



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

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



This Memorandum of Understanding, hereinafter referred to as "MOU", is entered into by and between:

**THE PUERTO RICO DEPARTMENT OF HOUSING**, hereinafter referred to as the "PRDOH", represented in this act by Luis C. Fernández Trinchet, attorney, of legal age, single, and resident of Guaynabo, Puerto Rico, in his capacity as Secretary, and duly authorized and empowered for the execution of this agreement by Act No. 97 of June 10, 1972, as amended, known as the Department of Housing Organic Act.

**THE PUERTO RICO PUBLIC HOUSING ADMINISTRATION**, hereinafter referred to as the "PRPHA", represented in this act by its Administrator, William O. Rodríguez Rodríguez, Esq., attorney, of legal age, single, and resident of San Juan, Puerto Rico, duly authorized and empowered for the execution of this contract by Act No. 66 of August 17, 1989, as amended, known as the Public Housing Administration Organic Act; and as approved and stated by the PRPHA Governing Board Resolution Number 2019-25, dated June 19, 2019.


**RECITALS**

**WHEREAS**, pursuant to Act No. 97 of June 10, 1972, as amended, the PRDOH is the governmental agency responsible for the formulation and implementation of Puerto Rico's public policy on housing and urban renewal. Among other powers, it can promote, develop and rehabilitate housing projects throughout Puerto Rico and has the authority to execute the necessary contracts and/or agreement, whether with governmental agencies or with private entities with the purpose of achieving the PRDOH's objectives.

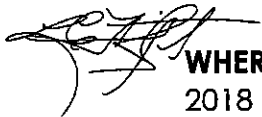
**WHEREAS**, pursuant to Act No. 66 of August 17, 1989, the PRPHA, governmental agency attached to the PRDOH, is responsible for the development and operation of safe and sanitary housing and the implementation of public policy to improve the quality of life and living environment of the low-income families that reside in public housing projects throughout the Government of Puerto Rico.

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

**WHEREAS**, under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law September 8, 2017 (Pub. L. 115-56), \$1.5 billion were allocated by the U.S. Department of Housing and Urban Development (HUD) for disaster recovery assistance to the Government of Puerto Rico under the CDBG-DR. 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 were allocated by HUD for disaster recovery assistance to the Government of Puerto Rico under CDBG-DR.

**WHEREAS**, on August 14, 2018, a Notice was published in the Federal Register Vol. 83, No. 157, (83 FR 40314) that made an additional allocation to Puerto Rico of \$8.22 billion for recovery. 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**, the PRDOH has been designated by the Governor of Puerto Rico as grantee of the CDBG-DR funds allocated to the Government of Puerto Rico.

**WHEREAS**, over the years the PRDOH and the PRPHA (the "PARTIES") have executed several Memorandums of Understanding ("MOU") with the purpose of sharing resources and assistance in furtherance of Puerto Rico's public policy on housing and urban renewal.

**WHEREAS**, the PRPHA has determined that it has the capacity and human resources to assist PRDOH in the implementation and operation of the CDBG-DR program.

**WHEREAS**, the PARTIES consider in their best interest to enter into this MOU by virtue of which the PRPHA agrees to continue to pay the earned wages of its employees who work for the CDBG-DR Program and the PRDOH agrees to reimburse said payroll expense.

**WHEREFORE**, in consideration of the mutual promises and the terms and conditions set forth herein, the PARTIES agree as follows:

### **TERMS AND CONDITIONS**

**FIRST** – The PARTIES agree that any and all services retained by their entities may be provided to either the PRDOH or the PRPHA. The services rendered under this MOU include, but are not limited to, Legal Services, Public Relations Services and Digital Strategy and Management Services, as well as any other services as requested and approved by the PARTIES authorized representative.

**SECOND** – The services performed under this MOU will be subject to the same terms and conditions as set forth in the Agreement executed by either Party and their Contractor.

**THIRD** - The PARTIES agree to reimburse the other Party for any and all services rendered under this MOU, upon receipt of the corresponding invoice.

**FOURTH** – Regarding to PRPHA employees stationed at the CDBG-DR Program, the PRPHA agrees to continue to pay their earned wages for work and services performed for the CDBG-DR Program; in order to help defray the services engaged by PRDOH for the implementation and operation of the CDBG-DR program. The salaries payment will continue to be biweekly.


**FIFTH** – The PRPHA will issue an invoice by payroll period to PRDOH that will contain the expenses incurred in paying wages to employees working in the CDBG-DR Program. The invoice must include the employee timesheet and the documentation required by the CDBG-DR Finance Department.

**SIXTH** - The expenses incurred by the PRPHA in paying the salaries of the employees working in the CDBG-DR Program, will be fully reimbursed by the PRDOH. Prior to payment, the PRDOH shall review the employee timesheet and required documentation to certify that services have been properly provided during the invoiced timeframe. Once the CDBG-DR Finance Department processes the invoice, the disbursement of funds will be requested from HUD.

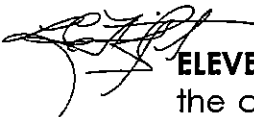
**SEVENTH** - This MOU shall be in full force and effect between the parties hereto from the date of its execution until **June 30th, 2023**. If reimbursement for any of the

services rendered under this MOU is not made to either of the PARTIES within the term herein stated, the term of this MOU will be extended until such payment is received by either Party.

**EIGHT** - Either Party may terminate this MOU, in whole or in part, whenever either Party determines that such termination is necessary. Either Party will terminate this MOU by delivering a thirty (30) day written notice of termination to the other Party specifying the effective date of termination.

 **NINTH** - This MOU represents the entire and integrated agreement between PRPHA and the PRDOH and supersede all prior negotiations, representations, agreements and/or understandings of any kind.

**TENTH** - If any provision of this MOU shall operate or would prospectively operate to invalidate the MOU in whole or in part, then such provision only shall be deemed severed and the remainder of the MOU shall remain operative and in full effect.

 **ELEVENTH** - The failure or delay of either party to insist upon the performance of or the compliance with any of the terms and conditions of this MOU, shall not be construed as a waiver of any such terms and conditions or the right to enforce compliance of such terms and conditions.

**TWELFTH** - The PARTIES hereby certify that in signing this MOU they are in compliance with Act No. 1-2012, as amended, known as "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.

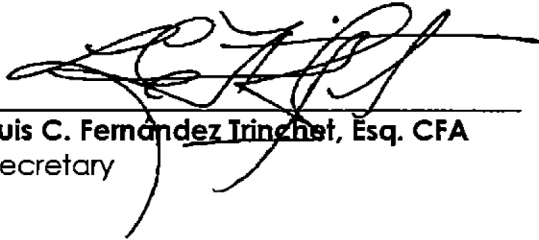
**THIRTEENTH** - Both PARTIES are compelled to comply with Act Number 18 of October 30, 1975, as amended, which requires the registration and remittance of this MOU to the Office of the Comptroller of Puerto Rico within fifteen (15) days from the date of its execution.

[Signatures on Next Page]

**IN WITNESS THEREOF**, the PARTIES hereto execute this MOU in San Juan, Puerto Rico, this 15 day of June of 2020.

**DEPARTMENT OF HOUSING**

**PUERTO RICO PUBLIC HOUSING  
ADMINISTRATION**



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**Luis C. Fernández Trinchet, Esq. CFA**  
Secretary



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**William O. Rodríguez Rodríguez, Esq.**  
Administrator