From: Speaker's Office
Sent: Thursday, August 6, 2020 2:51 PM
To: Clerks Office
Cc: Rennae Meno
Subject: M&C Fwd: GEDA Board of Directors Meeting Packet | July 23, 2020

08-06-20	12:52 PM	07-23-20	Meeting Packet for Board of Directors meeting held on July 23, 2020.*	Guam Economic Development Authority	35GL-20-2133

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
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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: **Jennifer Calvo-Guzman** <jennifer.calvo@investguam.com>
Date: Thu, Aug 6, 2020 at 12:50 PM
Subject: GEDA Board of Directors Meeting Packet | July 23, 2020
To: Speaker's Office <speaker@guamlegislature.org>

Håfa Adai Speaker Tina Muña 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 **July 23, 2020**.

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'us Ma'åse,

Jennifer Calvo-Guzman
Executive Assistant

GUAM ECONOMIC DEVELOPMENT AUTHORITY
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GEDA Board of Directors Meeting Packet | July 23, 2020

1 message

Jennifer Calvo-Guzman <jennifer.calvo@investguam.com>
To: Speaker's Office <speaker@guamlegislature.org>

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Si Yu'us Ma'åse,

Jennifer Calvo-Guzman
Executive Assistant

35GL-20-2133
Speaker Tina Rose Muña Barnes

AUG 0 6 2020
Time 12:52 ( )AM (X)PM
Received By: Mat

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July 2020 BODM Packet_Final.pdf
2255K

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

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

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Aturidåd Inadilånton Ikunumihan Guahan

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

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, July 23, 2020
TIME: 1:30 p.m.
PLACE: GEDA 5th Floor GITC Building
Ste. 511, 590 South Marine Corps Drive
Tamuning, Guam 96913

Public Notice: Distributed to media via on Wednesday, July 15, 2020 and Monday, July 20, 2020

AGENDA

I. Call to Order
II. Inifresi
III. Roll Call
IV. Approval of Agenda
V. Approval of Minutes
    a. June 2020 Board Meeting | June 11, 2020
VI. Chairman's Remarks
VII. CEO/Administrator's Remarks
VIII. Executive Session
IX. Committee & Standing Reports
    a. Real Property Committee
    b. Healthcare Committee
    c. Agriculture Committee
    d. Aquaculture Committee
    e. Investment Committee Report
    f. Grants
X. Old Business
    a. Qualifying Certificate Community Contribution Grant Program Update
    b. Guam Small Business Pandemic Assistance Grant (GSBPAG)
XI. New Business
    a. Resolution Number 20-12 | Relative to Rescinding GEDA Board Resolution No. 2020-06
XII. Public Comment
XIII. Adjournment

Enclosures

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

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

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

Board of Directors Regular Meeting
Attendance Sheet
Thursday, July 23, 2020
1:30 p.m.

David J. John, Chairman

Ernesto V. Espaldon, Jr., Vice Chairman

Gia B. Ramos, Secretary — present via teleconference

George Chiu, Director — present via teleconference

Sioka Hutapea, Director — present via teleconference

Fe Valencia-Ovalles, Director — absent

Deepak Dewan, Director

Melanie Mendiola, CEO/Administrator

Terry Brooks, Legal Counsel

~~Tom Fisher~~ Rachael, Legal Counsel

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Minutes of Regular Meeting to the Board of Directors of the
Guam Economic Development Authority
June 11, 2020

Call to Order

§1. The regular meeting of the Board of Directors of the **Guam Economic Development Authority** (hereafter referred to as "GEDA" or the "Authority") was held on Thursday, June 11, 2020 at 1:33 p.m. at the Guam Economic Development Authority Conference Room, 5th Floor, Suite 511, ITC Building, Tamuning, Guam. The meeting was called to order by Chairman David John to begin discussions of agenda items.

Inifresi

§2. GEDA Board of Directors and all others in attendance recited to *Inifresi.*

Quorum and Attendance

§3. **Roll Call.** As determined by the roll call made by Chairman David John, the following individuals were present:

Directors:	***Offices or Positions:***
David John	Chairman
Ernesto Espaldon, Jr.	Vice Chairman
Gia Ramos	Secretary
George Chiu	Director (via video teleconference)
Siska Hutapea	Director (via video teleconference)
Fe Valencia-Ovalles	Director (via video teleconference)
Melanie Mendiola	CEO/Administrator
Artemio Hernandez	Deputy Administrator
Terrence Brooks	Legal Counsel

Absent:

Deepak Dewan	Director

Also in attendance were:

Maureen Maratita	Marianas Business Journal
Steve Limtiaco	Pacific Daily News
Erin Grajek	Office of Senator Ridgell
Austin Shelton	University of Guam

Approval of Agenda

§4. The first item was the Approval of Agenda. Vice Chairman Ernesto Espaldon, Jr. made a motion to approve the agenda. Director Siska Hutapea seconded the motion. A roll call of the remaining board members in attendance was then conducted by Chairman David John, which was unanimously approved.

Approval of Minutes

§5. The next item on the agenda was the approval of the board meeting minutes from May 1, 2020. Director Chiu made a motion to approve the May 1, 2020 board meeting minutes. Director Fe Valencia-Ovalles seconded the motion. A roll call for votes from the remaining board members in attendance was then conducted by Chairman John, which was unanimously approved. Legal counsel noted that §3. Quorum and Attendance of the minutes should indicate which directors attended via video teleconferencing. The request to amend was noted.

Chairman's Remarks

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

Chairman John noted that the Authority has been working diligently to get Guam's economy "on track" as a result of the impacts of the COVID-19 pandemic. He mentioned that the Authority has taken part in various boards and commissions. In addition to assisting the Guam Department of Labor with the unemployment program, GEDA has initiated the Guam Small Business Pandemic Assistance Grant program.

GEDA's Public Finance Division successfully closed the sale of the Guam Waterworks Authority (GWA) bond in the amount of $134 million dollars with a TIC of 4.587% and 20 times over subscribed. Chairman noted that the bond was secured and closed entirely via teleconference. He emphasized the need to ensure travel is well intended and has measurable results. Furthermore, he noted that travel may be needed early fall to market Guam's economy and tell the Guam story.

Chairman John also noted that GEDA has been working to diversify Guam's industries. The Governor has allocated funding from the CARES Act to support agriculture and aquaculture efforts. GEDA is working with the University of Guam and other stakeholders to accelerate jobs and new businesses in the industry.

Furthermore, in the month of June, GEDA will continue to promote the Guam Small Business Pandemic Assistance Grant. A visitor industry meeting is scheduled for June 12, 2020 at the Guam Visitors Bureau to get a sense of how Guam can continue to aide in a long-term tourism reset. Those interested can seek additional information from Deputy Administrator Artemio Hernandez, CEO/Administrator Melanie Mendiola or Austin Grant.

CEO/Administrator's Remarks

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

CEO/Administrator Mendiola reported that 1,458 application numbers have been issued for the Guam Small Business Pandemic Assistance Grant with currently 333 approvals and 47 deemed ineligible. A steady number of applications are received daily. At the start, the rate of application submittals was one application every two to three minutes and now, one application is received every hour. GEDA is managing the program with five email accounts, spreadsheets, nine dedicated staff with a six-day workweek. Additionally, a commercial is aired on the Joint Information Center channel.

GEDA has issued three pandemic assistance loans with four potential loans in process.

CEO/Administrator Mendiola stated that GEDA's budget is steady but the Authority remains cautious with expenses. Internal adjustments will be made for the remaining period of the fiscal year. The Authority is reducing legal fees from ninety thousand dollars ($90,000) to sixty thousand dollars ($60,0000), travel is being reduced from twenty-six thousand dollars ($26,000) to six thousand dollars ($6,000), marketing is being reduced from seventy five thousand dollars ($75,000) to fifty thousand dollars ($50,000) and training is being reduced from eighteen thousand seven hundred dollars ($18,700) to eight thousand dollars ($8,000). Salary increases and increments are halted until the fiscal year 2021 and are not retroactive.

Additionally, funding for the Qualifying Certificate Community Contribution grant remains active with the plan of launching in July 2020 to benefit non-profit organizations affected by the COVID-19 pandemic.

CEO/Administrator Mendiola recognized Dr. Thomas Krise, Dr. Anita Enriquez, and Dr. Austin Shelton from the University of Guam. In a previous board meeting, Dr. Shelton approached the GEDA board to seek matching funds for a grant for the development of a circular economy. The board approved the request subject to receipt of the grant award. CEO/Administration Mendiola mentioned that the University of Guam was successfully awarded the grant.

A check presentation took place. Dr. Krise delivered remarks on behalf of the University of Guam. Dr. Shelton also delivered brief marks to the board. Dr. Shelton thanked the GEDA board for the support and noted that Guam faces sustainability issues including: 1) reliance on imports, 2) mass production of waste and 3) over-reliance on tourism. He mentioned that the Center of Island Sustainability would begin working on the project, effective July 1, 2020. Chairman John stated that the grant awarded was funded by Qualifying Certificate (QC) community contribution through the Guam Regional Medical City QC.

Chairman John noted that GEDA met with the Governor to discuss reimbursement of COVID-19 related expenses and ideas to strengthen GEDA's revenue stream for fiscal year 2021. Chairman John noted that assistance from Director Chiu would be needed to prepare the fiscal year 2021 budget.

Chairman John recognized Secretary Gia Ramos, who joined the board meeting via teleconference.

Vice Chairman Espaldon asked to clarify the check issuance process for the Guam Small Business Pandemic Assistance Grant. CEO/Administrator Mendiola stated that once the signed the self-certification form is received by the client, the grant information is provided the Department of Administration (DOA). It was noted that the first batch checks were mailed out on Monday, June 8, 2020. CEO/Administrator Mendiola stated that delays are experienced when a grant application is incomplete or needs further clarification. Changes to the application form and system were made shortly after launching the program to increase rate of processing. It was noted that average processing time is two weeks. Denial rates were 14%. Reasons an application is deemed ineligible include: the business does not experience business interruption, the type of business is not applicable under the grant program (i.e. landlords), the business was not in operation on or before October 1, 2020. Deputy Administrator Hernandez noted that business interruption is defined as having a reduction in gross receipts of 25% or more. Chairman John noted that the Guam Women's Chamber, the Guam Chamber of Commerce, the Korean Chamber of Guam, the Chinese Chamber of Guam and the Guam Hotel and Restaurant Association were consulted in the development of the grant program. It was noted that ten percent of the $20 million in grant funds have been allocated to current approvals. CEO/Administrator Mendiola stated that the program is set to end on December 30, 2020 and noted that the Governor has the option to redirect the funding if needed.

Secretary Ramos asked if government agencies could benefit from the U.S. Small Business Administration Paycheck Protection Program. Director Chiu stated that the GEDA is not eligible for the Paycheck Protection Program.

Vice Chairman Espaldon noted that the average grant award is $13,800.

After further comments, this concluded the CEO/Administrator's remarks.

Committee & Standing Reports

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

Diego Mendiola, Real Property Assistant Manger, stated that GEDA is working on potentially releasable federal lands. The GEDA assisted the Governor with requesting to the Navy, which had the deadline of responding by June 3, 2020. The Authority will follow up the Office of the Governor regarding the status from the Navy. There is a secondary request for 455 acres of releasable land.

Additionally, the GEDA is working on the Office of Economic Adjustment (OEA) Grant to include the Financial Impact Assessment Study (FIAS) Task Order No. 7 and Grants Management Capacity Building Task Order No. 6.

Mr. Mendiola stated that two Request for Proposals (RFPs) were issued for the Chamorro Land Trust Commission (CLTC) properties. No proposals were received for the half-acre lot across Proa in Tumon. No proposals were received for the eight acres lot behind the Yigo gym.

Mr. Mendiola noted the GEDA assisted the Guam Ancestral Land Commission (GALC) with issuing an Invitation for Bid (IFB) for the roof repair of the Guam Environmental Protection Agency (GEPA) in Tiyan.

Chairman John asked if there has been movement on the amendment to public law regarding the five-year lease. Deputy Administrator Hernandez noted that movement has been stalled due to the pandemic. However, the GEDA is working with the legislative oversight chair to move forward.

After further discussion, this concluded the Real Property Committee report.

Mr. Mendiola stated that the GEDA reviewed 10 GCA Chapter 7 regarding nursing homes. It was noted that there is demanded for assisted living on Guam. The GEDA's next action item is to amend the existing law specific to nursing homes, to allow Residential Care Facilities for the Elderly (RCFE). The draft amendment was enclosed for the board's review.

Secretary Ramos noted that the goal is to reduce costs for individuals needing assisted living care. In other states, RCFEs have reduced costs of up to 50%. Mr. Mendiola noted that Public Health is in support of increasing the Medicaid cap for costs associated with RCFEs/assisted living care. Vice Chairman Espaldon noted that it might be best to seek assistance from Public Health to develop language for legislation supported by Medicaid policies.

After further discussion, this concluded the Assisted Living Committee report.

CEO/Administrator Mendiola stated that agriculture and aquaculture are two industries the Governor continues to promote and develop. The Governor has requested funding through the CARES Act for staffing of agriculture and aquaculture initiatives. In the long term, the board can decide to continue funding the positions as needed.

CEO/Administrator Mendiola stated that the GEDA would be meeting with the legislative oversight chair to discussion an amendment to the Guam Registered Apprenticeship Program (GRAP) bill (Public Law 35-39). The proposed amendment is to allow agriculture and aquaculture producers to partner with a mutually beneficial organizations with taxation issues.

CEO/Administrator Mendiola noted that the GEDA has submitted $1.4 million in agriculture grants. This includes two hundred thousand dollars ($200,000) to the Department of Interior (DOI) and $1.2 million to the U.S. Economic Development Administration (USEDA) to fund capital improvement projects relative to agriculture.

Additionally, an investor meeting was held with a business interested in shrimp production on Guam. The Aquaculture Taskforce recognized that the permitting process is nonexistent. It was noted that many states have adopted the Army Corp of Engineers blanket permit. The taskforce is looking into aiding potential agriculture and aquaculture investor to navigate through the permitting process.

CEO/Administrator Mendiola stated that the GEDA has created a dedicated grants team to seek grants in light of COIVD-19. These federal grants are programs in which GEDA can administer internally or sub-grant to another agency.

Vice Chairman Espaldon asked to clarify the timeframe of response from the DOI and USEDA for grants submitted by GEDA. CEO/Administrator Mendiola stated that the GEDA could expect to hear from DOI in the next 90 days. Regarding the USEDA grant, the GEDA has received a response and is now pending submission of additional documents.

CEO/Administrator Mendiola stated relative to USEDA grants, the Authority is focused on projects that promote industry diversification in areas of agriculture, aquaculture, telecommunication, health care and more.

After further discussion, this concluded Committee & Standing Reports.

Old Business

§9. The next item on the agenda was Old Business.

The first item under Old Business was the Qualifying Certificate Community Contribution Grant Program Update. CEO/Administrator Mendiola stated that ten applications for the grant program were inadvertently missed due to technical issues. As a result, the remaining ten applications were scored using the same process and evaluated separately from the prior applications received. There was roughly eighty thousand dollars ($80,000) remaining in the program. CEO/Administrator Mendiola recommended that the GEDA utilize the remaining funds to award the top two out of the ten grant applications. The evaluation committee rated the Guam Community College as the highest for its fifty thousand dollars $50,000 project to accelerate certification for truck drivers. The second highest was Flame Tree Technology for a technology mapping project involving the Mayors Council of Guam and the Department of Public Works (DPW) to benefit disabled individuals. Flame Tree Technology requested for fifty thousand dollars ($50,000). However, an amendment to the request is needed to exhaust the remaining eighty thousand dollars ($80,000).

Director Valencia-Ovalles asked to clarify the funding source of the eighty thousand dollars ($80,000). CEO/Administrator Mendiola noted that the board approved three hundred thousand dollars ($300,000) for the initial program. Of the three hundred thousand dollars ($300,000), two hundred-twenty thousand dollars ($220,000) was awarded to the top five organizations, which eighty thousand dollars ($80,000) remains unobligated.

Chairman John noted that at the launch of the next grant cycle, the GEDA will make an effort to consult applicants to assist the organization with preparing a complete and well-prepared packet. CEO/Administrator Mendiola noted that this program was created to maintain efficiency, transparency, and remain objective. She added that the GEDA is working to mitigated issues so that technical errors do not reoccur.

After further discussion, Director Siska Hutapea made a motion to approve the grant awards to Guam Community College and Flame Tree Technology. Secretary Ramos seconded the motion. A roll call of the

remaining board members in attendance was then conducted by Chairman David John, which a unanimous approval of the motion followed.

There was no further business to discuss.

New Business

§10. The next item on the agenda was New Business.

The first item under New Business was the Organizational Chart. CEO/Administrator Mendiola informed the board that the proposed organizational chart is enclosed. She noted that amendments include the addition of two positions under the Business and Economic Development Division. Funding for the positions will be reimbursed through the CARES Act.

Secretary Ramos made the motion to approve the addition of two Industry Development Specialist III positions under the Business and Economic Development Division. Director Valencia-Ovalles seconded the motion. A roll call of the remaining board members in attendance was then conducted by Chairman David John, which a unanimous approval of the motion followed. Director Hutapea did not participate in the vote.

The next item under New Business was the Guam Small Business Pandemic Assistance Grant. Relative to Executive Order 2020-18, CEO/Administrator Mendiola made a recommendation to approve the Standard Operating Procedures (SPOs) and any changes made thereafter. The SOPs were drafted by CEO/Administrator Mendiola, Edward Camacho, Austin Grant and reviewed by Legal Counsel.

After further discussion, Vice Chairman Espaldon made a motion to approve Resolution 20-11, Relative to Approving the Standard Operating Procedures for the Guam Small Business Pandemic Assistance Grant Program. Secretary Ramos seconded the motion. A roll call of the remaining board members in attendance was then conducted by Chairman David John, which a unanimous approval of the motion followed. Director Hutapea did not participate in the vote.

The next item under New Business was the Discussion of the FY 2019 Audit and Tourism Industry. Deputy Administrator Hernandez informed the board that the FY 2019 Audit and two-page audit highlights is enclosed. He noted that the GEDA recorded high revenues and lower expenses from FY 2018 through FY 2019. Deputy Administrator Hernandez stated that FY 2019 audit marked the GEDA's 16th year of clean audits. Furthermore, Net operating revenues are higher than the prior fiscal year as a result of payment from the AT&T- GALC lease. Additionally, there was a decrease in bond fee revenues. Chairman John and Director Chiu discussed solutions to increasing a steady payment of bond fees.

Deputy Administrator Hernandez stated that total operating expenses decreased slightly due to a decrease in salaries/benefits and travel. Furthermore, in approximately nine months the GEDA was able to balance out what projected to be a shortfall.

After further discussion, there were no comments regarding the FY 2019 audit.

Chairman John stated that the Governor is seeking assistance from GEDA to assist with the revitalization of the tourism industry. A meeting is scheduled with GVB and other stakeholders to discussion actions need to move tourism forward. There is potential to promote another of form to the

Qualifying Certificate program/tax credit. The board agreed to support efforts to aide the tourism industry and call for a special board meeting if needed.

This concluded New Business.

Public Comments

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

No public comments were made.

Adjournment

§12. Director Chiu made a motion to adjourn the board of director's meeting. Director Valencia-Ovalles seconded the motion. A roll call was then conducted by Chairman David John to obtain votes from the remaining board members in attendance. A unanimous approval of the motion followed.

DAVID JOHN, Chairman
Board of Directors

ATTEST:

GIA RAMOS, Secretary
Board of Directors

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COMMITTEE

Real Property

CENTRAL ISSUE

CLTC
- Previous RFPs for 2 properties resulted in no proposals
  - After comms w Registrants, Challenges include
    - 5 Yr Law (PL 34-99), Mrkt Timing, or Downloaded RFP for Informational Purpose only
- Met w CLTC Director and discussed
  - Challenges w commercial leasing w Rules & Regs
  - Potential CLTC SubCom may be formed to address issues
  - New actions on hold till 2 new commissioners can be appointed and confirmed

GALC
- New Executive Director (John Burch)
- New actions on hold till 5 new commissioners can be appointed and confirmed

OTHER NEWS AND UPDATES

Continuing to support Governor's Initiatives on
- Potentially Releasable Federal Lands
  - Navy to respond to Gov by end of Jul 2020
- Office of Economic Adjustment (OEA)
  - Financial Impact Assessment Study (FIAS)
  - Grants Management Capacity Training

KEY MEETINGS

CLTC - July 14, 2020 Mtg w Director Hattig
GALC - July 14, 2020 Mtg w Director John Burch
OEA - Conference Calls w Matrix June 9 & 30, 2020

ACTION ITEMS

- Continue support of Governor Initiatives
- Continue support of CLTC and GALC Initiatives

GEDA COMMITTEE REPORT

JULY 2020

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GEDA COMMITTEE REPORT

COMMITTEE

Healthcare Industry

CENTRAL ISSUE

The healthcare industry is a critical labor group, which has a lower than average proportional representation on our island.

Current Numbers (May 2019):
Practitioners & Technical Occupations - 2,180
Healthcare Support Occupations - 980

Goal:
Practitioners & Technical Occupation - 3,758
Healthcare Support Occupations - 2,800

As a result of COVID 19, there are a reported 29,673 unemployed persons in Guam. The goal of the committee is to retrain some of these displaced employees into the much needed field of healthcare.

OTHER NEWS AND UPDATES

UOG applied for School of Health Construction grant for $5.2 Million with the US Economic Development Administration. It includes construction, but not the equipment.

KEY MEETINGS

July 16, 2020 Mel communicated with Phyllis Topasna concerning apprenticeships in healthcare. There are currently Nursing Assistant and Paramedic Programs.

July 17, 2020 Healthcare Committee Meeting
Gia Ramos, Board of Directors
Mel Mendiola, CEO/Administrator
Diego Mendiola, Real Property Manager
Melvin Tabilas, Industry Development Specialist

ACTION ITEMS

Final draft mode legislation being authored to allow for various types of assisted living facilities to seek funding support through Medicaid and MIP. Meetings with potential sponsors in August.

Guam Community College and University of Guam to send information on CNA Program that had been piloted by DOL, but is short of funding. There may be an immediate opportunity to train 30+ persons for CNA positions.

GCC and UOG planning for teaching labs that may help to increase classroom space and number of students they may accomodate.

GEDA working group to gather existing resources for healthcare industry that clinics etc may utilize and house on investguam.com website.

JULY 2020

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I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Bill No. ____-35 (LS)

Introduced by:

_____

AN ACT TO *AMEND* CHAPTER 7 OF DIVISION 1, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO THE REGULATION OF ASSISTED LIVING FACILITIES.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that as Guam's population ages, there arises a need for new and innovative residential options for our island's *manåmko'*. Guam currently has law and regulation that governs the licensure, operation and oversight of nursing homes in Guam.

I Liheslaturan Guåhan further finds that although nursing homes provide a much needed service to segment of Guam's *manåmko'*, there remains a large section of the elderly population that is not suited to avail of the services of a nursing home. However, many of these *manåmko'* do require assistance and may be suited to other forms of assistive care.

I Liheslaturan Guåhan further finds that in other jurisdictions, there exists multiple assisted living options. As Guam's population continues to age, it is imperative that the government of Guam establish the regulatory framework for multiple types of assisted living facilities in an effort to provide more options and quality care of all types for *manåmko'* who need it.

I Liheslaturan Guåhan further finds that one such type of assisted living facility are residential care facilities for the elderly which provide intermediate care

for *manåmko'* who do not require the constant care of a nursing home but still require day-to-day care and assistance.

I Liheslaturan Guåhan further finds that by establishing this regulatory framework, it may lead to further progress and advancement with regards to the development of assisted living facilities in Guam. This has the potential to not only substantially increase the quality of life for our *manåmko'*, but may also spur valuable economic activity in Guam.

Therefore, it is the intent of *I Liheslaturan Guåhan* to establish the regulatory framework for the effective establishment, operation and oversight of multiple types of assisted living facilities in Guam by amending Chapter 7 of Division 1, Title 10 Guam Code Annotated.

Section 2. Chapter 7, Division 1, Title 10, Guam Code Annotated, is hereby *amended* to read:

"CHAPTER 7

~~NURSING HOMES~~ <u>ASSISTED LIVING FACILITIES</u>

§ 7101. Declaration of Policy.

§ 7102. Definitions.

§ 7103. License Required.

§ 7104. ~~Homes~~ <u>Assisted Living Facilities</u> Operated by Territory.

§ 7105. Application for the Issuance of License to Operate Nursing Home <u>Assisted Living Facility</u>.

§ 7106. Renewal and Revocation of Nursing Home <u>Assisted Living Facility</u> License; Provisional License.

§ 7107. Submission of Plan and Consultation.

§ 7108. Powers.

§ 7109. Name of Home.

§ 7110. Administration and Management of Nursing Homes

Assisted Living Facilities.

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§ 7101. Declaration of Policy.

It is the policy of this Territory to encourage and promote measures and the development and utilization of resources to insure the effective care and treatment of persons who are convalescing or whose physical or mental condition requires them to receive a degree of nursing and/or related health care greater than that necessary for well individuals, but not so acute as to require hospitalization. Such care and treatment requires a living environment for them which, to the extent practicable, will approximate a normal home environment. To this end, the guiding principle for the administration of the laws of this Territory is that such person shall be encouraged and assisted in securing necessary care and treatment in non- institutional surroundings. Recognizing that for many persons effective care and treatment can only be

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secured from proprietary, voluntary and governmental nursing homes, it is the policy of this Territory to encourage, promote and require the maintenance of institutions other than hospitals offering nursing and/or related health care so as to insure protection of those using the services of such facilities.

§ 7102. Definitions.

As used in this Chapter, unless the context requires a different meaning:

(a) Assisted living facility means a residence for the elderly or infirm who require assistance with some of the routine activities of daily living as well as ready access to medical care as needed and shall include, but not be limited to, the following;

(1) Nursing home means an institution, private home, other place or part or unit thereof, however named, whether for profit or not, including facilities operated by the government of Guam, which is advertised, offered, maintained or operated for the express or implied purpose of providing accommodations, nursing and/or related health care for two or more individuals not related to the owner or administrator by blood or marriage within the third degree of consanguinity, which accommodations and care for a period of twenty-four (24) or more consecutive hours, but shall not include any place providing care and treatment primarily for the acutely ill; and

(2) "Residential care facility for the elderly" means a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility. Persons under 60 years of age with compatible needs may be allowed to be

admitted or retained in a residential care facility for the elderly if needed;

(b) Administrator ~~of a nursing home~~ means the individual in general administrative charge of the ~~nursing home~~ assisted living facility; and

(c) Person means any individual, corporation, partnership, association, territory or agency of the Territory or any other entity.

§ 7103. License Required.

(a) No person shall operate an ~~nursing home~~ assisted living facility unless the Department of Public Health and Social Services has issued, and there is in force, a license authorizing such operation.

(b) No license to operate a hospital or other facility for the care and treatment of the physically or mentally shall authorize the operation of an ~~nursing home~~ assisted living facility or an ~~nursing home~~ assisted living facility part of such hospital or facility. The operation of an ~~nursing home~~ assisted living facility in conjunction with, or under the same management as a hospital or other facility, shall require such ~~nursing home~~ assisted living facility or ~~nursing home~~ assisted living facility part to be separately licensed as an ~~nursing home~~ assisted living facility pursuant to this Chapter.

§ 7104. ~~Homes~~ Assisted Living Facilities Operated by Territory.

Notwithstanding any provision of this Chapter no license pursuant to § 7103 hereof shall be required as a condition of the establishment or operation of any ~~nursing home~~ assisted living facility by this Territory or any agency thereof. All other provisions and requirements of this Chapter and standards, rules and regulations in force pursuant thereto shall apply to any such homes, and the Department of Public Health and Social Services shall have powers of supervision with respect thereto.

§ 7105. Application for the Issuance of License to Operate

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~~Nursing Home~~ **Assisted Living Facility.**

(a) Any person proposing to operate an ~~nursing home~~ assisted living facility shall, prior to the commencement of such operation, make application to the Department of Public Health and Social Services for a license by the Department of Public Health and Social Services, which shall contain the following information:

(1) The name and address of the person making application;

(2) The name and address of the individual designated by the applicant as the administrator of the ~~nursing home~~ assisted living facility, and such additional information concerning such individual as the Department of Public Health and Social Services, may require;

(3) The address of the premises which are to constitute the ~~nursing home~~ assisted living facility, together with a description of all structures and facilities forming a part thereof, in such detail as the Department of Public Health and Social Services may require;

(4) The name by which the ~~nursing home~~ assisted living facility is to be known;

(5) The identity of the owner or owners of the ~~nursing home~~ assisted living facility and, if the owner is a corporation, the names of the officers and principal stockholders thereof;

(6) The bed capacity and/or maximum occupancy of the ~~nursing home~~ assisted living facility;

(7) A description of the programs and services to be furnished and of the means available to the applicant for providing the same, and for meeting requirements for staffing, equipping and operating the ~~nursing home~~ assisted living facility, with particular reference to the professional requirements of § 7110 of this Chapter;

(8) Proof that the premises are in conformity with all applicable state and local health, safety, zoning and subdivision laws or ordinances, and building codes, and that any necessary permits for occupancy have been issued by the appropriate territorial authorities and are in full force; and

(9) Such other information as the Department of Public Health and Social Services may require in order to permit the Department of Public Health and Social Services to ascertain whether the applicant is in a position to operate an ~~nursing home~~ assisted living facility in conformity with the provisions of this Chapter.

(b) Within sixty (60) days of receipt of a completed application, the Department of Public Health and Social Services shall issue an ~~nursing home~~ assisted living facility license to the applicant, valid for one (1) year from the date of issue and covering the premises identified in the application, unless it finds the representation made in the application to be materially incorrect or insufficient, or unless it finds that the applicant, the premises and the designated administrator of the ~~nursing home~~ assisted living facility do not meet all requirements of law for entitlement thereto.

(c) The name of the administrator of the ~~nursing home~~ assisted living facility shall appear on the ~~nursing home~~ assisted living facility license. Any change of such administrator shall require the surrender and cancellation of the ~~nursing home~~ assisted living facility license and the issuance of a new license bearing the name of the new administrator. Unless a change of administrators occurs at the time of renewal of an ~~nursing home~~ assisted living facility license, such change shall not of itself require the Department of Public Health and Social Services to pass upon any matter other than whether the newly - designated administrator meets applicable requirements of law. Any license issued solely by reason of a change in the designated

administrator shall bear the same expiration date as the license which it replaces. If the holder of an ~~nursing home~~ assisted living facility license is required to secure a new administrator on inadequate notice or under emergency conditions, he may, upon prompt notice to the Department of Public Health and Social Services and in accordance with rules and regulations thereof place the ~~nursing home~~ assisted living facility in charge of an acting administrator for such limited time as may be necessary to permit the securing of a proper administrator but in no case shall such time be in excess of one hundred twenty (120) days.

(d) No change in an ~~nursing home~~ assisted living facility, its operation, program or services of a degree or character affecting continuing licensability shall be made prior to approval thereof by the Department of Public Health and Social Services.

The Department of Public Health and Social Services by rule or regulation may determine the types of changes which may not be made without its prior approval.

SEP § **7106. Renewal and Revocation of ~~Nursing Home~~ Assisted Living Facility License; Provisional License.**

(a) Sixty (60) days prior to the expiration date of an ~~nursing home~~ assisted living facility license, an application for a renewal thereof shall be submitted to the Department of Pubic Health and Social Services on a form approved by it. Upon receipt and review of the application and determination of compliance with the requirements of this Chapter and any standards, rules and regulations in force pursuant thereto, the Department of Public Health and Social Services shall renew such license for a period of one (1) year, unless it finds that there are specific and sufficient grounds for denying the application for renewal.

(b) The Department of Public Health and Social Services shall have the authority to revoke an ~~nursing home~~ assisted living facility license at any time that it finds that there has been a failure to comply with the provisions of this Chapter or any standards, rule or regulation in force pursuant thereto.

(c) If the Department of Public Health and Social Services finds that the immediate interests of the patients in an ~~nursing home~~ assisted living facility and of the general public would be best served by affording such ~~home~~ facility the opportunity to correct a condition forming the ground for revocation of, or refusal to renew, an ~~nursing home~~ assisted living facility license, it may afford such opportunity. For such purpose, it may suspend or refuse to renew an ~~nursing home~~ assisted living facility license and issue a provisional license which shall be valid for such period as the Department of Public Health and Social Services may fix, but in no case to exceed ninety (90) days. No provisional license shall be renewed. A provisional license shall be replaced by a restored or renewed license only if, within the period for which the provisional license is effective, the licensee has fully corrected all conditions constituting failure to comply with the provisions of this Chapter and any standard, rule or regulation in force pursuant thereto.

§ 7107. Submission of Plan and Consultation.

Any owner or administrator of an ~~nursing home~~ assisted living facility or proposed ~~nursing home~~ assisted living facility may submit plans and specifications thereof, to the Department of Public Health and Social Services for advice concerning their suitability in the light of requirements of law. The Department of Public Health and Social Services may consult with any such owner or owners with respect to any such plans, provided that the Department of Public Health and Social Services shall not draw, redraw or otherwise furnish construction plans or specifications, except to the extent that the same

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may be contained in its standards, rules and regulations issued pursuant to this Chapter.

§ 7108. Powers.

In administering this Chapter, the Department of Public Health and Social Services shall, in addition to powers otherwise conferred upon it, have power to:

(a) Develop, issue, amend and revise standards, rules and regulations which shall implement this Chapter and shall have the force of law;

(b) Provide by rules and regulations standards of competence and suitability of administrators of ~~nursing homes~~ assisted living facilities, in accordance with the provision of P.L. 11-26;

(c) Make studies and investigations of ~~nursing home~~ assisted living facility conditions and problems generally, and as they relate to compliance with the provisions of this Chapter and standards, rules and regulations issued pursuant thereto;

(d) Develop manuals and guides relating to any of the several aspects of physical facilities and operation of ~~nursing homes~~ assisted living facilities and make such manuals and guides available, with or without charge, to the owners and administrators of nursing homes and to the general public;

(e) Consult with and otherwise assist owners and administrators of ~~nursing homes~~ assisted living facilities for the purpose of facilitating improvements to the extent and quality of care available therein;

(f) Investigate conditions in and the operation of any ~~nursing home~~ assisted living facility and the status and qualifications of any personnel employed thereby or otherwise engaged in the operation thereof; and

(g) Conduct hearings in aid of any of its functions pursuant to this Chapter; require the production of evidence in connection with any such

hearing or any investigation validly conducted pursuant to this Chapter, and take written or oral testimony under oath, or otherwise.

§ 7109. Name of ~~Home~~ Facility.

The words hospital, sanitarium, rehabilitation center, or any words conveying a meaning substantially identical thereto, shall not be used in the name of a ~~nursing home~~ assisted living facility. An ~~nursing home~~ assisted living facility shall use the name as it appears on the ~~nursing~~ assisted living facility license for its premises. The name of the ~~nursing home~~ assisted living facility shall not be changed without notification to and written approval from the Department of Public Health and Social Services.

§ 7110. Administration and Management of ~~Nursing Homes~~ Assisted Living Facilities.

Every ~~nursing home~~ assisted living facility shall comply with all applicable standards, rules and regulations of the Department of Public Health and Social Services agency and shall be subject to all requirements as deemed necessary for such facilities, which include, but is not limited to, the following:

(a) Be under the administrative direction and charge of the person whose name appears on the ~~nursing home~~ assisted living facility license as administrator of the ~~nursing home~~ assisted living facility;

(b) Have at least one (1) registered nurse duly licensed to practice on Guam responsible for planning and directing the nursing care, at least one (1) nurse licensed by this Territory on duty at all times, and such additional registered and licensed practical nurses and other paraprofessional personnel in its employ as the size and regular patient care needs in the ~~home~~ facility may require;

(c) Provide for the access of its patients to dental and other health

related services, recreational services, rehabilitative services and social work services, appropriate to their needs and conditions and not directly furnished by the ~~nursing home~~ assisted living facility;

(d) Keep drugs and medicine in a safe place specially set aside for the purpose. No patient or other unauthorized person shall be permitted access to such place and such drugs and medicine. Nothing herein shall be construed to authorize any person to keep or administer drugs or medicine who is not otherwise legally authorized to keep or administer such drugs or medicine;

(e) Maintain its premises and equipment and conduct its operations in a safe and sanitary manner;

(f) Provide a wholesome and nourishing diet sufficient to meet generally accepted standards of proper nutrition for its patients, and provide such therapeutic diets as may be prescribed for individual patients. In making rules and regulations to implement this Subsection, the Department of Public Health and Social Services shall be guided by standards recommended by nationally recognized professional groups and associations with knowledge of dietetics;

(g) Keep full records of patient admission, discharges, medical and general health status, including medical records, personal and social history, and identity and address of next of kin or other person who may have responsibility for the affairs of the patient; and

(h) Keep such fiscal records of its operations and conditions as may be necessary to provide information pursuant to this Chapter as may be required by rules and regulations of the Department of Public Health and Social Services.

§ 7111. Contracts.

(a) The presence of each resident in a ~~nursing home~~ assisted living

facility shall be covered by a contract executed at the time of admission or prior thereto by the patient or his legal representative and the ~~nursing home~~ assisted living facility. Each party to such a contract shall be entitled to a duplicate original thereof and the ~~nursing home~~ assisted living facility shall keep on file all contracts which it has with patients. The ~~nursing home~~ assisted living facility shall not destroy or otherwise dispose of any such contract until one (1) year after its expiration or such longer period as may be provided in the rules and regulations of the Department of Public Health and Social Services.

(b) Each contract to which this Section applies shall contain express provision specifically setting forth the following:

(1) The term of the contract;

(2) The services and accommodations to be provided by the ~~nursing home~~ assisted living facility and the rate or charge therefor;

(3) Specification of any rights, duties and obligations of the parties in addition to those required by operation of law; and

(4) Any other matters which the parties deem appropriate.

(c) No contract or any provision thereof shall be construed to relieve any ~~nursing home~~ assisted living facility of any requirement or obligation imposed upon it by this Chapter or any standards, rules or regulations in force pursuant thereto.

§ 7112. Classification of ~~Homes~~ Facilities; Administrators and Nurses.

(a) The Department of Public Health and Social Services shall classify ~~nursing homes~~ assisted living facilities according to character, size and range of services provided. Wherever it considers distinction to its standards, rules and regulations to be appropriate as among different classes of ~~nursing homes~~

assisted living facilities, it may make such distinctions.

(b) No administrator of an ~~nursing home~~ assisted living facility, and no registered nurse who plans and directs the nursing care in a ~~home~~ facility, shall function as either administrator or one who plans and directs the nursing care for more than one nursing home, unless the homes involved are of a class or classes found by the Department of Public Health and Social Services to be of a character, size and type of operations making it reasonable for a single administrator or registered nurse to perform such functions effectively for more than one (1) ~~nursing home~~ assisted living facility. As part of the classifications made pursuant to this Section, the Department of Public Health and Social Services shall determine and fix specific limits on the number of ~~homes~~ facilities of particular classes which may be served by the same individual acting as administrator or registered nurse responsible for planning and directing nursing care. No such administrator or nurse shall accept employment in violation of such limitations; nor shall the owner or administrator of an ~~nursing home~~ assisted living facility knowingly employ any person in violation thereof. The Department of Public Health and Social Services shall not issue or renew any ~~nursing home~~ assisted living facility license bearing the name of an administrator, if the name of such administrator already appears on the maximum number of ~~nursing home~~ assisted living facility licenses permitted by its standards, rules and regulations.

§ 7113. Property and Personal Affairs of Patients.

(a) The admission of a patient to an ~~nursing home~~ assisted living facility and his presence therein shall not confer on such ~~nursing home~~ assisted living facility or its owner, administrator, employees or representatives an authority to manage, use or dispose of any property of such patient; nor shall such admission or presence confer on any of the aforementioned persons any

authority or responsibility for the personal affairs of the patient, except what may be necessary for the safety and orderly management of the ~~nursing home~~ assisted living facility.

(b) No ~~nursing home~~ assisted living facility, and no owner, administrator, employee or representative thereof shall act as guardian, trustee or conservator for any patient of such ~~nursing home~~ assisted living facility or any of such patient's property.

(c) An ~~nursing home~~ assisted living facility shall provide for the safekeeping of personal effects, funds and property of the patient in the ~~home~~ facility; provided that whenever necessary for the protection of valuables or in order to avoid unreasonable responsibility therefor, the ~~nursing home~~ assisted living facility may require that they be excluded or removed from the ~~home~~ facility and kept at some place not subject to the control of the ~~home~~ facility.

(d) An ~~nursing home~~ assisted living facility shall keep complete and accurate records of all funds and other effects and property of its patients received by it for safekeeping.

(e) Any funds or other property belonging or due to a patient or expendable for his account which are received by an ~~nursing home~~ assisted living facility shall be trust funds, shall be kept separate from the funds and property of the ~~nursing home~~ assisted living facility and other patients or specifically credited to such patient, and shall be used or otherwise expended only for the account of the patient. Upon request, but, except upon order of a court of competent jurisdiction, not more often than once every three (3) months, the ~~nursing home~~ assisted living facility shall furnish the patient and the guardian, trustee or conservator, (if any is available for such patient) a complete and verified statement of all funds and other property to which this

Subsection applies, detailing the amounts and items received, together with their sources and disposition. In any event, the ~~nursing home~~ assisted living facility shall furnish such a statement annually and upon the discharge or transfer of a patient. Any governmental agency or private charitable agency contributing funds or other property on account of a patient, also shall be entitled to receive such statement annually and upon discharge or transfer and such other reports as it may require pursuant to law.

§ 7114. Health of Personnel.

No ~~nursing home~~ assisted living facility shall employ or otherwise permit any person to serve there in any capacity, if such person has a communicable or contagious disease or other disease or condition that would make him dangerous to the health or welfare of patients therein. Except in ~~homes~~ facilities exempt from medical requirements as provided in § 7118 of this Chapter, the appropriate state agency shall require annual medical examinations for all such personnel and shall require them to have and, upon demand, to present satisfactory evidence of such examination.

§ 7115. Exclusion from ~~Nursing Home~~ Assisted Living Facility.

(a) No person shall be admitted to or be permitted to remain in a ~~nursing home~~ assisted living facility as a patient if:

(1) He is dangerous to himself or other patients;

(2) His condition or conduct is such that he would be unduly disturbing to other patients;

(3) He is in need of medical procedures which cannot be carried out in the ~~nursing home~~ assisted living facility; and

(4) Upon certification of a physician that such person would no longer benefit from or be in need of an ~~nursing home~~ assisted living facility.

(b) Except in emergencies, a patient shall be transferred out of an

~~nursing home~~ assisted living facility or discharged for any reason, only after prior notification to the next of kin, legal representative or agency acting on the patient's behalf. If the next of kin or person or agency acting on the patient's behalf cannot be reached or refuses to cooperate, proper arrangements shall be made by the ~~home~~ facility for the patient's welfare before transfer or discharge.

§ 7116. Rebating Prohibited.

No owner, administrator, employee or representative of an ~~nursing home~~ assisted living facility shall pay any commission, bonus, fee or gratuity in any form whatsoever to any physician, surgeon, organization, agency or to any person either directly or indirectly, for patients referred.

§ 7117. Closing of ~~Nursing Home~~ Assisted Living Facility.

(a) Whenever an ~~nursing home~~ assisted living facility discontinues operation, and during the period when it is preparing for such discontinuance, the ~~home~~ facility shall inform the Department of Public Health and Social Services of the impending discontinuance of operation. The ~~home~~ facility also shall inform the patient, the next of kin, legal representative or agency acting on the patient's behalf of the fact and the proposed time of such discontinuance with sufficient notice so that suitable arrangements may be made for the transfer and care of such patient. In the case of any patient who has no such person, the ~~home~~ facility shall be responsible for securing a suitable transfer of the patient prior to the discontinuance of operation.

(b) Immediately upon discontinuance of operation of ~~home~~ facility, the owner shall surrender the license therefor to the Department of Public Health and Social Services and such license shall be cancelled.

§ 7118. Chapter Not Applicable.

(a) The requirements of this Chapter, or of any standard, rule or

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regulation pursuant thereto, for medical and nursing services shall not apply to any ~~home~~ facility operated by or exclusively for the members of a religious order or denomination whose tenets forbid subjection of the person to the ministrations of practitioners of medicine or related nursing care, or include reliance on spiritual means alone through prayer for healing. All other provisions of this Chapter and of any such standards, rules and regulations shall be fully applicable to such ~~nursing homes~~ assisted living facilities.

(b) Any ~~nursing home~~ assisted living facility which considers itself eligible for the exemptions provided in this Section shall so state on its application for an ~~nursing home~~ assisted living facility license, and on any application for renewal thereof; and shall inform each applicant for admission to patient status therein of the auspices under which the ~~home~~ facility is operated and of the meaning thereof with respect to the availability of medical and nursing services.

§ 7119. Right of Entry and Inspection.

The Department of Public Health and Social Services and any duly designated officer or employee thereof, shall have the right to enter upon and into the premises of any ~~nursing home~~ assisted living facility licensed pursuant to this Chapter at anytime in order to determine the state of compliance with the provisions of this Chapter and any rules and regulations in force pursuant thereto. Such right of entry and inspection also shall extend to any premises which the Department of Public Health and Social Services has reason to believe is being operated or maintained as an ~~nursing home~~ assisted living facility without a license, but no such entry or inspection of any premises shall be made without the permission of the owner or person in charge thereof, unless a warrant is first obtained from the Superior Court of Guam, authorizing the same. Any application for an ~~nursing home~~ assisted

living facility license made pursuant to § 7105 of this Chapter shall constitute permission for and complete acquiescence in any entry or inspection of the premises for which the license is sought in order to facilitate verification of the information submitted on or in connection with such application.

§ 7120. Public Funds.

(a) No department, agency or officer of this Territory shall pay or approve for payment from public funds any amount or amounts to an ~~nursing home~~ assisted living facility under any program of government aid in connection with services provided, or to be provided, an actual or prospective patient in an ~~nursing home~~ assisted living facility, unless the ~~nursing home~~ assisted living facility has a current ~~nursing home~~ assisted living facility license issued by the Department of Public Health and Social Services and meets such other requirements as may be in force pursuant to law.

(b) Nothing in this Section shall be construed to apply to the payment of government aid for construction, renovation or improvement of an ~~nursing home~~ assisted living facility or premises intended to qualify as an ~~nursing home~~ assisted living facility upon completion of such construction, renovation or improvement.

§ 7121. Fees.

(a) Any application for an ~~nursing home~~ assisted living facility license and an application for renewal thereof shall be accompanied by a fee which shall, by rules and regulations, be established by the Department of Public Health and Social Services. The issuance of a new ~~nursing home~~ assisted living facility license resulting solely from a change in the designated administrator of the ~~nursing home~~ assisted living facility shall be without fee.

(b) No fee required by this Section shall be returnable.

§ 7122. Penalties and Remedies.

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(a) Any person who violates any provision of this Chapter or any standard, rule or regulation in force pursuant thereto shall be subject to a fine of not to exceed One Thousand Dollars ($1,000). If the violation consists in whole or in part of operating an ~~nursing home~~ assisted living facility without a license in force pursuant to this Act or of causing an ~~nursing home~~ assisted living facility to be so operated, the violator shall be guilty of a misdemeanor.

(b) The imposition of any fine or term of imprisonment pursuant to Subsection (a) of this Section shall be in addition to any suspension, revocation or refusal to renew an ~~nursing home~~ assisted living facility license which may result from the violation.

(c) Action pursuant to other provisions of this Section shall not be a bar to enforcement of this Chapter and standards, rules and regulations in force pursuant thereto by injunction or other appropriate remedy, and the Department of Public Health and Social Services agency shall have power to institute and maintain in the name of this Territory any and all such enforcement proceedings.

(d) Each day of violation shall constitute a separate offense.

(e) Nothing in this Chapter shall be construed to make any provision of the laws of Guam, otherwise applicable, inapplicable to any act or omission done or omitted by any person in connection with the operation of an ~~nursing home~~ assisted living facility.

§ 7123. Hearings and Judicial Review.

(a) No ~~nursing home~~ assisted living facility license may be suspended, revoked, denied or renewal denied without a hearing, if requested by the licensee, on due notice, except that the Department of Public Health and Social Services may suspend any such license prior to hearing when it finds that the health or safety of patients requires such action on an emergency basis.

(b) Except for rules and regulations made to implement Subsection (c) of this Section, no standards, rule, regulation, amendment or revision thereof having the force of law as provided in Section 8 of this Chapter shall be issued prior to a public hearing thereon, held on due notice, and consideration of the record of such hearing by the Department of Public Health and Social Services.

(c) Transcripts of such hearings shall be available to those entitled to receive the same upon payment of reasonable cost therefor in accordance with rules and regulations of the Department of Public Health and Social Services.

(d) Any action of the Department of Public Health and Social Services taken pursuant to this Chapter shall be reviewable as provided in the Administrative Adjudication Law."

~~**Section 3. Effective Date.** This act shall be effective immediately upon enactment.~~

~~**Section 4. Severability.** *If* any provision of this Law or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect other provisions or applications of this Law which can be given effect without the invalid provisions or application, and to this end the provisions of this Law are severable.~~

Section 3. Funding Support for Assisted Living Facilities. Within 180 calendar days of enactment of this law, the Director of Public Health and Social Services shall submit to the Legislature, recommendations of maximizing funding support in the operation of Assisted Living Facilities by any, and all existing appropriate funding support sources (such as Medicare, or Medicaid, or the Medically Indigent Program, or others) as applicable and authorized under their respective individual guidelines. Within such recommendation, the Director shall

include all costs associated with maximizing funding support for Assisted Living Facilities for the Legislature's consideration.

(a) the following shall be added to Title 26 GAR, Division 1, Chapter 9, Article 3, § 9302, (b), (1):

(N) Assisted Living Facilities

Section 4. Effective Date. This act shall be effective immediately upon enactment.

Section 5. Severability. *If* any provision of this Law or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect other provisions or applications of this Law which can be given effect without the invalid provisions or application, and to this end the provisions of this Law are severable.

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COMMITTEE

Agriculture

CENTRAL ISSUE

OTHER NEWS AND UPDATES

• Robert (Bobby) Alvarez, former Vice President of the GVB joined GEDA on June 3, 2020 to assist in the development of a sustainable Agriculture / Aquaculture industry.

• GEDA approved a $5,000 sponsorship request by Guahan Sustainable Culture to sponsor their Curbside Farms Initiative. The initiative is scheduled for the months of May and June and will create a curbside distribution system to sell fresh local produce during the closure of various businesses due to COVID-19.

• GEDA submitted a Green Markets Facilities grant to EDA for requesting $1,200,000 to repair, renovate, storm harden and construct new facilities in the villages of Agat, Mangilao and Sinajana. The new facilities will add space for farmers and small business entrepreneurs.

• GEDA submitted a Technical Assistance Grant to DOI requesting $200,000 for the development of a Guam Agriculture Master Plan to strengthen and modernize the agriculture industry.

KEY MEETINGS

June 18th - Meeting with Dr. Barber (UOG) regarding microfarms. Microfarms are 20ft X 50ft small family farms. Dr. Barber is encouraging this idea for families to become sustainable with produce.

July 9th- Visited the microfarm at UOG Deans circle. Microfarms have an incredible potential for families to provide food for themselves and also participate in small commercial produce sales.

July 22-Research continues on Microfarm potential and small commercial participation for families.

ACTION ITEMS

GEDA COMMITTEE REPORT

JULY 2020

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GEDA COMMITTEE REPORT

COMMITTEE

Aquaculture

CENTRAL ISSUE

Guam needs to develop an Aquaculture industry to become more sustainable and less reliant on imports.

GEDA initiatives:
1. Help establish a process and pathway forward with regulatory agencies to create a permit process and policy
2. Workforce development
3. Private investment initiatives
4. Expand and build aquaculture assets

OTHER NEWS AND UPDATES

- Robert (Bobby) Alvarez, former Vice President of the GVB joined GEDA on June 3, 2020 to assist in the development of a sustainable Agriculture / Aquaculture industry.

- Completing an EDA grant application to determine the feasibility of a local aquaculture industry. Application should be submitted by end of July.

KEY MEETINGS

June 23, 20202, Meeting with Joe Borja, Director of Land Management, discussion on land classification for aquaculture

July 2, 2020 Zoom meeting with EPA Director, Walter Leon Guerrero, Deputy Michelle Lastimoza and US Army Corp of Engineers incoming Project Manager Albert Williams. Discussions on Aquaculture requirements/compliance. USACE will support aquaculture efforts.

Discussions with Lina Denorcey, Director of DPHSS. Discussed DPHSS involvement and regular health inspections/compliance for any business handling food products.

GEDA and GEPA are reaching out to the Army Corps of Engineer for guidance and support.

ACTION ITEMS

Next 60 days:

Schedule up zoom meetings:

Environmental Consultants 5 total
US Fish & Wildlife
DPW
Rev&Tax
USACE
TLUC
DPW
State Historical Preservation Officer
GWA

Issue RFP for Community Based Aquaculture Training Coordinator

JULY 2020

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GUAM ECONOMIC DEVELOPMENT AUTHORITY
America in Asia
Aturidåd Inadilånton Ikunumihan Guahan

KEY MEETINGS

Investment Committee Meeting was held on Monday, July 20, 2020

OTHER NEWS AND UPDATES

- Total market value as of 6/30/20 was $25,345,739.

- The 2nd quarter of 2020 saw an almost full recovery from the market downturn experience in March, with a 2q20 quarter return of 14.6%.

- As a result, the YTD return for the portfolio has improved to -4.9% (compared to a YTD return as 3/31/20 of -17.1%).

- All asset classes, stocks and bonds, posted positive returns for the quarter.

- Overall portfolio return was led by a rally in US equities (led by small- & mid-caps). International markets also returned double-digits for the quarter.

ACTION ITEMS

INVESTMENT COMMITTEE REPORT JULY 2020

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GEDA FEDERAL GRANT PROJECTS (Updated 7/13/20)								
	PROJECT TITLE	PROJECT DESCRIPTION	GRANT	FUNDING SOURCE	REQUESTED AMOUNT	GEDA ALLOCATION	STATUS	COMMENTS
1	Guam Green Market Facilities	The project is intended to repair, renovate, storm-harden and construct new green market facilities in three strategic municipalities (Agat, Mangilao and Sinajana) and to expand existing facilities at the sites in order to add new small business space for minority entrepreneurs.	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs	DOC - EDA	$1,200,000	$60,000	Submitted - 3/10/20	Responding to EDA's request for additional information, awaiting addition info from MCOG
2	Guam Agriculture Master Plan	Development of a Guam Agriculture Master Plan to strengthen and modernize the agriculture industry	Technical Assistance Program	DOI	$200,000	TBD based on RFP requirements (potentially $30,000 - $40,000)	Submitted - 5/1/20	
3	Guam Small Cruise Ship Feasibility Study	Preparation of an economic feasibility, environmental impact assessment and a business model design for the establishment of a small cruise ship line home porting and/or regional hub in Guam to serve the entire Marianas Islands visitor destination points	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$350,500	$63,162	Submitted - 6/10/20	Resubmitted under FY 2019 EDA Disaster Supplemental - 6/16/20
4	Guam Aquaculture Industry Feasibility Study	Economic and marketing feasibility study (including site analysis and preliminary conceptual design) for the establishment of an aquaculture industry on Guam	FY 2019 EDA Disaster Supplemental	DOC - EDA	$200,000		Preparing final draft for submission	
5	Hagatna Multi-Agency Facility Complex	5-story office building to house GEDA, DLM, GDOL, and HRRA with the aim to provide a more efficient coordinated government services related to economic development	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$30,000,000	TBD	Active - Draft in progress	Awaiting building design plan from DLM to complete application
6	Guam Comprehensive Economic Development Strategy Update	Update of Guam CEDS 2020-2025 to include new and revised strategic development projects in order to reflect current economic conditions and the impact of COVID-19	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$120,000		Active - Draft in progress	
7	Guam Commercial Kitchen Feasibility Study	Feasibility study will assess the development and preliminary building options of a Guam Commercial Kitchen that would serve as a food business incubator and provide the foundation for food entrepreneurs to change from a home-based kitchen to a food company with successful commercialized food products	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$100,000 (Tentative)	$15,000 (Tentative)	Draft in progress	
8	Micro-Loan Revolving Loan Fund	Development of a 0% or low interest revolving loan fund to assist micro-businesses (can be specific to farmers or for GPS permit holders)	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	$1,000,000 - $2,000,000 (Tentative)	$150,000 - $300,000 (Tentative)	Draft in progress	
9	E.T. Calvo Industrial Park Upgrade and Site Improvements	Modernize the park and provide needed infrastructure to address issues affecting present and future tenants	FY 2019 EDA Disaster Supplemental	DOC - EDA	$3,000,000	TBD	Draft in progress	

10	Harmon Industrial Park Site Imprpvements and Upgrade	Design and construct site improvements at the Harmon Industrial Park site, including specific improvements to the power distribution system and storm water infrastructure	FY 2019 EDA Disaster Supplemental	DOC - EDA	$3,000,000	TBD	Draft in progress	
	Commercial Port - Cabras Island	Design and construct infrastructure improvements	FY 2019 EDA Disaster Supplemental	DOC - EDA	TBD	TBD	Draft in progress	
11	Guam Silicon Village Park	The "Guam Silicon Village Park" is a proposed energy-efficient technology park that would provide a central location for the clustering of high technology industries and support the growth of a technology ecosystem on the island.	FY 2020 EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding	DOC - EDA	TBD	TBD	Draft in progress	Potential site needed
	Polaris Point Cleanup Assessment	Comprehensive environmental assessment of Polaris Point	FY20 Guidelines for Brownfield Cleanup Grants	USEPA	$200,000	$20,000	Submitted - 12/3/19 - NOT SELECTED	

GUAM ECONOMIC DEVELOPMENT AUTHORITY
Ataridåd Inadilånton Ikunumihan Guahan

CITIZEN CENTRIC REPORT
FISCAL YEAR 2019



ABOUT US

Founded in 1965, the Guam Economic Development Authority (GEDA) is a public not for profit corporation (12GCA Chapter 50) that has broad responsibility for the centralized direction, control and supervision of an integrated plan for the economic development of Guam through its programs and offerings, which include public finance services, business and investments assistance, incentive programs, and real property management. Fiscal Year 2019 began with a period of transition, as the outgoing administration was replaced with the Leon Guerrero-Tenorio administration.





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

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

ABOUT GEDA

GEDA MISSION

The mission of the Guam Economic Development Authority, *Ataridåt Inadilånton Ikunumihan Guahan* (GEDA), is to develop a sound and sustainable economy through innovative programs that preserve and promote economic opportunities, local culture, and quality of life.

BOARD OF DIRECTORS

DAVID J. JOHN, *Chairman*

ERNESTO (JUN) V. ESPALDON, JR., *Vice Chairman*

GIA BLANCAFLOR RAMOS, *Secretary*

GEORGE CHIU, *Director*

SISKA S. HUTAPEA, MAI, SRA, AI-GRS, MRICS, R/W-AC, MRE, *Director*

FE VALENCIA-OVALLES, *Director*

DEEPAK R. DEWAN, *Director*

CONTACT US

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Do you have any suggestions on how we can improve our reporting? Please contact **Melanie Mendiola** at (671) 647-4332 or via e-mail at mel.mendiola@investguam.com

STRATEGIC PRIORITIES

INDUSTRY DEVELOPMENT
Advance the economic health of the island with the development of emerging industries and the expansion of existing industries.

BUSINESS TAX CREDIT INCENTIVES
Create incentives for private entities to participate in diversifying industries through job creation and promotion.

WORKFORCE DEVELOPMENT
Provide opportunities to enhance the development of a skilled and talented local workforce and attract investments with local employment prospects

BUSINESS FRIENDLY ENVIRONMENT
Create tools and programs to address investors' due diligence needs, workforce, and navigate government leasing.

VILLAGE DRIVEN ECONOMIC DEVELOPMENT
Encourage entrepreneurship by creating opportunities for village residents to showcase their produce, products, and services.

REPURPOSE INFRASTRUCTURE
Invest in existing infrastructure to increase the value of assets and provide opportunities for business development.

SELECT DEMOGRAPHICS

$100,000
total amount of 3 loans (ADF & GDFA) made in FY2019

$100,000
SSBCI loan guarantee in FY2019

0.75%
decrease in annual rental income in FY2019

$6.3M
collected in annual lease revenue for GALC properties

1.8%
increase in Qualifying Certificate revenue in FY2019

82.36%
decrease in bond fees
(result of the closing of one bond)

$309,995.72
total amount of FY2019 QC Community Contributions made in 16 disbursements

Doc. No. 35GL-20-2133.*

UPDATES

KEY ACTIVITIES, PROGRAMS & PROJECTS

- Agriculture Development Fund (Loan)
- Bond Disclosure Services
- Business & Investment Services
- Capital Financing
- Capital Markets
- Chamorro Land Trust Commission (CLTC) General Consultancy & Property Management Services
- Community Outreach & Marketing
- Debt Management
- Financial Advisory Services
- GovGuam Central Financial Manager
- Guam Ancestral Lands Commission (GALC) Lease Management
- Guam Development Fund Act (Loan)
- Guam Film Office
- Guam Product Seal (GPS) Program
- Incentive Programs
- Industry Development
- Investment Trade Missions
- Opportunity Zones
- Private Activity Bond (PAB) Program
- Public Financial Services
- Qualifying Certificate (QC) Program
- Real Property Management
- State Small Business Credit Initiative (SSBCI)
- State Trade Expansion Program (STEP)

RPI TRADE MISSIONS



The Philippines trade missions focused on support for the resolution of the H-2B petition denials and exclusion of allowable countries; as well as to gain support for the inclusion of the RPI into the Guam-CNMI Visa Waiver program.

TW TRADE MISSION



The Taiwan trade mission promoted investment opportunities and introduced the new administration, which expressed interest for Sister City relationships.

CA TRADE MISSION



The California trade mission was organized to meet with investors interested developing a world-class resort, aerial transportation system, cruise ship operations, and a data center.

HOT BONDS PROJECTS



In FY2019, GEDA had concluded Tumon capital improvement projects from the HOT Bonds: pedestrian safety features, Ypao Park and Amphitheater lighting improvements, and the Tumon Flooding Mitigation Plan.

LAYON LANDFILL BOND SALE



GovGuam sold General Obligation bonds to fund the new cell at the Layon Landfill at a final true interest rate of 3.25%. The bond offer was oversubscribed 12.9 times.

GEDA MANAGED INDUSTRIAL PARKS STATS

5-year average survey

E.T. CALVO MEMORIAL PARK

HARMON INDUSTRIAL PARK

PORT AUTHORITY OF GUAM

500-700 jobs

$21M annual payroll

$57M annual gross sales

$2M annual GRT

$1.3M annual lease revenue for GEDA

U.S. DOI $260K GRANT



U.S. Department of Interior awarded a $260k grant to conduct a Boat Ramp Feasibility Study. In FY2019, GEDA partnered with Department of Agriculture to assist in the funding of the design.

MADE IN GUAM FAIR



GEDA hosted a successful Guam Product Seal, "Made in Guam" Holiday Fair at the Agana Shopping Center on December 15, 2018.

MADE IN GUAM

70 PERMITS ISSUED

17 NEW MANUFACTURERS

560+ LOCAL EMPLOYEES

200+ CERTIFIED PRODUCTS

BOND RATINGS	S&P	MOODY	FITCH
GovGuam Series 2019 GO Bonds	BB-	Ba1	
GovGuam Limited Obligation (Section 30) Bonds	BB		
Hotel Occupancy Tax Revenue Bonds	BB		
GIAA Guam's Senior General Revenue Bonds	BBB+	Baa2	
Business Privilege Tax Bonds Series A, B, & C	BB		
GPA Senior Lien Revenue Bonds	BBB	Baa2	BBB
GWA Water & Wastewater System Revenue Bonds	A-	Baa2	BBB-
PAG Port Revenue Bonds Series A, B, & C	A	Baa2	
GovGuam Series 2010 (JFK) COPs	B+		
GBRF Series 2016 GORs	BB		

GEDA LOANS IN FY2019

Agriculture Development Fund (ADF)

$50,000

Guam Development Fund Act (GDFA)

$50,000

State Small Business Credit Initiative (SSBCI) - Loan Guarantee

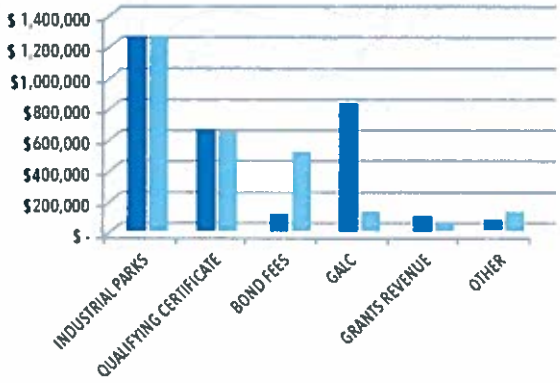
$100,000

Doc. No. 35GL-20-2133.*

FINANCES

GEDA GENERAL REVENUE BY SOURCE	2019	2018	% CHANGE
Industrial Parks	$ 1,224,867	$ 1,234,109	-0.75%
Qualifying Certificate	$ 646,596	$ 635,141	1.80%
Bond Fees	$ 88,440	$ 501,486	-82.36%
Guam Ancestral Lands Commission	$ 810,847	$ 115,956	599.27%
Grants Revenue	$ 80,638	$ 23,420	244.31%
Other	$ 59,309	$ 108,886	-45.53%
TOTAL	$ 2,910,697	$ 2,618,998	11.14%



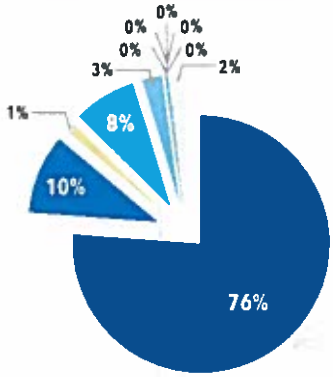


GEDA GENERAL REVENUE YEARS
- 2019
- 2018



GEDA GENERAL EXPENSES BY CATEGORY	2019	2018	% CHANGE
Salaries & Benefits	$ 2,155,968	$ 2,152,138	0.18%
Legal & Professional	$ 280,230	$ 285,778	-1.94%
Depreciation & Amortization	$ 35,383	$ 40,160	-11.89%
Office Space & Equipment Rental	$ 222,880	$ 226,224	-1.48%
Travel	$ 71,452	$ 84,351	-15.29%
Advertising & Promotions	$ 5,731	$ 12,664	-54.75%
Utilities, Telephone & Communications	$ 2,780	$ 2,761	0.69%
Insurance	$ 1,985	$ 2,070	-4.11%
Supplies	$ 5,490	$ 6,566	-16.39%
Repairs & Maintenance	$ 564	$ 396	42.42%
Miscellaneous	$ 48,531	$ 56,046	-13.41%
TOTAL	$ 2,830,994	$ 2,869,154	-1.33%





GEDA GENERAL EXPENSES BY CATEGORY
- Salaries & Benefits
- Legal & Professional
- Depreciation & Amortization
- Office Space & Equipment Rental
- Travel



SALARIES AND BENEFITS ALL FUNDS	2019	2018	% CHANGE
Salaries and wages			
Salaries	$ 1,608,507	$ 1,730,772	-7.06%
Benefits	$ 967,355	$ 847,841	14.09%
Total salaries and wages	$ 2,575,862	$ 2,578,613	-0.10%
Employees at end of year	31	29	6.89%

An independent audit was conducted, resulting in a clean audit opinion.

Complete financial information is available at our website: www.investguam.com

Doc. No. 35GL-20-2133.*

OUTLOOK











FY2020 INITIATIVES AND UPCOMING PROJECTS

QUALIFYING CERTIFICATE
Extend the Special Hotel QC Program with the adoption of GEDA Board Resolution 20-03. The QC Ad Hoc Committee seeks to enhance and modernize the programs for new and expanding industries.

SMALL SHIP CRUISE INDUSTRY
Executive Order 2019-17 appointed GEDA as the leading member of the Small Ship Cruise Industry Working Group.

AGRICULTURE & AQUACULTURE
Executive Order 2019-12 established the Guam Aquaculture Task Force and appointed GEDA as a member.

TELECOMMUNICATIONS & TECHNOLOGY
GEDA plans to place renewed emphasis on exploring new opportunities in these industries by developing strategies to encourage workforce development and data center presence to capitalize on the undersea cable network flowing through the island.

$40.6M GIAA GENERAL REVENUE BONDS
P.L. 35-33 authorized the issuance of revenue bonds of the Guam International Airport Authority (GIAA) to refund all or a portion of its outstanding General Revenue Bonds, Series 2013 C.

PAG BOND PROCEEDS REPROGRAMMING
GEDA will work with Bond Counsel to amend the existing Port Authority of Guam (PAG) tax certificate to reprogram a portion of the $71.4M bond proceeds to be used to fund port repairs.

GWA NEW REVENUE BOND FINANCING
The Guam Waterworks Authority (GWA) is looking to issue a $134M Water and Wastewater System Revenue Bonds, Series 2020.

SSHS LEASEBACK FINANCING
Land surveying of Simon Sanchez High School (SSHS) is on-going to be awarded by Feb2020. The leaseback financing will commence with a goal to conclude by the end of the current fiscal year.

JFK BOND REFUNDING OPPORTUNITY
GEDA is working on the refunding of the outstanding GovGuam's obligations with respect to the CaPFA Capital Corp. 2010A Certificates of Participation Series 2010A, and capitalize on savings for the General Fund.

DEPARTMENT OF LAND MANAGEMENT (DLM)
P.L. 29-135 authorized the financing for a new Land Resources Public Facility and for the purchase of collateral equipment in an amount not to exceed $15.75M.

$9.2M GMHA LABOR & DELIVERY WARD FINANCING
P.L. 32-204 as amended by P.L. 33-151 authorized a $9.2M financing for renovation of the Guam Memorial Hospital Labor and Delivery Ward. GEDA has been working to close this loan with USDA at an interest rate of 2.75%. GEDA will work with GMHA and USDA to update and issue a new RFP to secure a financier.

CHALLENGES AFFECTING GEDA

UNFUNDED LEGISLATIVE MANDATES
GEDA has been mandated by the I Liheslaturan Guahan to perform duties that are not financially supported. These mandates, while in line with GEDA's mission, impose a financial burden to the agency. Unlike the line agencies, GEDA is not supported by Legislative appropriations. All expenses incurred by GEDA to meet the unfunded mandates must come out of the agency's finite operating revenues.

H-2B VISAS
Since 2018, Guam employers have seen 100% approval of H-2B petition for foreign labor from the Philippines. The Philippines had been removed from the USCIC list of approved countries for H-2B visas since January 2019 and remains off the list. Small contractors are reluctant to test the new process and therefore the chilling effect of the denials of the past are still shared by many contractors and developers.

LAND AVAILABILITY/LOSS
Property leases are the primary funding source of GEDA's operations. The majority of commercial leases were negotiated in the 70's and 80's with many leases locked until 2065. The revenue generated is less able to sustain GEDA. Without additional properties it would be impractical for property lease revenue to sustain GEDA or implement any program regarding economic, free trade, or opportunity zones.

PUBLIC LAW 32-40 LEASE LIMITATIONS
P.L. 32-40 and later amended by P.L. 34-99 imposes a 5 year duration limit on commercial leases. This created additional requirements to public land leasing and added additional time required to complete the compliance with its process. This short time period makes GEDA's commercial leases on available government-owned lands less attractive and difficult to market at fair market rental value.

CITIZEN CENTRIC REPORTING CCR AGA

Do you have any suggestions on how we can improve our reporting? Please contact **Melanie Mendiola** at (671) 647-4332 or via email at mel.mendiola@investguam.com

Doc. No. 35GL-20-2133.*

GUAM ECONOMIC DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS

Resolution Number 20-12

RELATIVE TO RESCINDING GEDA BOARD RESOLUTION NO. 2020-06

WHEREAS, the Board of Directors of the Guam Economic Development Authority (GEDA) has the sole authority to recommend the issuance of Qualifying Certificates (QC) to the Governor of Guam; and

WHEREAS, the GEDA Board adopted Resolution 2020-06 on January 23, 2020 in a desire to set reasonable parameters regarding its recommendation on the issuance of a QC to a captive insurance company; and

WHEREAS, since the adoption of the resolution, GEDA has received input and comment that the parameters adopted by the GEDA Board of Directors has made the Guam captive insurance QC program uncompetitive with similar captive domiciles, and the Board wishes to revert to the original process through which GEDA reviews and the Board recommends a captive insurance QC application.

NOW THEREFORE BE IT:

RESOLVED, that the Board of Directors of the Guam Economic Development Authority hereby rescinds GEDA Board Resolution 20-06 in its entirety; and be it further

RESOLVED, that the Chairman certify and the Secretary attest to the adoption of this resolution.

SO RESOLVED AND DULY AND REGULARLY ADOPTED this 23rd day July, 2020.

David J. John
Chairman

ATTEST:

Gia Ramos
Secretary

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
Ge'helo' Ekseketibu Ofisiåt

MEMORANDUM

July 23, 2020

To: GEDA Board of Directors

From: Melanie Mendiola, Chief Executive Officer/Administrator

Subject: Farmers' Cooperative Association of Guam
(Guam Healthcare Development, Inc. dba Guam Regional Medical City (GRMC) Community Contribution)

Request:

Farmers' Cooperative Association of Guam (FCAG) has been undertaking efforts to improve the quality of the products, services and overall usability of the Farmer's Market facility in Dededo. Among these efforts it is the proposed establishment of a fully operational grocery store stocked with locally sourced produce and products.

Farmers' Cooperative Association of Guam is seeking funding in the amount of twenty five thousand dollars ($25,000.00) to purchase equipment and supplies for the proposed grocery store.

Staff Recommendation:

This request qualifies under the category of Economic Development with priority on the promotion of Medical Industry and Small Business contained in QC 252 Guam Healthcare Development, Inc. dba Guam Regional Medical City §3.12.02. We therefore recommend approval to allocate twenty-five thousand dollars ($25,000.00) from QC No. 252 to support Farmers' Cooperative Association of Guam on the condition that their current loan, ADF-19-002, is brought current in the amount of two thousand two hundred ninety one dollars ($2,291.00).

GEDA Board Action: [✓] Approved [ ] Disapproved

David John, Chairman

7/23/2020
Date

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

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www.investguam.com

Farmers' Cooperative Association of Guam
144 Santa Monica Ave. Dededo, Guam 96923
FCAG@gmail.com
671-989-3276

July 21, 2020

Melanie Mendiola
Chief Executive Officer / Administrator
Guam Economic Development Authority
590 South Marine Corps Drive
Suite 511 ITC Building
Tamuning, GU 96913

RE: Qualifying Certificate contribution request for Farmer's cooperative Association of Guam

Dear Ms. Mendiola:

Hafa Adai! The Farmer's Cooperative Association of Guam (FCAG) has been undertaking efforts to improve the quality of the products, services and overall usability of the Farmer's Market facility in Dededo.

The FCAG has finalized the costs associated with equipment, and supply, needs for the store. These implements will jump start the store operations along with the van and revolving farmers account for inventory purchases. We are currently operating the wholesale side operations. To that end, we respectfully request the consideration of utilizing twenty-five thousand dollars ($25,000.00) of qualifying certificate contributions for the proposed retail market.

The FCAG is the longest running organization on Guam serving our local farmers, promoting local farming and small businesses, and supporting community activities.

Thank you for your time and attention in FCAG's endeavors.

Si Yu'us Ma'ase,

Michael E.D Aguon
FCAG President

"To be the driving force of the agricultural industry guaranteeing farmers a place to sell quality products."

The working capital will cover part time salaries and website. Planning to get intern students from the UOG to work at the coop and possibly high school senior students to earn graduation credits. This plan will help defray salary expenses for two more part time employees for the retail market. Architectural cost will cover the grading plan for more farmer space rentals and expose the coop building/site to route 1 traffic for increase public awareness and exposure; all other expenses are evident.

Working capital	$10,000.00
Architectural grading plan	$ 2,100.00
Security camera/system	$ 2,500.00
Stainless steel counter	$ 1,858.00
Cash register point scale	$ 1,800.00
Industrial blender	$ 1,519.00
Window sun shades	$ 1,414.00
Stainless steel three tub sink	$ 989.00
Shopping carts (5)	$ 710.00
Industrial juicer	$ 700.00
Non skid mats (4)	$ 400.00
Vacuum sealer	$ 300.00
Plastic produce bags w/dispenser	$ 200.00
Grocery bags (recycle)	$ 200.00
Cleaning Supplies	$ 200.00
Hanging scale	$ 110.00
Total	**$ 25,000.00**