



PUBLIC NOTICE

INTENTION TO AMEND THE PUERTO RICO STATE ACTION PLAN TO ADD ESG-CV FUNDS EMERGENCY SOLUTIONS GRANT (ESG)

As established in 24 CFR 91.505, and in the Coronavirus Aid, Relief, and Economic Security Act (**CARES Act**), (Public Law 116-136), the Puerto Rico Department of Family (**PRDF**) notifies citizens, non-for-profit organizations, (*local governments*) municipalities, and other interested entities, of its intention to amend Program Year (PY) 2019 ESG State Action Plan. The purpose of this amendment is to include ESG-CV funds and propose the allocation process.

A copy of this amendment will be available at <https://www.familia.pr.gov> and <https://www.vivienda.pr.gov>

Any of the parties mentioned in the first paragraph of this announcement interested in providing comments, will have up to five (5) calendar days, beginning on the date of this publication, to present their written comments via:, via e-mail at: ProgramaESG@familia.pr.gov.

Comments received after the date established in this notice will Not be considered.

Background

The Puerto Rico Department of the Family (PRDF) recently received the ESG Supplemental Funds Award letters as authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136. The grant's total amount is **\$27,430,925** which has been allocated in two (2) apportionments: **ESG-CV1 for \$12,479,000** and **ESG-CV2 for \$14,951,925**. PRDF aims to distribute these funds to non-for-profit organizations and municipalities to provide the following objectives:

1. Prevent, prepare for, and respond to coronavirus among individuals and families who are experiencing homelessness or receiving homeless assistance; and
2. Support additional homeless assistance and homeless prevention activities to mitigate the impacts created by coronavirus

The purpose of this document is to amend the PY 2019 ESG State Annual Action Plan, to make these funds available qualifying non-for-profit organizations and (*local governments*) municipalities. The US Department of Housing and Urban Development (HUD) will publish a notice laying out the CARES Act provisions, as well as waivers and requirements to enable swift implementation of these additional ESG-CV grants. Consequently, the PRDF will publish additional guidelines on eligible activities and flexibilities, as information becomes available from HUD.

PUBLIC PARTICIPATION

24 CFR 91.505 requires public notification when substantial changes amend an Annual Action Plan. These modifications are subject to citizens' participation as required in the grantee's citizen participation plan, which provides no less than thirty (30) days for submitting comments.

To expedite the response to COVID-19, and the flexibilities established in the CARES Act, citizens, non-for profit organizations and municipalities interested in bestowing comments to the amendment herewith in will have five (5) calendar days, starting from the date of this publication September 4, 2020 until September 9, 2020.

Any written comments will need to be sent via email at: ProgramaESG@familia.pr.gov

AMENDMENT

Expected Resources (AP-15)

The PRDF has been granted a total of twenty-seven million four hundred thirty thousand nine hundred twenty-five dollars (**\$27,430,925**) in ESG-CV Funds. These will be distributed to private non-for-profit organizations and local governments through a two-phase process.

Table 1-A

Program	Funding Source	Uses of Funds	Expected Amount Available Year 1			Total:
			Allocation:	Program Income:	Prior Year Resources:	
Other	Public - Federal	Prevention, preparedness, and response to the coronavirus pandemic (COVID-19) among homeless or receiving program benefits families/individuals and additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.	\$12,479,000	0	0	\$12,479,000
			\$14,951,925	0	0	\$14,951,925
Total			\$27,430,925	0	0	\$27,430,925

Funding Distribution Process (AP-30)

First Phase

During the first phase, the PRDF will be allocating a total of **\$12,479,000** from the ESG-CV funds. To speed up the populations' funding and assistance, the PRDF will implement a direct allocation method as detailed in Table 2-A.

Those organizations and (*local governments*) municipalities interested in accepting ESG-CV grants will be required to submit a letter of interest, as specified in the PRDF instructions. The PRDF reserves the right to allocate funds to any organization or municipality that has been found fault with administrative and/or programmatic deficiencies, monitoring or audit reviews open findings or federal programs' non-compliance. Any undistributed funds due to the reasons mentioned above or a subrecipient's unveiled lack of interest, will be re-allocated to shelters to establish operational safety measures, facilities' rehabilitation to comply with COVID-19 social distance requirements, non-congregate shelters and for the development of isolation/quarantine units, among others.

Table 2-A

Allocations	Description	Amount
Direct allocations to Homeless Management Information System (HMIS)	Two (2) grants will be allocated to HMIS entities, based on the total of projects and municipalities managed.	\$500,000
Direct allocation to Coordinated Entry System (CES)	Two (2) grants will be allocated to CES entities, based on the total of projects and municipalities managed. Funds are intended to be used in outreach activities and to provide support to ESG subrecipients in referral and coordination of services.	\$500,000
Direct allocations to Municipalities and Non-Profit Organizations (NPO's) for Rapid Rehousing and Prevention Activities	<p>Allocation to municipalities will be based on the total population:</p> <ul style="list-style-type: none"> • Municipalities with a 50,000 or more populations will receive \$125,000 to provide prevention and rapid rehousing services in response to COVID-19. • Municipalities with 30,000 to 49,999 populations will receive \$100,000 to provide prevention and rapid rehousing services in response to COVID-19. • Municipalities with less than 30,000 populations will receive \$75,000 to provide prevention and rapid rehousing 	<p>Total Amount \$7,700,000</p> <p>Prevention \$4,620,000</p> <p>Rapid Rehousing \$3,080,000</p>

Allocations	Description	Amount
	services in response to COVID-19. Non-Profit Organizations with 2019 prevention and rapid rehousing active grants will receive \$75,000 in ESG-CV funds to provide both services in response to COVID-19.	
Direct allocation to Shelters	Shelters with 2018 and/or 2019 active grants will receive a direct allocation of \$115,050. Funds may be used for operational safety measures, facilities rehabilitation to comply with COVID-19 recommended measures, non-congregate sheltering, and the creation of isolation/quarantine units, among others.	\$2,531,100
State Administration		\$935,925
Municipal and NPO Administration		\$311,975
TOTAL FUNDS		\$12,479,000

Eligible Activities

All activities permitted under the federal ESG regulations shall be eligible under 24 CFR Part 576.100. Provisions under CARES Act are especially pertinent to the ESG-CV funding:

1. ESG-CV funding amounts provided under the CARES Act may be used to provide temporary emergency shelters, to prevent, prepare for and respond to coronavirus. Temporary emergency shelters shall not be subject to the minimum periods of use as required by section 416(c)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11357(c)(1)). Federal habitability and environmental review standards and requirements shall not apply to the use of ESG-CV funding for temporary emergency shelters that have been determined necessary to prevent, prepare for, and respond to coronavirus.
2. ESG-CV funding amounts provided under the CARES Act may be used for training on infectious disease prevention, mitigation and to provide hazard pay for staff working directly with community members to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness, and that such activities shall not be considered administrative costs for purposes of the administrative cap.
3. Under 24 CFR Part 576.106(d), rental assistance payments provided as part of a Rapid Rehousing or Housing Program activity typically cannot exceed HUD's Fair Market Rent (FMR), except that HUD has approved or issued any waivers.

4. None of the ESG-CV funds provided under the CARES Act may be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter.
5. Costs to operate emergency shelter, and hotel/motel vouchers
6. HUD has approved the following eligible costs for Street Outreach:
 - a. Engagement: Hand sanitizer, soap, tissue packets, masks, disposable gloves, other personal protective equipment
 - b. Case Management: Coordinating medical care
 - c. Transportation: bus, taxi for program participant travel to and from medical care
 - d. Expanded Staffing: Hiring additional staff to support infectious disease preparedness, providing hazard pay to staff with direct participant contact
7. HUD has approved the following eligible costs under Emergency Shelter:
 - a. Supplies: Cleaning supplies, disinfectant wipes, scrubbers, mops, protective equipment such as masks or disposable gloves
 - b. Program participant needs such as bed linens, towels, hand sanitizer, soap, tissue packets
 - c. Furnishings: Cots, room dividers
 - d. Equipment: Washers, dryers, portable handwashing stations
 - e. Transportation: Bus or taxi for program participant travel to and from medical care
 - f. Shelter Operations: Hotel and motel costs for additional non-congregate shelter space at specified cost.
 - g. Expanded Staffing: Hiring additional staff to support infectious disease preparedness, providing hazard pay to staff with direct participant contact

According to the CARES Act and additional HUD's guidance, the following flexibilities will apply to this funding round:

1. Funds may be used to cover or reimburse State or subrecipient's allowable costs incurred before funds were awarded (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19.
2. **Funds are not subject to the spending cap established for emergency shelters and outreach activities as of 24 CFR 576.100(b)(1)**
3. Federal habitability and environmental review standards and requirements do not apply to temporary emergency shelters that have been determined necessary to prevent, prepare for, and respond to coronavirus.

4. Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a).
5. **Funds are exempt from the ESG match requirements, included in 24 CFR 576.201**
6. Funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not meets HUD's Very Low-Income Limit area criteria established in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
7. Recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326
8. Treatment and supportive services are encouraged when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness, however such recipients must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, in spite of 24 CFR 576.401(e). *This includes case management and shelter operations, onsite services (such as patient health services), renovations (rehab and conversion), maintenance, rent & utilities, security, fuel, equipment, insurance, food, furnishings, supplies, and hotel/motel vouchers*

In addition, the Act authorizes the Secretary to grant waivers and specify alternative requirements for statutes and regulations. The Secretary administers in connection with the use of ESG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

PRDF- Training on Infectious Diseases Prevention and Mitigation

The PRDF will train subgrantees on how to prevent and mitigate the spread of COVID-19. These trainings comply with the CARES act objectives of preparing and responding to the Coronavirus. (as established in the CARES Act, reference ESG Program Interim Rule, Section 576.100(d), and ESG-CV 24 CFR 576.201).

Second Phase

During the second phase of the funding distribution process, the PRDF will allocate a total of **\$14,951,925**, as detailed on the table below. For this round non-for-profit and municipalities, will be eligible on a competitive basis process and will have the opportunity to bring to the table major projects. Therefore, the PRDF will be publishing a Notice of Availability of Funds which will include the specific requirements

and guidelines.

Allocations		Amount
State Administration		\$1,121,394.38
Municipal and NPO Administration		\$373,798.13
Direct allocations to Homeless Management Information System (HMIS)	Two (2) grants will be allocated to HMIS entities, based on the total of projects and municipalities managed.	\$500,000.00
Direct allocation to Coordinated Entry System (CES)	Two (2) grants will be allocated to CES entities, based on the total of projects and municipalities managed. Funds are intended to be used in outreach activities and to provide support to ESG subrecipients in referral and coordination of services.	\$500,000.00
Funds to be distributed for eligible activities in response to the impact of COVID-19 (HMIS, Emergency Shelter, Outreach, Rapid Rehousing and Prevention)		<p>Total Amount \$12,456,732.50</p> <p>Emergency Shelters \$11,000,000.00</p> <p>Prevention \$874,039.50</p> <p>Rapid Rehousing \$582,693.00</p>
TOTAL FUNDS		\$14,951,925.00

Technical Assistance Services

PRDF will provide special assistance to those entities-providers, partners and subrecipients that may need support in preventing or responding to the spread of COVID-19. In addition, to respond to any doubts regarding the eligible activities under ESG-CARES Act funds.

Monitoring Activities-COVID-19 Funds

PRDF will monitor the ESG-CV activities funded to ensure federal and state ESG requirements compliance. An onsite monitoring visit of randomly selected providers will take place, whenever

determined necessary by the PRDF.

Expected Outcomes

Non-for-profit organizations and local government units selected to receive ESG-CV funds, will have to comply with the outcome measures mentioned below, as applicable:

1. OUTREACH

- a. Number of people receiving services
- b. Number of people who left the program
- c. Percentage of people who committed (engaged) to receive services
- d. Percentage of people who fulfilled their service plan
- e. Percentage of people who increased their income by any source
- f. Percentage of people located in emergency shelters
- g. Percentage of people located at temporary shelters
- h. Percentage of people placed in permanent housing

2. EMERGENCY SHELTER

- a. Number of people who entered emergency shelters
- b. Number of people who left the program
- c. Percentage of people who fulfilled their service plan
- d. Percentage of people who increased their income by any source
- e. Percentage of people who entered transitional housing
- f. Percentage of people who stayed at shelters for less than three (3) months
- g. Percentage of people who stayed at shelters for more than three (3) months
- h. Percentage of people placed in permanent housing

3. PREVENTION

- a. Number of people receiving prevention services.
- b. Number of people who left the program
- c. Number of people receiving economic assistance
- d. Percentage of people who received housing relocation services and stabilization services during the service period
- e. Percentage of people who met their service plan
- f. Percentage of people who increased their income from any source

- g. Percentage of people placed in permanent housing

4. RAPID RE- HOUSING

- a. Number of people receiving RRH services.
- b. Number of people who left the program
- c. Number of people receiving economic assistance
- d. Percentage of people who received housing relocation and stabilization services during the service period
- e. Percentage of people who fulfilled their service plan
- f. Percentage of people who increased their income
- g. Percentage of people placed in permanent housing

SECRETARY OF THE FAMILY DEPARTMENTS SUGGESTED PROJECTS

Administrative Program Funds

During the COVID–19 Emergency many agencies from the Government has received many extents calls for emergency assistance looking for the PR Department of Family services, to attend their situations on families on risk of losing their homes, losing their jobs, and many others situations as consequence of COVID-19. This Hotline will assist families canalizing the calls thru the Coordinated Entry Systems (CES) at their first initial assessment. The Agency will verify information from possible participants to refer them to the (CES), so they can canalize the help considering the circumstances of each possible participant. PRDF will provide this call assistance in alternative hours for callers thru 10PM.

Emergency Shelter COVID -19

PRDF aims to establish Emergency Shelter to assist individuals and families in pursuing childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, transportation and others by providing case management.

SUMMARY OF PUBLIC COMMENTS AND PRDF's RESPONSE (AMENDMENT)

To be included after publication.