



December 1, 2014

Ms. Lisa Kiefel (Attn.: CECW-CE)  
Planning Portfolio Manager  
Headquarters  
U.S. Army Corps of Engineers  
441 G Street NW  
Washington DC 20314-1000

Dear Ms. Kiefel:

The Department of Natural and Environmental Resources (DNER) of Puerto Rico is hereby responding to the notice published by the Department of Defense - U.S. Army Corps of Engineers requesting proposals from non-federal interests for feasibility studies and modifications to authorized USACE water resources development projects or feasibility studies. This notice published in the Federal Register/ Vol. 79. No. 150 (August 5, 2014) requests proposals to be included in the Annual Report to be issued in February 2015.

The DNER is highly interested in assessing Island-wide coastal and beach erosion and formulating storm damage reduction strategies which could include beach nourishment, or the implementation of other type wave energy dissipation measures. To that effect, DNER would act as the main sponsor with support from individual municipalities where project development would be implemented. There are 44 coastal municipalities in Puerto Rico.

Specific information:

1. Non-Federal sponsor: DNER
2. New feasibility study and USACE's planning assistance to assess Island-wide coastal and beach erosion for Puerto Rico.
3. The purpose of the proposed feasibility study and USACE's planning assistance is to assess Island-wide coastal erosion. DNER is currently assessing beach erosion trends and identifying coastal communities at risk. However, planning assistance from the USACE is required in order to (1) identify island-wide areas where beneficial use of dredge material could enable beach nourishment; (2) conduct benefit-cost analyses of projects to protect communities and infrastructure at risk; (3) evaluate best alternatives to address site-specific erosion problems, such as beach nourishment, wave energy dissipation or in some cases planned retreat of infrastructure. The final phase of this initiative would be to identify funding for erosion control projects.
4. Estimate of the total cost: 2.1 million dollars over a period of three years (Based on previous work conducted by the U.S> Army Corps of Engineers in other States).



5. Anticipated monetary and non-monetary benefits of the proposal.

Approximately 60% of Puerto Rico's population lives near the coast with most major metropolitan centers being directly on the coastline (San Juan, Ponce, Mayaguez, Arecibo). In recent years, municipalities and private property owners have constructed shore protection projects independently to protect infrastructure. Many of these projects have been poorly engineered and often implemented without the consideration of impacts to adjacent properties. The result has been a patchwork of vulnerable shore protection often creating problems additional to those they are meant to address. As sea levels rise and coastal storms increase in frequency and strength there is more and more need for a well-implemented, consistent approach to coastal storm risk in order to protect infrastructure.

In addition, the tourism industry represents 7% of Puerto Rico's GDP (approximately \$70 billion dollars per year) and is the only sector of the economy experimenting growth. The agenda of the Puerto Rico Tourism Company is to position Puerto Rico as the aerial hub of the Caribbean; developing a world-class tourist product. Beaches, coastal landscapes, such as the bioluminescent bays and hotel infrastructure and services are at the center stage of this strategy.

Approximately 90% of Puerto Rico's hotels are located in coastal areas and are promoted as coastal and beach destinations. Controlling erosion would enable the protection of critical coastal infrastructure, communities, hotels and touristic attractions. Protecting and rehabilitating beaches would also contribute to increase setbacks from infrastructure at risk while optimizing the main tourism asset of the Island.

Increased protection of critical coastal infrastructure and protecting beaches would reduce coastal hazards and increase resiliency while preserving and enhancing tourism assets.

Estimated and anticipated monetary benefits to the island of Puerto Rico could represent approximately 9 to 12 billion dollars (estimated cost of real state and critical infrastructure that could be protected).

Relevant link: <http://www2.pr.gov/presupuestos/RecommendedBudget2014-2015/Informacin%20de%20Referencia/The%20Economy%20of%20Puerto%20Rico%20in%20Fiscal%20Year%202013%20and%20Outlook%20for%20Fiscal%20Years%202014%20and%202015.pdf>

6. The proposed planning initiatives and the requested feasibility study is supported at the highest level of the Commonwealth of Puerto Rico government as well as by leading academic and sectorial representatives:

- Hon. Alejandro García Padilla, Governor of the Commonwealth of Puerto Rico
- Hon. Carmen R. Guerrero-Pérez, DNER Secretary
- Ms. Ingrid Rivera-Rocafort, Executive Director of the Puerto Rico Tourism Company
- Mayors of coastal municipalities affected by coastal erosion

- Senators and Legislators from the Puerto Rico Legislature
  - Puerto Rico Hotel and Tourism Association
7. The Puerto Rico government through DNER will provide the required Non-Federal cost share.
  8. Statements of support from associated non-Federal interests (Attachments)

On behalf of the People of Puerto Rico, I thank you in anticipation of a positive consideration and approval of the requested feasibility study to be conducted by the U.S. Army Corps of Engineers in coordination with DNER.

Sincerely,



Carmen R. Guerrero Pérez  
Secretary