Environmental Review for Leasing or Rental Assistance Project that is Categorically Excluded Subject to Section 58.5 Pursuant to 24 CFR 58.35(a)(5)

Project Information

Project Name: SF IV La Trinidad, LLC (PR-RA-00018)

Responsible Entity: Puerto Rico Department of Housing

Grant Recipient (if different than Responsible Entity): N/A

State/Local Identifier: Puerto Rico

Preparer: Steve Swick, RPG

Certifying Officer Name and Title: Sally Acevedo Cosme, Pedro De Leon Rodriguez, Permit and Environmental Compliance Officers, CDBG-DR Program

Consultant (if applicable): HORNE LLP

Project Location: Calle Castillo # 11 Ponce PR 00730 (Figure 1)

Description of the Proposed Project [24 CFR 58.32; 40 CFR 1508.25]:
The property has 66 units at the above location. The Rental Assistance Program was developed to respond to the urgent need of preserving the loss of extremely affordable rental units and promoting housing sustainability by providing rental assistance to low-income elderly residents of hurricane-impacted areas who are at risk of becoming homeless, due to the impending loss of funding for Act 173 Program subsidies in Puerto Rico.

This temporary assistance will allow time for PRDOH to achieve exit strategies for the subsidized rental units. Through the end of the twenty-four (24) month duration of this program, PRDOH expects to resolve the housing needs, aggravated by the hurricanes’ impact for approximately 1,000 rental units, through these Exit Strategies, securing the ability to keep serving all the remaining Act 173 Program beneficiaries while an exit strategy is achieved.

The Rental Assistance Program will select participants with priority, as defined in the Program Selection Sequence, which has been carefully considered and designed to provide rental assistance to the most precarious necessities within the current Act 173 Program housing properties. The complex at the address above is participating in this program.
Level of Environmental Review Determination:
Categorically Excluded per 24 CFR 58.35(a), and subject to laws and authorities at §58.5, per 24 CFR 58.35(a)(5).

Funding Information

<table>
<thead>
<tr>
<th>Grant Number</th>
<th>HUD Program</th>
<th>Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>B-17-DM-72-0001</td>
<td>CDBG-DR</td>
<td>$777,600</td>
</tr>
<tr>
<td>B-18-DP-72-0001</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Estimated Total HUD Funded Amount: $777,600

Estimated Total Project Cost (HUD and non-HUD funds): $777,600
### Compliance with 24 CFR 58.5 and 58.6 Laws and Authorities

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits or approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

<table>
<thead>
<tr>
<th>Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6</th>
<th>Are formal compliance steps or mitigation required?</th>
<th>Compliance determinations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 58.6</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Airport Hazards</strong></td>
<td>Yes No</td>
<td>This project consists only of leasing or rental assistance and is in compliance with the HUD’s Airport Hazard regulations without further evaluation.</td>
</tr>
<tr>
<td>24 CFR Part 51 Subpart D</td>
<td>☑️ ✗</td>
<td></td>
</tr>
<tr>
<td><strong>Coastal Barrier Resources</strong></td>
<td>Yes No</td>
<td>The project is located approximately 3.2 miles from the nearest Coastal Barrier Resource System area (Figure 2). Therefore, the project complies with this regulation.</td>
</tr>
<tr>
<td>Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]</td>
<td>☑️ ✗</td>
<td></td>
</tr>
<tr>
<td><strong>Flood Insurance</strong></td>
<td>Yes No</td>
<td>The project location is within a Zone AO – Special Flood Hazard Area (100-year floodplain) (Figure 3) on FEMA Panel 72000C1665J dated 11/18/2009. Flood insurance has been obtained for this project location. See Appendix C.</td>
</tr>
<tr>
<td><strong>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 &amp; 58.5</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Clean Air</strong></td>
<td>Yes No</td>
<td>This project consists only of leasing or rental assistance and is in compliance with the Clean Air Act without further evaluation.</td>
</tr>
<tr>
<td>Clean Air Act, as amended, particularly section 176(c) &amp; (d); 40 CFR Parts 6, 51, 93</td>
<td>☑️ ✗</td>
<td></td>
</tr>
<tr>
<td><strong>Coastal Zone Management</strong></td>
<td>Yes No</td>
<td>This project consists only of leasing or rental assistance and is in compliance with the Coastal Zone Management Act without further evaluation.</td>
</tr>
<tr>
<td>Coastal Zone Management Act, sections 307(c) &amp; (d)</td>
<td>☑️ ✗</td>
<td></td>
</tr>
</tbody>
</table>
There are 53 toxic sites located within 3,000 feet of the project location including:

- 1 air emission facility 1200 feet from the project site
- 28 Brownfields sites with the closest 925 feet from the project site
- 3 NPDES water discharge sites with the closest 1,464 feet from the project site
- 20 RCRA sites, with one site within the EPA buffer allowance (below)
- 1 Toxic Release Inventory site

As shown on Figure 4, one site is located 160 feet west of the project site (PRPHA Caribe Housing Project, 10 Virtud St). The site has no violations, no biennial report, no handler information, and no waste codes. The list of Toxic sites within 3,000 feet of the project site are included in Appendix D. None of the toxic sites adversely impact the project site.

Based upon USGS aerial photograph maps, the prior uses for this site was some sort of office setting, perhaps even a school. Nonetheless, the past use would not interfere with the current use as a multi-family rental complex. As shown on Figure 5, the structures in 1962 were linear buildings surrounding a courtyard.

Therefore, this topic is in compliance.

<table>
<thead>
<tr>
<th>Contamination and Toxic Substances</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 CFR 58.5(i)(2)</td>
<td></td>
<td>![X]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Endangered Species</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402</td>
<td>![X]</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Explosive and Flammable Hazards</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 CFR Part 51 Subpart C</td>
<td>![X]</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Farmlands Protection</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmland Protection Policy Act of 1981, particularly sections</td>
<td>![X]</td>
<td></td>
</tr>
<tr>
<td><strong>Floodplain Management</strong></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----</td>
<td>----</td>
</tr>
<tr>
<td>Executive Order 11988, particularly section 2(a); 24 CFR Part 55</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

The project location is within a Zone AO – Special Flood Hazard Area (Figure 3) on FEMA Panel 72000C16651 dated 11/18/2009. Pursuant to the updated regulations at 24 CFR 55.12(b)(5), if units are leased within a building of five or more residential units or any nonresidential properties are leased on one site in a SFHA, the 8-Step Process is not required if the entire building, i.e. all units and common areas, are fully covered by flood insurance. This building is fully covered by flood insurance. The Insurance Certificates are included in Appendix C; therefore, the 8-step Decision Making Process is not required.

<table>
<thead>
<tr>
<th><strong>Historic Preservation</strong></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

HUD has determined that leasing and rental assistance with no associated repairs, rehabilitation, or other activities with physical impacts has No Potential to Cause Effects under 36 CFR 800.3(a)(1) (see Appendix A). Therefore, this project is in compliance with Section 106 of the National Historic Preservation Act without further obligations.

<table>
<thead>
<tr>
<th><strong>Noise Abatement and Control</strong></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 CFR Part 51 Subpart B</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

This project consists only of leasing or rental assistance. HUD’s Noise standards do not apply.

<table>
<thead>
<tr>
<th><strong>Sole Source Aquifers</strong></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

This project consists only of leasing or rental assistance and is in compliance with the Safe Drinking Water Act without further evaluation.

<table>
<thead>
<tr>
<th><strong>Wetlands Protection</strong></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Order 11990, particularly sections 2 and 5; 24 CFR Part 55 wetlands provisions</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

This project consists only of leasing or rental assistance without any new construction. Executive Order 11990 and Part 55 wetlands provisions do not apply to projects that do not involve new construction in a wetland.

<table>
<thead>
<tr>
<th><strong>Wild and Scenic Rivers</strong></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

This project consists only of leasing or rental assistance and is in compliance with the Wild and Scenic Rivers Act without further evaluation.
ENVIRONMENTAL JUSTICE

<table>
<thead>
<tr>
<th>Environmental Justice</th>
<th>Yes</th>
<th>No</th>
<th>There are no adverse environmental impacts that are disproportionately high for low-income and/or minority communities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Order 12898</td>
<td>☐</td>
<td>☒</td>
<td></td>
</tr>
</tbody>
</table>

**Mitigation Measures and Conditions**

Summarize below all mitigation measures either taken or required as a condition of approval of the project by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

The only mitigation measure required for this property is the obtainment of flood insurance. Flood insurance has already been obtained.

Appendix A – Memo on Historical Properties (program is for Continuum of Care but applies to all Rental and Leasing programs meeting the same requirements)
Appendix B – Figures
Appendix C – Flood Insurance Certificates
Appendix D – List of Toxics Sites Within 3,000 feet of Project Site
Determination:

☐ This categorically excluded activity/project converts to EXEMPT per Section 58.34(a)(12), because it does not require any mitigation for compliance with any listed statutes or authorities, nor requires any formal permit or license; **Funds may be committed and drawn down** for this (now) EXEMPT project; OR

☒ This categorically excluded activity/project cannot convert to Exempt status because one or more statutes or authorities listed at Section 58.5 requires formal consultation or mitigation. Complete consultation/mitigation protocol requirements, **publish NOI/RROF, submit RROF (HUD 7015.15), and obtain “Authority to Use Grant Funds”** (HUD 7015.16) per Section 58.70 and 58.71 before committing or drawing down any funds; OR

☐ This project is not categorically excluded OR, if originally categorically excluded, is now subject to a full Environmental Assessment according to Part 58 Subpart E due to extraordinary circumstances (Section 58.35(c)).

Preparer Signature: 

______________________________ Date: April 19, 2021

Name/Title/Organization: Steve Swick, RPG / Senior Manager / HORNE LLP

Responsible Entity Agency Official Signature: 

______________________________ Date: April 21, 2021

Name/Title: Sally Acevedo Cosme, Pedro De Leon Rodriguez, Permit and Environmental Compliance Officers, CDBG-DR Program

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

MEMORANDUM FOR: CPD Division Directors
                  Regional Environmental Officers

FROM: Danielle Schopp, Director, Office of Environment and
      Energy, DGÉ

SUBJECT: Determination that Continuum of Care (CoC) Leasing and Rental
         Assistance with no associated physical building activities have “No
         Potential to Cause Effects” under Section 106 of the National Historic
         Preservation Act and its implementing regulations 36 CFR Part 800

The U.S. Department of Housing and Urban Development (HUD) has determined that
leasing and rental assistance activities in the Continuum of Care (CoC) Program that include no
maintenance, repairs, or rehabilitation to the leased or rented properties have “No Potential to
Cause Effects,” as described in 36 CFR 800.3(a)(1). These leasing and rental assistance activities
provide transitional or permanent housing for the homeless in existing scattered site buildings with no
associated physical changes to the buildings, and have no potential to cause effects on historic
properties, assuming such properties were present. Neither HUD nor the grantees participating in
the CoC Program have any further obligations for these projects under Section 106 of the National
Historic Preservation Act (Section 106) or 36 CFR Part 800. No consultation with the State Historic
Preservation Officer (SHPO), Tribal Historic Preservation Officer (THPO), or other interested
parties is required.

A copy of this memorandum in the Environmental Review Record for a qualifying
individual CoC project will document compliance with Section 106, 36 CFR Part 800, 24 CFR
Part 50, and 24 CFR Part 58 regarding historic properties.

Leasing and rental assistance with associated unit or building repairs, rehabilitation, or
new construction do not qualify for the treatment described in this memo. Likewise, other types
of projects participating in the CoC Program, including repairs, rehabilitation, and new
construction, do not qualify for the treatment described in this memo. These activities must be
fully reviewed under the Section 106 process, including consultation with a SHPO, THPO and/or
tribal authority, interested parties and the public, to aid HUD or the Responsible Entity in
making an effect determination.

Please direct any questions regarding this memorandum to Nancy E. Boone, Federal
Preservation Officer, at Nancy.E.Boone@hud.gov or 202-402-5718.
Appendix B – Figures

Figure 1 – Location Map
Figure 2 – Coastal Barrier Resources
Figure 3 – Flood Hazard Area
Figure 4 – Toxics
Figure 5 – Historical Imagery
Figure 1: Project Location

Legend

0 0.01 0.02 0.04 mi

2/1/2021 11:13 AM
Figure 2: Coastal Barrier Resources

Length: 3.2 Miles

Legend
- CBRs Map Panels
- Otherwise Protected Area
- System Unit
- CBRs Prohibitions
- CBRs Buffer Zone
Figure 3: Flood Hazards

Legend

- 1% Annual Chance Flood Hazard
- Regulatory Floodway
- Special Floodway
- Area of Undetermined Flood Hazard
- 0.2% Annual Chance Flood Hazard
- Future Conditions 1% Annual Chance Flood Hazard
- Area with Reduced Risk Due to Levee
- Other Boundaries
- Limit Lines
- SFHA / Flood Zone Boundary
- Cross-Sections
- FIRM Panels

0 0.01 0.02 0.04 mi
Figure 4: Toxics

Legend
- Brownfields
- ICIS
- RCRA - Generator
- RCRA - Inactive
- Superfund - Non-NPL

0 0.17 0.35 0.7 mi

2/1/2021 11:33 AM
Figure 5: PR-RA-00018 Historical Imagery: Left (present day), Right (1962). Different structure present historically.
Appendix C – Flood Insurance Certificate
Insurance Program Summary

SF IV La Trinidad, LLC

Prepared By
Sheila Torres
January 11, 2021

Hub International CLC
PO Box 195556
San Juan, PR 00919-5556
(787) 641-2738
www.hubinternational.com
Service Team

Our ability to provide superior service starts with quality people. The key individuals assisting you with your account are:

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Phone</th>
<th>Fax</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Executive</td>
<td>Sheila Torres</td>
<td>(787) 756-6768</td>
<td>(787) 641-2679</td>
<td><a href="mailto:sheila.torres@hubinternational.com">sheila.torres@hubinternational.com</a></td>
</tr>
<tr>
<td>Account Executive Assistant</td>
<td>Judith Sanchez</td>
<td>(787) 756-6707</td>
<td>(787) 641-2679</td>
<td><a href="mailto:judith.sanchez@hubinternational.com">judith.sanchez@hubinternational.com</a></td>
</tr>
<tr>
<td>Claims</td>
<td></td>
<td>(787) 641-2738</td>
<td>(787) 641-2679</td>
<td><a href="mailto:clcreclamaciones@hubinternational.com">clcreclamaciones@hubinternational.com</a></td>
</tr>
</tbody>
</table>
Named Insureds

SF IV La Trinidad, LLC

SF IV La Trinidad, LLC &/or Stabilis Fund IV, LP &/or Stabilis Capital Management, LP

NOTE: Review Named Insured(s) and Property Owners

Please check to ensure all appropriate entities are named. Any entity (including Partnerships, corporations, joint ventures, individuals, etc.) not listed above is not included as a Named Insured. Entities with limited interests in policies, such as those who are to be included as an Additional Insured, Loss Payee, Lessor, or Mortgagee, are listed in the relevant coverage sections of this proposal.
Information Summary

First Named Insured: SF IV La Trinidad, LLC

*The First Named Insured will be the insured that is:*  
A. Responsible for payment of premium  
B. Authorized to make changes in policy with approval of insurance company  
C. Authorized to cancel the policy  
D. Designated to receive notice of cancellation

Mailing Address: 767 Fifth Avenue, 12th Floor  
New York, NY 10153

Coverage Becomes Effective 12:01 A.M. Standard Time at your mailing address.

Locations: See Attached

Effective Date: 2/6/2021 to 2/6/2022

DISCLAIMER: This document contains only a summary of your insurance coverage. It is your responsibility to carefully and completely review the actual policies for actual terms, limits and conditions. In the event of any inconsistency between the terms of the policies and the provisions of this document, the terms of the policies will govern and control.
Locations

Client: SF IV La Trinidad, LLC
Carrier: MAPFRE PRAICO Insurance Company
A.M. Best Rating: A (Excellent)
Policy Term: 2/6/2021 to 2/6/2022

<table>
<thead>
<tr>
<th>Loc #</th>
<th>Bldg #</th>
<th>Description and Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Fifteen story concrete building 11 Calle Castillo</td>
<td>Ponce</td>
<td>PR</td>
<td>00715</td>
</tr>
</tbody>
</table>
Property

Carrier: MAPFRE PRAICO Insurance Company
A.M. Best Rating: A (Excellent)
Policy Term: 2/6/2021 to 2/6/2022

The Commercial Property policy covers your buildings, contents or specified other property against perils defined by the form, subject to the terms of the policy. Coverage for off-premises property is limited.

Coverage/Limits

<table>
<thead>
<tr>
<th>Loc #</th>
<th>Bldg #</th>
<th>Address</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>11 Calle Castillo, Ponce, PR</td>
<td>Fifteen story concrete building</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Subject of Insurance</th>
<th>Limit</th>
<th>Cause of Loss</th>
<th>Deductible</th>
<th>Coins %</th>
<th>Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>$3,000,000</td>
<td>Special</td>
<td>$250/2% Wind</td>
<td>100%</td>
<td>Actual Cash Value</td>
</tr>
<tr>
<td>Building</td>
<td>$3,000,000</td>
<td>Earthquake</td>
<td>5%</td>
<td>100%</td>
<td>Actual Cash Value</td>
</tr>
</tbody>
</table>

Additional Coverages

<table>
<thead>
<tr>
<th>Loc.</th>
<th>Bldg.</th>
<th>Description</th>
<th>Limit</th>
<th>Deductible</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Equipment Breakdown Coverage</td>
<td>$1,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Flood – Sub Limit</td>
<td>$500,000</td>
<td>1%</td>
</tr>
</tbody>
</table>

Additional Interests

<table>
<thead>
<tr>
<th>Name</th>
<th>Loc</th>
<th>Interest</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puerto Rico Housing Finance Authority</td>
<td>1</td>
<td></td>
<td>Mortgagee</td>
</tr>
</tbody>
</table>
Property Coverage Definitions

BUILDINGS
This coverage provides protection for permanent structures listed on the policy. Completed additions, permanently-installed fixtures, machinery and equipment, outdoor fixtures, owned personal property used to service, repair or maintain the building and additions under construction or repair are all included in this definition. Various additional endorsements and extensions can also be added to ensure that adequate protection is being provided for your particular situation.

COINSURANCE
A policy may contain a coinsurance provision requiring that the limits of insurance be a minimum percentage (usually 80%) of the insurable value of your property. If the limits of your policy are less than what is required by this provision, then any claim payment made to you may be reduced by the same percentage as the deficiency. For example, covered property worth $100,000 may require a minimum of 80%, or $80,000, of coverage for compliance with the policy's coinsurance requirement. If only $60,000 of coverage is carried (25% less than the required $80,000), then any loss payment would be reduced by 25%.

DEDUCTIBLE
The deductible provision specifies the amount that will be deducted from any payment made to you because of a covered loss.
VALUATION

- **ACTUAL CASH VALUE VALUATION** – This valuation method pays for the cost to repair or replace damaged property with like kind and quality, less reasonable deductions for wear and tear, deterioration, and economic obsolescence.

CAUSES OF LOSS – SPECIAL FORM

This coverage will protect covered property against direct physical loss arising from any cause not specifically excluded. The advantage of this form is that the insurance company must prove that a loss is specifically excluded in order to deny coverage under the policy. *Some examples of exclusions include:*

- Backup of sewers and drains
- Mysterious disappearance of property
- Wear and tear, latent defect inherent vice, insects and vermin
- Dampness or dryness of the atmosphere and changes in the temperature
- Artificially generated electrical currents
- Explosion of steam boilers
- Flood
- Earthquake
- Mold
- Terrorism
- Virus and Bacteria
General Liability

This type of policy protects your business from claims arising from your legal liability for injury or damages to other people or their property. Coverage payments can include judgments, attorney fees, court costs, or other related expenses as defined in the form.

General Coverage Information

<table>
<thead>
<tr>
<th>Coverage Description</th>
<th>Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Aggregate</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Products and Completed Operations Aggregate</td>
<td>Included</td>
</tr>
<tr>
<td>Personal and Advertising Injury</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Each Occurrence</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Damage to Premises Rented to You (any- one premises)</td>
<td>$100,000</td>
</tr>
<tr>
<td>Medical Expense/Medical Payments (any one person)</td>
<td>$5,000</td>
</tr>
<tr>
<td>Employers Liability Stop Gap</td>
<td>$1,000,000 / $1,000,000 aggregate</td>
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</table>

Commercial General Liability Schedule of Hazards

<table>
<thead>
<tr>
<th>Loc #</th>
<th>Classification</th>
<th>Class Code</th>
<th>Basis</th>
<th>Exposure</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Apartment Buildings</td>
<td>60010</td>
<td>Units</td>
<td>130</td>
</tr>
</tbody>
</table>

Note: This portion of the policy may be subject to audit at expiration of the policy term. It is important to obtain certificates of insurance for General Liability for all subcontractors. Please be reminded, you could be responsible for the premium on any uninsured subcontractors.

Additional Coverages

<table>
<thead>
<tr>
<th>Description</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hired &amp; Non Owned Auto Liability</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

Additional Interest

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puerto Rico Housing Finance Authority</td>
<td>Additional Insured</td>
<td></td>
</tr>
</tbody>
</table>
Recommendations

BUILDING AND PERSONAL PROPERTY FORM

**Coinsurance.** Buildings and Business Personal Property limits should be reviewed to determine if they are adequate and in compliance with the coinsurance requirements under your policy.

**Off-Premises Services – Direct Damage.** Coverage for damage resulting from an off-premises interruption of power or other utility service is excluded. This coverage can be added by endorsement and is recommended if your property is subject to this exposure. Coverage is available with and without spoilage.

**Replacement Cost.** Loss settlement under the form is on an actual cash value basis which is defined as current replacement cost less physical depreciation. Replacement cost coverage would eliminate depreciation if property is actually repaired or replaced. We recommend this coverage enhancement.

**Signs and Glass.** Coverage applying to outdoor signs and building glass is extremely limited under the form. Separate coverage is available for this property and is recommended if there is an exposure.

**Incidental Property.** Coverage on outdoor fences, radio and television antennas, trees, shrubs and plants, including debris removal expense is covered only for fire, lightning, explosion, riot or civil commotion or aircraft. The maximum which will be paid is $1,000 with a limit of $250 for any one tree, shrub or plant. Coverage is available by endorsement and is recommended if there is an exposure.

**Debris Removal.** The cost to remove debris of covered property under the form is extremely limited. Coverage is available by endorsement and is recommended.

**Ordinance or Law.** The form excludes any loss, or increase of loss, caused by the enforcement of any ordinance or law regulating the construction, use, or repair of any property. Coverage for loss to the undamaged portion of the building, demolition cost and increased cost of construction arising out of ordinances or laws can be provided by endorsement and is recommended.

BUSINESS INCOME AND/OR EXTRA EXPENSE COVERAGE FORM

This coverage is designed to provide protection against loss of income, payment of necessary continuing expenses, and extra expenses from a covered cause of loss. Flood is a standard exclusion on these form.

It may be possible to purchase higher limits as well as Flood Coverage for Business Income and Extra Expense on a limited basis.

**Business Income.** Business Income coverage is recommended to provide protection against loss of income and payment of necessary continuing expenses arising from suspension of your operations due to physical damage to your property by an insured cause of loss.

**Extra Expense.** Extra Expense is recommended to pay for costs in excess of normal operating expenses which you incur to continue operations without interruption after a direct property damage loss.

**Rental Income.** Coverage for loss of rental income resulting from untenantability of all, or a portion, of the insured building due to damage or destruction of real or personal property by an insured peril is available and is recommended if your operations include this exposure.

**Coinsurance.** Limits under these forms should be reviewed to determine if they are adequate and in compliance with any coinsurance requirements under your policy.

**Off-Premises Services – Time Element.** Coverage for damage resulting from an off-premises interruption of power or other utility service is excluded. Coverage is available by endorsement and is recommended if your operations are subject to this exposure.
COMMERCIAL GENERAL LIABILITY FORM

**Pollution.** Pollution is an excluded peril under the Commercial General Liability and Garage Liability policies. Oil and other waste storage on your premises may subject you to potential pollution liability. Coverage is available subject to high minimum premiums.

**Underground Storage Tanks Liability.** If you have underground storage tanks subject to 1988 EPA regulations, insurance covering this exposure should be pursued.

COMMERCIAL UMBRELLA COVERAGE

UMBRELLA coverage is recommended to provide catastrophic coverage for liability claims which exceed your underlying liability insurance or to provide replacement coverage for underlying liability policies which are reduced or exhausted by loss. Minimum limits of $5,000,000 are recommended.

FLOOD INSURANCE

Coverage for Flood, whether from rising water or wind-driven water, is a standard exclusion on Buildings, Business Personal Property and Business Income and Extra Expense coverages. Limited coverage can be obtained from the National Flood Program for Buildings and Business Personal Property but not Business Income or Extra Expense.

Primary Flood coverage, as well as Excess Flood coverage, may be available on a limited basis.

DIRECTORS & OFFICERS LIABILITY

Directors and officers can be held personally liable if their negligent acts result in loss to the company or its shareholders. Claims can be initiated by shareholders, employees (wrongful termination, discrimination, defamation), customers (restraint of trade, deceptive trade practices), competitors (copyright, patent or business interference), and government regulators. Coverage is available and should be considered.

WORKERS COMPENSATION & EMPLOYERS LIABILITY COVERAGE

Workers Compensation coverage may be mandatory under your State statutes.

TERRORISM

You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102 (1) of the Act: The term “act of terrorism” means any act or acts that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security, and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as a part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under the coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect the coverage, such as an exclusion for nuclear events. Under the formal, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018, 81% beginning on January 1, 2019 and; 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a $100 billion cap that limits United States government reimbursement as well as insurers’ liability for losses resulting from certified acts of terrorism when the amount of such losses exceed $100 billion in any one calendar year. If the aggregate insured losses for all insured exceed $100 billion, your coverage may be reduced. The portion of the annual premium that is attributable to coverage for acts of terrorism is $0.00 per $100 of payroll and does not include any charges for the portion of losses covered by the United States government under the Act.
Carrier Rating

**A.M. Best Company** is the leading provider of ratings, news and financial data for the insurance industry worldwide. Their Best Financial strength rating is an independent option of the insurer’ financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive and qualitative evaluation of a company’s balance sheet, strength, operating performance and business profile.

As professional agents it has long been our established policy to make every effort to deal only with companies having a Best's Rating of A++, A+, A or A-, which are the four highest ratings available, and a minimum of $50 million in Policyholders' Surplus. **It must be noted that neither HUB International nor any affiliated company guarantees the financial solvency of any insurance carrier.** The following list outlines the A. M. Best Company rating scale and associated descriptions.

**Financial Strength Ratings:** An A.M. Best's Financial Strength Rating is an opinion of an insurer's ability to meet its obligation to policyholders.

<table>
<thead>
<tr>
<th>A.M. Best Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A++, A+</td>
<td>Superior</td>
</tr>
<tr>
<td>A, A-</td>
<td>Excellent</td>
</tr>
<tr>
<td>B++, B+</td>
<td>Very Good</td>
</tr>
<tr>
<td>B, B-</td>
<td>Good</td>
</tr>
<tr>
<td>C++, C+</td>
<td>Marginal</td>
</tr>
<tr>
<td>C, C-</td>
<td>Weak</td>
</tr>
<tr>
<td>D</td>
<td>Poor</td>
</tr>
<tr>
<td>E</td>
<td>Under Regulatory Supervision</td>
</tr>
<tr>
<td>F</td>
<td>In Liquidation</td>
</tr>
</tbody>
</table>

**Financial Size Categories:** A.M. Best assigns each letter rated insurance company a Financial Size Category. This is designed to provide a convenient indicator of the size of a company in terms of its statutory surplus and related accounts.

<table>
<thead>
<tr>
<th>Financial Size Categories (In millions of U.S. dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class I Up to 1</td>
</tr>
<tr>
<td>Class II 1 to 2</td>
</tr>
<tr>
<td>Class III 2 to 5</td>
</tr>
<tr>
<td>Class IV 5 to 10</td>
</tr>
<tr>
<td>Class V 10 to 25</td>
</tr>
<tr>
<td>Class VI 25 to 50</td>
</tr>
<tr>
<td>Class VII 50 to 100</td>
</tr>
<tr>
<td>Class VIII 100 to 250</td>
</tr>
<tr>
<td>Class IX 250 to 500</td>
</tr>
<tr>
<td>Class X 500 to 750</td>
</tr>
<tr>
<td>Class XI 750 to 1,000</td>
</tr>
<tr>
<td>Class XII 1,000 to 1,250</td>
</tr>
<tr>
<td>Class XIII 1,250 to 1,500</td>
</tr>
<tr>
<td>Class XIV 1,500 to 2,000</td>
</tr>
<tr>
<td>Class XV Greater than 2,000</td>
</tr>
</tbody>
</table>
General Statement

**Coverage and Limits**
This exhibit describes coverage, amounts, limits, etc., but it does not take the place of the actual insurance policies. While we have made every effort to remove inaccuracies from this report, some may exist. For definitive coverage provisions and exclusions, refer to the policies, endorsements and amendments.

For property quotes, we have used values that you provided. Please carefully examine these values and/or secure an outside appraisal to ensure their accuracy and adequacy.

This proposal is based upon exposures to loss that currently exist and were made known to the agency. All changes and new exposures need to be reported by you, so that proper coverage may be offered.

Higher limits of liability may be available for additional premium.

**Insurer Solvency**
Hub International is not technically qualified to comment on the solvency or claims-paying ability of any insurer. In an effort to help you assess the quality of the carrier(s), we have provided rating information from the A.M. Best rating organization. A more detailed report is available on request.

We caution you that catastrophic occurrences or other business matters can quickly have a negative impact on any insurer’s financial condition. State “guarantee” funds created for the protection of policyholders may limit or preclude access to reimbursement for certain types of claims and/or to companies with significant net worth.

**Non-Admitted Insurer**
If a non-admitted insurer is providing coverage there is no protection by the state guaranty fund in the event of the insurer’s insolvency.

**Premium Payment**
Regardless of the payment method you choose, it is important to note that **carriers are not obligated to reinstate cancelled policies.**

**Agency Bill Items:** If your premium is billed by Hub International, payment is due on the effective date of the coverage or installment. Endorsement and audit premium adjustments are due on the date billed. Failure to promptly remit may result in cancellation of your coverage.

**Company Bill Items:** If your policy is a “company bill” contract, you must remit your payment directly to the insurance company on a timely basis. Unfortunately, insurers do not always notify us about the status of a “company bill” payment, so you can’t rely on us to remind you about overdue premiums or policy cancellations. If you encounter any billing problem or have a billing concern, please call us immediately, so that we can investigate for you.

**Premium Financing:** You may ask us to “finance” your premium through an independent finance company. This is an unforgiving payment system. Please carefully review the finance agreement for full details on the late payment and finance charges that apply. Your insurance policy is collateral for the loan. If you miss a payment, coverage will be cancelled. Because we may not always receive late notices, Hub International cannot accept responsibility for following up on late payments or threatened “non-payment” cancellations. Please do not count on us to remind you to make the payment.

This proposal contains only a summary of your insurance coverage and policy. It is your responsibility to carefully and completely review the entire policy for its actual terms, limits and conditions. In the event of any inconsistency between the terms of the policy and the provisions of this proposal, the terms of the policy will govern and control.
The HUB Advantage

Our Commitment - The HUB Advantage

HUB International is dedicated to maintaining and upholding the highest standards of ethical conduct and integrity in all of our dealings with you, our client. We want to be your trusted risk advisor, and as such, we need to earn your confidence. So we are making a promise. We call it The HUB Advantage. Our mission is to make the advantage yours - and this is our commitment.

- We strive to secure the most favorable terms from insurers, taking into account all of the circumstances - the risk you need to insure, the cost of insurance, the financial condition of the insurer, the insurer's reputation for service, and any other factors that are specific to your situation.

- We are open and honest as to how we are paid for placing your insurance. Our answers to your questions will be forthright and understandable. When we intend to seek a fixed fee for our efforts, we will disclose it to you in writing and obtain your approval prior to coverage being bound.

- You make the ultimate decision as to both the terms of insurance and the company providing your coverage. Our objective is to provide you with choices that meet your insurance needs, and to educate you so your decision is fully informed and best suited to your circumstances.

- We comply with the laws of every jurisdiction in which we operate, including those that apply to how insurance brokerages and agencies are paid. If the laws change, we will respond in a timely and appropriate manner.

We take our responsibility to our customers very seriously. If at any time you feel that we are not fulfilling your expectations - that we are not meeting our Client Commitment - please contact your account executive or call our toll free client hotline at 1-866-857-4073, and your concerns will be addressed as soon as possible.

The HUB Advantage

The privilege is ours, but the advantage is yours.
Appendix D - List of Toxics Sites Within 3,000 feet of Project Site
Within 3000 feet of an Ozone 8-hr (1997 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of an Ozone 8-hr (2008 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a Lead (2008 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a SO2 1-hr (2010 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a PM2.5 24hr (2006 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a PM2.5 Annual (1997 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a PM2.5 Annual (2012 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a PM10 (1987 standard) Non-Attainment/Maintenance Area?
- no

Within 3000 feet of a Federal Land?
- no

Within 3000 feet of an impaired stream?
- yes

Within 3000 feet of an impaired waterbody?
- no

Within 3000 feet of a waterbody?
- no

Within 3000 feet of a stream?
- yes

Within 3000 feet of a NWI wetland?
- Available Online

Within 3000 feet of a Brownfields site?
- yes

Within 3000 feet of a Superfund site?
- no

Within 3000 feet of a Toxic Release Inventory (TRI) site?
- yes

Within 3000 feet of a water discharger (NPDES)?
- yes

Within 3000 feet of a hazardous waste (RCRA) facility?
- yes

Within 3000 feet of an air emission facility?
- yes
<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 3000 feet of a school?</td>
<td>yes</td>
</tr>
<tr>
<td>Within 3000 feet of an airport?</td>
<td>no</td>
</tr>
<tr>
<td>Within 3000 feet of a hospital?</td>
<td>yes</td>
</tr>
<tr>
<td>Within 3000 feet of a designated sole source aquifer?</td>
<td>no</td>
</tr>
<tr>
<td>Within 3000 feet of a historic property on the National Register of Historic Places?</td>
<td>yes</td>
</tr>
<tr>
<td>Within 3000 feet of a Toxic Substances Control Act (TSCA) site?</td>
<td>no</td>
</tr>
<tr>
<td>Within 3000 feet of a Land Cession Boundary?</td>
<td>no</td>
</tr>
<tr>
<td>Within 3000 feet of a tribal area (lower 48 states)?</td>
<td>no</td>
</tr>
</tbody>
</table>

Created on: 2/1/2021 12:39:38 PM
Report question: **Within 3000 feet of an air emission facility?**  yes

Modify question by entering a new buffer distance and unit for the selected study area:

3000 feet

Features within Study Area

Features found: 1

<table>
<thead>
<tr>
<th>Name</th>
<th>Distance</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOLLYWOOD CLEANERS</td>
<td>1200.74</td>
<td>feet</td>
</tr>
</tbody>
</table>

https://nepassisttool.epa.gov/nepassist/Drill_local.aspx?
Report question: **Within 3000 feet of a Brownfields site?**  yes

Modify question by entering a new buffer distance and unit for the selected study area:

3000 feet  

Features within Study Area

Features found: 28

<table>
<thead>
<tr>
<th>Name</th>
<th>Distance</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>HAZ098 - RESIDENCIA ESTRELLA ESQ. CRISTOBOL COLON</td>
<td>536.27</td>
<td>feet</td>
</tr>
<tr>
<td>PortalPages&amp;Action=Navigate&amp;PortalPath=/shared/CIMC/_portal/CIMC&amp;Page=Profile+Page&amp;col1=ACRES_GRANT_EXPORT.PROPERTY_ID&amp;val1=188742)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HAZ037 - CASA SAN MIGUEL (<a href="https://obipublic.epa.gov/analytics/saw.dll">https://obipublic.epa.gov/analytics/saw.dll</a>)?</td>
<td>577.39</td>
<td>feet</td>
</tr>
</tbody>
</table>
**Report question:** Within 3000 feet of a water discharger (NPDES)?  yes

Modify question by entering a new buffer distance and unit for the selected study area:

<table>
<thead>
<tr>
<th>Name</th>
<th>Distance</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUNICIPALITY OF PONCE</td>
<td>1464.28</td>
<td>feet</td>
</tr>
<tr>
<td>CONSTRUCTION ROAD PR-9 TO INTERSECTION ROAD PR-123</td>
<td>2532.56</td>
<td>feet</td>
</tr>
</tbody>
</table>
CUARTEL UNIDAD MARÍTIMA (https://enviro.epa.gov/enviro/ICIS_DETAIL_REPORTS_NPDESID.icis_tst?npvalue=1&npvalue=13&npvalue=14&npvalue=3&npvalue=4&npvalue=5&npvalue=6&value=13&npvalue=2&npvalue=7&npvalue=8&npvalue=11&npvalue=12&npdesid=PRR10BB76) 2600.69 feet
Report question: Within 3000 feet of a hazardous waste (RCRA) facility? yes

Modify question by entering a new buffer distance and unit for the selected study area:

3000 feet

Submit

Features found: 20

- Features within Study Area
- Features found: 20

Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
- Name
Report question: **Within 3000 feet of a Toxic Release Inventory (TRI) site?**  yes

Modify question by entering a new buffer distance and unit for the selected study area:

3000

feet

Submit

Features within Study Area

Features found: 1

Name
48786