



LRA-15-136

11 de junio de 2015

Hon. José Nadal Power
Presidente
Comisión de Hacienda y Presupuesto
Senado de Puerto Rico

RE: Memorial Explicativo sobre Recomendación Presupuestaria 2015-2016 de la Autoridad para el Redesarrollo Local de Roosevelt Roads

Honorable Senador:

Hacemos referencia a su comunicación mediante la cual solicita nuestro Memorial Explicativo sobre Recomendación Presupuestaria 2015-2016. Agradecemos la oportunidad de participar en la discusión sobre el Presupuesto para el Año Fiscal 2015-2016. A continuación la recomendación presupuestaria de la Autoridad para el Redesarrollo Local de Roosevelt Roads, la cual ha sido organizada en los siguientes temas: Fondos Asignados, Nómina, Deudas por Cobrar, Deudas por Pagar, Ahorros Generados, Áreas Programáticas y Metas para el Próximo Año Fiscal 2015-2016 en términos programáticos.

I. Fondos Asignados por Origen de Recursos

a) Fondo General – Asignación Especial

La Autoridad para el Redesarrollo de Roosevelt Roads (“Autoridad”) opera con fondos de tres fuentes principales: “grant” federal, asignación especial estatal y fondos propios. El “grant” federal provee para los gastos administrativos tales como salarios y beneficios marginales de todos los empleados, gastos de oficina y servicios profesionales. Este “grant” requiere de un pareo de fondos estatales que para el año fiscal 2016 es de 25%. Gastos relacionados al manejo de los terrenos tales como mantenimiento de áreas verdes, seguridad privada, gasto de electricidad de áreas comunes y manejo de planta de agua, entre otros, no están cubiertos por el “grant” federal y tienen que ser sufragados por fondos estatales o fondos propios.

La Autoridad adquirió los terrenos de Roosevelt Roads entre el año fiscal 2012 y 2013 suscribiendo un acuerdo de pago por \$16,540,000 con la Marina de los Estados Unidos. Al momento de firmar el acuerdo se pagaron \$200,000 y el remanente es pagadero en 30 pagos anuales comenzando en septiembre de 2015.

Para el año fiscal 2012, antes de la adquisición de los terrenos, la Autoridad recibió una asignación especial de \$900,000. Para el año fiscal 2013 y 2014 la asignación especial fue por la misma cantidad de \$900,000. Por lo tanto, la asignación especial nunca ha aumentado aunque la Autoridad había adquirido más de 3,400 acres de terreno desarrollable y se le añadían responsabilidades tales como mantenimiento de áreas verdes, seguridad privada, gasto de electricidad de áreas comunes y manejo de la planta de agua. Más aún, la asignación especial para el año fiscal 2015 es de \$792,000.

Luego de varios eventos de vandalismo en Roosevelt Roads a principios del año fiscal 2014-2015, la Autoridad hizo un reclamo al Gobierno Central por un aumento en recursos para aumentar la seguridad en los terrenos. En diciembre 2014, se le asignó a la Autoridad un sobrante de una asignación a la Guardia Nacional para el programa “Escudo Costero” por la cantidad de \$900,000. Afortunadamente, esta asignación aumentó el presupuesto de fondos estatales de la Autoridad de \$792,000 a \$1,692,000.

Para el año fiscal 2016 se están solicitando \$792,000 para gastos de funcionamiento y \$523,000 para el primer pago de la deuda con la Marina de los Estados Unidos por la compra de los terrenos. Entendemos que la cantidad solicitada es sumamente razonable con las necesidades económicas de la Autoridad.

Las partidas de la asignación especial se transfieren mensualmente desde la cuenta del Departamento de Hacienda a la cuenta de banco de la Autoridad en el Banco Gubernamental de Fomento.

A continuación, se detalla la asignación vigente en comparación a la solicitada:

<i>Descripción</i>	Asignacion Especial (en miles)	
	<i>Asignado (Vigente) 2015</i>	<i>Solicitado 2016</i>
Gastos de electricidad	150,000	120,000
Seguridad	111,000	100,000
Renta de oficina y servicios	48,000	48,000
Gastos de planta de agua	130,000	60,000
Mantenimiento de las parcelas	95,000	50,000
Seguros	32,000	32,000
Servicios profesionales	24,000	24,000
Anuncios y pautas en medios	48,000	28,000
Pareo de fondos federales	134,000	320,000
Reserva presupuestaria	20,000	10,000
Total gastos de funcionamiento	792,000	792,000
Pago deuda a la Marina	-	523,000
Total	792,000	1,315,000

b) Fondos por Leyes Especiales

La Autoridad no fue partícipe de este tipo de fondo en el año fiscal 2015 ni espera ser partícipe de este tipo de fondo para el año fiscal 2016.

c) Resoluciones Conjuntas

La Autoridad no fue partícipe de este tipo de fondo en el año fiscal 2015 ni espera ser partícipe de este tipo de fondo para el año fiscal 2016.

d) Fondos Federales

La Autoridad recibe fondos federales a través de la siguiente subvención federal: CFDA 12.607 - Departamento de la Defensa – “Community Economic Adjustment Assistance for Establishment, Expansion, Realignment, or Closure of a Military Installation” desde el año fiscal 2004. Estos fondos se reciben de forma anticipada y en reembolso. A continuación aparece un desglose de los fondos federales recibidos para el año fiscal 2015 y los fondos solicitados para el año fiscal 2016:

Descripción	Subvención federal	
	Aprobado 2014-2015	Solicitado 2015-2016
Personal y beneficios	924,840	770,700
Viajes	7,578	6,315
Material y equipo de oficina	6,066	5,055
Servicios profesionales	382,770	150,225
Utilidades	10,800	9,000
Seguros	24,064	20,053
Imprenta	3,600	3,000
Publicidad	4,500	3,750
Membresías	405	338
Total	1,364,623	968,436

El pareo estatal para el año fiscal 2015 es de \$151,625. Para este mismo año fiscal no se han perdido ni ha habido ningún ajuste a los fondos federales recibidos. Ningún programa federal está catalogado como alto riesgo.

Para el año fiscal 2016, la Autoridad espera recibir \$968,436 en fondos federales requiriendo un pareo estatal de \$322,812.

e) Ingresos Propios

La Autoridad está generando ingresos propios desde el año fiscal 2013. Abajo una tabla informativa con los ingresos propios de la Autoridad desde el año fiscal 2013 al 2015.

Año Fiscal	Ingresos Propios
2013	36,706
2014	215,361
2015, est.	90,000
Total	342,067

La cantidad de ingresos propios disminuyó en el año 2015 en comparación al año fiscal 2014 debido a que en el 2014 se generaron ingresos aproximadamente de \$200,000 por la filmación de la serie de televisión de NBC "Crossbones". La filmación de la serie culminó en mayo de 2014. Por lo tanto, en el año fiscal 2015 no se obtuvo ningún ingreso relacionado a esta producción.

Por otro lado, para contrarrestar esta disminución en ingresos propios la Autoridad publicó una solicitud de propuestas en marzo de 2014 dirigida mayormente a microempresarios y pequeños comerciantes de los pueblos de Ceiba, Naguabo, y pueblos limítrofes para proyectos de servicios eco turísticos, turismo de la naturaleza, recreativos y/o actividades complementarias. Se recibieron 17 propuestas que fueron evaluadas por la Autoridad, quien adjudicó 8 proponentes para contratos directos. A finales de septiembre 2014 la Autoridad firmó seis de los ocho contratos con dichos microempresarios de la región este y firmó otro contrato en noviembre 2014.

Además, en agosto 2014 se suscribieron dos contratos adicionales: un contrato de arrendamiento por cuatro años con el Municipio de Ceiba para la operación de la Marina Comercial y un contrato con la Asociación Reservistas, Guardias Nacionales y Veteranos Nautas por un término de cuatro años en un área que consiste de 2.45 acres de terrenos y facilidades aledaños al área en la Marina Comercial en Roosevelt Roads.

Con la firma de estos contratos durante el año fiscal 2015, la Autoridad espera terminar con unos ingresos propios estimados de \$90,000. Para el año fiscal 2016, la autoridad estima un ingreso estimado de \$140,000 relacionado a estos contratos.

Es importante mencionar, que la Autoridad ha estado inmersa en la negociación con Roosevelt Roads Opportunity Development LLC, una entidad afiliada a Clark Realty Capital, empresa seleccionada por la Junta de Directores para ser el Desarrollador Maestro del proyecto. La meta es que se firme un acuerdo de Desarrollador Maestro para junio 2015. De esto resultar así y de esta entidad aceptar los términos que la Autoridad le esta solicitando, la Autoridad recibirá un ingreso para el año fiscal 2016 relacionado a esta transacción de \$1,023,000.

A continuación un resumen del presupuesto para el año fiscal 2016 por fuente de ingreso:

<i>Fuente de Ingreso</i>	<i>Presupuesto Año Fiscal</i>
Fondos federales	968,436
Fondos estatales	1,315,000
Fondos propios	1,163,000
Total	3,446,436

II. Nómina

La Autoridad estima para el Año Fiscal 2016 un gasto de nómina alrededor de \$1,027,600. De esta cantidad, \$770,700 provendrán de fondos federales y el remanente de fondos estatales. Esta cantidad representa un 29% del presupuesto total de la Autoridad que asciende a alrededor de \$3,446,000.

El gasto de nómina de la Autoridad en los pasados tres años fiscales es el siguiente:

<i>Año Fiscal</i>	<i>Gasto de Nómina</i>
2013	633,115
2014	730,946
2015, est.	850,000
Total	2,214,061

El gasto de nómina estimado para el año fiscal 2015 es cubierto de la siguiente manera: \$765,000 en fondos federales y 85,000 en ingresos propios.

Desde el año fiscal 2014 el gasto de nómina de la Autoridad ha estado en aumento y esto se debe a que luego de mayo 2013 el proyecto de Redesarrollo de Roosevelt Roads entró en su etapa más importante ya que finalmente el Gobierno de Puerto Rico finalizó de adquirir los terrenos de la Antigua Base Naval. En ese momento, las responsabilidades de la Autoridad aumentaron significativamente y por consiguiente, tuvo que aumentar su plantilla de empleados. Los empleados de la Autoridad han aumentado de 6 en enero de 2013 a 11 a finales del año fiscal 2015.

Por lo tanto, el gasto de salario ha estado en aumento desde el año fiscal 2014 y se espera que se estabilice en el año fiscal 2016 ya que la plantilla de nómina necesaria y aprobada está completa desde el último trimestre del año fiscal 2015. Aunque para finales del año fiscal 2015 la plantilla de 11 empleados está completa, solo 9 de los 11 empleados estuvieron en funciones todo el año. Por esto el gasto de nómina para el año fiscal es menor que el presupuestado para el año fiscal 2016.

No se espera una insuficiencia en los fondos presupuestados para nomina para el año fiscal 2015.

Para finales del año fiscal 2015 el número total de empleados en la Autoridad son 11. Todos son puestos de confianza y no existe ninguna posición vacante al momento. No se vislumbra que la cantidad de empleados varié para el próximo año fiscal. Debido a que se extendió la vigencia de la Autoridad en septiembre 2014 por 30 años adicionales la Autoridad está en proceso de reclasificar parte de las posiciones de confianza a carrera ya que tienen características de empleados de carrera.

Contratos Profesionales

Estos han sido los contratos profesionales firmados por la Autoridad durante el año fiscal 2015:

ENTIDAD	JUSTIFICACIÓN	CANTIDAD TOTAL
HORWATH VELEZ & CO. PSC.	Auditoría AF 2013-14	15,500
MENDOZA LAW OFFICES	Asesoría Legal - Laboral	30,000
MENDIN & ZAPATA	Asesoría Legal - Corporativa	100,000
SOL ACCOUNTING SERVICES	Servicios de Contabilidad	30,000
INTEGRA ARCHITECTS & ENGINEERS	Servicios de Arquitectura y/o Ingeniería	100,000
PROMOTIONS & DIRECT	Servicio de Relaciones Públicas, Promoción y Publicidad	50,000
KUTAK ROCK LLP	Asesoría Legal - Corporativa	100,000
KUTAK ROCK LLP	Asesoría Legal - Corporativa	100,000
RKG ASSOCIATES	Asesoramineto Financiero en Selección de "Master Developer"	75,000

III. Deudas por cobrar

El total de deudas por cobrar por la Autoridad para el año fiscal 2015 es de \$36,464. Esto es una disminución en comparación al balance a final del pasado año fiscal 2014 que era de \$82,561.

IV. Deudas por pagar

A continuación se detallan las deudas por pagar a instrumentalidades del Estado Libre Asociado de PR:

Agencia o Entidad Acreedora	Cantidad Adeudada (en miles dólares)	Explicación
Departamento de Hacienda	\$ 56,452	La gerencia de la Autoridad dejó de hacer los pagos de contribuciones retenidas a empleados y contratistas desde el 2006 al 2012. Esto causó una deuda significativa con el Departamento de Hacienda. Esta deuda se negoció con el Departamento para no tener que pagar recargos, penalidades y 50% de los intereses acumulados. Esto no tiene fuente de repago ya que debió haberse pagado en el pasado a través de los fondos del "grant federal" y del pareo de fondos estatales, pero esto no se hizo. En estos momento no se pueden pedir fondos federales para estos fines. Por lo tanto, deben salir de fondos estatales.
Autoridad de Energía Eléctrica	\$ 570,437	Desde diciembre de 2012 hasta finales de 2014, la cuenta de energía eléctrica de todas las facilidades de Roosevelt Roads, con excepción del aeropuerto, era responsabilidad de la Autoridad. En septiembre de 2014, la AEE independizó las cuentas de diferentes inquilinos en los terrenos y le hizo un ajuste a la cuenta de la Autoridad por \$674,567. Aún, queda un inquilino que no se ha independizado de la cuenta de la Autoridad. Además, existen unos reparos de la Autoridad en la exactitud de la cuenta por pagar y estamos en discusiones con la AEE para aclarar estos asuntos y poder llegar a un plan de pago. La Autoridad está haciendo un pago fijo de \$5,000 todos los meses a la AEE en lo que se aclara la cantidad adeudada.
Total	\$ 626,889	

La Autoridad tiene una deuda por pagar a largo plazo con la Marina de los Estados Unidos por la compra de los terrenos que asciende a \$16,345,000. El primer pago por la cantidad de 523,000 vence en septiembre 2015.

La Autoridad no posee otras deudas por pagar que no sea las deudas operacionales corrientes. En estos momentos ninguna otra deuda está vencida, todas están dentro del término otorgado para pago.

La deuda con el Departamento de Hacienda disminuyó de \$118,224 al finalizar el año fiscal 2013-2014 a \$56,452 al finalizar el año fiscal 2014-2015.

La deuda con la Autoridad de Energía Eléctrica disminuyó de \$1,080,840 al finalizar el año fiscal 2014 a \$570,437 al finalizar el año fiscal 2015.

V. Ahorros Generados

La Autoridad ha realizado las siguientes gestiones para cumplir con las disposiciones de la Ley Núm. 66-2014 y obtener ahorros adicionales:

- Reducción de Bono de Navidad para todos los empleados de 9% del salario base a \$600 por empleado. Esto tuvo una reducción en el gasto de nómina de aproximadamente \$51,000.
- No se ha hecho ningún pago relacionado a excesos en balances de licencias por vacaciones ni enfermedad.
- Se redujo los contratos de servicios profesionales de abogados locales de \$200,000 en el año fiscal 2014 a \$140,000 en el año fiscal 2015. Una reducción de un 30% del gasto del año anterior.
- Se redujo los contratos de servicios profesionales de CPAs de aproximadamente \$76,000 en el año fiscal 2014 a aproximadamente \$16,000 en el año fiscal 2015. Una reducción de un 78% del gasto del año anterior.
- Se redujo los contratos de servicios profesionales de arquitectos de \$150,000 en el año fiscal 2014 a aproximadamente \$100,000 en el año fiscal 2015. Una reducción de un 33% del gasto del año anterior.
- Se redujo los contratos de publicidad de aproximadamente \$180,000 en el año fiscal 2014 a aproximadamente \$50,000 en el año fiscal 2015. Una reducción de un 72% del gasto del año anterior.
- Se redujo el gasto del manejo de la Planta de Agua Potable de Roosevelt Roads de aproximadamente \$430,000 en el año fiscal 2014 a \$300,000 en el año fiscal 2015. Esto representa una reducción de aproximadamente 30% del gasto.

La Autoridad está esperanzada que las negociaciones que sostiene con el Desarrollador Maestro seleccionado por la Junta de Directores en diciembre 2014 resulten en que este se responsabilice desde principios del año fiscal 2016 por los gastos de operación de los terrenos de Roosevelt Roads, tales como seguridad, mantenimiento de áreas verdes y manejo de la Planta de Agua, entre otros. Esto representaría un ahorro de aproximadamente \$900,000 en comparación con el año fiscal 2015.

La Autoridad no tiene ningún empleado unionado y por lo tanto no se tuvieron que hacer acuerdos con respecto a cláusulas económicas y no económicas de conformidad a la Ley 66-2014.

VI. Áreas Programáticas

A continuación, incluimos un breve resumen de las actividades y logros durante el año fiscal 2014-2015.

1. Firma de Contrato de Arrendamiento de la Marina Comercial en Roosevelt Roads entre la Autoridad y el Municipio de Ceiba

El 24 de marzo de 2014 se seleccionó una propuesta presentada por el Municipio de Ceiba para operar la Marina Comercial por un periodo de 4 años. Esta decisión se tomó como parte de la Solicitud de Propuestas efectuada por parte de la Autoridad el 14 de julio de 2013. Se crearán alrededor de 30 empleos. El contrato entre la Autoridad y el Municipio se firmó el 29 de agosto de 2014.

2. Firma de 7 contratos con Microempresarios y Pequeños Comerciantes de la región este

La Autoridad publicó una Solicitud de Propuestas el 13 de marzo de 2014 dirigida mayormente a microempresarios y pequeños comerciantes de los pueblos de Ceiba, Naguabo, y pueblos limítrofes para proyectos de servicios eco turísticos, turismo de la naturaleza, recreativos y/o actividades complementarias. Se recibieron 17 propuestas el 9 de mayo de 2014 que fueron evaluadas por la Autoridad, quien adjudicó 8 proponentes para contratos directos para establecer negocios que ofrecerán servicios de: alquiler y excursiones acuáticas en kayaks y botes, alquiler y excursiones terrestres en bicicletas, caminatas y excursiones guiadas para la observación de aves; pesca recreativa y venta de carnadas, alquiler de equipos de buceo, “snorkeling” y otros; y puestos de comida ligera. A finales de septiembre 2014 la Autoridad firmó seis de los ocho contratos con dichos microempresarios de la región este y firmó otro contrato en noviembre 2014. Seis negocios ya están en operaciones. La Autoridad estima crear aproximadamente 35 empleos durante el primer año de operación de dichos establecimientos.

3. Firma de Extensión de Acuerdo de Negociación Exclusiva para el desarrollo de un astillero en Roosevelt Roads entre la Autoridad y Astivenca Shipyards Corporation

La Autoridad firmó un acuerdo de negociación exclusivo el 27 de marzo de 2014 con Astivenca Shipyards Corporation para el desarrollo de un astillero en el área del dique seco en RR. El pasado 15 de marzo de 2015 firmó una extensión y enmienda a este contrato hasta septiembre 2015. Bajo los términos y condiciones aprobados, Astivenca efectuará una evaluación técnica o “due diligence” del área designada para asegurar que la misma es adecuada para el desarrollo de su negocio. Luego de completada dicha evaluación la Autoridad y Astivenca podrían firmar un acuerdo de arrendamiento a largo plazo del área designada para este negocio en o antes de septiembre 2015. De materializarse dicho acuerdo, la compañía estima que estaría invirtiendo aproximadamente \$25 millones y que se estarían creando 300 empleos permanentes para construir, reparar y mantener embarcaciones, así como 1,500 empleos indirectos.

4. Desarrollo de un Nuevo Plan de Uso de Terrenos y Plan Maestro

La Autoridad colaboró con la Junta de Planificación en establecer un nuevo Plan de Usos de Terrenos, el cual fue firmado por el Gobernador el 28 de agosto de 2014. Este Plan exige que el 20% de las residencias que se construyan serán dedicadas a viviendas de costos asequibles. El mismo brinda mayor flexibilidad en usos y harán más fácil la consecución de permisos por parte de proponentes para los proyectos planificados. Asimismo, el nuevo Plan de Uso de Terrenos y Plan Maestro fortalece la protección de las áreas de conservación, reconociendo las zonas de amortiguamiento entre los desarrollos y las zonas de valor ecológico, y brindando continuidad en las áreas verdes de Roosevelt Roads.

Además, el Plan de Uso de Terrenos aumenta en aproximadamente 400 acres de terrenos las zonas de reserva natural. Por consiguiente, se reduce la huella o densidad de las áreas desarrollables, a tono con los reclamos de la comunidad, el Departamento de Recursos Naturales y Ambientales, el Fideicomiso de Conservación y la propia Junta de Planificación para aumentar la protección y conservación de la flora y fauna existente en Roosevelt Roads. Como ejemplo de esto, reducimos las zonas desarrollables de once a nueve sin impactar adversamente el proyecto de redesarrollo.

El Plan de Desarrollo para el redesarrollo de Roosevelt Roads que estamos promoviendo es nuevo en su enfoque comunitario y en la sustancia de lo que debe ser un desarrollo de envergadura:

- Se promueve desarrollar un proyecto de usos mixtos que incluye usos turísticos, comerciales, recreacionales, residenciales, institucionales e industrial liviano
- Se promueve la creación de empleos puertorriqueños con proyectos a largo-plazo y a corto-plazo
- Se promueve desarrollar empleos para residentes de Ceiba, Naguabo y pueblos limítrofes
- Se pretende incorporar negocios de pequeños comerciantes de Ceiba, Naguabo y la región este
- Se promueve desarrollar proyecto con la inclusión y participación de las comunidades aledañas
- Se pretende hacer un desarrollo con accesos a todas las costas y playas, y áreas para el disfrute del público
- Se promueve la conservación de energía y el desarrollo sostenible
- Se promueve la protección de las áreas de conservación
- Se promueve diferentes incentivos económicos para los inversionistas (locales y extranjeros)

5. Firma de Contrato de Arrendamiento con la Asociación Reservistas, Guardias Nacionales y Veteranos Nautas

La Autoridad firmó un contrato de arrendamiento el 15 de agosto de 2014 con la Asociación Reservistas, Guardias Nacionales y Veteranos Nautas por un término de cuatro años en un

área que consiste de 2.45 acres de terrenos y facilidades aledaños al área en la Marina Comercial en Roosevelt Roads.

6. Acuerdo de un programa educacional enfocado en ciencias y matemáticas en la escuela elemental de Roosevelt Roads

El Centro Residencial para Oportunidades Educativas para el pueblo de Ceiba (CROEC, por sus siglas en inglés) iniciará su propio programa escolar en Roosevelt Roads, el cual está pautado para comenzar en agosto de 2015. CROEC emplea métodos alternativos de enseñanza escolar a estudiantes sobresalientes en las áreas académicas de las ciencias y matemáticas, en un ambiente que apoya la transición del estudiante hacia la vida universitaria. La escuela elemental de Roosevelt Roads fue seleccionada como la sede para iniciar este programa para 250 estudiantes. Se estima que la inversión total para este programa será de aproximadamente \$6.4 millones. Además, el Centro estima que dicho programa creará 55 empleos directos, 45 indirectos y 25 inducidos.

7. Publicación de Solicitud de Credenciales (RFQ, por sus siglas en inglés) y Solicitud de Propuestas (RFP, por sus siglas en inglés) para “Master Developer”

La Autoridad publicó Solicitud de Credenciales (RFQ, por sus siglas en inglés) para “Master Developers” el 30 de junio de 2014 y el 14 de agosto de 2014 recibimos credenciales de 8 entidades de Estados Unidos, Europa, Latinoamérica y Puerto Rico. La Autoridad efectuó la preselección de cuatro (4) proponentes que pasaron a la fase final del proceso de Solicitud de Propuestas (RFP) para Master Developer, publicado el 29 de agosto de 2014. El proceso de RFQ y RFP está dirigido al desarrollo de aproximadamente 3,000 acres de terrenos en Roosevelt Roads. Tres de los cuatro proponentes entregaron sus propuestas detalladas el 21 de noviembre de 2014. En diciembre de 2014 la Junta de Directores seleccionó a Roosevelt Roads Opportunity Development LLC, una entidad afiliada a Clark Realty Capital, para que comenzara negociaciones exclusivas con la Autoridad con miras a firmar un acuerdo de Desarrollador Maestro para el verano de 2015.

8. Extensión de la Ley 508-2004

El Gobernador, Alejandro García Padilla, firmó la extensión de la Ley 508 por 30 años adicionales el 18 de septiembre de 2014. Dicha acción tuvo un significado muy importante para la Autoridad para el Redesarrollo de Roosevelt Roads y Puerto Rico. La extensión de la Ley 508-2004 por 30 años adicionales envió el mensaje apropiado de que el gobierno de Puerto Rico permanece comprometido con el proyecto y con la creación de empleos, y con el pago de sus obligaciones. Asimismo, la extensión de la vigencia de la Ley 508 llevó un mensaje positivo a inversionistas potenciales en Puerto Rico y en el extranjero respecto al compromiso del gobierno a largo plazo con el proyecto de redesarrollo y con la intención de hacer cumplir la visión del Plan de Desarrollo. De igual manera, refuerza la perspectiva de que la Autoridad será una entidad facilitadora en la gestión de permisos para proyectos futuros de desarrollo en Roosevelt Roads.

Además, brinda paz y tranquilidad a las organizaciones comunitarias de los pueblos de Ceiba y Naguabo, así como a sus alcaldes, de que podrán continuar teniendo voz y voto en las deliberaciones de la Junta de Directores donde actualmente están representadas. Para la Autoridad la votación favorable en Senado y Cámara y la firma del Gobernador representó un reconocimiento de que entienden y están de acuerdo que la Autoridad debe ser la entidad encargada de continuar los esfuerzos de redesarrollo para Roosevelt Roads. Despejó el camino también para que la Autoridad continúe recibiendo las aportaciones federales que recibe anualmente por parte del Departamento de la Defensa de los Estados Unidos.

9. Reuniones con residentes de Ceiba y Naguabo, y organizaciones y líderes comunitarios

La Directora Ejecutiva de la Autoridad y su equipo de trabajo sostuvieron sobre quince (15) reuniones formales e informales con los residentes de las comunidades de Ceiba y Naguabo, y diversas organizaciones y líderes comunitarios (APRODEC, Reservistas Nautas, Roosevelt Roads Sin Límites, comerciantes y pescadores del área) durante 2014-2015. Personal de Fortaleza y de otras agencias de la rama ejecutiva, como el DRNA, participaron también en muchos de estos foros. El propósito de dichas reuniones fue hacerlos partícipes de diferentes iniciativas, como la publicación de Solicitud de Propuestas para Microempresarios y posterior firma de siete (7) contratos, Solicitud de Credenciales y Solicitud de Propuestas para “Master Developer”, extensión de la ley 508-2004, asistir a reuniones de organizaciones comunitarias como APRODEC, reunión especial en la Asamblea Legislativa de Ceiba junto a representante de la Marina para presentar resultados de la limpieza ambiental en Roosevelt Roads, progreso del proyecto de redesarrollo, contratos de arrendamiento de la Marina Comercial y playa “All Hands Beach” con el Municipio de Ceiba, Plan de Usos de Terrenos y Plan Maestro 2014, seguridad, acceso y mantenimiento a facilidades dentro de nuestra propiedad, entre otros temas de interés.

La Directora Ejecutiva también se ha reunido en diversas ocasiones con los alcaldes de Ceiba y Naguabo para discutir temas de mutuo interés y ha participado activamente de las reuniones trimestrales que lleva a cabo la Marina para explicar a los residentes del área el progreso de la limpieza ambiental que realiza la propia Marina y para discutir asuntos de Roosevelt Roads con los residentes de la comunidad que asisten a dichas reuniones. Los esfuerzos de comunicación con diversos grupos comunitarios han sido consecuentes y muy productivos en fomentar un clima de apertura y diálogo cordial con los residentes de Ceiba y Naguabo, mantenerlos informados y atender sus inquietudes, a la vez que demostramos nuestro interés por su bienestar y progreso.

VII. Metas para el próximo Año Fiscal 2015-2016 en términos programáticos

1. Firma de Acuerdo a largo plazo con “Master Developer” para el redesarrollo de las más de 3,000 acres en Roosevelt Roads

La Autoridad espera firmar el acuerdo de Desarrollador Maestro con Roosevelt Roads Opportunity Development LLC, una entidad afiliada a Clark Realty Capital, en o antes de agosto de 2015. De materializarse dicho acuerdo, la compañía estima que el proyecto requerirá de una inversión de 3.2 billones durante la vida del proyecto, que se estima que estaría completado en el transcurso estimado de 30 años.

2. Firma de Acuerdo de Arrendamiento a largo plazo para el desarrollo de un astillero en Roosevelt Roads

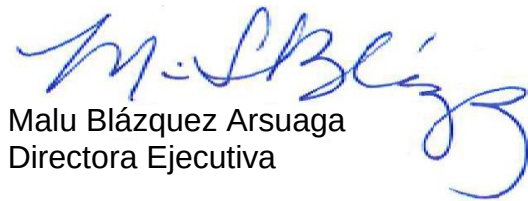
La Autoridad espera firmar en o antes de septiembre de 2015 un acuerdo de arrendamiento a largo plazo con Astivenca Shipyards Corporation para el desarrollo de un astillero en el área del dique seco en RR. De materializarse dicho acuerdo, la compañía estima que estaría invirtiendo aproximadamente \$25 millones y que se estarían creando 300 empleos permanentes para construir, reparar y mantener embarcaciones, así como 1,500 empleos indirectos.

3. Firma de Acuerdos de arrendamiento a corto plazo

La Autoridad espera sacar otra Solicitud de Propuestas para empresarios interesados en firmar acuerdos de arrendamiento a corto plazo en Roosevelt Roads.

Agradecemos la oportunidad de poder expresarnos en torno a este asunto y quedamos a su entera disposición para contestar cualquier pregunta que puedan tener en torno a la Recomendación Presupuestaria 2015-2016, antes expuesta. Pueden comunicarse al (787)758-4747 ext. 5119.

Cordialmente,



Malu Blázquez Arsuaga
Directora Ejecutiva

Octubre de Puerto Rico
Ley 110, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602,

30 DE JUNIO DE 2012 VS 30 DE JUNIO DE 2011

Cldox

PARTE I	REGISTRO DE FILM
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PARTE I	REGISTRO DE EMPLEADOS DE CONFIANZA (O QUE HAYAN SIDO DE CONFIANZA) AL 30 DE JUNIO DE 2012 Y AL 30 DE JUNIO DE 2011
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PAIS	Cuba		
Titulo	Se otorga la información contenida en esta documentación de acuerdo a lo que se solicita Nombre <i>María del L. Blázquez</i> <i>M. L. Blázquez</i>		Reducido durante el periodo de vigencia 0.0%

Ata da 1ª reunião do Conselho de Administração da Associação de Municípios do Estado de São Paulo, realizada em 14 de maio de 2014, no Hotel Intercontinental, em São Paulo, SP, às 14h30min.

Gobierno de Puerto Rico

30 DE JUNIO DE 2012 VS 30 DE JUNIO DE 2014

C4520

Nombre de la Entidad

PARTE I	REGISTRO DE EMPLEADOS DE CONFIANZA (O QUE HAYAN SIDO DE CONFIANZA) AL 30 DE JUNIO DE 2012 Y AL 30 DE JUNIO DE 2011
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Fecha	Cada vez que la información suministrada en este documento sea correcta, completa y oportuna			40.00%
Nota	Nombre: María de L. Blázquez <i>[Firma]</i>			Revisión durante el periodo en el cual se otorga la calificación
Fecha de Emisión de la Nota Ejecutoria y Funciones del Departamento Autorizado				46.0%

~~Vita e morte di...~~

Grant Application Narrative
September 1, 2014 to August 31, 2015

Purpose:

The Roosevelt Roads LRA requests continued OEA technical and financial assistance for the implementation of its redevelopment plan for the 2014-2015 grant period.

We are pleased to collaborate with the Office of Economic Adjustment in this effort and appreciate its very valuable technical assistance and financial support. This support has proven to be key success factors in helping the LRA achieve its objectives for the grant period ending on August 31, 2014.

Objective and Need for Assistance:

We are requesting 12 months of OEA financial assistance for the 2014-2015 period in support of LRA operations and to facilitate continuation of development efforts initiated during the last Grant for 2013-2014 of the LRA's redevelopment plan to spur economic development and job creation in the eastern region of Puerto Rico.

The LRA initiated a Request for Qualifications (RFQ) and Request for Proposal (RFP) selection process with potential developers and investors during the current 2013-2014 Grant period that will run well into this one. We consider this to be the primary objective of this Grant period considering the magnitude of the acres involved – approximately 3,000 acres of lands and facilities – the time and resources it will consume, and in charting the course for implementing the master redevelopment plan. The process will require full staff involvement and external services support for review of investor/developer statement of qualifications, preparation of RFP document and evaluation to guarantee an effective selection process. Although approved in the previous 2013-2014 Grant period, the LRA will hire the LRA's Legal Counsel to fulfill some legal responsibilities, including drafting and reviewing of contracts, leases and legal opinions, ensuring contract compliance with current and future tenants, among other tasks.

Additionally, the LRA will hire outside services to provide Evaluation Advisory Services for the selection of a Master Developer by providing technical and financial evaluation of redevelopment proposals and negotiating best and final offer with selected Master Developer.

The LRA received eight (8) statement of qualification packages from potential Master Developers on August 14, 2014 in response to the RFQ issued on June 30, 2014. The LRA will then proceed to qualify proponents through a Review Committee comprised by both members of the LRA Board of Directors and outside experts with the financial, project management, architectural & engineering expertise, and knowledge regarding the EDC and Master plan for Roosevelt Roads to evaluate all statement of qualifications. A pre-selection of Master Developers will be made by approximately August 26, 2014, who will then proceed to participate in the next round of the process when the LRA issues the RFP for the nine development zones included in the Master Plan. The LRA has scheduled receipt of proposals in response to RFP by November 21, 2014 and expects to award proposals by December 31, 2014. The LRA anticipates that soon thereafter the Master Developer and their partners will begin working on architectural designs during the first/second quarters of 2015 with proposed permitting and construction timelines for specific projects they have prioritized to begin the redevelopment of Roosevelt Roads. Concurrently with this process and in compliance with The Tourism Incentives for the Economic Development of Municipalities Act (Law 118) of 2010, the LRA will ensure that a Selection Committee is established to evaluate and select businesses that apply for the tax incentives under this Law.

The LRA will sign six to eight contracts by September 2014 and inaugurate facilities during last quarter of 2014 as part of the RFP published on March 13, 2014 for small businesses for ecotourism services, nature adventure, recreational and complementary activities. During this grant period, the LRA will administer and ensure contract compliance with the above mentioned entities. The LRA will also provide water, electricity and security. The LRA will advertise these businesses through our website and the Tourism Company. This RFP was launched as part of a broader effort to initiate projects that begin to generate jobs and economic activity prior to the publication of the RFQ for Master Developers that was issued on June 30, 2014. The LRA will also sign a four year leasing contract with the Municipality of Ceiba for the operation of the Commercial Marina by the end of August 2014. The LRA will also monitor compliance by the Municipality of Ceiba of the terms and conditions stipulated under the contract. In addition, the LRA and the Association of Retired Marines and National Guardsmen (ARMNG) signed a four year leasing agreement on August 15, 2014 for an area adjacent to the Commercial Marina.

Another milestone with potential economic development implications for the LRA and the eastern region of Puerto Rico was the signing by the LRA and a shipyard company of an exclusive access, use and negotiating agreement on March 27, 2014 for the development of a shipyard in the dry dock area at Roosevelt Roads. Under the terms and conditions approved, the shipyard company shall perform a due diligence process to confirm project viability, clarify requirements permits with regulatory agencies, ensure zoning revisions by the PR Planning Board are approved, and finalize a land swap agreement with the Army Reserve. This process should be completed by September-October 2014 and, upon its completion, the LRA and the shipyard company may enter into a long-term leasing agreement by March 2015.

Additionally, the LRA will sign contracts with the Puerto Rico National Guard and the Residential Center for Educational Opportunities respectively by September 2014. The Puerto Rico National Guard Youth Challenge Program (NGYCP) will establish an operation at the former Roosevelt Roads high school during the summer-winter of 2015. The goal of the NGYCP is to improve the education, life skills, and employment potential of America's high school dropouts. The high school building requires construction improvements and we estimate that it will be ready for inauguration by 2016. Likewise, the Residential Center for Educational Opportunities for the town of Ceiba (CROEC, for its Spanish acronym) plans to initiate its own academic program at the elementary school in Roosevelt Roads on August 2015. This is a priority project for the Governor of Puerto Rico, which he announced during his state of the Commonwealth address on April 2014. CROEC employs alternative teaching methods to top students in the fields of science and math in an environment that supports their transition to college life. The LRA will be part of the team in coordinating efforts for the implementation of this important project.

The US Department of Health and Human Services (USHHS) will select an operator for the hospital facility at Roosevelt Roads by August or early September 2014 among the most recent applicants: STAT Medical Group and Caribbean Medical Center. Both of these organizations submitted their applications to the USHHS by May 15, 2014. If the USHHS qualifies one of these entities, the LRA estimates the inauguration of the hospital facility by end of 2016. The LRA is fully committed to providing all the assistance that may be required by any of these potential operators with the Puerto Rico Department of Health, Puerto Rico Electric Power Authority (PREPA) and other regulatory agencies of the executive branch of government. Previously, on February 6, 2014, the USHHS had selected Mennonite Hospital to operate the facility, however, their management declined the offer a week after adjudication, at which time the LRA referred the latter two entities for evaluation of their respective applications by the USHHS.

The LRA is in a transition period with the management of the electric and water utilities at Roosevelt Roads. PREPA is running the electric utilities for National Guard and Army Reserve. These two entities opened new accounts with new metering equipment, and direct maintenance and billing services. The LRA plans to transfer all stations and sub-stations to PREPA during this Grant period. However, the LRA may encounter problems

all stations and sub-stations to PREPA during this Grant period. However, the LRA may encounter problems transferring them due to on-going financial situation at PREPA, which is renegotiating its debt service with 60% of its bondholders. The LRA is providing water and electric power to the Department of Natural and Environmental Resources and charges a monthly fee for these services. The LRA will include the operation of the water and electric facilities in the RFP to see if a Master Developer can interest private operators in owning, improving and managing this business as part of the Roosevelt Roads redevelopment project.

During this Grant period, the LRA may also issue a Request for Proposal (RFP) seeking qualified ferry operators for the private operation and maintenance of an additional private ferry line between Ceiba and Vieques, commonly referred to as the "Ruta Corta" or Short Route, and from Ceiba to Culebra. The LRA had prepared this RFP for publication during May 2014 but had to be postponed because the mayor of Vieques withheld the use of the designated pier in his municipality because of differences with the central government. The municipality of Vieques wants the government of Puerto Rico to offer a government ferry system from Ceiba to/from Mosquito pier in Vieques in addition to a private operator in order to provide lower fees to its residents. If these differences are reconciled, the LRA stands ready to proceed with publication of this RFP.

During the first month of this new Grant period, the LRA will continue efforts initiated on September 2013 to extend the life of Law 508, which created the Local Redevelopment Authority, for an additional 30 years. On August 4, 2014, Puerto Rico Governor's Administration and the LRA Board of Directors published a press release reaffirming their commitment to support Governor García Padilla's own bill extending the life of Law 508. The Administration and the LRA also expressed that they will not support current House Bill 1928, which proposed to integrate the LRA and the Ports Authority into one public corporation. The LRA was created in 2004 as a separate political and independent public corporation with the duty of implementing the Re-Use Plan for Naval Station Roosevelt Roads and with the obligation to direct, supervise, regulate, maintain and promote the economic development of the lands and facilities at the former naval station.

In addition to the scopes of work mentioned above, the LRA is also requesting approval for three scopes of work related to: 1) auditing services to perform the LRA's financial audit by March 2015, as required by OMB A-133; 2) accounting services to assist the Finance Director in a variety of accounting tasks; 3) evaluation advisory services for selection of a Master Developer; 4) Legal services; 5) Architectural Services; and 6) Redevelopment Analysis for eight parcels located in the Municipality of Ceiba, the Mayor of Ceiba made a direct request for this analysis through OEA. Due to the complexity of the proposal evaluation process, the LRA strongly recommends approval for these consultant services. There will be no duplication or replication of work between the LRA staff positions and the consultant services, the staff positions would manage and ensure task compliance of the consultants.

Due to the size and complexity of the overall redevelopment, the LRA will need the eleven OEA previously approved staff positions to continue managing this project. Although the LRA plans to hire a Master Developer, each staff position will have an important role to play in coordinating and managing the redevelopment of Roosevelt Roads, which will consist of a phased development using nine unique development zones.

All the tasks and duties mentioned above are expected to increase in size and complexity during this Grant period, therefore, the LRA respectfully requests continued technical and funding support from OEA to successfully achieve their completion. As requested in the 2013-2014 Grant application, the LRA hired a new Civil Engineer and a Senior Project Manager on March 17, 2014 to manage the increasing work load and complexity of the redevelopment project at Roosevelt Roads.

Results and Benefits Expected

The series of projects that will be adjudicated by the LRA Board of Directors during this grant period combined with other projects that were set in motion during the 2013-2014 Grant will begin to drive economic activity at Roosevelt Roads resulting in job creation in the towns of Ceiba and Naguabo, and the eastern region, and generating revenues for the LRA to fulfill its commitments. As mentioned earlier, some of these projects may begin construction during this 2014-2015 grant and related business activities will overlap well into 2016.

Approach, Timeline and Deliverables

As described earlier in this grant application, the LRA will continue to staff its operation to continue the management and administration, planning, coordination, communication, and reuse activities at Roosevelt Roads resulting from the adjudication of a Master Developer scheduled for December 2014 and other business initiatives set to begin during this 2014-2015 grant period. The LRA will work with its consultants in finalizing major milestones scheduled for this grant period.

The projected completion dates below represent the current best estimate of milestones as projected by the LRA.

<u>Activities/Milestones</u>	<u>Projected Completion Date</u>
Issuance of the RFP to the Prequalified Respondents	September 2014
Prepare and Sign Contracts with small businesses for ecotourism services	September 2014
Additional Site Visits for Prequalified RFP Respondents	September 2014
Sign leasing agreement with PR National Guard Youth Challenge Program	September 2014
Sign leasing agreement with CROEC	September 2014
Shipyard company completes due diligence for shipyard project	Sept-October 2014
Hire LRA Legal Counsel	Sept-October 2014
Hire Administrative Assistant	Sept-October 2014
Master Developer Proposal Submission Deadline	November 2014
Master Developer Proposal Evaluation process	Nov-Dec. 2014
Presentations by Prequalified Respondents	December 2014
Selection of top Developer (s)	December 2014
Sign contract with Master Developer	January 2015
Master Developer detailed Zone Development Plan & Phasing, Initial Due diligence, site analysis, & infrastructure assessment and planning	Jan.-Aug.2015
LIFOC property transfer and registration at PR Registry	Jan.-Aug.2015
Sign contract with a shipyard company	March 2015
Redevelopment Analysis Plan for Ceiba parcels	August 2015

Accomplishments --- 2013-2014 Grant period

Following is a brief summary of key accomplishments undertaken by the LRA staff during the last 12 months. Some of the projects initiated during the past Grant period will overlap with the 2014-2015 Grant. These projects are expected to generate a steady stream of revenues for the LRA and begin in earnest the redevelopment of Roosevelt Roads to create jobs and drive economic growth in the towns of Ceiba and Naguabo, the eastern region of Puerto Rico and the island municipalities of Vieques and Culebra.

The LRA published a Request for Proposals (RFP) on October 11, 2013 for the development of 4 specific projects in Roosevelt Roads. These 4 projects comprised 550 acres for the development of an Ecotourism project, Light Industrial, Institutional/Educational and a Commercial Marina project. This RFP represented a milestone for the LRA, since it was the first RFP published for Roosevelt Roads redevelopment efforts. The LRA received five proposals on December 20, 2013 related to this effort: two proposals for the commercial marina project and three proposals for the light industrial area. There were no proposals received for the ecotourism and institutional-academic areas. The LRA staff evaluation team and the Board Selection Committee evaluated these proposals and determined that none of these 5 proposals met the requirement criteria identified in the RFP. On January 21, 2013 the Board of Directors decided not to award any of the 5 proposals because they did not meet RFP requirements and were not considered beneficial for the Authority. Although no development activity resulted from this effort, the LRA brought attention to potential investors and developers in Puerto Rico and abroad --- through our website and advertising in *The Wall Street Journal* and local newspapers --- that Roosevelt Roads was open for business with very attractive opportunities.

The LRA signed a Memorandum of Understanding (MOU) with the Municipality of Ceiba on January 27, 2014 for the administration, operation and maintenance of "All Hands Beach" at Roosevelt Roads (RR). This is the first beach within RR to be opened to the public. The MOU is for a 5 year lease with an option for renewal for five additional years.

Also, the LRA Board of Directors approved another proposal made by the Municipality of Ceiba to operate the Commercial Marina on March 24, 2014. This decision was made as part of a Request for Proposals (RFP) issued by the LRA during July 14, 2013. The LRA expects to sign a contract with the Municipality of Ceiba by end of August 2014. Under the terms of the agreement, the LRA will lease the facility for a four year period, with a renewal option, for a \$5,000 monthly/\$60,000 annual fee. The Municipality of Ceiba estimates that it will invest approximately \$650,000 and create 30 jobs during the 2014-2015 Grant period. In addition, the LRA and the Association of Retired Marines and National Guardsmen (ARMNG) are expected to sign a four year leasing agreement by the end of August 2014 in an area comprised by 2.45 acres of lands and facilities at the Commercial Marina. The LRA will earn a total of \$48,000 during the first two years of the contract with the ARMNG and \$60,000 during the remaining two years.

Additionally, the LRA published an RFP on March 13 for small businesses for ecotourist services, and complementary activities at Parcel III, on nine existing structures with combined space of approximately 30,000 square feet. The LRA staff evaluated 17 proposals and the LRA Board of Directors recommended 8 for approval. If all 8 proponents sign leasing agreements with the LRA (scheduled for September 2014), we estimate that monthly rentals will total approximately \$4,600 or \$55,200 annually, and with the potential to generate 35 jobs.

The LRA worked with the Puerto Rico Planning Board from April through June to develop a new Land Use Plan, which amended the Zoning Plan approved by the Planning Board on October 7, 2011. A public hearing was held on June 6 in the town of Ceiba to allow for comments by residents of the area on proposed changes to the Land Use Plan for Roosevelt Roads. More than 60 residents from the area attended the hearing. This new Land Use Plan, in DRAFT form only pending final approval by the Planning Board, was made available through our website to potential Master Developers and other interested parties when the LRA issued the RFQ on June 30, 2014 under Exhibit H-1. The LRA hired and worked with INTEGRA architects and engineers to develop the new Development Zones Master Plan 2014, which reduced the development zones from 11 to 9 and reduced the actual developable land, but did not significantly, alter the conceptual vision of the 2010 Addendum to the Reuse Plan.

The LRA is expecting a decision by the US Department of Health and Human Services (USHHS) during August-September 2014 regarding the adjudication of an operator of the hospital facility at Roosevelt Roads. STAT Medical Group and Caribbean Medical Center submitted their applications to USHHS on May 15 after the LRA facilitated the process with the USHHS, local utility agencies (PR Electric Power Authority and PR Water and Sewer Authority), and the PR Department of Health. If the USHHS qualifies one of the proponents, it is estimated that total investment to revamp the 100 bedroom hospital which can total approximately \$22 million. Although inauguration of the hospital facility is anticipated by late 2016, structure renovation work will bring much needed economic activity and jobs to the area. When fully operational, the hospital will create between 150-200 jobs, not including jobs that could be generated from an adjoining building for medical professionals.

In addition, the LRA signed an exclusive access, use and negotiating agreement with a shipyard company on March 27, 2014 for a major shipyard project in the dry dock area at Roosevelt Roads. This property is adjacent to the Army Reserve facility. When the shipyard company completes its due diligence process in September-October 2014, determines the viability of the project and secures the necessary permits, the LRA may enter into a long-term leasing agreement with the company by March 2015. Should the parties enter into this agreement, the shipyard company would pay the LRA a yearly rental fee of approximately \$500,000 after the first year of signing the agreement. The company estimates that it would invest approximately \$25 million and create 300 permanent and 1,500 indirect jobs to build, repair and maintain shipping vessels.

Also, the LRA expects to sign a contract with the Puerto Rico National Guard by the end of August 2014 for the establishment of their Youth Challenge Program (NGYCP) at the former high school in Roosevelt Roads. To become operational by January 2016, these facilities will be revamped at a cost of approximately \$8.4 million through 2015, with the potential for creating close to 100 direct jobs. Approximately 500 students will take part in the program, funded in part through a federal grant and local funds. This youth education program operates under the authority and oversight of the Assistant Secretary of Defense for Reserve Affairs. Another project with significant potential for economic development and job creation is the Residential Center for Educational Opportunities for the town of Ceiba (CROEC, for its Spanish acronym), slated for opening by August 2015. We expect to sign a leasing agreement by September 2014. This is a signature project of Puerto Rico Governor Alejandro García Padilla, who is fully committed to its establishment. This academic program is targeted for 200 students with an estimated investment of approximately \$5 million. The CROEC Center estimates that their program will create 55 direct, 45 indirect and 25 induced jobs.

The LRA also published a Request for Proposals on May 8, 2014 to obtain proposals from qualified entities that have the expertise and ability to improve and operate the fuel storage facility at Roosevelt Roads through a leasing agreement. This storage facility is comprised of a fueling pier, eight storage tanks, a pumping facility, a laboratory building and their containing parcels and right of ways. Although there were no proposals submitted by the July 8 deadline, the LRA will consider proposals outside this process by August 29, 2014 --- there are currently 4 companies which have expressed an interest --- but following the same RFP guidelines issued on May 8. The LRA may also consider other proposals that may arise out of the Master Developer proposals to be received in November 2014.

The LRA issued a Request for Qualifications (RFQ) for Master Developer Services on June 30 for the redevelopment of approximately 3,000 acres of developable lands with high value as a mixed-use development for tourism, commercial, recreational, residential, educational and light industrial projects. As part of this process, the LRA held an optional pre-submittal meeting and property tour on July 17, 2014, which was attended by 70 participants representing approximately 40 entities. As of July 24, the LRA had 66 entities registered in the RFQ process. At the request of 4 registered participants, the Statement of Qualifications deadline for respondents was moved to August 14, 2014. The RFQ was effectively advertised through a well-

orchestrated marketing and communications campaign in Puerto Rico, the United States, Europe, Asia and Latin America in conjunction with our advertising firm and public relations agency. Elements of the campaign included press releases in English and Spanish, regular ads and digital website ads for distribution and placements in diverse media outlets in Puerto Rico, the United States and in other international markets, including Europe, Latin America and Asia.

Through the public relations firm, the LRA made targeted advertising and communication initiatives in the United States, United Kingdom, Germany, Brazil and China. For example, the public relations firm distributed the RFQ AD electronically along with a brief letter on behalf of the Secretary of the Department of Economic Development and Commerce, to more than 2,000 private equity firms in the US, made an outreach campaign to over 100 master developers in the US, UK, Brazil and China with follow-up calls; press release distribution on the wire, resulting in over 323 online postings (e.g., Reuters, Market Watch, International Business Times, UPI, Boston Globe, Investor place); emails of press release to 150 US-based reporters, who cover real estate investments and land developments. Publications included a mix of top-tier outlets (*WSJ*, *Forbes*, and *Financial Times*) and trades that focus on commercial real-estate and industries of relevance to the RFQ (tourism, sustainable development, etc.). Press release material was also shared with international teams for local translation and distribution. The public relations firm also made an outreach campaign to associations including, the Association of Defense Communities (10 articles posted), American Gaming Association, American Resort Development Association, Commercial Real Estate Development Association, CCIM, Resort Gaming Group, American Planning Association, Urban Land Institute, National Association-Development, Real Estate Roundtable, etc.

All media and public relations efforts in Puerto Rico, including regular ad placements and digital website ads in local and national newspapers, press release distribution and media interviews were directed by the LRA in San Juan. The LRA also created a special section in its website for the RFQ packet, developed linkages to our website through digital website ads placed in the US (*LA Times*, *New York Times*, *Wall Street Journal*, *Financial Times*, *Urban Land Institute* and *ADC 360*), Europe, Latin America and China. Additionally, the LRA placed two 1/4 page color ads in *The New York Times*. The LRA also sent an email blast of the RFQ ad to over 500 potential developers and investors, and made a special presentation on the RFQ at a meeting with representatives of the Island's top ten professional business organizations. Media coverage in Puerto Rico and abroad has been effective. Our website has had over 5,000 page views and over 4,000 unique page views.

On August 14, 2014 we received eight (8) Statement of Qualifications (SOQ) packages, which we are currently evaluating to determine those proponents who are qualified to continue participation in the Master Developer RFP process.

**NAVAL STATION ROOSEVELT ROADS
LOCAL REDEVELOPMENT AUTHORITY
New Grant**

**BUDGET JUSTIFICATION
9/1/2014 – 8/31/2015**

The following Budget Justification is submitted by the Roosevelt Roads Local Redevelopment Authority ("LRA") in support of redevelopment of 3,409 acres of EDC property and management of the overall redevelopment project comprised of 9 zones.

I. PERSONNEL AND FRINGE

The LRA requests continuation of funding for all of the previously approved 11 positions: Executive Director, Director of Finance, Communications Manager, Coordinator Project Manager ("PM"), Director of Administration, Field Operations Manager, Director of Development, Administrative Assistant, Engineering Officer, Senior Project Manager and Legal Counsel. The following 4 positions have been determined to be key LRA staff positions: Executive Director, Director of Development, Director of Finance and Senior Project Manager. The LRA understands OEA has the right to approve any change of personnel in these four key positions.

The Senior Project Manager position was approved on March 19, 2014 by a grant amendment. This new position increases the budget for salaries from \$670,000 in FY 2013-2104 to \$734,000 in FY 2014-2015.

The Director of Finance currently dedicates 80% of his time and effort to federal grant related activities and approximately 20% to administering local government assigned funds, therefore we are only requesting OEA share of 80% of his \$80,000 annual salary (\$64,000). Federal share requested (80%) for these services is proportional to the amount dedicated to OEA grant related accounting activities.

The LRA Legal Counsel and Administrative Assistant have been vacant for the most part of the fiscal year 2013-2014 due to a hiring freeze imposed by the Commonwealth of Puerto Rico as a consequence of the government's fiscal crisis. As per recent conversations with the Commonwealth's Office of Management and Budget, it was clarified that the LRA is able to hire personnel to fill these positions since 90% of the funds for these positions are covered by a federal grant. The LRA's intention is to fill these positions no later than October 2014.

This LRA team will be directly responsible for all base redevelopment implementation efforts to be undertaken by the Government of the Commonwealth of Puerto Rico, as a result of the operational closure of Naval Station Roosevelt Roads on March 31, 2004. The LRA will oversee and manage the redevelopment by working with the private sector, in collaboration with the central government, to market the property, provide incentives, and convey the EDC property to developers (via deed or lease).

The LRA will maintain the property until transfer, manage and coordinate the improvements of the utilities and infrastructure, manage interim leases, provide security, etc. All salaries and fringe benefits are based on a 12 month period.

A total of **\$1,027,600.00** is requested for salaries and fringe benefits for the LRA professional staff:

	<u>Salary</u>	<u>Fringe</u>
Executive Director	\$ 115,000.00	\$ 46,000.00
Communications Manager	\$ 76,000.00	\$ 30,400.00
Senior PM	\$ 80,000.00	\$ 32,000.00
Coordinator PM	\$ 50,000.00	\$ 20,000.00
Director of Administration	\$ 48,000.00	\$ 19,200.00
Field Operations Manager	\$ 39,000.00	\$ 15,600.00
Director of Finance (80%)	\$ 64,000.00	\$ 25,600.00
Director of Development	\$ 85,000.00	\$ 34,000.00
Legal Counsel	\$ 84,000.00	\$ 33,600.00
Engineering Officer	\$ 60,000.00	\$ 24,000.00
Administrative Assistant	\$ 33,000.00	\$ 13,200.00
Total	<u>\$ 734,000.00</u>	<u>\$ 293,600.00</u>

Total salary and fringe: **\$1,027,600.00**

Fringe benefits equal forty percent (40%) of the total salary base for each position. This is equivalent to the local fringe paid to government workers in Puerto Rico. The LRA is an instrumentality of the Commonwealth of PR, created as a Public Corporation under Law 508. It is the "Governmental Unit" as defined in OMB Circular A-87. Its Governance structure as defined by Law 508 and adopted by its By Laws is composed by a Board of Directors (BoD), and an Executive Director reporting directly to the BoD. The Salaries and fringe benefits hereby requested, as direct costs (compensation for personal services), are reasonable and conform to established policies for similar Commonwealth instrumentalities.

The LRA Legal Counsel will be responsible for drafting and/or reviewing all legal contracts and agreements between the LRA and any other private or public entity. The LRA Legal Counsel will always represent and ensure the best interests of the LRA and will serve as main point of contact with external legal firms related to legal services being provided. The LRA Legal Counsel will also represent and lead efforts with external legal consultants in responding to any law suits received against the LRA or initiated by the LRA. The LRA Legal Counsel is to work with local legal service firm & BRAC experienced legal service firm in order to gain experience and knowledge of legal LRA pertinent matters so that in the near future the LRA Legal Counsel can perform the majority of legal agreements, leases, and opinions for the LRA and in this way significantly reduce the LRAs' need to contract external legal service firms, which prove to be costly. The LRA Legal Counsel shall obtain drafts of legal agreements and leases from external firms, and shall become familiarized with environmental issues affecting redevelopment efforts. The LRA Legal Counsel will also be responsible for finalizing LRA regulations.

II. OPERATING EXPENSES

a) Travel

The LRA requests the amount of **\$8,420.00** for travel costs for this grant period. This item includes the cost of long distance airfare, lodging, and per diem for travel incurred by the LRA professional staff to attend two defense conferences for two attendees per conference. Costs are estimated as follows:

Defense Conference Fall 2014:

Total daily per diem (all meals) and Transportation (taxi to/from airport and hotel site) x 2 attendees x 4 days = \$960.00

Estimated daily hotel rate \$ 240.00 x 2 attendees x 3 nights = \$ 1,440.00

Estimated Airfare \$ 440.00 x 2 attendees= \$ 880.00

Conference Fee \$ 495.00 x 2 attendees= \$990.00

Sub Total: \$ 4,270.00

Defense Conference Summer 2015:

Total daily per diem (all meals) and Transportation (taxi to/from airport, hotel, site) x 2 attendees x 4 days = \$ 960.00

Estimated daily hotel rate \$ 200.00 x 2 attendees x 3 nights = \$ 1,200.00

Estimated Airfare \$500.00 x 2 attendees= \$ 1,000.00

Conference Fee \$ 495.00 x 2 = \$990.00

Sub Total: \$ 4,150.00

The daily per diem used is based on the LRA's Travel Regulation which establishes \$70 per day for all the meals, and we estimated \$30 per day for transportation and \$20 per day for miscellaneous and tips. $\$120.00 \times 2 \times 4 = \960.00 .

b) Office Equipment

The LRA requires the rental of a commercial sized photocopying and scanning machine. At a monthly approximate rental charge of \$370 per month for such services, the annual 12 month cost will be **\$4,440**. The LRA requires the use of this photocopying and scanning machine for effective and efficient operation of the LRA. The rental cost includes repairs and maintenance of such equipment.

c) Office Supplies

The LRA has estimated the amount of **\$2,300.00** required for materials and office supplies for the grant period. These items include office supplies, packaging, postage, delivery services and mail.

III. CONTRACTUAL - PROFESSIONAL SERVICES CONTRACTS

The methodology that we use to estimate and arrive at the amounts for each contractual item in this section is based on prior professional consultant services received during the transfer of 3,409 acres of EDC property and on consultant proposals received for these services.

a) Legal Services

The LRA requires legal consulting services to support the continuity of recent efforts in the redevelopment of the former Naval Station Roosevelt Roads ("NSRR"). The LRA will require BRAC experienced legal services and local legal services that are beyond the abilities of the LRA's Legal Counsel. The LRA is pursuing redevelopment efforts after finally acquiring Parcels 1 and 2 at NSRR as an amendment to an Economic Development Conveyance (EDC) application submitted to the Navy in December 2010. As the LRA received approximately 2,000 additional acres of NSRR property on May 2013 they will require legal services and support for the reuse and redevelopment of the entire NSRR. Part of these services that the LRA will need include assistance as it implements the redevelopment of Parcel 1, Parcel 2, and Parcel 3, including the solicitation and selection of a development entity to redevelop the former Naval Station. The LRA published a Request for Qualifications (RFQ) for a Master Developer on June 30, 2014 and on August 14, 2014 received 8 responses. These credential packages are currently being evaluated by the LRA to pre-qualify those who should participate in the Request for Proposals process, which is the second part of this selection process, expected to be published on or around September 1, 2014.

BRAC experienced legal services firm will assist the LRA in the following services: (1) Continuation of implementation of the EDC MOA with the Navy, including LIFO deeds and closing (several scheduled to occur in 2015), environmental clean-up consultation, and completion of annual reports to the Navy; (2) legal advice in the preparation and issuing RFP to solicit Master Developers for development of the 3,409 acres of EDC properties; (3) legal documents in support of leases, sub-leases, master developer agreements, easements, contracts, and others as needed; (4) revise terms of *The Tourism Incentives for Economic Development of Municipalities Act* (law #118); (5) legal advice and opinions on legal matters related to BRAC, and environmental issues. The LRA is estimating **\$100,000.00** for BRAC experienced legal services.

Local legal services firm will assist the LRA in: (1) developing MOA's with local government agencies to provide services to Roosevelt Roads and transfer deeds of utility systems to pertinent agencies; (2) drafting short-term and long-term lease contracts with interested parties; (3) register deed transfers; (4) and legal advice and opinions as required regarding Puerto Rico laws pertaining to the redevelopment and LRA administration. The LRA is estimating **\$100,000.00** for local legal services.

A summary of the projected level of effort from the LRA's outside counsel is:

Description	Total Percentage	BRAC Percentage	Local Percentage
LIFO, environmental restrictions	25%	80%	20%
Deeds, leases, contracts	20%	30%	70%
EDC/MOA Compliance	5%	90%	10%
RFQ/RFP, Master Developer Agreements	35%	90%	10%
Utility and other agreements	<u>15%</u>	10%	90%
Total	100%		

The LRA has spent \$610,000 in federal funds for legal services through the life of the project. See attached expense summary.

The LRA is estimating a total of **\$200,000.00** for legal services. See attached SOW.

b) Engineering/Planning Services

The planning efforts for the redevelopment of the NSRR will require architectural, engineering and planning services. These consultant services are required to provide support to the Engineering Officer and other members of the LRA staff, in coordinating and managing the current NSRR utility system and, planning for the improvements required for the new utility system for the upcoming redevelopment. Consultant services will also include technical support that is beyond the sole capabilities of the Engineering Officer and other members of the LRA staff, such as assist the LRA with appraisal guidelines, permitting, planning, project and program management, technical and feasibility studies, drafting design guidelines, GIS mapping and boundaries, topographic and utility surveys, subdivisions, development and scanning of plans, performing as-built drawings of existing buildings and infrastructure; among other related architectural, engineering and planning services.

The LRA Engineering Officer, Director of Development and the Senior Project Manager will be responsible for leading and coordinating all efforts with the consultant architecture and engineering services firm. The Engineering Officer's coordination efforts will include receiving, interpreting and serving as technical expert and custodian of the technical deliverables required of the consulting firm so that they are properly used, incorporated and interpreted by the LRA staff for the redevelopment efforts. The LRA is estimating **\$100,000.00** for Engineering/Planning Services. See attached SOW.

c) Evaluation Advisory Services for Master Developer:

The LRA issued a Request for Qualification (RFQ) for a Master Developer on June 30, 2014 and on August 14, 2014 received 8 Statements of Qualifications from interested parties in response to our RFQ.

The LRA is drafting a Request for Proposal (RFP) for a Master Developer, which is the second part to the selection process. The LRA would like to contract an external consultant to review the proposed final version of the RFP, offer any comments and advise, and assist in the evaluation of potential proponent credentials and proposals (specifically in the financial aspects).

The consultant will review credentials and proposals and provide recommendations and advice to the LRA on each of the proposals submitted in response to this RFP by performing the following tasks: (1) evaluating proposals, specifically the financial capability of the respondents, the financial feasibility of the proposed project, and the consideration to be provided to the LRA; (2) perform due diligence on each of the respondents, including contacting references, performing credit checks, (3) provide a suggested listing of questions that the LRA should ask of each of the respondents in the form of a Best and Final Offer; (4) assist the LRA to make final evaluations and select a master developer; (5) and assist in final negotiations of deal with Master Developer.

The LRA requires financial expertise from a qualified firm to provide Proposal and Investor Evaluation Advisory Services for the selection of the Master Developer. The LRA is estimating **\$75,000.00** for these services. See attached SOW.

d) Accounting Services

The Local Redevelopment Authority (LRA) requires accounting services to support the Finance Department during the redevelopment stage of former Naval Station of Roosevelt Roads. The services will include the following tasks: book keeping records, preparing financial statements, preparing bank reconciliations, preparing and maintaining payroll records, maintaining employee vacation and sick leave balances and preparing checks for vendors. The total annual cost for this service is \$30,000; however 20% of this service will be used to manage non-Federal Funds therefore we are requesting an OEA share of **\$24,000** for these services which is 80% of the total annual cost. The Federal share requested (80%) for these services is proportional to the amount dedicated to OEA grant related accounting activities. See attached SOW.

e) Auditing Services

The LRA has contracted a firm to perform the LRA's 2013-2014 financial audit by March 2015, as required by OMB A-133. Since it is an essential part of Federal Grants to comply with an annual audit and present the final report, the LRA selected and contracted an experienced firm to perform these auditing services after receiving and selecting the best proposal. The same firm also performed the 2012 and 2013 LRA Financial Audit. The LRA cost for these services is **\$15,500**.

The LRA solicited and received annual auditing services proposals from 3 companies. The LRA Board of Directors selected the second lowest cost proposal, which happens to be the same accounting audit firm that performed the LRA's 2012 and 2013 audit, and therefore can provide continuity given the experience it has with the LRA's operations.

The firm selected only proposed \$900 higher than the firm who proposed the lowest fee, which did not have as many hours allotted for supervision. See attached SOW.

f) Internet Page/Internet Connection/Information Systems Support

The LRA has entered into a contract with the Puerto Rico Industrial Development Company (PRIDCO) to receive the following services: design and maintenance of the LRA's website, technical support to each LRA staff computer, access to PRIDCO's server, updates to computer operating systems, information systems backups, and email support. We are requesting **\$10,800.00** for these services. The LRA utilizes its web page as an effective method to communicate redevelopments plans, news, RFP schedule and dates, achievements and future plans for redevelopment of the Roosevelt Roads Base. These services provided by PRIDCO are essential for the operation of the LRA.

g) Municipality of Ceiba (Puerto Rico) Redevelopment Analysis

The closure of NSRR by the Navy in 2004 created sudden and severe economic hardship to the local communities and more specific to Ceiba where a variety of properties were economically impacted due to the base closure. Prior to the closure, there were about 4,800 DOD, military, and contractor personnel working at the base. The Municipality requires redevelopment planning assistance for at least eight identified properties that is considering enforcing his right to expropriate current land owners. These are outside of NSRR and will support redevelopment of the former Navy base and enable creation of sustainable jobs and economic growth.

The Municipality of Ceiba has identified a variety of potential reuses for the property in terms of medical, banking, professional services, amenities, food and groceries, office space, construction materials and equipment, and business and industry development in support of the planned redevelopment of Roosevelt Roads. This Scope of Work (SOW) will help Ceiba determine the feasibility of the proposed reuses, marketability, and conduct an analysis of all factors relating to development including timelines, phasing and cash flow analysis which will include spreadsheets showing absorption, expenses, construction improvements, demolition, reserves, and infrastructure improvement costs.

The overall goal is job creation and economic growth. The redevelopment analysis will be based on local needs and the Master Plan for Roosevelt Roads, which was reorganized into nine development zones according to the 2014 Development Zones Master Plan.

The LRA is estimating **\$99,500.00** for these services. See attached SOW.

As an instrumentality of the Commonwealth of Puerto Rico, all LRA procurements with OEA grant funds will be in accordance with applicable State and local laws and regulations, and applicable Federal laws and regulations. Some of these contractual services are a carryover from previous grants and these were originally procured using a guideline included in Law 508, Article 12, part (e), where it states that "when professional or expert services or work are required and the Authority believes that in the interests of sound administration, such services or work should be contracted without having to resort to such invitations", meaning bids, the Authority can do so.

For all new contractual services, the Authority is procuring these services following procurement standards in 32 CFR Part 33, Uniform Administrative Requirement for Grants and cooperative agreements to State and Local Governments. Contractor selection criteria, including cost, will be included in any RFP that is issued.

The LRA certifies that the costs for personnel and contractual services are necessary, reasonable, and allocable to the Federal award under provisions of 2 CFR Part 225.

IV. OTHER EXPENSES

a) Utilities

Telephone Charges

The LRA is requesting **\$12,000.00** for telephone services. This amount has been already negotiated and entered into a contract with our lessor for provision of telephone equipment and local and long-distance telephone service to all 10 employees working at the LRA's main office.

b) Purchased Services

Insurance

The LRA is requesting the sum of **\$26,738.00** (actual negotiated cost) for annual coverage for directors and officers policy insurance. The insurance policy to be acquired by the LRA will cover the LRA as an organization, its Board of Directors, the Executive Director and its employees. Attached is a summary page of coverage by the insurance company.

c) Outreach

Printing

For purposes of press conferences and public meetings, LRA will need to print visuals such as maps, brochures, and graphics for display during public meetings. This year the LRA will be publishing an RFP for the solicitation of a Master Developer for the 9 redevelopment zones. The LRA is requesting the amount of **\$4,000.00** for the grant period.

Advertising

The LRA will be advertising, via various media, the redevelopment efforts in order to attract potential local and international investors. We will be incurring advertising costs, which we believe are necessary to reach potential investors. We request the amount of **\$5,000.00** for the grant period for advertising.

Membership Fees

The LRA is requesting the sum of **\$450.00** for annual membership fees. The LRA plans to attend two annual defense Conferences offered because they prove to be a valuable and insightful exchange of information with other LRAs, OEA, and associated suppliers and vendors.

V. BUDGET SUMMARY FOR GRANT

The total grant request for the 12 month period totals **\$1,615,748** of which we are requesting **\$1,454,173** from the OEA and the Commonwealth of PR will provide **\$161,575** in non-federal cash match equaling **10%**.

	OEA Funds	Non-Federal Match	Total
Personnel	\$660,600.00	\$73,400.00	\$734,000.00
Fringe Benefits	\$264,240.00	\$29,360.00	\$293,600.00
Travel	\$7,578.00	\$842.00	\$8,420.00
Equipment	\$3,996.00	\$444.00	\$4,440.00
Supplies	\$2,070.00	\$230.00	\$2,300.00
Contractual	\$472,320.00	\$52,480.00	\$524,800.00
Other	\$43,369.00	\$4,749.00	\$48,118.00
TOTALS:	\$1,454,173.00	\$161,575.00	\$1,615,748.00

