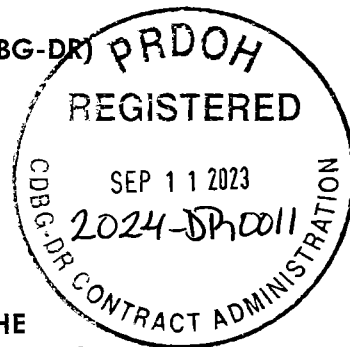




GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

**COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)
NON-FEDERAL MATCH PROGRAM**



**INTERAGENCY AGREEMENT
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND THE**

**PUERTO RICO PRIVATE PARTNERSHIPS AUTHORITY ON BEHALF OF THE
CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION, AND RESILIENCY (COR3)¹**

This **INTERAGENCY AGREEMENT** ("**Agreement**") is entered into this 8 day of September, 2023, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** ("**PRDOH**"), a public agency of the Government of Puerto Rico created under Act No. 97, of June 10, 1972, as amended, 3 LPRA § 441 et seq., known as the "Department of Housing Organic Act" ("**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 Guaynabo, Puerto Rico; and the **CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION, AND RESILIENCY** ("**COR3**" or "**Partner**"), a division within the **PUERTO RICO PUBLIC PRIVATE PARTNERSHIPS AUTHORITY** ("**P3**")², with principal offices at Guaynabo, Puerto Rico, represented herein by its Executive Director, Manuel A. J. Laboy Rivera, of legal age, engineer, single, and resident of San Juan, Puerto Rico; collectively the "**Parties**".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on September 2017, Hurricanes Irma and María made landfall in Puerto Rico causing catastrophic island wide damage, knocking out power, water, and telecommunications for the entire island and its island municipalities. Hurricane María caused major structure and infrastructure damage to family homes, businesses and government facilities triggering the displacement of thousands of residents of the Island from their homes and jobs.

WHEREAS, under the Continuing Appropriations Act, 2018, and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law September 8, 2017 (Pub. L. 115-56), \$1.5 billion were allocated by the U.S. Department of Housing and Urban Development ("**HUD**") for disaster recovery assistance to the Government of Puerto Rico under the CDBG-DR Program. These funds are intended to provide financial assistance to address unmet needs that arise and that are not covered by other sources of financial aid.

WHEREAS, on February 9, 2018, a Notice was published in the Federal Register, Vol. 83, No. 28 (83 FR 5844), that allocated \$1.5 billion for disaster recovery assistance to the Government of Puerto Rico.

¹ Executive Orders Nos. 2017-065 of October 23, 2017, and 2017-069 of November 10, 2017, directed the Puerto Rico Public Private Partnership Authority (P3) to organize the Central Office for Recovery, Reconstruction, and Resiliency (COR3) as a division of the P3 Authority for the purpose of assuming the principal responsibility of developing and implementing a strategic plan for the reconstruction of Puerto Rico after the passage of Hurricanes Irma and María. The P3 Authority formalized the creation of the COR3 on December 8, 2017, pursuant to Resolutions 2017-39 and 2017-41 of the Board of Directors of the P3 Authority.
² P3 is a public corporation of the Government of Puerto Rico created by virtue of Act No. 29-2009, as amended, known as the "Public Private Partnership Act". The P3 Authority is ascribed to the Puerto Rico Fiscal Agency and Financial Advisory Authority, created by virtue of Act No. 2-2017, as amended, known as the "Puerto Rico Fiscal Agency and Financial Advisory Authority Act".

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WHEREAS, under the Bipartisan Budget Act of 2018, signed into law February 9, 2018 (Pub. L. 115-123), an additional \$8.22 billion was appropriated by Congress for disaster recovery assistance to the Government of Puerto Rico under CDBG-DR.

WHEREAS, pursuant to a letter dated February 23, 2018, sent by former Governor of Puerto Rico to the Hon. Benjamin Carson, Secretary of HUD, the PRDOH is the governmental agency designated as grantee of the CDBG-DR funds allocated to the Government of Puerto Rico.

WHEREAS, on August 14, 2018, an additional allocation of \$8.22 billion for recovery was allocated to Puerto Rico under Federal Register Vol. 83, No. 157, (83 FR 40314).

WHEREAS, on September 20, 2018, the Governor of Puerto Rico and the Secretary of HUD signed the Grant Agreement Number B-17-DM-72-0001; allowing PRDOH access to \$1,507,179,000 in CDBG-DR funding obligated under Pub. L. 115-56.

WHEREAS, under the Additional Supplemental Appropriations for Disaster Relief Act of 2019, signed into law June 6, 2019 (Pub. L. 116-20), an additional \$277 million were appropriated by Congress for disaster recovery assistance to the Government of Puerto Rico under CDBG-DR.

WHEREAS, on January 27, 2020, an additional allocation of \$277 billion for unmet infrastructure recovery needs was allocated to Puerto Rico under Federal Register Vol. 85, No. 17, (85 FR 4681). With these allocations of funding, the PRDOH aims to lead a transparent, comprehensive recovery to benefit the residents of Puerto Rico. PRDOH holds accountability and is committed to the responsible, efficient, and transparent administration of CDBG-DR grant funding.

WHEREAS, on February 21, 2020, the Governor of Puerto Rico and the Secretary of HUD signed the Grant Agreement Number B-18-DP-72-0001; allowing PRDOH access to \$1,700,000,000 in CDBG-DR funding, obligated under Pub. L. 115-123.

WHEREAS, in response to the disaster caused by Hurricanes Irma and María, the Federal Emergency Management Agency (**FEMA**) began to provide immediate Federal disaster relief assistance. The aforementioned relief assistance includes a non-federal share or "local match" requirement that can be met with HUD's CDBG-DR funds.

WHEREAS, similar to PRDOH's relationship with HUD, COR3 works directly with FEMA as the recipient agency for its grant funding.

WHEREAS, according to the approved current Action Plan, Puerto Rico is undertaking the Non-Federal Match Program ("**NFMP Program**"). The current CDBG-DR Action Plan allocates a total budget of eight hundred sixty-eight million four hundred fifty-three thousand nine hundred eighty-one dollars (\$868,453,981.00) to this Program. Out of those funds, PRDOH has allocated to COR3 the total amount of **five hundred thousand dollars (\$500,000.00)**.

WHEREAS, to minimize the burden on disaster relief assistance applicants of providing similar documentation multiple times and to make the match reimbursement process simpler for those applicants, COR3 will provide PRDOH access to applicant's data and documentation, previously provided to COR3 and FEMA by those applicants under the FEMA Public Assistance (**PA**) Program. PRDOH will perform all eligibility reviews under the NFMP Program with the benefit of the information made available by COR3's personnel, and as needed, will contact applicants for any additional documentation that may be required to comply with HUD's particular standards and regulations and is not filed in COR3's database. Therefore, five hundred thousand dollars (**\$500,000.00**) will be

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provided to cover administrative costs incurred by COR3's staff or any COR3's third party professional services provider in regard to the tasks and goals detailed in the **Exhibit A** ("Scope of Work") and **Exhibit B** ("Detailed Scope of Work, Timelines and Performance Goals") of this Agreement.

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WHEREAS, the use of the CDBG-DR funds allocated for the Partner to cover its administrative costs under this Agreement must be in accordance with the requirements imposed by Federal statutes, regulations, and the terms and conditions of the PRDOH's Federal Award.

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 Agreement; and

WHEREAS, COR3 has duly adopted the Resolution dated January 4, 2023, with Identification No. 2022-46, authorizing COR3, through its authorized representative, Manuel A. J. Laboy Rivera, to enter into this Agreement with the PRDOH, and by signing this Agreement, COR3 assures PRDOH that it shall comply with all the requirements described herein.

GENERAL AWARD INFORMATION

The Subaward from PRDOH to the Partner contemplated hereunder is for carrying out a portion of the Federal Award described in Section I above; thus, a federal assistance relationship is created with the Partner. This Agreement shall be updated to reflect any changes to the Federal Award and the following award information.

CDBG-DR Grantee Federal Award Identification Number:	B-18-DP-72-0001
CDBG-DR Grantee Federal Award Date:	February 21, 2020
Federal Award project description:	See Exhibit A (Scope of Work) and Exhibit B (Timelines and Performance Goals)
CDBG-DR Grantee Unique Identifier:	Unique Entity ID: FFMUBT6WCM1
Partner Contact Information:	Manuel A.J. Laboy Rivera, PE, MBA Executive Director Central Office for Recovery, Reconstruction and Resiliency (COR3) Suite 210, 50 State Road #165 Buchanan Sector, Amelia Industrial Park Guaynabo, Puerto Rico 00968 legal@cor3.pr.gov
Partner Unique Identifier:	Unique Entity ID: HEJDFU1K4E22
Subaward Period of Performance:	Start Date: Effective Date, as defined in Section V of this Agreement. End Date: June 30, 2024
Funds Certification:	Dated: August 10, 2023 Authorized Amount: \$500,000.00 Funds Allocation: CDBG-DR "r02i21fem-doh-lm" CDBG-DR "r02i21fem-doh-un" Account Number: 6090-01-000 See Exhibit E for <u>Certification of Funds</u>

NOW, THEREFORE, in consideration of the premises and mutual covenants described herein, the Parties mutually agree to the terms described in this Agreement.

TERMS AND CONDITIONS

II. ATTACHMENTS

The following attachments are incorporated into this Agreement by reference and are hereby made part of this Agreement:

Exhibit A	Scope of Work
Exhibit B	Detailed Scope of Work, Timelines and Performance Goals
Exhibit C	Key Personnel & Professional Services
Exhibit D	Budget
Exhibit E	Certification of Funds
Exhibit F	HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements
Exhibit G	Subrogation and Assignment Provisions
Exhibit H	Non-Conflict of Interest Certification

All Attachments hereto are fully incorporated herewith such that the terms and conditions of the Attachments shall be as binding as any terms and conditions of this executed written Agreement. Should any inconsistency appear between the Attachments and this Agreement, the Agreement shall prevail.

III. SCOPE OF WORK

The Partner shall be responsible for performing the activities detailed in **Exhibit A** ("Scope of Work") of this Agreement, herein attached and made an integral part of this Agreement, which may be amended from time to time with the consent of both Parties. The Partner shall complete the Scope of Work in a manner satisfactory to the PRDOH and consistent with the terms and conditions of this Agreement and applicable Federal and local statutes, laws and regulations.

A. Partner Management Responsibilities

The Partner shall comply with all applicable procurement, documentation, and funding requirements for the tasks and goals included in **Exhibit A** ("Scope of Work") and **Exhibit B** ("Detailed Scope of Work, Timelines and Performance Goals") for the Program.

All tasks shall be performed in accordance with PRDOH guidelines, HUD guidelines and regulations, and other applicable state and federal laws and regulations, unless instructed otherwise by PRDOH.

B. General Administration

Prohibited Activities: The Partner may only carry out the roles and responsibilities described in this Agreement and the activities related to the performance of the Scope of Work described in **Exhibit A** ("Scope of Work") of this Agreement. Notwithstanding anything to the contrary in this Agreement, the Partner shall not be obligated to perform any work or services outside the Scope of Work described in **Exhibit A** ("Scope of Work") of this Agreement.

The Partner is prohibited from charging to the PRDOH the costs of CDBG and/or CDBG-DR ineligible activities, including those described at 24 C.F.R. § 570.207, unless waived or made eligible by an applicable Federal Register Notice, from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying. The Partner may be

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financially liable for the carry out of activities outside of the parameters of the Scope of Work of this Agreement.

C. National Objectives

PRDOH anticipates that three (3) national objectives will be used in the NFMP Program. PRDOH will work with entities who are funded through this Program to evaluate the service area and determine the national objective for each project. PRDOH anticipates that the two (2) national objectives that will be used most frequently are Low-and-moderate-income (**LMI**)-area benefit and Urgent Need (**UN**).

Projects in the Program will meet one (1) of these national objectives:

- Benefit to LMI Persons (24 C.F.R. § 570.483(b))
- UN activities (24 C.F.R. § 570.483(d))
- Aid in prevention or elimination of Slums or Blight (**SB**) (24 C.F.R. § 570.483(c))

D. Levels of Accomplishment – Performance Goals and Timelines

The Partner shall complete the activities required under the **Exhibit A** ("Scope of Work") of this Agreement in accordance with the timeframes and performance goals set forth in **Exhibit B** ("Detailed Scope of Work, Timelines and Performance Goals") of this Agreement, herein attached and made an integral part of this Agreement.

E. Nonperformance Standard

If at the end of the **six (6) months** from the Effective Date, as defined in **Section V** of this Agreement, the Program activity has not begun or at any time during the term the Program activity has not accomplished the performance objectives set forth by the PRDOH in **Exhibit B** ("Timelines and Performance Goals"), the PRDOH, may, at its sole discretion, terminate this Agreement, de-obligate funds made available under this agreement, and/or recapture funds previously expended by the Partner under this agreement from non-federal funds. No contract extensions shall be granted unless the Partner can document circumstances beyond its control that prevented the start of the activity. The PRDOH shall review the properly filed and documented circumstances which are alleged to have prevented the initiation of activity and exclusively reserves the right to decide if an extension is warranted, relative to the reasons stated as well as the prevailing circumstances.

F. Staffing

COR3 shall supervise and direct the completion of all activities under this Agreement. Any changes in assigned key personnel ("Key Personnel") or their responsibilities are subject to prior approval of PRDOH. COR3 shall submit a written petition to PRDOH with any proposed changes to the key personnel for PRDOH's examination and written approval. See **Exhibit C** ("Key Personnel & Professional Services") for further and more specific details about this matter.

At a minimum, the Partner shall assign the staff with the identified responsibilities to the identified activities as described in **Exhibit C** ("Key Personnel & Professional Services") of this Agreement, herein attached and made integral part of this Agreement.

Depending on the needs of the Program activity, the Partner shall provide staff and/or procure professional service contractors to assist with the compliance of said activities. The staff who will support the tasks included in **Exhibit A** ("Scope of Work"), shall solely perform those tasks and shall be remunerated hourly.

The Partner shall monitor the performance of its staff, and contractors against the goals and performance standards as stated in **Exhibit B** ("Detailed Scope of Work, Timelines and Performance Goals").

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G. Pre-Award Costs

Pre-agreement costs are eligible for payment under the terms and conditions of the Action Plan, Program Guidelines, and this Agreement, in addition to specific requirements for compliance with HUD.

IV. PERFORMANCE, MONITORING AND REPORTING

A. Monitoring

The PRDOH shall monitor the performance of the Partner as necessary to ensure that the funds allocated to the Partner are used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this Agreement, including the timeframes and performance goals set forth in **Exhibit B** ("Detailed Scope of Work, Timelines and Performance Goals") associated with the activities included in the **Exhibit A** ("Scope of Work").

This review shall include: (1) reviewing financial and performance reports required by the PRDOH; (2) following-up and ensuring that the Partner takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Partner from the PRDOH detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Partner from the PRDOH as required by 2 C.F.R. § 200.521.

Substandard performance, defined as a performance that falls short of the standard expected of the Partner, as specified in the Agreement's exhibits, shall constitute noncompliance with this Agreement.

If action to correct such substandard performance is not taken by the Partner within **fifteen (15) days** after being notified by PRDOH, PRDOH may impose additional conditions on the Partner and suspend or terminate this Agreement, disallow all or part of the cost of the activity or action not in compliance or initiate other remedies for noncompliance, as appropriate and permitted under 2 C.F.R. § 200.339.

B. Reporting

The Partner shall submit progress reports to the PRDOH, on the form and with the content to be specified and required by the PRDOH.

V. EFFECTIVE DATE AND TERM

This Agreement shall be in effect and enforceable between the Parties from the date of its execution. The End of Term shall be the later of: (i) **June 30, 2024**; (ii) the date as of which the Parties agree in writing that all Close-Out Requirements³ have been satisfied; or (iii) such later date as the Parties may agree to in a signed amendment to this Agreement.

The Partner hereby acknowledges that this Agreement is subject to the grant agreement between the Government of Puerto Rico or the PRDOH, and HUD ("Grant Agreement"); and the availability of the allocated CDBG-DR funds. The Partner also acknowledges and agrees that any suspension, cancellation, termination or otherwise unavailability of the CDBG-DR allocation(s) shall result in the immediate suspension, cancellation, or termination of this Agreement, upon PRDOH's notice.

³ "Close-Out Requirements" means all requirements to be satisfied by each party in order to close-out this Agreement and the CDBG-DR funds provided herein in accordance with applicable Requirements of Law, including the execution and delivery by one or more of the Parties of all close-out agreements or other legal instruments and the taking of any actions by one or more of the Parties in connection with such close-out, in any case as required under applicable Requirements of Law.

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A. Contract Extensions:

The term of the Agreement may be extended upon mutual written agreement of the Parties. However, 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. More specific periods of performance for each scope of work within this agreement are shown in **Exhibit B** ("Detailed Scope of Work, Timelines and Performance Goals").

VI. BUDGET

A. Budget

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

The PRDOH may require a more detailed budget breakdown than the one contained herein, and the Partner 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 Partner.

VII. PAYMENT

A. Amounts

This Agreement is based on the reimbursement of funds to the Partner expended on approved CDBG-DR items. Funding is contingent on a CDBG-DR award to PRDOH or a Grant Agreement between the Government of Puerto Rico or the PRDOH, and HUD, and PRDOH's receipt of CDBG-DR funds. It is expressly agreed and understood that the total funding amount to be paid by the PRDOH to the Partner under this Agreement shall not exceed the amount specified in the **Exhibit D** ("Budget"). Such payment shall be a compensation for all allowable services required, performed and accepted under this Agreement. However, PRDOH reserves the right to reduce the funding amount if CDBG-DR funding is not provided at the currently anticipated levels and/or if the actual costs for the approved activities are less than those set forth in the **Exhibit D** ("Budget").

Any additional funds to complete the services requested by the PRDOH to the Partner shall be subject to funds availability and shall require an amendment to this Agreement.

B. Requests for Reimbursement

The Partner shall submit to PRDOH requests for reimbursements of activities under this Agreement and consistent with the approved Budget (hereinafter, the "Request for Reimbursement") and **Exhibit A** (Scope of Work) on a monthly basis. Each Request for Reimbursement shall be broken down into requested reimbursements against the Budget line items specified in **Exhibit D** ("Budget").

The Partner shall submit Requests for Reimbursement to the PRDOH, on the form and with the content specified and required by the PRDOH. The Requests for Reimbursements must be submitted with all supporting invoices, bills, time sheets, monthly reports, and any other document necessary to justify the payment, or any other supporting document requested by PRDOH. The Request for Reimbursement must be supported with documentation that demonstrates that all procurements for which payment is requested have been made in accordance with this Agreement.

If PRDOH determines that the submitted Request for Reimbursement and supporting documents are acceptable, then the request for reimbursement shall be approved for

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payment. An authorized representative of the PRDOH shall review each Request for Reimbursement and, if adequate, shall approve and process its payment. Payments to the Partner shall be made by check or electronic funds transfer (EFT). PRDOH reserves the right to conduct any audit it deems necessary.

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In order for the Partner 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."

The PRDOH shall pay to the Partner the CDBG-DR funds available under this Agreement [See **Exhibit E** ("Funds Certification")] based upon information submitted by the Partner for allowable costs permitted under this Agreement and consistent with the approved Budget. Payments shall be made for eligible and allowed expenses actually incurred by the Partner, and not to exceed actual cash requirements. PRDOH reserves the right to adjust payments in accordance with advance fund and program income balances available in Partner accounts.

VIII. NOTICES

All notices, requests, approvals, and consents of any kind made pursuant to this Agreement shall be in writing and shall be deemed to be effective as of the date sent by certified mail, return receipt requested, or email. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice. Communication and details concerning this Agreement shall be directed to the following contract representatives:

CDBG-DR Grantee: Hon. William O. Rodríguez Rodríguez
Secretary
Puerto Rico Department of Housing
606 Barbosa Avenue
Juan C. Cordero Building
Río Piedras, Puerto Rico 00918

Partner: Manuel A. J. Laboy Rivera
Executive Director
Central Office for Recovery,
Reconstruction and Resiliency (COR3)
Suite 210, 50 State Road #165
Buchanan Sector,
Amelia Industrial Park
Guaynabo, Puerto Rico 00968
legal@cor3.pr.gov

IX. AMENDMENT AND TERMINATION

A. Amendments

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.

This Agreement may be amended by the parties hereto, for the purpose of including any other CDBG-DR funded program included in the HUD-approved Hurricanes Irma and María current Action Plan.

The PRDOH may, in its discretion, amend this Agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications shall be incorporated only by written amendment signed by both the PRDOH and the Partner.

However, PRDOH reserves the right to notify the Partner, through any of the communication methods established in Section VIII of this Agreement, of 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.

B. Suspension or Termination

1. Termination for Cause

The PRDOH may terminate this Agreement, in whole or in part, upon **thirty (30) days'** notice, whenever it determines that the Partner has failed to comply with any term, condition, requirement, or provision of this Agreement. Failure to comply with any terms of this Agreement, include (but are not limited to) 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, and HUD guidelines, PRDOH's Program Guidelines, as applicable, policies or directives as may become applicable at any time;
- b. Failure, for any reason, of the Partner to fulfill in a timely and proper manner its obligations under this Agreement;
- c. Ineffective or improper use of funds provided under this Agreement; or
- d. Submission of reports by the Partner to the PRDOH that are incorrect or incomplete in any material respect.

The Partner shall have up to **thirty (30) days** to resolve issues listed above to the satisfaction of PRDOH.

2. Termination for Convenience of the PRDOH

The PRDOH may terminate this Agreement any time by a notice in writing from the PRDOH to the Partner. If the Agreement is terminated by the PRDOH as provided herein, the

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Partner shall be paid the total compensation as the allowable work or services actually performed up until the date of termination under the agreed upon **Exhibit A** (Scope of Work). Any compensation under this paragraph must be for documented costs that are CDBG-DR eligible, and allowable, allocable, and reasonable in accordance with Uniform Administrative Requirements.

This Agreement may also be terminated in whole or in part by either the PRDOH or the Partner, or based upon Agreement by both the PRDOH and the Partner in accordance with the requirements in 2 C.F.R. part 200, subpart D.

3. Notification and Recoupment of Costs Incurred Prior to Termination

The PRDOH shall promptly notify the Partner, in writing, of its determination and the reasons for the termination together with the date on which the termination shall take effect and any other notifications required under 2 C.F.R. part 200, subpart D. Upon termination, the PRDOH retains the right to recover any improper expenditures from the Partner and the Partner shall return to the PRDOH any improper expenditures no later than **thirty (30) days** after the date of termination. In the case of a Termination for Convenience only, the PRDOH may, at its sole discretion, allow the Partner to retain or be reimbursed for costs reasonably incurred prior to termination, that were not made in anticipation of termination and cannot be canceled provided that said costs meet the provisions of this Agreement, 2 C.F.R. part 200, subpart E, Cost Principles, and any other applicable state or Federal statutes, regulations or requirements.

4. Unilateral Termination

The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the Partner a **thirty (30) day** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the Partner shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. If the Partner does not deliver to the PRDOH all information, studies, and other materials property of the PRDOH within the established timeframe, and the PRDOH invests any additional funds to reproduce the information, studies, and other materials not provided by the Partner upon termination, then the PRDOH will disallow from payments to the Partner under this Agreement the funds expended for the PRDOH to reproduce such information, studies, and other materials. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination.

5. Suspension

The PRDOH may suspend this Agreement in whole or in part at any time for the PRDOH's convenience. The PRDOH shall give the Partner **five (5) days'** written notice of such suspension. Upon receipt of said notice the Partner shall immediately discontinue all work or services affected.

6. Immediate Termination

In the event the Partner is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the Partner shall be subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the Partner of this Agreement or the Partner of this Agreement has been noncompliant, breach, inaccuracy of any representation, warranties, covenants, or the certifications provided herein, whether the noncompliance, breach or inaccuracy takes place before or after the execution of this Agreement, the PRDOH shall have the right to the immediate termination of this Agreement notwithstanding, any provisions to the contrary herein. This section will apply

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in the event of any judgment that may obligate the PRDOH to terminate the Agreement pursuant to Act No. 2 of January 4, 2018, as amended, 3 L.P.R.A. § 1881 *et seq.*, known as the "Anti-Corruption Code for the New Puerto Rico". The Partner has a continuous obligation to report to PRDOH any proceedings which apply to the Partner under this paragraph.

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In the event that the grant of funds by HUD under any allocations of the CDBG-DR may be suspended, withdrawn or canceled, this Agreement will be immediately terminated.

7. Period of Transition

Upon termination of this Agreement, and for **ninety (90) consecutive calendar days** thereafter (the Transition Period), Partner agrees to make himself available to assist the PRDOH with the transition of services assigned to the Partner by the PRDOH. The Partner shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the Partner will be paid at a reasonable, agreed upon, hourly rate for any work performed for the PRDOH during the Transition Period. Moreover, during that Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH. After this period of transition, PRDOH will not have access to Partner's database or systems.

8. Availability of Funds

This Agreement is contingent upon the availability of funds from HUD. It is expressly understood and agreed that the obligation to proceed under this Agreement is conditioned upon the receipt of Federal funds. If the funds anticipated for the continuing fulfillment of the Agreement are, at any time, not forthcoming or insufficient, either through the failure of the Federal government to provide funds or the discontinuance or material alteration of the program under which funds were provided, or if funds are not otherwise available to PRDOH, the PRDOH have the right upon **ten (10) working days** written notice to the Partner, to terminate this Agreement without damage, penalty, cost or expenses to PRDOH of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS

The "HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements", which are attached to, and made an integral part of this Agreement as **Exhibit F**, set forth certain requirements imposed by HUD with respect to PRDOH's Federal award or CDBG-DR Grant. The Partner agrees to carry out its obligations under this Agreement in compliance with all the requirements described in the aforementioned exhibit.

Moreover, **Exhibit H** ("Non-Conflict of Interest Certification"), attached herein and made an integral part of this Agreement, outlines several situations that may reasonably be considered as conflicts of interest. The Subrecipient shall disclose and certify that, to the best of its knowledge, none of the situations exist or may exist at the date of the execution of the Agreement. The aforementioned certification aids PRDOH, in its role as grantee, to identify, evaluate, disclose and manage apparent, potential, or actual conflicts of interest related to CDBG-DR funded projects, activities, and/or operations.

XI. INSURANCE & BONDING

The Partner shall carry sufficient insurance coverage and bonding from insurers licensed to conduct business in the Government of Puerto Rico to protect all contract assets from loss due to any cause, including but not limited to theft, fraud, and/or physical damage. The Government of Puerto Rico, the Puerto Rico Department of Housing and the U.S. Department of Housing and Urban Development shall be named as additional insured on all such insurance. The Partner shall meet all other insurance requirements as the PRDOH may impose from time to time. In addition, all insurance carriers and bonding companies shall meet minimum size and financial stability/financial rating requirements as may be imposed by the PRDOH from time to time. Certificates of insurance shall be provided to the PRDOH and full and complete copies of the policies and/or bonds shall be provided to the PRDOH upon its request for same.

Notwithstanding the above, for construction or facility improvement performed by the subcontractors or third parties, the Partner shall ensure that the subcontractors or third parties, at a minimum, comply with the bonding requirements at 2 C.F.R. part 200, subpart D.

XII. CDBG-DR POLICIES AND PROCEDURES

In addition to what is established in this Agreement, the Partner shall comply with all CDBG-DR program specific and general policies and procedures, which may include, but are not limited to, the Subrecipient Management Policy, OS&H Guideline, MWBE Policy, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Language Access Plan, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR Website (<https://cdbg-dr.pr.gov/en/resources/policies/>), which are herein included and made integral part of this Agreement, as they may be updated from time to time, Procurement policies and procedures in accordance with the federal procurement rules and regulations found in 2 C.F.R. § 200.318 through §200.327, and reporting requirements as established by the PRDOH.

XIII. FORCE MAJEURE

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, pandemic officially declared by the Government of Puerto Rico, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any Force Majeure including inclement weather, herein collectively referred to as Force Majeure during the term of this Agreement, neither the PRDOH nor the Contractor or Partner shall be liable to the other party for nonperformance during the conditions created by such event. The party claiming Force Majeure shall exercise due diligence to prevent, eliminate, or overcome such Force Majeure event where it is possible to do so and shall resume performance at the earliest possible date.

The Contractor or Partner shall notify the PRDOH in writing as soon as possible, but in any event within ten (10) business days of the occurrence of the Force Majeure event and describe in reasonable detail the nature of the Force Majeure event, how the non-performance or delay relates to or arises from the Force Majeure event, its anticipated duration and any action taken to minimize its effect. The Contractor or Partner may be entitled to reasonable adjustments in schedule, among other measures, in the foregoing circumstances. If non-performance continues for more than thirty (30) days, without reasonable justification, the PRDOH may terminate this Agreement immediately upon written notification to the Contractor or Partner.

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XIV. INDEPENDENT CONTRACTOR

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The Partner shall remain an "independent contractor" at all times with respect to the efforts to be performed under this Agreement. The PRDOH shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Partner is an independent entity.

XV. ASSIGNMENT OF RIGHTS

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

XVI. SEVERABILITY

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

XVII. SECTION HEADINGS AND SUBHEADINGS

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.

XVIII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS

A. Consolidation or Merger

In the event that the signing party (e.g. Partner, Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for a consolidation or merger with another entity (private or public), by its discretion or otherwise, written notice of such decision or event shall be delivered to the PRDOH **at least fifteen (15) days prior to the effective date** of the consolidation or merger. The notice shall include, but not limited to, a description of: the expected effective date of the consolidation or merger; name of each of the constituent entities moving to consolidate or merge into the single resulting or surviving entity; the proposed name of the resulting entity (in case of a consolidation) or the name of the surviving entity (in case of a merger) if necessary; reference to the projected capacity of the resulting or surviving entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement as well as its Exhibits or Attachments; and a brief summary of the proposed plan to achieve the transition of duties (Scope of Work or Scope of Services), tasks, and performance goals or requirements to the resulting or surviving entity.

Upon the consolidation or the merger becoming effective and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. **No amendment to the Agreement will be necessary if the Partner, Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.**

Failure to comply with any of the before mentioned conditions, may result in the activation of the termination clauses provided in the Agreement.

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B. Change of Name

In the event that the signing party (e.g. Partner, Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH initiates a change of name process, written notice of such decision or event shall be delivered to the PRDOH **at least fifteen (15) days** prior to the effective date of such event. The notice shall include, but not limited to, a description of: the expected effective date of the change of name; the proposed name; inform of any change of address; and reference of any change in the capacity of the entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement, as well as its Exhibits or Attachments.

Upon the change of name becoming effective and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. Failure to comply with any of the beforementioned conditions, may result in the activation of the termination clauses provided in the Agreement.

C. Dissolution

In the event that the signing party (e.g. Partner, Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for dissolution of the entity, written notice of such decision or event shall be delivered to the PRDOH **at least fifteen (15) days** prior to the effective date of such event. The notice shall include, but not limited to, a description of the expected effective date of the dissolution; and contact information of one or more of its directors, officials or agents. Upon dissolution becoming effective and supporting evidence of such event is notified to PRDOH, termination of the Agreement will follow. Consequently, the signing party acknowledges and agrees to provide to the PRDOH, after termination of the Agreement, the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the tasks or services to the PRDOH or a third party designated by the PRDOH. Moreover, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH following the Agreement termination.

XIX. 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.

XX. BANKRUPTCY

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

XXI. GOVERNING LAW: JURISDICTION

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 Part.

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XXII. 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 Agreement 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 Agreement 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.

XXIII. SUBROGATION

The Partner acknowledges that funds provided through this Agreement are Federal funds administered by HUD under the CDBG-DR Program and that all funds provided by this Agreement 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 for any reason, in accordance with **Exhibit G** ("Subrogation and Assignment Provisions").

XXIV. COMPTROLLER REGISTRY

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

XXV. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement among the Parties for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications, negotiations, representations, agreements proposals and or understanding of any kind, whether electronic, oral, or written among the Parties with respect to this Agreement.

XXVI. 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 Partner acknowledges that all funds are subject to recapture and repayment for non-compliance.

XXVII. RECAPTURE OF FUNDS

PRDOH may recapture payments it makes to Partner 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 Partner must refund such recaptured payments within **thirty (30) days** after the PRDOH issues notice of recapture to the Partner.

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XXVIII. OVERPAYMENT

The Partner 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 Partner shall reimburse such disallowed costs from funds other than those Partner received under this Agreement.

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XXIX. COUNTERPARTS

This Agreement 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 Agreement is not executed by the PRDOH within **thirty (30) days** of execution by the other party, this Agreement shall be null and void.

XXX. 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; severability; dispute resolution; consolidations, mergers, change of name, 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.

XXXI. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION

The Subrecipient must be registered in the System for Award Management (**SAM**) and shall maintain its registration active during contract performance and through final payment. The Subrecipient is responsible during performance and through final payment for the accuracy and completeness of the data within SAM. Failure to maintain registration in SAM can impact obligations and payments under this Agreement.

XXXII. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE

The Partner does not have a legal claim to any amount of CDBG funds to be used for the specific project or site until the environmental review process is satisfactorily completed. As such, the Partner acknowledges that it has no legal claim to any amount of CDBG funds for any projects or site acquisition under this Agreement, until the environmental review process is completed under PRDOH's satisfaction. The Partner acknowledges that it will not begin any actions related to the project or site until the environmental review process is completed and has written acceptance and a **Notice to Proceed** from PRDOH.

[SIGNATURES ON THE FOLLOWING PAGE.]

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

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**PUERTO RICO DEPARTMENT OF HOUSING
CDBG-DR Grantee**

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By: William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (Sep 8, 2023 18:09 EDT)
Name: William O. Rodríguez Rodríguez
Title: Secretary

**CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION
AND RESILIENCY OF PUERTO RICO (COR3)
Partner**

By: Manuel Laboy
Manuel Laboy (Sep 8, 2023 15:14 EDT)
Name: Manuel A. J. Laboy Rivera
Title: Executive Director
Governor's Authorized Representative (GAO)



EXHIBIT A

SCOPE OF WORK

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

1. Program Overview/Background

Hurricane Irma (EM-3384/DR-4336) and Hurricane María (DR-4339) catastrophically devastated Puerto Rico in September 2017. In response, the Federal Emergency Management Agency (**FEMA**) began to provide immediate Federal disaster relief assistance to address the wide range of recovery needs facing the Island. FEMA and many other Federal grant programs come with a non-Federal share or "local match" requirement that can be met with HUD CDBG-DR funds. This Agreement specifically covers the FEMA Public Assistance (**PA**) Program. By the time work in those three programs concludes, it is anticipated that over twenty billion dollars (\$20,000,000,000) in FEMA funding will have been provided, requiring the Government of Puerto Rico, municipalities, and nonprofits to certify or provide in excess of two billion dollars (\$2,000,000,000) of non-federal share ("**local match**").

PRDOH established the Non-Federal Match Program (**NFMP**) to ensure that federal disaster recovery funds provided to the Government of Puerto and other eligible entities Island-wide are supplemented with CDBG-DR dollars to facilitate and guarantee recovery from Hurricanes Irma and María. For Hurricane Irma, a twenty-five percent (25%) cost share is required, and for Hurricane María, a ten percent (10%) cost share is needed. PRDOH will be providing the majority of cost share for the FEMA Project Worksheets (**PWs**) associated with these disasters by working directly with eligible applicants to obtain documentation required by HUD to make the cost share payments. The primary partner to PRDOH is the Central Office for Recovery, Reconstruction and Resilience (**COR3**).

Similar to PRDOH's relationship with HUD, COR3 works directly with FEMA as the recipient agency for its grant funding, including the PA and IA programs. To minimize the burden on applicants of providing similar documentation multiple times and make the match reimbursement process simpler for applicants, PRDOH and COR3 are closely collaborating to implement the NFMP. While PRDOH retains all recipient oversight responsibilities, COR3 will offer administrative support, including providing PRDOH with access to data and documentation that was previously provided to COR3 and FEMA by the applicants, and working with PRDOH to ensure that communication with applicants and FEMA related to the NFMP is done in a unified manner. Any and all information provided by COR3 will be in accordance with the Non-Disclosure Agreement.

2. National Objective

In the case of **FEMA-PA** projects, PRDOH anticipates that three (3) national objectives will be used in the NFMP. PRDOH will work with entities who are funded through this Program to evaluate the service area and determine the national objective for each project. PRDOH anticipates that the two (2) national objectives that will be used most frequently are Low-and-moderate-income (**LMI**)-area benefit and Urgent Need (**UN**).

Projects in the Program will meet one (1) of these national objectives:

- Benefit to LMI Persons (24 C.F.R. § 570.483(b))
- UN activities (24 C.F.R. § 570.483(d))
- Aid in prevention or elimination of Slums or Blight (**SB**) (24 C.F.R. § 570.483(c))

3. Program Description

PA Match

The NFMP will provide the required non-federal match for entities who are eligible to be in the PA program. The NFMP team will utilize data and documentation that is stored in several databases maintained by FEMA and COR3. PRDOH must obtain and analyze this documentation to determine CDBG-DR eligibility and ensure compliance with record retention requirements.

Due to differing programmatic requirements between FEMA PA and CDBG-DR, PRDOH will, in some cases, need to work directly with PA applicants to obtain additional documentation that is not contained in the FEMA and COR3 systems.

FEMA's PA Program provides supplemental grants to state, tribal, territorial, and local governments, and certain types of private non-profits so that communities can quickly respond to and recover from major disasters or emergencies.

Under the PA Program, FEMA provides funding for emergency protective measures and debris removal ("emergency work") as well as permanent restoration of damaged facilities, including cost-effective hazard mitigation to protect the facilities from future damage ("permanent work.")

To facilitate the processing of PA funding, FEMA separates emergency work into two (2) categories and permanent work into five (5) categories based on general types of facilities. These categories and their corresponding work types are:

FEMA Public Assistance Category	Category
Category A – Debris Removal	Emergency Work
Category B – Emergency Protective Measures	Emergency Work
Category C – Roads & Bridges	Permanent Work
Category D – Water Control Facilities	Permanent Work

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Category E – Building and Equipment	Permanent Work
Category F – Utilities	Permanent Work
Category G – Parks, Recreational, and Other	Permanent Work

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4. Tasks

The NFMP has six (6) tasks or scope of work items that PRDOH and COR3 have mutually agreed upon. These areas are detailed in more depth in **Exhibit B** and summarized below:

1. **Access to Systems of Record:** COR3 providing PRDOH with direct access to FEMA specific data and documentation in accordance with the Non-Disclosure Agreement and the Privacy Act of 1974 (5 U.S.C. § 552a).
2. **Maintenance to COR3 Systems of Record:** COR3 is responsible to maintain its systems in good working order and to provide technical assistance to PRDOH related to accessing, navigating, or otherwise using its system.
3. **Access to Payment Data:** COR3 is responsible of providing PRDOH with consistent Federal and payment data.
4. **Communications:** Coordinated communication between agencies about the NFMP.
5. **Technical Assistance:** Defining roles for Program-specific Technical Assistance (TA) and direct outreach to PA Match, and IA Match Applicants to ensure CDBG-DR compliance.
6. **Administrative & Technical Collaboration:** Sharing status of Federal, State and local audits, monitoring reports, or reports/inquiries from other oversight entities pertinent to the Program, promptly releasing information on any deobligations, sharing responsibility for responding to and adjudicating Reconsideration Requests, Administrative Review Requests, and other administrative tasks, as needed.

5. Time Performance

All activities must be completed within the Term agreed upon in the Agreement.

6. Budget

For details on the budget for this Agreement, refer to **Exhibit D**.

END OF DOCUMENT



EXHIBIT B

DETAILED SCOPE OF WORK, TIMELINES, AND PERFORMANCE GOALS

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NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

The Non-Federal Match Program (**NFMP**) has six (6) distinct scopes of work that PRDOH and COR3 have mutually agreed upon in furtherance of a holistic and efficient Island-wide recovery.

These areas are:

1. Access to Systems of Record

Detailed scope items:

- a. FEMA PA applicants provide COR3 with a substantial amount of documentation that is required by FEMA to obligate projects and ensure program compliance. The PRDOH NFMP team also needs this information to determine CDBG-DR eligibility. PRDOH must maintain all the documentation in its project files for HUD review and compliance, per HUD's requirements. PRDOH will have direct access to read and download documentation maintained in FEMA and COR3's databases, including the Puerto Rico Disaster Recovery System (**DRS**), FEMA's Grants Portal, and EMMIE (the "**systems**"). Information will be used in accordance with the Non-Disclosure Agreement signed by PRDOH and COR3 and the Privacy Act of 1974 (5 U.S.C. § 552a).
- b. COR3 shall provide access to the systems to PRDOH, its designees, or its contractors associated with the NFMP, and any relevant oversight entities within **five (5) business days** of receiving an access request form from PRDOH. The parties hereby certify that on February 14, 2022, a non-disclosure agreement was signed by the parties, that such agreement is in full force and effect and that it regulates the Interagency Agreement, as amended. COR3 shall grant access to all relevant and duly authorized users requested by PRDOH. The number of users granted access shall not be limited to a specific number of users, rather the number of users to be granted access shall be commensurate with the needs of the NFMP and may increase or

decrease to support program demands, monitoring needs, requests from oversight entities, or in support of relevant audits.

- c. To ensure that both parties are aware of how the NFMP is operating, both parties agree to hold coordination meetings/calls to discuss the program, mitigate, and address any issues that may develop. **Six (6) months** after launch of the Program, both parties will assess the effectiveness of these meetings and determine if **bi-weekly** calls are still needed or if they can be held on ad hoc basis.

Performance goals per detailed scope item:

- a. For the FEMA PA Program, COR3 will provide PRDOH with direct access to FEMA related documentation through computer systems. For the FEMA IA program, in alignment with the executed Information Sharing Access Agreement (ISAA) between FEMA and HUD, PRDOH will submit any potential FEMA Requests for Information (RFI) directly through HUD as means to determine eligibility and validate the final TSA Non-Federal Cost Share amount. COR3 will provide any additionally requested assistance by PRDOH outside of the established process under the referenced ISAA.
- b. Adherence to the defined timeframes for granting access to systems as outlined above.
- c. Participation in coordination meetings, in the frequency determined by the programmatic teams.

2. **Maintenance to COR3 Systems of Record**

Detailed scope items:

- a. COR3 shall refer any requests for support and/or troubleshooting to its designated provider to assist authorized users who encounter issues with the systems of record. COR3 shall provide a response on technical issues raised by PRDOH or authorized users within **three (3) business days**.
- b. COR3 shall be responsible for maintaining its systems in good working order and is responsible for preventative maintenance, corrective maintenance, and any other maintenance required to support NFMP operations.
- c. COR3 shall be responsible for deactivating access to the systems when an employee is no longer associated with the NFMP. PRDOH will confirm current authorized users with need to access the systems to COR3 **once per month**.

Performance goals per detailed scope item:

- a. COR3 shall respond to any technical issues within **three (3) business days** of being notified of the issue by PRDOH.

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3. Access to Payment Data

Detailed scope items:

- a. COR3 will provide payment data relating to the PA program in an electronic format that identifies the disbursed Federal Share (**FEMA**) and, when applicable, Government of Puerto Rico payments for all Project Worksheets (**PWs**). Data will be provided to PRDOH in a consistent format that allows PRDOH to integrate the financial data into its systems. Payment data will be provided on a **bi-weekly** basis. COR3 and PRDOH staff will jointly determine the type of electronic file that the data will be received in along with what data fields will be included.

Performance goals per detailed scope item:

- a. Provide PRDOH with access to payment data in electronic format in a consistent format on a **bi-weekly** basis.

4. Communications

Detailed scope items:

- a. The key to the success of the PA match program is ensuring that PA applicants know which agency to contact when they have questions about the specific programs. Questions relating to the FEMA PA program, eligibility rules, regulations, project status, etc., will be routed to COR3. All questions relating specifically to the Non-Federal Match Program and CDBG-DR requirements and processes, must be routed to PRDOH.
- b. To ensure, to the greatest extent possible, this is achieved, COR3 and PRDOH jointly agree to collaborate and develop materials that both agencies will use to direct PA applicants to the appropriate granting agency. These materials, with slight modification, need to also be provided to FEMA so that FEMA does not misinform PA applicants about the program or which granting agency to contact. PRDOH and COR3 agree to begin development of these initial communication materials immediately. To ensure that as the Program is initiated and updates to communication materials occur continually, both parties agree that as part of the standing meeting between the teams, that two (2) "placeholder" items in the agenda will be established for discussion: "Communications - Internal Program Coordination - FEMA/COR3/PRDOH challenges" and "Communications - External Program Coordination - Applicant focused."
- c. COR3, working with PRDOH, agrees to schedule a kickoff meeting with FEMA Joint Recovery Office (**JRO**) PA staff to discuss the PA Match program. This meeting with FEMA staff will be jointly hosted with roles to be determined, but will include, at a minimum, a PowerPoint presentation for FEMA JRO PA staff to brief them on the PA Match coordination program, so that FEMA field staff are informed about the

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Program and to which granting agency to direct applicants when questions arise. In addition to briefing a PowerPoint, both parties agree to develop a "one-page desk handout" or "cheat sheet" that FEMA attendees can maintain as a reference document. COR3 will also schedule follow-up meetings with FEMA PA staff located at the JRO on an ongoing basis as needed.

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Performance goals per detailed scope item:

- a. COR3 and PRDOH will jointly collaborate to establish workflows to ensure program-specific questions are routed to the appropriate point of contact for efficient and accurate responses.
- b. COR3 and PRDOH will collaborate and develop outreach materials that will be provided to PA applicants so that they understand how the program will operate. The materials will include handouts, contact information, and frequently asked questions (**FAQs**) that will assist applicants in determining who to contact if they have a question about FEMA and or HUD eligibility. These materials will include but are not limited to major areas that HUD focuses on during monitoring and oversight such as procurement, record keeping, Labor Compliance and Equal Employment Opportunity (**EEO**) considerations for the use of CDBG-DR funds.
- c. COR3, working with PRDOH, will inform FEMA JRO Staff about the NFMP PA Match program within **thirty (30) business days** of the launch of the Program. COR3 will work in coordination with PRDOH to provide materials to the FEMA staff about the program that may include handouts and presentation materials that will assist FEMA in understanding how the program will operate.

5. **Technical Assistance**

Detailed scope items:

- a. To ensure HUD compliance, PRDOH will work directly with PA applicants who opt-in to the NFMP providing Technical Assistance (**TA**) on a wide range of HUD issues that could impact eligibility and the potential for PRDOH to make a match payment on the applicant's behalf. PRDOH will use processes that have been successfully employed in other disaster-declared states and will follow HUD-issued guidelines regarding what types of information needs to be shared with recipients who receive HUD funding. TA will include, but shall not be limited to, working with applicants who have upcoming FEMA Category C-G work (permanent work); providing TA on Davis Bacon, EEO, and Section 3 compliance requirements; and providing TA on procurement and record keeping requirements. Once projects are in construction, PRDOH will work with applicants to ensure that other reporting and site visit monitoring requirements are met. PRDOH, as it develops materials and plans to implement TA, will share and inform COR3 about TA as a standing line item in the **bi-weekly** meeting

agenda and, as needed, the COR3/PRDOH team agrees to meet to discuss TA topics.

- b. Document Collection. A key component of the PRDOH/COR3 working relationship is the ability for PRDOH to obtain as much CDBG-DR required documentation as possible from available databases to prevent PRDOH from burdening PA applicants with requests for the same information multiple times. In the event that HUD-required documentation is not available from PRDOH, NFMP staff will collaborate with COR3 to discuss and share documents in detail about how the PRDOH document collection teams will work. Information will be used in accordance with the Non-Disclosure Agreement signed by PRDOH and COR3.

Performance goals per detailed scope item:

- a. PRDOH will work directly with applicants who participate in the NFMP, providing TA on a wide range of HUD issues that could impact eligibility. PRDOH will work with and inform COR3 about any TA trainings that will take place **at least one (1) week** prior to any trainings, so that COR3 is aware of the trainings and can assist with materials in advance of TA taking place by PRDOH with the applicant.
- b. When HUD-required documentation is not available in COR3 or FEMA's computer systems, PRDOH will obtain the needed documentation from the applicant.

6. **Administrative Collaboration**

Detailed scope items:

- a. Both COR3 and PRDOH are subject to Federal and State audits as a result of receiving Federal funds. COR3 will be monitored and audited by FEMA, and PRDOH will be monitored and audited by HUD. To ensure that both parties are aware of upcoming Federal audits by their respective Federal partners, COR3 and PRDOH agree to inform each other about audits. To the extent that it is necessary, PRDOH and COR3 agree to work collaboratively to satisfy any requests that occur as a result of audit or monitoring event. After the audit is concluded and when reports are finalized, both agencies also agree to inform each other about the report.
- b. In the event that PRDOH makes a match payment on a PW or project that COR3 or FEMA, at closeout or a later date, has determined needs to be "de-obligated" or have funds reduced, COR3 agrees to inform PRDOH of the reduction or de-obligation so that PRDOH can determine a course of action to address for the match that was paid.
- c. In the event that an applicant submits a Reconsideration Request to PRDOH, the Program will assess the relationship of Reconsideration Request to the Program within **five (5) days** of its receipt. This process is necessary in order to determine if the request is tied to a FEMA-related decision or a CDBG-DR-related decision. As part of this

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assessment, PRDOH will need to coordinate with COR3 on any administrative review request for this Program, to determine if the request is tied to a FEMA determination. If COR3 determines that the request received is tied to a FEMA determination, the participant will be referred to COR3. The participant will then need to work through the COR3/FEMA appeals process as shown in 44 C.F.R. § 206.206. As part of the COR3 and PRDOH coordination effort and in the Agreement signed by COR3 and PRDOH, a process to address audits and other functions is described and defined. On the contrary, if the request is not tied to a FEMA determination, the NFMP will review and address the Reconsideration Request within **fifteen (15) days** of its receipt. COR3 shall provide any information required for PRDOH to respond to the Reconsideration Request within **three (3) business days** of a request for such information from PRDOH.

Performance goals per detailed scope:

- a. In the event either entity is notified of an audit, the parties agree to inform each other within **fifteen (15) business days** of receipt of the audit notification and, as needed, to assist the audited entity in obtaining any required or solicited information for the audit.
- b. If PRDOH makes a match payment that COR3 determines needs to be "de-obligated" or have the overall size of the PW be reduced, COR3 will inform PRDOH of the reduction or de-obligation within **fifteen (15) business days** so that PRDOH and COR3 can determine how to best address the match payment that was provided.

If a determination is made pursuant to a Reconsideration Request, the parties shall provide notice within **fifteen (15) days**. COR3 shall provide any information required for PRDOH to respond to a Reconsideration Request within **three (3) business days** of a request for such information from PRDOH.

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EXHIBIT C

KEY PERSONNEL & PROFESSIONAL SERVICES

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

All personnel funded through this agreement will be conducting administrative work, performed by the COR3 staff, who are completing scope of work tasks as described in **Exhibits A** and **B**. This initial allocation of funding is providing up to **five hundred thousand dollars (\$500,000.00)** of CDBG-DR funds. PRDOH expects that the initial allocation, detailed in **Exhibit D**, will last for most of the NFMP's duration. Expenditures made by the COR3 staff or a third party providing professional services to COR3, must be billed to PRDOH as a reimbursable expense on an hourly basis in strict accordance with HUD record keeping requirements that PRDOH will need to certify as being in place and in HUD compliant manner prior to any funds being requested.

Professional Services administered to COR3 through a third party will also be subject to additional compliance-related processes, including but not limited to, procurement and contractual HUD-related requirements and must be certified as fully compliant by PRDOH prior to any funds being requested. COR3 Professional services will require PRDOH's prior approval before starting. COR3 shall submit in writing to PRDOH a cost estimate, professional services forecast, and scope of services for PRDOH's review and approval. PRDOH shall not compensate for professional services incurred for work not previously approved in writing.

As both parties recognize that due to the intermittent nature of the program's needs, a wide array of COR3 staff may be assigned to work over the life of the program, COR3 will provide to PRDOH job classification(s) and a preliminary roster of staff members that may, from time to time, be assigned to assist in completing the Scope of Work required to provide the match payment.

I. Staffing:

[A] Position Title	[B] Rate per Hour
Project Management Office (PMO) Director	\$53.02
PMO Project Manager	\$34.87
Grants Director	\$53.02

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[A] Position Title	[B] Rate per Hour
Grants Deputy Director	\$50.55
Grants Analyst	\$22.18
Legal Director	\$55.38
Legal Associate Director	\$50.55
Policy Lead	\$44.59
Legal Project Manager	\$36.92
Contract Lead	\$39.69
Finance Director	\$46.15
Accounting & Budget Manager	\$35.90
Human Resources Manager	\$41.03
Compliance Director	\$55.38
Prevention Program Manager	\$35.90
Closeout Director	\$55.38
Closeout Deputy Director	\$44.66

II. Roles Description:

Role	Description
Project Management Office (PMO) Director	Performs executive work, which consists of planning, directing, supervising, coordinating, inspecting, monitoring, reporting, analyzing and evaluating all the activities that are developed in the area, primarily related to the management of major projects for COR3. Provides visibility to main stakeholders prior to and after launching projects.
PMO Project Manager	Manages, coordinates, and oversees all activities related to NFMP. Prepares reports for PMO Managers and other COR3 staff upon request. Serves as main point of contact for PRDOH.

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Role	Description
Grants Director	Supervises progress and coordination efforts of disbursements within the Grants Department. Approves Cost Share certifications from requests made by Subrecipients. Implements and follows COR3 Payment Policy, SOPs and resolves issues related to Requests for Reimbursements (RFRs) and Requests for Advances (RFAs). Takes the lead on meetings with consultants, subrecipients and COR3 Grants Management on topics regarding the Grants Department.
Grants Deputy Director	Supports Grants Director with supervising progress and coordination efforts of disbursements within the Grants Department. Approves Cost Share certifications from requests made by Subrecipients. Implements and follows COR3 Payment Policy, SOPs and resolves issues related to Requests for Reimbursements (RFRs) and Requests for Advances (RFAs). Participates on meetings with consultants, subrecipients and COR3 Grants Management on topics regarding the Grants Department.
Grants Analyst	Reviews requests for disbursements and submits recommendations for payment via DRS to Lead Grant Analyst for QA/QC review. Evaluates procurement processes and provides technical assistance to Subrecipients.
Legal Director	Oversees COR3 activities related to complex legal transactions, identifies legal issues, and approves legal recommendations developed by lead attorneys. Provides legal guidance, solutions, and alternatives to COR3 Executive Director. Ensures that the operations of the COR3 respond appropriately to any Federal or local legislative requirements.
Legal Associate Director	Supports Legal Director in overseeing COR3 activities related to complex legal transactions, identifies legal issues, and approves legal recommendations developed by lead attorneys. Ensures that the operations of the COR3 respond appropriately to any Federal or local legislative requirements.
Policy Lead	Oversees COR3 activities, under the directions of the Chief Legal Officer, related to complex Federal and State policy issues and provides legal solutions and alternatives, as well

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Role	Description
	ensures that the operations of the COR3 respond appropriately to Federal regulations.
Legal Project Manager	Oversees COR3 activities, under the directions of the Chief Legal Officer, related to complex legal transactions, identifies legal issues, and provides solutions and alternatives, as well ensures that the operations of the COR3 respond appropriately to any Federal and/or local legislative requirements.
Contract Lead	Oversees COR3 activities, under the directions of the Chief Legal Officer, related to complex legal contractual issues and provides solutions and alternatives, as well ensures that the operations of the COR3 respond appropriately to any Federal and/or local legislative requirements.
Finance Director	Oversees COR3's Finance and Accounting areas. Ensures that both areas comply and follow all applicable regulations.
Accounting & Budget Manager	Oversees COR3's accounting processes, financial reporting, and payroll orientation. Processes and keeps payroll forecast updated.
Human Resources (HR) Manager	Manages, coordinates, and plans COR3's human resources activities as well as other administrative functions.
Compliance Director	Participates in the formulation and implementation of the public policy on the development, maintenance and revision of the policies and procedures for the general functioning of COR3's Compliance Division. Advises the Executive Director and offers technical assistance and advice in everything related to the Compliance Office. Responsible for ensuring that recipients of FEMA funds comply with federal regulations governing the use and management of these funds. Exercises continuous subrecipient management and monitoring to ensure the sound administration of federal funds. Identifies the risk of non-compliance with the statutes, regulations and federal terms and conditions, through indicators that are measured by monitoring the operations of the sub-recipients, sampling, and risk classification. Represents the Executive Director in meeting and activities related to the Compliance office.

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Role	Description
Prevention Program Manager	Assists with the coordination and execution of subrecipient management and monitoring activities directed towards performance and compliance with applicable Federal and State regulation and other tasks assigned by the Compliance Director. Supervises Compliance Team. Assists with determining risks or exposure to potential noncompliance and development of control measures.
Closeout Director	Approves and recommends PW packages with all supporting documentation to FEMA on behalf of COR3. Coordinates and takes lead in discussing PWs closing progress reports with FEMA's Closeout team. Drafts letters of recommendation to subrecipients as part of the ongoing process of program overruns and underruns. Coordinates inspections of PWs to be closed.
Closeout Deputy Director	Supports the Closeout Director with approving and recommending PW packages with all supporting documentation to FEMA on behalf of COR3. Participates in discussing PWs closing progress reports with FEMA's Closeout team and in the coordination of inspections of PWs to be closed.

III. Notes

1. Staff positions names, in column [A], are generic names assumed to designate roles to COR3's staff, therefore these positions names may not necessarily coincide to current positions within COR3's roster of employees.
2. COR3 will request authorization before any staff performs any work for the CDBG-DR Program, the request shall be completed submitting a standard form provided by PRDOH. Failure to obtain staff authorization from PRDOH, will result in payroll payment deduction for each unauthorized staff.
3. COR3 may use one (1) or more of its employees for each of the approved staff positions, therefore the maximum budget shall consider the summary of payroll costs for employees authorized for the position.
4. COR3 may recruit new employees to fill-in staff positions included in column [A] that are not occupied at the start date of this agreement.
5. COR3 shall require to each staff position daily time entry reports with a description of work performed during the report period.
6. Staff Rate per hour, shown in column [B], represents total rate per hour authorized for COR3 personnel working as a staff position for the NFMP.
7. After this SRA is executed, COR3 may request in writing an amendment to modify the distribution of budgeted amounts for any of the positions.

8. The total authorized available budget for all COR3's staff positions will be established in Budget Exhibit of this SRA. The specific amount will be indicated in item described as "COR3 Staff & Professional Services" of Budget Exhibit.

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IV. Potential Future COR3 Staff Changes

Given the transitory nature of job classifications and job descriptions within the staff body of COR3, changes to position titles, per hour rates, role descriptions, and job classification as a whole, warrants the adoption a flexible and viable mechanism to properly update the roster of COR3 staff members assigned to best assist with completing the Scope of Work detailed in **Exhibit B**. As such, should the COR3 staff information contain herein require any changes or updates, the Partner shall submit a written petition to PRDOH with the proposed changes for their examination and written approval. In the event that PRDOH does not accept the proposed changes, a written notification to COR3 shall be sent within **FIFTEEN (15) business days**, with a justification to its determination.

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EXHIBIT D – SECTION 1

BUDGET

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

DESCRIPTION OF SERVICES

The Program(s) provides **five hundred thousand dollars and zero cents (\$500,000.00)** for activities included in this Interagency Agreement. The five hundred thousand dollars (\$500,000.00) will be provided to COR3 for administrative costs. This Agreement does not provide any funding related to cost-share provided to specific projects as those budgets will be included within the Subrecipient Agreements directly executed with each entity receiving cost share amounts.

The budget provided is primarily dedicated toward administrative costs incurred by COR3 staff or a third party providing professional services to COR3 accomplishing scope of work tasks identified in **Exhibits A and B**. The PRDOH Non-Federal Match Program will utilize data provided by FEMA and COR3 for the PA program to determine HUD eligibility, creating a project file with sufficient supporting documentation that will allow PRDOH to submit a request for CDBG-DR funds.

Activity Delivery Costs – COR3 and PRDOH have agreed that no Activity Delivery costs are needed for this Program as initially budgeted. After PRDOH and HUD execute subsequent grant agreements, COR3 and PRDOH will re-assess if administrative funding is needed for COR3 staff to assist with completing its scope of work.

Planning - No Planning Costs are provided for this program, as FEMA has obligated projects through the PA program via project worksheets (**PWs**) via project applications to each applicant. The NFMP also only provides the match, or Non-Federal share reimbursement, for work that has been performed by eligible applicants, including planning-related activities.

Project Costs - COR3 and PRDOH have agreed that no Project Costs are needed for this Program.

Administrative Costs - COR3 and PRDOH have agreed on Administrative Costs.

Outside of COR3 assistance to PRDOH through its Scope of Work, PRDOH will perform all eligibility reviews. PRDOH will also obtain and collect documentation from FEMA and

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COR3 data sources and, as needed, will contact applicants for additional documentation.

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Grant:		CDBG-DR	
Contractor:		Central Office for Recovery, Reconstruction and Resiliency (COR3)	
Program:		Non-Federal Match	
DRGR Activity Code:		R01I21FEM-DOH	
Cost Type	Chart of Accounts Code	Activity Description	CONTRACT Budget
Administration			
	COR3 Staff & Professional Services		\$ 500,000.00
GRAND TOTAL			\$ 500,000.00

STAFFING¹

Position	Qty. of Resources [A]	Hourly Rate [C]
Project Management Office (PMO) Director	1	\$53.02
PMO Project Manager	1	\$34.87
Grants Director	1	\$53.02
Grants Deputy Director	1	\$50.55
Grants Analyst	1	\$22.18
Legal Director	1	\$55.38
Legal Associate Director	1	\$50.55
Policy Lead	1	\$44.59
Legal Project Manager	1	\$36.92
Contract Lead	1	\$39.69
Finance Director	1	\$46.15
Accounting & Budget Manager	1	\$35.90
Human Resources (HR) Manager	1	\$41.03
Compliance Director	1	\$55.38
Prevention Program Manager	1	\$35.90
Closeout Director	1	\$55.38
Closeout Deputy Director	1	\$44.66
*Shall Not exceed 172 hours per month		
Maximum Total Cost for 4 Years (48 Months): \$500,000.00		

Third Party Professional Services

Third Party Professional Services provided to the COR3 shall be agreed upon in writing by COR3 & PRDOH and will be provided from the established five hundred-thousand dollar (\$500,000) budget.

¹ COR3 is authorized to invoice for any number hours for any position outlined herein, so long as no individual employee exceeds one hundred seventy-two (172) hours per month without prior express written approval of/from PRDOH and so long as the overall staffing budget of \$500,000 is not exceeded over the term of this Agreement.

Budgets Re-Distribution

The PRDOH reserves the right to re-distribute budgets shown for the above items in the benefit of the Program's successful execution without modifying the Total Contract Cost Awarded. The PRDOH may evaluate the need for redistribution, and if determined the re-distribution is in benefit for the Program or is necessary as per funding allocated by HUD, and the available balance of funds is validated, the PRDOH will provide written confirmation. Until the written confirmation is submitted by the PRDOH, the redistribution cannot be considered as authorized. A re-distribution of funds, as described here within, shall be considered binding and will not require an amendment to this contract.

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT E

Contract Code: 5182
Type: StandAloneSRA_V2
Original Registered Code:

CERTIFICATION OF FUNDS

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Requested on behalf: CDBG-DR Director

The Finance Division certifies the availability of the following funds:

Contracting Of: COR-3
Source of Funds: 14.228 CDBG Funds
For: New SRA Non-Federal Match Program
Amount: \$500,000.00

The breakdown and grant of the certified funds is as follows:

Contract	Account Number	Activity Code	Program Description	Fund Code	Amount
B-18-DP-72-0001	r02i21fem-doh-lm		I - Program Subsidy	6090-01-000	\$350,000.00
B-18-DP-72-0001	r02i21fem-doh-un		I - Program Subsidy	6090-01-000	\$150,000.00
					<u>\$500,000.00</u>

The above distribution of funds is subject to changes and will be allocated in accordance with the executed agreement within the parties. These funds do not affect the Puerto Rico Department of Housing (PRDOH) operational budget, and are available to be use.

If you have any questions, feel free to contact us at (787)274-2527.

Cesar Candelario Signed Date - 08/10/2023
Electronic Approval
Budget Manager

Jackzaira Vega Signed Date - 08/10/2023
Electronic Approval
Finance Director

*This transaction does not represent an overcharge of the account herein.

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



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EXHIBIT F

HUD GENERAL PROVISIONS AND OTHER FEDERAL STATUTES, REGULATIONS, AND PRDOH REQUIREMENTS

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

Given that the Subrecipient Agreement (**SRA**) involves funds for which the U.S. Department of Housing and Urban Development (**HUD**) is the oversight agency, the following terms and conditions may apply to this SRA. In addition, SUBRECIPIENT shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <https://www.hudexchange.info/resource/2490/hud-form-4010-federal-labor-standards-provisions/>.

The SUBRECIPIENT shall include these terms and conditions in all subcontracts or purchase orders directly servicing the SRA.

These general provisions may be updated from time to time. It is the sole responsibility of the SUBRECIPIENT to be aware of any changes hereto, to amend and implement such changes and to ensure subcontracts terms and conditions are modified as necessary, if any.

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this SRA shall be deemed to be inserted herein and the SRA shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the SRA shall forthwith be physically amended to make such insertion or correction.

2. STATUTORY AND REGULATORY COMPLIANCE

SUBRECIPIENT shall comply with all laws and regulations applicable to the Community Development Block Grant-Disaster Recovery funds appropriated by the Supplemental Appropriations for Disaster Relief Requirements, 2017 (Pub. L. 115-56), approved September 8, 2017 (**Appropriations Act**), as amended, including but not limited to the applicable Office of Management and Budget Circulars, which may impact the administration of funds and/or set forth certain cost principles, including if certain expenses are allowed.

3. BREACH OF SUBRECIPIENT AGREEMENT TERMS

The Puerto Rico Department of Housing (**PRDOH**) reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this SRA, in instances where the SUBRECIPIENT or any of its subcontractors violate or breach any SRA term. If the SUBRECIPIENT or any of its subcontractors violate or breach any SRA term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the SRA documents, and the

rights and remedies available thereunder, shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

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4. REPORTING REQUIREMENTS

The SUBRECIPIENT shall complete and submit all reports, in such form and according to such schedule, as may be required by the PRDOH and/or the Government of Puerto Rico. The SUBRECIPIENT shall cooperate with all the PRDOH and/or the Government of Puerto Rico efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 2 C.F.R. § 200.328 and 24 C.F.R. § 570.507, when applicable.

5. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The SUBRECIPIENT will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting when possible. Steps include, but are not limited to:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Additionally, for contracts of \$10,000 or more, the SUBRECIPIENT shall file Form HUD 2516 (Contract and Subcontract Activity) with the PRDOH on a quarterly basis.

6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by HUD.

7. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The SUBRECIPIENT represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs subject to 2 C.F.R. Part 2424.

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8. CONFLICTS OF INTEREST

The SUBRECIPIENT shall notify the PRDOH as soon as possible if this SRA or any aspect related to the anticipated work under this SRA raises an actual or potential conflict of interest (as defined 2 C.F.R. § 200.318(c), if applicable). The SUBRECIPIENT shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The SUBRECIPIENT shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The SUBRECIPIENT shall accept any reasonable conflict mitigation strategy employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

9. SUBCONTRACTING

When subcontracting, the SUBRECIPIENT shall solicit for and contract with such subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (ii) Requiring unnecessary experience and excessive bonding;
- (iii) Noncompetitive pricing practices between firms or between affiliated Companies;
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest;
- (vi) Specifying only a "brand name" product instead of allowing an "equal product" to be offered and describing the performance of other relevant requirements of the procurement; and
- (vii) Any arbitrary action in the procurement process.

The SUBRECIPIENT represents to the PRDOH that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this SRA.

The SUBRECIPIENT will include these HUD General Provisions in every subcontract issued by it, so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

10. ASSIGNABILITY

The SUBRECIPIENT shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the PRDOH.

11. COPELAND "ANTI-KICKBACK" ACT (Applicable to all construction or repair contracts)

Salaries of personnel performing work under this SRA shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland

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"Anti-Kickback Act" of 1934, 48 Stat. 948; (codified at 18 U.S.C. § 874; and 40 U.S.C. § 3145). The SUBRECIPIENT shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

12. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(Applicable to construction contracts exceeding \$2,000 and contracts exceeding \$2,500 that involve the employment of mechanics or laborers.)

The SUBRECIPIENT shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (**CWHSSA**), 40 U.S.C. §§ 3701-3708, as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the CWHSSA, and the SUBRECIPIENTS and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

13. DAVIS-BACON ACT

(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation.)

The SUBRECIPIENT shall comply with the Davis Bacon Act (40 U.S.C. § 3141, *et seq.*) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors, including employees of other governments, on construction work assisted under this SRA, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

On a semi-annual basis, the SUBRECIPIENT shall submit Form HUD 4710 (Semi-Annual labor Standards Enforcement Report) to PRDOH.

14. TERMINATION FOR CAUSE

(Applicable to contracts exceeding \$10,000)

If, through any cause, the SUBRECIPIENT shall fail to fulfill in a timely and proper manner his or her obligations under this SRA, or if the SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this SRA, the PRDOH shall thereupon have the right to terminate this SRA by giving written notice to the SUBRECIPIENT of such termination and specifying the effective date thereof, at least **five (5) days** before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the SUBRECIPIENT under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the SUBRECIPIENT shall be entitled to

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receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the SUBRECIPIENT shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the SUBRECIPIENT, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the SUBRECIPIENT for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the SUBRECIPIENT is determined.

15. TERMINATION FOR CONVENIENCE
(Applicable to contracts exceeding \$10,000)

The PRDOH may terminate this SRA at any time by giving at least a **ten (10) day** notice in writing to the SUBRECIPIENT. If the SRA is terminated by the PRDOH as provided herein, the SUBRECIPIENT will be paid for the time provided and expenses incurred up to the termination date.

16. SECTION 503 OF THE REHABILITATION ACT OF 1973
(Applicable to contracts exceeding \$10,000)

The SUBRECIPIENT shall comply with Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities:

- 1) The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The SUBRECIPIENT agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
 - (i) Recruitment, advertising, and job application procedures;
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
 - (iii) Rates of pay or any other form of compensation and changes in compensation;
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - (v) Leaves of absence, sick leave, or any other leave;
 - (vi) Fringe benefits available by virtue of employment, whether or not administered by the SUBRECIPIENT;
 - (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - (viii) Activities sponsored by the SUBRECIPIENT including social or recreational programs; and
 - (ix) Any other term, condition, or privilege of employment.

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- 2) The SUBRECIPIENT agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 3) In the event of the SUBRECIPIENT's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 4) The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the SUBRECIPIENT's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The SUBRECIPIENT must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the SUBRECIPIENT may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The SUBRECIPIENT will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the SUBRECIPIENT is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.
- 6) The SUBRECIPIENT will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Rehabilitation Act of 1973, as amended, so that such provisions will be binding upon each subcontractor or vendor. The SUBRECIPIENT will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

17. EQUAL EMPLOYMENT OPPORTUNITY

(Applicable to construction contracts and subcontracts exceeding \$10,000)

The SUBRECIPIENT shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. Subpt. B, Ch. 60).

During the performance of this Agreement, the SUBRECIPIENT agrees as follows:

- 1) The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The SUBRECIPIENT shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion,

or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

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- 2) The SUBRECIPIENT shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this non-discrimination clause. The SUBRECIPIENT shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The SUBRECIPIENT will, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- 4) The SUBRECIPIENT will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the SUBRECIPIENT's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 5) The SUBRECIPIENT will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 6) The SUBRECIPIENT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- 7) In the event of the SUBRECIPIENT's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the SUBRECIPIENT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- 8) SUBRECIPIENT shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The SUBRECIPIENT will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the SUBRECIPIENT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the SUBRECIPIENT may request the United States to enter into such litigation to protect the interests of the United States.

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18. CERTIFICATION OF NONSEGREGATED FACILITIES
(Applicable to construction contracts exceeding \$10,000)

The SUBRECIPIENT certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The SUBRECIPIENT agrees that a breach of this certification is a violation of the equal opportunity clause of this Agreement.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

The SUBRECIPIENT further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

19. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS
(Applicable to contracts exceeding \$100,000)

The SUBRECIPIENT and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Ch. I, Subch. C, Pt. 60, Subpt. B and Ch. I, Subch. C, Pt. 93, Subpt. B, as amended, Section 508 of the Federal Water Pollution Control Act (33 U.S.C. § 1368) and Executive Order 11738 of September 10, 1973.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- 1) A stipulation by the SUBRECIPIENT or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to Ch. I, Subch. C, Pt. 93, Subpt. B or on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 C.F.R. Ch. I, Subch. C, Pt. 60, Subpt. B, as amended.
- 2) Agreement by the SUBRECIPIENT to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the

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Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

- 3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- 4) Agreement by the SUBRECIPIENT that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the SUBRECIPIENT will take such action as the government may direct as a means of enforcing such provisions.

20. ANTI-LOBBYING

(Applicable to contracts exceeding \$100,000)

By the execution of this SRA, the SUBRECIPIENT certifies, to the best of his or her knowledge and belief, that:

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

21. BONDING REQUIREMENTS

(Applicable to construction and facility improvement contracts exceeding \$100,000)

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The SUBRECIPIENT shall comply with 2 C.F.R. § 200.326 minimum bonding requirements:

- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
- 2) A performance bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the SUBRECIPIENT's obligations under such contract.
- 3) A payment bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

22. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

- A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
- C. The SUBRECIPIENT agrees to send to each labor organization or representative of workers with which the SUBRECIPIENT has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the SUBRECIPIENT's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The SUBRECIPIENT agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the

regulations in 24 C.F.R. Part 75. The SUBRECIPIENT will not subcontract with any subcontractor where the SUBRECIPIENT has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.

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- E. The SUBRECIPIENT acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contracting requirements of 24 C.F.R. 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.
- F. The SUBRECIPIENT will certify that any vacant employment positions, including training positions, that are filled: (1) after the SUBRECIPIENT is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the SUBRECIPIENT's obligations under 24 C.F.R. Part 75.
- G. Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- H. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).
- I. The SUBRECIPIENT agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

23. FAIR HOUSING ACT

SUBRECIPIENT shall comply with the provisions of the Fair Housing Act of 1968, as amended. The Act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, disability, or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

24. ENERGY POLICY AND CONSERVATION ACT

SUBRECIPIENT shall comply with mandatory standards and policies relating to energy efficiency as contained in the Government of Puerto Rico's energy conservation plan, issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 *et seq.*).

25. POLITICAL ACTIVITY

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The SUBRECIPIENT agrees to comply with mandatory standards and policies relating to Hatch Political Activity Act (Hatch Act), 5 U.S.C. §§ 1501–1508, which limits the political activity of employees.

The SUBRECIPIENT shall comply with the Hatch Act and shall ensure that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of the Hatch Act, 5 U.S.C. §§ 1501–1508.

The Hatch Act applies to political activities of certain state and local employees. As a PRDOH's SUBRECIPIENT, you may participate in any of the following activities: be a candidate in nonpartisan elections; attend political meetings and conventions; contribute money; campaign in partisan elections; and hold office in political parties.

The SUBRECIPIENT may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions from subordinates in support of political parties or candidates the office of special counsel operates a website that provides guidance concerning hatch act issues.

26. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with Sections 3702 and 3704 (a) of the Contract Work Hours and Safety Standards Act (CWHSSA), 40 U.S.C. §§ 3702 and 3704. Section 3704 (a) of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to a contract to acquire a commercial product (as defined in 41 U.S.C. § 103) or a commercial service (as defined in 41 U.S.C. § 103a).

27. PERSONNEL

The SUBRECIPIENT represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of, or have any contractual relationship with, the contracting party. All the services required hereunder will be performed by the SUBRECIPIENT or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. No person who is serving sentence in a penal or correctional institution shall be employed on work under this SRA.

28. WITHHOLDING OF WAGES

If in the performance of this Agreement, there is any underpayment of wages by the SUBRECIPIENT or by any subcontractor thereunder, the PRDOH may withhold from the SUBRECIPIENT out of payment due to him or her an amount sufficient to pay to employees underpaid the difference between the wages required thereby to be paid and the wages actually paid to such employees for the total number of hours worked. The amounts withheld may be disbursed by the PRDOH for and on account

of the SUBRECIPIENT or subcontractor to the respective employees to whom they are due.

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29. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

Claims and disputes pertaining to wage rates or to classifications of professional staff or technicians performing work under this SRA shall be promptly reported in writing by the SUBRECIPIENT to the PRDOH for the latter's decision, which shall be final with respect thereto.

30. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS

No person employed on the services covered by this Agreement shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer.

31. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS

The SUBRECIPIENT agrees to establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have a family, business, or other tie. The SUBRECIPIENT will be aware of and avoid any violation of the laws of this State which prohibit municipal officers and employees from having or owning any interest or share, individually or as an agent or employee of any person or corporation, either directly or indirectly, in any contract made or let by the governing authorities of such municipality for the construction or doing of any public work, or for the sale or purchase of any materials, supplies or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion or share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefore or connected therewith.

The SUBRECIPIENT will also be aware of and avoid any violation of the laws of this State which prescribe a criminal penalty for any public officer who has an interest in any contract passed by the board of which he or she is a member during the time he or she was a member and for **one (1) year** thereafter.

32. INTEREST OF CERTAIN FEDERAL OFFICERS

No member of, or delegate to, the Congress of the United States and no Resident Commissioner shall be admitted any share or part of this Agreement or to any benefit to arise therefrom.

33. INTEREST OF SUBRECIPIENT

The SUBRECIPIENT agrees that it presently has no interest and shall not acquire any interest, direct or indirect, in the above described project or any parcels therein or

any other interest which would conflict in any manner or degree with the performance of the Work hereunder. The SUBRECIPIENT further agrees that no person having any such interest shall be employed in the performance of this Agreement.

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34. RELIGIOUS ACTIVITY

The SUBRECIPIENT agrees to provide equal participation to faith-based organizations in HUD programs and activities and to abstain from disfavoring any faith-based organization, including by failing to select a faith-based organization, disqualifying an faith-based organization, or imposing any condition or selection criterion that otherwise disfavors or penalizes an faith-based organizations in the selection process using any funds related to this Agreement. 24 C.F.R. 570.200(j); 24 C.F.R. § 5.109 (c).

35. FLOOD DISASTER PROTECTION ACT OF 1973

The SUBRECIPIENT will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found Section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106, and the regulations in 44 C.F.R. parts 59 through 79. 24 C.F.R. § 570.605.

36. LEAD BASED PAINT

The SUBRECIPIENT must comply with the regulations regarding lead-based paint found at 24 C.F.R. Subt. A, Pt. 35, Subpt. A on LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES with regards to all housing units assisted using CDBG-DR funds.

37. VALUE ENGINEERING

(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation.)

The SUBRECIPIENT must comply with the regulations regarding systematic and organized approach to analyze functions of systems, equipment, facilities, services, and materials to ensure they achieve their essential functions at the lowest cost consistent to life cycle in execution, reliability, quality, and safety, in accordance with 2 C.F.R. § 200.318(g).

38. GENERAL COMPLIANCE

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

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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. Part 35, Subpart A; 24 C.F.R. Part 58; 24 C.F.R. Part 75; 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.

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 (<https://cdbg-dr.pr.gov/en/resources/policies/>) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

39. DUPLICATION OF BENEFITS

The SUBRECIPIENT shall not carry out any of the activities under this Agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5155 and described in Appropriations Act. The SUBRECIPIENT must comply with HUD's requirements for duplication of benefits, imposed by Federal Register notices on the PRDOH, which are published in a separate notices entitled: "Clarification to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (Wednesday, November 16, 2011, 76 FR 71060); "Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (Thursday, June 20, 2019, 84 FR 28836); and "Applicability of Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees," (Thursday, June 20, 2019, 84 FR 28848). The SUBRECIPIENT shall carry out the activities under this Agreement in compliance with PRDOH's procedures to prevent duplication of benefits.

40. DRUG-FREE WORKPLACE

The SUBRECIPIENT must comply with drug-free workplace requirements in 2 C.F.R. §§ 182.200 through 182.230 of the Drug-Free Workplace Act of 1988, 41 U.S.C. §§ 8101-8106.

41. HOLD HARMLESS

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The SUBRECIPIENT shall and hereby agrees to hold harmless, defend (with counsel acceptable to the PRDOH) and indemnify the Government of Puerto Rico, PRDOH, HUD and each and all of its successors, affiliates, or assigns, and any of their employees, officers, directors, attorneys, consultants, agents, managers, and affiliates, from and against any and all damages, costs, attorneys' fees, claims, expenses, injuries, property damage, causes of action, violations of law, violations of this Agreement, and losses of any form or nature arising from or related to the conduct of the SUBRECIPIENT in the performance of the efforts called for in this Agreement. This indemnity shall expressly include, but is not limited to, the obligation of the SUBRECIPIENT to indemnify and reimburse the PRDOH for any and all attorneys' fees and other litigation or dispute resolution costs incurred or to be incurred in the PRDOH's enforcement of this Agreement or any portion thereof against the SUBRECIPIENT or otherwise arising in connection with the SUBRECIPIENT's breach, violation, or other non-compliance with this Agreement. This clause shall survive indefinitely the termination of this Agreement for any reason.

42. PRDOH RECOGNITION

Unless otherwise directed by the PRDOH, the SUBRECIPIENT shall ensure recognition of the role of HUD and the PRDOH in providing funding, services, and efforts through this Agreement. Unless otherwise directed by the PRDOH, all activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to role of HUD and of the PRDOH. In addition, the SUBRECIPIENT shall include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. The PRDOH reserves the right to direct specific reasonable recognition requirements on a case-by-case basis, including but not limited, to the size and content, waiver, removal or addition of such recognition.

43. LOGOS CLAUSE

The Parties hereto will not use the name of the other party, seals, logos, emblems or any distinctive trademark/ trade name, without the prior written express authorization of the other party.

44. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

The SUBRECIPIENT shall comply with the applicable provisions in 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

45. FINANCIAL & PROGRAM MANAGEMENT

The SUBRECIPIENT shall expend and account for all CDBG-DR funds received under this Agreement in accordance with 2 C.F.R. § 200.302 and 2 C.F.R. § 200.303 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

The SUBRECIPIENT shall administer its program in conformance with Cost Principles as outlined in 2 C.F.R. § 200.400 through 2 C.F.R. § 200.476, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

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46. DOCUMENTATION AND RECORDKEEPING

The SUBRECIPIENT shall maintain all records required by applicable law to be maintained, including but not limited to the Federal regulations specified in (1) 24 C.F.R. Part 200; (2) 24 C.F.R. § 570.506; and (3) the applicable HUD Notices that are pertinent to the activities to be funded under this Agreement, as well as any additional records required by the PRDOH. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR programs, as modified by the HUD Notices;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG-DR program;
- f. Financial records as required by (1) 24 C.F.R. § 570.502; and (2) 24 C.F.R. Part 200;
- g. Other records necessary to document compliance with Subpart K of 24 C.F.R. Part 570.

47. ACCESS TO RECORDS

The Government of Puerto Rico, the PRDOH, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the SUBRECIPIENT which are related to this SRA, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

48. RECORD RETENTION AND TRANSMISSION OF RECORDS TO THE PRDOH

The SUBRECIPIENT shall retain all official records on programs and individual activities shall be retained for the greater of **five (5) years**, starting from the closeout of the grant between PRDOH and HUD, or the end of the affordability period for each housing activity, whichever is longer. If any other laws and regulations as described in 24 C.F.R. § 570.490 applies to a project, the record retention period may be extended. All records involved in litigation, claims, audits, negotiations, or other actions, which have started before the expiration date of their retention, will be kept until completion of the action and resolution of all issues or the end of the regular **five (5) year period**, whichever is longer. (See 24 C.F.R. § 200.334 and 24 C.F.R. § 570.490(d).)

Records shall be made available to PRDOH upon request.

49. CLIENT DATA AND OTHER SENSITIVE INFORMATION

In the event that the SUBRECIPIENT comes to possess client data and other sensitive information as a result of this Agreement, then the SUBRECIPIENT shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to PRDOH monitors or their designees for review upon request.

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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. § 200.1, 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 Personally Identifiable Information, Confidentiality, and Nondisclosure Policy*, as found in the CDBG-DR Website (<https://cdbg-dr.pr.gov/en/download/personally-identifiable-information-confidentiality-and-nondisclosure-policy/>), which is herein included and made integral part of this Agreement, as it may be updated from time to time

The SUBRECIPIENT shall comply with all State or local requirements concerning the privacy of personal records, consistent with 24 C.F.R. § 570.508 (local governments) and 570.490 (States).

50. CLOSE-OUT

The SUBRECIPIENT's obligation to PRDOH shall not end until all close-out requirements are completed. Activities during this close-out period may include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the PRDOH), properly addressing Program Income (as that term is defined in Section VI (A)(19) of the HUD Notice 83 FR 5844, 5856 (February 9, 2018, as may be amended by HUD)), balances, and accounts receivable to the PRDOH), determining the custodianship of records, and the SUBRECIPIENT certification of compliance with the terms of this Agreement. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the SUBRECIPIENT has control over CDBG-DR funds, including Program Income.

Notwithstanding the terms of 2 C.F.R. § 200.343, upon the expiration of this Agreement, the SUBRECIPIENT shall transfer to the recipient any CDBG-DR funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG-DR funds, further, any real property under the SUBRECIPIENT's control that was acquired or improved in whole or in part with CDBG-DR funds (including CDBG-DR funds provided to the SUBRECIPIENT in the form of a loan) shall be treated in accordance with 24 C.F.R. § 570.503(b)(7).

51. AUDITS AND INSPECTIONS

All SUBRECIPIENT records with respect to any matters covered by this Agreement shall be made available to the PRDOH, HUD, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the SUBRECIPIENT within **thirty (30) days** after receipt by the SUBRECIPIENT. Failure of the SUBRECIPIENT to comply with the above audit requirements shall constitute a violation of this Agreement and may result in the withholding of future payments and/or termination.

52. SINGLE AUDIT

The SUBRECIPIENT must be audited as required by 2 C.F.R. Part 200, Subpart F, when the SUBRECIPIENT's Federal awards expended during the respective fiscal year

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equaled or exceeded the threshold set forth in 2 C.F.R. § 200.501 (Audit requirements). Once said threshold is reached or exceeded, the SUBRECIPIENT shall notify the PRDOH and shall report that event in the corresponding monthly progress report, as provided in Part VI - Performance, Monitoring, and Reporting, Subpart B (Reporting) of this Agreement.

The SUBRECIPIENT shall procure or otherwise arrange for the audit to be conducted for that year, as required in 2 C.F.R. § 200.501(a)-(b); moreover, that it is properly performed and submitted when due in accordance with provisions that include but are not limited to those set forth in 2 C.F.R. § 200.512 (Report submission), as stated in 2 C.F.R. § 200.508(a) (Auditee responsibilities).

Among other relevant provisions, the SUBRECIPIENT shall comply with: (a) the Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 C.F.R. § 200.512(d)) and; (b) ensuring that reports do not include protected personally identifiable information as set forth in 2 C.F.R. § 200.512(a)(2)).

53. INSPECTIONS AND MONITORING

The SUBRECIPIENT shall permit the PRDOH and auditors to have access to the SUBRECIPIENT's records and financial statements as necessary for the PRDOH to meet the requirements of 2 C.F.R. Part 200.

54. CORRECTIVE ACTIONS

The PRDOH may issue management decisions and may consider taking enforcement actions including but not limited to corrective actions in 24 C.F.R. § 570.910 if noncompliance is detected during monitoring and audits. The PRDOH may require the SUBRECIPIENT to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the SUBRECIPIENT from the pass-through entity detected through audits, on-site reviews, and other means. A timely and appropriate action shall be predicated on reasonable standard wherein the SUBRECIPIENT utilizes all available resources to correct the noted issue or issues. In response to audit deficiencies or other findings of noncompliance with this Agreement, the PRDOH may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

55. PROCUREMENT AND CONTRACTOR OVERSIGHT

The SUBRECIPIENT shall ensure that every process of procurement of goods and services comply with federal procurement rules and regulations found in 2 C.F.R. § 200.318 through § 200.327, procurement requirements that include, but are not limited to: (a) providing full and open competition; (b) following required steps to ensure the use of small and minority businesses, women's business enterprises, and labor surplus area firms when possible; (c) performing a cost or price analysis; (d) evaluating and documenting contractor's integrity, compliance with public policy, record of past performance, and financial and technical resources; (e) ensuring that the contractor has not been suspended or debarred; (f) prohibiting the use of statutorily or administratively imposed state, local, or tribal geographic preferences in evaluating bids or proposal; (g) excluding contractors that may have an unfair competitive advantage, and; (h) maintaining records to detail the history of procurement considerations. PRDOH must obtain and maintain records to document how the

procurement performed by the SUBRECIPIENT complied with the aforementioned federal procurement rules and regulations, as amended from time to time.

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In regard to the provisions of the Procurement Manual for CDBG-DR Programs, as found in the CDBG-DR Website (<https://cdbg-dr.pr.gov/en/download/procurement-manual-cdbg-dr-program/>) which is herein incorporated by reference and made integral part of this Agreement, as it may be updated from time to time, the SUBRECIPIENT shall comply with the provisions related to: minority, women, small, and Section 3 business participation; low and very low-income persons or firms participation.

The SUBRECIPIENT shall include all applicable PRDOH's conditions (as revised from time to time by the PRDOH in accordance with applicable law, rule or regulation) in any contract entered into under this Agreement. SUBRECIPIENT shall also require all contractors to flow down the PRDOH's Conditions, as well as termination for convenience of the PRDOH, to all subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors. These Conditions include required terms for project contracts, HUD General Provisions, Participation by Minority Group Members and Women Requirements and Procedures for Contracts with Housing Trust Fund Corporation, Standard Clauses for Contracts with the PRDOH, and required diversity forms.

The SUBRECIPIENT must comply with CDBG-DR regulations regarding debarred or suspended entities at 24 C.F.R. § 570.609 or 24 C.F.R. § 570.489(l) as appropriate. CDBG-DR funds may not be provided to excluded or disqualified persons.

The SUBRECIPIENT shall maintain oversight of all activities under this Agreement and shall ensure that for any procured contract or Agreement, as applicable, its contractors perform according to the terms and conditions of the procured contracts or Agreements, and the terms and conditions of this Agreement.

56. NONDISCRIMINATION

The SUBRECIPIENT shall comply with 24 C.F.R. Part 6, which implements the provisions of Section 109 of Title I of the Housing and Community Development Act of 1974, 42 U.S.C. § 5309. Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

The SUBRECIPIENT shall adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, 42 U.S.C. §§ 6101-6107 (**Age Discrimination Act**) and the prohibitions against discrimination on the basis of disability under Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794 (Section 504). Section 109 of the Housing and Community Development Act of 1974 makes these requirements applicable to programs or activities funded in whole or in part with CDBG-DR funds. Thus, the SUBRECIPIENT shall comply with regulations of 24 C.F.R. Part 8, which implement Section 504 for HUD programs, and the regulations of 24 C.F.R. Part 146, which implement the Age Discrimination Act for HUD programs.

The SUBRECIPIENT shall ensure that all CDBG-DR activities conducted by itself or its contractors are consistent with the applicable federal and local legal provisions, regulations, and policies that prohibit discrimination on the basis of race, creed, color,

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national origin, religion, sex, disability, familial status, actual or perceived sexual orientation or gender identity, marital status, or age, as established in the CDBG-DR Fair Housing and Equal Opportunity (FHEO) Policy for CDBG-DR Programs as found in the CDBG-DR website: <https://cdbg-dr.pr.gov/en/download/fair-housing-and-equal-opportunity-fheo-policy-for-cdbg-dr-programs/>.

57. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT

The SUBRECIPIENT shall ensure that its Activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968, 42 U.S.C. §§ 4151-4156, requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of "residential structure" as defined in 24 C.F.R. § 40.2 or the description of "facilities" in 41 C.F.R. § 102-76.60 are subject to the requirements of the Architectural Barriers Act of 1968 and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 C.F.R. Part 40 for residential structures, and 41 C.F.R. Subt. C, Ch. 102, for general type buildings).

The Americans With Disabilities Act of 1990 ("ADA"), 42 U.S.C. § 12101 *et seq.* (ADA), provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The SUBRECIPIENT agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 C.F.R. § 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

58. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (24 C.F.R. PART 1)

1) General Compliance:

The SUBRECIPIENT shall comply with the requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d *et seq.*, and 24 C.F.R. § 570.601 and § 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 C.F.R. § 1.4 apply to the use of these funds. The SUBRECIPIENT shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 C.F.R. Part 1, or because he or she has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 C.F.R. Part 1. The identity of complainants shall be kept confidential except to the extent necessary

to carry out the purposes of 2 C.F.R. Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

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2) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the SUBRECIPIENT assures that the program or activities described in this Agreement shall be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided shall be operated and administered in compliance with all requirements imposed by or pursuant to this 2 C.F.R. Part 1.

If the Federal financial assistance under this Agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the SUBRECIPIENT's assurance herein shall obligate the SUBRECIPIENT or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the SUBRECIPIENT for the period during which Federal financial assistance is extended pursuant to the contract or application.

This assurance gives the PRDOH and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR funds and provided to the SUBRECIPIENT under this Agreement, the instrument effecting any disposition by the SUBRECIPIENT of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the SUBRECIPIENT receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

3) Women- and Minority-Owned Businesses (W/MBE)

The SUBRECIPIENT shall take the affirmative steps listed in 2 C.F.R. § 200.321(b)(1) through (6) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible when the SUBRECIPIENT procures property or services under this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, 15 U.S.C. § 632 (a), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian- Americans, and American Indians. The SUBRECIPIENT may rely on written representations by businesses regarding their

status as minority and female business enterprises in lieu of an independent investigation.

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In compliance with the CDBG-DR Minority and Women-Owned Business Enterprise Policy (**M/WBE Policy**), the SUBRECIPIENT shall complete a utilization plan to identify how they plan on successfully achieving the contracting goals for MBE and WBE's. SUBRECIPIENT shall also complete quarterly reporting to provide information on contracting opportunities and payouts provided to WBE or MBE contractors or subcontractors. SUBRECIPIENT 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.

4) Notifications

The SUBRECIPIENT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the SUBRECIPIENT's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The SUBRECIPIENT shall, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that it is an Equal Opportunity or Affirmative Action employer.

59. LABOR STANDARDS

The SUBRECIPIENT shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, 42 U.S.C. § 5310, and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, 40 U.S.C. § 3141 *et seq.*, and 29 C.F.R. Part 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than eight (8) units.

The SUBRECIPIENT agrees to comply with 18 U.S.C. § 874 and implement regulations of the U.S. Department of Labor at 29 C.F.R. Part 3 and Part 5. The SUBRECIPIENT shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the PRDOH for review upon request.

The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; or nepotism activities.

60. CONDUCT

1) Contracts

a. Monitoring: As applicable, the SUBRECIPIENT will monitor all contracted services on a regular basis to assure contract compliance. Results of

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

- b. Content: The SUBRECIPIENT 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, as applicable.
- c. Selection Process: The SUBRECIPIENT shall ensure that all contracts awarded after the execution of this Agreement and in the performance of such, follow the procurement policies and procedures described in paragraph 55 (Procurement and Contractor Oversight) of this Exhibit.
- d. Notification: The SUBRECIPIENT 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 SUBRECIPIENT 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.

2) Conflict of Interest

The SUBRECIPIENT agrees to abide by the provisions of 2 C.F.R. Part 200, as applicable, and 24 C.F.R. § 570.611, which include (but are not limited to) the following:

- a. It is presumed that the SUBRECIPIENT is subject to state and local ethic laws and regulations related to the conduct of its officers, employees or agents engaged in the award and administration of this Agreement.
- b. In the event the SUBRECIPIENT is not, the SUBRECIPIENT shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of this Agreement. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would rise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the Parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or Parties to sub Agreements. However, recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.
- 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 **one (1) year** thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed

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official of the PRDOH, the SUBRECIPIENT, or any designated public agency.

- d. Clause of Governmental Ethics Certification of Absence of Conflict of Interests - The SUBRECIPIENT certifies that: (1) No public servant of the PRDOH has pecuniary interest in this contract. (2) No public servant of the PRDOH has solicited or accepted, directly or indirectly, for him (her), for any member of his (her) family unit or for any other person, gifts, allowances, favors, services, donations loans or any other thing of monetary value. (3) No public servant of the PRDOH related to this transaction, asked for or accepted any good of economic value, from any person or organization as payment for the duties and responsibilities of his employment. (4) No public servant of the PRDOH has solicited, directly or indirectly, for him (her), any member of his family unit, neither for any other person, business or organization, any good of economic value, including gifts, loans, promises, favors or services in exchange for his (her) obligations and performance of said public employment, to influence or favor any organization. (5) No public servant of the PRDOH has kinship relationship, within the fourth degree of consanguinity and second by affinity, with nobody in public employment that has faculty to influence and to participate in the institutional decisions of this Agreement.

61. CITIZEN GRIEVANCES

If the SUBRECIPIENT 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.

62. TECHNICAL ASSISTANCE AND TRAININGS

The SUBRECIPIENT 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.

63. DISASTER RELIEF ACCOUNT

Pursuant to Federal Register Vol. 85, No. 17, 85 FR 4681 (January 27, 2020), PRDOH must comply with an additional requirement imposed by an Order of October 26, 2017, granted by the United States District Court for the District of Puerto Rico, as may be amended from time to time. As required by the Order, grant funds or disaster relief funds received by the Commonwealth of Puerto Rico or other Non-Federal Entities (as defined by 2 C.F.R. §200.69) shall be deposited solely into a Disaster Relief Account.

As a result thereof, under the terms of the before mentioned Court order and under the conditions of this Agreement, any and all CDBG-DR/MIT funds subawarded by PRDOH to its SUBRECIPIENTS shall be deposited into a new, separate, non-co-mingled, unencumbered account held in the name of the SUBRECIPIENT. The funds shall be used solely for eligible activities. Further, the SUBRECIPIENT shall provide and make available to PRDOH any and all documentation related to such account.

64. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA)

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (CDBG-DR) funds, and all activities related to that project, are subject to the

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provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 et seq., and section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (HUD). The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. PRDOH has also established the Uniform Relocation Assistance Guide & Residential Anti-Displacement and Relocation Assistance Plan (URA & ADP Guide) which provides guidance and requirements regarding URA compliance and minimizing displacement that are applicable to all CDBG-DR programs. The primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR funds to complete the project or an interdependent phase of the project. Subrecipients are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

65. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (OSH ACT)

The SUBRECIPIENT shall comply with the Occupational Safety and Health Act of 1970 (OSH Act) as supplemented by the Department of Labor regulations. This Act created the Occupational Safety and Health Administration (OSHA). OSHA sets and enforces protective standards of safety and health in the workplace. Under the OSH Act, employers have a responsibility to provide a safe workplace.

Employers must comply with the 29 CFR 1910 General Obligations Clause of the OSH Act. This clause requires employers to maintain their workplaces free from serious recognized hazards. This includes the adoption of safety and health guidelines and the subsequent training of the employer's workforce in these.

Subrecipient whose Scope of Work includes construction activities must comply with the General Clauses, and also with provisions of 29 CFR 1926 "Construction Health and Safety Regulations". It shall be a condition of any contract for construction, alteration and/or repair, including painting and decorating, that no contractor or subcontractor for any part of the contract work shall require any worker or mechanic employed in the performance of the contract to work in an environment or in unhealthy, hazardous or dangerous working conditions to their health or safety.

END OF DOCUMENT



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT G

SUBROGATION AND ASSIGNMENT PROVISIONS

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

1. General Provisions.

- 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 G**.
- 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 _** to the Subrecipient Agreement.

2. Subrogation and Assignment Relating to Funds Received from the Puerto Rico Department of Housing – Non-Federal Match 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.

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- 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**".
- 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 NonFederalMatchProgram@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.

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.

- 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.
- 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

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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.

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- (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.

- h) 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.

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END OF DOCUMENT



EXHIBIT H

NON-CONFLICT OF INTEREST CERTIFICATION

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

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The Subrecipient certifies that to the best of its knowledge:

1. No public servant of this executive agency has a pecuniary interest in this agreement, contract, purchase, or commercial transaction.
2. No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value.
3. No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment.
4. No public servant has requested from me, directly or indirectly, for him (her), for any member of his or her family unit, or for any other person, business, or entity, something of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity.
5. I have no kinship relationship, within the fourth degree of consanguinity and second of affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."

Manuel Laboy
Manuel Laboy (Sep 8, 2023 15:14 EDT)

Signature

9/8/23
Date

Manuel A. J. Laboy Rivera
Printed Name

Executive Director
Position