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**Fifteenth Progress Report on the Economic and Disaster
Recovery of Puerto Rico**

**Submitted to Congress Pursuant to Public Law 115-123,
the Bipartisan Budget Act of 2018**

June 30, 2026



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I. Executive Summary

The Government of Puerto Rico (GPR) respectfully submits the Fifteenth Progress Report on the Economic and Disaster Recovery of Puerto Rico (the Report) to Congress, pursuant to Section 21210 of the Bipartisan Budget Act of 2018 (Public Law 115-123). The Report provides an overview of the Island's ongoing recovery under the Economic and Disaster Recovery Plan (Recovery Plan)¹ for the reporting period of October 1, 2025, through March 31, 2026.

While the Report includes updates on multiple Federal award programs and disaster declarations, it primarily focuses on the Federal Emergency Management Agency's (FEMA) Public Assistance (PA) Program and the Hazard Mitigation Grant Program (HMGP) related to Hurricane Maria (DR-4339-PR).

Puerto Rico's long-term recovery and mitigation portfolios have continued to advance during the reporting period, supported by ongoing Federal obligations, disbursements, and project execution under FEMA's PA and HMGP. As of March 31, 2026, the status of Federal funding is summarized as follows:

- FEMA PA²:** Puerto Rico's permanent recovery portfolio under FEMA PA continues to advance into sustained execution. FEMA had approved approximately \$38.9 billion in total PA obligations for Hurricane Maria, including a Federal share of approximately \$35.6 billion, of which \$11.0 billion had already been disbursed. Within that broader portfolio, permanent work remains the primary driver of the Island's long-term reconstruction, with more than 5,200 permanent work projects³ completed to date, approximately \$27.9 billion obligated for Categories C through G, and approximately \$5.1 billion disbursed for permanent work activities.
- FEMA HMGP⁴:** HMGP remains a cornerstone of Puerto Rico's long-term resilience and risk-reducing strategy, supporting projects designed to lessen the impact of future disasters and protect critical infrastructure. Puerto Rico's HMGP portfolio for Hurricane Maria included a program allocation of approximately \$2.99 billion, with approximately \$2.14 billion authorized and approximately \$632.6 million in Federal share obligated. Total disbursements reached approximately \$169.6 million, including \$169.0 million for mitigation projects and \$632,441 for administrative activities. The portfolio currently

¹ On August 8, 2018, the GPR submitted the Transformation and Innovation in the Wake of Devastation: An Economic and Disaster Recovery Plan for Puerto Rico (Recovery Plan) to Congress. As required, updates are submitted every 180 days thereafter.

² Central Office for Recovery, Reconstruction and Resiliency (COR3). *Recovery Funds Infographic* (2026, April 1). Retrieved from <https://recovery.pr.gov/en/financial-analysis/aid-flow>

³ Amounts reflected in this section are reported at the DI level and should not be interpreted as project-level figures.

⁴ Central Office for Recovery, Reconstruction and Resiliency (COR3). *Recovery Funds Infographic* (2026, April 1). Retrieved from <https://recovery.pr.gov/en/financial-analysis/aid-flow>

supports 214 mitigation projects and 205 management and administrative projects, while eight (8) projects had reached completion as of the close of the reporting period.

During the reporting period, project execution continued to advance across high-impact projects in energy, water, education, and hazard mitigation, including large-scale grid modernization initiatives, critical water and wastewater facilities, school reconstruction efforts, and resilience investments intended to reduce future disaster risk across the Island.

While significant progress has been achieved, several factors continue to affect the pace at which obligated funds are converted into completed and reimbursed projects. These include complex Federal regulatory requirements, project eligibility determinations and cost estimate reviews, Environmental and Historic Preservation (EHP) compliance processes, permitting timelines, workforce and material availability constraints, and coordination requirements among implementing entities. Collectively, these factors continue to influence project delivery schedules and funding disbursement rates across recovery programs.

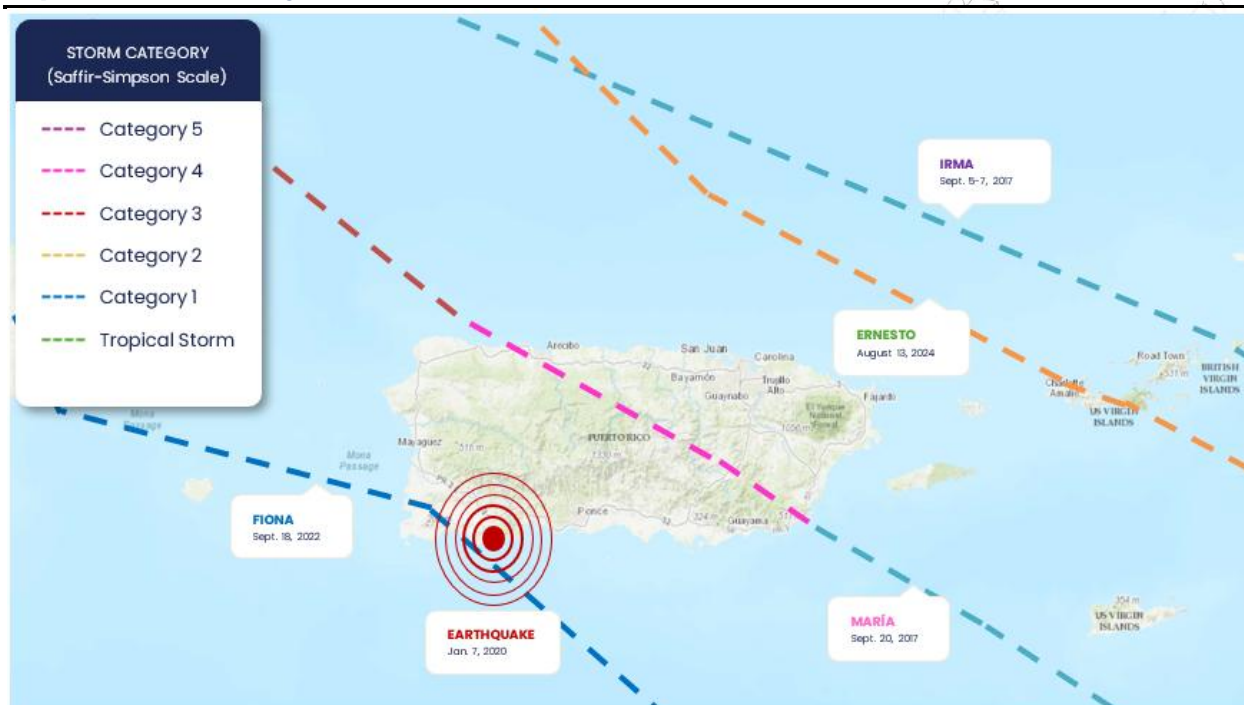
Among the key ongoing initiatives and priorities are:

- **Modernization of critical infrastructure systems:** Efforts continued to advance the long-term strengthening of Puerto Rico's energy, water, wastewater, education, and transportation infrastructure through large-scale reconstruction and resilience investments designed to improve reliability, continuity of operations, and service delivery.
- **Execution of permanent work and acceleration of project delivery:** The Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (COR3) continued supporting the transition of obligated funding into active implementation through project formulation, scope refinement, environmental review coordination, procurement support, design, construction monitoring, and disbursement processing, with particular focus on advancing high-impact permanent work projects.
- **Hazard mitigation and continuity-of-operations planning:** Mitigation investments continued to support risk reduction, continuity of essential services, and the protection of critical facilities through projects aimed at strengthening public safety, flood control, school resilience, water infrastructure, and operational readiness in the face of future hazard events.

Interagency coordination and resolution of implementation constraints: COR3 is working closely with Federal agencies, Subrecipients, and other stakeholders to address execution challenges affecting project delivery, including EHP reviews, technical consultations, procurement limitations, workforce capacity constraints, and cost escalation.

II. Background

**Figure 1: Major Natural Disasters Impacting Puerto Rico⁵
September 2017– August 2024**



Between 2017 and 2024, Puerto Rico experienced a sequence of major disasters that severely impacted its infrastructure, economy, and population, compounding pre-existing fiscal and structural challenges.

On September 6, 2017, Hurricane Irma (DR-4336-PR) caused widespread damage and left approximately two-thirds of the Island without power, exposing significant vulnerabilities in the electrical grid⁶. Just two (2) weeks later, on September 20, 2017, Hurricane Maria (DR-4339-PR) made landfall as a Category 4 storm, resulting in an estimated \$90 billion in damages, making it the most devastating natural disaster in Puerto Rico's history and one of the costliest in the United States.

Subsequent events further strained the Island's recovery. Beginning in late 2019 and continuing into January 2020, a series of earthquakes (DR-4473-PR) damaged critical infrastructure and displaced thousands of residents. In March 2020, the COVID-19 pandemic (DR-4493-PR) intensified pressures on the public health system and the economy. On September 18, 2022, Hurricane Fiona (DR-4671-PR) caused severe flooding, island-wide power outages, and

⁵ This map was developed based on storm-track data obtained from NOAA's Historical Hurricane Tracks database (<https://coast.noaa.gov/hurricanes/>), the official source for tropical cyclones in the North Atlantic basin.

⁶ U.S. Energy Information Administration. (2017, October 24). *Puerto Rico's electricity service is slow to return after Hurricane Irma*. <https://www.eia.gov/todayinenergy/detail.php?id=33452>.

approximately \$2.5 billion in damages⁷, further delaying recovery efforts. Most recently, Tropical Storm Ernesto (DR-4850-PR) affected Puerto Rico in August 2024, causing flooding, infrastructure damage, and additional disruptions, particularly in already vulnerable communities.

In response to these events, COR3, as the Recipient of FEMA grant funding, has led the coordination and oversight of disaster response and long-term recovery efforts.

Despite an unprecedented level of Federal support, significant implementation challenges remain. Many Subrecipients, including Municipalities and nonprofit organizations, continue to face limited liquidity, restricted access to credit, and difficulty meeting required non-Federal cost share obligations.

These constraints continue to impact the pace of recovery and underscore the need for sustained Federal support, innovative financing mechanisms, and strong programmatic oversight to ensure the timely and effective use of recovery funds.

III. Legal and Funding Context

Puerto Rico's recovery from the succession of disasters since 2017 has depended on an unprecedented level of Federal assistance, supported by a combination of statutory authorities, supplemental appropriations, and targeted recovery programs. These resources, primarily administered by FEMA and the U.S. Department of Housing and Urban Development (HUD), and supplemented by agencies such as the U.S. Department of Energy (DOE), form the foundation of the Island's long-term recovery, resilience, and mitigation strategy.

A central legislative driver of Puerto Rico's recovery has been the Bipartisan Budget Act of 2018 (Public Law 115-123). This law established critical flexibilities under FEMA's PA program, particularly through Section 428 (Alternative Procedures), which allows for restoration of damaged infrastructure to industry standards and, where necessary, the replacement of undamaged components to ensure full functionality. These provisions have been instrumental in enabling large-scale, resilient reconstruction of Puerto Rico's infrastructure systems.

While FEMA funding remains the primary source of disaster recovery assistance, it requires a non-Federal cost share. To address this requirement, HUD's Community Development Block Grant-Disaster Recovery (CDBG-DR) and Community Development Block Grant-Mitigation (CDBG-MIT) programs have been strategically leveraged to support cost share needs. This approach ensures that FEMA resources remain focused on core infrastructure repair and

⁷ National Oceanic and Atmospheric Administration (NOAA), National Centers for Environmental Information (NCEI). (2023). *Billion-Dollar Weather and Climate Disasters: Events*. Retrieved from <https://www.ncei.noaa.gov/access/billions/events>.

hazard mitigation, while HUD funding serves as a complementary financial tool to facilitate project execution and compliance.

DOE has also assumed an increasingly important role in advancing Puerto Rico's energy resilience. In response to the extensive damage caused by Hurricane Maria, DOE has supported efforts to stabilize and modernize the Island's electrical grid, with a focus on improving reliability, strengthening transmission and distribution systems, and promoting long-term sustainability.

Through multiple initiatives, DOE has committed more than \$1 billion in funding and technical assistance to support grid modernization and reduce vulnerability to future disasters. These efforts complement FEMA's infrastructure investments by enhancing system resilience, advancing industry-standard restoration practices, and encouraging structural and regulatory reforms, including increased private sector participation in energy system management. Collectively, these efforts have helped lay the foundation for a more resilient and sustainable energy framework in Puerto Rico.

IV. Strategic Recovery Goals Overview

Puerto Rico's recovery following the succession of disasters since Hurricane Maria is unprecedented in both scale and complexity. In response, the GPR, through COR3, has established a Strategic Recovery Plan for the 2025–2028 period, anchored by eight overarching goals designed to guide reconstruction, resilience, and long-term sustainability efforts.

These strategic goals build upon prior progress achieved through coordinated Federal and local efforts and are designed to accelerate the effective deployment of recovery funding. The plan prioritizes consistent and reliable funding through streamlined grant management processes and risk-based financial oversight, ensuring that resources are delivered efficiently and with reduced administrative delays. It also emphasizes improved project formulation and execution, supported by enhanced coordination among FEMA, other Federal agencies, and Subrecipients.

Figure 2: COR3 Strategic Goals

To address persistent implementation challenges, the strategy incorporates comprehensive support mechanisms, including targeted technical assistance, capacity-building initiatives, and regional liaison teams to assist Subrecipients in navigating administrative, financial, and compliance requirements. In parallel, the plan integrates data-driven performance tracking, proactive closeout planning, and continuous improvement practices to strengthen accountability and accelerate project delivery.

The Strategic Recovery Plan also promotes the coordinated use of complementary Federal funding sources, including HUD's CDBG-DR and CDBG-MIT programs and DOE's Grid Resilience initiatives. This integrated approach ensures alignment across funding streams, avoids duplication of benefits, and advances critical priorities such as energy resilience and infrastructure modernization.

Finally, the plan underscores a strong commitment to transparency, accountability, and community engagement through the use of open data platforms and participatory processes. By aligning funding, oversight, and stakeholder engagement, Puerto Rico's 2025–2028 Strategic Recovery Plan seeks to translate historic Federal investments into measurable outcomes, strengthening infrastructure, modernizing energy systems, empowering communities, and advancing recovery and resilience across the Island.

V. Use of Federal Funds

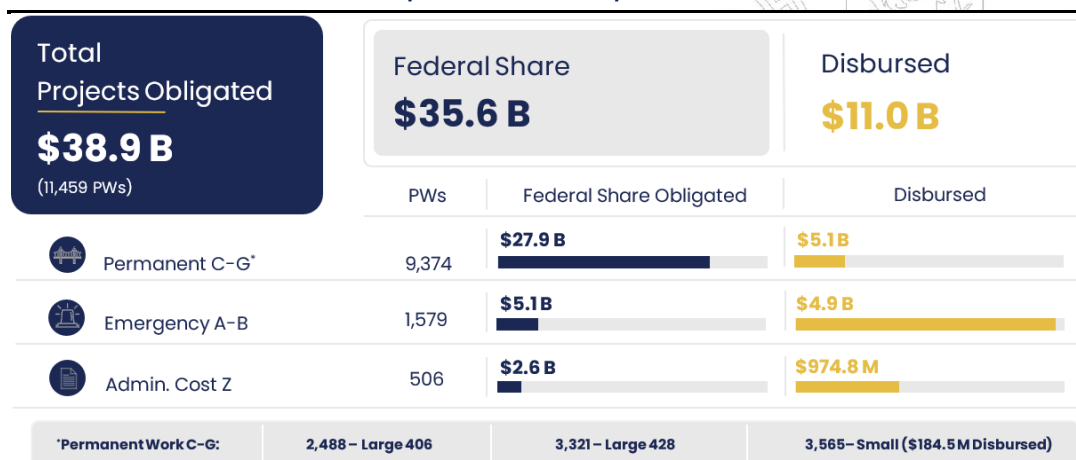
This section summarizes the use of Federal funds supporting Puerto Rico's recovery from Hurricane Maria (DR-4339-PR), with a focus on FEMA's PA and HMGP. It provides an overview of funding allocations, obligations, and disbursements to illustrate the scale of Federal investment and the status of funding deployment for public infrastructure recovery.

As of the end of this reporting period, FEMA had approved approximately \$38.9 billion in total PA obligations for Hurricane Maria, including a Federal share of approximately \$35.6 billion, representing an unprecedented level of Federal support for Puerto Rico's reconstruction. As reflected in [Figure 3](#), this Federal share total includes approximately \$5.1 billion for Emergency Work (Categories A and B), \$27.9 billion for Permanent Work (Categories C through G), and \$2.6 billion under Category Z for administrative and program delivery costs.

Permanent Work funding constitutes the cornerstone of Puerto Rico's recovery, supporting the reconstruction of critical infrastructure, including transportation systems, water control facilities, utilities, and public buildings, as well as the restoration of essential public services. These investments have enabled Subrecipients to advance large-scale reconstruction projects across the Island.

[Figure 3](#) provides a detailed breakdown of PA disbursements by project category, illustrating the scale and distribution of funding activity across Puerto Rico's recovery portfolio. These disbursements have been instrumental in supporting Subrecipients as they advance essential reconstruction projects. As of March 31, 2026, total PA disbursements under Hurricane Maria had reached approximately \$11.0 billion, including approximately \$5.1 billion for Permanent Work, \$4.9 billion for Emergency Work, and \$974.8 million for management, administrative, and program delivery costs. These expenditures reflect the continued progression of recovery projects from obligation to execution and demonstrate the ongoing deployment of Federal resources.

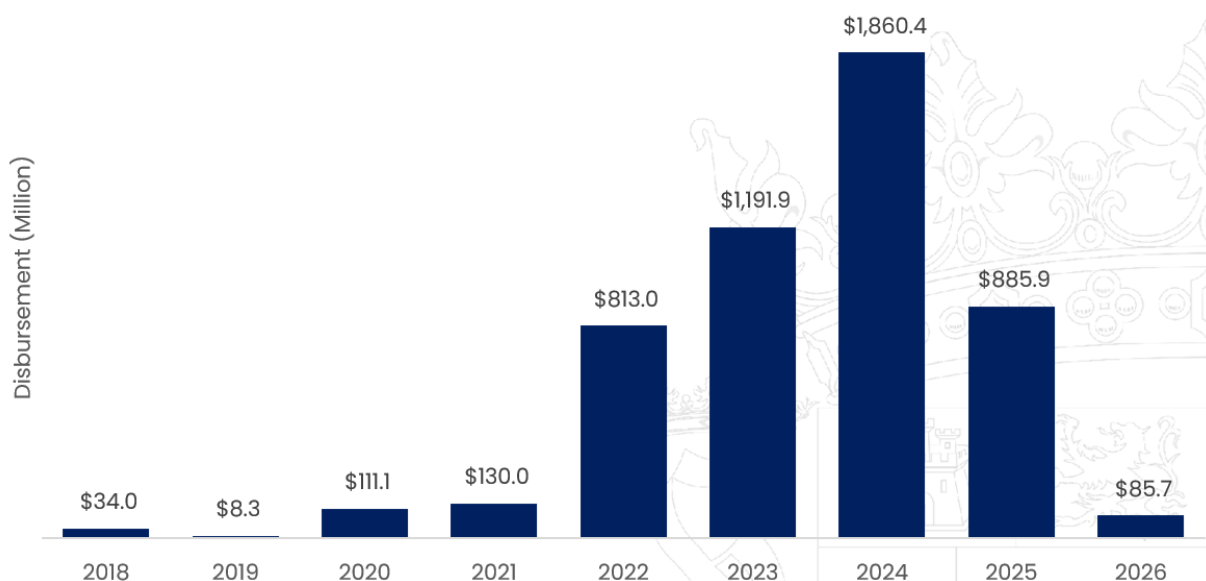
Figure 3: Summary of FEMA PA Obligations and Disbursements Hurricane Maria DR-4339-PR; As of March 31, 2026



Permanent Work disbursement trends reflect the continued progress of Puerto Rico's recovery portfolio, moving from early-stage obligations and limited reimbursements to sustained construction activity and larger-scale project execution. As shown in [Figure 4](#), disbursements remained comparatively modest during the initial years of implementation, totaling \$34.0

million in 2018, \$8.3 million in 2019, \$111.1 million in 2020, and \$130.0 million in 2021. Disbursement activity accelerated significantly thereafter, reaching \$813.0 million in 2022, \$1.19 billion in 2023, and \$1.86 billion in 2024, followed by \$885.9 million in 2025. As of March 31, 2026, an additional \$85.7 million⁸ had been disbursed in 2026, bringing cumulative Permanent Work disbursements since 2018 to approximately \$5.12 billion.

Figure 4: Permanent Work – Total Disbursed by Year⁹
Hurricane Maria DR-4339-PR



FEMA PA funding continues to support several high-impact projects that illustrate the scale and strategic significance of Puerto Rico's long-term reconstruction efforts. Within the energy sector, the FEMA Accelerated Award Strategy (FAAST) Generation Fleet Project will install Battery Energy Storage System (BESS) units and peaker generators at eight locations across the Island, adding a total of 674 MW to Puerto Rico's power grid. As of the close of the reporting period, construction activities related to this project were underway at the Cambalache and Vega Baja sites.

Additional grid resilience efforts include the islandwide Distribution Automation Program, which is deploying reclosers, hardened poles, guy wires, and reinforced foundations to strengthen distribution feeders and improve the grid's ability to isolate faults remotely. As of March 31, 2026, the program achieved an average construction progress rate of 53.8 percent. FEMA PA funding is also supporting the Vegetation Clearing Program, a one-time Section 406 hazard mitigation initiative with \$443.7 million in obligated Federal funding. Under this program, 560.19 miles of vegetation clearing had been completed out of 4,422.28 approved and obligated miles.

⁸ Disbursements shown for 2026 are limited to amounts reported through March 31, 2026, and therefore represent partial-year activity.

⁹ Figure 4 reflects year-to-date disbursements through March 31, 2026, illustrating continued advancement in Permanent Work implementation.

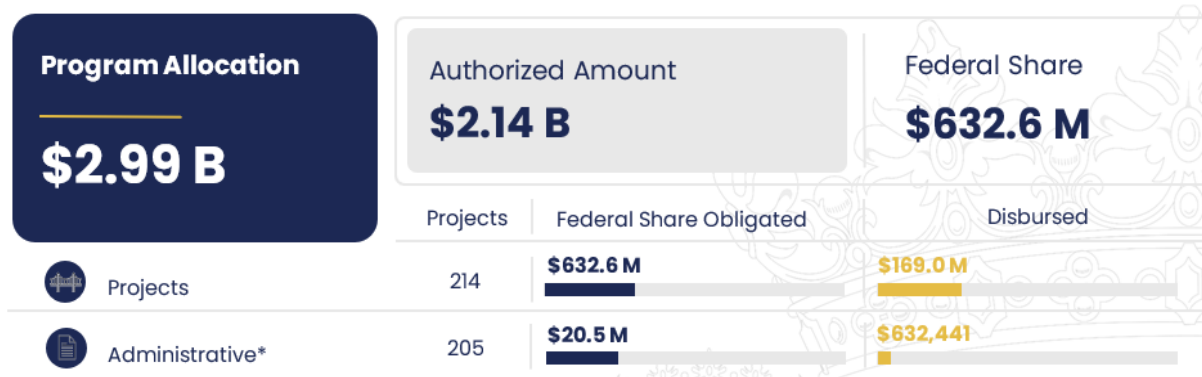
In the water sector, FEMA PA funding is also advancing the rehabilitation of the Mayagüez Wastewater Treatment Plant, which serves approximately 207,655 residents in western Puerto Rico, as well as the Enrique Ortega (La Plata) Water Treatment Plant, which provides potable water service to residents of Bayamón, Guaynabo, Toa Alta, Toa Baja, Cataño, and portions of Naranjito and San Juan.

In the education sector, reconstruction efforts at the Francisco Morales High School in Naranjito had reached 56 percent construction completion as of the reporting period. Upon completion, the project will support a facility serving 379 students, including 189 students enrolled in Special Education programs.

Together, these projects illustrate how FEMA PA investments are supporting the modernization of critical infrastructure systems, strengthening resilience, and improving essential public services across Puerto Rico.

For Hurricane Maria, Puerto Rico's HMGP portfolio reflects an estimated \$2.99 billion in total available funding, as shown in [Figure 5](#). As of March 31, 2026, FEMA had authorized approximately \$2.14 billion and obligated approximately \$632.6 million in Federal funds. The agency had also disbursed \$169.6 million, including \$169.0 million for mitigation projects and \$632,441 for administrative activities. These resources support 214 mitigation projects focused on long-term risk reduction, together with 205 management and administrative projects that sustain program delivery and local execution capacity.

**Figure 5: Summary of FEMA HMGP Obligations and Disbursements
Hurricane Maria-4339-PR**



*Administrative funding under HMGP Section 404 is separate from the Program Allocation. The authorized amount for administrative activities is \$88.7 M.

The HMGP program continues to advance Puerto Rico's long-term resilience objectives through investments designed to reduce future disaster impacts and strengthen critical infrastructure. Funded initiatives include flood control improvements, electric grid hardening measures, facility relocations from high-risk areas, and other risk-reduction projects. In addition, the program's remaining authorized funding capacity provides substantial opportunities for

continued mitigation investment, expanded project execution, and further enhancement of resilience across the Island.

Likewise, HMGP is supporting a range of strategic investments designed to reduce future risk, strengthen critical infrastructure, and enhance continuity of operation across Puerto Rico. Among these is a \$20.0 million multi-use hurricane community safe room for the Puerto Rico Department of Public Safety in San Juan, which is currently in procurement for construction. Another significant initiative is the \$307.3 million School Retrofit program, which is advancing through design and will evaluate and retrofit 50 public schools to reduce vulnerability to seismic, wind, and flood hazards.

HMGP is also funding major resilience projects within Puerto Rico's water infrastructure sector. These include the \$558.0 million Patillas Dam Seismic Retrofit project, which is intended to reduce the risk of dam deformation and downstream flooding while protecting power generation, irrigation, and public water supply in southeastern Puerto Rico. Additional mitigation investments include the Municipality of Carolina's Downtown Flood Mitigation project, which is currently under construction, and the Enrique Ortega Water Treatment Plant - Raw Water Intake Power Generators project, which will install four (4) emergency generators to help ensure uninterrupted drinking water service to more than 369,000 residents during power outages or grid disruptions.

The program also supports major investments aimed at protecting essential infrastructure and strengthening continuity of operations in critical sectors. The Luis Muñoz Marín Airport System project, a \$59.7 million initiative currently in design, will strengthen operational continuity through the installation of a backup heat and power cogeneration system. Similarly, the Puerto Rico Aqueduct and Sewer Authority's (PRASA) Central-East Region Water Supply System Improvements: El Valenciano project, a \$417.6 million investment currently in design, is intended to strengthen the reliability and resilience of critical water infrastructure serving communities across the region.

VI. GPR's Petitions to FEMA

Throughout the reporting period, the GPR, through COR3, advanced a series of strategic policy initiatives and coordination efforts with FEMA aimed at enhancing administrative efficiency, aligning Federal program requirements with Puerto Rico's operational realities, and supporting continuity across long-term recovery and mitigation efforts. These actions were intended to strengthen accountability, clarify oversight roles and responsibilities, and promote closer coordination with Federal awarding agencies and Congress. Supported by Governor González-Colón, these efforts reflect a proactive, data-driven approach to accelerating project delivery while safeguarding Federal investments.

Key policy initiatives included:

- Period of Performance Coordination for DR-4339 Projects:** During the reporting period, COR3 advanced coordinated efforts with FEMA to address the approaching expiration of Periods of Performance affecting Hurricane Maria projects and to support continuity across the recovery portfolio. As part of those efforts, COR3 pursued a consolidated extension approach for affected projects. FEMA ultimately approved the blanket extension, thereby reducing the administrative burden associated with case-by-case extension processing and supporting the continued implementation of recovery work.
- Targeted EHP Process Improvements for Critical Recovery Projects:** COR3 presented a series of requests before FEMA to improve the predictability, timeliness, and coordination of EHP reviews for critical facilities and other essential recovery projects in Puerto Rico. These requests included the development or refinement of programmatic tools for critical facilities, the earlier integration of FEMA EHP personnel during project formulation and Consolidated Resource Center (CRC) review, and the assignment of additional FEMA EHP resources or surge capacity to support the timely review of high-priority projects. COR3 also highlighted the project-delivery impacts associated with late-stage EHP issues, including repeated Requests for Information, redesign cycles, procurement delays, cost escalation, and Period of Performance pressures affecting critical infrastructure.

Taken together, these petitions reflect Puerto Rico's proactive leadership in advancing reforms aimed at increasing the efficiency and effectiveness of disaster recovery programs. COR3 continues to collaborate closely with FEMA and other Federal partners to advance these proposals, while concurrently strengthening internal oversight, financial management practices, and reporting systems to ensure full compliance with all applicable Federal requirements.

Strategic Engagement, Capacity Building, and Institutional Strengthening

During this reporting period, COR3 continued to strengthen institutional capacity, intergovernmental coordination, and stakeholder engagement through technical forums, workshops, and strategic outreach efforts with municipal leaders, professional associations, private sector representatives, and emergency management partners. These engagements reinforced COR3's role as a central coordinating entity in Puerto Rico's reconstruction process by promoting a greater understanding of FEMA-funded recovery requirements, supporting informed decision-making among Subrecipients and external stakeholders, and expanding collaboration with sectors that are critical to the successful implementation of reconstruction projects. COR3's participation in these initiatives also provided opportunities to highlight the economic impact of reconstruction, promote compliance with applicable Federal requirements, and encourage broader participation in recovery efforts across both the public and private sectors.

- **Municipal Outreach and Resilience Coordination:** Through the Puerto Rico Mayors Summit, COR3 provided mayors and municipal personnel with technical guidance on disaster recovery processes, access to FEMA resources, project execution, and strategies to strengthen municipal resilience and decision-making capacity.
- **Internal Government Capacity Building:** COR3 conducted project management workshops to strengthen staff capabilities in planning, project monitoring, problem-solving, communication, and compliance with FEMA program requirements, thereby supporting more effective execution of reconstruction initiatives.
- **Private Sector and Economic Engagement:** COR3 participated in meetings and forums with the Puerto Rican Association of Financial Analysts; the Puerto Rico United Retailers Association (CUD, for its Spanish acronym), a Puerto Rico business association representing small- and medium-sized merchants; and the Puerto Rico Concrete Association to discuss reconstruction progress, its impact on economic development, and opportunities for private sector participation in Federally funded projects.
- **Access to Reconstruction Data Workshop:** In collaboration with the CUD, COR3 offered a workshop on the Transparency Portal to support strategic planning and provide participants with access to relevant reconstruction data connected to sectors directly and indirectly affected by recovery investments.
- **Financial and Regulatory Compliance Education:** COR3 supported compliance-oriented education through its participation in the Annual Municipal Affairs Forum organized by the Puerto Rico Society of Certified Public Accountants, where it emphasized the importance of sound accounting practices and responsible administration of FEMA-funded municipal projects. COR3 also participated in technical outreach regarding Federal requirements under the Buy American Act, the Trade Agreements Act, and the Build America, Buy America framework.
- **National and Regional Coordination:** COR3 strengthened coordination with national and regional partners through participation in the Society of American Military Engineers (SAME) forum on disaster resilience in Puerto Rico and the U.S. Virgin Islands, the National Emergency Management Association Mid-Year Forum, and the National Hurricane Conference. These engagements enabled COR3 to share Puerto Rico's reconstruction experience, exchange best practices, and further position the Island in broader discussions on preparedness, response, recovery, and mitigation.

Key Institutional Announcements and Oversight Measures

In addition to these external engagements, COR3 advanced several institutional initiatives aimed at reinforcing oversight, compliance, and long-term resilience governance. Among the most significant developments during the reporting period was the execution of a

collaboration agreement with the Office of the Comptroller of Puerto Rico to strengthen accountability, prevent fraud, and promote transparency in the use of FEMA funds through information-sharing, specialized training, and coordinated oversight mechanisms. COR3 also formalized collaborative efforts with the Puerto Rico Planning Board to support Municipalities in the preparation, review, and approval of Hazard Mitigation Plans, helping preserve municipal eligibility for FEMA PA and HMGP funding. These initiatives reflect COR3's continued emphasis on strengthening the institutional frameworks necessary to sustain compliant and resilient recovery implementation across Puerto Rico.

COR3 also implemented additional measures to improve operational support and internal controls. These included the establishment of a digital tool to strengthen monitoring of Single Audit compliance and support stronger internal control practices in the administration of Federal funds, as well as the creation of a Subrecipient Assistance Center in the southern region to provide direct support to nonprofit Subrecipients participating in FEMA-funded reconstruction efforts. In parallel, COR3 expanded interagency coordination on fraud prevention through a collaborative agreement with the Puerto Rico Department of Justice and the Puerto Rico Police Bureau to facilitate information-sharing and strengthen detection and investigative capacity related to the misuse of Federal funds.

Digital Modernization, Transparency, and Internal Controls

During the reporting period, COR3 implemented several technological and operational enhancements to the Disaster Recovery Solution (DRS) platform designed to reinforce internal controls, streamline administrative processes, and increase the efficiency and visibility of Puerto Rico's disaster recovery operations.

- DRS Enhancements:** COR3 implemented a centralized contract review workflow requiring Legal Division review and approval prior to execution, thereby reinforcing pre-award oversight and promoting greater consistency in procurement-related controls. COR3 also launched the "Other Funds" module to manage non-FEMA PA or HMGP funding sources, including DOE Grid Resilience initiatives and the Building Resilient Infrastructure and Communities (BRIC) Program, expanding the platform's functionality to support a broader range of recovery and resilience funding streams.
- Transparency Portal Updates:** COR3 enhanced the Procurement Inventory section of the Transparency Portal through the incorporation of an interactive map that allows users to search Requests for Proposals (RFPs) across one or multiple Municipalities and download associated procurement documentation related to Puerto Rico's recovery and reconstruction efforts. COR3 also developed multiple Application Programming Interfaces (APIs) to enable the direct sharing of Quarterly Progress Reports (QPRs) for the PA and HMGP areas through the Transparency Portal, facilitating interagency data exchange with entities such as the Puerto Rico Department of Housing (PRDOH).

- Validate As You Go (VAYGo) Program:** COR3 continued participating in FEMA's Fiscal Year 2024 VAYGo testing cycle for Hurricane Maria (DR-4339-PR), under which FEMA reviews samples of previously paid costs to confirm proper documentation, eligibility, and payment accuracy. Of the \$665,761,909.18 sampled, FEMA had validated \$581,007,242.94, or eighty-seven percent (87%), as of March 31, 2026, with its review still ongoing at the close of the reporting period. On February 23, 2026, FEMA notified COR3 that it remained eligible for the VAYGo Closeout Process (VCP), a designation reserved for Recipients maintaining error rates of no more than 1.5 percent (1.5%) across two (2) consecutive testing cycles. COR3 has maintained this eligibility since first qualifying in 2024, allowing it to certify project completion and compliance pursuant to 44 C.F.R. § 206.205(b) rather than submitting full closeout documentation packages for each individual project. These results represent an independent acknowledgment of COR3's internal controls, payment accuracy, and responsible stewardship of Federal recovery funds, while providing a more efficient path to project closeout.
- Together, these digital modernization, transparency, and internal control measures reflect COR3's continued alignment with the GPR's priorities of fiscal discipline, structured project management, and rigorous compliance with Federal standards.

VII. Challenges and Lessons Learned

Puerto Rico's recovery effort has entered a phase characterized by the large-scale execution of Federally funded reconstruction and mitigation projects. As the volume of obligated funding has increased, project delivery has become more complex, requiring sustained coordination among Federal, State, municipal, nonprofit, and private-sector stakeholders. While significant progress has been achieved, implementation experience continues to highlight several operational, financial, and administrative factors that influence the pace of recovery.

Many Subrecipients, including Municipalities and nonprofit organizations, continue to face financial capacity constraints, including limited liquidity and restricted access to credit. These conditions can affect their ability to initiate and sustain construction activities while awaiting reimbursement. At the same time, external market factors, including inflation, supply chain disruptions, labor shortages, and rising material and fuel costs, have increased project costs and affected procurement and construction schedules across multiple sectors.

The administration of Federal disaster recovery funding also requires compliance with extensive statutory, regulatory, and programmatic requirements. Subrecipients must meet standards related to procurement, eligibility documentation, EHP compliance, insurance, and cost reasonableness, among other requirements. While these safeguards are essential to ensuring accountability and the responsible stewardship of Federal funds, the cumulative effect of multiple review layers, extensive documentation requirements, and evolving policy guidance can extend project development, approval, and reimbursement timelines.

Execution experience has also highlighted Federal project-delivery constraints affecting major recovery investments. Extended environmental review timelines involving the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Army Corps of Engineers (USACE), have in some instances delayed project advancement and contributed to cost escalation. For Section 428 fixed-cost projects, these additional costs may not be reimbursable, creating pressure to modify project scopes to maintain financial feasibility. Similarly, lengthy EHP review processes continue to affect the progress of critical infrastructure projects, particularly in the water and wastewater sectors. These challenges are compounded by ongoing shortages of qualified architects, engineers, construction managers, and skilled labor needed to support the unprecedented volume of reconstruction activity underway.

The interaction between FEMA PA funding and HUD CDBG-DR and CDBG-MIT programs presents additional implementation challenges. While HUD funding plays a critical role in meeting non-Federal cost-share requirements, each program operates under distinct statutory authorities and regulatory frameworks. As a result, Subrecipients must navigate differing requirements related to procurement, environmental compliance, duplication of benefits, financial management, and reporting. Differences in program priorities, approval timelines, and data management systems can further complicate project execution and require continuous coordination among Federal, State, and local entities to ensure consistency, accountability, and the timely deployment of recovery funds.

Puerto Rico's recovery experience has underscored several important lessons. First, strong institutional capacity remains fundamental to successful program delivery. Investments in workforce development, technical expertise, financial management systems, and compliance resources directly improve the ability of Subrecipients to manage Federal funding and advance projects efficiently. Second, early and continuous coordination among COR3, Subrecipients, and Federal agencies is essential to resolving issues before they affect project schedules and funding timelines. Third, greater alignment across Federal recovery programs would reduce administrative burdens and facilitate more efficient project delivery. Harmonizing requirements related to procurement, environmental review, cost-share documentation, and reporting would significantly improve the administration of projects supported by multiple funding sources.

The recovery process has also demonstrated the importance of providing flexibility where technical expertise and institutional capacity already exist. In that context, the GPR has requested delegation of certain environmental review responsibilities for projects undertaken by PRASA, which possesses the technical personnel and institutional capabilities necessary to conduct such reviews efficiently. Expanding opportunities for qualified entities to assume additional responsibilities, where appropriate, could help accelerate project delivery while maintaining compliance with applicable Federal requirements.

Several priority actions have emerged from these lessons learned. Strengthening coordination between FEMA and HUD through joint guidance, standardized procedures, and formal

collaboration mechanisms would improve alignment in the administration of recovery programs. Continued technical assistance and targeted training remain essential to building Subrecipient capacity in procurement, documentation, financial management, and compliance. Addressing liquidity constraints through enhanced reimbursement processes and expanded financing mechanisms would further support timely project execution. In addition, continued investment in digital modernization, including enhancements to the DRS platform and Transparency Portal, will improve oversight, streamline administrative processes, reduce reporting burdens, and increase transparency across recovery operations.

Together, these challenges and lessons learned illustrate the complexity of managing one of the largest disaster recovery efforts in U.S. history. They also highlight opportunities to strengthen coordination, improve efficiency, and enhance the delivery of Federally funded recovery and mitigation investments. As implementation progresses, COR3 remains committed to advancing a recovery framework that promotes accountability, transparency, resilience, and the timely execution of projects that support Puerto Rico's long-term recovery objectives.

VIII. Conclusion

Puerto Rico's recovery has entered a critical stage marked by the large-scale implementation of Federally funded reconstruction and mitigation projects. The GPR, through COR3, has successfully transitioned from the initial phases of disaster recovery focused on project formulation and funding obligations to sustained project execution. This transition is reflected in the growing number of completed projects, increasing project design and construction activity across the Island, and the continued deployment of Federal funds to support the restoration and modernization of critical infrastructure.

The progress achieved to date demonstrates the effectiveness of the recovery framework established following multiple natural disasters, including Hurricane Maria. Significant advances have been made in project development, permitting, procurement, financial management, and interagency coordination. At the same time, investments in digital modernization, standardized procedures, internal controls, and Subrecipient support have strengthened oversight, improved accountability, and enhanced the transparency of recovery operations. FEMA's continued recognition of COR3's performance through initiatives such as the VAYGo Closeout Process further reflects the strength of Puerto Rico's financial management and compliance practices.

While important challenges remain, including regulatory complexity, EHP review requirements, workforce constraints, inflationary pressures, and the coordination of multiple Federal funding sources, Puerto Rico has developed the institutional capacity, governance structures, and technical expertise necessary to address these challenges and sustain recovery momentum. Lessons learned throughout implementation continue to inform improvements in program delivery, stakeholder coordination, and the efficient administration of Federal recovery funds.

Looking ahead, the GPR remains committed to ensuring that Federal investments translate into lasting improvements for Puerto Rico's residents and communities. Priorities include accelerating project execution, strengthening critical infrastructure, advancing resilience initiatives, and maintaining the highest standards of fiscal stewardship, transparency, and accountability. Through continued collaboration with Federal partners, Municipalities, nonprofit organizations, and other stakeholders, Puerto Rico is well positioned to achieve a recovery that not only restores what was lost, but also builds a stronger, more resilient, and more sustainable future for generations to come.



IX. Appendices

Appendix A – Execution Status for Hurricane Maria

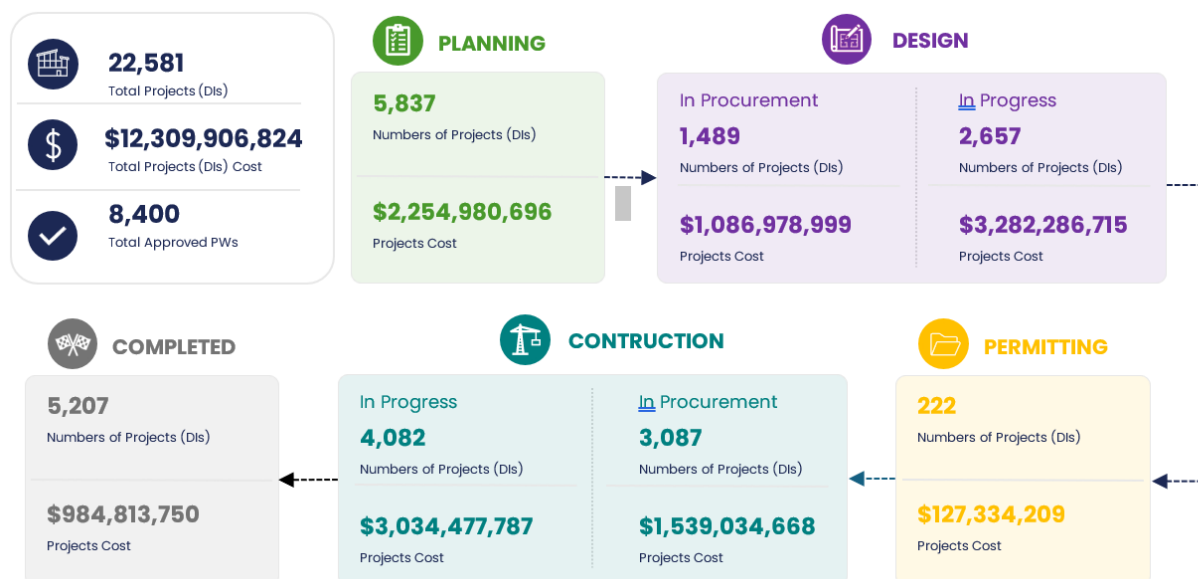
Appendix A provides an overview of implementation activity under Hurricane Maria (DR-4339-PR) across the FEMA PA, FAAS¹⁰, and HMGP portfolios. Through Figures 6 through 9, this appendix illustrates the breadth of the reconstruction and mitigation effort, the strong volume of projects advancing across multiple stages of execution, and the continued translation of Federal investments into tangible recovery and resilience outcomes throughout Puerto Rico.

As reflected in Figure 6, the non-FAAS PA permanent work portfolio continues to show broad and sustained implementation activity. The dashboard encompasses 22,581 project records (DIs) with an aggregate cost of approximately \$12.3 billion, supported by 8,400 approved Project Worksheets (PWs). The front-end pipeline remains robust, with 5,837 projects in planning, representing approximately \$2.25 billion. This early-stage activity is complemented by a substantial design portfolio, including 1,489 projects in procurement for design services totaling approximately \$1.09 billion, and 2,657 projects in active design development totaling approximately \$3.28 billion. In addition, 222 projects valued at approximately \$127.3 million are in permitting, reflecting continued advancement through the technical and regulatory processes necessary to support construction.

Figure 6 further shows a total of 3,087 project records totaling approximately \$1.54 billion are in procurement for construction, while 4,082 project records representing approximately \$3.03 billion are under construction. Completed work also continues to expand, with 5,207 project records fully completed, representing approximately \$984.8 million in delivered reconstruction investment. Taken together, these figures reflect well-developed permanent work efforts with strong activity across planning, design, construction, and completion.

¹⁰ For purposes of this report, FAAS projects are those being implemented under FEMA's Accelerated Award Strategy, a streamlined delivery approach for certain large and complex projects, while non-FAAS projects are those processed and executed through FEMA's standard project formulation, review, and delivery framework.

Figure 6: Road to Recovery Dashboard¹¹
Hurricane Maria DR-4339-PR Non-FAAST

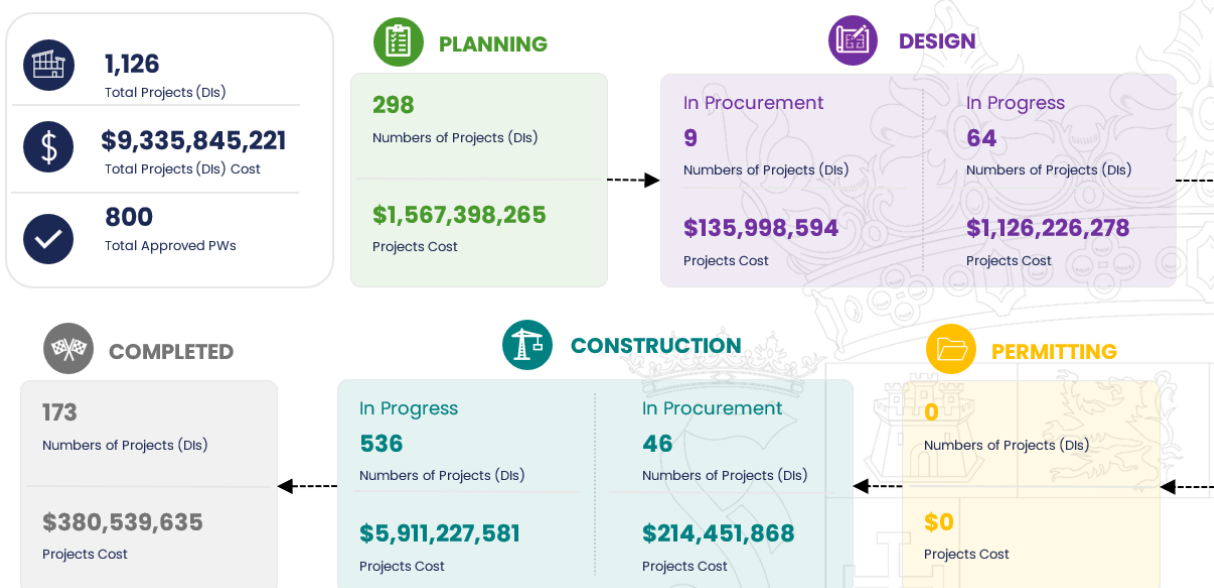


A similarly strong execution profile is reflected in [Figure 7](#), which presents the Hurricane Maria FAAsT portfolio, focused on the reconstruction and restoration of Puerto Rico's energy, water, education, and public housing infrastructure. The dashboard reflects 1,126 projects with a total cost of approximately \$9.34 billion, supported by 800 approved PWs. Of these, 298 projects totaling approximately \$1.57 billion are in planning, while the design phase includes 9 projects in procurement totaling approximately \$136.0 million and 64 projects in active progress totaling approximately \$1.13 billion. Although no projects are shown in permitting in this figure, the broader profile of the FAAsT portfolio demonstrates that a substantial share of activity has already advanced into construction.

As shown in [Figure 7](#), construction represents the principal center of gravity within the FAAsT initiative. At the close of the reporting period, 46 projects totaling approximately \$214.5 million were in procurement for construction, while 536 projects representing approximately \$5.91 billion were already under construction. In addition, 173 projects had reached completion, representing approximately \$380.5 million in completed work. These figures underscore the strong implementation momentum achieved within the FAAsT portfolio and its significant contribution to Puerto Rico's ongoing reconstruction effort.

¹¹ The data provided is drawn from the Quarterly Progress Report (QPR) for the Second Quarter of 2026, which summarizes reconstruction progress for Hurricane Maria during the period between January 1 and March 30, 2026.

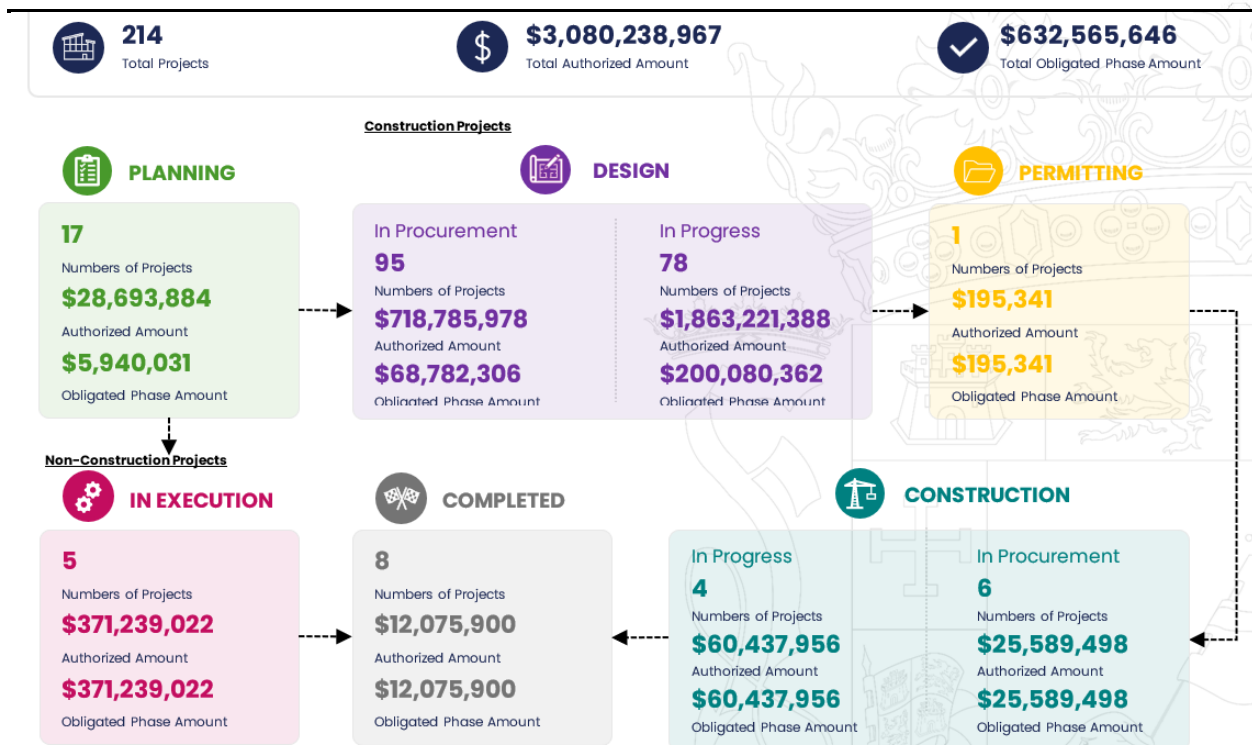
Figure 7: Road to Recovery Dashboard
Hurricane Maria DR-4339-PR-FAASt



The status of the HMGP portfolio is presented in [Figure 8](#), which reflects both authorized amounts and obligated phase amounts. As illustrated, the HMGP dashboard includes 214 total projects, approximately \$3.08 billion in total authorized amount, and approximately \$632.6 million in total obligated phase amount. Within that broader portfolio, 17 projects are in planning, representing approximately \$28.7 million in authorized amount and \$5.9 million in obligated phase amount. The design phase continues to account for a particularly strong share of mitigation activity, with 95 projects in procurement for design services representing approximately \$718.8 million in authorized amount and \$68.8 million in obligated phase amount, and 78 projects in design progress representing approximately \$1.86 billion in authorized amount and \$200.1 million in obligated phase amount. One (1) additional project is reflected in permitting, representing approximately \$195,000.

[Figure 8](#) also highlights continued advancement in construction and implementation under HMGP. At the close of the reporting period, 6 projects were in procurement for construction, representing approximately \$25.6 million, and 4 projects were under construction, representing approximately \$60.4 million. The portfolio also includes 8 completed projects totaling approximately \$12.1 million, as well as 5 non-construction projects in execution totaling approximately \$371.2 million. These non-construction initiatives, focused on mitigation planning, code development, and related resilience measures, complement the capital project pipeline and broaden the long-term impact of Puerto Rico's hazard mitigation strategy.

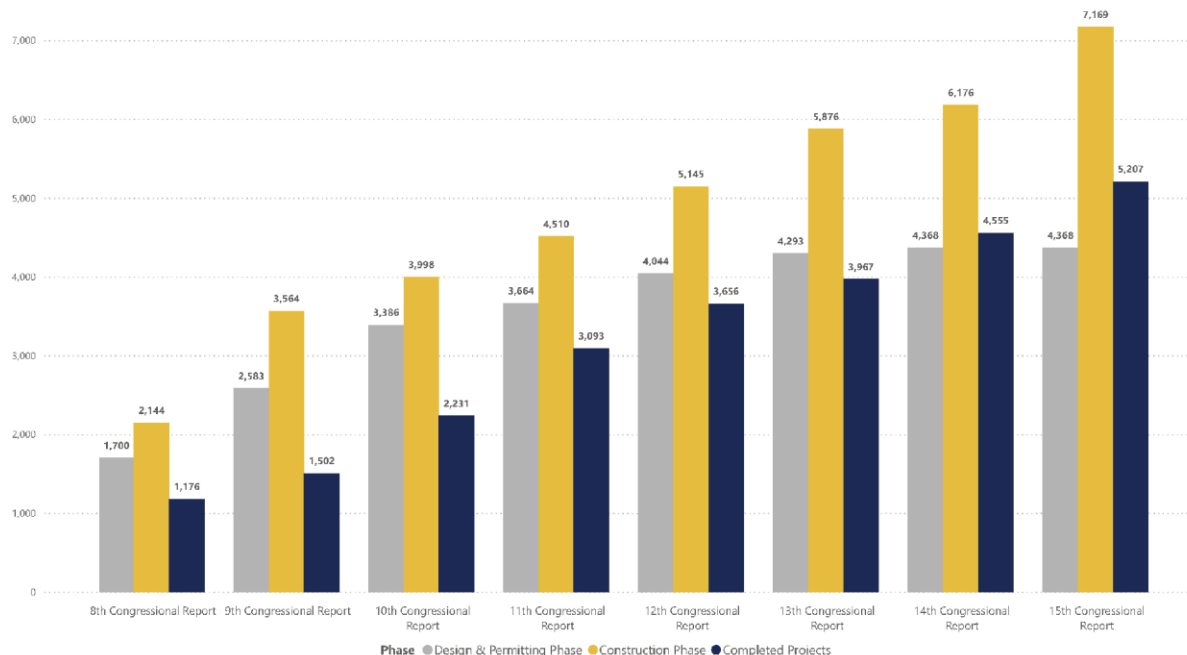
Figure 8: Road to Resilience Dashboard (HMGP)
Hurricane Maria DR-4339-PR



The cumulative advancement of the non-FAAST reconstruction efforts is further reflected in [Figure 9](#), which compares the Design & Permitting, Construction, and Completed Projects phases across the 8th through the 15th Congressional Reports. Over that period, the number of projects in Design & Permitting increased from 1,700 in the 8th Congressional Report to 4,368 in the 15th Congressional Report. During the same span, the Construction phase expanded from 2,144 to 7,169 projects, while Completed Projects increased from 1,176 to 5,207. These trends demonstrate sustained growth and continued progress in moving projects from development into active implementation and final delivery.

Viewed together, [Figures 6](#) through [9](#) reflect a reconstruction and mitigation initiative that has achieved substantial scale and meaningful execution depth. They illustrate a pipeline in which planning and technical development continue to support a strong volume of active construction, while the number of completed projects continues to grow and deliver lasting recovery and resilience benefits across Puerto Rico.

Figure 9: Road to Recovery – Project Execution
Hurricane Maria DR-4339-PR – Non-FAAST



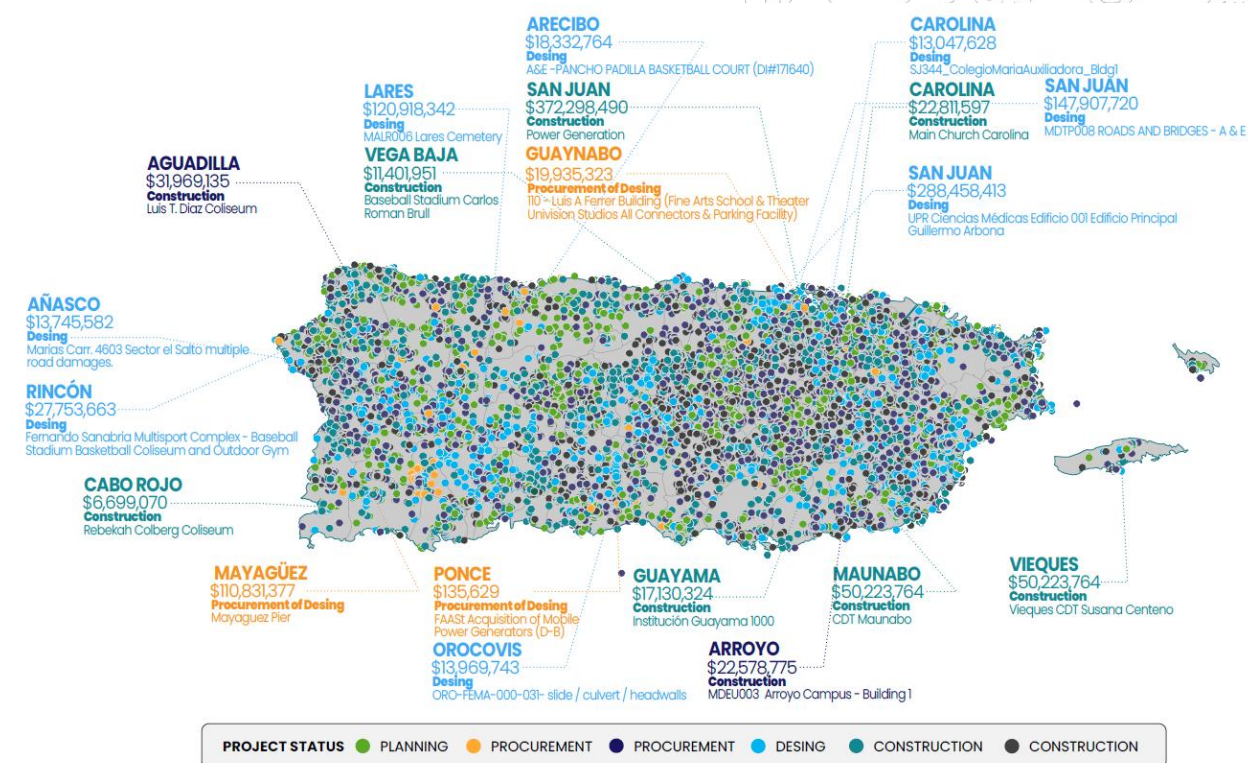
Appendix B – Geographic Distribution of Major Projects and FAASt Investments

Appendix B provides an overview of major recovery and reconstruction investments across Puerto Rico, offering a perspective on how projects are distributed and advancing throughout the Island. Unlike the portfolio-wide execution dashboards presented in this report, the maps included in this appendix highlight the physical location of selected investments and illustrate how Hurricane Maria reconstruction projects are being deployed across Municipalities and critical service sectors. Together, these visualizations complement the broader funding and execution data presented in the body of the report by showing where key investments are occurring and how they are supporting long-term recovery, modernization, and resilience.

As reflected in [Figure 10](#), the Non-FAAST project execution visualization provides a broad snapshot of major recovery investments currently underway across Puerto Rico. The distribution of projects shows significant activity throughout the Island, including the metropolitan region, western Municipalities, the southern corridor, and the island Municipalities. The highlighted examples illustrate both the geographic breadth and sectoral diversity of the portfolio, including university and educational facilities in San Juan; cemetery and roadway-related works in Lares and San Juan; health and community service projects in Vieques and Maunabo; recreational and sports facilities in Municipalities such as Aguadilla, Vega Baja, and

Cabo Rojo; and major power-related construction activity in San Juan. Viewed together, the visualization underscores the breadth of Non-FAAST implementation and the continued advancement of projects that support education, transportation, health, community facilities, and essential public infrastructure across Puerto Rico.

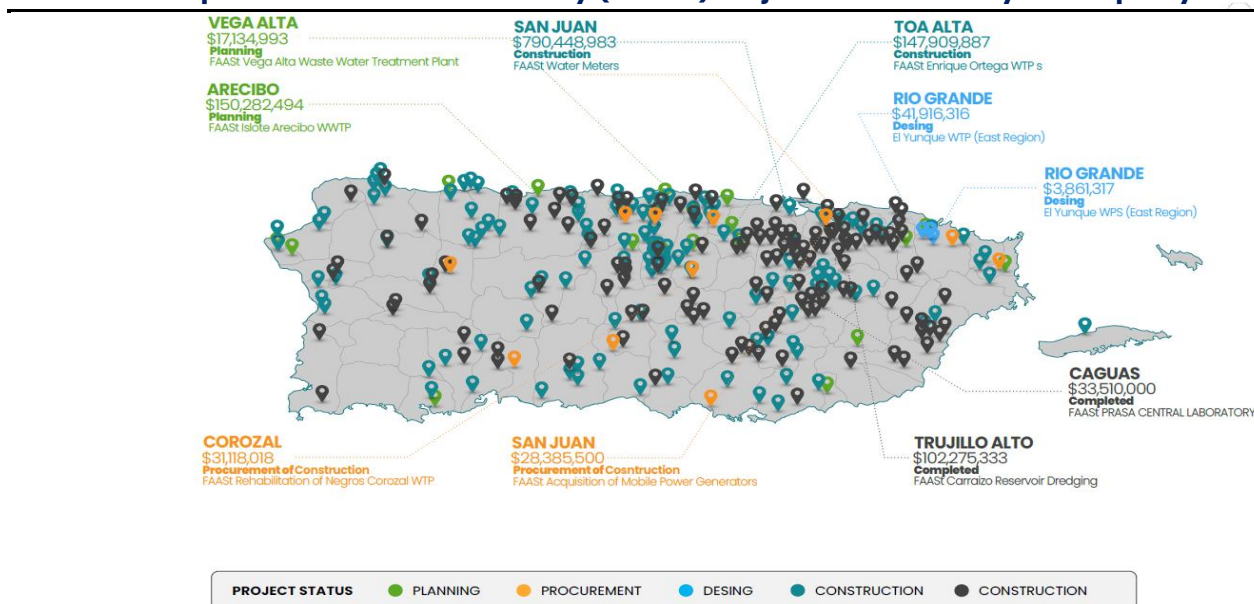
Figure 10: Road to Recovery Project Execution Dashboard – Non-FAAST



Note: Amounts reflect total project cost. Projects may include multiple subawards.

As shown in Figure 11, the PRASA FAAST visualization illustrates how major water and wastewater investments are being implemented across multiple regions of Puerto Rico. The visualization highlights construction activity in San Juan and Toa Alta, including FAAST Water Meters and the Enrique Ortega Water Treatment Plant, as well as planning projects in Arecibo and Vega Alta, design activity in Río Grande, procurement activity in Corozal and San Juan, and completed projects in Trujillo Alto and Caguas. Together, these investments reflect a geographically dispersed portfolio aimed at strengthening drinking water, wastewater, and operational support infrastructure across the Island.

Figure 11: Road to Recovery Project Execution Dashboard – FAASt
Puerto Rico Aqueduct and Sewer Authority (PRASA) Project Investment by Municipality



Note: Amounts reflect total project cost. Projects may include multiple subawards.

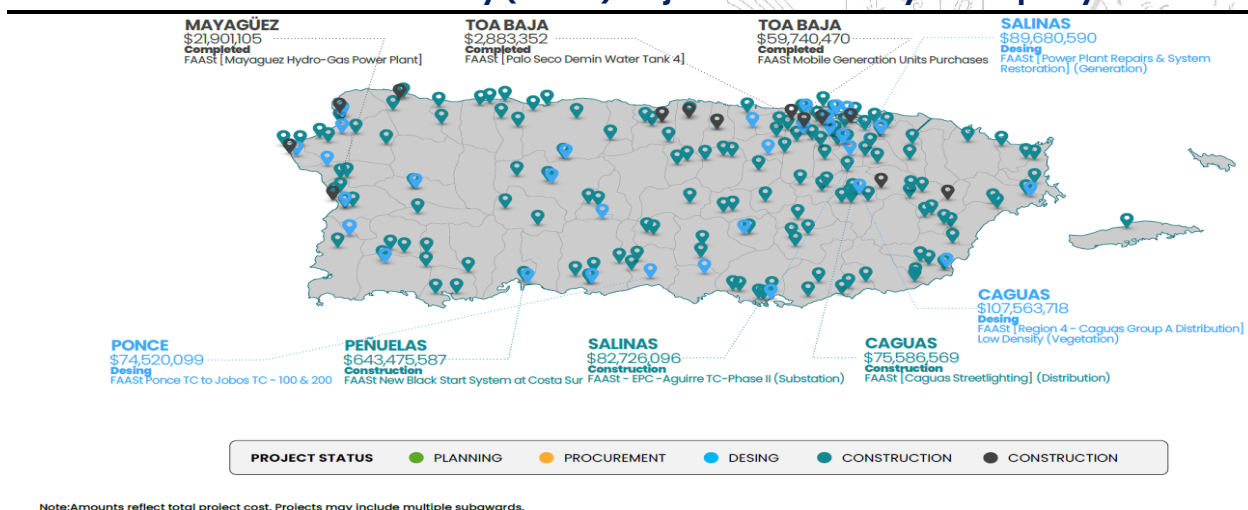
As reflected in [Figure 12](#), the Puerto Rico Department of Education (PRDE) FAASt visualization shows a broad distribution of school-related reconstruction and investment activity. The concentration of projects across multiple Municipalities illustrates the scale of PRDE's FAASt portfolio and its importance to community recovery. Highlighted projects show planning activity in Municipalities such as Ceiba and Humacao, design activity in Río Grande and Cidra, procurement for construction in San Juan and Bayamón, construction activity in Adjuntas and Naranjito, and completed projects in Aibonito and Manatí. Taken together, the map reflects an education-infrastructure portfolio advancing through multiple execution stages while supporting safer and more resilient schools throughout Puerto Rico.

Figure 12: Road to Recovery Project Execution Dashboard – FAASt
Puerto Rico Department of Education (PRDE) Project Investment by Municipality



As illustrated in [Figure 13](#), the Puerto Rico Electric Power Authority (PREPA) FAASt visualization reflects the geographic reach and strategic significance of major energy-sector investments. The map highlights substantial construction activity in Peñuelas, Salinas, and Caguas, including the new Black Start System at Costa Sur, Aguirre substation improvements, and distribution-related streetlighting works. It also reflects design activity in Salinas, Caguas, and Ponce, as well as completed projects in Toa Baja and Mayagüez. This spatial distribution demonstrates the scale of PREPA's FAASt portfolio and its role in advancing a more reliable and resilient energy system across Puerto Rico.

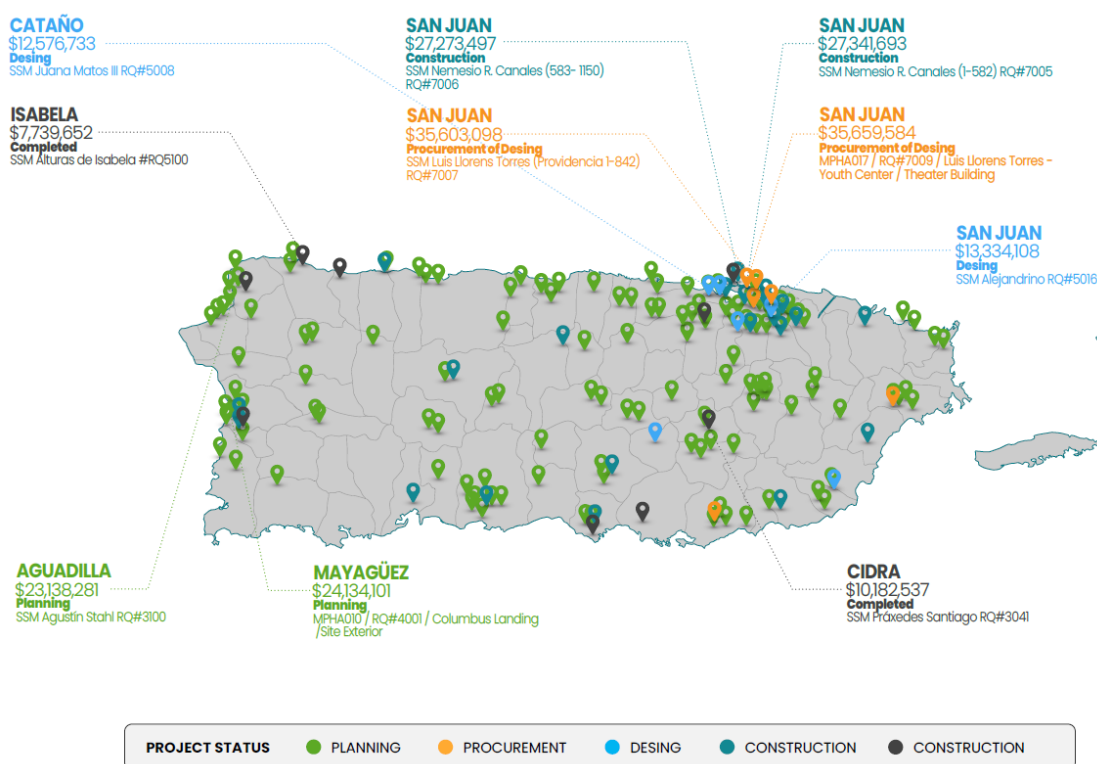
Figure 13: Road to Recovery Project Execution Dashboard – FAASt
Puerto Rico Electric Power Authority (PREPA) Project Investment by Municipality



As shown in [Figure 14](#), the Puerto Rico Public Housing Administration (PRPHA) FAASt visualization provides a focused view of public housing-related recovery investments by Municipality. The concentration of highlighted projects in San Juan reflects the importance of major public

housing complexes such as Nemesio R. Canales, Luis Llorens Torres, and Alejandrino within the broader portfolio, while additional activity in Municipalities such as Aguadilla, Mayagüez, Cataño, Isabela, and Cidra demonstrates that investments are also reaching communities beyond the metropolitan area. The visualization shows projects distributed across planning, design, procurement, construction, and completion, underscoring the continued advancement of public housing improvements intended to strengthen living conditions, community facilities, and resilience for residents across Puerto Rico.

**Figure 14: Road to Recovery Project Execution Dashboard – FFAST
Puerto Rico Public Housing Administration (PRPHA) Project Investment by Municipality**



Note: Amounts reflect total project cost. Projects may include multiple subawards.

Viewed collectively, Figures 10 through 14 demonstrate that Hurricane Maria recovery investments are not confined to a single region or sector, but instead span a wide geographic and institutional landscape. They show how major projects are being advanced through both Non-FAAST and FAASt delivery models and how Federal recovery funding supports essential infrastructure, educational facilities, utilities, housing, healthcare, transportation, and community services across Puerto Rico. In that respect, Appendix B serves as a useful visual complement to the report's broader discussion of funding, execution, and resilience by illustrating the island-wide footprint of Puerto Rico's ongoing recovery effort from Hurricane Maria.

Appendix C – Concurrent Disasters

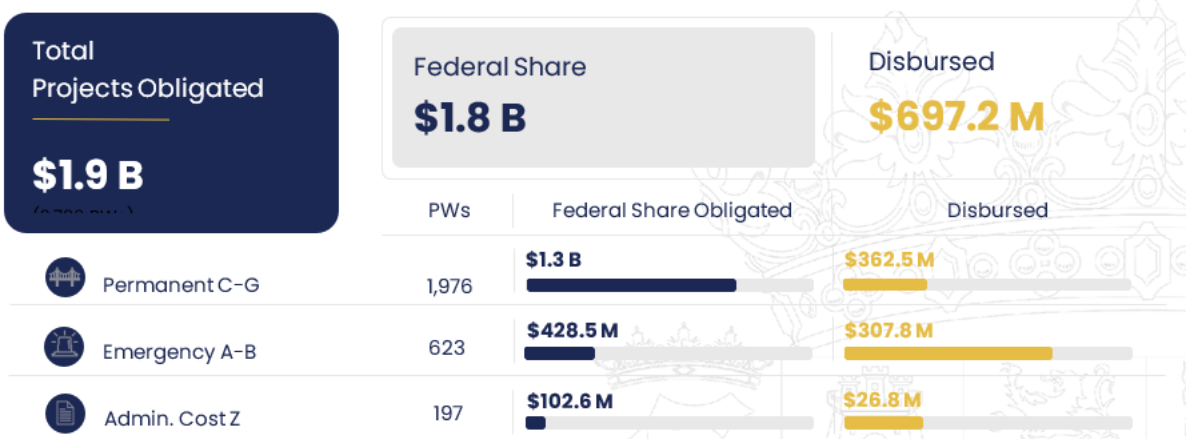
Appendix C provides an overview of Puerto Rico’s recovery progress under concurrent Federal disaster declarations beyond Hurricane Maria. As reflected in [Figures 15 through 23](#), COR3 continues to manage multiple recovery portfolios in parallel, including Hurricane Fiona (DR-4671-PR); the Southern Puerto Rico Earthquakes (DR-4473-PR); the COVID-19 pandemic (DR-4493-PR); Severe Storms, Flooding, Landslides, and Mudslides (DR-4805-PR); and Tropical Storm Ernesto (DR-4850-PR).

Together, these portfolios illustrate the GPR’s continued capacity to administer emergency and permanent work, support project formulation and reimbursement, and sustain recovery implementation across multiple declarations simultaneously.

Puerto Rico DR-4671-PR | Hurricane Fiona Summary Status

In September 2022, Hurricane Fiona caused widespread flooding, prolonged interruptions in essential services, and significant damage to public infrastructure across broad areas of Puerto Rico. In addition to its immediate effects, the event reinforced the importance of continuing to restore and strengthen critical assets in a manner that supports long-term resilience. The Hurricane Fiona portfolio therefore reflects both the scale of the disaster and the coordinated effort underway to restore essential public infrastructure and community functionality.

**Figure 15: Summary of FEMA PA Obligations and Disbursements
Hurricane Fiona DR-4671-PR**



As reflected in [Figure 15](#), the Hurricane Fiona portfolio includes \$1.9 billion in total projects obligated across 2,796 Project Worksheets (PWs), with a Federal Share of \$1.8 billion and \$697.2 million disbursed. Within that total, 1,976 Permanent Work PWs account for approximately \$1.3 billion in Federal share obligated and \$362.5 million disbursed, while 623 Emergency Work PWs

account for approximately \$428.5 million obligated and \$307.8 million disbursed. In addition, 197 administrative cost PWs account for approximately \$102.6 million obligated and \$26.8 million disbursed. [Figure 15](#) reflects a Hurricane Fiona project portfolio of significant scale that continues to translate Federal support into active reimbursement and project delivery.

The execution profile for the Hurricane Fiona permanent work portfolio is shown in [Figure 16](#), which reflects 4,381 project records (Dis) totaling approximately \$1.46 billion, supported by 1,969 approved PWs. A substantial pipeline of work is advancing through project development, including 1,937 projects in planning representing approximately \$529.6 million. Design activity remains strong, with 536 projects in procurement for design services totaling approximately \$350.6 million and 353 projects in active design totaling approximately \$179.3 million. [Figure 16](#) also reflects 29 projects in permitting, representing approximately \$7.1 million. Construction activity is similarly active, with 542 projects in procurement totaling approximately \$187.5 million and 666 projects under construction totaling approximately \$158.7 million. In addition, 318 projects have reached completion, representing approximately \$50.6 million in delivered work. Taken together, [Figures 15](#) and [16](#) reflect a broad Hurricane Fiona recovery portfolio steadily advancing across all phases of execution.

Figure 16: Road to Recovery Dashboard¹²
Hurricane Fiona DR-4671-PR



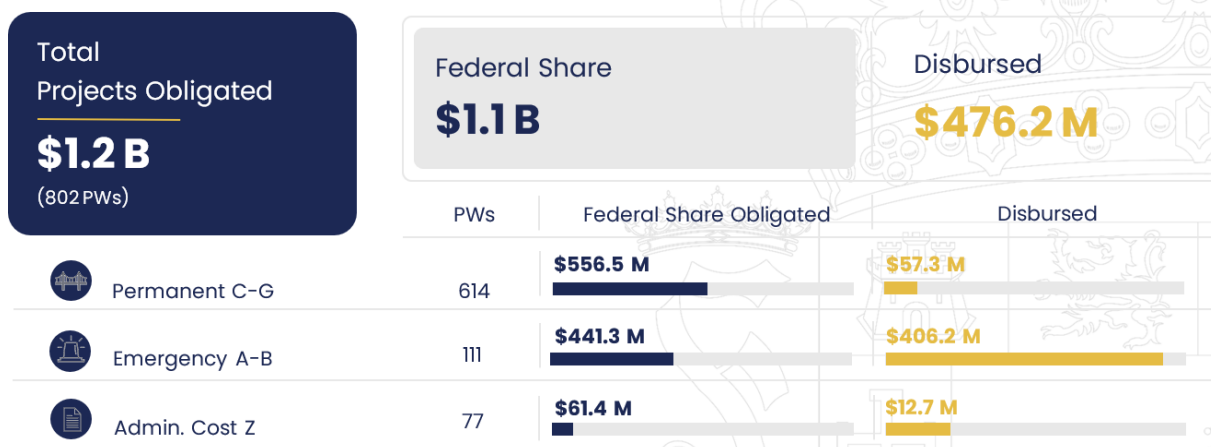
¹² The data provided is drawn from the Quarterly Progress Report (QPR) for the Second Quarter of 2026, which summarizes reconstruction progress for Hurricane Maria during the period between January 1 and March 30, 2026.

Puerto Rico DR-4473-DR | Earthquakes Summary Status

The earthquake sequence that affected southern Puerto Rico beginning in late 2019 created a distinct and sustained recovery challenge, characterized by structural damage, displacement, and disruption to essential public facilities and services. Recovery under DR-4473 has therefore required a combination of emergency response, stabilization, permanent repair, and reconstruction measures tailored to the seismic context of the affected region. The portfolio reflects the continued effort to restore damaged assets while improving long-term resilience in earthquake-affected communities.

As shown in [Figure 17](#), the Earthquakes portfolio includes \$1.2 billion in total projects obligated across 802 PWs, with a Federal share of \$1.1 billion and \$476.2 million disbursed. Of that total, 614 Permanent Work PWs account for approximately \$556.5 million in Federal share obligated and \$57.3 million disbursed. 111 Emergency Work PWs account for approximately \$441.3 million obligated and \$406.2 million disbursed, while 77 administrative cost PWs account for approximately \$61.4 million obligated and \$12.7 million disbursed. [Figure 17](#) reflects a mature and well-developed portfolio supported by substantial Federal investment.

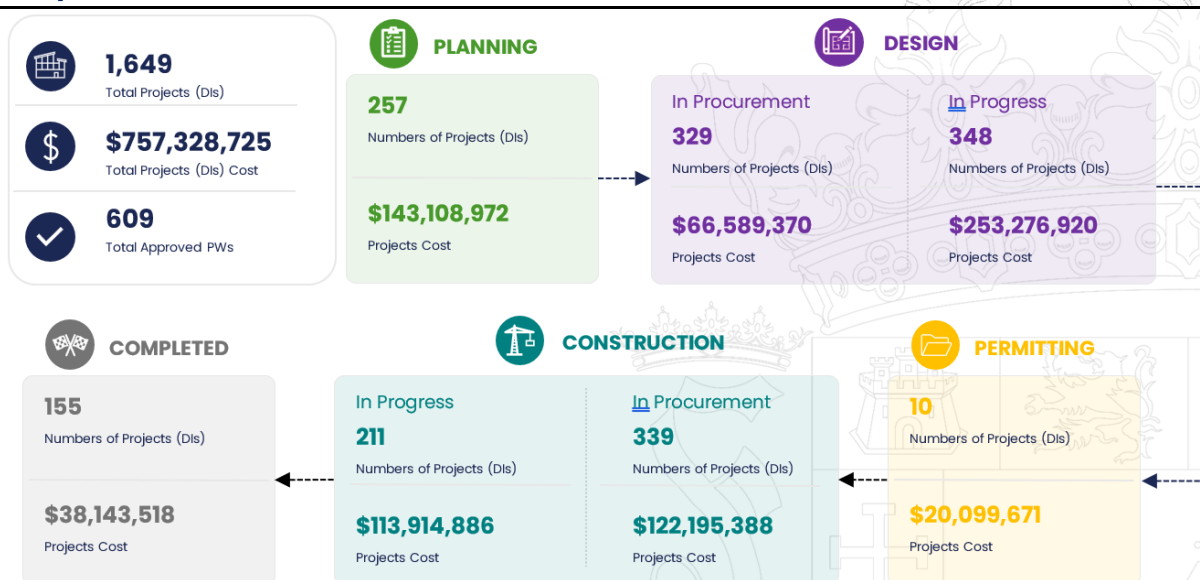
Figure 17: Summary of FEMA PA Obligations and Disbursements Earthquakes DR-4473-PR



The corresponding execution pipeline is reflected in [Figure 18](#), which shows 1,649 project records (DIs) totaling approximately \$757.3 million, supported by 609 approved PWs. Of these, 257 projects representing approximately \$143.1 million are in planning. Design activity continues at meaningful scale, with 329 projects in procurement totaling approximately \$66.6 million, and 348 projects in active design totaling approximately \$253.3 million. [Figure 18](#) also reflects 10 projects in permitting, representing approximately \$20.1 million. Construction activity remains substantial, with 339 projects in procurement totaling approximately \$122.2 million and 211 projects under construction totaling approximately \$113.9 million. In addition, 155 projects have been completed, representing approximately \$38.1 million in delivered work. [Figures 17](#) and [18](#)

together illustrate a portfolio that continues to progress across development, procurement, construction, and completion.

Figure 18: Road to Recovery Dashboard¹³
Earthquakes DR-4473-PR



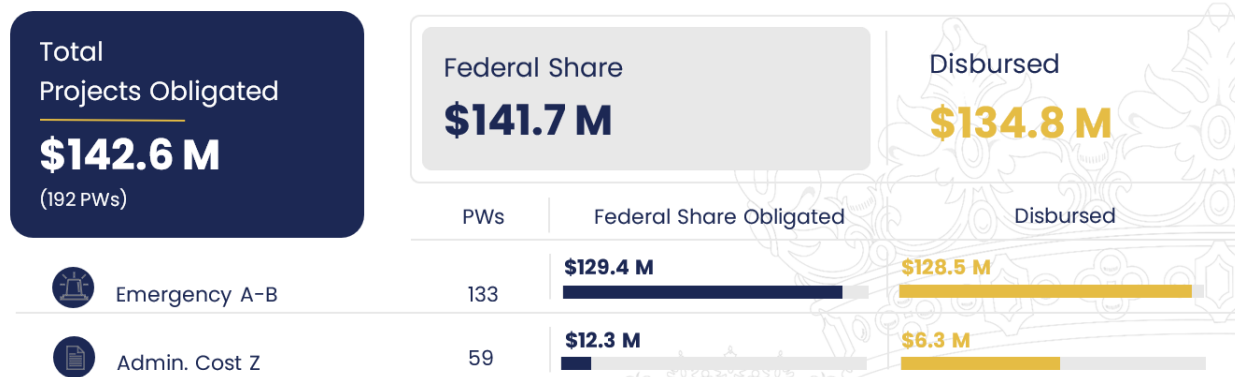
Puerto Rico DR-4493-PR | COVID-19 Pandemic Summary Status

The COVID-19 pandemic required an extended public health response that differed significantly from traditional infrastructure-centered disaster recovery. Under DR-4493-PR, Federal assistance supported emergency protective measures, operational continuity, administrative support, and related expenditures necessary to sustain the government's response to the public health emergency. In that respect, the DR-4493 portfolio reflects the scale and duration of the pandemic response and the Federal support mobilized to address it.

As reflected in Figure 19, FEMA has approved approximately \$142.6 million in total PA obligations for DR-4493-PR, including a Federal share of approximately \$141.7 million, of which approximately \$134.8 million had already been disbursed. This portfolio includes 192 PWs, consisting of 133 Emergency A-B projects and 59 Administrative Cost Z projects. Emergency A-B accounts for approximately \$129.4 million in obligated Federal share and approximately \$128.5 million in disbursements, while Administrative Cost Z accounts for approximately \$12.3 million obligated and approximately \$6.3 million disbursed. Together, these figures reflect the significant level of Federal support provided to Puerto Rico's COVID-19 response and the substantial progress achieved in the disbursement of funds for eligible emergency and administrative activities.

¹³ Total gross cost of the Consolidated Resource Center (CRC) + Total cost of the Hazard Mitigation Proposal (HMP) 406. Insurance amount not included.

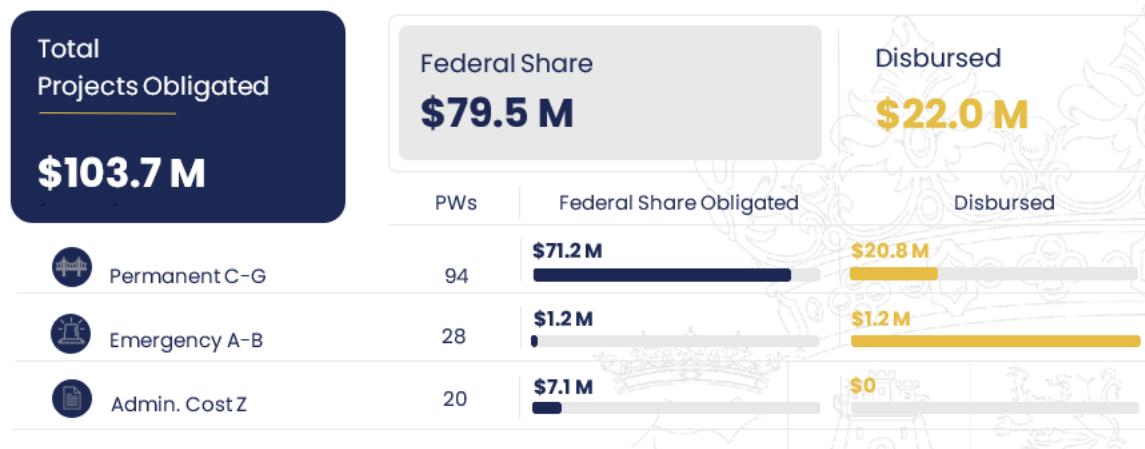
**Figure 19: Summary of FEMA PA Obligations and Disbursements
COVID-19 Pandemic DR-4493-PR**



Puerto Rico DR-4805-PR | Severe Storms, Flooding, Landslides, and Mudslides Summary Status

The severe storms, flooding, landslides, and mudslides that affected Puerto Rico in 2024 caused localized but significant impacts to roadways, public infrastructure, drainage systems, and community access in multiple Municipalities. Although more limited in geographic scope than some prior declarations, DR-4805 reflects the importance of targeted permanent work and prompt recovery action to restore damaged assets and support continued resilience in affected communities. The storms caused localized flooding, road closures, and damage to public facilities in 13 Municipalities: Adjuntas, Guánica, Lajas, Las Marías, Luquillo, Maricao, Naranjito, Orocovis, Sábana Grande, San Sebastián, Toa Alta, Utuado and Yauco.

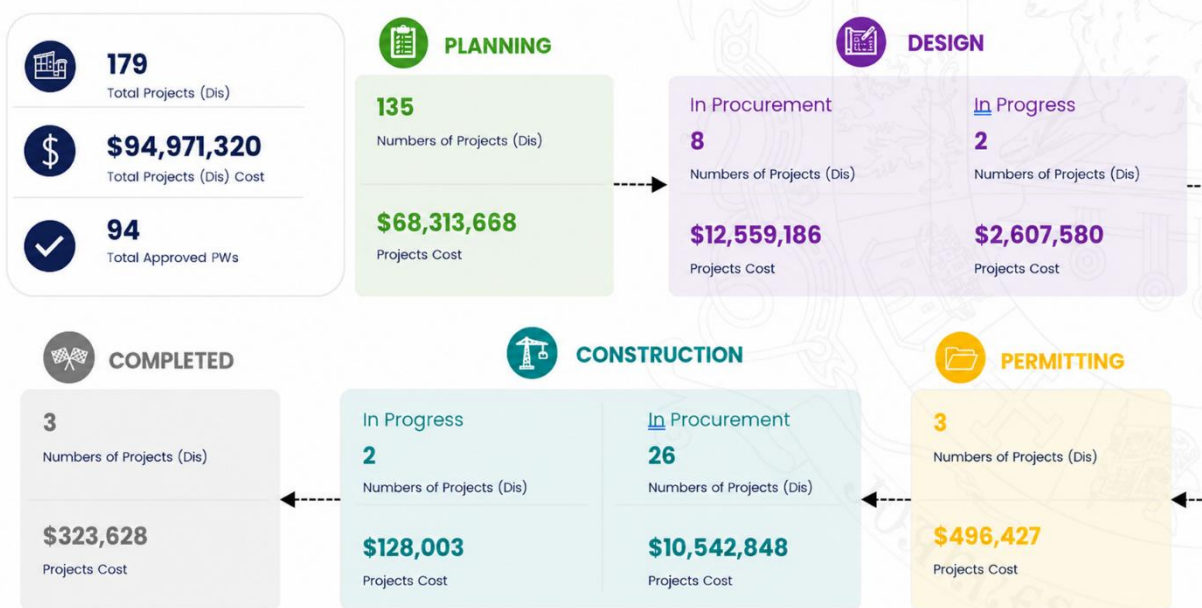
**Figure 20: Summary of FEMA PA Obligations and Disbursements
Severe Storms, Flooding, Landslides, and Mudslides DR-4805-PR**



As reflected in [Figure 20](#), the DR-4805 portfolio includes \$103.7 million in total projects obligated across 142 PWs, with a Federal share of \$79.5 million and \$22.0 million disbursed. Within that total, 94 Permanent Work PWs account for approximately \$71.2 million in obligated Federal share and \$20.8 million disbursed. 28 Emergency Work PWs account for approximately \$1.2 million in both obligated and disbursed funding, while 20 administrative cost PWs account for approximately \$7.1 million in obligated funding. [Figure 20](#) reflects that a meaningful portion of its obligated funding has translated into active recovery expenditures.

The DR-4805 execution profile is presented in [Figure 21](#), which reflects 179 projects (Dis) totaling approximately \$95.0 million, supported by 94 approved PWs. Project development activity is led by 135 projects in planning, representing approximately \$68.3 million. Design activity includes 8 projects in procurement totaling approximately \$12.6 million and 2 projects in active design totaling approximately \$2.6 million.

Figure 21: Road to Recovery Dashboard
Severe Storms, Flooding, Landslides, and Mudslides DR-4805-PR



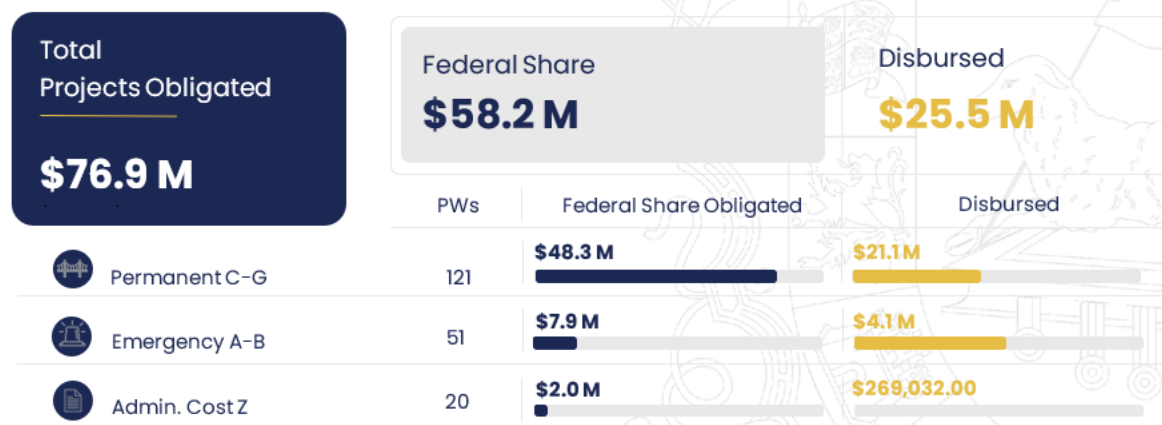
[Figure 21](#) also reflects 3 projects in permitting, representing approximately \$0.5 million. Construction procurement activity includes 26 projects totaling approximately \$10.5 million, while there are 2 projects under construction totaling approximately \$0.13 million. The same figure also shows 3 completed projects, representing approximately \$0.3 million in delivered work. Taken together, [Figures 20](#) and [21](#) reflect a portfolio that is advancing steadily through project development and into implementation.

Puerto Rico DR-4850 | Tropical Storm Ernesto Summary Status

Tropical Storm Ernesto added further demands to Puerto Rico's broader recovery landscape by causing flooding, landslides, service interruptions, and damage to public infrastructure in multiple Municipalities. Although this declaration remains at an earlier stage of maturity than older disasters, it already reflects an organized recovery effort intended to address immediate damage while positioning projects for continued implementation and long-term resilience.

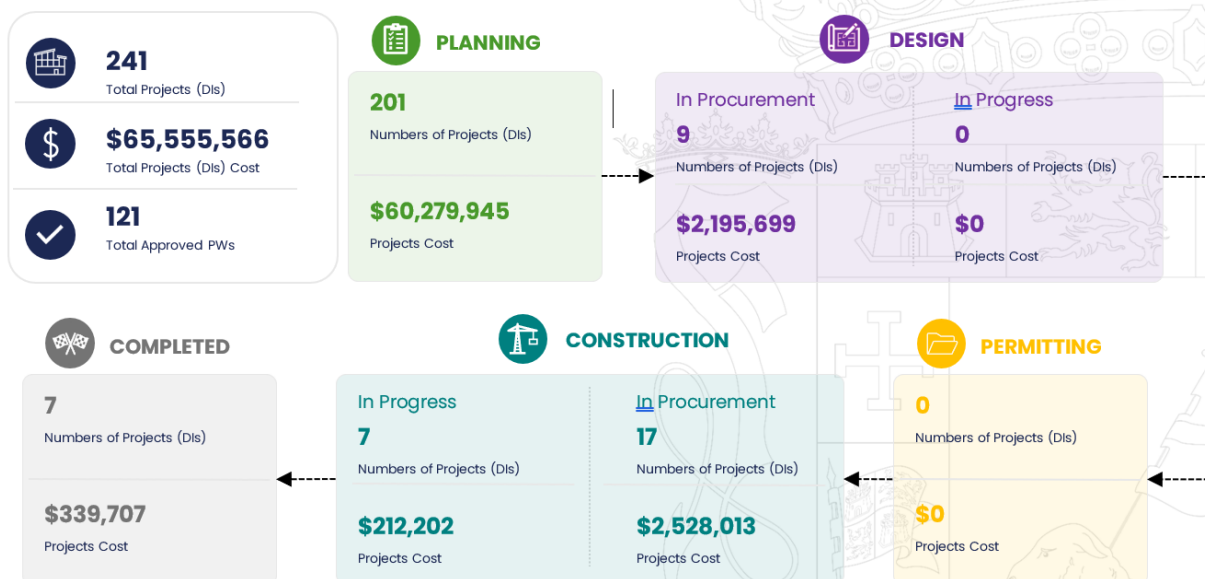
As shown in [Figure 22](#), the Tropical Storm Ernesto portfolio includes \$76.9 million in total projects obligated across 192 PWs, with a Federal share of \$58.2 million and \$25.5 million disbursed. This includes 121 Permanent Work PWs with approximately \$48.3 million obligated and \$21.1 million disbursed, 51 Emergency Work PWs with approximately \$7.9 million obligated and \$4.1 million disbursed, and 20 administrative cost PWs with approximately \$2.0 million obligated and approximately \$269,032 disbursed. [Figure 22](#) reflects a portfolio that has already advanced beyond initial obligation into active disbursement.

**Figure 22: Summary of FEMA Obligations and Disbursements
Tropical Storm Ernesto DR-4850-PR**



The corresponding DR-4850 execution profile is reflected in [Figure 23](#), which shows 241 projects (DIs) totaling approximately \$65.6 million, supported by 121 approved PWs. The largest share of this is currently concentrated in planning, where 201 projects represent approximately \$60.3 million. Design procurement activity includes 9 projects totaling approximately \$2.2 million, while no projects are reflected in active design or permitting at this time. [Figure 23](#) further reflects 17 projects in procurement for construction totaling approximately \$2.5 million, 7 projects under construction totaling approximately \$0.2 million, and 7 completed projects totaling approximately \$0.3 million. [Figures 22](#) and [23](#) therefore reflect a strong development pipeline and visible early implementation activity already underway.

Figure 23: Road to Recovery Dashboard
Tropical Storm Ernesto DR-4850-PR



Appendix D – Puerto Rico Department of Housing (PRDOH) Community Development Block Grant (CDBG) Updates

CDBG-DR – Hurricanes Irma and Maria (2017)

During this reporting period, PRDOH continued advancing the implementation of its CDBG-DR portfolio across the housing, economic development, and cost-share sectors, while also incorporating key Action Plan changes through Amendments 19 and 20. In housing, the Home Repair, Reconstruction, or Relocation (R3) Program had assisted 10,461 participants as of March 2026, including 6,977 completed home repair or reconstruction projects and 3,484 relocation vouchers. The Homebuyer Assistance (HBA) Program continued to expand access to homeownership, completing 1,234 assistance transactions during the reporting period and 16,541 transactions cumulatively, representing \$677.9 million in assistance. PRDOH also continued expanding affordable rental housing through the CDBG-DR Gap to the Low-Income Housing Tax Credit (LIHTC) Program, which had awarded more than \$1.116 billion by March 2026 and placed 1,786 affordable units in service. In the economic sector, the Small Business Financing Program and Re-Grow PR continued supporting recovery and revitalization, with 5,397 small business grants totaling \$293 million and 1,880 agricultural grants totaling \$131 million, respectively. In addition, the Non-Federal Match Program (NFMP) executed Subrecipient Agreements with all 78 Municipalities, 35 Puerto Rico State Entities, and 71 private non-profit organizations, and obtained HUD authorization for 3,338 Project Worksheets representing \$887.5 million in State share.

PRDOH advanced targeted policy and budget adjustments through Amendments 19 and 20 to the Action Plan. Under Amendment 19, PRDOH reallocated \$92 million from the LIHTC Program, \$10 million from the Homebuyer Assistance Program, and \$40 million from the Community Energy and Water Resilience Installations Program (CEWRI) to increase Re-Grow PR by \$2 million and the City Revitalization Program by \$140 million. Amendment 20, approved on March 31, 2026, further refined the portfolio by shifting the Vacant Property Recovery Program toward capacity-building and training, reallocating planning resources to the Whole Community Resilience Planning Program for specialized studies, and adding energy and water storage assistance under R3 to preserve continuity of resilience benefits as the CEWRI Program approaches closeout. Amendment 20 also clarified affordability requirements under the Social Interest Housing Program, revised HBA and Title Clearance national objective allocations, and adjusted the Blue Roof Survey Program budget to reflect actual disbursements.

CDBG-MIT – Mitigation Programs

PRDOH continued advancing implementation of its \$8.285 billion CDBG-MIT portfolio during the reporting period through ongoing program execution and the incorporation of Action Plan Amendment 5, effective October 21, 2025. Amendment 5 introduced targeted revisions across housing and multisector programs, including the addition of title clearance services and first-year flood insurance benefits in certain housing programs, refinements to the Multi-Sector Community Mitigation Program, a revised 60 percent low-and moderate-income and 40 percent urgent-need allocation under the Economic Development Investment Portfolio for Growth – Lifeline Mitigation Program, and greater flexibility within the Community Installations component of CEWRI for households requiring structural improvements to support energy systems. Amendment 5 also added the new Homebuyer Assistance Mitigation Program with a \$100 million allocation and the Farm and Energy Resilience Program with a \$75 million allocation, while incorporating major covered projects at San Juan Bay Pier 1 and the Rafael Hernández Airport in Aguadilla.

Program implementation also advanced across key mitigation initiatives. The Single-Family Housing Mitigation Program completed 2,296 property assessments during the reporting period, resulting in 13 home repair or reconstruction projects; 1,088 relocation vouchers; and 270 successful household relocations. Following Amendment 5, PRDOH launched the Homebuyer Assistance Mitigation Program on January 20, 2026; by the end of March 2026, the program had received 1,093 applications, completed 16 assistance transactions totaling \$721,000, and engaged 61 lending institutions and private non-profit organizations, supported by agreements with the Puerto Rico Housing Finance Authority and six housing counseling agencies. PRDOH also continued implementation of energy mitigation initiatives through the CEWRI subprograms, which together had awarded more than 10,000 applications and completed 9,921 energy system installations by the close of the reporting period. In infrastructure, INFRA-MIT had executed 38 Subrecipient Agreements totaling approximately

\$1.852 billion, while the Healthcare Strengthening Set-Aside included 36 projects representing approximately \$784.5 million in CDBG-MIT funds.

CDBG-DR – February 2022 Floods and Hurricane Fiona

PRDOH continued refining implementation of the \$166.312 million CDBG-DR allocation supporting long-term recovery following the February 2022 floods and Hurricane Fiona. During the reporting period, implementation remained centered on the Community Flood Recovery and Mitigation Program (CFRM), while the Action Plan continued to reflect the previously approved expansion of the Most Impacted and Distressed area to 48 Municipalities. Through Amendments 1 and 2, PRDOH strengthened the program framework by clarifying that all eligible CFRM projects must include a mitigation component, expanding eligible HCDA activities, incorporating project readiness as an eligibility criterion, increasing the maximum award from \$16 million to \$20 million, and authorizing a direct distribution method. Amendment 2 further removed the requirement to submit an Operations and Maintenance Plan for proposed projects while maintaining the ineligibility of operations and maintenance costs, and updated Elevation Standards to align with current FEMA and HUD requirements, including the requirement that Critical Actions be elevated or floodproofed to the higher of the 500-year flood elevation or Base Flood Elevation plus three feet.

CDBG-DR Electrical System Enhancements – Hurricanes Irma and Maria (2017)

PRDOH also continued implementation of the CDBG-DR Electrical System Enhancements and Improvements allocation, which supports long-term resilience and modernization of Puerto Rico's electric system through the ER1 and ER2 programs. During the reporting period, PRDOH advanced coordination under ER1 by developing and sharing with PREPA and the Puerto Rico Energy Czar an analysis of strategic alternatives to support project selection based on disbursement projections, completion timelines, and projected cost increases, with confirmation of the selected alternative issued on March 20, 2026. Under ER2, PRDOH continued evaluating and advancing projects intended to improve reliability, affordability, and resilience.