



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

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND THE**

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



This **MEMORANDUM OF UNDERSTANDING (Agreement or MOU)** is entered into this 2 day of August, 2024, by and between the **PUERTO RICO DEPARTMENT OF HOUSING (PRDOH)**, a public agency of the Government of Puerto Rico created under Act No. 97, of June 10, 1972, 3 LPRA § 441 et seq., as amended, known as the "Department of Housing Organic Act" (**Organic Act**), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of Guaynabo, Puerto Rico; and the **CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION, AND RESILIENCY (COR3 or Partner)**, a division within the **PUERTO RICO PUBLIC PRIVATE PARTNERSHIPS AUTHORITY (P3)²**, with principal offices at Guaynabo, Puerto Rico, represented herein by its Executive Director, Manuel A. J. Laboy Rivera, of legal age, engineer, single, and resident of San Juan, Puerto Rico; collectively the "**Parties**".

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I. RECITALS AND GENERAL INFORMATION

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

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

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

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

¹ Executive Orders No. 2017-065 of October 23, 2017, and 2017-069 of November 10, 2017, directed the Puerto Rico Public Private Partnership Authority (P3) to organize the Central Office for Recovery, Reconstruction, and Resiliency (COR3) as a division of the P3 Authority for the purpose of assuming the principal responsibility of developing and implementing a strategic plan for the reconstruction of Puerto Rico after the passage of Hurricanes Irma and María. The P3 Authority formalized the creation of the COR3 on December 8, 2017, pursuant to Resolutions 2017-39 and 2017-41 of the Board of Directors of the P3 Authority.

² P3 is a public corporation of the Government of Puerto Rico created by virtue of Act No. 29-2009, as amended, known as the "Public Private Partnership Act". The P3 Authority is ascribed to the Puerto Rico Fiscal Agency and Financial Advisory Authority, created by virtue of Act No. 2-2017, as amended, known as the "Puerto Rico Fiscal Agency and Financial Advisory Authority Act".

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

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

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

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

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

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

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

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

WHEREAS, according to the approved current Action Plan, Puerto Rico is undertaking the Non-Federal Match (**NFMP**) Program. The current CDBG-DR Action Plan allocates a total budget of one billion one hundred thirty million one dollars (**\$1,130,000,001**) to this Program.

WHEREAS, to minimize the burden on disaster relief assistance applicants of providing similar documentation multiple times and to make the match reimbursement process simpler for those applicants, COR3 will provide PRDOH access to applicants' data and documentation, previously provided to COR3 and FEMA by those applicants under the FEMA Public Assistance (**PA**) Program. PRDOH will perform all eligibility reviews under the NFMP Program with the benefit of the information made available by COR3's personnel, and as needed, will contact applicants for any additional documentation that may be required to comply with HUD's particular standards and regulations and is not filed in COR3's database. The partnership will also serve the purpose of maintaining controls, avoiding duplication of efforts, and allowing COR3 and PRDOH to jointly track and manage each project's progress.


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WHEREAS, PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, as amended, *supra*, the federal laws, and regulations creating and allocating funds to the CDBG-DR program and the current Action Plan, enter and perform under this Agreement.

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

TERMS AND CONDITIONS

II. ATTACHMENTS

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

Exhibit A Scope of Work

Exhibit B Detailed Scope of Work, Timelines, and Performance Goals

Should any inconsistency appear between the Attachments and this Agreement, the Agreement shall prevail.

III. SCOPE OF WORK

1. Prohibited Activities: The Parties may only carry out the roles and responsibilities described in this Agreement and the activities related to the performance of the Scope of Work described in **Exhibit A** (Scope of Work) of this Agreement. Notwithstanding anything to the contrary in this Agreement, the Parties shall not be obligated to perform any work or services outside the Scope of Work described in **Exhibit A** (Scope of Work) of this Agreement.
2. The Parties will conduct the collaborative tasks described in **Exhibit A** (Scope of Work) in accordance with **Exhibit B** (Detailed Scope of Work, Timelines, and Performance Goals) attached to this Agreement. All tasks shall be performed following FEMA's guidelines and regulations, COR3's guidelines and regulations, PRDOH's guidelines, HUD's guidelines and regulations, and other applicable state and federal laws and regulations.
3. Any and all information provided to PRDOH by COR3, including the Puerto Rico Disaster Recovery System (**DRS**), FEMA's Grants Portal, and EMMIE, will be in accordance with the Non-Disclosure Agreement signed by the Parties. The Parties recognize that this Agreement does not impose any responsibility to financially compensate the other party under any circumstances. Any disbursement of funds that is deemed necessary to implement the objectives of this Agreement, will be individually incurred by each one of the Parties and will be their responsibility to bear.
4. The Parties reserve the right to request changes in the collaborative tasks included in this Agreement when deemed necessary. Such changes shall be incorporated by reference into the Agreement through an amendment.

IV. PROTECTION OF DATA AND PERSONALLY IDENTIFIABLE INFORMATION (Protected PII)

- A. Protected PII refers to information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Non-PII can become Protected PII when, together with additional information that has been


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publicly available (medium or source notwithstanding), could be used to identify an individual.³

- B. All information, records, and data will be subject to existing federal and state PII requirements, including but not limited to the CDBG-DR Program Protected PII Policy and the requirements and regulations included in Part 200 of Title 2 of the Code of Federal Regulations (2 C.F.R. Part 200). The Protected PII Policy can be found in English at <https://cdbg-dr.pr.gov/en/download/personally-identifiable-information-confidentiality-and-nondisclosure-policy/> and <https://cdbg-dr.pr.gov/download/politica-sobre-informacion-de-identificacion-personal-confidencialidad-y-no-divulgacion/>.
- C. Any data obtained from the other party may only be used for the purpose established in this MOU. Both parties agree to strictly control the use and retention of any confidential information provided by the other party so that only those personnel who need to have access to such material. No further dissemination or use of the material supplied under this agreement is authorized without the written permission of both parties.
- D. Both parties agree that Protected PII shall not be used for political purposes. Protected PII should only be used to conduct objectives of the CDBG-DR Programs.
- E. Both parties agree that all information, records, and data will be transmitted securely to protect sensitive and PII data.
- F. Both parties agree to strictly control the use and retention of any Protected PII provided by the other party such that access to such material is restricted to those personnel who have a need to know. No further dissemination or use of material is authorized without written permission of the relevant party.
- G. Both parties shall prohibit the disclosure of sensitive information to third parties not involved in the implementation of the activities for which this Agreement is executed.
- H. Both parties further recognize that the shared information is subject to the rights of audit and inspection of various federal and state agencies and the disclosure of such information may be required by law.

V. EFFECTIVE DATE, END TERM, AND TERM EXTENSION

This Agreement shall be in effect from the date of its execution and continue in effect for a term ending on **June 30, 2025**. The term of this Agreement may only be extended upon written mutual agreement of the Parties but shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD unless the term of the initial Grant Agreement is extended by HUD, in which case the term of this Agreement cannot exceed the extension.

VI. NOTICES

All notices, requests, approvals, and consents of any kind made pursuant to this Agreement shall be in writing and shall be deemed to be effective as of the date sent by certified mail, return receipt requested, or email. All notices and other written communications under this Agreement shall be addressed to the individuals in the

³ 2 C.F.R. § 200.1 defines Protected Personally Identifiable Information (Protected PII) as the information of individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts. This does not include PII that is required by law to be disclosed.


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capacities indicated below unless otherwise modified by subsequent written notice. Communication and details concerning this Agreement shall be directed to the following contract representatives:

CDBG-DR Grantee:

William O. Rodríguez Rodríguez, Esq.
 Secretary
 Puerto Rico Department of Housing
 606 Barbosa Avenue
 Juan C. Cordero Building
 San Juan, P.R. 00918
legalCDBG@vivienda.pr.gov

Partner:

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


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VII. POINT OF CONTACTS

The following parties shall be designated as the Points of Contact (**POCs**) responsible for the communication and facilitation of data transfer. The POC is not responsible for the interpretation of local, state, or federal rules, regulations, or guidelines, nor is the POC authorized to make decisions related to the use, sharing, or distribution of data to the opposite party.

The parties named below are considered POCs until they are no longer employed by their respective agencies. Upon termination of an employment contract by any party, the POC for this MOU reverts to the POC's superior until a new Point of Contact is determined by the Secretary or Director of the relevant Agency.

PRDOH	COR3
Paulina Seguinot Figueroa Deputy Director Infrastructure Division CDBG-DR/MIT Program – PRDOH 787.274.2527 ext. 4259 pseguinot@vivienda.pr.gov infrastructurecdbg@vivienda.pr.gov	Mayté Bayolo Alonso, Esq. PMO Director Grants Deputy Director Central Recovery and Reconstruction Office of Puerto Rico (COR3) 787.474.7050 ext. 1110 mbayolo@cor3.pr.gov

VIII. AMENDMENT AND TERMINATION

A. Amendments

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

an extinctive novation of the obligations of the Parties under the Agreement and amendment.

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

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

However, the Parties shall notify each other, of any applicable policies, procedures, regulations, requirements, guidelines, or change in law, whether existing or to be established, as well as changes and/or amendments thereof, and the notified policies, procedures, regulations, requirements, guidelines, and laws shall be deemed incorporated by reference to this Agreement without the need of executing a separate written and signed amendment. Any such changes and/or amendments shall be prospective and not retroactive, provided that said applicable policies, procedures, regulations, requirements, guidelines, or changes in law are not retroactively applicable.


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B. Termination

Either party may terminate this Agreement, in whole or in part, with or without cause, at any time. The party will terminate this Agreement by delivering to the other party a **thirty (30) day notice of termination**. Upon receipt of such notice, the receiving party shall immediately discontinue and cease all use of the Non-Disclosure Agreement signed by the Parties (PRDOH and COR3).

IX. **HOLD HARMLESS**

Each Party shall bear all costs, losses, and damages resulting from their respective breach, violation, or other non-compliance with this Agreement. Each Party agrees to release, defend, indemnify, and hold harmless the other Party for claims, losses, penalties, and damages and reasonable attorneys' fees and costs to the extent arising out of their personnel, contractors, or subrecipients', negligence, unauthorized use, or disclosure of the information shared, and/or their personnel, contractors or subrecipients', breach of its obligations under this Agreement. Both Parties shall inform all of its principals, officers, employees, agents, subrecipients, and contractors assigned to handling the information provided under this Agreement of the obligations contained therein.

X. **FORCE MAJEURE**

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

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

XI. ASSIGNMENT OF RIGHTS

The Parties shall not assign or transfer any interest in this Agreement without the prior written consent of the other party.

XII. SEVERABILITY

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

XIII. SECTION HEADINGS AND SUBHEADINGS

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

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

If any of the Parties moves for consolidation or merger with another entity (private or public), by its discretion or otherwise; initiates a change of name process; or moves for dissolution of the entity, written notice of such decision or event shall be delivered to the other Party at least **fifteen (15) days** prior to the effective date of the consolidation, merger, change of name, or dissolution.

Upon the consolidation, merger, change of name, or dissolution becoming effective and supporting evidence of such event is notified, execution of an Amendment to the Agreement may follow.

Failure to comply with any of the aforementioned conditions may result in termination of the Agreement.

XV. CONFLICT OF INTEREST

The Parties hereby certify that by signing this Agreement they are in compliance with Act No. 1-2012, as amended, known as the "Puerto Rico Government Ethics Act of 2011". Moreover, the Parties acknowledge that, to the best of their knowledge, none of the following situations exist or may exist at the date of the execution of the Agreement:

1. No public servant of either executive agency has a pecuniary interest in this agreement, contract, purchase, or commercial transaction.
2. No public servant of either executive agency has requested or accepted, directly or indirectly, for him (her), for any member of his (her) family unit, or for any person, gifts, bonuses, favors, services, donations, loans, or anything else of monetary value.


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3. No public servant(s) requested or accepted any good of economic value, linked to this transaction, from any person related to their entity as payment for performing the duties and responsibilities of their employment.
4. No public servant has requested, directly or indirectly, for him (her), for any member of his or her family unit, or for any other person, business, or entity, something of economic value, including gifts, loans, promises, favors, or services in exchange for the performance of said public servant is influenced in the favor or of the entity.
5. Neither party has a kinship relationship, within the fourth degree of consanguinity and second of affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

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


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PUERTO RICO DEPARTMENT OF HOUSING


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William O. Rodríguez Rodríguez (Aug 2, 2024 11:59 EDT)

William O. Rodríguez Rodríguez, Esq.
Secretary

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


Manuel Laboy Rivera (Jul 31, 2024 12:53 EDT)

Manuel A. J. Laboy Rivera
Executive Director
Governor's Authorized Representative (GAR)



EXHIBIT A

SCOPE OF WORK

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

1. Program Overview/Background

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

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

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

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

2. National Objective

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

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

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

3. Program Description

PA MATCH

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

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

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

Under the PA Program, FEMA provides funding for emergency protective measures and debris removal ("emergency work") as well as permanent

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restoration of damaged facilities, including cost-effective hazard mitigation to protect the facilities from future damage ("permanent work.")

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

FEMA Public Assistance Category	Category
Category A – Debris Removal	Emergency Work
Category B – Emergency Protective Measures	Emergency Work
Category C – Roads & Bridges	Permanent Work
Category D – Water Control Facilities	Permanent Work
Category E – Building and Equipment	Permanent Work
Category F – Utilities	Permanent Work
Category G – Parks, Recreational, and Other	Permanent Work

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4. Tasks

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

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

5. Time Performance

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

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EXHIBIT B

DETAILED SCOPE OF WORK, TIMELINES, AND PERFORMANCE GOALS

NON-FEDERAL MATCH PROGRAM (NFMP)

CENTRAL OFFICE FOR RECOVERY, RECONSTRUCTION AND RESILIENCY (COR3)

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

These areas are:

1. Access to Systems of Record

Detailed scope items:

- a. FEMA PA applicants provide COR3 with a substantial amount of documentation that is required by FEMA to obligate projects and ensure program compliance. The PRDOH NFMP team also needs this information to determine CDBG-DR eligibility. PRDOH must maintain all the documentation in its project files for HUD review and compliance, per HUD's requirements. PRDOH will have direct access to read and download documentation maintained in FEMA and COR3's databases, including the Puerto Rico Disaster Recovery System (**DRS**), FEMA's Grants Portal, and EMMIE (the "**systems**"). All information contained in these systems will be used in accordance with the Non-Disclosure Agreement signed by PRDOH and COR3 and the Privacy Act of 1974 (5 U.S.C. § 552a), whether or not they are specifically mentioned in said Agreement.
- b. COR3 shall provide access to the systems to PRDOH, its designees, or its contractors associated with the NFMP, and any relevant oversight as soon as possible after receiving an access request form from PRDOH. The parties hereby certify that on February 14, 2022, a non-disclosure agreement was signed by the parties, that such agreement is in full force and effect, and that it regulates the Memorandum of Understanding. COR3 shall grant access to all relevant and duly authorized users requested by PRDOH.
- c. To ensure that both parties are aware of how the NFMP is operating, both parties agree to hold coordination meetings/calls, when

necessary, to discuss the program, mitigate, and address any issues that may develop. **Six (6) months** after launch of the Program, both parties will assess the effectiveness of these meetings and determine if periodic meetings/calls are still needed or if they can be held on ad hoc basis.

Performance goals per detailed scope item:

- a. For the FEMA PA Program, COR3 will provide PRDOH with direct access to FEMA related documentation through computer systems.
- b. Participation in coordination meetings, in the frequency determined by the programmatic teams.

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

Detailed scope items:

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

Performance goals per detailed scope item:

- a. COR3 shall respond to any technical issues as soon as possible after being notified of the issue by PRDOH.

3. **Access to Payment Data**

Detailed scope items:

- a. COR3 will provide payment data relating to the PA program in an electronic format that identifies the disbursed Federal Share (**FEMA**) and, when applicable, Government of Puerto Rico payments for all Project Worksheets (**PWs**). Data will be provided to PRDOH in a consistent format that allows PRDOH to integrate the financial data into its systems. Payment data will be provided periodically, as agreed by the programmatic teams. COR3 and PRDOH staff will jointly


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determine the type of electronic file that the data will be received in along with what data fields will be included.

Performance goals per detailed scope item:

- a. Provide PRDOH with access to payment data in electronic format in a consistent format periodically, as agreed by the programmatic teams.

4. **Communications**

Detailed scope items:

- a. The key to the success of the PA match program is ensuring that PA applicants know which agency to contact when they have questions about the specific programs. Questions relating to the FEMA PA program, eligibility rules, regulations, project status, etc., will be routed to COR3. All questions relating specifically to the Non-Federal Match Program and CDBG-DR requirements and processes must be routed to PRDOH.
- b. To ensure, to the greatest extent possible, this is achieved, COR3 and PRDOH jointly agree to collaborate and develop materials that both agencies will use to direct PA applicants to the appropriate granting agency. These materials, with slight modification, need to also be provided to FEMA so that FEMA does not misinform PA applicants about the program or which granting agency to contact. PRDOH and COR3 agree to begin the development of these initial communication materials immediately.
- c. COR3, working with PRDOH, agrees to schedule the necessary meetings with FEMA Joint Recovery Office (**JRO**) PA staff to discuss the PA Match program. COR3 will also schedule follow-up meetings with FEMA PA staff located at the JRO on an ongoing basis as needed.

Performance goals per detailed scope item:

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


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- c. COR3, working with PRDOH, will inform to and coordinate any necessary meetings with the FEMA JRO Staff about the NFMP PA Match program after the launch of the Program. COR3 will work in coordination with PRDOH to provide materials to the FEMA staff about the program that may include handouts and presentation materials that will assist FEMA in understanding how the program will operate.

5. **Technical Assistance**

Detailed scope items:

- a. To ensure HUD compliance, PRDOH will work directly with PA applicants who opt-in to the NFMP providing Technical Assistance (TA) on a wide range of HUD issues that could impact eligibility and the potential for PRDOH to make a match payment on the applicant's behalf. PRDOH will use processes that have been successfully employed in other disaster-declared states and will follow HUD-issued guidelines regarding what types of information needs to be shared with recipients who receive HUD funding. TA will include, but shall not be limited to, working with applicants who have upcoming FEMA Category C-G work (permanent work); providing TA on Davis Bacon, EEO, and Section 3 compliance requirements; and providing TA on procurement and record keeping requirements. Once projects are in construction, PRDOH will work with applicants to ensure that other reporting and site visit monitoring requirements are met. PRDOH, as it develops materials and plans to implement TA, will share and inform COR3 about TA as a standing line item in the periodic meetings' agenda and, as needed, the COR3/PRDOH team agrees to meet to discuss TA topics.
- b. Document Collection. A key component of the PRDOH/COR3 working relationship is the ability of PRDOH to obtain as much CDBG-DR required documentation as possible from available databases to prevent PRDOH from burdening PA applicants with requests for the same information multiple times. In the event that HUD-required documentation is not available from PRDOH, NFMP staff will collaborate with COR3 to discuss and share documents in detail about how the PRDOH document collection teams will work. Information will be used in accordance with the Non-Disclosure Agreement signed by PRDOH and COR3, whether or not each system is specifically mentioned in said Agreement.

Performance goals per detailed scope item:

- a. PRDOH will work directly with applicants who participate in the NFMP, providing TA on a wide range of HUD issues that could impact eligibility. PRDOH will work with and inform COR3 about any TA trainings that will take place so that COR3 is aware and can assist with materials in advance.

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- b. When HUD-required documentation is not available in COR3 or FEMA's computer systems, PRDOH will obtain the needed documentation from the applicant.

6. **Administrative Collaboration**

Detailed scope items:

- a. Both COR3 and PRDOH are subject to Federal and State audits as a result of receiving Federal funds. COR3 will be monitored and audited by FEMA, and PRDOH will be monitored and audited by HUD. To ensure that both parties are aware of upcoming Federal audits by their respective Federal partners, COR3 and PRDOH agree to inform each other about audits. To the extent that it is necessary, PRDOH and COR3 agree to work collaboratively to satisfy any requests that occur as a result of audit or monitoring event. After the audit is concluded and when reports are finalized, both agencies also agree to inform each other about the report.
- b. In the event that PRDOH makes a match payment on a PW or project that COR3 or FEMA, at closeout or a later date, has determined needs to be "de-obligated" or have funds reduced, COR3 agrees to inform PRDOH of the reduction or de-obligation so that PRDOH can determine a course of action to address for the match that was paid.
- c. In the event that an applicant submits a Reconsideration Request to PRDOH, the Program will assess the relationship of Reconsideration Request to the Program within **five (5) days** of its receipt. This process is necessary in order to determine if the request is tied to a FEMA-related decision or a CDBG-DR-related decision. As part of this assessment, PRDOH will need to coordinate with COR3 on any administrative review request for this Program, to determine if the request is tied to a FEMA determination. If COR3 determines that the request received is tied to a FEMA determination, the participant will be referred to COR3. The participant will then need to work through the COR3/FEMA appeals process as shown in 44 C.F.R. § 206.206. As part of the COR3 and PRDOH coordination effort and in the Agreement signed by COR3 and PRDOH, a process to address audits and other functions is described and defined. On the contrary, if the request is not tied to a FEMA determination, the NFMP will review and address the Reconsideration Request as established in its guidelines. COR3 shall provide any information required for PRDOH to respond to the Reconsideration Request within **three (3) business days** of a request for such information from PRDOH.

Performance goals per detailed scope:


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- a. In the event either entity is notified of an audit, the parties agree to inform each other within **fifteen (15) business days** of receipt of the audit notification and, as needed, to assist the audited entity in obtaining any required or solicited information for the audit.
- b. If PRDOH makes a match payment that COR3 determines needs to be "de-obligated" or have the overall size of the PW be reduced, COR3 will inform PRDOH of the reduction or de-obligation within **fifteen (15) business days** so that PRDOH and COR3 can determine how to best address the match payment that was provided.
If a determination is made pursuant to a Reconsideration Request, the parties shall provide notice within **fifteen (15) days**. COR3 shall provide any information required for PRDOH to respond to a Reconsideration Request within **three (3) business days** of a request for such information from PRDOH.

END OF DOCUMENT

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COR3- PRDOH Memorandum of Understanding CDBG-DR

Final Audit Report

2024-08-02

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