

**SAN JUAN HARBOR
PUERTO RICO**

**SAN JUAN HARBOR IMPROVEMENT STUDY
FEASIBILITY STUDY AND ENVIRONMENTAL ASSESSMENT**

APPENDIX E

REAL ESTATE PLAN

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REAL ESTATE PLAN

1. STATEMENT OF PURPOSE

This Real Estate Plan (REP) focuses on the Tentatively Selected Plan (TSP) and is provided in support of San Juan Harbor Feasibility Study and Environmental Assessment. Physical constraints and the associated inefficiencies, which limit the system's ability to safely and efficiently serve the forecasted vessel fleet and process the forecasted cargo volumes, generate the need for modifications to the existing navigation system in San Juan Harbor. The purpose of this feasibility study includes identifying and recommending a comprehensive set of navigation modifications that would reasonably maximize, consistent with protecting the Nation's environment, San Juan Harbor's contribution to net National Economic Development (NED) benefits by addressing those physical constraints and inefficiencies. Based on the results of the anticipated vessel fleet and cargo volume changes, modifications to improve the efficiency of the navigation system at San Juan Harbor have a high potential to provide significant benefits to the national economy.

This report is preliminary and written to the level of detail of the main report, other details may be added and is intended for planning purposes only. Both the final real property lines and land values estimates are subject to change even after approval of this report. There may be modifications to the plans that occur during Pre-construction, Engineering and Design (PED) phase, thus changing the final acquisition area(s) and/or administrative and land costs.

2. PROJECT AND STUDY AUTHORIZATION

The authority for conducting this Feasibility Study is provided by House Report 109-738 - 109th Congress (2005-2006) December 29, 2006, As Reported by the Transportation and Infrastructure Committee documents the resolution approving the navigation study.

“WATER RESOURCES SURVEY RESOLUTIONS APPROVED BY THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE Mr. Fortuno: San Juan Harbor, PR, Docket number: 2764, Date filed: February 23, 2006 (navigation project). September 20, 2006. Resolution adopted by the Committee on Transportation and Infrastructure.”

A Limited Reevaluation Report, completed in August 2002, concluded that there was a potential Federal interest in pursuing navigation improvements at San Juan Harbor. A Federal interest exists when the economic benefits exceed the costs to build and maintain a potential project over the period of analysis. That conclusion led to the initiation of the feasibility study and provision of Federal funding following execution of the Feasibility Cost Sharing Agreement in September 2015.

3. PROJECT LOCATION

San Juan Harbor is located on the north coast of the island of Puerto Rico, about one-third of the distance west along the coast from the northeast corner. It is the largest commercial port in Puerto Rico and one of the largest in the Caribbean. Figures 3-1, 3-2, and 3-3 show the project location.



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Figure 3-1 Project Vicinity/Location Map

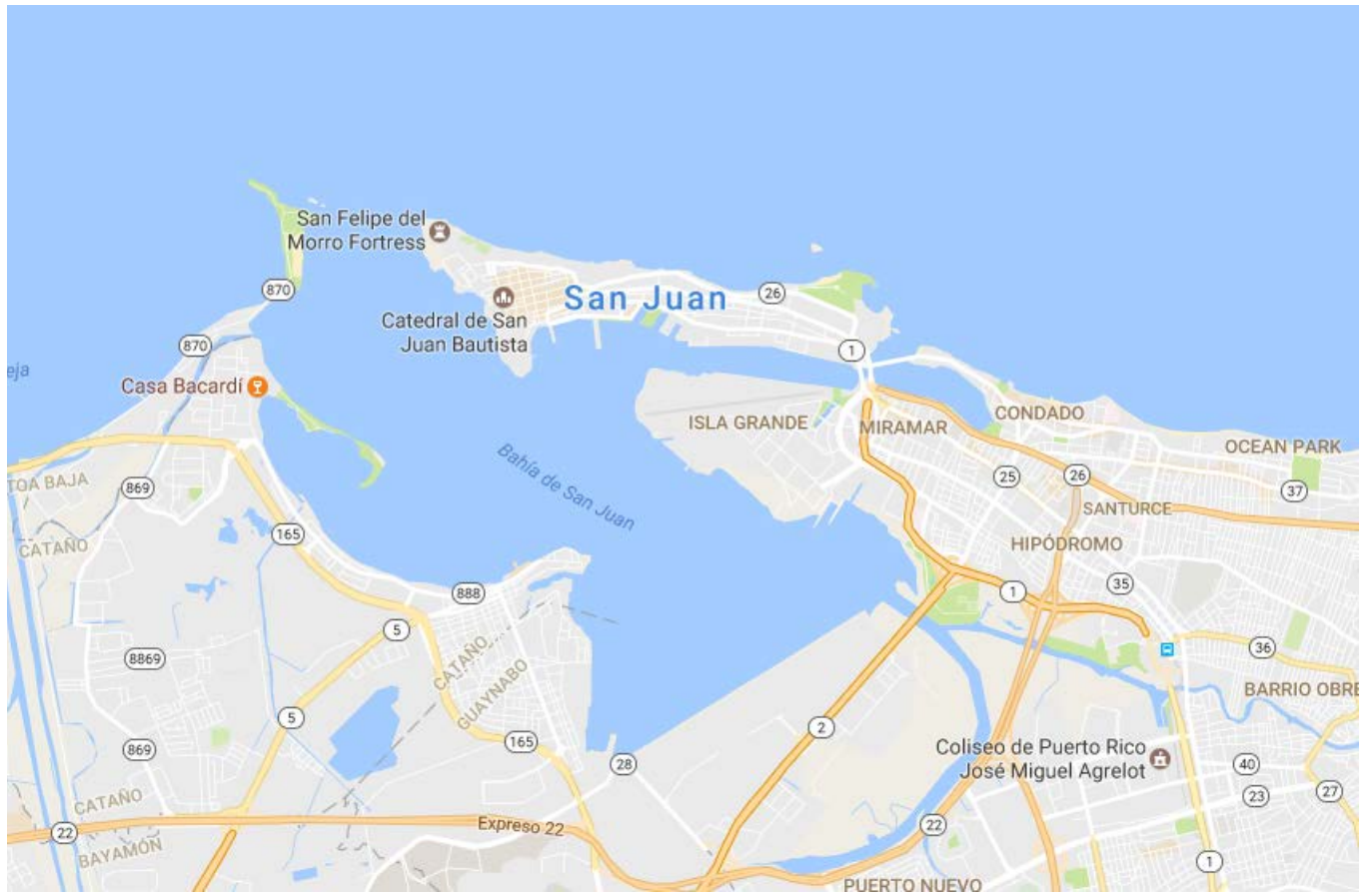


Figure 3-2 Project Vicinity/Location Map



Figure 3-3 Project Vicinity/Location Map

4. PROJECT DESCRIPTION

The San Juan Harbor study area encompasses the bar (entrance) channel, offshore material disposal sites, inner harbor channels, and any extension of the water bodies and shorelines that could be impacted by proposed improvements. The entrance channel accesses the Atlantic Ocean to the north between Isla de Cabras and Old San Juan. The project will include the southern boundary of the Bar Channel and run southeast to Anegado Channel. From there, the project will extend west to include an anchorage area. Continuing to the east, the project will incorporate both the San Antonio Approach Channel and the San Antonio Channel. Extending to the south of the San Antonio Approach Channel, the project will provide another anchorage area. The project continues south along the Army Terminal Channel to the Army Terminal Turning Basin. Then the project extends to the northeast of the Turning Basin along the Puerto Nuevo Channel, reaching the Puerto Nuevo Turning Basin. To the north, the project will include the Graving Dock Turning Basin and then head northwest along the Graving Dock channel back to the Anegado Channel. The Ocean Dredged Material Disposal Site (ODMDS) is located approximately 2.2 nautical miles northeast of San Juan Harbor. Figure 4-1 shows the recommended project plan.

Deepen Cut-6 to 46 feet. Deepen Anegado Channel to 44 feet. This depth will extend to the Army Terminal Turning Basin. The Army Terminal Channel will be widened by 50 feet on both the east and west sides. The San Antonio Approach Channel, San Antonio Channel and Extension, and Cruise Ship Basin East will be excavated to a depth of 36 feet. All dredged material will be relocated to the ODMDS, see Figure 3-3.

NAVIGATION CONCERNS

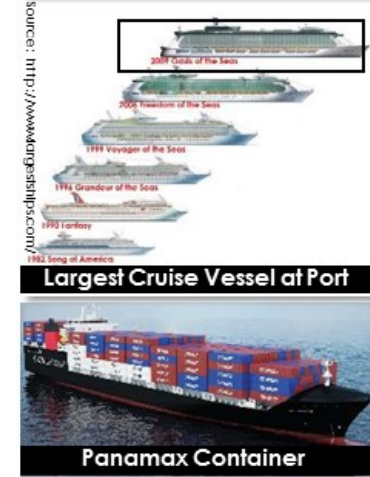


ECONOMIC CONDITIONS



Future Economic Conditions:

- Continued transportation inefficiencies/costs without a project
- No changes to fleet without a project
- No growth in existing commodities
- Additional home-ported cruise vessel at Pan American docks
- Potential to transition from truck haul to LPG vessels at Graving Dock Terminal with a project (awaiting information from terminal operator)
- Addition of LR2 petroleum tankers with a project minimizes vessel transits
- With-project deepening minimizes petroleum vessel light loading
- Transition from MR & LR1 tankers to LNG vessels with a project can markedly reduce the cost of generating energy on the island



NATURAL & HUMAN ENVIRONMENT



- Preliminary surveys indicate no direct impacts within the construction footprint nor indirect impacts within a 492-foot zone outside of the channel; Anchorage Area F, to be constructed by the U.S. Coast Guard, may have impacts to seagrasses
- Standard marine animal & coral construction conditions will be followed for listed species (sea turtle, whales, manatee, etc.) including observers



Cultural Resources

- ~ 56 shipwrecks between the 16th & mid-20th centuries – high probability of cultural resources near or in TSP footprint
- Six historic properties listed in the NRHP near project area
- A cultural resources remote sensing survey (magnetometer) did not indicate historic properties in TSP footprint; sidescan sonar & sub-bottom profiler data confirmed the results



MAXIMUM PROPOSED WIDENING

- Widen Army Terminal Channel from 350' to 450'

MAXIMUM PROPOSED DEEPENING (counterclockwise)

- Cut 6 to 46'
- Anegado Channel to 44'
- Army Terminal Channel to 44'
- Army Terminal Turning Basin to 44'
- San Antonio Channel to 36'
- Cruise Ship Basin East to 36'

CONSTRUCTION

- Mechanical clamshell dredge with bottom-dump barge transport to offshore Ocean Dredged Material Disposal Site (ODMDS)
- ~ 2.1M cubic yards of material

TOTAL COST: \$ 553,198,000

Total Federal Cost: \$ 34,000,000
Total Non-Federal Cost: \$ 519,000,000

AAEQ NET BENEFITS: \$ 54,115,000

AAEQ Benefits: \$ 75,988,000
AAEQ Costs: \$ 21,873,000

BCR: 3.5 at 2.875%

Figure 4-1: Recommended Plan Area Overview

5. REAL ESTATE REQUIREMENTS

The deepening, widening, and expansion of the channels and turning basins is within the navigable waters of United States and are available to the Federal Government by navigation servitude. The existing ODMDS is available to the Federal Government by navigation servitude. The staging areas will not require any easements. Staging areas have been identified as offshore barges.

6. ESTATE TO BE ACQUIRED

Real Estate will be available using navigation servitude, the project will not require standard or non-standard estates.

7. FEDERALLY OWNED LAND

There are no Federal owned lands necessary for the project.

8. NON-FEDERALLY-OWNED LAND

There are no Non-Federal owned lands necessary for the project.

9. NON-FEDERAL OPERATION AND MAINTENANCE RESPONSIBILITIES

Puerto Rico Ports Authority (PRPA) will be the Non-Federal Sponsor (NFS) for the project. The NFS has the responsibility to acquire all real estate interests required for the project. The NFS shall accomplish all alterations and relocations of facilities, structures and improvements determined by the government to be necessary for the construction of the project. The sponsor will have operation and maintenance responsibility for the project once construction has been completed. Future periodic nourishments are considered construction and will be performed in accordance with the Project Partnership Agreement, when approved.

10. NON-FEDERAL AUTHORITY TO PARTICIPATE IN PROJECTS

Puerto Rico Ports Authority is the non-Federal sponsor for this project, their authority to participate is derived through its creation by Puerto Rico Act No. 125, approved on May 7, 1942, as amended. The Port has experience in land acquisition. The Non-Federal sponsor has participated in other Federally sponsored projects.

The Assessment of the NFS Real Estate Acquisition Capability is attached as Exhibit 1.

11. NAVIGATION SERVITUDE

All the material to be dredged and the dredge placement for the San Juan Harbor channel improvements are below the mean high water mark and within navigable waters of the United States. The project is designed to aid commerce through improved navigation. The project passes the navigation servitude two-step determination process, complying with ER 405-1-12 and as such the lands are available to the Federal Government directly by navigation servitude.

12. ATTITUDE OF OWNERS

Puerto Rico, Puerto Rico Ports Authority, and local communities fully support the project.

13. MINERALS

Preliminary assessment indicates no known present or anticipated mineral or sub-surface mineral extraction activities within the vicinity of the proposed area which may affect construction, operation, or maintenance of the project.

14. HAZARDOUS, TOXIC, AND RADIOACTIVE WASTE (HTRW)

There are no known HTRW identified within the project area.

15. INDUCED FLOODING

There will be no induced flooding directly associated with this project.

16. ZONING ORDINANCES

Application or enactment of zoning ordinances will not be used in lieu of acquisition.

17. RELOCATIONS ASSISTANCE (UNIFORM ACT 49 CFR PART 24)

No persons, businesses, or structures will be impacted by the project. There will be no relocations under 49 CFR Part 24 for this project.

18. RELOCATIONS, ALTERATIONS, VACATIONS, AND ABANDONMENTS

There are no structural facilities to be affected by the construction of the project.

19. STANDING TIMBER AND VEGETATIVE COVER

There is no timber or unusual vegetative cover in the project area.

20. RECREATION RESOURCES

There are no separable recreational lands identified for this project.

21. CULTURAL RESOURCES

Coordination with the Puerto Rico State Historic Preservation Officer (SHPO) has been initiated and consultation is ongoing. The submerged cultural resources survey will be complete prior to release of the Environmental Assessment.

22. OUTSTANDING RIGHTS

There are no known outstanding rights in the project area.

23. MITIGATION

There is no mitigation required.

24. ACQUISITION/ADMINISTRATIVE COST

Federal administrative costs of \$60,000 have been included for the project. The cost includes project real estate planning, mapping, review, oversight, and monitoring costs.

25. SUMMARY OF PROJECT REAL ESTATE COSTS

The following cost figures are subject to change prior to construction:

a. Lands and Damages		\$0.00
(Fee Simple/Mitigation – 0 acres)		
b. Administrative costs		\$60,000
Federal	\$60,000	
Non-Federal	\$0.00	
Appraisal		\$0.00
Federal	\$0.00	
Non-Federal	\$0.00	
Condemnation		\$0.00
Federal	\$0.00	
Non-Federal	\$0.00	
c. Total Estimated Real Estate Cost		\$60,000
d. Contingency (10%)		\$6,000
e. Total Real Estate Cost with Contingency		\$66,000

The 10% contingency rate is based on the risk cost analysis.

26. REAL ESTATE ACQUISITION SCHEDULE

All the lands required for the project are covered by navigation servitude and are available immediately.

27. CHART OF ACCOUNTS FOR PROJECT

01	Lands & Damages		\$ 0
01B--	Acquisition/Admin		\$60,000
01B20	By Project sponsor (LS)		\$30,000
01B40	Review of Project sponsor		\$30,000
TOTAL REAL ESTATE COST EXCLUDING CONTINGENCY			\$60,000
01M00	CONTINGENCY (10%)		\$6,000
	Non-Federal	\$3,000	
	Federal	\$3,000	
TOTAL PROJECT REAL ESTATE COST			\$66,000

* The contingency percent is based on the risk cost analysis.

EXHIBIT NO. 1

FINAL- ASSESSMENT OF NON-FEDERAL SPONSOR'S
REAL ESTATE ACQUISITION
CAPABILITY FOR
SAN JUAN HARBOR FEASIBILITY STUDY

DRAFT
EXHIBIT 1
SAN JUAN HARBOR FEASIBILITY STUDY
ASSESSMENT OF NON-FEDERAL SPONSOR'S
REAL ESTATE ACQUISITION CAPABILITY

I. Legal Authority:

- a. Does the sponsor have legal authority to acquire and hold title to real property for project purposes? Yes
- b. Does the sponsor have the power of eminent domain for this project? Yes
- c. Does the sponsor have "quick-take" authority for the project? Yes
- d. Are any of the lands/interests in land required for the project owned by an entity whose property the sponsor cannot condemn? No
- e. Are any of the interests in land required for the project located outside the sponsor's political boundary? No

II. Human Resource Requirements:

- a. Will the sponsor's in-house staff require training to become familiar with the real estate requirements of Federal projects including P.L. 91-646, as amended? No
- b. If the answer to II.a. is "yes," has a reasonable plan been developed to provide such training?
No
- c. Does the sponsor's in-house staff have sufficient real estate acquisition experience to meet its responsibilities for the project? Yes
- d. Is the sponsor's projected in-house staffing level sufficient considering its other work load, if any, and the project schedule? Yes
- e. Can the sponsor obtain contractor support, if required, in a timely fashion? Unknown at this time
- f. Will the sponsor likely request USACE assistance in acquiring real estate? No

III. Other Project Variables:

- a. Will the sponsor's staff be located within reasonable proximity to the project site? Yes
- b. Has the sponsor approved the project/real estate schedule/milestones? Project milestone will be developed during PED, will be a joint effort between RE, PM, and NFS

IV. Overall Assessment:

- a. Has the sponsor performed satisfactorily on other USACE projects? Yes
- b. With regard to this project, the sponsor is anticipated to be: highly capable/fully capable/moderately capable/marginally capable/insufficiently capable. highly capable

V. Coordination:

- a. Has this assessment been coordinated with the sponsor? Yes
- b. Does the sponsor concur with this assessment? Yes

DATE: 1 June 2017

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