Speaker's Office <speaker@guamlegislature.org>

Messages & Communications Fwd: GEDA Board of Directors Meeting Packet | September 19, 2019
1 message

Speaker's Office <speaker@guamlegislature.org>
To: Clerks Office <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>
Bcc: Tina Muna Barnes <tinamunabarnes@gmail.com>

Wed, Oct 30, 2019 at 4:39 PM

10-30-19	4:37 PM	10-30-19	GEDA Board of Directors Meeting Packet | September 19, 2019	Guam Economic Development Authority	35GL-19-1174

Sinseru yan Minagåhet,

Office of the Speaker • Tina Rose Muña Barnes
Committee on Public Accountability, Human Resources & the Guam Buildup

35th Guam Legislature
I Mina'trentai Singko na Liheslaturan Guåhan

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910
T: (671) 477-2520/1
speaker@guamlegislature.org

35GL-19-1174
Speaker Tina Rose Muña Barnes

OCT 3 0 2019
Time 4:37 ( )AM (X)PM
Received By

This e-mail message is intended only for the use of the individual or entity named above and may contain confidential and privileged information. If you are not the intended recipient, any disclosure, copying, distribution or use of the information contained in this transmission is strictly PROHIBITED. If you have received this transmission in error, please immediately notify us by replying to speaker@guamlegislature.org and delete the message immediately. Thank you very much.

Gumai pribilehu yan konfedensia este siha na mensåhi. Solo espesiåtmente para hågu ma entensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'setbe, pat mandespåtcha. Yanggen lachi rinisibu-mu nu este na mensåhi , put fabot ago' guatu gi I numa'huyong gi as speaker@guamlegislature.org yan despues destrosa todu siha I kopian mensåhi. Si Yu'os ma'åse'.

——— Forwarded message ———
From: **Austin Grant** <austin.grant@investguam.com>
Date: Wed, Oct 30, 2019 at 4:11 PM
Subject: GEDA Board of Directors Meeting Packet | September 19, 2019
To: Speaker's Office <speaker@guamlegislature.org>

Håfa Adai Speaker Barnes,

Pursuant to 5 GCA § 8113.1 Reporting Requirement for Boards and Commissions, we have attached the meeting agenda, approved minutes and attachments from **GEDA's Board of Directors Meeting** held on **September 19, 2019.**

Audio from the meeting can be found on the Office of Public Accountability's website.

Please let me know if you have any questions or concerns. I will be glad to assist you.

Si Yu'os Ma'åse!

Warm Regards,

AUSTIN GRANT
GEDA Special Projects Coordinator

590 S. Marine Corps. Drive, Suite 511
Tamuning, GUAM 96913
T 671 647 4332
F 671 649 4146
E austin.grant@investguam.com
W investguam.com

2019 OCT 30 PM 4:47

September 2019 BODM Packet_Final.pdf
4051K

1174

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

REGULAR BOARD OF DIRECTORS MEETING

Thursday, September 19, 2019
1:30 p.m.
GEDA 5th Floor GITC Building
Ste. 511, 590 South Marine Corps Drive
Tamuning, Guam 96913

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'hàga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
Sigundo Na Maga'lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ihunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkta Ge'helo' Eksekutibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

NOTICE OF A REGULAR BOARD OF DIRECTORS MEETING
PLEASE TAKE NOTE TO ANYONE WHO WISHED TO ATTEND AND PARTICIPATE THAT REGULAR BOARD OF DIRECTORS MEETING WILL BE HELD:

DATE: Thursday, September 19, 2019
TIME: 1:30 p.m.
PLACE: GEDA 5th Floor GITC Building
Ste. 511, 590 South Marine Corps Drive
Tamuning, Guam 96913

Public Notice: The Post on Thursday, September 12, 2019 & on Tuesday, September 17, 2019 and sent to the media on those dates.

AGENDA

I. Call to Order
II. Inifresi
III. Roll Call
IV. Approval of Agenda
V. Approval of Minutes
   - August 2019 Board Meeting | August 22, 2019
VI. Chairman's Remarks
VII. CEO/Administrator's Remarks
VIII. Communications
IX. Committee Reports
   - Real Property Committee
   - H2B Visa Committee
   - Telecommunications Committee
   - Small Cruise Ship Industry Committee
X. Old Business
XI. New Business
   - FY 2020 Budget
   - FY 2020 Organizational Chart
   - Community Contribution- Guam Sports Events, Inc. (United Guam Marathon)
XII. Public Comments
XIII. Adjournment

Enclosures: Communications Report, Investment Committee Report, Real Property Committee Report, H2B Visa Committee Report, Telecommunications Committee Report, Public Finance Board Report, Aquaculture Task Force Report

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
I Segundo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
August 22, 2019

Call to Order

§1. The regular meeting of the Board of Director of the **Guam Economic Development Authority** (referred to as "GEDA" or the "Authority") was held on Thursday, August 22, 2019 at the hour 1:38 p.m. at the Guam Economic Development Authority conference room, Fifth Floor Suite 511, ITC Building Tamuning, Guam. The meeting was called to order by Chairman David John to consider several items on the agenda.

Quorum and Attendance

§2. **Roll call.** As determined by the roll call, the following directors were present:

Directors:	***Offices or Positions:***
David John	Chairman
Ernesto Espaldon, Jr.	Vice Chairman
Deepak Dewan	Director
George Chiu	Director
Siska S. Hutapea	Director
Melanie Mendiola	CEO/Administrator
Artemio Hernandez	Deputy Administrator
Terry Brooks	Legal Counsel
Absent and excused:	
Fe Valencia-Ovalles	Director
Gia Ramos	Director
Also present were:	
Erin Grajek	Office of Senator Ridgell
Anumita Kaur	Guam Pacific Daily News
Kevin Kerrigan	The Guam Daily Post
Austin Grant	GEDA

Larry Toves	GEDA
Claire Cruz	GEDA
Bernice Torres	GEDA
Edward Camacho	GEDA
Antoinette Leon Guerrero	GEDA
Diego Mendiola	GEDA
Jennifer Calvo-Guzman	GEDA
Wayne Chargualaf	Glimpses

Approval of Agenda

§3. The first item considered was approval of the agenda. Director George Chiu made the motion to approve the meeting agenda. Director Siska Hutapea seconded the motion. The motion was unanimously approved.

Approval of Minutes

§4. The next item on the agenda was the Approval of Minutes from July 8, 2019. Vice Chairman Ernesto Espaldon moved to approve the minutes. Director Chiu seconded the motion. The motion was unanimously approved.

Chairman's Remarks

§5. The next item on the agenda was Chairman's Remarks.

Chairman John thanked the GEDA team and stated that team is syncing and continue to make progress. Additionally, Chairman John informed staff that the Board of Directors (BOD) are available for assistance.

Chairman John congratulated and welcomed Director Deepak Dewan to the Guam Economic Development Authority's BOD.

There were no further remarks.

CEO/Administrator's Remarks

§6. The next item on the agenda was CEO/Administrator's Remarks.

CEO/Administrator Melanie Mendiola stated that most of the meeting's content will be discussed in the committee reports and that it that it has been a very good month for GEDA.

Additionally, Ms. Mendiola mentioned that the final CEDS report is enclosed in the meeting packet. She further informed the BOD that the report has been transmitted to the U.S. Economic Development Administration (USEDA), and that GEDA can now commence applying for grants under the CEDS report.

Relative to the Governor's interest in diversifying our economy in the agriculture, aquaculture, and telecommunications sectors, Ms. Mendiola indicated that there's approximately $1.7 million worth of funding in those different projects that can go towards those various initiatives in addition to other initiatives that were introduced by other agencies. For example, some projects have been introduced by the Mayor's offices. Additionally, there's a group interested in creating a children's museum. Ms. Mendiola further stated that those projects are identified in the CEDS report. The CEDS report is available on GEDA's website at www.investguam.com.

Furthermore, Ms. Mendiola announced that a USEDA representative will be on Guam to meet with several agencies to encourage them to apply for grants under the CEDS. He will also be meeting with GEDA. Ms. Mendiola also revealed that the lack of grant applications coming out of Guam has been a major issue. With that, GEDA is looking to put together a working group at the University of Guam to assist applicants with the grant application process. We hope that by coming together and working as a team that we can get more EDA funding towards the diversification of our economy.

In regards to Public Finance, Ms. Mendiola informed the BOD that GEDA's Deputy Director, Artemio "Ricky" Hernandez, Ph.D. has been in discussion with the 35th Guam Legislature relative to the Guam International Airport Authority's (GIAA) Bond refinancing. Floor turned over to Deputy Hernandez.

Deputy Hernandez communicated that the GIAA refunding bill could potentially provide the GIAA with $2.25 million in savings by simply refunding the $21 million bond. He also stated that the Legislature called on GEDA, GIAA, and BBMR to answer questions related to the terms and details of the bill and the refunding bond.

Moreover, Deputy Hernandez informed the BOD that the Legislature is expected to vote on the bill today, August 22, 2019 at 2:00 p.m. with hopes of a favorable outcome. Deputy Hernandez also acknowledged that amendments were made with regard to transparency and reporting requirements, and advised the BOD that GIAA and GEDA will comply. No further remarks from Deputy Hernandez.

Moving onto Qualifying Certificates (QC), Ms. Mendiola continued her remarks stating that GEDA has been most active with two Qualifying Certificates, (1) Health Insurance QC and (2) Recycling QC.

Ms. Mendiola stated that GEDA has met with insurance companies and Senator Clynton Ridgell to discuss a possible Health Insurance QC that addresses the increasing cost of healthcare. Being able to balance the tax incentives without increasing the cost of healthcare for the people of Guam.

Additionally, Ms. Mendiola stated GEDA has been working with the Center for Island Sustainability and with Peggy Denny from I*Recycle Guam and have made progress with the Recycling QC. One issue of concern is how to quantify removing waste from the waste stream. Furthermore, Ms. Mendiola stated that GEDA's

existing Recycling QC offers tax abatement and tax rebate for companies moving garbage and waste off of Guam, specifically metals and plastics. However, waste has to be in large amounts. Therefore, GEDA is revisiting the program to potentially look into working with smaller businesses.

Vice Chairman Espaldon asked if any change to modify the QC program would require legislative approval. Ms. Mendiola stated that a positive for GEDA is that the QC already exists, and it's more about looking at the criteria for what qualifies for a Recycling QC.

Furthermore, Ms. Mendiola stated that GEDA was tasked by the Governor's office to assist with a project to release land under federal control to the Government of Guam. GEDA, in conjunction with the Governor's Office, the Guam Buildup Office, and the Guam Ancestral Lands Commission (GALC) is moving this project forward.

Chairman John inquired about GEDA's role with this project and if the acquired land would be available for GEDA to manage. Ms. Mendiola stated that at this point in time, GEDA is mainly the coordinator, guiding and organizing the process as well as assisting Governor Leon Guerrero in the negotiation process.

That concluded the remarks from the CEO/Administrator.

Communications

§7. The next item on the agenda was Communications.

Mr. Austin Grant gave BOD a GEDA in the Media report. GEDA was featured in two major articles in July and August relative to the Governor Leon Guerrero's initiative to acquire federal lands as well as GEDA's travel.

Relative to Justification of Travel for Chief Advisor Carl Gutierrez, Mr. Grant stated GEDA did resolve an issue with a media outlet. Immediately after the media outlet requested for the information, the Justification of Travel statement was posted on GEDA's website.

Furthermore, Mr. Grant informed BOD that links to the articles are available on the back of the report and can be emailed to them upon request.

Chairman John addressed the media present stating that GEDA wants to continue to have good communication with them.

There were no further remarks.

Committee Reports

§8. The next item on the agenda was Committee Reports.

INVESTMENT COMMITTEE

Vice Chairman Espaldon reported.

Key meeting held with Bank of Guam. Discussion points included GEDA's Financial Performance highlighting that GEDA is beating the index that has been provided, although he would like to see other indices from which to compare. Year-to-date return indicates 14.79% versus the index of 13.16% provided. Additionally, the average annualized return since inception (May 2017) is at 7 percent.

Furthermore, Vice Chairman Espaldon stated that GEDA should promote the Guam Development Fund Act (GDFA) to assist those who are interested in starting small businesses or assisting existing businesses. Funds should be circulating within the economy.

Director Chiu suggested removing the two (2) bank declinations required under the GDFA loan program to make the process easier for people with viable business plans. Director Deepak Dewan stated that lending institutions deny loan clients due to lack of sufficient collateral and not based on their business plan. Chairman John asked if there is a way to release GDFA funds and create a new loan program. Vice Chairman Espaldon reiterated the need to promote the program and make the public aware that these funds are available to them. Furthermore, he asked Legal Counsel Attorney Terrance Brooks to look into the specific mandates relative to the GDFA loan program. Mr. Brooks mentioned that it's a federal requirement to obtain two (2) bank declinations. In addition, he stated that GEDA cannot compete with local banks when issuing loans. According to Chairman John, GEDA could participate in other lending practices on the Equity side such as a deferred note.

Furthermore, Ms. Mendiola suggested that the Intermediary Relending Program under USDA could be a potential solution. This program provides 1 percent low-interest loans to local lenders or "intermediaries" that re-lend to businesses to improve economic conditions and create jobs in communities. Under this program, GEDA can borrow at a half percent and lend out the interest rate. In turn, GEDA can match it to the GDFA fund. GEDA would have to pay back this loan. Ms. Mendiola further stated that GEDA can borrow in tranches and pay back what we've drawn down on.

Chairman John stated that we can look into the Intermediary Relending Program as well as equity.

No further comments made.

Recommendations:

- Promote GDFA program
  - How it is executed?
  - How marketing will play a role?
  - Vice Chairman Espaldon asked Legal counsel to verify aspects of GDFA loan program
- Chairman John recommended changing GEDA's long term funding strategy. Advises committee to explore:
  - How GEDA can create funding sources apart from the Community Contribution funds
  - Find other ways to create long term sustainable funding sources
  - How to get other agencies to help support GEDA's initiatives

- Review returns and provider contracts for the RFPs and investment policies

REAL PROPERTY COMMITTEE

Director Hutapea referred to Mr. Larry Toves, Real Property Division (RPD) Manager to provide the report.

Mr. Toves stated that his team has been meeting with Director Hutapea and are appreciative of the guidance and support she has provided with real estate and MOAs with other agencies. RPD recommended properties to the Chamorro Land Trust Commission (CLTC) to list for lease and development. In addition to larger properties such as Oka Point, there are three (3) smaller properties that RPD is recommending to lease out:

1. Tumon (about an acre)
2. Yigo (Across from Guam Animals In Need)
3. Upper Tumon (Behind Nissan Motors Compound)

RPD continues efforts with the CLTC and the Guam Ancestral Lands Commission (GALC) with regards to P.L 34-99 (the 5-year Law) for any long term leasing of properties. Additionally, a Determination of Need is required. Therefore, RPD is working with the CLTC to place it on their August agenda for approval. Once the Determination of Need is approved, the process will start and a Request for Proposal (RFP) to be issued for about 30 days depending on the size of properties.

DISID. RPD continues to work with DISID relative to the property adjacent to Kmart (across JFK). According to Mr. Toves, two (2) RFPs have been issued with the first RFP receiving no response and the second RFP received only one response. It has been determined the proposal isn't feasible. Furthermore, Mr. Toves stated that DISID's Director, Phyllis Leon Guerrero is working with their Board and the Governor on how to best work with the current law requiring GEDA to lease the property for DISID and revenues generated will go to DISID. Part of law requires other stakeholders to be involved such as the Autism Center, to develop a center. RPD continues to work with requirements and intend to issue another RFP.

Star Press Building. RPD has been unsuccessful in leasing out the Star Press building. On three (3) separate times, GEDA tried to place the property up for lease. According to Mr. Toves, because of the potential hazard litigation due to Asbestos, it has been a difficult process. Additionally, because demolition could cost as much as renovation, it's challenging to get someone to invest in such a small building and small piece of property. However, Tai Fai Import & Export Company was interested in the property and went through the process with the 5-year Law (P.L 34-99) for the long term property lease. A Determination of Need was submitted but it took over a year for the Legislature to act.

Furthermore, Mr. Toves stated that RPD is working with Director Hutapea to create new legislation exempting GEDA, CLTC, and GALC from the 5-year leasing law citing that it's difficult to market properties if investors have to go before the legislature to defend long term leasing. Mr. Toves further mentioned that there's a caveat in the law that states if the legislature doesn't act within 60 days of submission of lease, that it's deemed approved. However, there's also a part of the law that the Legislature can take up to a year to decide. Law has been cumbersome.

Vice Chairman Espaldon recommended meeting with the Oversight Chair and proposing new legislation. Mr. Toves then stated that GEDA has drafted new legislation and needs to garner support. Director Hutapea stated that there's no way investors can recoup their investment within 5 years. Chairman John added that that provision in the law reduces the value of GEDA properties and advises that GEDA ask the legislature to

change the law. Further, Chairman John indicated that we need to increase the value of assets and consider Opportunity Cost.

Vice Chairman Espaldon sought clarification regarding Determination of Need for GALC properties if leasing will have similar life or different paths. Mr. Toves stated that once again, GEDA is asking the legislature to consider a long-term lease, more than 5 years. Director Hutapea clarified that GALC property leases will be the same life if lease is still limited to the 5 years.

Deputy Hernandez suggested that GEDA seek exemption from the 5-year law for GEDA-only properties as a first step. Show positive progression with GEDA properties such as the Star Press building. Then, ask the Legislature to possibly consider extending the same exemption to CLTC and GALC properties.

AT&T Building. Mr. Toves stated GEDA was informed last year that the GALC owned property where the current AT&T Building is located. GEDA is now in charge of efforts to retrieve rental arrears. From 2002 – 2006, AT&T paid rent to the Navy, owners at the time. In 2006, the land was transferred to the GALC. Mr. Toves further stated that there has been no attempt to enter into a lease agreement between AT&T and GALC since then. Right now, there's no lease.

Furthermore, Mr. Toves stated that GEDA submitted a request for $5.7 million in back rent. Amount is based on RPD's calculation of the fair market rent value and based on the rent of the old Australian Cable Station property on Marine Corps Drive that AT&T is currently renting. AT&T counteroffered with $1.7 million. However, the GALC is not accepting that offer. Moving forward, GEDA is requesting AT&T to conduct an appraisal. Mr. Toves further stated that the lease agreement between AT&T and the Navy was only for the land. GEDA's position is that since land was transferred to the GALC and the lease agreement between AT&T and the Navy has expired, the government owns the land and building. GEDA's $5.7 million calculation includes the value on the building and land.

Director Chiu questioned why GEDA is basing the calculation on the building and who built the building. After further discussion, it was determined that the lease agreement between AT&T and the Navy expired in 2006, and according to legal counsel, the law states that anything on the property reverts to the new owners, the government.

Chairman John asked if AT&T disputes that the government now owns the building. Mr. Toves indicated that AT&T doesn't dispute that however their counteroffer of $1.7 million is based on their current lease with the Australian Cable Station. Director Hutapea suggested that AT&T conduct a fair market rent appraisal and settle it there. Furthermore, she proposed that GEDA give AT&T two to three months to finish the appraisal and then submit to GEDA, and GEDA will find a new lease.

Vice Chairman Espaldon asked if AT&T outlined their $1.7 million offer. According to Director Hutapea, AT&T based their offer on their $10,000 monthly rent for the Australian Broadcasting Building which is 5,200 sq. ft. and sits on less than an acre of land and wants to apply the same amount to the Tanguisson building which is over 40,000 sq. ft. and over three acres of land. Chairman John stated that there's plenty of use for the building and indicated that the best case scenario is to negotiate with AT&T.

Furthermore, Mr. Toves stated that the property belongs to the GALC, and it's their call. GEDA's role is serving as the property manager for GALC. The commission would like to work it out with AT&T however, $1.7 million isn't acceptable. Director Hutapea suggested that AT&T can perform a retrospective appraisal as of a certain date which will be fair for them, for GEDA, and fair for our tenants.

No motion required. It's under oversight of Director Chiu and Director Hutapea.

No further comments made.

Recommendations:

- RPD continues to follow up with AT&T regarding payment of back rent due and lease moving forward. Make recommendation to GALC to negotiate.
- We should consider engaging with GEDA Legislative Oversight Chairman to discuss PL 34-99 (the 5-year Law) and its effect on lease revenue as there have been no new leases since its passage.

H-2B VISA COMMITTEE

Chairman John reported that the efforts of Chief Advisor Carl Gutierrez, Mr. Edward Camacho, and the team have been positive. Meeting held and signed off on law. Philippine H-2B workers should be coming to Guam.

Director Chiu stated that although the USCIS has somewhat resolved the issue for projects outside the fence, it still doesn't help the people on Guam who want to build their homes and can't find affordable labor. Chairman John stated that some H-2Bs have been approved that are tied to the One Guam policy such as Tsubaki Tower.

Business and Economic Development (BEDD) Manager, Mr. Camacho clarified the H-2B application fees informing BOD that it cost $2,100 initially to apply at the USCIS and an additional $5,000 - $6,000 a person depending on the classification of the position. Mr. Camacho stated that H-2B applications have been approved for affordable homes and healthcare. However, he further stated that within the past 15 months, no applications have been submitted to non NDAA projects indicating there's nothing for the USCIS to approve or deny. The primary issue is that developers don't want to apply because of the unknown. Mr. Camacho is hoping that retail developers of Don Quixote will apply. Moreover, how can we incentivize developers should they get denied. No one is applying. Ms. Mendiola and Chairman John stated that maybe a tax credit can be offered. Chairman John recommended that the committee find ideas that will encourage developers to apply for H-2B visas and educate people of success stories related to the program.

Furthermore, Mr. Camacho reiterated that the Philippines has been removed from the registry of approved countries, and the committee's efforts in conjunction with the Governor's office is to either come up with a new strategy or continue to promote the current strategy. Also, the committee wants to ensure that the ban is only for one (1) year and should expire on January 18, 2020.

Recommendations:

- Board of Directors should meet with Chief Advisor Carl Gutierrez.

TELECOM AND UTILITIES COMMITTEE

Ms. Mendiola reported that within the CEDS report, two (2) projects listed include the Solar Power Data Center Feasibility Study (Power Efficient Data Centers) and Telecom Industry Training Program in corporation with UOG and GCC. She indicated that these are two of the EDA grants that GEDA will apply for with funding of $500,000 for two years, primarily for staffing. She further stated that funding is necessary to conduct a feasibility study to find information including the cost of power and explore means to lower the power bill.

Director Chiu stated we want the data centers to be based here on Guam but that it takes a great deal of power to run data centers. He questioned the cost of kilowatt of electricity and is concern that the study will be useless if it's not financially feasible. Director Chiu suggested that GEDA consult with a telecommunications company and find out what's the target rate for kilowatts for electricity to run a data system.

ASSISTED LIVING COMMITTEE

Report in binder

There were no further Committee Reports.

Old Business

§9. The next item on the agenda was Old Business. The first item under Old Business was the Circular Economy experts that visited Guam on August 12th and 13th.

Vice Chairman Espaldon requested for any report and information for BOD from event with Dr. Shelton at the University of Guam.

After further discussion, there was no other business.

New Business

§10. The next item on the agenda was New Business. The first item under New Business was the annual Labor Day Picnic.

Ms. Mendiola informed BOD that GEDA received a letter from the Labor Day Committee and is being requested to share in the sponsorship of the annual Labor Day Picnic at Ypao Beach on Sunday, September, 2019. The committee is asking autonomous agencies for $10,000 each. Committee isn't soliciting private sector. Money will come from GEDA Reserves, outside of GEDA's Operating Budget.

After further discussion, Director Deepak moved to motion that GEDA sponsor $1 over the highest sponsorship, but no more than $10,000 to sponsor the annual Labor Day Picnic festivities. Director Chiu seconded the motion. The motion was unanimously approved.

The next item under New Business was the Community Contribution for Junior Achievement.

Ms. Mendiola stated that the Junior Achievement (JA) organization has been a beneficiary of the Community Contribution fund since 2017 at $25,000 a year. This year, they are asking for $30,000. JA is celebrating their anniversary this year and hosting a Regional Conference in March 2020. Money will come out of GRMC 2018 Community Contribution.

After further discussion, Director Siska moved to approve $30,000 from QC#252 for Junior Achievement. Vice Chairman Espaldon seconded the motion. The motion was unanimously approved.

The next item under New Business was the Community Contribution for the University of Guam's Startup Weekend Micronesia.

Ms. Mendiola stated Startup Weekend Micronesia is being run by the students of the Professional Master of Business Administration Program (PMBA). It's a three-day event that will be held across Micronesia (Guam, Saipan, Chuuk, Pohnpei, Kosrae, Yap, Marshall Islands, and Palau) for students and aspiring entrepreneurs. At the end of the weekend event, students will have pitched a complete business plan to a panel of judges in hopes of opening up a business. Main sponsorship is $20,000 and $5,000 for Platinum sponsorship. Money requested will go towards the UOG's PMBA students conducting and facilitating the training for their airfare, hotels, and the cost of running the program. In addition, Ms. Mendiola indicated that students are willing to present GEDA's small cruise ship presentation to all the islands. Furthermore, she stated that Startup Weekend Micronesia is a great opportunity for entrepreneurship in the region. Staff recommendation is to provide $5,000 from GRMC 2018 Community Contribution fund.

Director Chiu stated that GDFA funds should be used for these types of sponsorships as a business incubator. Ms. Mendiola stated that GEDA can identify how much we receive from loan interest and possibly use those funds. Chairman John recommended creating a Community Development Fund concept structure.

After further discussion, Vice Chairman Espaldon moved to approve $5,000 for QC#252 to support UOG's PMBA Startup Weekend. Director Siska seconded the motion. The motion was unanimously approved.

There was no further business discussed.

Public Comments

§11. The next item on the agenda was Public Comments.

There was no further business discussed.

Adjournment

§12. After further discussion there was a recommendation to adjourn the meeting. On motion duly made by Director Chiu and seconded by Director Dewan at 2:56 p.m., the meeting was adjourned.

DAVID JOHN, Chairman
Board of Directors

ATTEST:

GIA RAMOS, Board Secretary
Board of Directors

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
I Segundo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Board of Directors Regular Meeting
Attendance Sheet
Thursday, September 19, 2019
1:30 p.m.

David J. John, Chairman

Ernesto V. Espaldon, Jr., Vice Chairman

Gia B. Ramos, Secretary

George Chiu, Director

Siska S. Hutapea, Director

Fe Valencia-Ovalles, Director

Deepak R. Dewan, Director

Melanie Mendiola, CEO/Administrator

Artemio "Ricky" Hernandez, Deputy Administrator

Terry Brooks, Legal Counsel

Tom Fisher, Legal Counsel — absent

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
I Segundo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Communications Report
September 19, 2019

Publication/Communication Interest

Topic/Interest	Total Articles (August 22, 2019 to-date)
Agriculture	0
Aquaculture	0
Cruise Ship Industry	3
Telecommunications	1
Bonds & Financing	1
H2B Visa	1*
Leases & Lands	1
Opportunity Zones & Investments	2
GEDA Travel	0
GEDA Financials	0
QC Community Contributions	1*
Other	1
TOTAL	10

** Topic combined in article*

Radio/Talk Show Interviews (August 22, 2019 to-date)

Topic/Interest	Total Articles (August 22, 2019 to-date)
Agriculture	0
Aquaculture	0
Cruise Ship Industry	0
Telecommunications	0
Bonds & Financing	0
Leases & Lands	0
Opportunity Zones & Investment	0
GEDA Travel	0
GEDA Financials	0
QC Community Contributions	0
Others	0

590 S. Marine Corps, Dr. Suite 511 ITC Building
Tamuning, GUAM 96913

T 671.647.4332 F 671.649.4146
www.investguam.com

H2B Visa
Headline: **GEDA: Companies should apply for H-2B visas; makes education community contributions** Media Outlet: **Pacific Daily News** Date: **8/22/19** Link: https://www.guampdn.com/story/money/2019/08/22/geda-companies-should-apply-h-2-b-makes-education-contributions/2069709001/
Leases & Lands
Headline: **AT&T offers $1.7M for $5.7M unpaid government lease** Media Outlet: **The Guam Daily Post** Date: **8/23/19** Link: https://www.postguam.com/news/local/at-t-offers-m-for-m-unpaid-government-lease/article_97b0057c-c4c7-11e9-94ae-ffb478e92944.html
Opportunity Zones & Investments
Headline: **San Nicolas promotes Guam investment opportunities; touts $10 billion in sovereign wealth investment opportunities** Media Outlet: **Pacific News Center** Date: **9/5/19** Link: https://pncguam.com/san-nicolas-promotes-guam-investment-opportunities-touts-10-billion-in-sovereign-wealth-investment-opportunities/ Headline: **Opportunity zones educators plan for next step on Guam** Media Outlet: **Marianas Business Journal** Date: **9/16/19** Link: https://mbjguam.com/2019/09/16/opportunity-zones-educators-plan-for-next-step-on-guam/
GEDA Travel
None
GEDA Financials
None
QC Community Contributions
None

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
Sigundo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Real Property Committee Report
September 19, 2019

Key Meetings:

- Guam Ancestral Lands Commission and AT&T – September 12-13, 2019
- DISID – July 10, 2019
- CHamoru Village – August 23, 2019
- Governor's Special Assistant on Military Affairs – September 17, 2019
- Chamorro Land Trust Commission (CLTC) – September 19, 2019
- Piti Mayor – July 24, 2019
- Guam Buildup Office – July 31, 2019

Items of Interests:

- **GALC-AT&T Lease –** GALC/GEDA met with AT&T's Legal Counsel on September 12 & 13, 2019 to negotiate the lease terms for the Tanguisson Cable Landing Station moving forward, along with the invoice for lease rental arrears from the period 2007 to 2019. Negotiations have concluded and the results will be presented to the GALC Board of Commissioners at its next meeting scheduled for Wednesday, September 25, 2019.
- **DISID RFP –** Director Phyliss Leon Guerrero at DISID has requested that GEDA hold off on issuing a new RFP for the Lease and Development of the 5-acre parcel formerly known as the Voc-Rehab property located across JFK High School. Discussions between DISID and the Office of the Governor on moving forward expect to be conducted sometime during this month of September.
- **CHamoru Village** – GEDA staff met with the President of the Department of CHamoru Affairs, Mrs. Anne Marie Arceo and her staff on August 23, 2019 regarding management of the CHamoru Village (CV) located in Hagatna. A Memorandum of Agreement (MOA) has been drafted outlining the responsibilities and services between GEDA and DCA in providing general operational, property management and marketing services for the CV. DCA is currently reviewing the draft MOA and additional information including audited financials for the past years have been requested by GEDA.
- **Military Affairs/Excess Federal Lands –** A meeting was held on August 29, 2019 between Navy and GEDA officials in response to the Governor's letter to the Secretary of the Navy concerning the "Potentially Releasable Federal Lands" report dated June 2019, which identifies over 2,500 acres of terrestrial land and about 17,031 acres of submerged land to the Navy's excess land inventory. A summary of this meeting has been discussed with the Governor's Special Assistant for Military Affairs on Tuesday, September 17, 2019.

590 S. Marine Corps, Dr. Suite 511 ITC Building
Tamuning, GUAM 96913
T 671.647.4332 F 671.649.4146
www.investguam.com

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
Hunndo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

H2B Visa Committee Report
September 19, 2019

Central Issue:

January 19, 2019: DHS removes Philippines from 2019 register of approved countries for H2 labor and then shortly thereafter issues a new NDAA allowing H2 labor for Military related projects only.

March 2019: PI ConGen office on Guam no longer authenticates employment contracts if "free food and lodging" are not indicated in the contract. GDOL subsequently meets with ConGen Office and are to told take their case to the PI for exemption

Aug 14, 2019: Governor Lou Leon Guerrero approves a delegation to go to the Philippines to make our argument to fix this problem.

September 16, 2019: Governor Leon Guerrero issues Executive Order 2019-22 authorizing the Chief Advisor for Economic Development, National & International Affairs, former Governor Carl Gutierrez to research and develop a strategy to allow the inclusion of the Philippines in the H-2A and H-2B Nonimmigrant Worker Program. Report and recommendation due by March 1, 2020.

Key Meetings:

August 19, 2019: Guam delegation meets with Philippine Secretary of Labor Silvestre Bello III and POEA Director Atty. Ria Lano to discuss our concern. Secretary supports Guam's argument and arranges a meeting with POEA the following day.

Guam Delegation:

Former Governor Carl Gutierrez
GEDA Chairman David John
Department of Labor Director David Dell'Isola
Back Construction Senior Vice President Leonard

August 20, 2019: Guam delegation meet with POEA Administrator Bernardo Olalia and others and agree that Guam salaries are high enough to be an offsetting benefit for recovering a portion of the food and lodging expense. Issues order to Guam ConGen to move forward with contract.

September 4, 2019: Guam delegation meets with Philippine Overseas Employment Administrator Attorney Bernard P. Olalia to request for exemption from a provision in the POEA standard employment contract for H1 and H2 workers. The delegation requested employment contracts be apostillized instead of going through the Philippine Consulate for authentication.

590 S. Marine Corps, Dr. Suite 511 ITC Building
Tamuning, GUAM 96913

T 671.647.4332 F 671.649.4146
www.investguam.com

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
Sundo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Telecommunications Committee Report
September 19, 2019

Key Meetings:

- August 29, 2019 - Training with Economic Development
- September 17, 2019 – Telecommunications Committee Meeting

Projects:

- Project 1: Energy Efficient Data Center Park. This project is expected to create 50-100 jobs through the development of a data center park in an Opportunity Zone. The subcommittee is working with the Real Property Division and Business Development in this project's development. It may involve legislation for tax incentives in particular to address the cost of power. An EDA grant application is in process for $500,000.
- Project 2: Network Security Workforce Training Program. There is a demand for this field but a shortage of local supply leaving employers to look to off island hiring options (including foreign nationals). Additionally, there could be targeted development towards Veterans and underrepresented categories in technology. We are currently doing a needs assessment with stakeholders.
- Project 3: Technology Incubator. This project is to accelerate the development of web and mobile based businesses locally. More research needed on similar incubators.

Next steps:

- Additional research in projects #2 and #3 and draft submission to EDA by the October Board Meeting.
- Presentation to members of the Governor's Economic Development Team – DPW, DLM, DOL, etc. and stakeholders for their input.

590 S. Marine Corps, Dr. Suite 511 ITC Building
Tamuning, GUAM 96913

T 671.647.4332 F 671.649.4146
www.investguam.com

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
Sindo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Small Cruise Ship Industry Committee Report
September 19, 2019

Central Issue:

The Guam Economic Development Authority (GEDA) has been engaging in long term research and study of the potential of establishing Guam as a homeport for a cruise ship. In 2016, the government of Guam received from the Pacifict Asia Travel Association (PATA) a report that indicates that Guam may be a ripe location to homeport a cruise ship of no more than 400 passengers. Since then, the government has been exploring next steps towards potentially instituting a proof of concept test with a cruise ship of that size. The Port Authority of Guam is in the process of refurbishing Hotel Wharf in order for it to safely accommodate a cruise ship, and GEDA, along with other government entities has been placed into a task force to determine the feasibility of establishing a cruise ship industry in Guam.

Key Occurrences:

July 2: Governor Lou Leon Guerrero signs the Executive Order 2019-17 to form a working group to determine a strategy to establish a small cruise industry for the island.

July 12: GEDA becomes member of the South Pacific Cruise Alliance (SPCA).

July 15: A draft RFP for consultation services regarding the establishment of a small cruise line to homeport in Guam circulated internally for review and approval by GEDA.

July 31-August 2: GEDA presents Small Cruise Line initiative to ATOSSCOM delegates during the 46th Annual Conference at the Hotel Nikko in Guam.

Key Meetings:

May 8: GEDA hosted meeting with key representatives from PAG and GVB re: small cruise line homeport to discuss plans to move forward

May 22: Sammy meets with Alcinda Trawen of the PNG Tourism Promotion Authority and during the conference call, learns of the $5M incremental revenues generated from their recently implemented small cruise line industry. This gives and indication of a potential revenue outlook based on a similar market.

June 4: Sammy and Ed met with PAG re: updates and plans for H-Warf learning of the $20M renovations slated to be completed within the next 36 months.

Other news and updates:

- The RFP for consultation is still being internally reviewed since the initial draft. Once finalized it can be published to solicit response from qualified groups.
- Plans are set for GEDA staff to attend the SeaTrade Asia Pacific Cruise Conference in Shanghai Oct 9-11. GEDA will meet with cruise brands that will be attending to begin communications with them to help maximize time during the conference. ID Specialist Sammy Sotelo has prepared a Guam Prospectus catered to the cruise ship audience that includes geographical information regarding potential port calls throughout Micronesia and approximate distance in kilometers.

590 S. Marine Corps, Dr. Suite 511 ITC Building
Tamuning, GUAM 96913
T 671.647.4332 F 671.649.4146
www.investguam.com

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
I Segundo Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

MEMORANDUM

September 19, 2019

To: GEDA Board of Directors

From: Melanie Mendiola, Chief Executive Officer/Administrator

Subject: QC Community Contribution Grant Request for $96,049
Guam Sports Events, Inc. – United Guam Marathon

Request:

Guam Sports Events, Inc. (GSEI) is a non-profit entity that organizes and manages the annual United Guam Marathon. This annual race provides visiting and local athletes with access to a premier sports event that showcases the *Hafa Adai* spirit of Guam's people and the natural beauty of the island as a tourist destination. GSEI is seeking financial support of GEDA through its QC Community Contribution Grant Program in the amount of $96,049.00 for the purchase of infrastructure assets such as tents, tables and fence barricades to offset annual infrastructure rental costs moving forward.

Staff Recommendation:

This request qualifies under the category of Economic Development contained in QC 252 Guam Healthcare Development, Inc. dba Guam Regional Medical City "community contribution" section. We therefore recommend approval to allocate $25,000.00 (twenty five thousand dollars only) from QC No. 252 to support Guam Sports Events, Inc. (GSEI).

GEDA Board Action: [ ] Approved [ ] Disapproved

_____ _____

David John, Chairman Date

590 S. Marine Corps, Dr. Suite 511 ITC Building
Tamuning, GUAM 96913

T 671.647.4332 F 671.649.4146
www.investguam.com

In order to continue to make the event economically sustainable, GSEI has undertaken a cost analysis of certain event expenditures and has determined that the purchase of infrastructure assets to offset infrastructure rental costs would yield an immediate cost reduction to GSEI. Accordingly, we seek the financial support of GEDA as follows:

Grant Request Details

Item	QTY	Amount	Total
10 x 10' aluminum frame tent	4	$596.00	$2,384.00
10 x 20' aluminum frame tent	2	$939.00	$1,878.00
15 x 15' aluminum frame tent	4	$873.00	$3,492.00
20 x 20 aluminum frame tent	20	$1,445.00	$28,900.00
20 x30 aluminum frame tent	14	$1,880.00	$26,320.00
20 x 40 aluminum frame tent	5	$2,315.00	$11,575.00
6 feet rectangle table	250	$32.00	$8,000.00
fence barricades	150	$90.00	$13,500.00
Grand Total			$96,049.00

Grant Request Notes:

1. *Pricing attained above was provided through the Purchasing Department of Pacific Islands Club (PIC) following PIC's procurement guidelines.*
2. *PIC management to be responsible for all infrastructure care. To include storage, maintenance, set up and break down.*

In recognition of the financial support being provided by GEDA, GSEI would like recognize GEDA as a sponsor of the event. Please see attached details on sponsor entitlements for your reference.

Thank you in advance for your consideration of this request. Please let me know if you have any questions. I can be reached directly at 648-2495 or via e-mail at bferguson@picguam.com

Sincerely,

Ben Ferguson
Managing Director
Guam Sports Event Inc.

LOURDES A. LEON GUERRERO
Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO
Lt. Governor of Guam
Hinirayan Na Maga'Lahen Guahan

GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

MELANIE MENDIOLA
Chief Executive Officer/Administrator
Åkto Ge'helo' Ekseketibu Ofisiåt

ARTEMIO "RICKY" HERNANDEZ, Ph.D.
Deputy Administrator
Sigundo Ge'helo'

Public Finance Board Report
September 19, 2019

Guam International Airport Authority (GIAA) Bond Refunding

The Guam International Airport Authority (GIAA) has $192.1 million in long-term bonds that have a current maturity of 2043. GEDA has advised the GIAA that in the current market, a refunding of $21.4 million of GIAA's callable 2013 Series C (AMT) term bonds maturing in 2023 produces $2.3 million of net present value (NPV) savings, or approximate 10.5% savings.

In addition to refunding a portion of the bonds, the GIAA is considering a restructure of the debt service in which up to $19 million of immediate cash flow over the next two (2) fiscal years. It is the intent of GIAA to use these funds to leverage over $100.0 million in Federal grants that will be used for GIAA Capital Improvement Projects, and still meet the 2% savings thresh hold.

UPDATE: GEDA, with the assistance of bond counsel, has prepared legislation introduced as Bill 140-35, allowing the GIAA to refund a portion of their outstanding bonds so long as they meet certain conditions. The bill was signed into law on September 4, 2019 as Public Law 35-33. ***GEDA will be approaching the GEDA Board during the October meeting to approve the financing documents needed to price these bonds on October 29, 2019.*** These bonds will be closed on Guam on November 14, 2019.

Guam Waterworks Authority (GWA) Bond Refunding

The Guam Waterworks Authority (GWA) is looking to issue a bond in the principal amount of $134.0 million Water and Wastewater System Revenue Bonds, Series 2020 (Series 2020 Bonds). Proceeds of the Series 2020 Bonds will be used for the following: (1) to finance capital improvements, and (2) to pay certain costs related to the issuance and sale of the Series 2020 Bonds, including capitalized interest and a debt service reserve fund.

This bond issuance is subject to the approval of the GWA proposed 5-year Rate Plan. The latest 5-year rate plan was prepared in April 2019 for the years FYs 2020–24. The rate plan was approved by the CCU in June 2019 and is currently under review by the PUC. Action by the PUC on the rate case is anticipated by early next year if the rate case is uncontested.

University of Guam Financing

GEDA is assisting the University of Guam on financing for the construction of 2 new projects:

- Triton Engagement Center - approximately $27.0 million (involves clearing of existing buildings prior to construction)
- Fine Arts Building - approximately $12.0 million

MEETING DETAILS

Meeting Date: August 15, 2019	**Meeting Time:** 2:00 PM	**Meeting Location:** GEDA Office ITC Building, 5th Floor Suite 511
Dial-In Information: Not Available		
Meeting Purpose:	2nd General meeting- recap & touch bases	

EXPECTED ATTENDEES

Name	Representing	Attendance
Melanie Mendiola	Guam Economic Development Authority (GEDA)	√
Chelsa Brecht	Department of Agriculture (DoAg)	√
Francisco Palacios	Guam Community College (GCC)	√
Stacey Coletta	Guam Department of Education (GDOE)	√
Dr. Hui Gong Jiang	University of Guam (UOG)	√
Dr. Lee Yudin	University of Guam (UOG)	√
Dr. Austin Shelton	University of Guam (UOG), CIS	√
Benny San Nicolas	Private Sector	√
Sammy Sotelo	Guam Economic Development Authority (GEDA)	
Mary Camacho	Guam Economic Development Authority (GEDA)	√
Austin Grant	Guam Economic Development Authority (GEDA)	√

MEETING SUMMARY

Committees	Member Representation	
Regulatory	CHAIR Sammy S. & Anki T.	MEMBERS Melanie M., Chelsa B., DPW, DPHSS, DRT, DLM
Investment	CHAIR Melanie M.	MEMBERS Benny SN. , Dr. Lee Y.
Education	CHAIR Stacey C. & Francisco P.	MEMBERS Chelsa B.
Apprenticeships & Research	CHAIR University of Guam	MEMBERS Chelsa B., Benny SN.
Community Programming	CHAIR Dr. Austin S. & Austin Grant	MEMBERS Chelsa B.
Outreach & Marketing	CHAIR Melanie M. & Austin Grant	MEMBERS Sammy S., Mary C., Chelsa B.
Forward Tasks		**Responsible Party**
o Identify representative from GEPA		GEDA
o Reach out mayors interested in Aquaculture initiatives		GEDA
o Demonstration initiative with Guahan Sustainable Culture, etc.		Community Programing
o Template for STEP grant application		GEDA/DoAg
o Aquaculture market research		Apprenticeships & Research

UFISINAN I MAGA'HÅGA
OFFICE OF THE GOVERNOR

LOURDES A. LEON GUERRERO
MAGA'HÅGA · GOVERNOR

JOSHUA F. TENORIO
SIGUNDO MAGA'LÅHI · LIEUTENANT GOVERNOR

HAND-DELIVERED

September 16, 2019

HONORABLE TINA MUÑA BARNES
Speaker
I Mina'trentai Singko Na Liheslaturan Guåhan
Guam Congress Building
Hagåtña, Guam 96910

Re: Executive Order No. 2019-22

Dear Madam Speaker:

Pursuant to Public Law 34-16, transmitted herewith is the following Executive Order:

EXECUTIVE ORDER 2019-22: RELATIVE TO THE INITIATIVE TO INCLUDE THE PHILIPPINES TO THE GUAM-CNMI VISA WAIVER AND THE H-2A and H-2B NONIMMIGRANT WORKER PROGRAMS

If you have any questions, please contact my office at # 475-9475.

Senseramente,

SOPHIA SANTOS DIAZ
Legal Counsel

Enclosure(s): Executive Order No. 2019-22

cc: Honorable Lourdes A. Leon Guerrero, *I Maga'hagan Guahan* (via email)
Honorable Joshua F. Tenorio, *I Sigundo Maga'låhen Guahan* (via email)
Compiler of Law, via email
Central Files, via email

RICARDO J. BORDALLO GOVERNOR'S COMPLEX · HAGÅTÑA, GUAM 96910
P.O. BOX 2950 · HAGÅTÑA, GUAM 96932
671.472.8931 · 671.472.8932/6

ISLAND OF GUAM
OFFICE OF THE GOVERNOR
HAGÅTÑA, GUAM 96932
U.S.A.

Executive Order No. 2019-22

RELATIVE TO THE INITIATIVE TO INCLUDE THE PHILIPPINES TO THE GUAM-CNMI VISA WAIVER AND THE H-2A and H-2B NONIMMIGRANT WORKER PROGRAMS

WHEREAS, the Guam-CNMI Visa Waiver Program (the GCVW Program) was established by US Customs and Border Protection (CBP) on January 16, 2009 by INA § 212(l); and

WHEREAS, the GCVW Program includes 12 countries and are currently participating: Australia, Brunei, Hong Kong, Japan, Malaysia, Nauru, New Zealand, Papua New Guinea, South Korea, Singapore, Taiwan, and the United Kingdom; and

WHEREAS, under 212 NIA [8 USC 1182] § 212(l) the Governor of Guam and the Governor of the CNMI may request the US Secretary of the Interior and the US Secretary of Homeland Security to add a country to the list of countries whose nationals may obtain a waiver; and

WHEREAS, the US Secretary of Homeland Security may grant such request after consultation with the US Secretary of the Interior and the US Secretary of State, and may promulgate regulations with respect to the inclusion of that country and any special requirements the US Secretary of Homeland Security, in the Secretary's sole discretion, may impose prior to allowing nationals of that country to obtain the waiver; and

WHEREAS, Guam and the Philippines already share a long history of partnership in areas of labor, tourism, business development, and diplomacy; and

WHEREAS, the Philippines has a growing middle class which is set to exceed the spending power of Italy's middle class by 2030, as identified by global think tanks; and

WHEREAS, the World Bank has identified the Philippines to grow from a lower-middle income country to an upper-middle income country in the near term due to its sustained average annual growth of competitive workforce at 6.3%; and

WHEREAS, on January 2019, the United States Department of Homeland Security published a note in the Federal Register titled, Identification of Foreign Countries Whose Nationals Are Eligible To Participate in the H-2A and H-2B Nonimmigrant Worker Programs; and

WHEREAS, in its publication, the Department of Homeland Security removed the Philippines from the program eligibility list; and

WHEREAS, the Duterte administration in the Philippines and former governor Carl T.C. Gutierrez, former Governor and Chief Advisor on Economic Development National and International Affairs (EDNIA), have held multiple meetings expressing support for a joint effort to add the Philippines to the GCVW Program and to designate the Philippines as an eligible country for the H-2A and H-2B Nonimmigrant Worker Program; and

WHEREAS, it is the position of the Leon Guerrero – Tenorio Administration that the addition of the Philippines to both these programs would facilitate increased economic growth to Guam's overall economy.

NOW, THEREFORE, I, LOURDES A. LEON GUERERRO, *I Maga'hågan Guåhan*, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, and the laws of Guam, do hereby order:

1. The Chief Advisor for Guam EDNIA shall research and develop a strategy to assist in the inclusion of the Philippines as an eligible country to the H-2A and H-2B Nonimmigrant Worker Program and as a member country of the Guam-CNMI Waiver Program.

2. In doing so, the Chief Advisor for Guam EDNIA may:

    a. Work with participating governments and to ensure alignment and support for any request to the US Secretary of State and US Secretary of Homeland Security; and

    b. Work with volunteer members of the community and seek their expertise and resources; and

    c. With the written approval of the Governor, consult with outside experts and retain the services of such experts/advisors or consultants as necessary in the performance of his duties; and

d. Utilize the assistance of all departments and agencies of the Government Guam who are hereby directed to provide as much resources and assistance as possible.

3. The Chief Advisor shall submit a report with recommendations and supporting documents to the Governor of Guam by March 1, 2020.

Signed and Promulgated at *Hagåtña, Guam*, this 16th day of September 2019.

LOURDES A. LEON GUERRERO
Maga'hågan Guåhan
Governor of Guam

Attested by:

JOSHUA F. TENORIO
Sigundo Maga'låhen Guåhan
Lieutenant Governor of Guam

END