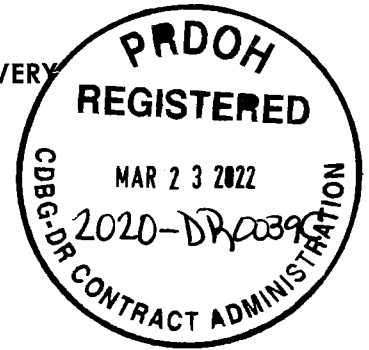




COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY
(CDBG-DR)

AMENDMENT C to the
SUBRECIPIENT AGREEMENT
BETWEEN THE PUERTO RICO DEPARTMENT OF HOUSING
AND THE
ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO



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This **AMENDMENT C TO THE SUBRECIPIENT AGREEMENT** (hereinafter, the "**AMENDMENT C**") is entered into this 22 day of March, 2022, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, the "**PRDOH**"), a public agency of the Government of Puerto Rico created under Act No. 97, dated June 10, 1972, as amended, known as the "Department of Housing Organic Act" (the "Organic Act"), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of San Juan, Puerto Rico; and the **ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO** (hereinafter, the "**SUBRECIPIENT**"), an instrumentality of the Government of Puerto Rico created under Act No. 22 of July 24, 1985, as amended, 7 L.P.R.A § 611 *et seq.*, known as the "Economic Development Bank Act", with principal offices at 638 Aldebaran St., Urb. Altamira, San Juan, Puerto Rico, represented herein by its President, Luis Alemañy González, of legal age, married, and resident of San Juan, Puerto Rico, collectively the "Parties".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on March 22, 2020, the Parties entered into a Subrecipient Agreement under the Small Business Financing Program, Contract No. 2020-DR0039, for twenty five million dollars (\$25,000,000.00) and for a **twenty-four (24) month period of performance ending in March 22, 2022** (hereinafter, the "**AGREEMENT**").

WHEREAS, the AGREEMENT was amended on May 3, 2021, via AMENDMENT A, Contract No. 2020-DR0039A. Among other modifications, the beforementioned AMENDMENT A increased the SUBRECIPIENT's budget to fifty-three million nine hundred thousand dollars (\$53,900,000.00). Nevertheless, the period of performance of the AGREEMENT remained unaltered.

WHEREAS, the AGREEMENT was amended on November 10, 2021, via AMENDMENT B, Contract No. 2020-DR0039B. Among other modifications, the beforementioned AMENDMENT B increased the SUBRECIPIENT's budget to one hundred twenty-seven million four hundred thousand dollars (\$127,400,000.00). The period of performance of the AGREEMENT remained unaltered.

WHEREAS, as per Section IX (A) of the AGREEMENT, the AGREEMENT may be amended in writing and signed by a duly authorized representative of each party. Nonetheless, the amendment shall not invalidate the AGREEMENT, nor release the parties from their obligations under the AGREEMENT;

WHEREAS, the Parties acknowledge and agree that this AMENDMENT C is not intended to affect nor does it constitute an extinctive novation of the obligations of the Parties under the AGREEMENT;

WHEREAS, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, as amended, *supra*, the federal laws and regulations creating

and allocating funds to the CDBG-DR program and the current Action Plan, to issue and award the subaward, enter and perform under this AMENDMENT C; and

WHEREAS, the SUBRECIPIENT, in accordance with its enabling statute, has the legal power and authority to enter into this AMENDMENT C. The SUBRECIPIENT has agreed to enter into this AMENDMENT C with the PRDOH, and by signing this AMENDMENT C, the SUBRECIPIENT assures PRDOH that the SUBRECIPIENT shall comply with all the requirements described herein.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the SUBRECIPIENT agree to execute this AMENDMENT C subject to the following:

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TERMS AND CONDITIONS

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II. ATTACHMENT

The information included in this AMENDMENT C serves the purpose of modifying and amending the **period of performance** of the AGREEMENT, in addition to modifying the **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), and **Exhibit H** (Subrogation and Assignment Provisions) attached to the aforementioned AGREEMENT. All provisions of the original AGREEMENT shall continue to be in full force and effect, as amended by this AMENDMENT C.

III. SCOPE OF AMENDMENT

The Parties acknowledge and agree that this AMENDMENT C entails a modification of the period of performance of the AGREEMENT to a **forty-eight (48) months** term. Modified or updated versions of the **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), and **Exhibit H** (Subrogation and Assignment Provisions) are also included in this AMENDMENT C.

IV. AMENDMENTS

- A. **Exhibit A** (Scope of Work) of the AGREEMENT is being replaced by a modified **Exhibit A** (Scope of Work) hereto incorporated by reference into the AGREEMENT. (See **Attachment I** of this AMENDMENT C).
- B. **Exhibit B** (Timelines and Performance Goals) of the AGREEMENT, is being replaced by a modified **Exhibit B** (Timelines and Performance Goals) hereto incorporated by reference into the AGREEMENT and made part of the AGREEMENT. (See **Attachment II** of this AMENDMENT C).
- C. **Exhibit C** (Key Personnel) of the AGREEMENT is being replaced by a modified **Exhibit C** (Key Personnel) hereto incorporated by reference into the AGREEMENT and made part of the AGREEMENT. (See **Attachment III** of this AMENDMENT C).
- D. **Exhibit D** (Budget) of the AGREEMENT is being replaced by a modified **Exhibit D** (Budget) hereto incorporated by reference into the AGREEMENT and made part of the AGREEMENT. (See **Attachment IV** of this AMENDMENT C).
- E. **Exhibit H** (Subrogation and Assignment Provisions) of the AGREEMENT is being replaced by a modified **Exhibit H** (Subrogation and Assignment Provisions) hereto incorporated by reference into the Agreement and made part of the Agreement. (See **Attachment V** of this AMENDMENT C).
- F. In accordance with Section V(A) of the AGREEMENT, the Parties agree to extend the period of performance of the AGREEMENT for **twenty-four (24)**

additional months. Therefore, it is agreed by the Parties to modify Section V of the AGREEMENT as follows:

V. EFFECTIVE DATE AND TERM

*This Agreement shall be in effect and enforceable between the parties from the date of its execution. The performance period of this Agreement is **forty-eight (48) months** from the date of its execution, ending in **March 22, 2024**.*

*The End of Term shall be the later of: (i) **March 22, 2024**; (ii) the date as of which the Parties agree in writing that all Close-Out Requirements have been satisfied or, where no Close-Out Requirements are applicable to this Agreement, the date as of which the Parties agree in writing that no Close-Out Requirements are applicable hereto; or (iii) such later date as the Parties may agree to in a signed amendment to this Agreement.*

[...]

V. SEVERABILITY

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

VI. SECTION HEADINGS AND SUBHEADINGS

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

VII. COMPTROLLER REGISTRY

The PRDOH shall remit a copy of this AMENDMENT C to the Office of the Comptroller for registration within **fifteen (15) days** following the date of execution of this AMENDMENT C and any subsequent amendment hereto. The services object of this AMENDMENT C may not be invoiced or paid until this AMENDMENT C 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.

VIII. ENTIRE AGREEMENT

The AGREEMENT, as amended, constitutes the entire agreement among the Parties for the use of funds received under the AGREEMENT, as amended, and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to the AGREEMENT, as amended.

IX. FEDERAL FUNDING

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

[SIGNATURES ON THE FOLLOWING PAGE].

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IN WITNESS THEREOF, the Parties hereto execute this AMENDMENT C in the place and on the date first above written.

PUERTO RICO DEPARTMENT OF HOUSING
CDBG-DR Grantee

By: William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (Mar 22, 2022 18:20 EDT)
Name: William O. Rodríguez Rodríguez
Title: Secretary

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ECONOMIC DEVELOPMENT BANK
CDBG-DR SUBRECIPIENT

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By: 
Luis Alemañy (Mar 21, 2022 16:40 EDT)
Name: Luis Alemañy González
Title: President
DUNS: 189854086



EXHIBIT A

SCOPE OF WORK

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

1. Program Overview/Background

The Scope of Work detailed below is for the Small Business Financing Program (SBF Program or Program). Program funding will support small business and microenterprise recovery through the initial funding of Recovery Grants up to a maximum of one hundred fifty thousand dollars (\$150,000) to cover working capital and moveable equipment, and later funding of Recovery Loans as Program funds are available, to support the rehabilitation or new construction of small business facilities.

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2. National Objective

All CDBG-DR-funded activities must meet at least one (1) of the three (3) HUD national objectives defined in the authorizing statute of the CDBG Program at 104(b)(3) of the Housing and Community Development Act of 1974 (HCDA), as amended, 42 U.S.C. § 5305. It is anticipated that projects funded through the SBF Program will meet one of the following national objectives:

- Benefit to low- and moderate-income persons (LMI)
 - o LMI Job Creation/Retention - 24 C.F.R. § 570.483 (b)(4);
 - o LMI Area Benefit - 24 C.F.R. § 570.483(b)(1);
 - o LMI Limited Clientele (microenterprises) - 24 C.F.R. § 570.483(b)(2);
- Urgent Need (UN) - 24 C.F.R. § 570.483(d)
- Prevention or Elimination of Slums or Blight (SB)

PRDOH has set a minimum goal to expend thirty percent (30%) of SBF Program funds on projects that result in a benefit to LMI individuals or that demonstrably serve LMI areas.

3. Program Description

The total allocation for the SBF Program will be up to two hundred twenty-five million dollars (\$225,000,000) but it is subject to change with additional CDBG-DR Action Plan Amendments.

The SBF Program will assist eligible Puerto Rico owned and operated microenterprises and small businesses to help restart operations and/or recover in the wake of Hurricanes Irma and/or María by initially providing Recovery Grants of up to fifty thousand dollars (\$150,000) for working capital and movable equipment. The amount of the grant and timing of draws will be based on the determination of unmet need

and eligible expenses as assessed in a business's Application to the Program. The Program Guidelines are currently written to address the eligibility and participation guidelines for the initial grant program and will be later amended to provide eligibility and participation criteria for Recovery Loans, subject to available Program funds.

Key Activities

In order to implement the program objectives, key activities to be carried out by Subrecipients include, but are not limited to:

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1. Work and approve cases to disburse grant amounts to businesses.

2. Help businesses with an urgent need for help and increase applicant engagement.

3. Continuously improve underwriting efficiency and capacity to successfully execute the program.

4. Processing of Program Based Reconsideration Requests and Complaints Resolution.

4. Tasks

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The Economic Development Bank of Puerto Rico (BDE, for its Spanish acronym; or the Subrecipient) will serve as the overall SBF Program Manager under this Subrecipient Agreement (SRA) with PRDOH. In this role, BDE will manage all major aspects of the Program. In addition to the tasks included herein, BDE shall perform any other task necessary for the proper performance of the services under the SRA that is in accordance with the tasks already assigned.

Task Number	Task
4.1	Office Configuration and Logistics
4.2	Project/Agreement Management
4.3	Document Control and Management
4.4	Program Design and Outreach
4.5	Accounting and Reporting
4.6	Environmental Review
4.7	Eligibility Review
4.8	Underwriting Review
4.9	Program Closeout
4.10	Program-Based Reconsideration Requests

4.1 Office Configuration and Logistics

- 4.1.1 Set-up offices and secure necessary equipment for these offices to function. Office spaces must be suitable for the services to be provided, and provide required visitor amenities such as on-site parking, rest rooms, and comply with ADA accessibility requirements.

- 4.1.2 Secure or provide workspace items and materials such as furnishings and equipment for the offices (including such items as computers, printers, office materials, etc.).
- 4.1.3 Secure equipment and technologies required to support remote or virtual program operations (including items such as laptop computers and MiFi devices).

4.2 Project/Agreement Management

- 4.2.1 Work closely with PRDOH to ensure timely delivery of Program activities, in accordance with the agreed upon Program Schedule.
- 4.2.2 Ensure adequate staffing levels to support Program activities funded in whole or in part by CDBG-DR, including human resources management.
- 4.2.3 Provide a dedicated Program Management team, to efficiently and effectively carry out Program activities.
- 4.2.4 Manage stakeholder and related communications.
- 4.2.5 Manage outreach activities including but not limited to, those included in the Program Guidelines, and draft related materials as determined by PRDOH (i.e. talking points, presentations, press releases, etc.).
- 4.2.6 Regularly communicate potential risks, issues, and statuses with PRDOH, in the manner they arise.
- 4.2.7 Implement the Program in a compliant manner, per the CDBG-DR regulations, policies, procedures, and all applicable state, local and federal regulations.
- 4.2.8 Monitor and control team performance (including all staff and vendors under the Subrecipient's direct and indirect supervision) in accordance with established performance goals, regulatory compliance, and quality standards and recommend corrective action and/or performance plan for underperforming team members, subcontractors, vendors, or other staff.
- 4.2.9 Lead and review all program monitoring activities to prepare and present reports, data, documents, or other information as required by PRDOH, HUD, the US Office of Inspector General (OIG), or other oversight entities.
- 4.2.10 Act as point of contact between PRDOH or its representative, applicant-entities, and elected officials for all Program issues. Lead, coordinate, and facilitate all necessary high profile, program-wide public presentations and meetings, applicant-entity meetings and government or non-government stakeholders' meetings.
- 4.2.11 Create, maintain, and control project plan which includes clear critical path, task dependencies, identified slack, resource

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allocation (including human and other resources), and activity status.

- 4.2.12 Deliver staff listed in Exhibit C (Key Personnel) promptly to support program demands, which may increase, decrease, or change throughout the program life cycle. Ensure sufficient staff is available at all times to support program operations in a timely and efficient manner.
- 4.2.13 Establish, communicate, and enforce standard, efficient, and streamlined processes and strategies to support delivery of program goals, risk management, quality assurance, stakeholder management, and change management; engage in total quality management practices to regularly evaluate effectiveness of established processes and implement change when needed. Processes may be subject to PRDOH review and approval.
- 4.2.14 The Subrecipient may carry out its obligations under the Agreement, via self-performed services, or via contracted professional services, either procured by the Subrecipient or by the PRDOH. The Subrecipient shall describe the tasks, goals, or activities expected to be carried out by the contractors on its behalf. In the event of underperformance or noncompliance attributed to the contractors, the Subrecipient shall resume the performance of its tasks, goals, activities, and obligations. If underperformance or noncompliance is attributed to PRDOH's procured professional services, the Subrecipient shall notify the PRDOH of such event. Corrective action or even termination of the contracted professional services may proceed. Procurement of professional service contractors and performance goals required from these contractors must be submitted to PRDOH and must be compliant with the rest of this Agreement.
- 4.2.15 The PRDOH and the Subrecipient will share responsibility for the management of the resources and contracted professional services procured by the PRDOH to assist the Subrecipient with the execution of any of the tasks, goals, or activities related to the Program.
- 4.2.16 Ingrain transparent, regular reporting to ensure stakeholders of all levels and importance remain informed and empowered to make decisions and report on issues such as, but not limited to risk, program progress, milestones achieved, performance issues, program successes, compliance concerns, and program demographics.
- 4.2.17 Maintain a complete understanding of all applicable Program policies, requirements, procedures, guidelines; and shall possess knowledge of regulatory and statutory compliance requirements for CDBG-DR and similar programs/projects. Ensure all program

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participants, including applicant-entities, vendors, and stakeholders are aware of all policy changes.

- 4.2.18 Manage day-to-day operations, improve processes for quality and efficiency, recommend policy changes.
- 4.2.19 Implement the Program in a compliant manner, per the Program policies and procedures and all applicable state and federal regulations.
- 4.2.20 Follow monitoring policies and procedures as directed by PRDOH
- 4.2.21 Comply with PRDOH directives that may arise during the Program implementation phase in order to meet Program progress goals and objectives.
- 4.2.22 Regularly communicate potential risks, issues, and statuses about the Program with the PRDOH.
- 4.2.23 Collaborate with the PRDOH by complying with information requests that aid to ensure that the media and the general public remain informed through media messages, community outreach, public relations, and public education efforts.
- 4.2.24 Coordinate with the PRDOH Information Technology (IT) services when technical system needs arise.
- 4.2.25 Notify Applicants once their grant application is complete and inform Applicants if the grant has been approved or denied and the amount and terms of the grant, if approved.
- 4.2.26 Ensure continuous review of Applications sent by the Case Management with a goal of maintaining a pace to award the total SBF Program budget set aside for grants within the term of this Agreement, pending enough approved Applications are received.
- 4.2.27 Ensure consistent and timely treatment of all Applicants and Applications and take all precautions necessary to avoid delays in the processing of Applications.

4.3 Document Control and Management

- 4.3.1 In accordance with HUD regulations, follow the records retention requirements as cited in 24 C.F.R. § 84.53, which includes: financial records, supporting documents, statistical records and all other pertinent records. Following PRDOHs' CDBG-DR Recordkeeping Management & Accessibility Policy; records must be maintained for five (5) years. All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.
- 4.3.2 Coordinate with PRDOH a clearly defined process for acquiring, organizing, storing, retrieving, and reporting on financial records and project and activity records.
- 4.3.3 Store, archive, and retrieve electronic images of all paper documents, applicant-related emails, correspondence, training

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material, policies and procedures, and other documents or materials as may be required. All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.

- 4.3.4 Ensure all project information and documentation is available at all times in the system of record.
- 4.3.5 Any systems, tools, or technology provided must meet Personal Identifiable Information (PII) requirements as outlined in the Privacy Act of 1974, 5 U.S.C. § 552(a) (Privacy Act), 24 C.F.R. Part 5, and PRDOHs' policy for protection of PII.
- 4.3.6 Provide sufficient, appropriate document control and management to meet the financial and documentation requirements for CDBG-DR grants. At a minimum, the following records are required:
 - 4.3.6.1 Records providing full description of each activity;
 - 4.3.6.2 Records verifying that activity meets national and grant objectives;
 - 4.3.6.3 Records related to demonstrating eligibility of activities;
 - 4.3.6.4 Records required to document activity related to real property;
 - 4.3.6.5 Records documenting compliance with Davis-Bacon Act, Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, Minority Business Enterprise, Women Business Enterprise, Section 3 of the Housing and Urban Development Act of 1968, fair housing and equal opportunity requirement, as applicable;
 - 4.3.6.6 Financial records and reports required by the Program; and
 - 4.3.6.7 Records supporting any specific requirements of the Program or the CDBG-DR allocations.
- 4.3.7 Any other task necessary for the proper document control management.
- 4.3.8 All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.

4.4 Program Design and Outreach

- 4.4.1 Prepare and maintain the overall project plan for the Program.
- 4.4.2 Develop and implement Program policies and templates, in collaboration with the PRDOH, required for the implementation and administration of the Program (i.e. Program Guidelines, Standard Operating Procedures (SOP), Forms, Contracts, Correspondence, Applications, etc.), as applicable.
- 4.4.3 Conduct procurement and/or provide assistance to PRDOH to perform procurements, as needed. RFP and other solicitation

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documents must be reviewed and approved by PRDOH prior to publication. All procurements must be done in accordance with the latest version of the PRDOH Procurement Manual for CDBG-DR.

- 4.4.4 Provide PRDOH with required documentation and information as specified in Federal Register Vol. 83, No. 28 (83 FR 5844) for posting on the PRDOH Disaster Recovery Website (www.cdbg-dr.pr.gov). Provision of non-essential information (when requested) such as bulletins, newsletters, or marketing materials for publication on PRDOH Disaster Recovery Website.

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4.5 Accounting and Reporting

- 4.5.1 The Subrecipient shall adhere to PRDOH's financial management policies and procedures as outlined in its manual, the Program Guidelines, or policies and procedures for this Program, including but not limited to:

4.5.1.1 Establish a separate bank account to receive payments from PRDOH of HUD CDBG-DR funds that provide the funding for disbursement and subsequently disburse payments.

- 4.5.2 Account and reporting of uses of CDBG-DR funds, including but not limited to information on National Objectives met, beneficiary demographics, and project completion status.
- 4.5.3 Maintain System of Records as previously detailed herein. All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.
- 4.5.4 Submit regular Monthly Progress Reports and ad-hoc reports, as necessary, to PRDOH, in the form and with the content specified and required by PRDOH, in the frequency or form determined by PRDOH at the moment of request, given that enough time is provided to comply with the request.
- 4.5.5 The data requested to provide reports related to applications received for the SBF Program is in the CANOPY System. The Subrecipient is responsible for informing PRDOH of programming needs that prevent such reports from being provided in a requested time.
- 4.5.6 Follow monitoring policies and procedures as directed by PRDOH.
- 4.5.7 Provide status reports on a regular basis to keep PRDOH informed of progress.
- 4.5.8 As requested, meet with PRDOH to discuss the status of the program, [applicant concerns], and any other issues that may have arisen during the administration of the assigned Program.

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- 4.5.9 Provide PRDOH with project progress reports on demand, as well as access to the project management system for PRDOH to monitor the project.
- 4.5.10 Report on information that includes project activity deemed critical by PRDOH.
- 4.5.11 Compile and review information necessary to prepare reports required under HUD regulations. If the data requested to provide reports related to applications received for the SBF Program is in the CANOPY System, the Subrecipient is responsible for informing PRDOH of programming needs that prevent such reports from being provided in a requested time.
- 4.5.12 Account for and reconcile, (a) all federal funds requested and drawn from HUD and awarded to grant recipients, (b) all funds returned by applicants, (c) all funds deposited by applicants to reduce duplicative benefits potential award gap, and any other funds as applicable.
- 4.5.13 Reconcile with PRDOH, on an established periodic basis, a complete inventory of all items furnished by PRDOH or funded by the CDBG-DR grant, including items such as equipment, furniture, computers, phones, laptops, network printers, network equipment, etc., if applicable.
- 4.5.14 Review and submit recommendations for approval of CDBG-DR funding requests if needed.
- 4.5.15 Review requests for payment from applicant-entities for CDBG-DR awards. This will include review of all reimbursement of eligible costs as well as cost feasibility.

4.6 Eligibility Review

- 4.6.1 Return application to Case Management if additional and necessary documents are required for eligibility and underwriting requirements for businesses, as established in the Program Guidelines
- 4.6.2 Perform validation of and determine pass or fail on each eligibility checklist item.
- 4.6.3 Properly document and submit comments for all determinations, decisions, and/or clarifications undertaken. Ensure every application file is supported with enough comments and notes that all third parties reviewing file can understand the reason why checklist items were passed or failed and can follow the entire process from intake to final determination and closeout.
- 4.6.4 Ensure that applying business meets all eligibility criteria and does not fall within any of the ineligibility categories. All analysis made must be properly documented.
- 4.6.5 Ensure that all stated uses of funds are eligible.

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- 4.6.6 Perform Duplication of Benefits analysis, in accordance with Stafford Act (42 U.S.C. §5155), including but not limited to acquiring additional documentation, reviewing benefits, and determining unmet needs. Return application to Case Management if additional and necessary documents are required.

4.7 Underwriting Review

- 4.7.1 Ensure that all supporting documentation and information is included in the application file and notify applicants if their application is missing documentation and return application to Case Management.
- 4.7.2 Notify Applicants if the Grant has been approved or denied and the amount and terms of the grant, if approved.
- 4.7.3 Properly document and submit comments for all determinations, decisions, and/or clarifications undertaken. Ensure every application file is supported with enough comments and notes that all third parties reviewing file can understand the reason why checklist items were passed or failed and can follow the entire process from intake to final determination and closeout.
- 4.7.4 Ensure that underwriting for recovery grants follow HUD guidelines at 24 C.F.R. § 570.209 as the financial underwriting framework for evaluating the feasibility of Applications.
- 4.7.5 Perform validation of and determine pass or fail on each underwriting checklist item.
- 4.7.6 Perform underwriting analysis including but not limited to evaluating that: calculating unmet needs, award amount, project costs are reasonable; all sources of project financing are committed; and the project is financially feasible. Also to the extent practicable that: the return on the owner's equity investment will not be unreasonably high; CDBG-DR funds are disbursed on a pro rata basis if other sources of funds are provided to the project; and CDBG-DR funds are not substituted for non-Federal financial support.
- 4.7.7 Perform Duplication of Benefits analysis, in accordance with Stafford Act (42 U.S.C. §5155), including but not limited to acquiring documentation, reviewing benefits, and determining unmet needs.

4.8 Program Closeout

- 4.8.1 Ensure that all program funding has been expended as stipulated in the terms of the grant agreement and suppliers have completed all tasks required by the award to the applicant.
- 4.8.2 Ensure that all payments for tasks performed as related to the applicant and their awards have been performed by the Trust.
- 4.8.3 Ensure that all applicable PRDOH quality control reviews have been completed.

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- 4.8.4 Ensure that all supporting documentation, information, and log of applicant communications is included in the application file.
- 4.8.5 Ensure that the applicant was able to obtain flood insurance, if applicable, after program funded activities are completed.
- 4.8.6 Ensure compliance with 2 C.F.R. 200 Subpart F, 24 C.F.R. § 570.509, CPD Closeout Notices, and PRDOH CDBG-DR Closeout Process, as may be applicable to the application.

4.9 Program-Based Reconsideration Requests

- 4.9.1 Conduct Applicant issue resolution responding to applicant formal complaints and Adjudicate program-based reconsideration requests, including complying with any Applicant Resolution procedure established by PRDOH.
- 4.9.2 Inform PRDOH of complaints received and identified resolution or mitigating action.
- 4.9.3 Submit and comply with information requested by PRDOH related to complaints or administrative reviews.

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5. Time Performance

All program activities, including closeout, must be concluded within **forty-eight (48) months** from the start date.

6. Budget

BDE's budget for the delivery of Program activities is one hundred thirty million dollars (\$130,000,000).

END OF DOCUMENT



EXHIBIT B

TIMELINES AND PERFORMANCE GOALS

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

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1. PROGRAM OBJECTIVE:

The Program will support the recovery and growth of the small business and Microenterprises sector due to physical and/or financial damages from Hurricanes Irma and María through the Award of grants to eligible businesses.

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2. TERMS:

- Key Objective – The major objectives the Program wants to achieve.
- Key Activity – The activities necessary to carry out the Objective.
- Indicator – The quantitative method used to demonstrate that the Key Activities have been performed.
- Source of Verification – The documentation used to verify that the Indicators have been met, and thus the activities are complete.
- Target – The goal for each of the Indicators.
- Timeline- The expected completion date or timeframe.

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3. TIMELINES & PERFORMANCE GOALS

OBJECTIVE: PROVIDE SBF GRANTS TO SMALL BUSINESSES THAT SUFFERED DAMAGES FROM HURRICANES IRMA AND/OR MARÍA

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KEY OBJECTIVE #1	KEY ACTIVITY	INDICATOR	SOURCE OF VERIFICATION	TARGET	TIMELINE
Provide Business Financing Grants to small businesses that suffered damages from Irma and/or María	1.1 Commence application review process & Complete approval process for cases and disburse grant amounts to eligible businesses	Millions of Dollars disbursed per Quarter	Received Applications, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none">Goal of spending at least \$50 Million Dollars in grants per quarter if number of eligible applications permit it.	Q 3 2022 - April 2022 to June 2022 Q 4 2022 - July 2022 to Sept 2022 Q 1 2022 - Oct 2022 to Dec 2022 Q 2 2023 - Jan 2023 to March 2023
	1.3 Processing of Program Based Reconsideration Requests and Complaints Resolution	<ul style="list-style-type: none">% of reconsideration cases responded	Grant Management System and Formal Communications	<ul style="list-style-type: none">100% of reconsiderations responded	Q 3 2022 - April 2022 to June 2022 Q 4 2022 - July 2022 to Sept 2022 Q 1 2022 - Oct 2022 to Dec 2022 Q 2 2023 - Jan 2023 to March 2023



3.1.1. KEY ACTIVITY 1.1 COMMENCE APPLICATION REVIEW PROCESS

The SBF Program will award grants up to one hundred fifty thousand dollars (\$150,000) to eligible businesses and has been allocated two hundred and twenty-five million dollars (\$225,000,000). In order to disburse a significant amount of the funds allocated to the program, a high rate of disbursement must be maintained. To maintain this desired rate, the SBF Program will provide support and resources where contractors will provide the subrecipient with a case pipeline to work with. Businesses applying for the SBF Program suffered damages because of hurricanes Irma and María and have an urgent need for the Grants awarded from the SBF Program. Because of this, the cases received must be assessed diligently and within a reasonable amount of time. At the same time the Program must also attend all applications with equal importance and give good customer service to all applicants. The subrecipient is tasked with maintaining said rate and accomplishing the goal of disbursing grant awards.

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- Goal of spending at least **\$50 Million Dollars in grants per quarter**, number of eligible applications permitting.
- Program Goals are based on the current needs of the SBF Program. PRDOH reserves the right to change these goals as the need arises. PRDOH will notify the Subrecipient, at the program level, in writing **30 days** prior to the new goals taking effect. The effects of these changes on the rest of this agreement will be discussed during this 30-day period.

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3.1.2. KEY ACTIVITY 1.4 PROCESSING OF PROGRAM BASED RECONSIDERATION REQUESTS AND COMPLAINTS RESOLUTION

The program-based reconsideration requests resolution task involves activities necessary to adjudicate program-based reconsideration requests initiated by program applicants. This task is expected to be recurring throughout the life of the SRA. The program-based reconsideration requests resolution task is initiated when a citizen or applicant submits a program-based reconsideration request. The task is considered complete when a program-based reconsideration request is adjudicated and duly notified to the applicant. The complaint resolution task involves activities necessary to attend to citizen or applicant complaints. This task is expected to be recurring throughout the life of the SRA. BDE shall compile all information required by PRDOH in order to resolve the complaint. The task is considered complete when all information has been submitted to PRDOH to resolve the complaint.

- **One Hundred Percent (100%)** of all Reconsiderations Requests received must be adjusted and such determination is notified to the applicant, with **a monthly an average of fifteen (15) business days** of receipt of the program-based reconsideration.



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

- Inform PRDOH of complaints received and identified resolution or mitigating action within **three (3) business days** of receipt of complaint.
- Submit information requested by PRDOH related to complaints or administrative review requests within **three (3) business days** of request.

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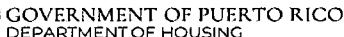


EXHIBIT C
KEY PERSONNEL
Economic Development Bank for Puerto Rico (BDE)
SMALL BUSINESS FINANCING PROGRAM

Below is the Staffing Plan for the CDBG-DR **Small Business Financing (“SBF”)** Program which reflects a combination of existing employees or newly hired employees of the Economic Development Bank for Puerto Rico (BDE, for its Spanish acronym), dedicated for the CDBG-DR **SBF** Program.

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Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer Team Lead Supervisor	1	162.5	\$39.31	\$6,387.88
Communications Officer	1	40.625	\$32.09	\$1,303.66
Comptroller	1	40.625	\$65.12	\$2,645.50
Customer Service	1	97.5	\$26.40	\$2,574.00
Customer Service	1	97.5	\$24.48	\$2,386.80
Expen. Review & Closeout Team Lead	1	162.5	\$39.31	\$6,387.88
Expen. Review & Closeout Team Lead	1	162.5	\$36.74	\$5,970.25
Expen. Review & Closeout Team Lead	1	162.5	\$45.01	\$7,314.13
Expen. Review & Closeout Team Lead Sup.	1	162.5	\$59.64	\$9,691.50
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist	1	162.5	\$36.74	\$5,970.25
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$30.64	\$4,979.00
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$32.09	\$5,214.63
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist	1	162.5	\$21.90	\$3,558.75
Intake Specialist	1	162.5	\$24.41	\$3,966.63
Intake Specialist	1	162.5	\$34.34	\$5,580.25
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist Team Lead	1	162.5	\$45.01	\$7,314.13
Intake Specialist Team Lead	1	162.5	\$59.64	\$9,691.50
Intake Specialist Team Lead	1	162.5	\$59.64	\$9,691.50
Intake Specialist Team Lead	1	162.5	\$36.74	\$5,970.25
Intake Specialist Team Lead	1	162.5	\$45.01	\$7,314.13
Intake Specialist Team Lead Supervisor	1	162.5	\$34.34	\$5,580.25
Invoice / Reporting	1	40.625	\$34.34	\$1,395.06
Invoice / Reporting	1	40.625	\$26.20	\$1,064.38
Invoice / Reporting	1	40.625	\$26.20	\$1,064.38
Procurement	1	40.625	\$34.46	\$1,399.94
Project Manager	1	162.5	\$53.53	\$8,698.63
Reconsideration Officer	1	81.25	\$60.34	\$4,902.63
Reconsideration Officer	1	162.5	\$45.01	\$7,314.13
Reconsideration Officer	1	81.25	\$45.01	\$3,657.06
Recruiting Officer	1	81.25	\$21.93	\$1,781.81
Reporting	1	40.625	\$35.59	\$1,445.84

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Reporting/Oversight Officer	1	162.5	\$59.64	\$9,691.50
Supervision and Compliance	1	130	\$76.72	\$9,973.60
Supervision and Compliance	1	130	\$73.23	\$9,519.90
Supervision and Compliance	1	130	\$83.69	\$10,879.70
Supervision and Compliance	1	130	\$73.23	\$9,519.90
Supervision and Compliance	1	130	\$73.23	\$9,519.90
Timesheet Officer	1	130	\$34.81	\$4,525.30
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$24.48	\$3,978.00
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$47.38	\$7,699.25
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter Team Lead	1	162.5	\$39.31	\$6,387.88
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$36.74	\$5,970.25
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead	1	162.5	\$51.53	\$8,373.63
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead Supervisor	1	162.5	\$64.23	\$10,437.38
Grand Totals	106	15,088.125		\$634,822.56

* There are roles that appear more than once because of different hourly wages for different levels of experience or expertise within those same positions at BDE. Also, personnel assigned will be allowed to undertake more than one role, as long as segregation of duties is maintained.

** Hours are rounded to the nearest quarter hour and are based on a 7.5-hour day. See Exhibit D (Budget) for further detail on Staffing.

*** Any and all compensation packages, including supplemental pay to current EDB resources, will comply with salaries and structures approved by the Office of Management and Budget (PR) and will not exceed the salary range established

for employees according to EDB's bylaws.

**** Salaries as well as Estimated Cost per Month are estimated sums, should not be interpreted as a maximum cap.

Roles Descriptions

Role	Description (or Task) *****
Intake Specialist	Conducts an eligibility determination and subsequently notifies the applicant after this final eligibility determination has been approved by the Team Lead.
Intake Specialist Lead	Provides a quality control review for all eligibility determinations made by the Intake Specialist. Ensures previous benefits received have been recorded on the Duplication of Benefits screen by the Case Manager. Will submit eligible applications to the Underwriting Team for underwriting and preliminary award determination.
Intake Specialist Team Supervisor	Manage performance, solve problems and overall supervision of the Intake process.
Underwriter	Responsible for conducting the underwriting review for all SBF cases; will be required to follow HUD underwriting criteria. If necessary, can request more information and documentation from the business applicant using the Underwriting Clarification Notification. Will also send out Award Notifications to qualified Applicants, including pre-Grant closing related documents such as the Intended Use of Funds, prior to sending the file to a Closing Officer for Closing coordination.
Underwriter Team Lead	Will verify the analysis made by the Underwriter to confirm that was made according to the SOP's and Program Guidelines and give the go ahead for next steps.

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Underwriter Supervisor	Supervise risk analysis, grant sizing, applicant evaluation, and overall supervision of the underwriting process.
Closing Officer	Coordinates the Closing meeting for Grant signature with Applicant, sends Applicant draft of Grant Agreement after reviewing it and provides instructions on what documents to bring to closing. Reviews Grant Agreement prior to meeting for any final corrections. Explains terms of Agreement to Applicant at closing meeting and documents file to upload closing documents and executed Grant Agreement to Grant Management System after meeting concluded.
Closing Officer Team Lead	May conduct same functions as Closing Officers but may also assign Closing Officer and QC Closing Officers work - review documents prepared by the Closing Officers, such as Grant Agreements, prior to a Closing Meeting to take place.
Closing Officer Supervisor	Manage performance, solve problems and overall supervision of the closing process.
Expenditure Review & Closeout Officer	Review receipts received and calculations made by Case Managers and/ or other Closing Officers. Recommend closeout and compliance decisions.
Expenditure Review & Closeout Team Lead	QC review and approve receipts received and calculations made by Case Managers and/ or other Closing Officers. Approves closeout and compliance decisions. Refers recapture processes and non-compliant files to PRDOH Legal Department for a Recapture of Funds process.
Expenditure Review & Closeout Supervisor	Manage performance, solve

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	problems and overall supervision of the Expenditure review & closeout process.
Project Manager	Manage, coordinate, and monitor all CDBG- DR Program activities for SBF grant
Reconsideration Officer	Evaluate Program-Based Reconsideration Request and supporting documents. Approve or deny applicant's initial Program-Based Reconsideration Request and make the appropriate adjustments in the Case Management System.
Reconsideration Officer Supervisor	Manage performance, solve problems and overall supervision of the case reconsideration process.
Supervision and Compliance	Executive management and oversight.
Administrative Support	Performs administrative tasks, including but not limited to oversight, reporting, staffing, payroll, funding, procurement, communications, marketing, and support to all areas. Responsible for the adherence to the program's policies and procedures.

***** All role descriptions or tasks are detailed according to the current needs of the subrecipient and are subject to modification with prior written approval from PRDOH, be it temporary or permanently, based on the needs of the program.

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EXHIBIT D – SECTION 1 BUDGET

Economic Development Bank for Puerto Rico (BDE) SMALL BUSINESS FINANCING PROGRAM

DESCRIPTION OF SERVICES

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Economic Development Bank of Puerto Rico ("BDE", for its Spanish acronym) staff will complete daily timesheets and work logs for work related to the Management, Application Intake, Underwriting, and Reporting costs in accordance with the Scope of Work (Exhibit A) for the Small Business Financing Program ("SBF Program").

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This Exhibit covers the One Hundred Thirty Million Dollars (\$130,000,000), in funds for the SBF Program that will be administered by the BDE. The budget for the staffing, services, systems, equipment, supplies, materials, and related expenses for **SBF is \$130,000,000** over a **forty-eight (48)-month** production and expenditure period.

Please see **Exhibit D-2** for detailed budget for **the forty-eight (48)-month** Grant period.

This budget does not include any additional funds that can be used for Administration and/or Activity Delivery Costs as derived from new Program Income.

1. BDE

BDE employees will carry out the work described in the modified Exhibit A - Scope of Work for the initial funding of the SBF Program, the Recovery Grants. Some BDE administrative staff will be full time staff who will only spend part of their work week supporting SBF work. Some staff will be hired on to support the Small Business Financing work in a full-time capacity.

BDE staff shall submit invoices for payment based on the time and materials method.

Staff will complete daily timesheets and work logs for work related to Activity Delivery, Planning, and/or Administration costs. For administrative costs, staff shall list the applicant case number, and track time and materials accordingly

2. BUDGET OVERVIEW AND DETAIL

EXHIBIT D - SECTION 2 - BUDGET

Grant:		CDBG-DR	
Contractor:		BANCO DESARROLLO ECONOMICO (BDE)	
Program:		SMALL BUSINESS FINANCING	
DRGR Activity Code:		R01E15SBF-EDC	
Cost Type	Chart of Accounts Code	Activity Description	CONTRACT Budget
ADMINISTRATION			\$ -
Costs			
TOTAL COSTS			\$ -
PLANNING			\$ -
Costs			
TOTAL COSTS			\$ -
PROJECT			\$130,000,000.00
Project			
Small Business Financing Grant Funding	5001-3010	Program grants to boost economic development	\$120,700,267.60
TOTAL COSTS			\$120,700,267.60
PROJECT ACTIVITY DELIVERY COSTS			
Staffing	5001-3000 5001-3001	Staffing resources for the execution and implemantation of the Program	\$4,699,732.40
Facilities and Administration	5001-3017 5001-3018 5001-3020 5001-3022	Operational costs associated with delivery and implementation activity. Items like, but not limited to: operating overhead, utilities, office suplies, advertising, travel, materials.	\$2,000,000.00
PRDOH Reserve 2%	5001-5000 5001-5001	2% of Program budget	\$2,600,000.00
TOTAL COSTS			\$9,299,732.40
GRAND TOTAL			\$130,000,000.00

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Budget Detail
SMALL BUSINESS FINANCING

Subrecipient Name: BANCO DESARROLLO ECONOMICO (BDE)

STAFFING

Position	Qty. of Resources [A]	Max. Hours per month per Resource [B]	Hourly Rate [C]	Max. Monthly Cost [D=AxBxC]
A dministrative Support	1	97.5	\$21.38	\$2,084.55
A dministrative Support	1	97.5	\$26.48	\$2,581.80
A dministrative Support	1	97.5	\$24.48	\$2,386.80
A dministrative Support	1	97.5	\$26.20	\$2,554.50
A dministrative Support	1	32.5	\$27.73	\$901.23
A dministrative Support	1	97.5	\$26.20	\$2,554.50
A dministrative Support	1	81.25	\$48.45	\$3,936.56
A dministrative Support	1	130	\$19.98	\$2,597.40
A dministrative Support	1	81.25	\$18.08	\$1,469.00
A dministrative Support	1	97.5	\$23.84	\$2,324.40
Closing Officer	1	162.5	\$29.84	\$4,849.00
Closing Officer	1	162.5	\$29.84	\$4,849.00
Closing Officer	1	162.5	\$26.00	\$4,225.00
Closing Officer	1	162.5	\$32.35	\$5,256.88
Closing Officer Team Lead	1	162.5	\$39.91	\$6,485.38
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13

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Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer- Expen. Review & Closeout	1	162.5	\$45.01	\$7,314.13
Closing Officer Team Lead Supervisor	1	162.5	\$39.31	\$6,387.88
Communications Officer	1	40.625	\$32.09	\$1,303.66
Comptroller	1	40.625	\$65.12	\$2,645.50
Customer Service	1	97.5	\$26.40	\$2,574.00
Customer Service	1	97.5	\$24.48	\$2,386.80
Expen. Review & Closeout Team Lead	1	162.5	\$39.31	\$6,387.88
Expen. Review & Closeout Team Lead	1	162.5	\$36.74	\$5,970.25
Expen. Review & Closeout Team Lead	1	162.5	\$45.01	\$7,314.13
Expen. Review & Closeout Team Lead Sup.	1	162.5	\$59.64	\$9,691.50
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist	1	162.5	\$36.74	\$5,970.25
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$30.64	\$4,979.00
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$45.01	\$7,314.13
Intake Specialist	1	162.5	\$32.09	\$5,214.63
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist	1	162.5	\$21.90	\$3,558.75
Intake Specialist	1	162.5	\$24.41	\$3,966.63
Intake Specialist	1	162.5	\$34.34	\$5,580.25
Intake Specialist	1	162.5	\$28.03	\$4,554.88
Intake Specialist Team Lead	1	162.5	\$45.01	\$7,314.13
Intake Specialist Team Lead	1	162.5	\$59.64	\$9,691.50
Intake Specialist Team Lead	1	162.5	\$59.64	\$9,691.50
Intake Specialist Team Lead	1	162.5	\$36.74	\$5,970.25
Intake Specialist Team Lead	1	162.5	\$45.01	\$7,314.13
Intake Specialist Team Lead Supervisor	1	162.5	\$34.34	\$5,580.25

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Invoice / Reporting	1	40.625	\$34.34	\$1,395.06
Invoice / Reporting	1	40.625	\$26.20	\$1,064.38
Invoice / Reporting	1	40.625	\$26.20	\$1,064.38
Procurement	1	40.625	\$34.46	\$1,399.94
Project Manager	1	162.5	\$53.53	\$8,698.63
Reconsideration Officer	1	81.25	\$60.34	\$4,902.63
Reconsideration Officer	1	162.5	\$45.01	\$7,314.13
Reconsideration Officer	1	81.25	\$45.01	\$3,657.06
Recruiting Officer	1	81.25	\$21.93	\$1,781.81
Reporting	1	40.625	\$35.59	\$1,445.84
Reporting/Oversight Officer	1	162.5	\$59.64	\$9,691.50
Supervision and Compliance	1	130	\$76.72	\$9,973.60
Supervision and Compliance	1	130	\$73.23	\$9,519.90
Supervision and Compliance	1	130	\$83.69	\$10,879.70
Supervision and Compliance	1	130	\$73.23	\$9,519.90
Supervision and Compliance	1	130	\$73.23	\$9,519.90
Timesheet Officer	1	130	\$34.81	\$4,525.30
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$24.48	\$3,978.00
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$36.74	\$5,970.25
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$47.38	\$7,699.25
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$45.01	\$7,314.13
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter	1	162.5	\$45.00	\$7,312.50
Underwriter Team Lead	1	162.5	\$39.31	\$6,387.88
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$36.74	\$5,970.25
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead	1	162.5	\$51.53	\$8,373.63
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead Supervisor	1	162.5	\$64.23	\$10,437.38
Estimated Maximum Monthly Cost:				\$634,822.56
*Total Cost for 4 Years (48 Months):				\$4,699,732.40
*The "Total Cost for 4 Years (48 Months)" should not be interpreted on a per month basis, but as the total aggregate budget for Subrecipient staffing expenses during the total Program implementation period of 48 months.				

PRDOH 2% RESERVE

Services Name	Services Description	Budget
	2% of the Total Budget for program activity delivery cost	\$2,600,000.00
	Total Budget for Services to be Contracted:	\$2,600,000.00

OTHER OPERATING

Item Name	Item Description	Budget
Facilities and A dministration	Operational costs associated with delivery and implementation activity. Items like, but not limited to: operating overhead, utilities, office suplies, advertising, travel, materials.	\$2,000,000.00
	Total Expenses Budget:	\$2,000,000.00

Grant Funding

Item Name	Item Description	Budget
Grant Funding		\$120,700,267.60
	Total Expenses Budget:	\$120,700,267.60

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EXHIBIT H

SUBROGATION AND ASSIGNMENT PROVISIONS

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

1. General Provisions.

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- a) The Parties acknowledge that the following provisions of this Exhibit are hereto incorporated by reference and made an integral part of the aforementioned Subrecipient Agreement as **Exhibit H**.
- b) Changes in the provisions of this Exhibit will require an amendment to the Subrecipient Agreement. Such amendment would result in the incorporation by reference of a modified **Exhibit H** to the Subrecipient Agreement.

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2. Subrogation and Assignment Relating to Funds Received from the Puerto Rico Department of Housing – Small Business Financing Program.

- a) These provisions are incorporated into the Subrecipient Agreement in consideration of the commitment by PRDOH to evaluate Subrecipient's application for the award of disaster assistance funds (the "**Application**") or the Subrecipient's receipt of CDBG-DR disaster recovery funds (the "**Grant Proceeds**") under the Program being administered by PRDOH.
- b) Subrecipient understands and acknowledges that the Program is subject to the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. §§ 5121-5207 (the "**Act**") and that, under such Act, the Subrecipient may only receive assistance to the extent that the Subrecipient has a disaster recovery need that is not fully met by insurance or other forms of disaster assistance. Subrecipient further acknowledges that these provisions are intended to ensure that Subrecipient does not receive duplicate benefits available to the Subrecipient from another source, for the same purposes as the Grant Proceeds provided under the Program, and that, any assistance determined to be duplicative must be deducted from the Program's calculation of the Subrecipient's total need prior to awarding assistance.
- c) Subrecipient hereby subrogates and assigns to PRDOH any and all of Subrecipient's future rights to, and any interest Subrecipient may have in, any reimbursement and all payments received or subsequently received from any grant, loan, insurance policy or policies of any type (each individually, a "**Policy**" and collectively, the "**Policies**"), or under any subsidy, reimbursement or relief

program related to or administered by the Federal Emergency Management Agency ("**FEMA**"), insurance payments, or any other federal, state or local government agency (each, individually, a "**Disaster Program**" and collectively, the "**Disaster Programs**") to the extent of all Grant Proceeds paid or to be paid under the Program and that are determined, in the sole discretion of PRDOH or its designated agent, to be a duplication of benefits ("**DOB**"). Any payments referred to in this paragraph, whether they are from Policies, FEMA, or any other source, and whether or not such amounts are a DOB, shall be referred to herein as "**Proceeds**"; any Proceeds that are determined to be a DOB shall be referred to herein as "**DOB Proceeds**".

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- d) Subrecipient agrees that, in the event that Subrecipient receives additional Proceeds related to disaster recovery that are not listed on the Duplication of Benefits Certification submitted in connection with the Application, Subrecipient will notify the PRDOH within **ten (10) working days** of receipt of the funds by sending a written notification to EcoRecCDBG@vivienda.pr.gov. PRDOH will, in turn determine, in its sole discretion, if such Proceeds constitute DOB Proceeds. If any of the Proceeds are determined to be DOB Proceeds, the Subrecipient shall pay PRDOH the DOB Proceeds, to be disbursed as provided in Section 3 of this Agreement.

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3. Cooperation and Further Documentation.

- a) If PRDOH elects to pursue any of the claims Subrecipient has or may have under any Policies, Subrecipient agrees to assist and cooperate with PRDOH. Subrecipient's assistance and cooperation shall include, but shall not be limited to, allowing suit to be brought in Subrecipient's name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing records and other evidence, testifying at trial, and any other form of assistance and cooperation reasonably requested by the PRDOH. Subrecipient also agrees to assist and cooperate in the attainment and collection of any DOB Proceeds that the Subrecipient would be entitled to under any applicable Disaster Assistance Program.
- b) If requested by PRDOH, Subrecipient agrees to execute such further and additional documents and instruments as may be requested to further and better subrogate and assign to PRDOH (to the extent of the Grant Proceeds paid to Subrecipient under the Program) the Policies, any amounts received under the Disaster Assistance Programs that are determined to be DOB Proceeds and/or any rights thereunder. Subrecipient further agrees to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the PRDOH to consummate and make effective the purposes of these provisions.

- c) Subrecipient expressly allows and authorizes PRDOH to request information from any company with which Subrecipient holds or held any insurance policy or policies of any type, any other company or entity -public or private- from which the Subrecipient has applied for or is receiving assistance (such as FEMA, or others), or any non-public or confidential information determined by PRDOH, in its sole discretion, to be reasonably necessary to monitor/enforce its interest in the rights subrogated and assigned to it under this Agreement, and grant consent to such company or entity to release said information to the PRDOH.

4. Agreement to Turn Over Proceeds; Future Reassignment.

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- a) If Subrecipient (or, to the extent permitted by superior loan documents, any lender to which DOB Proceeds are payable) hereafter receives any DOB Proceeds, Subrecipient agrees to promptly pay such amounts to PRDOH, if Subrecipient received Grant Proceeds under the Program in an amount greater than the amount Subrecipient would have received if such DOB Proceeds had been considered in the calculation of Subrecipient's award.

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- b) In the event that Subrecipient receives or is scheduled to receive any Proceeds not listed on its Duplication of Benefits Certification ("**Subsequent Proceeds**"), Subrecipient shall pay such Subsequent Proceeds directly to the PRDOH, and PRDOH will determine the amount, if any, of such Subsequent Proceeds that are DOB Proceeds ("**Subsequent DOB Proceeds**"). Subsequent Proceeds shall be disbursed as follows:
- (i) If Subrecipient has received full payment of the Grant Proceeds, Subrecipient shall remit any Subsequent DOB Proceeds to PRDOH. PRDOH shall return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.
 - (ii) If Subrecipient has received no payment of the Grant Proceeds, PRDOH shall reduce the payment of the Grant Proceeds to Subrecipient by the amount of the Subsequent DOB Proceeds and shall return all Subsequent Proceeds in excess of the Subsequent DOB Proceeds to Subrecipient.
 - (iii) If Subrecipient has received a portion of the Grant Proceeds, the following shall occur: (A) PRDOH shall reduce the remaining payments of the Grant Proceeds and return Subsequent DOB Proceeds in such amount to the Subrecipient; and (B) Subrecipient shall remit any remaining Subsequent DOB Proceeds to PRDOH. PRDOH shall also return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.
 - (iv) If the PRDOH makes the determination that Subrecipient does not qualify to participate in the Program or Subrecipient decides not to participate in the

Program, PRDOH shall return the Subsequent Proceeds to Subrecipient, and the Agreement shall terminate.

- c) Once PRDOH has recovered an amount equal to the Grant Proceeds paid to Subrecipient, PRDOH will reassign to Subrecipient any rights given to PRDOH pursuant to these provisions.

5. Miscellaneous.

- a) Subrecipient hereby represents that all statements and representations made by Subrecipient regarding any Proceeds are true and correct, as of the date of the issuance of the Grant Proceeds.
- b) In any proceeding to enforce these provisions, PRDOH shall be entitled to recover all costs of enforcement, including PRDOH's attorney fees.
- c) The parties hereto each waive the right to have any judicial proceeding concerning any of the provisions hereof tried by a jury.
- d) Neither these provisions, nor any portion or provisions hereof may be changed, waived, or terminated orally or by any course of dealing, or in any manner other than by an agreement in writing, signed by all parties hereto and approved by PRDOH.
- e) These provisions, and the rights and obligations of the parties shall be governed and construed in accordance with federal law and the laws of the Government of Puerto Rico without giving effect to conflict of law provisions. Any action arising out of or related to this Subrogation and Assignment provisions shall be brought within the Government of Puerto Rico.
- f) The captions of the various sections of this Subrogation and Assignment provisions have been inserted only for the purpose of convenience; such captions are not a part of the Agreement and shall not be deemed in any manner to modify, explain, enlarge or restrict any provisions of this Subrogation.
- g) Subrecipient acknowledges that making a false, fictitious, or fraudulent statement or representation in this agreement is punishable under State and Federal law (18 U.S.C. 287, 1001 and 31 U.S.C. 3729), and shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Subrecipient acknowledges that they have been informed and understand the penalties for making a materially false or misleading statement to obtain CDBG-DR funds under the Program or any other of the PRDOH's Programs.

END OF DOCUMENT

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BDE (SBF)-AMENDMENT C

Final Audit Report

2022-03-22

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