permit, recommendations from infrastructure agencies, along with threshold environmental applicable review format and Section 106 compliance, only if project does not require HOME funding.		3			
	Documentation required: Urbanization permit and infrastructure recommendations issued by OGPe, Autonomous Municipality or a <i>Profesional Autorizado</i> , as might apply.	II.012				
	Documentation required: Applicable environmental review format (Phase I ESA, Compliance Determination with a Statutory Checklist format (for projects requiring HOME funds or rental assistance, among other programs, Environmental Assessment) filing completed with OGPe and copy of any required notice related to the specific Federal law and authority review triggered under the Compliance Determination or the Notice of Finding of No Significant Impact under the Environmental Assessment.	II.023				
	Documentation required: Compliance document issued by SHPO (e.g. Letter of no adverse effect, letter of no historic property affected by undertaking, programmatic agreement, MOU).	II.013				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Recommendations from infrastructure agencies, along with threshold environmental applicable review format and Section 106 compliance, only if project does not require HOME funding.		1			
	Documentation required: Same as under previous criterion (except for copy of Urbanization Permit).					
<b>III</b>	<b>Housing Needs Characteristics</b>					<b>14</b>
III.1	<b>Income Targeting.</b> A project might earn 3 points if at least 50% of the units in the project are targeted for households with incomes at 50% AMI.		2	2	2	
	Documentation required: Proposed covenant provision for income targeting included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	II.026 II.027				
	Documentation required: Tenant selection procedures.	III.003				
III.2	<b>Targeted Units.</b> A project will be awarded <b>up to 3 points</b> if it sets-aside the applicable percentage of units for any of the following special populations categories identified in both the State Housing Plan and the Consolidated Plan: elderly households (62 years and older); homeless persons or families as defined under the HEARTH Act; single headed households; persons with HIV/AIDS. As follows:			3	3	
	if requesting Tax Credits, at least 75% of total project units set aside for the targeted group during the length of the extended use period, or the compliance period if the project is subjected to a qualified contract process or tenant homeownership conversion (right of first refusal); if requesting HOME funds at least 75% of total project units set aside for the targeted group during the length of the HOME compliance period.		3			
	if requesting Tax Credits, at least 50% of total project units set aside for the targeted group during the length of the extended use period, or the compliance period if the project is subjected to a qualified contract process or tenant homeownership conversion (right of first refusal); if requesting HOME funds at least 50% of total project units set aside for the targeted group during the length of the HOME compliance period.		2			
	if requesting Tax Credits, at least 25% of total project units set aside for the targeted group during the length of the extended use period, or the compliance period if the project is subjected to a qualified contract process or tenant homeownership conversion (right of first refusal); if requesting HOME funds at least 25% of total project units set aside for the targeted group during the length of the HOME compliance period; and if requesting PBV, 50% of total project units excepted.		1			
	Documentation required: Proposed covenant provision for income targeting included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package), and recording the targeted set-aside for the length of the affordability period.	II.026 II.027				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: If requesting HOME, Affirmative Fair Housing Marketing Plan (similar to Annex S of the Application Package).	III.002				
	Documentation required: if requesting only Tax Credits, tenant selection procedures.	III.003				
III.3	<b>Preservation.</b> To strengthen the State Housing Plan policies that seek to maintain the stock of affordable rental housing a substantial rehabilitation project that meets the threshold expenditure level established under IRC 42(c)(3)(A)(ii), might earn <b>up to 3 points</b> if:			3	3	
	The project curbs the risk of loss due to physical condition by replacing more than one major building component, which includes roof, bearing wall, floor or foundation structures; plumbing system; electrical system; fire prevention and safety system; vertical transportation; or building envelope.		2	2	2	
	Documentation required: Comprehensive capital needs assessment certified by a licensed architect or civil engineer including the identification of the condition of major building systems and the extent of required code compliance retrofitting.	II.024				
	The project curbs a significant risk for market conversion of the tax credit or otherwise rent-assisted property; or preserves a comparable level of existing project-based rental subsidies that will expire within two years of the application date.		1	1	1	
	Documentation required: Housing market study must demonstrate the capacity of the project to compete for market rate tenants; copy of existing HAP, if applicable.	III.001				
III.4	<b>Term.</b> If requesting Tax Credits, a project might earn <b>up to 3 points</b> for extending the term of affordability beyond the extended use period of thirty years for:			3	3	
	At least 10 more years.		3			
	At least 5 more years.		1			
	Documentation required: Letter of intent to extend the initial 15-year period of compliance with the Tax Credit program's income and rent restriction requirements for a minimum of 15 additional years and sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	II.026				
	Documentation required: Project proforma.	V.002				
	<b>Term.</b> If requesting NHTF, a project might earn <b>up to 3 points</b> for extending the term of affordability beyond the extended use period of thirty years for:					
	At least 10 more years.		3			
	At least 5 more years.		1			
	Documentation required: Letter of intent to extend the initial 30-year period of compliance with the NHTF income and rent restriction and sign the Land Use Restrictive Covenant Agreement .					



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Project proforma.					
III.5	<b>Homeownership Conversion.</b> If requesting Tax Credits, a project will be awarded 1 point if proposed to be converted to tenant homeownership (right of first refusal) for the residents after the compliance period expires.		1	1	1	
	Documentation required: Letter of intent to sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package, and reflecting a right of first refusal granted to the residents.	II.026				
	Documentation required: Syndication documents with conversion provisions.	III.004				
	Documentation required: Detailed plan with projections on maintenance, reserves, homeownership training, continued affordability, sales price calculation, lease and purchase agreements, and any other relevant information to demonstrate compliance with applicable regulations.	III.005				
III.6	<b>Public Housing Agency (PHA) Waiting Lists.</b> If requesting Tax Credits, any project included in any waiting list of a public housing agency (PHA) might earn 1 point.		1	1	1	
	Documentation required: Referral agreement with the correspondent PHA to include the project in any listing of public housing opportunities where households with tenant-based subsidies are welcomed and where the project's owner or management agent agrees to actively seek referrals from the public housing authority to apply for units at the project. Also, Annex S, specifying in item 8 that "the owners will rent the units of the project to eligible families referred by the PHA from its waiting list or from their own waiting list if the PHA cannot provide adequate candidates, as determined and requested on the PHA's Administrative Plan".	III.006				
<b>IV.</b>	<b>Project Developer Characteristics</b>					9
IV.1	<b>Experience.</b> Developer, General Partner or Managing Partner can demonstrate successful record and full compliance participating in same capacity in the development of tax credit/HOME projects in Puerto Rico. <b>Up to 6 points</b> , a point will be awarded for each documented project, <b>up to a maximum of 3 projects</b> , for each one of the following comparable characteristics:			6	6	
	If proposing to use only LIHTC or HOME, project demonstrating utilization of the respective LIHTC or HOME program, or in combination with other programs; if proposing to use LIHTC and HOME combined, or in combination with any other federal or state program, project utilization of similar program mix subsidizing development costs, long-term operations or providing long-term rental assistance.		1-3			
	Similar or deeper share of income targeted populations.		1-3			



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Documentation required: Copy of HAP, IRS form 8609 for each project, as applicable.	IV.035				
	Documentation required: Relevant project documentation to support experience in particular project.	IV.036				
	Documentation required: Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.	IV.019 IV.020				
IV.2	<b>Financial Strength. Up to 3 points</b> might be awarded if developer, general partner and manager partner have:			3	3	
	Combined current liquid assets equivalent to the greater of one million dollars (\$1,000,000) or 5% of the total development costs.		2			
	Combined net worth equivalent to the greater of three million dollars (\$3,000,000) or 15% of total development costs.		1			
	Documentation required: Compiled or revised financial statements certified by a licensed accountant.	IV.016 IV.017				
	Documentation required: Sources and Uses (Application, page 15).	G.001				
<b>V.</b>	<b>Financing Characteristics</b>					13
V.1	<b>Funds Leveraging.</b> The leveraging of capital funding from public grants or non-financing sources, other than those being managed by the Authority, the Department of Housing or the Municipalities is encouraged by awarding a project <b>up to 5 points</b> as follows:			2	2	
	At least 15% of the total development cost covered by other sources of public funding.		2			
	At least 10% of the total development cost covered by other sources of public funding.		1			
	Documentation required: Sources and Uses (Application, page 15).	G.001				
	Documentation required: Binding commitment, agreement or award documentation.	V.008 V.010				
V.2	<b>Local Government Funding. Up to 5 points</b> are awarded to projects that leverage local government capital funding through cash contributions, land donated or discounted, site or off-site improvements, grants, or a municipal construction tax abatement which is granted to the project and is not available under a local or state statute of general application, with a total value of:			3	3	
	At least 5% of the total development cost.		3			
	At least 3% of the total development cost.		2			
	At least 1% of the total development cost.		1			
	Documentation required: Sources and Uses (Application, page 15).	G.001				
	Documentation required: Binding commitment, agreement or award documentation.	V.004 V.010				



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
	Document required: If applicable Ordinance, Resolution or Bid supporting property transaction.	V.021				
	Document required: Evidence of site control by Owner: earnest money agreement, option or closing statement for land and/or buildings, title, deed or leasehold agreement (99 years or more, if requesting HOME), or equivalent for Municipal land transaction.	II.008				
	Document required: If applicable, documentation supporting construction tax abatement (Ordinance and/or Resolution).	V.022				
V.2	Financing with the Puerto Rico Housing Finance Authority			3	3	
	Interim and Permanent Financing		3			
	Interim or Permanent Financing		2			
	Documentation required: Sources and Uses (Application, page 15)					
	Documentation required: Binding commitment, agreement or application documentation.					
V.4	Financing insured by the Federal Housing Administration (FHA)		2	2	2	
	Documentation required: Firm commitment letter, or agreement documentation.					
V.5	State Funding. Projects which have been contributed federal & state-owned land for redevelopment will be awarded 2 points		2	2	2	
V.3	<b>Operating Expenses.</b> A project might be awarded 1 point if it meets the corresponding operating expense requirement on a per-unit per-annum (PUPA) basis in the first year:			1	1	
	For developments with 79 units or less, a PUPA not less than \$3,000 but not more than \$3,600.		1			
	For developments with 80 to 120 units, a PUPA not less than \$2,900 but not more than \$3,400.		1			
	For developments with 121 units or more, a PUPA not less than \$2,800 but not more than \$3,400.		1			
	Documentation required: Certification provided by the management agent.	V.023				
V.4	<b>State Funding.</b> Projects which have been contributed federal or state-owned land for redevelopment will be awarded 2 points.		2	2	2	
	Documentation required: Copy of long-term lease agreement, deed, or letter of commitment.	II.008				
VI.	<b>Supportive Services</b>					5



GOVERNMENT OF PUERTO RICO  
Puerto Rico Housing Finance Authority

Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
VI.1	<b>Supportive Services.</b> To advance the public policy of the State Housing Plan to increase the provision supporting services by integrating agencies that provide these services and coordinate their actions to support permanent housing for populations with special needs, any project might earn <b>up to 5 points</b> for sustaining a funding allocation for the provision of supportive services of the type: 1) authorized under a federally subsidized program and that could be funded with resources obtained directly as a grantee in competitive or demonstrative grants, or as a recipient of rental or operational assistance (i.e. CoC, VASH, GPD, SSVF, Veteran Per Diem, CDBG, 811, 202, HOPWA, FSS Program, etc.), or indirectly as sub-grantee or provider, or by contracting the services of a sub-grantee or provider, of any state or municipally managed program (i.e.: ADFAN's CSGB, VRA's Independent Living, ASSMCA's Homeless and Chronic Mental Health, ADFAN's Adult and Person with Disabilities Services, Medicaid's Home and Community-Based Service Waivers, among other); or 2) contracted for a certified Assisted Living facility authorized under Act 244-2003, as follows:			5	5	
	Up to 5% of the project's annual operational cost for the length of the compliance period of affordability.		5			
	Up to 3% of the project's annual operational cost for the length of the compliance period of affordability.		3			
	Up to 1% of the project's annual operational cost for the length of the compliance period of affordability.		1			
	Documentation required: Project proforma.	V.002				
	Documentation required: Letter of intent to sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package), and specifying operational budget commitment for supportive services.	II.026 II.027				
	Documentation required: If available, binding commitment, agreement or award documentation.	V.008 V.010				
	On-going compliance will have to be demonstrated through: financial reporting evidencing compliance with funding commitment; and supporting documentation of managed, contracted or purchased services funded or authorized by any federally subsidized program; relevant reporting under Act 224-2003.					
	<b>Total Score</b>					<b>100</b>
	<b>Minimum Required Score</b>		<b>30</b>			
<b>VII</b>	<b>Tie Breaking Criteria</b>					
VII.1	Will favor the project that is the readiest one to proceed.					
VII.2	Will favor the project that is located in an Urban Area.					
VII.3	Will favor the project with highest debt service coverage ratio (DSCR).					



Sect	Criterion	Doc Ref ID	Score	Max	Max	Max
VII.4	Will favor the project that is located in a QCT and contributes to a concerted Community Revitalization Plan consistent with the policies of the Commonwealth or a municipality. Endorsement from competent entity must be provided, if case arises.					
VII.5	If requesting Tax Credits, will favor the project that is located in a Municipality with the longer elapsed period without tax credit allocation; if requesting HOME funds, will favor the project that is located in a non-metropolitan Municipality with the least amount of HOME funds allocated from the Authority's HOME program for Construction and Rehabilitation of Rental Housing; if requesting funds from both programs, preference will be given as listed: Tax Credits, HOME.					

3. Will the State distribute HTF funds by selecting application submitted by eligible recipients? If yes, describe all the criteria that will be used to select applications and the relative importance of these criteria. At a minimum, as required in §91.320(k)(5)(i), the selection criteria must include:

Yes

See the selection criteria described above.

*Priority based upon geographic diversity*

The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, the HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b)(1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution.

*Applicant's ability to obligate HTF funds. Applicant's ability to undertake eligible activities in a timely manner.*

See the criteria described above, under the basic threshold requirements and certain specific criteria under the scoring method which pertains to the applicant's capacity, both, financial and programmatic.

*For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families.*

See the scoring criteria described in the above tables. Section IV of the scoring method provides additional points for applicants that combine LIHTC or HOME projects that are specifically destined for long-term rental assistance.

“If proposing to use only LIHTC or HOME, project demonstrating utilization of the respective LIHTC or HOME program, or in combination with other programs; if proposing to use LIHTC and HOME combined, or in combination with any other federal or state program, project utilization of similar program mix subsidizing development costs, long-term operations or providing long-term rental assistance.” (See above, Section IV Scoring Method)

It is important to note that HTF units will include the 30 year restrictive covenants. These combined multifamily projects will provide for the preservation of affordable rental housing, particularly for extremely low families since HTF units will be required to comply with such income levels. Thus, projects which seek to increase the affordable rental housing stock will be scored favorably. Due to the limited amount of funds under HTF, leveraged funds will be the biggest portion of funds under these multifamily projects.

*For rental housing, the duration of the units' affordability period.*

All projects funded with HTF will be required to comply with a minimum of 30 years affordability restrictions. Additional points are given to projects which provide an affordability period beyond the 30 years. Proponents will be required to sign a Land Use Restrictive Covenant Agreement. (See Section III.4 of the Scoring method)

“If requesting NHTF, a project might earn up to 3 points for extending the term of affordability beyond the extended use period of thirty years” (Section III.4 of the Scoring method)

*The merits of the application in meeting the State's priority housing needs (please describe).*

The Government of Puerto Rico has established its priority housing needs in its 5 year Consolidated Plan and also in the State's Housing Plan. The Scoring Method used in the distribution and allocation of funds provides several criteria which allow applicants to receive additional points if they provide evidence that their projects follow the state's priority housing needs. For instance:

“The Authority favors projects that advance the State Housing Plan's policy that seeks to identify, adopt and implement design, construction and rehabilitation standards and technologies that are appropriate for the island's climate, aimed at reducing construction costs and promoting energy efficiency.”(Section II.6 of the Scoring Method)

“A project will be awarded up to 3 points if it sets-aside the applicable percentage of units for any of the following special populations categories identified in both the State Housing Plan and the Consolidated Plan: elderly households (62 years and older); homeless persons or families as defined under the HEARTH Act; single headed households; persons with HIV/AIDS.”(Section III.2 of the Scoring Method)

“To strengthen the State Housing Plan policies that seek to maintain the stock of affordable rental housing a substantial rehabilitation project that meets the threshold expenditure level established under IRC 42(c)(3)(A)(ii), might earn up to 3 points” (Section III.3 of the Scoring Method)

“To advance the public policy of the State Housing Plan to increase the provision supporting services by integrating agencies that provide these services and coordinate their actions to support permanent housing for populations with special needs, any project might earn up to 5 points for sustaining a funding allocation for the provision of supportive services of the type: 1) authorized under a federally subsidized program and that could be funded with resources obtained directly as a grantee in competitive or demonstrative grants, or as a recipient of rental or operational assistance (i.e. CoC, VASH, GPD, SSVF, Veteran Per Diem, CDBG, 811, 202, HOPWA, FSS Program, etc.), or indirectly as sub-grantee or provider, or by contracting the services of a sub-grantee or provider, of any state or municipally managed program (i.e.: ADFAN's CSGB, VRA's Independent Living, ASSMCA's Homeless and Chronic Mental Health, ADFAN's Adult and Person with Disabilities Services, Medicaid's Home and Community-Based Service Waivers, among other); or 2) contracted for a certified Assisted Living facility authorized under Act 244-2003” (Section VI.1 of the Scoring Method)

To see the specific points allocated to each of the priorities described above, please refer to the Point Scoring table above)

*The extent to which application makes use of non-federal funding sources.*

The Method of Distribution for the HTF program provides additional points for those applicants which are able to demonstrate that additional non-federal funds will be used in the project. For instance, Section V.1 of the Scoring Method establishes:

“The leveraging of capital funding from public grants or non-financing sources, other than those being managed by the Authority, the Department of Housing or the Municipalities is encouraged by awarding a project up to 5 point...” Moreover, Section V.2 establishes “Up to 5 points are awarded to projects that leverage local government capital funding through cash contributions, land donated or discounted, site or off-site improvements, grants, or a municipal construction tax abatement which is granted to the project and is not available under a local or state statute of general application.”

(For a complete description of the Financing Characteristics and the required documentation, please refer to the table above)

***Describe how resources will be allocated among funding categories.***

The HTF resources will be allocated for particular projects that serve HTF tenant population; these could include special needs population.

***Describe threshold factors and grant size limits.***

PRHFA will use the maximum per unit subsidy standards adopted by the State **HOME** Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216. For the PY 2016 an application or proposal will include the Basic Threshold Requirements and the additional requirements as outlined in the Method of Distribution.

The initial basic qualifications will be evaluated by the State HOME program personnel. If the project does not meet requirements for completeness, the applications will not be received. If received, only those applications that meet the joint basic threshold requirements and qualifications would be further considered for evaluation under joint the Point Ranking System.

The project location and the targeted population will be key factors in determining the grant size limit.

#### **Recipient Application Requirements- § 91.320(k)(5)(ii)**

1. *Will the State require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in § 93.200- Eligible activities?*

Yes

PRHFA will require information from participant following the basic and supplemental threshold requirements. Also a complete description of the project including resources, scope, uses of funds and other operation information.

2. *Will the State require that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements?*

Yes

#### **Performance Goals and Benchmarks- § 91.320(k)(5)(iii)**

The plan must include performance goals and benchmarks against which the State will measure its progress, consistent with the State's goals established at § 91.315(b)(2). To comply with this requirement, the State will include HTF housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens in the eCon Planning Suite consolidated plan template in IDIS.

See SP-45 & AP-20 from the original Consolidated and Annual Action Plan.

#### **VI. OTHER REQUIREMENTS**

##### **Maximum Per-unit Development Subsidy Amount- § 91.320(k)(5) and § 91.320(a)**

*The State must establish its own maximum limitations on the total amount of HTF funds that can be invested per-unit for development of non-luxury housing. The limits must be reasonable, based on actual costs, and adjusted for the number of bedrooms and geographic location of the project. The State may choose to develop its own limits or adopt limits used in other federal programs such as HOME or Low-Income Housing Tax Credit and must submit them with its HTF allocation plan. The State must submit a description of how the HTF maximum per-unit development subsidy amounts were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements.*

The Government of Puerto Rico is adopting the maximum HOME subsidy limits established in CPD Notice 15-03 for the HTF Program. These limits were adopted from Section 234 of Condominium Housing basic mortgage limits. As shown in the following table, limits vary by the number of bedrooms in the unit, and type of structure.

The most recent Federal Register on Section 234-Housing Condominium (FR 72107) establishes the following limits:

Bedrooms	Non-Elevator	Elevator	HCP	Maximum Per Unit Subsidy
0	\$55,474	\$58,378	240%	\$140,107.20
1	\$63,962	\$66,923	240%	\$160,615.20
2	\$77,140	\$81,377	240%	\$195,304.80
3	\$98,742	\$105,276	240%	\$252,662.40
4+	\$110,002	\$115,560	240%	\$277,344.00

It is important to note that San Juan is listed in the High Cost Percentage Exception List with 270%, however it is capped at 240%. The last column is the resulting maximum per unit subsidy. The PRHFA will apply these limits statewide since construction costs do not vary significantly between different geographical areas of the Island. Based on PRHFA these subsidy limits are reasonable taking into account the current construction costs and the experience of the agency with previous projects. Puerto Rico has several well-connected distribution centers which provide a constant pool of construction and building materials throughout the Island. Transportation infrastructure, along with port facilities in the north and south of the Island facilitate this process. Moreover, human resources costs are fairly similar between regions, particularly in construction related activities.

The abovementioned analysis recognizes that there exists fundamental differences between individual projects costs, but variations between municipalities or regions are not significant enough to grant a variation by region in the subsidy limits. The PRHFA understand that HOME limits are appropriate as the initial cap for the amount of HTF funds that will be potentially allocated to units.

**Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b)**

*If the State intends to use its HTF funds for housing being rehabilitated, it must establish rehabilitation standards that all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion in accordance with § 93.301(b). The standards must provide enough details on what work is required, how that work should be performed and what materials should be used. The State’s standards may refer to applicable codes or may establish requirements that exceed the minimum requirements of the codes. At a minimum, the rehabilitation standards must address:*

- Health and safety;
- Major systems;
- Lead-Based Paint;
- Accessibility;
- Disaster Mitigation;

– *State and local Codes, Ordinances, and Zoning Requirements; and*

– *Inspectable Areas and Observable Deficiencies from HUD’s Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing.*

*Indicate below if the State will use HTF funds for rehabilitation of housing.*

This section provides the minimum acceptable standards for existing multi-family household dwelling units rehabilitated in whole or in part with National Housing Trust Fund (HTF) program funds in Puerto Rico. These standards are not intended to reduce or exclude the requirements of any local or state building or housing codes, standards or ordinances that may apply. In the event of any conflicting code(s), the more restrictive code(s) will apply. These standards were designed to assist in achieving consistency for all rehabilitation activities funded with HTF funds. The goal of the Puerto Rico Housing and Finance Authority HTF program is to provide functional, safe, affordable and durable housing that meets the needs of the tenants and communities in which the housing is located. The purpose of the HTF Standards is to ensure that property rehabilitation puts each building in the best possible position to meet this goal over its extended life and that, at a minimum, all health and safety deficiencies are addressed.

The project developer will formally contract licensed architectural and engineering design professionals to provide appropriate professional services for each project. It is the responsibility of each licensed professional to assure that the scope of work is done in accordance with the generally accepted practices in the their discipline, as well as designing the project to be in full conformance with all the applicable Federal, State and local codes.

In addition, the architect or engineer will provide contract specifications which stipulate quality standards, materials choices and installation methods and standards. By meeting the various code requirements as a minimum standard, each building rehabilitation project is assured to be brought up to an acceptable level of rehabilitation. Warranties shall be required per the standard construction contracts on all materials, equipment and workmanship.

This Standard ensures that HTF assisted projects are completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as subsequent mutually agreed upon change orders during the construction process. HTF assisted projects and developers will employ best practice industry standards relating to quality assurance to verify all work completed.

#### **I. Health and Safety**

If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. These items include:

1. Air Quality - Propane/Natural Gas/Methane Gas Detected
2. Blocked Egress/Ladders
3. Electrical Hazards - Exposed Wires/Open Panels
4. Electrical Hazards - Water Leaks on/near Electrical Equipment
5. Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable

6. Missing Outlet Covers
7. Missing/Damaged/Expired Extinguishers
8. Blocked Ventilation System
9. Outlets/Switches/Cover Plates - Missing/Broken
10. Smoke Detector - Missing/Inoperable
11. Windows - Security Bars Prevent Egress

See Appendix B (UPCS) for a list of Inspectable Items and Observable Deficiencies, including the identification of life threatening deficiencies for the property site, building exterior, building systems, common areas, and units.

## **II. Expected Useful Life (Capital Needs Assessment)**

All PRHFA HTF assisted projects and developers will consider the remaining expected useful life of all building components with regard to building long term sustainability and performance. Specifically, each building component with a remaining expected useful life of less than the applicable HTF period of affordability (10, 20 or 30 years, depending on amount of HTF assistance provided) shall be considered for replacement, repair or otherwise updated. Additionally, new building components with an expected useful life of less than the period of affordability shall be considered for future replacement.

A Capital Needs Assessment (CAN) is necessary for all HTF assisted multifamily housing with 26 or more total units that determines the useful life of systems, the long terms physical needs of the project and the work to be performed. Specifications for the assessment are listed below:

1. The industry standard period for CNAs is 20 years; however, project CNAs must be updated every five years during the life of the project to ensure projected capital needs through the HTF affordability period are anticipated and planned for.
  - a. If the projects affordability period is 30 years (\$50,000 or more in assistance provided).The initial CNA will cover years 1-20. The first 5-year update will be done in year 5 and cover years 6-25. The second 5-year update will be done in year 10 and will cover years 11-30.
  - b. If a project's affordability period is 20 years (\$30,000 to \$50,000 in assistance provided). The initial CNA will cover years 1-20. The first 5-year update will be done in year 5 and cover years 6-20. The second 5-year update will be done in year 10 and will cover years 11-20
  - c. If a project's affordability period is 10 years (Under \$30,000 in assistance provided). The initial CNA will cover years 1-10. The first 5-year update will be done in year 5 and cover years 6-10.
2. HTF assisted projects and their development teams should ensure that all building components are analyzed in the CNA as part of a comprehensive effort to balance rehabilitation scope and capital planning in a way which maximizes long-term building performance as much as possible within the parameters of both development and projected operational funding available.
3. The CNA will take into account any extraordinary circumstances of the prospective occupants of the dwelling (i.e. physical, sensory, developmental disabilities) and reflect a means to address such circumstances in their inspection and in the preparation of a work write-up/project specifications for that dwelling.
4. The CNA report must be prepared by a qualified professional (architect or engineer) who has no financial

interest in the project and no identity of interest with the developer. For purposes of this document, a “qualified professional” is a licensed professional architect or engineer, who can substantiate a minimum of five (5) years’ experience providing CNA reports in accordance with PRHFA standards and who performs the assessment and supplies the PRHFA with their professional opinion of the property’s current overall physical condition. The CNA must include the identification of significant deferred maintenance, existing deficiencies, and material building code violations that affect the property’s use and its structural or mechanical integrity. Furthermore, the CNA must examine and analyze the following building components:

- a. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, storm drainage, gas and electric utilities and lines.
  - b. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system and drainage.
  - c. Interiors, including unit and common area finishes (carpeting, vinyl tile, interior walls, paint condition, etc.), unit kitchen finishes and appliances, unit bathroom finishes and fixtures and common area lobbies and corridors.
  - d. Mechanical systems, including plumbing and domestic hot water, Air Conditioning, electrical and fire protection.
  - e. Elevators (if applicable).
  - f. Provide building life cycle study that lists each building component, the base cost and opinions of probable cost immediately (critical repair item), along with an analysis of the reserves for replacement needed to fund long-term physical needs of the project, accounting for inflation, the existing reserves for replacement balance and the expected useful life of major building systems.
5. Provide written cost estimates in order that the PRHFA may and determine that costs are reasonable.
  6. The assessment will consider the presence of environmental hazards such as asbestos, lead paint and mold on the site. The assessment will include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives.
  7. If the remaining useful life of any component is less than fifty percent (50%) of the expected useful life, immediate rehabilitation will be required unless capitalized. If the remaining useful life of a component is less than the term of the affordability period, the application package must provide for a practical way to finance the future replacement of the component.
  8. The professional preparing the CNA report must:
    - a. The assessment must include a site visit and physical inspection of the interior and exterior of all units and structures, as well as an interview with available on-site property management and maintenance personnel, to inquire about past repairs, improvements and an examination of invoices, contracts or work orders relating to the repairs/improvements over the last twenty-four (24) months, pending repairs and existing or chronic physical deficiencies. Any information from the interview must be included in the CNA. The assessment must also consider the presence of hazardous materials on the site.
    - b. Identify physical deficiencies, including critical repair items, immediate physical needs and long-

term physical needs. These must include repair items that represent an immediate threat to health and safety and all other significant defects, deficiencies, items of deferred maintenance and material building code violations that would limit the expected useful life of major components or systems.

- c. Explain how the project will meet the requirements for accessibility to persons with disabilities. Identify the physical obstacles and describe methods to make the project more accessible and list needed repair items in the rehabilitation plan.
  - d. Prepare a rehabilitation plan, addressing separately all immediate and long-term physical needs.
  - e. Work Specifications and Scope of Repairs
  - f. Work specifications should include enough detail to specify each item to be repaired, the quantity of materials to be used and the exact location of each repair.
  - g. Repairs needed to correct basic safety, durability, mechanical and efficiency deficiencies.
9. All materials used must meet the Puerto Rico Building Code standard material specifications. All work must be done with skilled craftsmen and accomplished with care.
10. Upon completion of repairs, the contractor will:
- a. Remove all construction debris from the site.
  - b. Clean all floors impacted by the work.
  - c. Clean all new and existing paint from other finished surfaces including window glass and mirrors.
  - d. Leave all newly installed items in operating condition.
  - e. Start all other electrical and mechanical systems.
  - f. Put all hardware in operating condition.
  - g. Deliver new keys to homeowners for any newly installed hardware.

### **III. Major Systems**

HTF Rehabilitation assisted projects must comply with the requirements indicated in this document and the HOME Program Rehabilitation and new Construction Standards, 2015 *“Estandares de rehabilitación y nueva construcción, 2015”*.

#### **1. Site Standards**

- a. The HTF assisted project must assure that the site is safe, clean and usable, and designed with details, assemblies and materials to provide ongoing durability without undue future maintenance.
- b. Site design and engineering shall be by a qualified professional.
- c. The access to a building shall be safe, logical, readily identifiable, sheltered from the weather, and meeting the exit requirements to a public way. Pathways of circulation within a building shall also be safe and logical.
- d. Design and systems shall conform to the “Reglamento Conjunto” 2015 and the Puerto Rico Building code, 2011.
- e. Sprinkler water service – Underground water service as required for building sprinkler system shall be in accordance with NFPA 24.

- f. Sewer connections to municipal sewage systems and on-site sewage disposal must have a minimum useful life same as the affordability period.
- g. Means of egress components shall be in conformance with Chapter 10 of the International Building Code
- h. Vehicular access to public way – site design shall conform to local zoning code (“Reglamento Conjunto”) and the “Departamento de Transportación y Obras Públicas” regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety.
- i. On-site Parking – parking shall be adequate for project type, meet local codes, and be designed to drain well, with a durable appropriate surface material. Handicapped parking shall be provided as required. Designers may utilize the “Reglamento Conjunto” to determine the guidelines in the design.
- j. Pedestrian access and hardscape – In general, paved walkways within the site will be designed to provide sensible pedestrian access from the public way into the site, from parking areas, and provide access to buildings. All walkways should generally conform to applicable codes for width and slopes, and fall protection. Site stairs shall be safe and sound, constructed of durable materials, with proper rise and run, and with code approved railings as required. Accessible routes into buildings shall be provided as required by code.
- k. Site amenities – site amenities may be provided which enhance the livability of the project including playground areas, seating, benches, patio areas, picnic tables, bike racks, grills, and fencing, etc.
- l. Mailboxes - Provision will be made for USPS-approved cluster mailbox units if required by the USPS.
- m. Landscaping – lawns, ground cover, planting beds, perennial plants, shrubs and trees may be provided to enhance the livability, and to provide a positive aesthetic sense. Planting choices specified should be low maintenance, non-invasive species, of an appropriate size and scale and located, when adjacent to building structures, with regard to their size at maturity.
- n. Solid waste collection & storage – if necessary, provision shall be made for the outdoor storage and collection of solid waste and recycling materials in receptacles (dumpsters, wheeled trash cans, totes). Enclosures may be provided and should be accessible as required by code.
- o. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning code. Energy efficient lighting shall conform to the International Energy Conservation Code of Puerto Rico, 2011.
- p. The lot or defined site must be free of debris, garbage or other accumulations of site stored items that create possibilities of infestations. The site should be generally level, well drained and accessible.
- q. All exterior property and premises must be maintained in a clean, safe and sanitary condition.
- r. Drainage – assure that the grading surrounding the building will slope away from the building and drain properly, without ponding or erosion. Replacement landscaping and grading must direct water away from structures.
- s. Fencing and gates must not be damaged; missing sections or has holes per UPCS.
- t. Grounds must be erosion and rut free, not overgrown or penetrating vegetation and have functional ponding and site drainage per UPCS.
- u. Hazardous and substandard conditions include any condition that threatens the health and or safety of the occupants. Substandard conditions include any condition that threatens, defeats or will lead to the

lack of functional viability of a single feature of a home. These conditions must include but not be limited to:

- i. Accumulated debris, waste or garbage, either in enclosed areas such as storage buildings or in yard areas.
- ii. Environmental conditions such as flooding, mudslides, abnormal air pollution, smoke or dust, gas smells, sewer odor.
- iii. Eroding soil and accumulation of stagnant water
- iv. Excessive noise, vibration or vehicular traffic.
- v. Excessive accumulations of trash.
- vi. Excessive weeds or plant growth.
- vii. Fire hazards.
- viii. Deteriorated and/or irreparable outbuildings, sheds, or other structures that are no longer in use or are made unusable by their condition.
- ix. Holes, ditches, exposed meter boxes or other conditions that create a tripping hazard, excluding drainage ditches that are part of a designed drainage system.
- x. Rodents, insects or other infestations.
- xi. Grading that directs water toward any structure.
- xii. Sewer odor. Standing water or depressions that hold water during wet weather, leaking water supply, percolating or leaking sewage.
- xiii. Exposed pipes, railings or other installations creating tripping hazards.
- xiv. Damaged, missing or deteriorated walkways, steps and decks that create tripping hazards or are otherwise unsafe.
- xv. Stairways or steps with four (4) or more risers and without a functional handrail. Stairways, decks, porches, balconies and all appurtenances without proper anchorage or capable of supporting the imposed loads.
- xvi. Handrails and guards in poor condition or not properly fastened or capable of supporting normally imposed loads.
- xvii. All structures in which insects or rodents are found shall be promptly exterminated by approved processes that will not be injurious to human health. After extermination, proper precautions shall be taken to prevent re-infestation.

## **2. Interior Spaces**

- a. Means of egress components shall be in conformance with Chapter 10 of the IBC "*Means of Egress*" and Chapter 7 of NFPA 101, including complete layout of the exits, corridor and stair dimensional requirements and arrangement, doors sizes and swings, door hardware, panic exit devices, door self-closers, interior finishes, walking surfaces, fire separations, stair enclosures, guards and railings, ramps, occupant load calculations, illumination, and signage.
- b. Minimum Space and Use Standards
  - i. The dwelling unit must have a living room, a kitchen area and a bathroom.
  - ii. Dwelling units shall not be occupied above the maximum occupant load of space requirements according to the PRBC 1021.2.

c. Minimum Standards for Ceilings

- i. Habitable spaces including hallways, corridors, shall have a ceiling height of no less than eight feet (8'), laundry areas, bathrooms, toilet rooms and kitchens may have a ceiling height of not less than seven feet six inches (7'-6") according to the PRBC 1208.2, unless the following exceptions:
  - o Where beams or girders are spaced not less than four (4) feet on center and project not more than six (6") inches below the required ceiling height.
  - o If any room in a building has a slope ceiling, the prescribed ceiling height for the room is required at the lower level of the ceiling. Any portion of the room measuring less than five feet (5') from the finished floor to the ceiling shall not be included in any computation of the minimum area thereof.

d. Minimum Room Widths

- i. Habitable rooms, other than kitchens, shall not be less than seven feet (7') wide in any plan dimension according to the IBC 1208.1.
- ii. Kitchens shall have a minimum floor area of fifty square feet and shall provide clear passageways of not less than three feet (3') between counter fronts, counter fronts and appliances or counter fronts and walls according to the IBC 1208.1
- iii. All kitchens must have a working refrigerator, cook-top and oven. All equipment must be in proper operating condition.
- iv. The kitchen must have a sink in proper operating condition, with a sink trap and hot and cold running water connected, to an approvable water supply system and an approvable sewer disposal system.
- v. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (i.e. garbage cans).

e. Minimum Standards for Bathrooms

- i. Each dwelling unit will have a functional and code compliant bathroom in accordance with IBC 1210
- ii. The bathroom must be located in a separate private room with lockable doors.
- iii. The bathroom must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water. The kitchen sink cannot be used as the required lavatory or basin.
- iv. The bathroom must have a tub or shower in proper operating condition with hot and cold running water.
- v. A flush toilet in proper operating condition is required.
- vi. The bathtub and or shower may be in the same room as the flush toilet, water closet and lavatory or basin or said bathtub or shower may be in a separate room. The facilities must utilize an approvable water supply system and an approvable waste water disposal system.

f. Minimum Standards for Bedrooms

- i. Every bedroom shall have a minimum area of 120 square feet according to the IBC 1208.3.

- ii. Efficiency Units minimum area is 220 square feet plus 100 square feet for every additional occupant according to the IBC 1208.4.
  - iii. Every bedroom shall have access to at least one (1) water closet and one (1) lavatory without passing through another bedroom. Every bedroom in a dwelling unit shall have access to at least one (1) water closet and lavatory located within one (1) story (floor) from the story in which the bedroom is located.
  - iv. Bedrooms must not constitute the only means of access to other bedrooms or habitable spaces and shall not serve as the only means of egress from other habitable spaces, except when the unit contains fewer than two (2) bedrooms.
- g. Minimum Standards for Living Rooms
- i. Living rooms shall have a minimum area of 120 square feet
- h. Storage - adequate clothes closets, pantry and general storage shall be provided.
- i. Amenity Spaces - provision for laundry facilities, bike storage, trash & recycling, and other utility or common spaces may be made in accordance with the goals of the project program. The project developers are encouraged to consider adding such amenities as may be appropriate to enhance the livability of the housing for the tenants.

### **3. Structure**

- a. A qualified professional shall examine each building's load-bearing structure, and assess its existing condition to determine suitability of continued use.
- b. In general, structure evaluation and design shall be in conformance with IBC Chapter 16 and the American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures (ASCE 10), 2013.
- c. In most residential rehabilitation projects where there is no change in use, it is not expected that the structure will be brought up to new construction standards. Consideration shall be given if there are any proposed changes in use which would impact the occupancy load.
- d. Deficiencies identified shall be addressed and repairs will be designed and specified as determined necessary to correct such conditions:
  - i. Repairs shall be made to any deteriorated load-bearing structural elements.
  - ii. Reinforce, install supplemental or replace structural members determined not to be adequate for use.
  - iii. The minimum life expectancy of repairs to the structural elements must be same as the affordability period.

### **4. Foundations**

- a. Existing foundations shall be examined by qualified professionals
- b. All foundation walls shall be maintained free from open cracks, broken components or deterioration which may compromise the load bearing structural integrity.
- c. New below-grade structures to conform to Chapter 18 of IBC "*Soils and Foundation*" as appropriate.

- d. All newly installed foundations should be designed and constructed in accordance with the Puerto Rico Building Code.
- e. The minimum life expectancy of repairs to the foundation must be same as the affordability period.
- f. Basement floors
  - i. Mechanical rooms - Provide sound concrete floors with raised housekeeping pads for equipment.
  - ii. Tenant accessed utility spaces (storage, laundry rooms, etc.) – provide sound concrete floors.
  - iii. Where earthen floors are to remain, provide wear layer of peastone (or similar suitable material) over vapor barriers.
- g. Moisture mitigation
  - i. Provide waterproofing or damp proofing as appropriate where possible and as may be required by existing conditions of groundwater and stormwater intrusion into subsurface portions of buildings.
  - ii. Provide vapor barriers covered with a wear layer of peastone over earthen basement or crawl space floors to remain.
  - iii. Ventilation of basements and crawl spaces per IBC, Chapter 1203.

## **5. Floors**

- a. Minimum Floor System Standards
  - i. All flooring must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts or other serious damage.
  - ii. All sub-floors should be solid and continuous, without liberal movement or bounce, free from deterioration.
  - iii. All flooring must be free from tripping hazards with a minimum of seams spaced at logical locations, such as doorways and matched to the existing floor.
  - iv. All flooring must be sealed and tight at the edges.
  - v. All floors shall be covered with water resistant flooring.
  - vi. Basement floors should be continuous concrete. If not, certain appliances located in this area will be properly elevated above grade with concrete blocks.
  - vii. The minimum life expectancy of repairs to flooring must be same as the affordability period.

## **6. Walls**

- a. Minimum Wall System Standards
  - i. The minimum life expectancy of repairs to structural walls, interior walls, interior surfaces, exterior surfaces and firewalls, must be same as the affordability period
  - ii. All walls including doors and windows should be maintained in good, sanitary condition and free from any serious defects such as severe bulging or leaning, holes, cracks, breaks, loose surface materials, severe buckling, missing parts, rotting materials, chipped, cracked or peeling paint, falling cement plaster or other serious damage.

- iii. Exterior wall surfaces should be free from chipped, cracking or peeling paint. All such loose paint should be properly prepared, primed, properly painted and maintained weatherproof and properly surface coated where required to prevent deterioration.
- iv. Interior wall surfaces, including doors and windows, shall be maintained in good, sanitary condition and free from chipping, cracking or peeling paint with no loose, cracked or falling cement plaster.
- v. All such loose paint should be completely removed and surfaces primed. All primed surfaces should be properly painted.

## **7. Roofs**

- a. Minimum Roof Systems Standards
  - i. The roof and cap flashings must be structurally sound and weather tight.
  - ii. Roof surfaces should be free from defects. No indication of excessive wear or potential failure will be acceptable.
  - iii. Roof drainage must be adequate to prevent dampness or deterioration in the walls and interior portion of the structure.
  - iv. Roof drains, gutters and downspouts must be in good repair and free from obstructions.
  - v. Roof water discharge shall not be directed toward foundations, splash blocks must be included where necessary.
  - vi. The minimum life expectancy of repairs must be same as the affordability period.

## **8. Windows and Doors**

- a. Minimum Window and Door Standards
  - i. Every window and door must meet egress requirements (IBC Chapter 10) for dimensions, swing and clearances, and be accessibility (ADA) compliant as required.
  - ii. Every window, exterior door and basement or cellar hatchway must be substantially tight, water and rodent proof and be kept in a state of maintenance and repair.
  - iii. All exterior doors to the outside or to a common public hall must be solid core and be equipped with adequate security locks. All windows accessible from ground level must be lockable.
  - iv. Every exterior and interior door, when closed, must fit tightly within its frame.
  - v. Every exterior and interior door, door hinge and door latch and/or lock must be maintained in good working condition.
  - vi. Every exterior window, door and frame must be constructed and maintained in such a manner as to be weather tight with adequate weather stripping.
  - vii. All doors and windows must be capable of providing adequate seal against air infiltration, weather elements, and be determined to be appropriately energy efficient in keeping with the overall energy efficiency strategy of the project.
  - viii. Every basement or cellar hatchway must be constructed and maintained as to prevent the entrance of rodents, vermin, rain and surface drainage water into the dwelling or structure.

- ix. Natural ventilation shall be through windows, doors, louvers or other approved openings to the outdoor air. Such openings shall be provided with ready access or shall otherwise be readily controllable by the building occupants.
  - x. A kitchen and or bathroom may pass without a window area provided there is a mechanical means of ventilation which is maintained in working order.
  - xi. The requirements for emergency egress from sleeping rooms must be per the Puerto Rico Building Code 1018.1.
  - xii. Every window or other opening to outdoor space which is used or intended to be used for ventilation must likewise be supplied with screens covering the entire window areas required for ventilation. The material used for all such screens (doors and windows) must be not less than sixteen (16) mesh per twenty-five (25) mm and must be properly installed, maintained and repaired to prevent the entrance of flies, mosquitoes or other insects. Half screens on windows may be allowed provided they are properly installed and are bug and insect tight.
- b. Existing doors and windows
- i. Doors and windows to remain should be examined and determined to be suitable for reuse with a minimum remaining useful life the same as affordability period and repaired if necessary
  - ii. Repaired doors and windows shall be tested and modified as necessary to operate properly. Hardware shall be intact and operational, or be replaced with new hardware as required
  - iii. Where existing doors or windows do not meet the standards for egress, condition, and/or energy efficiency deemed appropriate to the project, they shall be replaced by new windows.
- b. New doors and windows
- i. New doors and windows shall be code compliant, and conform with the IBC Chapter 10 *“Means of Egress”*, Puerto Rico Building Code 2011, and the International Energy Conservation Code of Puerto Rico, 2011.
  - ii. All doors and windows shall be installed per manufacturer’s installation guidelines and specifications, and shall incorporate appropriate detail, flashings, joint sealers, and air sealing techniques.
  - iii. Replacement of doors (both interior and exterior) and windows must have a minimum life expectancy the same as the affordability period.

## 9. Electrical

- a. Project electrical design should be done by a licensed electrical engineer, or other qualified professional.
- b. Project electrical must be installed by a licensed electrician
- c. Design shall be comply with Fire Code of Puerto Rico, 2011, the International electrical Code, 2011 and the International Energy Conservation Code of Puerto Rico, 2011 and the National Fire Protection Association codes.
- d. In general, the electrical system should be new throughout a building:
  - i. Where existing service entrances, disconnects, meters, distribution wiring, panels, and devices are proposed to remain, they will be examined and determined to be in good condition, code

compliant and have a minimum remaining useful life of the affordability period. The designer, in concert with the electrical inspector, shall examine the system and equipment. Existing components of the electrical system may be reused as appropriate. Substandard or critical non-code compliant components shall be replaced.

- e. Electrical service and metering:
  - i. The service entrance size shall be calculated to handle the proposed electrical loads.
  - ii. Metering and disconnects shall be per code and mounted at approved locations.
- f. Electrical distribution system:
  - i. Lighting and receptacle circuits shall be designed per code.
  - ii. Locations and layout of devices and lighting to be logical and accessibility compliant where required.
  - iii. Provision shall be made for the wiring of dedicated equipment circuits and connections for heating, ventilation equipment/exhaust fans, pumps, appliances, etc.
- g. Developers are encouraged to upgrade to Energy Star® Category.
- h. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
- i. Emergency and exit lighting/illuminated signage shall be per the NFPA 101, Life Safety Code.
- j. Fire detection and alarms:
  - i. Shall be installed as required by code: NFPA 101, Chapters 9.6, 30.3.4 and/or 31.3.4, and comply with NFPA 72, and NFPA 1.
  - ii. Smoke detectors shall be installed per NFPA 30.3.4.5 and 9.6.2.10.
  - iii. Each dwelling unit must have at least one (1) hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit on the ceiling or wall outside of each separate sleeping area in the immediate vicinity of bedrooms, including basements but excepting crawl spaces and unfinished attics.
  - iv. Smoke detectors must be installed in each room used for sleeping purposes.
  - v. If the dwelling unit is occupied by any hearing impaired person, smoke detectors must have an alarm system, designed for hearing impaired persons as specified in the National Fire Protection Standard.
  - vi. CO detectors shall be installed per Fire Code of Puerto Rico, 2011 and NFPA 101, Chapter 30.3.4.6 and NFPA 720.
  - vii. Where required – system annunciation shall be in accordance with NFPA 1.
- k. Communication low-voltage wiring – provisions for TV, telephone, internet data, security, and intercoms should be considered and installed as appropriate to the project's use and livability.
- l. Optional solar powered photovoltaic panel system may be installed in accordance with the International Energy Conservation Code of Puerto Rico, 2011.

## 10. Mechanical

- a. All mechanical systems shall be designed by a mechanical engineer or other qualified professional.
- b. All mechanical systems shall meet all applicable codes such as International Plumbing Code of Puerto Rico, 2011, Mechanical Code of Puerto Rico, 2011, Fuel and Gas Code of Puerto Rico, 2011, International Energy Conservation Code of Puerto Rico, 2011, Fire Code of Puerto Rico, 2011, and the National Fire Protection Association codes.
- c. Fire protection
  - i. In general, all buildings assisted with HTF funds shall have fire suppression as required by the Puerto Rico Fire Department with approved sprinkler systems installed as required by NFPA 101
  - ii. System design to conform to applicable NFPA standard 13 or 13R
  - iii. Underground water services for sprinkler system shall meet NFPA 24
  - iv. Provide fire pumps, standpipes, and fire department connection as required per NFPA 13, 14 & 25.
  - v. Where possible, piping for the sprinkler system shall be concealed.
- d. Plumbing
  - i. Where existing components of a system are to be reused, they will be examined and determined to be in good condition, code compliant and with the International Plumbing Code of Puerto Rico, 2011, have a remaining useful life of the applicable affordability period. Critical non-code compliant components shall be replaced.
  - ii. All fixtures, piping fittings and equipment shall be lead-free.
  - iii. Kitchen fixtures – When existing kitchen fixtures are not in good condition, new sinks and faucets, and associated plumbing shall be installed in each apartment.
  - iv. Bath fixtures – When existing bath fixtures are not in good condition, new water saving toilets, tubs and tub surrounds, lavatory sinks, and faucets shall be installed in each apartment.
  - v. Three and four-bedroom apartments are encouraged to be designed to include 1½ baths minimum where adequate space is available.
  - vi. Provision for laundry rooms or laundry hook-ups may be made per project’s program requirements.
  - vii. Provision for other utility plumbing for janitor sinks, floor drains, outdoor faucets, drains for dehumidification systems, etc., may be made as desired or required.
- e. Ventilation
  - i. Indoor air quality will be addressed by the installation of either exhaust only or balanced ventilation systems as required by the Mechanical Code of Puerto Rico, 2011, Fuel and International Energy Conservation Code of Puerto Rico, 2011, Fire Code of Puerto Rico, 2011, and the National Fire Protection Association codes.
  - ii. Air Conditioning systems must be designed per the Mechanical Code of Puerto Rico, 2011 and the International Mechanical Code. Energy Conservation measures are recommended.
  - iii. Dwelling units must have access to natural ventilation. Bedrooms must have the provision for the installation of an air conditioning unit if applicable.

- iv. Balanced mechanical ventilation systems are encouraged.
- v. Ventilation controls shall be per applicable codes.
- f. Domestic Hot Water:
  - i. Hot water system shall be designed as required by the Puerto Rico Building Code P2801.
  - ii. Water heating facilities shall be properly installed in accordance with manufacturer's installation and per code requirements, be maintained and capable of providing an adequate amount of water to be drawn at every required sink, lavatory, bathtub, shower and laundry facility at a temperature of not less than 110 degrees Fahrenheit.
  - iii. The water supply system shall be installed and maintained to provide a supply of water to plumbing fixtures, devices and appliances in sufficient volume and at pressures adequate to enable the fixtures to function properly, safely and free from defects and leaks. Each unit should be equipped with a functioning pressure release valve and temperature release valve.
- g. Water supply and Waste Water
  - i. A potable water supply system shall be installed so as to prevent contamination. Every dwelling unit must have an accessible and properly functioning main shut-off valve with a provision for discharge near the water service entrance point.
  - ii. Supply lines and fittings for every plumbing fixture shall be installed to prevent backflow.
  - iii. All galvanized piping is to be replaced. Deteriorated, rotted, broken or otherwise worn water supply, vent pipes or waste water pipes must be replaced.
  - iv. All deteriorated, blocked, inoperable or leaky equipment shall be repaired or replaced.
  - v. Every dwelling unit must contain a bathtub or shower that is properly connected to both hot and cold running water lines under pressure and must be maintained in working order. Faucets shut off valves and plumbing lines should be maintained free from leaks or drips and should be capable of shutting off completely. New tub and shower valves must have balanced pressure thermostatic valves.
  - vi. Existing plumbing equipment and fixtures and repairs must be inspected for durable condition. Replacement fixtures must have a life expectancy of a minimum of twenty (20) years.
  - vii. Connection to a continuously functioning sanitary wastewater disposal system.
- h. Elevators
  - i. If a HTF assisted multifamily project has 4 floors or more, a minimum of two elevators must be installed.
  - ii. Elevators must be installed per code NFPA 101, Chapter 9.4 and must comply with the International Building Code Chapter 30 "*Elevators and Conveying Systems*" and Chapter 10 "*Means of Egress*" as indicated in the Puerto Rico Building Code, 2011.
  - iii. Existing elevators and lifts may be retained if they are appropriate to the use of the building and in serviceable condition with a minimum expected useful life of the affordability period.

## **11. Furnishing, Fixtures and Appliances**

- a. Signage and identification

- i. Building signage shall be provided. Including building address, apartments' identification, building directory, exits, stairways, common and utility spaces, etc. shall be in conformance with NFPA 101 Life Safety Code, and be accessibility compliant.
  - ii. Exit signage will be provided as required by code and be accessibility (ADA) compliant as required.
- b. Fire protection specialties
  - i. Provide fire extinguishers in buildings, and in apartments as required by Fire Code of Puerto Rico, 2011 and as directed by the Puerto Rico Fire Department.
- c. Equipment
  - i. All new equipment to be ENERGY STAR® rated.
  - ii. Existing equipment to be retained and continued to be used shall be in serviceable condition with a minimum expected lifetime as the affordability period.
  - iii. Equipment shall conform to the International Energy Conservation Code of Puerto Rico, 2011
- d. Toilet accessories
  - i. Each bath will have appropriate accessories such as towel bars, robe hooks, bath tissue holders, etc., installed and securely fastened in place. Accessories shall be located per accessibility requirements (ADA) where necessary.
  - ii. Medicine cabinets and mirrors – install in each apartment bath as appropriate.
- e. Shelving must be durable and cleanable. Include shelving for pantries, linen closets, clothes closets and other storage as appropriate, securely fastened in place.
- f. Kitchen appliances
  - i. Provide new, full-size (30", 4 burner) stove and refrigerator in each apartment.
  - ii. Existing appliances to be reused shall be in good and serviceable condition.
  - iii. Provide other appliances (such as microwaves) as may be appropriate to the project.
  - iv. All appliances in accessible (ADA) apartment units shall be accessibility compliant, and located in an arrangement providing required clear floor spaces.
- g. Laundries may be included where adequate space is available and when appropriate to meet the project goals. Washers and dryers may be provided in laundry rooms or in apartments.
- h. Playground equipment, if applicable, must be safe and code-approved.
- i. Existing Kitchen cabinetry or countertops proposed to remain shall be in good condition with a minimum remaining useful life same as the affordability period.
- j. New Kitchen cabinetry and counters shall be of good quality and be provided with a cleanable sanitary surface material impervious to water such as high pressure laminate (HPL).
- k. Shop fabricated as one piece assembly where possible. Seal field joints.
  - l. Installed level and securely fastened to cabinetry
- m. Bath cabinetry and vanity lavatory tops, when used, should be one piece integral bowl with integral backsplash

## **12. Finishes**

- a. Interior Finishes

- i. In general, all interior finishes will be new and installed per manufacturer's recommendations and the standards of quality construction per trade practices and associations related to the particular product or trade, and per Chapter 8 of the IBC "*Interior Finishes*" as instructed by the Puerto Rico Building Code, 2011.
  - ii. Walls & ceilings - Where existing finishes are proposed to remain, they will be determined to meet the standard of being sound, durable, lead-safe, and have a remaining useful life of no less than the affordability period.
  - iii. Flooring - All new flooring materials (resilient flooring, wood flooring, laminate flooring, carpet, and/or ceramic tile) shall be installed over suitable substrates per manufacturer's specs and the trade association practices.
  - iv. Paint - In general, all interior ceiling, wall, and trim surfaces shall receive renewed coatings of paint (or other clear/stain) finishes. Painting shall be done in a workmanlike manner, and in accordance with the manufacturer's recommendations. All painting including preparation of existing surfaces shall be done in a lead-safe manner.
  - v. Acoustical Treatments – Dwelling units separated acoustically using Section 1207 of the IBC as a guideline minimum standard.
- b. Exterior Finishes
- i. All exterior finishes must comply with Chapter 14 of the IBC "*Exterior Walls*" as instructed by the Puerto Rico Building Code, 2011.
  - ii. Paint
    - In general, all existing exterior concrete or wood surfaces shall receive new paint coatings, except as appropriate due to the recent application of paint or the sound condition of existing coatings
    - Examine surfaces and apply paint only to sound acceptable materials and surfaces.
    - Prepare surfaces properly, removing loose or peeling previous paint.
    - Paint prep shall be done in accordance with applicable lead safe standards.
    - Before painting, assure that any moisture issues which may compromise the life expectancy of the paint system are remedied.
    - Exterior paint systems shall be compatible, and installed in accordance with manufacturers' specifications.
  - i. Porches, decks, balconies and steps
    - Existing porches, decks, balconies, steps and railings proposed to remain shall be examined and repaired as necessary. Repair and reconstruction shall be carried out to assure that they will have a continued useful life of the remaining affordability period.
    - Inspect structure for soundness and reconstruct any deteriorated members as required.
    - Install new support piers as may be required.
    - Patch existing decking with matching materials, or install new durable decking.
    - Railings shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate. Railings shall meet code requirements for height of protective guards, or have supplemental guards installed.

- Steps shall be safe and sound and meet applicable codes, with railings as necessary.
- All balconies and porch elements shall be able to withstand the weather elements to prevent premature deterioration.

## **12. Construction Materials**

Please refer to the HOME Program Rehabilitation and new Construction Standards, 2015 *“Estándares de rehabilitación y Nueva Construcción, 2015”*, for particular requirements in multifamily housing and the Technical Specifications, 2006 of the HOME Program Rehabilitation and New Construction division for structural and material specifications regarding particular construction methodologies in Puerto Rico.

## **IV. Lead Based Paint**

All HTF funded projects must conform to all applicable provisions of 24 CFR Part 35 regarding lead-based paint. HTF assisted projects must also conform to all Puerto Rico laws and regulations, as well as EPA requirements regarding lead-based paint, including protection of workers who may be exposed to lead paint during the construction process. Some provisions include:

1. All homes constructed before January 1, 1978 will be evaluated for lead based paint hazards. Evaluation will be done by a qualified, certified or licensed person as required under the regulations at 24 CFR 35. A qualified lead based paint inspector or risk assessor is certified or regulated by a state or local health or housing agency or an organization recognized by HUD.
2. As required under 24 CFR 35, 24 CFR 570.608, 24 CFR 982.401 all lead based hazards will be identified and reduced through paint stabilization, interim controls or abatement as required.
3. Safe work practices will be followed at all times in a manner which insures the health and safety of workers and residents, especially children
4. During lead hazard reduction efforts, the work area will be sealed and the family will be protected or relocated as required by the regulations.
5. Final Clearance will be achieved on all lead hazard reduction activities as required under the regulations.
6. Applicable Federal Regulations must be employed, such as:
  - a. HUD Lead Safe Housing Rule (Title 24, Part 35) requires various levels of evaluation and treatment of lead paint hazards when federal money is used for rehabilitation of target housing.
  - b. EPA Renovation Repair and Painting Rule (40 CFR Part 745) – Requires contractors conducting renovation, repair or maintenance that disturbs paint in target housing or child occupied facilities to be licensed by EPA and use lead safe work practices to complete the work. Developers must ensure contractors are properly trained and licensed.
  - c. HUD/EPA Disclosure Regulations (Title 24, Part 35, Subpart A) – Requires owners of target housing to disclose all lead paint records and related information to potential buyers and/or tenants.
  - d. OSHA Lead in Construction Rule (29 CFR Part 1926.62) - Proscribes personal protection measures to be taken when workers are exposed to any lead during construction projects.

## **V. Accessibility**

Housing that is rehabilitated with HTF funds must meet all applicable federal and state regulations regarding accessibility for persons with disabilities. An overview of these requirements is provided below; however, the

applicability of these rules is complex and therefore it is recommended that developers seeking HTF funds consult with a qualified design professional.

#### General Requirements:

1. Projects shall meet applicable Federal and Local Regulations and Rules
2. The number of accessible apartment units shall be determined by the code requirements
3. Projects shall comply with the American's with Disabilities Act (ADA), Title II (for public entities) and Title III (for places of public accommodations) implemented at 24 CFR parts 35 and 36, and 2010 ADA Standard for Accessible Design and attendant Design Guide (DOJ), as applicable
4. Projects, if applicable, shall comply with the Fair Housing Act, which states in part that covered multifamily dwellings as defined by HUD's implementing regulations at 24 CFR 100.201 must meet the design requirements at 24 CFR 100.205.
5. Projects, if applicable, shall comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8.
6. For "substantial" rehabilitation (projects with 15 or more total units and the cost of rehabilitation is 75% or more of the replacement cost):
  - a. At least 5% of the units (1 minimum) must be made fully accessible for persons with mobility impairments based on the Uniform Federal Accessibility Standards (UFAS).
  - b. In addition, at least 2% of the units (1 additional unit minimum) must be made accessible for persons with sensory impairments.
  - c. Common spaces must be made accessible to the greatest extent feasible
7. For projects with "less-than-substantial" rehabilitation (anything less than "substantial"), the project must be made accessible to the greatest extent feasible until 5% of the units are physically accessible, and common spaces should be made accessible as much as possible.

#### **VI. Disaster Mitigation**

To the extent applicable or relevant, the housing must be improved to mitigate the potential impact of potential disasters (e.g. earthquakes, hurricanes, floods, wildfires, extended power outages) in accordance with state or local codes, ordinances, and requirements, or such other requirements that HUD may establish.

1. Projects shall meet FEMA federal regulation, and HUDs' floodplain management requirements at 24 CFR 55, including the 8-Step Floodplain Management Process (when applicable) at 24 CFR 55.20.
2. Projects shall meet the Puerto Rico Building Code regulations Section 1613 for Earthquake Loads protection; and the American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures ASCE 10 Section 9.0.
3. Projects shall meet the American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures ASCE 10 Section 9.13.6.2.3 for Hurricane (Wind Force) protection.

#### **VII. State and Local Codes, Ordinances, and Zoning Requirements.**

Eligible Projects must meet all applicable international and local codes, ordinances and requirements. In the absence of state or local building codes, the housing must meet the International Building Code of the International Code Council.

All work shall comply with all applicable international and Puerto Rico local codes, ordinances, regulations and zoning requirements.

Applicable state codes include but are not limited to:

1. Reglamento Conjunto para la Evaluación y Expedición de Permisos Relacionados al Desarrollo u uso De Terreno, 2015
2. Puerto Rico Building Code, 2011
3. International Building Code (IBC), 2015
4. Residential Code for One and Two Family Dwellings of Puerto Rico, 2011
5. Fire Code of Puerto Rico, 2011
6. National Fire Protection Association (NFPA), 2015
7. Mechanical Code of Puerto Rico, 2011
8. International Plumbing Code of Puerto Rico, 2011
9. Fuel and Gas Code of Puerto Rico, 2011
10. International Energy Conservation Code of Puerto Rico, 2011
11. Existing Puerto Rico Building Code, 2011
12. Private Sewage Disposal Code of Puerto Rico, 2011
13. American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures (ASCE 10), 2013.
14. Fair Housing Act Design Manual, 1998
15. Section 504 of the Rehabilitation Act
16. Americans with Disabilities Act Design Standards, 2010
17. 29 CFR Part 1910 Occupational Safety and Health Administration (OSHA)

Please note that the PRHFA HTF assisted project must demonstrate compliance with all local codes. The HTF Standards are designed to exceed the Uniform Physical Condition Standards (UPCS) and ensure that upon completion the HTF assisted project and units will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. See Appendix B (UPCS) for a list of Inspectable Items and Observable Deficiencies, including descriptions of the type and degree of deficiency for each item that any HTF assisted project must address, at a minimum.

#### **VIII. Uniform Physical Condition Standards (UPCS)**

Housing assisted with HTF funds and which are placed in service must follow property standards which include all inspectable items and inspectable areas specified by the US Department of Housing and Urban Development (HUD) based on the HUD physical inspection procedures, known as the Uniform Physical Condition Standards (UPCS) prescribed by HUD pursuant to 24 CFR Part 5.703. These standards address the major areas of the HUD housing: the site, the building exterior, the building systems, the dwelling units, the common areas, and health and safety considerations. The Uniform Physical Condition Standard (UPCS) responds to inspectable items and observable deficiencies for the site, building exterior, building systems (multifamily housing only), and common areas (multifamily housing only).

All HTF assisted projects must ensure that the housing will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. The PRHFA will adopt and create a specific variation of the Uniform Physical Condition Standard (UPCS) incorporating the specific construction methodologies and materials utilized in Puerto Rico. Each performance requirement has an established acceptability criteria for determining the minimum acceptable conditions. The inspection staff of the PRHFA will be qualified to perform the assessment of the UPCS Variation and employ “good judgment” when an evaluation criteria may be open for interpretation.

Please refer to the HOME Program Rehabilitation and new Construction Standards, 2015 “*Estándares de rehabilitación y Nueva Construcción, 2015*”, for particular requirements in multifamily housing and the Technical Specifications, 2006 of the HOME Program Rehabilitation and New Construction division for structural and material specifications regarding particular construction methodologies in Puerto Rico.

See appendix B for a complete list of items regarding the Uniform Physical Condition Standard for Multifamily Rehabilitation, and Appendix B for the Uniform Physical Condition Standard for Single Family Rehabilitation.

### **IX. Energy Efficiency**

1. All additions, alterations or renovations shall comply with latest local building and the International Energy Conservation Code of Puerto Rico, 2011
2. Comply with Energy Star standards and above code where feasible and contributing to significant energy savings.
3. If possible, avoid or minimize air-conditioning with natural ventilation or other passive cooling strategy. Ensure that adequate cooling and ventilation is included in all elderly developments.
4. Consider renewable energy sources such as solar thermal collectors, photovoltaics (or pre-wire and provide adequate roof structure so that systems can be added when feasible), using research grants and rebates when possible.

### **X. Historic Buildings**

Any building or structure that is listed in the State or National Register of Historic Places, designated as a historic property under local or state designation law or survey, certified as a contributing resource with a National Register listed or locally designated historic district and is considered a Historic Building by the State Historic Preservation Office; shall be rehabilitated in a manner consistent with the requirements of Section 106 of the National Historic Preservation Act and any imposed guidelines by the Institute of Puerto Rican Culture and the State Historic Preservation Office. It shall comply with Existing Puerto Rico Building Code, 2011 and with NFPA 101, Chapter 43.10.4

For additional information regarding to the HTF Rehabilitation Standards, see Appendix B.

**Resale and/or Recapture Provisions- § 91.320(k)(5)(v) and § 93.304(f)**

*If the State intends to use HTF funds to assist first-time homebuyers, it must set forth the guidelines for resale or recapture and obtain HUD specific, written approval, as required in §93.304(f). Approval of the consolidated plan or annual action plan under § 91.500 or the failure to disapprove the consolidated plan or annual action plan does not satisfy the requirement for specific HUD approval for resale or recapture guidelines.*

**HTF Affordable Homeownership Limits- § 91.320(k)(5)(vi) and § 93.305**

*HTF funds may only be invested for the provision of modest housing for homeownership. This means the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area for newly constructed or standard housing. If the State plans to use HTF funds for homebuyer assistance, and does not use the HTF affordable homeownership limits established by HUD, it must determine 95 percent of the median purchase price for single family housing for designated areas across the State. If the State will determine its own affordable homeownership limits, it must determine the limits using the methodology described in § 93.305(a)(2).*

The Housing Trust Fund (HTF) statute, section 1338(c)(7)(B)(ii), requires housing for homeownership to have an initial purchase price that meets the requirements of section 215(b)(1) of the Cranston-Gonzalez National Affordable Housing Act (HOME statute). The HTF Interim Rule at 24 CFR § 93.305(a), requires that the initial purchase price or after-rehabilitation value of homeownership units assisted with HTF funds meet the definition of modest housing and that the purchase price of HTF assisted single family housing cannot exceed 95 percent of median purchase price for the area for newly constructed or standard housing.

Newly Constructed Housing: The HTF homeownership value limits for newly constructed HTF units is 95 percent of the median purchase price for the area based on Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. This figure is determined by the U.S. Census Bureau. HUD has used the greater of these two figures as their HTF homeownership value limit for newly constructed housing in each area.

Existing Housing: The HTF homeownership value limit for existing HTF units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nation-wide for sale of existing housing in standard condition. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data. HUD has used the greater of these two figures as their HTF homeownership value limits for existing housing in each area.

The PRHFA will use the limits published by HUD that can be found at:

<https://www.hudexchange.info/resource/4982/housing-trust-fund-homeownership-value-limits/>

The recapture provisions are included as attachment A of this Plan.

**State Limited Beneficiaries or Preferences- § 91.320(k)(5)(vii)**

*The State may limit the beneficiaries or give preferences to a particular segment of the extremely low-income population only if described in the action plan. Any limitation or preference must not violate non-discrimination requirements at § 93.350 and the State must not limit or give preferences to students. The State may also allow rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3), only if such limitation or preference is described in the action plan.*

*Indicate below if the State will limit beneficiaries or give preferences to a particular segment of the extremely low-income population.*

The State will not limit beneficiaries and/or give preferences to any segments of the extremely low-income population.

**Refinancing of Existing Debt- § 91.320(k)(5)(viii) and § 93.201(b)**

*If the State will use HTF funds for refinancing of existing debt, it must establish refinancing guidelines and include them in its consolidated plan. The State's refinancing guidelines must describe the conditions under which it will refinance existing debt. At a minimum, the guidelines must demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. Refinancing of existing debt is only eligible if it is necessary to reduce the overall housing costs and to make the housing more affordable.*

The PRHFA will not refinance existing debt with the HTF funds.

# Appendix A- Recapture

## Puerto Rico Housing Finance Authority - Recapture Provisions

The affordability restriction running with the deed will ensure that all of the HTF assistance to the homebuyer is recuperated. Recapture provisions will ensure that the property remains the beneficiary's principal residence for the term of the affordability. Thus, in case the recapture restriction is triggered, the PRHFA will recapture the entire amount of the HTF investment (net proceeds available from sale). Net Proceeds are defined as the sales price minus superior loan repayment and any closing costs. The PRHFA will not recapture more that is available from the net proceeds of the sale.

In the case of an investment from the homebuyer, in the form of additional funds for down payment and the amount of mortgage principal repaid, such amount could be recovered by the homebuyer if net proceeds are enough to cover the HTF- assistance. Thus, net proceeds will first cover the HTF assistance, secondly, any initial investments from the homebuyer and finally any surplus will be shared between the PRHFA and the beneficiary. The PRHFA will not considers any additional capital improvements made to the housing unit.

The PRHFA will share any appreciation in the value of the HTF-assisted unit with the homebuyer. Any amount in excess of net proceeds (surplus) will be shared on equal basis between the PJ and the program beneficiary (50% retained by the PJ and 50% to beneficiary). Such surplus will be treated as Program Income. If net proceeds are not enough to cover HTF assistance then the homebuyer will not recuperate their investment.

The affordability restrictions will not run against the developer's subsidy, hence, only direct subsidy is subject to recapture. Direct subsidy is the amount of HTF assistance- including any program income- that enabled the homebuyer to buy the unit (down payment, closing costs, interest subsidies, or other HTF-assistance). The direct subsidy also includes any assistance that reduced the purchase price from fair market value to an affordable price. Recaptured funds will be used in HTF eligible activities.

The **HTF**-assisted units must meet the affordability requirements for no less than the applicable period specified below, beginning after project completion or occupancy, whichever is last. Particularly, for rehabilitation and construction projects completion will be evidenced by the use and occupancy permit. For rental projects completion will be evidenced when the construction is finished. For homebuyer sales projects completion will be evidenced when the last unit is sold. If the homebuyer transfers the property, either voluntary or involuntarily, during the period of affordability, the PRHFA will recover all the HTF assistance from the net proceeds.

### TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HTF Investment per unit	Length of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The aforementioned affordability period requirements are enforced through a written agreement executed by the homebuyer and the PRHFA, and will be enforced via deed restrictions separately recorded, and a soft second mortgage over the property. The time limit for such lien will be determined by the amount of the subsidy granted by the State HTF Program, as shown in the above table.

The PRHFA will only approve refinancing for better rate and terms of the first mortgage, and immediate property repairs or improvements. Such approval requires the expressed written consent of PRHFA. The PRHFA will not approve debt consolidations or 'cash-out' refinance (other than for a nominal cash remainder that may be result from the adjustment of a closing date, etc.). Assisted households wishing to do a cash-out refinance during the affordability period should expect to repay the HTF-assistance.

### **Description of the Resale Guidelines for the Homebuyer Activity:**

Provisions follow the requirements established in 24 CFR (a) (5) (i) to ensure affordability in compliance with 24 CFR 92.254 titled **Qualification as Affordable Housing: homeownership.**

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

TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HTF Investment per unit	Length of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The period of affordability will be based on the total amount of HTF funds invested in the housing, including any program income expended in the unit.

The resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original **HTF**-assisted owner a fair return on investment (including, the value of the original down payment, and the amount of mortgage principal repaid) and ensure that the housing will remain affordable to a reasonable range of low-income Homebuyers. The PRHFA will not considers any additional capital improvements made to the housing unit.

The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The **PRHFA** would announce in the restrictive covenants that may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

The term of affordability shall be secured in the written agreements executed by the homebuyer and the PRHFA and enforced via deed restrictions separately recorded, and a soft second mortgage over the property. The restrictive deed of trust would be presented at the corresponding office of the Department of Justice Property Register for presentation, qualification and inscription.

The recorded restricted deed of trust would include the following covenants on the land in two instances: in the fee title simple and in the **PRHFA** direct mortgage that will secure the affordability period of the assisted housing.

- (1) The housing must be the principal residence of the family throughout the affordability period established in the recorded deed. The Homebuyer would not rent the dwelling or use it in any other manner than the principal residence of the family.
- (2) The Homebuyer must meet the affordability requirements for not less than the applicable period specified in the previous table, beginning after project completion.
- (3) Refinancing of the first mortgage would be allowed if two of the following conditions are met:
  - (a) That the dwelling unit has been continuously occupied by the Homebuyer;
  - (b) That the funding raised by the mortgage refinancing would be used for **HTF** improvements, approved by the **HTF** Program and that no cash will be used for other means;
  - (c) That the refinancing would improve the current mortgage payment, either lowering the monthly installments, interest rate or maturity term.
- (4) The PRHFA would conduct periodic inspections on the **HTF** assisted housing during the affordability period to verify program compliance.
- (5) Resale of the property should be authorized in advanced by the **PRHFA**, and such offering should be made only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale price at resale should provide the original **HTF**- assisted owner a fair return on investment. The homebuyer's fair return on investment will be based in the percentage change of Puerto Rico's Consumer Price Index (CPI, as published by the Puerto Rico Department of Labor and Human Resources) over the period of ownership. Capital improvements will be valued based on actual costs of the improvements as documented by receipts The housing will remain affordable to a reasonable range of low-income Homebuyers.
- (6) The **HTF** equity, other than homeowner's investment and any capital improvement, and any increase in the appraised value of the property should be kept in the property, to help meet the affordability criteria for the new Homebuyer.
- (7) The property must be sold to a homebuyer complying with the following criteria: A price that is affordable to a family at 75 percent 80 percent of the median income of Puerto Rico at the time of the transaction that will pay no more in PITI (the sum of loan payments of principal and interest, taxes and insurance) than 28-30 percent of annual (gross) income.
- (8) The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.
- (9) PRHFA may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

# Appendix B