



CORONAVIRUS STATE FISCAL RECOVERY FUND

Promote Puerto Rico:
Revitalize Tourist
Attractions, Natural
Resources, & Balnearios

Program Guidelines

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Program Overview

Background

Since March of 2020, Puerto Rico, like most jurisdictions in the United States and countries around the world, has experienced an unprecedented emergency caused by the Coronavirus Disease 2019 (“COVID-19”) pandemic. To slow the spread of the disease and ensure stability of its healthcare system, the Government of Puerto Rico has implemented measures to address the emergency. On March 12, 2020, the Government of Puerto Rico issued Administrative Bulletin OE-2020-020 through which formally declared a state of emergency due to the imminent impact of the coronavirus in Puerto Rico.

During the state of emergency, Puerto Rico suffered great loss of life and severe economic hardships which have impacted a Commonwealth still reeling from natural disaster. Puerto Rico lost over 2,500 citizens, tourism dwindled with hotel registrations falling 95% from February to April 2020, and ~460,000 residents of Puerto Rico experienced unemployment, twice the previous number of unemployed individuals. Despite these hardships, Puerto Rico persevered, and with over 2,600,000 doses of COVID-19 vaccines administered, Puerto Rico is positioned to emerge from the COVID-19 pandemic.

To help Puerto Rico emerge from the COVID-19 pandemic, Congress passed the American Rescue Plan Act of 2021 (“ARP Act”), and the President signed it into law on March 11, 2021. To assist state governments with addressing the lingering public health emergency while targeting areas and industries in needs of economic development, the ARP Act established the Coronavirus State and Local Fiscal Recovery Fund, which provides \$350 billion in direct assistance to states, territories, counties, metropolitan cities, tribal governments, and non-entitlement units of local governments. As part of the Coronavirus State and Local Fiscal Recovery Fund, Puerto Rico received \$2.47 billion under the Coronavirus State Fiscal Recovery Fund (“CSFRF”).

To ensure the expeditious processing of apportioned funds from the CARES Act, the Government of Puerto Rico established the Disbursement Oversight Committee, consisting of the Secretary of the Department of the Treasury, the Director of the Office of Management and Budget (OGP), and the Executive Director of the Puerto Rico Fiscal Agency and Financial Advisory Authority (AAFAF). The Committee was created on May 15, 2020, by means of Executive Order No. 2020-040, and on May 7, 2021, by means of Executive Order No. 2021-034, the Governor of Puerto Rico extended the Committee’s oversight to include CSFRF.

Program Description

On August 3, 2021, Governor Pedro Pierluisi announced the Promote Puerto Rico: Revitalize Tourist Attractions, Natural Resources, & “Balnearios” Program, which makes up to \$25 million in immediate CSFRF funds available to revitalize and restore attractions that bring tourists to Puerto Rico. Attractions included in this program are:

- Balneario Sun Bay in Vieques- \$1,300,000
- Balneario de Caña Gorda in Guánica- \$1,500,000
- Balneario Javier Calderón Nieves in Vega Alta- \$800,000
- Balneario La Monserrate in Luquillo- \$1,200,000
- Balneario Manuel Nolo Morales in Dorado- \$2,500,000
- Centro Vocacional y Ecológico Monte del Estado in Maricao- \$1,500,000
- Centro Vacacional y Balneario Boquerón in Cabo Rojo- \$5,200,000

- Centro Vacacional y Balneario Tres Hermanos in Añasco- \$3,000,000
- Centro Vacacional Villas del Lago Caonillas in Utuado- \$900,000
- Parque Nacional Julio Enrique Monagas in Bayamón- \$1,200,000
- Parque de las Cavernas del Río Camuy in Camuy- \$1,500,000
- Parque Luis Muñoz Rivera in San Juan- \$1,500,000
- Parque de Isla de Cabras in Toa Baja- \$1,500,000
- Zoológico de Puerto Rico Dr. Juan A. Rivero in Mayagüez- \$1,500,000

Puerto Rico's tourism industry was devastated as a result of the COVID-19 pandemic and subsequent lockdowns. Between March and December 2020, the average hotel and paradores occupancy rate was 27.8% compared to a 66.3% average occupancy rate between March and December 2019.¹ This dramatic decline in tourism led to unprecedented unemployment and economic hardships for many citizens of Puerto Rico. As COVID-19 vaccines begin to allow a return to normalcy, Puerto Rico must revitalize attractions which will bring tourists back to Puerto Rico.

Disbursement of Program funds will be subject to the strictest standards to ensure compliance with federal regulations and best practices. Therefore, each request for disbursement will be duly documented and subject to control and audit.

Points of Contact

The Program will be administered by the Coronavirus Relief Fund Disbursement Oversight Committee (Committee) in conjunction with the Puerto Rico Department of Natural Resources (DRNA) and AAFAF.

Eligibility Criteria

Eligible Recipients must meet all the following criteria:

- Be the Puerto Rico Department of Natural Resources (DRNA);
- Commit to abide by the Program's terms and conditions;
- Agree to return the Program funds, if it is determined that they did not comply with any of the Program eligibility requirements, or if the Program funds were not spent on eligible expenses by December 31, 2024.

Allowable Expenditures

Allowable expenses under this award must be for the following parks, natural resources attractions and "balnearios":

- Balneario Sun Bay in Vieques- \$1,300,000 (Project Start date – 11/01/2021 Project End Date 06/30/2023)
 - Reestablish electronic communication systems and phones lines \$50,000
 - Structural painting and improvements to parking lot \$517,000
 - Mechanical arms for parking lot \$8,000
 - Electric bomb water repairs \$100,000
 - Security cameras installation (collection area) \$5,000

¹ Development Bank of Puerto Rico: <http://www.bde.pr.gov/bdesite/PRED.html>

- Photovoltaic system installation (superintendence office) \$50,000
- “Salgazera” (surf rake) and tractor equipment \$104,000
- Improvement for offices, restrooms, and storage room & office equipment (including Oficina Cuerpo de Vigilantes y Refugio) \$220,000
- Fence and camping area improvements \$246,000
- Balneario de Caña Gorda in Guánica- \$1,500,000 (Project Start Date 11/01/2021- Project End Date 06/30/23)
 - General pipeline repairs \$20,000
 - Erosion problem repairs \$1,000,000
 - Demolition and reconstruction of outside showers and administration office \$200,000
 - Structural paintings and improvements to parking lot \$40,000
 - Mechanical arms for parking lot \$ 8,000
 - Security cameras installation \$5,000
 - Kids play zone area \$13,000
 - Water tank repairs & used water treatment plant \$110,000
- Balneario Javier Calderón Nieves Vega Alta- \$800,000 (Project Start Date 11/01/2021- Project End Date 04/30/2023)
 - Fence and gate repairs \$350,000
 - Structural painting and improvements to parking lot \$50,000
 - Storage room improvements \$ 80,000
 - Air conditioning system improvements \$20,000
 - Mechanical arms for parking lot \$8,000
 - Security cameras installation \$5,000
 - Improvements for lightning parking lot and beach area \$40,000
 - “Salgazera” (surf rake) and tractor equipment \$104,000
 - Improvements of “puente canal manglar” \$100,000
 - Connect sanitary system with Autoridad de Acueductos y Alcantarillados (AAA) \$43,000
- Balneario La Monserrate in Luquillo- \$1,200,000 (Project Star date 11/01/2021- Project End Date 11/30/2023)
 - “Mar sin Barreras” area repairs \$23,000
 - Structural painting and improvements to the parking lot (including patching) \$40,000
 - “Salgazera” (surf rake) and tractor equipment \$104,000
 - Pump system repairs (shower area) & improve and connect sanitary system with AAA \$1,000,000
 - Mechanical arms for parking lot \$8,000
 - Security cameras installation \$5,000
 - Kids play zone area \$20,000
- Balneario Manuel Nolo Morales in Dorado- \$2,500,000 (Project Start Date 11/01/2021- Project End Date 11/30/2023)
 - Erosion problem repairs (superintendence building)
 - Fence and parking lot improvements (including batching) \$90,000
 - Mechanical arms for parking lot \$5,000
 - Rainwater drainage (stormwater outlets) improvements \$500,000

- Security cameras installation \$5,000
- “Salgazera” (surf rake) and tractor equipment \$104,000
- Centro Vocacional y Ecológico Monte del Estado in Maricao- \$1,500,000 (Project Start Date 11/01/2021- Project End Date 05/31/2023)
 - Cleaning and reconstruction of composting toilet system \$1,000,000
 - Security lighting repairs \$50,000
 - Barbeque station and sidewalk repairs \$420,000
 - Parking lot improvements and repairs \$117,000
 - Automatic chlorinator for pools \$80,000
 - Security cameras installation (collection office) \$5,000
 - Structural painting and improvements to the parking lot (including patching) \$120,000
 - Mechanical arms for parking lot \$8,000
 - General repairs of used water pipeline \$500,000
 - Repairs of the sanitary system (including situation and measurement study) \$100,000
 - Relocation of handicap ramps \$100,000
- Centro Vacacional y Balneario Boquerón in Cabo Rojo- \$5,200,000 (Project Start Date 11/01/2021- Project End Date 11/30/2023)
 - “Mar sin Barreras” structure demolition \$180,000
 - Kayak dock with handicap access \$100,000
 - General structure painting \$200,000
 - Repairs in restroom building and general painting \$500,000
 - Security cameras installation (collection office) \$20,000
 - Replace septic tanks for retention and interconnection tanks with AAA \$1,000,000
 - “Salgazera” (surf rake) and tractor equipment \$104,000
 - Improvements and repairs to kids play zone area \$20,000
 - Repairs of Villas I & II and replacement of equipment \$1,486,000
 - First aid room and storage \$80,000
 - Mechanical arms for parking lot \$10,000
 - Parking lot resurfacing \$1,000,000
 - Improvements of superintendence building (leak repairs and painting) \$200,000
 - Improvements of the lightning system \$300,000
- Centro Vacacional y Balneario Tres Hermanos in Añasco- \$3,000,000 (Project Start Date 11/01/2021- Project End Date 05/31/2023)
 - Improvements of the air-conditioning system, multiuse center, and superintendence building \$100,000
 - Villas & cabin repairs \$100,000
 - Pool repairs \$200,000
 - Sanitary system repairs \$900,000
 - Security cameras installation (collection office) \$20,000
 - Mechanical arms for parking lot \$8,000
 - “Salgazera” (surf rake) and tractor equipment \$104,000
 - Structural painting and improvements to the parking lot (including patching) \$780,000

- Centro Vacacional Villas del Lago Caonillas in Utuado- \$900,000 (Project Start Date 11/01/2021- Project End Date 11/30/2024)
 - Security fence repairs \$20,000
 - Electric and lighting system improvements \$90,000
 - Retaining wall in front of the reservoir & stabilization columns in the cabins \$500,000
 - Mechanical arms for parking lot \$8,000
 - Security cameras installation (collection area) \$20,000
 - Sanitary system improvements \$40,000
 - Interior improvements, cabins & office \$212,000
- Parque Nacional Julio Enrique Monagas in Bayamón- \$1,200,000 (Project Start Date 11/01/2021- Project End Date 11/30/2023)
 - Underground electrical system repairs \$900,000
 - Mechanical arms for parking lot \$5,000
 - Security cameras installation (collection area) \$5,000
 - Parking lot improvements and painting (including patching) \$90,000
 - Lightning and observation tower improvements \$300,000
- Parque de las Cavernas del Río Camuy in Camuy, Hatillo & Lares - \$1,500,000 (Project Start Date 11/01/2021- Project End Date 11/30/2021)
 - Trolley repairs and other related expenses \$700,000
 - Cueva Clara pathway repairs \$700,000
 - Tres Pueblos platform restoration \$100,000
- Parque Luis Muñoz Rivera in San Juan- \$1,500,000 (Program Start Date 11/01/2021- Program End Date 11/30/23)
 - Roof rain system repairs (Pabellón de La Paz) \$1,260,000
 - Electric and lighting system repairs \$400,000
 - Mechanical arms for parking lot \$5,000
 - Security cameras installation (collection area) \$5,000
 - Repairs for administration office and restrooms (including Pabellón de la Paz restroom) \$120,000
- Parque Isla de Cabras in Toa Baja- \$1,500,000 (Project Timeline 24 months)
 - Restrooms repairs \$30,000
 - Concessions area repairs \$40,000
 - Handicapped ramp, electric system, drinking water, and lightning repairs \$80,000
 - Parking lot improvements and painting (including patching) \$125,000
 - Dock area improvements including drainage, entrance fence, ramp, and parking \$25,000
 - Improvement to Park lightning system \$60,000
 - Gazebo roof repairs \$90,000
 - Painting (concrete, metal, and wood areas) \$25,000
 - Correction of erosion problems on the coast side \$1,025,000
- Zoológico de Puerto Rico Dr. Juan A. Rivero in Mayagüez- \$1,500,000 (Program Start Date 11/01/2021- Project End Date 11/30/2023)
 - Improvements for the electric system, facilities, electric generators, refrigerator, and freezer area \$1,200,000

→ Improvements for refugee area and veterinary clinic \$300,000

- Necessary expenses related to promoting economic development to recover from COVID-19.
- Expenses necessarily incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).
- Necessary expenses to reopen public places following the CDC guidelines and covid-19 restrictions.
- Expenses incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.

For further guidance please refer to the [Guidance](#) and the [Frequently Asked Questions](#) published by the U.S. Treasury.

Other CSFRF Programs

In addition to the Program detailed above, the Governor allocated funds for additional programs to address the public health emergency, ensure continuity of government services, address negative economic impact, provide premium pay, invest in water, sewer, and broadband infrastructure, and provide for provision of government services (up to lost revenue). Please visit <https://www.aafaf.pr.gov/coronavirus-state-and-local-fiscal-recovery-funds/> for additional information about these programs.

Ineligible Expenditures

Ineligible expenses will be determined by the Committee, the U.S. Department of the Treasury, the Office of Inspector General (OIG), and other regulatory bodies, and under this award include, but are not limited to:

- Necessary expenses that have been covered or reimbursed, or that will be covered in the future, by other state or federal programs, including funds received through the CARES Act or form FEMA;
 - Deposits into any pension funds;
 - Offsetting a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax;
- And
- Expenses for other attractions and expenses not listed here;
 - Executive bonuses, debt refinancing, or other expenses that are determined to be unnecessary for continued operations in the COVID-19 environment.

For further guidance please refer to the [Guidance](#) and the [Frequently Asked Questions](#) published by the U.S. Treasury.

Process Overview

The following is intended to outline the process by which funds from the CSFRF will be distributed under the Program.

August 3, 2021	Program Announced
November 9, 2021	Funds Available
November 2021 – Funds Expended	Biweekly Use of Funds Reports
November 2021– Funds Expended	Monthly Progress Report
December 31, 2024	Deadline for Award Funds to be Used

January 2025 – February 2025	Program Audits Use of Funds Compliance and Recovery
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Requests

Requests will be submitted electronically using the Agency Request for Funding process along with the request processing portal (<http://ogp.pr.gov/Pages/Procesamiento-de-Planteamientos.aspx>) administered by the Puerto Rico OGP. Applicants should submit requests under the PP Form-CSFRF Fund Request. Upon submission, Applicants will receive a confirmation via electronic mail.

More information on forms, documents, and eligibility can be found on the web at: <https://www.aafaf.pr.gov/coronavirus-state-and-local-fiscal-recovery-funds/>

Evaluation

For all requests, decisions will be evaluated for completeness and eligibility, and final determinations will be made by representatives of AAFAF. Each Request will be evaluated, and Program funds allocated using a standard of necessity.

The Disbursement Oversight Committee will receive a final funding award decision.

Award and Funding

Requestors will be notified via electronic mail of funding decisions. Subsequent funding opportunities (including expansion of eligible institutions and use of funds) will be determined based upon availability of funds remaining after completion of initial awards.

Compliance

Any government entity receiving funds must adhere to the Uniform Guidance, 2 C.F.R § 200 (“Uniform Guidance”). This Uniform Guidance outlines the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”. Recipients and their personnel are responsible for reviewing, understanding, and applying the complete underlying legislation and guiding documents. For complete details on 2 CFR 200, visit the Electronic Code of Federal Regulations at https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl. Topics included in the Uniform Guidance include, but are not limited to:

- Procurement standards and requirements
- Contract cost and price principles
- Bonding requirements
- Document retention and auditing provisions

Any government and non-government entity receiving Program funds will be required to retain use of funds records and supporting documentation for a period of five (5) years. Furthermore, by accepting CSFRF funds, government and non-government entities are required to certify proper and legal use of the funds and agrees to cooperate in any audit proceedings requested by the Government of Puerto Rico or other governing entity responsible for the compliant use of Program funds.

Reporting Requirements

On an annual basis, the Government of Puerto Rico is required to submit a performance report detailing the progress and impact of the use of CSFRF funds. This Recovery Plan Performance Report will include descriptions of the projects funded and information on the performance indicators and objectives of each

award, helping local residents understand how their governments are using the substantial resources provided by Coronavirus State and Local Fiscal Recovery Funds program.

The key output performance indicators for this Program include:

- Monthly improvement and repair progression report that quantify the success of the project through evidence-based evaluations for each project listed here.

Once the project is completed:

- Number of National Park visitors
- Number of balnearies impacted
- Number of other tourist attractions impacted
- Number of facilities in good standing

The key outcome performance indicators for this Program include:

- Number of visitors to balnearies, parks and natural resources
- Reservations for villas and cabanas
- Change in projects completed

To ensure timely reporting, the Government of Puerto Rico requires the Lead Agency to adhere to the following reporting frequency:

- On a biweekly, the Puerto Rico Department of Treasury will provide a summary of all program disbursements to date.
- On a monthly basis, the Lead Agencies will provide an improvement and repair progression report for each project listed here.

Once the project is completed and opens for visitors:

- On a monthly basis, the Lead Agencies will report the monthly change in number of National Park visitors.
- On a monthly basis, the Lead Agencies will report the number of balnearies impacted.
- On a monthly basis, the Lead Agencies will report the number of other tourist attractions impacted.
- On a monthly basis, the Lead Agencies will report the monthly change in the number of villas and cabanas reservations.
- On a monthly basis, the Lead Agencies will report the monthly change in the number of tourist attraction visitors.

To ensure timely reporting, the Government of Puerto Rico requires the Recipients to adhere to the following reporting frequency:

- On a biweekly basis, the Recipients will be required to submit monthly financial reports using the reporting template provided by the program. Upon program close, recipients will be required to submit a comprehensive final financial reconciliation report detailing the use of program funds.

As reporting needs may change over time, the Program reserves the right to request additional data from the Lead Agency or Recipients at any time.