

GOVERNMENT OF PUERTO RICO

STATE CONSOLIDATED ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

2025-2029 Consolidated Plan & 2025 Action Plan DRAFT FOR PUBLIC COMMENTS

June 10, 2025



PLAN CONSOLIDADO



DE VIVIENDA Y DESARROLLO COMUNAL DEL
ESTADO Y PLAN DE ACCIÓN ANUAL

Departamento de la Vivienda
Departamento de la Familia
Departamento de Salud
Autoridad para el Financiamiento de la Vivienda
Municipio de San Juan



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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The Consolidated Plan of the Commonwealth of Puerto Rico is the five-year housing and community development plan required by the United States Department of Housing and Urban Development (HUD) to guide the distribution of its Community Planning and Development (CPD) formula grant funds. This Annual Action Plan is the official application for the PY 2025 state grants, for the following programs:

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

The activities to be undertaken as part of the Action Plan and the Five-Year Consolidated Plan are focused on achieving the following objectives:

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

The lead agency of the 2025-2029 Consolidated Plan is the Puerto Rico Department of Housing (PRDOH). This agency coordinates all efforts toward the development of the housing and community development strategies that the PR-State government included on its five-year Consolidated Plan and executes annually, as established in its action plan. In addition, the PRDOH is responsible for the administration of the PR-State CDBG Program allocation. In this effort, the Department of Housing works in coordination with three (3) State agencies, that are responsible for acting as HUD grantees and administrators for the other Community Planning and Development Programs (ESG, HOME, HOPWA and HTF). These agencies are the Puerto Rico Housing Finance Authority (PRHFA) for the HOME and HTF Programs, the Department of Family for the ESG Program and the Department of Health for the HOPWA Program. In the case of the HOPWA Program, the PR Health Department is the grantee, and the Municipality of San Juan acts as the program administrator in accordance with a collaborative agreement signed between the parties back in year 2010.

The plan includes a series of guiding principles that will lead the vision of the State public policy and that are based on the needs identified as part of the consolidated planning processes and the Government of Puerto Rico public policies on housing and community development. The action plan also includes information on needs, available resources and goals related to disaster recovery allocations, CDGR DR 2017 & CDBG MIT.

2. Summarize the objectives and outcomes identified in the Plan

The strategic approach and actions to be undertaken by the responsible Commonwealth Agencies can be summarized into three main areas and related activities following the basic goals of Title I of the Housing and Community Development Act of 1974:

Provide Decent Housing

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

Create a Suitable Living Environment

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

Expand Economic Opportunity

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

In terms of CDBG-DR 2017 and CDBG-MIT, During the Strategic Planning Period 2025-2029, the PRDOH will continue revitalizing downtown areas through the City Revitalization Program, providing assistance to homeowners to repair or rebuild their homes, and increasing homeownership rates through the Homebuyer Assistance Program. PRDOH will also continue to promote economic development opportunities by providing assistance to Small Businesses under the Small Business Financing Program.

The specific goals and other summary information are presented in the following table.

The goal of the Housing Trust Fund is to provide decent affordable housing to low-income and very low-income households and individuals.

The specific goals and other summary information for the PY 2025 is presented in the following table.

Goal	Category	Geographic Area	Needs Addressed	Funding	
Provide Decent Housing	Homeless	Statewide	Chronic Homeless	ESG:	\$2,837,692
	Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility	Objective: Provide decent affordable housing	
	Description: Street outreach, supportive services and emergency shelter.				
	Goal Outcome Indicator	Quantity	UoM		
	Homeless Person Overnight Shelter	2,560	Persons Assisted		
Provide Decent Housing (B)	Homeless	Statewide	Homelessness Prevention	ESG:	\$593,505
				HOME:	\$0.00
	Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility	Objective: Provide decent affordable housing	
	Description: ESG program: Provide homeless prevention and rapid rehousing assistance. 2000 total HOME program: Provide tenant-based rental/rapid rehousing. 36 total.				
	Goal Outcome Indicator	Quantity	UoM		
	Tenant-based rental assistance / Rapid Rehousing	2,000	Households Assisted		
Provide Decent Housing (C)	Affordable Housing Non-Homeless Special Needs	Statewide	Housing	HOPWA:	\$2,540,951
	Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility	Objective: Provide decent affordable housing	

	Description:					
	Provides housing assistance and supportive services to HIV population.					
	Goal Outcome Indicator	Quantity	UoM			
	HIV/AIDS Housing Operations	425	Household Housing Unit			
	Other	635	Other			
	Non-Housing Community Development	CDBG-entitlement communities	Non-housing Community Development- improvement Public		CDBG:	\$2,514,592
			Non-housing Community Development- Public Services			
	Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility		Objective: Create suitable living environments	
	Description:					
	Social needs (public service).					
Create Suitable Living Environments	Goal Outcome Indicator	Quantity	UoM			
	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	540	Persons Assisted			
Create Suitable Living Environments (B)	Non-Housing Community Development	CDBG-entitlement communities	Non-housing Community Development- Public Facilities		CDBG:	\$16,795,894
			Non-housing Community Development- Public improvement			

	Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility		Objective: Create suitable living environments		
	Description: Community Development (Infrastructure and public facilities) Infrastructure for disaster recovery.						
	Goal Outcome Indicator	Quantity	UoM				
	Other	191,400	Other				
Provide Decent Housing (D)	Affordable Housing	CDBG- Non-entitlement communities Statewide	Housing		CDBG :	\$2,056,667	
					HOME :		
	Start Year: 2025	End Year: 2029	Outcome: Affordability		Objective: Provide decent affordable housing		
	Description: Rehabilitation of units.						
	Goal Outcome Indicator	Quantity	UoM				
	Homeowner Housing Rehabilitated		Household Housing Unit				
	Homeowner Housing Added	14	Household Housing Unit				
	Expand Economic Opportunity	Other	CDBG- Non-entitlement communities	Non-housing Community Development- Economic Dev		CDBG :	\$121,539
		Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility		Objective: Create economic opportunities	
Description: Economic Development.							

	Goal Outcome Indicator	Quantity	UoM			
	Businesses assisted	10	Businesses Assisted			
Emergency Relief	Non-Housing Community Development	CDBG- Non-entitlement communities			CDBG :	\$300,000
	Start Year: 2025	End Year: 2029	Outcome: Availability/accessibility		Objective: Create suitable living environments	
	Description:					
	Emergency Relief.					
	Goal Outcome Indicator	Quantity	UoM			
	Other	300	Other			
Provide Decent Housing (E)	Affordable Housing	Statewide	Housing		HOME:	\$0.00
	Start Year: 2025	End Year: 2029	Outcome: Affordability		Objective: Provide decent affordable housing	
	Description:					
	Down payment and closing costs assistance, direct assistance served with funds available from previous years.					
	Goal Outcome Indicator	Quantity	UoM			
	Homeowner Housing Added	3	Household Housing Unit			
Provide Decent Housing (F)	Affordable Housing		Housing		HOME:	\$11,992,003
					HTF:	\$619,615
	Start Year: 2025	End Year: 2029	Outcome: Affordability		Objective: Provide decent affordable housing	
	Description:					
	Rehabilitation and production of rental housing.					

Goal Outcome Indicator	Quantity	UoM	
Rental units constructed rehabilitated (multifamily rental dev.)	46	HOME - Household Housing Unit	
Rehab or New Construction by Owner	7	HOME - Household Housing Unit	
Rental and homeownerships	3	HTF - Household Housing Unit	

Goals

The rationale of the Goals, and activities of the plan was based on the results of the needs assessment, which in general, found the following:

- Puerto Rico continues to experience a severe housing affordability crisis, with over 270,000 households burdened by housing costs exceeding 30% of income. Severely cost-burdened households total more than 136,000, especially among very low-income renters, elderly homeowners, and small families—highlighting the need for affordable rental housing, housing subsidies, and preservation strategies.
- The housing market reflects a structural mismatch: although over 335,000 housing units are vacant, only 10.5% are available for rent or sale, and a significant portion are substandard or unsuitable. At the same time, construction costs remain high, pushing the average cost of new housing far beyond what moderate-income households can afford.
- Demographic shifts, including a 30% decline in the population under 40 and a 44% increase in households led by people over 65, are reshaping housing demand. This trend fuels the need for smaller, accessible units for aging individuals, as well as services for seniors with disabilities or independent living difficulties—now affecting over 211,000 adults 65 and older.
- Despite a declining population, Puerto Rico’s housing conditions remain a challenge. More than 318,000 occupied housing units have one or more problems, including incomplete plumbing or kitchen facilities, overcrowding, or severe cost burden. Renters are disproportionately affected, with 32.7% of renter households experiencing at least one housing condition compared to 22.4% of owners.
- The most recent Point-in-Time count 2024 identified 2,096 homeless individuals, with alarming rates of chronic homelessness (21.7%), mental illness (41.7%), and substance use (51.3%). These figures, along with the needs of persons living with HIV/AIDS, survivors of domestic violence, and extremely low-income individuals, call for expanded shelter, rapid rehousing, and supportive housing services.
- Economically, the island shows signs of fragility despite modest gains. While unemployment is at historic lows and labor participation has slightly improved, growth remains heavily reliant on temporary federal funding. Retail activity and job creation are slowing, raising concerns about the sustainability of recent improvements.

- The affordability gap has widened post-pandemic, driven by rising home prices, increased demand from external investors, and stagnant local incomes. From 2020 to 2023, the average home sale price increased by 7.7% while the number of available units for rent or sale declined sharply, further restricting access for local low- and moderate-income households.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

This Consolidated Annual Performance Report (CAPER) provides an overview of the progress made during PY 2023, the fourth year of the Puerto Rico State 2020-2024 Housing and Community Consolidated Plan. During Program Year 2023, the state undertook activities consistent with the approved strategic and annual action Plan, for the following programs: Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Housing Trust Fund (HTF), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA).

Each of these programs of the Consolidated Plan invested available resources in eligible activities to address the needs of the low- and moderate-income persons with the final goals of:

- increasing the availability, accessibility, and affordability of decent housing,
- create suitable living environments, and
- provide economic opportunities for low- and moderate-income individuals.

The following is a summary of each program performance during program year 2023:

HOPWA Program

The major initiative undertaken during this program year included:

1. HOPWA funds
 - a. Completed 18 monitoring Review;
 - b. Provided assistance to eligible families under the following programs:
 - i) Tenant Based Rental Assistance to 94 families;
 - ii) Short-Term Rental, Mortgage and Utilities to 84 families;
 - iii) Transitional Housing to 103 families and;
 - iv) Supportive Services to 709 participants

As per the service activities undertaken PY 2023, the HOPWA sub-recipients provided short-term rent, mortgage and/or utility assistance payments, supportive services, Tenant Based Rental Assistance, and other eligible activities to persons infected with HIV/AIDS and their families to prevent homelessness.

During FY2023, a total of twenty-eight (28) eligible activities were implemented to support HOPWA participants. These activities were carried out by nine (9) non-profit organizations and eleven (11) municipalities, which collectively expended 50.28% of the funds allocated for contracted activities as of June 30, 2024. Additionally, the municipality allocated \$350,000.00 from previous years' funding to sub-recipients, of which 68.12% had been expended. As for the 2020 HOPWA Cares funds, a total of \$320,130.10 had been allocated by June 30, 2024, to provide supportive services to non-profit organizations and municipalities.

Considering all HOPWA funded allocations during 2023-2024 a total of \$2,909,001.32 were used to support HOPWA eligible activities describe as follow:

- **Tenant-Based Rental Assistance (TBRA) Program:** The TBRA program provides tenant-based rental assistance to eligible individuals who are unable to afford stable housing. The assistance continues until they secure other affordable and stable housing solutions, often transitioning participants to long-term affordable housing options. This program helps prevent homelessness among individuals with HIV/AIDS by providing consistent housing support. A total of eleven (11) municipalities implemented this activity. Of the \$735,489.42 allocated to TBRA, \$28,288.06 was directed to activity delivery costs, which include administrative tasks and case management. Additionally, \$354,429.58 was disbursed specifically for housing assistance to eligible participants, ensuring they could remain in stable housing while working toward more permanent solutions.
- **Short-Term Rent, Mortgage, and Utilities (STRMU) Assistance Program:** The STRMU program offers crucial financial relief for eligible individuals, covering rent, mortgage, and utility payments for up to 21 weeks in a 52-week period. This short-term intervention is designed to stabilize housing situations in times of crisis, preventing eviction or foreclosure while individuals regain financial stability. During the program year, the STRMU services were distributed across three geographical regions in Puerto Rico, ensuring coverage in key areas with high demand. A total of \$231,753.00 was allocated to this activity, and \$138,265.77 was disbursed, directly assisting participants in maintaining their housing and essential utilities.
- **Supportive Services Program:** The Supportive Services Program is critical in addressing the complex needs of HOPWA recipients, who often require more than just housing assistance. Nonprofit organizations contracted by the Municipality of San Juan (MSJ) provided an array of supportive services under this program, including health care, mental health assessments, permanent housing placement, drug and alcohol treatment and counseling, childcare, personal assistance, and nutritional services. Intensive care services were also offered when required, alongside efforts to help participants access local, state, and federal government benefits. These services were often provided in residential settings, ensuring recipients received holistic care in a stable environment. A total of \$1,197,644.54 was allocated for this activity, which includes funding from previous years and HOPWA-CV (CARES Act) funding. Of this, \$836,689.54 was disbursed for the direct provision of these services.
 - **Supportive Services Provided by Sub-recipients with HOPWA Housing Subsidy Assistance:** Sub-recipients that delivered both supportive services and housing assistance were allocated \$446,039.00. These funds supported a range of essential services in addition to housing subsidies, with \$271,833.33 disbursed to ensure that participants received comprehensive care and housing support.
 - **Supportive Services Provided by Sub-recipients Offering Only Supportive Services:** Sub-recipients that focused exclusively on supportive services were allocated \$751,605.54, including \$269,258.54 from CARES Act funds. These services provided critical support during the COVID-19 pandemic, addressing heightened needs within the community. A total of \$564,856.21 was disbursed, including CARES Act funds, ensuring the continuity of vital services for vulnerable populations.

- **Transitional Housing:** This category plays a key role in offering temporary housing solutions for individuals who need structured support before transitioning to permanent housing. The services provided under this category include hospice care, detox services, and permanent housing for chronically ill individuals with mental health conditions. These supportive housing arrangements are designed to maintain clients' quality of life while addressing their immediate health and housing needs. In total, \$756,179.90 was allocated to Transitional Housing, and \$433,753.91 was disbursed. The transitional nature of this housing allows participants to stabilize and receive critical care before securing more permanent housing solutions, significantly improving their long-term outcomes.

ESG Program

In 2023, the strategies to address the primary housing and supportive service needs of homeless individuals and families were further strengthened. The Emergency Solutions Grant (ESG) program continued to have a significant impact on the community by distributing a total of \$2,165,875.44 to 40 nonprofit organizations and municipalities for their respective projects. Additionally, the ESG program remained committed to vulnerable populations, supported by a special allocation of \$29,026,739.44 (ESG-CV), which continued into 2023. This allocation effectively supported homeless individuals, people fleeing situations of violence, those in emergency shelters, and individuals at risk of homelessness.

Thanks to the efficient execution of ESG-CV funds, services continued to be provided at the twenty-four Temporary Emergency Shelters with non-congregate living spaces, established in response to the COVID-19 emergency and strategically distributed across the island. These shelters have become essential spaces to combat homelessness in Puerto Rico by providing safe environments and critical services to those in need. These shelters have since transitioned to operate under the regular ESG program, ensuring the continuity of vital services and long-term sustainability.

Temporary Shelters Locations

Location	Number of Shelters
Canóvanas	1
San Juan	5
Trujillo Alto	1
Vega Baja	2
Utado	2
Cayey	1
Arecibo	1

To mitigate the financial challenges faced by municipalities and nonprofit organizations in implementing federally funded programs, the Emergency Solutions Grant (ESG) Program has strengthened its advance funding system. This improvement has facilitated more agile execution of activities, enabling rapid and efficient responses to the needs of the population we serve. These funds have been allocated to cover the

operational expenses of entities and municipalities operating emergency shelters and other eligible activities.

In 2023, the ESG Program also expanded its media outreach with a robust campaign aimed at educating citizens about the available services. This campaign promoted the services offered by the program's subrecipients to connect individuals with the necessary resources to eradicate homelessness in Puerto Rico. Furthermore, the ESG Program continued its active participation in large-scale events organized by the Government of Puerto Rico, providing essential information about the services available through public agencies.

Another ongoing initiative of the ESG program is our project "ESG Te Orienta," which provided educational tools to subrecipients through workshops focused on programmatic and fiscal concepts. This effort was complemented by technical visits conducted by ESG Program staff to all subrecipient entities. These visits allowed for the identification of minor issues and the implementation of continuous improvement plans to ensure efficiency and effectiveness in service delivery.

Thanks to these continuous efforts and the successful conclusion of the special COVID allocation, the ESG Program has not only maintained its commitment to the most vulnerable individuals but also enhanced its response capacity and created new opportunities to address homelessness in Puerto Rico, contributing to an improved quality of life for at-risk populations.

HOME Program

The HOME program allocated the funds according to the priorities identified in the Strategic Plan to address the housing needs of low- and moderate-income persons. The program addresses both homeownership and rental needs through homebuyer assistance programs, subsidies to developers of multifamily rental projects, rental assistance programs and homeownership rehabilitation for substandard housing. These approaches address housing affordability issues in Puerto Rico, where the median cost of safe and decent housing is considerably higher than the median income of residents and where a substantial amount of substandard housing is present and located in areas affected by environmental risks. As per PR-23 report, a total of 46 HOME-assisted units were occupied during PY2023 across the island.

Housing Trust Fund (HTF)

The Housing Trust Fund (HTF) program addresses the rental needs through subsidies to developers of multifamily rental projects. This approach addresses housing affordability issues in Puerto Rico, where the median cost of safe and decent housing is considerably higher than the median income of residents and where a substantial amount of substandard housing is present and located in areas affected by environmental risks. As the PJ of the State HOME Program, PRHFA has allocated HTF funds for two (2) multifamily projects located at: Comerío (Rio Plata Development project) and Dorado (Paraíso Dorado project). Rio Plata Development project completed during PY2023 its rehabilitation process of a total of 90 housing units (of which 22 are HTF-assisted units). All of the 22 HTF-assisted units were occupied during PY2023.

In the case of Paraíso Dorado project, PRHFA (as the PJ for the HTF Funds PR State), has reopened IDIS Activity No. 17324 during its first year of operation (as permitted by federal regulation) and conceded an additional one year to the Paraíso Dorado project in Dorado PR to grant additional HTF funds to make their housing units more resilient and improve its capacity to resist hurricane winds. Construction has been completed and all the units are occupied only pending to process the final payment.

In the case of Paraíso Dorado project, a total of 3 additional HTF-assisted units were occupied.

CDBG

CDBG funds were used in accordance with the action plan and were in its majority directed to address the needs of low- and moderate-income persons. As stated in the Action Plan, and in accordance with local public policy, funds were distributed to non-entitlement municipalities on an equal basis, through a formula allocation, with the exception of the islands of Vieques and Culebra, that received 15% in additional allocation. In terms of the specific activities, the government's fiscal situation, the lack of access to capital and constrained municipal finances have all contributed to placing most CDBG efforts in housing, public service and infrastructure projects. CDBG funds were used specifically to support the following eligible activities:

- **Economic development** – A total of 1,205 business received benefit of community development projects for building, acquisition, construction and rehabilitation of the business and a total of 10 jobs were created. Also, 21 more jobs were created with the benefit of micro-enterprise assistance. A total of \$308,439.55 was disbursed for this activity.
- **Public facilities and improvements** - A total of 708,483 low and income persons received benefit of community development projects aimed to improve living conditions and infrastructure. A total of \$16,493,143.17 was disbursed for this activity.
- **Public services** – A total of 15,404 low- and moderate-income persons received benefit to attend special needs population. The total disbursed for this activity was \$1,864,545.87.
- **Housing rehabilitation** – As part of strategy to provide decent housing and suitable living environment to low- and moderate-income persons, 244 were rehabilitated. The total disbursed for this activity was \$1,009,368.68.
- **Home Purchase** – A total of 14,236 low- and moderate-income persons received assistance in the form of down payment assistance, closing costs assistance and mortgage subsidy assistance to acquire their primary residence. The total disbursed for this activity was \$573,290,530.22.

For details of CDBG-DR expenditures and accomplishment reports go to:

<https://cdbg-dr.pr.gov/en/reports/>

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The 2025-2029 Consolidated Plan and 2025 Annual Action Plan is a process that promotes the collaboration of state, municipalities and other key stakeholders associated with housing and community development in Puerto Rico to establish a unified vision for community development activities. This strategic planning process allows citizens to participate in the development of a plan for housing and community development programs. The state's implementation of the plan, as well as the plan itself, will be evaluated based on three objectives: (1) To provide decent housing; (2) provide a suitable living environment; and (3) to expand economic opportunities.

For the preparation of the 2025-2029 Consolidated Plan and PY 2025 Annual Action Plan the PRDOH followed its citizen participation plan. The planning process efforts were guided by transparency and promoted freedom of access to the contents of the draft plan. All municipal governments and community planning and development agencies and organizations were invited to participate at the public hearings conducted and to provide comments on the proposed actions. Information was posted on the PRDOH web page and the consolidated planning agencies.

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

Mailing database: Information about the public hearing and other aspects of the plan, was provided to municipalities and non-profit organizations through email.

Survey to municipalities: A web survey was conducted to municipalities. A total of 17 municipalities responded and provided information regarding public services, housing and infrastructure needs.

Public Hearing: As required by the regulations the State held a public hearing during the Citizen Participation process of the 2025-2029 Consolidated Plan & PY 2025 Annual Action Plan. on the notification of the hearing (in English and Spanish) was posted in *El Vocero* newspaper on the edition for Wednesday, February 19, 2025. It invited the general population to participate of the Public Hearing for the CDBG, HOME, ESG, HOPWA and HTF Programs Consolidated plan & 2025 Annual Action Plan. In compliance with the Consolidated Plan regulations, the hearing was held at least two (2) weeks after the notice was published.

Also, the public notice was posted in the Official PRDOH's Web Page. This expanded the outreach efforts to increase the citizen feedback, buy-in and support of the Consolidated Plan activities. Also, NPOs and CoCs were contacted to help disseminate the information.

The public hearing was held on March 7, 2025, 9:00 a.m. at the Yolanda Guerrero Community Center, in Guaynabo. Information of the public hearing conducted was posted in the PRDOH Web Page. The place of the public hearing was accessible for persons with disabilities. English-speaking persons could request copy of the presentation of the public hearing in English.

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

Public Comment Period: The draft plan was made public on May 30, 2025. Citizens and interested parties had 30 calendar days from the day of the publication to submit written comments. The notice of the availability of the plan was published in a newspaper of general circulation in English and Spanish. The draft plan was made available at PRDOH web page for the review. Persons having difficulty accessing the Plan through the Internet should had a telephone number available to coordinate an alternative method.

5. Summary of public comments

No public comments were received by mail during the public comment period of the hearing. The only two comments were received during the hearing, as follows:

- Ms. Belinda Hill, representing the Continuum of Care (CoC) PR502, which covers 24 municipalities in northern and central Puerto Rico, expressed gratitude to various government agencies—including the Departments of Housing, Health, and Family, as well as the Municipality of San Juan—for their presence and updates. She mentioned that although her recommendation did not directly apply to the current hearing, the CoC PR502 is interested in establishing a non-competitive Memorandum of Understanding (MOU) with programs such as HOPWA and HOME. This would allow the CoC to directly evaluate and qualify homeless individuals, as they did during the pandemic with Emergency Housing Vouchers. She noted that, through this collaboration, the CoC successfully placed more vouchers than were initially allocated, thanks to their proactive screening and support work. Hill also emphasized the value of public hearings like this one, pointing out that CoC PR502's past feedback about ESG funding had been implemented. She highlighted improvements such as a shift from reimbursement to advance payments, earlier contract signings, and more flexible compliance with federal regulations. She congratulated the Department of the Family and specifically praised Argie Díaz for their progress and collaboration.
- Ms. Iris M. Carrasquillo, a consultant for the Municipality of Culebra, voiced concerns regarding the citizen participation process for CDBG funds. While early planning was encouraged, she noted that the total amount of funds available to municipalities had yet to be disclosed. According to Culebra's participation plan, two public hearings are required: the first to announce estimated funding and the second to present proposed uses based on community input. Without knowing the funding amount, holding the first hearing would necessitate a second costly notification, which places a financial burden on small municipalities like Culebra. She pointed out that a public notice in a local newspaper costs the municipality at least \$1,800, even after negotiating reduced rates. Carrasquillo requested clarification on how to proceed under these conditions, as the timeline and budgeting requirements currently seem incompatible with proper community engagement.

Concerning this last comment, the CDBG Program is going to verify the current policy and guidance to provide technical assistance to the municipality.

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

No comments were rejected.

7. Summary

The Consolidated plan & PY 2025 Annual Action Plan is the Puerto Rico State Government comprehensive housing affordability strategy and community development plan and an application for funding under the HUD's Community Planning and Development formula grant programs. The Plan includes strategic activities to address the State housing, economic and community development needs for the aforementioned period. The State is an Entitlement Community for the Community Development Block Grant (CDBG Program), for the Emergency Solutions Grant Program (ESG Program), for the Housing Opportunities for Persons with AIDS Program (HOPWA Program) and a participating jurisdiction for the HOME Investment Partnership Program (HOME Program) and the Housing Trust Fund Program (HTF Program).

The plan is prepared in accordance with the 24 CFR Part 91, Consolidated Submissions for Community Planning and Development Programs. The Annual action plan includes strategies to be undertaken under the previously mentioned formula grant programs.

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

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

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

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

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

Agency Role	Name	Department/Agency
CDBG Administrator	PUERTO RICO	Puerto Rico Department of Housing (PRDOH)
HOPWA Administrator	PUERTO RICO	Municipality of San Juan & Department of Health
HOME Administrator	PUERTO RICO	Puerto Rico Housing Finance Authority (PRHFA)
ESG Administrator	PUERTO RICO	Puerto Rico Department of Family (PRDF)
HTF Administrator	PUERTO RICO	Puerto Rico Housing Finance Authority (PRHFA)

Table 1 – Responsible Agencies

Narrative

The lead agency of the 2025-2029 Consolidated Plan is the Puerto Rico Department of Housing. This agency coordinates all efforts toward the development of the housing and community development strategies that the PR-State government included on its five-year Consolidated Plan and executes annually as established in its action plan. In addition, PRDOH is responsible for the administration of the PR-State CDBG Program allocation, as established by Local Law Act 162, 2018, amended by the Municipal Code of 2020.

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

Consolidated Plan Public Contact Information

In compliance with the provisions of Section 91.115 of Title 24 of the Code of Federal Regulations, Part I of the Law of Housing and Community Development of 1974, as amended, the PRDoH announced the availability of the plan in a general circulation newspaper (see appendix for the announcement). Copies of the Consolidated Plan 2025-2029 & Annual Action Plan 2025 were available from the date of its publication on the Internet at <https://www.vivienda.pr.gov/cdbg-estado> on May 30, 2025, for review and

submitting comments. A telephone number was provided to persons with difficulties to access Internet, to make the arrangements for a physical copy (787- 274-2527 extensions 5109 & 5110).

Comments to the plan should be addressed to:

Name: Ms. Aida Gracia Rivera

Position: Special Aide to the Secretary, PRDOH

programacdbg@vivienda.pr.gov

Questions regarding consolidated planning may be addressed to:

Ms. Aida Gracia Rivera

Special Aide to the Secretary

programacdbg @vivienda.pr.gov

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.200(I) and 91.315(I)

Introduction

The Puerto Rico Consolidated Plan 2025-2029 and the Annual Action Plan 2025 integrate the allocation of a variety of Federal funds for projects and activities benefitting low- and moderate-income persons. Applicable funds include those of the State Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Housing Trust Fund (HTF), Housing Opportunities of Persons with Aids (HOPWA) and Emergency Solutions Grant (ESG).

The Consolidated Plan represents a collective effort from the State to obtain the views of the Municipalities, Private, nonprofit, and public organizations, the private sector and other stakeholders. To obtain their views the state contacted and integrated them through meetings, email communications, a survey, focus groups, and an interagency committee, among other available means. Discussions included housing and community development needs, and barriers and constraints regarding housing and community development programs in Puerto Rico, among other topics.

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

The following sections provide a summary of the state's activities to enhance coordination with these stakeholders, as well as mandatory requirements regarding ESG and CoCs in the jurisdiction.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

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

As well, the administrators of other Programs such as HOPWA's director and the ESG Director participate in different multisectoral committees and groups (ex. CoCs, HIV and STDs Public Policy Multisectorial

Committee, HIV Integrated Planning Housing Committee), which provide for the coordination with of stakeholders.

This document represents a collective effort from a comprehensive array of State and private organizations. Coordination with all stakeholders was achieved during the two public hearings conducted, a series of focus groups that were conducted and the establishment of an interagency committee that met on a regular basis as part of the planning process.

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

The Department of the Family (“PRDF”) is the designated state agency responsible for the administration and deployment of ESG funds and is actively engaged in the two Continuums of Care that currently serve Puerto Rico. Specifically, the State Director of Emergency Solutions Grant (ESG) Program is a member of the Governance Charter and Regulations Committee, as well as the Membership Committee for CoC PR-502. The Director is also a member of the ESG Committee for CoC PR-503. This involvement facilitates the integration of the ESG Program into the planning processes of the CoCs. Regular meetings are conducted with both CoCs to ensure ongoing collaboration. Additionally, the Department maintains continuous communication with the Coordinated Entry Systems (CES) and the Homeless Management Information System (HMIS), where different strategies are developed to prevent and address homelessness among youth and families with children, as well as families and youth at risk of homelessness. Participation in the CES and the HMIS is a requirement for ESG subrecipients. To ensure the integration and participation of ESG subrecipients, organizations and municipalities are required to engage in the subcommittees of their respective CoC’s and participate in the coordinated entry system. It is important to note that the PRDF serves as the Collaborative Applicant to the CoC PR-502.

As part of the consolidated planning process, strategies are established to address the primary housing and supportive service needs of homeless individuals and families. In addressing the needs of the homeless population, the aforementioned parties collaborate through a multi-layered service model that encompasses non-profit organizations, faith-based initiatives, and other statewide services entities. The homeless strategy promotes active participation from community-wide agencies and providers to comprehensively meet the needs of the homeless population and to identify gaps and priorities in service provision. The critical components of the Continuum of Care Strategy include:

Outreach, intake and assessment

- Emergency Shelter
- Transitional Housing
- Supportive Services
- Rapid Re-Housing
- Permanent Housing
- Homeless Prevention

For the FY 2024 competition, Puerto Rico has been allocated a total of \$33,028,753 in Continuum of Care funding for both CoCs. This funding will enable the homeless strategy to foster a community wide commitment to the goal of ending homelessness; provide financial support for initiatives by non-profit

providers, as well as state and local governments, to expedite the re-housing of homeless individuals and families while minimizing the trauma and dislocation experienced by these population; enhance access to and effective utilization of mainstream programs by homeless individuals and families; and promote self-sufficiency among individuals and families experiencing homelessness.

Municipalities are also critical stakeholders in the effort to eradicate homelessness. Many municipalities are not only recipients and subrecipients of ESG and CoC funding, but they also provide support to other organizations in their outreach and service strategies. Furthermore, municipalities have extended support to ESG subrecipients, serving as responsible entities for environmental reviews and compliance purposes.

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

To comply with federal requirements and strengthen collaboration between the ESG Program and CoCs PR-502 and PR-503, the Department of the Family conducted a formal consultation process by distributing a questionnaire to member organizations of both CoCs. The ESG Program team remained available to assist participants and answer any questions throughout the process.

As a complementary measure, an additional opportunity was provided for entities that were unable to attend previous sessions to complete the questionnaire online. The invitation and form were sent to presidents and executive directors of both CoCs, including the option to submit written comments via email. As well, written requests for comments were sent to both CoC Presidents.



Mrs. Argie Díaz, ESG State Program Director Mrs. Beatriz Grau, CoC PR-503 representative



Powerpoint presented during consultation



Continuums of Care participants of the consultation



Mrs. Belinda Hill, CoC PR-502 Board of Director's President:



CDBG, HOME, HOPWA and ESG representatives:

A total of **31 organizations and municipalities** responded to the questionnaire that was administered during the consultation:

- **24** from CoC PR-502 (**77%**)
- **7** from CoC PR-503 (**23%**)

Among these entities:

- **10** were municipalities
- **21** were nonprofit organizations

Summary of Findings and Results

CES Evaluation

- Excellent: 14 responses (45%)
- Good: 9 responses (29%)
- Fair: 8 responses (26%)

HMIS Evaluation

- Good: 12 responses
- Fair: 11 responses
- Excellent: 7 responses
- No response: 1

Referral Frequency

To CES:

- 5 to 10 referrals: 15 responses
- 11 to 20 referrals: 11 responses
- Less than 5: 4 responses

Received from CES:

- Less than 5: 11 responses
- 5 to 10: 10 responses
- 11 to 20: 8 responses

Opinion on CES Operating Hours

- Hours are convenient: 20 responses
- Not convenient: 10 responses

Main Challenges Identified

- Lack of availability during evening hours
- Slow case qualification process
- Limited communication or incomplete follow-up
- Inconsistent admission criteria
- Institutional barriers to accepting referrals

Most Common Recommendations

- Increase CES/HMIS staff
- Offer more training (both in-person and virtual)
- Improve documentation and record keeping
- Provide remote services outside of regular business hours
- Conduct analysis of access barriers to expedite housing placement

Additional Relevant Comments

- Need to eliminate alternative systems to HMIS
- Importance of having accurate and updated data
- The system should be simpler and available in Spanish
- Some entities (e.g., domestic violence shelters) are not yet connected to HMIS

ANNEXES:

Entities were asked to mark all statements they agreed with. Disagreements could be shared via comments.

A.1 The program will monitor spending quarterly as per the two-year agreement, including the proper use of fund advances.

A.2 The program will monitor performance measures quarterly.

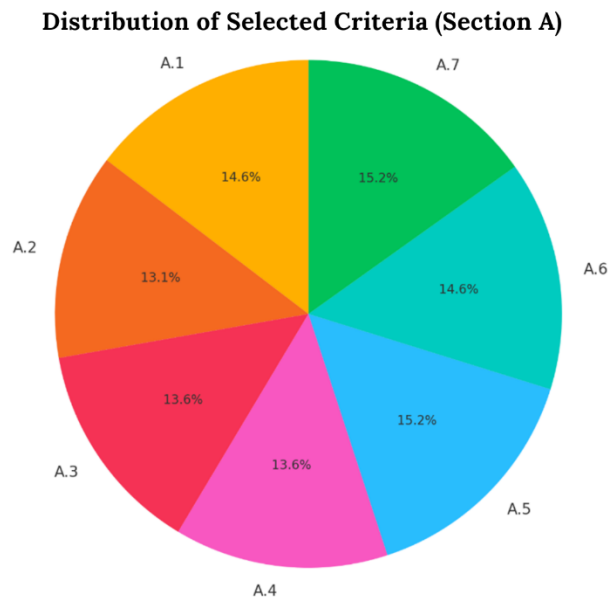
A.3 The previous year's spending percentage will be considered for ESG-2024 Continuity of Services funding.

A.4 Entities must serve participants from all municipalities within their assigned region (see Department of the Family regional map).

A.5 Entities must comply with HMIS data entry and quality requirements.

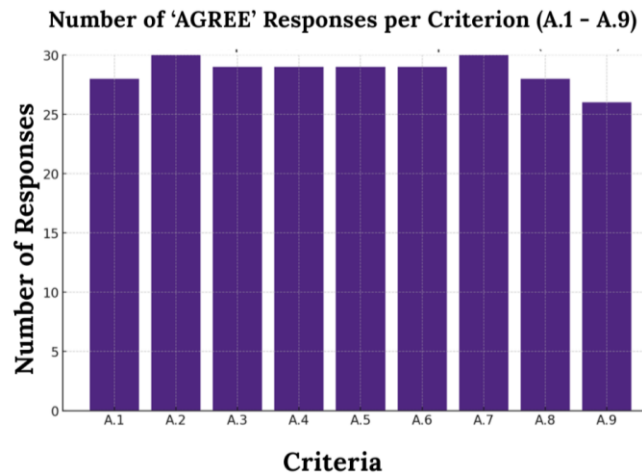
A.6 Entities must participate in CoC bodies and belong to one or more committees.

A.7 Entities must comply with the Coordinated Entry System.



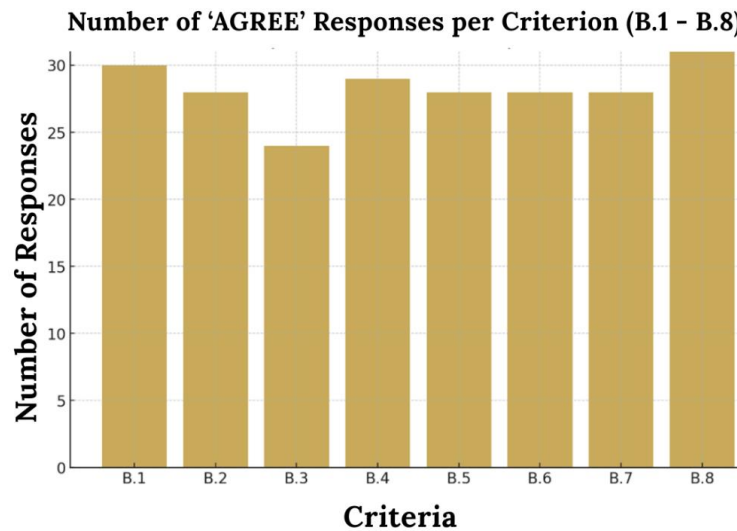
Number of Entities That Agreed with Each Evaluation Criterion (A.1 to A.9)

- Most agreed with: **A.2 and A.7** (30 responses each)
- Next: **A.3, A.4, A.5, A.6** (29 responses each)
- Least agreed with: **A.9** (26 responses)



Agreement with Criteria Related to Projects and Priority Populations (B.1 to B.8)

- Most supported: **B.8** (Shelter projects for women and elderly populations) – 31 responses
- Least supported: **B.3** (Prevention/Rehousing projects for individuals with mental health issues) – 24 responses
- All other criteria had strong support, ranging from 28 to 30 positive responses.



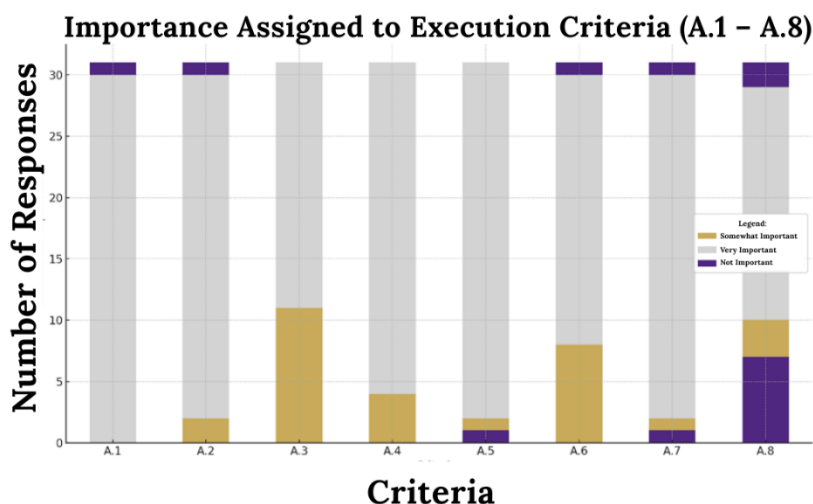
Importance Given to Each Criterion (A.1 to A.8)

Classifications:

- **Very Important** (light gray)
- **Somewhat Important** (gold)
- **Not Important** (dark blue)

Key Observations:

- A.1, A.2, A.4, and A.5 were considered “Very Important” by nearly all respondents.
- A.3 and A.6 were marked more often as “Somewhat Important.”
- A.8 had the highest proportion of “Not Important” responses.



Regarding the written consultation, a comment was received from Coordinadora Moriviví, the collaborative applicant of the CoC PR-503. The CA mentioned that homelessness in the region is increasingly complex and diverse, with over half of the individuals identified in the 2024 PIT count experiencing homelessness for the first time. They recommended the ESG program to adopt a different approach that reflects the needs of women, seniors, persons with disabilities, and survivors of violence.

The CoC PR 503 Collaborative Applicant also identified structural barriers such as a shortage of affordable and accessible rental units. The organizations highlighted the need to align housing development strategies with the demographic profile of the homeless population, noting a mismatch between available units and the needs of single adults or persons with mobility challenges. They also recommended the use of ESG and HOME funds programs like ESG and HOME to reduce first-time homelessness.

The CoC PR 503, also provided other recommendations for strengthening collaboration among stakeholders. The letter provided by the CoC is included as an attachment.

Response of the ESG Program:

Comments from the consultation process were taken into consideration by the ESG Program for the establishment of priorities and the design of the method of distribution. Also, some respond to changes that have already been taken by the Program and that have proven to be effective.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	PR Department of Housing Disaster Recovery 2017 Program
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Anti-Poverty Strategy Alignment of strategies included in the plan with disaster recovery needs and DR & MIT plans.
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDBG-DR and MIT programs provided updated information on available resources, needs and goals and objectives of these funds.
2	Agency/Group/Organization	PR Department of Housing
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - State Other government - Local Business Leaders Civic Leaders Business and Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Agency was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.
3	Agency/Group/Organization	PR Department of Health
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Services - Victims Health Agency Other government - State Other government - Local Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment HOPWA Strategy Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Agency was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.

4	Agency/Group/Organization	MUNICIPALITY OF SAN JUAN
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Services - Victims Other government - State Other government - Local Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy HOPWA Strategy Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Municipality of San Juan was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.
5	Agency/Group/Organization	PUERTO RICO HOUSING FINANCE AUTHORITY
	Agency/Group/Organization Type	Housing Services - Housing Other government - State Other government - Local Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Agency was part of the inter-agency committee in charge of developing the plan and provided input during the meetings conducted by such committee.
6	Agency/Group/Organization	FEMA
	Agency/Group/Organization Type	Agency - Emergency Management Other government - Federal

	What section of the Plan was addressed by Consultation?	Emergency management
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
7	Agency/Group/Organization	Environmental Protection Agency
	Agency/Group/Organization Type	Other government - Federal
	What section of the Plan was addressed by Consultation?	Environmental protection
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
8	Agency/Group/Organization	US Fish & wildlife Services
	Agency/Group/Organization Type	Other government - Federal
	What section of the Plan was addressed by Consultation?	Ecological services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
9	Agency/Group/Organization	US Army Corps of Engineers
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Infrastructure
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
10	Agency/Group/Organization	Departamento de Recursos Naturales y Ambientales
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.

11	Agency/Group/Organization	Junta de Calidad Ambiental
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
12	Agency/Group/Organization	Oficina de Gerencia de Permisos
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
13	Agency/Group/Organization	Puerto Rico Bureau of Emergency Management and Disaster Administration
	Agency/Group/Organization Type	Agency - Emergency Management Other government - Federal
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
14	Agency/Group/Organization	Puerto Rico Planning Board
	Agency/Group/Organization Type	Other government - State Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
15	Agency/Group/Organization	<i>Asociación de Constructores de PR</i>
	Agency/Group/Organization Type	Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
16	Agency/Group/Organization	Internet Society of Puerto Rico
	Agency/Group/Organization Type	Services - Narrowing the Digital Divide
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
17	Agency/Group/Organization	CLARO DE PUERTO RICO
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development Infrastructure
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
18	Agency/Group/Organization	LIBERTY PUERTO RICO
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers
	What section of the Plan was addressed by Consultation?	Public Housing Needs Market Analysis Economic Development Infrastructure
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
19	Agency/Group/Organization	Optico fiber by Critical Hub Networks
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers

	What section of the Plan was addressed by Consultation?	Market Economic Infrastructure Analysis Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
20	Agency/Group/Organization	Public Housing Authority
	Agency/Group/Organization Type	Housing Services - Housing Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
21	Agency/Group/Organization	Osnet Wireless
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers
	What section of the Plan was addressed by Consultation?	Market Economic Infrastructure Analysis Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
22	Agency/Group/Organization	AeroNet Wireless Broadband
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers
	What section of the Plan was addressed by Consultation?	Market Economic Infrastructure Analysis Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication.
23	Agency/Group/Organization	Concilio Multisectorial en Apoyo a la Poblacion sin Hogar
	Agency/Group/Organization Type	Multisectorial committee on homelessness

What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was made via written communication and invitation to consultation meetings.

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

The Interagency Committee consulted with a wide array of stakeholders, as required by the regulation.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Puerto Rico Disaster Recovery Action Plan 2017	PR Department of Housing	This Plan was designed for the use of CDBG-DR funds in response to 2017 hurricanes Irma & Maria, (July 29, 2018), as amended. CPD Programs Action Plans include disaster policies and procedures, as well as actions to complement recovery efforts.
CDBG-MIT Action Plan	PR Department of Housing	The CDBG-MIT Action Plan provides a portfolio of programs dedicated to assisting in the recovery and resilient rebuilding of low- and moderate-income households. These grant funds have been allocated to Puerto Rico for implementing activities intended to support mitigation projects that reduce the potential for loss and destruction from future events and complement the existing mitigation programs currently administered by FEMA.
Action Plan for the 2019-2020 Earthquakes Recovery	PR Department of Housing	This Action Plan provides a portfolio of programs dedicated to assisting in the recovery of the earthquake's experiences in Puerto Rico in 2019-2020 (major disaster declaration DR-4773-PR). The recovery needs in Puerto Rico increase with each disaster, the need for a coordinated approach between agencies and local governments, as well as the recovery and mitigation programs launched. The availability of these funds, as well as other recurring programs, such as CDBG, ESG, HOME and HOPWA, provide a unique opportunity to address the needs of low- and moderate-income persons in the aftermath of the disasters and strengthen the resilience of communities to future events.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(l))

As required in 24 CFR 93.315 L, the agencies that administer CPD Programs, coordinate efforts with units of local government for the development and implementation of the consolidated plan. Through written communication and public notices, the programs maintain local governments informed of the planning process, providing additional spaces for comments and recommendations. As well, the staff of the programs provide technical assistance to municipalities about consolidated planning, in order for them to be in a better position to contribute with their input. Similarly, municipalities are subrecipients in many of the activities and collaborate with the implementation of housing and community development activities. In the case of CDBG, local laws require the Department of Housing to equally distribute funding to all entitlement municipalities for purposes of implementing the activities.

Narrative (optional):

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

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

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

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

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

The 2025-2029 Consolidated Plan and 2025 Annual Action Plan is a process that promotes the collaboration of state, municipalities and other key stakeholders associated with housing and community development in Puerto Rico to establish a unified vision for community development activities. This strategic planning process allows citizens to participate in the development of a plan for housing and community development programs. The state's implementation of the plan, as well as the plan itself, will be evaluated based on three objectives: (1) To provide decent housing; (2) provide a suitable living environment; and (3) to expand economic opportunities.

For the preparation of the 2025-2029 Consolidated Plan and PY 2025 Annual Action Plan the PRDOH followed its citizen participation plan. The planning process efforts were guided by transparency and promoted freedom of access to the contents of the draft plan. All municipal governments and community planning and development agencies and organizations were invited to participate at the public hearings conducted and to provide comments on the proposed actions. Information was posted on the PRDOH web page and the consolidated planning agencies.

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

Mailing database: Information about the public hearing and other aspects of the plan, was provided to municipalities and non-profit organizations through email.

Public Hearing: As required by the regulations the State held a public hearing during the Citizen Participation process of the 2025-2029 Consolidated Plan & PY 2025 Annual Action Plan. on the notification of the hearing (in English and Spanish) was posted in *El Vocero* newspaper on the edition for Wednesday, February 19, 2025. It invited the general population to participate of the Public Hearing for the CDBG, HOME, ESG, HOPWA and HTF Programs Consolidated plan & 2025 Annual Action Plan. In compliance with the Consolidated Plan regulations, the hearing was held at least two (2) weeks after the notice was published.

Also, the public notice was posted in the Official PRDOH's Web Page. This expanded the outreach efforts to increase the citizen feedback, buy-in and support of the Consolidated Plan activities. Also, NPOs and CoCs were contacted to help disseminate the information.

The public hearing was held on March 7, 2025, 9:00 a.m. at the Yolanda Guerrero Community Center, in Guaynabo. Information of the public hearing conducted was posted in the PRDoH Web Page. The place of the public hearing was accessible for persons with disabilities. English-speaking persons could request copy of the presentation of the public hearing in English.

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

Public Comment Period: The draft plan was made public on May 30, 2025. Citizens and interested parties had 30 calendar days from the day of the publication to submit written comments. The notice of the availability of the plan was published in a newspaper of general circulation in English and Spanish. The draft plan was made available at PRDOH web page for the review. Persons having difficulty accessing the Plan through the Internet should had a telephone number available to coordinate an alternative method.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Units of local government, Public Agencies, NPOs, general population	112 attended the public hearing.	No comments were received during the period for comments of the hearing. Only two comments were received during the hearing.	No comments were rejected.	https://www.vivienda.pr.gov/cdbg-estado/
2	Newspaper Ad	NPOs, Public Agencies, Municipalities, General Public				https://www.vivienda.pr.gov/cdbg-estado/
3	Internet Outreach	Units of local government, Public Agencies, NPOs, general population				https://www.vivienda.pr.gov/cdbg-estado/

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Web Survey	Units of local Government	17	Municipalities provided input needs that were taken into consideration for purposes of the setting the goals, priorities and methods of distribution.	Does not apply	

Needs Assessment

NA-05 Overview

Needs Assessment Overview

Puerto Rico is a jurisdiction affected by relative high poverty rates relative to national standards. This is reflected in all social indicators, including income, unemployment, foreclosures, and housing needs. As a result of several factors, main barriers to economic development, and a long-lasting fiscal crisis, by 2020 the local economy shrank 19% from 2006 levels. However, it began recovering in 2021, primarily due to the influx of federal stimulus. The following issues are considered the most pressing needs:

1. The elderly population is growing at a fast rate, while the overall population is declining. This trend will change the housing market dynamics and needs. Comprehensive social approaches will be required to address the increasing needs of these populations, emphasizing those with disabilities and lack of access to health and other basic needs.
2. The strong contraction in population cohort below 40 years old is driving down the number of households and, as a result, the number of vacant housing units has increased. However, there is still a significant need for housing, as several key characteristics of the existing housing stock make it unable to satisfy demand for housing in key markets.
3. Elderly homeowners with incomes below 50% HAMFI are disproportionately exposed to average and severe cost burden issues. CHAS data identified 138,715 households below 50% HAMFI with a person aged 62 or older. Out of these households, 52,370, or 37.7%, had at least one housing problem. Affordable rental options are needed to address the issue among these populations, as the prevalent rate among rental tenure is below average.
4. The greatest need is among low- and moderate-income households that live in households with one or more severe housing problems: lacks kitchen or complete plumbing, severe overcrowding, severe cost burden, which accounted for 15.6% of households. More than 28,995 households with incomes up to 100% AMI reported living in a substandard housing, of which 63.6% (18,460) were low- and moderate-income households.
5. Foreclosure rates in Puerto Rico are relatively high, as well as the repossessed housing inventory, which provides opportunities to promote housing rehabilitation programs for reposed properties un areas of economic opportunity. Delinquency rates skyrocketed due to COVID, but have since settled at a level lower than the pre-pandemic average. Nonetheless, vacant housing due to previous foreclosures represents an opportunity.
6. The vast majority of Puerto Rico's population is considered Hispanic. Non-Hispanic households experience housing problems at a rate that is 5 percentage points higher than the general population, but they make up just 1% of total households. As mentioned above, most of the Puerto Rican population is considered Hispanic, although this is one of the minority categories, given the context of Puerto Rico, this is not relevant.
7. During the most recent Point in Time Survey conducted in the Island (2024), a total of 2,096 homeless persons were identified, experiencing homelessness on a given night, out of which 7.2% were in family or nucleus. Of the 2,096 homeless persons identified on a given night on 2024, 73.8% identified themselves as men and 25.8% as women. As of age the 4.4% have less than 18 years, the median age is 35 to 44 years. The 21.7% are

chronically homeless, while 51.3% suffer from chronic substance abuse. Of persons counted, 41.7% were severely mentally ill, 10.5% have been victims of domestic violence, and 4.9% are affected by HIV/AIDS.

8. In addition to the homeless population, other groups also require support services. These groups include: persons with HIV/AIDS, persons living in poverty, the elderly population, victims of domestic violence, and people with drug addiction problems. Domestic violence constitutes one of the gravest and most complex problems affecting Puerto Rican society. As the Prologue to Law 54 for the Prevention and Intervention with Domestic Violence of August 15, 1989 indicates, domestic violence threatens the integrity of the family and its members and constitutes a serious threat to the stability and preservation of civilized coexistence in our society. Puerto Rico police statistics show that the problem of domestic violence has become increasingly complex. The most recent data (2023) shows a total of 6,379 cases of domestic violence.
9. As of March 31, 2025, a total of 51,804 HIV/AIDS cases have been reported in the Island. Out of these cases, 31,778 persons died, representing a fatality rate of 61% Individuals living with HIV/AIDS and their families present a series of needs related to housing and complimentary services.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

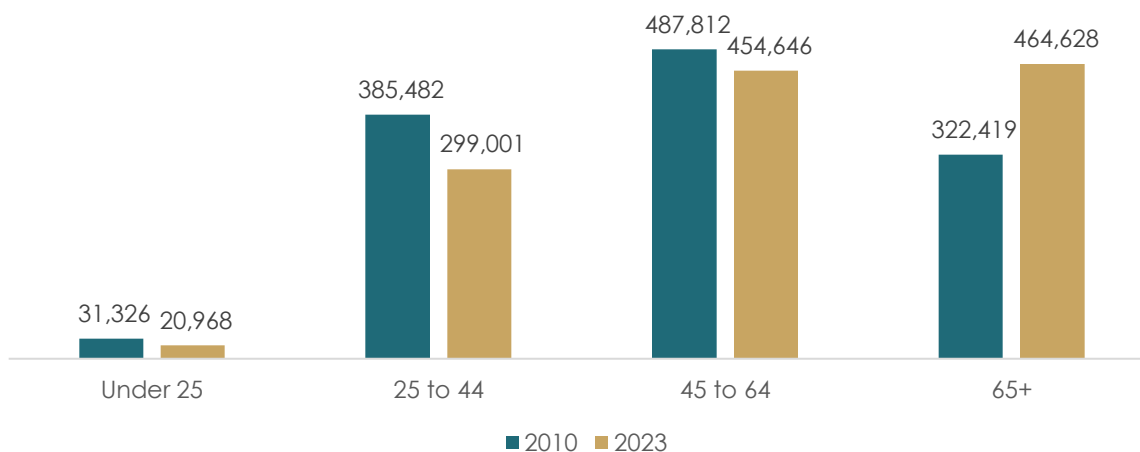
Summary of Housing Needs

This section of the Consolidated Plan will examine the current state of Puerto Rico's housing market to determine what types of common housing problems may exist among all segments of the population to establish strategies that can be implemented across the Island with HUD-funded programs.

Puerto Rico's demographic base has been profoundly affected by the decade-long contraction in population and accelerated aging that occurred since 2010. The population of Puerto Rico declined by 14% between 2010 and 2023, and the median age increased from 35.9 years in 2010 to 44.2 years in 2023. Low fertility poses long-term challenges to natural increases in population. According to the Demographic Registry of the Department of Health of Puerto Rico, as of 2023, the number of births per woman 15 to 50 years old in Puerto Rico was at an all-time low of 0.025; this is 44% lower than the same figure in 2010 (0.045 births per woman 15-50 years old).

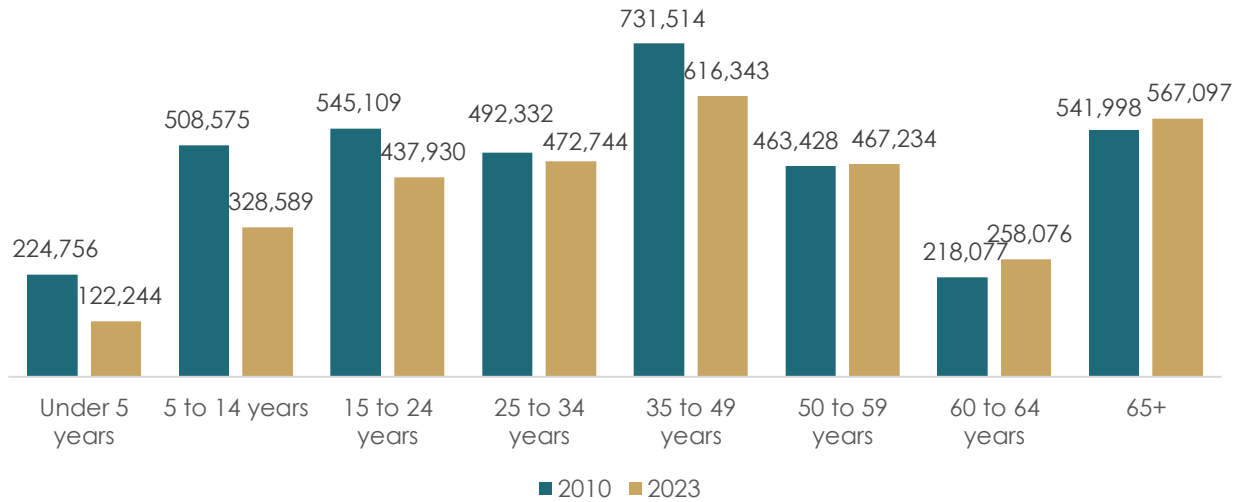
The strong contraction in population cohort below 40 years old is driving down the number of households. The following chart shows the population changes occurring since 2010 by age group. As can be seen, whereas age groups 55 and over increased by 24.5%, the number of individuals less than 40 years old has declined by 30%. In terms of household formation, the number of households declined by 1% during the 2010-2023 period; this decline was 23.2% for households below 40 years old. The decline in householders under the age of 40 was 96,389, while during the same period there was an increase in households headed by those aged 65 and over of 142,209, or 44%.

Puerto Rico's Householders by Age 2010 and 2023



Source: U.S. Census Bureau, 2006-2010 & 2019-2023 American Community Survey 5-Year Estimates.

Puerto Rico's Population by Age Group 2010 and 2023



Source: Census 2010 and 2023 Estimates of the Resident Population by Age Group.

Vacant housing has increased because of population decline, with the vacancy rate increasing from 16.8% in the 2006-2010 period to 21.3% in the 2019-2023 period. However, there is still a significant need for housing, as several key characteristics of the existing housing stock make it unable to satisfy demand for housing in key markets:

- 1) Location – housing needs in the island have changed significantly from the base period. For example, 4.8% fewer individuals live and work in the San Juan metro area in 2019-2023 compared to the 2006-2010 period.
- 2) Housing state – the existing stock is mostly unavailable for satisfying housing needs due to a variety of factors. As of 2019-2023, despite there being 335,862 vacant housing units, only 35,510 or 10.5% of the total vacancy was available for sale or rent.
- 3) High costs of construction – As of 2023, there was a 65% gap between the average price of new and existing housing units. This gap was 54.5% in 2010.

As a result of these factors, the island is experiencing significant price increases and an affordability crisis despite the large numbers of vacant housing units.

Compounding this need for housing is the fact that many homes in the island have substantially reduced livability and/or specific needs. According to CHAS data, for the 2017-2021 period there were 316,820 households with one or more housing problems. Of these, 231,495 or 73% were below their housing area median family income (HAMFI). These needs are not distributed equally either: for example, 5.6% of households with at least one person 62 years or older and 19% of small family households have extremely low income (less than 30% of the HAMFI) and one or more housing problems.

The most prevalent housing problem was the increasing cost burden of households, which accounted for 85.4% of all households with one or more housing problems. Severely cost-burdened households totaled 136,255, of which 57% were owners and 43% were renters. When considering only moderate-income

households, those with cost burden were 29,145 or 21.4% of these, of which 68% were owners and 32% were renters.

The greatest need among severely cost burden households was among small related families, which accounted for 56.3% of all cases or 51,255 families. Elderly households were also a significant population, with 13,010 households, of which 42.5% or 5,535 were elderly households with extremely low income (less than 30% of HAMFI). Elderly households are a fast-growing segment of the population.

Substandard housing is more prevalent among low- and moderate-income homeowners (9,170); close to 10,265 renters also reported living in substandard housing. Very low-income households (0-30% AMI) accounted for the largest groups living in this condition, with 5,270 being renters and 3,820 being homeowners.

Demographics	Base Year: 2012	Most Recent Year: 2023	% Change
Population	3,716,727	3,254,885	-12%
Households	1,217,584	1,239,243	2%
Median Income	\$19,515.00	\$25,096.00	29%

Table 4 - Housing Needs Assessment Demographics

Alternate Data Source Name:

2012 Census (Base Year), 2019-2023 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	203,870	119,690	187,430	104,940	580,860
Small Family Households	82,730	38,380	61,695	38,990	293,980
Large Family Households	6,850	4,170	7,015	4,420	31,455
Household contains at least one person 62-74 years of age	43,000	37,690	60,860	33,100	169,670
Household contains at least one person age 75 or older	26,125	31,900	46,655	23,815	86,540
Households with one or more children 6 years old or younger	28,685	11,810	15,705	9,185	52,135

Table 5 - Total Households Table

Alternate Data Source Name:
2017-2021 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	5,270	1,695	2,325	975	10,265	3,820	2,055	3,295	1,290	10,460
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	850	390	545	230	2,015	390	270	420	295	1,375
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	2,585	1,110	1,545	1,090	6,330	1,480	1,050	2,145	1,105	5,780
Housing cost burden greater than 50% of income (and none of the above problems)	29,415	13,805	8,660	1,980	53,860	25,450	12,725	19,325	6,750	64,250
Housing cost burden greater than 30% of income (and none of the above problems)	3,895	6,655	16,640	7,300	34,490	9,685	8,435	12,945	11,615	42,680
Zero/negative Income (and none of the above problems)	48,510	0	0	0	48,510	27,180	0	0	0	27,180

Table 6 – Housing Problems Table

Alternate Data Source Name:
2017-2021 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

Number of households	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Having 1 or more of four housing problems	42,015	23,650	29,710	11,580	106,955	40,830	24,535	38,130	21,055	124,550
Having none of four housing problems	32,660	25,995	34,525	21,455	114,635	14,390	45,515	85,070	50,855	195,830
Household has negative income, but none of the other housing problems	48,510	0	0	0	48,510	27,180	0	0	0	27,180

Table 7 – Housing Problems 2

Alternate Data Source Name:
2017-2021 CHAS

3. Cost Burden > 30%

NUMBER OF HOUSEHOLDS	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	20,240	10,995	12,640	43,875	12,165	7,330	13,035	32,530
Large Related	1,550	970	1,065	3,585	1,420	1,090	1,300	3,810
Elderly	1,340	1,345	2,215	4,900	6,295	3,770	6,625	16,690
Other	6,610	4,560	5,955	17,125	5,880	2,680	5,000	13,560
Total need by income	29,740	17,870	21,875	69,485	25,760	14,870	25,960	66,590

Table 8 – Cost Burden > 30%

Alternate Data Source Name:
2017-2021 CHAS

4. Cost Burden > 50%

NUMBER OF HOUSEHOLDS	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	18,240	7,665	4,005	29,910	9,195	4,745	7,405	21,345
Large Related	1,430	595	450	2,475	1,100	590	555	2,245
Elderly	1,195	765	745	2,705	4,340	2,100	3,865	10,305
Other	6,195	3,345	2,300	11,840	4,785	1,830	3,490	10,105
Total need by income	27,060	12,370	7,500	46,930	19,420	9,265	15,315	44,000

Table 9 – Cost Burden > 50%

Alternate Data Source Name:
2017-2021 CHAS

5. Crowding (More than one person per room)

NUMBER OF HOUSEHOLDS	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Single family households	2,905	1,235	1,725	1,170	7,035	1,030	805	1,425	855	4,115
Multiple, unrelated family households	580	265	290	145	1,280	865	530	1,250	595	3,240
Other, non-family households	165	30	90	40	325	0	25	10	0	35
Total need by income	3,650	1,530	2,105	1,355	8,640	1,895	1,360	2,685	1,450	7,390

Table 10 – Crowding Information – 1/2

Data 2017-2021 CHAS
Source:

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	24,460	8,215	9,705	42,380	4,225	3,595	6,000	13,820

Table 11 – Crowding Information – 2/2

Alternate Data Source Name:
2017-2021 CHAS

Describe the number and type of single person households in need of housing assistance.

According to the 5-year ACS estimate for 2023, there are 379,895 single-person households or non-family households in Puerto Rico. Out of this total, 159,581 or 42.0% are male householders, out of which 67,808 were aged 65 or older. There were 220,314 female householders living alone, of which 125,752 were aged 65 or older. The combined total of 193,560 households where someone aged 65 or older lives by themselves represents 43% of all single-person households on the island. In the United States, the same parameter leads to 32.7% of all single-person households, which shows that Puerto Rico has a higher percentage of elderly individuals who live alone. Elderly individuals who live alone tend to require more healthcare and social assistance.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

According to the 5-year ACS estimates for 2023, there were 734,989 people with a disability in Puerto Rico, or 22.8% of the total civilian non-institutionalized population 18 or older. The elderly (62 or older) account for 48.5% of the population with a disability. The most common disability amongst Puerto Rico's elderly population is the class of ambulatory difficulties (60%). Some 211,728 individuals, or 27.7% of Puerto Rico's population 65 and over has independent living difficulties, which require a higher degree of government support.

In the year 2023, the Puerto Rico Police Bureau reported that there were 6,379 incidents of domestic violence. This amounts to 122 incidents weekly. A substantial number of these incidents will result in a need for housing assistance or other types of government support.

Adults 65+ with an Independent Living Difficulty 2023

Total Civilian noninst. pop 18+ 2023

Male:	1,241,465
18-64	914,275
65+	327,190
With independent living difficulty	73,969
No diff	253,221
Female:	1,440,468
18-64	1,003,815
65+	436,653
With independent living difficulty	137,759
No diff	298,894
 M+F, 65+ Diff	 211,728

What are the most common housing problems?

The following table shows the number of households by housing problems and income. As can be seen, the most prevalent housing problem is cost burden, of which 270,755 households suffer from. The severely cost burdened account for 136,255 households, or 50% of the total cost burdened households. The next housing problem in importance is overcrowding, which accounts for 29,590 households or 9.3% of all households with one or more housing problems. The other housing problems combined account for 9.1% of all households with one or more housing problems.

For households with income less than the HAMFI, cost burden represents 64.8% of all households with one or more housing problems, followed by substandard housing with 6.5% of all households with one or more housing problems.

Are any populations/household types more affected than others by these problems?

Several populations and household types were identified as having a disproportionate share of housing problems. Households with very low income (less than 50% of the HAMFI) accounted for the largest share of severe cases of each of the four housing problems, with 66.5% of all severe cases in cost burden, 44.2% in overcrowding, and 44.3% of all cases in substandard housing (incomplete kitchen and/or plumbing). The percentage of renters having high-cost burden was 27.6% and substandard housing was 3.3%.

The greatest share of severely cost burden households was among small, related families, which accounted for half of the cases of severely cost burdened households (49% or 67,765 households). Of these, small related rental families and owners with extremely low income (less than 30% of the HAMFI) represented the largest subgroups. Households with low and very low income (30% to less than 80% of the HAMFI) also represented a significant share of severely cost burdened households (85% or 115,455 households).

Substandard housing occurred in a disproportionate share among low- and moderate-income households (51% to less than 100% of the HAMFI), with 3.3% of all low- and moderate-income households reporting

having substandard housing. In contrast, the share of substandard housing for all households was 2.4%. A large proportion of substandard housing affected renters, with 12,625 households or 43.5% of all substandard housing being renter-occupied households. The share of renters (grew) to 54.2% when viewing low-income households (less than 50% of the HAMFI).

Overcrowding was also more prevalent in low- and moderate-income households; whereas 2.4% of all households experienced overcrowding, the share for low- and moderate-income households was 2.6%, or 0.2 percentage points higher. Renters had also a disproportionate share of overcrowding, with 40.5% of all households experiencing overcrowding being renters.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Data from the PIT counts and the HMIS on families receiving rapid-rehousing assistance, provide information on the characteristics and conditions that affect low-income individuals and families with children who may be at risk of either residing in shelters or becoming homeless. Out of the individuals with an active RRH voucher in both CoCs, almost three out of every ten have a mental health problem, while one out of every ten have a drug abuse problem. 18.8% have a chronic health condition, while 10% have a physical disability. In terms, of their level of income, based on the Latest Annual Assessment for Stayers one out of every five, have no source of income. This poses significant challenges, which go beyond the need to have the resources to maintain a permanent house in the future. It raises the need for complementary services to achieve stability.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

The main cause of homelessness can largely be explained by economics: people who become homeless have insufficient financial resources to obtain or maintain housing. Multiple risk factors are linked with instability and increased risk of homelessness. Individual risk factors include poverty, lack of education, substance abuse, mental illness and domestic violence. They also include discrimination, lack of support for minors, absence of life skills, among other reasons.

The most specific housing characteristic that may cause instability and an increased risk of homelessness is cost burden. According to the data provided, more than 22.6% of Puerto Rico's households are cost burdened. If a household is spending more than 30 percent, and sometimes more than 50 percent, of their monthly income on housing costs, that means that less income remains to pay for other costs that must be sustained to live in a safe and acceptable environment. One of the main implications of the cost burden is vulnerability to unexpected life events. In an emergency or illness situation, any additional unexpected expenses could result in an inability to meet housing expenses and potentially result in homelessness.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A disproportionately greater number of housing problems is defined when a member of a racial or ethnic group at a given income level experiences housing problems at a rate greater than 10% of the income level. The data summarizes each minority group experiencing any of four housing problems which include lacking complete kitchen facilities, lacking complete plumbing facilities, more than one person per room, and cost burden greater than 30%.

Racial and ethnic groups statistics for Puerto Rico may hide actual levels of disproportional needs among different groups, because most of the community classifies itself as Hispanics, independently of its racial background. Thus, housing burdens for Hispanics is the same as that as the community. Also, this situation provides limited data on racial groups. ,

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	82,670	120,895	NA
White	495	765	NA
Black / African American	135	30	NA
Asian	0	45	NA
American Indian, Alaska Native	0	0	NA
Pacific Islander	0	0	NA
Hispanic	82,040	120,055	NA

Table 12 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2017-2021 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	48,125	71,495	NA
White	260	335	NA

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Black / African American	60	30	NA
Asian	55	0	NA
American Indian, Alaska Native	10	0	NA
Pacific Islander	0	0	NA
Hispanic	47,740	71,130	NA

Table 13 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2017-2021 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%.

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	67,775	119,465	NA
White	540	405	NA
Black / African American	85	70	NA
Asian	15	10	NA
American Indian, Alaska Native	0	25	NA
Pacific Islander	0	0	NA
Hispanic	67,135	118,955	NA

Table 14 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2017-2021 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%.

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	32,595	72,180	NA
White	325	420	NA
Black / African American	55	185	NA
Asian	20	0	NA

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
American Indian, Alaska Native	0	10	NA
Pacific Islander	0	0	NA
Hispanic	32,195	71,565	NA

Table 15 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2017-2021 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%.

Discussion

According to the 2017-2021 CHAS data indicates that blacks and Asians across all income levels, American Indians at 30%-50% of AMI and whites at 80%-100% of AMI experience housing problems at a level 10 percentage points greater than the average for that income level. However, due to Puerto Rico's overwhelmingly Hispanic population, this means that only 1,225 minority households, or 0.1% of total households, are disproportionately affected.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

In this section of the Needs Assessment, the available data will be examined to determine the types of common housing problems faced by particular racial or ethnic segments of the population and the severity of each housing problem. In Puerto Rico most of the population is considered Hispanic, however, whites, blacks, and Asians all show disproportionately greater needs at various income levels.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	69,085	134,475	NA
White	435	825	NA
Black / African American	110	55	NA
Asian	0	45	NA
American Indian, Alaska Native	0	0	NA
Pacific Islander	0	0	NA
Hispanic	68,540	133,550	NA

Table 16 – Severe Housing Problems 0 - 30% AMI

Data Source: 2017-2021 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%.

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	33,030	86,585	NA
White	230	365	NA
Black / African American	40	45	NA
Asian	55	0	NA
American Indian, Alaska Native	0	10	NA
Pacific Islander	0	0	NA
Hispanic	32,705	86,165	NA

Table 17 – Severe Housing Problems 30 - 50% AMI

Data Source: 2017-2021 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%.

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	38,240	148,990	NA
White	290	655	NA
Black / African American	30	120	NA
Asian	15	10	NA
American Indian, Alaska Native	0	25	NA
Pacific Islander	0	0	NA
Hispanic	37,905	148,180	NA

Table 18 – Severe Housing Problems 50 - 80% AMI

Data Source: 2017-2021 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%.

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	13,715	91,060	NA
White	135	610	NA
Black / African American	20	220	NA
Asian	0	20	NA
American Indian, Alaska Native	0	10	NA
Pacific Islander	0	0	NA
Hispanic	13,560	90,200	NA

Table 19 – Severe Housing Problems 80 - 100% AMI

Data Source: 2017-2021 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%.

Discussion

At the 0-30% AMI level, blacks show a disproportionate need, with a total of 110 households. At the 30%-50% level, whites and blacks show a disproportionate need, with 230 and 40 households respectively with

severe housing conditions. At the 50%-80% AMI level, whites and Asians show disproportionate needs, with 290 and 15 households respectively. A total of 685 households show disproportionate needs based on their race/ethnic group and income level. However, this again represents only 0.05% of total households, due to Puerto Rico's overwhelmingly Hispanic population.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A household may be cost burdened when it spends more than 30 percent of its income for housing. A household may be severely cost burdened when housing costs are more than 50 percent of its income.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	846,410	134,500	136,260	79,620
White	6,290	1,280	1,205	600
Black / African American	960	230	180	0
Asian	470	115	90	15
American Indian, Alaska Native	35	10	0	0
Pacific Islander	0	0	0	0
Hispanic	837,445	132,655	134,465	78,925

Table 20 – Greater Need: Housing Cost Burdens AMI

Data Source: 2017-2021 CHAS

Discussion

Approximately 11.2% and 11.4% of all households are cost burdened and severely cost burdened respectively. Only one ethnic group is disproportionately affected, American Indians. They show a rate of 22% of households within their ethnic group being cost burdened. However, this only represents 45 households.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Asians have disproportionate needs among groups in the 30%-50% AMI. . Among Blacks, greater needs were found among groups in the 0-30% AMI.

If they have needs not identified above, what are those needs?

Specifics surveys on housing needs are not available.

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Based on the consultation to the the Public Housing Authority, several housing and community development needs were identified. A primary concern remains the persistent difficulty low-income families face in accessing affordable and quality housing. The consultation emphasized the importance of maintaining and promoting economic incentives to attract more landlords to rental assistance programs, expanding the supply of housing units that meet appropriate standards, and coordinating with other agencies to provide support services that contribute to housing stability.

The consultation also highlighted the particular challenges encountered by vulnerable populations, such as people experiencing homelessness, older adults, and individuals with special needs, including those with HIV. These groups often face systemic barriers like limited housing availability and landlords' resistance to accepting vouchers. It was recommended to develop targeted strategies for these populations to ensure better access to housing and support services, especially in underserved communities.

Additional recommendations to address these areas of need, focused on strengthening interagency coordination, improving the efficiency of administrative processes, and maximizing the impact of available funding. The importance of facilitating partnerships with municipalities and nonprofit organizations was also noted, along with the need to explore new sources of financing and foster collaboration with the private sector to expand the stock of affordable housing.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

Data of the homeless population, their characteristics and needs derive from the Point in Time Surveys conducted in the jurisdiction and the HMIS. The following sections provide an assessment based on information from 2022 and 2024.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	531	1,565	2441	876	488	182
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	38	112	175	63	35	370
Chronically Homeless Individuals	112	329	513	184	103	490
Chronically Homeless Families	0	0	0	0	0	0
Veterans	18	53	83	30	17	370
Unaccompanied Child	0	0	0	0	0	0
Persons with HIV	64	63	98	35	20	370

Table 21 - Homeless Needs Assessment

Data Source Comments:

Indicate if the homeless population is: Partially Rural Homeless

Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	260	767	1196	429	239	89
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	19	55	86	31	17	181
Chronically Homeless Individuals	55	161	251	90	50	240
Chronically Homeless Families	0	0	0	0	0	0
Veterans	9	26	41	15	8	181
Unaccompanied Youth	0	0	0	0	0	0
Persons with HIV	31	31	48	17	10	181

Table 22 - Homeless Needs Assessment

Data Source Comments:

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

For purposes of the analysis of rural homelessness, the Interagency Committee used the data from the two most recent sheltered and unsheltered PIT (2020-2024) to estimate the number of homeless persons by type, based on the definitions of rural areas of the Housing and Population Census. It is estimated that 49% of the homeless population are located in 54 municipios outside the metropolitan and urban areas.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Data regarding chronically homeless individuals and families, families with children, veterans and unaccompanied youth, was estimated based on the sources and assumptions explained in the previous question. Estimates are included in the table above.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	256	858
Black or African American	99	370
Asian	3	1
American Indian or Alaska Native	14	5
Pacific Islander	0	4

Race:	Sheltered:	Unsheltered (optional)
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	618	1,859
Not Hispanic	17	41

Data Source Comments:

CDBG-DR homeless needs assessment

a. CDBG-DR

Puerto Rico faces the potential for increased homelessness as homeowners face mortgage foreclosures, affordable housing continues to be in short supply, and the economy remains in recovery. As mentioned in the CDBG-DR Action Plan Amendment 18th, the Puerto Rico Department of the Family completed a four-phase, seven-day study to interview a sample of homeless persons in Puerto Rico published in the “Resumen de Censo De Personas Sin Hogar, 2017” (Summary Count of Homeless Persons, 2017, in its English translation).[1]According to said Summary, in 2017, a total of 3,501 homeless persons were identified in Puerto Rico, including sheltered and unsheltered, who make up a total of 3,155 households or families. Of this total, 2512 homeless persons were unsheltered. Through the CDBG-DR Programs, housing has been created-and continues to be developed- for the most vulnerable residents, including homeless persons. HUD-certified housing counselors have been employed to guide impacted residents through their recovery. Also, PRDOH conducted outreach to residents in impacted multi-family buildings to inform the development of a recovery strategy for rental and multi-family tenants, in addition to the units being created under the Gap to LIHTC Program. For more information about Housing initiatives, refer to the Home Repair, Reconstruction and Relocation Program, the Social-Interest Housing Program, the CDBG Gap to LIHTC Program, and the Affordable Housing component in the City Revitalization Program, as designed in the CDBG-DR Action Plan.

CDBG-MIT homeless needs assessment

a. CDBG-MIT

Through the Social Interest Housing Mitigation Program under the CDBG-MIT Action Plan, PRDOH expand opportunities for social interest housing to address multiple risks, not just hurricanes. The last two (2) Point in Time Surveys (PIT)[1]reports from Puerto Rico’s Continuum of Care (CoC) Systems counted an estimated homeless population of 3,501 for the year 2017 and 2,535 in 2019. Although homelessness is a complex picture, both reports have consistently shown that a high percentage of this population is not sheltered, with seventy-two percent (72%) of the population identified in 2017 and seventy-five percent (75%) in 2019, proportions that add up to 2,512 and 1,902 people, respectively.

Among the factors identified as the main reasons why they are homeless, responses from 2017 and 2019 indicated abuse or problematic use of drugs or alcohol and mental health problems. Additionally, the 2019 report indicates that nine-point one percent (9.1%) of the people surveyed identified Hurricanes Irma or María as a contributing reason for their homelessness and two-point two percent (2.2%) indicated other natural, or human caused disasters as a cause. Another factor consistently mentioned was being a victim of domestic or gender violence with three percent (3%) for 2017, while in 2019 five-point two percent (5.2%) indicated domestic violence or gender violence, sexual assault, or harassment. Regarding the LGBTQ+ homeless population, the 2017 survey reflected a population of three percent (3%), or eighty-nine (89) people who identified as homosexual or bisexual. On the other hand, eight (8) people identified as transgender, all of which were unsheltered.

The 2017 PIT counted 118 homeless families, with a total of 218 minors, out of which eighty-six (86) minors were counted as not sheltered (39.5% of all homeless minors). In the 2019 count it was estimated

that four-point three percent (4.3%) of the total homeless population was under 18 years old, equaling 109 homeless minors.

These conditions result in the population suffering disproportionately when natural and human-caused disasters occur, deepening physical and social vulnerability. Through the CDBG-MIT Social Interest Housing Program, PRDOH takes proactive steps towards mitigating the risk of loss of life for those extremely vulnerable populations by providing funding for the rehabilitation and hardening of existing housing or the construction of new multifamily projects.

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

A total of 81 families with children were are estimated based on the 2024 PIT. These families are composed of a total of 150 persons. The majority of the families identified are sheltered while it is estimated that 92 of the persons in those families are children 18 years old or younger.

In the case of veterans, a total of 70 persons are estimated. A total 18, or 25% are sheltered. In terms of their demographic profile, the majority are men.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Data from PIT, show how throughout the years, the problem of homelessness has become more complex in Puerto Rico. The difficult fiscal and socioeconomic situation that the Island has experienced in recent years directly impacts this population.

A total of 2,096 homeless persons were counted in the 2024 PIT. Of those, 531 or 74.7% are sheltered. The proportion of persons unsheltered slightly decreased when compared to 2019 and 2022, probably due to the efforts related to adding new emergency shelter units during the pandemic. However, when compared with data sin 2009, an increase is observed. In terms of the profile of the homeless population, a similar trend is observed. However, a change has been observed in the reasons for homelessness. Reason related to the condition of the economy and a result of natural disasters, are among the main reason for becoming homeless, along with substance abuse problems. The population of homeless persons is mainly composed of men 24 or older. However, some changes have been observed consistently since 2019 including an increase in homeless families headed by women and persons with mental illness, as well in persons experiencing homelessness for the first time.

Data from the HMIS for both continuums of care shows that the sheltered population experiences homelessness in average for 1.5 years. This is considering persons in emergency shelters and transitional housing. The estimates included in the tables, however, are based in information gathered during the 2022 and 2024 PIT counts, which includes the sheltered and unsheltered population. Estimates are based on the median obtained for each group. In the case of persons becoming homeless each year and persons exiting homelessness, two parameters were used for the estimates: the proportion of persons in each group who have been homeless for less than one year, and the proportion of persons who have been homeless for more than two years.

Discussion:

According to the 2024 PIT data, 455 are chronically homeless, while 51.3% suffer from chronic substance abuse. Of persons counted, (41.7%) were severely mentally ill, 10.5% have been victims of domestic violence, and 4.9% are affected by HIV/AIDS. Although there is a lower number of persons counted than that observed in 2022, it cannot be categorically concluded that there has been a reduction. Rather, the number should be viewed in conjunction with other data on people who have been reached and placed in permanent housing as part of CoC efforts.

Regarding the reasons for being homeless, it was observed that one in ten cases are homeless as a consequence of of natural or man-made disasters, this proportion being higher in the case of the municipalities of the CoC 503. In the case of CoC 502, the main reason for being homeless is related to substance abuse, while in the case of CoC 503 is due to family problems.

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

In addition to the homeless population, other groups also require supportive and complimentary services. These groups include persons with HIV/AIDS, persons living in poverty, the elderly population, victims of domestic violence, and persons with alcohol and drug addiction problems. The following sections provide a profile of these populations in Puerto Rico.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	39,885
Area incidence of AIDS	0
Rate per population	0
Number of new cases prior year (3 years of data)	436
Rate per population (3 years of data)	0
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	12,541
Area Prevalence (PLWH per population)	240
Number of new HIV cases reported last year	436

Table 23 – HOPWA Data

Data Source Comments:

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	4
Short-term Rent, Mortgage, and Utility	7
Facility Based Housing (Permanent, short-term or transitional)	0

Table 24 – HIV Housing Need

Alternate Data Source Name:

HOPWA CAPER and HOPWA Beneficiary Verification WS

Describe the characteristics of special needs populations in your community:

The following sections provide a summary of the characteristics of the identified special populations.

Elderly

The elderly population is growing at a fast rate, while the overall population is declining. This trend will change the housing market's dynamics and needs. Comprehensive social approaches will be required to address the increasing needs of these populations, with emphasis on those with disabilities and lack of access to health and other basic needs. This was a segment of the population suffering disproportional effects ever since Hurricane María.

Over the past years, Puerto Rico has experienced a demographic transformation. The elderly population, those 65+, has experienced a consistent increase compared to other groups of the population. According to the 2010 Population Census, those over 65 years of age represent around 15% of the total population of Puerto Rico. For the year 2023, this population represents 18.9% of the total. . This trend will change the housing market dynamics and needs. Comprehensive social approaches will be required to address the increasing needs of these populations, emphasizing those with disabilities and lack of access to health and other basic needs. This was a segment of the population suffering disproportional effects from Hurricane María.

Elderly households living alone are those who are more vulnerable, given that more than 172,000 have independent living difficulties, of which 33%, or approximately 57,000, are estimated to be low- and moderate-income households.

16.7% of all households, or 212,966, are made up of people over the age of 65 that live by themselves. This is a segment of Puerto Rican society that is most often in needs of assistance.

Between 2018 and 2023, the percentage of the population aged 50 or older increased by 4.5 percentage points, from 38.3% in 2018 to 42.8% in 2023. The percentage of the population younger than 25 went from 30.2% of the total in 2018 to 25.9% in 2023. The island's population is increasingly older this tendency is expected to continue. A lack of economic opportunities leading to high levels of emigration and a decline in births is mostly to blame for this.

Age Group	2018		2023	
	Non-entitlement municipalities	Puerto Rico	Non-entitlement municipalities	Puerto Rico
Total Population	1,251,732	3,386,941	1,187,024	3,254,885
Male Population	48.3%	47.6%	48.0%	47.3%
Female Population	51.7%	52.4%	52.0%	52.7%
Under 5 years	4.8%	4.7%	3.3%	3.3%
5 to 14 years	12.2%	11.6%	10.3%	9.9%
15 to 24 years	13.9%	13.9%	12.6%	12.7%
25 to 34 years	12.5%	12.5%	12.9%	13.1%
35 to 49 years	19.3%	19%	18.7%	18.2%
50 to 59 years	13.2%	13.1%	13.5%	13.2%
60 to 64 years	6.5%	6.3%	7.0%	6.8%
65+	17.7%	12.5%	21.7%	22.7%

Table 3: Population by age group, 2018 vs 2023

Sources: American Community Survey 2018 & 2023 5-year estimates.

The population in Puerto Rico and non-entitlement municipalities is expected to continue declining at a somewhat slower rate as emigration trends are expected to wane. Based on the projection, Puerto Rico's largest population group will be the aging population, revealing the aging trend on the island. The population is expected to drop to 2,930,185 in 2028 in Puerto Rico and to 1,063,682 in non-entitlement municipalities. These projections indicate that the over 65 population would reach a total of 632,259.

Age Group	Average Annual Growth (2018-2023)		Projected 2028	
	Non-entitlement municipalities	Puerto Rico	Non-entitlement municipalities	Puerto Rico
Total Population	-1.1%	-0.8%	1,063,682	2,930,185
Male Population	-1.2%	-0.9%	511,371	1,384,912
Female Population	-1.0%	-0.7%	552,311	1,545,273
Under 5 years	-8.1%	-7.6%	20,659	58,674
5 to 14 years	-4.3%	-3.9%	91,694	246,608
15 to 24 years	-3.1%	-2.5%	131,662	360,818
25 to 34 years	-0.4%	0.2%	149,586	426,446
35 to 49 years	-1.7%	-1.7%	225,136	597,413
50 to 59 years	-0.7%	-0.6%	156,207	419,619
60 to 64 years	0.4%	0.8%	82,704	219,583
65+	3.1%	3.0%	216,855	632,259

Table 4: Population Trends by Age Group 2014 and 2018, and Projections to 2022 for Non-entitlement municipalities and Puerto Rico

Sources: American Community Survey 2014 & 2018 5-year estimates.

Victims of Domestic Violence

Domestic violence constitutes one of the gravest and most complex problems affecting Puerto Rican society. As the Prologue to Law 54 for the Prevention and Intervention with Domestic Violence of August 15, 1989, indicates, domestic violence threatens the integrity of the family and its members and constitutes a serious threat to the stability and preservation of civilized coexistence in our society.

Puerto Rico police statistics show that the problem of domestic violence has become increasingly complex. The most recent data (2024) shows a total of 6,094 cases of domestic violence. Of these cases, the most frequent type of assault is physical followed by psychological or emotional abuse. Victims of domestic violence are mostly women with children. Data from the CoCs PIT and HIC shows how victims of domestic violence are among the most significant subpopulations of homeless persons, particularly in the case of homeless families.

Persons with alcohol or other drug addiction problems

Most recent data published by the Mental Health and Anti-Addiction Services Administration (“Administración de Servicios de Salud Mental y contra la Adicción”), shows that 76.8% or 2.2 millions of persons in Puerto Rico, among the ages of 15 and 74 years of age have consumed alcohol at least once in their lifetime. Almost half of this persons (48.8% or 1.4 millions), consumed alcohol during the 12 months prior to the survey.

On the other hand, 22.7%, or 658,000 persons in this age group, has used drugs at least once in their lifetime, including both prescription and illicit drugs. Meanwhile, 9.2% or 268,000 used drugs in the 12 months prior to the study.

On the other hand, the most recent data of the “Population served in the Alcoholism Unit” in the Mental Health and Anti-Addiction Services Administration (“Administración de Servicios de Salud Mental y contra la Adicción”) for the Fiscal year of 2022-2023 received a total of 582 admissions for a total of 533 participants served, 88% being male.

The magnitude of this situation in Puerto Rico is alarming when we take into account the implications of an alcohol or drug abuse problem in the different dimensions of a human being. This can also be observed when we analyze the data from the 2024 PIT which points to substance abuse as the main cause of homelessness.

Discussion

What are the housing and supportive service needs of these populations and how are these needs determined?

Data from several sources shows that permanent housing and housing with supportive services, are some of the most pressing needs among these groups. This along with supportive services such as linkage to care, case management, assistive care and access to mental health services. These needs were determined based on several sources of information including the American Community Survey, the US Census, American Community Survey, data from the PIT regarding subpopulations of homeless persons and the focus groups celebrated as part of the consultation to the CoCs.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Since the late 80’s, Puerto Rico has been among the top ten states/territories with the highest number of cumulative AIDS cases and HIV prevalence. As of January 31, 2025, a total of 52,426 HIV/AIDS cases have been reported in the Island by the HIV Surveillance Program.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

Discussion:

Out of these cases reported as of January 31, 2025 (52,426), 31,773 persons have died, representing a fatality rate of 61%. With respect to persons affected by HIV, not AIDS, 12,541 persons were registered with the Department of Health as of January 31, 2025. Almost 38% of HIV/AIDS cases are residents of the San Juan Metropolitan Area. The high-risk populations for HIV infection in Puerto Rico differ from the high risk populations in most states and territories. Injection drug use (IDU) has been the predominant mode of exposure since the beginning of the epidemic, followed by Heterosexual Contact and men who have sex with men (MSM), including MSM-IDU. More recently, an increase has been experience in the population of youth MSM.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area

Municipio	Number of cases	Deaths	%	Gender	Median Age	Modes of transmission		
						1	2	3
Adjuntas	97	55	57%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Aguada	185	108	58%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Aguadilla	746	420	56%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Añasco	234	130	56%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Arroyo	161	88	55%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Cabo Rojo	284	154	54%	Male	35 a 44	Heterosexual sex contact	injection drug use (IDU)	male-to-male sexual contact
Ceiba	156	81	52%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Coamo	307	197	64%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Fajardo	542	306	56%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Guánica	214	128	60%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Guayama	564	306	54%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Guayanilla	135	67	50%	Male	25 a 34	Heterosexual sex contact	male-to-male sexual contact	injection drug use (IDU)
Hormigueros	74	33	45%	Male	35 a 44	Heterosexual sex contact	male-to-male sexual contact	injection drug use (IDU)
Isabela	213	114	54%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Jayuya	77	39	51%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact

Municipio	Number of cases	Deaths	%	Gender	Median Age	Modes of transmission		
						1	2	3
Juana Díaz	608	333	55%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Lajas	112	51	46%	Male	35 a 44	male-to-male sexual contact	Heterosexual sex contact	injection drug use (IDU)
Lares	105	61	58%	Male	35 a 44	Heterosexual sex contact	injection drug use (IDU)	male-to-male sexual contact
Las Marías	34	14	41%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Luquillo	266	134	50%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Maricao	19	9	47%	Male	25 a 34	Heterosexual sex contact	male-to-male sexual contact	injection drug use (IDU)
Mayagüez	1198	690	58%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Moca	147	79	54%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Patillas	97	48	49%	Male	25 a 34	Heterosexual sex contact	injection drug use (IDU)	male-to-male sexual contact
Ponce	3480	2165	62%	Male	25 a 34	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Rincón	94	51	54%	Male	35 a 44	Heterosexual sex contact	male-to-male sexual contact	injection drug use (IDU)
Sabana Grande	137	82	60%	Male	35 a 44	Heterosexual sex contact	male-to-male sexual contact	injection drug use (IDU)
Salinas	343	212	62%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
San Germán	219	117	53%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
San Sebastián	238	129	54%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Santa Isabel	339	205	60%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact

Municipio	Number of cases	Deaths	%	Gender	Median Age	Modes of transmission		
						1	2	3
Utuado	94	48	51%	Male	35 a 44	Heterosexual sex contact	injection drug use (IDU)	male-to-male sexual contact
Vieques	129	72	56%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Villalba	123	58	47%	Male	35 a 44	Heterosexual sex contact	injection drug use (IDU)	male-to-male sexual contact
Yauco	304	147	48%	Male	35 a 44	injection drug use (IDU)	Heterosexual sex contact	male-to-male sexual contact
Total	12,075	6,931						

Individuals living with HIV/AIDS and their families present a series of needs related to housing and complimentary services. These needs were evidence by recent needs assessments conducted as part of integrated planning processes required by the CDC and HRSA. On the other hand, according to data from the PIT, one out of every homeless persons is affected by the condition. This situation is more complicated taking into account that injection drug use (IDU) has been the predominant mode of exposure. Furthermore, current social and economic context requires an environment of stable housing for families who are experiencing an economic crisis as a result of complications and situations that arise in people with HIV / AIDS.

The needs of persons with HIV and their families are also present in other groups with special needs such as the ones previously discussed. All of these groups need of supportive services, as well as services that would give them access to other social services. These include for example, transportation services to access health services or education services.

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

Public facilities serve as the backbone of many communities in Puerto Rico. The interconnection between communities and their spatial surrounding is a catalyst for social interactions, which consequently render healthier and vibrant communities. Municipalities have invested in this infrastructure throughout the years providing its communities with sport facilities mainly baseball parks and basketball courts), passive parks, community/meeting centers, and more recently water and other active recreational parks. As local demographics change there is a greater need for new or adapted community facilities that serve the needs of the elderly population.

How were these needs determined?

Public facilities needs are determined by non-entitlement municipalities through their annual public participation processes. Such procedures are required for the annual submission of the municipality's CDBG proposals. Moreover, the historical use of funds provides a basis several CDBG applications are directed towards public facilities. Historic trends in the use of funds evidence the continuous need for facilities.

Describe the jurisdiction's need for Public Improvements:

Non-entitlement municipalities have substantial challenges with public infrastructure under their jurisdictions. The main needs include: the construction or repair of pavement, sidewalks, curbs and gutters, sanitary and storm sewers and municipal bridges. Also municipalities are in need of improving landscaping in their communities.

How were these needs determined?

Public improvements needs are determined by non-entitlement municipalities through their annual public participation processes. Such procedures are required for the annual submission of the municipality's CDBG proposals. Historic trends in the use of funds evidence the continuous need for improvements.

Describe the jurisdiction's need for Public Services:

Puerto Rico's socioeconomic condition, particularly its demographic, labor and poverty indicators provide a baseline for determining the needs for public services. Traditionally under the CDBG program local communities can select from the whole array of eligible activities described in CDBG regulations and guidelines. Such services usually target low-income population with special needs, such as the elderly in rural communities.

The above is particularly important due to Puerto Rico's aging population, and high migration of families in highly productive ages. Even though there are some differences between communities, i.e. urban vs. rural, these needs permeate along all communities in the Island.

How were these needs determined?

These needs were determined based on secondary data, historic data of the types of services and populations being served by the programs and the consultation process conducted for purposes of this plan.

CDBG-DR Needs Assessment:

Housing Unmet need

Denial rates for FEMA Housing Assistance (81%) and the percentage of those applying for but not receiving SBA (61%) have been uniquely high for Puerto Rico. The remaining homeowners who have been unable to secure this or other assistance funding have been left with an overwhelming unmet recovery need. Utilizing best available data, the current unmet need for housing in Puerto Rico has been calculated by a methodology accounting for the gap between FEMA Verified Loss (FVL) and SBA award. FEMA's Individuals and Households Program assist with repairs and replacements that will make a home "habitable," whereas SBA awards loan funding for the full cost to restore a home.

HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units minus repair funds already provided. However, because complete data sources are often difficult to obtain after a major disaster event, HUD has stated that empirically justified calculations may be used to determine the average cost to repair a home fully. Generally, this is accomplished by "using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by SBA and FEMA.

Specifically, for Puerto Rico, FEMA loss estimates are lower than SBA estimates for real property and personal property. The average FEMA real property loss for Irma and María was \$4,506, based on 297,161 applicants with FEMA verified losses. SBA average verified losses per household were valued at \$31,341 based on 67,171 applicants representing 6.96 times higher verified loss amount than FEMA. SBA median loss value of \$25,118 is 31.9 times higher than FEMA's value of \$785 for the same group of applicants. SBA's average verified personal property losses at a value of \$8,989 per household are 5.39 times higher than FEMA's \$1,667 per household.

Furthermore, matching FEMA's applicant data with SBA's loan data on FEMA registrant number for more than 122,000 applicants highlighted two other important facts utilized in identifying unmet housing needs. First, FEMA underestimates the number (count) of housing units with real property losses. Specifically, 25.41% of matching records (disaster victims) had \$0 FEMA real property losses, but greater than \$0 SBA verified property losses. Second, FEMA underestimates the number (count) of housing units with personal property losses. Specifically, 24.99% of matching records had \$0 FEMA personal property loss but greater than \$0 SBA verified contents losses.

For Irma and María, when applying the average verified loss amount (\$31,341) of all SBA applicants with real property losses (67,171) to those who were disqualified or turned down for SBA loan assistance and those for whom a FEMA loss was established pushes the full extent of housing impact caused by Hurricane María to more than \$33.9 billion (before accounting for an increase in rebuilding for resilience or deductions for funds already provided). A few additional considerations are factored in to arrive at a more comprehensive picture of this estimated unmet need. Utilizing the median SBA real property damage amount of \$25,118 accounts for outliers in the SBA data (a few very high and very low damage amounts), driving the average SBA loss up. Applying the median SBA property loss amount of \$25,118 to the total number of SBA applicants who were not approved, in conjunction with HUD estimates of unmet housing needs for those without a determined real property loss, provides a more conservative and realistic view

of losses to residential property across the Island. Utilizing the unmet needs values from HUD and FEMA data about the number of applicants (more than 1.13 million) results in an unadjusted housing impact of \$34.1 billion.

For details on damages and losses go to: <https://cdbg-dr.pr.gov/en/action-plan/>

Homelessness

Puerto Rico faces the potential for increased homelessness as homeowners face mortgage foreclosures, affordable housing continues to be in short supply, and the economy remains in the initial phases of recovery. Puerto Rico is eligible for annual formula-based grant funding from HUD for Continuum of Care (CoC) Services to end homelessness and provide critically needed support to local programs that serve individuals and families experiencing homelessness. Funding for these programs has gradually increased over the years.

In 2017, a sample study completed by the Department of the Family recorded 3,501 Puerto Ricans as homeless, with 31% being chronically homeless. Being homeless brings forth more complexity in recovery due to social problems such as substance abuse, mental health disorders, and poor health conditions. An estimated 37% of homeless persons are battling some form of substance addiction to either illicit drugs or alcohol, and 23% cannot return home due to familial problems. An estimated 15% are homeless due to financial reasons only¹.

The HUD Housing Damage Assessment and Recovery Strategies Report states that citing a 2013 study, “Of the total homeless population – 80% are men, 16% are children, 51.6% are chronically disabled, 45.3% suffer from substance abuse, 18.5% are severely mentally ill, 7.9% are victims of domestic violence, 7.4% suffer from HIV/AIDS, and 2.0% served in armed forces. Continuum of Care Providers (CoCs) has expressed a need for “increased transitional and permanent housing for women and children and emergency shelters for domestic violence victims.”

For details go to: <https://cdbg-dr.pr.gov/en/action-plan/>

Infrastructure unmet need

¹ The most recent PIT Count conducted by both CoCs identified a total of 2,096 homeless persons, of whom 21% are CH. Being homeless brings forth more complexity in recovery due to social problems such as substance abuse, mental health disorders, and poor health conditions. An estimate of 75.3% of homeless persons are battling some form of substance addiction to either illicit drugs or alcohol, mental health problem or a physical disability.

Catastrophic Impact to Power Grid

Puerto Rico's electrical grid was already in a state of deterioration when the hurricanes hit. Irma first caused a power outage for nearly 50% of the Island, then María caused a complete loss of power in all 78 municipalities. By 2 a.m. on September 20, 2017, Puerto Rico reached a total blackout. Due to a damaged outage management system, Puerto Rico Electric Power Authority (PREPA) was initially unable to read meters to determine an accurate count of residents left without service. Nearly three months later, fiber optic cables were repaired, allowing the system to read meters and begin the targeted road to recovery.

Under these conditions, the impact has been staggering. Power restoration has been hampered due to the sheer scale and complexity of the damage. Much of the Island's 2,400 miles of transmission lines, 30,000 miles of distribution lines, and 342 substations were severely damaged in the hurricane.

Before the hurricanes, PREPA was already an underfunded public utility in need of an estimated \$4 billion to overhaul its outdated power plants and reduce its reliance on imported oil. In July 2017, PREPA filed for bankruptcy with \$9 billion in debt, according to the Puerto Rico Fiscal Agency and Financial Advisory Authority. As of May 2018, the Government of Puerto Rico is in the process of privatizing PREPA to incentivize innovation, boost efficiency, and improve services for the people. Since then, the privatization process has advanced significantly: in June 2021, LUMA Energy took over the operation of the island's transmission and distribution system under a 15-year contract, and in January 2023, Genera PR was contracted to manage PREPA's power generation fleet. While these efforts were intended to modernize Puerto Rico's electric grid, recent blackouts and operational challenges have sparked public concern and calls for reevaluation of these privatization agreements.

Power restoration is a combined effort from the U.S. Army Corps of Engineers, FEMA, PREPA, and the utility industry which, as of March 21, 2018, have all come together to restore 93.4% of PREPA customers, translating to service for more than 1,368,864 residents. The agency estimated full recovery by May 2018. However, there have been setbacks along the way. On April 12, 870,000 customers lost power when a tree fell on a major power line near the town of Cayey while workers were clearing vegetation. A week later, on April 18, power was lost to all of Puerto Rico when an excavator repairing 2017 damage from Hurricane María hit a line connecting two major power plants.

Impact on Critical Infrastructure

Other infrastructures damaged by the Hurricanes are:

1. **Health Care Services:** The widespread failure of Puerto Rico's power grid had a crippling effect on the Island's 69 hospitals. Weeks after María made an impact, only a handful of hospitals were up and operating on generators, with operations threatened daily due to the shortage of diesel fuel and disruption in fuel distribution due to damaged roads. More details: <https://cdbg-dr.pr.gov/en/action-plan/>
2. **Dam Failure:** One of the Island's largest dams, the Guajataca Dam located in Puerto Rico's northwest corner, sustained such damage from Hurricane María from extreme winds and 15 inches of flooding rains that it failed 19 days after impact. Guajataca is a hydroelectric dam, 120 feet high, holding water from the Guajataca River in Terranova's neighborhood. The dam's reservoir lay between the municipalities of Quebradillas, Isabela, and San Sebastián and was built to hold back 55.3 million cubic yards of water. Weakened by the hurricane, the dam's emergency spillway eventually collapsed, flooding communities and contaminating the water supply for over

350,000 Puerto Ricans. The government ordered the evacuation of 70,000 residents in and surrounding the towns of Isabela and Quebradillas. More details: <https://cdbg-dr.pr.gov/en/action-plan/>

3. Disrupted communication: Communications disruptions across the islands complicated response efforts for months. Days after the hurricane, on September 27, 2017, the Federal Communications Commission issued a status report that both 911 centers on the Island were operational, but overall, 91.1% of the Island's cell sites were out of service. Every municipality reported that 75% or more of their cell sites were out of service. More details: <https://cdbg-dr.pr.gov/en/action-plan/>

For details, go to: <https://cdbg-dr.pr.gov/en/action-plan/>.

Economic Unmet Need

Economic impact caused by a major disaster event resulted in immediate loss of services and lowered, if not halted, business output for companies located in and around the impact zone. The real impact can be far-reaching and continue in short and long-term waves as the local tax base recovers, making it difficult to pinpoint a total dollar amount for impact and recovery need.

The assessment focuses on identifying those immediate impacts on businesses (buildings and content) resulting from Irma and María. The Small Business Administration (SBA) makes low-cost disaster loans available to qualified businesses, and their services are an essential business impact indicator. Utilizing SBA business data in conjunction with HUD methods laid out in the Federal Register informs the approach to identify property and content impacts to businesses across Puerto Rico. According to SBA business loan information, there were 11,863 applications issued across the Island. Of these, 4,446 applicants had a verified property loss of \$380,171,927, and another 7,417 applicants are either “in-process,” have withdrawn, or were declined for a loan from the program. An additional 68,773 applications were issued but not returned to the SBA. Note the high percentage of applications that were issued but not returned. Anecdotal evidence suggests that many Puerto Rican small business owners walked away from the SBA process because they feared they could not repay a business loan. Other applicants, particularly those who were declined, have seen an increase in advocacy from Congress members who hope to see higher rates of SBA approvals moving forward. The average verified loss for all applicants with SBA verified losses was \$78,052, and the median loss was \$34,109. First, known losses for those who applied for SBA loans and were visited by SBA inspection teams reveal a total loss (property and contents) of \$474.2 million for roughly 4,010 businesses.

These losses were combined with known losses from SBA business data to estimate a total initial economic impact to business real property and contents of over \$4.85 billion. Accounting for 38% in additional resilience costs on rebuilding damaged structures such as more stringent building codes, cost of compliance measures, elevations, or freeboard requirements increases the total cost of repairs to \$5.8 billion. SBA payouts to businesses totaled \$112.8 million for these lines of loss, leaving a potential unmet need of \$4.7 billion or \$6.5 billion when accounting for resilience costs.

For details go to: <https://cdbg-dr.pr.gov/en/action-plan/>

CDBG-DR Infrastructure and economic development needs part 1

a. CDBG-DR

To understand the impact caused by Hurricanes Irma and María on Puerto Rico's infrastructure, the CDBG-DR Action Plan Amendment 18 and the CDBG-DR Electrical Power System Improvements Action Plan Amendment 3 include specific sections to highlight critical infrastructures that were severely damaged after the disaster events. Regarding Puerto Rico's electrical power grid, many assessments were conducted after the hurricanes to understand the immediate and long-term effects of the storms. According to one of these reports, "Hurricane María Effects on Puerto Rico Electric Power Infrastructure," one of Hurricane María's most significant impacts on Puerto Rico was the electric power outage that initially affected the entire Island. It lasted more than ten (10) months before service was restored to all customers. The grid's electrical transmission and distribution components suffered worse damage than that observed during other hurricanes that affected the U.S. in the last ten (10) years. Extensive damage and the Island's mountainous topography were significant factors that contributed to a prolonged restoration process. Due to the high-intensity winds, the renewable energy generation infrastructure assets that suffered the worst damage were the Punta Lima wind farm and the Humacao photovoltaic (PV) plant. Another non-renewable power generation infrastructure, the Cambalache Gas Turbines, was damaged due to flooding. Almost all power transmission lines in the eastern half of the Island were severely damaged, and the electric distribution lines experienced unprecedented devastation.

Damage to power generation facilities from Hurricanes Irma and María was minor compared to other assets; however, it was still significant. Of the two (2) wind farms in Puerto Rico, the Punta Lima wind farm had thirteen (13) wind turbines damaged. The five (5) utility-scale photovoltaic (PV) plants in Isabela, Salinas, and Guayama experienced light to moderate damage, while the PV plant in Loíza was practically undamaged. The PV plant in Humacao suffered some of the most significant damage since it is located near the point where Hurricane María made landfall.

The widespread failure of Puerto Rico's power grid also had a crippling effect on 69 hospitals from the Island, affecting their operations along with other post-hurricane factors that prevented patients from receiving essential services. Other infrastructures affected by the hurricanes included the Guajataca Dam, which was weakened 19 days after the impact causing the emergency spillway of the dam to eventually collapse, flooding communities, and contaminating the water supply for over 350,000 Puerto Ricans. Additionally, communication disruptions across the Islands complicated response efforts for months. Days after the hurricane, on September 27, 2017, the Federal Communications Commission issued a status report indicating that both (911) centers on the Island were operational, but that 91.1% of the Island's cell sites were out of service. Every municipality reported that 75% or more of their cell sites were out of service, with 100% of cell sites out of service for 31 of the 78 municipalities.

CDBG-DR Infrastructure and economic development needs part 2

Many of the federal grant programs that have funded Puerto Rico's response and will continue to provide for the Island's long-term recovery, are subject to cost-share requirements. PRDOH primarily intends to focus on meeting the non-federal cost share of FEMA's Public Assistance (PA), Individual Assistance (IA), and Hazard Mitigation Grant programs (HMGP). However, depending on available funding, PRDOH may also consider the viability of matching the non-federal cost shares of other federal grant-in-aid programs. Such eligible programs include, but are not limited to, those administered by the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Federal Aviation Administration (FAA), and USACE. Most funding from PRDOH will go towards the PA match program, providing the non-federal share of obligated grants to all of Puerto Rico's municipalities and government agencies, in addition to many

eligible not for profit entities. The Individual Assistance (IA) match program will specifically only fund the non-federal cost share of the Transitional Sheltering Assistance (TSA) program, in which FEMA paid hotel costs for evacuated Puerto Ricans after María. The TSA match payment will be allocated to the Public Service eligible activity. The HMGP Global Match program will allow Puerto Rico to access approximately \$4 billion in combined funding making the Island more resilient to future events.

Through its PA Program (CDFA Number 97.036), FEMA provides supplemental Federal disaster grant assistance. Assistance is intended for debris removal, emergency protective measures, and the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain Private Non-Profit (PNP) organizations. The PA Program also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures during the recovery process. FEMA's Open FEMADataset: Public Assistance Funded Projects Details - V195F10F 107 lists all public assistance recipients, designated as Applicants in the data. The dataset also features a list of every funded, individual project, called project worksheets. This dataset currently has substantially more data than it had when original Action Plan data was pulled on September 10, 2018. FEMA has data on permanent category work in the six project areas: Roads and Bridges, Water Control Facilities, Public Buildings, Public Utilities, Recreational or Other, and State Management. This plan identified a total of \$41.6 billion in Public Assistance permanent work (C-G). FEMA's OPEN PA Project information indicates that an **estimated unmet need of nearly \$2.1 billion remains**.

CDBG-DR Infrastructure and economic development needs part 3

Declining economic conditions in Puerto Rico were also exacerbated by Hurricanes Irma and María. The top five economic sectors with reported losses to SBA due to the hurricanes are:

1. Real Estate Rental and Leasing
2. Arts, Entertainment, and Recreation
3. Other Services (except Public Administration)
4. Retail Trade
5. Health Care and Social Assistance

According to the Bureau of Labor Statistics, as of June 2021, unemployment in Puerto Rico is at 8.1%. In June 2021, there were 853,800 jobs in non-farm industries, compared to the 871,200 jobs in September 2017. In the industry of Leisure and Hospitality, Puerto Rico saw a decline from 80,400 in September 2017 to 78,300 in February 2018 and a further decline to 74,700 in June 2021.

The Puerto Rico Department of Agriculture estimated the Islands suffered a loss of \$780 million in agriculture yields. Crops were decimated by wind and flooding, and mudslides in the mountainous interior took out many of the roads critical to agricultural production. Primary cash crops such as plantain, banana and coffee crops were hit the hardest. The Puerto Rico Department of Agriculture estimated that based on value, 80% of the entire crop in the agriculture sector was wiped out and based on value. A total of 4,200 cows and 2.2 million chickens were lost while 50% of coffee plants were destroyed. According to data from the Puerto Rico Department of Agriculture, based on eight (8) regional reports, some 3,028 insurance claims and \$1.4 million in disbursements made by the Agricultural Insurance Corporation (CSA), infrastructure damages totaled \$1.8 billion and losses in agricultural production \$182.5 million.

The impact on Puerto Rico's medical products manufacturing industry was felt around the US. The hurricanes' impact on factories and distribution centers located on the Island disrupted local jobs and

industry production and caused a ripple effect throughout the mainland US. Hospitals across the country faced a shortage of intravenous (IV) fluids like saline and dextrose which are essentials to everyday treatment. Additionally, public sector services such as mental healthcare, education, legal services, and more, were also greatly affected after the disruption of electrical energy and water services, food and other essential supplies shortages, and vast outmigration from Puerto Rico.

CDBG-DR Infrastructure and economic development needs part 4

Companies located in and around the impact zone were lowered, if not halted, of their businesses output. Small Business Administration (SBA) business data in conjunction with HUD methods laid out in the Federal Register informs the approach to identify property and content impacts to businesses across Puerto Rico. According to SBA business loan information there were 11,863 applications issued across the Island. Of these, 4,446 applicants had a verified property loss of \$380,171,927 and another 7,417 applicants were either: “in-process”, have withdrawn, or were declined for a loan from the program. Previous impacts assessments identified an additional 68,773 issued applications that were issued but not returned to the SBA.

CDBG-DR Infrastructure and economic development needs

a. CDBG-MIT

Due to the multi-hazard threats that Puerto Rican communities face, the Island needs transformative mitigation projects that not only address facility hardening or retrofits, but more importantly address the reduction of multiple threats to lifeline infrastructure and citizens by mitigating the localized conditions that cause wide-scale destruction and lead to disaster events. The CDBG-MIT Action Plan contains an analysis of Lifeline infrastructure assets that are considered critical lifeline sectors, including facilities for transportation, communication, water and wastewaters, and power. These facilities are most critical because all other infrastructure lifelines depend on them for Puerto Rico’s stability and resilience. Critical Lifeline infrastructure assets across the Island were therefore assessed using the four (4) categories of interdependent lifeline assets in the lifelines of Energy, Communications, Transportation, and Food, Water and Shelter. Through the Infrastructure Mitigation Program PRDOH will address mitigation needs by improving the built environment to mitigate hazardous threats. Due to the varying and localized need for mitigation against several hazardous threats, PRDOH does not want to limit projects based on the top risks at the Island-wide level, nor by an assumption of need in a generalized way. The goal of Infrastructure Programs is to strategically identify areas of risk and mitigate the most risk for the greatest amount of people in a cost-effective manner. This is best accomplished through planning, design, and innovation realized through the implementation of public facilities improvement. Projects eligible for funding are intended to serve the needs of the people by allowing for scaled investments that make critical mitigation dollars accessible to all communities on the Island: municipal, regional, or Island-wide.

In addition to the infrastructure unmet needs associated with said critical lifelines, through the Economic Development Investment Portfolio for Growth – Lifelines Mitigation Program, PRDOH acknowledges that private industry owns a large majority of both critical and secondary infrastructure assets including, but not limited to, communications towers, privately-owned hospitals and other medical facilities, privately-owned transportation infrastructure, modernized energy solutions that harness the natural resources of Puerto Rico, and privately-owned utilities. The Infrastructure Mitigation Program serves to address

mitigation needs by improving the built environment in order to mitigate hazardous threats. Lifeline strengthening projects coupled with job creation and long-term economic return offer increased resilience benefits for Puerto Rico. The economic impacts of disaster events create a state of crisis for Puerto Rico, reducing the ability of the Government of Puerto Rico and households to take control of their own recovery and mitigation needs. Puerto Rico's ability to bounce back after a disaster event is crippled by the lack of available funds at the state, municipal, and household levels. Mitigation in the shape of economic stability forms the foundation upon which the Island can move toward self-reliance for future disaster events. See the CDBG-MIT Action Plan for more information about economic development and infrastructure unmet needs.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

This section provides information on the affordability and condition of the housing market in Puerto Rico. Many of the data tables were populated by HUD and use the Puerto Rico Community Survey (2019-2023 ACS) and the Comprehensive Housing Affordability Strategy (CHAS) five-year (2017-2021) data set. Also, information is obtained from estimates presented in Puerto Rico's State Housing Plan.

Despite Puerto Rico's declining total population, which fell by 11.8% between 2010 and 2020, there has been a decrease in total vacant units between 2014-2018 and 2019-2023. Even as the number of housing units increased by 3.8% driven by high-income post-COVID housing developments, there has also been a sharp decrease in the vacancy rate from 24% to 21%. Median house values and rents have both increased in the same period.

After the COVID-19 pandemic, there has been a decrease in vacant housing units available to rent or buy. This total has gone from 28,946 for rent and 24,347 available to buy in 2020 to 21,549 and 13,691 respectively in 2023. The local real estate market experienced a period of growth after COVID, which led to higher housing prices, with an increase in the average sales price of a house increasing by 7.7% between 2020 and 2023. This alongside the decrease in vacant units available for rent has led to a less affordable and accessible housing market in Puerto Rico.

Table 30 – Vacancy Status

	2018	2023	Change
Total housing units	1,553,061	1,575,105	1.42%
Vacant housing units	373,424	335,862	-10.1%
Vacant units that are for rent, for sale only, and rented or sold, not occupied	59,709	46,253	-22.54%

More info

Even though non-farm payroll employment is at its highest since 2009, housing continues to be inaccessible and unaffordable for many Puerto Ricans. Increases in employment since Hurricane Maria in 2017 and the COVID-19 pandemic in 2020 have mostly been due to non-recurring federal funds, which do not represent a sustainable source of economic growth. Housing prices have continued to go up as the island has become more of a destination for high-income workers from the United States due to various tax breaks aimed at attracting mainland US residents to move to the island.

Mortgage loan disbursements increased by 43% in 2021 compared to the five-year pre-pandemic average, pointing towards a large amount of homeowners re-financing at lower interest rates. This points towards delinquency rates remaining low. Other factors, particularly retail sales, point towards weakened consumer spending in 2025. All these factors point towards the unsustainability of the current economic situation in Puerto Rico and instability and unaffordability in the housing market for the foreseeable future.

MA-10 Number of Housing Units – 91.310(a)

Introduction

The following section describes the number of units, types, tenure, and size of housing in Puerto Rico.

The homeownership rate of Puerto Rico is 68.1%. Its housing stock of 1,575,105 units is mainly composed of single-family detached units, which account for 68.5% of the stock. 302,509 units are multifamily units (2 or more units), accounting for only 19.2% of the units. The above is associated with suburban development patterns, mostly driven by the lower construction costs related to single-family units, the considerably high cost of developing urban areas and consumer preferences of families with children who prefer single-family homes. The Planning Board's proposed land-use policies are targeting this issue to promote housing development in urban areas.

Also, most occupied housing units (77.3%) have 2 or 3 bedrooms. Renters usually occupy smaller units than owner-occupied housing. 13.7% of renters occupy studio or one bedroom housing units, compared to 2.6% for owner-occupied housing. Only 48.9% of renter-occupied housing has 3 bedrooms, compared to 62.6% amongst owner-occupied housing.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	1,078,590	68.5%
1-unit, attached structure	189,831	12.1%
2-4 units	88,647	5.6%
5-19 units	120,444	7.6%
20 or more units	93,418	5.9%
Mobile Home, boat, RV, van, etc	4,175	0.3%
Total	1,575,105	100%

Table 25 – Residential Properties by Unit Number

Data Source: 2019-2023 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	5,371	1%	11,181	3%
1 bedroom	16,451	2%	41,663	11%
2 or 3 bedrooms	653,598	77%	303,753	77%
4 or more bedrooms	168,808	20%	38,418	10%
Total	844,228	100%	395,015	100%

Table 26 – Unit Size by Tenure

Data Source: 2018-2023 ACS

CDBG-DR & CDBG-MIT number of housing units

1. a. CDBG-DR:

Single Family Housing - Before the hurricanes, single family housing stock was at 1,555,880 units, with approximately 1.2 million of those homes occupied. According to FEMA IA data, over 1.06 million households, or households representing 88% of total housing units, have applied for disaster assistance.

Multi-Family Housing - According to ACS 2012-2016 data in 2016, there were a total of 1,237,180 housing units in Puerto Rico, of which 31.4 % were occupied by 388,445 renters.

Public Housing - The Puerto Rico Public Housing Authority (PRPHA) is the second largest housing authority in the US, with over 53,000 units across 327 properties. There are also approximately 30,000 households using Housing Choice Vouchers and 18,000 households in project-based Section 8 units. PRPHA reported 15,386 public housing units with initial damage claims of over \$119 million.

1. b. CDBG-MIT:

Approximately eleven percent (11%) of Puerto Rico's residents live in high-risk areas, approximately thirteen percent (13%) live in medium high-risk areas and approximately twenty-three percent (23%) of the people live in medium risk areas. Based on the average number of persons per home in Puerto Rico, this represents an estimated 619,000 homes. [1]

Of the population in Puerto Rico, approximately sixteen percent (16%) reside within the FEMA 100-year Floodplain. That number increases to twenty-two percent (22%) when compared to the FEMA Advisory 100-year Floodplain. Based on the average number of persons per-home in Puerto Rico, this represents in total roughly 216,055 homes.

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

As of 2024, Puerto Rico had a total of 107,105 units Island wide supported by HUD programs. From this total, 49.4% of the units were public housing, while 49.2% were Section 8 or Housing Choice Voucher Program. Most of the units supported by these programs are located in important population centers of the Island, considering the services and amenities accessible to the population in such locations.

Proyecto	Total units	Occupied	% occupied	Total people	Average of rent per month	Average of hh income
202/PRAC (Elderly)	975	913	93.7%	928	\$98	\$4,693
811/PRAC (disable)	147	124	84.5%	108	\$55	\$2,725
Housing Choice Vouchers	33,937	28,382	83.6%	60,835	\$108	\$4,540
Mod Rehab	440	409	92.9%	1,266	\$75	\$3,288
Project Based Section 8	18,731	17,147	91.5%	34,684	\$145	\$6,678
Public Housing	52,875	49,219	93.1%	97,427	\$146	\$7,132
Summary of All HUD Programs	107,105	96,195	89.8%	195,248	\$110	\$5,004

Figure 1 A profile of HUD Subsidized Housing in Puerto Rico

Source: HUD, A Picture of Subsidized Households, 2024

<https://www.huduser.gov/portal/datasets/assthsg.html>

This summary does not include other subsidy programs such as HOME, LITCH or CDBG

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

During the next five-years a total of 1,765 units may be lost from the affordable housing inventory as a result of expiration of Section 8 project-base contracts. There is an opportunity to provide additional funding to these projects. The housing market is weak and does not provide developers sufficient economic incentives to reinvest and placed these units in the non-subsidized market.

Number of Units Affected by Expiring Section 8 Project-Based Contracts by Expiration Date

Does the availability of housing units meet the needs of the population?

Vacant housing data suggests that Puerto Rico has sufficient housing inventory to meet the needs of residents. However, there is a lack of affordable safe and decent housing for families with low and moderate earnings, particularly in urban settings served by public transportation. CHAS data shows that there are only 144,078 affordable units for households with incomes between 0-50%AMI. There are only 60,461 housing units affordable to very low-income individuals 0-30% AMI, representing only 5% of the Island's housing stock. For low-income individuals, 30-50% AMI, there is a total of 83,617 housing units accessible to the income group. Also, a substantial number of units occupied by low and moderate-income households in Puerto Rico require rehabilitation, mainly due to the structure's age or substandard housing conditions.

Describe the need for specific types of housing:

According to the above information, there is a need for more affordable housing for low-income individuals in Puerto Rico. Certain groups are in greater need, which determines the specific type of housing unit required. Based on the data discussed in the Plan the main types of housing that is needed includes the following:

1. Multifamily rental housing for the elderly in adequate locations and supportive services.
2. Affordable rental and for ownership housing in areas of economic opportunity served with adequate public transportation.

MA-15 Cost of Housing – 91.310(a)

Introduction

The cost of housing in Puerto Rico is very high in contrast to the median income. The median home value has increased slightly between 2012 and 2023, by 3%. For the same period however, median contract rent has increased by 17%. Median household income in 2023 is \$25,096, which is less than one third of the national median household income of \$78,538. There is a considerable housing gap in Puerto Rico.

Cost of Housing

	Base Year: 2012	Most Recent Year: 2023	% Change
Median Home Value	\$ 121,500	\$ 124,600	3%
Median Contract Rent	\$ 344	\$ 429	24.7%

Table 27 – Cost of Housing

Data Source: 2008-2012 ACS (Base Year), 2019-2023 (Most Recent Year)

Rent Paid	Number	%
Less than \$500	246,481	62.40%
\$500-999	117,135	29.65%
\$1,000-1,499	22,947	5.81%
\$1,500-1,999	4,458	1.13%
\$2,000 or more	3994	1.01%
Total	395,015	100.00%

Table 28 - Rent Paid

Data Source: 2019-2023 ACS

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
<= 30% HAMFI	35,750	15,775
> 30% to <= 50% HAMFI	27,915	48,070
> 50% to <= 80% HAMFI	37,340	89,745
> 80% to <= 100% HAMFI	23,270	53,120
Total	124,275	206,710

Table 29 – Housing Affordability

Data Source: 2017-2021 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent					
High HOME Rent					
Low HOME Rent					

Table 30 – Monthly Rent

Data Source: HUD FMR and HOME Rents

CDBG-DR & CDBG-MIT cost of housing

1. a. CDBG-DR:

With changing economic conditions and evolving household makeup, Puerto Rico had seen little investment in homes valued above \$100,000 and more demand for affordable housing in recent years. Fifty-five (55) % of the occupied housing units in Puerto Rico are valued at less than \$150,000.[1] By 2017 home prices adjusted to economic conditions and devalued over time, homeowners had been unable to accumulate the capital required to improve their living conditions or accommodate expanding households. According to the Puerto Rico Builders' Association Study, Puerto Rico saw a 25% drop in property values over the last ten (10) years, from \$219,170 in 2007 to \$164,470 in 2017. Total sales (and by price ranges) reduced to a compounded annual rate of 14.5% between 2004 and 2016. The reduction was stronger in prices of more than \$160,000 per unit at that time.[2]

Aging housing stock further contributes to the decrease in property value, eroding residents' wealth and asset accumulation. About 40% of the housing stock was built before 1970, with 31% of homes constructed between 1970 and 1989.

According to the Puerto Rico Builder's Association study, by the year 2017, 56.8% of rented properties rent for less than \$500 a month, representing more than half of the population of renters. Approximately 36.4% of renters paid between \$500 and \$999 in rent per month, while 6.8% paid between \$1,000 to \$3,000 per month. An estimated 53,000 tenant households lived in substandard housing.

1. b. CDBG-MIT:

In the CDBG-MIT Single-Family Housing Program, based on cost feasibility analysis, the minimum repair/retrofit award amount an applicant may receive is \$15,000. However, the maximum award amounts for housing repair/retrofit in place is \$60,000.00 in construction and/or hard costs per unit. The maximum amount for reconstruction award is \$215,000 in construction and/or hard costs. To properly address the lack of housing market availability across Puerto Rico's regions, the maximum award for relocation is \$200,000.00. Maximum award for reconstruction will be based on unit size determination, up to \$210,000.00 for four (4) bedroom units.

Is there sufficient housing for households at all income levels?

CHAS data shows that there is a significant housing gap. The sources estimate that out of 21,090 vacant housing units that were for sale, 12,475 (59.1%) have an asking price greater than the area median income. Only 8,595 housing units are available for less than the AMI. In contrast, there are 275,135 owner-

occupied housing units with owners earning less than 80% of AMI. This means that there is a theoretical needs gap of 262,660 units.

CHAS data for the rental market shows that there are 17,590 vacant units for rent with an asking rent less than 80% of AMI. At the same time, there are 235,855 housing units occupied by tenants paying less than 80% of AMI. This leads to a theoretical gap of 218,265 units.

This data for ownership and rental shows that there is a very large housing gap in Puerto Rico. There is a lack of affordable housing both for rent and for sale. Recent increases in median wages have not kept up with increases in average sales prices for homes and in median rents.

How is affordability of housing likely to change considering changes to home values and/or rents?

The large gap between income and housing values, particularly among owner-occupied housing, is directly related to the gap between income and housing prices in Puerto Rico. Between 2012 and 2023, median household income increased by 29%, while median home values have increased by 3% according to ACS data. The Federal Housing Finance Agency's House Price Index for All Transactions shows an increase of 8% for the same period. Even though wage growth has outpaced growth in housing costs, recent data from 2024 shows a large increase in average sales price of housing units in Puerto Rico, with an 18.6% increase in the average sales price of a used housing unit between 2021 and 2024. If these tendencies in housing prices continue, it is unlikely that wage growth will be able to keep up and reduce the current housing affordability gap.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Median contract rents in Puerto Rico increased 16.6% between 2012-2023. While Puerto Rico's economy has been in a contraction since 2007, families have experienced increases in rental housing costs.

Housing affordability on the island is considerably lower for very low-income families. The cost of rental housing in Puerto Rico is higher near the metropolitan area, for example, in San Juan or Guaynabo, renting a three-bedroom home is \$908, on average \$269 more than other parts of the island. It should be noted that the highest concentration of jobs in Puerto Rico is in the metropolitan area, which means that low-income people face the problem of labor mobility since the options are limited when choosing which housing is accessible to the individual. Moreover, as reflected by travel to work statistics, over 42.8% of Puerto Rico workers travel 30 minutes or more to work and use a private automobile to commute to work. There is also a need to promote affordable housing development near key employment centers served by public transportation.

Local FMRs tend to be a barrier for the promotion and preservation of affordable rental housing under the State HOME program. The high cost of construction in Puerto Rico relative to FMRs reduces the interest of the industry on the program. Developers tend to favor both federal and local programs that allow for higher rents. These include Law 77 tax credits for elderly housing, Law 173 rental subsidies, and LITHC – which allow for higher FMRs under certain criteria, such as adjustment for high housing cost areas, among other. In cases where developers use HOME funds the amount of these funds allocated to a project are used to close financing gaps. PRHFA's affordable housing strategy throughout Puerto Rico is to promote fund layering as a way to allocate funds to new construction and rehabilitation rental projects.

Specific information on vacant housing for the local jurisdiction is not collected by the ACS, in contrast to other jurisdictions in the U.S. Nevertheless, the favorable relationship between FMRs and Median Rates could be interpreted as an opportunity for the HOME program to promote rental housing rehabilitation programs, provided the cost of rehabilitation is reasonable in relation to the value of the unit, or possible given land use and other regulatory conditions.

MA-20 Condition of Housing – 91.310(a)

Introduction:

A total of 838,170 housing units in Puerto Rico, or 53% of all housing units, were built before 1979. As many as 47.4% of owner-occupied units and 58.2% of renter-occupied units were built before this year. According to the 2019-2023 ACS, a total of 318,816 occupied housing units have one or more housing conditions. Renter-occupied housing units have a higher rate of having at least one of the ACS defined conditions, with 32.7% of the total versus 22.4% for owner occupied units. Still, there are more owner-occupied units with one or more conditions than renter occupied units (189,316 owner-occupied units versus 129,500 renter-occupied ones).

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

As defined by the Census, conditions of units are classified as lack of complete kitchen or plumbing facilities, having more than one person per room, or having a cost burden greater than 30% of the household income.

The standard condition may be defined as housing which meets all local building, fire, health and safety codes and HUD's minimum Housing Quality Standards. The substandard condition may be defined as housing that does not meet local building, fire, health and safety codes, or HUD's minimum Housing Quality Standards.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	181,226	21.5%	122,319	31.0%
With two selected Conditions	7,709	0.9%	6,938	1.8%
With three selected Conditions	367	0.04%	227	0.1%
With four selected Conditions	14	0.002%	16	0.004%
No selected Conditions	654,912	77.6%	265,515	67.2%
Total	844,228	100.0%	395,015	100.0%

Table 31 - Condition of Units

Data Source: 2019-2023 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	178,923	20.5%	61,773	15.3%
1980-1999	289,405	33.1%	106,594	26.4%
1950-1979	375,733	43.0%	209,209	51.8%
Before 1950	29,835	3.4%	26,014	6.4%
Total	873,896	100%	403,590	100%

Table 32 – Year Unit Built

Data Source: 2016-2020 CHAS or ACS 2019-2023 ACS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980.	414,330	50.9%	233,170	58.3%
Housing units built before 1980 with children present	21,265	2.6%	35,705	8.9%

Table 33 – Risk of Lead-Based Paint

Data Source: 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

Table 34 - Vacant Units

Vacancy status

Of the 1,575,105 housing units in Puerto Rico for the 2019-2023 period, 335,862 or 21.3% were vacant. The majority of these vacant housings are for seasonal, recreational, or occasional use (21%). More than 65% are classified as other vacant, whose breakdown (using the 2023 ACS 1-year estimates) is given below. this means that the housing unit is held for settlement of an estate, held for personal reasons, or held for repairs. The number of units in the market include 21,549 for rent and 13,961 for sales. The ACS does not conduct a detail analysis of vacant housing in Puerto Rico, which limits the capacity to determine their conditions and likelihood of it complying with housing quality standards. Nevertheless, the are in Puerto Rico 28,995units that lack plumbing and kitchen facilities, of which 71% are occupied by housing households with income of or below 100% AMFI. Most likely, the situation of inadequate housing stock among vacant housing is much worst.

Vacancy status	Vacant housing units	%
Total	335,648	
For rent	19,942	5.9%
Rented, not occupied	5,479	1.6%
For sale only	8,206	2.4%
Sold, not occupied	8,997	2.7%
For seasonal, recreational, or occasional use	84,361	25.1%
For migrant workers	186	0.1%
Other vacant	208,477	62.1%

Table 35 - Vacancy status table

CDBG-DR & CDBG-MIT condition of housing

1. **a. CDBG-DR:**

The degree of damage caused by the hurricanes was worsened due to widespread destruction of inadequate housing structures and damage to unoccupied, unmaintained homes. It has been estimated that anywhere from 45% to 55% of Puerto Rican households have either erected or maintained houses through informal construction, a self-managed method of construction completed without the use of an architect or engineer, proper permits, and often in non-conformance with land-use codes. In many cases, informal construction also occurs without proper real estate title to the land. This type of construction reduces the structural integrity of homes and renders them ineffective to withstand hurricane conditions and other natural environmental conditions.

2. **b. CDBG-MIT:**

Many homes in Puerto Rico also face an undeniable risk of immediate threat, defined by FEMA as the threat of additional damage or destruction from an event that can reasonably be expected to occur within five (5) years. The immediate threat is evident in the many homes in Puerto Rico which are uninhabitable or substantially damaged due to recent disaster or hazardous events. These conditions have left many households with not only a formulaic estimation of risk, but an immediate threat.

PRDOH also performed preliminary geospatial analysis utilizing aerial imagery to locate homes impacted by Hurricanes Irma and María that still have a blue tarp as a partial or whole roof. Through survey and outreach efforts under the CDBG-DR Program, PRDOH has confirmed, as of May 2022, approximately 3,646 homes impacted by Hurricanes Irma and María still have blue tarp as a partial or whole roof. However, since that time-nearly three years ago-no updated study was conducted to determine whether this number has changed, It is possible that the figure has shifted due to ongoing recovery efforts and housing initiatives implemented over the past three years.

Need for Owner and Rental Rehabilitation

<TYPE=[text] REPORT_GUID=[F8DC4D3147433947165558A235C46686]
PLAN_SECTION_ID=[1313801000]>

Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards

Exposure to lead-based paint is a public health issue. The exposure to lead dust represents a threat to the health of residents of contaminated and deteriorated housing. Local **risk of** lead-based paint hazard in the Island is considerable given the number of properties built in the Island before 1980 (close to 700,000), of which over 80,000 have children. Although there is no official estimate of the number of properties with lead-based paint hazards, the likelihood to find lead in these properties is very high. Many municipalities avoid rehabilitating old housing, given the substantial cost associated with lead decontamination and management

Discussion:

MA-30 Homeless Facilities – 91.310(b)²

Introduction

According to the 2025 Housing Inventory Count[1], a total of 3,936 year round beds are available. Although the majority of the beds are PSH service providers and community organizations have been consistent in expressing the need for more permanent housing for persons with mental health problems and chronic homeless persons, due to the characteristics and nature of homelessness in Puerto Rico. As well, groups that have been consulted for purposes of the Plan, pointed out to the needs of units for women with children, and emergency shelters for families, and for those subjected to domestic violence. In addition, due to the increasing economic limitations and the rise in foreclosures, moreover in the context of the impact of COVID-19, the need may have broadened. There is also a gap in terms of complementary services for homeless and other special needs populations.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)					
Households with Only Adults					
Chronically Homeless Households					
Veterans					
Unaccompanied Youth					

Table 36 - Facilities Targeted to Homeless Persons

Data Source Comments:

² Information will be updated after June 13, when CoC submit their HIC to HUD.

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

To address the needs of homeless persons, service providers have collaborative agreements with government agencies, municipalities, and nonprofit organizations that provide services related to physical health, mental health, and employment. Citizen service offices and government agencies such as the Department of Health, the Mental Health and Addiction Administration, the Department of Family and WIOA consortia are some of the entities through which these services are provided. A next section (MA-35) provides additional details on the types of services available.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

The table below provides a list of services and facilities that meet the needs of homeless persons, organized by the type of subpopulations served, including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. This is based in data obtained from the Continuums of Care and the Housing Inventory Count. Table MA-35 summarizes the services that are offered by these entities. Services are related to some of the most urgent needs of the homeless population, which were also the cause for becoming homeless. These include services such as Alcohol & Drug Abuse rehabilitation, employment services and mental health counseling. Other services provided, which complement these mainstream services, include childcare, transportation and life skills. It is also worth mentioning that a high proportion of the organizations identified, offer case management services, along with services of referral to government and to other entities.

The table below provides a list of services and facilities that meet the needs of homeless persons, organized by the type of subpopulations served, including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. This is based in data obtained from the Continuums of Care and the Housing Inventory Count. Table MA-35 summarizes the services that are offered by these entities. Services are related to some of the most urgent needs of the homeless population, which were also the cause for becoming homeless. These include services such as Alcohol & Drug Abuse rehabilitation, employment services and mental health counseling. Other services provided, which complement these mainstream services, include childcare, transportation and life skills. It is also worth mentioning that a high proportion of the organizations identified, offer case management services, along with services of referral to government and to other entities.

ORGANIZATIONS AND PROJECTS INCLUDED UN THE HIC³

Proj. Type	Organization Name	Project Name	Target Pop. A	Target Pop. B
PSH	Albergue El Paraiso, Corp.	Gente Buena	HC	NA
PSH	Albergue El Paraiso, Corp.	Proyecto El Eden	SM	NA
PSH	Albergue El Paraiso, Corp.	Proyecto El Eden	SM	NA
TH	Casa de Restauracion y	Casa de Amor y Esperanza	SM	NA

³ Information will be updated after June 13, when CoC submit their HIC to HUD.

Proj. Type	Organization Name	Project Name	Target Pop. A	Target Pop. B
TH	Casa de Restauracion y	Casa de Amor y Esperanza	SM	NA
TH	Casa Ismael, Inc.	Albergue Casa Ismael, Inc.	SM	HIV
TH	Casa Joven del Caribe, Inc.	Casa Grande	SM	HIV
TH	Casa la Providencia, Inc.	Casa la Providencia, Inc.	SF	NA
ES	Casa la Providencia, Inc.	Casa Providencia Albergue de Emergencia	SF	NA
ES	Casa Protegida Julia de	Albergue de la Casa	SFHC	DV
TH	Casa Protegida Julia de	Albergue Transitoria de Casa Protegida Julia de	SFHC	DV
PSH	Casa Protegida Julia de	Programa de Voucher Casa Protegida Julia de	HC	DV
OPH	Casa Rosa, Inc	Casa Rosa I Housing	SM	NA
OPH	Casa Rosa, Inc	Casa Rosa II- San Augustin Housing Associated SRO	SMF	NA
OPH	Casa Rosa, Inc	Casa Rosa II- San Augustin Housing Associated SRO	SMF	NA
ES	Centro de Servicios a la	Centro de Servicios a la	HC	NA
ES	Centro Transformacion	CTSC Hogar Eliezer	SM	NA
TH	Coalicion de Apoyo Continuo para Personas	Hogar Amparo	SM	NA
PSH	Corporación La Fondita de Jesus	El Pueblito de Jesus (PH)	SMF+HC	NA

TH	Corporación La Fondita de Jesus	La Puerta de Jesus	SMF	NA
PSH	Corporación La Fondita de Jesus	Mi Hogar II	SMF+HC	NA
OPH	Doctor's Medical Center,	Hogar Amparo, SRO	SMF	NA
RRH	Forjando un Nuevo	Forjadores	HC	NA
TH	Guara Bi, Inc.	Programa Guarabí, Inc.	SM	NA
ES	Hogar Crea, Inc.	Programa de Emergencia para Deambulantes	SF	NA
TH	Hogar Crea, Inc.	Proyecto Deambulante VIH/Sida para Varones-	SM	HIV
TH	Hogar Crea, Inc.	Proyecto Vivienda Transitoria con Servicios de Apoyo Deambulantes-	SMF	HIV
TH	Hogar Crea, Inc.	Proyecto Vivienda Transitoria con Servicios de Apoyo Deambulantes-	SMF	HIV
TH	Hogar de Ayuda El	Madres con Niños	HC	NA
TH	Hogar de Ayuda El	Vivienda Transitoria	SF	HIV
TH	Hogar del Buen Pastor,	Hogar del Buen Pastor	SMF	NA
PSH	Hogar del Buen Pastor,	Hogar del Buen Pastor - Vouchers	SMF	NA
TH	Hogar del Buen Pastor,	Hogar del Buen Pastor II	SM	NA
TH	Hogar Dios es Nuestro	Hogar Dios es Nuestro	SM	NA
TH	Hogar Divino Niño Jesús, Inc.	Hogar Divino Niño Jesús, Inc.	SM	NA
TH	Hogar el Camino a la	El Camino a la Salvacion II, Inc.	SM	NA
TH	Hogar Padre Venard, Inc.	Hogar Padre Venard, Inc.	SMF	NA
TH	Hogar Posada la Victoria, Inc.	Programa de Rehabilitación para Damas con Problemas de	SF	NA
ES	Hogar Ruth para Mujeres Maltratadas, Inc.	Albergue de Emergencia	HC	DV
TH	Hogar Ruth para Mujeres Maltratadas, Inc.	Guayacan Housing	HC	DV
ES	Hogar Santisima Trinidad, Inc.	Hogar Santisima Trinidad, Inc.	SM	NA

TH	Iniciativa Comunitaria de	Compromiso de Vida I	SF	NA
ES	Instituto Pre-Vocacional e Industrial de Puerto Rico	Casa Protegida Mujeres y Niños	SFHC	DV
ES	Instituto Pre-Vocacional e Industrial de Puerto Rico	Casa Protegida Mujeres y Niños	SFHC	DV
ES	La Perla de Gran Precio	Albergue para Mujeres	SF	NA
PSH	La Perla de Gran Precio	Compartir Comunitario	SMF	HIV
TH	La Perla de Gran Precio	Hogar Intermedio Nancy	SF	HIV
TH	La Perla de Gran Precio	Hogar Intermedio Nancy	SF	HIV
TH	La Perla de Gran Precio	Hogar Seguro-Programa de Deambulantes de la	SF	NA
SH	La Perla de Gran Precio	Hogar Sin Barreras Safe	SF	NA
PSH	La Perla de Gran Precio	Proyecto Integracion	SMF+HC	HIV
PSH	La Perla de Gran Precio	Tu Casa Vale	SMF+HC	HIV
PSH	La Perla de Gran Precio	Tu Casa Vale	SMF+HC	HIV
PSH	Lucha Contra el SIDA Inc.	LCS Apartment Leasing	SMF+HC	NA
TH	Lucha Contra el SIDA Inc.	Programa Nuevo	SF	NA
TH	Lucha Contra el SIDA Inc.	Re- Encontrando el	SM	NA
TH	Lucha Contra el SIDA Inc.	Re- Encontrando el	SM	NA
PSH	Lucha Contra el SIDA Inc.	Sabana Village	SMF	HIV
TH	Mental Health and Anti-Addiction Services	De vuelta a la Vida,	SM	NA
PSH	Mental Health and Anti-Addiction Services	De Vuelta a la Vida,	SMF	NA
ES	Ministerio CODESH en	Programa Centro de	SM	NA
PSH	Municipality of Aibonito	Housing Voucher for the Needed	SMF+HC	NA
RRH	Municipality of Bayamon	Servicios Comunales	HC	NA
RRH	Municipality of Carolina	Emergency Solutions	SMF	NA
ES	Municipality of Carolina	Hogar Toque del Maestro	SM	NA
ES	Municipality of Carolina	Hogar Toque del Maestro	SM	NA

TH	Municipality of Carolina	Mi Techo Seguro	SM	NA
TH	Municipality of Naranjito	Municipal Program for Housing and Supportive	HC	NA
TH	Municipality of Naranjito	Municipio de Naranjito	HC	NA
ES	Municipality of San Juan	Casa Nuestra Gente- Albergue de Emergencia	SM	NA
TH	Municipality of San Juan	Centro de Acogida- TH	SMF	NA
TH	Municipality of San Juan	Centro de Acogida- TH	SMF	NA
TH	Municipality of San Juan	Hogar Nuevos Horizontes	SFHC	DV
RRH	Municipality of San Juan	Rapid Rehousing	SMF+HC	NA
SH	Municipality of San Juan	San Juan Safe Haven	SM	NA
PSH	Municipality of San Juan	Shelter + Care Renovation	SMF+HC	NA
PSH	Municipality of San Juan	Shelter Plus Care III	SMF+HC	NA
PSH	Municipality of San Juan	Shelter Plus Care New	SMF+HC	NA
TH	Municipality of San Juan	Transitional Housing for	HC	NA
TH	Municipality of Toa Baja	Toa Baja Tansitional	HC	NA
PSH	Municipality of Vega Alta	Continuum of Care CoC Homeless Assistance	SMF+HC	NA
TH	Municipality of Vega Alta	Continuum of Care Supportive Housing	SMF	NA
PSH	Municipality of Vega Baja	VB SHP New Hope	SMF+HC	NA
PSH	Municipality of Vega Baja	Vega Baja SHP New Hope Assistance Project (2007)	SMF+HC	NA
PSH	PR Department of Housing	Rental Assistance Program CoC PR-502	SMF+HC	NA
PSH	PR Department of Housing	VA - VASH PR Department of Housing	SMF+HC	NA
TH	Proyecto Oasis de Amor Inc.	Vivienda Transitoria para	SF	NA
TH	Proyecto Oasis de Amor Inc.	Vivienda Transitoria para	SM	NA
ES	Salvation Army	Albergue Esperanza	SM	NA
RRH	Salvation Army	Proyecto Esperanza-	SMF+HC	NA
RRH	Salvation Army	Proyecto Esperanza- San	SMF	NA
TH	SILO Mision Cristiana Inc.	Casa Silo	SM	NA
TH	Solo por Hoy, Inc.	Hogar Solo por Hoy	SF	NA
TH	Teen Challenge Inc.	Teen Callenge Arecibo	SM	NA

TH	Teen Challenge Inc.	Teen Challenge Bayamon I	SM	NA
TH	Teen Challenge Inc.	Teen Challenge Buena Vista	SM	NA
ES	Casa de la Bondad, Inc.	Battered Woman Shelter	SFHC	DV
TH	Casa de la Bondad, Inc.	SHP-TH	SFHC	DV
RRH	Casa del Peregrino	SSVF	SMF+HC	
ES	Casa del Peregrino	Albergue-HOPWA	SMF	HIV
ES	Casa del Peregrino	Casa Del Peregrino	SMF	NA
TH	Casa del Peregrino	GPD-Proyecto David	SMF+HC	
ES	Casa del Peregrino	Proyecto San José	SMF	NA
TH	Casa Renuevo de Amor	Casa Renuevo de Amor	SF	NA
TH	Centro de Ayuda al	CAM Transitional Housing	SM	NA
TH	Centro Para Deambulantes Cristo	Cristo Pobre	SM	NA
PSH	Centro Para Deambulantes Cristo	La Caridad de Cristo	SM	NA
ES	Clara Lair	Hogar Clara Lair	SFHC	DV
ES	Coalition Pro-Homeless of the Eastern Area	Albergue la Alianza	SM	NA
ES	Coalition Pro-Homeless of the Eastern Area	Senderos de Esperanza	SMF	NA
ES	CORDA de PR	CORDA de PR	SM	NA
PSH	Corporación Milagros del Amor, Inc.	Por Mi Hogar	SMF+HC	NA
RRH	Corporación Milagros del Amor, Inc.	Programa de	SMF+HC	
SH	Corporación Milagros del Amor, Inc.	Vereda del Rio	SMF	NA
TH	COSSMA	Esperanza Village	SM	NA
TH	COSSMA	Rayo de Esperanza	SM	NA
ES	Cristo Mi Fortaleza	Cristo Mi Fortaleza	SM	NA
PSH	Departamento de la	HUD VASH	SMF+HC	
PSH	Estancia Corazon Inc.	Comunidad Belen	SMF	NA
ES	Estancia Corazon, Inc.	Hogar de Adulto Alberque de Emergencia	SM	NA
TH	Estancia Corazon, Inc.	Hogar de Adultos	SMF	NA
ES	Fortaleza del Caído	Albegue Fortaleza del	SMF	HIV
ES	Fortaleza del Caído	Albergue Fortaleza del	SF	HIV

SH	FUNDESCO	El Camino	SMF	NA
RRH	FUNDESCO	Hogar Dulce Hogar	SMF+HC	
TH	FUNDESCO	La Piedad	SFHC	DV
ES	FUNDESCO	Los Peregrinos	SMF	NA
PSH	FUNDESCO	Posada de Jesus	SM	NA
ES	Hogar Crea, Inc	Damas Trujillo Alto	SFHC	NA
TH	Hogar Luz de Vida Inc.	Hogar Luz de Vida	SM	NA
TH	Hogar Luz de Vida Inc.	Hogar Luz de Vida II	SM	NA
ES	Hogar Maria Del Carmen	Hogar Maria Del Carmen	SMF	NA
ES	Hogar Nueva Mujer Santa María de la Merced, Inc.	Hogar Nueva Mujer	SFHC	DV
TH	Hogar Nueva Mujer Santa María de la Merced, Inc.	Vivienda Transitoria -	SFHC	DV
ES	Hogar Nuevo Pacto	Hogar Nuevo Pacto	SM	NA
ES	Hogar Resurrección, Inc.	Hogar Resurreccion	SM	NA
TH	Instituto Pre Vocacional e Industrial de PR, Inc.	Hostal Getsemani	SM	NA
TH	Lucha Contra El SIDA	Lucero del Alba	SM	NA
PSH	Lucha Contra El SIDA	Remanso de Paz	SMF	NA
ES	Mision Alpha y Omega	Mision Alfa y Omega	SM	NA
TH	Municipio de Aguas	Leasing TH	SMF+HC	NA
RRH	Municipio de Añasco	Programa de	SMF+HC	
PSH	Municipio de Cayey	Shelter Plus Care Program	SMF+HC	NA
TH	Municipio de Cidra	Leasing TH	SMF+HC	NA
TH	Municipio de Cidra	Programa Renace	SFHC	NA
PSH	Municipio de Coamo	Coamo Shelter plus Care	SMF+HC	NA
PSH	Municipio de Guayama	Shelter Plus Care	SMF+HC	NA
OPH	Municipio de Hormigueros	HOPWA	SMF+HC	HIV
PSH	Municipio de Hormigueros	Shelter Plus Care Program	SMF+HC	NA
RRH	Municipio de Humacao	Programa de	SMF+HC	
PSH	Municipio de Humacao	Shelter Plus Care	SMF+HC	NA
PSH	Municipio de Isabela	Isabela Shelter plus Care	SMF+HC	NA
RRH	Municipio de Jayuya	Jayuya - RRH	SMF+HC	
PSH	Municipio de Jayuya	Jayuya Rental Assistance	SMF+HC	NA
ES	Municipio de Mayaguez	Albergue San Gabriel	SM	NA
RRH	Municipio de Mayaguez	ESG RRH	SMF+HC	
RRH	Municipio de Mayaguez	Mayaguez ESG-RRH	SMF+HC	NA
PSH	Municipio de Mayaguez	Shelter Plus Care	SMF+HC	NA
RRH	Municipio de Naguabo	Programa de	SMF+HC	
PSH	Municipio de Naguabo	Shelter Plus Care Program	SMF	NA

RRH	Municipio de Ponce	ESG RRH	SMF+HC	
ES	Municipio de Ponce	Hogar Ernestina Rodríguez	SMF	NA
PSH	Municipio de Ponce	Shelter Plus Care	SMF+HC	NA
PSH	Municipio de San German	Shelter Plus Care Program	SMF+HC	NA
ES	Municipio de Yauco	Albergue Renace	SM	NA
PSH	Municipio de Yauco	Permanent Housing	SMF+HC	NA
PSH	Municipio de Yauco	Shelter Plus Care	SMF+HC	NA
ES	O.B.R.A.S. Inc.	Hogar RUT	SF	NA
ES	Oficina ProAyuda Personas con	Hogar Casa Dorada	SMF	NA
TH	Proyecto Amor Qua Sana, Inc.	Casa Ana Medina	SF	NA
SH	Proyecto Amor Qua Sana, Inc.	Safe Haven	SMF	NA
ES	Proyecto Guara-Bi, Inc.	Albergue Guara Bí	SM	NA
PSH	Proyecto Guara-Bi, Inc.	Guara Bí Permanent	SM	NA
TH	Proyecto Guara-Bi, Inc.	TH Proyecto Guara-bi	SM	NA
PSH	Proyecto MATRIA, Inc.	Gaia - Permanent Housing	SFHC	DV
TH	Proyecto MATRIA, Inc.	Gaia Transitional Housing	SFHC	DV
ES	Teen Challenge	Teen Challenge TH	SF	NA
TH	Veteran Homestead, Inc.	GPD-Hacienda El veterano	SM	NA

General Allocation Priorities

ESG

Program funds are distributed through a competitive process. Thus, the ultimate geographic distribution of the assistance cannot be predicted. For the last five years of consolidated planning, the Department of the Family has been promoting and encouraging participation of recipients in different activities island-wide, by establishing a criterion based on the geographic impact of the organization. These regions were defined based on data from the PIT Count and in consultation with CoCs.



MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

HOPWA Assistance Baseline Table

Type of HOPWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	96
PH in facilities	0
STRMU	84
ST or TH facilities	103
PH placement	14
Supportive Services	709

Table 37 – HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

To the extent information is available, this section describes facilities and services for people who are not homeless but nonetheless require supportive housing and programs. This group includes persons returning from mental and/or physical health institutions.

Persons with HIV/AIDS and their families

The Department of Health covers many of the specific needs of this population. Also, community-based organizations (including faith-based organizations) provide housing, food services, case management, medical services to both sexes, and services to women and their children. Such organizations also offer psychological services, referrals to mental and physical health professionals, and vocational training. They likewise provide a continuum of care that includes counseling and treatment for drug abuse and housing services. An inventory developed for the HIV Jurisdictional Plan, developed by the PRDOH, identified a total of 102 organizations that work with HIV/AIDS.

Victims of Domestic Violence

The Department of the Family provides primary services. Cases received by the Department are eventually referred to nonprofit organizations that provide necessary support services such as orientation, temporary and transitory shelter, mental health, child care, food services, transportation and escort to medical appointments, emotional therapy and psychological services, educational talks, and employment training.

Persons with Disabilities

The Department of Education provides educational services adapted to the needs of persons with disabilities. These services are provided at specialized centers designed to serve this specific population. All services are provided by personnel trained to work with disabled persons.

The Department of Health offers physical and mental health services to persons with disabilities through the Health Reform and other programs of the agency.

Municipal governments and local health centers provide medical equipment, medication, medical treatment, accessible physical and mental health services, and transportation to obtain services, employment training, employment opportunities, and rehabilitation and occupational therapy programs.

The Department of Housing provides housing adapted to the disabled's needs, ensuring that units are located near health and transportation centers.

More information

Children who are victims of child abuse and neglect

The Department of Health and the Division of Rehabilitation Services provides medical and rehabilitation services through the Department's seven pediatric centers.

The Department of Education provides specialized services to meet the needs of abused children. Such services include social orientation, tutoring, orientation and counseling to the child and family, and referral to the Department of Health in the case of conditions identified by teaching staff.

Persons with addiction to drugs and alcohol

Most services aimed at this population are provided by **not-for-profit** organizations and the Administration of Mental Health and Other Drug Abuse Services. Services include rehabilitation, temporary shelter, food services, personal cleanliness, emotional therapy, orientation and counseling, and prevention talks. Some facilities are specifically designed for women.

The Puerto Rico Department of the Family has enacted and implemented a protocol for pre-discharge planning and services to youth in foster care, including areas of intervention, service activities, norms and procedures, staff responsible, assessment, and planning forms. The intervention areas include education, employment, daily living skills, physical and mental health, legal, social, and housing aspects. Services are carried out by the social work staff of the Independent Living Division of the Administration for Families and Children with youth 16 to 21 years of age scheduled for discharge from the foster care system and directed to their socio-economic independence and emancipation. For youth able to live independently, rental housing alternatives are identified and coordinated, including stipends for a designated period. For handicapped youth requiring additional services, assisted housing is coordinated with mentoring services.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The state will be providing several activities to address the needs of persons who are not homeless but have other special needs. These activities include support to HOPWA as well as support to the programs mentioned above. Through HOPWA the State will provide housing assistance and supportive services to the HIV population by sponsoring the following activities: Housing Assistance Services (Temporary housing, transitional housing with supportive services, and permanent housing, and emergency financial assistance); and Support Services (Daycare, nutrition, health, and mental, and case management). These supportive services will be provided to clients who do not have health insurance plans to cover such expenses. CDBG public service activities will also complement such efforts. Following the State Housing Plan's proposed actions, the state will provide secure permanent housing for special needs populations. Incentives in the form of modifications to the method of distribution criteria to several federal programs (Unified NOFA) will increase the number of projects directed towards these populations. The one-year goals for the homeless provide supportive services and homeless prevention to the special need's population. See Section AP-25 for one-year goals.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

The main policy barriers include construction taxes, the permitting process, land use regulations, environmental regulations and offsite requirements imposed by public utilities. The Builders Association (before the Home Builders Association) provided written comments. These are summarized below:

- Lack of inconsistent treatment and application of construction fees and taxes by municipalities increase tax costs and transactional costs, which cause budget shortfalls and increase the cost of housing and financial uncertainties. Municipalities should have a maximum tax load on housing projects and should apply their taxing power consistently across the Island to reduce transactional costs and budget uncertainties.
- Costly and unreasonable offsite requirements by public utility companies, which exceed need of the project. These have the impact of increasing the cost of development by delaying project planning, its approval and increasing the infrastructure cost per unit. Developers are of the opinion that utilities use their permitting power to solve infrastructure deficiencies, a practice that passes the cost of deferred maintenance and investment of existing infrastructure to new developments that disproportionately increases the cost of new construction housing.
- Although the Government of Puerto Rico has improved the permitting process, it is yet considered by the industry as an inefficient and ineffective system, when compared to other jurisdictions. The industry mentions as the main issues affecting the, simplicity, agility and efficiency of the permitting process is the lack of technical capacity, transparency and the mechanisms used by OGP and other public servants intervening in the permitting process. They are of the opinion the Puerto Rico's Certification Law has not been adequately implemented. This law passes the responsibility to certify building codes compliance to license professionals.
- The government of Puerto Rico has not reviewed the law to regulate detached housing developments. The law allowing neighborhoods to establish controlled access mechanisms has not been reviewed since its inception in 1987. The industry understands that the current law is obsolete and represents a barrier to the proper and effective planning of detached housing developments. This can be the basis for disputes or controversies with municipalities and agencies in the process of planning and developing new construction housing projects.
- The existence of overlapping environmental, infrastructure and planning laws and regulations, at the local level, some of which duplicate current federal regulations increase the predevelopment costs. The industry recommends evaluating and reviewing these regulations to identify necessary and relevant rules and procedures.
- Other planning and permitting instruments or regulations that merit being carefully reevaluated and reviewed are the Land Use Plan and the Joint Permit Regulation of Law 161 of 2009, as amended. According to developers, the first restricts potential developments in much of the available territory and establishes inflexible mechanisms that do not allow harmonizing development with the protection of the environment and resources. The Joint Regulations remain in a judicial controversy and it is expected that a review will be carried out.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

This section describes the local economy's structure by analyzing the contribution to jobs and income by economic sector. The 2018-2023 ACS reported a civilian labor force of 1,266,487, of which 1,113,397 were employed, for a civilian employment-to-population ratio of 34.2%. The unemployment rate for the civilian labor force between the ages of 16-24 was 30.7% in the 2018-2023 period.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	14,956		1.3%		
Arts, Entertainment, Accommodations	106,310		9.5%		
Construction	70,695		6.3%		
Education and Health Care Services	240,689		21.6%		
Finance, Insurance, and Real Estate	62,395		5.6%		
Information	17,890		1.6%		
Manufacturing	100,582		9.0%		
Other Services	67,680		6.1%		
Professional, Scientific, Management Services	121,743		10.9%		
Public Administration	89,185		8.0%		
Retail Trade	147,231		13.2%		
Transportation & Warehousing	43,097		3.9%		
Wholesale Trade	30,944		2.8%		
Grand Total	1,113,397		100.0%		

Table 38- Business Activity

Alternate Data Source Name:

2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)

Data Source Comments: 2016-2020 ACS (Workers). Jobs data from the Longitudinal Household Employer Dynamics (LODES) was discontinued for Puerto Rico.

Labor Force

Total Population in the Civilian Labor Force	1,266,487
Civilian Employed Population 16 years and over	1,113,397
Unemployment Rate	12.1%
Unemployment Rate for Ages 16-24	30.9%
Unemployment Rate for Ages 25-65	9.9%

Table 39 - Labor Force

Data Source: 2019-2023 ACS

Occupations by Sector	Number of People
Management, business and financial	366,734
Farming, fisheries and forestry occupations	9,352
Service	227,322
Sales and office	279,415
Construction, extraction, maintenance and repair	96,459
Production, transportation and material moving	134,115

Table 40 – Occupations by Sector

Data Source: 2019-2023 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	586,025	57.2%
30-59 Minutes	323,688	31.6%
60 or More Minutes	115,130	11.2%
Total	1,024,843	100.0%

Table 41 - Travel Time

Data Source: 2019-2023 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	56,543	21.00%	126,774
High school graduate (includes equivalency)	218,238	14.10%	203,139
Some college or Associate's degree	273,568	11.10%	150,807
Bachelor's degree or higher	407,528	5.80%	121,758

Table 42 - Educational Attainment by Employment Status

Data Source: 2019-2023 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–64 yrs	65+ yrs
Less than 9th grade	4,798	11,723	19,406	74,956	195,764
9th to 12th grade, no diploma	17,125	15,002	21,886	55,422	78,303
High school graduate, GED, or alternative	80,762	111,379	104,063	242,079	212,651
Some college, no degree	138,131	70,760	49,783	106,629	57,793
Associate’s degree	25,686	64,167	57,653	110,786	49,206
Bachelor’s degree	30,990	119,586	93,618	185,581	101,139
Graduate or professional degree	1,393	34,354	41,775	81,059	45,541

Table 43 - Educational Attainment by Age

Data Source: 2019-2023 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	\$12,760
High school graduate (includes equivalency)	\$17,033
Some college or Associate’s degree	\$20,061
Bachelor’s degree	\$28,988
Graduate or professional degree	\$41,197

Table 44 – Median Earnings in the Past 12 Months

Data Source: 2019-2023 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

The largest sectors of employment in Puerto Rico are educational and health care services, retail trade, and professional, scientific, and management services. These sectors account for 45.7% of the employment in the island.

Describe the workforce and infrastructure needs of business in the state.

Puerto Rico’s labor force has been increasing steadily since 2018, as has its labor force participation rate (44.5% in 2024). After a fall in the aftermath of hurricane Maria, a combination of the arrival of reconstruction funds and pandemic aid (which led to a large formalization of informal labor) has led Puerto Rico to also have a historically low unemployment rate of just 5.6% in 2024. This is still the second highest unemployment rate of any state, but below the 1990-2013 average of 13.4%. Despite this progress, Puerto Rico’s labor force participation rate is amongst the lowest in the world.

The Puerto Rico Department of Economic Development and Commerce established in its WIOA Unified State Plan 2024 the economic sectors with the most demand on the island through 2031. These include

home health and personal care aids, cooks, software developers, fast food and counter workers, general and operations managers, waiters, and nurses.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The principal industrial sectors with the highest share of GDP output for FY 2023 were Manufacturing (45.6%), Real Estate and Retail (16.1%), Retail Trade (6.5%), Government (4.7%), and Health Care and Social Services (4.4%). These five sectors make up 77% of Puerto Rico's economic output in FY2023.

When comparing major GDP sectors between 2023 and 2019, the largest percentage increases were in Arts, Entertainment and Recreation (93.8%), Information (57.2%), and Professional, Scientific, and Technical Services (51.2%). The largest dollar increase in this period was in manufacturing (\$3.6 billion) followed by Real Estate and Rental (\$1.9 billion). During this same period, Management of Companies and Enterprises (-7%), Finance and Insurance (-4.9%) and Government (-5.3%) all experienced decreases in their economic output.

In 2023, the major occupation categories with the largest gains in employment compared to 2019 were Arts, Design, Entertainment, Sports, and Media operations, Business and Financial Operations, and Construction and Extraction operations. The largest decreases in employment were for Educational Instruction and Library occupations, Personal Care and Service operations, and Architecture and Engineering occupations.

For the period between 2019 and 2023, according to BLS data the top increases in employment per occupation were in Elementary School Teachers Except Special Education (4,130), Accountants and Auditors (3,730), Registered Nurses (3,350), Janitors and Cleaners except Maids and Housekeeping Cleaners (3,270), and Customer Service Representatives (3,170).

The construction industry in Puerto Rico has experienced an increase in economic activity following hurricane Maria, which led to billions in reconstruction funds and the necessity of large infrastructure projects, and the pandemic, which led to increased demand for housing on the island, particularly at higher income levels. There are currently \$2.9 billion in R3 (Home repair, reconstruction, or relocation program) funds available, which should lead to elevated levels of construction activity for the next few years.

Employment in the construction industry has grown by 43% since 2020 and is at its highest level since 2009. Construction is expected to be a major source of economic growth and development in Puerto Rico. Demand for employment in construction will likely keep increasing as long as federal funds are disbursed.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

According to US Census Bureau estimates for 2023, there are around 2.4 million individuals over the age of 25 in Puerto Rico, of which 46% are men and 54% are women. In this population, 47% have a high school degree or less, while the remaining 53% have at a minimum some college studies. 22% of men in this age group have achieved less than a high school degree, compared to 17% of women. Among women, 33% have bachelor's degree or higher, while this total is just 24% for men.

By educational level, unemployment is concentrated among those with a post-secondary/technical/vocational preparation, while those with a bachelor's degree and higher have lower unemployment. There is a clear correlation between educational attainment and employment.

It is undeniable that the Puerto Rico labor market faces many difficulties caused by internal and external factors. Low participation rate and high unemployment prove that labor supply and demand do not match adequately. The government of Puerto Rico has important strategic initiatives, including an aerospace cluster, science, technology clusters, international insurance center, international financial center, Ponce's Port of the Americas, and Act 20 for service exports. Such initiatives will demand jobs in specific industries and occupations in the next years. These new jobs will require different educational requirements and skills.

According to the Puerto Rico Labor Department 10-year forecast for 2032, there is an expected increase in employment of 28,792 (18.7%). Out of the 49,85 new jobs that are forecast to be needed in 2032, 32.4% will require no formal education, 48.1% will require a high school diploma or equivalent, and 19.4% will require a bachelor's degree or higher.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

The Workforce Program under the Puerto Rico Department of Economic Development and Commerce administers the funds of the Workforce Innovation and Opportunity Act (WIOA). The core partners of this program are the Department of Labor and Human Resources, Vocational Rehabilitation Administration, and the Department of Education. These agencies together have developed the following initiatives for the period of 2020-23, which are:

1. Increase the utilization of Registered Apprenticeship programs as viable talent development opportunities.
2. Increase connections with employers and Vocational Rehabilitation agencies to provide support and employment for youth and adults with disabilities.
3. Partner with K-12 education, higher education, career, and technical education, and adult education to provide consistent rules and eliminate barriers to implementing training programs around the State.
4. Develop an image-building outreach campaign that educates citizens about the services and the career development opportunities available in the State.
5. Develop an integrated data system that will enable sharing information between partner agencies to more efficiently serve both employers and job seekers.
6. Promote training that leads to industry-recognized credentials and certification.
7. Improve the reach of the English language literacy activities throughout the population of job seekers in need of English language skills.
8. Improve coordination with programs that combine education, job training and preparation, counseling, and supportive services to benefit out-school youth.
9. Increase access to education for those that have barriers.
10. Integration of agricultural workforce development programs.
11. The AEP will initiate a pilot project with the (I-BEST) strategy, a model that boosts students' literacy and work and college readiness skills, so students earn credentials, get living-wage jobs, and put their talents to work.
12. Design of contextualized Instruction, including the STREAM approach.

13. The DEPR-AEP will foster the development and implementation of technology applications, translation technology, and distance education, including professional development, to support instructional technology use.

Describe any other state efforts to support economic growth.

The Department of Economic Development and Commerce (DEDC) is the umbrella entity for critical economic development agencies in Puerto Rico. Created in 1994, the DEDC is at the leading edge of Governor's policy of taking the most out of Puerto Rico's fiscal autonomy as a tool for promoting local and foreign investment. This vision allows for the creation of thousands of jobs in manufacturing, aerospace, telecommunications and information technology, engineering services, scientific research, and others.

To achieve these strategic goals, the DEDC is working on initiatives that:

- Create a new tax and economic incentives for high technology industries and start-ups and locally owned businesses.
- Improve Puerto Rico's regulatory and structural framework to enhance its competitiveness as a destination for investment and the production of high-value goods and services.
- Establish regional centers, or "poles," of economic activity throughout the island; and
- Grow critical sectors, including manufacturing, tourism, commerce and exportation, film and visual arts, banking, and insurance.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

The following municipalities show a concentrated percentage of households with one or more housing problems: Toa Alta (34.8%), San Juan (33.8%), Carolina (33.4%), Rio Grande (33.1%), Santa Isabel (32.7%), Arroyo (31.1%), and Gurabo (30.9%).

These were identified based on the following criteria: municipalities having a percentage of housing with one or more housing problems 15% above the Commonwealth's average (26.5%), as per the CHAS data for Puerto Rico.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

The CHAS identified a small number of non-Hispanic minorities. In Puerto Rico, most of the population is considered Hispanic, so the representation of other ethnic groups is considerably lower in comparison. The municipalities with the highest percentage of non-Hispanic population are Culebra (8.7%), Rincón (4.7%), Vieques (4.2%), and Aguada (4.1%).

According to the ACS 2023 five-year estimates, Puerto Rico's population is 35.2% white alone, with the figure for non-entitlement municipalities being 37%. An additional 7.3% of the population is black alone while in non-entitlement municipalities it is 7.4% black alone. 30% of Puerto Rico's population defined themselves as multi-racial (two or more races) while the total for non-entitlement municipalities was 29.8%. Puerto Rico's citizens overwhelmingly identify as Hispanic, with the total being 98.8% for the island as a whole and 98.9% in non-entitlement municipalities.

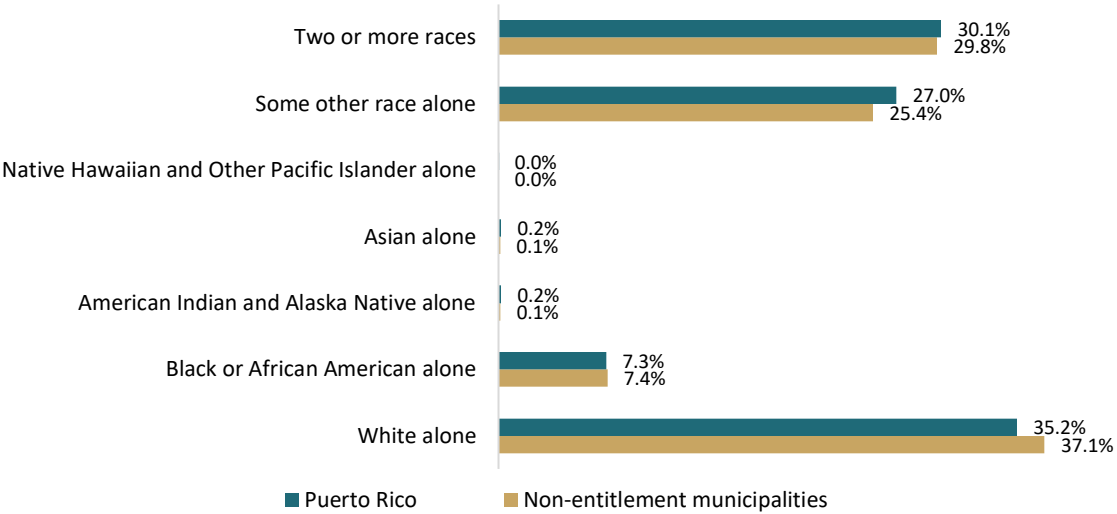
Population by Race, 2023

Race	Non-entitlement municipalities	Puerto Rico
Total	1,187,024	3,254,885
White alone	37.1%	35.2%
Black or African American alone	7.4%	7.3%
American Indian and Alaska Native alone	0.1%	0.2%
Asian alone	0.1%	0.2%
Native Hawaiian and Other Pacific Islander alone	0.0%	0.0%
Some other race alone	25.4%	27.0%
Two or more races	29.8%	30.1%
Hispanic or Latino	98.9%	98.8%

Race	Non-entitlement municipalities	Puerto Rico
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Source: American Community Survey 2019-2023 5-year estimates.

Population by Race, 2023



Source: American Community Survey 2019-2023 5-year estimates.

Non-Hispanic households have a greater rate of incidence of housing problems than Hispanic households which make up 98.8% of the total. Compared to 26.5% of occupied housing units with one or more housing problems for the general population, 31% of non-Hispanic households suffer from one or more housing problems. It must be noted however that non-Hispanic Households total 11,455, whereas there are a total of 1,183,509 Hispanic households. Black populations with housing problems are primary concentrated in entitlement, urban municipalities, such as San Juan, Bayamon, and Carolina.

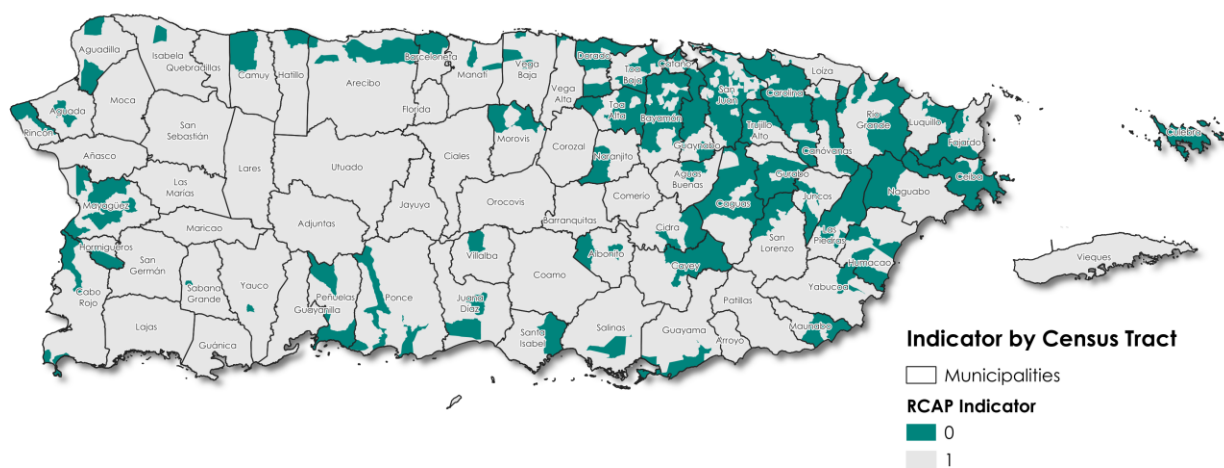
Percentage of non-white population by Municipality 2023



A 37.7% of Puerto Rico's population identified themselves as not being white. Out of the total of 1,227,029 who identified themselves as races other than white, 438,388, or 35.7%, live in non-entitlement municipalities. 9 out of the ten municipalities with the highest percentage of non-white residents are non-entitlement municipalities. 21 municipalities have a non-white population percentage that is 15% greater than the island average. The municipalities with the highest non-white population percentages are Patillas (90.8%), Yabucoa (90.5%), Las Piedras (89.9%), and San Lorenzo (88.6%). These five municipalities are all on or near the island's east coast.

ACS 2023 housing tenure data shows a homeownership rate of 68.1% for the island as a whole and a rate of 71.7% in non-entitlement municipalities. There is a slight disparity between white only and black only home ownership rates, 70.3% and 66.5% respectively. Both are slightly higher in non-entitlement municipalities. Non-white households have a slightly lower homeownership rate, 67%. Ownership rates are lowest in urban municipalities such as Mayagüez and San Juan while municipalities that are suburbs of the Ponce and San Juan metro areas such as Dorado. Toa Alta, Santa Isabel, and Juana Díaz show the highest rates of homeownership.

Racially/Ethnically Concentrated Area of Poverty



Social Infrastructure

The most important social infrastructure are municipalities and community organizations. All municipalities have either divisions or processes to engage the community and coordinate outreach activities and the prioritization and provision of services. Many have a structure of community leaders that provide a channel of communication and coordination with the municipality. This infrastructure is used as vehicle to conduct outreach in communities in many social matters. Some municipalities in coordination with the State CDBG program have used this channel to further fair housing.

What are the characteristics of the market in these areas/neighborhoods?

The characteristics of these municipalities are diverse. Typically, minorities concentrate in communities having below-average housing values and above-average substandard housing conditions.

Are there any community assets in these areas/neighborhoods?

Community Amenities/ Environmental and Recreational Assets

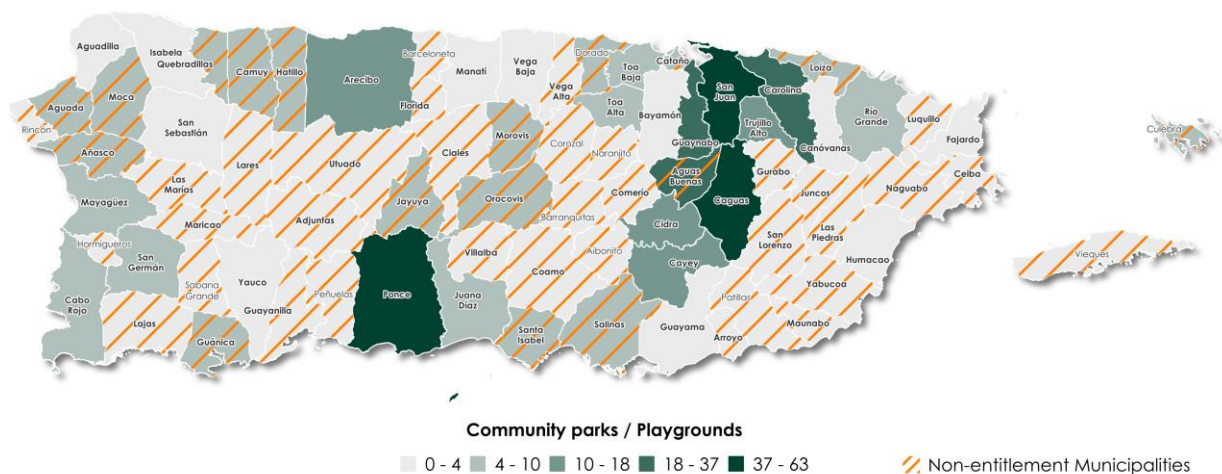
Parks, court, and outdoor sports facilities are the most abundant outdoor recreational facilities, according to the Statewide Comprehensive Recreation Plan (SCORP) for Puerto Rico 2020-2025 (Puerto Rico National Parks Company, 2020). However, there are many issues facing these facilities. In Puerto Rico, public parks are administered by Commonwealth agencies and municipalities.

According to the SCORP, most of these parks are sports related, with basketball courts (707), followed by softball/baseball fields (312) being the most common. However, significant challenges have been identified, including fear of crime, poor access, a lack of opportunities for different segments of the population, and a lack of government coordination. Changes in demographics, such as an increase in the older population segments, may require modifying these public spaces to address the population's recreation needs and preferences. In fact, the SCORP identified the need to adapt many of the facilities as these were developed before the enactment of the American with Disabilities Act (ADA).

Many facilities that were affected by Hurricane Maria have yet to be repaired, according to the SCORP. The same plan also states that the Puerto Rico Department of Natural and Environmental Resources, the Commonwealth agency in charge of these parks, has a limited fiscal capacity, and even with federal reconstruction funds, which have been slow to be disbursed, it is difficult to improve and expand existing infrastructure.

Besides the condition of the parks, proper access is a concern for many communities. Parks are not distributed evenly through Puerto Rico, concentrating in the San Juan Metropolitan Area. As a result, other municipalities through Puerto Rico, especially the non-entitled, have fewer available parks and public places, as shown in the following map.

Distribution of parks in Puerto Rico and non-entitled municipalities



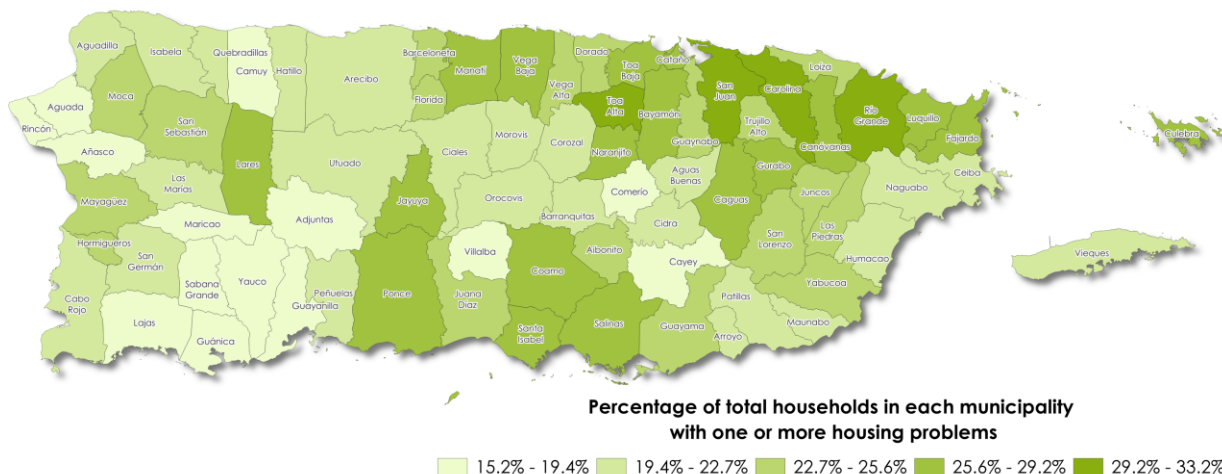
In Puerto Rico it is required that every new residential development provides community amenities such as outdoor recreational and cultural facilities, according to Chapter 17 of the Joint Permit Regulation (JPR), Regulation No. 31 of 2010. However, for the purpose of increasing the offer of affordable housing in urban areas by reducing construction costs, the Puerto Rico Planning Board exempts developers from providing neighborhood facilities although they are required to leave an area for a park properly graded and leveled (JPR, Section 18.2.6).

Are there other strategic opportunities in any of these areas?

Certain municipalities having a large concentration of households with housing problems are benefiting from local economic development initiatives. These communities may experience a greater need for housing for low and moderate-income workers. The following table summarizes the relation of each community with the Commonwealth's Economic Development Plan.

Region	Economic Development Initiative or Industry Focus
Aguadilla Region municipalities	Tourism/ Aeronautics/ Logistics/ Agriculture/ Manufacturing
Eastern Region	Tourism/ Strategic Projects- Roosevelt Roads Redevelopment
Southwest Region	Agriculture/ Local Tourism
North-Central Region (Dorado and nearby municipalities)	Tourism, Real Estate Development, Health, Tax Incentives for Individuals Relocating to Puerto Rico, Export of high value services
Central Mountainous Region	Agriculture/ Ecotourism

Table with regions



Map: Municipalities with higher proportion of household with problems 2023

CDBG-DR Market Analysis

Fragility in the housing market has come to full exposure as a result of Hurricanes Irma and María. The degree of damage caused by the hurricanes was worsened due to the widespread destruction of inadequate housing structures and damage to unoccupied, unmaintained homes. It has been estimated

that anywhere from 45% to 55% of Puerto Rican households have either erected or maintained houses through informal construction, a self-managed construction method completed without the use of an architect or engineer, proper permits, and often in non-conformance with land-use codes. In many cases, informal construction also occurs without proper title to the land. This construction type reduces the structural integrity of homes and renders them ineffective to withstand hurricanes and other natural environmental conditions.

The market's reality is that cost-burdened households face exacerbated challenges in the search for safe, affordable housing. More than 14,500 tenant households and more than 13,300 owned homes are overcrowded by one (1) or more persons. Funds are needed to repair or reconstruct aging and fragile structures, informally constructed homes, and homes unlawfully located on public lands or through an illegal subdivision. With compounded factors including overcrowding, thousands of financially overburdened households, an aging population, and out-migration of residents under forty (40), the need for comprehensive recovery is critical.

SINGLE FAMILY HOUSING MARKET

Hurricanes Irma and María have exacerbated an already challenging housing market. A reduction in wage base in the economy has reduced the population's buying power, limiting homeowner mobility, reducing the purchase of higher value homes, and in many cases creating conditions for foreclosure. With changing economic conditions and evolving household makeup, Puerto Rico has seen little investment in homes valued above \$100,000, and more demand for affordable housing. An increase in single-parent households and a decrease in average household income shows a population of declining means. According to ACS 2012- 2016 data, Puerto Rican households have a median income of \$19,606, which is significantly lower than the poorest state in mainland US, Mississippi, with a median household income of \$40,528, and almost 60% less than the US median household income of \$55,322.

Fifty-five (55) % of the occupied housing units in Puerto Rico have less than \$150,000. Before the hurricanes, single-family housing stock was at 1,555,880 units, with approximately 1.2 million of those homes occupied. According to FEMA IA data, over 1.06 million households, or households representing 88% of total housing units, have applied for disaster assistance. As home prices have adjusted to economic conditions and devalued over time, homeowners have been unable to accumulate the capital required to improve their living conditions or accommodate expanding households. According to the Puerto Rico Builders' Association Study, Puerto Rico has seen a 25% drop in property values over the last ten (10) years from \$219,170 in 2007 to \$164,470 in 2017. Total sales (and by price ranges) have been reduced to a compounded annual rate of 14.5% between 2004 and 2016. The reduction has been more robust in prices of more than \$160,000 per unit.

According to the Department of Housing and Urban Development (HUD), as of April 30, 2018, there were 116,789 FHA Forward Mortgages, representing \$10,262,381,738 in unpaid balance. With FHA-insured mortgages in default, some debtors, who were ineligible for FHA's Loss Mitigation Program, have been given an extended moratorium on foreclosure. There is a high risk of a foreclosure on these properties that will follow the moratorium expiration on August 16, 2018. The delinquent loan count increased from 17,475 on August 31, 2017 (before the hurricanes), to 28,940 on April 30, 2018. This represents a financial exposure of over \$2.6 billion in delinquent loans in Puerto Rico. This could lead to vacated homes adding to the already aging stock of unoccupied homes with significant deterioration or damage expected to prevent resale.

Aging housing stock further contributes to the decrease in property value, eroding residents' wealth, and asset accumulation. About 40% of the housing stock was built before 1970, with 31% of homes constructed between 1970 and 1989.

MULTIFAMILY HOUSING MARKET

According to ACS 2012-2016 data in 2016, there were 1,237,180 housing units in Puerto Rico, of which 31.4 % were occupied in 2016 by 388,445 renters.

According to the Puerto Rico Builder's Association study, 56.8% of currently rented properties rent for less than \$500 a month, representing more than half of the renters' population. Approximately 36.4% of renters pay between \$500 and \$999 in rent per month, while 6.8% pay between \$1,000 to \$3,000 per month. An estimated 53,000 tenant households live in substandard housing.

Although sufficient rental units may exist, demand for high-quality, affordable rental housing has increased with economic challenges. Households may earn income just above the poverty line, disqualifying them from critical assistance, but too little to afford higher quality rental housing options. These households may earn between \$15,000 to \$25,000 in annual income.

A recorded 345,333 renter households applied for FEMA IA assistance due to Hurricanes Irma and María. This number of units with confirmed damage may increase as the assessment of damage and inspections for code compliance post-hurricane continues. There is a strong need to formalize the island-wide rental market reporting and standard housing compliance in the rental market recovery. Aging buildings impacted by the hurricane will need to be addressed with a focus on resilience. More than 76% of the Island's rental stock was constructed before 1990.

For details go to: <https://cdbg-dr.pr.gov/en/action-plan/>

IMPACT TO PUBLIC HOUSING

The Puerto Rico Public Housing Authority (PRPHA) is the second-largest housing authority in the US, with over 53,000 units across 327 properties. There are also approximately 30,000 households using Housing Choice Vouchers and 18,000 households in project-based Section 8 units. The PRPHA reported 15,386 public housing units with damage, with initial damage claims over \$119 million. Full damage assessments are still being completed, and the damage amount is expected to rise. As insurance claims are negotiated with insurers, the amount of unmet needs is expected to adjust. FEMA's available funding for public housing finance requests is under development and will not be complete before this Action Plan's due date. Until such funding levels can be determined, the real unmet need in public housing is incomplete.

There were 25,000 persons on the public housing waiting list before the hurricanes and 7,955 (as of June 2014) on the Section 8 waiting list. PRPHA has been implementing mixed-income, mixed-finance strategies as part of its Asset Repositioning Strategic Plan to generate high-quality, diversified housing options. The Gladiolas mixed-finance development, which was still being completed at the time of hurricane María, is an example of this new strategy, which incorporates public housing units, Section 8 voucher units, market rate, and tax-credit units. Asset repositioning will continue to play a vital role in the recovery process, leading to high-quality, diversified housing options for residents across all housing assistance and income categories.

For details go to: <https://cdbg-dr.pr.gov/en/action-plan/>

CDBG-DR & CDBG-MIT needs & market analysis

1. CDBG-DR:

Hurricanes Irma and María exacerbated an already challenged housing market. A reduction in wage base in the economy has reduced the population's buying power, limiting homeowner mobility, reducing the purchase of higher-value homes, and in many cases creating conditions for foreclosure. Cost-burdened households face exacerbated challenges in the search for safe, affordable housing. Funds are needed for the repair or reconstruction of aging and fragile structures, informally constructed homes, and homes unlawfully located on public lands or through illegal subdivision. With compounded factors including overcrowding, thousands of financially overburdened households, an aging population, and the out-migration of residents under forty (40), the need for comprehensive recovery is critical.

As identified by the Puerto Rican Planning Society using U.S. Census data, there are an estimated 92,629 vacant housing units in the municipalities of San Juan, Bayamón, Carolina, Ponce, and Mayagüez alone. The availability of these vacant housing units underscores the importance of the housing choice options that HUD-certified housing counselors will coordinate with impacted individuals by ensuring that residents can access existing units. As outlined in the CDBG-DR Action Plan housing program section, rehabilitation and renewal of existing housing units will be a primary course of action for residents who choose to relocate and need new housing.

2. CDBG-MIT:

Through research of flood and landslide risks associated with rain, tropical storm, and hurricane events, and flooding caused by coastal erosion and sea level rise, PRDOH has observed a clear need for relocation of residents in high-risk flood and landslide-threatened homes, to remove them from repetitive loss and harm through a buyout or relocation option that provides a swift and effective remedy against continued threat.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

According to ACS data, there were 1,239,243 households in Puerto Rico during the 2019-2023 period. Of this total, 77.6% of households have some type of internet access. Notably, 38.9% of households with income less than \$10,000 do not have Internet access. There is a positive correlation between household income and internet access, culminating in 94.9% of households with a yearly income of \$75,000 or more having internet access. Compared to 2018, there has been a marked increase in the percentage of households with Internet access, mostly because of the COVID-19 pandemic. Further natural phenomena such as earthquakes and hurricanes have led to remote school being a more common occurrence, further driving the increase in internet access.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

Promoting access to broadband internet is one of the critical challenges of modern Puerto Rico. In Puerto Rico, the number of broadband service providers has increased in recent years, although the dominance of the leading companies in the market is latent, some of which are Claro, Liberty, T-Mobile, AT&T, among others. The inclusion of new service providers has a positive impact on the consumer, both in the supply and service provision. There are areas in Puerto Rico that are not yet covered, so the consumer is limited in the options they may have in broadband internet service. In Puerto Rico, Law 22 of 2017 has influenced new companies to enter the Island by granting tax incentives. Without a doubt, it is a crucial step to improve the broadband infrastructure on the Island.

Internet subscription 2023

Household				Total	%
Income Level				1,239,243	100%
Less than \$10,000:				267,533	21.6%
	With an internet subscription			163,548	61.1%
	Without an Internet subscription			103,985	38.9%
\$10,000 to \$19,999:				250,919	20.2%
	With an internet subscription			168,331	67.1%
	Without an Internet subscription			82,588	32.9%
\$20,000 to \$34,999:				253,318	20.4%
	With an internet subscription			201,873	79.7%
	Without an Internet subscription			51,445	20.3%
\$35,000 to \$49,999:				161,128	13.0%
	With an internet subscription			141,541	87.8%
	Without an Internet subscription			19,587	12.2%
\$50,000 to \$74,999:				144,481	11.7%
	With an internet subscription			133,897	92.7%
	Without an Internet subscription			10,584	7.3%
\$75,000 or more:				161,864	13.1%
	With an internet subscription			153,602	94.9%
	Without an Internet subscription			8,262	5.1%
Data source: 2023 5 year ACS					

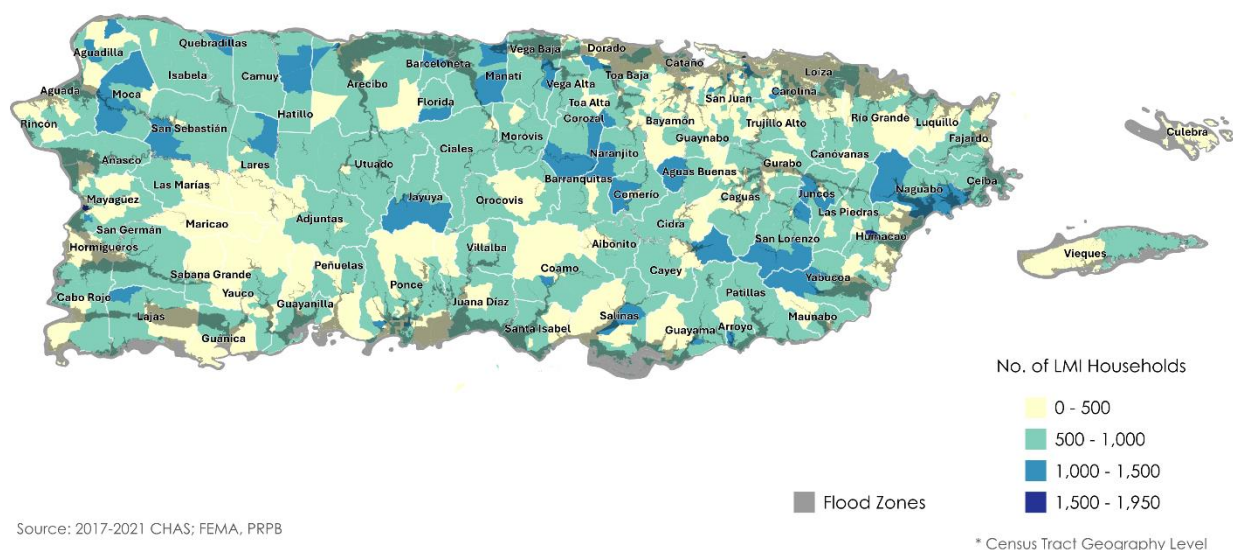
MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Puerto Rico is exposed to multiple natural hazards. Climatic hazards include tropical cyclones and storms that often cause floods, coastal erosion, storm surge, and rainfall-induced landslides. Extreme heat events and droughts are also climatic hazards that affect Puerto Rico. Geologic hazards include landslides, coastal erosion, earthquakes (including earthquake's induced landslides, liquefaction, and amplification of seismic waves), and tsunamis.

The Puerto Rico State Natural Hazards Mitigation Plan (2021)⁴ identifies that the more frequent hazard events that have required presidential disaster and emergency declarations in Puerto Rico are associated with flooding, tropical storms, and hurricanes, as well as landslides.

According to the most recent flood data, it is estimated that 1,186 km² (13%) of Puerto Rico is susceptible to coastal and riverine flooding (A, AE, AO and VE)⁵. The following map presents the number of low- and median-income (LMI) households per census tracks and the areas that are susceptible to riverine, coastal and storm surge flooding. There are 99,031 LMI households (20% of LMI households in Puerto Rico)⁶ located in census tracks that contain areas susceptible to flooding.⁷

Map 1. Low- and moderate-income households in areas susceptible to flooding



⁴ Puerto Rico Department of Public Safety. (2021). The Puerto Rico State Natural Hazards Mitigation Plan https://maneiodeemergencias.pr.gov/wp-content/uploads/2021/10/2021-PR-State-Hazard-Mitigation-Plan_Aug2021-con-anejo-6.pdf

⁵ FEMA, 2018.

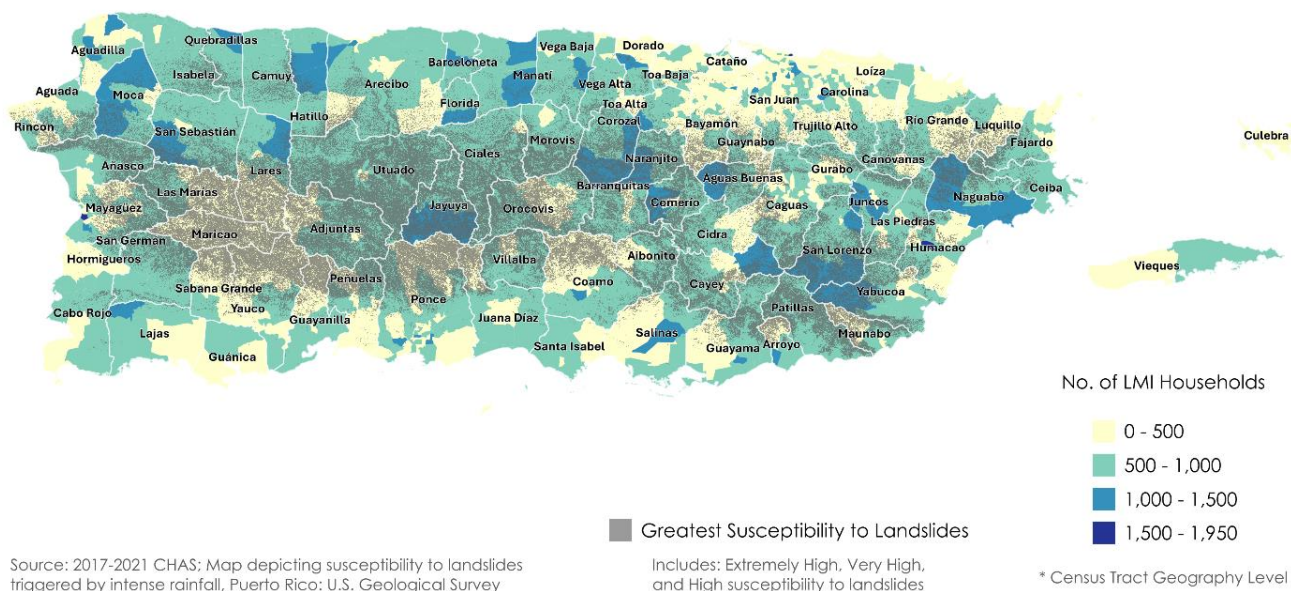
⁶ The American Community Survey 5-year estimates data (2017-2021) were used to obtain the number of the LMI households.

⁷ To identify LMI (Low-to-Moderate Income) households at risk, 2021 census tracts were intersected with the corresponding hazard layers using QGIS software. Since the areas do not align perfectly, area-weighted interpolation was applied as a spatial interpolation method. This method assumes that households are evenly distributed within each census tract. For each intersection, a proportion was calculated by dividing the area of the hazard zone falling within the census tract by the total area of that census tract. This proportion was used to estimate the number of LMI households at risk for the specified hazard in that specific area, rather than assuming the entire tract was affected. **Example:** If a flood zone covers 30% of a census tract's area, it is assumed that 30% of the LMI households in that tract is exposed to flood risk.

Puerto Rico is also susceptible to landslides, which range from nuisances to deadly events. A 2020 study identified that 1% of Puerto Rico has an extremely high susceptibility to landslides that are likely to initiate during or soon after intense rainfall. Nine percent of the territory of Puerto Rico is considered to have Very High susceptibility to landslides, whereas 20% of the land has High susceptibility level, 30% Moderate, and 40% Low.⁸

The following map presents the number of low- and median-income households per census tract with respect to the areas that are susceptible to landslides. There are 74,752 LMI households (15% of the total of LMI households in Puerto Rico) located in land with extremely high, very high or high level of susceptibility to landslides.

Map 2. Low- and moderate-income households in areas with extremely high, very high or high level of susceptibility to landslides



Describe the jurisdiction's increased natural hazard risks associated with climate change.

Climate change increases Puerto Rico's exposure to natural hazards, floods due to sea level rise, and stronger and more frequent extreme events such as storms and hurricanes. Other effects include an increase in the frequency and intensity of heat waves, prolonged droughts, changes in the precipitation, coastal erosion, and increased sea surface temperature. Climate change also results in effects that can have negative consequences to human well-being, such as ocean acidification. Climate change can exacerbate other events, such as sargassum blooms that accumulate seasonally along Puerto Rico coasts⁹. Further, other natural events can affect some of the climate change effects. Projections

⁸ Hughes, K.S., & Schulz, W.H.. (2020) Map depicting susceptibility to landslides triggered by intense rainfall, Puerto Rico: U.S. Geological Survey Open-File Report 2020-1022, 91 p., 1 plate, scale 1:150,000. <https://doi.org/10.3133/ofr20201022>.

⁹ Carrubba, L., Burgos Caraballo, S., Engman, A.C., Galindo Estronza, A.M., Gutiérrez- Fonseca, P.E., Llerandi-Román, I., Pérez Reyes, O., Wagner Vega, K.M., Silander, S., Colón, R., Soler-Figueroa, B.M., Grafals, R., Torres-Pérez, J.L., García-Sais, J.R., Meléndez, M., Zayas-Santiago, C., Murry, B., Colón-Merced, R., Liljestrom, C., Antoun, H. (2022). Working Group 2: Ecology and Biodiversity. State of the Climate Report. Puerto Rico Climate Change Council. Carrubba, L., Díaz, E., Marrero, V., Gonzalez, M., Leinberger, A., Rodríguez, J.L. [Eds.]

indicate changes in the precipitation in the next decades; events like Saharan dust can further decrease rainfall¹⁰.

Sea level rise

Sea level rise caused by climate change is increasing the vulnerability to coastal inundation and exacerbating existing flooding conditions. Since the mid-20th century, Puerto Rico has documented increases in the sea level by 0.08 inches (2 mm), and a notable acceleration of approximately 1 foot has been observed¹¹. Various scenarios indicate that the increase in sea level in the Caribbean region would be greater than the global average, which will continue during this century. By 2050, relative sea levels are projected to rise by about 0.8 feet (under the Intermediate-Low scenario), 0.9 feet (Intermediate scenario) and 1.4 feet (High scenario), compared to levels in 2000.¹²

Higher sea levels will result in more frequent nuisance flooding, especially in low lying communities. Nuisance flooding occurs with high tides due to climate-related sea level rise, land subsidence, and the loss of natural barriers. Oftentimes these are not immediately destructive, but can cause substantial negative socioeconomic impacts, compromising infrastructure and posing public health risks.¹³ In Puerto Rico, nuisance flooding is of concern and peaks during the high-water stance during the months of August-September-October¹¹.

Some communities in the southwest coast of Puerto Rico experience increased susceptibility to sea level rise after earthquakes and aftershocks that have occurred since January 2020 and caused permanent changes to the ground surface. The ground in some coastal communities, such as El Faro in Guayanilla, appeared to shift downward a few inches which resulted in more vulnerability to flooding and future events.¹⁴

Sea level rise also poses a threat to the underground water supply. About 16% of the potable water supply in Puerto Rico comes from the aquifers.¹⁵ This water source can be at risk by the saltwater intrusion that is exacerbated by sea level rise.¹⁶

Stronger and more frequent extreme events

In the Caribbean, extreme events include droughts, extreme rainfall events, and extreme storms. These are projected to increase in frequency and intensity. Recent droughts and resulting temporary reductions in freshwater availability, coupled with extreme rainfall events, have caused economic losses and social disruption.

Stronger hurricanes and more active hurricane seasons are also projected. Increasing hurricane intensity and associated rainfall will cause further damage to homes, especially those located in hazard

¹⁰ Díaz, E., Terando, A., Gould, W., Bowden, J., Chardón, P., Jury, M., Meléndez, M., and Morell, J. (2022). Working Group 1: Geophysical and Chemical Scientific Knowledge. State of the Climate Report. Puerto Rico Climate Change Council. Díaz, E. Gonzalez, M., and Terando, A. [Eds.]

¹¹ Díaz et al., 2022.

¹² Sweet, W.V., B.D. Hamlington, R.E. Kopp, C.P. Weaver, P.L. Barnard, D. Bekaert, W. Brooks, M. Craghan, G. Dusek, T. Frederikse, G. Garner, A.S. Genz, J.P. Krasting, E. Larour, D. Marcy, J.J. Marra, J. Obeysekera, M. Osler, M. Pendleton, D. Roman, L. Schmied, W. Veatch, K.D. White, and C. Zuzak. (2022). Global and Regional Sea Level Rise Scenarios for the United States: Updated Mean Projections and Extreme Water Level Probabilities Along U.S. Coastlines. NOAA Technical Report NOS 01. National Oceanic and Atmospheric Administration, National Ocean Service, Silver Spring, MD, 111 pp. <https://oceanservice.noaa.gov/hazards/sealevelrise/noaa-nostechrpt01-global-regional-SLR-scenarios-US.pdf>

¹³ Moffakhari, H. R., A. AghaKouchak, B. F. Sanders, D. L. Feldman, W. Sweet, R. A. Matthew, and A. Luke. (2015) Increased nuisance flooding along the coasts of the United States due to sea level rise: Past and future, *Geophys. Res. Lett.*, 42, 9846–9852. <https://doi.org/10.1002/2015GL066072>.

¹⁴ Municipality of Guayanilla. (2022). Municipal Recovery Plan. https://recuperacion.pr.gov/wp-content/uploads/2022/12/20018-22-MRP_Municipio-Guayanilla-11.28.2.pdf

¹⁵ Molina-Rivera, W. L., & Irizarry-Ortiz, M. M. (2021). Estimated water withdrawals and use in Puerto Rico, 2015. In Open-File Report (2021–1060). U.S. Geological Survey. <https://doi.org/10.3133/ofr20211060>

¹⁶ https://www.dma.pr.gov/wp-content/uploads/2024/09/Costo-inaccion_Resumen-ejecutivo_09-13-2024.pdf

areas or that were not constructed according to building codes. Intense rainfall associated with these extreme events also increases susceptibility to landslides.

Temperature

In Puerto Rico, daily average temperatures have increased by 2°F since 1950¹⁷. It is projected that the average and extreme temperatures will increase in minimum and maximum emission scenarios. The projections for the end of the century indicate an increase between 1.1°F and 7°F, depending on the scenario.¹⁸

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Low- and moderate-income households that are in hazardous areas may be disproportionately affected by the effects of climate change. For instance, many of the residents in flood prone areas cannot afford flood insurance to repair or replace their property when the next flooding event occurs.¹⁹ As previously indicated, climate change could exacerbate current flooding conditions and areas that were not susceptible to flooding or were flooded in certain events could be permanently inundated by sea level rise.

It is estimated that in Puerto Rico there are 15,197 housing units occupied by low- and moderate-income households that are in areas that could be permanently inundated by a 3 ft sea level rise, which constitute 3% of these units.

Map 3. Low- and moderate-income households in areas Susceptible to 3ft slr



¹⁷ Méndez-Lazaro, P.A., P. Chardón-Maldonado, L. Carrubba, N. Álvarez-Berrios, M. Barreto, J.H. Bowden, W.I. Crespo-Acevedo, E.L. Diaz, L.S. Gardner, G. Gonzalez, G. Guannel, Z. Guido, E.W. Harmsen, A.J. Leinberger, K. McGinley, P.A. Méndez-Lazaro, A.P. Ortiz, R.S. Pulwarty, L.E. Ragster, I.C. Rivera-Collazo, R. Santiago, C. Santos-Burgoa, and I.M. Vila-Biaggi. (2023). Ch. 23. US Caribbean. In: *Fifth National Climate Assessment*. Crimmins, A.R., C.W. Avery, D.R. Easterling, K.E. Kunkel, B.C. Stewart, and T.K. Maycock, Eds. U.S. Global Change Research Program, Washington, DC, USA. <https://doi.org/10.7930/NCA5.2023.CH23>

¹⁸ Méndez-Lazaro et al. (2023).

¹⁹ Wanyun Shao, Siyuan Xian, Ning Lin, Howard Kunreuther, Nida Jackson, Kirby Goidel. (2017). Understanding the effects of past flood events and perceived and estimated flood risks on individuals' voluntary flood insurance purchase behavior, *Water Research*, (108), 391-400. <https://doi.org/10.1016/j.watres.2016.11.021>.

On the other hand, higher temperatures increase the consumption of electricity due to the use of equipment to cool down the environment (air conditioning) in homes that can afford or are required to have these systems. These spendings in electricity leaves low and moderate-income homeowners with less money, which can negatively affect the well-being of these populations. Health and wellbeing can also be diminished in houses with designs that do not allow for adequate ventilation and the families cannot afford higher electricity costs. This situation is exacerbated by the heat island effect, due to the concentration of buildings and other paved surfaces.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

This section contains the Strategic Plan for Housing and Community Development that will guide the Commonwealth of Puerto Rico allocation of Community Development Block Grant, HOME, HTF, HOPWA and ESG programs for the 2025-2029 planning period.

The Consolidated Plan addresses the community needs of the State Jurisdiction in the context of the goals and objectives of Title I of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, as amended.

The Commonwealth's goals for the five-year planning period focus on priority needs. The available resources have been targeted to address the needs of the local communities relevant to the CDBG, HOME, HTF, HOPWA and ESG programs and achieve their goals of the 2025-2029 Consolidated Plan.

This complex set of goals can be summarized into three main areas and related activities:

Provide Decent Housing

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

Create a Suitable Living Environment

- Improve the quality of special needs populations, particularly the elderly, by supporting homecare services.
- Provide support services for youth, battered spouses, and employment counseling.
- Improve safety and livability of neighborhoods by investing in public facilities, infrastructure and urban renewal.
- Set-aside funds for emergency relief.

Expand Economic Opportunity

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

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 45 - Geographic Priority Areas

1	Area Name:	CDBG- Non-entitlement communities
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
2	Area Name:	Statewide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

HOPWA

The State HOPWA funds will be distributed by the Municipality of San Juan. For this reason, there is a single strategy in the implementation of HOPWA funds. Taking this into consideration, it is necessary to make HOPWA funds available to Municipalities and Nonprofit Organizations located within the 78 municipalities of Puerto Rico. Project sub recipients of the PREMSA will have priority over those located in the San Juan EMSA. Also, potential sub recipients located in the San Juan EMSA, that are currently receiving HOPWA funds from the City of San Juan, cannot receive State HOPWA funds for the same purposes and uses.

CDBG

According to Law 137-2014, CDBG funds will be distributed on an equal basis, with the exception of Vieques and Culebra that will receive an additional 15% to the 51 non-entitlement municipalities. The ultimate geographic distribution of the CDBG funds is made by the non-entitlement municipalities once they complete their own citizen and consultation process. See *Map of non-entitlement municipalities* below.



Map of non-entitlement municipalities

HOME & HTF

The PRHFA will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of the HOME and HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, the HOME and HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b) (1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution. Estimation of the Percentage of Funds it Plans to Dedicate to Target Areas.

The HOME allocation for PY 2025 will be distributed to benefit low-income families in compliance with 24 CFR 92.203 (a), that Commonwealths *“The HOME program has income targeting requirements for the HOME program and for HOME projects. Therefore, the participating jurisdiction must determine each family is income eligible by determining the family's annual income.”* This requirement opens the geographical area of the Commonwealth of Puerto Rico’s 78 municipalities that could be served with the Commonwealth HOME Program. The PRHFA recognizes that the Municipalities of Aguadilla, Arecibo, Bayamón, Caguas, Carolina, Guaynabo, Mayagüez, Ponce, San Juan, Toa Baja, and Trujillo Alto are local PJs on their own, and that the program could complement any eligible request made from these municipalities in order to further the strategic objectives set forth by the PRHFA. Below is a map with the location of the municipalities designated as local participating jurisdictions for the HOME Program. The map illustrated on the next page shows the location of the non-metropolitan municipalities in the island.

The PRHFA will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b) (1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution. Estimation of the Percentage of Funds it Plans to Dedicate to Target Areas.

The HTF allocation for PY 2025 will be distributed to benefit very low and extremely low-income families (see HTF Funding Priorities 91.320(k)(5)(i) for the definition). Section IV of the NOFA Ranking Self-Evaluation establishes a specific priority funding factor for developers or the applicant’s capacity to undertake tax credits/HOME projects. The term “full compliance and successful record” provides sufficient basis to determine the applicant’s capacity to obligate HTF funds and undertake activities in a timely matter.

MUNICIPALITIES DESIGNATED AS PARTICIPATING JURISDICTIONS FOR THE HOME PROGRAM



MUNICIPALITIES DESIGNATED AS NON-METROPOLITAN COUNTIES



ESG

Program funds are distributed through a competitive process. Thus the ultimate geographic distribution of the assistance cannot be predicted.

HOPWA - the State HOPWA funds will be distributed by the Municipality of San Juan. For this reason, there is a single strategy in the implementation of HOPWA funds. Taking this into consideration, it is necessary to make HOPWA funds available to Municipalities and Nonprofit Organizations located within the 78 municipalities of Puerto Rico. Project sub recipients of the PREMSA will have priority over those located in the San Juan EMSA. Also, potential sub recipients located in the San Juan EMSA, that are currently receiving HOPWA funds from the City of San Juan, cannot receive State HOPWA funds for the same purpose and uses.

The PRDOH cannot predict the ultimate geographic distribution of HOPWA funds. Funds will be distributed using an open competition method. It is expected that 100% of the funds are distributed.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 46 – Priority Needs Summary

1	Priority Need Name	Housing		
	Priority Level	High		
	Population	Extremely Low Moderate Elderly	Low	
	Geographic Areas Affected	CDBG-Statewide	Non-entitlement	communities
	Associated Goals	Provide Provide Provide Provide Provide Decent Housing (G)	Decent Decent Decent Decent	Housing (C) Housing (D) Housing (E) Housing (F)
	Description	<ol style="list-style-type: none"> 1. Support homeownership by providing down payment and closing cost assistance 2. Address the need of substandard housing by supporting rehabilitation of rental housing 3. Increase the supply or preserve affordable rental housing by supporting rehabilitation and production of housing, prioritizing special needs projects 4. Increase the supply of affordable housing by supporting through the participation of CHDO 5. Promote the development of special needs projects, which are those that provide supportive services 6. Provide assistance to individual households to help them afford the housing costs of market rate units. 		
	Basis for Relative Priority	Puerto Rico State Housing Plan, Community Participation, Consultations, needs assessment results and Program Performance.		
2	Priority Need Name	Non-housing Community Development- Public Faciliti		
	Priority Level	High		
	Population	Extremely Low Moderate Middle	Low	

	Geographic Areas Affected	CDBG-Statewide Non-entitlement communities
	Associated Goals	Create Suitable Living Enviroments (B)
	Description	Public facilities such as community centers, recreational facilities, parking lots, parks and facilities for special needs populations.
	Basis for Relative Priority	Public facilities to enhance and facilitate community life are constantly requested by municipalities. Such facilities bring new opportunities to low income families and help create vibrant communities.
3	Priority Need Name	Non-housing Community Development- Public improvem
	Priority Level	High
	Population	Extremely Low Moderate Middle Low
	Geographic Areas Affected	CDBG-Statewide Non-entitlement communities
	Associated Goals	Create Suitable Living Enviroments Create Suitable Living Enviroments (B)
	Description	Flood and drainage facilities, sidewalks, street improvements, water/sewer improvements.
	Basis for Relative Priority	Improvement of municipal infrastructure is constantly requested by local communities. These needs are highly important for low-income communities due to the aging of Puerto Rico's core infrastructure. The planning process within the Island has rendered scatter developments with poor infrastructure for basic needs.
4	Priority Need Name	Non-housing Community Development- Public Services
	Priority Level	High
	Population	Extremely Low Moderate Middle Low
	Geographic Areas Affected	CDBG-Statewide Non-entitlement communities
	Associated Goals	Create Suitable Living Enviroments

	Description	Public services for homecare assistance (elderly persons), youth services, counseling, crime prevention and educational programs, health services, among others
	Basis for Relative Priority	Puerto Rico has a high level of social needs due to poverty conditions. Over 45% of the population falls below the poverty line, labor force participation is low and several families depend on the Supplemental Nutrition Assistance Program. Based on a web survey conducted, over 29 municipalities demand public services for homecare assistance.
5	Priority Need Name	Non-housing Community Development- Economic Dev
	Priority Level	High
	Population	Extremely Low Moderate Middle Low
	Geographic Areas Affected	CDBG- Non-entitlement communities
	Associated Goals	Expand Economic Opportunity
	Description	The economic conditions of the Island have placed job creation and development of new economic opportunities as the top priorities of the government. The strategy is focused on local SMEs facing limited funding for the initial working capital or the infrastructure required for startups.
	Basis for Relative Priority	Public facilities for commercial use, microenterprise assistance, and special economic development projects combining the efforts and resources of municipal enterprises.
6	Priority Need Name	Chronic Homeless
	Priority Level	High
	Population	Chronic Mentally Chronic Substance Victims of Domestic Violence Homelessness Ill Abuse
	Geographic Areas Affected	Statewide
	Associated Goals	Provide Decent Housing
	Description	The PRDF will address homeless persons needs identified as part of the analysis by focusing its efforts in outreach and emergency shelter and transitional housing.

	Basis for Relative Priority	Puerto Rico State Housing Plan, Mandatory Consultations with CoC organizations, needs assessment results and Program Performance
7	Priority Need Name	Homelessness Prevention
	Priority Level	High
	Population	Extremely Low
	Geographic Areas Affected	Statewide
	Associated Goals	Provide Decent Housing (B)
	Description	The PRDF will address the needs of this population by providing prevention and rapid rehousing services.
	Basis for Relative Priority	Puerto Rico State Housing Plan, Mandatory Consultations with CoC organizations, needs assessment results and Program Performance.
8	Priority Need Name	Create and preserve affordable rental housing
	Priority Level	High
	Population	Extremely Elderly Individuals Low
	Geographic Areas Affected	
	Associated Goals	
	Description	Address de need of substandard housing by the construction and rehabilitation of rental housing.
	Basis for Relative Priority	Puerto Rico State Housing Plan, Community Participation, Consultations, needs assessment results and Program Performance.

Narrative (Optional)

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	<p>There is lack of small housing units to support single family. TBRA provide assistance to individual households to help them afford the housing costs of market-rate units. TBRA differs from other types of HOME rental housing activities in three key ways:</p> <ul style="list-style-type: none"> • TBRA programs help individual households, rather than subsidizing particular rental projects. • TBRA assistance moves with the tenant- if the household no longer wishes to rent a particular unit, the household may take its TBRA and move to another rental property. • The level of TBRA subsidy varies- the level of subsidy is based upon the income of the household, the particular unit the household selects, and the PJ's rent standard (rather than being tied to the PJ's high and low HOME rents). <p>For details go to Appendix.</p>
TBRA for Non-Homeless Special Needs	For information go to Appendix.
New Unit Production	The excess inventory of vacant housing in the Island and foreclosures do not support the production of new units for homeownership. However, there is a need for rental projects for low-income persons, elderly households, young couples and female headed households. The second greatest need in the Island is cost burden housing problems.
Rehabilitation	The greatest need is among low- and moderate-income households that live in substandard housing.
Acquisition, including preservation	The state will not acquire properties nor allocate funding for the preservation of affordable housing. Market conditions and budgetary constraints do not support assuming the risk associated to this activity. Moreover, regarding expiring contracts under Section 8, it is unlikely that developers will reposition their projects for the non-subsidized market.

Table 47 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

For the PY 2025, HUD allocated to the PR-State a total of \$41,773,547.11 among all CPD Programs. Specifically, the allocation by programs is: \$21,778,490 for the CDBG Program activities; \$13,324,447.76 for the HOME Program activities, \$2,540,951 for the HOPWA Program activities, \$3,431,197 for the ESG Program activities and \$688,461.35 for the Housing Trust Fund activities.

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

In addition to the 2025 resources the State estimates that it will have available the following resources Based on IDIS PR01:

- CDBG Previous Year Resources (PR01, available to commit)- \$28,190,369.66 (as of 5/28/2025)
- HOME Previous Years EN Resources (Available to commit)- \$54,834,717 (as of 3/31/2025)
- HOPWA Previous Years – \$3,536,959.68
- ESG Previous years (PR01, available to commit) - \$417,268.00
- HTF Previous Years- \$1,287,270 (as of 3/31/2025)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	21,788,490	77,988.17	28,190,369.66	50,056,848	87,153,960	Funding will be used for housing, community, and economic development activities, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico. In addition to the allocation from HUD, the Department estimates that it will have \$77,988.17 in program income funds available for use by municipalities that generated such income for eligible CDBG activities, in accordance with the Department's CDBG PI policy.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	13,324,447		54,834,717	68,159,164	53,297,791	Funds will be allocated to provide incentives for meeting developing and supporting affordable rental and homeownership housing units. This will be achieved through new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities for rent and sale projects (if needed). Also, funds will be used for acquisition of housing by homebuyers (if needed).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	2,540,951	0	3,536,959.68	6,077,910.68	10,163,804	Funds will be distributed among municipalities and nonprofit organizations for the provision of housing assistance and supportive services for low-income persons living with HIV/AIDS.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	3,431,197	0	417,268.00	3,848,465	13,724,788	Funds will be used primarily for, Outreach, Emergency, Shelter activities, and secondly to Homelessness Prevention, Rapid Re-housing.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	688,461	0	1,287,270	1,975,731	2,753,845	The Housing Trust Fund (HTF) is a new affordable housing production program that will complement existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Homebuyer assistance Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab Public Improvements Public Services Rental Assistance	2,480,000,000	0	0	2,480,000,000	5,746,800,000	The CDBG-DR Action Plan includes further analysis of damage estimates and contains the strategy to address these needs with the first allocation of \$1.5 billion authorized by Pub. L. 115-56 and announced through 83 FR 5844; the second allocation of \$8.2 billion authorized by Pub. L. 115-123 and announced through 83 FR 40314; and the latest unmet infrastructure needs allocation of \$277 million authorized under Pub. L. 116-20 and announced in 85 FR 4681.

Other	public - federal	Acquisition Admin and Planning Homeowner rehab Housing Public Improvements	289,800,000	0	0	289,800,000	7,932,700,000	Public Law 115-123 made available \$28 billion in Community Development Block Grant and Disaster Recovery (CDBG-DR) funds and directed HUD to allocate no less than \$12 billion for mitigation activities proportional to the amounts that grantees received for qualifying disasters in 2015, 2016, and 2017. That amount was increased to \$15.9 billion after HUD completed an assessment of unmet needs and awarded funding to a total of eighteen (18) grantees through a newly created Community Development Block Grant - Mitigation (CDBG-MIT) Program. Out of all these funds, HUD allocated approximately \$8.2 billion in CDBG-MIT funds to Puerto Rico. The rules for administering these funds are founded in the regulatory
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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
								framework of HUD's Community Development Block Grant (CDBG) program and further consider the alternative requirements, waivers, and special grant conditions released in 84 FR 45838 and 85 FR 4676. The CDBG-MIT Action Plan contains further analysis of unmet mitigation needs and PRDOH's strategy to address them.

Table 48 - Expected Resources – Priority Table

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

CDBG:

Matching Requirements

Section 24 CFR 570.489 (a)(1) established the responsibility of the Government of the Commonwealth of Puerto Rico to pay with its own resources for all administrative costs incurred in administering the State CDBG Program. Regardless, the state may use CDBG funds to finance such costs in

an amount not to exceed \$100,000, plus 50 percent of such costs in excess of \$100,000. The other 50% in excess of \$100,000 will be covered by PRDOH general budget.

Leverage of Federal Funds

The non-entitlement municipalities will provide leverage to their projects in the form of in-kind services and equity from municipal, state, and other federal funds.

ESG

The Puerto Rico Department of the Family will receive \$3,431,197 in ESG funds for the PY 2025. Pursuant to 24 CFR 576.201, \$3,431,197 will be matched with cash and noncash contributions. To meet this requirement, the PRDF requests subrecipients to include evidence of matching contributions as part of the application process. The subrecipients are required to match 100% of their ESG award.

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

Additionally, the ESG Program has successfully implemented a cash advance process for subrecipients—an initiative that has been widely accepted and highly valued by participating entities. This strategy has enabled organizations to access available funds in a timely manner, facilitating the delivery of direct services to program participants, reducing administrative delays, and promoting a more agile and efficient response. The advance process has been particularly beneficial in strengthening the capacity of subrecipients to respond in critical situations and has become a key component in the effective execution of ESG funds.

HOME:

The Authority promotes promptness, uniformity, and coherence among the agencies granting permits.

Section 42 of the Internal Revenue Code provides financing by selling tax credits to United Commonwealth's investors.

The product of the sale contributes to creating and preserving rental housing units.

The Federal Tax Credit Program receives nearly \$8.2 million each year, which generates an investment of approximately \$82 millions in Puerto Rico's economy.

Interim Loans for Construction

PRHFA offers financing to construct or develop housing projects for sale or rent. The per unit maximum price is established in the Agency's Financing policies and in procedures approved by the Board of Directors.

The Authority will charge a fee for the interim financing of up to 2.00% of the line peak amount of the maximum amount approved, as follows:

- Commission Fee- Interim Construction Loans Residential Projects for **SALE**-
 - Revolving Loans- 1.50% based on Loan Peak Amount..
 - Non-Revolving Loans- 1.50% based on total draws.
- Commission Fee- Interim Construction Loans Residential Projects for **RENT**-
 - Revolving Loans- 1.75% based on Loan Peak Amount.
 - Non-Revolving Loans- 2.00% based on total draws.
- Commission Fee- Interim Construction Loans Residential Projects related to other **Governmental Programs (*Dependencias Gubernamentales*)**-
 - Revolving & Non-Revolving Loans- 1.00% of Loan Peak Amount.

The fee varies depending on the type of project (new construction or rehabilitation), the per unit sale price, the profit percentage for the developer, whether or not the project is FHA insured, and whether or not the PRHFA will provide a subsidy to buyer families.

The Authority will finance up to 80% of the total development cost (land, site **improvement**, construction costs, and soft costs).

Direct Loans

To purchase primary residence up to \$200,000.

Act No. 87

Mortgage insurance disbursed by Mortgage Banks.

Subsidy Contracts Administration

The US Department of Housing and Urban Development (HUD) chose the PRHFA to manage the subsidy contracts for 166 Section 8 projects in Puerto Rico. This program monitors project management to ensure the quality of life of residents and the adequate use of federal funds. In addition, the Authority is responsible of making subsidy payments to the project owner, renovating subsidy contracts for projects, approving and processing rent increases, monitoring that any deficiencies found in the projects during physical inspections are corrected, and carrying out administrative audits of the projects each year.

Loans for Multifamily Rental Housing

The Authority provides interim and permanent financing for the development of rental housing projects.

Private Sources

Private developers must demonstrate their financial capability and resources for developing housing projects that involve construction or rehabilitation of units for both rent and sale. Private funds are required as leverage for the commitment of HOME funds. Interim financing should be clear with the banking institution before the commitment of HOME funds.

Lending institutions contribute to financing affordable housing by providing flexibility on mortgage loans, conventional mortgages, and FHA mortgage insurance.

It is necessary to point out that permanent financing for HOME assisted Homebuyers may be processed through any qualified mortgage institution. The Homebuyer purchase assistance will be granted directly to low-income families.

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

The Puerto Rico Housing Finance owns multiple properties statewide. The abandoned properties are often perceived as a problem, but the State understands that they are an opportunity for redevelopment. The State will implement a strategy to restore the abandoned properties to productive use. This will require a commitment from different governmental agencies its residents and its neighborhood organizations. The State is committed and will articulate a long-term vision for the community and lay out the strategies to achieve that vision.

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

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
PR Department of Housing	Government	Economic Development Non-homeless special needs Ownership neighborhood improvements public facilities public services	State
PR Department of Family	Government	Homelessness Non-homeless special needs neighborhood improvements public facilities public services	State
Puerto Rico Department of Health	Government	Homelessness public services	State
MUNICIPIO DE SAN JUAN	Government	Homelessness Non-homeless special needs public services	State
PUERTO RICO HOUSING FINANCE AUTHORITY	Government	Ownership Public Housing Rental	State

Table 49 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The PRDOH is the lead agency appointed by the Governor of the Commonwealth of Puerto Rico. Its responsibilities associated with the Consolidated Plan are coordinated by the agency. The main component of the institutional structure consists of the PRDOH, the Puerto Rico Department of the Family, which administers the Emergency Solutions Grant Program (ESG); the Puerto Rico Department of Health, which administers the Housing Opportunities for Persons with AIDS Program (HOPWA) in conjunction with the Municipality of San Juan; and the Puerto Rico Housing Finance Authority, which administers the HOME Investment Partnerships Program (HOME).

Other institutions are also important stakeholders in executing State policies for housing, urban, and economic development. These include: COR3, Puerto Rico Public Housing Authority, the Puerto Rico Planning Board, the Puerto Rico Regulations and Permits Administration, the Puerto Rico Department of Labor and Human Resources, and the Puerto Rico Government Development Bank.

Mayors' Association

Mayors' Federation

the Community Based Organizations

In addition, private and non-private institutions play a vital role in addressing housing and community development needs.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		X
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	X
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	X
Transportation	X	X	X
Other			

Table 50 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

Services oriented to homeless and special populations cover a wide spectrum of options. The majority of the Homelessness Prevention Services, Street Outreach Services and Supportive Services, except for law enforcement, are available in the community. These are offered by different types of entities including local governments, community-based organizations, faith-based organizations, and other types of nonprofit organizations.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The majority of these services are available and targeted to the homeless populations, while in the case of persons living with HIV Aids there are certain gaps including mobile clinics and complementary services such as childcare and education.

Several studies, however, have pointed out to capacity building as one of the priorities to strength our organizations and local governments. Furthermore, in an environment of limited fiscal resources, training and capacity building activities become a key instrument to maximize and make more efficient the use of available resources.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The institutional structure and delivery system for housing and community development programs, involves three state agencies. The PRDOH is the lead agency appointed by the Governor of the Commonwealth of Puerto Rico. Responsibilities associated with the Consolidated Plan are coordinated by this agency. The main component of the institutional structure consists of the PRDOH, the Puerto Rico Department of the Family, which administers the Emergency Solutions Grant Program (ESG); the Puerto Rico Department of Health, which administers the Housing Opportunities for Persons with AIDS Program (HOPWA) in conjunction with the Municipality of San Juan; and the Puerto Rico Housing Finance Authority, which administers the HOME Investment Partnerships Program (HOME). Other institutions are also important stakeholders in planning and executing State policies for housing, urban, and economic development. These include: COR3, Puerto Rico Public Housing Authority, the Puerto Rico Planning Board, the Puerto Rico Regulations and Permits Administration, the Puerto Rico Department of Labor and Human Resources, and the Puerto Rico Government Development Bank. Mayors' Association Mayors' Federation the Community Based Organizations In addition, private and non-private institutions play a vital role in addressing housing and community development needs.

The magnitude of the needs that Puerto Rico has been facing in the past years is greater and require multi-sectorial approaches. To overcoming gaps in the structure and delivery system, the State has implemented various measures, including education efforts for potential private sector and nonprofit partners, agreements for specific initiatives and projects, and the provision of technical assistance in specific programs. In addition, the agencies that make up the Interagency Consolidated Planning Committee are part of other working groups through which services and activities are coordinated to have a greater impact on the populations' need.

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Decent Housing	2025	2029	Homeless	Statewide	Chronic Homeless	ESG: \$14,188,460	Homeless Person Overnight Shelter: 12500 Persons Assisted
2	Provide Decent Housing (B)	2025	2029	Homeless	Statewide	Homelessness Prevention	ESG: \$2,967,525	Tenant-based rental assistance / Rapid Rehousing: 8640 Households Assisted
3	Provide Decent Housing (C)	2025	2029	Affordable Housing Non-Homeless Special Needs	Statewide	Housing	HOPWA: \$12,939,585	HIV/AIDS Housing Operations: 1,290 Household Housing Unit Other: 3,175 Other
4	Create Suitable Living Environments	2025	2029	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development- Public improvem Non-housing Community Development- Public Services	CDBG: \$12,572,960	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2700 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Create Suitable Living Environments (B)	2025	2029	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development- Public Facilities Non-housing Community Development- Public improvement	CDBG: \$89,979,470	Other: 975000 Other
6	Provide Decent Housing (D)	2025	2029	Affordable Housing	CDBG- Non-entitlement communities Statewide	Housing	CDBG: \$10,283,335	Homeowner Housing Added: 70 Household Housing Unit
7	Expand Economic Opportunity	2025	2029	Economic Development	CDBG- Non-entitlement communities	Non-housing Community Development- Economic Dev	CDBG: \$607,695	Businesses assisted: 10 Businesses Assisted
8	Emergency Relief	2025	2029	Non-Housing Community Development	CDBG- Non-entitlement communities		CDBG: \$1,500,000	Other: 1500 Other
9	Provide Decent Housing (E)	2025	2029	Affordable Housing	Statewide	Housing	HOME: \$59,960,015	Homeowner Housing Added: 230 Household Housing Unit: 35
10	Provide Decent Housing (G)	2025	2029	Affordable Housing		Housing	HTF: \$3,098,075	HTF Household Housing unit: 15

Table 51 – Goals Summary

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

HOME Program:

Provide Decent Housing (F) - (265) Household Housing Unit (Low Income)

HTF Program:

Provide Decent Housing (G) - (15) Household Housing Unit (Low Income)

CDBG-DR: During the Strategic Planning Period, PRDOH will continue revitalizing downtown areas through the City Revitalization Program, providing assistance to homeowners to repair or rebuild their homes, and increasing homeownership rates through the Homebuyer Assistance Program. PRDOH will also continue to promote economic development opportunities by providing assistance to Small Businesses under the Small Business Financing Program.

CDBG-MIT: PRDOH will begin to install solar panels in households to promote energy efficiency and stability. Launched programs will begin long-term planning and risk mitigation activities.

For details on CDBG-DR goals: <https://cdbg-dr.pr.gov/en/action-plan/>

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

Activities to Increase Resident Involvements

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

Is the public housing agency designated as troubled under 24 CFR part 902?

No

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

The barriers to affordable housing development are a recurring issue in the Island. The following issues are those considered the most relevant barriers to affordable housing:

1. Affordable housing programs require large subsidies given the gap between housing construction cost and poverty levels in the Island.
2. Low Fair Market rents relative to residential construction cost.
3. The permitting process is not timely, which increases predevelopment cost.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The strategies that are being adopted include:

1. LITHC 4% funds are being layered CDBG-DR funds to make financially viable the construction of rental housing for the elderly and the general population
2. The policy of the State is to prioritize the permitting of affordable housing being supported by CDBG-DR funds and other federal funds.

SP-60 Homelessness Strategy – 91.315(d)

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

The state will address the needs identified in the homelessness assessment by giving priority to: Outreach and Rapid Re-Housing Service Projects; Emergency Shelter without Barriers (population, age, hours); Prevention or Rapid Rehousing Project for the mental health population; Emergency Shelters in conjunction with Rapid Rehousing with services that promote personal and economic self-sufficiency; Rapid Rehousing Projects for women, families and youth; Outreach projects and shelters for chronic individuals and families, and shelters for women and the elderly.

Addressing the emergency and transitional housing needs of homeless persons

The strategies promoted in the jurisdiction are centered in the public policy established by Law Number 130, as amended. As is established in Article 4 of the Law, “the Government of the Commonwealth of Puerto Rico recognizes the need to foster, plan, and carry out services and facilities to attend the needs of these persons, to enable their participation in the Puerto Rican community and allow them to lead a productive and social life. Services must be offered in a multi-sectorial manner, promoting the vision of a continuum of care system that guarantees the uninterrupted offering of services and housing, sharing responsibilities for such an important matter among the various sectors”.

Guided by this concept of shared responsibility, it was established that Public Policy regarding homelessness would be based in the following principles:

1. Homeless persons are entitled to a dignified way of life and to full enjoyment of their human and civil rights, including the right to the responsible and free use and enjoyment of public space; and the right to housing.
2. Homeless persons must be acknowledged, supported, protected, and empowered in order to be able to assume individual, familial, and social duties and responsibilities; including the duty to care for themselves, the commitment to self-respect and personal development, and the commitment to contribute their talents to social solidarity and development.
3. Homeless persons should receive services that include, but are not limited to: emergency shelter; transitory and permanent housing; daytime shelter; detoxification and treatment for alcohol and other drug abuse; nourishment, nutrition, hygiene, clothes, and access to sanitary services and showers; primary and specialized physical and mental health services; legal support and representation; law enforcement and judicial protection; information and guidance regarding their civil rights; social assistance; education and training; job placement; opportunities for developing entrepreneurial abilities focused on producing the necessary income; family reunification; and other services.

Within that framework, goals and actions of the state are focused in reducing the number of families and individuals living on the street and place them in emergency shelters, transitional or permanent housing; improving the quality of emergency shelters for homeless families and individuals; providing assistance to operate these shelters; and provide support services to shelter’s residents.

During the program year, funding for emergency shelters will come mainly from the State's ESG program. Funds may be used for renovation of emergency shelter facilities and the operation of those facilities, as well as services for the residents (including case management, child care, education, employment assistance and job training, legal, mental health, substance abuse treatment, transportation, and services for special populations).

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

The Current Homelessness Strategy to end chronic homelessness in Puerto Rico includes the following strategies:

- Continued expansion of stakeholders involved in collaborative planning and service development within targeted areas with high prevalence of chronic homeless persons.
- Continued efforts to implement existing, and obtain new, commitments from Mayors to participate in planning processes to end chronic homelessness.
- Development and implementation of specific action steps with state and municipal governments that have established the elimination of chronic homelessness as a priority, outreach, such as supportive housing development, providing homeless family's public housing in municipalities that administer their own public housing projects, providing vouchers for permanent housing in those municipalities that administer voucher programs, coordinating supportive services to promote retention in permanent and supportive housing, including the development of mini-enterprises for homeless self-employment, etc.
- Implementation of specific action steps to improve access to services, reduce stigma and the criminalization of homelessness.
- Continued education and advocacy to increase the number of public and private funding sources for housing and supportive services for chronic homeless, emphasizing those with SA/MH conditions.
- Increased capacity building of municipal government representatives to partner with community-based organizations in the development, financing and delivery of services to chronic homeless.
- Continue with the implementation of the dedicated HMIS - currently under San Juan's Coalition and the Coalition of Coalitions - for uniform data collection to track populations served through the various systems to permit continuous monitoring of the number and quality of services provided, and outcomes in the homeless served.
- Collaborate with the entities that comprise the CoCs in order to strengthen homelessness data gathering processes, and the consistency of information provided by organizations.
- Continued identification and work with public and private housing developers to target homeless in the development of permanent supportive housing. The current strategies include primarily work with state and non-profit sectors so that more efforts will be directed to local governments and the for-profit stakeholders to improve housing accessibility and service infrastructures for the chronic homeless.

- Monitoring of the development of formal protocols and the implementation of discharge policies from all child welfare, correctional, health and SA/MH agencies and institutions, as a means of preventing chronic homelessness.
- Promote the expansion of the amount of permanent housing units for homeless persons.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The State is committed to provide the necessary assistance to quickly locate homeless individuals and families in permanent housing; and prevent individuals and families to become homeless. Based on that goal, will allocate funds for homeless prevention and rapid rehousing activities. NPOs and municipalities may use ESG funds to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place allowed by the regulation. ESG funds may also be used to provide housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The PRDOH and PRHFA have a pro-active approach to reduce lead-based- paint hazards in residential projects across the Island to address LBP standards and increase access to housing without LBP hazards. All HOME and CDBG funded housing acquisition and rehabilitation, of pre-1978 units should meet the provisions established in Attachment 24-1 of HUD Manual 6509.2 REV. 6. See the table below *Lead-based Paint Compliance for Housing Acquisition and Rehabilitation*.

Resources at the HOME and CDBG program follow the above guidelines. Basic tasks include:

1. Professional assessment for deteriorated paint in units built before 1978
2. Initial and annual HQS inspections
3. Fostering community awareness (See <https://www.afv.pr.gov/wp-content/uploads/2018/04/Proteja-a-su-Familia-del-Plomo-en-su-Casa.pdf>)
4. Disclose information among residents of lead-based paint hazards (provision of pamphlet)
5. Stabilization, removal and disposal of dangerous material.
6. Notices when applicable
7. Promotion of safe work practices.

The State HOME Program contracts companies to provide technical assistance for the evaluations, visual assessment, HQS inspections and paint testing (when necessary) for the housing units that will be rehabilitated with HOME funds in order to comply with lead-based paint requirements and other applicable federal environmental laws and regulations. Same procedures are done if CDBG homes are used for housing rehabilitation or homeownership programs.

How are the actions listed above integrated into housing policies and hazards?

The State does not have a general housing policy that incorporates lead-base provisions. The environmental policy of the State is incorporated in PR Law 416, September 22 2004, as amended. It delegates the implementation of Lead Base policies to the local Environmental Quality Board (locally known as the Junta de Calidad Ambiental). The agency regulates lead base paint removal and training and other requirements for personnel and public and private institutions that are responsible for the inspection, removal and disposition of lead base paint. Moreover, the Permit Management Office also incorporates lead-base requirements for demolition permits.

The PRDOH and PRHFA go further than local policy by complying with Federal Law and Hud's lead base hazard regulations, as applicable to the programs. See:

- Public Law 102-550- Residential Lead-based Paint Hazard Reduction Act of 1992
- Title X, Sections 1012 and 1013- Requirements for the Notification, Evaluation, and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance.

Title X, Section 1018- Requirements for the Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards in Housing

How are the actions listed above integrated into housing policies and procedures?

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

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

Target Housing is generally, housing constructed before 1978. Housing for the elderly, and housing for persons with disabilities, are not target housing, unless a child under 6 years old resides or is expected to reside in that housing, in which case, the housing is target housing. All zero-bedroom dwellings are not target housing. In jurisdictions which banned the sale or use of lead-based paint before 1978, HUD may use an earlier date for determining target housing. Refer to Lead Compliance Toolkit, Housing Choice Voucher Program, HUD's Lead-Based Paint Regulations (24 CFR Part 35).

The lead agency and administrator for CDBG State Funds, published a memorandum with the policies and procedures that should be followed for purposes of addressing LBP hazards and increasing access to housing without LBP hazards. As well, the Environmental Specialist at the Department of Housing is in charge of overseeing compliance with this policies and procedures and also provide guidance to municipalities in its implementation. The PRDOH and will continue to provide guidance on the lead based paint compliance requirements assuring that all the non-entitlement rehabilitation manuals filed in the agency, includes the actions the municipalities will take on this issue.

Lead-based Paint Compliance for Housing Acquisition	
Acquisition, Leasing, Support Services, or Operation	<ul style="list-style-type: none"> • Provision of pamphlet. • Visual assessment • Option of paint testing and notice to occupants of evaluation. • Paint stabilization. • Ongoing LBP maintenance
Lead-based Paint Compliance for Housing Rehabilitation	
For all Properties	<ul style="list-style-type: none"> • Provision of pamphlet. • Paint testing of surfaces to be disturbed, or presumed LBP. Notice to occupants of evaluation for paint testing or presumption. • Lead safe work practices during rehabilitation and lead hazard reduction.
Properties receiving less than or equal to \$15,000 per unit federal rehabilitation assistance	<ul style="list-style-type: none"> • Safe work practices during rehabilitation.
	<ul style="list-style-type: none"> • Repaired disturbed paint. • Clearance of the worksite.
Properties receiving more than \$3,001 and up to \$15,000 per unit	<ul style="list-style-type: none"> • Risk assessment. • Interim controls. • Notice to occupants of lead hazard reduction including clearance.
Properties receiving more than \$15,000 per unit	<ul style="list-style-type: none"> • Risk assessment. • Abatement of LBP. • Notice to occupants of lead hazard reduction including clearance.

Lead-based Paint Compliance for Housing

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Close to 41% of the population in Puerto Rico falls under the federal poverty line, thus, the Government of Puerto Rico has developed several strategies to alleviate poverty. There are certain state agencies with programs targeted to reduce poverty. Such programs combine a safety net through direct public assistance, public education, community-based efforts and economic development. Some of the policies target inequality, educational gaps, sustainable community initiatives, community empowerment, and economic development.

For instance, the state manages the Community Services Block Grant [1] which program provides funds through a formula grant to alleviate the causes and conditions of poverty in communities. The grant is authorized by The Community Services Block Grant Act[2] to provide assistance to States[3] and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient.

In order to reduce the number of poverty-level families the PR-State Government will continue to coordinate the following efforts during the Program Year:

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

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

Families in poverty are the main recipients of CPD funds in Puerto Rico. Even though a portion of Community Development funds could be used to benefit population with higher incomes, the tradition within the Island has been to use CDBG funds essentially for low- and moderate-income populations.

Moreover, activities and programs are designed so that communities can match the federal resources with their in own resources in order to create a greater involvement with their surroundings and livelihood.

The CDBG and HOME programs provide direct relief to low income families by providing affordable housing projects, such as housing rehabilitation, and rental assistance projects.

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Monitoring is an integral management control technique and a Government Accountability Office (GAO) standard. It provides information about the State actions that is critical for making informed judgments about program effectiveness and management efficiency. It also helps in identifying instances of fraud, waste and abuse. It is the principal means by which the State:

- Ensure that programs and technical areas are carried out efficiently, effectively, and in compliance with applicable laws and regulations;
- Assists in improving the performance, developing, or increasing capacity, and augmenting the management and technical skills; and
- Stays abreast of the efficacy of CPD funded activities and technical areas within the communities served by the programs.

The State recognizes and fulfills the monitoring requirements of the five (5) grant programs included in the Consolidated Plan. Monitoring activities are conducted in accordance with OMB regulations, and the HUD regulations and guidance for each program contained in the CPD Monitoring Handbook and include the following:

- Explanation of grant contract requirement and deadlines for all grantees
- Field visits to monitor work in progress and completed projects
- Telephone or office conference assistance to grantees
- Detailed explanation of ways to improve grant administration
- Suspension of grant activities where warranted
- Importance of timeliness
- Monitoring of progress toward goals and objectives of Consolidated Plan

ESG

Throughout the year, program staff conducted visits to all ESG projects to assess compliance with programmatic and administrative regulations. During these visits, they provided technical assistance to address any identified needs. Additionally, the staff developed and implemented improvement plans to correct deficiencies found in the projects, thereby enhancing their effectiveness and ensuring alignment with the program's objectives.

HOPWA

As part of the State efforts to achieve the above-described management objective and the planned HOPWA Program goals and objectives for the reported program year, the HOPWA Staff views monitoring as an ongoing process involving continuous communication and evaluation. This approach allows the State to determine compliance, prevent/identify deficiencies, and design corrective actions to improve or reinforce program participant performance. As part of this process, the HOPWA staff is alert for fraud, waste and mismanagement or situations with potential for such abuse. Where possible, any identified deficiencies in need of corrective action are handled through discussion, negotiation, or technical assistance in a manner that maximizes local discretion.

The HOPWA Monitoring process is based in a Risk Analysis assessment. This process is implemented to target attention to program subrecipients activities that represent the greatest risk and susceptibility to fraud, waste, and mismanagement. Each program subrecipient's past performance is analyzed and compared against the full spectrum of HOPWA Program funds and programs. This method ranks program participants in descending order, from highest to lowest risk. Three categories are used: high, medium, and low risk.

Once the Risk Analysis process is finalized, based in the category in which the subrecipients fall under the analysis, the Program determines which subrecipients are included in the monitoring action for the program year.

Below is a table with a monitoring review to be performed to the following subrecipients:

Organizations/Municipalities	Date
Municipio de Ponce PRH24F999	6/12/2024
Municipio de Camuy PRH24F999	5/29/2024
Municipio de Hormigueros PRH24F999	6/6/2024
Municipio de Yauco PRH24F999	6/25/2024
Bill's Kitchen - Fajardo PRH24F999	5/31/2024
Hogar CREA – Arecibo PRH24F999	4/25/2024
Casa del Peregrino PRH24F999	6/20/2024
Fundación UPENS PRH24F999	6/17/2024
Instituto Pre-Vocacional e Industrial de PR - Mayaguez PRH24F999	6/26/2024
Instituto Pre-Vocacional e Industrial de PR - Arecibo PRH24F999	6/27/2024
Coalition Pro Homeless PRH23F999 - Alpha & Omega PRH24F999	5/31/2024 y 6/3/2024
Coalition Pro Homeless PRH23F999 - Senderos de Esperanza PRH24F999	5/31/2024 y 6/3/2024
Fundacion UPENS PRH23F999 (FU)	6/17/2024
Casa Del Peregrino - Housing PRH23F999 (CDPTH)	6/20/2024
PAC.TA PRH23F999 (PACTA)	6/21/2024

HOME

Rental Activity

The Puerto Rico Housing Finance Authority (PRHFA) as the designated Participating Jurisdiction (PJ) for the HOME Program (Program) is responsible for monitoring compliance of rental projects assisted with Program funds. Specifically, PRHFA must validate project compliance with HOME requirements related to tenant income-eligibility, rent restrictions, unit mix, tenant rights protections, marketing, financial viability of the projects, compliance with the property standards, and with other Program requirements included in the Federal Regulation 24 CFR Part 92.

As of January 1, 2025, the PRHFA had 73 rental projects completed in HUD's Integrated Disbursement and Information System (IDIS) and within the required affordability period. The total number of HOME-assisted units in these projects were 2,988.

The compliance activities that are to be performed by the Federal Funds Compliance Office (FFCO) included the following:

a. Physical inspections of the properties

The HOME regulation establishes that the participating jurisdictions must perform a physical inspection at project completion and during the affordability period to determine if the project meets the property standards of Section 92.251. The HOME regulation establishes that the participating jurisdictions must perform a physical inspection within 12 months after project completion and at least once every 3 years thereafter during the period of affordability.

Sample sizes:

For projects with one to four units, the inspectable items for each physical building with HOME-assisted units and 100 percent of the HOME-assisted units must be inspected.

For projects with more than four HOME-assisted units, the inspectable items for each physical building with HOME-assisted units and at least 20 percent of the HOME-assisted units in each physical building, but not fewer than four units in each project and one HOME-assisted unit in each building.

A physical inspection report will be issued by the PRHFA. This report will reflect the deficiencies found during the inspection and the timeframe granted to the owner to correct the deficiencies. The owner is required to submit evidence of the corrections of all the deficiencies found during the inspection. The HOME Program will review the owner's response and supporting documentation, and if it is satisfactory, will issue a Closet Out Letter notifying that the project complies with the property standards. If the owner's response does not comply with the Program's requirements, follow up will be given to the required corrective actions until all pending deficiencies have been corrected.

b. Compliance reviews (file reviews)

Projects to be reviewed during the fiscal year (July to June) will be selected considering the following factors:

1. Projects completed in IDIS in the last 12 months (first year of the compliance period) - Each project must be reviewed within 12 months after project completion.

2. Projects in which the last compliance review was performed three years before the Program Year (PY) – Each project must be reviewed at least once every three years during the affordability period.

The tenants' files that will be reviewed during the compliance reviews will be selected based on a random sample of at least 20% of the HOME-assisted units in each physical building of the project. The tenants' files evaluation will include the verification of the compliance of each unit with the applicable income and rent limitations of the Program, correct determination of the household income, correct use of the applicable utility allowance, lease contract minimum requirements, compliance with the minimum required documentation and the student rule. Also, during the compliance review the FFCO evaluates the project's compliance with the tenant selection procedures, dispute resolution procedures and property maintenance requirements of the HOME Program.

After the evaluation, the FFCO will issue a compliance review report of the findings encountered during the review. This report will present the findings in order of severity or importance and includes all the details that support each finding. The owner will have a 30-day period to submit a response that includes all the supporting evidence of the corrective actions taken to bring the project units in compliance with the requirements of the HOME Program. The FFCO will review the owner's response and supporting documentation, and if it is satisfactory, the FFCO will issue a clearance letter notifying that the project complies with all the requirements of the Program and that the compliance review process has concluded. If the owner's response does not comply with the Program's requirements, follow up will be given to the required corrective actions until all pending issues have been resolved.

Expected Resources

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

Introduction

For the PY 2025, HUD allocated to the PR-State a total of \$41,773,547.11 among all CPD Programs. Specifically, the allocation by programs is: \$21,778,490 for the CDBG Program activities; \$13,324,447.76 for the HOME Program activities, \$2,540,951 for the HOPWA Program activities, \$3,431,197 for the ESG Program activities and \$688,461.35 for the Housing Trust Fund activities.

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

In addition to the 2025 resources the State estimates that it will have available the following resources Based on IDIS PR01:

- CDBG Previous Year Resources (PR01, available to commit)- \$28,190,369.66 (as of 5/28/2025)
- HOME Previous Years EN Resources (Available to commit)- \$54,834,717 (as of 3/31/2025)
- HOPWA Previous Years – \$3,536,959.68
- ESG Previous years (PR01, available to commit) - \$417,268.00
- HTF Previous Years- \$1,287,270 (as of 3/31/2025)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	21,788,490	77,988.17	28,190,369.66	50,056,848	87,153,960	Funding will be used for housing, community, and economic development activities, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico. In addition to the allocation from HUD, the Department estimates that it will have \$77,988.17 in program income funds available for use by municipalities that generated such income for eligible CDBG activities, in accordance with the Department's CDBG PI policy.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	13,324,447		54,834,717	68,159,164	53,297,791	Funds will be allocated to provide incentives for meeting developing and supporting affordable rental and homeownership housing units. This will be achieved through new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities for rent and sale projects (if needed). Also, funds will be used for acquisition of housing by homebuyers (if needed).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	2,540,951	0	3,536,959.68	6,077,910.68	10,163,804	Funds will be distributed among municipalities and nonprofit organizations for the provision of housing assistance and supportive services for low-income persons living with HIV/AIDS.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	3,431,197	0	417,268.00	3,848,465	13,724,788	Funds will be used primarily for, Outreach, Emergency, Shelter activities, and secondly to Homelessness Prevention, Rapid Re-housing.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	688,461	0	1,287,270	1,975,731	2,753,845	The Housing Trust Fund (HTF) is a new affordable housing production program that will complement existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Homebuyer assistance Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab Public Improvements Public Services Rental Assistance	2,480,000,000	0	0	2,480,000,000	5,746,800,000	The CDBG-DR Action Plan includes further analysis of damage estimates and contains the strategy to address these needs with the first allocation of \$1.5 billion authorized by Pub. L. 115-56 and announced through 83 FR 5844; the second allocation of \$8.2 billion authorized by Pub. L. 115-123 and announced through 83 FR 40314; and the latest unmet infrastructure needs allocation of \$277 million authorized under Pub. L. 116-20 and announced in 85 FR 4681.

Other	public - federal	Acquisition Admin and Planning Homeowner rehab Housing Public Improvements	289,800,000	0	0	289,800,000	7,932,700,000	Public Law 115-123 made available \$28 billion in Community Development Block Grant and Disaster Recovery (CDBG-DR) funds and directed HUD to allocate no less than \$12 billion for mitigation activities proportional to the amounts that grantees received for qualifying disasters in 2015, 2016, and 2017. That amount was increased to \$15.9 billion after HUD completed an assessment of unmet needs and awarded funding to a total of eighteen (18) grantees through a newly created Community Development Block Grant - Mitigation (CDBG-MIT) Program. Out of all these funds, HUD allocated approximately \$8.2 billion in CDBG-MIT funds to Puerto Rico. The rules for administering these funds are founded in the regulatory
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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
								framework of HUD's Community Development Block Grant (CDBG) program and further consider the alternative requirements, waivers, and special grant conditions released in 84 FR 45838 and 85 FR 4676. The CDBG-MIT Action Plan contains further analysis of unmet mitigation needs and PRDOH's strategy to address them.

Table 52 - Expected Resources – Priority Table

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

CDBG:

Matching Requirements

Section 24 CFR 570.489 (a)(1) established the responsibility of the Government of the Commonwealth of Puerto Rico to pay with its own resources for all administrative costs incurred in administering the State CDBG Program. Regardless, the state may use CDBG funds to finance such costs in an amount not to exceed \$100,000, plus 50 percent of such costs in excess of \$100,000. The other 50% in excess of \$100,000 will be covered by

PRDOH general budget.

Leverage of Federal Funds

The non-entitlement municipalities will provide leverage to their projects in the form of in-kind services and equity from municipal, state, and other federal funds.

ESG

The Puerto Rico Department of the Family will receive \$3,431,197 in ESG funds for the PY 2025. Pursuant to 24 CFR 576.201, \$3,431,197 will be matched with cash and noncash contributions. To meet this requirement, the PRDF requests subrecipients to include evidence of matching contributions as part of the application process. The subrecipients are required to match 100% of their ESG award.

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

Additionally, the ESG Program has successfully implemented a cash advance process for subrecipients—an initiative that has been widely accepted and highly valued by participating entities. This strategy has enabled organizations to access available funds in a timely manner, facilitating the delivery of direct services to program participants, reducing administrative delays, and promoting a more agile and efficient response. The advance process has been particularly beneficial in strengthening the capacity of subrecipients to respond in critical situations and has become a key component in the effective execution of ESG funds.

HOME:

The Authority promotes promptness, uniformity, and coherence among the agencies granting permits.

Section 42 of the Internal Revenue Code provides financing by selling tax credits to United Commonwealth's investors.

The product of the sale contributes to creating and preserving rental housing units.

The Federal Tax Credit Program receives nearly \$8.2 million each year, which generates an investment of approximately \$82 millions in Puerto Rico's economy.

Interim Loans for Construction

PRHFA offers financing to construct or develop housing projects for sale or rent. The per unit maximum price is established in the Agency's Financing policies and in procedures approved by the Board of Directors.

The Authority will charge a fee for the interim financing of up to 2.00% of the line peak amount of the maximum amount approved, as follows:

- Commission Fee- Interim Construction Loans Residential Projects for **SALE**-
 - Revolving Loans- 1.50% based on Loan Peak Amount..
 - Non-Revolving Loans- 1.50% based on total draws.
- Commission Fee- Interim Construction Loans Residential Projects for **RENT**-
 - Revolving Loans- 1.75% based on Loan Peak Amount.
 - Non-Revolving Loans- 2.00% based on total draws.
- Commission Fee- Interim Construction Loans Residential Projects related to other **Governmental Programs (*Dependencias Gubernamentales*)**-
 - Revolving & Non-Revolving Loans- 1.00% of Loan Peak Amount.

The fee varies depending on the type of project (new construction or rehabilitation), the per unit sale price, the profit percentage for the developer, whether or not the project is FHA insured, and whether or not the PRHFA will provide a subsidy to buyer families.

The Authority will finance up to 80% of the total development cost (land, site **improvement**, construction costs, and soft costs).

Direct Loans

To purchase primary residence up to \$200,000.

Act No. 87

Mortgage insurance disbursed by Mortgage Banks.

Subsidy Contracts Administration

The US Department of Housing and Urban Development (HUD) chose the PRHFA to manage the subsidy contracts for 166 Section 8 projects in Puerto Rico. This program monitors project management to ensure the quality of life of residents and the adequate use of federal funds. In addition, the Authority is responsible of making subsidy payments to the project owner, renovating subsidy contracts for projects, approving and processing rent increases, monitoring that any deficiencies found in the projects during physical inspections are corrected, and carrying out administrative audits of the projects each year.

Loans for Multifamily Rental Housing

The Authority provides interim and permanent financing for the development of rental housing projects.

Private Sources

Private developers must demonstrate their financial capability and resources for developing housing projects that involve construction or rehabilitation of units for both rent and sale. Private funds are required as leverage for the commitment of HOME funds. Interim financing should be clear with the banking institution before the commitment of HOME funds.

Lending institutions contribute to financing affordable housing by providing flexibility on mortgage loans, conventional mortgages, and FHA mortgage insurance.

It is necessary to point out that permanent financing for HOME assisted Homebuyers may be processed through any qualified mortgage institution. The Homebuyer purchase assistance will be granted directly to low-income families.

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

Does not apply.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Decent Housing	2025	2029	Homeless	Statewide	Chronic Homeless	ESG: \$2,837,692	Homeless Person Overnight Shelter: 2560 Persons Assisted
2	Provide Decent Housing (B)	2025	2029	Homeless	Statewide	Homelessness Prevention	ESG: \$593,505	Tenant-based rental assistance / Rapid Rehousing: 2000 Households Assisted
3	Provide Decent Housing (C)	2025	2029	Affordable Housing Non-Homeless Special Needs	Statewide	Housing	HOPWA: \$2,540,951	HIV/AIDS Housing Operations: 425 Household Housing Unit Other: 635 Other
4	Create Suitable Living Environments	2025	2029	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development- Public improvem Non-housing Community Development- Public Services	CDBG: \$2,514,592	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 540 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Create Suitable Living Environments (B)	2025	2029	Non-Housing Community Development	CDBG- Non-entitlement communities	Non-housing Community Development- Public Facilities Non-housing Community Development- Public improvement	CDBG: \$16,795,894	Other: 191400 Other
6	Provide Decent Housing (D)	2025	2029	Affordable Housing	CDBG- Non-entitlement communities Statewide	Housing	CDBG: \$2,056,667	Homeowner Housing Added: 14 Household Housing Unit
7	Expand Economic Opportunity	2025	2029	Economic Development	CDBG- Non-entitlement communities	Non-housing Community Development- Economic Dev	CDBG: \$121,539	Businesses assisted: 2 Businesses Assisted
8	Emergency Relief	2025	2029	Non-Housing Community Development	CDBG- Non-entitlement communities		CDBG: \$300,000	Other: 300 Other
9	Provide Decent Housing (E)	2025	2029	Affordable Housing	Statewide	Housing	HOME: \$11,992,003	Homeowner Housing Added: 53 Household Housing Unit: 35
10	Provide Decent Housing (G)	2025	2029	Affordable Housing		Housing	HTF: \$619,615	HTF Household Housing unit: 3

Table 53 – Goals Summary

AP-25 Allocation Priorities – 91.320(d)

Introduction:

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

The PY 2025 Annual Action Plan allocation priorities are driven by the information obtained during the Citizen Participation process and consultations. The combination of both processes provided the citizens, the communities, the agencies and interested parties with a meaningful opportunity to actively determine where the housing and community development resources were allocated.

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

HUD regulations provide that 3% of the CDBG allocation plus \$100,000 can be used for administration and technical assistance for the State administered program. In 2025, this adds to \$753,654.70. For the ESG program the Department of the Family will allocate \$257,339.78 for state administrative purposes, \$17,155.99 for subgrantees administration, and \$85,779.93 for HMIS.

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

Funding Allocation Priorities

	Provide Decent Housing (%)	Provide Decent Housing (B) (%)	Provide Decent Housing (C) (%)	Create Suitable Living Enviroments (%)	Create Suitable Living Enviroments (B) (%)	Provide Decent Housing (D) (%)	Expand Economic Opportunity (%)	Emergency Relief (%)	Provide Decent Housing (E) (%)	Provide Decent Housing (F) (%)	Total (%)
CDBG	0	0	0	12	77	9	1	1	0	0	100
HOME	0	16	0	0	0	10	0	0	0	100	100
HOPWA	0	0	100	0	0	0	0	0	0	0	100
ESG	83	17	0	0	0	0	0	0	0	0	100
HTF	0	0	0	0	0	0	0	0	0	100	100

Other CDBG-DR	0	0	0	0	0	0	0	0	0	0	0
Other CDBG-MIT	0	0	0	0	0	0	0	0	0	0	0

Table 54 – Funding Allocation Priorities

Reason for Allocation Priorities

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

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

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

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

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

HOME

The needs assessment identified a considerable need for housing rehabilitation, affordable housing for rent and homebuyer assistance programs. The assessment identified that the main needs are associated to substandard housing, cost burden, housing costs and lack of economic

opportunities for persons with low educational attainment.

ESG

The distribution of funds will be based on the assessment of homelessness, conducted for the purpose of consolidated planning, and the results of the meetings held with CoCs and their organizations. The specific allocation of funds will prioritize the provision of services to address chronic homelessness and the needs identified in the homelessness assessment, particularly. Priority will be given to Emergency Shelters without restrictions and eligible to use their facilities as stabilization units (24 hour, 7 days a week entrance); Emergency Shelters without restrictions on population, age, and time; Emergency Shelter services; and the expansion of Street Outreach services. In the case of the Prevention and Rapid Re-Housing components, priority will be given to people with mental health conditions; projects addressing women's safety; and Shelter proposals that include the Rapid Re-Housing component. Other services that promote economic and personal self-sufficiency will also be prioritized based on the reasons for homelessness, and the current socioeconomic context.

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

Introduction:

The Consolidated Plan regulations, specifically in 24 CFR 91.320, establishes the dispositions regarding the content of an Annual Action Plan. Among the components of the Plan, the PR-State must provide a description of the method for distributing funds to local governments and nonprofit organizations to carry out activities, or the activities to be undertaken by the State, using the funds to be received under the formula allocations and other HUD assistance during the PY 2025.

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

Distribution Methods

Table 55 - Distribution Methods by State Program

1	State Program Name:	CDBG
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The State CDBG allocation for PY 2025 amounts to \$21,788,490. This program provides funding for housing, community, and economic development, as well as assistance for special populations across the 51 non-entitlement municipalities of Puerto Rico. Of these, \$20,734,835.30 will be allocated to non-entitlement municipalities; \$753,654.70 will be separated for State Administration and \$300,000 will be allocated for an emergency fund.</p> <p>The allocation for non-entitlement municipalities will be equally distributed among the municipalities, except for the islands of Vieques and Culebra, which both will receive an additional 15% above the Equal Allocation Grant. This method follows the distribution established via the enactment of local Act 137-2014 (later incorporated under the Municipal Code of 2020), as amended.</p> <p>The following is the proposed allocation:</p> <p>Allocation for 49 Municipalities Administration \$68,711.93 Public Service \$60,628.17 Other Eligible Project (Housing, Community Development, Economic Development, Etc.) \$274,847.72 TOTAL \$404,187.82</p> <p>Vieques and Culebra Administration \$79,018.72 Public Service \$69,722.40 Other Eligible Project (Housing, Community Development, Economic Development, Etc.) \$316,074.88 TOTAL \$464,816.00</p> <p>PRDOH Planning and Administration \$753,654.70</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Under Act 107-2020, as amended (the Municipal Code of 2020) the Commonwealth of Puerto Rico established that all non-entitlement municipalities will receive the same amount of CDBG funds, with the exceptions of Vieques and Culebra, which will receive an additional 15%. Thus, under this method of distribution municipalities will receive the same share of CDBG funds with no need for a competitive round.</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Application Submission</p> <p>Proposal forms will be available on the Agency's website www.vivienda.pr.gov/cdbg-estado/ and proposals and all its components and supporting documentation should be submitted by July 29, 2025, via email to: cdbg-propuestas@vivienda.pr.gov.</p> <p>Applications for the Emergency Fund may be submitted at any time during Program Year 2025 as long as they comply with the requirements presented on PRDOH's Administrative Order-2021-58 of November 30, 2021, as amended by Informative Circular 2021-16 of November 30, 2021, as amended, and any other requirement that applies. Based on the comments received during the public hearing, the PRDOH intends to amend the circular to provide additional time for the execution of certain projects.</p> <p>Municipalities could submit applications for Section 108 loan and must follow the <i>Procedimiento de Solicitud y Administración de Préstamos Garantizados Sección 108</i>.</p> <p><u>Proposal Requirements</u></p> <p>Submission of a budget breakdown is mandatory as part of the proposals.</p> <p>In determining an appropriate amount, the PRDOH reserves the right to adjust requested funds, based on review of compliance with the following requirements:</p> <ol style="list-style-type: none"> 1. Compliance with the State CDBG requirements (Fair Housing and Citizen Participation). 2. Compliance with the College of Engineers and Land Surveyors of Puerto Rico Guidelines, including the project breakdown detailing: cost of material, labor, equipment, insurance, administrative overhead, and other costs related to the project in order to determine reasonable project cost. 3. Reasonability of the budget. 4. Inadequate or incomplete description of activities to be developed. 5. Past performance of the non-entitled municipality (open findings). 6. Timely expenditure of funds <p>All activities must be designed in compliance with the strategy developed by the municipality which should meet the needs of low and moderate-income individuals, addressing their special needs and ensuring maximum community development. The optional 15% Public Service Cap is based on the total CDBG State grant.</p> <p>When preparing the proposal's budget municipalities must comply with the PRDoH policies and procedures on reasonability of administrative costs published in February, 2020.</p>
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		<p>The PRDoH will not approve an administrative budget in those instances where municipalities will be using the funds of their regular allocation for the repayment of a Section 108 Loan Guarantee Program loan only.</p> <p>In those cases where the only activity to be implemented by the municipality is a public service in conjunction with the repayment of a loan under the Section 108 Loan Guarantee Program. The PRDoH will approve up to 25% of the administration maximum allocation allowed in the corresponding Action Plan.</p>
	<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	Not applicable- Please refer to ESG program.
	<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	Not Applicable- See HOPWA Section.

	Describe how resources will be allocated among funding categories.	<p>The State CDBG allocation for PY 2025 amounts to \$21,788,490 will be distributed among eligible activities in accordance with the Programs policies and procedures and the federal law and regulations.</p> <p>Eligible activities under the State CDBG Program are listed on Section 105 (a) of Title I of the Housing and Community Development Act of 1974, as amended. Each activity must meet one of the national objectives as to benefit low and moderate-income persons (24 CFR 570.483 (b)), pursue the elimination of slums and blighted areas (24 CFR 570.483 (c)), or activities designed to address a particular urgency that poses an imminent threat to the health and safety of the community (24 CFR 570.483 (d)). Each activity should correlate with a matrix code, national objective and CDBG citation.</p> <p>No more than 20% of the CDBG funds will be allocated for eligible Administrative and Planning Activities (3% by PRDOH and 17% by the Municipalities); up to 15% of the CBDG funds can be allocated for Public Service purposes and the remaining of the funds can be allocated for housing, community development and economic development related activities.</p> <p>All applications for Program Year 2025 State CDBG funds must establish that no less than 70% of State CDBG funds will benefit LMI persons. Projects which do not meet eligibility requirements under Section 105(a) of Title I of the Housing Development Act of 1974, as amended, will not be considered.</p>
	Describe threshold factors and grant size limits.	Under Act 107-2020, as amended (Municipal Code of 2020), the Commonwealth of Puerto Rico established that all non-entitlement municipalities will receive the same amount of CDBG funds, with the exceptions of Vieques and Culebra, which will receive an additional 15%. Thus, under this method of distribution municipalities will receive the same share of CDBG funds with no need for a competitive round.
	What are the outcome measures expected as a result of the method of distribution?	The expected outcomes measures are included on the appendix section.
2	State Program Name:	Emergency Solutions Grant Program
	Funding Sources:	ESG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Puerto Rico Department of the Family (PRDF) oversees the administration of the Emergency Solutions Grant (ESG) Program. The fund distribution method employed by the PRDF involves issuing a Request for Proposals (RFP) in the first year, followed by a competitive evaluation process to select prospective subrecipients. The allocation of funds is based on both the performance of the subrecipients' projects and the availability of funds from the U.S. Department of Housing and Urban Development (HUD). In Program Year (PY) 2025, the PRDF is set to accept proposals from entities that are actively involved in related fields.</p> <p>Should there be any surplus funds during PY 2025 due to the recapture process, the PRDF will allocate these funds based on identified needs, with distribution criteria being communicated through an invitation process.</p> <p>In the case of a declared disaster, the PRDF has the authority to enact the disaster recovery policy, which is detailed in the Appendix section of the program guidelines.</p> <p>For PY 2025, the total amount allocated for the ESG Program is \$3,431,197.00. This funding is designated to benefit all seventy-eight (78) municipalities across Puerto Rico, spanning ten (10) regions as established by the PRDF: Mayagüez, Aguadilla, Arecibo, Bayamón, San Juan, Carolina, Caguas, Humacao, Guayama, and Ponce. Eligible non-profit organizations and municipalities that meet the specified requirements and evaluation criteria can receive funding for the following categories:</p> <ul style="list-style-type: none"> • Outreach and Shelter: \$2,058,718.20 (60.0%) • Prevention: \$497,523.57 (14.5%) • Rapid Re-Housing: \$531,835.53 (15.5%) • Data Collection (HMIS): \$85,779.92 (2.5%) • Administration: \$257,339.78 (7.5%) <p>Total: \$3,431,197.00 (100%)</p> <p>The Department of the Family is also authorized to allocate indirect costs to eligible activities.</p> <p>Proposals will be assessed based on two sets of criteria: compliance criteria for proposal consideration and criteria for the final award of funds. The detailed process for these evaluations is described in subsequent sections of the proposal guidelines. All proposals should be submitted via email by July 2025.</p> <p>Beginning with Program Year 2021, the PRDF has adopted a funding method where awards are granted for a two-year period. This is contingent upon an evaluation of the first year's performance, the expenditure rate of the allocated funds, and the availability of further funds. As PY 2025 commences, eligible organizations and local governments will be entering their second year in the current two-year cycle. Any funds that remain</p>
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		<p>unutilized during the Program Year will be allocated based on needs identified by the PRDF and communicated through invitations.</p> <p>For PY 2025, the PRDF plans to implement an advance payment method, as per the procedures established by the ESG Program.</p>
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	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Compliance Criteria for Proposal Consideration</p> <ul style="list-style-type: none"> • Complete the proposal in all its parts and submit the required documentation, as applicable. • At least three years of experience serving homeless persons or in risk of homelessness. • Availability of credit lines or financing mechanisms. • No open findings of questioned costs, if applicable. Compliance with Federal Audit Clearing House. • Be a municipality or non-profit entity properly incorporated and in Good Standing, as applicable. • Have financial management systems that meet the minimum accounting standards. • In the case of shelters, the municipal endorsement is required. • Have the Environmental Assessment, as applicable. • Availability of fund matching (dollar-for-dollar) and its sources. • Experience managing federal funds and financial capacity. • Reasonability of number of homeless persons identified in the geographic region of service • Reasonability of the project-participant's cost. • The entity has Case Managers and specialized personnel. <p>Compliance Criteria for Proposal Consideration for second year – Performance and Expenditure Rate – Active Entities</p> <ul style="list-style-type: none"> • In the case of shelters, bed utilization rate of 75% or more • Average stay in Shelter – no more than 90 days • Have spent at least 85% of the recent allocation. • Active participation in the Coordinated Entry System (CES) • Compliance with Data Entry in the Homeless Management Information System (HMIS). • Compliance with previous allocations case closing in HMIS. • Projects performance according to HMIS: Complies with 50% or more of the performance measurements related to income generation and placement of participants in housing modalities. Performance measures include the following:
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	<ul style="list-style-type: none"> • Outreach: 45% or more of participants of outreach were placed in a modality of housing (ES, TH or PH) • Emergency Shelters: 10% or more of personas who exited ES increased their income, 70% or more of the participants of ES were placed in a modality of TH or PH. • Prevention: 75% or more of the persons who received assistance maintain their households. • Rapid rehousing: 10% of more of persons exiting a Rapid Rehousing project increased their income, 75% or more of RRH participants exited to permanent housing. <p>Criteria for the final granting of funds - <i>Management and Financial Capacity</i></p> <ul style="list-style-type: none"> • Experience managing federal funds. • Availability of credit lines or financing mechanisms • Other sources of income <p>Two special bonuses will be awarded during the evaluation of proposals to those organizations and municipalities that participate actively in the CoCs and those that offer services in the 15 municipalities with the highest incidence of homelessness.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable to the ESG Program- (see CDBG section).</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Since Program Year 2021, the PRDF uses a distribution method in which an award is granted for a two-year period, subject to an evaluation of the first year's performance and expenditure rate for allocated funds, and the availability of funds. During PY 2025, eligible organizations and local governments will be initiating their second program year of the two-year cycle. Meanwhile, unused funds available during the Program Year will be distributed according to the needs identified by the PRDF, by invitation.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not Applicable- See HOPWA Section.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The following is the ESG Program distribution by funding categories:</p> <ul style="list-style-type: none"> • Outreach and Shelter: \$2,058,718.20 (60.0%) • Prevention: \$497,523.57 (14.5%) • Rapid Re-Housing: \$531,835.53 (15.5%) • Data Collection (HMIS): \$85,779.92 (2.5%) • Administration: \$257,339.78 (7.5%) <p>Total: \$3,431,197.00 (100%)</p> <p>The Department of the Family may be allocating indirect costs to eligible activities.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>The grant size limits established for the ESG Program funds distribution are:</p> <ul style="list-style-type: none"> • Outreach and Shelter No more than 60.0% • Prevention No limits • Rapid Re-Housing No limits • Data Collection (HMIS) Does not apply • Administration No more than 7.5%
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	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Non-profit organizations and units of local government that are awarded ESG funds, are expected to comply with the following outcome measures, depending in the different types of projects:</p> <p>Outcome Measures</p> <p>OUTREACH</p> <ul style="list-style-type: none"> • Number of people receiving services • Number of people who left the program. • Percentage of people who committed (engaged) to receive services. • Percentage of people who fulfilled their service plan. • Percentage of people who increased their income from any source. • Percentage of people located in emergency shelter. • Percentage of people located in temporary shelter. • Percentage of people placed in permanent housing. <p>EMERGENCY SHELTER</p> <ul style="list-style-type: none"> • Number of people who entered the emergency shelter. • Number of people who left the program. • Percentage of people who fulfilled their service plan. • Percentage of people who increased their income from any source. • The percentage of people who entered transitional housing. • Percentage of people who stayed in the shelter for less than three months. • Percentage of people who stayed in the shelter for more than three months. • Percentage of people placed in permanent housing. <p>PREVENTION</p> <ul style="list-style-type: none"> • Number of people receiving prevention services
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		<ul style="list-style-type: none"> • Number of people who left the program. • Number of people receiving economic assistance • Percentage of people who received housing relocation services and stabilization services during the service period. • Percentage of people who met their service plan. • Percentage of people who increased their income from any source. • Percentage of people placed in permanent housing. <p>RAPID RE-HOUSING (RRH)</p> <ul style="list-style-type: none"> • Number of people receiving RRH services • Number of people who left the program. • Number of people receiving economic assistance • Percentage of people who received housing relocation services and stabilization services during the service period. • Percentage of people who fulfilled their service plan. • Percentage of people who increased their income. • Percentage of people placed in permanent housing
3	State Program Name:	HOME Investment Partnership Program
	Funding Sources:	HOME

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The PRHFA will receive \$13,324,447.76 in HOME funds for PY 2025. All resources will be allocated to provide incentives for meeting the goal of developing and supporting affordable housing. This will be achieved primarily through the Rehabilitation or New Construction for Multifamily Rental Development. Funds from previous years may be used to provide down payment assistance to homebuyers, rehabilitation or new construction of homeowners and TBRA. The distribution of HOME funds for PY 2025 will be as follows:</p> <ul style="list-style-type: none"> • Administration \$1,332,444.78 • Rehab or New Construction by Owner (Single Family) \$1,500,000.00 • Rehab or New Construction for Multifamily Rental Dev. \$10,492,002.98 <p>Funds will be distributed according to a competitive process. The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section. Funding available during the program year, not distributed in the competitive process or from previous years, may also be distributed according to an alternative method of distribution by invitation and based on need.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The Puerto Rico Housing Finance Authority (PRHFA) will make the activity of New Construction or Rehabilitation for Rental Housing Development available under the HOME Investment Partnership Program (HOME) FY 2025 Action Plan (AP) through a competitive process. Following previous joint efforts and on-going initiatives, the HOME Program might combine or implement a consolidated application to include CDBG-DR, LIHTC, HTF or other sources of funds or new programs (received or to be received), combining the requirements, to promote the development of multifamily rental projects.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p> <p>Other activities will be delivered by the PRHFA in accordance with the applicable regulations.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable to the HOME Program- see CDBG section.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable to the HOME Program- see ESG section.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable to the HOME Program - See HOPWA Section.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The information that follows presents a description of the HOME Program activities and the criteria used for the distribution of funds addressing the priority needs, specific objectives, and performance measurements mentioned above. The minimum investment required by HOME activity is \$1,000 per unit.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>No grants size limits will be applied to proposed housing development projects. For Homebuyer Financial Assistance activities, the cap is a minimum of \$1,000 and maximum which is to be establish by AFV according to participant necessity, will be available for eligible homebuyers. The Director of the Home Program will approve on case-by-case basis the amount of subsidy needed to acquire or maintain an affordable housing unit.</p>

	What are the outcome measures expected as a result of the method of distribution?	<p>The following are the HOME Program Outcome Measures:</p> <ul style="list-style-type: none"> • Homebuyer Assistance \$0.00 – A total of 3 homebuyers (served with funds available from previous years) • Rehab or New Construction by Owner \$1,500,000.00 – A total of 7 housing units (approximately). • Multifamily Rental Dev. \$10,492,002.98 – A total of 46 housing units. • Tenant-Based Rental Assistance (TBRA) - \$0.00 – A total of 36 families (served with funds available from previous years).
4	State Program Name:	Housing Opportunities Persons With AIDS
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	<p>The Housing Opportunities for Persons with AIDS (HOPWA) Program provides housing assistance and supportive services for low-income persons living with HIV/AIDS and their families. HOPWA funds are received by the Puerto Rico Department of Health to be distributed to Eligible Project Sponsors that include Municipal Governments and Non-Profit Organizations.</p> <p>Funds for PY 2025 will continue to be administered by the Municipality of San Juan. The Municipality will be responsible for its management, and distribution to subrecipients. Due to the law restrictions, administrative funds will not be distributed to sub recipients.</p> <p>HOPWA funds may be used for a wide range of services such as housing, social services, program planning, and development costs. These included, but not limited to acquisition, rehabilitation or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. HOPWA funds may be used for health care and mental health services, drug dependence treatment, nutritional services, case management, assistance with daily living, and other supportive services. If remainder funds are available after distribution, distribution of funds will not require a new competitive process but will be distributed among organizations and municipalities that previously submitted their proposals.</p> <p>For this Plan the Puerto Rico EMSA will include the 78 municipalities for unobligated funds and the PR-EMSA Municipalities for the HOPWA grant.</p>

	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The following evaluations factors will be used to evaluate the proposals presented by potential sub recipients. An evaluation committee selected by the Municipality of San Juan will evaluate the applications with a standard instrument that will take into consideration: HIV/AIDS population within the proposed service area, level of experience of the proponent party, use of funds history by the proponent party and performance history of the proponent party. All criteria have the same weight in the evaluation process. The maximum value for a proposal is one hundred and twenty (120) points. The following are the areas of evaluation and its relative weight:</p> <p>NON-Profit subrecipients</p> <ul style="list-style-type: none"> • Cover Page - 2 Points • Proposal Summary - 3 Points • Organizational Structure and Administrative Capacity - 35 Points • Services Description – 8 Points • Funds Received by the Organization - 6 • Project Description - 22 Points • Budget - 44 Points • Total: 120 <p>Municipal subrecipients</p> <ul style="list-style-type: none"> • Transmittal Letter - 3 Points • General Information Municipality -7 Points • Financial and Programmatic Background - 30 Points • Funds Received by the Municipality - 2 • Project Description - 30 Points • Budget -28 Points • Delivery Cost – 2 Points
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	Total: 102
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not applicable to the HOPWA Program- see CDBG section.
Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the HOPWA Program- see ESG section.

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>For PY 2025 the Municipality of San Juan will accept island-wide applications, including potential sub recipients from the San Juan Eligible Metropolitan Statistical Area (SJ-EMSA). Priority will be given to potential sub recipients that are not included in the SJ-EMSA. Applicants located in the San Juan EMSA that are currently receiving HOPWA funds from the Municipality of San Juan cannot receive State HOPWA funds for the same purpose and uses.</p> <p>All the applications will be evaluated by the same standards and criteria.</p> <p>Support services eligible costs include:</p> <ul style="list-style-type: none"> • Nutritional Services • Day care • Case Management • Mental Health • Medical services • Permanent housing costs • Any supportive service combined with housing <p>All sub-recipients are required to register with Dun and Bradstreet to obtain a DUNS number, if they have not already done so. In addition, they need to be registered on the System for Award Management (SAM).</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The HOPWA Program funds will be distributed in the following categories:</p> <ul style="list-style-type: none"> • Administrative Activities: 10% • TBRA Activities and related: 33% • Housing related Activities: 37% • Supportive Services Activities: 20% <p>The final distribution by individual activity is:</p> <ul style="list-style-type: none"> • Administration Salud \$76,229 • Administration San Juan \$172,531 • TBRA \$811,514 • Delivery Cost TBRA \$32,461 • Operation Costs Transitional Housing and STRMU \$941,105 • Supportive Services \$507,111

	Describe threshold factors and grant size limits.	No grant size limits are established for the HOPWA Program funds distribution.
	What are the outcome measures expected as a result of the method of distribution?	<p>The following are the HOPWA Program Outcome Measures:</p> <ul style="list-style-type: none"> • Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family - 70 Households • Tenant-based rental assistance - 115 Households • Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds - 80 housing units • Transitional short-term housing facilities developed, leased, or operated with HOPWA funds – 270 Households • Supportive Services – 455 Households
5	State Program Name:	Housing Trust Fund
	Funding Sources:	HTF

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The PRHFA received \$688,461.35 in HTF funds for PY 2025. The resources will be allocated for Multifamily Rental New Construction/Rehabilitation. The funds will be distributed as follow:</p> <p>GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2025:</p> <p>Assigned Budget: \$688,461.35</p> <p>Distribution by Category:</p> <ul style="list-style-type: none"> • State Administration \$68,846.13 • Rental and homeownerships eligible activities \$619,615.22 . <p>Description of the Method to Distribute HOME and HTF Funds for Construction and Rehabilitation of Rental Housing:</p> <p>For the purposes of distributing the funds, the PRHFA may incorporate HTF funds into competitive rounds for other programs such as HOME, LIHTC or may use an invitation method based on need. Funds will be allocated to provide incentives for meeting developing and supporting affordable rental housing units and homeownership. The first will be achieved through new construction or rehabilitation of non-luxury housing with suitable amenities for rent.</p> <p>Eligible Applicants</p> <p>The PRHFA is not limiting the potential pool of applicants for the HTF program. Thus, PRHFA will allow developers, non-profits, and other organizations to apply for HTF funds. Applicants must comply with the requirements established in 24 CFR 93.2. These requirements are integral to the basic threshold criteria described in the tables below. It is important to note that applications must demonstrate that participants understand the specific requirements of the HTF program and that even if HTF funds are combined in a project with multiple funding sources, HTF unit(s) must be assisted only via HTF eligible activities (24 CFR 93.200).</p> <p>The full explanation of the Method of Distribution based on competition to be used during this program year is included in the Appendix Section. As mentioned, PRHFA may also use an invitation method based on need for available funds during the year that were not distributed in competitive rounds or come from previous years.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applications requesting HTF funds will be evaluated according to criteria based on HTF regulations, and the needs for such projects. Criteria may include: Project location; project characteristics; project owner/developer characteristics; financing characteristics; special needs projects; Housing needs and additional criteria for rental housing projects.</p> <p>See the appendix for a description of the scoring method and selection criteria of the competitive process. The criteria are presented below to facilitate the description of the priority funding factors. The QAP and PRHFA criteria guidelines will be used to determine the final scores and funding recommendations.</p> <p>The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section. As mentioned, PRHFA may also use an invitation method based on need for available funds during the year that were not distributed in competitive rounds or come from previous years.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable to the HTF Program- see CDBG section.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable to the HTF Program- see ESG section.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable to the HTF Program- see HOPWA section.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The HTF Program funds will be distributed in the following categories:</p> <p>Distribution of HTF Funds</p> <ul style="list-style-type: none"> • Rental and homeownerships eligible activities \$619,615.22 – (in the case of homeownership provided they do not exceed 10% of the allocation). • Administration \$68,846.13- 10% • Total \$688,461.35 -100% <p>The HTF resources will be allocated for projects that serve HTF tenant population; these could include special needs population.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>PRHFA will use the maximum per unit subsidy standards adopted by the State HOME Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216.</p> <p>The initial basic qualifications will be evaluated by the State HOME program personnel. If the project does not meet requirements for completeness, the applications will not be received.</p> <p>The project location and the targeted population will be key factors in determining the grant size limit.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The following are the HTF Program Outcome Measures:</p> <p>Multifamily Rental Dev. \$619,615.22– A total of 3 housing units.</p>

Discussion:

The full explanation of the Method of Distribution of funds to be used during this program year is:

ESG Disaster Funding Policy

The Puerto Rico Department of the Family (PRDF) recognizes the significant impact that natural disasters and public health emergencies—such as hurricanes, earthquakes, or pandemics—have on individuals experiencing homelessness or those at risk of becoming homeless. In response to such events, the PRDF has developed an ESG funding allocation policy that enables a timely, strategic, and federally compliant response.

When a disaster is officially declared by the state or federal government, the PRDF may redirect available funds from prior-year grants and prioritize eligible components (such as emergency shelter, rapid re-housing, prevention, and street outreach) to the most affected regions. This ensures that the resources are used efficiently to address the immediate needs of individuals impacted by the event.

In these situations, the PRDF may issue targeted subawards to governmental or nonprofit entities with demonstrated capacity and experience to implement short-term solutions. These allocations may be used to:

- Cover operational shortfalls in existing programs impacted by the disaster.
- Fulfill local preparedness and emergency response requirements.
- Provide temporary support to expand shelter or service capacity.
- Fund new activities such as case management or street outreach to rapidly connect new and existing clients with permanent housing options.
- Repair or rehabilitate shelters damaged by the disaster.

All activities funded must fully comply with the regulations set forth in 24 CFR Part 576, which governs the ESG Program, as well as the policies, procedures, and priorities established in Puerto Rico's Consolidated Plan.

Recognizing that entities located in disaster-affected areas may face operational and logistical limitations, the PRDF will implement **temporary modifications to its traditional proposal evaluation and scoring process** ("rating and ranking"). This adjustment serves two key purposes:

1. To acknowledge that impacted organizations may lack the capacity to submit formal proposals within established deadlines.
2. To enable a focused allocation of funds to areas where they are most urgently needed and where they can have the greatest immediate and long-term impact.

These measures reflect the PRDF's commitment to ensuring an effective, equitable, and evidence-based response that prioritizes support for the most vulnerable populations during times of crisis.

HOME Program

Puerto Rico Housing Finance Authority – HOME Recapture Provisions

The affordability restriction running with the deed will ensure that all the HOME assistance to the homebuyer is recuperated. Recapture provisions will ensure that the property remains the beneficiary's principal residence for the term of the affordability. Thus, in case the recapture restriction is triggered, the **PRHFA** will recapture the entire amount of the HOME investment (net proceeds available from sale). Net Proceeds are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs. The **PRHFA** will not recapture more that is available from the net proceeds of the sale.

In the case of an investment from the homebuyer, in the form of additional funds for down payment and the amount of capital improvements, such amount could be recovered by the homebuyer if net proceeds are enough to cover the HOME- assistance. Thus, net proceeds will first cover the HOME assistance, secondly, any initial investments from the homebuyer and finally any amount more than the net proceeds (surplus) will be shared on equal basis between the **PRHFA** and the program beneficiary (50% retained by the **PRHFA** and 50% to beneficiary). Such surplus will be treated as Recaptured funds.

The **PRHFA** will share any net proceeds if the net proceeds are not sufficient to recapture the full HOME assistance plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment made by the owner since purchase, the grantee may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. Capital Improvement investment will be valued by appraisal. A capital improvement is the addition of a permanent structural change or the restoration of some aspect of a property that will either enhance the property's overall value, increase its useful life or adapt it to new uses. This type of improvement, according to the Internal Revenue Service (IRS), must have a life expectancy when installed of more than one year.

Examples:

- Must fix some defect or design flaw.
- Must substantially improve the value of a property.
- Must become a permanent part of the property so that removal would cause some impactful damage to the property.
- Must be added with the intention of becoming a permanent part of the property or asset.

The IRS makes a distinction between capital improvements and repairs, which cannot be included in a property's cost basis. Repairs done as part of a larger project, such as replacing all housing windows, do qualify as capital improvements. Repairs that are necessary to keep a home in good condition, however, are not included if they do not add value. Examples of such non-qualifying repairs, according to the IRS, include painting, fixing leaks or replacing broken hardware.

The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

$$\frac{HOME\ investment}{HOME\ investment + homeowner\ investment} \times Net\ proceeds = HOME\ amount\ to\ be\ recaptured$$

$$\frac{homeowner\ investment}{HOME\ investment + homeowner\ investment} \times Net\ proceeds = amount\ to\ homeowner$$

The affordability restrictions will not run against the developer's subsidy; hence, only direct subsidy is subject to recapture. Direct subsidy is the amount of HOME assistance- including any program income- that enabled the homebuyer to buy the unit (down payment, closing costs, interest subsidies, or other HOME-assistance). The direct subsidy also includes any assistance that reduced the purchase price from fair market value to an affordable price. Recaptured funds will be used in HOME eligible activities.

The **HOME**-assisted units must meet the affordability requirements for no less than the applicable period specified below, beginning after project completion or occupancy, whichever is last. Particularly, for rehabilitation and construction projects completion will be evidenced by the use and occupancy permit. For rental projects completion will be evidenced when the construction is finished, and the use permit obtained. For homebuyer sales projects completion will be evidenced when the last unit is sold. If the homebuyer transfers the property, either voluntary or involuntarily, during the period of affordability, the **PRHFA** will recover all the HOME assistance from the net proceeds.

TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HOME Investment per unit	Length of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The affordability period requirements are enforced through a written agreement executed by the homebuyer and the **PRHFA**, and will be enforced via deed restrictions separately recorded, and a soft second mortgage over the property, if HOME requirements are met. The time limit for such lien will be determined by the amount of the subsidy granted by the State HOME Program, as shown in the above table.

The **PRHFA** will only approve refinancing for better rate and terms of the first mortgage, and immediate property repairs or improvements. Such approval requires the expressed written consent of **PRHFA**. The **PRHFA** will not approve debt consolidations or 'cash-out' refinance (other than for a nominal cash remainder that may be result from the adjustment of a closing date, etc.). Assisted households wishing to do a cash-out refinance during the affordability period should expect to repay the HOME-assistance.

Puerto Rico Housing Finance Authority – HOME Resale Provisions

Description of the Resale Guidelines for the Homebuyer Activity:

Provisions follow the requirements established in 24 CFR 92.254 (a) (5) (i) to ensure affordability in compliance titled **Qualification as Affordable Housing: homeownership**.

The **PRHFA** will use both Resale and Recapture provisions. Resale provisions will only be used in cases in which HOME assistance has been awarded as development subsidy and will not be used to reduce the purchase price of the unit and in cases in which the permanent and primary financing for the acquisition would be affected due to the lender's policies regarding the treatment of the Recapture provisions. It has been the **PRHFA's** experience that certain institutions equate subsidies awarded in lieu of Recapture provisions as payable loans and therefore must be considered when calculating the property's Loans to Value Ratio. Under these circumstances and when the Loans to Value Ratio exceeds the ratio authorized under the primary lender's policies, the developer or CHDO may request the sale of the HOME assisted unit under the Resale provisions. In any such case the developer or CHDO must seek the **PRHFAs** prior written approval before selling the unit using Resale provisions.

Recapture provisions will not be used when a project receives only a development subsidy. Instead, resale provisions will be used. Resale provisions may require selling properties below fair market value to make the property affordable to the subsequent low-income homebuyer. Recapture provisions allow for sale at fair market value.

To assure the maintenance of the affordable housing stock, the **HOME** program provides a set affordability periods that relate to the resale of the property. These periods are based on the amount of **HOME** funds provided for the property, in compliance with the Table below.

TIME RESTRICTIONS ON AFFORDABILITY LIMITATIONS

HOME Investment per unit	Length of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years

The period of affordability will be based on the total amount of HOME funds invested in the housing, including any program income expended in the unit.

The resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original **HOME**-assisted owner a fair return on investment (including, the value of the original down payment, and capital improvements) and ensure that the housing will remain affordable to a reasonable range of low-income Homebuyers.

The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The **PRHFA** would announce in the restrictive covenants that may use purchase options, rights of first refusal or other

preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

The term of affordability shall be secured in the written agreements executed by the homebuyer and the **PRHFA** and enforced via deed restrictions separately recorded, and a soft second mortgage over the property. The restrictive deed of trust would be presented at the corresponding office of the Department of Justice Property Register for presentation, qualification, and inscription.

The recorded restricted deed of trust would include the following covenants on the land in two instances: in the fee title simple and in the **PRHFA** direct mortgage that will secure the affordability period of the assisted housing.

- (1) The housing must be the principal residence of the family throughout the affordability period established in the recorded deed. The Homebuyer would not rent the dwelling or use it in any other manner than the principal residence of the family.
- (2) The Homebuyer must meet the affordability requirements for not less than the applicable period specified in the previous table, beginning after project completion.
- (3) Refinancing of the first mortgage would be allowed if two of the following conditions are met:
 - (a) That the dwelling unit has been continuously occupied by the Homebuyer.
 - (b) That the funding raised by the mortgage refinancing would be used for **HOME** improvements, approved by the **HOME** Program and that no cash will be used for other means.
 - (c) That the refinancing would improve the current mortgage payment, either lowering the monthly installments, interest rate or maturity term.
- (4) The **PRHFA** would conduct periodic inspections on the **HOME** assisted housing during the affordability period to verify program compliance.
- (5) Resale of the property should be authorized in advanced by the **PRHFA**, and such offering should be made only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale price should provide the original **HOME**- assisted owner a fair return on investment. The homebuyer's fair return on investment will be based in the percentage change of Puerto Rico's Consumer Price Index (CPI, as published by the Puerto Rico Department of Labor and Human Resources) over the period of ownership. Capital improvements will be valued based on actual costs of the improvements as documented by an appraisal. Any improvements on the property will require written consent from the **PRHFA**.
- (6) Additionally, any approval of improvements on the property will require the submission of quotes from a valid contractor. The housing will remain affordable to a reasonable range of low-income Homebuyers.
- (7) The **HOME** equity, other than homeowner's investment and any capital improvement, and any increase in the appraised value of the property should be kept in the property, to help meet the affordability criteria for the new Homebuyer.

- (8) The property must be sold to a homebuyer complying with the following criteria: A price that is affordable to a family below 80 percent of the median income of Puerto Rico at the time of the transaction that will pay no more in PITI (the sum of loan payments of principal and interest, taxes, and insurance) than 30 percent of annual (gross) income or depending on compensatory factors.
- (9) The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.
- (10) **PRHFA** may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

HOME PROGRAM

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

2. The **PRHFA** will receive \$13,324,447.76 in HOME funds for PY 2025. All resources will be allocated to provide incentives for meeting the goal of developing and supporting 46 affordable rental housing units, approximately. This will be achieved through the Rehabilitation or New Construction for Multifamily Rental Development activity combined with other funding sources like LIHTC, HTF, section 8 program among others. These eligible costs include site improvements, conversion, demolition, and other expenses such as financing costs and relocation expenses of displaced persons, families, businesses, or organizations. Funds from previous years will also be allocated in order to provide down payment assistance to homebuyers, provide rental assistance in form of vouchers thru Tenant-Based Rental Assistance (TBRA) and to provide a decent and secure home with the Rehabilitation of Owner-Occupied units. Housing must be permanent or transitional and serve both low and very low-income families, according to the applicable qualifying standard associated to each activity. The distribution of HOME funds for PY 2025 is shown below:

3.

GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2025	
Assigned Budget:	\$13,324,447.76
State Administration:	\$1,332,444.78
Homebuyers Assistance:	\$0.00
Rehab or New Construction for Multifamily Rental Development:	\$10,492,002.98
Rehab or New Construction by Owner	\$1,500,000.00
Tenant-Based Rental Assistance (TBRA)	\$0.00

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

The Puerto Rico Housing Finance Authority (PRHFA) will announce a Notice of Funds Availability (NOFA) for assistance under the following programs for new construction and/or rehabilitation of low-income rental housing projects:

- Low-Income Housing Tax Credits (LIHTC)
- HOME Investment Partnerships Program (HOME)
- Housing Trust Fund (HTF)
- Community Development Block Grant Disaster Recovery (CDBG-DR)-MIT Program

That NOFA will be released pursuant to the PRHFA's 2025 Qualified Allocation Plan (2025 QAP), HOME/HTF Action Plan and CDBG-DR State Action Plan and program guidelines. It will be consistent with the funding priorities therein established.

NOFA seeks to leverage diverse funds, with criteria that will result in allocating multiple financing sources to projects that meet the State Housing Plan priorities.

Following previous joint efforts and on-going initiatives, the Puerto Rico Housing Finance Authority (PRHFA) is making available the activity of New Construction or Rehabilitation for Rental Housing Development under the HOME Investment Partnership Program (HOME) Action Plan (AP) a component of the competitive process the Authority has issued. Following previous joint efforts and on-going initiatives, the HOME Program is combining and implementing a consolidated application to include CDBG-DR (MIT), LIHTC, HTF or other sources of funds or new programs, combining the requirements, to promote the development of multifamily rental projects.

Outreach for program funds is based on the methodology for open market competition. A notice of available HOME is to be published in a general circulation newspaper. Any interested qualifying parties may apply to finance their project once the NOFA is published. This process assures equal participation of any party in the affordable housing business.

Announcement and application: HOME will announce and publish in a general circulation newspaper the quantity of funds to be released and the proposal submission deadline. As mentioned, at the discretion of the Authority, the announcement could be done in conjunction with other sources of sources of funding or new programs (if available or once available) according to PRHFA Annual Plan and government Plan.

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

Please note that it should be at **PRHFA's** sole discretion to award Home funds to any Participant (which may request or not HOME funds), based on the merits of the project, available funds, specific needs of the cycle, economic conditions, in order to promote the new construction/rehabilitation of low-income housing projects. This will also apply to projects requesting 9% tax-exempt bonds, where, depending on the merits and conditions of the project, HOME funds might be awarded. As of today, an estimated of \$637,773,487 from years 2021 & 2022 in Private Activity Bond Volume Cap-related 9% tax-exempt credits are available.

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

As presented earlier, the State HOME Program will allocate the amount of \$13,324,447.76 for the eligible activities established in the PY2025 Action Plan (including 10% for administration), amended accordingly to reflect funding changes and the needs and policy priorities announced in the State Housing Plan 2025-2029. The method for distributing HOME funds to local governments, developers, CHDOs, minority groups, and small businesses will be through the submittal of an application.

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

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

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

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

Project Evaluation and Selection

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

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

<p>General Remarks: All applicants must confirm the submission of the required supporting documentation enabling their basic threshold (BT) qualification by filling out this form. The form summarizes the BT requirements and documentation to be further considered under the applicable program(s) announced under the NOFA. ONLY APPLICATIONS MEETING ALL QUALIFICATIONS, APPLICABLE TO THEIR TYPE OF DEVELOPMENT AND REQUESTED PROGRAM(S), WILL BE FURTHER CONSIDERED. Applications that do not meet the BT requirements and/or documentation might be informed in writing. All documents submitted must conform to contents, identity of issuer, period of preparation, format and any other requirement detailed in the QAP, HOME/HTF Action Plan (AP), CDBG-DR Program Guidelines (PG) or applicable rule. Respondents are solely responsible of ensuring full compliance with all the BT requirements included in this checklist and those listed under the QAP, HOME/HTF AP or CDBG-DR PG.</p>					
<p>The Authority reserves the right to interpret, supplement, qualify or modify any provision herein established or documentation requirement, to resolve any conflict that might arise regarding the provisions contained in the QAP, the HOME/HTF AP, CDBG-DR PG or any other applicable rule. The Authority will determine the completeness of the responses and documentation provided by respondents and, subject solely to their discretion, will determine if any correction or clarification could be requested from any applicant. Each document must be identified with the application number, document title and the reference number provided in this documentation checklist. Unless required otherwise, all documents and supporting documents are to be submitted in digital format, as follows: all documents in PDF format and an additional copy of the application in XLS format.</p>					
<p>Documents are to be submitted in an USB drive each titled as follows: [Application Number-Reference ID-Document Title]. Example: 2025-XX-BT.001-Application Form. Please, note that documents labeled "SHPO.003" through "SHPO.006" also require the submittal of printed copies no later than XXXXXXXXXXXX.</p>					
	Application Number:	2025-			NOFA 2025 Basic Threshold Requirements and Documentation Review
	Subscribed by:				
Project Name:					
Reqd. for LIHTC	Reqd. for HOME/HTF	Reqd. for CDBG-DR	Check if submitted	Doc Ref ID	Document
SHPO					
n	n	n		SHPO.001	A detailed written description of the project, including related activities to be carried out in conjunction with the project; estimated total development cost; project area in <i>cuerdas</i> or acres; and tax property identification number (cadastral number) of the property(ies).
n	n	n		SHPO.002	Project location marked on a U.S.G.S. Topographic Quadrangle Map outlining exact boundaries. Name of the Quadrangle MUST be indicated, and the original scale maintained. Other types of maps will not be accepted (i.e.: flood, zoning, or tourist maps, aerial or satellite photographs, etc.).

n	n	n		SHPO.003	Site Plan, scale 1:2000 or larger, showing project property and vicinity. <u>A printed copy (size "11x17") must also be submitted.</u>
n	n	n		SHPO.004	Current photographs (taken from ground level) of the property and the project's area of potential effects (at a minimum, the area of the project and its surroundings) in TIFF, JPEG or PDF formats. <u>Printed color copies must also be submitted.</u> No Polaroid's or photocopies will be accepted.
n	n	n		SHPO.005	As-found or as-built plans of the building/structure(s) to be affected by the project. <u>Printed copies (size "11x17") must also be submitted.</u>
n	n	n		SHPO.006	Schematic or preliminary drawings (floor plans, elevations, sections) that show the proposed project design. <u>Printed copies (size "11x17") must also be submitted.</u>
I. Application					
n	n	n		BT.001	Application Form.
n	n	n		BT.001	Application's Agreement and Certification (page 25), signed by the Owner, the President, or Secretary of the General Partner, and showing corporate seal that is also legible in digital documents.
n	n	n		BT.002	Corporate Resolution certifying that the person who signed is a duly authorized officer of the applicant, authorized to sign the application.
n	n	n		BT.003	Threshold Checklist Form.
n	n	n		BT.004	Self-Point Ranking Evaluation.
n	n	n		BT.005	Subsidy Layering Review (SLR) Parameters Checklist Form.
n				BT.006	Copy of any waiver issued by the Authority for the public-housing set-aside category.
n	n	n		BT.007	Application's transmittal letter.
	n				Manager's check or Money Order for fees payable to the Puerto Rico Housing Finance Authority indicating application number and the term "HOME/HTF" in memo field.
				BT.008	Intentionally Omitted
II. Project Characteristics					

n	n	n		BT.012	Designer's Preliminary Certification (Annex J) completed by the designer, duly licensed in Puerto Rico. Also, PRHFA's Oversight & Quality Assurance Program Accessibility Standards Checklists, completed and certified by the designer, duly licensed in Puerto Rico:
n	n	n		BT.013	- Appendix A-ADA Accessibility Verification Checklist
n	n	n		BT.014	- Appendix B-Fair Housing Act Accessibility Checklist
n	n	n		BT.015	- Appendix C-Uniform Federal Accessibility Standards
n	n	n		BT.016	Project timeline for project activities including specific benchmarks for acquisition, assembly of the development team, completion of plans and specifications, completion of financial approvals, municipal approvals, building permits, project construction start date, completion date and the estimated date of lease-up (Application, page 23).
n	n	n		BT.017	Certification of the percentage of construction completion prepared by the Resident Inspector for projects under construction. (Caveat: existing construction might affect the Environmental Review, and eventual allocation of HOME, HTF and CDBG-DR Funds).
n	n	n		BT.018	Certification of the percentage of construction completion prepared by the lender's inspector for projects under construction. (Caveat: existing construction might affect the Environmental Review, and eventual allocation of HOME, HTF and CDBG-DR Funds).
n	n	n		BT.019	Evidence of site control: earnest money agreement, option or closing statement for land and/or buildings, title, deed or leasehold agreement (99 years or more if requesting HOME or HTF).
n	n	n		BT.020	Certification by owner attesting compliance with restrictions on real property acquisition or rehabilitation under the URA, 49 CFR 24.101(b) and section 23.7 of the PRDH's Administrative Plan, detailing: number of persons (families, individuals, businesses or organizations) occupying the property on the date of the submission of the application; number of persons to be displaced, temporarily relocated, or moved

					permanently within the building or complex; estimated cost of relocation payments and services and sources of funding; and copy of the executed agreement with organization that will carry out the relocation activities.
n	n	n		BT.021	Complete set of Architectural drawings of the proposed new construction and/or rehabilitation, certified by the project's registered architect (RA)/professional engineer (PE).
n	n	n		BT.022	Technical specifications certified by the project's RA/PE.
n	n	n		BT.023	Certification from a qualified RA/PE, retained for the accessibility inspection of the new construction and/or project rehabilitation and duly licensed in Puerto Rico, of the architectural drawings as verification that covered units and project common areas comply with the structural accessibility mandates of the FHAct and, wherever applicable, the 2010 ADA standards and UFAS.
n	n	n		BT.024	Zoning Certification, prepared by project's designer, stating that the proposed/current use of the property is permitted under applicable Zoning and Land Use laws and regulations, and that the applicable zoning authority is not aware of any zoning or land use violations with respect to the property. (Annex T)
n	n	n		BT.025	Recommendations of infrastructure issued by the Puerto Rico Permits Management Office (OGPe, by its Spanish acronym) and construction permit filed with competent entity.
n	n	n		BT.026	Unexpired Construction Permit, Green Construction Permit (Permiso de Construcción Verde) or Notification of Construction Permit issued by the applicable permitting office and agencies' endorsements (Puerto Rico Environmental Quality Board (JCA, by its Spanish acronym), Puerto Rico Department of Natural and Environmental Resources (DRNA, by its Spanish acronym), and Institute of Puerto Rican Culture (ICP, by its Spanish acronym), along with recommendations of infrastructure from agencies).

n	n	n		BT.027	Pursuant to Section 106 - 36 C.F.R. Part 800, State Historic Preservation Office's (SHPO) Technical Assistance or Final Determination Letter. The Technical Assistance letter shall indicate that there are no historic properties or that no adverse effect on historic properties is associated with the undertaking or the agreed-to measures if such adverse effect is determined (<u>early documentation submittal required</u>).
n	n	n		BT.028	Wetland Inventory Map from the U.S. Fish and Wildlife Service (USFWS) demonstrating project's location outside of any wetland, or a Wetland Preliminary Jurisdictional determination from the Corps of Engineers indicating that the project does not affect wetland.
n	n	n		BT.029	Project location must be identified in the NFIP Map (FEMA Map) to demonstrate compliance with the Floodplain Management Act – 24 CFR 55, Executive Order 11988. The project must be located outside the 100-year floodplain, coastal high hazard areas and if the project is located inside the 100-year floodplain, FEMA's approval letter of Map Amendment (LOMA) or Letter of Map Revision (LOMR) will be submitted.
n	n	n		BT.030	Project location must be identified in the USFWS map to demonstrate compliance with the Coastal Barrier Resources Act of (CBRA) –24 C.F.R. §58.6(b). Federal assistance may not be used in the CBRA system
n	n	n		BT.031	Certification of consistency filed with the State Coastal Management Program, if required.
n	n	n		BT.032	Technical assistance or final determination letter issued by the U.S. Fish and Wildlife Service (USFWS) certifying compliance with the Endangered Species Act indicating that project does not affect endangered species.
n	n	n		BT.033	Noise Study as per the requirements set forth in the American National Standard Method for the Physical Measurement for Sound, if project located within 1,000 feet of a major noise source, road or highway, 3,000 feet of a railroad, or 5 miles of a civil airport.

n	n	n		BT.034	Soil survey, if project is for new construction or substantial rehabilitation requiring addition or expansion to structures.
n	n	n		BT.035	Archaeological study, if required by the SHPO pursuant to its review under Section 106, or if required by the Institute of Puerto Rican Culture (ICP, by its Spanish acronym), or copy of the recommendation issued by the ICP as part of the construction permit consultancy process evidencing that the study is not required.
n	n	n		BT.036	Hydraulic/Hydrologic study, if the project meets the conditions established under The Department of Natural and Environmental Resources' Administrative Order No. 2013-12, or a certification issued by a civil engineer attesting that the study is not required.
n	n	n		BT.038	For rehabilitation and acquisition/rehabilitation projects, a comprehensive capital needs assessment (CNA) report prepared by a RA or PE, duly licensed in Puerto Rico, unaffiliated with the Developer, the Development or any other entity involved with the Project, that includes: an opinion of proposed construction budget and assesses the condition, among other, of site, structural systems (roof, bearing walls and columns, foundations), plumbing systems, electrical systems, fire protection systems, building envelope and insulation, interiors (including units and common areas); and mechanical systems. For projects with more than 26 units, it must specify the remaining useful life of major systems and include paint testing and/or risk assessment report for substantial rehabilitation projects.
n	n	n		BT.039	Certification from a qualified RA/PE, retained for the accessibility inspection, duly licensed in Puerto Rico, of the project rehabilitation, as verification of the CNA Report and that covered units and project common areas will comply with the structural accessibility mandates of the FHAct and, wherever applicable, the 2010 ADA Standards and UFAS
III. Housing Needs					

n	n	n		BT.042	Comprehensive market study report (updated within six months of the application) performed by a provider unaffiliated with the developer, of the low-income housing needs in the area to be served. The market study should at least include: • A statement of the competence of the market study provider, detailing education and experience of primary author and including statement of non-interest. • A description of the proposed site and neighborhood, including physical attributes of site, surrounding land uses, and proximity to community amenities or neighborhood features including shopping, healthcare, schools, and transportation. • A map and photos of the subject site and surroundings showing location of community services.
					<ul style="list-style-type: none"> • An overview of local economic conditions, including employment by sector, list of major employers, and labor force employment and unemployment trends over past 5-10 years. • A description of the proposed development, detailing proposed unit mix (number of bedrooms, bathrooms, square footage, proposed rents, AMI level, utility allowances, and any utilities included in rent), proposed unit features and community amenities, and target population including age restrictions and/or special needs populations. • Demographic analysis of the number of households in the market area that are part of the target market (i.e., family, senior, etc.), income-eligible, and can afford to pay the rent, including a projected household base at placed in service date. • Geographic definition and analysis of the market area, including description of methodology used to define market area and map of market area including proposed site.
					<ul style="list-style-type: none"> • Analysis of household sizes and types in the market area, including households by tenure, income, and persons per household. Quantify the pool of eligible tenants in terms of household size, age, income, and other relevant factors. Not all residents of the market area are potential or likely tenants or buyers of any given project. • A description of comparable developments in the market area, including any rental concessions these developments

					<p>presently offer.</p> <ul style="list-style-type: none"> • A description of rent levels and vacancy rates of comparable properties in the market area, segmented by property type (market rate, Tax Credit, deep subsidy) and with rents adjusted to account for utility differences and concessions or other incentives. Such description should include all existing Tax Credit developments in the primary market area, any planned additions to rental stock including recently approved Tax Credit developments and certify that the proposed Tax Credit units will not have a negative impact in any existing Tax Credit project in the market area.
					<ul style="list-style-type: none"> • Expected market absorption of the proposed rental housing, including capture/penetration rate analysis of target populations. Evaluate the effective demand and the capture rate, usually expressed as a percentage (the project's units divided by the applicant pool). The capture rate is the percentage of likely eligible and interested households living within a reasonable distance from the project site who will probably need to rent units within the area. Also, expected market caption or absorption rate of the proposed rental housing, including capture/penetration rate analysis of target population; the maximum caption or absorption rate should be 10%. • A description of the effect on the market area, including the impact on Tax Credit and other existing affordable rental housing.
					<ul style="list-style-type: none"> • A statement on how the proposed project would address housing needs experienced as part of the Hurricanes Irma and María, Storm Isaias, Earthquakes of 2019 & 2020; and any other major disaster, as declared by the President of the United States, and how they would beneficiate the community in the situation of a natural disaster. • A statement indicating that the development of new housing units will not have a negative impact on the occupancy and operations of existing rental projects (Tax Credit, HOME, HTF, among others) in the proposed project's municipality and market area. • THE AUTHORITY WILL CONSIDER THE MARKET STUDY, THE MARKET, MARKETABILITY FACTORS, AND ANY ADDITIONAL INFORMATION AVAILABLE TO

					DETERMINE IF AN ACCEPTABLE MARKET EXISTS FOR THE PROPOSED DEVELOPMENT. THE AUTHORITY WILL NOT BE BOUND BY THE CONCLUSIONS OR RECOMMENDATIONS OF THE MARKET REPORT AND RESERVES THE RIGHT TO DISQUALIFY ANY APPLICANT IN THE COMPETITION IF IT DETERMINES THAT AN ACCEPTABLE MARKET DOES NOT EXIST.
n	n	n		BT.043	Affirmative Fair Housing Marketing Plan (Annex S of the Application Package).
n	n	n		BT.044	Written tenant selection procedures.
IV. Project Developer Characteristics					
n	n	n		BT.045	Organizational chart of project structure identifying Owner, Developer, General Partner/Manager and/or Sponsor and any other related entity.
n	n	n		BT.046	Articles of Incorporation for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1)
n	n	n		BT.047	Partnership (or Operating) Agreement of the entity to claim ownership of the Project (LP, LLC, etc.), as may apply, indicating cash contributions by the General Partner(s) and/or Limited Partner(s).
n	n	n		BT.048	Certificate of Incorporation (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	n		BT.049	Certificate of Authorization of US Foreign Limited Liability Company from PR Department of State (as it may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	n		BT.050	Good Standing Certificate (in USA and PR, as may apply) for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	n		BT.051	Company by-laws and internal rules for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).

n	n	n		BT.052	Names, addresses, telephone numbers and email address of officers, members, directors, principal stockholders or managing partner of the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
n	n	n		BT.053	Certification attesting that Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1) or any grantee or contractor at any tier to any of the stated parties is not currently debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs subject to 2 CFR part 2424 and are not included on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.
n	n	n		BT.054	IRS Form SS-4 or other evidence of the taxpayer identification number for the following entities: Owner, Developer, General Partner/Manager and Sponsor (as were described in the Application, page 1).
	n			BT.059	Application to become a Community Housing Development Organization (CHDO) filed with the Authority.
n	n	n		BT.060	Audited Financial Statements (updated within six months of the application) of the developer, general partners, managing members, owners, and sponsors of each entity; in case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$1,000,000. If an entity of new creation, CPA certification of a new entity, most recent statements, if within 6 months of the application.
n	n	n		BT.061	Compiled or Revised Financial Statements (updated within six months of the application; only applicable to natural persons) of the shareholders, directors, principals, officers, members and partners, as applicable, of the owner, developer, managing member, and general partner; in case of for-profit, must evidence a combined net worth of all entities and natural persons involved in the ownership

					structure of the project (excluding actual or future limited partners and/or Tax Credit equity providers) equal to or greater than \$1,000,000.
n	n	n		BT.062	Statement (affidavit) sworn by owner, developer and their shareholders, directors, officers and partners, as applicable, attesting that they have not been involved in any way (either personally or as shareholders, directors, officers, members or partners of a corporation, partnership or other form of business organization or joint venture) in any other project for which the Authority has provided any financing and /or grant (as lender, conduit, custodian of funds, or otherwise) and in which a default notice under the terms and conditions of the applicable financing documents has been issued and not cured.
n	n	n		BT.063	Certification issued by the Authority's Audit and Compliance Office attesting that the owner, developer and their shareholders, directors, officers and partners, as applicable, with previous participation in the program, comply with Section 42/HOME/HTF/CDBG-DR requirements and that, as of the most recent audit/compliance review, there is no outstanding finding of noncompliance (including any fees due to the Authority) in another project that received Tax Credits/HOME/HTF/CDBG-DR funds and in which they have an interest or participation.
n	n	n		BT.064	Previous participants must also evidence via sworn statement that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority, employees, officers or agents participating in any capacity in the procurement, selection, award, or the administration of a contract or agreement supported under the QAP or the NOFA. Any conflict of interest will immediately disqualify the applicant of any participation in the Authority programs.

	n	n		BT.065	Statement (affidavit) sworn by owner, developer and their shareholders, directors, officers and partners, as applicable, attesting that they have not been involved or are in any conflict of interest (fact or appearance) in any way (either personally or in any other juridical capacity) with the Authority and any of its affiliates or their employees, officers or agents participating in any capacity in the procurement, selection, award, or the administration of a contract or agreement supported under the QAP or the NOFA; nor with any contractors that have developed or participated in drafting specifications, requirements, statements of work, and invitations for bids or requests for proposals. If requesting HOME/HTF funds, must also attest that complies with 24 CFR 92.356(f).
n	n	n		BT.001	Identity of Interest (Application, page 4).
n	n	n		BT.001	List of members of the Development Team (Application, page 22)
n	n	n		BT.066	Non-Conflict of Interest Certification (Exhibit X)
n	n	n		BT.067	Non-Conflict of Interest on Existing or Pending Contracts Certification (Exhibit Y)
n	n	n		BT.068	Limited Denial of Participation Affidavit (Exhibit Z)
n	n	n		BT.069	Certification Regarding Debarment Suspension, Ineligibility, and Voluntary Exclusion (Exhibit AA).
n	n	n		BT.070	Certification Regarding Debarment Suspension, Ineligibility, and Voluntary Exclusion (Exhibit BB).
n	n	n		BT.071	Anti-Lobbying Certification (Exhibit CC)
n	n	n		BT.072	Authorization for Background and Financial Information (Exhibit DD)
n	n	n		BT.073	Entity Prior Performance Certification (Exhibit EE)
n	n	n		BT.074	Certification of No Benefits Received (Exhibit GG)
n	n	n		BT.001	List of members of the Development Team (Application, page 22)
n	n	n		BT.075	Resume of the designated Architect/Designer indicating qualifications, address, telephone number and references of projects evidencing experience with the design of projects like the proposed development.
n	n	n		BT.076	Copy of contract with designated Architect/Designer.

n	n	n		BT.077	Evidence to demonstrate that prior to designing the project the RA/PE professional liability insurance policies covered negligent acts, accessibility errors and/or omissions under the Fair Housing Act (FHAct) and, wherever applicable, the 2010 American with Disabilities Act (ADA) standards and Uniform Federal Accessibility Standards (UFAS) [The professional liability insurance must be for an amount not less than 10% of the estimated construction cost.]
n	n	n		BT.078	Copy of professional Puerto Rico license of the RA or PE, in charge of design.
n	n	n		BT.079	Resume of the General Builder and/or Contractor indicating qualifications, address, telephone number and references evidencing experience with the construction of projects similar to the proposed development.
n	n	n		BT.080	Copy of contract with General Builder and/or Contractor.
n	n	n		BT.081	Evidence of General Builder and/or Contractor's bondable capacity (for payment, performance, and surety bond) for no less than 50% value of the construction contract, including accessibility errors and/or omissions under the FHAct and, wherever applicable, the 2010 ADA standards and UFAS.
n	n	n		BT.082	Certification of Registry of Building Contractors issued by the Department of Consumer Affairs (DACO, by its Spanish acronym).
n	n	n		BT.083	Resume of the Resident Inspector indicating qualifications, address, telephone number and references evidencing experience with the construction inspection or management of projects similar to the proposed development.
n	n	n		BT.084	Copy of contract with Resident Inspector.
n	n	n		BT.085	Copy of professional Puerto Rico license of RA or PE of the Resident Inspector.
n	n	n		BT.086	Resume of the Management Agent indicating qualifications, address, telephone number and references evidencing experience with the management of projects similar to the proposed development, and management of Tax Credit, HOME, HTF and/or CDBG-DR assisted units.

n	n	n		BT.087	Copy of contract with Management Agent.
n	n	n		BT.088	Resume of the Accessibility Coordinator indicating qualifications, address, telephone number and references evidencing experience with disability rights laws, regulations, and requirements, and all matters related to Accessibility Standards
n	n	n		BT.089	Copy of contract with Accesibility Coordinator
n	n	n		BT.090	Resume of the Consultant Agent, if applicable.
n	n	n		BT.091	Copy(ies) of contract with Consultant Agent(s), if applicable, that itemizes the services to be performed by each consultant and the amount of the consultant fee for each service or group of services.
V. Financing Characteristics					
n	n	n		BT.001	Sources and Uses (Application, page 15)
n	n	n		BT.092	Schedule of monthly cash flow during construction period, including capital contributions.
n	n	n		BT.001	Schedule of projected income and expenses during operation certified by the proposed management agent (Application, page 18).
n	n	n		BT.093	Pro-forma with income and expense cash flow, for a 20-year period if only requesting HOME, HTF or CDBG-DR for New Construction (term for Rehabilitations will vary depending on the funding per unit), or 30-year or any other restrictive compliance period, showing: a feasible operation; prepared according to the applicable program underwriting standards; all income, including commercial, residential and ancillary income, vacancy adjustment, the amount of Tax Credits, CDBG-DR funds, HOME/HTF Funds and/or other governmental subsidies or contributions, private equity, as well as the amount of permanent financing based on the established parameters, that a project would be eligible to receive; all expenses, including partnership distributions, debt service, non-cash expenses such as depreciation and amortization of fees and principal; reserves; and <u>certified by the proposed management agent.</u>

n	n	n		BT.094	Appraisal report of site(s) and structure(s) prepared by a licensed appraiser unaffiliated with the Developer, the Development or any other entity involved with the Project, and approved by the Authority, within six months of the application.
n	n	n		BT.095	Written unqualified endorsement from the Mayor of the Municipality, or authorized representative, where the project will be located. This letter must indicate any municipal assistance that the project will receive.
n	n	n		BT.096	Letter of intent and/or commitment from interim and/or permanent financing source, other than the Authority, specifying amount and term of the loan; fixed interest rate; non-recourse nature of the loan; amortization period; pre-payment penalties; and collateral requirements.
n	n	n		BT.097	Loan application to PRHFA on or prior to the Tax Credit, HOME, HTF or CDBG-DR application submittal, if requesting financing from the Authority.
n	n	n		BT.099	Contract or Firm Commitment letter indicating approval of funding issued by the Rural Development Housing Service of the US Department of Agriculture for projects that are financed or sponsored by the entity.
n	n	n		BT.101	Copy(ies) of the contracts or firm commitment letters must be attached to the owner's certification of federal, State, or local subsidies received or expected to be received for the development and operation of the project, as applicable.
n	n	n		BT.001	Project Development Costs (Application, pages 11, 12 and 13)
n	n	n		BT.102	Construction cost breakdown (itemized schedule of values) that substantially conforms to form HUD 2328 (form not required), certified by the proposed general contractor or project designer.
n	n	n		BT.105	Justification for exceeding any of the safe harbor parameters for general contractor fees but in no circumstance, more than the maximum allowable aggregate amount.
n	n	n		BT.106	Statement with the terms of the deferred developer fee and if used to fund the operating reserve and to be repaid from cash flow, and after all required replacement reserve deposits are made,

					within 10 years and meeting the IRS standards.
n	n	n	DD136:D141	BT.107	Written evidence for projects claiming and/or receiving (or not) tax exemptions (e.g., property tax waivers, rental income exemptions, etc.).
VI. Other Requirements					
n	n	n		BT.108	New Construction Projects: Green Building Standards-Application Checklist (Annex U) duly completed and signed, along with the required supporting documentation therein.
n	n	n		BT.109	Rehabilitation Projects: HUD Community Planning and Development (CPD) Green Building Retrofit Checklist (Annex V) duly completed and signed, along with the required supporting documentation therein.
n	n	n		BT.110	Broadband Infrastructure, Certification from project's designer stating that the projects plans and specifications include and comply with Broadband Infrastructure requirements, as per Federal Register Vol. 83, No. 28 (February 09, 2018), 83 FR 5844.
n	n	n		BT.111	Accessibility Requirements: Certification from project's designer stating that the projects plans and specifications include and comply with Accesibility requiremements, as per Conciliation Agreement and Voluntary Compliance Agreement:
					<ul style="list-style-type: none"> • Twelve percent (12%) of the total ground floor and/or elevator-serviced unit inventory must be made fully mobility-accessible under the 2010 ADA Standards and, wherever applicable, the UFAS; and
					<ul style="list-style-type: none"> • Three percent (3%) of the unit inventory must be made sensory-accessible under the 2010 ADA Standards and, wherever applicable, the UFAS.
FOR PRHFA USE ONLY					
REVIEWED BY:				APPROVED BY:	
Name				Name	

DATE:			DATE:		

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

Point Ranking System

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

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

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

HOME Program-Point Ranking Evaluation		Score
I.	Project Location	Up to 23 pts
I.1.	Location. A project might be awarded up to 19 points if located within one of the following areas:	Up to 15 pts
I.1.1.	Urban area defined as: Central Urban Area in the Planning Board's <i>Reglamento de la Infraestructura en el Espacio Público</i> ; or Urban Center designated by the Department of Transportation and Public Works or adopted under an Urban Center Area Plan; or a state-designated Historical Zone or federally designated Historical District. See Annex Q of the Application Package for Reference Maps.	5
I.1.2	Documentation required: Certification of location by a licensed land surveyor, physical address, and coordinates. Any project property straddling the limit of the designated urban area will be considered as located within.	
	The portion of a census tract outside an urban area, that has a rate of:	
	20% or less below poverty line.	5
	more than 20% and less than 30% below poverty line.	3
	more than 30% and less than 40% below poverty line.	1
	Documentation required: Certification of location by a licensed land surveyor. Any project property straddling the limit of the census tract will be considered as located within.	
	Documentation required: Census tract number; census tracts "% Below Poverty Line" as per the Federal Financial Institutions Examination Council's (FFIEC) 2015 Census Report. (Application, page 1).	
I.1.3	The zone of influence around an Urban Train Station, as defined under section 3(e) of Law 74-1965, as amended.	5
	Documentation required: Certification of location by a licensed land surveyor, physical address, and coordinates. Any project property straddling the limit of the zone of influence will be considered as located within.	
I.2.	Desirable Activities	Up to 8 pts

I.2.1.	General. Projects located within 1,500 meters of the following amenities will be awarded a point each, up to 6 points :	Up to 6 Pts
	Town square of an urban center.	1
	Public Park (must incorporate a passive non-sports area).	1
	Traditional town market (<i>plaza de mercado</i>).	1
	Public or licensed elementary, middle, or high school.	1
	Shopping center (100,000 square feet or more of net commercial space; <u>no other listed use is eligible if located within the shopping mall</u>).	1
	Grocery store or supermarket with meat, produce and dairy.	1
	<u>Hospital, diagnostic and treatment center (CDT) or federally qualified health center (see www.hrsa.gov).</u>	1
	Pharmacy.	1
	Federal post office.	1
	Public transit terminal (bus, <i>carros públicos</i>).	1
	Documentation required: Map certified by a licensed land surveyor attesting to location of the facilities and the distance along a walkable public pathway or roadway between the project's main pedestrian entrance and the closest point of a town square or park facility or a public entrance to any target facility (in case of a shopping mall, to the commercial concourse or a big box-type facility entrance). If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project.	
	Amenities must also be referenced by the market study.	
I.2.2.	Targeted. Projects targeted to the following special needs populations located within 500 meters of the following amenities will be awarded a point for each one, up to 2 points .	
	Single headed household:	
	Grocery store with WIC contract.	1
	Licensed or chartered childcare facility.	1
	Specific documentation required: name and physical address of facilities.	

	Specific documentation required: Evidence of inclusion in the WIC Vendor Registry published at wicpuertorico.com.	
	Specific documentation required: Childcare facility charter issued by ACUDEN.	
	Elderly household:	
	Physician or dental office.	1
	Civic center or voluntary work facility.	1
	Specific documentation required: Name and physical address of facilities.	
	Homeless (as defined under HEARTH Act):	
	WIOA training center.	1
	ASSMCA licensed public or private institution for the ambulatory treatment of mental disabilities, drug addiction or substance dependency.	1
	Specific documentation required: Name and physical address of facilities.	
	Specific documentation required: Authorization for WIOA training center issued by Local Workforce Development Area.	
	Specific documentation required: Copy of license issued by ASSMCA.	
	Documentation required: Map certified by a licensed land surveyor attesting to location of facilities and distance along a walkable public pathway or a roadway between the project's main pedestrian entrance and the public entrance to any target facility. If close to more than one installation belonging to the same type, only one point will be awarded. In case of a scattered-site project, distance will have to be certified from the nearest point of the closest building in the project.	
	Amenities must also be referenced by the market study.	
I.3.	Undesirable Activities. Even if compliant with required environmental review, projects will be discounted one point for each one of the listed undesirable activities, up to a maximum of 5 points, if located:	Up to
		Minus 5
I.3.1.	Within one-eight mile of a:	
	Junkyard.	-1
	Landfill or dumpsite.	-1
	Industrial site.	-1
	Airport.	-1

	Wastewater treatment plant.	-1
1.3.2.	Adjoining a property which is or contains a:	
	Gas station.	-1
	Auto repair, paint, or tire repair shop.	-1
	Woodworking shop.	-1
	Unabated nuisance, as declared by a Municipality.	-1
	Documentation required: Map prepared by a licensed land surveyor certifying due diligence by identifying any of the listed nuisances within the established distance measured along the shortest straight line between the project lot and the nuisance property. In case of a scattered-site project, the distance will have to be certified from the closest point of the project's lot closest to the identified nuisance.	
	<u>Every applicant must file the Map prepared by a licensed land surveyor certifying due diligence and indicating that none of the listed nuisances surround the project.</u>	
II.	Project Characteristics	Up to 48 pts
II.1.	Infill or nuisance. Projects will be awarded one point if proposed to develop an infill site or expropriated as part of a nuisance abatement process; and one additional point, up to 2 points , for each non-contiguous infill site or expropriated as part of a nuisance abatement process that is incorporated into a scattered-site project, located within an area with a radius no larger than one-quarter mile. An infill site shall be defined as a site that is bound on all except one of its sides, or two of its sides in case of a corner-type property, by adjoining built-up properties, and that has immediate access to existing public infrastructure of roads, water, sewer, and power.	Up to 2 pts
	Documentation required: Aerial photograph for each infill site showing properties.	
	Documentation required: Cadastral numbers of properties (Application, page 1).	
	Documentation required: Nuisance abatement completed by Municipality supported by property deed and certification provided by Municipality.	
II.2.	Historic property. A substantial rehabilitation project site is in or incorporates a state designated historic property, federally designated historic place, or a contributing resource to a federally designated Historic District will be awarded 3 points.	3

	Documentation required: Act citation or Planning Board's Resolution number and date in case of state designated properties; listing in the National Register of Historic Places in case of federally designated properties; or State Historic Preservation Office's (SHPO) certification of contributing resource.	
II.3.	Adaptive reuse. The residential use is an adaptive reuse of an existing industrial/commercial property (refers to the process of reusing an old site or building for a purpose other than which it was built or designed for; does not apply if the existing structure will be demolished) will be awarded 2 points.	5
	Documentation required: Appraisal certifying present land use of the property.	
II.4.	Site Characteristics.	Up to 6 Pts
II.4.1.	Mobility. Projects (or the totality of the building sites, in the case of a scattered-site project), that incorporate improvements aimed at facilitating the mobility of its residents and promoting public transportation will be awarded up to 3 points , as follows:	Up to 3 pts
	The project provides an accessible and dedicated pedestrian network within the project site to connect the building(s) main pedestrian entrance(s) with egress points on all property sides adjoining a public street.	1
	Documentation required: Site plan certified by the project's designer identifying the proposed improvements.	
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of all non-conforming sidewalks in the perimeter of the project site adjoining a public roadway, in compliance with applicable accessibility standards and local codes.	1
	Documentation required: A separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes.	
	Documentation required: Approval from Municipality and competent transit authority, if applicable.	
	Documentation required: Letter from competent authority attesting the improvement is not a required off-site.	
	Provided it is not required by a competent authority as an off-site improvement, the project includes the construction or rehabilitation of transit pull-offs or public transit stops and required signage in any point of the roadway perimeter of the project site; or the provision or improvement of the sidewalks, crosswalks, refuge islands, and required signage to connect an off-site existing	1

	public transit stop with the project site, in compliance with applicable accessibility standards and local codes.	
	Documentation required: A separate plan drawing certified by the project's designer identifying any segments of the existing pedestrian pathways requiring accessibility improvements or in need of repair, and proposed improvements or new construction required to comply with applicable accessibility standards and local codes.	
	Documentation required: Approval from Municipality and competent transit authority, if applicable.	
	Documentation required: Letter from competent authority attesting the improvement is not a required off-site.	
II.4.2.	Urban Considerations. A proposed development that strengthens and improves the neighborhood's general urban character may be awarded one point for each one of the following criteria, up to 3 points , as follows:	Up to 3 pts
	The project achieves the maximum allowable gross floor area, housing density and/or height under applicable code provisions.	1
	Documentation required: Table with applicable code provisions, maximum parameters and project parameters certified by the project's designer.	
	The parking spaces and service areas are screened from any public sidewalk or roadway by green hedges, fences, or walls with a void-to-solid area ratio of 1 or less.	1
	Documentation required: Site plan and elevation details certified by the project's designer identifying visual barriers and certifying compliance.	
	The building(s) main entrance(s) open(s) to the sidewalk of an adjoining public roadway.	1
	Documentation required: Site plan certified by the project's designer showing the location of the building's main entrance(s).	
II.5.	Building Characteristics.	Up to 10 Pts
II.5.1.	Unit Mix. Projects might earn up to 2 points for a unit mix preferring 2 or more bedrooms per unit as follows:	Up to 2 pts
	75% or more 2 or more bedrooms per unit	2
	50% or more 2 or more bedrooms per unit	1

	Documentation required: Floor plans certified by the project's designer.	
	Documentation required: Project pro-forma.	
II.5.3.	Building Amenities. Projects will be awarded one point, up to 10 points , for each one of the following building or unit features benefiting all units and, if applicable, not required by code or a permit authority:	Up to 8 pts
	Centrally located courtyard or patio with an area of no less than 30 sq. ft. per unit directly accessible from the main entrance(s) of the building(s).	1
	Community or meeting center with an area of no less than 15 sq. ft. per unit, with kitchen and public bathrooms.	1
	Open balcony in each unit with an area of no less than 24 sq. ft. (this area is part of the unit's Gross Living Area)	1
	Equipped exercise room(s) with an area or aggregate area of no less than 300 sq. ft.	1
	Common laundry(ies) equipped with at least a washer-dryer pair per 15 units.	1
	Equipped playground outdoor area with visual control from the main entrance.	1
	Night shift security guard.	1
	Trash chutes (for mid- or high-rise facilities).	1
	Storm windows or shutters in all units.	1
	Units with 3 or more bedrooms have 2 bathrooms.	1
	Single family units provide Washer/Dryer hookups.	1
	Single family units provide Carport (<i>marquesina</i>).	1
	Ceiling fans for all bedrooms and living room areas.	1
	Documentation required: Floor plans and elevations certified by the project's designer showing designated spaces, equipment, and/or floor area.	
	Documentation required: Designer's Preliminary Opinion Letter (Annex J of the Application Package, model of certification), specifying compliance with applicable design criteria.	
II.6.	Gap Financing Efficiency. Projects that demonstrate the capacity to efficiently curb gap financing sources (CDBG-MIT, HOME, HTF, FHLBNY, among others) relative total development costs. While complying with applicable standards,	Up to 10 pts

	threshold requirements and minimum scoring, might earn up to 10 points . The efficiency will be measured by the following ratio:	
	· Total Development Cost (TDC),	
	· Minus Gap Financing requested (GFR),	
	· Divided by the TDC,	
	· Times 10 [number of max points that a project can receive for this criterion], rounded to four (4) decimal points.	
	The result of the above computation equals the points earned by the project	
	(TDC-GFR/TDC) *10=Points Earned	
	Documentation required: Project Development Costs (Application, pages 11 and 12).	
	If the Gap Financing is provided by an entity, other than PRHFA, copies of the commitment letter/agreement for such financing)	
	Documentation required: Sources and Uses	
	(Application-page 15).	
II.7.	Construction Readiness. Up to 5 points if requesting only Tax Credits, will be awarded if the project has one of the following:	Up to 12 Pts
	Unexpired Notification of Approval of the Construction Permit.	12
	Documentation required: Document issued by OGPe or Autonomous Municipality.	
III.	Housing Needs Characteristics	Up to 5 Pts
III.1.	Income Targeting. A project might earn 2 points if at least 50% of the units in the project are targeted for households with incomes at 50% AMI.	2
	Documentation required: Proposed covenant provision for income targeting included in letter of intent to sign Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package).	
	Documentation required: Tenant selection procedures.	
III.3.	Preservation. To strengthen the Public Policy of Puerto Rico that seeks to maintain the stock of affordable rental housing a substantial rehabilitation project that meets the threshold expenditure level established under IRC 42(c)(3)(A)(ii), might earn up to 3 points if:	Up to 3 Pts

	The project curbs the risk of loss due to physical condition by replacing more than one major building component, which includes roof, bearing wall, floor, or foundation structures; plumbing system; electrical system; fire prevention and safety system; vertical transportation; or building envelope.	2
	Documentation required: Comprehensive capital needs assessment certified by an architect or civil engineer, duly licensed in Puerto Rico, including the identification of the condition of major building systems and the extent of required code compliance retrofitting.	
	The project curbs a significant risk for market conversion of the Tax Credit or otherwise rent-assisted property; or preserves a comparable level of existing project-based rental subsidies that will expire within two years of the application date.	1
	Documentation required: Housing market study must demonstrate the capacity of the project to compete for market rate tenants; copy of existing HAP, if applicable.	
IV.	Project Developer Characteristics	Up to 9 Pts
IV.1.	Experience. Developer, General Partner, or Managing Partner can demonstrate successful record and full compliance participating in same capacity in the development of Tax Credits projects, or other low-income housing programs, in Puerto Rico. Up to 6 points , a point will be awarded for each documented project, up to a maximum of 3 projects , for each one of the following comparable characteristics:	Up to 6 Pts
	If proposing to use only LIHTC, project demonstrating utilization of program, or in combination with other programs; if proposing to use LIHTC in combination with any other federal or state program, project utilization of similar program mix subsidizing development costs, long-term operations or providing long-term rental assistance.	3
	Similar or deeper share of income targeted populations.	3
	Documentation required: Copy of HAP, IRS form 8609 for each project, as applicable.	
	Documentation required: Relevant project documentation to support experience in particular project.	
	Documentation required: Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.	
IV.2.	Financial Strength. Up to 3 points might be awarded if developer, general partner, and manager partner have:	Up to 3 Pts

	Combined current liquid assets equivalent to the greater of one million dollars (\$1,000,000) or 5% of the total development costs.	2
	Combined net worth equivalent to the greater of three million dollars (\$3,000,000) or 15% of total development costs.	1
	Documentation required: Compiled or revised financial statements certified by a licensed accountant.	
	Documentation required: Sources and Uses	
	(Application, page 15).	
V.	Financing Characteristics	Up to 12 Pts
V.1.	Funds Leveraging. The leveraging of capital funding from public grants or non-financing sources, other than those being managed by the Authority, PRDOH or the Municipalities is encouraged by awarding a project up to 2 points as follows:	Up to 2 Pts
	At least 15% of the total development cost covered by other sources of public funding.	2
	At least 10% of the total development cost covered by other sources of public funding.	1
	Documentation required: Sources and Uses	
	(Application, page 15).	
	Documentation required: Binding commitment, agreement, or award documentation.	
V.2.	Local Government Funding. Up to 3 points are awarded to projects that leverage local government capital funding through cash contributions, land donated or discounted, site or off-site improvements, grants, or a municipal construction tax abatement which is granted to the project and is not available under a local or state statute of general application, with a total value of:	Up to 3 Pts
	At least 5% of the total development cost.	3
	At least 3% of the total development cost.	2
	At least 1% of the total development cost.	1
	Documentation required: Sources and Uses	
	(Application-page 15).	

	Documentation required: Binding commitment, agreement, or award documentation.	
	Document required: If applicable Ordinance, Resolution or Bid supporting property transaction.	
	Document required: Evidence of site control by Owner: earnest money agreement, option or closing statement for land and/or buildings, title, deed, or leasehold agreement, or equivalent for Municipal land transaction.	
	Document required: If applicable, documentation supporting construction tax abatement (Ordinance and/or Resolution).	
V.3.	Local Government Land/Building. Up to 2 points. Projects which have bought, or optioned to buy, land for redevelopment owned by PRHFA, PRDOH, PRPHA, Municipality or other instrumentality of the Government of Puerto Rico will be awarded 2 points.	3
	Documentation required: Copy of long-term lease agreement, deed, or letter of commitment.	
	Document required: If applicable Ordinance, Resolution or Bid supporting property transaction.	
	Document required: Evidence of site control by Owner: earnest money agreement, option or closing statement for land and/or buildings, title, deed, or leasehold agreement, or equivalent for Municipal land transaction.	
V.4.	Projects applying for financing with the Authority will be awarded up to 2 points .	Up to 3 pts
	Interim and Permanent Financing	3
	Interim or Permanent Financing	2
	Documentation required: PRHFA loan application	
V.5.	Operating Expenses. A project might be awarded 1 point if it meets the corresponding operating expense requirement on a per-unit per-annum (PUPA) basis in the first year:	1 Pt
	For developments with 85 units or less, a PUPA between \$3,400 and \$4,000.	1
	For developments with 86 to 150 units, a PUPA between \$3,300 and \$3,900.	1
	For developments with more than 151 units, a PUPA between \$3,200 and \$3,800.	1
	Documentation required: Certification provided by the management agent.	

VI.	Supportive Services	Up to 3 Pts
VI.1.	<p>Supportive Services. To advance the Public Policy of Puerto Rico to increase the provision supporting services by integrating agencies that provide these services and coordinate their actions to support permanent housing for populations with special needs, any project might earn up to 3 points for sustaining a funding allocation for the provision of supportive services of the type:</p> <p>1) authorized under a federally subsidized program and that could be funded with resources obtained directly as a grantee in competitive or demonstrative grants, or as a recipient of rental or operational assistance (i.e. CoC, VASH, GPD, SSVF, Veteran Per-Diem, CDBG, 811, 202, HOPWA, FSS Program, etc.), or indirectly as sub-grantee or provider, or by contracting the services of a sub-grantee or provider, of any state or municipally managed program (i.e.: ADFAN's CSGB, VRA's Independent Living, ASSMCA's Homeless and Chronic Mental Health, ADFAN's Adult and Person with Disabilities Services, Medicaid's Home and Community-Based Service Waivers, among other); or 2) contracted for a certified Assisted Living facility authorized under Act 244-2003, as follows:</p>	
	Up to 5% of the project's annual operational cost for the length of the compliance period of affordability.	3
	Up to 3% of the project's annual operational cost for the length of the compliance period of affordability.	2
	Up to 1% of the project's annual operational cost for the length of the compliance period of affordability.	1
	Documentation required: copy of supportive services commitment letter, binding commitment, award letter, contract, or agreement.	
	Documentation required: Project pro-forma.	
	Documentation required: Letter of intent to sign the Land Use Restrictive Covenant Agreement (in substantially the same form as Annex K of the Application Package) and specifying operational budget commitment for supportive services.	
	Total Score	100
	Minimum Score	30
VII.	Tie-Breaking Criteria, listed in order of importance	
VII.1.	Will favor the project that is the readiest to proceed.	
VII.2.	Will favor the project with lowest total development costs per unit.	

VII.3.	Will favor the project that is in a Municipality with the longer elapsed period without Tax Credit allocation.	
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POINT RANKING Self-Evaluations

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

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

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

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

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

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

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

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

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

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

Not applicable to the HOME Program - See HOPWA Section.

8. DESCRIBE HOW RESOURCES WILL BE ALLOCATED AMONG FUNDING CATEGORIES.

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

ACTIVITY NAME: HOMEBUYERS ASSISTANCE

HOME Allocation: \$0.00 (served with funds available from previous years)

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

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

Permanent financing would be secure through a private financial institution or the Puerto Rico Department of Housing. The maximum subsidy per family will be established according to participants necessity, in compliance with 24 CFR 92.250(b).

On this basis, the Government Program will be able to consider the approval of individual homebuyer activity with a sale price up to the Homeownership Sales Price Limits published by HUD for every Municipality yearly. This value varies in each publication and depending on the property's location.

To qualify as homebuyer, the applicant should meet the criteria mentioned below:

- a. To qualify as a low-income family in the municipality where he/she is interested in purchasing the housing unit. Eligible families are Section 8, public housing, private tenants and married or unmarried couples looking to relocate because of marriage or job replacement. We encourage single parents, handicapped and elderly looking for secure housing opportunities. Income eligibility will be determined using Annual Gross Income as defined in 24 CFR Part 5. We also encourage occupation in Projects financed by the Puerto Rico Department of Housing if of any interest by the solicitants of the Home Program.
- b. To look into the housing market and request a sale offering from the owner seller once the family has decided on a property.

- c. To request a pre-qualification from a mortgage bank, calculating the equity available for down payment, the amount of HOME funds needed for down payment assistance and the monthly mortgage.
- d. To obtain the final eligibility and subsidy analysis from the Puerto Rico State (State) Home Program, to obtain the final program commitment. Individualized analysis and criteria per family will take place in this step.
- e. To qualify for the Home Program, solicitants must be living in Puerto Rico for at least one year and the head of household and co-head must be American Citizens.
- f. The homebuyer will execute a lien through covenants running with the property and deed restrictions for the affordable period, calculated for funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms). HOME assistance could be matched with any other state, federal or municipal subsidy.

ACTIVITY NAME: REHAB OR NEW CONSTRUCTION BY OWNER

HOME Allocation: \$1,500,000.00

Description: The scope of this activity is to promote the rehabilitation of a substandard Homeowner unit, or the replacement of such unit if it is unsound or represents an environmental hazard, in compliance with the state and local codes. This would maintain the existing housing stock for Homeownership tenure, increase the supply of safe, sound, and sanitary dwellings available to low and very-low-income families, and help them improve their quality of life. To meet the activity objective, the State **HOME** Program will receive applications that comply with the state and local codes and under the following criteria:

- a. Very Low- and Low-income families with preference to families displaced by natural disasters, for example hurricanes, tropical storms and earthquakes, people over 65 years old and people with special health conditions (bedridden).
- b. In the case of minor or specialty repair if they are required to bring units up to applicable codes and standards and comply with minimum investment thresholds per HOME-assisted unit in a project.
- c. Moderate and substantial rehabilitation, which include rehabilitating all items that do not meet code or may involve substantial repairs throughout the home to bring it up to code and to improve the overall livability and functionality of the unit, given that subsidy limits established by Home are not exceeded (221 (d) (3)).
- d. Noncompliance of Section 8- Housing Quality Standards.
- e. Structural deterioration of the dwelling, for instance: current rehabilitation will exceed 25% cost of the unit.
- f. Architectural barrier removal for persons with physical impediments that need reasonable accommodation.
- g. Construction of additional bedrooms to clear overcrowding.
- h. The homebuyer will execute a lien through covenants running with the property and deed restrictions for the affordable period, calculated for funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms). HOME assistance could be matched with any other state, federal or municipal subsidy.
- i. To qualify in the HOME Program, solicitants must be residents of Puerto Rico and the head of household and co-head must be American Citizens.
- j. Any reconstruction may not be greater than the Homeownership Sales Price Limits under 1-unit new construction values per Municipality.

- k. All Properties to be eligible must be 1 unit.

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

The property cannot have any lien on the title. The title must be under the name of the **HOME** program participant(s).

Any additional cost beyond the subsidy limit needed to complete the rehabilitation of the **HOME** should be obtained by the participant.

The Director of the **HOME** Program will approve on a case-by-case basis the amount of subsidy needed to acquire or maintain an affordable housing unit.

ACTIVITY NAME: REHAB OR NEW CONSTRUCTION FOR MULTIFAMILY RENTAL DEVELOPMENT

HOME Allocation: \$10,492,002.98

Description: **HOME** funds will be distributed to the owner to reduce financing expenses in the construction loan.

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

The amount of the subsidy's award will be granted after the completion of the project's subsidy layering analysis, in compliance with 24 CFR 92.250 (b).

For rental housing, 90 percent of the occupants of **HOME**-assisted rental units must have incomes that are 60 percent or less of the area median; and 20 percent of the units in each rental housing project of five or more units must be occupied by tenant families with incomes at or below 50 percent of median income.

Enforcement of the affordability period, rent and occupancy requirements will be secured through covenants running with the property and deed restrictions. Covenants and deed restrictions may be suspended upon transfer by foreclosure or deed-in-lieu of foreclosure.

Every **HOME**-assisted unit is subject to rent limits designed to help make rents affordable to low-income households. These maximum rents are referred to as "**HOME** Rents."

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

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

High **HOME** Rents: Maximum **HOME** rents are the lesser of:

- the Section 8 Fair Market Rents (FMRs) (or area-wide exception rents) for existing housing.
- thirty (30) percent of the adjusted income of a family whose annual income equals 65 percent of median income.

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

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

ACTIVITY NAME: TENANT-BASED RENTAL ASSISTANCE (TBRA)

HOME Allocation: \$0.00 (served with funds available from previous years)

Description: Assistance from 12 to 24 months in rental vouchers with preference to families displaced by victims of domestic violence and natural disasters, for example hurricanes, tropical storms, and earthquakes. Rental vouchers may be extended beyond the 24 months period depending on the specific situation of the family assisted and availability of funds.

The Director of the Home Program will approve on a case-by-case basis the amount of subsidy needed to acquire or maintain an affordable housing unit.

ACTIVITY NAME: HOME PROGRAM PLANNING AND ADMINISTRATION

HOME Allocation: \$1,332,444.78

Description: The scope of this activity is to provide the framework to support planning and administrative roles exclusively for the HOME Program. 10% of the total allocation of HOME Program funds for PY 2025 will be used to cover reasonable administrative and planning costs for general management and coordination of the program, and other eligible costs in accordance with 24 CFR Part 92.207

9. DESCRIBE THRESHOLD FACTORS AND GRANT SIZE LIMITS.

No grants size limits will be applied to proposed housing development projects. For Homebuyer Financial Assistance activities, the cap is a minimum of \$1,000. The maximum subsidy per family will be established according to participants necessity, in compliance with 24 CFR 92.250(b). The Director of the HOME Program will approve on case-by-case basis the amount of subsidy needed to acquire or maintain an affordable housing unit.

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

The following are the HOME Program Outcome Measures:

- Homebuyer \$0.00 – A total of 3 homebuyers (to serve with funds available from previous years). However, the number of homebuyers to serve may increase.
- Rehab or New Construction by Owner \$1,500,000.00 – A total of 8 housing units. However, this number of housing units to serve may increase.
- Rehab or New Construction for Multifamily Rental Development \$10,492,002.98– A total of 46 housing units.
- Tenant-Based Rental Assistance (TBRA) - \$0.00 – A total of 36 families (to serve with funds available from previous years). However, the number of families to serve may increase.

AP-35 Projects – (Optional)

Introduction:

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

During FY 2025, CDBG-DR funds will be disbursed to prioritize the following activities: Housing, Economic Development Activities, Public Services, Public improvements, Homebuyer Assistance. Links to the CDBG-DR Action Plans:

<https://recuperacion.pr.gov/en/action-plan/>

<https://cdbg-dr.pr.gov/en/power-grid-action-plan/>

CDBG-MIT funds will be disbursed to prioritize Housing activities. The estimated disbursement for the next fiscal year is \$289,800,000. Link to the CDBG-MIT Action Plan:

<https://recuperacion.pr.gov/en/action-plan/>

#	Project Name

Table 56 – Project Information

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

As previously described, the reasons for allocation priorities during the PY 2025 Annual Action Plan are based on the information obtained through citizen participation and consultation process and the Consolidated Plan Needs Assessment analysis. The assessment resulted in the need of affordable housing activities to address the needs of the low- and moderate-income persons and in the investment of available funding in activities toward the needs of non-housing community improvement projects.

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

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

AP-38 Project Summary

Project Summary Information

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities

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

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

Yes

Available Grant Amounts

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

Estimated Availability of Funds for PY 2025- \$108,942,450

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

Section 108 funds should be requested for economic development activities, or activities in support of economic development (24 CFR 570.703), including:

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

insurance costs.

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

Acceptance process of applications

Application Requirements

- The first requirement prior to the submission of a LGA application is the transmittal of a letter of intention to submit a 108 LGA Application to PRDOH. The Federal Programs Division at PRDOH will receive the letter of intent and commence the administrative requirement review first. Once the administrative review is completed, the non-entitlement municipality will be authorized to submit an application for Section 108 Loan Guarantee. Applications for the Section 108 Loan Guarantee Program may be submitted throughout PY 2025.
- The non-entitlement municipalities should comply with several administrative requirements, in order to receive the authorization to submit an application for participation in the LGA program.
- Requirements include: Status of monitoring reports, up to date Single Audit Reports, closing of previous program years (only last 5 PY can be open), no open findings, timeliness, among others.
- Municipalities can request up to a maximum of 5 times their CDBG allocation with a ceiling of \$2,000,000 per municipality.

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

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

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

No

State's Process and Criteria for approving local government revitalization strategies

AP-50 Geographic Distribution – 91.320(f)

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

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

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

As per the concentration of minorities within the State geographic areas, the ACS Demographic and Housing Estimates for 2023 shows that 99.0% of the statewide population are from hispanic or latino origins and that from this percentage, and more than 95% percentage are from Puerto Rican origins.

DISPROPORTIONATELY GREATER NEED

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

Compliance with 70% Requirement

The regulations require the State to use no less than 70 percent of the CDBG funds received during a period specified by the state, not to exceed three years, will be used for activities that benefit persons of low- and moderate-income persons. The PRDOH will require all non-entitlement municipalities that receive CDBG funds allocation during the PY 2025 to invest the non-housing community development funds in economically eligible low-income areas. Also, the PRDOH will require the municipalities to certify that not less than seventy percent of the individuals benefited with CDBG funded activities complies with the low-income eligibility.

CDBG

In 2014 the Government of Puerto Rico enacted Law 137-2014 (later replaced by the Municipal Code of 2020). Under this act the central government determined the allocation for non-entitlement

municipalities under the State CDBG Program. With this legislation all non-entitlement municipalities will receive the same share of CDBG funds, except for Vieques and Culebra, which will receive an additional 15%. The municipalities will continue to define the specific allocation of such funds. The ultimate geographic distribution of the CDBG funds is made by the non-entitlement municipalities once they complete their own citizen and consultation process.

ESG, HOME, HOPWA and HTF

The ESG, HOME, HOPWA and HTF programs accept proposals and provide funding for projects Island-wide.

HOME & HTF

The PRHFA will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of the HOME and HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, the HOME and HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b) (1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution. Estimation of the Percentage of Funds it Plans to Dedicate to Target Areas.

The HOME allocation for PY 2025 will be distributed to benefit low-income families in compliance with 24 CFR 92.203 (a), that Commonwealths “The HOME program has income targeting requirements for the HOME program and for HOME projects. Therefore, the participating jurisdiction must determine each family is income eligible by determining the family's annual income.” This requirement opens the geographical area of the Commonwealth of Puerto Rico’s 78 municipalities that could be served with the Commonwealth HOME Program. The PRHFA recognizes that the Municipalities of Aguadilla, Arecibo, Bayamón, Caguas, Carolina, Guaynabo, Mayagüez, Ponce, San Juan, Toa Baja, and Trujillo Alto are local PJs on their own, and that the program could complement any eligible request made from these municipalities in order to further the strategic objectives set forth by the PRHFA. Below is a map with the location of the municipalities designated as local participating jurisdictions for the HOME Program. The map illustrated on the next page shows the location of the non-metropolitan municipalities in the island.

The PRHFA will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b) (1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution. Estimation of the Percentage of Funds it Plans to Dedicate to Target Areas.

The HTF allocation for PY 2025 will be distributed to benefit very low and extremely low-income families (see HTF Funding Priorities 91.320(k)(5)(i) for the definition). Section IV of the NOFA Ranking Self-

Evaluation establishes a specific priority funding factor for developers or the applicant’s capacity to undertake tax credits/HOME projects. The term “full compliance and successful record” provides sufficient basis to determine the applicant’s capacity to obligate HTF funds and undertake activities in a timely matter.

MUNICIPALITIES DESIGNATED AS PARTICIPATING JURISDICTIONS FOR THE HOME PROGRAM



MUNICIPALITIES DESIGNATED AS NON-METROPOLITAN COUNTIES



ESG

Program funds are distributed through a competitive process. Thus, the ultimate geographic distribution of the assistance cannot be predicted.



Geographic Distribution

Target Area	Percentage of Funds
CoC 502	53
CoC 503	47

HOPWA - the State HOPWA funds will be distributed by the Municipality of San Juan. For this reason, there is a single strategy in the implementation of HOPWA funds. Taking this into consideration, it is necessary to make HOPWA funds available to Municipalities and Nonprofit Organizations located within the 78 municipalities of Puerto Rico. Project sub recipients of the PREMSA will have priority over those located in the San Juan EMSA. Also, potential sub recipients located in the San Juan EMSA, that are currently receiving HOPWA funds from the City of San Juan, cannot receive State HOPWA funds for the same purpose and uses.

The PRDOH cannot predict the ultimate geographic distribution of HOPWA funds. Funds will be distributed using an open competition method. It is expected that 100% of the funds are distributed.

Geographic Distribution

Target Area	Percentage of Funds
CDBG- Non-entitlement communities	51
Statewide	49

Table 57 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

As previously presented in the Annual Action Plan, the projects included for the PY 2025 are created to address the priority needs and specific objectives identified in the 5-Yr. Consolidated Plan. In addition, all projects are associated with one or more priority needs and one or more goals. Therefore, the priorities for the investment related with targeted geographic areas are related with non-housing community development activities that address the goals and objectives of the Consolidated Plan. The non-entitlement municipalities proposing this type of projects must invest the CBDG monies in eligible low-

income areas, as defined by HUD.

Discussion

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

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

The following Communities Municipalities has been identified by the states as priority areas with disproportionately greater need and minority concentration are included in the appendix.

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

Affordable Housing

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

Introduction:

The 2025-2029 5-Yr. Consolidated Plan of the PR-State includes the provision of decent housing as one of the main objectives to be achieved through the activities included in the referred plan. This particular objective includes a series of goals that at large includes the following:

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

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

The following table includes a description of the number of households that will be benefited from the housing assistance activities proposed in this PY 2025 Annual Action Plan:

One Year Goals for the Number of Households to be Supported	
Homeless	2,560
Non-Homeless	2,000
Special-Needs	442
Total	5,002

Table 58 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	104
The Production of New Units	0
Rehab of Existing Units	24
Acquisition of Existing Units	36
Total	164

Table 59 - One Year Goals for Affordable Housing by Support Type

Discussion:

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

During the preparation of the 5-Yr. Consolidated Plan, the Needs Assessment and Market Analysis outline

levels of relative need in the area of affordable housing for the low-income population in Puerto Rico. This level of need drive the State strategy created to address the immediate housing needs of the economically disadvantaged people in the Island. The main objective of this strategy is investing available resources in service activities that enhance access to affordable housing to the program's eligible low-income population groups. Via these efforts, low-income persons have the opportunities to stabilize their housing conditions and reduce the risk of homelessness.

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

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

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

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

The Emergency Solutions Grant (ESG) Program will allocate funds specifically to support homelessness prevention and rapid rehousing activities. Both eligible municipalities and non-profit organizations (NPOs) may use these funds to provide a comprehensive range of services aimed at mitigating the risk of homelessness or facilitating the transition of individuals and families experiencing homelessness into stable and permanent housing.

Funds may be used to cover housing relocation and stabilization services, as well as short- and/or medium-term rental assistance, in accordance with the provisions set forth in 24 CFR Part 576. These interventions are critical to:

- Prevent individuals or families at risk of homelessness from losing their current housing by helping them remain housed through financial support and early intervention services.
- Reduce the duration of homelessness, enabling individuals and families already experiencing homelessness to transition quickly into permanent housing, with the necessary support to

achieve long-term stability.

These actions align with the principles of the federal **Housing First** policy, which recognizes that housing stability is an essential foundation for progress in other key areas such as health, employment, and family well-being.

Through these interventions, the ESG Program contributes to **breaking the cycle of chronic homelessness**, reducing dependence on emergency shelters, and promoting participant self-sufficiency by connecting them to community resources, mental health services, workforce training, and other supports needed for their social and economic reintegration.

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

Introduction:

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

This section describes the actions that the PR-State will take to address the needs of the public housing population groups during the planned PY 2025.

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

No CPD funded activity will exclusively serve Public Housing projects. Nevertheless, the local public policy service strategy includes public housing population among the service delivery groups that could benefit of public services and community development activities contained in this plan.

Various activities included in the 2025 action plan can benefit the public housing residents, among them:

CDBG

Public Services activities

- Security
- Health
- Prevention
- Education
- Energy conservation
- Services to homeless
- Services to veterans

Public Facilities

- Park and recreational facilities
- Parking lots
- Community centers and/or technological
- Facilities for special populations (elderly, people with disabilities, Youth, childcare, homeless, people with HIV / AIDS, battered people)
- Health facilities
- Any other facility eligible according to HUD regulations (see 24 CFR 570.201-570.202).

Infrastructure

- Re-pavement of Municipal roads
- Streets, sidewalks, curbs, walls of containment or gabions
- Water projects (rain systems, sewer or system sanitary and other activities related)
- Efficiency energetic projects or renewable energy

- Water collection systems
- Mitigation projects

Economic development activities

- Assistance to micro-enterprises

HOME

- Residents are offered the opportunities to acquire affordable housing units

HOPWA

- Supportive services are provided to PH residents with HIV/AIDS

Other Services

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

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

As part of the PHA Plan actions proposed to improve the living conditions of the public housing residents and projects, the following activities will be undertaken by the Puerto Rico Public Housing Authority during the PY 2025:

- Initiatives to increase the inventory of public housing units for an increasing demand.
- Initiatives to ensure access of the elderly to housing opportunities.
- Redevelopment of projects based on sustainable community standards.
- Rehabilitation of vacant units that are not available for occupancy.
- Economic Self-Sufficiency Program - The PR-PHA will promote economic and social self-sufficiency initiatives with the objective of fostering the residents to develop their occupational skills, to improve their educational level, and to assist them in obtaining a job opportunity as a strategy to achieve economic independence.
- Social Self-Sufficiency / Support Program focused on improving the quality of life of residents through different activities related to arts, environmental conservation, education, sports, technological educational centers, housing assistance for the elderly, service fairs, among others.
- Continuing development of technology education centers (TECs) - To provide residents with the opportunity to be assisted by residents the opportunity to be assisted by current technology. In addition, to foster the integral development of residents from early childhood through adulthood.

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

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

As per the participation of homeownership actions, the PR PHA will continue to promote affordable housing opportunities to low-income homeless individuals and/or families and other vulnerable populations. Part of the Section 8 Program's initiative is to promote the independence of assisted families through the Family Self-Sufficiency (FSS), Family Unification and Homeownership programs.

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

Does not apply. The PHA is not designated as troubled.

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

Introduction

The Puerto Rico' statewide strategy to address homelessness is based on a collaborative network approach that emphasizes coordination, integration, and strategic partnerships. This model aims to prevent, reduce, and ultimately end homelessness through the effective and aligned use of local, state, and federal resources. By fostering collaboration among municipalities, non-profit organizations, and other community stakeholders, the Government of Puerto Rico seeks to maximize impact and ensure a continuum of care for individuals and families experiencing or at risk of homelessness.

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

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

According to the 2024 Point-in-Time (PIT) Census, there are 2,096 individuals experiencing homelessness in Puerto Rico; 74.7% are unsheltered, and 21.7% are considered chronic homeless. Seventy-three point eight percent (73.8%) of the homeless population are men, while twenty-five point eight percent (25.8%) are women. Homeless individuals are mainly located within the municipalities of San Juan, Ponce, Arecibo, Caguas, Mayagüez, Guayama, Bayamón, Vega Baja, Guaynabo, Humacao, and Aguadilla.

In PY 2025, the Puerto Rico Department of the Family (PRDF) will continue funding outreach and initial assessment services for unsheltered individuals through ESG Program allocations to local governments and nonprofit organizations. Services will include case management, behavioral health support, transportation, housing search and placement, and specialized assistance for vulnerable populations.

Outreach projects are required to operate at least three times per week and include a case management component from the first point of contact. These efforts will not only address basic needs but also promote emotional and housing stability, in alignment with the Housing First approach. The PRDF is committed to increasing the number of individuals served through outreach and reducing time spent on the streets.

In addition, ESG will continue supporting innovative outreach initiatives targeting chronically homeless populations and supporting emergency shelters in municipalities with the greatest need.

Addressing the emergency shelter and transitional housing needs of homeless persons

In compliance with local Act No. 130-2007, which mandates the development of services and facilities for homeless individuals, the PRDF supports the operation of low-barrier emergency shelters throughout the island. These facilities provide a safe and dignified alternative to street homelessness, while offering case management, health assessments, and service referrals.

According to the PIT 2024, only twenty-five point three percent (25.3%) of the homeless are sheltered. To increase the number of persons who are placed in emergency shelters, this PY2025 the PRDF will continue to support low barriers emergency shelters. Shelters supported with ESG funds must maintain a minimum bed utilization rate of 70% and implement Housing First-based admissions protocols. Individuals should not remain in shelters for more than 90 days without a documented plan for housing placement.

ESG funds may be used for the operation, rehabilitation, or essential service provision in emergency shelters, including childcare, legal assistance, mental health care, employment services, substance abuse treatment, and transportation.

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

Puerto Rico's strategy to end chronic homelessness includes:

- Expanding collaborative planning among stakeholders in high-need areas.
- Securing mayoral commitments to prioritize homelessness reduction.
- Promoting access to permanent housing via public housing units, housing vouchers, and supportive housing.
- Providing supportive services to enhance housing retention and encourage self-employment through micro-enterprises.
- Reducing stigma and criminalization through education and policy.
- Increasing public and private funding for housing and support services.
- Strengthening municipal capacity to partner with community-based organizations.
- Expanding HMIS implementation and data accuracy across CoCs.
- Partnering with housing developers to prioritize units for homeless individuals.
- Establishing discharge protocols across public institutions to prevent recurring homelessness.
- Promoting the expansion of permanent supportive housing across the island.

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

The State is firmly committed to preventing individuals and families from falling into homelessness, especially those being discharged from publicly funded systems such as foster care, healthcare, correctional facilities, and mental health institutions. Therefore, ESG funds will be allocated for homelessness prevention and rapid rehousing activities, including:

- Short- and medium-term rental assistance.
- Housing relocation and stabilization services.
- Early intervention for at-risk households.
- Support for extremely low-income and vulnerable populations.

Discussion

The provision of housing and supportive services to the homeless population constitute a fundamental objective within the community development and housing strategies of the jurisdiction. Through the

administration of the ESG Program, the PRDF spearheads initiatives aimed at eradicating homelessness within Puerto Rico. This is achieved by awarding grants to municipalities and nonprofit organizations for the operation and enhancement of emergency shelters, essential services, street outreach, prevention, and rapid rehousing interventions. These coordinated efforts are critical to attaining long-term housing stability and fostering dignity and self-sufficiency among the most vulnerable residents.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	75
Tenant-based rental assistance	110
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	80
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	160
Total	425

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

Introduction:

Enacting public statutes, ordinances, regulations, administrative procedures and/or processes could negatively affect the local market's cost to produce and/or maintain affordable housing stock. In its continuously public responsibility, the State must deal with taking actions to ameliorate the effects that existing policies could have in promoting affordable housing initiatives.

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

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

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

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

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

It is well known that, in Puerto Rico, the permits process is one of the multiple reasons for the economic stagnation experienced by the Island. To address the policies that are considered barriers for affordable housing actions, PR State Government established the Single Business Portal that streamlined the permits process and create a friendly and effective mechanism that assist in improving the business environment in the Island.

Another factor the State Government addresses through the new government vision is land use policies. Through the creation and implementation of a Strategic Planning Program, the State Government is creating medium and long period plans relating to the land space ordainment within the Island. The State Land Use Plan is under its final revision to align it to the Municipalities Local Land Use and Ordainment Plans. This initiative will have the effect of eliminating existing confronting policies for land use and will

promote flexibility in the establishment of policies concerning the use of the land and the promotion of project development throughout the Island, including housing related activities.

In addition, the State Government policy has established affordable housing policies to benefit low income and special needs population groups.

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

AP-85 Other Actions – 91.320(j)

Introduction:

In this Section of the Annual Action Plan for PY 2025, the PRDOH will include a description of the actions that the PR-State government it will undertake to foster and maintain a stable affordable housing stock; to reduce the risk of exposure to lead-based paint hazards; to reduce the number of poverty-level families; to develop the institutional structure and to enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

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

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

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

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

Regarding CDBG, some of the most urgent needs of non-entitlement communities are infrastructure, housing rehabilitation and economic development. To expedite funding allocation and expenditure, the

Commonwealth of Puerto Rico assigned by Law an equal amount of CDBG funds to non-entitlement municipalities, except for Vieques and Culebra which are granted 15% in additional funding. Based on their local knowledge, these units of local government decide the activities they want to support.

Actions planned to foster and maintain affordable housing

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

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

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

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

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

Actions planned to reduce lead-based paint hazards

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

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

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

with HUD's lead-based paint regulations.

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

Target Housing is generally, housing constructed before 1978. Housing for the elderly, and housing for persons with disabilities, are not target housing, unless a child under 6 years old resides or is expected to reside in that housing, in which case, the housing is target housing. All zero-bedroom dwellings are not target housing. In jurisdictions which banned the sale or use of lead-based paint before 1978, HUD may use an earlier date for determining target housing. Refer to Lead Compliance Toolkit, Housing Choice Voucher Program, HUD's Lead-Based Paint Regulations (24 CFR Part 35).

Actions planned to reduce the number of poverty-level families

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

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

Actions planned to develop institutional structure

During the preparation of the Consolidated Plan the PRDOH, as Lead Agency, envisioned to carry out the

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

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

Actions planned to enhance coordination between public and private housing and social service agencies

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

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

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

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

Program Specific Requirements

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

Introduction:

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

Instructions regarding the reporting and expenditure of program income are available at PRDOH. The municipalities are required to send their program income estimates and reports through e-mail or fax.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	77,988.17
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	77,988.17

Other CDBG Requirements

1. The amount of urgent need activities	300,000
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

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

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

N/A. The HOME program will use HUD-acceptable forms of investment described in 24 CFR Section 92.205(b)(1) for grants and loans. No alternative forms of investment will be used.

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

Resale and Recapture Provisions

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

The **PRHFA** will use both Resale and Recapture provisions. Resale provisions will only be used in cases in which HOME assistance has been awarded as development subsidy and will not be used to reduce the purchase price of the unit and in cases in which the permanent and primary financing for the acquisition would be affected due to the lender's policies regarding the treatment of the Recapture provisions. It has been the **PRHFA** experience that certain institutions equate subsidies awarded in lieu of Recapture provisions as payable loans and therefore must be considered when calculating the property's Loans to Value Ratio. Under these circumstances and when the Loans to Value Ratio exceeds the ratio authorized under the primary lender's policies, the developer or CHDO may request the sale of the HOME assisted unit under the Resale provisions. In any such case the developer or CHDO must seek the **PRFHA** prior written approval before selling the unit using Resale provisions.

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

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

Homebuyer assistance and rehabilitation of owner-occupied single family housing:

Section 215(b) of the National Affordable Housing Act (NAHA) requires that the initial purchase price or after-rehabilitation value of homeownership units assisted with HOME funds not exceed 95 percent of the area median purchase price for single family housing, as determined by HUD. Historically, HUD used the FHA Single Family Mortgage Limit (known as the 203(b) limits) as a surrogate for 95 percent of area

median purchase price. However, statutory changes require the 203(b) limits to be set at 125 percent of area median purchase price. Consequently, PRHFA can no longer use the 203(b) limits as the HOME Program homeownership value limits (i.e., initial purchase price or after rehabilitation value).

In Section 92.254(a)(2)(iii) of the Final Rule published on July 24, 2013, HUD established new homeownership value limits for HOME Participating Jurisdictions (PJs). This new Rule was effective August 23, 2013.

Newly Constructed Housing. The new HOME homeownership value limits for newly constructed HOME units is 95 percent of the median purchase price for the area based on Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing. Nationwide, HUD established a minimum limit, or floor, based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. This figure is determined by the U.S. Census Bureau. HUD has used the greater of these two figures as their HOME homeownership value limits for newly constructed housing in each area.

Existing Housing. The new HOME homeownership value limits for existing HOME units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nationwide for sale of existing housing in standard condition. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data. HUD has used the greater of these two figures as their HOME homeownership value limits for existing housing in each area.

PJ Determined Limits. In lieu of the limits provided by HUD, a PRHFA may determine 95 percent of the median area purchase price for single family housing in the jurisdiction annually in accordance with procedures established at § 92.254(a)(2)(iii).

The PRHFA will use the limits published by HUD that can be found at:

<https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>

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

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

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

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

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).
6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific

category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

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

1. Include written standards for providing ESG assistance
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

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

The PR CoC-502 Coordinated Entry System named "Derecho a Techo" is fully implemented in its geographic region. The PR CoC-502 uses a comprehensive coordination of the services available throughout the CoC PR-502 community and other leaders within the geographic area, including 24 Municipalities. Through their outreach program they identify the most vulnerable homeless individuals and offer services conducive to obtaining housing. The CES is a hybrid system since it has an easy-access office with the following hours of operation: Monday through Friday from 8:00AM to 4:30PM, a toll-free number, a mobile case management office, and three access point partners. Participants' needs are prioritized considering crisis situations and conditions such as chronic homelessness, domestic violence, mental illness and substance abuse, resulting in a better match of services. Individuals are evaluated with a standardized intake assessment form to ensure equal access and confirm the immediate needs of the individual.

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

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

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

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

The PRDF is the ESG funds state recipient. Since, compliance with 24 CFR Section 576.405 requirements does not apply. The required homeless representation is met through the following actions:

The PRDF's ESG Program holds a position on the Board of Directors of both the CoC PR-502 and CoC PR-503.

Pursuant to federal regulations, the PR CoC-502 has one position on its board reserved for representatives of the homeless population, or individuals who have experienced homelessness. In addition, the CoC has a separate committee formed by formerly homeless individuals.

The PR CoC-503 has two positions for at least two (2) representatives of the homeless population, who are or have experienced homelessness.

5. Describe performance standards for evaluating ESG.

See Appendix for written standards.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

☒ Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

The Puerto Rico Housing Finance Authority (Authority) will make available the Housing Trust Fund Activities of Rental Housing along the HOME Investment Partnership Program (HOME) Action Plan (AP). Funds will be awarded to eligible applicants following a competitive process. The competitive process will follow the criteria established in the HTF Allocation Plan. Funds will be allocated to provide incentives for meeting developing and supporting affordable rental housing units. This will be achieved through new construction or rehabilitation of non-luxury housing with suitable amenities for rent.

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

Please note that it should be at PRHFA’s sole discretion to award HTF funds to any Participant (which has requested or not HTF funds), based on the merits of the project, available funds, specific needs of the cycle, economic conditions, in order to promote the new construction/rehabilitation of low-income housing projects.

b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Applications requesting HOME and HTF funds will be evaluated based on joint rating factors, once applicants have satisfied the basic threshold requirements. Those factors include local considerations and State HOME and HTF Program’s criteria, such as: Project location; project characteristics; project owner/developer characteristics; financing characteristics; special needs projects; Housing needs and additional criteria for rental housing projects. See the appendix for a description of the scoring method and selection criteria that was specifically developed for the HTF Program. The criteria is presented below to facilitate the description of the priority funding factors. The QAP and PRHFA NOFA will be used to determine the final scores and funding recommendations. The full explanation of the Method of Distribution of funds to be used during this program year is included in the Appendix Section (HTF Selection Criteria). Also, Section (e) below provides additional requirements for eligible recipients.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

See Appendix. HTF Selection Criteria.

d. Describe the grantee’s required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

The PRHFA will distribute funds through a competitive process and cannot predict the ultimate geographic distribution of the HTF funds. The method of distribution does not include an allocation of resources based on geographic areas, so target areas are not earmarked. Yet, the HTF Program will consider the housing needs for eligible income families in non-metropolitan areas, by taking into account the upcoming new census figures by Municipalities. The merits of the proposal will be evaluated taking into consideration the needs in any particular location. The PRHFA will comply with regulations (24 CFR 92.201 (b)(1)) requiring that resources be allocated in non-metropolitan areas. The final distribution will be based on the criteria established in the method of distribution.

The HTF allocation for PY 2022 will be distributed to benefit very low and extremely low income families (see HTF Funding Priorities 91.320(k)(5)(i) for the definition).

See Appendix [HTF Selection Criteria] for additional geographic considerations in the scoring system.

e. Describe the grantee’s required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

The PRHFA will consider applications from potential recipients that “have demonstrated experience and capacity to conduct other Tax Credit/HOME projects as evidenced by its ability to: (i) Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development” (24 CFR 93.2 – Definition). The term “full compliance and successful record” provides sufficient basis to determine the applicant’s capacity to obligate HTF funds and undertake activities in a timely matter.

Due to the limited amount of HTF funds, is not viable for the HTF allocation to be distributed via a stand-alone funding round. Thus, the State will distribute HTF funds via its regular funding round, which includes other federal funding sources such as HOME, LIHCT, among others. Under the abovementioned funding round, applicants will have to demonstrate with evidence that they have fulfilled the initial basic requirements established in the “Basic Threshold”. The PRHFA has created a specific set of requirements that HTF potential applicants must satisfy. Not complying with such requirements causes applicants to be disqualified. If applicants demonstrate fulfillment of basic threshold requirements, then the specific point

ranking evaluation criteria will be applied to the proposed projects.

The basic threshold for the HTF establishes that applicant must demonstrate experience. “If proposing to use o of HOME or NHTF Developer, General Partner or Managing Partner must demonstrate successful record and full compliance participating in same capacity in the development of HOME /NHTF projects in Puerto Rico.” To validate such assertion the applicant must submit “Relevant project documentation to support experience in particular project.” And “Certification issued by the Authority's Audit and Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable.”

See Appendix [HTF Selection Criteria] for the specifics of the scoring system. (NOFA Ranking Self-Evaluation).

f. Describe the grantee’s required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Section IV of the scoring method provides additional points for applicants that combine LIHTC or HOME projects that are specifically destined for long-term rental assistance. “If proposing to use only LIHTC or HOME, project demonstrating utilization of the respective LIHTC or HOME program, or in combination with other programs; if proposing to use LIHTC and HOME combined, or in combination with any other federal or state program, project utilization of similar program mix subsidizing development costs, long-term operations or providing long-term rental assistance.” (See above, Section IV Scoring Method)

It is important to note that HTF units will include the 30 year restrictive covenants. These combined multifamily projects will provide for the preservation of affordable rental housing, particularly for extremely low families since HTF units will be required to comply with such income levels. Thus, projects which seek to increase the affordable rental housing stock will be scored favorably. Due to the limited amount of funds under HTF, leveraged funds will be the biggest portion of funds under these multifamily projects.

See Appendix [HTF Selection Criteria] for additional details.

g. Describe the grantee’s required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

All projects funded with HTF will be required to comply with a minimum of 30 years affordability restrictions. Additional points are given to projects which provide an affordability period beyond the 30 years. Proponents will be required to sign a Land Use Restrictive Covenant Agreement. (See Section III.4 of the Scoring method) “If requesting NHTF, a project might earn up to 3 points for extending the term of affordability beyond the extended use period of thirty years” (Section III.4 of the Scoring method) The

specific priority funding factors established for the HTF program are described in Section IV of the NOFA Ranking Self-Evaluation. This section establishes a specific priority funding factor for developers or the applicant's capacity to undertake tax credit/HOME projects. The following documents will be required to demonstrate the applicant's capacity to undertake an HTF project:

- Copy of HAP, IRS form 8609 for each project, as applicable.
- Relevant project documentation to support experience in particular project.
- Certification issued by the Authority's Federal Funds Compliance Office, or the Department's Housing Subsidies and Community Development Division, as applicable. Moreover, the NOFA Ranking Self-evaluation scoring system provides additional points for applicants who have financial capacity to undertake projects. Point ranking system requires a certain amount of liquid assets.

The required documents include:

- Compiled or revised financial statements certified by a licensed accountant.
- Sources and Uses

Also, recipients must comply with PRHFA selection requirements as established in the HOME program/LIHTC QAP. Again, it is important to emphasize that entities must demonstrate organizational ability, financial capacity and knowledge of Federal, State and local housing program requirements. Recipient must demonstrate capacity to manage and operate an affordable rental housing program.

See Appendix.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See Appendix.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See Appendix. HTF Selection Criteria.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

N/A

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds. The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

PRHFA will use the maximum per unit subsidy standards adopted by the State **HOME** Program. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR 92.203. For rental projects, the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216.

The initial basic qualifications will be evaluated by the State HOME program personnel. If the project does not meet requirements for completeness, the applications will not be received. If received, only those applications that meet the joint basic threshold requirements and qualifications would be further considered for evaluation under joint the Point Ranking System. The project location and the targeted population will be key factors in determining the grant size limit.

The Government of Puerto Rico is adopting the maximum HOME/HTF subsidy limits established in CPD Notice 15-03 for the HTF Program. These limits were adopted from Section 234 of Condominium Housing basic mortgage limits. As shown in the following table, limits vary by the number of bedrooms in the unit, and type of structure. The most recent Federal Register on Section 234-Housing Condominium (FR 72107) establishes the following limits:

Bedrooms Non-Elevator Elevator HCP Maximum Per Unit Subsidy (see appendix for table).

It is important to note that San Juan is listed in the High Cost Percentage Exception List with 270%, however it is capped at 240%. The last column is the resulting maximum per unit subsidy. The PRHFA will apply these limits statewide since construction costs do not vary significantly between different geographical areas of the Island. Based on PRHFA these subsidy limits are reasonable taking into account the current construction costs and the experience of the agency with previous projects. Puerto Rico has several well-connected distribution centers which provide a constant pool of construction and building materials throughout the Island. Transportation infrastructure, along with port facilities in the north and south of the Island facilitate this process. Moreover, human resources costs are fairly similar between regions, particularly in construction related activities.

The abovementioned analysis recognizes that there exists fundamental differences between individual projects costs, but variations between municipalities or regions are not significant enough to grant a variation by region in the subsidy limits. The PRHFA understand that HOME limits are appropriate as the initial cap for the amount of HTF funds that will be potentially allocated to units.

Bedrooms Non-Elevator Elevator HCP Maximum Per Unit Subsidy

Bedrooms	Non-Elevator	Elevator	HCP	Maximum Per Unit Subsidy
0	\$55,474	\$58,378	240%	\$140,107.20
1	\$63,962	\$66,923	240%	\$160,615.20
2	\$77,140	\$81,377	240%	\$195,304.80
3	\$98,742	\$105,276	240%	\$252,662.40
4+	\$110,002	\$115,560	240%	\$277,344.00

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

This section provides the minimum acceptable standards for existing multi-family household dwelling

units rehabilitated in whole or in part with National Housing Trust Fund (HTF) program funds in Puerto Rico. These standards are not intended to reduce or exclude the requirements of any local or state building or housing codes, standards or ordinances that may apply. In the event of any conflicting code(s), the more restrictive code(s) will apply. These standards were designed to assist in achieving consistency for all rehabilitation activities funded with HTF funds. The goal of the Puerto Rico Housing and Finance Authority HTF program is to provide functional, safe, affordable and durable housing that meets the needs of the tenants and communities in which the housing is located. The purpose of the HTF Standards is to ensure that property rehabilitation puts each building in the best possible position to meet this goal over its extended life and that, at a minimum, all health and safety deficiencies are addressed.

The project developer will formally contract licensed architectural and engineering design professionals to provide appropriate professional services for each project. It is the responsibility of each licensed professional to assure that the scope of work is done in accordance with the generally accepted practices in their discipline, as well as designing the project to be in full conformance with all the applicable Federal, State and local codes.

In addition, the architect or engineer will provide contract specifications which stipulate quality standards, materials choices and installation methods and standards. By meeting the various code requirements as a minimum standard, each building rehabilitation project is assured to be brought up to an acceptable level of rehabilitation. Warranties shall be required per the standard construction contracts on all materials, equipment and workmanship.

This Standard ensures that HTF assisted projects are completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as subsequent mutually agreed upon change orders during the construction process. HTF assisted projects and developers will employ best practice industry standards relating to quality assurance to verify all work completed.

I. Health and Safety

If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. These items include:

- 1 Air Quality -Propane/Natural Gas/Methane Gas Detected
- 2 Blocked Egress/Ladders
- 3 Electrical Hazards -Exposed Wires/Open Panels
- 4 Electrical Hazards -Water Leaks on/near Electrical Equipment
- 5 Emergency Fire Exits -Emergency/Fire Exits Blocked/Unusable
- 6 Missing Outlet Covers
- 7 Missing/Damaged/Expired Extinguishers
- 8 Blocked Ventilation System
- 9 Outlets/Switches/Cover Plates -Missing/Broken
- 10 Smoke Detector -Missing/Inoperable
- 11 Windows -Security Bars Prevent Egress

See Appendix B (UPCS) for a list of Inspectable Items and Observable Deficiencies, including the

identification of life-threatening deficiencies for the property site, building exterior, building systems, common areas, and units.

II. Expected Useful Life (Capital Needs Assessment)

All PRHFA HTF assisted projects and developers will consider the remaining expected useful life of all building components with regard to building long term sustainability and performance. Specifically, each building component with a remaining expected useful life of less than the applicable HTF period of affordability (10, 20 or 30 years, depending on amount of HTF assistance provided) shall be considered for replacement, repair or otherwise updated. Additionally, new building components with an expected useful life of less than the period of affordability shall be considered for future replacement.

A Capital Needs Assessment (CAN) is necessary for all HTF assisted multifamily housing with 26 or more total units that determines the useful life of systems, the long terms physical needs of the project and the work to be performed. Specifications for the assessment are listed below:

1. The industry standard period for CNAs is 20 years; however, project CNAs must be updated every five years during the life of the project to ensure projected capital needs through the HTF affordability period are anticipated and planned for.
 - a. If the projects affordability period is 30 years (\$50,000 or more in assistance provided).The initial CNA will cover years 1-20. The first 5-year update will be done in year 5 and cover years 6
25. The second 5-year update will be done in year 10 and will cover years 11-30.
 - b. If a project's affordability period is 20 years (\$30,000 to \$50,000 in assistance provided). The initial CNA will cover years 1-20. The first 5-year update will be done in year 5 and cover years 6
20. The second 5-year update will be done in year 10 and will cover years 11-20
 - c. If a project's affordability period is 10 years (Under \$30,000 in assistance provided). The initial CNA will cover years 1-10. The first 5-year update will be done in year 5 and cover years 6-10.
- 1 HTF assisted projects and their development teams should ensure that all building components are analyzed in the CNA as part of a comprehensive effort to balance rehabilitation scope and capital planning in a way which maximizes long-term building performance as much as possible within the parameters of both development and projected operational funding available.
- 2 The CNA will take into account any extraordinary circumstances of the prospective occupants of the dwelling (i.e. physical, sensory, developmental disabilities) and reflect a means to address such circumstances in their inspection and in the preparation of a work write-up/project specifications for that dwelling.
- 3 The CNA report must be prepared by a qualified professional (architect or engineer) who has no financial

interest in the project and no identity of interest with the developer. For purposes of this document, a "qualified professional" is a licensed professional architect or engineer, who can substantiate a minimum of five (5) years' experience providing CNA reports in accordance with PRHFA standards and who performs the assessment and supplies the PRHFA with their professional opinion of the

property's current overall physical condition. The CNA must include the identification of significant deferred maintenance, existing deficiencies, and material building code violations that affect the property's use and its structural or mechanical integrity. Furthermore, the CNA must examine and analyze the following building components:

- a. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, storm drainage, gas and electric utilities and lines.
 - b. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system and drainage.
 - c. Interiors, including unit and common area finishes (carpeting, vinyl tile, interior walls, paint condition, etc.), unit kitchen finishes and appliances, unit bathroom finishes and fixtures and common area lobbies and corridors.
 - d. Mechanical systems, including plumbing and domestic hot water, Air Conditioning, electrical and fire protection.
 - e. Elevators (if applicable).
 - f. Provide building life cycle study that lists each building component, the base cost and opinions of probable cost immediately (critical repair item), along with an analysis of the reserves for replacement needed to fund long-term physical needs of the project, accounting for inflation, the existing reserves for replacement balance and the expected useful life of major building systems.
- 1 Provide written cost estimates in order that the PRHFA may and determine that costs are reasonable.
 - 2 The assessment will consider the presence of environmental hazards such as asbestos, lead paint and mold on the site. The assessment will include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives.
 - 3 If the remaining useful life of any component is less than fifty percent (50%) of the expected useful life, immediate rehabilitation will be required unless capitalized. If the remaining useful life of a component is less than the term of the affordability period, the application package must provide for a practical way to finance the future replacement of the component.
 8. The professional preparing the CNA report must:
 - a. The assessment must include a site visit and physical inspection of the interior and exterior of all units and structures, as well as an interview with available on-site property management and maintenance personnel, to inquire about past repairs, improvements and an examination of invoices, contracts or work orders relating to the repairs/improvements over the last twenty-four (24) months, pending repairs and existing or chronic physical deficiencies. Any information from the interview must be included in the CNA. The assessment must also consider the presence of hazardous materials on the site.
 - b. Identify physical deficiencies, including critical repair items, immediate physical needs and long

term physical needs. These must include repair items that represent an immediate threat to health and safety and all other significant defects, deficiencies, items of deferred maintenance and material building code violations that would limit the expected useful life of major components or systems.

- c. Explain how the project will meet the requirements for accessibility to persons with disabilities. Identify the physical obstacles and describe methods to make the project more accessible and list needed repair items in the rehabilitation plan.
 - d. Prepare a rehabilitation plan, addressing separately all immediate and long-term physical needs.
 - e. Work Specifications and Scope of Repairs
 - f. Work specifications should include enough detail to specify each item to be repaired, the quantity of materials to be used and the exact location of each repair.
 - g. Repairs needed to correct basic safety, durability, mechanical and efficiency deficiencies.
- 1 All materials used must meet the Puerto Rico Building Code standard material specifications. All work must be done with skilled craftsmen and accomplished with care.
 - 10. Upon completion of repairs, the contractor will:
 - a. Remove all construction debris from the site.
 - b. Clean all floors impacted by the work.
 - c. Clean all new and existing paint from other finished surfaces including window glass and mirrors.
 - d. Leave all newly installed items in operating condition.
 - e. Start all other electrical and mechanical systems.
 - f. Put all hardware in operating condition.
 - g. Deliver new keys to homeowners for any newly installed hardware.

III. Major Systems

HTF Rehabilitation assisted projects must comply with the requirements indicated in this document and the State and Local Construction Codes approved under the Commonwealth of Puerto Rico.

1. Site Standards

- a. The HTF assisted project must assure that the site is safe, clean and usable, and designed with details, assemblies and materials to provide ongoing durability without undue future maintenance.
- b. Site design and engineering shall be by a qualified professional.
- c. The access to a building shall be safe, logical, readily identifiable, sheltered from the weather, and meeting the exit requirements to a public way. Pathways of circulation within a building shall also be safe and logical.

- d. Design and systems shall conform to the “Reglamento Conjunto” 2015 and the Puerto Rico Building code, 2011.
- e. Sprinkler water service – Underground water service as required for building sprinkler system shall be in accordance with NFPA 24.
- f. Sewer connections to municipal sewage systems and on-site sewage disposal must have a minimum useful life same as the affordability period.
- g. Means of egress components shall be in conformance with Chapter 10 of the International Building Code
- h. Vehicular access to public way – site design shall conform to local zoning code (“Reglamento Conjunto”) and the “Departamento de Transportación y Obras Públicas” regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety.
- i. On-site Parking – parking shall be adequate for project type, meet local codes, and be designed to drain well, with a durable appropriate surface material. Handicapped parking shall be provided as required. Designers may utilize the “Reglamento Conjunto” to determine the guidelines in the design.
- j. Pedestrian access and hardscape – In general, paved walkways within the site will be designed to provide sensible pedestrian access from the public way into the site, from parking areas, and provide access to buildings. All walkways should generally conform to applicable codes for width and slopes, and fall protection. Site stairs shall be safe and sound, constructed of durable materials, with proper rise and run, and with code approved railings as required. Accessible routes into buildings shall be provided as required by code.
- k. Site amenities – site amenities may be provided which enhance the livability of the project including playground areas, seating, benches, patio areas, picnic tables, bike racks, grills, and fencing, etc.
- l. Mailboxes -Provision will be made for USPS-approved cluster mailbox units if required by the USPS.
- m. Landscaping – lawns, ground cover, planting beds, perennial plants, shrubs and trees may be provided to enhance the livability, and to provide a positive aesthetic sense. Planting choices specified should be low maintenance, non-invasive species, of an appropriate size and scale and located, when adjacent to building structures, with regard to their size at maturity.
- n. Solid waste collection & storage – if necessary, provision shall be made for the outdoor storage and collection of solid waste and recycling materials in receptacles (dumpsters, wheeled trash cans, totes). Enclosures may be provided and should be accessible as required by code.
- o. Site lighting with shielded fixtures may be provided to

illuminate parking and pedestrian walkways, and will conform to local zoning code. Energy efficient lighting shall conform to the International Energy Conservation Code of Puerto Rico, 2011.

p. The lot or defined site must be free of debris, garbage or other accumulations of site stored items that create possibilities of infestations. The site should be generally level, well drained and accessible.

q. All exterior property and premises must be maintained in a clean, safe and sanitary condition.

r. Drainage – assure that the grading surrounding the building will slope away from the building and drain properly, without ponding or erosion. Replacement landscaping and grading must direct water away from structures.

s. Fencing and gates must not be damaged; missing sections or has holes per UPCS.

t. Grounds must be erosion and rut free, not overgrown or penetrating vegetation and have functional ponding and site drainage per UPCS.

u. Hazardous and substandard conditions include any condition that threatens the health and or safety of the occupants. Substandard conditions include any condition that threatens, defeats or will lead to the

lack of functional viability of a single feature of a home. These conditions must include but not be limited to:

- i. Accumulated debris, waste or garbage, either in enclosed areas such as storage buildings or in yard areas.
- ii. Environmental conditions such as flooding, mudslides, abnormal air pollution, smoke or dust, gas smells, sewer odor.
- iii. Eroding soil and accumulation of stagnant water
 - iv. Excessive noise, vibration or vehicular traffic.
 - v. Excessive accumulations of trash.
- vi. Excessive weeds or plant growth.
- vii. Fire hazards.
- viii. Deteriorated and/or irreparable outbuildings, sheds, or other structures that are no longer in use or are made unusable by their condition.
- ix. Holes, ditches, exposed meter boxes or other conditions that create a tripping hazard, excluding drainage ditches that are part of a designed drainage system.
- x. Rodents, insects or other infestations.
- xi. Grading that directs water toward any structure.
- xii. Sewer odor. Standing water or depressions that hold water during wet weather, leaking water supply, percolating or leaking sewage.

- xiii. Exposed pipes, railings or other installations creating tripping hazards.
- xiv. Damaged, missing or deteriorated walkways, steps and decks that create tripping hazards or are otherwise unsafe.
- xv. Stairways or steps with four (4) or more risers and without a functional handrail. Stairways, decks, porches, balconies and all appurtenances without proper anchorage or capable of supporting the imposed loads.
- xvi. Handrails and guards in poor condition or not properly fastened or capable of supporting normally imposed loads.
- xvii. All structures in which insects or rodents are found shall be promptly exterminated by approved processes that will not be injurious to human health. After extermination, proper precautions shall be taken to prevent re-infestation.

2. Interior Spaces

- a. Means of egress components shall be in conformance with Chapter 10 of the IBC *"Means of Egress"* and Chapter 7 of NFPA 101, including complete layout of the exits, corridor and stair dimensional requirements and arrangement, doors sizes and swings, door hardware, panic exit devices, door self-closers, interior finishes, walking surfaces, fire separations, stair enclosures, guards and railings, ramps, occupant load calculations, illumination, and signage.
- b. Minimum Space and Use Standards
 - i. The dwelling unit must have a living room, a kitchen area and a bathroom.
 - ii. Dwelling units shall not be occupied above the maximum occupant load of space requirements according to the PRBC 1021.2.
- c. Minimum Standards for Ceilings
 - i. Habitable spaces including hallways, corridors, shall have a ceiling height of no less than eight feet (8'), laundry areas, bathrooms, toilet rooms and kitchens may have a ceiling height of not less than seven feet six inches (7'-6") according to the PRBC 1208.2, unless the following exceptions:
 - o Where beams or girders are spaced not less than four (4) feet on center and project not more than six (6") inches below the required ceiling height.
 - olf any room in a building has a slope ceiling, the prescribed ceiling height for the room is required at the lower level of the ceiling. Any portion of the room measuring less than five feet (5') from the finished floor to the ceiling shall not be included in any computation of the minimum area thereof.
- d. Minimum Room Widths
 - i. Habitable rooms, other than kitchens, shall not be less than seven feet (7') wide in any plan dimension according to the IBC 1208.1.
 - ii. Kitchens shall have a minimum floor area of fifty square feet and shall provide clear passageways of not less than three feet (3') between counter fronts, counter fronts and appliances or counter fronts and walls according to the IBC 1208.1
 - iii. All kitchens must have a working refrigerator, cook-top and oven. All equipment must be in proper operating condition.
 - iv. The kitchen must have a sink in proper operating condition, with a sink trap and hot and cold running water connected, to an approvable water supply system and an approvable sewer disposal system.
 - v. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (i.e. garbage cans).
- e. Minimum Standards for Bathrooms
 - i. Each dwelling unit will have a functional and code compliant bathroom in accordance with IBC

1210

- ii. The bathroom must be located in a separate private room with lockable doors.
- iii. The bathroom must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water. The kitchen sink cannot be used as the required lavatory or basin.
- iv. The bathroom must have a tub or shower in proper operating condition with hot and cold running water.
- v. A flush toilet in proper operating condition is required.
- vi. The bathtub and or shower may be in the same room as the flush toilet, water closet and lavatory or basin or said bathtub or shower may be in a separate room. The facilities must utilize an approvable water supply system and an approvable waste water disposal system.
- f. Minimum Standards for Bedrooms
 - i. Every bedroom shall have a minimum area of 120 square feet according to the IBC 1208.3.
 - ii. Efficiency Units minimum area is 220 square feet plus 100 square feet for every additional occupant according to the IBC 1208.4.
 - iii. Every bedroom shall have access to at least one (1) water closet and one (1) lavatory without passing through another bedroom. Every bedroom in a dwelling unit shall have access to at least one (1) water closet and lavatory located within one (1) story (floor) from the story in which the bedroom is located.
 - iv. Bedrooms must not constitute the only means of access to other bedrooms or habitable spaces and shall not serve as the only means of egress from other habitable spaces, except when the unit contains fewer than two (2) bedrooms.
- g. Minimum Standards for Living Rooms
 - i. Living rooms shall have a minimum area of 120 square feet
 - h. Storage -adequate clothes closets, pantry and general storage shall be provided.
 - i. Amenity Spaces -provision for laundry facilities, bike storage, trash & recycling, and other utility or common spaces may be made in accordance with the goals of the project program. The project developers are encouraged to consider adding such amenities as may be appropriate to enhance the livability of the housing for the tenants.

3. Structure

- a. A qualified professional shall examine each building's load-bearing structure, and assess its existing condition to determine suitability of continued use.
- b. In general, structure evaluation and design shall be in conformance with IBC Chapter 16 and the American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures (ASCE 10), 2013.
- c. In most residential rehabilitation projects where there is no change in use, it is not expected that the structure will be brought up to new construction standards. Consideration shall be given if there are any proposed changes in use which would impact the occupancy load.
- d. Deficiencies identified shall be addressed and repairs will be designed and specified as determined necessary to correct such conditions:
 - i. Repairs shall be made to any deteriorated load-bearing structural elements.
 - ii. Reinforce, install supplemental or replace structural members determined not to be adequate for use.
 - iii. The minimum life expectancy of repairs to the structural elements must be same as the affordability period.

4. Foundations

- a. Existing foundations shall be examined by qualified professionals
- b. All foundation walls shall be maintained free from open cracks, broken components or deterioration which may compromise the load bearing structural integrity.
- c. New below-grade structures to conform to Chapter 18 of IBC *"Soils and Foundation"* as appropriate.
- d. All newly installed foundations should be designed and constructed in accordance with the Puerto Rico Building Code.
- e. The minimum life expectancy of repairs to the foundation must be same as the affordability period.
- f. Basement floors
 - i. Mechanical rooms -Provide sound concrete floors with raised housekeeping pads for equipment.
 - ii. Tenant accessed utility spaces (storage, laundry rooms, etc.) – provide sound concrete floors.
 - iii. Where earthen floors are to remain, provide wear layer of peastone (or similar suitable material) over vapor barriers.
- g. Moisture mitigation
 - i. Provide waterproofing or damp proofing as appropriate where possible and as may be required by existing conditions of groundwater and stormwater intrusion into subsurface portions of buildings.
 - ii. Provide vapor barriers covered with a wear layer of peastone over earthen basement or crawl space floors to remain.
 - iii. Ventilation of basements and crawl spaces per IBC, Chapter 1203.

5. Floors

- a. Minimum Floor System Standards
 - i. All flooring must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts or other serious damage.
 - ii. All sub-floors should be solid and continuous, without liberal movement or bounce, free from deterioration.
 - iii. All flooring must be free from tripping hazards with a minimum of seams spaced at logical locations, such as doorways and matched to the existing floor.
- iv. All flooring must be sealed and tight at the edges.
- v. All floors shall be covered with water resistant flooring.
 - vi. Basement floors should be continuous concrete. If not, certain appliances located in this area will be properly elevated above grade with concrete blocks.
 - vii. The minimum life expectancy of repairs to flooring must be same as the affordability period.

6. Walls

- a. Minimum Wall System Standards

- i. The minimum life expectancy of repairs to structural walls, interior walls, interior surfaces, exterior surfaces and firewalls, must be same as the affordability period
- ii. All walls including doors and windows should be maintained in good, sanitary condition and free from any serious defects such as severe bulging or leaning, holes, cracks, breaks, loose surface materials, severe buckling, missing parts, rotting materials, chipped, cracked or peeling paint, falling cement plaster or other serious damage.
- iii. Exterior wall surfaces should be free from chipped, cracking or peeling paint. All such loose paint should be properly prepared, primed, properly painted and maintained weatherproof and properly surface coated where required to prevent deterioration.
- iv. Interior wall surfaces, including doors and windows, shall be maintained in good, sanitary condition and free from chipping, cracking or peeling paint with no loose, cracked or falling cement plaster.
- v. All such loose paint should be completely removed and surfaces primed. All primed surfaces should be properly painted.

7. Roofs

a. Minimum Roof Systems Standards

- i. The roof and cap flashings must be structurally sound and weather tight.
- ii. Roof surfaces should be free from defects. No indication of excessive wear or potential failure will be acceptable.
- iii. Roof drainage must be adequate to prevent dampness or deterioration in the walls and interior portion of the structure.
- iv. Roof drains, gutters and downspouts must be in good repair and free from obstructions.
- v. Roof water discharge shall not be directed toward foundations, splash blocks must be included where necessary.
- vi. The minimum life expectancy of repairs must be same as the affordability period.

8. Windows and Doors

a. Minimum Window and Door Standards

- i. Every window and door must meet egress requirements (IBC Chapter 10) for dimensions, swing and clearances, and be accessibility (ADA) compliant as required.
- ii. Every window, exterior door and basement or cellar hatchway must be substantially tight, water and rodent proof and be kept in a state of maintenance and repair.
- iii. All exterior doors to the outside or to a common public hall must be solid core and be equipped with adequate security locks. All windows accessible from ground level must be lockable.
- iv. Every exterior and interior door, when closed, must fit tightly within its frame.
- v. Every exterior and interior door, door hinge and door latch and/or lock must be maintained in good working condition.

- vi. Every exterior window, door and frame must be constructed and maintained in such a manner as to be weather tight with adequate weather stripping.
 - vii. All doors and windows must be capable of providing adequate seal against air infiltration, weather elements, and be determined to be appropriately energy efficient in keeping with the overall energy efficiency strategy of the project.
 - viii. Every basement or cellar hatchway must be constructed and maintained as to prevent the entrance of rodents, vermin, rain and surface drainage water into the dwelling or structure.
 - ix. Natural ventilation shall be through windows, doors, louvers or other approved openings to the outdoor air. Such openings shall be provided with ready access or shall otherwise be readily controllable by the building occupants.
 - x. A kitchen and or bathroom may pass without a window area provided there is a mechanical means of ventilation which is maintained in working order.
- xi. The requirements for emergency egress from sleeping rooms must be per the Puerto Rico Building Code 1018.1.
 - xii. Every window or other opening to outdoor space which is used or intended to be used for ventilation must likewise be supplied with screens covering the entire window areas required for ventilation. The material used for all such screens (doors and windows) must be not less than sixteen (16) mesh per twenty-five (25) mm and must be properly installed, maintained and repaired to prevent the entrance of flies, mosquitoes or other insects. Half screens on windows may be allowed provided they are properly installed and are bug and insect tight.
 - b. Existing doors and windows
 - i. Doors and windows to remain should be examined and determined to be suitable for reuse with a minimum remaining useful life the same as affordability period and repaired if necessary
 - ii. Repaired doors and windows shall be tested and modified as necessary to operate properly. Hardware shall be intact and operational, or be replaced with new hardware as required
 - iii. Where existing doors or windows do not meet the standards for egress, condition, and/or energy efficiency deemed appropriate to the project, they shall be replaced by new windows.
 - b. New doors and windows
 - i. New doors and windows shall be code compliant, and conform with the IBC Chapter 10 “Means of Egress”, Puerto Rico Building Code 2011, and the International Energy Conservation Code of Puerto Rico, 2011.
 - ii. All doors and windows shall be installed per manufacturer’s installation guidelines and specifications, and shall incorporate appropriate detail, flashings, joint sealers, and air sealing techniques.
 - iii. Replacement of doors (both interior and exterior) and windows must have a minimum

life expectancy the same as the affordability period.

9. Electrical

- a. Project electrical design should be done by a licensed electrical engineer, or other qualified professional.
- b. Project electrical must be installed by a licensed electrician
- c. Design shall be comply with Fire Code of Puerto Rico, 2011, the International electrical Code, 2011 and the International Energy Conservation Code of Puerto Rico, 2011 and the National Fire Protection Association codes.
- d. In general, the electrical system should be new throughout a building:
 - i. Where existing service entrances, disconnects, meters, distribution wiring, panels, and devices are proposed to remain, they will be examined and determined to be in good condition, code compliant and have a minimum remaining useful life of the affordability period. The designer, in concert with the electrical inspector, shall examine the system and equipment. Existing components of the electrical system may be reused as appropriate. Substandard or critical non-code compliant components shall be replaced.
- e. Electrical service and metering:
 - i. The service entrance size shall be calculated to handle the proposed electrical loads.
 - ii. Metering and disconnects shall be per code and mounted at approved locations.
- f. Electrical distribution system:
 - i. Lighting and receptacle circuits shall be designed per code.
 - ii. Locations and layout of devices and lighting to be logical and accessibility compliant where required.
 - iii. Provision shall be made for the wiring of dedicated equipment circuits and connections for heating, ventilation equipment/exhaust fans, pumps, appliances, etc.
 - g. Developers are encouraged to upgrade to Energy Star® Category.
 - h. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
 - i. Emergency and exit lighting/illuminated signage shall be per the NFPA 101, Life Safety Code.
- j. Fire detection and alarms:
 - i. Shall be installed as required by code: NFPA 101, Chapters 9.6, 30.3.4 and/or 31.3.4, and comply with NFPA 72, and NFPA 1.
 - ii. Smoke detectors shall be installed per NFPA 30.3.4.5 and 9.6.2.10.
 - iii. Each dwelling unit must have at least one (1) hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit on the ceiling or wall outside of each separate sleeping area in the immediate vicinity of bedrooms, including basements but excepting crawl spaces and unfinished attics.
 - iv. Smoke detectors must be installed in each room used for sleeping purposes.
 - v. If the dwelling unit is occupied by any hearing impaired person, smoke detectors must have an alarm system, designed for hearing impaired persons as specified in the National Fire Protection Standard.
 - vi. CO detectors shall be installed per Fire Code of Puerto Rico, 2011 and NFPA 101, Chapter 30.3.4.6 and NFPA 720.

- vii. Where required – system annunciation shall be in accordance with NFPA 1.
 - k. Communication low-voltage wiring – provisions for TV, telephone, internet data, security, and intercoms should be considered and installed as appropriate to the project's use and livability.
 - l. Optional solar powered photovoltaic panel system may be installed in accordance with the International Energy Conservation Code of Puerto Rico, 2011.

10. Mechanical

- a. All mechanical systems shall be designed by a mechanical engineer or other qualified professional.
- b. All mechanical systems shall meet all applicable codes such as International Plumbing Code of Puerto Rico, 2011, Mechanical Code of Puerto Rico, 2011, Fuel and Gas Code of Puerto Rico, 2011, International Energy Conservation Code of Puerto Rico, 2011, Fire Code of Puerto Rico, 2011, and the National Fire Protection Association codes.
- c. Fire protection
 - i. In general, all buildings assisted with HTF funds shall have fire suppression as required by the Puerto Rico Fire Department with approved sprinkler systems installed as required by NFPA 101
 - ii. System design to conform to applicable NFPA standard 13 or 13R
 - iii. Underground water services for sprinkler system shall meet NFPA 24
 - iv. Provide fire pumps, standpipes, and fire department connection as required per NFPA 13, 14 & 25.
 - v. Where possible, piping for the sprinkler system shall be concealed.
- d. Plumbing
 - i. Where existing components of a system are to be reused, they will be examined and determined to be in good condition, code compliant and with the International Plumbing Code of Puerto Rico, 2011, have a remaining useful life of the applicable affordability period. Critical non-code compliant components shall be replaced.
 - ii. All fixtures, piping fittings and equipment shall be lead-free.
 - iii. Kitchen fixtures – When existing kitchen fixtures are not in good condition, new sinks and faucets, and associated plumbing shall be installed in each apartment.
 - iv. Bath fixtures – When existing bath fixtures are not in good condition, new water saving toilets, tubs and tub surrounds, lavatory sinks, and faucets shall be installed in each apartment.
 - v. Three and four-bedroom apartments are encouraged to be designed to include 1½ baths minimum where adequate space is available.
 - vi. Provision for laundry rooms or laundry hook-ups may be made per project's program requirements.
 - vii. Provision for other utility plumbing for janitor sinks, floor drains, outdoor faucets, drains for dehumidification systems, etc., may be made as desired or required.
- e. Ventilation
 - i. Indoor air quality will be addressed by the installation of either exhaust only or balanced ventilation systems as required by the Mechanical Code of Puerto Rico, 2011, Fuel and International Energy Conservation Code of Puerto Rico, 2011, Fire Code of Puerto Rico, 2011, and the National Fire Protection Association codes.
 - ii. Air Conditioning systems must be designed per the Mechanical Code of Puerto Rico, 2011 and the International Mechanical Code. Energy Conservation measures are recommended.
 - iii. Dwelling units must have access to natural ventilation. Bedrooms must have the provision for the installation of an air conditioning unit if applicable.

- iv. Balanced mechanical ventilation systems are encouraged.
- v. Ventilation controls shall be per applicable codes.
- f. Domestic Hot Water:
 - i. Hot water system shall be designed as required by the Puerto Rico Building Code P2801.
 - ii. Water heating facilities shall be properly installed in accordance with manufacturer's installation and per code requirements, be maintained and capable of providing an adequate amount of water to be drawn at every required sink, lavatory, bathtub, shower and laundry facility at a temperature of not less than 110 degrees Fahrenheit.
 - iii. The water supply system shall be installed and maintained to provide a supply of water to plumbing fixtures, devices and appliances in sufficient volume and at pressures adequate to enable the fixtures to function properly, safely and free from defects and leaks. Each unit should be equipped with a functioning pressure release valve and temperature release valve.
- g. Water supply and Waste Water
 - i. A potable water supply system shall be installed so as to prevent contamination. Every dwelling unit must have an accessible and properly functioning main shut-off valve with a provision for discharge near the water service entrance point.
 - ii. Supply lines and fittings for every plumbing fixture shall be installed to prevent backflow.
 - iii. All galvanized piping is to be replaced. Deteriorated, rotted, broken or otherwise worn water supply, vent pipes or waste water pipes must be replaced.
 - iv. All deteriorated, blocked, inoperable or leaky equipment shall be repaired or replaced.
 - v. Every dwelling unit must contain a bathtub or shower that is properly connected to both hot and cold running water lines under pressure and must be maintained in working order. Faucets shut off valves and plumbing lines should be maintained free from leaks or drips and should be capable of shutting off completely. New tub and shower valves must have balanced pressure thermostatic valves.
 - vi. Existing plumbing equipment and fixtures and repairs must be inspected for durable condition. Replacement fixtures must have a life expectancy of a minimum of twenty (20) years.
 - vii. Connection to a continuously functioning sanitary wastewater disposal system.
- h. Elevators
 - i. If a HTF assisted multifamily project has 4 floors or more, a minimum of two elevators must be installed.
 - ii. Elevators must be installed per code NFPA 101, Chapter 9.4 and must comply with the International Building Code Chapter 30 "*Elevators and Conveying Systems*" and Chapter 10 "*Means of Egress*" as indicated in the Puerto Rico Building Code, 2011.
 - iii. Existing elevators and lifts may be retained if they are appropriate to the use of the building and in serviceable condition with a minimum expected useful life of the affordability period.

11. Furnishing, Fixtures and Appliances

- a. Signage and identification
 - i. Building signage shall be provided. Including building address, apartments' identification, building directory, exits, stairways, common and utility spaces, etc. shall be in conformance with NFPA 101 Life Safety Code, and be accessibility compliant.
 - ii. Exit signage will be provided as required by code and be accessibility (ADA) compliant as required.

- b. Fire protection specialties
 - i. Provide fire extinguishers in buildings, and in apartments as required by Fire Code of Puerto Rico, 2011 and as directed by the Puerto Rico Fire Department.
- c. Equipment
 - i. All new equipment to be ENERGY STAR® rated.
 - ii. Existing equipment to be retained and continued to be used shall be in serviceable condition with a minimum expected lifetime as the affordability period.
 - iii. Equipment shall conform to the International Energy Conservation Code of Puerto Rico, 2011
- d. Toilet accessories
 - i. Each bath will have appropriate accessories such as towel bars, robe hooks, bath tissue holders, etc., installed and securely fastened in place. Accessories shall be located per accessibility requirements (ADA) where necessary.
 - ii. Medicine cabinets and mirrors – install in each apartment bath as appropriate.
- e. Shelving must be durable and cleanable. Include shelving for pantries, linen closets, clothes closets and other storage as appropriate, securely fastened in place.
- f. Kitchen appliances
 - i. Provide new, full-size (30", 4 burner) stove and refrigerator in each apartment.
 - ii. Existing appliances to be reused shall be in good and serviceable condition.
 - iii. Provide other appliances (such as microwaves) as may be appropriate to the project.
 - iv. All appliances in accessible (ADA) apartment units shall be accessibility compliant, and located in an arrangement providing required clear floor spaces.
- g. Laundries may be included where adequate space is available and when appropriate to meet the project goals. Washers and dryers may be provided in laundry rooms or in apartments.
- h. Playground equipment, if applicable, must be safe and code-approved.
- i. Existing Kitchen cabinetry or countertops proposed to remain shall be in good condition with a minimum remaining useful life same as the affordability period.
- j. New Kitchen cabinetry and counters shall be of good quality and be provided with a cleanable sanitary surface material impervious to water such as high pressure laminate (HPL).
- k. Shop fabricated as one piece assembly where possible. Seal field joints.
- l. Installed level and securely fastened to cabinetry
- m. Bath cabinetry and vanity lavatory tops, when used, should be one piece integral bowl with integral backsplash

12. Finishes

- a. Interior Finishes
 - i. In general, all interior finishes will be new and installed per manufacturer's recommendations and the standards of quality construction per trade practices and associations related to the particular product or trade, and per Chapter 8 of the IBC *"Interior Finishes"* as instructed by the Puerto Rico Building Code, 2011.
 - ii. Walls & ceilings -Where existing finishes are proposed to remain, they will be determined to meet the standard of being sound, durable, lead-safe, and have a remaining useful life of no

less than the affordability period.

- iii. Flooring -All new flooring materials (resilient flooring, wood flooring, laminate flooring, carpet, and/or ceramic tile) shall be installed over suitable substrates per manufacturer's specs and the trade association practices.
- iv. Paint -In general, all interior ceiling, wall, and trim surfaces shall receive renewed coatings of paint (or other clear/stain) finishes. Painting shall be done in a workmanlike manner, and in accordance with the manufacturer's recommendations. All painting including preparation of existing surfaces shall be done in a lead-safe manner.
- v. Acoustical Treatments – Dwelling units separated acoustically using Section 1207 of the IBC as a guideline minimum standard.

b. Exterior Finishes

- i. All exterior finishes must comply with Chapter 14 of the IBC "Exterior Walls" as instructed by the Puerto Rico Building Code, 2011.
- ii. Paint
 - oIn general, all existing exterior concrete or wood surfaces shall receive new paint coatings, except as appropriate due to the recent application of paint or the sound condition of existing coatings
 - oExamine surfaces and apply paint only to sound acceptable materials and surfaces.
 - oPrepare surfaces properly, removing loose or peeling previous paint.
 - oPaint prep shall be done in accordance with applicable lead safe standards.
 - o Before painting, assure that any moisture issues which may compromise the life expectancy of the paint system are remedied.
 - oExterior paint systems shall be compatible, and installed in accordance with manufacturers' specifications.
- i. Porches, decks, balconies and steps
 - oExisting porches, decks, balconies, steps and railings proposed to remain shall be examined and repaired as necessary. Repair and reconstruction shall be carried out to assure that they will have a continued useful life of the remaining affordability period.
 - oInspect structure for soundness and reconstruct any deteriorated members as required.
 - oInstall new support piers as may be required.
 - oPatch existing decking with matching materials, or install new durable decking.
 - oRailings shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate. Railings shall meet code requirements for height of protective guards, or have supplemental guards installed.
 - oSteps shall be safe and sound and meet applicable codes, with railings as necessary.
 - oAll balconies and porch elements shall be able to withstand the weather elements to prevent premature deterioration.

12. Construction Materials

Must follow state and local codes related to the construction in Puerto Rico.

IV. Lead Based Paint

All HTF funded projects must conform to all applicable provisions of 24 CFR Part 35 regarding lead-based paint. HTF assisted projects must also conform to all Puerto Rico laws and regulations, as well as EPA

requirements regarding lead-based paint, including protection of workers who may be exposed to lead paint during the construction process. Some provisions include:

- 1 All homes constructed before January 1, 1978 will be evaluated for lead based paint hazards. Evaluation will be done by a qualified, certified or licensed person as required under the regulations at 24 CFR 35. A qualified lead based paint inspector or risk assessor is certified or regulated by a state or local health or housing agency or an organization recognized by HUD.
- 2 As required under 24 CFR 35, 24 CFR 570.608, 24 CFR 982.401 all lead based hazards will be identified and reduced through paint stabilization, interim controls or abatement as required.
- 3 Safe work practices will be followed at all times in a manner which insures the health and safety of workers and residents, especially children
- 4 During lead hazard reduction efforts, the work area will be sealed and the family will be protected or relocated as required by the regulations.
- 5 Final Clearance will be achieved on all lead hazard reduction activities as required under the regulations.
6. Applicable Federal Regulations must be employed, such as:
 - a. HUD Lead Safe Housing Rule (Title 24, Part 35) requires various levels of evaluation and treatment of lead paint hazards when federal money is used for rehabilitation of target housing.
 - b. EPA Renovation Repair and Painting Rule (40 CFR Part 745) – Requires contractors conducting renovation, repair or maintenance that disturbs paint in target housing or child occupied facilities to be licensed by EPA and use lead safe work practices to complete the work. Developers must ensure contractors are properly trained and licensed.
 - c. HUD/EPA Disclosure Regulations (Title 24, Part 35, Subpart A) – Requires owners of target housing to disclose all lead paint records and related information to potential buyers and/or tenants.
 - d. OSHA Lead in Construction Rule (29 CFR Part 1926.62) -Proscribes personal protection measures to be taken when workers are exposed to any lead during construction projects.

V. Accessibility

Housing that is rehabilitated with HTF funds must meet all applicable federal and state regulations regarding accessibility for persons with disabilities. An overview of these requirements is provided below; however, the applicability of these rules is complex and therefore it is recommended that developers seeking HTF funds consult with a qualified design professional.

General Requirements:

- 1 Projects shall meet applicable Federal and Local Regulations and Rules
- 2 The number of accessible apartment units shall be determined by the code requirements
- 3 Projects shall comply with the American's with Disabilities Act (ADA), Title II (for public entities) and Title III (for places of public accommodations) implemented at 24 CFR parts 35 and 36, and 2010 ADA Standard for Accessible Design and attendant Design Guide (DOJ), as applicable
- 4 Projects, if applicable, shall comply with the Fair Housing Act, which states in part that covered multifamily dwellings as defined by HUD's implementing regulations at 24 CFR 100.201 must meet the design requirements at 24 CFR 100.205.
- 5 Projects, if applicable, shall comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8.
6. For "substantial" rehabilitation (projects with 15 or more total units and the cost of

rehabilitation is 75% or more of the replacement cost):

- a. At least 5% of the units (1 minimum) must be made fully accessible for persons with mobility impairments based on the Uniform Federal Accessibility Standards (UFAS).
 - b. In addition, at least 2% of the units (1 additional unit minimum) must be made accessible for persons with sensory impairments.
 - c. Common spaces must be made accessible to the greatest extent feasible
- 6 For projects with “less-than-substantial” rehabilitation (anything less than “substantial”), the project must be made accessible to the greatest extent feasible until 5% of the units are physically accessible, and common spaces should be made accessible as much as possible.

VI. Disaster Mitigation

To the extent applicable or relevant, the housing must be improved to mitigate the potential impact of potential disasters (e.g. earthquakes, hurricanes, floods, wildfires, extended power outages) in accordance with state or local codes, ordinances, and requirements, or such other requirements that HUD may establish.

- 1 Projects shall meet FEMA federal regulation, and HUDs’ floodplain management requirements at 24 CFR 55, including the 8-Step Floodplain Management Process (when applicable) at 24 CFR 55.20.
- 2 Projects shall meet the Puerto Rico Building Code regulations Section 1613 for Earthquake Loads protection; and the American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures ASCE 10 Section 9.0.
- 3 Projects shall meet the American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures ASCE 10 Section 9.13.6.2.3 for Hurricane (Wind Force) protection.

VII. State and Local Codes, Ordinances, and Zoning Requirements.

Eligible Projects must meet all applicable international and local codes, ordinances and requirements. In the absence of state or local building codes, the housing must meet the International Building Code of the International Code Council.

All work shall comply with all applicable international and Puerto Rico local codes, ordinances, regulations and zoning requirements.

Applicable state codes include but are not limited to:

- 1 Reglamento Conjunto para la Evaluación y Expedición de Permisos Relacionados al Desarrollo u uso De Terreno, 2015
- 2 Puerto Rico Building Code, 2011
- 3 International Building Code (IBC), 2015
- 4 Residential Code for One and Two Family Dwellings of Puerto Rico, 2011
- 5 Fire Code of Puerto Rico, 2011
- 6 National Fire Protection Association (NFPA), 2015
- 7 Mechanical Code of Puerto Rico, 2011
- 8 International Plumbing Code of Puerto Rico, 2011
- 9 Fuel and Gas Code of Puerto Rico, 2011
- 10 International Energy Conservation Code of Puerto Rico, 2011
- 11 Existing Puerto Rico Building Code, 2011
- 12 Private Sewage Disposal Code of Puerto Rico, 2011
- 13 American Society of Civil Engineers Minimum Design Loads for Buildings and Other Structures (ASCE 10), 2013.

- 14 Fair Housing Act Design Manual, 1998
- 15 Section 504 of the Rehabilitation Act
- 16 Americans with Disabilities Act Design Standards, 2010
- 17 29 CFR Part 1910 Occupational Safety and Health Administration (OSHA)

Please note that the PRHFA HTF assisted project must demonstrate compliance with all local codes. The HTF Standards are designed to exceed the Uniform Physical Condition Standards (UPCS) and ensure that upon completion the HTF assisted project and units will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. See Appendix B (UPCS) for a list of Inspectable Items and Observable Deficiencies, including descriptions of the type and degree of deficiency for each item that any HTF assisted project must address, at a minimum.

VIII. Uniform Physical Condition Standards (UPCS)

Housing assisted with HTF funds and which are placed in service must follow state and local codes which include all inspectable items and inspectable areas specified by the US Department of Housing and Urban Development (HUD) based on the HUD physical inspection procedures, known as the Uniform Physical Condition Standards (UPCS) prescribed by HUD pursuant to 24 CFR Part 5.703. These standards address the major areas of the HUD housing: the site, the building exterior, the building systems, the dwelling units, the common areas, and health and safety considerations. The Uniform Physical Condition Standard (UPCS) responds to inspectable items and observable deficiencies for the site, building exterior, building systems (multifamily housing only), and common areas (multifamily housing only).

All HTF assisted projects must ensure that the housing will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. The PRHFA will adopt and create a specific variation of the Uniform Physical Condition Standard (UPCS) incorporating the specific construction methodologies and materials utilized in Puerto Rico. Each performance requirement has an established acceptability criteria for determining the minimum acceptable conditions. The inspection staff of the PRHFA will be qualified to perform the assessment of the UPCS

Variation and employ “good judgment” when an evaluation criteria may be open for interpretation.

Please refer to the HOME Program Rehabilitation and New Construction Standards, 2015 “*Estándares de rehabilitación y Nueva Construcción, 2015*”, for particular requirements in multifamily housing and the Technical Specifications, 2006 of the HOME Program Rehabilitation and New Construction division for structural and material specifications regarding particular construction methodologies in Puerto Rico.

See appendix B for a complete list of items regarding the Uniform Physical Condition Standard for Multifamily Rehabilitation, and Appendix B for the Uniform Physical Condition Standard for Single Family Rehabilitation.

IX. Energy Efficiency

- 11. All additions, alterations or renovations shall comply with latest local building and the International Energy Conservation Code of Puerto Rico, 2011
- 12. Comply with Energy Star standards and above code where feasible and contributing to significant energy savings.

13. If possible, avoid or minimize air-conditioning with natural ventilation or other passive cooling strategy. Ensure that adequate cooling and ventilation is included in all elderly developments.
14. Consider renewable energy sources such as solar thermal collectors, photovoltaics (or pre-wire and provide adequate roof structure so that systems can be added when feasible), using research grants and rebates when possible.

X. Historic Buildings

Any building or structure that is listed in the State or National Register of Historic Places, designated as a historic property under local or state designation law or survey, certified as a contributing resource with a National Register listed or locally designated historic district and is considered a Historic Building by the State Historic Preservation Office; shall be rehabilitated in a manner consistent with the requirements of Section 106 of the National Historic Preservation Act and any imposed guidelines by the Institute of Puerto Rican Culture and the State Historic Preservation Office. It shall comply with Existing Puerto Rico Building Code, 2011 and with NFPA 101, Chapter 43.10.4

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

See Appendix.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

Not Applicable.

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth

the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

The State will not limit beneficiaries and/or give preferences to any segments of the extremely low-income population.

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

The PRHFA will not refinance existing debt with the HTF funds.

Appendix - ESG Program Consultation Report – 2025

To comply with federal requirements and strengthen collaboration between the ESG Program and CoCs PR-502 and PR-503, the Department of the Family conducted a formal consultation process by distributing a questionnaire to member organizations of both CoCs. The ESG Program team remained available to assist participants and answer any questions throughout the process.

As a complementary measure, an additional opportunity was provided for entities that were unable to attend previous sessions to complete the questionnaire online. The invitation and form were sent to presidents and executive directors of both CoCs, including the option to submit written comments via email.



Participation

A total of **31 organizations and municipalities** responded to the questionnaire:

- **24** from CoC PR-502 (**77%**)
- **7** from CoC PR-503 (**23%**)

Among these entities:

- **10** were municipalities
- **21** were nonprofit organizations



Summary of Findings and Results

CES Evaluation

- Excellent: 14 responses (45%)
- Good: 9 responses (29%)
- Fair: 8 responses (26%)

HMIS Evaluation

- Good: 12 responses
- Fair: 11 responses
- Excellent: 7 responses
- No response: 1

Referral Frequency

To CES:

- 5 to 10 referrals: 15 responses
- 11 to 20 referrals: 11 responses
- Less than 5: 4 responses

Received from CES:

- Less than 5: 11 responses
- 5 to 10: 10 responses
- 11 to 20: 8 responses

Opinion on CES Operating Hours

- Hours are convenient: 20 responses
- Not convenient: 10 responses




Main Challenges Identified


- Lack of availability during evening hours
- Slow case qualification process
- Limited communication or incomplete follow-up
- Inconsistent admission criteria
- Institutional barriers to accepting referrals



Most Common Recommendations

- Increase CES/HMIS staff
 - Offer more training (both in-person and virtual)
 - Improve documentation and record keeping
 - Provide remote services outside of regular business hours
 - Conduct analysis of access barriers to expedite housing placement
- 

Additional Relevant Comments

- Need to eliminate alternative systems to HMIS
 - Importance of having accurate and updated data
 - The system should be simpler and available in Spanish
 - Some entities (e.g., domestic violence shelters) are not yet connected to HMIS
- 

ANNEXES:

Entities were asked to mark all statements they agreed with. Disagreements could be shared via comments.

A.1 The program will monitor spending quarterly as per the two-year agreement, including the proper use of fund advances.

A.2 The program will monitor performance measures quarterly.

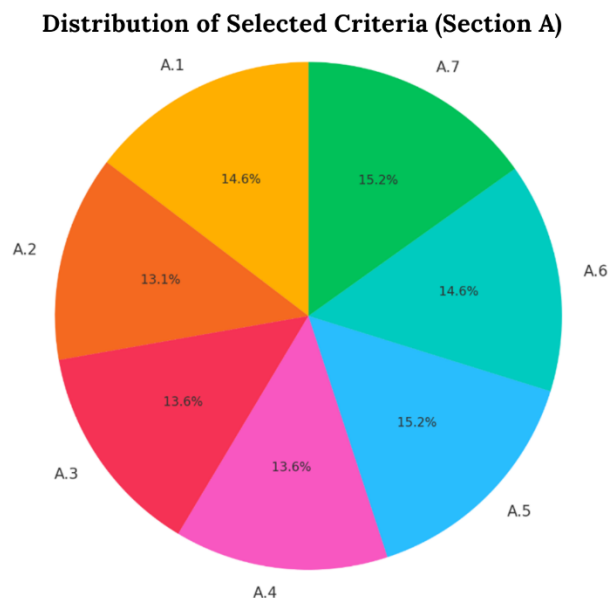
A.3 The previous year's spending percentage will be considered for ESG-2024 Continuity of Services funding.

A.4 Entities must serve participants from all municipalities within their assigned region (see Department of the Family regional map).

A.5 Entities must comply with HMIS data entry and quality requirements.

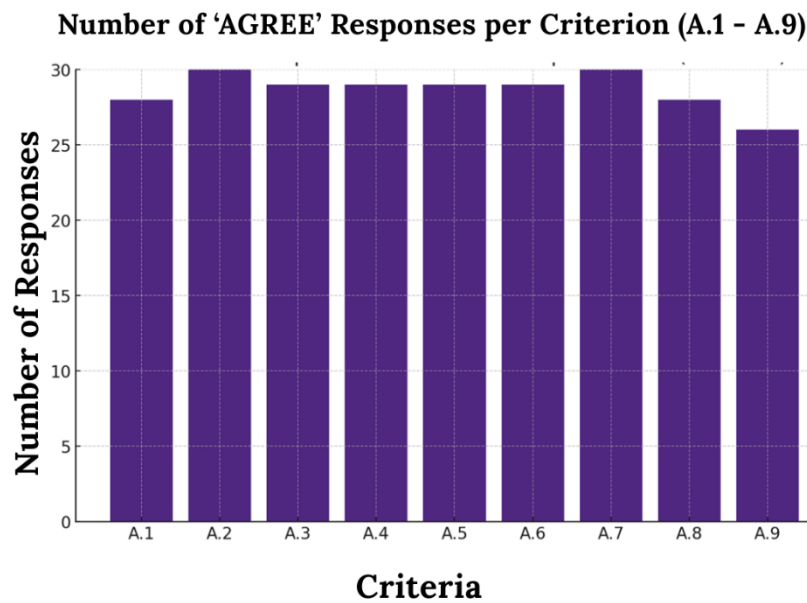
A.6 Entities must participate in CoC bodies and belong to one or more committees.

A.7 Entities must comply with the Coordinated Entry System.



Number of Entities That Agreed with Each Evaluation Criterion (A.1 to A.9)

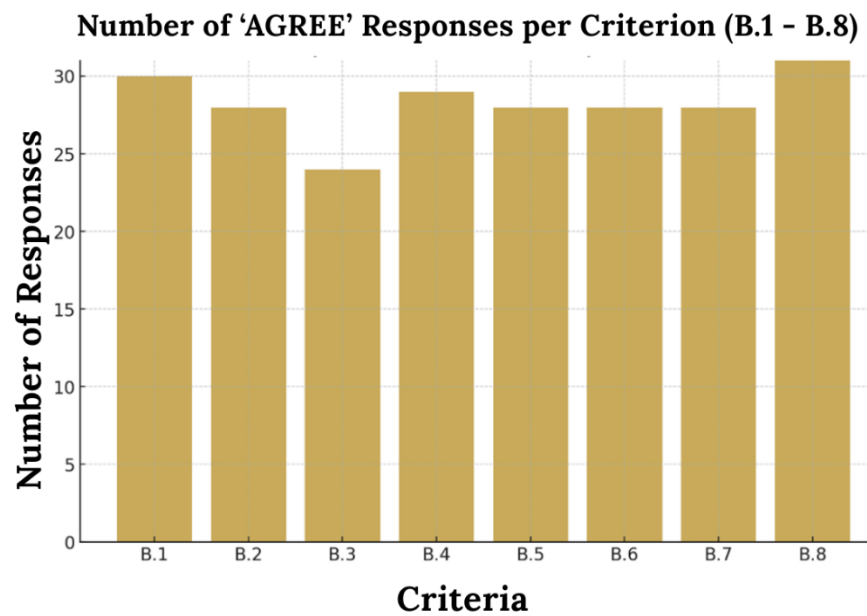
- Most agreed with: **A.2 and A.7** (30 responses each)
- Next: **A.3, A.4, A.5, A.6** (29 responses each)
- Least agreed with: **A.9** (26 responses)





Agreement with Criteria Related to Projects and Priority Populations (B.1 to B.8)

- Most supported: **B.8** (Shelter projects for women and elderly populations) – 31 responses
- Least supported: **B.3** (Prevention/Rehousing projects for individuals with mental health issues) – 24 responses
- All other criteria had strong support, ranging from 28 to 30 positive responses.



Importance Given to Each Criterion (A.1 to A.8)

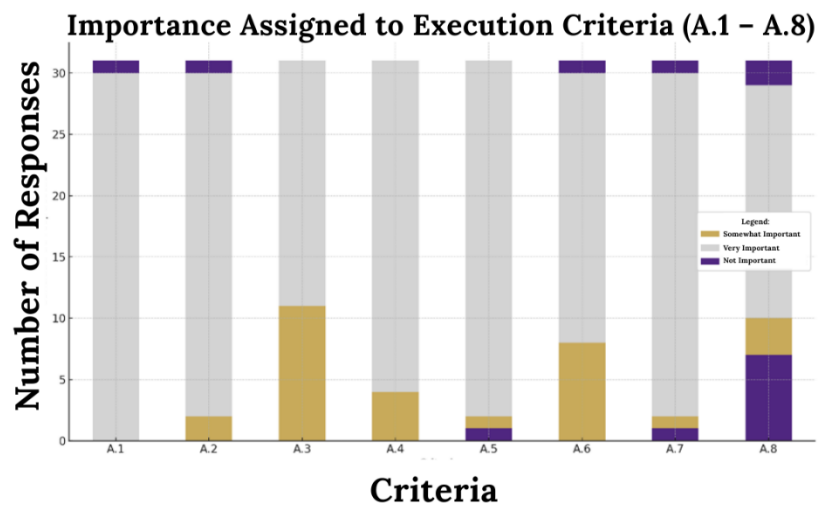
Classifications:

- **Very Important** (light gray)

- **Somewhat Important** (gold)
- **Not Important** (dark blue)

Key Observations:

- A.1, A.2, A.4, and A.5 were considered “Very Important” by nearly all respondents.
- A.3 and A.6 were marked more often as “Somewhat Important.”
- A.8 had the highest proportion of “Not Important” responses.



Appendix – Other standards for Housing

UNIFORM PHYSICAL CONDITION STANDARDS FOR MULTIFAMILY HOUSING REHABILITATION

Requirements for Site	
Inspectable Item	Observable Deficiency
Fencing and Gates	Damaged/Falling/Leaning
	Holes
	Missing Sections
Grounds	Erosion/Rutting Areas
	Overgrown/Penetrating Vegetation
	Ponding/Site Drainage
Health & Safety	Air Quality - Sewer Odor Detected
	Air Quality - Propane/Natural Gas/Methane Gas Detected
	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Flammable Materials - Improperly Stored
	Garbage and Debris - Outdoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping
	Infestation - Insects
Mailboxes/Project Signs	Infestation - Rats/Mice/Vermin
	Mailbox Missing/Damaged
Parking Lots/Driveways/Roads	Signs Damaged
	Cracks
	Ponding
	Potholes/Loose Material
	Settlement/Heaving
Play Areas and Equipment	Damaged/Broken Equipment
	Deteriorated Play Area Surface
Refuse Disposal	Broken/Damaged Enclosure-Inadequate Outside Storage Space
Retaining Walls	Damaged/Falling/Leaning
Storm Drainage	Damaged/Obstructed
Walkways/Steps	Broken/Missing Hand Railing
	Cracks/Settlement/Heaving
	Spalling/Exposed rebar

Requirements for Building Exterior

Inspectable Item	Observable Deficiency
Doors	Damaged Frames/Threshold/Lintels/Trim
	Damaged Hardware/Locks
	Damaged Surface (Holes/Paint/Rusting/Glass)
	Damaged/Missing Screen/Storm/Security Door
	Deteriorated/Missing Caulking/Seals
	Missing Door
Fire Escapes	Blocked Egress/Ladders
	Visibly Missing Components
Foundations	Cracks/Gaps
	Spalling/Exposed Rebar
Health and Safety	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable
	Emergency Fire Exits - Missing Exit Signs
	Flammable/Combustible Materials - Improperly Stored
	Garbage and Debris - Outdoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping
	Infestation - Insects
	Infestation - Rats/Mice/Vermin
Lighting	Broken Fixtures/Bulbs
Roofs	Damaged Soffits/Fascia
	Damaged Vents
	Damaged/Clogged Drains
	Damaged/Torn Membrane/Missing Ballast
	Missing/Damaged Components from Downspout/Gutter
	Missing/Damaged Shingles
	Ponding
Walls	Cracks/Gaps
	Damaged Chimneys
	Missing/Damaged Caulking/Mortar
	Missing Pieces/Holes/Spalling
	Stained/Peeling/Needs Paint
Windows	Broken/Missing/Cracked Panes
	Damaged Sills/Frames/Lintels/Trim
	Damaged/Missing Screens
	Missing/Deteriorated Caulking/Seals/Glazing Compound
	Peeling/Needs Paint
	Security Bars Prevent Egress

Requirements for Building Systems

Inspectable Item	Observable Deficiency
Domestic Water	Leaking Central Water Supply
	Missing Pressure Relief Valve
	Rust/Corrosion on Heater Chimney
	Water Supply Inoperable
Electrical System	Blocked Access/Improper Storage
	Burnt Breakers
	Evidence of Leaks/Corrosion
	Frayed Wiring
	Missing Breakers/Fuses
	Missing Outlet Covers
Elevators	Not Operable
Emergency Power	Auxiliary Lighting Inoperable (if applicable)
Fire Protection	Missing Sprinkler Head
	Missing/Damaged/Expired Extinguishers
Health & Safety	Air Quality - Mold and/or Mildew Observed
	Air Quality - Propane/Natural Gas/Methane Gas Detected
	Air Quality - Sewer Odor Detected
	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Elevator - Tripping
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable
	Emergency Fire Exits - Missing Exit Signs
	Flammable Materials - Improperly Stored
	Garbage and Debris - Indoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping Hazards
	Infestation - Insects
	Infestation - Rats/Mice/Vermin
HVAC	Boiler/Pump Leaks
	Fuel Supply Leaks
	General Rust/Corrosion
	Misaligned Chimney/Ventilation System
Roof Exhaust System	Roof Exhaust Fan(s) Inoperable
Sanitary System	Broken/Leaking/Clogged Pipes or Drains
	Missing Drain/Cleanout/Manhole Covers

Requirements for Common Areas

Inspectable Item Location	Observable Deficiency
Basement/Garage/Carport	Baluster/Side Railings - Damaged
Closet/Utility/Mechanical	Cabinets - Missing/Damaged
Community Room	Call for Aid - Inoperable
Halls/Corridors/Stairs	Ceiling - Holes/Missing Tiles/Panels/Cracks
Kitchen	Ceiling - Peeling/Needs Paint
Laundry Room	Ceiling - Water Stains/Water Damage/Mold/Mildew
Lobby	Countertops - Missing/Damaged
Office	Dishwasher/Garbage Disposal - Inoperable
Other Community Spaces	Doors - Damaged Frames/Threshold/Lintels/Trim
Patio/Porch/Balcony	Doors - Damaged Hardware/Locks
Restrooms	Doors - Damaged Surface (Holes/Paint/Rust/Glass)
Storage	Doors - Damaged/Missing Screen/Storm/Security Door
	Doors - Deteriorated/Missing Seals (Entry Only)
	Doors - Missing Door
	Dryer Vent - Missing/Damaged/Inoperable
	Electrical - Blocked Access to Electrical Panel
	Electrical - Burnt Breakers
	Electrical - Evidence of Leaks/Corrosion
	Electrical - Frayed Wiring
	Electrical - Missing Breakers
	Electrical - Missing Covers
	Floors - Bulging/Buckling
	Floors - Floor Covering Damaged
	Floors - Missing Floor/Tiles
	Floors - Peeling/Needs Paint
	Floors - Rot/Deteriorated Subfloor
	Floors - Water Stains/Water Damage/Mold/Mildew
	GFI - Inoperable
	Graffiti
	HVAC - Convection/Radiant Heat System Covers Missing/Damaged
	HVAC - General Rust/Corrosion
	HVAC - Inoperable
	HVAC - Misaligned Chimney/Ventilation System
	HVAC - Noisy/Vibrating/Leaking
	Lavatory Sink - Damaged/Missing
	Lighting - Missing/Damaged/Inoperable Fixture
	Mailbox - Missing/Damaged
	Outlets/Switches/Cover Plates - Missing/Broken
	Pedestrian/Wheelchair Ramp
	Plumbing - Clogged Drains
	Plumbing - Leaking Faucet/Pipes
	Range Hood /Exhaust Fans - Excessive Grease/Inoperable
	Range/Stove - Missing/Damaged/Inoperable
	Refrigerator - Damaged/Inoperable
	Restroom Cabinet - Damaged/Missing
	Shower/Tub - Damaged/Missing

Inspectable Item Location	Observable Deficiency
	Sink - Missing/Damaged
	Smoke Detector - Missing/Inoperable
	Stairs - Broken/Damaged/Missing Steps
	Stairs - Broken/Missing Hand Railing
	Ventilation/Exhaust System - Inoperable
	Walls - Bulging/Buckling
	Walls - Damaged
	Walls - Damaged/Deteriorated Trim
	Walls - Peeling/Needs Paint
	Walls - Water Stains/Water Damage/Mold/Mildew
	Water Closet/Toilet - Damaged/Clogged/Missing
	Windows - Cracked/Broken/Missing Panes
	Windows - Damaged Window Sill
	Windows - Inoperable/Not Lockable
	Windows - Missing/Deteriorated Caulking/Seals/Glazing Compound
	Windows - Peeling/Needs Paint
	Windows - Security Bars Prevent Egress
Health & Safety	Air Quality - Mold and/or Mildew Observed
	Air Quality - Propane/Natural Gas/Methane Gas Detected
	Air Quality - Sewer Odor Detected
	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable
	Emergency Fire Exits - Missing Exit Signs
	Flammable/Combustible Materials - Improperly Stored
	Garbage and Debris - Indoors
	Garbage and Debris - Outdoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping
	Infestation - Insects
	Infestation - Rats/Mice/Vermin
Pools and Related Structures	Fencing - Damaged/Not Intact
Trash Collection Areas	Chutes - Damaged/Missing Components

Requirements for Unit

Inspectable Item	Observable Deficiency
Bathroom	Bathroom Cabinets - Damaged/Missing
	Lavatory Sink - Damaged/Missing
	Plumbing - Clogged Drains, Faucets
	Plumbing - Leaking Faucet/Pipes
	Shower/Tub - Damaged/Missing
	Ventilation/Exhaust System – Absent/Inoperable
	Water Closet/Toilet - Damaged/Clogged/Missing
Call-for-Aid (if applicable)	Inoperable
Ceiling	Bulging/Buckling/Leaking
	Holes/Missing Tiles/Panels/Cracks
	Peeling/Needs Paint
	Water Stains/Water Damage/Mold/Mildew
Doors	Damaged Frames/Threshold/Lintels/Trim
	Damaged Hardware/Locks
	Damaged/Missing Screen/Storm/Security Door
	Damaged Surface - Holes/Paint/Rusting/Glass/Rotting
	Deteriorated/Missing Seals (Entry Only)
	Missing Door
Electrical System	Blocked Access to Electrical Panel
	Burnt Breakers
	Evidence of Leaks/Corrosion
	Frayed Wiring
	GFI - Inoperable
	Missing Breakers/Fuses
	Missing Covers
Floors	Bulging/Buckling
	Floor Covering Damage
	Missing Flooring Tiles
	Peeling/Needs Paint
	Rot/Deteriorated Subfloor
	Water Stains/Water Damage/Mold/Mildew
Health & Safety	Air Quality - Mold and/or Mildew Observed
	Air Quality - Sewer Odor Detected
	Air Quality - Propane/Natural Gas/Methane Gas Detected
	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable
	Emergency Fire Exits - Missing Exit Signs
	Flammable Materials - Improperly Stored
	Garbage and Debris - Indoors
	Garbage and Debris - Outdoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping

Inspectable Item	Observable Deficiency
	Infestation - Insects
	Infestation - Rats/Mice/Vermin
Hot Water Heater	Misaligned Chimney/Ventilation System
	Inoperable Unit/Components
	Leaking Valves/Tanks/Pipes
	Pressure Relief Valve Missing
	Rust/Corrosion
HVAC System	Convection/Radiant Heat System Covers Missing/Damaged
	Inoperable
	Misaligned Chimney/Ventilation System
	Noisy/Vibrating/Leaking
	Rust/Corrosion
Kitchen	Cabinets - Missing/Damaged
	Countertops - Missing/Damaged
	Dishwasher/Garbage Disposal - Inoperable
	Plumbing - Clogged Drains
	Plumbing - Leaking Faucet/Pipes
	Range Hood/Exhaust Fans - Excessive Grease/Inoperable
	Range/Stove - Missing/Damaged/Inoperable
	Refrigerator-Missing/Damaged/Inoperable
	Sink - Damaged/Missing
Laundry Area (Room)	Dryer Vent - Missing/Damaged/Inoperable
Lighting	Missing/Inoperable Fixture
Outlets/Switches	Missing
	Missing/Broken Cover Plates
Patio/Porch/Balcony	Baluster/Side Railings Damaged
Smoke Detector	Missing/Inoperable
Stairs	Broken/Damaged/Missing Steps
	Broken/Missing Hand Railing
Walls	Bulging/Buckling
	Damaged
	Damaged/Deteriorated Trim
	Peeling/Needs Paint
	Water Stains/Water Damage/Mold/Mildew
Windows	Cracked/Broken/Missing Panes
	Damaged Window Sill
	Missing/Deteriorated Caulking/Seals/Glazing Compound
	Inoperable/Not Lockable
	Peeling/Needs Paint
	Security Bars Prevent Egress

Requirements for Site

Inspectable Item	Observable Deficiency
Fencing and Gates	Damaged/Falling/Leaning
	Holes
	Missing Sections
Grounds	Erosion/Rutting Areas
	Overgrown/Penetrating Vegetation
	Ponding/Site Drainage (affecting unit)
Health & Safety	Air Quality - Sewer Odor Detected
	Air Quality - Propane/Natural Gas/Methane Gas Detected
	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Flammable Materials - Improperly Stored
	Garbage and Debris - Outdoors
	Play Equipment - Broken or Damaged
	Hazards - Other (e.g., outbuildings)
	Hazards - Sharp Edges
	Hazards - Tripping
	Infestation - Insects
	Infestation - Rats/Mice/Vermin
Mailboxes/Project Signs	Mailbox Missing/Damaged
	Signs Damaged
Driveways	Cracks
	Potholes/Loose Material
	Settlement/Heaving
Retaining Walls	Damaged/Falling/Leaning
Storm Drainage	Damaged/Obstructed
Walkways/Steps	Broken/Missing Hand Railing
	Cracks/Settlement/Heaving
	Spalling

**UNIFORM PHYSICAL CONDITION STANDARDS FOR SINGLE FAMILY
HOUSING REHABILITATION**

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Requirements for Building Exterior

Inspectable Item	Observable Deficiency
Doors	Damaged Frames/Threshold/Lintels/Trim
	Damaged Hardware/Locks
	Damaged Surface (Holes/Paint/Rusting/Glass)
	Damaged/Missing Screen/Storm/Security Door
	Deteriorated/Missing Caulking/Seals
	Missing Door
Foundations	Cracks/Gaps
	Spalling/Exposed Rebar
Health and Safety	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Flammable/Combustible Materials - Improperly Stored
	Garbage and Debris - Outdoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping
	Infestation - Insects
Lighting	Infestation - Rats/Mice/Vermin
	Broken Fixtures/Bulbs
Roofs	Damaged Soffits/Fascia
	Damaged Vents
	Damaged/Clogged Drains
	Damaged/Torn Membrane/Missing Ballast
	Missing/Damaged Components from Downspout/Gutter
	Missing/Damaged Shingles
Walls	Ponding
	Cracks/Gaps
	Damaged Chimneys
	Missing/Damaged Caulking/Mortar
	Missing Pieces/Holes/Spalling
	Stained/Peeling/Needs Paint
Windows	Broken/Missing/Cracked Panes
	Damaged Sills/Frames/Lintels/Trim
	Damaged/Missing Screens
	Missing/Deteriorated Caulking/Seals/Glazing Compound
	Peeling/Needs Paint
	Security Bars Prevent Egress

Requirements for Unit	
Inspectable Item	Observable Deficiency
Bathroom	Bathroom Cabinets - Damaged/Missing
	Lavatory Sink - Damaged/Missing
	Plumbing - Clogged Drains
	Plumbing - Leaking Faucet/Pipes
	Shower/Tub - Damaged/Missing
	Ventilation/Exhaust System – Inoperable (If applicable)
	Water Closet/Toilet - Damaged/Clogged/Missing
Ceiling	Bulging/Buckling
	Holes/Missing Tiles/Panels/Cracks
	Peeling/Needs Paint
	Water Stains/Water Damage/Mold/Mildew
Doors	Damaged Frames/Threshold/Lintels/Trim
	Damaged Hardware/Locks
	Damaged/Missing Screen/Storm/Security Door
	Damaged Surface - Holes/Paint/Rusting/Glass
	Deteriorated/Missing Seals (Entry Only)
Electrical System	Missing Door
	Blocked Access to Electrical Panel
	Burnt Breakers
	Evidence of Leaks/Corrosion
	Frayed Wiring
	GFI - Inoperable
	Missing Breakers/Fuses
Floors	Missing Covers
	Bulging/Buckling
	Floor Covering Damage
	Missing Flooring Tiles
	Peeling/Needs Paint
	Rot/Deteriorated Subfloor
	Water Stains/Water Damage/Mold/Mildew
Health & Safety	Air Quality - Mold and/or Mildew Observed
	Air Quality - Sewer Odor Detected
	Air Quality - Propane/Natural Gas/Methane Gas Detected
	Electrical Hazards - Exposed Wires/Open Panels
	Electrical Hazards - Water Leaks on/near Electrical Equipment
	Flammable Materials - Improperly Stored
	Garbage and Debris - Indoors
	Garbage and Debris - Outdoors
	Hazards - Other
	Hazards - Sharp Edges
	Hazards - Tripping
	Infestation - Insects
	Infestation - Rats/Mice/Vermin
Hot Water Heater	Inoperable Unit/Components
	Leaking Valves/Tanks/Pipes

Appendix – Public hearing announcement

EL VOCERO DE PUERTO RICO > MIÉRCOLES, 19 DE FEBRERO DE 2025



DEPARTAMENTO DE LA VIVIENDA
GOBIERNO DE PUERTO RICO
Residencia Pura Casa Pura Vida

aviso público

VISTA PÚBLICA
PLAN CONSOLIDADO 2025-2029 Y PLAN DE ACCIÓN ANUAL 2025

El Departamento de la Vivienda de Puerto Rico (DVRP), siguiendo las disposiciones de la Ley Federal del Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos de América (HUD), por sus siglas en inglés), se encuentra en el proceso de preparación del Plan Consolidado 2025-2029 y Plan de Acción del año 2025. El Plan Consolidado y el Plan de Acción Anual integran el uso de los fondos federales de los Programas "Community Development Block Grant" (CDBG), "Home Investment Partnerships Program" (HOME), "Housing Trust Fund" (HTF), "Housing Opportunities for Persons with AIDS" (HOPWA) and "Emergency Solutions Grant" (ESG). Estos fondos se utilizan en proyectos y actividades que benefician principalmente a los residentes de ingresos bajos y moderados de los municipios "non-entitlement" (menos de 50,000 habitantes) y otras poblaciones especiales alrededor del Archipiélago.

A la fecha de publicación de este aviso, el Departamento de la Vivienda y Desarrollo Urbano no ha notificado oficialmente los fondos asignados para el año Programa 2025, que comprende del 1ro de julio de 2025 al 30 de junio de 2026. Por lo cual, para efectos de los procesos de planificación consolidada se está utilizando como referencia la asignación recibida en el año 2024. Estos fondos están disponibles para atender las necesidades de vivienda, desarrollo comunal, desarrollo económico, servicios sociales y de servicio público, a través de los diferentes programas, y se desglosan de la manera siguiente:

<p>1. Asignación en Bloque al Estado para el Desarrollo Comunal - "Community Development Block Grant" (CDBG) Agencia: Departamento de la Vivienda del Gobierno de Puerto Rico Cantidad aproximada: \$22,131,554 Actividades: Obras públicas, facilidades públicas, actividades dirigidas a atender las necesidades de vivienda, desarrollo comunal, infraestructura, servicio público y aquellas que promueven el desarrollo económico. Ciudadanía a Servir: Residentes de los 51 municipios "non-entitlement".</p>	<p>3. Oportunidades de Vivienda para Personas con VIH o SIDA - "Housing Opportunities for Persons with AIDS" (HOPWA) Agencia: Departamento de Salud, Sección de Prevención y Control de Enfermedades e Infecciones Transmisibles (SPCET) Cantidad aproximada: \$1,587,917 Actividades: Asistencia de vivienda y servicios de apoyo para personas con diagnóstico positivo a VIH o SIDA y sus familias. Ciudadanía a Servir: Residentes bajo la demarcación geográfica establecida por HUD "Puerto Rico Eligible Metropolitan Statistical Area" (PR-EMSA) la cual incluye los residentes de los 78 municipios del Archipiélago.</p>
<p>2. Programa Soluciones de Emergencia - "Emergency Solutions Grant" (ESG) Agencia: Departamento de la Familia Cantidad aproximada: \$3,461,169 Actividades: Servicios de alcance a la población en hogares, servicios de albergue de emergencia, reubicación y estabilización de vivienda, prevención, HHS "Homeless Management Information System" y administraciones. Ciudadanía a Servir: personas sin hogar y en riesgo de perder su hogar.</p>	<p>4. Oportunidades de Vivienda "Home Investment Partnerships Program" (HOME) Agencia: Autoridad para el Financiamiento de la Vivienda Cantidad aproximada: \$13,212,534 Actividades: Rehabilitación o Nueva construcción de viviendas para alquiler. Las actividades "Tenant-Based Rental Assistance" (TBRA), asistencia directa al comprador y rehabilitación de viviendas por el dueño, se atenderán con fondos de años anteriores, según disponibles. Ciudadanía a Servir: Residentes de los 78 municipios de Puerto Rico.</p>
<p>5. Oportunidades de Vivienda "Housing Trust Fund" (HTF) Agencia: Autoridad para el Financiamiento de la Vivienda Cantidad aproximada: \$7,127,134.66 Actividades: Rehabilitación o Nueva Construcción de Vivienda para Alquiler. Ciudadanía a Servir: Residentes de los 78 municipios de Puerto Rico.</p>	

El objetivo de estos fondos es el desarrollo de comunidades urbanas viables, proveer viviendas y facilidades adecuadas y expandir las oportunidades económicas para personas de ingresos bajos y moderados y otras poblaciones especiales. Se promueve la participación de las unidades de gobierno local, los ciudadanos, organizaciones con y sin fines de lucro, entidades privadas y agencias de gobierno en el proceso de identificación de necesidades y desarrollo e implementación del referido Plan.

A los fines de diálogo sobre el objetivo antes mencionado y obtener el insumo sobre las necesidades y prioridades, se invita a los alcaldes/alcaldesas de los municipios, funcionarios municipales, agencias públicas, organizaciones con y sin fines de lucro y público a participar de la siguiente:

VISTA PÚBLICA

DÍA: viernes, 7 de marzo de 2025

HORA: 9:00 am

LUGAR: Centro Cultural Yolanda Guerrero en Guaynabo

El registro de la vista pública comenzará a las 8:30 a.m. El lugar seleccionado para llevar a cabo la vista es uno de fácil acceso a personas con impedimentos físicos. Además, se proveerá servicio de intérprete a personas con impedimentos auditivos. Durante la vista también se estará recopilando información para el Análisis de Impedimentos a Vivienda Justa.

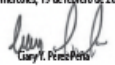
Para información adicional o de tener alguna necesidad especial, puede comunicarse al (787) 274-2527, extensiones 5112 y 5115, o por correo electrónico en programas@dvivivienda.pr.gov.

Los ciudadanos y ciudadanas, así como municipios y entidades interesadas en someter comentarios relacionados a la vista pública podrán hacerlo verbalmente o por escrito durante la vista pública. Igualmente tendrán 30 días calendario a partir de celebrada la misma para comentarios escritos adicionales, a la dirección de correo electrónico programas@dvivivienda.pr.gov, o mediante correo regular a PO BOX 21365 San Juan PR 00928-1365. Comentarios a la vista no serán aceptados posterior al martes, 8 de abril de 2025.


Este aviso se publica de conformidad con el Título 24 del Código de Reglas Federales, Parte 91-115 y el Plan de Participación Ciudadana del Estado. Se informa también, que se espera tener disponible el Plan Consolidado 2025-2029 propuesto y el Plan de Acción Anual 2025 propuesto, para la revisión de las agencias de gobierno, unidades de gobierno local, ciudadanos y personas interesadas desde el viernes, 11 de abril de 2025, vía correo electrónico en las páginas de internet que se mencionan a continuación:

- Departamento de la Vivienda, Programa CDBG: Sitio de la página Web <https://www.vivivienda.pr.gov/obro-estado/>
- Departamento de la Familia (Secretaría Auxiliar de Planificación e Informática), Programa ESG: Sitio de la página Web www.familia.pr.gov
- Departamento de Salud, Programa HOPWA: Sitio de la página Web www.salud.pr.gov
- Autoridad para el Financiamiento de la Vivienda, Programas HOME y HTF: Sitio de la página Web www.afv.pr.gov
- Oficina de Programas Federales de los 51 municipios "non-entitlement" de Puerto Rico en su página Web.

Hoy, miércoles, 19 de febrero de 2025.



Gary F. Pérez Peña
Secretario
Departamento de la Vivienda
Gobierno de Puerto Rico



DEPARTAMENTO DE LA VIVIENDA
GOBIERNO DE PUERTO RICO
Residencia Pura Casa Pura Vida

public notice

PUBLIC HEARING
CONSOLIDATED PLAN & 2025 ANNUAL ACTION PLAN

The Puerto Rico Department of Housing (PRD/H), following the provisions of the Federal Laws related to the U.S. Department of Housing and Urban Development (HUD), is in the process of preparing the Consolidated Plan 2025-2029 and Action Plan for the year 2025. The Consolidated Plan and the Annual Action Plan integrate the use of federal funds from the "Community Development Block Grant" (CDBG), "Home Investment Partnerships Program" (HOME), "Housing Trust Fund" (HTF), "Housing Opportunities for Persons with AIDS" (HOPWA) and "Emergency Solutions Grant" (ESG) programs. These funds are used in projects and activities that mainly benefit low- and moderate-income residents of the non-entitlement municipalities (less than 50,000 inhabitants) and other special populations around the Archipelago.

As of the date of publication of this notice, the Department of Housing and Urban Development has not officially notified the funds allocated for the 2025 Program year, which ranges from July 1, 2025 to June 30, 2026. Therefore, for the purposes of consolidated planning processes, the allocation received in year 2024 is being used as a reference. These funds are available to meet the needs of housing, community development, economic development, social services, and public service, through the different programs, as follows:

<p>1. Block grant to the state - "Community Development Block Grant" (CDBG) Agency: Puerto Rico Department of Housing Approximate amount: \$22,131,554 Activities: Public works, public facilities, activities aimed at meeting housing needs, community development, infrastructure, public service and those that promote economic development. Beneficiaries: Residents of the 51 "non-entitlement" municipalities.</p>	<p>3. Housing Opportunities for Persons with HIV or AIDS - "Housing Opportunities for Persons with AIDS" (HOPWA) Agency: Department of Health, Section of Prevention and Control of Transmissible Diseases and Infections (SPCET, for its Spanish acronym) Approximate amount: \$1,587,917 Activities: Housing assistance and support services for persons with a positive diagnosis of HIV or AIDS and their families. Beneficiaries: Residents under the geographic demarcation established by HUD "Puerto Rico Eligible Metropolitan Statistical Area" (PR-EMSA) which includes the residents of the 78 municipalities of the Archipelago.</p>
<p>2. Emergency Solutions Grant Program (ESG) Agency: Puerto Rico Department of the Family Approximate amount: \$3,461,169 Activities: Outreach services to the homeless population, emergency shelter services, housing relocation and stabilization, prevention, HHS "Homeless Management Information System" and administration. Beneficiaries: persons who are homeless and at risk of homelessness.</p>	<p>4. Home Investment Partnerships Program (HOME) Agency: Puerto Rico Housing Finance Authority Approximate amount: \$13,212,534 Activities: Rehabilitation or new construction of housing for rent. The following activities will be funded with funds from previous years, as available: "Tenant-Based Rental Assistance" (TBRA), direct assistance to the buyer and rehabilitation of housing by the owner. Beneficiaries: Residents of the 78 municipalities of Puerto Rico.</p>
<p>5. Housing Trust Fund (HTF) Agency: Puerto Rico Housing Finance Authority Approximate amount: \$7,127,134.66 Activities: Rehabilitation or New Construction of Housing for Rent. Beneficiaries: Residents of the 78 municipalities of Puerto Rico.</p>	

The objective of these funds is the development of viable urban communities, providing adequate housing and facilities and expanding economic opportunities for persons with low and moderate incomes and other special populations. The participation of local government units, citizens, non-profit organizations, private civic entities, and government agencies in the process of identification of needs and development and implementation of the above-mentioned Plan will be encouraged.

During the hearing, information will also be collected for the Analysis of Impediments to Fair Housing Choice.

In order to discuss the aforementioned objective and obtain input on needs and priorities, mayors of municipalities, municipal officials, public agencies, for-profit and non-profit organizations and the public are invited to participate in the following:

PUBLIC HEARING

DAY: Friday, March 7, 2025

TIME: 9:00 AM

VENUE: Yolanda Guerrero Cultural Center in Guaynabo

The attendance register will begin at 8:30 AM. The location selected for the hearing is one that is easily accessible to persons with physical disabilities. In addition, interpreter services will be provided for the hearing impaired.

For additional information or if you have any special needs, please call (787) 274-2527, extensions 5112 and 5115, or send an e-mail to programas@dvivivienda.pr.gov.


Citizens, as well as municipalities and entities interested in submitting comments related to the public hearing may do so verbally or in writing during the public hearing. They will also have 30 calendar days after the public hearing to submit additional written comments to the e-mail address programas@dvivivienda.pr.gov, or by regular mail at PO BOX 21365 San Juan PR 00928-1365.

Comments to the hearing will not be accepted after Tuesday, April 8, 2025.

This Notice is published in compliance with Title 24 of the Code of Federal Regulations, Part 91-115 and the State Citizen Participation Plan. It is also notified that the proposed Consolidated Plan 2025-2029 and the proposed Annual Action Plan 2025 is expected to be available for the review of government agencies, local government units, citizens and interested persons since Friday, April 11, 2025, via email on the internet pages mentioned below:

- PR Department of Housing, CDBG Program: Website Site <https://www.vivivienda.pr.gov/obro-estado/>
- Department of the Family (Assistant Secretariat of Planning and Informatics), ESG Program: Website Site www.familia.pr.gov
- Department of Health, HOPWA Program: Website Site www.salud.pr.gov
- PR Housing Finance Authority, HOME and HTF Programs: Website Site www.afv.pr.gov
- Office of Federal Programs of the 51 "non-entitlement" municipalities of Puerto Rico on its website.

Today, Wednesday, February 19, 2025.



Gary F. Pérez Peña
Secretary
Department of Housing
Government of Puerto Rico

Appendix – ESG Written Standards