

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)

**AMENDMENT A TO
SUBRECIPIENT AGREEMENT
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
THE MUNICIPALITY OF YAUCO
SUBRECIPIENT AGREEMENT No. 2019-DR0039**



THIS AMENDMENT A TO THE SUBRECIPIENT AGREEMENT, (hereinafter referred to as the "Amendment") is entered into in San Juan, Puerto Rico, this 21 of July, 2020, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, PRDOH), a public agency created under Law No. 97 of June 10, 1972, as amended, 3 LPRA § 441 et seq., known as the Department of Housing Governing Act with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by Luis. C. Fernández Trinchet, lawyer, of legal age, single and resident of Guaynabo, Puerto Rico, in his capacity as Secretary; and the **MUNICIPALITY OF YAUCO** (hereinafter, the "Municipality"), a local government legal entity, with principal offices at Yauco, Puerto Rico, herein represented by its Mayor, Hon. Angel L. Torres Ortiz, of legal age, married, Mayor, and resident of Yauco, Puerto Rico, collectively the "Parties".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on June 14, 2019, the PRDOH and the Municipality entered into an Agreement, which was registered as Agreement No. 2019-DR0039, for Outreach and Inspection Services under Homer Repair, Reconstruction, or Relocation Program (R3 Program) in connection with the CDBG-DR Program.

WHEREAS, the PRDOH and the Municipality, agreed that, for allowable Inspection and Outreach Services performed during the term of the Agreement, PRDOH would pay a maximum amount not to exceed **TWO HUNDRED AND THIRTY TWO THOUSAND DOLLARS (\$232,000.00)**; to the Municipality from **ACTIVITY NUMBER: R01H07RRR-DOH-LM, ACCOUNT NUMBER: 4190-10-000**.

WHEREAS, said original Agreement shall be in effect and enforceable between the parties from the date of its execution. The term of the original Agreement is for a performance period of **thirty six (36) months**, ending in June 14, 2022. This Amendment does not change the original term.

WHEREAS, **Article III** of the Agreement establishes that "[T]he Municipality shall be responsible for performing the activities detailed in Exhibit A (hereinafter, the "Scope of Work") of the Agreement, **which may be amended from time to time with the consent of both Parties.**" (Our emphasis)

WHEREAS, the aforementioned Exhibits A-1 and A-2 establish the Scope of Work for Outreach Services and Inspection Services, respectively.

WHEREAS, the Municipality sent a letter to the PRDOH on June 23, 2020 in which the Mayor, Hon. Angel L. Torres Ortiz expressed that the Municipality is not interested in participating in Inspection Services and requested an amendment to the Subrecipient Agreement between the Municipality and the PRDOH. (**Attachment 1 of this Amendment**)

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WHEREAS, the Municipality will only be providing Outreach Services within its geographical region to assist on the Home Repair, Reconstruction, or Relocation Program ("R3 Program").

WHEREAS, the Scope of Work, Timelines and Performance Goals, Key Personnel and Budget Exhibits are amended through this Amendment A.

WHEREAS, this Amendment reduces the funds availability for the Municipality from **TWO HUNDRED AND THIRTY TWO THOUSAND DOLLARS (\$232,000.00)** to **SIXTY NINE THOUSAND AND SIX HUNDRED DOLLARS. (\$69,600.00)**. This Amendment changes the original payment amount.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in the document, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, the parties hereby agree as follows:

II. SAVINGS CLAUSES

The information included in this **Amendment A** serves the purpose of modifying Agreement exhibits, including Scope of Work, Timelines and Performance Goals, Key Personnel and the Budget, to eliminate tasks, in addition to conforming the Subrecipient Agreement to federal and state regulations and statutes as set forth in the sections below. All provisions of the original Agreement shall continue to be in full force and effect.

III. SCOPE OF AMENDMENT

The PRDOH and the Municipality have agreed to enter into this Amendment A with the purpose of modifying the following Agreement exhibits: Scope of Work, Timelines and Performance Goals, Key Personnel and the Budget and conforming the Subrecipient Agreement to federal and state regulations and statutes.

IV. AMENDMENTS¹

- A. The parties intend to amend paragraph 6 of **Article I. RECITALS AND GENERAL AWARD INFORMATION** as follows:

***WHEREAS**, according to the approved Action Plan, Puerto Rico intends to undertake a Home Repair, Reconstruction, or Relocation Program (hereinafter, "R3 Program"). The focus of the R3 Program is to provide relief for those who were impacted by Hurricanes Irma and María who have unmet housing needs while addressing recognized impediments to affirmatively furthering fair housing as required under the Fair Housing Act. The approved Action Plan allocated a total budget of \$2,175,570,050 to this program. The PRDOH will designate \$69,600.00 of the mentioned funds to the Municipality who will serve as administrator and servicer for the services included in the Scope of Work under this Agreement.*

[Remainder of page left blank intentionally]

¹ For easier review and reference, amendments will be in italics.

- B. The parties intend to amend the Funds Certification box of **Article 1. GENERAL AWARD INFORMATION** table as follows:

Funds Certification:	Dated: June 26, 2020 Amount: \$69,600.00 Funds Allocation: CDBG-DR "B-17-DM-72-0001" Account Number: 6090-01-000 See Exhibit E for <u>Funds Certification</u>
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- C. The Parties intend to eliminate **Exhibit A-1 and A-2: Scope of Work of the Agreement** and replace them with a new **Exhibit A: Scope of Work**, which will only contain what is related to Outreach Services. The new **Exhibit A** is incorporated into the Agreement by reference and is hereby made part of the Agreement (**Attachment 2 of this Amendment**).

- D. The Parties intend to replace **Exhibit B: Timelines and Performance Goals of the Agreement** with a modified **Exhibit B: Timelines and Performance Goals**, which will only contain what is related to Outreach Services. The new **Exhibit B** is incorporated into the Agreement by reference and is hereby made part of the Agreement (**Attachment 3 of this Amendment**).

- E. The parties intend to replace **Exhibit C: Key Personnel of the Agreement** with a modified **Exhibit C: Key Personnel**, which will only contain what is related to Outreach Services. The new **Exhibit C** is incorporated into the Agreement by reference and is hereby made part of the Agreement (**Attachment 4 of this Amendment**).

- F. The parties intend to replace **Exhibit D: Budget of the Agreement** with a modified **Exhibit D: Budget**, which will only contain what is related to Outreach Services. The new **Exhibit D** is incorporated into the Agreement by reference and is hereby made part of the Agreement (**Attachment 5 of this Amendment**).

- G. The parties intend to replace **Exhibit E: Funds Certification of the Agreement** with a modified **Exhibit E: Funds Certification**, which will only contain what is related to Outreach Services. The new **Exhibit E** is incorporated into the Agreement by reference and is hereby made part of the Agreement (**Attachment 6 of this Amendment**).

- H. The Parties agree to replace **Article V. EFFECTIVE DATE AND TERM, A. Contract Extensions** with the following:

A. Contract Extensions

PRDOH may, at its sole discretion, extend the Agreement's term for additional terms, upon mutual written agreement of the Parties. The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD, unless the term of the initial Grant Agreement is extended by HUD, in which case the term of this Agreement cannot exceed the extension.

- I. The parties agree to replace **Article VI. BUDGET, A. Budget** with the following:

A. Budget

The Subrecipient shall complete all activities in the Scope of Work of this Agreement (**Exhibit A**) in accordance with the Budget (**Exhibit D**) attached herein and made integral part of this Agreement (the "Budget") as such Budget may be amended from time to time.

Any proposed budget to be managed by the Subrecipient shall clearly specify proposed funding for administrative costs and/or program delivery costs and/or planning costs, to the extent that such costs are considered applicable categories for funding.

The Budget may include a reserve of the Subaward for PRDOH's activity delivery costs and expenditures related to the Program. The Subrecipient may not access the reserve identified in the Budget without written consent from the PRDOH.

The PRDOH may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the PRDOH. Any amendments to the budget must be approved in writing and signed by the PRDOH and the Subrecipient.

- J. The Parties agree to replace **Article VI. BUDGET, B. Indirect Costs** with the following:

B. Indirect Costs

Indirect costs invoiced, if any, must be consistent with the conditions set forth herein. Indirect costs may be charged to PRDOH under a negotiated indirect cost rate agreement with a federal cognizant agency, a de minimis indirect cost rate (for applicable entities), or an indirect cost proposal prepared in accordance with 2 C.F.R. part 200, subpart E, submitted to a federal cognizant agency, and approved by PRDOH in accordance with written policies and procedures, which shall be included in the Budget (**Exhibit D**).

- K. The Parties agree to amend **Article VII. PAYMENT, B. Request for Reimbursements**, to replace **paragraph 5** with the following:

In order for the Municipality to receive payment for any work performed hereunder, the following certification must be included in each Request for Reimbursement submitted to the PRDOH:

"Under penalty of absolute nullity, I hereby certify that no public servant of the government entity is a party to or has an interest of any kind in the profits or benefits to be obtained under the contract which is the basis of this invoice, and should he be a party to, or have an interest in, the profits or benefits to be obtained under the contract, a waiver has been previously issued. The only consideration to provide the contracted goods or services under the contract is the payment agreed upon with the authorized representative of the government entity. The amount that appears in the invoice is fair and correct. The work has been performed, the goods have been delivered, and the services have been rendered, and no payment has been received therefor."

[Remainder of page left blank intentionally]

L. The Parties agree to amend PRDOH's information on **Article VIII. NOTICES** as follows:

To: PRDOH

Luis C. Fernández Trinchet, Esq., CFA
Secretary
Puerto Rico Department of Housing
606 Barbosa Ave.
Juan C. Cordero Dávila Bldg.
San Juan, PR 00918

M. The Parties agree to amend **Article IX. AMENDMENT AND TERMINATION, A. Amendments** to replace **paragraph 1** with the following:

This Agreement may be amended provided that such amendments make specific reference to this Agreement, comply with programmatic policies, procedures, and guidelines, are executed in writing and signed by a duly authorized representative of each party, and approved by PRDOH. Such amendments shall not invalidate this Agreement, nor relieve or release the Parties from their obligations under this Agreement. Unless specified, such amendments are not intended to effect nor will they constitute an extinctive novation of the obligations of the Parties under the Agreement and amendment.

N. The Parties agree to amend **Article IX. AMENDMENT AND TERMINATION, A. Amendments** to replace **paragraph 4** with the following:

However, PRDOH reserves the right to notify in writing to Municipality any applicable policies, procedures, regulations, requirements, guidelines, or change in law, whether existing or to be established, as well as changes and/or amendments thereof, and the notified policies, procedures, regulations, requirements, guidelines and laws shall be deemed incorporated by reference to this Agreement without the need of executing a separate written and signed amendment.

O. The parties agree to amend **Article IX. AMENDMENT AND TERMINATION, B. Suspension or Termination, 1. Termination for Cause, paragraph a.** to replace it with the following:

a. Failure to attend mandatory technical assistance and/or training, comply with any of the rules, regulations, or provisions referred to herein, or such statutes, regulations, executive orders, HUD guidelines, PRDOH's Program Guidelines, as applicable, and policies or directives as may become applicable at any time;

P. The Parties agree to replace **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, A. General Compliance** with the following:

The Subrecipient shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 C.F.R. § 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this Agreement. See Federal Register Notice 83 FR 5844 (February 9, 2018). Notwithstanding the foregoing, (1) the Subrecipient does not assume any of the PRDOH's responsibilities for environmental review, decision-making, and action, described in 24

C.F.R. part 58 and (2) the Subrecipient does not assume any of the PRDOH's responsibilities for initiating the review process under the provisions of 24 C.F.R. part 52. The Subrecipient shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR funds in complying with its obligations under this Agreement, regardless of whether CDBG-DR funds are made available to the Subrecipient on an advance or reimbursement basis. This includes without limitation, applicable Federal Registers; 2 C.F.R. part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Community Development Act of 1974; 24 C.F.R. part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. § 35, 24 C.F.R. part 58, 24 C.F.R. part 135; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards and the environment; and Action Plan amendments and HUD's guidance on the funds. Also, Subrecipient shall comply, without limitation, those set forth in **Attachment F**.

Where waivers or alternative requirements are provided for in the applicable Federal Register Notice dated February 9, 2018, at 83 FR 5844 or any future Federal Register Notice published by HUD ("HUD Notices"), such requirements, including any regulations referenced therein, shall apply.

The Subrecipient also agrees to comply with all other applicable Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines, whether existing or to be established, provided the same are applied to activities occurring after the date the policy or guideline was established, governing the Grant Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and any of the foregoing, the Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines shall control and this Agreement shall be interpreted in a manner so as to allow for the terms contained herein to remain valid and consistent with such Federal, State, and local laws, regulations, HUD Notices, policies and guidelines.

The Subrecipient shall also comply with applicable PRDOH's policies and guidelines as established in Program Guidelines and their amendments, if any, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

- Q. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, D. Insurance and Bonding** to substitute: the Puerto Rico Public Housing Administration with the U.S. Department of Housing and Urban Development.
- R. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, M. Client and Other Sensitive Information**, to replace **paragraph 2** for the following:

The Subrecipient must comply with 2 C.F.R. §200.303 and shall take reasonable measures to safeguard protected personally identifiable information, as defined in 2 C.F.R. § 200.82, and other information HUD or the PRDOH designates as sensitive or the Subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality. Additionally, the Subrecipient must comply with the PRDOH CDBG-DR Personal Identifiable Information Policy, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov), which is herein included and made integral part of this Agreement, as it may be updated from time to time.

- S. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, S. Title VI of the Civil Right Act of 1964 (24 CFR part 1), 3. Affirmative Action, b. Women and Minority-Owned Business (W/MBE)**, to add a new paragraph as follows:

In compliance with the CDBG-DR Minority and Women-Owned Business Enterprise Policy (M/WBE Policy), the Municipality shall complete a utilization plan to identify how they plan on successfully achieving the contracting goals for MBE and WBE's. Municipality shall also complete quarterly reporting to provide information on contracting opportunities and payouts provided to WBE or MBE contractors or subcontractors. Municipality shall also document their efforts and submit those to PRDOH on a quarterly basis. See the M/WBE Policy, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov) which is herein included and made integral part of this Agreement, as it may be updated from time to time.

- T. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, S. Title VI of the Civil Right of 1964 (24 CFR part 1), 5. Section 3 of the Housing and Urban Development Act of 1968** to add the following paragraph at the end:

The Municipality agrees to submit, and shall cause its contractors and subcontractors to submit, quarterly reports to the PRDOH detailing the number of new employees hired, the number of new Section 3 employees hired, and any affirmative efforts made to direct hiring efforts to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing during the previous quarter.

- U. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, T. Conduct** to add the following:

3. Contracts

a. Approvals: The Municipality shall not enter into any contracts with any agency or individual in the performance of this Agreement without the written consent of the PRDOH prior to the execution of such Agreement.

b. Monitoring: The Municipality will monitor all contracted services on a regular basis to assure contract compliance. Results of

monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content: The Municipality shall cause all of the provisions of this contract in its entirety to be included in and made a part of any contract executed in the performance of this Agreement.

d. Selection Process: The Municipality shall undertake to insure that all contracts awarded for the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements, as included in the CDBG-DR Procurement Manual and Contractual Requirements, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov) which is herein included and made integral part of this Agreement, as it may be updated from time to time. Executed copies of all contracts shall be forwarded to the PRDOH along with documentation concerning the selection process.

e. Notification: The Municipality shall notify and provide a copy of any and all contracts related to this Agreement and CDBG-DR funds to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within **three (3) days** of its execution. Additionally, the Municipality shall provide a copy of any and all subcontracts executed by its Contractors to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within **three (3) days** of its execution.

- V. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, T. Conduct, 2. Conflict of Interest**, to replace **paragraph C.** with the following:

c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-DR assisted activity, or with respect to the proceeds from the CDBG-DR assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of **two (2) years** thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the PRDOH, the Municipality, or any designated public agency.

- W. The Parties agree to amend **Article X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS** to add the following **Sections U and V**:

U. Citizen Grievances

If the Municipality receives any complaint or grievance, it shall refer said complaint or grievance immediately to the PRDOH CDBG-DR Program so that PRDOH may respond appropriately.

V. Technical Assistance and Trainings

The Municipality shall attend any and all technical assistance and/or trainings that the PRDOH requires from time to time at its discretion. Failure to attend may be considered as cause for termination.

X. The Parties agree to amend the title of **Article XII. ASSIGNMENT** to **Article XII. ASSIGNMENT OF RIGHTS**.

Y. The Parties agree to replace **Article XIV. SECTION HEADINGS AND SUBHEADINGS**, for the following:

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement, and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

Z. The Parties agree to amend the title of **Article XV. WAIVER** to **Article XV. NON-WAIVER**.

AA. The Parties agree to replace **Article XVI. GOVERNMENT LAW: JURISDICTION** for the following:

This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The Parties further agree to assert any claims or causes of action that may arise out of this Agreement in the Puerto Rico Court of First Instance, San Juan Port.

BB. The Parties agree to add a new **Article XXI. BANKRUPTCY**, as follows:

XXI. BANKRUPTCY

In the event that Subrecipient files for bankruptcy protection, the Government of Puerto Rico and PRDOH may deem this Agreement null and void, and terminate this Agreement without notice.

CC. The Parties agree to add a new **Article XXII. MEMORANDUM NO. 2017-001; CIRCULAR LETTER 141-17 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO)**, as follows:

Article XXII. MEMORANDUM NO. 2017-001; CIRCULAR LETTER 141-17 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO)

A. Interagency Services Clause: Both contracting parties acknowledge and agree that services retained may be provided to any entity of the Executive Branch with which the contracting entity makes an interagency agreement or by direct provision of the Office of the Chief of Staff of the Governor (Secretario de la Gobernación). These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in

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this Agreement. For purposes of this clause, the term "Executive Branch entity" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities and corporations and the Office of the Governor.

B. Termination Clause: The Chief of Staff (Secretario de la Gobernación) of the Governor shall have the power to terminate this Agreement at any time.

DD. The Parties agree to add a new **Article XXIII. FEDERAL FUNDING**, as follows:

Article XXIII. FEDERAL FUNDING

The fulfillment of this Agreement is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under this Agreement must be made in accordance with this Agreement, the policies and procedures promulgated under the CDBG-DR Program, and any other applicable laws. Further, the Municipality acknowledges that all funds are subject to recapture and repayment for non-compliance.

EE. The Parties agree to add a new **Article XXIV. RECAPTURE OF FUNDS**, as follows:

Article XXIV. RECAPTURE OF FUNDS

PRDOH may recapture payments it makes to the Municipality that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this Agreement, including any unapproved expenditures. The Municipality must refund such recaptured payments within **thirty (30) days** after the PRDOH issues notice of recapture to the Municipality.

FF. The Parties agree to add a new **Article XXV. OVERPAYMENT**, as follows:

Article XXV. OVERPAYMENT

The Municipality shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. The Municipality shall reimburse such disallowed costs from funds other than those the Municipality received under this Agreement.

GG. The Parties agree to add a new **Article XXVII. SURVIVAL OF TERMS AND CONDITIONS**, as follows:

Article XXVII. SURVIVAL OF TERMS AND CONDITIONS

The terms and conditions of this Agreement related to the following subjects shall survive the termination or expiration of this Agreement: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-DR and state funding, recapture of CDBG-DR and/or state funds, overpayment of CDBG-DR and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent contractor relationship; compliance with laws; notices; choice of law and venue;

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severability; dispute resolution; consolidations, merger and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this Agreement shall so survive.

HH. The Parties agree to add a new **Article XXVIII. CONSOLIDATION, MERGERS, OR DISSOLUTIONS**, as follows:

Article XXVIII. CONSOLIDATION, MERGERS, OR DISSOLUTIONS

In the event that participating entities are consolidated or merged with another entity or agency, Municipality will notify PRDOH of such action within **a fifteen (15) day** period of being notified of it. PRDOH will have **fifteen (15) days** to state its position. With PRDOH's written approval, Municipality must ensure that the resulting entity becomes responsible for Municipality's tasks under this legal agreement. A timeframe of no more than **fifteen (15) days** from the date that any merger or consolidation becomes effective will be provided to make amendments or transitory changes, so that the tasks assigned to personnel at Subcontractor under this Agreement are carried out by the resulting entity with little or no lapse in performance objectives and the ability to fulfill the scope of work for the program as outlined provide notice to any other agency or entity it may consider consolidating or merging with in advance, to advise and provide orientation on Subcontractor's duties under this Agreement and make the survival or transfer of those in Attachments D and E. Subcontractor is to tasks a condition to any merger, consolidation, or dissolution involving Subcontractor during the time span of this Agreement.

II. The Parties agree to add a new **Article XXIX. CDBG-DR POLICIES AND PROCEDURES**, as follows:

XXIX. CDBG-DR POLICIES AND PROCEDURES

In addition to what is established in this Agreement, the Municipality shall comply with all CDBG-DR program specific and general policies and procedures, including, but not limited to, the Contract and Subrecipient Agreement Manual, OS&H Guideline, MWBE Policy, Procurement Manual and Contractual Requirements, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov), which are herein included and made integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

V. ASSIGNMENT OF RIGHTS

The Partner shall not assign or transfer any interest in this Amendment without the prior written consent of the PRDOH.

VI. SEVERABILITY

If any provision of this Amendment is held invalid, the remainder of the Amendment shall not be affected thereby, and all other parts of this Amendment shall nevertheless be in full force and effect.

VII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Amendment are included for convenience only and shall not limit or otherwise affect the terms of this Agreement, and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Amendment.

VIII. NON-WAIVER

The PRDOH's failure to act with respect to a breach by the Partner does not waive its right to act with respect to subsequent or similar breaches. The failure of the PRDOH to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

IX. GOVERNING LAW: JURISDICTION

This Amendment shall be governed by, interpreted and enforced in accordance with the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The Parties further agree to assert any claims or causes of action that may arise out of this Amendment in the Puerto Rico Court of First Instance, San Juan Part

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X. COMPLIANCE WITH LAW

It is the intention and understanding of the Parties hereto that each and every provision of law required to be inserted in this Amendment should be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is deemed to be inserted and if, through mistake or otherwise, any such provision is not inserted herein or is not inserted in correct form, then this Amendment shall forthwith, upon the application of any Party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of any Party.

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XI. SUBROGATION

The Partner acknowledges that funds provided through this Agreement, as amended, are Federal funds administered by HUD under the CDBG-DR Program and that all funds provided by this Agreement, as amended, are subject to audit, disallowance, and repayment. Any disagreement with adverse findings may be challenged and subject to Federal regulation, however, the Partner shall promptly return any and all funds to the PRDOH, which are found to be ineligible, unallowable, unreasonable, a duplication of benefits, or non-compensable, no matter the cause. This clause shall survive indefinitely the termination of this Agreement, as amended, for any reason.

XII. COMPTROLLER REGISTRY

The PRDOH shall remit a copy of this Amendment to the Office of the Comptroller for registration within **fifteen (15) days** following the date of execution of this Amendment and any subsequent amendment hereto. The services object of this Amendment may not be invoiced or paid until this Amendment has been registered by the PRDOH at the Comptroller's Office, pursuant to Act No. 18 of October 30, 1975, as amended by Act No. 127 of May 31, 2004.

Nonetheless, on April 15, 2020, the Comptroller of Puerto Rico issued Circular Letter OC-20-20 in which the **fifteen (15) day** period to remit a copy of the agreement to the Office of the Comptroller for registration following the execution of the agreement was extended until **fifteen (15) days** after the lockdown is over.

XIII. ENTIRE AGREEMENT

This Agreement, as amended, constitutes the entire Agreement among the Parties for the use of funds received under this Agreement, as amended, and it supersedes all prior

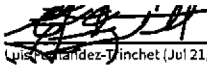
or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to this Agreement, as amended.

XIV. COUNTERPARTS

This Amendment may be executed in any number of counterparts, each of whom shall be deemed to be an original, however, all of which together shall constitute one and the same instrument. If the Amendment is not executed by the PRDOH within **thirty (30) days** of execution by the other party, this Amendment shall be null and void.

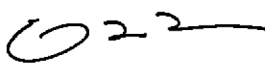
IN WITNESS THEREOF, the parties hereto execute this Amendment in the place and on the date first above written.

DEPARTMENT OF HOUSING


Luis C. Fernández Trinchet (Jul 21, 2020 15:30 EDT)

Luis C. Fernández Trinchet
Secretary

MUNICIPALITY OF YAUCO



Angel L. Torres Ortiz
Mayor
DUNS: 131447484


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Gobierno Municipal De Yauco

Oficina Del Alcalde

Apartado 1

Yauco, Puerto Rico 00698

23 de junio de 2020

Hon. Luis C. Fernández Trinchet
Secretario
Departamento de la Vivienda
Gobierno de Puerto Rico

Estimado señor Fernández:

Reciba un cordial saludo de todos los que laboramos en el Municipio Autónomo de Yauco.

Como es de su conocimiento, nuestra ciudad fue y sigue siendo afectada por los terremotos y sus réplicas que han estado ocurriendo en la región sur desde el pasado mes de enero de este año. Debido a este evento natural y a la pandemia que nos afecta actualmente, las operaciones municipales se han visto seriamente afectadas.

Nuestro municipio interesaba participar del proceso de inspecciones de las construcciones y/o reparaciones de viviendas a realizarse por concepto del Programa R3 pero debido a las circunstancias anteriormente expuestas, sírvase la presente para notificarle que el Municipio de Yauco no participará en el proceso para solicitar propuestas para la contratación de los servicios de inspección bajo el Programa R3.

Cordialmente;

Hon. Ángel L. Torres Ortiz
Alcalde



EXHIBIT A

SCOPE OF WORK FOR OUTREACH

**HOME REPAIR, RECONSTRUCTION OR
RELOCATION PROGRAM (“R3 PROGRAM”)**

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Department of Housing

APPENDIX A: SCOPE OF WORK

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1. PROGRAM OVERVIEW/BACKGROUND

This Scope of Work covers the \$69,600.00 designated to Outreach Services for the Home Repair, Reconstruction or Relocation Program ("R3") that will be administered by the Municipality.

The Municipality will provide outreach services for the Home Repair, Reconstruction, or Relocation Program ("R3 Program") in partnership with PRDOH. The Municipality will serve as administrator and servicer under a Subrecipient Agreement ("Agreement") with PRDOH.

The focus of the R3 Program is to provide relief for those who were impacted by Hurricanes Irma and Maria and have unmet housing needs while addressing recognized impediments to affirmatively furthering fair housing as required under the Fair Housing Act. Assistance under this R3 Program will be provided under three primary classifications: repair, reconstruction, and relocation. Within reconstruction and relocation, demolition may be an eligible activity, and under the Relocation Program, acquisition may also be an eligible activity.

2. NATIONAL OBJECTIVE

Benefit Low and Moderate Income (LMI) persons.

3. PROGRAM DESCRIPTION

The following objectives are provided for the implementation and administration of a successful CDBG-DR R3 Program, in keeping with U.S. Department of Housing and Urban Development ("HUD") guidelines:

- The primary objective of the R3 Program is to provide decent, safe, and sanitary housing in the disaster-impacted areas by providing activities designed to resolve unmet housing needs from hurricane impacts.
- A second objective is to ensure that the housing needs of very low-, low-, and moderate-income households are assisted with housing recovery support within the communities being served.
- A third objective is to achieve complimentary benefits of community and neighborhood revitalization, promote resiliency, and nurture in-fill opportunities.

Repair, reconstruction, or relocation assistance may be offered to eligible applicants, based upon the extent of damage and location of the home. Under the relocation program, homeowners may be offered a relocation voucher for the purchase (and repair, if needed) of an existing replacement home, or new construction assistance (only as a last resort) if a suitable replacement option cannot be identified.

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4. TASKS FOR OUTREACH

The Municipality shall furnish the following services to the local communities within its geographical region to successfully assist on the R3 Program, including, but not limited to, the following:

1. Task 1: Management

- 1.1. Work closely with the PRDOH officials and its designees to manage day-to-day outreach operations, improve processes for quality and efficiency, and implement policy changes.
- 1.2. Ensure reporting on the various aspects of the outreach operations, which reflects the major activities for the reporting period as specified by PRDOH (e.g., monthly, quarterly).
- 1.3. Coordinate with the PRDOH Information Technology (IT) and Public Relations services for media outreach.
- 1.4. Secure all personnel ("Staff") required to perform the services under the Agreement.
- 1.5. Generate Staff Schedule accordingly to the R3 Program needs. R3 program needs may require Staff to be available after regular business hours and on weekends.
- 1.6. Provide outreach training to Staff. The training will include:
 - 1.6.1. Purpose and objectives;
 - 1.6.2. Program overview;
 - 1.6.3. Eligibility Criteria for the Program;
 - 1.6.4. Targeted outreach; and
 - 1.6.5. Timeline for targeted outreach.
- 1.7. Generate and manage Operations Budget.
- 1.8. Develop an Outreach Plan, based on the outline provided by PRDOH, with monthly production goals for intake.
- 1.9. Regularly communicate potential risks, issues, and statuses with the PRDOH.

2. Task 2: Outreach

- 2.1. Identify the target areas to be serviced in per the outreach outline provided by PRDOH.
- 2.2. Conduct outreach meetings with participants and Program Manager to ensure the community is informed and identify opportunities to improve the outreach plan and activities.
- 2.3. Develop a detailed outreach (communications) plan that considers the specific needs of participants' communities and general program eligibility criteria.

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- 2.4. The outreach (communications) plan must include key audiences and participants; description of their communication needs to ensure all residents receive accurate and up-to-date information; communications strategy; defined timelines; coordination of communication events to engage potential participants; and measuring of effectiveness. Outreach and marketing materials will be provided by PRDOH. Only PRDOH-provided materials shall be used in support of the municipal outreach plan.
- 2.5. Implement the outreach plan to ensure citizens are informed regarding general eligibility requirements for the R3 Program, general purpose of the R3 Program, and how to apply for the R3 program. The outreach plans should also be used to convey any other program-specific information required so that any citizen has equal access to apply for the Program. Outreach plans should also take into account the principles for Affirmatively Furthering Fair Housing such as making efforts to overcome historic patterns of segregation and fostering inclusive communities free from discrimination.
- 2.6. Coordinate outreach efforts, including call-out campaigns and letter campaigns as required by the PRDOH.

3. Task 3: Application Intake

- 3.1. Coordinate all intake efforts with the PRDOH's Program Manager.
- 3.2. Assist interested citizens in completing an R3 application using the PRDOH-provided kiosk application, mobile application, or via web. All documents should be captured digitally using one of these methods. Municipalities should not retain original versions or copies of applicants' intake documents.
- 3.3. Contact and schedule face-to-face consultations with potential applicants to complete applications.
- 3.4. In special cases, make in-home visits to homebound and disabled individuals to provide specialized outreach and intake services.
- 3.5. Support Program Manager and deploy Staff, when necessary, during the application period.
- 3.6. Provide consultation services to applicants as required to initiate communication between the applicant and the Program Manager.
- 3.7. Have available, and allow the use of, municipal offices for PRDOH's Program Managers to set up Intake Centers for applications intake at no cost to the Program or, in the case the Municipality does not have any such spaces, the Municipality should identify alternative locations. The Municipality shall ensure that such spaces have the necessary power, water, and other utilities necessary for the Intake Centers to be established on site. Spaces for Intake Centers must allow for, at a minimum, two (2) resources from the Program Manager for intake, as well as space for

potential applicants to sit and await the services provided by the Intake Center. Program Managers will manage all intake and other services at the Intake Centers. The Municipality may assist as needed. Program Manager will also provide required furnishings for the Intake Centers.

4. Task 4: Accounting and Reporting

- 4.1. Report progress results on a routine basis, as specified by the PRDOH.
- 4.2. Ensure proper tracking of staff time by ensuring all staff dedicated in whole or in part to the R3 Program use the PRDOH-provided timekeeping template or alternative PRDOH-approved timekeeping method. Alternative timekeeping methods are not reimbursable under this scope of services.
- 4.3. Upon request, allow PRDOH access to municipal R3 records.
- 4.4. Comply with all PRDOH requests related to program monitoring and oversight, including accepting PRDOH or its representatives for on-site monitoring visits.
- 4.5. Prepare all invoice packages and requests for payment. Requests must include all necessary supporting documents.
- 4.6. Reconcile with the PRDOH, on an established periodic basis, all reimbursement of eligible costs.
- 4.7. Reconcile with the PRDOH, on an established periodic basis, a complete inventory of all items furnished by the PRDOH or its Program Managers, including items such as: equipment, furniture, computers, telephones, laptops, network printers, network equipment, etc.

5. TIME OF PERFORMANCE

Start/End Dates: Notice to Proceed through June 2022.

6. BUDGET

The Outreach services will be reimbursed according to Exhibit D ("Budget").

EXHIBIT B

TIMELINES AND PERFORMANCE GOALS

**HOME REPAIR, RECONSTRUCTION OR RELOCATION
PROGRAM (“R3 PROGRAM”)**

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GOVERNMENT OF PUERTO RICO
Department of Housing

SUBRECIPIENT AGREEMENT - R3 PROGRAM TIMELINE

June 2019	Notice to Proceed ("NTP")
10 days after NTP	Outreach Plan Development by the Municipality
5 days	Review, Comments and Approval of Outreach Plan by PRDOH
4 months after NTP or until required by DOH	Municipal Outreach according to approved Outreach Plan
According to Subrecipient Agreement	Compliance monitoring during the period of performance of the Agreement.

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EXHIBIT C

KEY PERSONNEL

HOME REPAIR, RECONSTRUCTION OR
RELOCATION PROGRAM (“R3 PROGRAM”)

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GOVERNMENT OF PUERTO RICO
Department of Housing

Below is the Staffing Plan for the CDBG-DR Repair, Reconstruction or Relocation Program which reflects a combination of the Municipality existing employees or new hired employees dedicated to the Outreach Services for the CDBG-DR R3 Program.

OUTREACH SERVICES

Classification
Outreach Manager
Outreach Staff
Outreach Staff
Outreach Staff
Outreach Staff
Outreach Staff

Personnel job description:

Outreach Manager

Manage production and performance of outreach team, provide on the job training/guidance to outreach staff as needed. Identify outreach opportunities and select appropriate communication methods. Prepare and submit Municipal Outreach Plan. Report on production, performance, and identified impediments of the outreach team as requested by PRDOH. Ensures that outreach efforts are equitable and accessible by citizens. Ensures outreach activities are carried out in accordance with governing federal, local, and program policies and regulations.

Outreach Staff (Minimum of 5 employees)

Responsible for community outreach activities as identified in Municipal Outreach Plan. Assist citizens with general inquiries regarding the R3 Program. Communicates program priorities, eligibility criteria and other pertinent information regarding the R3 Program to citizens within the Municipio. Communicates identified opportunities for improvement of outreach process to Outreach Manager.

EXHIBIT D

BUDGET

**HOME REPAIR, RECONSTRUCTION OR
RELOCATION PROGRAM (“R3 PROGRAM”)**

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Department of Housing

OUTREACH SERVICES

The Municipality staff shall submit invoices for payment on a monthly basis based on a time and material method.

Staff will complete daily timesheets and work logs for work related to the Management, Outreach, Assistance in the Application Intake and Reporting costs in accordance with the approved Municipality Outreach Plan.

1.1. STAFFING

The Municipality will assign existing or new hired temporary personnel to accomplish all the Outreach services task established in the **Exhibit A-1** (Scope of Work - Outreach for R3 Program).

Classification	No. of Employees	Maximum Hours per months
Outreach Manager	1	40
Staff	5	160

The Municipality will have a maximum amount of **\$17,400.00** per month for up to 4 months of services, as deemed necessary. Therefore, there will be a Not-to-Exceed amount of **\$69,600.00** for all Outreach Services.

The Municipality staff will also keep timesheets and logs of case files they work on to better understand work volume and time needed for processing each case.

Contractor:	MUNICIPALITY		
Program:	Repair, Reconstruction, Relocation Program LMI		
DRGR Activity Code:	R01H07RRR-DOH-LM		
Cost Type	Internal Account Coding	Object of Expense	CONTRACT Budget
ADMINISTRATION			\$-
PLANNING			\$-
PROJECT			\$69,600.00
PROJECT			
Costs			\$-
TOTAL COSTS			\$-
PROJECT ACTIVITY DELIVERY COSTS			
Costs	5001-2000	Salaries	\$69,600.00
Subtotal-Costs			\$69,600.00
	5001-2021	Program Reserve	\$-
TOTAL COSTS			\$69,600.00
GRAND TOTAL			\$69,600.00

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GOBIERNO DE PUERTO RICO
Departamento de la Vivienda

June 26, 2020

Maytte Texidor López, Esq.
Legal Director CDBG-DR
Puerto Rico Department of Housing

Félix Hernández Cabán, MBA, CFE, JD
Director of Disaster Recovery Finance CDBG-DR
Puerto Rico Department of Housing

CCC

César A. Candelario Candelario
Budget Manager CDBG-DR
Puerto Rico Department of Housing

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RE-CERTIFICATION OF FUNDS FOR AMENDMENT TO PRDOH SUBRECIEPIENT AGREEMENT WITH THE MUNICIPALITY OF YAUCO FOR OUTREACH SERVICES FOR THE R3 PROGRAM RELATED TO THE CDBG-DR FUNDS

As requested by the Deputy Director-Contract Administration for CDBG-DR, we re-certify the availability of funds for **\$69,600.00** corresponding to "Amendment to PRDOH Subrecipient agreement with the Municipality of Yauco for Outreach Services for the R3 Program". These funds are part of the **CDBG-DR Grant "B-17-DM-72-0001"**.

The breakdown of the certified funds is as follows:

Activity Number	Activity Title	Description	Account Number	Amount Certified	Revised Amount
R01H07RRR-DOH-LM	Repair, reconstruction & relocation program-LMI	Outreach Services	6090-01- 000	\$69,600.00	\$69,600.00
		Procurement Staff		\$12,400.00	0.00
		Milestone Inspection		\$150,000.00	0.00
				\$232,000.00	\$69,600.00

This certification replaces the previous version.

If you have any questions or comments, please call me at (787)274-2527.

FHC/CCC/ac

Ave. Barbosa #606 Edificio Juan C. Cordero Dávila Río Piedras, PR 00918 | P.O. Box 21365 San Juan, PR 00928-1365
Tel: (787)274-2527 | www.vivienda.pr.gov











CDBG-DR Enmienda A Municipio Yauco

Final Audit Report 2020-07-21

Created:	2020-07-17
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAXy-98H8XIUwr4nTdwTrE4P5xKI1kwC3a

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